



CITY OF STOCKTON

Investment Performance Review For the Quarter Ended December 31, 2018

Client Management Team

PFM Asset Management LLC

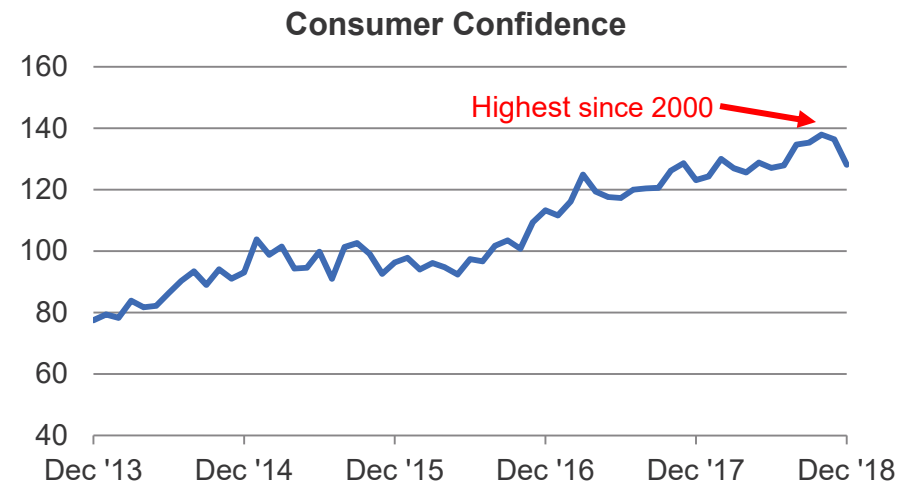
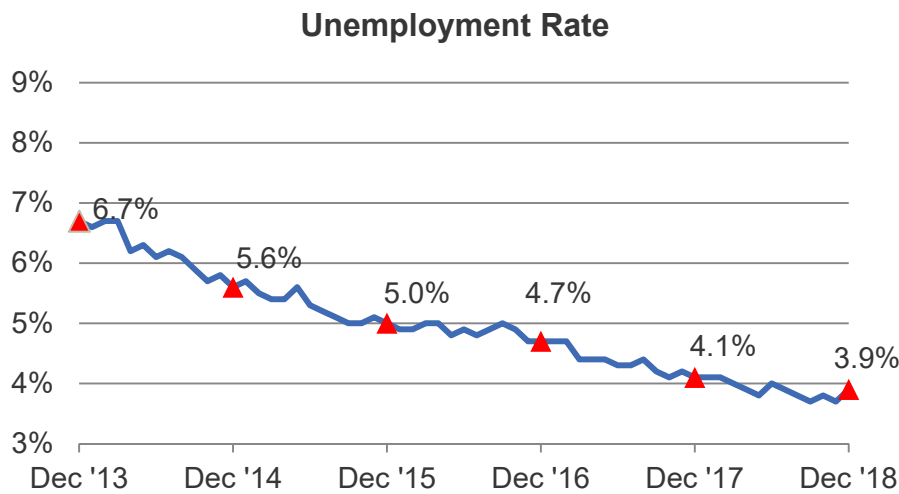
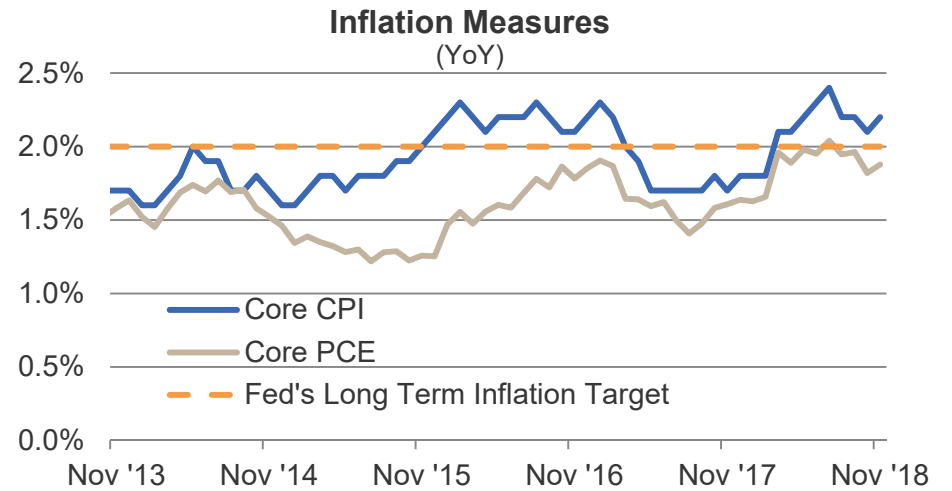
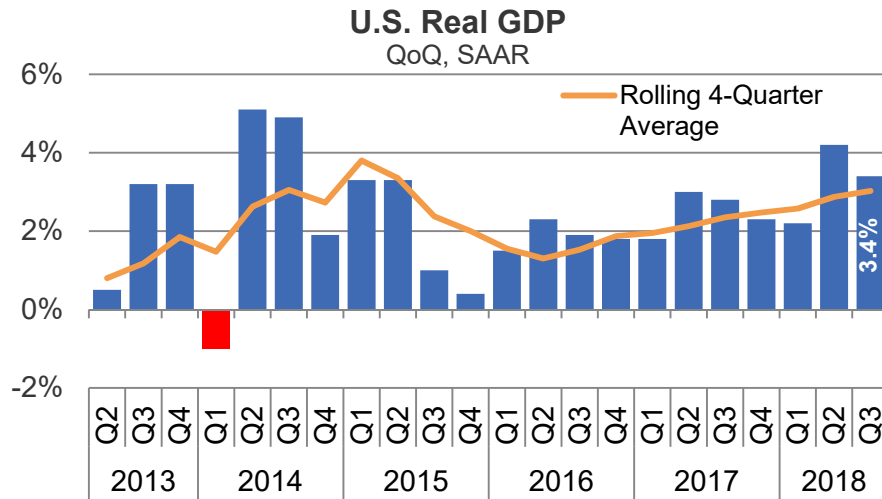
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Allison Kaune, Senior Managing Consultant
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Market Update

Economic Summary

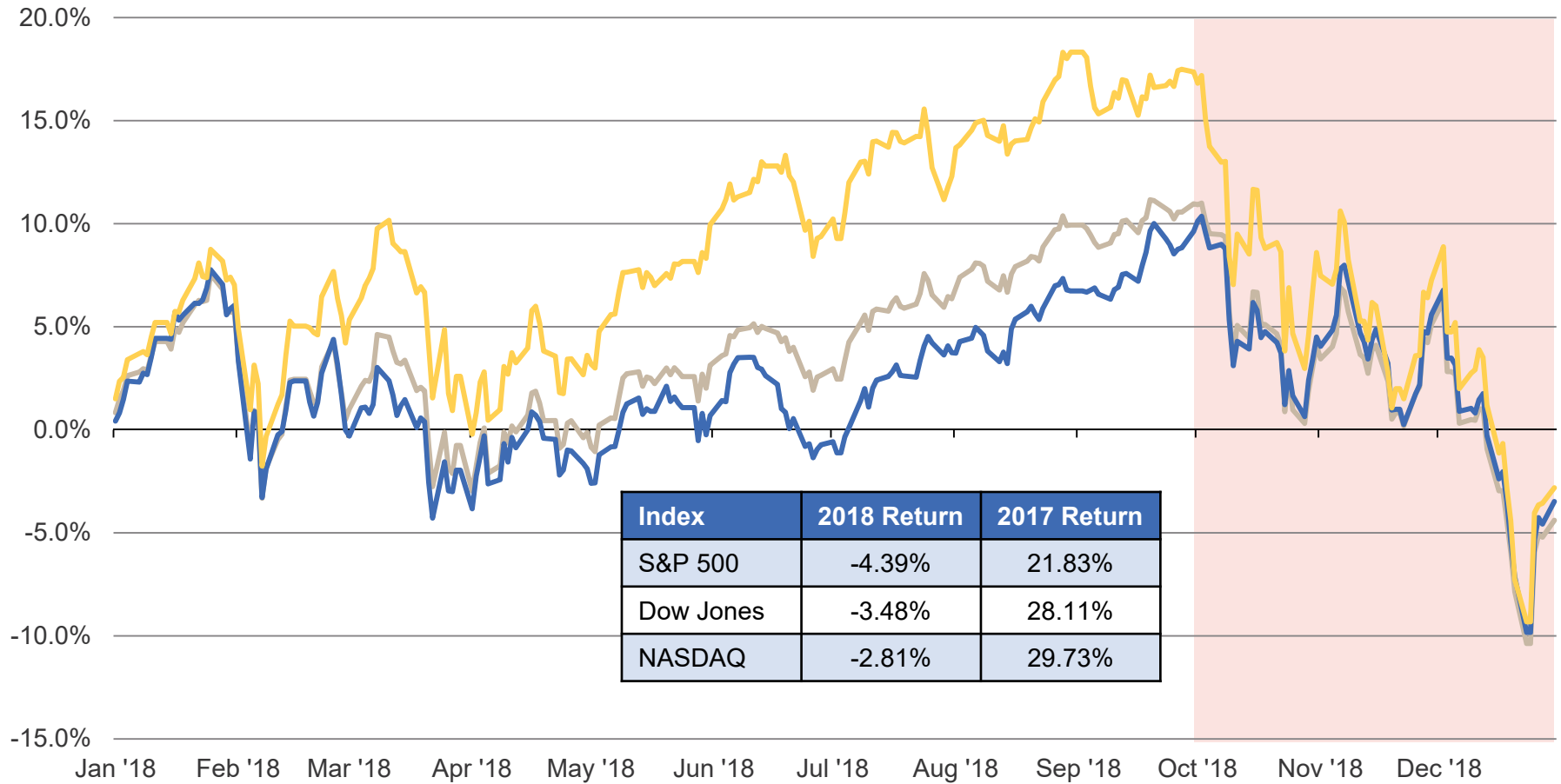


Source: Bloomberg, latest data available as of 12/31/2018.

Fourth Quarter Stock Sell-Off Erases Year-to-Date Gains

Cumulative Total Return Year-to-Date

— S&P 500 — Dow Jones — NASDAQ



Source: Bloomberg, as of 12/31/2018.

Treasury Yields Fall from Recent Highs

- The sell-off in equity markets in the fourth quarter sparked a flight to quality as investors sought the relative safety of U.S. Treasury obligations, pushing yields lower.
- As was widely expected, the Federal Reserve raised the federal funds target rate by 25 basis points for the fourth time in 2018 at its December meeting, but the consequential bump in yields was overcome by continued equity market uncertainty.
- The 2-year Treasury decreased by 33 basis points to end the quarter at 2.49%.

