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CITY OF SAN PABLO

May 2017

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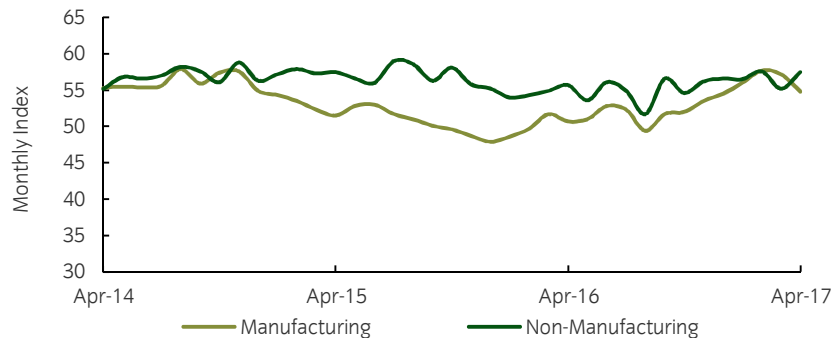
Contents

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	12
Securities purchased	15
Securities sold and matured	16
Transaction report	17
Additional information	18

FIXED INCOME MARKET REVIEW

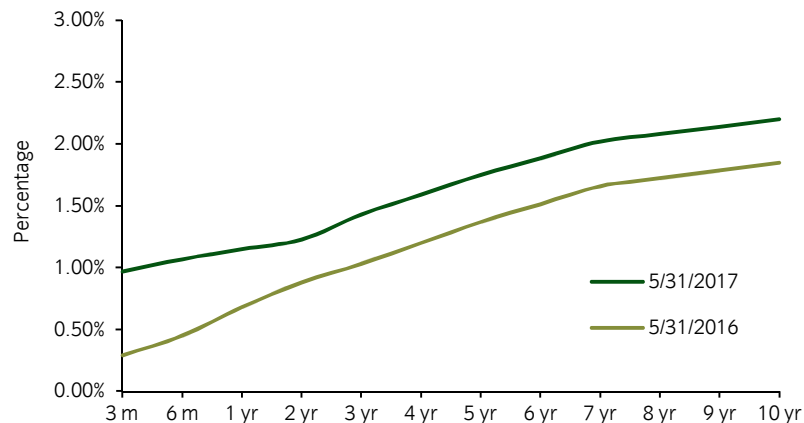
As of May 31, 2017

Chart 1: ISM Manufacturing and Non-Manufacturing: 4/30/2014—4/30/2017



Source: Bloomberg Finance LP, May 31, 2017.

Chart 2: Treasury yield curve: 5/31/2016 and 5/31/2017



Source: Bloomberg Finance LP, May 31, 2017.

Economic Indicators and Monetary Policy

The Federal Open Market Committee (FOMC) met on May 3rd and voted to maintain the fed funds target rate in a range of 0.75% - 1.00%. The FOMC statement noted decreasing consumer prices since the last meeting as well as continued strength in the labor market. The FOMC characterized the slowing in growth during the first quarter as likely to be transitory and expected that economic activity will expand at a moderate pace with gradual adjustments in monetary policy. The next meeting of the FOMC is on June 14.

The payroll report released on May 5th showed that US employers added 211,000 jobs in April, better than expectations for 190,000. March job growth, however, was revised lower to 79,000 from 98,000. The unemployment rate fell 0.1% to 4.4% in April and the underemployment rate decreased to 8.6% from 8.9% in March.

The Institute for Supply Management (ISM) Manufacturing Index for April was released on May 1st at 54.8%, less than expectations of 56.5% and down from the average of 57.0% for the first quarter. The ISM Non-Manufacturing Index released on May 3rd increased to 57.5%, exceeding the average of 56.4% for the first quarter. Both survey results are in positive territory and reflect expanding environments. (See Chart 1).

The April Consumer Price Index (CPI) released on May 12th was lower than expected. At the headline level, CPI was 2.2% in April on a year-over-year basis, compared to 2.4% in March. Excluding food and energy CPI was 1.9% on a year-over basis compared to 2.0% for the prior month.

The second estimate of first quarter 2017 GDP released on May 26th increased to 1.2% from the original reading of 0.7% growth and exceeded expectations of 0.9% growth. Personal consumption was revised upward to 0.6% on the second estimate from 0.3%.

Interest Rate Summary

At the end of May the 3-month US Treasury bill yielded 0.97%, the 6-month US Treasury bill yielded 1.07 %, the 2-year US Treasury note yielded 1.28%, the 5-year US Treasury note yielded 1.75% and the 10-year US Treasury note yielded 2.20%. (See Chart 2).

