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CITY OF SAN PABLO

December 2019



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FIXED INCOME MARKET REVIEW

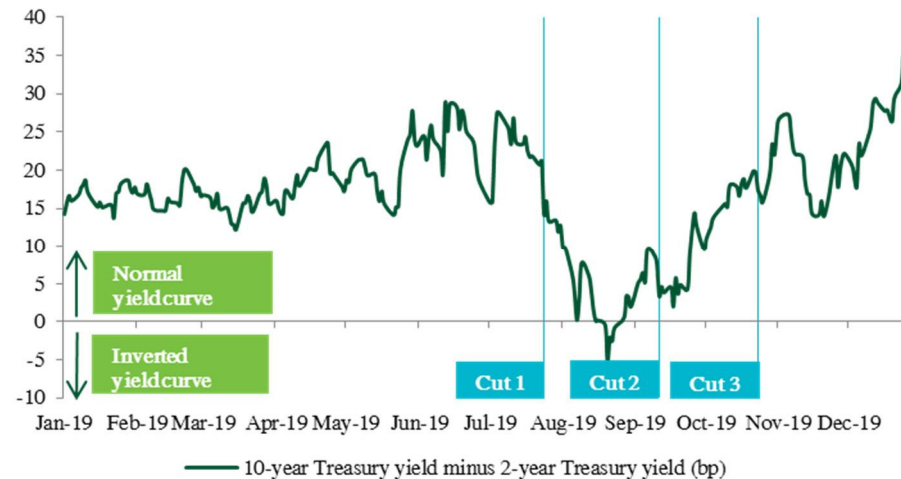
As of December 31, 2019

Chart 1: US unemployment hits a new 50-year low



Source: Bloomberg Finance LP, December 31, 2019.

Chart 2: Return of 'normal' yield curve leaves Fed satisfied with policy rates



Source: Bloomberg Finance LP, December 31, 2019.

Economic Indicators and Monetary Policy

Economic indicators were promising overall. The economy added 266,000 jobs in November (above the expected 180,000) with an upward revision of 41,000 to the previous two months, supported by the return of GM workers following a strike. The unemployment rate fell to a new 50-year low of 3.5% (Chart 1). The ISM manufacturing index weakened to 48.1 (compared to the expected 49.2), but remained higher than the September low-point of 47.8. The non-manufacturing index fell from 53.9 (versus an expected 54.5).

The US and China agreed to a narrow 'phase one' trade deal, with the expectation that it will be signed in January. New US tariffs previously scheduled to come into effect during the month were suspended. Existing tariff rates on \$120bn of Chinese imports will be halved from 15% to 7.5%, although 25% on a remaining \$250bn of tariffs will remain. China committed to import various US goods and services over the next two years in a total amount that exceeds China's annual level of imports for those goods and services in 2017 by no less than \$200bn. President Trump also stated that discussions on a 'phase two' deal would begin immediately rather than after this year's presidential election.

The final Federal Reserve (Fed) meeting of 2019 brought a run of three consecutive rate cuts to an end (Chart 2). The Fed's messaging tilted towards the optimistic side, removing any mention of "uncertainties" to the outlook, partly as the trade conflict with China appears closer to stabilizing. The committee's revised 'dot plot' showed a majority of members expect no change in rates by the end of 2020, with no member predicting a cut. The yield curve continued to steepen, indicating improving investor optimism around the economy.

Interest Rate Summary

Treasury yields declined mostly across the curve during the month. At the end of December, the 3-month US Treasury bill yielded 1.55%, the 6-month US Treasury bill yielded 1.59%, the 2-year US Treasury note yielded 1.57%, the 5-year US Treasury note yielded 1.69% and the 10-year US Treasury note yielded 1.69%.

