

**DATE:** December 2, 2019  
**TO:** Matt Jordan, General Manager  
**FROM:** Christina Sackett, Chief Financial Officer *CS*  
**SUBJECT:** Investment Schedule for September and October 2019 – *Receive and File*

**SUMMARY**

The attached investment statement provides details of Tampa Bay Water's investments for September and October 2019

**RECOMMENDATION**

Status Report

**DISCUSSION**

The Board requested, at the August 2017 meeting, to provide a monthly report which summarizes the agency's asset allocations and a report that lists the drivers of the economy that moves the mix around. Attached are the Chandler Asset Management Consolidated Statement and Bond Market Review which provides the information the Board requested. Chandler Asset Management, the Board's contracted investment advisor, manages a portion of the agency's funds to earn a higher return, without sacrificing or risking principal. As of October 30, 2019, the funds currently managed by Chandler Asset Management had a Market Value of \$129,871,128 and are detailed in the attached statement. All the investments are held in a third-party trust account with Regions Bank as custodian.

As of October 30, 2019, the Agency had \$108,969,799 held in deposit accounts or certificates of deposits with multiple banking institutions, with interest rates ranging from 1.05% to 1.70%. In addition, these banking institutions participate in the State of Florida Public Funds pool and are designated Public Funds. Under this program, each participating bank is required to post collateral with the State at a percentage of the amount of Public Funds held by that bank. The percentage of collateral required is determined by the State and may vary by institution. In the event of a bank failure, all the participants in the pool may be contingently liable for any deposit losses in excess of the pool collateral.

Of the funds held by Tampa Bay Water, 61% are restricted as to purpose. An additional \$29.2 million in the Utility Reserve Fund is not restricted as to purpose but must be maintained at levels sufficient to ensure compliance with debt coverage requirements.

*mf*

**BACKGROUND:** Resolution 2017-002 approves the Agency's Investment Policy.

**US Government Securities - Treasuries (100%)** - Collective term used to describe debt instruments backed by the US Government and issued through the US Department of Treasury.

**US Government Agency (50%)** – A debt instrument issued by one of the Federal Agencies.

**Federal Instrumentalities (80%)** - A government sponsored/owned entity created by US Congress.

**Mortgage-Backed Securities (20%)** – An ownership interest in a pool of mortgage loans made by financial institutions to finance the borrower's purchase of a home or other real estate.

**Repurchase Agreements (50%)** - A short-term investment vehicle where an investor agrees to buy securities from a counterparty and simultaneously agrees to resell the securities back to the counterparty at an agreed upon time for an agreed upon price.

**Commercial Paper (25%)** – Short term unsecured promissory note issued by a company or financial institution. Issued at a discount and matures for par or face value.

**Corporate Note (25%)** – A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

**Bankers' Acceptances (25%)** – A draft or bill of exchange drawn upon and accepted by a bank.

**Municipal Note/Bond (20%)** – A debt instrument issued by a state, local government or public agency.

**Supranationals (15%)** – A debt instrument issued by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank.

**Money Market Mutual Funds (50%)** – Market in which short-term debt instruments are issued/traded.

**Intergovernmental Investment Pool (25%)** – An investment by local governments in which their money is pooled as a method for managing local funds.

Attachments



# **Tampa Bay Water Consolidated - Account #10504**

## **MONTHLY ACCOUNT STATEMENT**

SEPTEMBER 1, 2019 THROUGH SEPTEMBER 30, 2019

### **Chandler Team:**

For questions about your account, please call (800) 317-4747,  
or contact [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

**CHANDLER ASSET MANAGEMENT**  
[chandlerasset.com](http://chandlerasset.com)

*Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.*

## Portfolio Summary

As of September 30, 2019



## PORTFOLIO CHARACTERISTICS

Average Modified Duration	1.56
Average Coupon	2.06%
Average Purchase YTM	2.35%
Average Market YTM	1.84%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	1.63 yrs
Average Life	1.61 yrs

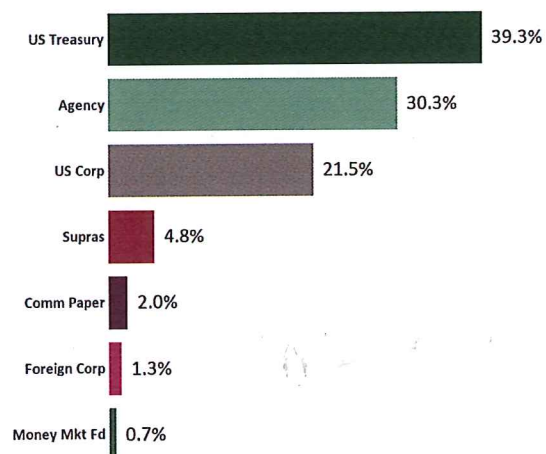
## ACCOUNT SUMMARY

	Beg. Values as of 8/31/19	End Values as of 9/30/19
Market Value	128,897,810	128,849,307
Accrued Interest	594,723	611,385
Total Market Value	<b>129,492,533</b>	<b>129,460,692</b>
Income Earned	258,469	248,438
Cont/WD		
Par	127,696,760	127,906,867
Book Value	127,253,344	127,485,213
Cost Value	126,848,537	127,063,250

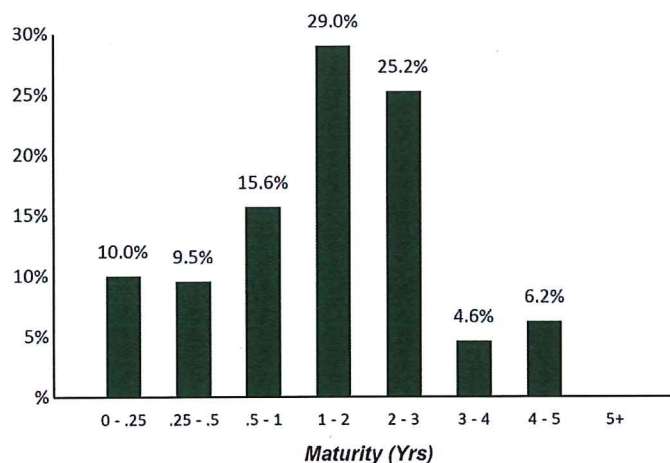
## TOP ISSUERS

Government of United States	39.3%
Federal Home Loan Bank	17.5%
Federal National Mortgage Assoc	6.6%
Federal Farm Credit Bank	3.9%
Federal Home Loan Mortgage Corp	2.3%
MUFG Bank Ltd/NY	1.8%
Intl Bank Recon and Development	1.7%
Inter-American Dev Bank	1.5%
<b>Total</b>	<b>74.7%</b>