ACTIVITY AND PERFORMANCE SUMMARY

CITY OF SAN PABLO

For the period May 1, 2017 - May 31, 2017

Amortized Cost Basis Activity Summary

Opening balance	26,929,785.55
Income received	18,598.67
Total receipts	18,598.67
Total disbursements	0.00
Interportfolio transfers	0.00
Total Interportfolio transfers	0.00
Realized gain (loss)	0.00
Total amortization expense	(6,526.90)
Total OID/MKT accretion income	1,320.07
Return of capital	0.00
Closing balance	26,943,177.39
Ending fair value	26,875,418.17
Unrealized gain (loss)	(67,759.22)

Detail of Amortized Cost Basis Return

	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	23.62	0.00	0.00	23.62
Corporate Bonds	14,371.46	(4,336.60)	0.00	10,034.86
Government Agencies	15,593.12	(1,336.49)	0.00	14,256.63
Government Bonds	1,649.24	466.26	0.00	2,115.50
Total	31,637.44	(5,206.83)	0.00	26,430.61

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.57	0.37	0.08
Overnight Repo	0.57	0.33	0.07
Merrill Lynch 3m US Treas Bill	0.47	0.32	0.07
Merrill Lynch 6m US Treas Bill	0.58	0.37	0.08
ML 1 Year US Treasury Note	0.78	0.47	0.09
ML 2 Year US Treasury Note	1.02	0.62	0.11
ML 5 Year US Treasury Note	1.57	0.95	0.15

* rates reflected are cumulative

Summary of Amortized Cost Basis Return for the Period

	Total portfolio
Interest earned	31,637.44
Accretion (amortization)	(5,206.83)
Realized gain (loss) on sales	0.00
Total income on portfolio	26,430.61
Average daily amortized cost	26,936,992.25
Period return (%)	0.10
YTD return (%)	0.45
Weighted average final maturity in days	508

ACTIVITY AND PERFORMANCE SUMMARY

For the period May 1, 2017 - May 31, 2017

Fair Value Basis Activity Summary

Opening balance		26,856,664.45
Income received	18,598.67	
Total receipts		18,598.67
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		155.05
Ending fair value		26,875,418.17

Detail of Fair Value Basis Return

	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	23.62	0.00	23.62
Corporate Bonds	14,371.46	(101.15)	14,270.31
Government Agencies	15,593.12	335.20	15,928.32
Government Bonds	1,649.24	(79.00)	1,570.24
Total	31,637.44	155.05	31,792.49

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.57	0.37	0.08
Overnight Repo	0.57	0.33	0.07
Merrill Lynch 3m US Treas Bill	0.44	0.26	0.05
Merrill Lynch 6m US Treas Bill	0.65	0.32	0.06
ML 1 Year US Treasury Note	0.61	0.33	0.03
ML US Treasury 1-3	0.57	0.55	0.12
ML US Treasury 1-5	0.58	0.93	0.22

* rates reflected are cumulative

Summary of Fair Value Basis Return for the Period

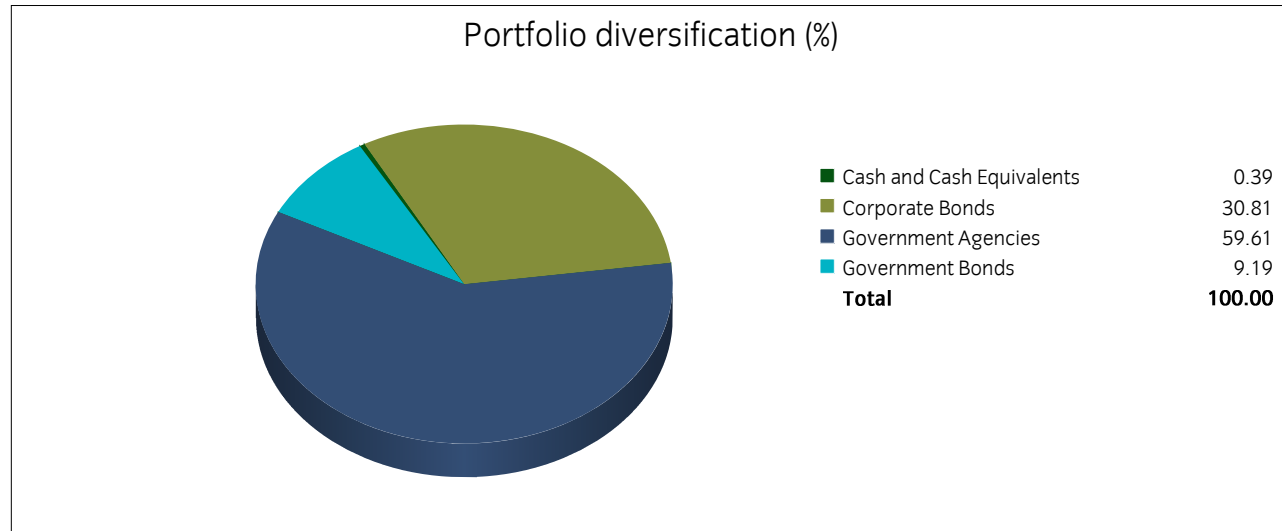
	Total portfolio
Interest earned	31,637.44
Change in fair value	155.05
Total income on portfolio	31,792.49
Average daily total value *	26,951,942.59
Period return (%)	0.12
YTD return (%)	0.55
Weighted average final maturity in days	508