ACTIVITY AND PERFORMANCE SUMMARY

For the period December 1, 2019 - December 31, 2019

Amortized Cost Basis Activity Summary

Opening balance	27,998,162.41
Income received	75,826.44
Total receipts	75,826.44
Total disbursements	0.00
Interportfolio transfers	0.00
Total Interportfolio transfers	0.00
Realized gain (loss)	0.00
Total amortization expense	(5,512.49)
Total OID/MKT accretion income	4,922.47
Return of capital	0.00
Closing balance	28,073,398.83
Ending fair value	28,191,169.41
Unrealized gain (loss)	117,770.58

Detail of Amortized Cost Basis Return

	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	63.94	0.00	0.00	63.94
Corporate Bonds	15,087.42	587.90	0.00	15,675.32
Government Agencies	28,240.47	(2,113.10)	0.00	26,127.37
Government Bonds	5,553.03	935.18	0.00	6,488.21
Total	48,944.86	(590.02)	0.00	48,354.84

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.16	0.96	0.13
Overnight Repo	2.22	0.98	0.13
Merrill Lynch 3m US Treas Bill	2.04	0.87	0.13
Merrill Lynch 6m US Treas Bill	2.02	0.86	0.13
ML 1 Year US Treasury Note	2.06	0.86	0.13
ML 2 Year US Treasury Note	1.97	0.82	0.14
ML 5 Year US Treasury Note	1.96	0.81	0.14

* rates reflected are cumulative

Summary of Amortized Cost Basis Return for the Period

	Total portfolio
Interest earned	48,944.86
Accretion (amortization)	(590.02)
Realized gain (loss) on sales	0.00
Total income on portfolio	48,354.84
Average daily amortized cost	28,044,337.66
Period return (%)	0.17
YTD return (%)	2.02
Weighted average final maturity in days	666

ACTIVITY AND PERFORMANCE SUMMARY

For the period December 1, 2019 - December 31, 2019

Fair Value Basis Activity Summary

Opening balance	28,114,672.30
Income received	75,826.44
Total receipts	75,826.44
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	670.67
Ending fair value	28,191,169.41

Detail of Fair Value Basis Return

	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	63.94	0.00	63.94
Corporate Bonds	15,087.42	3,663.54	18,750.96
Government Agencies	28,240.47	(2,441.07)	25,799.40
Government Bonds	5,553.03	(551.80)	5,001.23
Total	48,944.86	670.67	49,615.53

Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.16	0.96	0.13
Overnight Repo	2.22	0.98	0.13
ICE BofAML 3 Months US T-BILL	2.28	1.03	0.14
ICE ML 6m US Treas Bill	2.57	1.17	0.16
ICE ML 1 Year US Treasury Note	2.93	1.15	0.18
ICE ML US Treasury 1-3	3.55	1.09	0.21
ICE ML US Treasury 1-5	4.20	1.10	0.14

* rates reflected are cumulative

Summary of Fair Value Basis Return for the Period

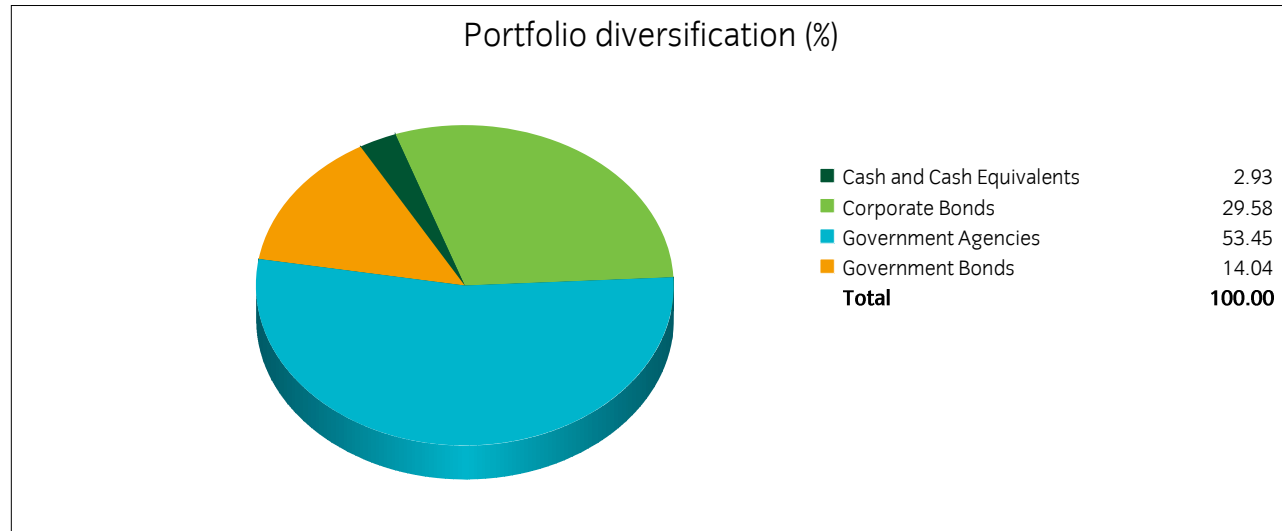
	Total portfolio
Interest earned	48,944.86
Change in fair value	670.67
Total income on portfolio	49,615.53
Average daily total value *	28,296,247.54
Period return (%)	0.18
YTD return (%)	3.03
Weighted average final maturity in days	666

