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CITY OF SAN PABLO

November 2018

Part of  BNY MELLON

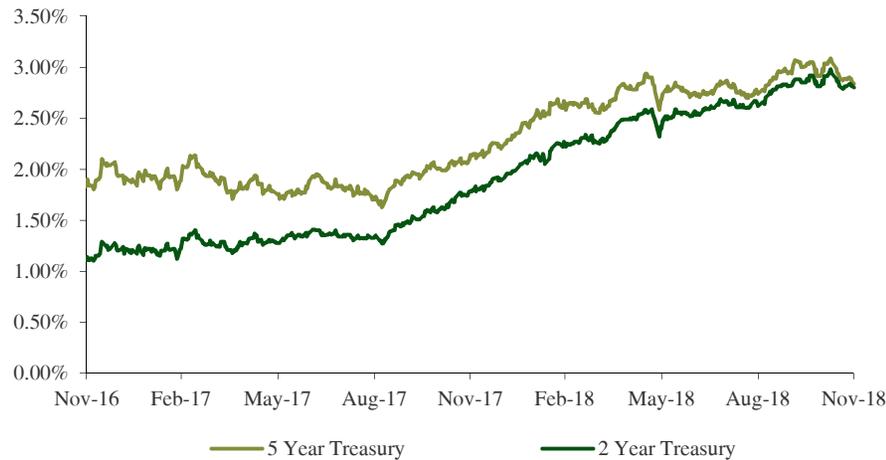


Contents

Fixed income market review	3
Activity and performance summary	4
Recap of securities held	6
Maturity distribution of securities held	7
Securities held	8
GASB 40 - Deposit and investment risk disclosure	13
Securities purchased	17
Securities sold and matured	18
Transaction report	19
Additional information	20

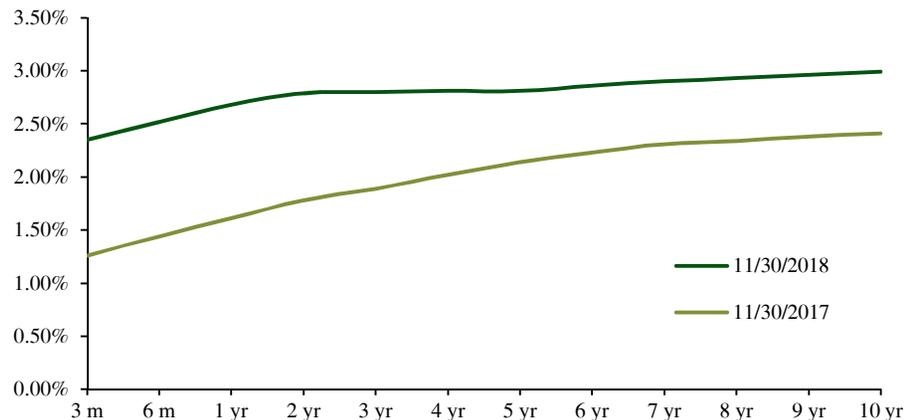
As of November 30, 2018

Chart 1: 2-year and 5-year Treasury note yields: 11/30/2016—11/30/2018



Source: Bloomberg Finance LP, November 30, 2018.

Chart 2: Treasury yield curve: 11/30/2017 and 11/30/2018



Source: Bloomberg Finance LP, November 30, 2018.

Economic Indicators and Monetary Policy

After reaching cyclical highs on November 8, 2-year and 5-year Treasury yields decreased and the yield curve flattened during the month. Mid-term election results and dovish comments from the Federal Reserve provided support for the downtrend in rates during November. (See Chart 1).

Federal Reserve Chairman Jerome Powell and Vice Chairman Richard Clarida made references during November to how rates are very close to a neutral level. The language is notable since both had signaled different stances in October. Chairman Powell stated in October that rates were “a long way” off neutral, whereas more recently he indicated that rates are now “just below neutral”. The newly appointed Vice Chairman of the Federal Reserve, Richard Clarida, stated that US interest rates are approaching Federal Reserve estimates of a neutral rate and that the Federal Open Market Committee (FOMC) should predicate additional hikes on economic data. The next meeting of the FOMC is on December 19 and a 25 basis point increase is widely expected.

The US election results were largely as expected, with the Democrats gaining control of the House of Representatives and Republicans solidifying their majority in the Senate. This divided outcome resulted in a flattening of the yield curve, as investors attempted to assess the impact of congressional gridlock on future fiscal measures and the prospect of reduced fiscal stimulus and lower Treasury issuance.