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of May 31, 2017

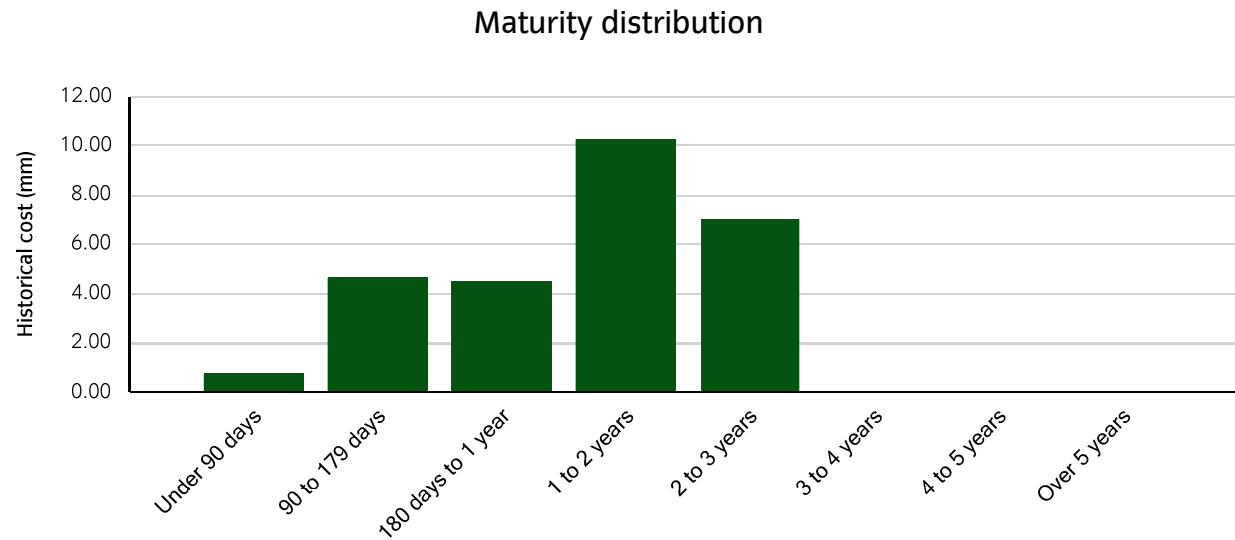
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	104,337.67	104,337.67	104,337.67	0.00	1	0.39	0.00
Corporate Bonds	8,348,729.50	8,226,470.58	8,223,458.55	(3,012.03)	565	30.81	1.49
Government Agencies	16,151,297.50	16,119,201.46	16,056,215.95	(62,985.51)	512	59.61	1.33
Government Bonds	2,491,210.94	2,493,167.68	2,491,406.00	(1,761.68)	310	9.19	0.84
Total	27,095,575.61	26,943,177.39	26,875,418.17	(67,759.22)	508	100.00	1.33



MATURITY DISTRIBUTION OF SECURITIES HELD

As of May 31, 2017

Maturity	Historic cost	Percent
Under 90 days	708,021.67	2.61
90 to 179 days	4,643,356.88	17.14
180 days to 1 year	4,499,082.00	16.60
1 to 2 years	10,237,169.56	37.78
2 to 3 years	7,007,945.50	25.86
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	27,095,575.61	100.00



