



FOR PROFESSIONAL CLIENTS ONLY  
NOT TO BE DISTRIBUTED TO RETAIL CLIENTS

THIS DOCUMENT SHOULD NOT BE REPRODUCED IN  
ANY FORM WITHOUT PRIOR WRITTEN APPROVAL

# CITY OF SAN PABLO

April 2018

➤ A BNY MELLON COMPANY<sup>SM</sup>



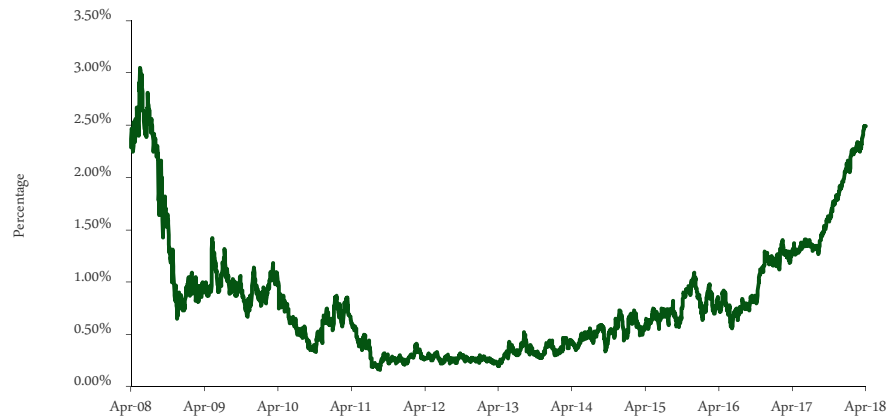
# Contents

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

# FIXED INCOME MARKET REVIEW

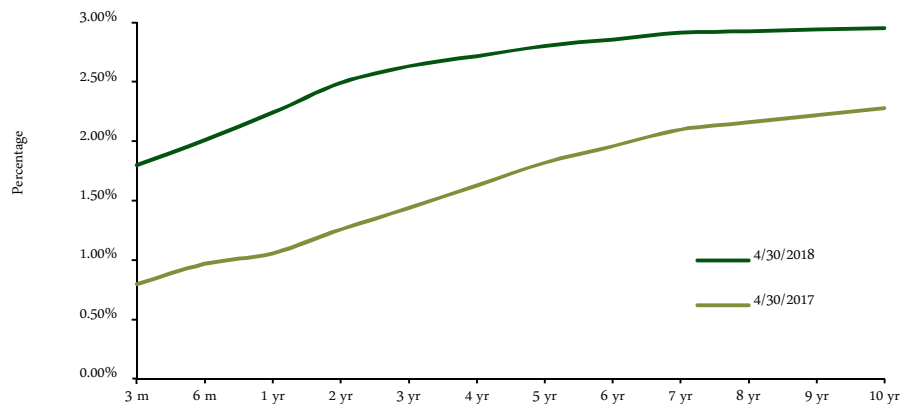
As of April 30, 2018

Chart 1: 2-year Treasury note yield: 04/30/2008—04/30/2018



Source: Bloomberg Finance LP, April 30, 2018.

Chart 2: Treasury yield curve: 04/30/2017 and 04/30/2018



Source: Bloomberg Finance LP, April 30, 2018.

## Economic Indicators and Monetary Policy

Continuing strength in the US economy was illustrated by many economic releases during April. That data, along with expectations for further rate increases by the Federal Reserve and growing concerns about potentially higher future Treasury issuance, contributed to rising interest rates across the yield curve during the month. The 10-year Treasury note closed in April with a yield over 3% for the first time since December 2013 before retreating to 2.95% at month-end. The yield on the 2-year Treasury note increased 22bp during April to end the month at nearly 2.5%, a level not seen since 2008. (See Chart 1).

The March payroll report was released on April 6. Average hourly earnings increased 0.3% in March to a year-over-year rate of 2.7%, in line with expectations and 0.1% higher than February's annual level. The unemployment rate held steady at 4.1% while the underemployment rate decreased 0.2% to 8.0% in March. Although jobs added disappointed somewhat at 103,000 versus expectations for 185,000, February job growth was revised up to 326,000 from 313,000.

The Institute for Supply Management (ISM) Manufacturing Index was released on April 2 at 59.3 and the Non-Manufacturing Index was released on April 4 at 58.8 for March. Both indices reflect an expanding economic environment and comments from business leaders showed concerns over tariffs, somewhat longer delivery times and early indications of certain supply bottlenecks.

The headline and the core Producer Price Index (PPI) levels released on April 10 each rose 0.3% in March. The year-over-year increase was 3.0% at the headline level and excluding food and energy the PPI increased 2.7%. The Consumer Price Index (CPI) data was released the next day and showed a 2.4% increase on a year-over-year basis in March including food and energy. The core CPI was 2.1% in March on a year-over-year basis, a 13-month high.

## Interest Rate Summary

At the end of April the 3-month US Treasury bill yielded 1.80%, the 6-month US Treasury bill yielded 2.01%, the 2-year US Treasury note yielded 2.49%, the 5-year US Treasury note yielded 2.80% and the 10-year US Treasury note yielded 2.95%. (See Chart 2).