The payroll report released on November 2 showed that employers added 250,000 jobs in October, better than expectations for 200,000. The prior month’s job gains were revised downward by 16,000 to 118,000. The October unemployment rate was unchanged from the prior month at 3.7% and the underemployment rate decreased from 7.5% to 7.4%. Average hourly earnings rose in line with expectations to an annual rate of 3.1% from 2.8% in September.

Interest Rate Summary

At the end of November, the 3-month US Treasury bill yielded 2.35%, the 6-month US Treasury bill yielded 2.52%, the 2-year US Treasury note yielded 2.79%, the 5-year US Treasury note yielded 2.81% and the 10-year US Treasury note yielded 2.99%. (See Chart 2).

ACTIVITY AND PERFORMANCE SUMMARY

For the period November 1, 2018 - November 30, 2018

Amortized Cost Basis Activity Summary

Opening balance		27,472,303.36
Income received	26,232.67	
Total receipts		26,232.67
Total disbursements		0.00
Interportfolio transfers	0.00	
Total Interportfolio transfers		0.00
Realized gain (loss)		0.00
Total amortization expense		(5,844.87)
Total OID/MKT accretion income		7,756.97
Return of capital		0.00
Closing balance		27,500,448.13
Ending fair value		27,292,407.78
Unrealized gain (loss)		(208,040.35)

Detail of Amortized Cost Basis Return

	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	133.26	0.00	0.00	133.26
Corporate Bonds	12,765.15	(682.43)	0.00	12,082.72
Government Agencies	18,893.50	(43.84)	0.00	18,849.66
Government Bonds	4,382.02	2,638.37	0.00	7,020.39
Total	36,173.93	1,912.10	0.00	38,086.03

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	1.75	1.00	0.18
Overnight Repo	1.79	1.03	0.18
Merrill Lynch 3m US Treas Bill	1.83	1.04	0.19
Merrill Lynch 6m US Treas Bill	1.98	1.12	0.20
ML 1 Year US Treasury Note	2.25	1.25	0.22
ML 2 Year US Treasury Note	2.46	1.35	0.23
ML 5 Year US Treasury Note	2.71	1.42	0.24

* rates reflected are cumulative

Summary of Amortized Cost Basis Return for the Period

	Total portfolio
Interest earned	36,173.93
Accretion (amortization)	1,912.10
Realized gain (loss) on sales	0.00
Total income on portfolio	38,086.03
Average daily amortized cost	27,479,769.79
Period return (%)	0.14
YTD return (%)	1.39
Weighted average final maturity in days	290

ACTIVITY AND PERFORMANCE SUMMARY

For the period November 1, 2018 - November 30, 2018

<u>Fair Value Basis Activity Summary</u>		
Opening balance		27,243,655.63
Income received	26,232.67	
Total receipts		26,232.67
Total disbursements		0.00
Interportfolio transfers	0.00	
Total Interportfolio transfers		0.00
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		22,519.48
Ending fair value		27,292,407.78

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	133.26	0.00	133.26
Corporate Bonds	12,765.15	2,095.00	14,860.15
Government Agencies	18,893.50	16,435.50	35,329.00
Government Bonds	4,382.02	3,988.98	8,371.00
Total	36,173.93	22,519.48	58,693.41

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	1.75	1.00	0.18
Overnight Repo	1.79	1.03	0.18
ICE ML 3m US Treas Bill	1.80	1.04	0.21
ICE ML 6m US Treas Bill	1.80	1.05	0.20
ICE ML 1 Year US Treasury Note	1.53	0.96	0.23
ICE ML US Treasury 1-3	0.80	0.71	0.35
ICE ML US Treasury 1-5	0.40	0.65	0.48