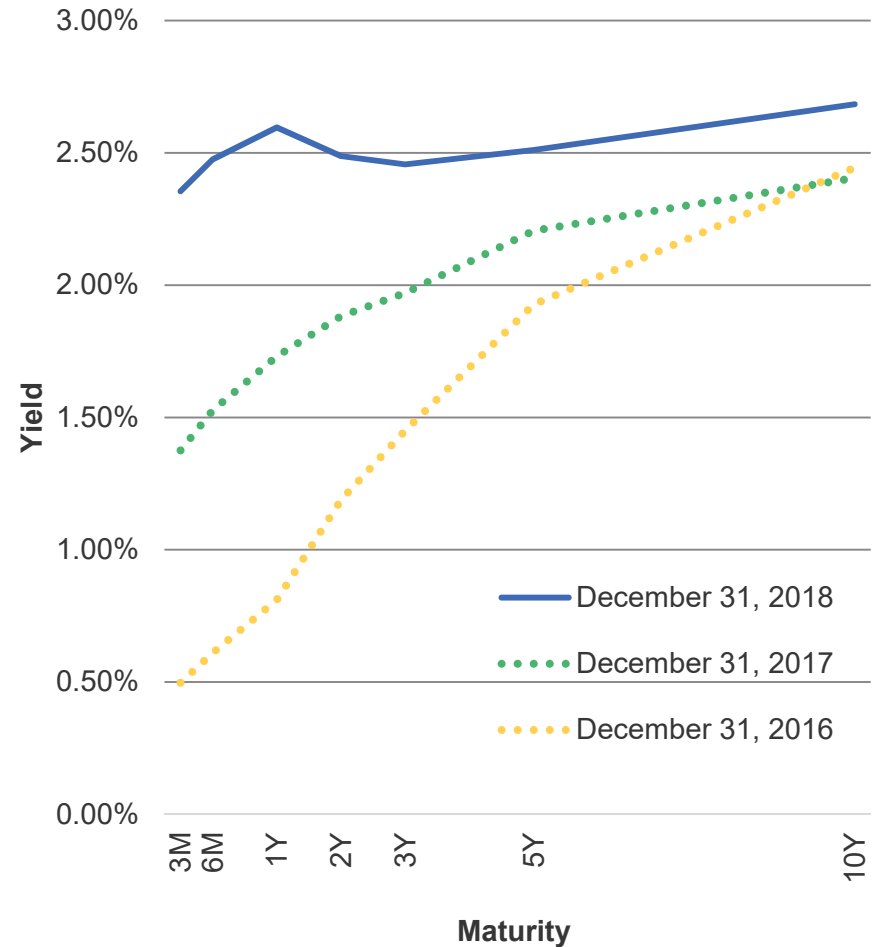
2-Year U.S. Treasury



Source: Bloomberg, as of 12/31/2018.

U.S. Treasury Curve

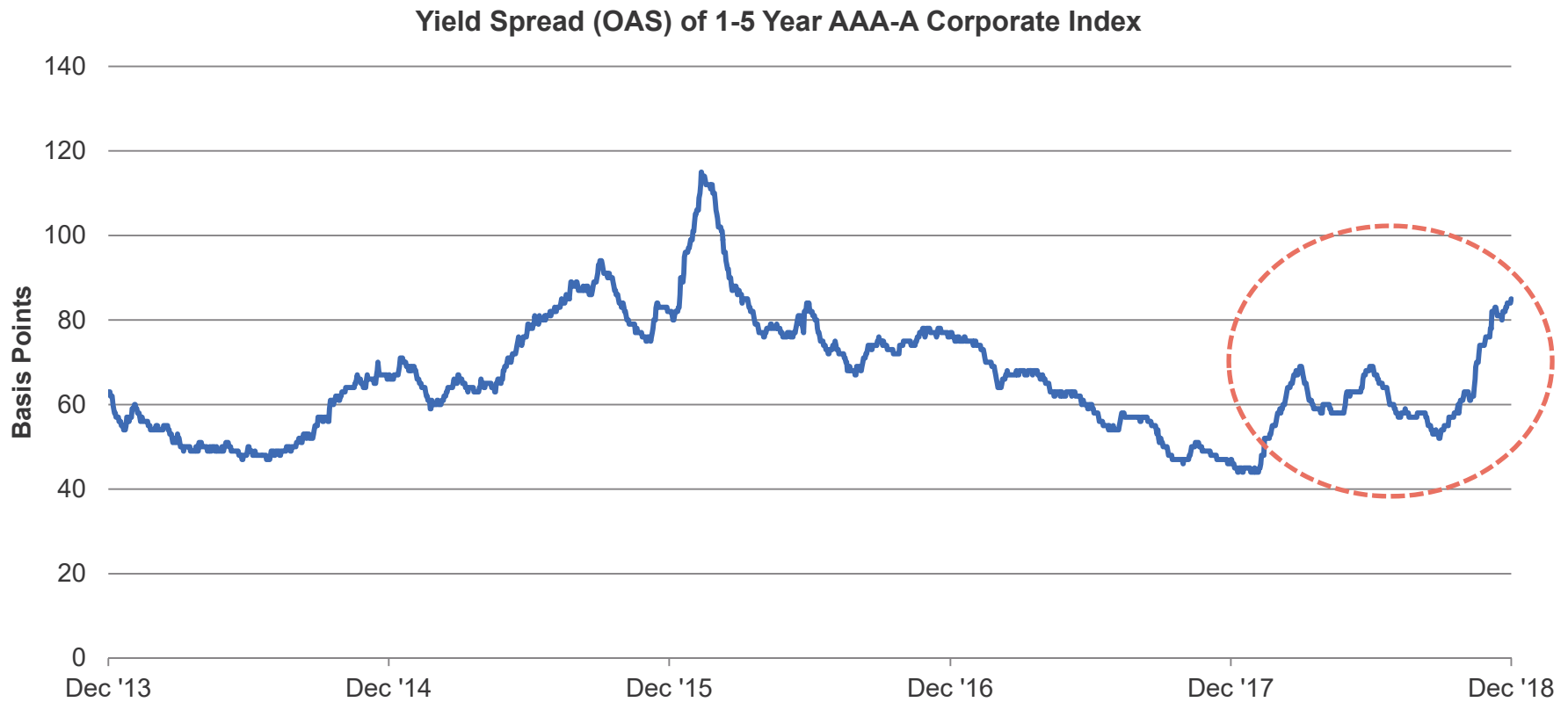
	4Q2018 12/31/18	4Q2017 12/31/17	4Q2016 12/31/16
3-month	2.35%	1.38%	0.50%
6-month	2.48%	1.53%	0.61%
1-year	2.60%	1.73%	0.81%
2-year	2.49%	1.88%	1.19%
3-year	2.46%	1.97%	1.45%
5-year	2.51%	2.21%	1.93%
10-year	2.68%	2.41%	2.44%



Source: Bloomberg, as of 12/31/2018.

Credit Spreads Widen with Market Volatility

- Volatility in equity markets in the fourth quarter caused an increase in demand for haven assets like Treasury bonds, widening credit spreads further to the highest level since 2016.

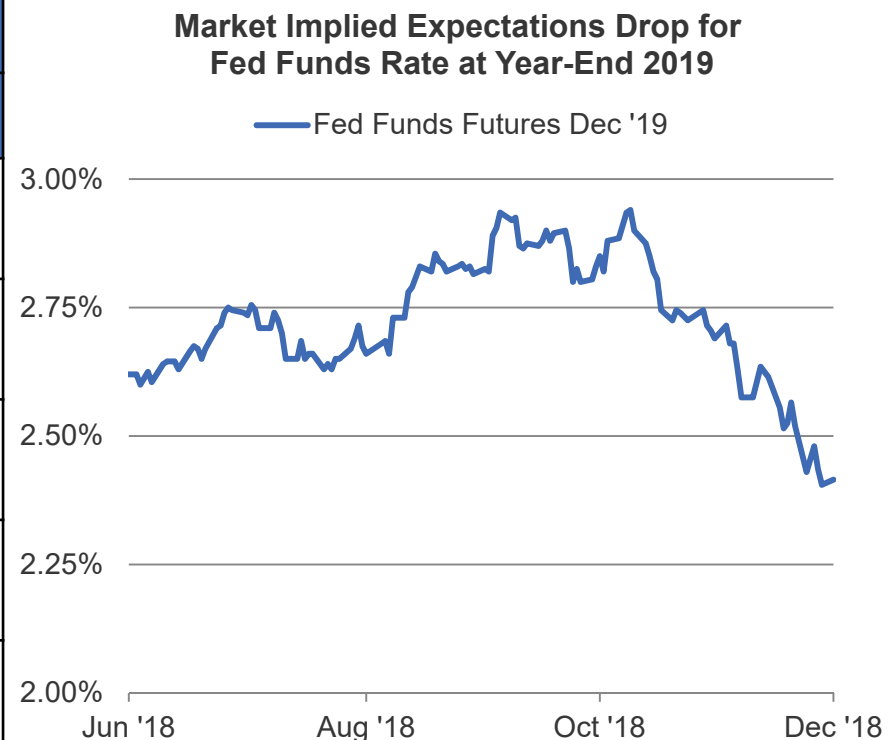


Source: ICE BofAML Indices, as of 12/31/2018. OAS is option-adjusted spread versus a comparable-maturity Treasury.