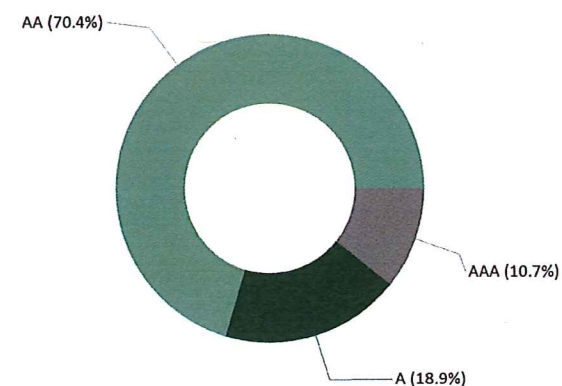
## SECTOR ALLOCATION



## MATURITY DISTRIBUTION



## CREDIT QUALITY (S&amp;P)





## Holdings Report

As of September 30, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	250,000.00	07/03/2018 2.47%	246,295.00 249,991.84	100.00 1.78%	249,992.50 1,553.82	0.19% 0.66	Aaa / AA+ AAA	0.01 0.01
313384NZ8	FHLB Discount Note 2.005% Due 11/8/2019	250,000.00	08/30/2019 2.04%	249,081.04 249,470.08	99.79 2.04%	249,470.08 0.00	0.19% 0.00	P-1 / A-1+ F-1+	0.11 0.11
3130A0JR2	FHLB Note 2.375% Due 12/13/2019	250,000.00	07/25/2018 2.61%	249,217.50 249,886.89	100.09 1.91%	250,226.00 1,781.25	0.19% 339.11	Aaa / AA+ AAA	0.20 0.20
3133EG3J2	FFCB Note 1.55% Due 1/10/2020	250,000.00	08/01/2018 2.63%	246,210.00 249,272.26	99.90 1.92%	249,739.50 871.88	0.19% 467.24	Aaa / AA+ AAA	0.28 0.28
3135G0A78	FNMA Note 1.625% Due 1/21/2020	250,000.00	07/09/2018 2.55%	246,567.50 249,313.50	99.91 1.90%	249,781.50 789.93	0.19% 468.00	Aaa / AA+ AAA	0.31 0.31
313384TH2	FHLB Discount Note 2.03% Due 2/20/2020	500,000.00	07/16/2019 2.08%	493,853.61 495,985.90	99.20 2.08%	495,985.90 0.00	0.38% 0.00	P-1 / A-1+ F-1+	0.39 0.39
3135G0T29	FNMA Note 1.5% Due 2/28/2020	515,000.00	02/24/2017 1.52%	514,670.40 514,954.85	99.83 1.92%	514,122.44 708.13	0.40% (832.41)	Aaa / AA+ AAA	0.41 0.41
3135G0T29	FNMA Note 1.5% Due 2/28/2020	500,000.00	Various 1.52%	499,664.00 499,953.97	99.83 1.92%	499,148.00 687.50	0.39% (805.97)	Aaa / AA+ AAA	0.41 0.41
313378J77	FHLB Note 1.875% Due 3/13/2020	1,500,000.00	08/18/2017 1.48%	1,515,000.00 1,502,631.02	100.01 1.86%	1,500,082.50 1,406.25	1.16% (2,548.52)	Aaa / AA+ NR	0.45 0.45
3137EAEM7	FHLMC Note 2.5% Due 4/23/2020	500,000.00	Various 2.30%	500,160.00 500,565.53	100.34 1.89%	501,704.00 5,486.12	0.39% 1,138.47	Aaa / AA+ AAA	0.56 0.55
3137EADR7	FHLMC Note 1.375% Due 5/1/2020	250,000.00	09/12/2019 1.88%	249,204.00 249,266.03	99.71 1.88%	249,264.75 1,432.29	0.19% (1.28)	Aaa / AA+ AAA	0.59 0.58
3133EHJA2	FFCB Note 1.55% Due 5/8/2020	1,200,000.00	05/30/2017 1.54%	1,200,408.00 1,200,083.65	99.84 1.82%	1,198,036.80 7,388.33	0.93% (2,046.85)	Aaa / AA+ AAA	0.61 0.60
3133EHJA2	FFCB Note 1.55% Due 5/8/2020	400,000.00	05/30/2017 1.54%	400,136.00 400,027.88	99.84 1.82%	399,345.60 2,462.78	0.31% (682.28)	Aaa / AA+ AAA	0.61 0.60
3130AECJ7	FHLB Note 2.625% Due 5/28/2020	250,000.00	07/09/2018 2.61%	250,047.50 250,016.57	100.49 1.88%	251,216.75 2,242.19	0.20% 1,200.18	Aaa / AA+ AAA	0.66 0.65
3135G0D75	FNMA Note 1.5% Due 6/22/2020	250,000.00	07/01/2019 2.00%	248,802.50 249,108.60	99.72 1.89%	249,303.25 1,031.25	0.19% 194.65	Aaa / AA+ AAA	0.73 0.72
3133EJUM9	FFCB Note 2.6% Due 7/16/2020	250,000.00	07/17/2018 2.69%	249,560.00 249,825.57	100.61 1.82%	251,537.25 1,354.17	0.20% 1,711.68	Aaa / AA+ AAA	0.79 0.78



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3130ACE26	FHLB Note 1.375% Due 9/28/2020	1,500,000.00	09/27/2017 1.68%	1,486,800.00 1,495,628.10	99.54 1.84%	1,493,166.00 171.88	1.15% (2,462.10)	Aaa / AA+ NR	1.00 0.98
3133EHF57	FFCB Note 1.68% Due 10/13/2020	500,000.00	10/30/2017 1.78%	498,615.00 499,514.35	99.90 1.78%	499,482.50 3,920.00	0.39% (31.85)	Aaa / AA+ AAA	1.04 1.01
3133EHJ95	FFCB Note 1.75% Due 10/26/2020	500,000.00	07/16/2019 2.02%	498,295.50 498,572.89	99.89 1.85%	499,447.00 3,767.36	0.39% 874.11	Aaa / AA+ AAA	1.07 1.05
3130AD4X7	FHLB Note 2% Due 12/11/2020	250,000.00	07/12/2019 2.00%	249,997.00 249,997.45	100.12 1.90%	250,289.50 1,527.78	0.19% 292.05	Aaa / AA+ NR	1.20 1.17
3133EJCE7	FFCB Note 2.35% Due 2/12/2021	500,000.00	07/12/2019 1.97%	502,893.00 502,502.60	100.71 1.82%	503,536.50 1,599.31	0.39% 1,033.90	Aaa / AA+ AAA	1.37 1.34
3137EAEL9	FHLMC Note 2.375% Due 2/16/2021	450,000.00	03/06/2018 2.48%	448,636.50 449,361.93	100.81 1.78%	453,638.25 1,335.94	0.35% 4,276.32	Aaa / AA+ AAA	1.38 1.35
3137EAEL9	FHLMC Note 2.375% Due 2/16/2021	1,500,000.00	03/06/2018 2.48%	1,495,455.00 1,497,873.09	100.81 1.78%	1,512,127.50 4,453.13	1.17% 14,254.41	Aaa / AA+ AAA	1.38 1.35
3133EJXV6	FFCB Note 2.7% Due 2/23/2021	375,000.00	07/10/2019 1.96%	379,398.75 378,790.49	101.21 1.82%	379,527.75 1,068.75	0.29% 737.26	Aaa / AA+ AAA	1.40 1.37
3133EJJD2	FFCB Note 2.54% Due 4/5/2021	500,000.00	07/10/2019 1.93%	505,144.50 504,479.12	101.25 1.70%	506,237.50 6,208.89	0.40% 1,758.38	Aaa / AA+ AAA	1.52 1.46
3133EKLQ7	FFCB Note 2.25% Due 5/17/2021	500,000.00	Various 1.88%	503,330.00 502,903.45	100.73 1.79%	503,640.50 4,187.50	0.39% 737.05	Aaa / AA+ AAA	1.63 1.58
3130A1W95	FHLB Note 2.25% Due 6/11/2021	500,000.00	Various 1.93%	503,055.00 502,655.98	100.96 1.67%	504,821.50 3,437.50	0.39% 2,165.52	Aaa / AA+ AAA	1.70 1.65
3135G0U35	FNMA Note 2.75% Due 6/22/2021	800,000.00	Various 2.76%	799,686.00 799,810.26	101.77 1.70%	814,182.40 6,050.00	0.63% 14,372.14	Aaa / AA+ AAA	1.73 1.67
3135G0U35	FNMA Note 2.75% Due 6/22/2021	2,200,000.00	07/27/2018 2.82%	2,195,864.00 2,197,537.16	101.77 1.70%	2,239,001.60 16,637.50	1.74% 41,464.44	Aaa / AA+ AAA	1.73 1.67
313383ZU8	FHLB Note 3% Due 9/10/2021	500,000.00	08/16/2018 2.76%	503,495.00 502,215.58	102.45 1.71%	512,251.50 875.00	0.40% 10,035.92	Aaa / AA+ NR	1.95 1.89
3130AF5B9	FHLB Note 3% Due 10/12/2021	600,000.00	Various 2.92%	601,109.00 600,873.08	102.65 1.67%	615,904.80 8,450.00	0.48% 15,031.72	Aaa / AA+ NR	2.04 1.95
3130AF5B9	FHLB Note 3% Due 10/12/2021	2,500,000.00	Various 2.88%	2,507,665.00 2,505,815.25	102.65 1.67%	2,566,270.00 35,208.34	2.01% 60,454.75	Aaa / AA+ NR	2.04 1.95