SECURITIES HELD

As of May 31, 2017

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		104,337.67	104,337.67 0.00	104,337.67 0.00	104,337.67 0.00	0.00	0.00	0.00	0.00	0.39
Total Cash and Cash Equivalents			104,337.67	104,337.67 0.00	104,337.67 0.00	104,337.67 0.00	0.00	0.00	0.00	0.00	0.39
Corporate Bonds											
459200GJ4 IBM CORP 5.7% 14/09/2017	5.700	09/14/2017 09/13/2017	1,000,000.00	1,138,850.00 0.00	1,012,363.36 (3,566.35)	1,012,265.00 (4,409.00)	(98.36)	0.00	4,908.34	12,191.67	4.20
68389XAN5 ORACLE CORP 1.2% 15/10/2017	1.200	10/15/2017	500,000.00	501,065.00 0.00	500,155.10 (34.46)	499,855.50 (128.00)	(299.60)	0.00	516.67	766.67	1.85
931142DF7 WAL-MART STORES INC 1.125% 11/04/2018	1.125	04/11/2018	500,000.00	500,215.00 0.00	500,037.13 (3.58)	499,220.00 (109.50)	(817.13)	0.00	484.37	781.25	1.85
037833AJ9 APPLE INC 1% 03/05/2018	1.000	05/03/2018	1,000,000.00	991,620.00 0.00	998,435.80 140.92	996,959.00 (561.00)	(1,476.80)	5,000.00	861.11	777.78	3.66
69353REZ7 PNC BANK NA 1.7% 07/12/2018 (CALLABLE 07/11/18)	1.700	12/07/2018 11/07/2018	500,000.00	499,980.00 0.00	499,983.94 0.89	500,236.00 395.50	252.06	0.00	731.94	4,061.11	1.85
713448CK2 PEPSICO INC 2.25% 07/01/2019 (CALLABLE 07/12/18)	2.250	01/07/2019 12/07/2018	1,000,000.00	1,011,060.00 0.00	1,009,742.93 (506.57)	1,011,241.00 (252.00)	1,498.07	0.00	1,937.50	9,000.00	3.73
17275RBB7 CISCO SYSTEMS INC 1.6% 28/02/2019	1.600	02/28/2019	700,000.00	700,630.00 0.00	700,364.80 (17.37)	700,952.00 160.30	587.20	0.00	964.44	2,893.33	2.59
14912L6R7 CATERPILLAR FINL SERVICE 1.35% 18/05/2019	1.350	05/18/2019	1,000,000.00	999,260.00 0.00	999,458.20 22.96	992,275.00 666.00	(7,183.20)	6,750.00	1,162.50	487.50	3.69

SECURITIES HELD

As of May 31, 2017

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
Corporate Bonds											
594918AY0 MICROSOFT CORP 1.85% 12/02/2020 (CALLABLE 12/01/20)	1.850	02/12/2020 01/12/2020	1,000,000.00	1,002,170.00 (4,779.17)	1,002,126.25 (43.75)	1,004,796.00 2,626.00	2,669.75	0.00	822.22	5,601.39	3.70
25468PDP8 WALT DISNEY COMPANY/THE 1.95% 04/03/2020	1.950	03/04/2020	450,000.00	451,624.50 (1,681.88)	451,592.46 (32.04)	452,499.30 874.80	906.84	0.00	390.00	2,071.88	1.67
30231GAG7 EXXON MOBIL CORPORATION 1.912% 06/03/2020 (CALLABLE 06/02/20)	1.912	03/06/2020 02/06/2020	550,000.00	552,255.00 (2,015.57)	552,210.61 (44.39)	553,159.75 904.75	949.14	0.00	467.37	2,482.94	2.04
Total Corporate Bonds			8,200,000.00	8,348,729.50 (8,476.62)	8,226,470.58 (4,083.74)	8,223,458.55 167.85	(3,012.03)	11,750.00	13,246.46	41,115.52	30.81
Government Agencies											
313379FW4 FEDERAL HOME LOAN BANK 1% 09/06/2017	1.000	06/09/2017	600,000.00	603,684.00 0.00	600,055.54 (185.12)	600,012.60 (100.80)	(42.94)	0.00	516.67	2,866.67	2.23
3135G0PP2 FANNIE MAE 1% 20/09/2017 CALLABLE	1.000	09/20/2017	2,500,000.00	2,506,020.00 0.00	2,500,000.00 0.00	2,499,757.50 (632.50)	(242.50)	0.00	2,152.78	4,930.56	9.25
3136G1ER6 FANNIE MAE 1.125% 05/03/2018 CALLABLE	1.125	03/05/2018	2,000,000.00	2,005,372.00 0.00	2,000,000.00 0.00	1,997,300.00 (460.00)	(2,700.00)	0.00	1,937.50	5,375.00	7.40
313379DT3 FEDERAL HOME LOAN BANK 1.25% 08/06/2018	1.250	06/08/2018	750,000.00	754,252.50 0.00	751,550.96 (126.44)	750,123.75 (291.00)	(1,427.21)	0.00	807.29	4,505.21	2.78
3130A6B63 FEDERAL HOME LOAN BANK 1.2% 14/08/2018	1.200	08/14/2018	750,000.00	751,965.00 0.00	750,793.31 (54.84)	749,602.50 (1,012.50)	(1,190.81)	0.00	775.00	2,675.00	2.78