Fed Expectations for 2019 Less Optimistic

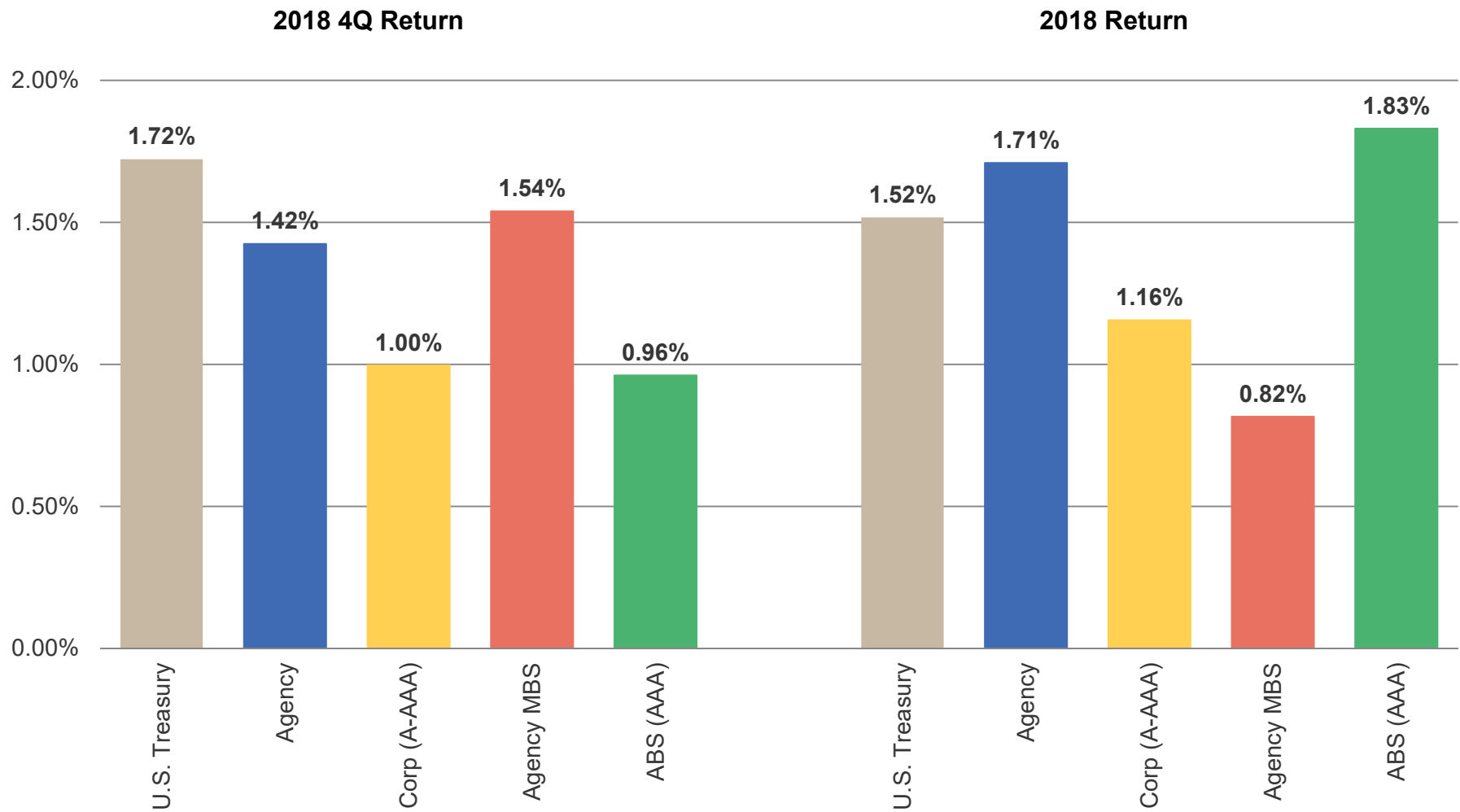
- According to the Federal Open Market Committee meeting minutes from December, the Committee believes that risks to the economic outlook are roughly balanced, but it will continue to monitor global economic and financial developments and assess their implications for the economic outlook.
- The Committee has grown less optimistic regarding near-term economic growth as its December projections for 2019 real GDP and inflation have decreased from the prior quarter's expectations.

Indicator	2018		2019		Longer run	
	Sept.	Dec.	Sept.	Dec.	Sept.	Dec.
Real GDP (YoY)	3.1%	3.0%	2.5%	2.3%	1.8%	1.9%
Unemployment Rate	3.7%	3.7%	3.5%	3.5%	4.5%	4.4%
PCE Inflation (YoY)	2.1%	1.9%	2.0%	1.9%	2.0%	2.0%
Core PCE (YoY)	2.0%	1.9%	2.1%	2.0%	-	-
Federal Funds Rate (Median)	2.4%	2.4%	3.1%	2.9%	3.0%	2.8%



Source: Federal Reserve, Bloomberg as of 12/31/2018.

Fixed Income Sector Returns (1-5 Year Indices)



Source: ICE BofAML Indices, as of 12/31/2018.

Investment Strategy & Portfolio Review

Portfolio Recap

- Investors gravitated toward lower-risk assets through the final months of 2018 as volatility surged, stocks lost their footing, credit spreads widened, and the belly of the curve (maturities between one and five years) began trading at rates lower than shorter- and longer-term securities (maturities one year or less and maturities greater than five years). U.S. Treasury yields reversed course during the quarter as maturities beyond one year declined 30 – 40 basis points (0.30% to 0.40%).
- For the past several quarters we have positioned the portfolio with a duration less than that of the benchmark. This benefited the portfolio for most of 2018 as the Federal Reserve raised rates, and yields across the curve increased. However, in the fourth quarter, sudden shifts in market sentiment caused interest rates to fall, which eroded some of those benefits, negatively impacting portfolio performance versus the benchmark. At the same time, the declines in longer-term yields positively impacted the portfolio's absolute performance.
 - Our strategy over the past several months was to actively increase allocations to U.S. Treasuries, which helped to reduce relative underperformance versus the benchmark as U.S. Treasuries outperformed credit sectors for the quarter.
 - The federal agency sector generated positive returns for the fourth quarter, adding to the overall performance of the portfolio, while underperforming comparable U.S. Treasuries.
 - Incremental income from supranationals contributed to positive performance for the quarter.
 - Corporates felt the pressure of wider spreads across all industries. As a result, the sector underperformed most fixed income alternatives in the quarter.
 - After actively adding asset-backed securities (ABS) in prior quarters, the portfolio's allocation was maintained in the quarter. We continue to view ABS as a favorable sector that offers incremental income and enhanced credit quality. Although the sector generated returns that were less than those of similar-duration Treasuries, in the fourth quarter the AAA-rated ABS sector generated attractive relative performance compared to corporates.
 - After yields narrowed to 12-month lows in the third quarter, spreads on negotiable bank certificates of deposit and commercial paper issuers rebounded in the fourth quarter. As a result, the portfolio benefited from additional allocations to these high-quality, short-term credit instruments at attractive yields.

Sector Allocation and Compliance

- The portfolio is in compliance with the City's Investment Policy and the California Government Code.

Security Type	Market Value as of December 31, 2018	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$121,978,745	23.8%	100%	✓
Federal Agency	\$85,035,098	16.6%	100%	✓
Federal Agency CMOs	\$4,407,172	0.9%	20%	✓
Supranationals	\$18,977,154	3.7%	30%	✓
Negotiable CDs	\$67,461,338	13.2%	30%	✓
Corporate Notes	\$95,515,232	18.6%	30%	✓
Commercial Paper	\$10,918,732	2.1%	25%	✓
Asset-Backed Securities	\$24,863,531	4.9%	20%	✓
Securities Sub-Total	\$429,157,001	83.7%		
Accrued Interest	\$2,415,903			
Securities Total	\$431,572,904			
Money Market Fund Main	\$991,918	0.2%	20%	✓
City Account	\$52,058,482	10.2%	20%	✓
LAIF	\$30,226,968	5.9%	\$65 million	✓
Total Investments	\$514,850,272	100.0%		

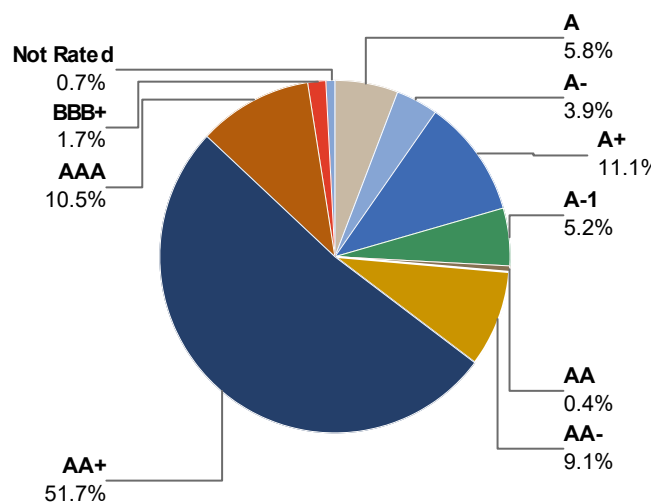
Market values, excluding accrued interest. Detail may not add to total due to rounding. Current investment policy as of October 2014.

Portfolio Statistics

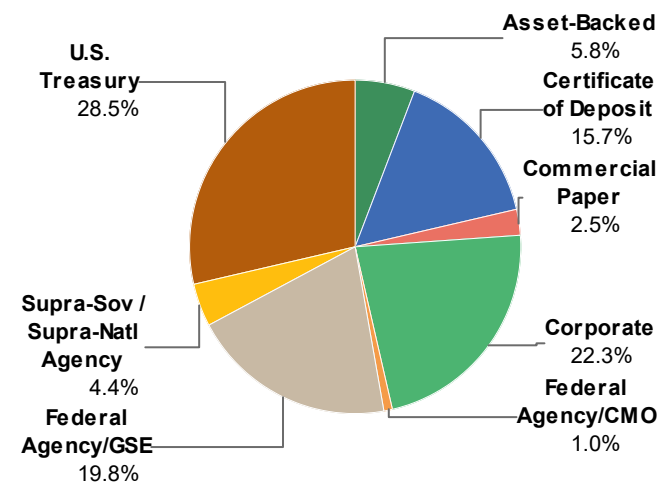
As of December 31, 2018

Par Value:	\$434,870,627
Total Market Value:	\$432,564,822
Security Market Value:	\$429,157,001
Accrued Interest:	\$2,415,903
Cash:	\$991,918
Amortized Cost:	\$432,600,599
Yield at Market:	2.75%
Yield at Cost:	2.34%
Effective Duration:	2.34 Years
Duration to Worst:	2.37 Years
Average Maturity:	2.59 Years
Average Credit: *	AA

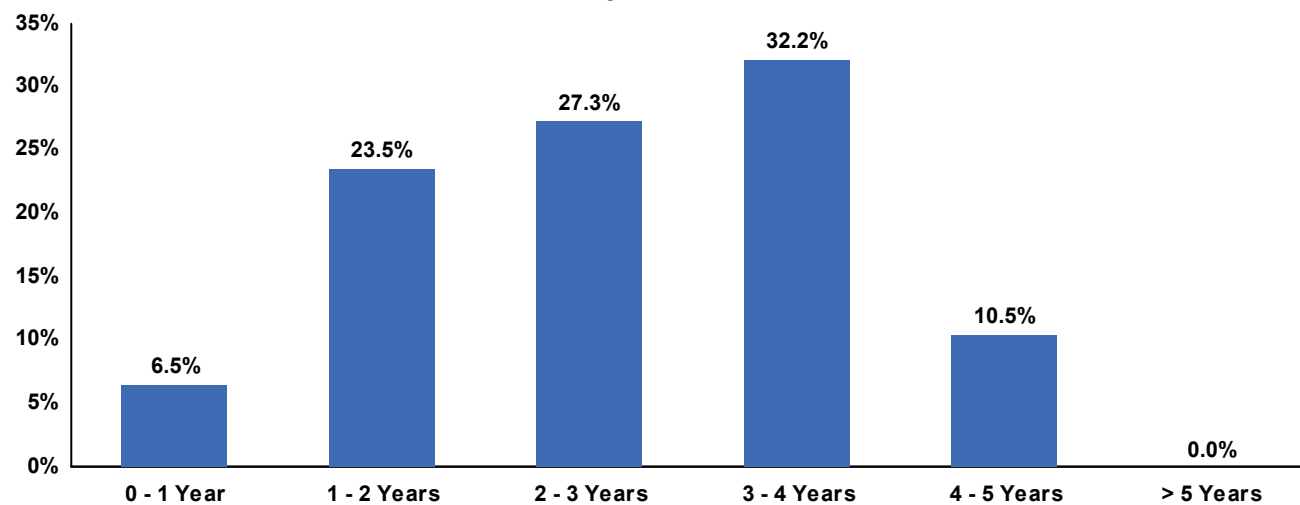
Credit Quality (S&P Ratings)