# ACTIVITY AND PERFORMANCE SUMMARY

CITY OF SAN PABLO

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

## Amortized Cost Basis Activity Summary

<b>Opening balance</b>	27,246,095.54
Income received	29,172.33
<b>Total receipts</b>	29,172.33
<b>Total disbursements</b>	0.00
Interportfolio transfers	0.00
<b>Total Interportfolio transfers</b>	0.00
Realized gain (loss)	0.00
<b>Total amortization expense</b>	(3,050.06)
<b>Total OID/MKT accretion income</b>	4,389.20
Return of capital	0.00
<b>Closing balance</b>	27,276,607.01
<b>Ending fair value</b>	26,992,241.01
Unrealized gain (loss)	(284,366.00)

## Detail of Amortized Cost Basis Return

	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	128.92	0.00	0.00	128.92
Corporate Bonds	11,084.60	(279.09)	0.00	10,805.51
Government Agencies	15,328.92	873.12	0.00	16,202.04
Government Bonds	3,526.52	745.11	0.00	4,271.63
<b>Total</b>	<b>30,068.96</b>	<b>1,339.14</b>	<b>0.00</b>	<b>31,408.10</b>

## Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	1.25	0.70	0.14
Overnight Repo	1.23	0.70	0.14
Merrill Lynch 3m US Treas Bill	1.22	0.72	0.14
Merrill Lynch 6m US Treas Bill	1.35	0.80	0.15
ML 1 Year US Treasury Note	1.55	0.92	0.18
ML 2 Year US Treasury Note	1.75	1.05	0.19
ML 5 Year US Treasury Note	2.13	1.19	0.22

\* rates reflected are cumulative

## Summary of Amortized Cost Basis Return for the Period

	Total portfolio
Interest earned	30,068.96
Accretion (amortization)	1,339.14
Realized gain (loss) on sales	0.00
Total income on portfolio	31,408.10
Average daily amortized cost	27,266,708.65
Period return (%)	0.11
YTD return (%)	0.45
Weighted average final maturity in days	414

# ACTIVITY AND PERFORMANCE SUMMARY

CITY OF SAN PABLO

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

## Fair Value Basis Activity Summary

<b>Opening balance</b>	26,989,274.48
Income received	29,172.33
<b>Total receipts</b>	29,172.33
<b>Total disbursements</b>	0.00
Interportfolio transfers	0.00
<b>Total Interportfolio transfers</b>	0.00
Unrealized gain (loss) on security movements	0.00
Return of capital	0.00
Change in fair value for the period	(26,205.80)
<b>Ending fair value</b>	26,992,241.01

## Detail of Fair Value Basis Return

	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	128.92	0.00	128.92
Corporate Bonds	11,084.60	(3,839.75)	7,244.85
Government Agencies	15,328.92	(18,868.75)	(3,539.83)
Government Bonds	3,526.52	(3,497.30)	29.22
<b>Total</b>	<b>30,068.96</b>	<b>(26,205.80)</b>	<b>3,863.16</b>

## Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	1.25	0.70	0.14
Overnight Repo	1.23	0.70	0.14
ICE ML 3m US Treas Bill	1.17	0.68	0.13
ICE ML 6m US Treas Bill	1.21	0.65	0.15
ICE ML 1 Year US Treasury Note	0.64	0.29	0.06
ICE ML US Treasury 1-3	(0.26)	(0.47)	(0.16)
ICE ML US Treasury 1-5	(0.75)	(1.01)	(0.35)

\* rates reflected are cumulative

## Summary of Fair Value Basis Return for the Period

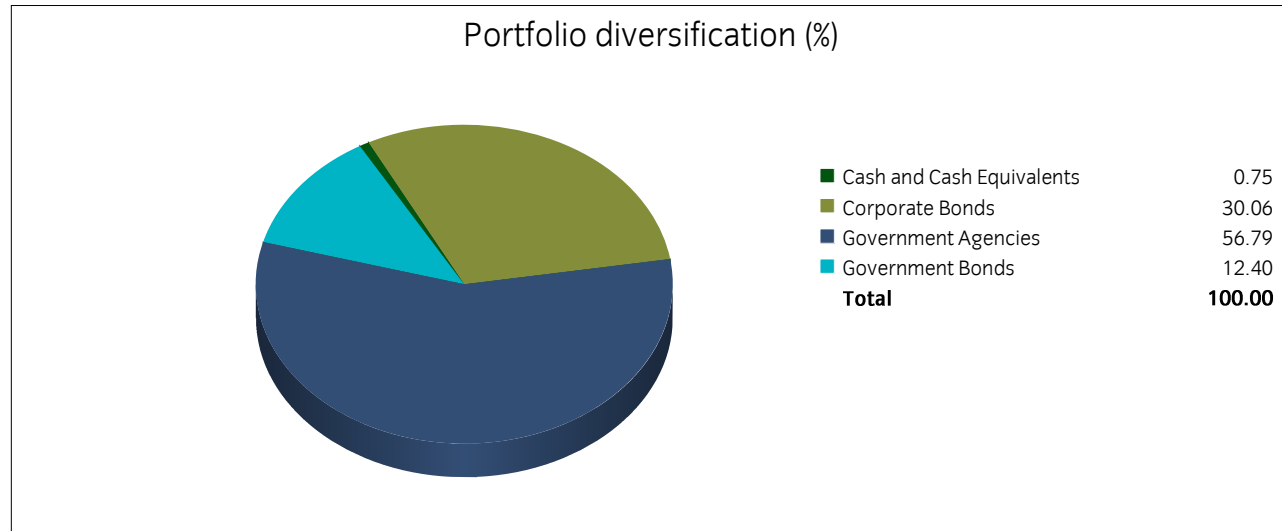
	Total portfolio
Interest earned	30,068.96
Change in fair value	(26,205.80)
Total income on portfolio	3,863.16
Average daily total value *	27,073,345.45
Period return (%)	0.01
YTD return (%)	0.10
Weighted average final maturity in days	414