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of December 31, 2019

	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	823,173.02	823,173.02	823,173.02	0.00	1	2.93	0.00
Corporate Bonds	8,297,450.80	8,300,616.71	8,342,285.88	41,669.17	459	29.58	1.18
Government Agencies	14,993,575.51	14,989,236.78	15,057,838.94	68,602.16	815	53.45	2.13
Government Bonds	3,939,576.23	3,960,372.32	3,967,871.57	7,499.25	673	14.04	1.78
Total	28,053,775.56	28,073,398.83	28,191,169.41	117,770.58	666	100.00	1.74

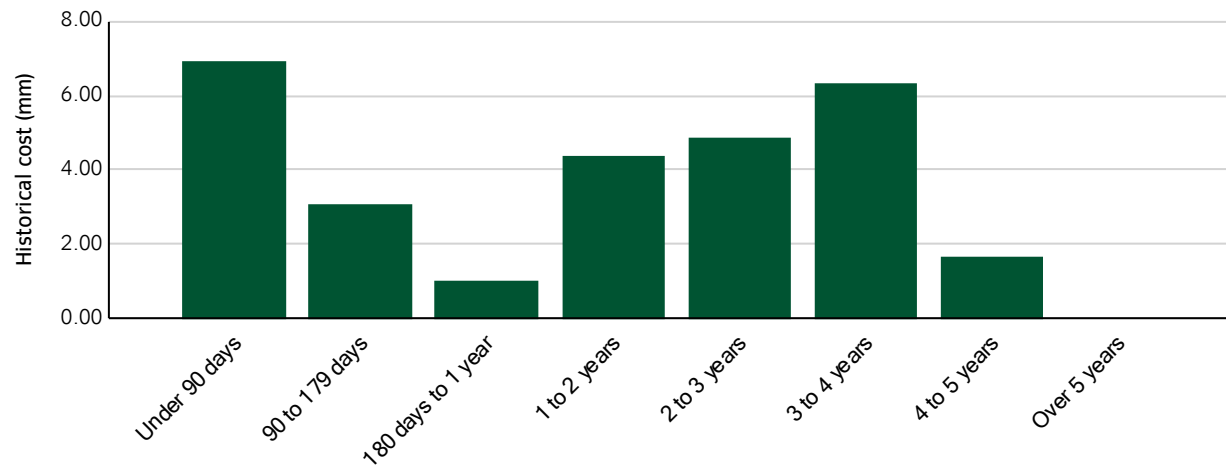


MATURITY DISTRIBUTION OF SECURITIES HELD

As of December 31, 2019

Maturity	Historic cost	Percent
Under 90 days	6,921,724.85	24.67
90 to 179 days	3,028,893.42	10.80
180 days to 1 year	987,825.00	3.52
1 to 2 years	4,344,839.30	15.49
2 to 3 years	4,828,863.19	17.21
3 to 4 years	6,301,257.00	22.46
4 to 5 years	1,640,372.80	5.85
Over 5 years	0.00	0.00
	28,053,775.56	100.00