SECURITIES HELD

As of May 31, 2017

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											
3133EGFQ3 FEDERAL FARM CREDIT BANK 0.875% 14/09/2018	0.875	09/14/2018	1,000,000.00	1,000,293.00 0.00	1,000,168.88 (10.92)	995,009.00 244.00	(5,159.88)	0.00	753.47	1,871.53	3.69
3133EGM69 FEDERAL FARM CREDIT BANK 1.1% 05/12/2018	1.100	12/05/2018	1,000,000.00	997,730.00 0.00	998,284.12 94.45	997,570.00 70.00	(714.12)	0.00	947.22	5,377.78	3.68
3133EF3V7 FEDERAL FARM CREDIT BANK 0.875% 15/02/2019	0.875	02/15/2019	1,000,000.00	1,001,200.00 0.00	1,000,809.21 (39.47)	993,240.00 240.00	(7,569.21)	0.00	753.47	2,576.39	3.70
313378QK0 FEDERAL HOME LOAN BANK 1.875% 08/03/2019	1.875	03/08/2019	1,000,000.00	1,026,340.00 0.00	1,017,973.18 (845.13)	1,009,074.00 (421.00)	(8,899.18)	0.00	1,614.59	4,322.92	3.79
3137EADZ9 FREDDIE MAC 1.125% 15/04/2019	1.125	04/15/2019	500,000.00	502,545.00 0.00	501,754.72 (77.99)	498,217.50 167.50	(3,537.22)	0.00	484.37	718.75	1.85
313379EE5 FEDERAL HOME LOAN BANK 1.625% 14/06/2019	1.625	06/14/2019	1,000,000.00	1,020,720.00 0.00	1,014,751.19 (602.91)	1,004,458.00 245.00	(10,293.19)	0.00	1,399.30	7,538.19	3.77
3137EAEB1 FREDDIE MAC 0.875% 19/07/2019	0.875	07/19/2019	700,000.00	689,815.00 0.00	690,796.40 359.05	692,813.10 843.50	2,016.70	0.00	527.43	2,245.83	2.55
3133EGSCO FEDERAL FARM CREDIT BANK 1% 26/08/2019	1.000	08/26/2019	1,000,000.00	998,204.00 0.00	998,640.77 50.59	987,020.00 360.00	(11,620.77)	0.00	861.11	2,638.89	3.68
3130A9MF5 FEDERAL HOME LOAN BANK 1.125% 03/10/2019 (CALLABLE 03/10/17)	1.125	10/03/2019 10/03/2017	1,000,000.00	999,000.00 0.00	999,218.00 27.83	991,990.00 170.00	(7,228.00)	0.00	968.75	1,812.50	3.69
3133EGJ30 FEDERAL FARM CREDIT BANK 1.1% 18/11/2019	1.100	11/18/2019	600,000.00	595,032.00 (73.33)	595,103.68 71.68	595,026.00 (6.00)	(77.68)	0.00	165.00	238.33	2.20

SECURITIES HELD

As of May 31, 2017

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											
3136G4DA8	1.200	12/30/2019	700,000.00	699,125.00	699,301.50	695,002.00	(4,299.50)	0.00	700.00	3,500.00	2.58
FANNIE MAE 1.2% 30/12/2019 (CALLABLE 30/06/17) #0001		06/30/2017		0.00	22.53	847.00					
Total Government Agencies			16,100,000.00	16,151,297.50 (73.33)	16,119,201.46 (1,316.69)	16,056,215.95 263.20	(62,985.51)	0.00	15,363.95	53,193.55	59.61
Government Bonds											
912828TS9	0.625	09/30/2017	500,000.00	497,421.88	499,660.33	499,219.00	(441.33)	0.00	264.68	520.83	1.84
USA TREASURY 0.625% 30/09/2017				0.00	86.30	0.00					
912828H37	0.875	01/15/2018	1,000,000.00	1,001,875.00	1,000,464.69	998,242.00	(2,222.69)	0.00	749.31	3,287.29	3.70
USA TREASURY 0.875% 15/01/2018				0.00	(62.91)	(391.00)					
912828T42	0.750	09/30/2018	1,000,000.00	991,914.06	993,042.66	993,945.00	902.34	0.00	635.25	1,250.00	3.66
USA TREASURY 0.75% 30/09/2018				0.00	442.87	312.00					
Total Government Bonds			2,500,000.00	2,491,210.94 0.00	2,493,167.68 466.26	2,491,406.00 (79.00)	(1,761.68)	0.00	1,649.24	5,058.12	9.19
Grand total			26,904,337.67	27,095,575.61 (8,549.95)	26,943,177.39 (4,934.17)	26,875,418.17 352.05	(67,759.22)	11,750.00	30,259.65	99,367.19	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF SAN PABLO