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of April 30, 2018

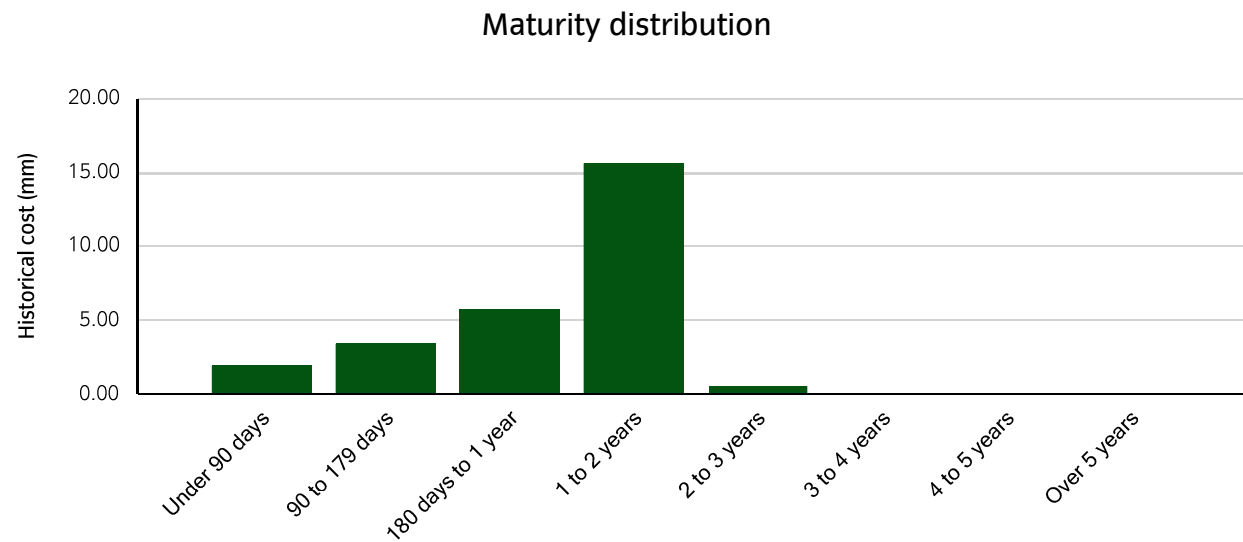
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	205,682.76	205,682.76	205,682.76	0.00	1	0.75	0.00
Corporate Bonds	8,205,499.50	8,203,792.61	8,114,596.40	(89,196.21)	439	30.06	1.17
Government Agencies	15,502,826.11	15,477,316.93	15,303,852.75	(173,464.18)	417	56.79	1.12
Government Bonds	3,384,257.81	3,389,814.71	3,368,109.10	(21,705.61)	362	12.40	0.98
<b>Total</b>	<b>27,298,266.18</b>	<b>27,276,607.01</b>	<b>26,992,241.01</b>	<b>(284,366.00)</b>	<b>414</b>	<b>100.00</b>	<b>1.11</b>



# MATURITY DISTRIBUTION OF SECURITIES HELD

As of April 30, 2018

Maturity	Historic cost	Percent
Under 90 days	1,951,555.26	7.15
90 to 179 days	3,444,418.15	12.62
180 days to 1 year	5,739,485.00	21.03
1 to 2 years	15,659,687.77	57.37
2 to 3 years	503,120.00	1.84
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	27,298,266.18	100.00



# SECURITIES HELD

As of April 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
<b>Cash and Cash Equivalents</b>											
Cash and Cash Equivalents	0.000		205,682.76	205,682.76 0.00	205,682.76 0.00	205,682.76 0.00	0.00	0.00	0.00	0.00	0.75
<b>Total Cash and Cash Equivalents</b>			<b>205,682.76</b>	<b>205,682.76 0.00</b>	<b>205,682.76 0.00</b>	<b>205,682.76 0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.75</b>
<b>Corporate Bonds</b>											
037833AJ9 APPLE INC 1% 03MAY2018	1.000	05/03/2018	1,000,000.00	991,620.00 0.00	999,985.91 140.92	999,950.00 950.00	(35.91)	0.00	805.56	4,916.67	3.63
69353REZ7 PNC BANK NA 1.7% 07DEC2018 (CALLABLE 07NOV18)	1.700	12/07/2018 11/07/2018	500,000.00	499,980.00 0.00	499,993.63 0.88	497,690.50 1,022.00	(2,303.13)	0.00	684.72	3,376.39	1.83
713448CK2 PEPSICO INC 2.25% 07JAN2019 (CALLABLE 07DEC18)	2.250	01/07/2019 12/07/2018	1,000,000.00	1,011,060.00 0.00	1,004,170.72 (506.56)	999,512.00 416.00	(4,658.72)	0.00	1,812.50	7,062.50	3.70
17275RBB7 CISCO SYSTEMS INC 1.6% 28FEB2019	1.600	02/28/2019	700,000.00	700,630.00 0.00	700,173.71 (17.37)	695,259.60 327.60	(4,914.11)	0.00	902.22	1,928.89	2.57
14912L6R7 CATERPILLAR FINL SERVICE 1.35% 18MAY2019	1.350	05/18/2019	1,000,000.00	999,260.00 0.00	999,710.73 22.95	986,435.00 295.00	(13,275.73)	0.00	1,087.50	6,075.00	3.66
25468PDL7 WALT DISNEY COMPANY/THE 0.875% 12JUL2019	0.875	07/12/2019	500,000.00	490,240.00 (1,081.59)	490,712.95 472.95	488,971.50 (1,268.50)	(1,741.45)	0.00	230.91	1,312.50	1.80
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	1,001,404.38 (65.62)	986,623.00 (4,950.00)	(14,781.38)	0.00	1,490.27	4,008.33	3.67