Maturity distribution



SECURITIES HELD

As of December 31, 2019

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		823,173.02	823,173.02 0.00	823,173.02 0.00	823,173.02 0.00	0.00	0.00	0.00	0.00	2.93
Total Cash and Cash Equivalents			823,173.02	823,173.02 0.00	823,173.02 0.00	823,173.02 0.00	0.00	0.00	0.00	0.00	2.93
Corporate Bonds											
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	1,000,027.07 (67.67)	1,000,007.30 5.21	(19.77)	0.00	1,593.06	7,143.06	3.57
166764AR1 CHEVRON CORP 1.961% 03MAR2020 (CALLABLE 06FEB20)	1.961	03/03/2020 02/03/2020	500,000.00	501,625.00 0.00	500,064.45 (58.60)	499,911.32 (68.62)	(153.13)	0.00	844.32	3,213.86	1.79
25468PDP8 TWDC ENTERPRISES 18 CORP 1.95% 04MAR2020	1.950	03/04/2020	450,000.00	451,624.50 0.00	450,102.53 (48.06)	449,985.92 (23.50)	(116.61)	0.00	755.63	2,851.88	1.61
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	550,082.33 (68.61)	550,035.95 (34.16)	(46.38)	0.00	905.55	3,359.28	1.97
89236TDU6 TOYOTA MOTOR CREDIT CORP 1.95% 17APR2020	1.950	04/17/2020	500,000.00	501,915.00 0.00	500,218.68 (61.31)	499,989.72 (131.66)	(228.96)	0.00	839.59	2,004.17	1.79
24422ETS8 JOHN DEERE CAPITAL CORP 1.95% 22JUN2020	1.950	06/22/2020	500,000.00	503,120.00 0.00	500,535.57 (93.41)	500,093.85 (55.78)	(441.72)	4,875.00	839.58	243.75	1.79
02665WBT7 AMERICAN HONDA FINANCE 1.95% 20JUL2020	1.950	07/20/2020	500,000.00	492,655.00 0.00	497,367.38 394.89	500,261.75 245.57	2,894.37	0.00	839.59	4,360.42	1.76

SECURITIES HELD

As of December 31, 2019

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											
06051GFT1 BANK OF AMERICA CORP 2.625% 19OCT2020	2.625	10/19/2020	500,000.00	495,170.00 0.00	497,842.55 223.96	502,862.34 (8.63)	5,019.79	0.00	1,130.21	2,625.00	1.77
0258M0EB1 AMERICAN EXPRESS CREDIT 2.25% 05MAY2021 (CALLABLE 04APR21)	2.250	05/05/2021 04/04/2021	495,000.00	496,950.30 0.00	496,628.23 (103.78)	497,385.47 50.18	757.24	0.00	959.06	1,732.50	1.77
14912L6U0 CATERPILLAR FINL SERVICE 1.7% 09AUG2021	1.700	08/09/2021	1,000,000.00	979,810.00 0.00	985,460.19 753.36	998,562.93 2,847.06	13,102.74	0.00	1,463.89	6,705.56	3.49
17275RBJ0 CISCO SYSTEMS INC 1.85% 20SEP2021 (CALLABLE 20AUG21)	1.850	09/20/2021	700,000.00	685,426.00 0.00	690,231.48 472.67	700,479.35 499.96	10,247.87	0.00	1,115.13	3,633.19	2.44
25468PCW4 TWDC ENTERPRISES 18 CORP 2.35% 01DEC2022	2.350	12/01/2022	500,000.00	502,850.00 0.00	502,449.18 (69.91)	507,459.89 330.36	5,010.71	5,875.00	1,011.81	979.17	1.79
90331HNV1 US BANK NA CINCINNATI 3.4% 24JUL2023 (CALLABLE 23JUN23)	3.400	07/24/2023 06/24/2023	600,000.00	629,250.00 0.00	627,291.29 (631.14)	626,900.14 (1,913.05)	(391.15)	0.00	1,756.67	8,896.67	2.24
68389XBL8 ORACLE CORP 2.4% 15SEP2023 (CALLABLE 15JUL23)	2.400	09/15/2023 07/15/2023	500,000.00	502,630.00 0.00	502,315.78 (54.49)	508,349.95 1,920.60	6,034.17	0.00	1,033.33	3,533.33	1.79
Total Corporate Bonds			8,295,000.00	8,297,450.80 0.00	8,300,616.71 587.90	8,342,285.88 3,663.54	41,669.17	10,750.00	15,087.42	51,281.84	29.58
Government Agencies											
3135G0VY6 FANNIE MAE 1.7% 27MAR2020 CALLABLE	1.700	03/27/2020	1,000,000.00	1,004,795.61 0.00	1,000,456.97 (157.58)	1,000,194.58 6.29	(262.39)	0.00	1,463.89	4,438.89	3.58