As of May 31, 2017

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 National Mortgage Association												
3135G0PP2	FANNIE MAE 1%	1.000	09/20/2017		AA+	Aaa	2,500,000.00	2,506,020.00	9.25	2,499,757.50	9.30	0.30
3136G1ER6	FANNIE MAE 1.125%	1.125	03/05/2018		AA+	Aaa	2,000,000.00	2,005,372.00	7.40	1,997,300.00	7.43	0.75
3136G4DA8	FANNIE MAE 1.2%	1.200	12/30/2019	06/30/2017	AA+	Aaa	700,000.00	699,125.00	2.58	695,002.00	2.59	1.96
Issuer total							5,200,000.00	5,210,517.00	19.23	5,192,059.50	19.32	0.70
Federal Home Loan Banks												
313379FW4	FEDERAL HOME LOAN	1.000	06/09/2017		AA+	Aaa	600,000.00	603,684.00	2.23	600,012.60	2.23	0.02
313379DT3	FEDERAL HOME LOAN	1.250	06/08/2018		AA+	Aaa	750,000.00	754,252.50	2.78	750,123.75	2.79	1.00
3130A6B63	FEDERAL HOME LOAN	1.200	08/14/2018		AA+	Aaa	750,000.00	751,965.00	2.78	749,602.50	2.79	1.19
313378QK0	FEDERAL HOME LOAN	1.875	03/08/2019		AA+	Aaa	1,000,000.00	1,026,340.00	3.79	1,009,074.00	3.75	1.73
313379EE5	FEDERAL HOME LOAN	1.625	06/14/2019		AA+	Aaa	1,000,000.00	1,020,720.00	3.77	1,004,458.00	3.74	1.98
3130A9MF5	FEDERAL HOME LOAN	1.125	10/03/2019	10/03/2017	AA+	Aaa	1,000,000.00	999,000.00	3.69	991,990.00	3.69	1.92
Issuer total							5,100,000.00	5,155,961.50	19.03	5,105,260.85	19.00	1.43
Federal Farm Credit Banks												
3133EGFQ3	FEDERAL FARM CREDIT	0.875	09/14/2018		AA+	Aaa	1,000,000.00	1,000,293.00	3.69	995,009.00	3.70	1.27
3133EGM69	FEDERAL FARM CREDIT	1.100	12/05/2018		AA+	Aaa	1,000,000.00	997,730.00	3.68	997,570.00	3.71	1.49
3133EF3V7	FEDERAL FARM CREDIT	0.875	02/15/2019		AA+	Aaa	1,000,000.00	1,001,200.00	3.70	993,240.00	3.70	1.69
3133EGSCO	FEDERAL FARM CREDIT	1.000	08/26/2019		AA+	Aaa	1,000,000.00	998,204.00	3.68	987,020.00	3.67	2.20
3133EGJ30	FEDERAL FARM CREDIT	1.100	11/18/2019		AA+	Aaa	600,000.00	595,032.00	2.20	595,026.00	2.21	2.42
Issuer total							4,600,000.00	4,592,459.00	16.95	4,567,865.00	17.00	1.76
United States Treasury Note/Bond												
912828TS9	USA TREASURY 0.625%	0.625	09/30/2017		AA+	Aaa	500,000.00	497,421.88	1.84	499,219.00	1.86	0.33
912828H37	USA TREASURY 0.875%	0.875	01/15/2018		AA+	Aaa	1,000,000.00	1,001,875.00	3.70	998,242.00	3.71	0.62