## Tampa Bay Water Consolidated

Account #10504

## Holdings Report

As of September 30, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
313376C94	FHLB Note 2.625% Due 12/10/2021	3,500,000.00	10/01/2018 2.94%	3,466,123.50 3,476,708.09	102.07 1.66%	3,572,593.50 28,328.13	2.78% 95,885.41	Aaa / AA+ AAA	2.20 2.11
313376C94	FHLB Note 2.625% Due 12/10/2021	600,000.00	12/28/2018 2.63%	599,844.00 599,883.76	102.07 1.66%	612,444.60 4,856.25	0.48% 12,560.84	Aaa / AA+ AAA	2.20 2.11
313378WG2	FHLB Note 2.5% Due 3/11/2022	300,000.00	03/28/2019 2.26%	302,073.00 301,720.11	102.06 1.64%	306,180.60 416.67	0.24% 4,460.49	Aaa / AA+ NR	2.45 2.37
313378WG2	FHLB Note 2.5% Due 3/11/2022	1,750,000.00	04/15/2019 2.41%	1,754,340.00 1,753,652.15	102.06 1.64%	1,786,053.50 2,430.56	1.38% 32,401.35	Aaa / AA+ NR	2.45 2.37
313379Q69	FHLB Note 2.125% Due 6/10/2022	3,215,000.00	10/01/2018 2.93%	3,124,915.70 3,149,259.19	101.27 1.64%	3,255,724.41 21,064.95	2.53% 106,465.22	Aaa / AA+ AAA	2.70 2.60
313379Q69	FHLB Note 2.125% Due 6/10/2022	350,000.00	10/01/2018 2.93%	340,193.00 342,843.15	101.27 1.64%	354,433.45 2,293.23	0.28% 11,590.30	Aaa / AA+ AAA	2.70 2.60
3135G0W33	FNMA Note 1.375% Due 9/6/2022	450,000.00	09/11/2019 1.66%	446,265.00 446,330.11	99.29 1.62%	446,807.70 429.69	0.35% 477.59	NR / AA+ AAA	2.94 2.86
3135G0W33	FNMA Note 1.375% Due 9/6/2022	1,500,000.00	09/11/2019 1.66%	1,487,550.00 1,487,767.02	99.29 1.62%	1,489,359.00 1,432.29	1.15% 1,591.98	NR / AA+ AAA	2.94 2.86
3135G0T94	FNMA Note 2.375% Due 1/19/2023	350,000.00	07/18/2019 1.87%	355,915.00 355,573.04	102.49 1.60%	358,698.90 1,662.50	0.28% 3,125.86	Aaa / AA+ AAA	3.31 3.16
3135G0U43	FNMA Note 2.875% Due 9/12/2023	350,000.00	07/18/2019 1.88%	363,793.50 363,120.20	104.80 1.62%	366,797.90 531.08	0.28% 3,677.70	Aaa / AA+ AAA	3.95 3.73
3135G0U43	FNMA Note 2.875% Due 9/12/2023	1,250,000.00	07/18/2019 1.88%	1,299,262.50 1,296,857.87	104.80 1.62%	1,309,992.50 1,896.70	1.01% 13,134.63	Aaa / AA+ AAA	3.95 3.73
3130A0F70	FHLB Note 3.375% Due 12/8/2023	1,200,000.00	12/28/2018 2.73%	1,235,316.00 1,229,949.06	106.99 1.64%	1,283,907.60 12,712.50	1.00% 53,958.54	Aaa / AA+ AAA	4.19 3.88
3130A0F70	FHLB Note 3.375% Due 12/8/2023	600,000.00	12/28/2018 2.73%	617,658.00 614,974.53	106.99 1.64%	641,953.80 6,356.25	0.50% 26,979.27	Aaa / AA+ AAA	4.19 3.88
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	750,000.00	06/14/2019 1.97%	782,257.50 780,382.89	105.58 1.64%	791,865.00 6,408.85	0.62% 11,482.11	Aaa / AA+ NR	4.71 4.37
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	1,200,000.00	06/14/2019 1.97%	1,251,612.00 1,248,612.62	105.58 1.64%	1,266,984.00 10,254.17	0.99% 18,371.38	Aaa / AA+ NR	4.71 4.37
<b>Total Agency</b>		<b>38,405,000.00</b>	<b>2.33%</b>	<b>38,465,435.00</b> <b>38,496,518.71</b>	<b>1.72%</b>	<b>39,056,278.08</b> <b>229,168.59</b>	<b>30.35%</b> <b>559,759.37</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.07</b> <b>1.98</b>



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>COMMERCIAL PAPER</b>									
62479MZJ5	MUFG Bank Ltd/NY Discount CP 2.12% Due 12/18/2019	1,500,000.00	09/17/2019 2.16%	1,491,961.67 1,493,104.72	99.54 2.16%	1,493,104.72 0.00	1.15% 0.00	P-1 / A-1 NR	0.22 0.21
62479MZJ5	MUFG Bank Ltd/NY Discount CP 2.12% Due 12/18/2019	550,000.00	09/17/2019 2.16%	547,052.61 547,471.73	99.54 2.16%	547,471.73 0.00	0.42% 0.00	P-1 / A-1 NR	0.22 0.21
89233GA71	Toyota Motor Credit Discount CP 2.55% Due 1/7/2020	250,000.00	04/11/2019 2.62%	245,218.75 248,250.57	99.30 2.62%	248,250.57 0.00	0.19% 0.00	P-1 / A-1+ NR	0.27 0.27
62479LCH6	MUFG Bank Ltd Discount CP 2.07% Due 3/17/2020	250,000.00	09/17/2019 2.12%	247,398.13 247,583.20	99.03 2.12%	247,583.20 0.00	0.19% 0.00	P-1 / A-1 NR	0.46 0.46
<b>Total Commercial Paper</b>		<b>2,550,000.00</b>	<b>2.20%</b>	<b>2,531,631.16</b> <b>2,536,410.22</b>	<b>2.20%</b>	<b>2,536,410.22</b> <b>0.00</b>	<b>1.96%</b> <b>0.00</b>	<b>Aaa / AA</b> <b>NR</b>	<b>0.25</b> <b>0.24</b>
<b>FOREIGN CORPORATE</b>									
89114QBL1	Toronto Dominion Bank Note 1.8% Due 7/13/2021	350,000.00	08/16/2018 3.17%	336,822.50 341,891.73	99.72 1.96%	349,022.80 1,365.00	0.27% 7,131.07	Aa1 / AA- AA-	1.79 1.74
404280BF5	HSBC Holdings PLC Note 2.65% Due 1/5/2022	350,000.00	03/06/2018 3.42%	340,406.50 344,328.93	100.71 2.32%	352,501.10 2,215.69	0.27% 8,172.17	A2 / A AA-	2.27 2.17
404280BF5	HSBC Holdings PLC Note 2.65% Due 1/5/2022	1,000,000.00	03/06/2018 3.42%	972,590.00 983,796.95	100.71 2.32%	1,007,146.00 6,330.56	0.78% 23,349.05	A2 / A AA-	2.27 2.17
<b>Total Foreign Corporate</b>		<b>1,700,000.00</b>	<b>3.37%</b>	<b>1,649,819.00</b> <b>1,670,017.61</b>	<b>2.25%</b>	<b>1,708,669.90</b> <b>9,911.25</b>	<b>1.33%</b> <b>38,652.29</b>	<b>A1 / A</b> <b>AA-</b>	<b>2.17</b> <b>2.09</b>
<b>MONEY MARKET FUND FI</b>									
192826303	Fidelity Institutional Govt Portfolio	333,351.05	Various 1.81%	333,351.05 333,351.05	1.00 1.81%	333,351.05 0.00	0.26% 0.00	Aaa / AAA NR	0.00 0.00
192826303	Fidelity Institutional Govt Portfolio	269,766.28	Various 1.81%	269,766.28 269,766.28	1.00 1.81%	269,766.28 0.00	0.21% 0.00	Aaa / AAA NR	0.00 0.00
192826303	Fidelity Institutional Govt Portfolio	323,750.07	Various 1.81%	323,750.07 323,750.07	1.00 1.81%	323,750.07 0.00	0.25% 0.00	Aaa / AAA NR	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>926,867.40</b>	<b>1.81%</b>	<b>926,867.40</b> <b>926,867.40</b>	<b>1.81%</b>	<b>926,867.40</b> <b>0.00</b>	<b>0.72%</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>NR</b>	<b>0.00</b> <b>0.00</b>