SECURITIES HELD

As of December 31, 2019

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											
3134GBTF9 FREDDIE MAC 1.625% 27MAR2020 CALLABLE	1.625	03/27/2020	1,500,000.00	1,499,445.00 0.00	1,499,947.11 18.23	1,500,338.24 266.64	391.13	0.00	2,098.95	6,364.58	5.34
3133EHEZ2 FEDERAL FARM CREDIT BANK 1.6% 06APR2020	1.600	04/06/2020	950,000.00	934,788.60 0.00	946,976.62 944.81	949,935.87 126.38	2,959.25	0.00	1,308.89	3,588.89	3.33
3130AECJ7 FEDERAL HOME LOAN BANK 2.625% 28MAY2020	2.625	05/28/2020	500,000.00	500,810.00 0.00	500,168.61 (34.17)	501,954.22 (363.57)	1,785.61	0.00	1,130.21	1,203.13	1.79
3133EKAJ5 FEDERAL FARM CREDIT BANK 2.5% 11FEB2021	2.500	02/11/2021	1,100,000.00	1,098,889.00 0.00	1,099,380.37 46.35	1,111,255.76 (341.99)	11,875.39	0.00	2,368.05	10,694.44	3.92
313379RB7 FEDERAL HOME LOAN BANK 1.875% 11JUN2021	1.875	06/11/2021	1,100,000.00	1,083,764.00 0.00	1,089,633.63 596.91	1,103,533.19 45.75	13,899.56	10,312.50	1,776.04	1,145.83	3.86
3135G0S38 FANNIE MAE 2% 05JAN2022	2.000	01/05/2022	550,000.00	545,248.00 0.00	546,502.34 144.74	554,238.88 262.54	7,736.54	0.00	947.22	5,377.78	1.94
313379Q69 FEDERAL HOME LOAN BANK 2.125% 10JUN2022	2.125	06/10/2022	1,100,000.00	1,106,138.00 0.00	1,105,005.97 (170.66)	1,112,670.90 279.01	7,664.93	11,687.50	2,012.85	1,363.54	3.94
3130A3KM5 FEDERAL HOME LOAN BANK 2.5% 09DEC2022	2.500	12/09/2022	1,000,000.00	1,022,510.00 0.00	1,019,177.87 (543.28)	1,024,824.98 712.73	5,647.11	12,500.00	2,152.78	1,527.78	3.64
3133EKKT2 FEDERAL FARM CREDIT BANK 2.25% 08FEB2023	2.250	02/08/2023	1,000,000.00	1,014,550.00 0.00	1,012,493.78 (335.25)	1,018,695.63 (98.09)	6,201.85	0.00	1,937.50	8,937.50	3.62
3137EAEN5 FREDDIE MAC 2.75% 19JUN2023	2.750	06/19/2023	1,450,000.00	1,499,865.50 0.00	1,494,109.07 (1,059.47)	1,505,967.68 320.48	11,858.61	19,937.50	3,433.68	1,329.17	5.35

SECURITIES HELD

As of December 31, 2019

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											
3133EKZK5 FEDERAL FARM CREDIT BANK 1.6% 14AUG2023	1.600	08/14/2023	1,000,000.00	1,000,509.00 0.00	1,000,463.18 (10.66)	998,751.23 (618.71)	(1,711.95)	0.00	1,377.78	6,088.89	3.57
3135G0U43 FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	1,000,000.00	1,041,890.00 0.00	1,036,805.73 (828.95)	1,043,857.11 (490.55)	7,051.38	0.00	2,475.69	8,704.86	3.71
3135G0V34 FANNIE MAE 2.5% 05FEB2024	2.500	02/05/2024	1,000,000.00	1,038,382.00 0.00	1,036,176.14 (710.78)	1,030,936.64 (1,696.87)	(5,239.50)	0.00	2,152.78	10,138.89	3.70
3135G0V75 FANNIE MAE 1.75% 02JUL2024	1.750	07/02/2024	600,000.00	601,990.80 0.00	601,939.39 (35.87)	600,684.03 (1,164.67)	(1,255.36)	0.00	904.16	5,045.83	2.15
Total Government Agencies			14,850,000.00	14,993,575.51 0.00	14,989,236.78 (2,135.63)	15,057,838.94 (2,754.63)	68,602.16	54,437.50	27,540.47	75,950.00	53.45
Government Bonds											
912828UL2 USA TREASURY 1.375% 31JAN2020	1.375	01/31/2020	1,100,000.00	1,086,636.72 0.00	1,099,447.65 552.35	1,099,753.66 295.13	306.01	0.00	1,274.11	6,288.38	3.87
912828K58 USA TREASURY 1.375% 30APR2020	1.375	04/30/2020	600,000.00	588,259.82 0.00	597,309.54 689.29	599,436.27 115.96	2,126.73	0.00	702.61	1,382.56	2.10
9128282S8 USA TREASURY 1.625% 31AUG2022	1.625	08/31/2022	650,000.00	647,664.06 0.00	648,040.31 62.38	650,533.20 177.73	2,492.89	0.00	899.55	3,540.18	2.31
912828M49 USA TREASURY 1.875% 31OCT2022	1.875	10/31/2022	1,000,000.00	1,004,453.13 0.00	1,003,771.68 (112.97)	1,007,460.94 (156.25)	3,689.26	0.00	1,596.84	3,142.17	3.58