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF SAN PABLO

As of May 31, 2017

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)
United States Treasury Note/Bond												
912828T42	USA TREASURY 0.75%	0.750	09/30/2018		AA+	Aaa	1,000,000.00	991,914.06	3.66	993,945.00	3.70	1.32
Issuer total							2,500,000.00	2,491,210.94	9.19	2,491,406.00	9.27	0.84
Federal Home Loan Mortgage Corp												
3137EADZ9	FREDDIE MAC 1.125%	1.125	04/15/2019		AA+	Aaa	500,000.00	502,545.00	1.85	498,217.50	1.85	1.84
3137EAE81	FREDDIE MAC 0.875%	0.875	07/19/2019		AA+	Aaa	700,000.00	689,815.00	2.55	692,813.10	2.58	2.10
Issuer total							1,200,000.00	1,192,360.00	4.40	1,191,030.60	4.43	1.99
International Business Machines Corp												
459200GJ4	IBM CORP 5.7%	5.700	09/14/2017	09/13/2017	A+	A1	1,000,000.00	1,138,850.00	4.20	1,012,265.00	3.77	0.29
Issuer total							1,000,000.00	1,138,850.00	4.20	1,012,265.00	3.77	0.29
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	3.73	1,011,241.00	3.76	1.49
Issuer total							1,000,000.00	1,011,060.00	3.73	1,011,241.00	3.76	1.49
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	3.70	1,004,796.00	3.74	2.59
Issuer total							1,000,000.00	1,002,170.00	3.70	1,004,796.00	3.74	2.59
Apple Inc												
037833AJ9	APPLE INC 1% 03/05/2018	1.000	05/03/2018		AA+	Aa1	1,000,000.00	991,620.00	3.66	996,959.00	3.71	0.91
Issuer total							1,000,000.00	991,620.00	3.66	996,959.00	3.71	0.91
Caterpillar Financial Services Corp												
14912L6R7	CATERPILLAR FINL	1.350	05/18/2019		A	A3	1,000,000.00	999,260.00	3.69	992,275.00	3.69	1.94
Issuer total							1,000,000.00	999,260.00	3.69	992,275.00	3.69	1.94

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF SAN PABLO

As of May 31, 2017

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	2.59	700,952.00	2.61	1.71
Issuer total							700,000.00	700,630.00	2.59	700,952.00	2.61	1.71
Exxon Mobil Corp												
30231GAG7	EXXON MOBIL	1.912	03/06/2020	02/06/2020	AA+	Aaa	550,000.00	552,255.00	2.04	553,159.75	2.06	2.64
Issuer total							550,000.00	552,255.00	2.04	553,159.75	2.06	2.64
PNC Bank NA												
69353REZ7	PNC BANK NA 1.7%	1.700	12/07/2018	11/07/2018	A	A2	500,000.00	499,980.00	1.85	500,236.00	1.86	1.45
Issuer total							500,000.00	499,980.00	1.85	500,236.00	1.86	1.45
Oracle Corp												
68389XAN5	ORACLE CORP 1.2%	1.200	10/15/2017		AA-	A1	500,000.00	501,065.00	1.85	499,855.50	1.86	0.37
Issuer total							500,000.00	501,065.00	1.85	499,855.50	1.86	0.37
Wal-Mart Stores Inc												
931142DF7	WAL-MART STORES INC	1.125	04/11/2018		AA	Aa2	500,000.00	500,215.00	1.85	499,220.00	1.86	0.85
Issuer total							500,000.00	500,215.00	1.85	499,220.00	1.86	0.85
Walt Disney Co/The												
25468PDP8	WALT DISNEY	1.950	03/04/2020		A+	A2	450,000.00	451,624.50	1.67	452,499.30	1.68	2.67
Issuer total							450,000.00	451,624.50	1.67	452,499.30	1.68	2.67
Cash and Cash Equivalents												
	INVESTED CASH	0.000					104,337.67	104,337.67	0.39	104,337.67	0.39	0.00
Issuer total							104,337.67	104,337.67	0.39	104,337.67	0.39	0.00
Grand total							26,904,337.67	27,095,575.61	100.00	26,875,418.17	100.00	1.33

SECURITIES PURCHASED

For the period May 1, 2017 - May 31, 2017

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
Corporate Bonds							
594918AY0 MICROSOFT CORP 1.85% 12/02/2020 (CALLABLE 12/01/20) WELLS FARGO SECURITIES INTL LTD	05/11/2017 05/15/2017	1.850	02/12/2020 01/12/2020	1,000,000.00	100.22	(1,002,170.00)	(4,779.17)
25468PDP8 WALT DISNEY COMPANY/THE 1.95% 04/03/2020 WELLS FARGO SECURITIES INTL LTD	05/11/2017 05/15/2017	1.950	03/04/2020	450,000.00	100.36	(451,624.50)	(1,681.88)
30231GAG7 EXXON MOBIL CORPORATION 1.912% 06/03/2020 (CALLABLE WELLS FARGO SECURITIES INTL LTD	05/11/2017 05/15/2017	1.912	03/06/2020 02/06/2020	550,000.00	100.41	(552,255.00)	(2,015.57)
Total Corporate Bonds				2,000,000.00		(2,006,049.50)	(8,476.62)
Government Agencies							
3133EGJ30 FEDERAL FARM CREDIT BANK 1.1% 18/11/2019 WELLS FARGO SECURITIES INTL LTD	05/18/2017 05/22/2017	1.100	11/18/2019	600,000.00	99.17	(595,032.00)	(73.33)
Total Government Agencies				600,000.00		(595,032.00)	(73.33)
Grand total				2,600,000.00		(2,601,081.50)	(8,549.95)