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>SUPRANATIONAL</b>									
459058FS7	Intl. Bank Recon & Development Note 1.125% Due 11/27/2019	250,000.00	07/09/2018 2.57%	245,138.60 249,450.20	99.86 2.02%	249,642.50 968.75	0.19% 192.30	Aaa / AAA AAA	0.16 0.16
4581X0DB1	Inter-American Dev Bank Note 2.625% Due 4/19/2021	450,000.00	05/10/2018 2.81%	447,696.41 448,782.60	101.29 1.78%	455,823.00 5,315.63	0.36% 7,040.40	Aaa / AAA AAA	1.55 1.50
4581X0DB1	Inter-American Dev Bank Note 2.625% Due 4/19/2021	1,500,000.00	05/10/2018 2.81%	1,492,321.37 1,495,942.01	101.29 1.78%	1,519,410.00 17,718.75	1.19% 23,467.99	Aaa / AAA AAA	1.55 1.50
459058FH1	Intl. Bank Recon & Development Note 1.375% Due 5/24/2021	1,500,000.00	05/10/2018 2.79%	1,438,822.71 1,466,756.28	99.42 1.73%	1,491,270.00 7,276.04	1.16% 24,513.72	Aaa / AAA AAA	1.65 1.62
459058FH1	Intl. Bank Recon & Development Note 1.375% Due 5/24/2021	500,000.00	07/09/2018 2.78%	480,800.00 488,989.31	99.42 1.73%	497,090.00 2,425.35	0.39% 8,100.69	Aaa / AAA AAA	1.65 1.62
45950KCJ7	International Finance Corp Note 1.125% Due 7/20/2021	500,000.00	07/09/2018 2.79%	476,050.54 485,738.69	98.97 1.71%	494,857.50 1,109.38	0.38% 9,118.81	Aaa / AAA NR	1.81 1.77
45950KCJ7	International Finance Corp Note 1.125% Due 7/20/2021	1,500,000.00	Various 2.83%	1,427,054.97 1,456,116.10	98.97 1.71%	1,484,572.50 3,328.13	1.15% 28,456.40	Aaa / AAA NR	1.81 1.77
<b>Total Supranational</b>		<b>6,200,000.00</b>	<b>2.79%</b>	<b>6,007,884.60 6,091,775.19</b>	<b>1.75%</b>	<b>6,192,665.50 38,142.03</b>	<b>4.81% 100,890.31</b>	<b>Aaa / AAA AAA</b>	<b>1.61 1.57</b>

<b>US CORPORATE</b>									
713448DJ4	Pepsico Inc. Note 1.35% Due 10/4/2019	750,000.00	10/14/2016 1.38%	749,281.75 749,998.01	99.99 2.07%	749,938.50 4,978.13	0.58% (59.51)	A1 / A+ A	0.01 0.01
713448DJ4	Pepsico Inc. Note 1.35% Due 10/4/2019	200,000.00	07/03/2018 2.62%	196,902.00 199,979.57	99.99 2.07%	199,983.60 1,327.50	0.16% 4.03	A1 / A+ A	0.01 0.01
68389XAX3	Oracle Corp Note 2.25% Due 10/8/2019	200,000.00	07/17/2018 2.66%	199,028.00 199,984.74	100.00 2.15%	200,003.60 2,162.50	0.16% 18.86	A1 / A+ A	0.02 0.02
69371RN69	Paccar Financial Corp Note 1.95% Due 2/27/2020	200,000.00	07/09/2018 2.84%	197,192.00 199,298.00	99.94 2.10%	199,878.60 368.33	0.15% 580.60	A1 / A+ NR	0.41 0.40
166764BP4	Chevron Corp Note 1.991% Due 3/3/2020	200,000.00	07/09/2018 2.75%	197,586.00 199,381.44	100.01 1.97%	200,012.80 309.71	0.15% 631.36	Aa2 / AA NR	0.42 0.42
40428HPR7	HSBC USA Inc Note 2.35% Due 3/5/2020	500,000.00	Various 2.53%	497,791.00 499,628.27	100.13 2.03%	500,666.00 848.61	0.39% 1,037.73	A2 / A AA-	0.43 0.43
369550BA5	General Dynamics Corp Note 2.875% Due 5/11/2020	175,000.00	11/05/2018 3.11%	174,406.75 174,759.90	100.52 2.01%	175,911.58 1,956.60	0.14% 1,151.68	A2 / A+ NR	0.61 0.60



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
369550BA5	General Dynamics Corp Note 2.875% Due 5/11/2020	1,000,000.00	05/29/2019 2.47%	1,003,750.00 1,002,416.91	100.52 2.01%	1,005,209.00 11,180.56	0.79% 2,792.09	A2 / A+ NR	0.61 0.60
24422ETS8	John Deere Capital Corp Note 1.95% Due 6/22/2020	500,000.00	Various 2.53%	495,293.00 497,956.36	100.00 1.96%	499,975.50 2,681.25	0.39% 2,019.14	A2 / A A	0.73 0.72
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	1,000,000.00	03/29/2017 2.20%	1,003,460.00 1,001,051.44	100.32 1.97%	1,003,230.00 9,455.56	0.78% 2,178.56	A3 / A A	1.10 0.98
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	350,000.00	03/29/2017 2.20%	351,211.00 350,368.00	100.32 1.97%	351,130.50 3,309.44	0.27% 762.50	A3 / A A	1.10 0.98
24422ETF6	John Deere Capital Corp Note 2.55% Due 1/8/2021	1,000,000.00	01/11/2017 2.36%	1,007,280.00 1,002,331.40	100.70 1.99%	1,006,980.00 5,879.17	0.78% 4,648.60	A2 / A A	1.28 1.24
69353RFH6	PNC Bank Callable Note Cont 12/23/2020 2.5% Due 1/22/2021	250,000.00	07/10/2019 2.28%	250,802.50 250,686.42	100.62 1.98%	251,561.25 1,197.92	0.20% 874.83	A2 / A A+	1.32 1.20
02665WCD1	American Honda Finance Note 2.65% Due 2/12/2021	500,000.00	07/10/2019 2.29%	502,770.00 502,383.82	100.97 1.92%	504,865.00 1,803.47	0.39% 2,481.18	A2 / A NR	1.37 1.33
037833BS8	Apple Inc Callable Note Cont 1/23/2021 2.25% Due 2/23/2021	1,000,000.00	01/06/2017 2.22%	1,001,260.00 1,000,428.10	100.45 1.90%	1,004,547.00 2,375.00	0.78% 4,118.90	Aa1 / AA+ NR	1.40 1.29
037833BS8	Apple Inc Callable Note Cont 1/23/2021 2.25% Due 2/23/2021	325,000.00	01/06/2017 2.22%	325,409.50 325,139.13	100.45 1.90%	326,477.78 771.88	0.25% 1,338.65	Aa1 / AA+ NR	1.40 1.29
46625HQJ2	JP Morgan Chase Callable Note Cont 2/1/2021 2.55% Due 3/1/2021	500,000.00	Various 2.56%	499,825.00 499,922.49	100.56 2.12%	502,806.50 1,062.50	0.39% 2,884.01	A2 / A- AA-	1.42 1.31
06406FAA1	Bank of NY Mellon Corp Callable Note Cont 03/15/2021 2.5% Due 4/15/2021	1,000,000.00	01/06/2017 2.52%	999,340.00 999,761.47	100.77 1.96%	1,007,661.00 11,527.78	0.79% 7,899.53	A1 / A AA-	1.54 1.41
06406FAA1	Bank of NY Mellon Corp Callable Note Cont 03/15/2021 2.5% Due 4/15/2021	300,000.00	11/09/2017 2.21%	302,862.00 301,287.79	100.77 1.96%	302,298.30 3,458.33	0.24% 1,010.51	A1 / A AA-	1.54 1.41
69353REW4	PNC Bank Callable Note Cont 3/30/2021 2.15% Due 4/29/2021	275,000.00	12/11/2017 2.40%	272,789.00 273,967.12	100.17 2.04%	275,459.80 2,496.39	0.21% 1,492.68	A2 / A A+	1.58 1.46
69353REW4	PNC Bank Callable Note Cont 3/30/2021 2.15% Due 4/29/2021	1,000,000.00	Various 2.92%	977,920.00 988,406.53	100.17 2.04%	1,001,672.00 9,077.78	0.78% 13,265.47	A2 / A A+	1.58 1.46