SECURITIES HELD

As of December 31, 2019

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											
912828U57 USA TREASURY 2.125% 30NOV2023	2.125	11/30/2023	600,000.00	612,562.50 0.00	611,803.14 (255.87)	610,687.50 (984.37)	(1,115.64)	6,375.00	1,079.92	1,079.92	2.18
Total Government Bonds			3,950,000.00	3,939,576.23 0.00	3,960,372.32 935.18	3,967,871.57 (551.80)	7,499.25	6,375.00	5,553.03	15,433.21	14.04
Grand total			27,918,173.02	28,053,775.56 0.00	28,073,398.83 (612.55)	28,191,169.41 357.11	117,770.58	71,562.50	48,180.92	142,665.05	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of December 31, 2019

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												
3135G0VY6	FANNIE MAE 1.7%	1.700	03/27/2020		AA+	Aaa	1,000,000.00	1,004,795.61	3.58	1,000,194.58	3.55	0.24
3135G0S38	FANNIE MAE 2%	2.000	01/05/2022		AA+	Aaa	550,000.00	545,248.00	1.94	554,238.88	1.97	1.95
3135G0U43	FANNIE MAE 2.875%	2.875	09/12/2023		AA+	Aaa	1,000,000.00	1,041,890.00	3.71	1,043,857.11	3.70	3.48
3135G0V34	FANNIE MAE 2.5%	2.500	02/05/2024		AA+	Aaa	1,000,000.00	1,038,382.00	3.70	1,030,936.64	3.66	3.85
3135G0V75	FANNIE MAE 1.75%	1.750	07/02/2024		AA+	Aaa	600,000.00	601,990.80	2.15	600,684.03	2.13	4.28
Issuer total							4,150,000.00	4,232,306.41	15.09	4,229,911.24	15.00	2.72
Federal Farm Credit Banks Funding Corp												
3133EHEZ2	FEDERAL FARM CREDIT	1.600	04/06/2020		AA+	Aaa	950,000.00	934,788.60	3.33	949,935.87	3.37	0.26
3133EKAJ5	FEDERAL FARM CREDIT	2.500	02/11/2021		AA+	Aaa	1,100,000.00	1,098,889.00	3.92	1,111,255.76	3.94	1.09
3133EKKT2	FEDERAL FARM CREDIT	2.250	02/08/2023		AA+	Aaa	1,000,000.00	1,014,550.00	3.62	1,018,695.63	3.61	2.97
3133EKZK5	FEDERAL FARM CREDIT	1.600	08/14/2023		AA+	Aaa	1,000,000.00	1,000,509.00	3.57	998,751.23	3.54	3.48
Issuer total							4,050,000.00	4,048,736.60	14.43	4,078,638.49	14.47	1.96
United States Treasury Note/Bond												
912828UL2	USA TREASURY 1.375%	1.375	01/31/2020		AA+	Aaa	1,100,000.00	1,086,636.72	3.87	1,099,753.66	3.90	0.08
912828K58	USA TREASURY 1.375%	1.375	04/30/2020		AA+	Aaa	600,000.00	588,259.82	2.10	599,436.27	2.13	0.33
9128282S8	USA TREASURY 1.625%	1.625	08/31/2022		AA+	Aaa	650,000.00	647,664.06	2.31	650,533.20	2.31	2.58
912828M49	USA TREASURY 1.875%	1.875	10/31/2022		AA+	Aaa	1,000,000.00	1,004,453.13	3.58	1,007,460.94	3.57	2.74
912828U57	USA TREASURY 2.125%	2.125	11/30/2023		AA+	Aaa	600,000.00	612,562.50	2.18	610,687.50	2.17	3.74
Issuer total							3,950,000.00	3,939,576.23	14.04	3,967,871.57	14.07	1.78
Federal Home Loan Banks												
3130AECJ7	FEDERAL HOME LOAN	2.625	05/28/2020		AA+	Aaa	500,000.00	500,810.00	1.79	501,954.22	1.78	0.40
313379RB7	FEDERAL HOME LOAN	1.875	06/11/2021		AA+	Aaa	1,100,000.00	1,083,764.00	3.86	1,103,533.19	3.91	1.42
313379Q69	FEDERAL HOME LOAN	2.125	06/10/2022		AA+	Aaa	1,100,000.00	1,106,138.00	3.94	1,112,670.90	3.95	2.37