# SECURITIES HELD

As of April 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
<b>Corporate Bonds</b>											
166764AR1 CHEVRON CORP 1.961% 03MAR2020 (CALLABLE 03FEB20)	1.961	03/03/2020 02/03/2020	500,000.00	501,625.00 0.00	501,249.85 (56.56)	493,338.00 472.00	(7,911.85)	0.00	789.85	1,552.46	1.84
25468PDP8 WALT DISNEY COMPANY/THE 1.95% 04MAR2020	1.950	03/04/2020	450,000.00	451,624.50 0.00	451,063.78 (48.06)	442,903.95 (747.00)	(8,159.83)	0.00	706.87	1,365.00	1.65
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	551,478.18 (66.58)	542,655.85 480.15	(8,822.33)	0.00	847.12	1,577.40	2.02
89236TDU6 TOYOTA MOTOR CREDIT CORP 1.95% 17APR2020	1.950	04/17/2020	500,000.00	501,915.00 0.00	501,444.94 (61.31)	491,589.00 (178.50)	(9,855.94)	4,875.00	785.41	352.08	1.84
24422ETS8 JOHN DEERE CAPITAL CORP 1.95% 22JUN2020	1.950	06/22/2020	500,000.00	503,120.00 0.00	502,403.83 (93.42)	489,668.00 (796.00)	(12,735.83)	0.00	785.42	3,466.67	1.84
<b>Total Corporate Bonds</b>			<b>8,200,000.00</b>	<b>8,205,499.50</b> <b>(1,081.59)</b>	<b>8,203,792.61</b> <b>(277.78)</b>	<b>8,114,596.40</b> <b>(3,977.25)</b>	<b>(89,196.21)</b>	<b>4,875.00</b>	<b>10,928.35</b>	<b>36,993.89</b>	<b>30.06</b>
<b>Government Agencies</b>											
313379DT3 FEDERAL HOME LOAN BANK 1.25% 08JUN2018	1.250	06/08/2018	750,000.00	754,252.50 0.00	750,160.15 (126.44)	749,619.75 359.25	(540.40)	0.00	755.21	3,697.92	2.76
3130A6B63 FEDERAL HOME LOAN BANK 1.2% 14AUG2018	1.200	08/14/2018	750,000.00	751,965.00 0.00	750,190.10 (54.84)	748,380.00 495.00	(1,810.10)	0.00	725.00	1,900.00	2.75
3133EGFQ3 FEDERAL FARM CREDIT BANK 0.875% 14SEP2018	0.875	09/14/2018	1,000,000.00	1,000,293.00 0.00	1,000,048.77 (10.92)	995,980.00 560.00	(4,068.77)	0.00	704.87	1,118.06	3.66

# SECURITIES HELD

## As of April 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
<b>Government Agencies</b>											
3133EGM69 FEDERAL FARM CREDIT BANK 1.1% 05DEC2018	1.100	12/05/2018	1,000,000.00	997,730.00 0.00	999,323.09 94.45	993,310.00 (250.00)	(6,013.09)	0.00	886.12	4,430.56	3.65
3133EF3V7 FEDERAL FARM CREDIT BANK 0.875% 15FEB2019	0.875	02/15/2019	1,000,000.00	1,001,200.00 0.00	1,000,375.00 (39.47)	988,990.00 (120.00)	(11,385.00)	0.00	704.86	1,822.92	3.67
313378QK0 FEDERAL HOME LOAN BANK 1.875% 08MAR2019	1.875	03/08/2019	1,000,000.00	1,026,340.00 0.00	1,008,676.71 (845.13)	996,710.00 (478.00)	(11,966.71)	0.00	1,510.41	2,708.33	3.76
3137EADZ9 FREDDIE MAC 1.125% 15APR2019	1.125	04/15/2019	500,000.00	502,545.00 0.00	500,896.86 (77.99)	494,484.00 (190.50)	(6,412.86)	2,812.50	453.13	234.38	1.84
313379EE5 FEDERAL HOME LOAN BANK 1.625% 14JUN2019	1.625	06/14/2019	1,000,000.00	1,020,720.00 0.00	1,008,119.19 (602.91)	991,676.00 (1,739.00)	(16,443.19)	0.00	1,309.03	6,138.89	3.74
3137EABE1 FREDDIE MAC 0.875% 19JUL2019	0.875	07/19/2019	700,000.00	689,815.00 0.00	694,745.93 359.05	687,477.00 (500.50)	(7,268.93)	0.00	493.40	1,718.40	2.53
3135G0N33 FANNIE MAE 0.875% 02AUG2019	0.875	08/02/2019	1,000,000.00	981,984.00 0.00	984,064.13 1,057.70	981,160.00 (856.00)	(2,904.13)	0.00	704.86	2,138.89	3.60
3133EGSCO FEDERAL FARM CREDIT BANK 1% 26AUG2019	1.000	08/26/2019	1,000,000.00	998,204.00 0.00	999,197.28 50.59	981,570.00 (2,780.00)	(17,627.28)	0.00	805.56	1,777.78	3.66
3130A9MF5 FEDERAL HOME LOAN BANK 1.125% 03OCT2019 (CALLABLE 10MAY18)	1.125	10/03/2019	1,000,000.00	999,000.00 0.00	999,524.12 27.83	981,890.00 (1,510.00)	(17,634.12)	5,625.00	906.25	843.75	3.66
3135G0R39 FANNIE MAE 1% 24OCT2019	1.000	10/24/2019	1,000,000.00	980,380.00 0.00	982,332.07 992.58	978,827.00 (1,439.00)	(3,505.07)	5,000.00	805.56	166.67	3.59