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
06406FAB9	Bank of NY Mellon Corp Callable Note Cont 4/3/2021 2.05% Due 5/3/2021	500,000.00	Various 2.10%	499,522.50 499,597.13	100.08 2.00%	500,375.00 4,213.88	0.39% 777.87	A1 / A AA-	1.59 1.47
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	250,000.00	08/13/2019 2.00%	249,795.00 249,809.98	100.01 1.94%	250,027.75 1,787.50	0.19% 217.77	A1 / A AA-	1.64 1.59
91159HHA1	US Bancorp Callable Note Cont 4/23/2021 4.125% Due 5/24/2021	250,000.00	07/10/2019 2.30%	258,262.50 257,281.18	103.33 1.95%	258,318.00 3,638.02	0.20% 1,036.82	A1 / A+ AA-	1.65 1.50
46625HRT9	JP Morgan Chase Callable Note Cont 5/7/2021 2.4% Due 6/7/2021	350,000.00	02/22/2017 2.54%	347,987.50 349,207.12	100.48 2.10%	351,663.90 2,660.00	0.27% 2,456.78	A2 / A- AA-	1.69 1.55
69371RP42	Paccar Financial Corp Note 3.15% Due 8/9/2021	350,000.00	08/06/2018 3.16%	349,891.50 349,932.88	102.07 2.01%	357,237.65 1,592.50	0.28% 7,304.77	A1 / A+ NR	1.86 1.79
69371RP42	Paccar Financial Corp Note 3.15% Due 8/9/2021	1,000,000.00	08/06/2018 3.16%	999,690.00 999,808.23	102.07 2.01%	1,020,679.00 4,550.00	0.79% 20,870.77	A1 / A+ NR	1.86 1.79
02665WBG5	American Honda Finance Note 1.7% Due 9/9/2021	350,000.00	10/01/2018 3.17%	335,692.00 340,536.97	99.56 1.93%	348,450.20 363.61	0.27% 7,913.23	A2 / A NR	1.95 1.90
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.9% Due 9/15/2021	1,000,000.00	06/27/2018 3.10%	963,660.00 977,867.89	99.88 1.96%	998,821.00 844.44	0.77% 20,953.11	A1 / A+ A	1.96 1.91
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.9% Due 9/15/2021	375,000.00	Various 2.48%	367,590.75 370,940.86	99.88 1.96%	374,557.88 316.66	0.29% 3,617.02	A1 / A+ A	1.96 1.91
02665WCP4	American Honda Finance Note 3.375% Due 12/10/2021	1,000,000.00	10/03/2018 3.39%	999,520.00 999,667.69	102.80 2.06%	1,028,036.00 10,406.25	0.80% 28,368.31	A2 / A NR	2.20 2.09
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	1,000,000.00	05/01/2017 2.41%	1,009,320.00 1,004,568.20	101.23 2.06%	1,012,265.00 4,885.42	0.79% 7,696.80	A1 / A+ AA-	2.32 2.15
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	350,000.00	05/01/2017 2.41%	353,262.00 351,598.87	101.23 2.06%	354,292.75 1,709.90	0.27% 2,693.88	A1 / A+ AA-	2.32 2.15
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	350,000.00	05/12/2017 2.30%	361,480.00 356,023.22	102.90 1.86%	360,152.10 3,966.67	0.28% 4,128.88	Aa2 / AA A+	2.62 2.50
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	1,000,000.00	05/12/2017 2.30%	1,032,800.00 1,017,209.21	102.90 1.86%	1,029,006.00 11,333.33	0.80% 11,796.79	Aa2 / AA A+	2.62 2.50





CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
911312BC9	UPS Callable Note Cont 4/16/2022 2.35% Due 5/16/2022	1,000,000.00	10/01/2018 3.30%	967,750.00 976,612.04	100.81 2.02%	1,008,078.00 8,812.50	0.79% 31,465.96	A2 / A NR	2.63 2.44
911312BC9	UPS Callable Note Cont 4/16/2022 2.35% Due 5/16/2022	350,000.00	10/01/2018 3.30%	338,712.50 341,814.21	100.81 2.02%	352,827.30 3,084.38	0.27% 11,013.09	A2 / A NR	2.63 2.44
95000U2B8	Wells Fargo & Company Note 2.625% Due 7/22/2022	350,000.00	12/11/2017 2.78%	347,725.00 348,613.63	101.11 2.21%	353,885.70 1,760.94	0.27% 5,272.07	A2 / A- A+	2.81 2.69
95000U2B8	Wells Fargo & Company Note 2.625% Due 7/22/2022	1,000,000.00	12/11/2017 2.78%	993,500.00 996,038.94	101.11 2.21%	1,011,102.00 5,031.25	0.78% 15,063.06	A2 / A- A+	2.81 2.69
166764AB6	Chevron Corp Callable Note Cont 9/5/2022 2.355% Due 12/5/2022	350,000.00	07/09/2018 3.17%	338,408.00 341,630.40	101.36 1.88%	354,759.30 2,655.92	0.28% 13,128.90	Aa2 / AA NR	3.18 2.80
24422EUA5	John Deere Capital Corp Note 2.7% Due 1/6/2023	350,000.00	08/16/2018 3.27%	341,918.50 343,974.23	102.18 2.01%	357,618.45 2,231.25	0.28% 13,644.22	A2 / A A	3.27 3.10
89236TEL5	Toyota Motor Credit Corp Note 2.7% Due 1/11/2023	350,000.00	08/16/2018 3.27%	341,838.00 343,907.74	102.43 1.93%	358,513.05 2,100.00	0.28% 14,605.31	Aa3 / AA- A+	3.28 3.12
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	350,000.00	06/18/2018 3.32%	340,081.00 342,844.15	101.80 2.07%	356,305.25 1,700.42	0.28% 13,461.10	A2 / A A	3.32 3.08
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	1,000,000.00	06/18/2018 3.32%	971,660.00 979,554.71	101.80 2.07%	1,018,015.00 4,858.33	0.79% 38,460.29	A2 / A A	3.32 3.08
44932HAH6	IBM Credit Corp Note 3% Due 2/6/2023	350,000.00	09/18/2019 2.20%	359,051.00 358,970.38	102.87 2.11%	360,041.50 1,604.17	0.28% 1,071.12	A2 / A NR	3.36 3.17
437076AZ5	Home Depot Callable Note Cont 1/1/2023 2.7% Due 4/1/2023	1,000,000.00	04/17/2019 2.73%	999,060.00 999,165.75	102.93 1.77%	1,029,315.00 13,500.00	0.81% 30,149.25	A2 / A A	3.50 3.07
89236TFS9	Toyota Motor Credit Corp Note 3.35% Due 1/8/2024	1,000,000.00	05/20/2019 2.69%	1,028,610.00 1,026,378.01	105.40 2.02%	1,054,000.00 7,723.61	0.82% 27,621.99	Aa3 / AA- A+	4.28 3.96
46625HJT8	JP Morgan Chase Note 3.875% Due 2/1/2024	500,000.00	03/28/2019 2.89%	521,940.00 519,667.78	106.55 2.28%	532,735.00 3,229.17	0.41% 13,067.22	A2 / A- AA-	4.34 3.98
<b>Total US Corporate</b>		<b>27,300,000.00</b>	<b>2.66%</b>	<b>27,224,887.25</b> <b>27,262,358.31</b>	<b>2.01%</b>	<b>27,661,346.09</b> <b>188,788.53</b>	<b>21.51%</b> <b>398,987.78</b>	<b>A1 / A+</b> <b>A+</b>	<b>2.03</b> <b>1.90</b>