Sector Allocation



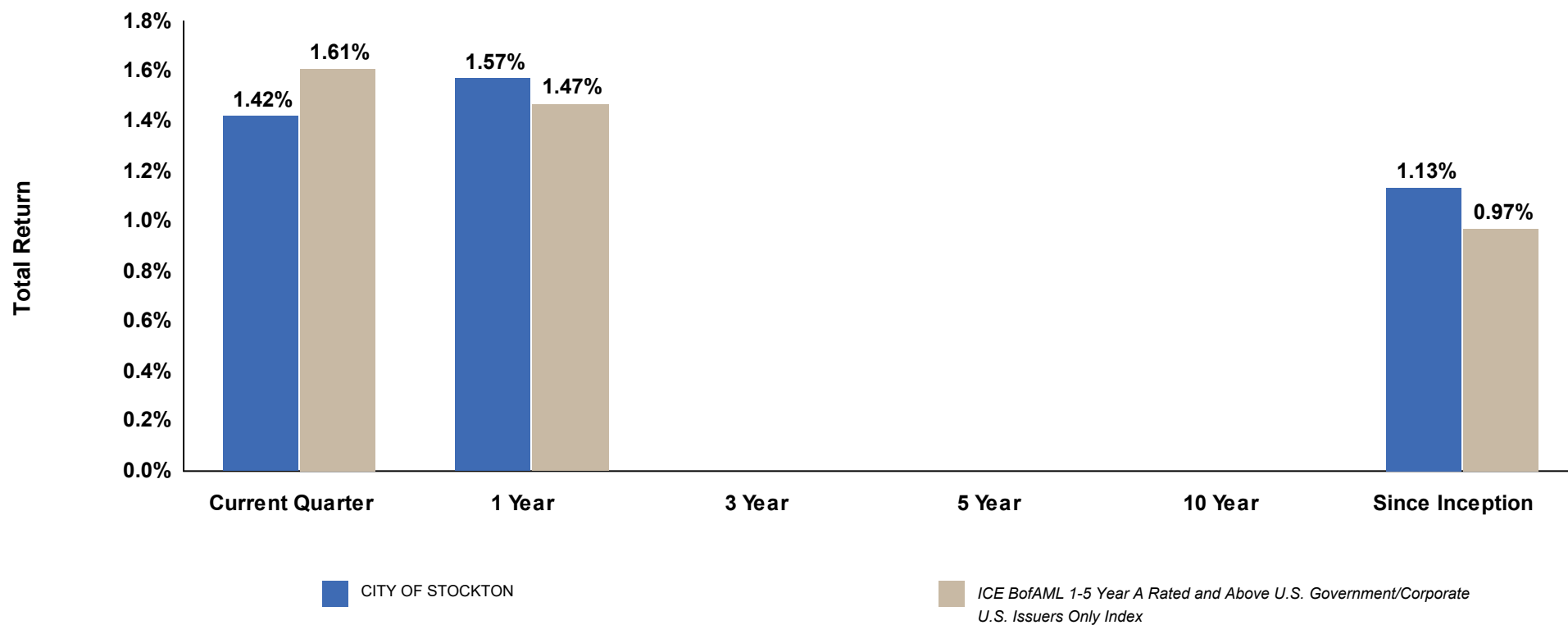
Maturity Distribution



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.
 Securities held in the City's portfolio are in compliance with CA state statutes and the City's investment policy dated October 10, 2017.

Portfolio Performance (Total Return)

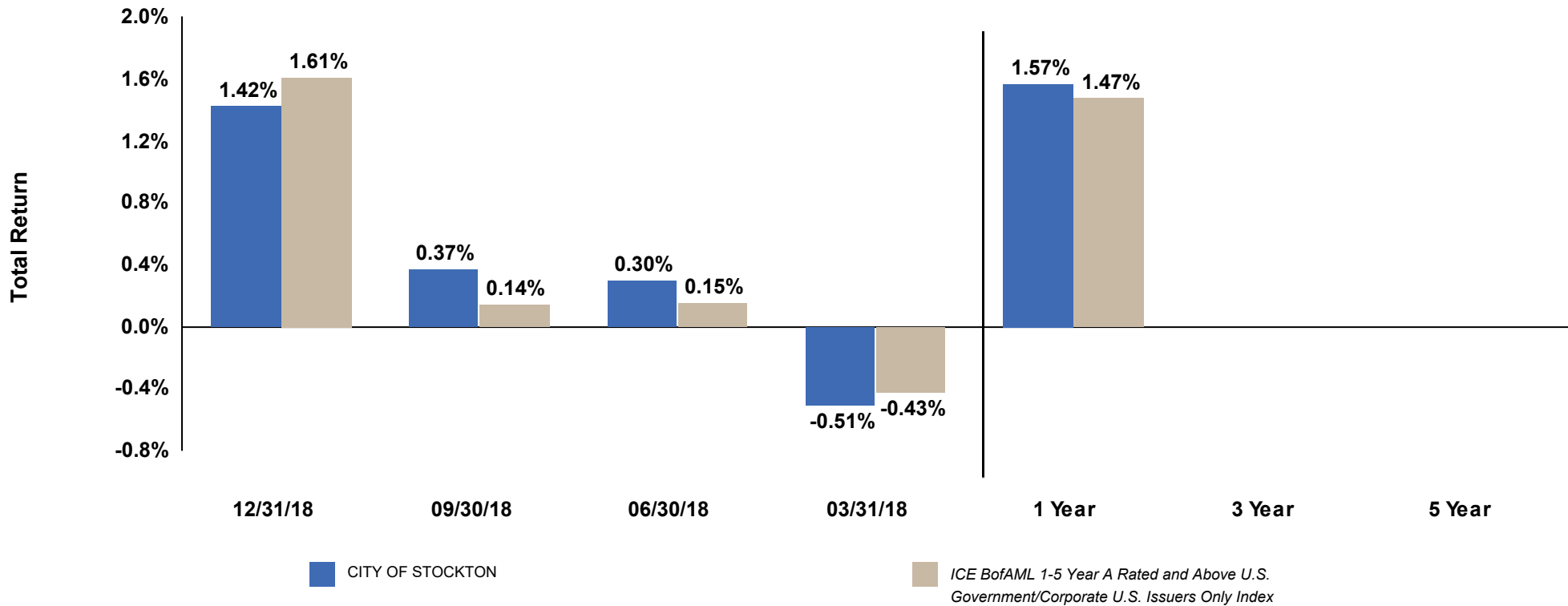
Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (06/30/17)
			1 Year	3 Year	5 Year	10 Year	
CITY OF STOCKTON	2.34	1.42%	1.57%	-	-	-	1.13%
ICE BofAML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.54	1.61%	1.47%	-	-	-	0.97%
Difference		-0.19%	0.10%	-	-	-	0.16%



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		12/31/18	09/30/18	06/30/18	03/31/18		3 Year	5 Year
CITY OF STOCKTON	2.34	1.42%	0.37%	0.30%	-0.51%	1.57%	-	-
ICE BofAML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.54	1.61%	0.14%	0.15%	-0.43%	1.47%	-	-
Difference		-0.19%	0.23%	0.15%	-0.08%	0.10%	-	-

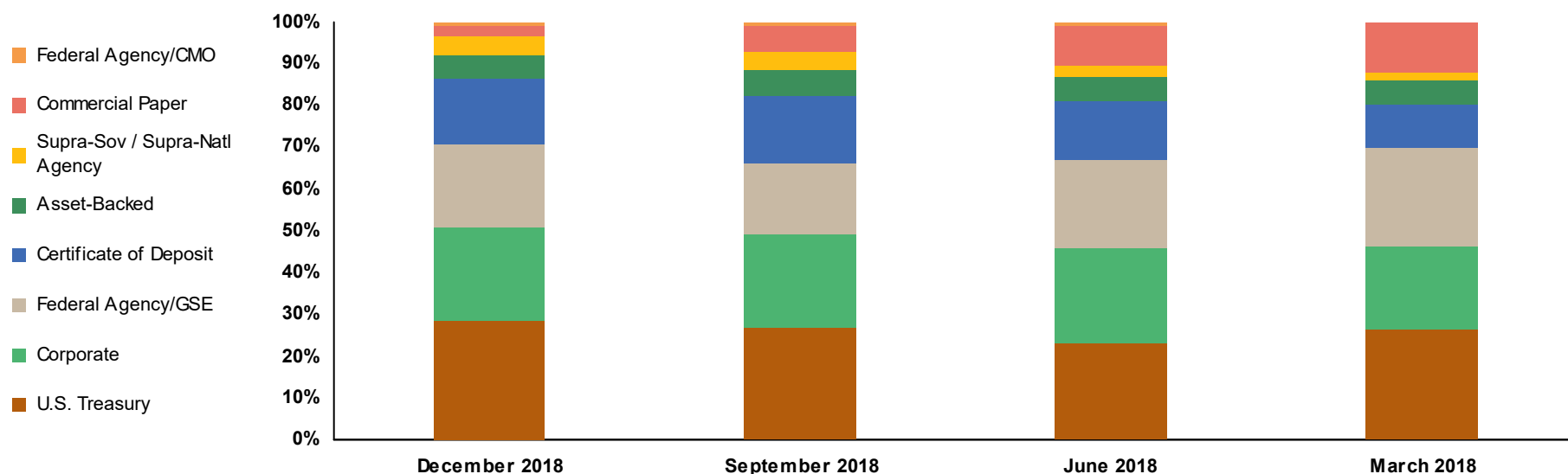


Portfolio performance is gross of fees unless otherwise indicated.