# SECURITIES HELD

As of April 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
<b>Government Agencies</b>											
3133EGJ30 FEDERAL FARM CREDIT BANK 1.1% 18NOV2019	1.100	11/18/2019	600,000.00	595,032.00 0.00	596,923.26 165.42	587,430.00 (1,722.00)	(9,493.26)	0.00	531.67	2,970.00	2.18
3136G4DA8 FANNIE MAE 1.2% 30DEC2019 (CALLABLE 30JUN18) #0001	1.200	12/30/2019 06/30/2018	700,000.00	699,125.00 0.00	699,549.36 22.54	685,489.00 (1,673.00)	(14,060.36)	0.00	700.00	2,800.00	2.56
3135G0VY6 FANNIE MAE 1.7% 27MAR2020 CALLABLE	1.700	03/27/2020	1,000,000.00	1,004,795.61 0.00	1,003,608.53 (157.57)	984,800.00 (2,930.00)	(18,808.53)	0.00	1,369.44	1,558.33	3.68
3134GBT9 FREDDIE MAC 1.625% 27MAR2020 (CALLABLE 27JUN18)	1.625	03/27/2020 06/27/2018	1,500,000.00	1,499,445.00 0.00	1,499,582.38 18.23	1,476,060.00 (4,095.00)	(23,522.38)	0.00	1,963.55	2,234.38	5.49
<b>Total Government Agencies</b>			<b>15,500,000.00</b>	<b>15,502,826.11 0.00</b>	<b>15,477,316.93 873.12</b>	<b>15,303,852.75 (18,868.75)</b>	<b>(173,464.18)</b>	<b>13,437.50</b>	<b>15,328.92</b>	<b>38,259.26</b>	<b>56.79</b>
<b>Government Bonds</b>											
912828VQ0 USA TREASURY 1.375% 31JUL2018	1.375	07/31/2018	700,000.00	700,246.09 0.00	700,073.99 (24.12)	699,174.70 186.20	(899.29)	0.00	797.65	2,366.37	2.57
912828T42 USA TREASURY 0.75% 30SEP2018	0.750	09/30/2018	1,000,000.00	991,914.06 0.00	997,814.22 428.58	994,727.00 547.00	(3,087.22)	3,750.00	614.75	614.75	3.63
912828F39 USA TREASURY 1.75% 30SEP2019	1.750	09/30/2019	600,000.00	605,460.94 0.00	603,347.65 (193.88)	594,445.20 (1,266.00)	(8,902.45)	5,250.00	860.66	860.66	2.22