## Holdings Report

As of September 30, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912796SL4	US Treasury Bill 2.038% Due 10/3/2019	500,000.00	08/02/2019 2.07%	498,330.38 499,943.22	99.99 2.07%	499,943.22 0.00	0.39% 0.00	P-1 / A-1+ F-1+	0.01 0.01
912796SN0	US Treasury Bill 2.063% Due 10/17/2019	350,000.00	07/18/2019 2.10%	348,195.31 349,677.80	99.91 2.10%	349,677.80 0.00	0.27% 0.00	P-1 / A-1+ F-1+	0.05 0.05
912796SN0	US Treasury Bill 2.063% Due 10/17/2019	1,250,000.00	07/18/2019 2.10%	1,243,554.69 1,248,849.29	99.91 2.10%	1,248,849.29 0.00	0.96% 0.00	P-1 / A-1+ F-1+	0.05 0.05
912828TV2	US Treasury Note 1.25% Due 10/31/2019	250,000.00	03/29/2019 2.44%	248,300.78 249,760.67	99.93 2.06%	249,826.75 1,307.74	0.19% 66.08	Aaa / AA+ AAA	0.08 0.08
912796SS9	US Treasury Bill 1.92% Due 11/14/2019	2,500,000.00	08/27/2019 1.95%	2,489,600.00 2,494,122.68	99.76 1.95%	2,494,122.68 0.00	1.93% 0.00	P-1 / A-1+ F-1+	0.12 0.12
912796SS9	US Treasury Bill 1.92% Due 11/14/2019	825,000.00	08/27/2019 1.95%	821,568.00 823,060.48	99.76 1.95%	823,060.48 0.00	0.64% 0.00	P-1 / A-1+ F-1+	0.12 0.12
912828U32	US Treasury Note 1% Due 11/15/2019	250,000.00	07/25/2018 2.54%	245,097.66 249,537.52	99.87 2.03%	249,677.50 944.29	0.19% 139.98	Aaa / AA+ AAA	0.13 0.12
912828UB4	US Treasury Note 1% Due 11/30/2019	250,000.00	05/14/2019 2.44%	248,066.41 249,417.01	99.83 2.03%	249,568.25 840.16	0.19% 151.24	Aaa / AA+ AAA	0.17 0.17
912828UB4	US Treasury Note 1% Due 11/30/2019	1,250,000.00	07/18/2019 2.15%	1,244,775.39 1,247,660.62	99.83 2.03%	1,247,841.25 4,200.82	0.97% 180.63	Aaa / AA+ AAA	0.17 0.17
912828UB4	US Treasury Note 1% Due 11/30/2019	350,000.00	07/18/2019 2.15%	348,537.11 349,344.97	99.83 2.03%	349,395.55 1,176.23	0.27% 50.58	Aaa / AA+ AAA	0.17 0.17
9128283N8	US Treasury Note 1.875% Due 12/31/2019	250,000.00	07/17/2018 2.56%	247,587.89 249,586.63	99.99 1.91%	249,970.75 1,184.61	0.19% 384.12	Aaa / AA+ AAA	0.25 0.25
912796TC3	US Treasury Bill 2.038% Due 1/23/2020	300,000.00	07/30/2019 2.09%	297,010.93 298,057.08	99.35 2.09%	298,057.08 0.00	0.23% 0.00	P-1 / A-1+ F-1+	0.32 0.31
912828W22	US Treasury Note 1.375% Due 2/15/2020	700,000.00	02/27/2019 2.54%	692,289.06 696,998.87	99.79 1.95%	698,496.40 1,229.28	0.54% 1,497.53	Aaa / AA+ AAA	0.38 0.37
912828W22	US Treasury Note 1.375% Due 2/15/2020	2,000,000.00	02/27/2019 2.54%	1,977,968.75 1,991,425.34	99.79 1.95%	1,995,704.00 3,512.23	1.54% 4,278.66	Aaa / AA+ AAA	0.38 0.37
912828W22	US Treasury Note 1.375% Due 2/15/2020	500,000.00	Various 2.35%	494,355.47 498,208.50	99.79 1.95%	498,926.00 878.06	0.39% 717.50	Aaa / AA+ AAA	0.38 0.37
912828J50	US Treasury Note 1.375% Due 2/29/2020	1,500,000.00	08/18/2017 1.40%	1,499,184.71 1,499,866.48	99.78 1.90%	1,496,718.00 1,756.52	1.16% (3,148.48)	Aaa / AA+ AAA	0.42 0.41



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828J50	US Treasury Note 1.375% Due 2/29/2020	1,375,000.00	Various 1.43%	1,372,612.04	99.78	1,371,991.50	1.06%	Aaa / AA+ AAA	0.42
				1,374,667.54	1.90%	1,610.15	(2,676.04)		0.41
912828J50	US Treasury Note 1.375% Due 2/29/2020	500,000.00	07/26/2019 2.10%	497,890.63	99.78	498,906.00	0.39%	Aaa / AA+ AAA	0.42
				498,518.54	1.90%	585.51	387.46		0.41
912828W63	US Treasury Note 1.625% Due 3/15/2020	250,000.00	05/30/2019 2.37%	248,554.69	99.89	249,716.75	0.19%	Aaa / AA+ AAA	0.46
				249,169.82	1.87%	178.57	546.93		0.45
9128284C1	US Treasury Note 2.25% Due 3/31/2020	500,000.00	07/26/2019 2.08%	500,546.88	100.18	500,879.00	0.39%	Aaa / AA+ AAA	0.50
				500,404.60	1.90%	30.74	474.40		0.50
912828VA5	US Treasury Note 1.125% Due 4/30/2020	500,000.00	07/23/2019 2.03%	496,562.50	99.57	497,871.00	0.39%	Aaa / AA+ AAA	0.58
				497,406.58	1.86%	2,359.38	464.42		0.58
9128284Q0	US Treasury Note 2.5% Due 5/31/2020	2,000,000.00	02/26/2019 2.53%	1,999,296.88	100.40	2,008,046.00	1.56%	Aaa / AA+ AAA	0.67
				1,999,627.76	1.89%	16,803.28	8,418.24		0.65
9128284Q0	US Treasury Note 2.5% Due 5/31/2020	700,000.00	02/26/2019 2.53%	699,753.91	100.40	702,816.10	0.55%	Aaa / AA+ AAA	0.67
				699,869.72	1.89%	5,881.15	2,946.38		0.65
912828XE5	US Treasury Note 1.5% Due 5/31/2020	500,000.00	07/23/2019 2.02%	497,812.50	99.75	498,769.50	0.39%	Aaa / AA+ AAA	0.67
				498,296.27	1.87%	2,520.49	473.23		0.66
912828XU9	US Treasury Note 1.5% Due 6/15/2020	825,000.00	08/15/2019 1.81%	822,873.05	99.74	822,870.68	0.64%	Aaa / AA+ AAA	0.71
				823,194.89	1.87%	3,651.64	(324.21)		0.70
912828XU9	US Treasury Note 1.5% Due 6/15/2020	2,500,000.00	08/27/2019 1.79%	2,494,238.28	99.74	2,493,547.50	1.93%	Aaa / AA+ AAA	0.71
				2,494,909.17	1.87%	11,065.57	(1,361.67)		0.70
912828XH8	US Treasury Note 1.625% Due 6/30/2020	300,000.00	07/30/2019 2.04%	298,875.00	99.82	299,472.60	0.23%	Aaa / AA+ AAA	0.75
				299,083.21	1.86%	1,232.00	389.39		0.74
9128282J8	US Treasury Note 1.5% Due 7/15/2020	600,000.00	02/26/2019 2.53%	591,656.25	99.72	598,312.80	0.46%	Aaa / AA+ AAA	0.79
				595,232.14	1.86%	1,907.61	3,080.66		0.78
9128282J8	US Treasury Note 1.5% Due 7/15/2020	1,000,000.00	02/27/2019 2.54%	985,937.51	99.72	997,188.00	0.77%	Aaa / AA+ AAA	0.79
				991,948.32	1.86%	3,179.35	5,239.68		0.78
9128282J8	US Treasury Note 1.5% Due 7/15/2020	500,000.00	Various 2.22%	495,693.36	99.72	498,594.00	0.39%	Aaa / AA+ AAA	0.79
				497,227.70	1.86%	1,589.68	1,366.30		0.78
9128282Q2	US Treasury Note 1.5% Due 8/15/2020	500,000.00	Various 2.24%	495,009.77	99.70	498,515.50	0.39%	Aaa / AA+ AAA	0.88
				496,834.78	1.84%	957.88	1,680.72		0.86
9128284Y3	US Treasury Note 2.625% Due 8/31/2020	500,000.00	07/16/2019 1.99%	503,476.56	100.70	503,496.00	0.39%	Aaa / AA+ AAA	0.92
				502,833.69	1.85%	1,117.79	662.31		0.90