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2018)	\$423,087,687.75	\$430,037,179.38
Net Purchases/Sales	\$2,300,520.97	\$2,300,520.97
Change in Value	\$3,768,791.96	\$262,898.89
Ending Value (12/31/2018)	\$429,157,000.68	\$432,600,599.24
Interest Earned	\$2,269,631.17	\$2,269,631.17
Portfolio Earnings	\$6,038,423.13	\$2,532,530.06

Sector Allocation

Sector	December 31, 2018		September 30, 2018		June 30, 2018		March 31, 2018	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	122.0	28.5%	113.3	26.8%	98.6	23.2%	104.5	26.3%
Corporate	95.5	22.3%	95.1	22.5%	95.0	22.5%	79.5	20.1%
Federal Agency/GSE	85.0	19.8%	71.7	16.9%	88.8	21.0%	92.0	23.2%
Certificate of Deposit	67.5	15.7%	67.5	16.0%	60.4	14.3%	41.2	10.4%
Asset-Backed	24.9	5.8%	26.1	6.2%	23.5	5.6%	22.6	5.7%
Supra-Sov / Supra-Natl Agency	19.0	4.4%	18.8	4.4%	13.0	3.1%	8.2	2.1%
Commercial Paper	10.9	2.5%	25.9	6.1%	38.8	9.2%	48.5	12.2%
Federal Agency/CMO	4.4	1.0%	4.7	1.1%	4.8	1.1%	0.0	0.0%
Total	\$429.2	100.0%	\$423.1	100.0%	\$422.9	100.0%	\$396.6	100.0%

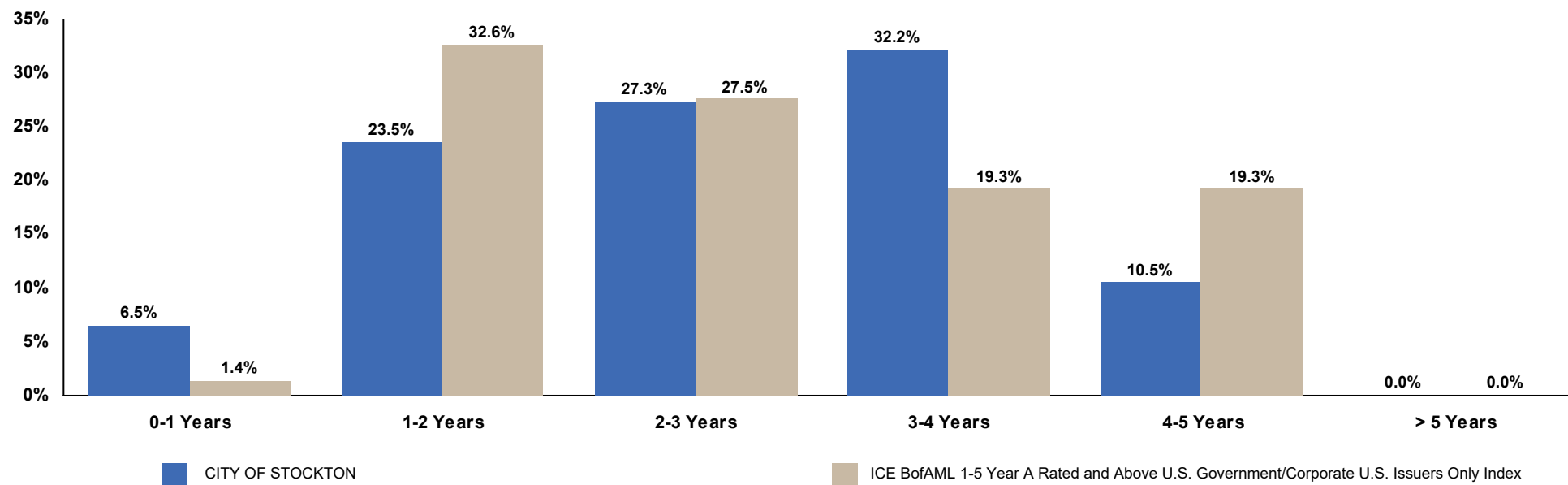


Detail may not add to total due to rounding.

Maturity Distribution

As of December 31, 2018

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF STOCKTON	2.75%	2.59 yrs	6.5%	23.5%	27.3%	32.2%	10.5%	0.0%
ICE BofAML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.61%	2.74 yrs	1.4%	32.6%	27.5%	19.3%	19.3%	0.0%



Investment Strategy Outlook

- While the path of future Fed rate hikes is less clear than in recent years, we expect future tightening (additional Fed rate hikes) to be modest. Further, political gridlock adds additional uncertainty. As a result, we will seek to increase portfolio duration to be more in line with (neutral to) the benchmark.
- Our outlooks for the major investment-grade fixed income sectors are as follows:
 - Federal agency spreads (incremental yield) remain very narrow as most maturities offer less than five basis points (0.05%) of incremental yield relative to U.S. Treasuries. We will continue to moderate use of agencies where yield differences are narrow, seeking better relative value in either Treasuries or other sectors. Callable agencies will continue to be evaluated, and, where analyses indicate strong value, we will seek to utilize these securities as portfolio diversifiers.
 - Supranational issuance is expected to increase during the first quarter of 2019. We will seek to take advantage of attractively priced new issues through the first several months of the year.
 - Although it appears that volatility may not dissipate quickly, the significant sell-off in the corporate sector (resulting in wider spreads) presents an opportunity to selectively add to the sector. We prefer high-quality, defensive issuers with a focus on one- to three-year maturities and continue to prefer financials (specifically domestic issuers) and to remain selective in industrial issuers.
 - Allocations to AAA-rated Asset-Backed Securities (ABS) will be maintained. The sector continues to offer attractive incremental income compared to government securities while also serving as a lower volatility credit alternative. Further, as issuance is expected to increase through the beginning of the year, opportunities may arise to add exposure.
 - Short-term money market investors continue to reap the rewards of current monetary policy as the fed funds effective rate now nears two and a half percent. Short-term negotiable bank certificates of deposit and commercial paper have since normalized following very narrow yield differences at year-end, and once again provide an attractive, high-quality source of incremental income.

Issuer Distribution

Issuer Distribution
As of December 31, 2018

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	121,978,745	28.4%
FANNIE MAE	49,368,068	11.5%
FREDDIE MAC	22,349,982	5.2%
FEDERAL HOME LOAN BANKS	17,724,220	4.1%
JP MORGAN CHASE & CO	12,890,532	3.0%
INTERNATIONAL FINANCE CORPORATION	8,268,580	1.9%
TOYOTA MOTOR CORP	7,939,203	1.9%
SKANDINAVISKA ENSKILDA BANKEN AB	7,458,098	1.7%
SWEDBANK AB	7,411,742	1.7%
BANK OF NOVA SCOTIA	7,020,468	1.6%
BANK OF MONTREAL	6,991,845	1.6%
THE BANK OF NEW YORK MELLON CORPORATION	6,851,902	1.6%
ALLY AUTO RECEIVABLES TRUST	6,847,588	1.6%
WESTPAC BANKING CORP	6,643,646	1.6%
NORDEA BANK AB	6,056,316	1.4%
UBS AG	6,003,396	1.4%
INTL BANK OF RECONSTRUCTION AND DEV	5,873,792	1.4%
APPLE INC	5,855,580	1.4%

Top 5 = 52.3%

Top 10 = 61.1%

Issuer	Market Value (\$)	% of Portfolio
HYUNDAI AUTO RECEIVABLES	5,458,021	1.3%
WELLS FARGO & COMPANY	5,103,885	1.2%
INTER-AMERICAN DEVELOPMENT BANK	4,834,782	1.1%
DEERE & COMPANY	4,781,771	1.1%
EXXON MOBIL CORP	4,428,310	1.0%
MICROSOFT CORP	4,393,101	1.0%
CANADIAN IMPERIAL BANK OF COMMERCE	4,062,534	1.0%
CREDIT AGRICOLE SA	4,056,014	1.0%
CREDIT SUISSE GROUP	4,023,105	0.9%
ROYAL BANK OF CANADA	4,000,408	0.9%
ORACLE CORP	3,977,849	0.9%
AMERICAN EXPRESS CO	3,939,926	0.9%
AMERICAN HONDA FINANCE	3,936,772	0.9%
THE WALT DISNEY CORPORATION	3,915,584	0.9%
INTEL CORPORATION	3,911,988	0.9%
UNITED PARCEL SERVICE INC	3,902,628	0.9%
CISCO SYSTEMS INC	3,889,432	0.9%
HOME DEPOT INC	3,753,272	0.9%
MITSUBISHI UFJ FINANCIAL GROUP INC	3,733,766	0.9%
BANK OF AMERICA CO	3,694,064	0.9%
CITIGROUP INC	3,684,436	0.9%

Issuer	Market Value (\$)	% of Portfolio
GOLDMAN SACHS GROUP INC	3,642,599	0.9%
VISA INC	3,380,002	0.8%
IBM CORP	3,060,078	0.7%
MERCEDES-BENZ AUTO RECEIVABLES	2,714,886	0.6%
NISSAN AUTO RECEIVABLES	2,634,989	0.6%
HONDA AUTO RECEIVABLES	2,523,771	0.6%
STATE STREET CORPORATION	2,313,179	0.5%
US BANCORP	1,969,610	0.5%
BB&T CORPORATION	1,904,069	0.4%
BERKSHIRE HATHAWAY INC	1,885,003	0.4%
PACCAR FINANCIAL CORP	1,667,838	0.4%
JOHN DEERE OWNER TRUST	445,627	0.1%
Grand Total:	429,157,001	100.0%