* rates reflected are cumulative

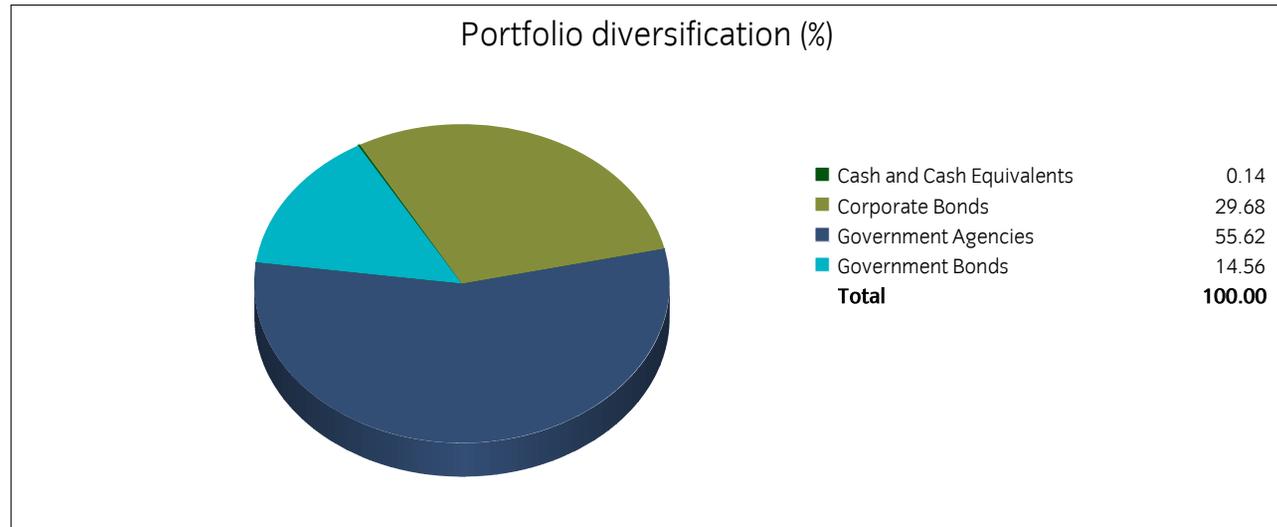
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	36,173.93
Change in fair value	22,519.48
Total income on portfolio	58,693.41
Average daily total value *	27,376,597.55
Period return (%)	0.21
YTD return (%)	1.33
Weighted average final maturity in days	290

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of November 30, 2018

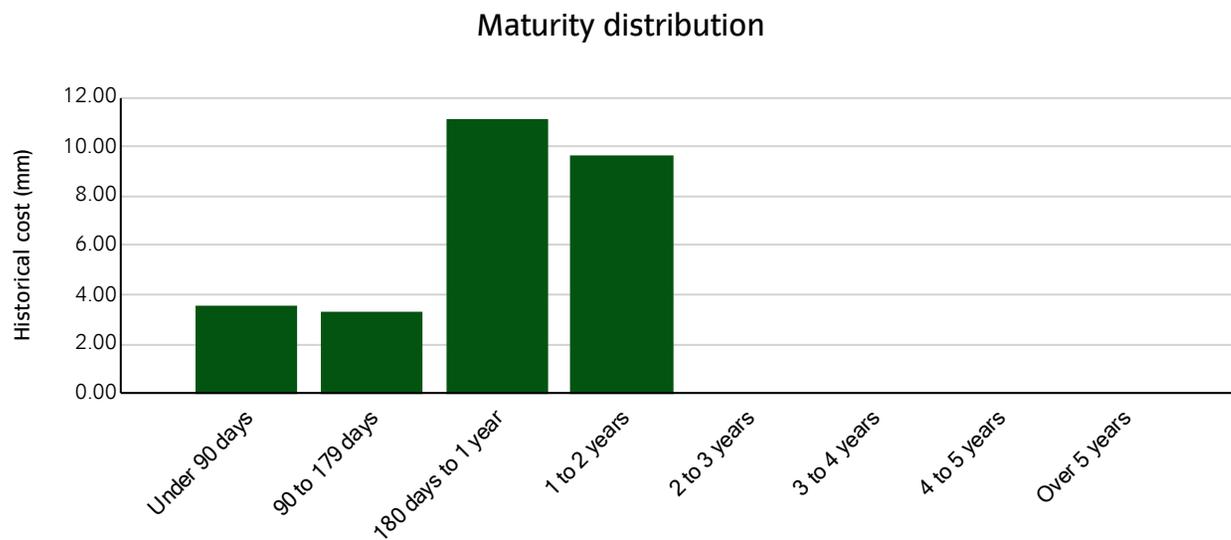
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	38,426.73	38,426.73	38,426.73	0.00	1	0.14	0.00
Corporate Bonds	8,168,389.50	8,153,539.81	8,082,562.90	(70,976.91)	284	29.68	0.76
Government Agencies	15,308,922.81	15,295,000.82	15,176,727.50	(118,273.32)	272	55.62	0.73
Government Bonds	4,006,002.01	4,013,480.77	3,994,690.65	(18,790.12)	376	14.56	1.02
Total	27,521,741.05	27,500,448.13	27,292,407.78	(208,040.35)	290	100.00	0.78



MATURITY DISTRIBUTION OF SECURITIES HELD

As of November 30, 2018

Maturity	Historic cost	Percent
Under 90 days	3,548,396.73	12.89
90 to 179 days	3,228,775.00	11.73
180 days to 1 year	11,110,697.83	40.37
1 to 2 years	9,633,871.49	35.01
2 to 3 years	0.00	0.00
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	27,521,741.05	100.00