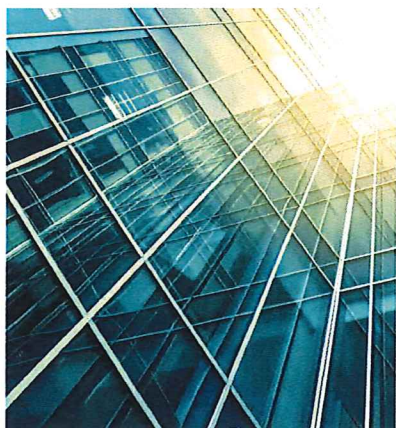
CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
9128282V1	US Treasury Note 1.375% Due 9/15/2020	2,000,000.00	02/26/2019 2.52%	1,965,468.75 1,978,646.75	99.62 1.78%	1,992,344.00 1,208.79	1.54% 13,697.25	Aaa / AA+ AAA	0.96 0.95
9128282V1	US Treasury Note 1.375% Due 9/15/2020	700,000.00	02/26/2019 2.52%	687,914.06 692,526.36	99.62 1.78%	697,320.40 423.08	0.54% 4,794.04	Aaa / AA+ AAA	0.96 0.95
9128282V1	US Treasury Note 1.375% Due 9/15/2020	250,000.00	02/26/2019 2.52%	245,683.59 247,330.84	99.62 1.78%	249,043.00 151.10	0.19% 1,712.16	Aaa / AA+ AAA	0.96 0.95
912828L65	US Treasury Note 1.375% Due 9/30/2020	500,000.00	Various 2.26%	493,769.53 495,679.96	99.56 1.82%	497,812.50 18.78	0.38% 2,132.54	Aaa / AA+ AAA	1.00 0.99
9128282Z2	US Treasury Note 1.625% Due 10/15/2020	2,500,000.00	08/15/2019 1.72%	2,497,167.97 2,497,473.78	99.80 1.82%	2,494,922.50 18,758.54	1.94% (2,551.28)	Aaa / AA+ AAA	1.04 1.02
9128282Z2	US Treasury Note 1.625% Due 10/15/2020	825,000.00	08/15/2019 1.72%	824,065.43 824,166.35	99.80 1.82%	823,324.43 6,190.32	0.64% (841.92)	Aaa / AA+ AAA	1.04 1.02
912828L99	US Treasury Note 1.375% Due 10/31/2020	500,000.00	Various 2.09%	495,125.01 496,223.62	99.54 1.81%	497,695.50 2,877.04	0.39% 1,471.88	Aaa / AA+ AAA	1.09 1.06
9128283G3	US Treasury Note 1.75% Due 11/15/2020	250,000.00	05/20/2019 2.28%	248,085.94 248,553.90	99.93 1.81%	249,824.25 1,652.51	0.19% 1,270.35	Aaa / AA+ AAA	1.13 1.10
9128285S5	US Treasury Note 2.5% Due 12/31/2020	250,000.00	04/29/2019 2.34%	250,664.06 250,496.69	100.86 1.80%	252,148.50 1,579.48	0.20% 1,651.81	Aaa / AA+ AAA	1.25 1.22
912828N89	US Treasury Note 1.375% Due 1/31/2021	650,000.00	10/30/2018 2.87%	629,001.95 637,549.15	99.48 1.77%	646,597.90 1,505.77	0.50% 9,048.75	Aaa / AA+ AAA	1.34 1.31
912828N89	US Treasury Note 1.375% Due 1/31/2021	1,425,000.00	Various 2.04%	1,402,617.02 1,412,674.28	99.48 1.77%	1,417,541.55 3,301.13	1.10% 4,867.27	Aaa / AA+ AAA	1.34 1.31
912828B58	US Treasury Note 2.125% Due 1/31/2021	500,000.00	07/23/2019 1.91%	501,601.56 501,403.16	100.46 1.78%	502,285.00 1,790.08	0.39% 881.84	Aaa / AA+ AAA	1.34 1.31
9128283X6	US Treasury Note 2.25% Due 2/15/2021	250,000.00	04/12/2019 2.42%	249,238.28 249,429.84	100.65 1.77%	251,630.75 718.41	0.19% 2,200.91	Aaa / AA+ AAA	1.38 1.35
912828R77	US Treasury Note 1.375% Due 5/31/2021	1,500,000.00	03/06/2018 2.47%	1,449,375.00 1,473,937.34	99.44 1.72%	1,491,562.50 6,931.35	1.16% 17,625.16	Aaa / AA+ AAA	1.67 1.63
9128286V7	US Treasury Note 2.125% Due 5/31/2021	250,000.00	08/02/2019 1.77%	251,591.80 251,455.36	100.68 1.71%	251,699.25 1,785.35	0.20% 243.89	Aaa / AA+ AAA	1.67 1.62
912828R77	US Treasury Note 1.375% Due 5/31/2021	450,000.00	09/17/2019 1.81%	446,712.89 446,781.70	99.44 1.72%	447,468.75 2,079.41	0.35% 687.05	Aaa / AA+ AAA	1.67 1.63



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828T34	US Treasury Note 1.125% Due 9/30/2021	1,575,000.00	Various 1.69%	1,539,512.12 1,557,983.34	98.98 1.65%	1,558,881.45 48.42	1.20% 898.11	Aaa / AA+ AAA	2.00 1.97
912828T34	US Treasury Note 1.125% Due 9/30/2021	4,050,000.00	Various 1.69%	3,958,443.25 4,006,155.77	98.98 1.65%	4,008,552.30 124.48	3.10% 2,396.53	Aaa / AA+ AAA	2.00 1.97
912828U65	US Treasury Note 1.75% Due 11/30/2021	875,000.00	Various 2.72%	846,950.20 857,529.61	100.22 1.64%	876,948.63 5,146.01	0.68% 19,419.02	Aaa / AA+ AAA	2.17 2.11
912828U65	US Treasury Note 1.75% Due 11/30/2021	450,000.00	Various 2.70%	436,092.77 441,180.66	100.22 1.64%	451,002.16 2,646.52	0.35% 9,821.50	Aaa / AA+ AAA	2.17 2.11
912828W89	US Treasury Note 1.875% Due 3/31/2022	550,000.00	07/31/2018 2.81%	532,275.39 537,918.65	100.68 1.60%	553,738.35 28.18	0.43% 15,819.70	Aaa / AA+ AAA	2.50 2.43
912828W89	US Treasury Note 1.875% Due 3/31/2022	1,000,000.00	07/31/2018 2.81%	967,773.44 978,033.91	100.68 1.60%	1,006,797.00 51.23	0.78% 28,763.09	Aaa / AA+ AAA	2.50 2.43
912828XR6	US Treasury Note 1.75% Due 5/31/2022	1,100,000.00	Various 2.75%	1,063,132.81 1,072,277.27	100.38 1.61%	1,104,125.00 6,469.26	0.86% 31,847.73	Aaa / AA+ AAA	2.67 2.58
912828W48	US Treasury Note 2.125% Due 2/29/2024	1,250,000.00	04/15/2019 2.37%	1,236,035.16 1,237,353.19	102.38 1.57%	1,279,687.50 2,262.19	0.99% 42,334.31	Aaa / AA+ AAA	4.42 4.20
912828W48	US Treasury Note 2.125% Due 2/29/2024	500,000.00	04/29/2019 2.32%	495,605.47 495,988.68	102.38 1.57%	511,875.00 904.88	0.40% 15,886.32	Aaa / AA+ AAA	4.42 4.20
912828X70	US Treasury Note 2% Due 4/30/2024	600,000.00	05/30/2019 2.09%	597,609.38 597,773.10	101.90 1.57%	611,413.80 5,021.74	0.48% 13,640.70	Aaa / AA+ AAA	4.59 4.34
<b>Total US Treasury</b>		<b>50,825,000.00</b>	<b>2.14%</b>	<b>50,256,725.18</b> <b>50,501,265.15</b>	<b>1.82%</b>	<b>50,767,069.90</b> <b>145,374.78</b>	<b>39.33%</b> <b>265,804.75</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>1.15</b> <b>1.12</b>
<b>TOTAL PORTFOLIO</b>				<b>127,063,249.59</b> <b>127,485,212.59</b>	<b>1.84%</b>	<b>128,849,307.09</b> <b>611,385.18</b>	<b>100.00%</b> <b>1,364,094.50</b>	<b>Aa1 / AA</b> <b>AAA</b>	<b>1.63</b> <b>1.56</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>129,460,692.27</b>			



SEPTEMBER 2019



## IN THIS ISSUE:

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Yield Curve  
Current Yields

### Economic Round-Up ..... 2

Credit Spreads  
Economic Indicators

Since 1988, Chandler Asset Management has specialized in providing fixed income investment solutions to risk-averse public agencies and institutions. Chandler's mission is to provide fully customizable, client-centered portfolio management that preserves principal, mitigates risk and generates income in our clients' portfolios.