SECURITIES SOLD AND MATURED

For the period May 1, 2017 - May 31, 2017

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
Corporate Bonds												
084664BS9 BERKSHIRE HATHAWAY 1.6% DUE 05-15-2017	05/15/2017 05/15/2017	1.600		(1,000,000.00)	1,018,830.00	1,000,000.00 (180.25)	0.00	1,000,000.00 (230.00)	0.00	0.00	8,000.00	666.67
717081DJ9 PFIZER INC 1.1% BDS 15/05/17 USD2000	05/15/2017 05/15/2017	1.100		(1,000,000.00)	1,003,800.00	1,000,000.00 (72.61)	0.00	1,000,000.00 (39.00)	0.00	0.00	5,500.00	458.33
Total (Corporate Bonds)				(2,000,000.00)	2,022,630.00	2,000,000.00 (252.86)		2,000,000.00 (269.00)	0.00	0.00	13,500.00	1,125.00
Government Agencies												
3133EEN48 FEDERAL FARM CREDIT BANK 0.625% 22/05/2017	05/22/2017 05/22/2017	0.625		(600,000.00)	600,522.00	600,000.00 (19.80)	0.00	600,000.00 72.00	0.00	0.00	1,875.00	229.17
Total (Government Agencies)				(600,000.00)	600,522.00	600,000.00 (19.80)		600,000.00 72.00	0.00	0.00	1,875.00	229.17
Grand total				(2,600,000.00)	2,623,152.00	2,600,000.00 (272.66)		2,600,000.00 (197.00)	0.00	0.00	15,375.00	1,354.17

TRANSACTION REPORT

For the period May 1, 2017 - May 31, 2017

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
05/03/2017 05/03/2017	037833AJ9	Income	Corporate Bonds	APPLE INC 1% 03/05/2018	05/03/2018	1,000,000.00	0.00	0.00	5,000.00	5,000.00
05/11/2017 05/15/2017	25468PDP8	Bought	Corporate Bonds	WALT DISNEY COMPANY/THE	03/04/2020	450,000.00	0.00	(451,624.50)	(1,681.88)	(453,306.38)
05/11/2017 05/15/2017	30231GAG7	Bought	Corporate Bonds	EXXON MOBIL CORPORATION	03/06/2020	550,000.00	0.00	(552,255.00)	(2,015.57)	(554,270.57)
05/11/2017 05/15/2017	594918AY0	Bought	Corporate Bonds	MICROSOFT CORP 1.85%	02/12/2020	1,000,000.00	0.00	(1,002,170.00)	(4,779.17)	(1,006,949.17)
05/15/2017 05/15/2017	084664BS9	Income	Corporate Bonds	BERKSHIRE HATHAWAY 1.6%	05/15/2017	1,000,000.00	0.00	0.00	8,000.00	8,000.00
05/15/2017 05/15/2017	084664BS9	Capital Change	Corporate Bonds	BERKSHIRE HATHAWAY 1.6%	05/15/2017	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
05/15/2017 05/15/2017	717081DJ9	Income	Corporate Bonds	PFIZER INC 1.1% BDS 15/05/17	05/15/2017	1,000,000.00	0.00	0.00	5,500.00	5,500.00
05/15/2017 05/15/2017	717081DJ9	Capital Change	Corporate Bonds	PFIZER INC 1.1% BDS 15/05/17	05/15/2017	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
05/18/2017 05/18/2017	14912L6R7	Income	Corporate Bonds	CATERPILLAR FINL SERVICE	05/18/2019	1,000,000.00	0.00	0.00	6,750.00	6,750.00
05/18/2017 05/22/2017	3133EGJ30	Bought	Government Agencies	FEDERAL FARM CREDIT BANK	11/18/2019	600,000.00	0.00	(595,032.00)	(73.33)	(595,105.33)
05/22/2017 05/22/2017	3133EEN48	Income	Government Agencies	FEDERAL FARM CREDIT BANK	05/22/2017	600,000.00	0.00	0.00	1,875.00	1,875.00
05/22/2017 05/22/2017	3133EEN48	Capital Change	Government Agencies	FEDERAL FARM CREDIT BANK	05/22/2017	(600,000.00)	0.00	600,000.00	0.00	600,000.00
05/31/2017		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	23.62	23.62

ADDITIONAL INFORMATION

As of May 31, 2017

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. CAMC and CISC charge 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 either CAMC or CISC, 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. CAMCS and CISC's investment advisory fees are discussed in Part 2A of the Firms 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 strategys 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 May 31, 2017

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