SECURITIES HELD

As of November 30, 2018

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Cash and Cash Equivalents											
Cash and Cash Equivalents	0.000		38,426.73	38,426.73 0.00	38,426.73 0.00	38,426.73 0.00	0.00	0.00	0.00	0.00	0.14
Total Cash and Cash Equivalents			38,426.73	38,426.73 0.00	38,426.73 0.00	38,426.73 0.00	0.00	0.00	0.00	0.00	0.14
Corporate Bonds											
69353REZ7 PNC BANK NA 1.7% 07DEC2018 CALLABLE	1.700	12/07/2018	500,000.00	499,980.00 0.00	499,999.79 0.88	499,924.50 406.00	(75.29)	0.00	684.72	4,084.72	1.82
713448CK2 PEPSICO INC 2.25% 07JAN2019 CALLABLE	2.250	01/07/2019 12/07/2018	1,000,000.00	1,011,060.00 0.00	1,000,624.76 (506.57)	999,603.00 745.00	(1,021.76)	0.00	1,812.50	8,937.50	3.67
17275RBB7 CISCO SYSTEMS INC 1.6% 28FEB2019	1.600	02/28/2019	700,000.00	700,630.00 0.00	700,052.11 (17.38)	697,946.20 437.50	(2,105.91)	0.00	902.22	2,862.22	2.55
14912L6R7 CATERPILLAR FINL SERVICE 1.35% 18MAY2019	1.350	05/18/2019	1,000,000.00	999,260.00 0.00	999,871.44 22.96	992,503.00 1,143.00	(7,368.44)	6,750.00	1,087.50	450.00	3.63
68389XAG0 ORACLE CORP 5% 08JUL2019	5.000	07/08/2019	450,000.00	462,735.00 0.00	456,486.52 (892.64)	455,173.65 (1,397.25)	(1,312.87)	0.00	1,812.50	8,875.00	1.68
25468PDL7 WALT DISNEY COMPANY/THE 0.875% 12JUL2019	0.875	07/12/2019	500,000.00	490,240.00 0.00	495,227.49 644.93	493,342.50 681.50	(1,884.99)	0.00	352.43	1,677.08	1.78
0258M0EC9 AMERICAN EXPRESS CREDIT 1.7% 30OCT2019 (CALLABLE 30SEP19)	1.700	10/30/2019 09/29/2019	500,000.00	491,775.00 0.00	494,973.61 456.94	493,803.00 432.00	(1,170.61)	0.00	708.33	708.33	1.79
594918AY0 MICROSOFT CORP 1.85% 12FEB2020 (CALLABLE 12JAN20)	1.850	02/12/2020 01/12/2020	1,000,000.00	1,002,170.00 0.00	1,000,945.00 (65.63)	988,085.00 1,035.00	(12,860.00)	0.00	1,490.28	5,550.00	3.64

SECURITIES HELD

As of November 30, 2018

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Corporate Bonds											
166764AR1 CHEVRON CORP 1.961% 03MAR2020 (CALLABLE 03FEB20)	1.961	03/03/2020 02/03/2020	500,000.00	501,625.00 0.00	500,853.97 (56.56)	492,768.00 (224.50)	(8,085.97)	0.00	789.85	2,369.54	1.82
25468PDP8 WALT DISNEY COMPANY/THE 1.95% 04MAR2020	1.950	03/04/2020	450,000.00	451,624.50 0.00	450,727.34 (48.06)	443,754.45 (489.15)	(6,972.89)	0.00	706.87	2,096.25	1.64
30231GAG7 EXXON MOBIL CORPORATION 1.912% 06MAR2020 (CALLABLE 06FEB20)	1.912	03/06/2020 02/06/2020	550,000.00	552,255.00 0.00	551,012.09 (66.58)	542,328.60 185.90	(8,683.49)	0.00	847.12	2,453.73	2.01
89236TDU6 TOYOTA MOTOR CREDIT CORP 1.95% 17APR2020	1.950	04/17/2020	500,000.00	501,915.00 0.00	501,015.75 (61.31)	492,835.00 418.50	(8,180.75)	0.00	785.41	1,164.58	1.82
24422ETS8 JOHN DEERE CAPITAL CORP 1.95% 22JUN2020	1.950	06/22/2020	500,000.00	503,120.00 0.00	501,749.94 (93.41)	490,496.00 (1,278.50)	(11,253.94)	0.00	785.42	4,279.17	1.83
Total Corporate Bonds			8,150,000.00	8,168,389.50 0.00	8,153,539.81 (682.43)	8,082,562.90 2,095.00	(70,976.91)	6,750.00	12,765.15	45,508.12	29.68
Government Agencies											
3133EGM69 FEDERAL FARM CREDIT BANK 1.1% 05DEC2018	1.100	12/05/2018	1,000,000.00	997,730.00 0.00	999,984.26 94.45	999,930.00 1,000.00	(54.26)	0.00	886.11	5,347.22	3.63
3133EF3V7 FEDERAL FARM CREDIT BANK 0.875% 15FEB2019	0.875	02/15/2019	1,000,000.00	1,001,200.00 0.00	1,000,098.68 (39.48)	997,010.00 1,240.00	(3,088.68)	0.00	704.86	2,552.08	3.64
313378QK0 FEDERAL HOME LOAN BANK 1.875% 08MAR2019	1.875	03/08/2019	1,000,000.00	1,026,340.00 0.00	1,002,760.77 (845.13)	998,540.00 380.00	(4,220.77)	0.00	1,510.41	4,270.83	3.73