# SECURITIES HELD

CITY OF SAN PABLO

As of April 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
<b>Government Bonds</b>											
912828UL2 USA TREASURY 1.375% 31JAN2020	1.375	01/31/2020	1,100,000.00	1,086,636.72 0.00	1,088,578.85 534.53	1,079,762.20 (2,964.50)	(8,816.65)	0.00	1,253.46	3,718.58	3.98
<b>Total Government Bonds</b>			<b>3,400,000.00</b>	<b>3,384,257.81 0.00</b>	<b>3,389,814.71 745.11</b>	<b>3,368,109.10 (3,497.30)</b>	<b>(21,705.61)</b>	<b>9,000.00</b>	<b>3,526.52</b>	<b>7,560.36</b>	<b>12.40</b>
<b>Grand total</b>			<b>27,305,682.76</b>	<b>27,298,266.18 (1,081.59)</b>	<b>27,276,607.01 1,340.45</b>	<b>26,992,241.01 (26,343.30)</b>	<b>(284,366.00)</b>	<b>27,312.50</b>	<b>29,783.79</b>	<b>82,813.51</b>	<b>100.00</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of April 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)
<b>Federal Farm Credit Banks</b>												
3133EGFQ3	FEDERAL FARM CREDIT	0.875	09/14/2018		AA+	Aaa	1,000,000.00	1,000,293.00	3.66	995,980.00	3.69	0.37
3133EGM69	FEDERAL FARM CREDIT	1.100	12/05/2018		AA+	Aaa	1,000,000.00	997,730.00	3.65	993,310.00	3.68	0.59
3133EF3V7	FEDERAL FARM CREDIT	0.875	02/15/2019		AA+	Aaa	1,000,000.00	1,001,200.00	3.67	988,990.00	3.66	0.79
3133EGSCO	FEDERAL FARM CREDIT	1.000	08/26/2019		AA+	Aaa	1,000,000.00	998,204.00	3.66	981,570.00	3.64	1.30
3133EGJ30	FEDERAL FARM CREDIT	1.100	11/18/2019		AA+	Aaa	600,000.00	595,032.00	2.18	587,430.00	2.18	1.52
<b>Issuer total</b>							<b>4,600,000.00</b>	<b>4,592,459.00</b>	<b>16.82</b>	<b>4,547,280.00</b>	<b>16.85</b>	<b>0.86</b>
<b>Federal Home Loan Banks</b>												
313379DT3	FEDERAL HOME LOAN	1.250	06/08/2018		AA+	Aaa	750,000.00	754,252.50	2.76	749,619.75	2.78	0.11
3130A6B63	FEDERAL HOME LOAN	1.200	08/14/2018		AA+	Aaa	750,000.00	751,965.00	2.75	748,380.00	2.77	0.29
313378QK0	FEDERAL HOME LOAN	1.875	03/08/2019		AA+	Aaa	1,000,000.00	1,026,340.00	3.76	996,710.00	3.69	0.84
313379EE5	FEDERAL HOME LOAN	1.625	06/14/2019		AA+	Aaa	1,000,000.00	1,020,720.00	3.74	991,676.00	3.67	1.10
3130A9MF5	FEDERAL HOME LOAN	1.125	10/03/2019		AA+	Aaa	1,000,000.00	999,000.00	3.66	981,890.00	3.64	1.40
<b>Issuer total</b>							<b>4,500,000.00</b>	<b>4,552,277.50</b>	<b>16.68</b>	<b>4,468,275.75</b>	<b>16.55</b>	<b>0.81</b>
<b>Federal National Mortgage Association</b>												
3135G0N33	FANNIE MAE 0.875%	0.875	08/02/2019		AA+	Aaa	1,000,000.00	981,984.00	3.60	981,160.00	3.63	1.24
3135G0R39	FANNIE MAE 1%	1.000	10/24/2019		AA+	Aaa	1,000,000.00	980,380.00	3.59	978,827.00	3.63	1.46
3136G4DA8	FANNIE MAE 1.2%	1.200	12/30/2019	06/30/2018	AA+	Aaa	700,000.00	699,125.00	2.56	685,489.00	2.54	1.63
3135G0VY6	FANNIE MAE 1.7%	1.700	03/27/2020		AA+	Aaa	1,000,000.00	1,004,795.61	3.68	984,800.00	3.65	1.86
<b>Issuer total</b>							<b>3,700,000.00</b>	<b>3,666,284.61</b>	<b>13.43</b>	<b>3,630,276.00</b>	<b>13.45</b>	<b>1.54</b>
<b>United States Treasury Note/Bond</b>												
912828VQ0	USA TREASURY 1.375%	1.375	07/31/2018		AA+	Aaa	700,000.00	700,246.09	2.57	699,174.70	2.59	0.25
912828T42	USA TREASURY 0.75%	0.750	09/30/2018		AA+	Aaa	1,000,000.00	991,914.06	3.63	994,727.00	3.69	0.42
912828F39	USA TREASURY 1.75%	1.750	09/30/2019		AA+	Aaa	600,000.00	605,460.94	2.22	594,445.20	2.20	1.39

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of April 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)
<b>United States Treasury Note/Bond</b>												
912828UL2	USA TREASURY 1.375%	1.375	01/31/2020		AA+	Aaa	1,100,000.00	1,086,636.72	3.98	1,079,762.20	4.00	1.72
<b>Issuer total</b>							<b>3,400,000.00</b>	<b>3,384,257.81</b>	<b>12.40</b>	<b>3,368,109.10</b>	<b>12.48</b>	<b>0.98</b>
<b>Federal Home Loan Mortgage Corp</b>												
3137EADZ9	FREDDIE MAC 1.125%	1.125	04/15/2019		AA+	Aaa	500,000.00	502,545.00	1.84	494,484.00	1.83	0.95
3137EAEB1	FREDDIE MAC 0.875%	0.875	07/19/2019		AA+	Aaa	700,000.00	689,815.00	2.53	687,477.00	2.55	1.20
3134GBTF9	FREDDIE MAC 1.625%	1.625	03/27/2020	06/27/2018	AA+	Aaa	1,500,000.00	1,499,445.00	5.49	1,476,060.00	5.47	1.83
<b>Issuer total</b>							<b>2,700,000.00</b>	<b>2,691,805.00</b>	<b>9.86</b>	<b>2,658,021.00</b>	<b>9.85</b>	<b>1.50</b>
<b>Apple Inc</b>												
037833AJ9	APPLE INC 1%	1.000	05/03/2018		AA+	Aa1	1,000,000.00	991,620.00	3.63	999,950.00	3.70	0.01
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>991,620.00</b>	<b>3.63</b>	<b>999,950.00</b>	<b>3.70</b>	<b>0.01</b>
<b>PepsiCo Inc</b>												
713448CK2	PEPSICO INC 2.25%	2.250	01/07/2019	12/07/2018	A+	A1	1,000,000.00	1,011,060.00	3.70	999,512.00	3.70	0.67
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,011,060.00</b>	<b>3.70</b>	<b>999,512.00</b>	<b>3.70</b>	<b>0.67</b>
<b>Microsoft Corp</b>												
594918AY0	MICROSOFT CORP 1.85%	1.850	02/12/2020	01/12/2020	AAA	Aaa	1,000,000.00	1,002,170.00	3.67	986,623.00	3.66	1.73
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,002,170.00</b>	<b>3.67</b>	<b>986,623.00</b>	<b>3.66</b>	<b>1.73</b>
<b>Caterpillar Financial Services Corp</b>												
14912L6R7	CATERPILLAR FINL	1.350	05/18/2019		A	A3	1,000,000.00	999,260.00	3.66	986,435.00	3.65	1.03
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>999,260.00</b>	<b>3.66</b>	<b>986,435.00</b>	<b>3.65</b>	<b>1.03</b>
<b>Walt Disney Co/The</b>												
25468PDL7	WALT DISNEY	0.875	07/12/2019		A+	A2	500,000.00	490,240.00	1.80	488,971.50	1.81	1.18