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF SAN PABLO

As of December 31, 2019

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												
3130A3KM5	FEDERAL HOME LOAN	2.500	12/09/2022		AA+	Aaa	1,000,000.00	1,022,510.00	3.64	1,024,824.98	3.64	2.82
Issuer total							3,700,000.00	3,713,222.00	13.24	3,742,983.29	13.28	1.95
Federal Home Loan Mortgage Corp												
3134GBTF9	FREDDIE MAC 1.625%	1.625	03/27/2020		AA+	Aaa	1,500,000.00	1,499,445.00	5.34	1,500,338.24	5.32	0.24
3137EAEN5	FREDDIE MAC 2.75%	2.750	06/19/2023		AA+	Aaa	1,450,000.00	1,499,865.50	5.35	1,505,967.68	5.34	3.30
Issuer total							2,950,000.00	2,999,310.50	10.69	3,006,305.92	10.66	1.77
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	3.57	1,000,007.30	3.55	0.11
Issuer total							1,000,000.00	1,002,170.00	3.57	1,000,007.30	3.55	0.11
Caterpillar Financial Services Corp												
14912L6U0	CATERPILLAR FINL	1.700	08/09/2021		A	A3	1,000,000.00	979,810.00	3.49	998,562.93	3.54	1.57
Issuer total							1,000,000.00	979,810.00	3.49	998,562.93	3.54	1.57
TWDC Enterprises 18 Corp												
25468PDP8	TWDC ENTERPRISES 18	1.950	03/04/2020		A	A2	450,000.00	451,624.50	1.61	449,985.92	1.60	0.17
25468PCW4	TWDC ENTERPRISES 18	2.350	12/01/2022		A	A2	500,000.00	502,850.00	1.79	507,459.89	1.80	2.80
Issuer total							950,000.00	954,474.50	3.40	957,445.81	3.40	1.56
Cash and Cash Equivalents												
	INVESTED CASH	0.000					823,173.02	823,173.02	0.00	823,173.02	2.92	0.00
Issuer total							823,173.02	823,173.02	0.00	823,173.02	2.92	0.00
Cisco Systems Inc												
17275RBJ0	CISCO SYSTEMS INC	1.850	09/20/2021		AA-	A1	700,000.00	685,426.00	2.44	700,479.35	2.48	1.63
Issuer total							700,000.00	685,426.00	2.44	700,479.35	2.48	1.63

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF SAN PABLO

As of December 31, 2019

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)
US Bank NA/Cincinnati OH												
90331HNV1	US BANK NA CINCINNATI	3.400	07/24/2023	06/24/2023	AA-	A1	600,000.00	629,250.00	2.24	626,900.14	2.22	3.25
Issuer total							600,000.00	629,250.00	2.24	626,900.14	2.22	3.25
Exxon Mobil Corp												
30231GAG7	EXXON MOBIL	1.912	03/06/2020	02/06/2020	AA+	Aaa	550,000.00	552,255.00	1.97	550,035.95	1.95	0.12
Issuer total							550,000.00	552,255.00	1.97	550,035.95	1.95	0.12
Oracle Corp												
68389XBL8	ORACLE CORP 2.4%	2.400	09/15/2023	07/15/2023	A+	A1	500,000.00	502,630.00	1.79	508,349.95	1.80	3.42
Issuer total							500,000.00	502,630.00	1.79	508,349.95	1.80	3.42
Bank of America Corp												
06051GFT1	BANK OF AMERICA CORP	2.625	10/19/2020		A-	A2	500,000.00	495,170.00	1.77	502,862.34	1.78	0.79
Issuer total							500,000.00	495,170.00	1.77	502,862.34	1.78	0.79
American Honda Finance Corp												
02665WBT7	AMERICAN HONDA	1.950	07/20/2020		A	A2	500,000.00	492,655.00	1.76	500,261.75	1.77	0.54
Issuer total							500,000.00	492,655.00	1.76	500,261.75	1.77	0.54
John Deere Capital Corp												
24422ETS8	JOHN DEERE CAPITAL	1.950	06/22/2020		A	A2	500,000.00	503,120.00	1.79	500,093.85	1.77	0.47
Issuer total							500,000.00	503,120.00	1.79	500,093.85	1.77	0.47
Toyota Motor Credit Corp												
89236TDU6	TOYOTA MOTOR CREDIT	1.950	04/17/2020		AA-	Aa3	500,000.00	501,915.00	1.79	499,989.72	1.77	0.29
Issuer total							500,000.00	501,915.00	1.79	499,989.72	1.77	0.29