SECURITIES HELD

As of November 30, 2018

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Agencies											
3137EADZ9 FREDDIE MAC 1.125% 15APR2019	1.125	04/15/2019	500,000.00	502,545.00 0.00	500,350.94 (77.99)	497,522.50 721.50	(2,828.44)	0.00	453.13	703.13	1.83
313379EE5 FEDERAL HOME LOAN BANK 1.625% 14JUN2019	1.625	06/14/2019	1,000,000.00	1,020,720.00 0.00	1,003,898.82 (602.91)	994,954.00 896.00	(8,944.82)	0.00	1,309.03	7,493.06	3.71
3137EAEB1 FREDDIE MAC 0.875% 19JUL2019	0.875	07/19/2019	1,500,000.00	1,478,462.20 0.00	1,489,544.76 1,369.69	1,483,626.00 2,191.50	(5,918.76)	0.00	1,057.29	4,776.04	5.37
3135G0N33 FANNIE MAE 0.875% 02AUG2019	0.875	08/02/2019	1,000,000.00	981,984.00 0.00	991,467.96 1,057.69	988,160.00 1,465.00	(3,307.96)	0.00	704.87	2,868.06	3.57
3133X8AS1 FEDERAL HOME LOAN BANK 5.125% 15AUG2019	5.125	08/15/2019	1,000,000.00	1,023,150.00 0.00	1,017,727.48 (2,085.58)	1,016,589.00 (2,205.00)	(1,138.48)	0.00	4,128.48	14,947.92	3.72
3133EGSCO FEDERAL FARM CREDIT BANK 1% 26AUG2019	1.000	08/26/2019	1,000,000.00	998,204.00 0.00	999,551.42 50.59	987,940.00 1,320.00	(11,611.42)	0.00	805.55	2,611.11	3.63
3130A9MF5 FEDERAL HOME LOAN BANK 1.125% 03OCT2019 (CALLABLE 12DEC18)	1.125	10/03/2019	1,000,000.00	999,000.00 0.00	999,718.92 27.83	986,810.00 1,080.00	(12,908.92)	0.00	906.25	1,781.25	3.63
3135G0R39 FANNIE MAE 1% 24OCT2019	1.000	10/24/2019	1,000,000.00	980,380.00 0.00	989,280.13 992.58	984,587.00 1,522.00	(4,693.13)	0.00	805.56	1,000.00	3.56
3133EGJ30 FEDERAL FARM CREDIT BANK 1.1% 18NOV2019	1.100	11/18/2019	600,000.00	595,032.00 0.00	598,081.17 165.41	590,532.00 702.00	(7,549.17)	3,300.00	531.67	220.00	2.16
3136G4DA8 FANNIE MAE 1.2% 30DEC2019 (CALLABLE 30DEC18) #0001	1.200	12/30/2019 12/30/2018	700,000.00	699,125.00 0.00	699,707.08 22.53	688,345.00 2,205.00	(11,362.08)	0.00	700.00	3,500.00	2.54