Portfolio Transactions

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/2/18	10/5/18	7,100,000	912828P38	US TREASURY NOTES	1.75%	1/31/23	6,781,983.19	2.94%	
10/5/18	10/5/18	11,000,000	46640QR37	JP MORGAN SECURITIES LLC COMM PAPER	0.00%	4/3/19	10,858,650.00	2.60%	
11/29/18	11/30/18	12,325,000	3135G0U43	FANNIE MAE NOTES	2.87%	9/12/23	12,347,054.90	2.97%	
Total BUY		30,425,000					29,987,688.09		
INTEREST									
10/1/18	10/1/18	0	MONEY0002	MONEY MARKET FUND			1,205.50		
10/1/18	10/25/18	2,100,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	5,407.50		
10/1/18	10/25/18	2,539,632	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	7,806.06		
10/5/18	10/5/18	7,150,000	3135G0T45	FANNIE MAE NOTES	1.87%	4/5/22	67,031.25		
10/10/18	10/10/18	4,055,000	13606BVF0	CANADIAN IMP BK COMM NY FLT CERT DEPOS	2.81%	4/10/20	28,305.31		
10/10/18	10/10/18	4,055,000	22532XHT8	CREDIT AGRICOLE CIB NY FLT CERT DEPOS	2.88%	4/10/20	29,030.70		
10/13/18	10/13/18	2,480,000	3135G0U27	FANNIE MAE NOTES	2.50%	4/13/21	31,000.00		
10/13/18	10/13/18	3,700,000	89236TEU5	TOYOTA MOTOR CREDIT CORP NOTES	2.95%	4/13/21	54,575.00		
10/15/18	10/15/18	2,710,000	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	6,842.75		
10/15/18	10/15/18	2,540,000	65479GAD1	NAROT 2018-B A3	3.06%	3/15/23	6,477.00		
10/15/18	10/15/18	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
10/15/18	10/15/18	235,171	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	278.29		
10/15/18	10/15/18	3,950,000	02007JAC1	ALLYA 2018-3 A3	3.00%	1/15/23	9,875.00		
10/15/18	10/15/18	698,769	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	809.41		
10/15/18	10/15/18	1,950,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	3,818.75		
10/15/18	10/15/18	1,330,000	44891KAD7	HART 2018-A A3	2.79%	7/15/22	3,092.25		
10/15/18	10/15/18	196,287	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	245.36		
10/15/18	10/15/18	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	4,858.92		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/15/18	10/15/18	371,804	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	455.46		
10/15/18	10/15/18	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
10/15/18	10/15/18	818,796	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	927.97		
10/19/18	10/19/18	4,830,000	4581X0DB1	INTER-AMERICAN DEVELOPMENT BANK NOTE	2.62%	4/19/21	63,393.75		
10/19/18	10/19/18	3,745,000	06051GFW4	BANK OF AMERICA CORP NOTE	2.62%	4/19/21	49,153.13		
10/20/18	10/20/18	1,565,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	10,759.38		
10/21/18	10/21/18	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	3,596.04		
10/25/18	10/25/18	3,740,000	38141GVU5	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.62%	4/25/21	49,087.50		
10/31/18	10/31/18	7,475,000	9128283C2	US TREASURY N/B NOTES	2.00%	10/31/22	74,750.00		
10/31/18	10/31/18	1,890,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	12,993.75		
10/31/18	10/31/18	10,000,000	912828F96	US TREASURY NOTES	2.00%	10/31/21	100,000.00		
10/31/18	10/31/18	400,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	2,750.00		
11/1/18	11/1/18	0	MONEY0002	MONEY MARKET FUND			1,580.40		
11/1/18	11/25/18	2,100,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	5,407.50		
11/1/18	11/25/18	2,423,946	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	7,463.91		
11/3/18	11/3/18	1,515,000	594918BG8	MICROSOFT CORP (CALLABLE) NOTES	2.00%	11/3/20	15,150.00		
11/11/18	11/11/18	6,000,000	037833CQ1	APPLE INC CORP (CALLABLE) NOTE	2.30%	5/11/22	69,000.00		
11/11/18	11/11/18	4,000,000	458140BB5	INTEL CORP (CALLABLE) NOTES	2.35%	5/11/22	47,000.00		
11/15/18	11/15/18	85,020	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	106.28		
11/15/18	11/15/18	2,710,000	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	6,842.75		
11/15/18	11/15/18	2,540,000	65479GAD1	NAROT 2018-B A3	3.06%	3/15/23	6,477.00		
11/15/18	11/15/18	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
11/15/18	11/15/18	705,834	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	799.94		
11/15/18	11/15/18	3,950,000	02007JAC1	ALLYA 2018-3 A3	3.00%	1/15/23	9,875.00		
11/15/18	11/15/18	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	4,858.92		
11/15/18	11/15/18	610,511	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	707.17		
11/15/18	11/15/18	1,330,000	44891KAD7	HART 2018-A A3	2.79%	7/15/22	3,092.25		
11/15/18	11/15/18	95,718	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	113.27		
11/15/18	11/15/18	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
11/15/18	11/15/18	282,737	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	346.35		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/15/18	11/15/18	1,950,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	3,818.75		
11/16/18	11/16/18	4,000,000	911312BC9	UNITED PARCEL SERVICE (CALLABLE) NOTES	2.35%	5/16/22	47,000.00		
11/16/18	11/16/18	7,555,000	87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	2.27%	11/16/20	87,654.79		
11/19/18	11/19/18	150,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	1,462.50		
11/19/18	11/19/18	2,230,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	21,742.50		
11/21/18	11/21/18	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	3,596.04		
11/30/18	11/30/18	4,340,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	29,837.50		
11/30/18	11/30/18	400,000	3135G0F73	FNMA BENCHMARK NOTE	1.50%	11/30/20	3,000.00		
11/30/18	11/30/18	6,000,000	3135G0F73	FNMA BENCHMARK NOTE	1.50%	11/30/20	45,000.00		
12/1/18	12/1/18	2,000,000	437076BG6	HOME DEPOT INC CORP (CALLABLE) NOTES	2.62%	6/1/22	26,250.00		
12/1/18	12/25/18	2,320,742	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	6,955.11		
12/1/18	12/25/18	2,100,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	5,407.50		
12/3/18	12/3/18	0	MONEY0002	MONEY MARKET FUND			3,124.75		
12/5/18	12/5/18	1,800,000	437076BQ4	HOME DEPOT INC CORP NOTES	1.80%	6/5/20	16,200.00		
12/5/18	12/5/18	7,000,000	06417GU22	BANK OF NOVA SCOTIA HOUSTON CD	3.08%	6/5/20	106,602.22		
12/7/18	12/7/18	4,000,000	78012UEE1	ROYAL BANK OF CANADA NY CD	3.24%	6/7/21	64,440.00		
12/8/18	12/8/18	3,745,000	172967LC3	CITIGROUP INC CORP (CALLABLE) NOTE	2.90%	12/8/21	54,302.50		
12/14/18	12/14/18	1,460,000	92826CAB8	VISA INC (CALLABLE) CORP NOTES	2.20%	12/14/20	16,060.00		
12/15/18	12/15/18	2,710,000	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	6,842.75		
12/15/18	12/15/18	2,540,000	65479GAD1	NAROT 2018-B A3	3.06%	3/15/23	6,477.00		
12/15/18	12/15/18	1,950,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	3,818.75		
12/15/18	12/15/18	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
12/15/18	12/15/18	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	4,858.92		
12/15/18	12/15/18	523,143	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	605.97		
12/15/18	12/15/18	1,330,000	44891KAD7	HART 2018-A A3	2.79%	7/15/22	3,092.25		
12/15/18	12/15/18	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
12/15/18	12/15/18	552,961	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	626.69		
12/15/18	12/15/18	3,950,000	02007JAC1	ALLYA 2018-3 A3	3.00%	1/15/23	9,875.00		
12/15/18	12/15/18	177,856	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	217.87		
12/19/18	12/19/18	6,825,000	3137EAEN5	FREDDIE MAC NOTES	2.75%	6/19/23	98,014.58		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/19/18	12/19/18	5,000,000	3137EAEN5	FREDDIE MAC NOTES	2.75%	6/19/23	71,805.56		
12/21/18	12/21/18	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	3,596.04		
12/31/18	12/31/18	4,745,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	50,415.63		
Total INTEREST		218,908,927					1,639,857.08		

MATURITY

10/5/18	10/5/18	5,000,000	06366HK55	BANK OF MONTREAL CHICAGO COMM PAPER	0.00%	10/5/18	5,000,000.00		0.00
10/5/18	10/5/18	11,000,000	46640QK59	JP MORGAN SECURITIES LLC COMM PAPER	0.00%	10/5/18	11,000,000.00		0.00
Total MATURITY		16,000,000					16,000,000.00		0.00

PAYDOWNS

10/1/18	10/25/18	115,687	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	115,686.55		0.00
10/15/18	10/15/18	88,259	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	88,258.88		0.00
10/15/18	10/15/18	111,267	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	111,266.57		0.00
10/15/18	10/15/18	112,963	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	112,962.66		0.00
10/15/18	10/15/18	89,067	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	89,067.34		0.00
10/15/18	10/15/18	139,454	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	139,453.80		0.00
11/1/18	11/25/18	103,203	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	103,203.11		0.00
11/15/18	11/15/18	87,368	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	87,367.83		0.00
11/15/18	11/15/18	152,872	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	152,872.43		0.00
11/15/18	11/15/18	85,020	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	85,020.02		0.00
11/15/18	11/15/18	104,881	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	104,880.71		0.00
11/15/18	11/15/18	95,718	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	95,717.69		0.00
12/1/18	12/25/18	49,362	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	49,362.23		0.00
12/15/18	12/15/18	81,793	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	81,792.98		0.00
12/15/18	12/15/18	106,288	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	106,287.86		0.00

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/15/18	12/15/18	92,632	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	92,632.15		0.00
Total PAYDOWNS		1,615,833					1,615,832.81		0.00
SELL									
11/30/18	11/30/18	10,000,000	22533UN74	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	1/7/19	9,974,244.44	2.45%	(422.26)
Total SELL		10,000,000					9,974,244.44		-422.26

Portfolio Holdings

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	275,000.00	AA+	Aaa	10/23/2015	10/23/2015	274,807.56	1.39	1,284.79	274,933.21	269,811.58
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	900,000.00	AA+	Aaa	3/1/2016	3/1/2016	904,256.92	1.27	4,204.77	901,599.41	883,019.70
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	1,890,000.00	AA+	Aaa	11/23/2015	11/23/2015	1,860,401.25	1.71	4,450.90	1,878,750.42	1,851,610.32
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	400,000.00	AA+	Aaa	7/28/2016	7/28/2016	405,688.84	1.03	941.99	402,474.14	391,875.20
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	1,525,000.00	AA+	Aaa	3/9/2016	3/9/2016	1,523,515.85	1.40	8,774.97	1,524,359.29	1,490,031.75
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	1,350,000.00	AA+	Aaa	12/28/2016	12/28/2016	1,323,109.99	1.88	7,768.00	1,336,070.74	1,319,044.50
US TREASURY NOTES DTD 02/29/2016 1.125% 02/28/2021	912828P87	6,475,000.00	AA+	Aaa	8/25/2017	8/28/2017	6,377,622.07	1.57	24,750.78	6,414,421.07	6,288,086.18
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	5,750,000.00	AA+	Aaa	4/26/2016	4/26/2016	5,911,513.42	1.40	39,074.59	5,823,367.01	5,690,251.75
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	4,340,000.00	AA+	Aaa	8/2/2017	8/3/2017	4,293,039.84	1.67	5,246.15	4,310,062.55	4,228,448.98
US TREASURY N/B DTD 09/30/2016 1.125% 09/30/2021	912828T34	4,850,000.00	AA+	Aaa	11/9/2016	11/9/2016	4,767,983.06	1.48	13,940.42	4,803,257.40	4,677,786.20
US TREASURY NOTES DTD 10/31/2014 2.000% 10/31/2021	912828F96	10,000,000.00	AA+	Aaa	3/1/2018	3/5/2018	9,834,765.63	2.48	34,254.14	9,870,953.70	9,871,480.00
US TREASURY NOTES DTD 03/02/2015 1.750% 02/28/2022	912828J43	4,800,000.00	AA+	Aaa	3/13/2017	3/13/2017	4,713,203.58	2.14	28,541.44	4,743,716.26	4,695,374.40
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	8,900,000.00	AA+	Aaa	9/4/2018	9/6/2018	8,637,519.53	2.75	42,635.65	8,660,241.92	8,733,125.00
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	7,600,000.00	AA+	Aaa	8/1/2018	8/3/2018	7,350,625.00	2.82	36,407.97	7,377,729.26	7,457,500.00
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	10,000,000.00	AA+	Aaa	1/3/2018	1/4/2018	9,877,734.38	2.18	47,905.22	9,905,477.40	9,812,500.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	6,470,000.00	AA+	Aaa	12/1/2017	12/5/2017	6,409,596.48	2.10	30,994.68	6,424,179.33	6,348,687.50
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	912828P4	5,400,000.00	AA+	Aaa	11/1/2017	11/3/2017	5,366,671.88	2.01	42,370.92	5,374,587.98	5,287,993.20
US TREASURY NOTES DTD 07/31/2015 2.000% 07/31/2022	912828XQ8	9,000,000.00	AA+	Aaa	8/30/2017	8/31/2017	9,113,906.25	1.73	75,326.09	9,083,970.63	8,851,644.00
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	4,765,000.00	AA+	Aaa	6/4/2018	6/6/2018	4,570,491.21	2.76	21,305.05	4,595,074.29	4,639,175.41
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	5,555,000.00	AA+	Aaa	10/3/2017	10/6/2017	5,507,695.70	1.93	24,837.26	5,519,048.32	5,408,314.67
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	5,000,000.00	AA+	Aaa	6/20/2018	6/21/2018	4,795,507.81	2.77	22,355.77	4,819,738.85	4,867,970.00
US TREASURY N/B NOTES DTD 10/31/2017 2.000% 10/31/2022	9128283C2	7,475,000.00	AA+	Aaa	5/2/2018	5/4/2018	7,225,638.67	2.80	25,604.97	7,260,452.62	7,342,438.35
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	4,745,000.00	AA+	Aaa	6/4/2018	6/6/2018	4,614,141.80	2.77	278.54	4,629,602.36	4,678,086.01
US TREASURY NOTES DTD 02/01/2016 1.750% 01/31/2023	912828P38	7,100,000.00	AA+	Aaa	10/2/2018	10/5/2018	6,759,699.22	2.94	51,995.92	6,777,526.45	6,894,490.50
Security Type Sub-Total		124,565,000.00					122,419,135.94	2.23	595,250.98	122,711,594.61	121,978,745.20
Supra-National Agency Bond / Note											
INTERNATIONAL FINANCE CORPORATION NOTE DTD 01/25/2018 2.250% 01/25/2021	45950KCM0	2,215,000.00	AAA	Aaa	1/18/2018	1/25/2018	2,208,487.90	2.35	21,596.25	2,210,465.87	2,200,462.96
INTERNATIONAL FINANCE CORPORATION NOTE DTD 03/16/2018 2.635% 03/09/2021	45950VLQ7	6,075,000.00	AAA	Aaa	3/9/2018	3/16/2018	6,070,443.75	2.66	49,801.50	6,071,605.78	6,068,117.03
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	4,830,000.00	AAA	Aaa	4/12/2018	4/19/2018	4,819,374.00	2.70	25,357.50	4,821,780.21	4,834,781.70