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

CITY OF SAN PABLO

As of December 31, 2019

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)
Chevron Corp												
166764AR1	CHEVRON CORP 1.961%	1.961	03/03/2020	02/03/2020	AA	Aa2	500,000.00	501,625.00	1.79	499,911.32	1.77	0.14
Issuer total							500,000.00	501,625.00	1.79	499,911.32	1.77	0.14
American Express Credit Corp												
0258M0EB1	AMERICAN EXPRESS	2.250	05/05/2021	04/04/2021	A-	A2	495,000.00	496,950.30	1.77	497,385.47	1.76	1.24
Issuer total							495,000.00	496,950.30	1.77	497,385.47	1.76	1.24
Grand total							27,918,173.02	28,053,775.56	100.00	28,191,169.41	100.00	1.74

SECURITIES SOLD AND MATURED

For the period December 1, 2019 - December 31, 2019

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 Agencies												
3136G4DA8	12/30/2019	1.200		(700,000.00)	699,125.00	700,000.00	0.00	700,000.00	0.00	0.00	4,200.00	700.00
FANNIE MAE 1.2%	12/30/2019					22.53		313.56				
30DEC2019 CALLABLE #0001												
Total (Government Agencies)				(700,000.00)	699,125.00	700,000.00		700,000.00	0.00	0.00	4,200.00	700.00
						22.53		313.56				
Grand total				(700,000.00)	699,125.00	700,000.00		700,000.00	0.00	0.00	4,200.00	700.00
						22.53		313.56				

TRANSACTION REPORT

For the period December 1, 2019 - December 31, 2019

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
11/30/2019 11/30/2019	912828U57	Income	Government Bonds	USA TREASURY 2.125%	11/30/2023	600,000.00	0.00	0.00	6,375.00	6,375.00
12/01/2019 12/01/2019	25468PCW4	Income	Corporate Bonds	TWDC ENTERPRISES 18 CORP	12/01/2022	500,000.00	0.00	0.00	5,875.00	5,875.00
12/09/2019 12/09/2019	3130A3KM5	Income	Government Agencies	FEDERAL HOME LOAN BANK	12/09/2022	1,000,000.00	0.00	0.00	12,500.00	12,500.00
12/10/2019 12/10/2019	313379Q69	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/10/2022	1,100,000.00	0.00	0.00	11,687.50	11,687.50
12/11/2019 12/11/2019	313379RB7	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/11/2021	1,100,000.00	0.00	0.00	10,312.50	10,312.50
12/19/2019 12/19/2019	3137EAEN5	Income	Government Agencies	FREDDIE MAC 2.75%	06/19/2023	1,450,000.00	0.00	0.00	19,937.50	19,937.50
12/22/2019 12/22/2019	24422ETS8	Income	Corporate Bonds	JOHN DEERE CAPITAL CORP	06/22/2020	500,000.00	0.00	0.00	4,875.00	4,875.00
12/30/2019 12/30/2019	3136G4DA8	Income	Government Agencies	FANNIE MAE 1.2% 30DEC2019	12/30/2019	700,000.00	0.00	0.00	4,200.00	4,200.00
12/30/2019 12/30/2019	3136G4DA8	Capital Change	Government Agencies	FANNIE MAE 1.2% 30DEC2019	12/30/2019	(700,000.00)	0.00	700,000.00	0.00	700,000.00
12/31/2019		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	63.94	63.94

ADDITIONAL INFORMATION

As of December 31, 2019

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 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.

ADDITIONAL INFORMATION

As of December 31, 2019

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