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of April 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)
<b>Walt Disney Co/The</b>												
25468PDP8	WALT DISNEY	1.950	03/04/2020		A+	A2	450,000.00	451,624.50	1.65	442,903.95	1.64	1.79
<b>Issuer total</b>							<b>950,000.00</b>	<b>941,864.50</b>	<b>3.45</b>	<b>931,875.45</b>	<b>3.45</b>	<b>1.47</b>
<b>Cisco Systems Inc</b>												
17275RBB7	CISCO SYSTEMS INC 1.6%	1.600	02/28/2019		AA-	A1	700,000.00	700,630.00	2.57	695,259.60	2.58	0.82
<b>Issuer total</b>							<b>700,000.00</b>	<b>700,630.00</b>	<b>2.57</b>	<b>695,259.60</b>	<b>2.58</b>	<b>0.82</b>
<b>Exxon Mobil Corp</b>												
30231GAG7	EXXON MOBIL	1.912	03/06/2020	02/06/2020	AA+	Aaa	550,000.00	552,255.00	2.02	542,655.85	2.01	1.79
<b>Issuer total</b>							<b>550,000.00</b>	<b>552,255.00</b>	<b>2.02</b>	<b>542,655.85</b>	<b>2.01</b>	<b>1.79</b>
<b>PNC Bank NA</b>												
69353REZ7	PNC BANK NA 1.7%	1.700	12/07/2018	11/07/2018	A	A2	500,000.00	499,980.00	1.83	497,690.50	1.84	0.59
<b>Issuer total</b>							<b>500,000.00</b>	<b>499,980.00</b>	<b>1.83</b>	<b>497,690.50</b>	<b>1.84</b>	<b>0.59</b>
<b>Chevron Corp</b>												
166764AR1	CHEVRON CORP 1.961%	1.961	03/03/2020	02/03/2020	AA-	Aa2	500,000.00	501,625.00	1.84	493,338.00	1.83	1.78
<b>Issuer total</b>							<b>500,000.00</b>	<b>501,625.00</b>	<b>1.84</b>	<b>493,338.00</b>	<b>1.83</b>	<b>1.78</b>
<b>Toyota Motor Credit Corp</b>												
89236TDU6	TOYOTA MOTOR CREDIT	1.950	04/17/2020		AA-	Aa3	500,000.00	501,915.00	1.84	491,589.00	1.82	1.91
<b>Issuer total</b>							<b>500,000.00</b>	<b>501,915.00</b>	<b>1.84</b>	<b>491,589.00</b>	<b>1.82</b>	<b>1.91</b>
<b>John Deere Capital Corp</b>												
24422ETS8	JOHN DEERE CAPITAL	1.950	06/22/2020		A	A2	500,000.00	503,120.00	1.84	489,668.00	1.81	2.07
<b>Issuer total</b>							<b>500,000.00</b>	<b>503,120.00</b>	<b>1.84</b>	<b>489,668.00</b>	<b>1.81</b>	<b>2.07</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of April 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)
Cash and Cash Equivalents												
	INVESTED CASH	0.000					205,682.76	205,682.76	0.75	205,682.76	0.76	0.00
Issuer total							205,682.76	205,682.76	0.75	205,682.76	0.76	0.00
Grand total							27,305,682.76	27,298,266.18	100.00	26,992,241.01	100.00	1.11



# SECURITIES PURCHASED

CITY OF SAN PABLO

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

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
<b>Corporate Bonds</b>							
25468PDL7	04/09/2018	0.875	07/12/2019	500,000.00	98.05	(490,240.00)	(1,081.59)
WALT DISNEY COMPANY/THE 0.875% 12JUL2019	04/11/2018						
U.S. BANCORP INVESTMENTS, INC.							
<b>Total Corporate Bonds</b>				<b>500,000.00</b>		<b>(490,240.00)</b>	<b>(1,081.59)</b>
<b>Grand total</b>				<b>500,000.00</b>		<b>(490,240.00)</b>	<b>(1,081.59)</b>