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	5,850,000.00	AAA	Aaa	7/18/2018	7/25/2018	5,836,311.00	2.83	69,712.50	5,838,218.45	5,873,791.95
Security Type Sub-Total		18,970,000.00					18,934,616.65	2.69	166,467.75	18,942,070.31	18,977,153.64
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	2,271,380.18	AA+	Aaa	4/11/2018	4/30/2018	2,316,560.21	2.27	6,738.43	2,307,986.79	2,296,892.10
FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	2,100,000.00	AA+	Aaa	4/4/2018	4/9/2018	2,117,882.81	2.61	5,407.50	2,114,453.61	2,110,280.13
Security Type Sub-Total		4,371,380.18					4,434,443.02	2.43	12,145.93	4,422,440.40	4,407,172.23
Federal Agency Bond / Note											
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	1,565,000.00	AA+	Aaa	11/8/2017	11/9/2017	1,550,382.90	1.77	4,243.98	1,557,145.86	1,541,309.03
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	10,000,000.00	AA+	Aaa	1/3/2018	1/4/2018	9,820,500.00	2.05	35,520.83	9,884,565.70	9,797,800.00
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	4,600,000.00	AA+	Aaa	9/15/2017	9/15/2017	4,571,526.00	1.58	16,339.58	4,583,499.39	4,506,988.00
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	3,490,000.00	AA+	Aaa	9/7/2017	9/8/2017	3,478,797.10	1.48	12,396.77	3,483,549.08	3,419,432.20
FNMA BENCHMARK NOTE DTD 10/19/2015 1.500% 11/30/2020	3135G0F73	6,000,000.00	AA+	Aaa	12/16/2015	12/16/2015	5,886,600.00	1.90	7,750.00	5,954,953.62	5,881,104.00
FNMA BENCHMARK NOTE DTD 10/19/2015 1.500% 11/30/2020	3135G0F73	400,000.00	AA+	Aaa	2/23/2016	2/23/2016	402,044.00	1.39	516.67	400,837.41	392,073.60
FNMA NOTES DTD 02/05/2016 1.375% 02/26/2021	3135G0J20	6,400,000.00	AA+	Aaa	2/26/2016	2/26/2016	6,388,224.00	1.41	30,555.56	6,394,828.86	6,244,057.60

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FANNIE MAE NOTES DTD 04/13/2018 2.500% 04/13/2021	3135G0U27	2,480,000.00	AA+	Aaa	4/12/2018	4/13/2018	2,476,304.80	2.55	13,433.33	2,477,163.10	2,477,976.32
FHLMC REFERNCE NOTE DTD 08/12/2016 1.125% 08/12/2021	3137EAEC9	445,000.00	AA+	Aaa	9/26/2016	9/26/2016	441,724.80	1.28	1,932.97	443,220.54	429,784.12
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	6,500,000.00	AA+	Aaa	10/4/2016	10/4/2016	6,464,854.50	1.37	30,243.06	6,480,760.65	6,294,444.00
FANNIE MAE NOTES DTD 01/09/2017 2.000% 01/05/2022	3135G0S38	6,400,000.00	AA+	Aaa	1/11/2017	1/11/2017	6,395,040.00	2.02	62,577.78	6,396,941.89	6,305,299.20
FREDDIE MAC GLOBAL NOTES DTD 01/13/2012 2.375% 01/13/2022	3137EADB2	6,400,000.00	AA+	Aaa	1/27/2017	1/27/2017	6,502,188.80	2.03	70,933.33	6,463,709.06	6,374,515.20
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	7,150,000.00	AA+	Aaa	6/19/2017	6/20/2017	7,148,920.35	1.88	32,026.04	7,149,300.52	7,006,106.25
FREDDIE MAC NOTES DTD 06/11/2018 2.750% 06/19/2023	3137EAEN5	5,000,000.00	AA+	Aaa	6/20/2018	6/21/2018	4,968,400.00	2.89	4,583.33	4,971,574.50	5,029,215.00
FREDDIE MAC NOTES DTD 06/11/2018 2.750% 06/19/2023	3137EAEN5	6,825,000.00	AA+	Aaa	6/27/2018	6/28/2018	6,802,341.00	2.82	6,256.25	6,804,593.05	6,864,878.48
FANNIE MAE NOTES DTD 09/14/2018 2.875% 09/12/2023	3135G0U43	12,325,000.00	AA+	Aaa	11/29/2018	11/30/2018	12,272,249.00	2.97	105,318.84	12,273,224.28	12,470,114.55
Security Type Sub-Total		85,980,000.00					85,570,097.25	2.13	434,628.32	85,719,867.51	85,035,097.55
Corporate Note											
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019	084664CK5	1,905,000.00	AA	Aa2	8/8/2016	8/15/2016	1,903,152.15	1.33	9,355.67	1,904,610.85	1,885,003.22
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	750,000.00	A	A1	3/10/2015	3/10/2015	757,845.00	2.06	5,270.83	751,128.26	746,101.50
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	300,000.00	A	A1	7/17/2015	7/17/2015	299,985.00	2.30	2,108.33	299,998.11	298,440.60

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	200,000.00	A	A1	6/19/2015	6/19/2015	201,186.00	2.15	1,405.56	200,182.31	198,960.40
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	1,585,000.00	A	A1	9/4/2014	9/11/2014	1,584,698.85	2.30	11,139.03	1,584,956.13	1,576,761.17
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	350,000.00	A	A1	3/21/2017	3/21/2017	352,520.00	2.00	2,459.72	350,656.28	348,180.70
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	790,000.00	A	A1	9/8/2014	9/11/2014	791,216.60	2.27	5,551.94	790,160.43	785,893.58
BANK OF NY MELLON CORP NOTE DTD 11/16/2009 4.600% 01/15/2020	06406HBP3	2,850,000.00	A	A1	4/3/2018	4/5/2018	2,939,148.00	2.78	60,451.67	2,902,680.51	2,897,563.65
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,985,000.00	A-	A2	1/26/2015	2/2/2015	1,982,300.40	2.18	17,900.84	1,984,390.84	1,963,413.13
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,500,000.00	A-	A2	3/23/2017	3/23/2017	1,501,920.00	2.10	13,527.08	1,500,747.27	1,483,687.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	675,000.00	A-	A2	6/25/2015	6/25/2015	666,900.00	2.43	6,087.19	673,016.96	667,659.38
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	500,000.00	A-	A2	7/17/2015	7/17/2015	494,355.00	2.41	4,509.03	498,600.07	494,562.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	500,000.00	A-	A2	1/26/2015	2/2/2015	500,000.00	2.15	4,509.03	500,000.00	494,562.50
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	1,800,000.00	A	A2	5/24/2017	6/5/2017	1,798,956.00	1.82	2,340.00	1,799,496.14	1,774,243.80
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	3,155,000.00	A+	A2	7/19/2017	7/24/2017	3,156,829.90	1.93	27,514.23	3,155,965.30	3,105,128.92

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	845,000.00	A+	A2	7/17/2017	7/20/2017	844,146.55	1.98	7,369.10	844,552.01	831,643.09
AMERICAN EXP (CALLABLE) CREDIT CORP NOTE DTD 09/14/2015 2.600% 09/14/2020	0258M0DX4	2,000,000.00	A-	A2	4/3/2018	4/5/2018	1,978,360.00	3.06	15,455.56	1,984,762.32	1,979,532.00
MICROSOFT CORP (CALLABLE) NOTES DTD 11/03/2015 2.000% 11/03/2020	594918BG8	1,515,000.00	AAA	Aaa	10/29/2015	11/3/2015	1,513,788.00	2.02	4,881.67	1,514,540.18	1,498,128.96
VISA INC (CALLABLE) CORP NOTES DTD 12/14/2015 2.200% 12/14/2020	92826CAB8	1,460,000.00	AA-	A1	4/3/2018	4/5/2018	1,439,049.00	2.76	1,516.78	1,444,668.72	1,444,140.02
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	1,945,000.00	A-	A2	10/23/2017	10/26/2017	1,944,105.30	2.17	17,423.96	1,944,403.76	1,904,069.42
IBM CORP NOTES DTD 02/19/2016 2.250% 02/19/2021	459200JF9	3,123,000.00	A	A1	7/13/2017	7/18/2017	3,139,895.43	2.09	25,764.75	3,133,215.86	3,060,077.80
EXXON MOBIL CORPORATE (CALLABLE) NOTES DTD 03/03/2016 2.222% 03/01/2021	30231GAV4	1,415,000.00	AA+	Aaa	2/29/2016	3/3/2016	1,415,000.00	2.22	10,480.43	1,415,000.00	1,394,626.83
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 03/01/2016 2.550% 03/01/2021	46625HQJ2	2,000,000.00	A-	A2	7/6/2017	7/11/2017	2,010,300.00	2.40	17,000.00	2,006,165.60	1,971,800.00
EXXON MOBIL CORPORATE (CALLABLE) NOTES DTD 03/03/2016 2.222% 03/01/2021	30231GAV4	3,078,000.00	AA+	Aaa	5/16/2016	5/16/2016	3,131,957.34	1.84	22,797.72	3,102,469.39	3,033,682.96
TOYOTA MOTOR CREDIT CORP NOTES DTD 04/13/2018 2.950% 04/13/2021	89236TEU5	3,700,000.00	AA-	Aa3	4/10/2018	4/13/2018	3,698,520.00	2.96	23,649.17	3,698,862.21	3,700,555.00
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	3,745,000.00	A-	A3	11/1/2017	11/3/2017	3,773,050.05	2.40	19,661.25	3,763,905.17	3,694,064.26