SECURITIES HELD

As of November 30, 2018

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Agencies											
3135G0VY6 FANNIE MAE 1.7% 27MAR2020 CALLABLE	1.700	03/27/2020	1,000,000.00	1,004,795.61 0.00	1,002,505.48 (157.58)	985,920.00 1,260.00	(16,585.48)	0.00	1,369.44	2,975.00	3.65
3134GBTF9 FREDDIE MAC 1.625% 27MAR2020 (CALLABLE 27DEC18)	1.625	03/27/2020 12/27/2018	1,500,000.00	1,499,445.00 0.00	1,499,710.04 18.24	1,477,500.00 2,160.00	(22,210.04)	0.00	1,963.55	4,265.63	5.45
3130AECJ7 FEDERAL HOME LOAN BANK 2.625% 28MAY2020	2.625	05/28/2020	500,000.00	500,810.00 0.00	500,612.91 (34.18)	498,762.00 497.50	(1,850.91)	6,817.71	1,057.30	72.92	1.82
Total Government Agencies			15,300,000.00	15,308,922.81 0.00	15,295,000.82 (43.84)	15,176,727.50 16,435.50	(118,273.32)	10,117.71	18,893.50	59,384.25	55.62
Government Bonds											
9128282G4 USA TREASURY 0.875% 15SEP2019	0.875	09/15/2019	1,000,000.00	983,554.69 0.00	986,536.28 1,397.62	985,977.00 1,485.00	(559.28)	0.00	725.14	1,837.02	3.57
912828F39 USA TREASURY 1.75% 30SEP2019	1.750	09/30/2019	600,000.00	605,460.94 0.00	601,964.65 (193.88)	595,312.80 422.40	(6,651.85)	0.00	865.39	1,759.62	2.20
9128283H1 USA TREASURY 1.75% 30NOV2019	1.750	11/30/2019	750,000.00	742,089.84 0.00	744,083.59 486.28	742,587.75 498.00	(1,495.84)	6,562.50	1,075.82	0.00	2.70
912828UL2 USA TREASURY 1.375% 31JAN2020	1.375	01/31/2020	1,100,000.00	1,086,636.72 0.00	1,092,391.84 534.53	1,082,555.10 1,417.90	(9,836.74)	0.00	1,233.02	5,014.27	3.95

SECURITIES HELD

As of November 30, 2018

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Bonds											
912828K58 USA TREASURY 1.375% 30APR2020	1.375	04/30/2020	600,000.00	588,259.82 (455.80)	588,504.41 244.59	588,258.00 (1.82)	(246.41)	0.00	227.90	683.70	2.14
Total Government Bonds			4,050,000.00	4,006,002.01 (455.80)	4,013,480.77 2,469.14	3,994,690.65 3,821.48	(18,790.12)	6,562.50	4,127.27	9,294.61	14.56
Grand total			27,538,426.73	27,521,741.05 (455.80)	27,500,448.13 1,742.87	27,292,407.78 22,351.98	(208,040.35)	23,430.21	35,785.92	114,186.98	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of November 30, 2018

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Federal Home Loan Banks												
313378QK0	FEDERAL HOME LOAN	1.875	03/08/2019		AA+	Aaa	1,000,000.00	1,026,340.00	3.73	998,540.00	3.66	0.27
313379EE5	FEDERAL HOME LOAN	1.625	06/14/2019		AA+	Aaa	1,000,000.00	1,020,720.00	3.71	994,954.00	3.65	0.53
3133X8AS1	FEDERAL HOME LOAN	5.125	08/15/2019		AA+	Aaa	1,000,000.00	1,023,150.00	3.72	1,016,589.00	3.72	0.68
3130A9MF5	FEDERAL HOME LOAN	1.125	10/03/2019		AA+	Aaa	1,000,000.00	999,000.00	3.63	986,810.00	3.62	0.83
3130AECJ7	FEDERAL HOME LOAN	2.625	05/28/2020		AA+	Aaa	500,000.00	500,810.00	1.82	498,762.00	1.83	1.45
Issuer total							4,500,000.00	4,570,020.00	16.61	4,495,655.00	16.47	0.67
United States Treasury Note/Bond												
9128282G4	USA TREASURY 0.875%	0.875	09/15/2019		AA+	Aaa	1,000,000.00	983,554.69	3.57	985,977.00	3.61	0.78
912828F39	USA TREASURY 1.75%	1.750	09/30/2019		AA+	Aaa	600,000.00	605,460.94	2.20	595,312.80	2.18	0.82
9128283H1	USA TREASURY 1.75%	1.750	11/30/2019		AA+	Aaa	750,000.00	742,089.84	2.70	742,587.75	2.72	1.05
912828UL2	USA TREASURY 1.375%	1.375	01/31/2020		AA+	Aaa	1,100,000.00	1,086,636.72	3.95	1,082,555.10	3.97	1.14
912828K58	USA TREASURY 1.375%	1.375	04/30/2020		AA+	Aaa	600,000.00	588,259.82	2.14	588,258.00	2.16	1.38
Issuer total							4,050,000.00	4,006,002.01	14.56	3,994,690.65	14.64	1.02
Federal National Mortgage Association												
3135G0N33	FANNIE MAE 0.875%	0.875	08/02/2019		AA+	Aaa	1,000,000.00	981,984.00	3.57	988,160.00	3.62	0.66
3135G0R39	FANNIE MAE 1%	1.000	10/24/2019		AA+	Aaa	1,000,000.00	980,380.00	3.56	984,587.00	3.61	0.88
3136G4DA8	FANNIE MAE 1.2%	1.200	12/30/2019	12/30/2018	AA+	Aaa	700,000.00	699,125.00	2.54	688,345.00	2.52	1.06
3135G0VY6	FANNIE MAE 1.7%	1.700	03/27/2020		AA+	Aaa	1,000,000.00	1,004,795.61	3.65	985,920.00	3.61	1.29
Issuer total							3,700,000.00	3,666,284.61	13.32	3,647,012.00	13.36	0.97
Federal Farm Credit Banks												
3133EGM69	FEDERAL FARM CREDIT	1.100	12/05/2018		AA+	Aaa	1,000,000.00	997,730.00	3.63	999,930.00	3.66	0.01
3133EF3V7	FEDERAL FARM CREDIT	0.875	02/15/2019		AA+	Aaa	1,000,000.00	1,001,200.00	3.64	997,010.00	3.65	0.21
3133EGSCO	FEDERAL FARM CREDIT	1.000	08/26/2019		AA+	Aaa	1,000,000.00	998,204.00	3.63	987,940.00	3.62	0.72