# SECURITIES SOLD AND MATURED

CITY OF SAN PABLO

For the period April 1, 2018 - April 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
<b>Corporate Bonds</b>												
931142DF7 WAL-MART STORES INC 1.125 DUE 04-11-2018	04/11/2018 04/11/2018	1.125		(500,000.00)	500,215.00	500,000.00 (1.31)	0.00	500,000.00 137.50	0.00	0.00	2,812.50	156.25
<b>Total (Corporate Bonds)</b>				(500,000.00)	500,215.00	500,000.00 (1.31)		500,000.00 137.50	0.00	0.00	2,812.50	156.25
<b>Grand total</b>				(500,000.00)	500,215.00	500,000.00 (1.31)		500,000.00 137.50	0.00	0.00	2,812.50	156.25

# TRANSACTION REPORT

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

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
03/31/2018 03/31/2018	912828F39	Income	Government Bonds	USA TREASURY 1.75%	09/30/2019	600,000.00	0.00	0.00	5,250.00	5,250.00
03/31/2018 03/31/2018	912828T42	Income	Government Bonds	USA TREASURY 0.75%	09/30/2018	1,000,000.00	0.00	0.00	3,750.00	3,750.00
04/03/2018 04/03/2018	3130A9MF5	Income	Government Agencies	FEDERAL HOME LOAN BANK	10/03/2019	1,000,000.00	0.00	0.00	5,625.00	5,625.00
04/09/2018 04/11/2018	25468PDL7	Bought	Corporate Bonds	WALT DISNEY COMPANY/THE	07/12/2019	500,000.00	0.00	(490,240.00)	(1,081.59)	(491,321.59)
04/11/2018 04/11/2018	931142DF7	Income	Corporate Bonds	WAL-MART STORES INC 1.125	04/11/2018	500,000.00	0.00	0.00	2,812.50	2,812.50
04/11/2018 04/11/2018	931142DF7	Capital Change	Corporate Bonds	WAL-MART STORES INC 1.125	04/11/2018	(500,000.00)	0.00	500,000.00	0.00	500,000.00
04/15/2018 04/15/2018	3137EADZ9	Income	Government Agencies	FREDDIE MAC 1.125%	04/15/2019	500,000.00	0.00	0.00	2,812.50	2,812.50
04/17/2018 04/17/2018	89236TDU6	Income	Corporate Bonds	TOYOTA MOTOR CREDIT CORP	04/17/2020	500,000.00	0.00	0.00	4,875.00	4,875.00
04/24/2018 04/24/2018	3135G0R39	Income	Government Agencies	FANNIE MAE 1% 24OCT2019	10/24/2019	1,000,000.00	0.00	0.00	5,000.00	5,000.00
04/30/2018		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	128.92	128.92

# ADDITIONAL INFORMATION

## As of April 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.

Investment advisory services in North America are provided through four different SEC-registered investment advisers using the brand Insight Investment: Cutwater Asset Management Corp. (CAMC), Cutwater Investor Services Corp. (CISC), Insight North America LLC (INA) and Insight Investment International Limited (IIL). The North American investment advisers are associated with a broader group of global investment managers that also (individually and collectively) use the corporate brand Insight Investment and may be referred to as Insight, Insight Group or Insight Investment.

Both CISC and CAMC are investment advisers registered with the Securities and Exchange Commission (SEC), under the Investment Advisers Act of 1940, as amended. Registration with the SEC does not imply a certain level of skill or training. You may request, without charge, additional information about Insight. Moreover, specific information relating to Insights strategies, including investment advisory fees, may be obtained from CAMCs and CISCs Forms ADV Part 2A, which are available without charge upon request.

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.

Unless otherwise stated, the source of information is Insight. Any forecasts or opinions are Insights own at the date of this document (or as otherwise specified) and may change. Material in this publication is for general information only and is not advice, investment advice, or the recommendation of any purchase or sale of any security. Insight makes no implied or expressed recommendations concerning the manner in which an account should or would be handled, as appropriate investment strategies depend upon specific investment guidelines and objectives and should not be construed to be an assurance that any particular security in a strategy will remain in any fund, account, or strategy, or that a previously held security will not be repurchased. It should not be assumed that any of the security transactions or holdings referenced herein have been or will prove to be profitable or that future investment decisions will be profitable or will equal or exceed the past investment performance of the securities listed.

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.

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

# ADDITIONAL INFORMATION

## As of April 30, 2018

Insight is a group of wholly owned subsidiaries of The Bank of New York Mellon Corporation. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation and may also be used as a generic term to reference the Corporation as a whole or its various subsidiaries generally. Products and services may be provided under various brand names and in various countries by subsidiaries, affiliates and joint ventures of The Bank of New York Mellon Corporation where authorized and regulated as required within each jurisdiction. Unless you are notified to the contrary, the products and services mentioned are not insured by the FDIC (or by any governmental entity) and are not guaranteed by or obligations of The Bank of New York Mellon Corporation or any of its affiliates. The Bank of New York Corporation assumes no responsibility for the accuracy or completeness of the above data and disclaims all expressed or implied warranties in connection therewith.

© 2018 Insight Investment. All rights reserved.