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	3,740,000.00	BBB+	A3	11/3/2017	11/7/2017	3,758,722.44	2.47	17,998.75	3,752,554.81	3,642,599.18
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	2,230,000.00	A	A1	5/16/2016	5/19/2016	2,228,840.40	1.96	5,073.25	2,229,433.25	2,167,390.52
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	150,000.00	A	A1	11/1/2016	11/1/2016	150,142.50	1.93	341.25	150,076.52	145,788.60
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 1.550% 08/08/2021	594918BP8	2,125,000.00	AAA	Aaa	8/1/2016	8/8/2016	2,122,768.75	1.57	13,083.51	2,123,816.86	2,064,367.38
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 1.550% 08/08/2021	594918BP8	855,000.00	AAA	Aaa	8/2/2016	8/8/2016	853,691.85	1.58	5,264.19	854,306.27	830,604.29
PACCAR FINANCIAL CORP DTD 08/11/2016 1.650% 08/11/2021	69371RN44	1,730,000.00	A+	A1	1/25/2017	1/25/2017	1,661,976.40	2.57	11,100.83	1,689,965.48	1,667,837.64
ORACLE CORP (CALLABLE) NOTES DTD 07/07/2016 1.900% 09/15/2021	68389XBK0	4,100,000.00	AA-	A1	11/29/2016	11/29/2016	4,008,201.00	2.40	22,937.22	4,046,957.40	3,977,848.70
CISCO SYSTEMS INC CORP (CALLABLE) NOTES DTD 09/20/2016 1.850% 09/20/2021	17275RBJ0	4,000,000.00	AA-	A1	6/20/2018	6/22/2018	3,851,880.00	3.06	20,761.11	3,874,970.80	3,889,432.00
CITIGROUP INC CORP (CALLABLE) NOTE DTD 12/08/2016 2.900% 12/08/2021	172967LC3	3,745,000.00	BBB+	Baa1	11/20/2017	11/22/2017	3,770,578.35	2.72	6,938.65	3,763,727.81	3,684,435.86
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	875,000.00	A	A2	3/21/2017	3/21/2017	877,056.25	2.60	11,271.70	876,334.51	858,266.50
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	1,000,000.00	A	A2	3/21/2017	3/21/2017	1,003,240.00	2.58	12,881.94	1,002,097.24	980,876.00
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	3,000,000.00	A	A2	3/22/2017	3/22/2017	3,010,920.00	2.57	38,645.83	3,007,066.89	2,942,628.00
US BANCORP (CALLABLE) NOTES DTD 01/24/2017 2.625% 01/24/2022	91159HHP8	2,000,000.00	A+	A1	1/19/2017	1/24/2017	1,996,560.00	2.66	22,895.83	1,997,838.62	1,969,610.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 03/03/2017 2.700% 03/03/2022	0258M0EG0	2,000,000.00	A-	A2	7/10/2017	7/13/2017	2,019,320.00	2.48	17,700.00	2,013,354.42	1,960,394.00
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 2.450% 03/04/2022	25468PDQ6	4,000,000.00	A+	A2	7/14/2017	7/19/2017	4,047,920.00	2.18	31,850.00	4,033,436.72	3,915,584.00
APPLE INC CORP (CALLABLE) NOTE DTD 05/11/2017 2.300% 05/11/2022	037833CQ1	6,000,000.00	AA+	Aa1	7/10/2017	7/13/2017	5,992,020.00	2.33	19,166.67	5,994,415.44	5,855,580.00
INTEL CORP (CALLABLE) NOTES DTD 05/11/2017 2.350% 05/11/2022	458140BB5	4,000,000.00	A+	A1	7/10/2017	7/13/2017	4,002,480.00	2.34	13,055.56	4,001,796.56	3,911,988.00
UNITED PARCEL SERVICE (CALLABLE) NOTES DTD 05/16/2017 2.350% 05/16/2022	911312BC9	4,000,000.00	A+	A1	7/10/2017	7/13/2017	4,012,880.00	2.28	11,750.00	4,009,107.00	3,902,628.00
HOME DEPOT INC CORP (CALLABLE) NOTES DTD 06/02/2015 2.625% 06/01/2022	437076BG6	2,000,000.00	A	A2	7/10/2017	7/13/2017	2,029,380.00	2.30	4,375.00	2,020,765.12	1,979,028.00
VISA INC (CALLABLE) NOTE DTD 09/11/2017 2.150% 09/15/2022	92826CAG7	2,000,000.00	AA-	A1	6/20/2018	6/22/2018	1,917,180.00	3.20	12,661.11	1,926,918.12	1,935,862.00
Security Type Sub-Total		97,221,000.00					97,134,942.51	2.36	639,882.94	97,118,074.52	95,515,231.56
Commercial Paper											
JP MORGAN SECURITIES LLC COMM PAPER DTD 10/05/2018 0.000% 04/03/2019	46640QR37	11,000,000.00	A-1	P-1	10/5/2018	10/5/2018	10,858,650.00	2.60	0.00	10,927,754.42	10,918,732.00
Security Type Sub-Total		11,000,000.00					10,858,650.00	2.60	0.00	10,927,754.42	10,918,732.00
Certificate of Deposit											
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	7,500,000.00	A-1	P-1	8/3/2017	8/4/2017	7,497,075.00	1.85	58,266.67	7,499,144.18	7,458,097.50

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	3,760,000.00	A-1	P-1	9/25/2017	9/27/2017	3,760,000.00	2.07	21,187.60	3,760,000.00	3,733,766.48
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	4,030,000.00	A	A1	2/7/2018	2/8/2018	4,030,000.00	2.67	96,542.01	4,030,000.00	4,023,104.67
NORDEA BANK AB NY CD DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	6,060,000.00	AA-	Aa3	2/20/2018	2/22/2018	6,060,000.00	2.72	59,980.53	6,060,000.00	6,056,315.52
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	6,000,000.00	A+	Aa2	3/2/2018	3/6/2018	6,000,000.00	2.93	57,516.67	6,000,000.00	6,003,396.00
CANADIAN IMP BK COMM NY FLT CERT DEPOS DTD 04/10/2018 2.814% 04/10/2020	13606BVF0	4,055,000.00	A+	Aa2	4/6/2018	4/10/2018	4,055,000.00	2.78	26,310.50	4,055,000.00	4,062,534.19
CREDIT AGRICOLE CIB NY FLT CERT DEPOS DTD 04/10/2018 2.884% 04/10/2020	22532XHT8	4,055,000.00	A+	A1	4/6/2018	4/10/2018	4,055,000.00	2.85	26,964.93	4,055,000.00	4,056,013.75
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	7,000,000.00	A+	Aa2	6/5/2018	6/7/2018	6,997,340.00	3.10	15,571.11	6,998,073.39	7,020,468.00
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	6,735,000.00	AA-	Aa3	8/3/2017	8/7/2017	6,735,000.00	2.05	55,227.00	6,735,000.00	6,643,646.46
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	7,000,000.00	A+	Aa2	8/1/2018	8/3/2018	7,000,000.00	3.23	93,661.94	7,000,000.00	6,991,845.00
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	7,555,000.00	AA-	Aa2	11/16/2017	11/17/2017	7,555,000.00	2.30	21,913.70	7,555,000.00	7,411,742.09
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	4,000,000.00	AA-	Aa2	6/7/2018	6/8/2018	4,000,000.00	3.24	8,640.00	4,000,000.00	4,000,408.00
Security Type Sub-Total		67,750,000.00					67,744,415.00	2.63	541,782.66	67,747,217.57	67,461,337.66

Asset-Backed Security / Collateralized Mortgage Obligation

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
NISSAN ABS 2017-A A2A DTD 03/28/2017 1.470% 01/15/2020	654747AB0	85,224.04	NR	Aaa	3/21/2017	3/28/2017	85,223.60	1.47	55.68	85,223.87	85,185.02
JOHN DEERE ABS 2016-A A3 DTD 03/02/2016 1.360% 04/15/2020	47788MAC4	446,673.32	NR	Aaa	2/23/2016	3/2/2016	446,603.02	1.37	269.99	446,655.10	445,626.94
HONDA ABS 2016-2 A3 DTD 05/31/2016 1.390% 04/15/2020	43814QAC2	441,349.71	NR	Aaa	5/24/2016	5/31/2016	441,341.15	1.39	272.66	441,347.30	439,603.33
HAROT 2017-4 A3 DTD 11/29/2017 2.050% 11/21/2021	43813FAC7	2,105,000.00	NR	Aaa	11/22/2017	11/29/2017	2,104,703.41	2.06	1,198.68	2,104,781.40	2,084,167.45
TAOT 2017-D A3 DTD 11/15/2017 1.930% 01/15/2022	89238KAD4	2,340,000.00	AAA	Aaa	11/7/2017	11/15/2017	2,339,784.25	2.26	2,007.20	2,339,840.93	2,307,397.72
HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/15/2022	44932GAD7	4,185,000.00	AAA	Aaa	8/9/2017	8/16/2017	4,184,274.74	1.78	3,292.20	4,184,494.20	4,129,085.47
ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	2,930,000.00	AAA	Aaa	11/14/2017	11/22/2017	2,929,772.63	1.99	2,591.42	2,929,829.12	2,900,829.51
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	1,950,000.00	AAA	Aaa	1/23/2018	1/31/2018	1,949,977.58	2.35	2,036.67	1,949,983.09	1,931,250.75
HART 2018-A A3 DTD 04/18/2018 2.790% 07/15/2022	44891KAD7	1,330,000.00	AAA	Aaa	4/10/2018	4/18/2018	1,329,799.70	2.80	1,649.20	1,329,831.65	1,328,935.73
MBART 2018-1 A3 DTD 07/25/2018 3.030% 01/15/2023	58772RAD6	2,710,000.00	AAA	Aaa	7/17/2018	7/25/2018	2,709,895.94	3.03	3,649.47	2,709,906.83	2,714,886.40
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	3,950,000.00	AAA	Aaa	6/19/2018	6/27/2018	3,949,729.82	3.09	5,266.67	3,949,760.04	3,946,758.63
NAROT 2018-B A3 DTD 07/25/2018 3.060% 03/15/2023	65479GAD1	2,540,000.00	AAA	Aaa	7/17/2018	7/25/2018	2,539,917.70	3.06	3,454.40	2,539,926.37	2,549,803.89
Security Type Sub-Total		25,013,247.07					25,011,023.54	2.43	25,744.24	25,011,579.90	24,863,530.84
Managed Account Sub Total		434,870,627.25					432,107,323.91	2.34	2,415,902.82	432,600,599.24	429,157,000.68

Securities Sub-Total	\$434,870,627.25	\$432,107,323.91	2.34%	\$2,415,902.82	\$432,600,599.24	\$429,157,000.68
Accrued Interest						\$2,415,902.82
Total Investments						\$431,572,903.50

Bolded items are forward settling trades.

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.