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of November 30, 2018

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Federal Farm Credit Banks												
3133EGJ30	FEDERAL FARM CREDIT	1.100	11/18/2019		AA+	Aaa	600,000.00	595,032.00	2.16	590,532.00	2.16	0.95
Issuer total							3,600,000.00	3,592,166.00	13.05	3,575,412.00	13.10	0.42
Federal Home Loan Mortgage Corp												
3137EADZ9	FREDDIE MAC 1.125%	1.125	04/15/2019		AA+	Aaa	500,000.00	502,545.00	1.83	497,522.50	1.82	0.37
3137EAEB1	FREDDIE MAC 0.875%	0.875	07/19/2019		AA+	Aaa	1,500,000.00	1,478,462.20	5.37	1,483,626.00	5.44	0.62
3134GBT9	FREDDIE MAC 1.625%	1.625	03/27/2020	12/27/2018	AA+	Aaa	1,500,000.00	1,499,445.00	5.45	1,477,500.00	5.41	1.29
Issuer total							3,500,000.00	3,480,452.20	12.65	3,458,648.50	12.67	0.87
PepsiCo Inc												
713448CK2	PEPSICO INC 2.25%	2.250	01/07/2019	12/07/2018	A+	A1	1,000,000.00	1,011,060.00	3.67	999,603.00	3.66	0.10
Issuer total							1,000,000.00	1,011,060.00	3.67	999,603.00	3.66	0.10
Caterpillar Financial Services Corp												
14912L6R7	CATERPILLAR FINL	1.350	05/18/2019		A	A3	1,000,000.00	999,260.00	3.63	992,503.00	3.64	0.46
Issuer total							1,000,000.00	999,260.00	3.63	992,503.00	3.64	0.46
Microsoft Corp												
594918AY0	MICROSOFT CORP 1.85%	1.850	02/12/2020	01/12/2020	AAA	Aaa	1,000,000.00	1,002,170.00	3.64	988,085.00	3.62	1.17
Issuer total							1,000,000.00	1,002,170.00	3.64	988,085.00	3.62	1.17
Walt Disney Co/The												
25468PDL7	WALT DISNEY	0.875	07/12/2019		A+	A2	500,000.00	490,240.00	1.78	493,342.50	1.81	0.60
25468PDP8	WALT DISNEY	1.950	03/04/2020		A+	A2	450,000.00	451,624.50	1.64	443,754.45	1.63	1.23
Issuer total							950,000.00	941,864.50	3.42	937,096.95	3.43	0.90

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of November 30, 2018

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Cisco Systems Inc												
17275RBB7	CISCO SYSTEMS INC 1.6%	1.600	02/28/2019		AA-	A1	700,000.00	700,630.00	2.55	697,946.20	2.56	0.24
Issuer total							700,000.00	700,630.00	2.55	697,946.20	2.56	0.24
Exxon Mobil Corp												
30231GAG7	EXXON MOBIL	1.912	03/06/2020	02/06/2020	AA+	Aaa	550,000.00	552,255.00	2.01	542,328.60	1.99	1.23
Issuer total							550,000.00	552,255.00	2.01	542,328.60	1.99	1.23
PNC Bank NA												
69353REZ7	PNC BANK NA 1.7%	1.700	12/07/2018		A	A2	500,000.00	499,980.00	1.82	499,924.50	1.83	0.02
Issuer total							500,000.00	499,980.00	1.82	499,924.50	1.83	0.02
American Express Credit Corp												
0258M0EC9	AMERICAN EXPRESS	1.700	10/30/2019	09/29/2019	A-	A2	500,000.00	491,775.00	1.79	493,803.00	1.81	0.90
Issuer total							500,000.00	491,775.00	1.79	493,803.00	1.81	0.90
Toyota Motor Credit Corp												
89236TDU6	TOYOTA MOTOR CREDIT	1.950	04/17/2020		AA-	Aa3	500,000.00	501,915.00	1.82	492,835.00	1.81	1.34
Issuer total							500,000.00	501,915.00	1.82	492,835.00	1.81	1.34
Chevron Corp												
166764AR1	CHEVRON CORP 1.961%	1.961	03/03/2020	02/03/2020	AA-	Aa2	500,000.00	501,625.00	1.82	492,768.00	1.81	1.22
Issuer total							500,000.00	501,625.00	1.82	492,768.00	1.81	1.22
John Deere Capital Corp												
24422ETS8	JOHN DEERE CAPITAL	1.950	06/22/2020		A	A2	500,000.00	503,120.00	1.83	490,496.00	1.80	1.51
Issuer total							500,000.00	503,120.00	1.83	490,496.00	1.80	1.51

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of November 30, 2018

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Oracle Corp												
68389XAG0	ORACLE CORP 5%	5.000	07/08/2019		AA-	A1	450,000.00	462,735.00	1.68	455,173.65	1.67	0.58
Issuer total							450,000.00	462,735.00	1.68	455,173.65	1.67	0.58
Cash and Cash Equivalents												
	INVESTED CASH	0.000					38,426.73	38,426.73	0.14	38,426.73	0.14	0.00
Issuer total							38,426.73	38,426.73	0.14	38,426.73	0.14	0.00
Grand total							27,538,426.73	27,521,741.05	100.00	27,292,407.78	100.00	0.78

SECURITIES PURCHASED

For the period November 1, 2018 - November 30, 2018

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
Government Bonds							
912828K58	11/19/2018	1.375	04/30/2020	600,000.00	98.04	(588,259.82)	(455.80)
USA TREASURY 1.375% 30APR2020	11/20/2018						
JPMORGAN CHASE BANK, N.A.							
Total Government Bonds				600,000.00		(588,259.82)	(455.80)
Grand total				600,000.00		(588,259.82)	(455.80)

SECURITIES SOLD AND MATURED

For the period November 1, 2018 - November 30, 2018

Cusip/ Description/ Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity /Accr (amort)	Price	Fair value at sale or maturity / Chg.in fair value	Realized gain (loss)	Accrued interest sold	Interest received	Interest earned
Government Bonds												
912828M64 UNITED STATES TREAS NTS DTD 11/15/2015 1.25% DUE 11-15-2018 REG	11/15/2018 11/15/2018	1.250		(500,000.00)	498,183.59	500,000.00 169.23	0.00	500,000.00 167.50	0.00	0.00	3,125.00	254.75
Total (Government Bonds)				(500,000.00)	498,183.59	500,000.00 169.23		500,000.00 167.50	0.00	0.00	3,125.00	254.75
Grand total				(500,000.00)	498,183.59	500,000.00 169.23		500,000.00 167.50	0.00	0.00	3,125.00	254.75

TRANSACTION REPORT

For the period November 1, 2018 - November 30, 2018

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
11/15/2018 11/15/2018	912828M64	Income	Government Bonds	UNITED STATES TREAS NTS	11/15/2018	500,000.00	0.00	0.00	3,125.00	3,125.00
11/15/2018 11/15/2018	912828M64	Capital Change	Government Bonds	UNITED STATES TREAS NTS	11/15/2018	(500,000.00)	0.00	500,000.00	0.00	500,000.00
11/18/2018 11/18/2018	14912L6R7	Income	Corporate Bonds	CATERPILLAR FINL SERVICE	05/18/2019	1,000,000.00	0.00	0.00	6,750.00	6,750.00
11/18/2018 11/18/2018	3133EGJ30	Income	Government Agencies	FEDERAL FARM CREDIT BANK	11/18/2019	600,000.00	0.00	0.00	3,300.00	3,300.00
11/19/2018 11/20/2018	912828K58	Bought	Government Bonds	USA TREASURY 1.375%	04/30/2020	600,000.00	0.00	(588,259.82)	(455.80)	(588,715.62)
11/28/2018 11/28/2018	3130AECJ7	Income	Government Agencies	FEDERAL HOME LOAN BANK	05/28/2020	500,000.00	0.00	0.00	6,817.71	6,817.71
11/30/2018 11/30/2018	9128283H1	Income	Government Bonds	USA TREASURY 1.75%	11/30/2019	750,000.00	0.00	0.00	6,562.50	6,562.50
11/30/2018		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	133.26	133.26

ADDITIONAL INFORMATION

As of November 30, 2018

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moodys, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moodys and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategies holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

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ADDITIONAL INFORMATION

As of November 30, 2018

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