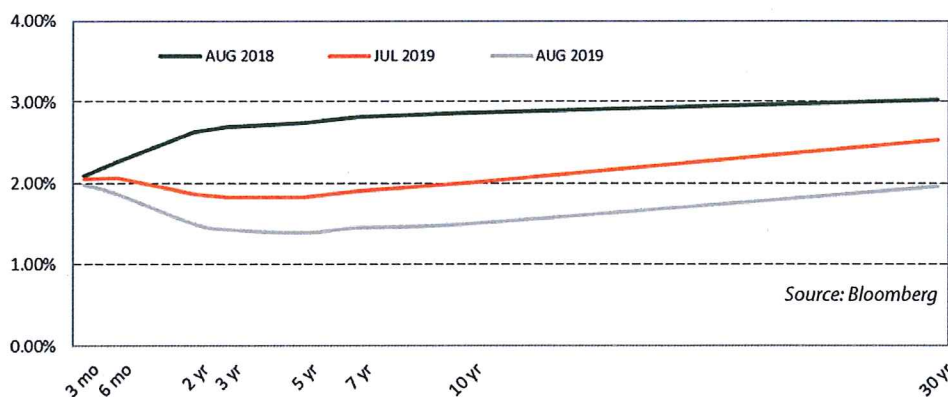
## Market Summary

US economic data is sending conflicting signals about the outlook for economic growth. While US labor market fundamentals and consumer confidence remain strong, trends in the housing market and manufacturing sector have been disappointing, and we believe risks to the economic outlook remain skewed to the downside. Although recent headlines on US-China trade negotiations and Brexit have been incrementally positive, the situations remain fluid and uncertain. Global economic data remains generally lackluster. The trajectory of economic growth is likely to hinge on the outcome of ongoing trade negotiations as well as policy action by the major global central banks.

We believe the Federal Open Market Committee (FOMC) is likely to cut the fed funds rate again to a range of 1.75%-2.00% at their upcoming September 17-18 meeting. Although we anticipate that policymakers will debate the need for a cut, we believe the majority of voting FOMC members will support adding further monetary policy accommodation in an effort to sustain the economic expansion. Furthermore, we believe the Fed is now more likely to err on the side of allowing inflation to run a bit hotter than their long-term target of 2.0%, rather than risk hindering economic growth with potentially restrictive monetary policy.

Treasury yields declined in August. The 3-month T-bill yield declined nearly nine basis points to 1.976%, the 2-year Treasury yield declined nearly 37 basis points to 1.504%, and the 10-year Treasury yield declined about 52 basis points to 1.496%. An inversion of the yield curve in which the 10-year Treasury yield is lower than both the 3-month T-bill yield and the 2-year Treasury yield is generally viewed as a powerful predictive signal of an upcoming recession. We believe downside risks to the economy are elevated. However, we believe increased short-term Treasury issuance to fund the deficit, and negative sovereign bond yields in other countries may be distorting the US Treasury yield curve. German sovereign bond yields from 1-month out to 30-years were all negative at August month-end.

## The Treasury Yield Curve Remains Partially Inverted



The shape of the Treasury yield curve has changed significantly. As of August month-end, the 3-month T-bill yield was down 12 basis points, the 2-Year Treasury yield was down nearly 115 basis points, and the 10-Year Treasury yield was down nearly 136 basis points, year-over-year. The current shape of the yield curve implies that market participants are pricing-in additional rate cuts. We believe the year-over-year decline in long-term Treasury yields reflects a high level of market participants' nervousness about the outlook for global economic growth and a decline in global inflation expectations.

TREASURY YIELDS	Trend (▲/▼)	8/31/2019	7/31/2019	Change
3-Month	▼	1.98	2.06	(0.08)
2-Year	▼	1.50	1.87	(0.37)
3-Year	▼	1.43	1.83	(0.40)
5-Year	▼	1.39	1.83	(0.44)
7-Year	▼	1.45	1.91	(0.46)
10-Year	▼	1.50	2.01	(0.51)
30-Year	▼	1.96	2.53	(0.57)

Source: Bloomberg



# BOND MARKET REVIEW

## Economic Roundup

### Consumer Prices

The Consumer Price Index (CPI) was up 1.8% year-over-year in July, versus up 1.6% year-over-year in June. Core CPI (CPI less food and energy) was up 2.2% year-over-year in July, versus up 2.1% year-over-year in June. The Personal Consumption Expenditures (PCE) index was up 1.4% year-over-year in July, up slightly from 1.3% in June. Core PCE, which is the Fed's primary inflation gauge, was unchanged at 1.6% year-over-year in July. Core PCE remains below the Fed's 2.0% inflation target.

### Retail Sales

Retail sales in July were stronger than expected, up 0.7% in the month versus expectations of 0.3%, following an increase of 0.3% in June. Excluding autos and gas, retail sales were even stronger in July, up 0.9% (outpacing expectations of 0.5%). On a year-over-year basis, total retail sales were up 3.4% year-over-year in July, versus 3.3% year-over-year in June.

### Labor Market

U.S. nonfarm payrolls rose by 130,000 in August, below expectations of 160,000. On a trailing 3-month and 6-month average basis, payrolls increased an average of about 156,000 and 150,000 per month, respectively, which represents a moderate decline from the 12-month average of 173,000. The unemployment rate was unchanged at 3.7% in August, despite an increase in the participation rate to 63.2% from 63.0% in July. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, increased to 7.2% in August after declining to 7.0% in July (the lowest level since December 2000). Wages rose 0.4% in August on a month-over-month basis (slightly above expectations), following a 0.3% increase in July. On a year-over-year basis, wages were up 3.2% in August, versus up 3.3% in July. The August employment report suggests that the pace of job growth is slowing but wages are rising, which is consistent with a tight labor market.

### Housing Starts

Housing starts were lower than expected in July, down 4.0% month-over-month to a 1.191 million annualized rate. Multi-family starts fell 16.2% month-over-month to an annualized rate of 315,000, while single-family starts rose 1.3% to an annualized rate of 876,000. On a year-over-year basis, total housing starts were roughly flat.

### Credit Spreads Widened in August

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top rated commercial paper	0.01	0.10	(0.09)
2-year A corporate note	0.47	0.42	0.05
5-year A corporate note	0.69	0.61	0.08
5-year Agency note	0.08	0.10	(0.02)

Source: Bloomberg

Data as of 8/31/2019

### Economic Data Remains Consistent with Slow Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(54.0) \$Bln JUL 19	(55.5) \$Bln JUN 19	(52.4) \$Bln JUL 18
GDP	2.0% JUN 19	3.1% MAR 19	3.5% JUN 18
Unemployment Rate	3.7% AUG 19	3.7% JUL 19	3.8% AUG 18
Prime Rate	5.25% AUG 19	5.50% JUL 19	5.00% AUG 18
CRB Index	170.36 AUG 19	178.53 JUL 19	192.96 AUG 18
Oil (West Texas Int.)	\$55.10 AUG 19	\$58.58 JUL 19	\$69.80 AUG 18
Consumer Price Index (y/o/y)	1.8% JUL 19	1.6% JUN 19	2.9% JUL 18
Producer Price Index (y/o/y)	0.8% JUL 19	0.4% JUN 19	4.3% JUL 18
Dollar/Euro	1.10 AUG 19	1.11 JUL 19	1.16 AUG 18

Source: Bloomberg

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Data source: Bloomberg. This report is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as an indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment. Fixed income investments are subject to interest, credit, and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

## Market Data

### World Indices

data as of 8/31/2019

	Diff (7/31/19)	% Change
S&P 500		
2,926.46	53.92	-1.81%
NASDAQ		
7,962.88	212.54	-2.60%
DOW JONES		
26,403.28	460.99	-1.72%
FTSE (UK)		
7,207.18	379.60	-5.00%
DAX (Germany)		
11,939.28	249.76	-2.05%
Hang Seng (Hong Kong)		
25,724.73	2,053.02	-7.39%
Nikkei (Japan)		
20,704.37	817.16	-3.80%

Source: Bloomberg



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# **Tampa Bay Water Consolidated - Account #10504**

## **MONTHLY ACCOUNT STATEMENT**

OCTOBER 1, 2019 THROUGH OCTOBER 31, 2019

### **Chandler Team:**

For questions about your account, please call (800) 317-4747,  
or contact [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

**CHANDLER ASSET MANAGEMENT**  
[chandlerasset.com](http://chandlerasset.com)

*Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.*

## Portfolio Summary

As of October 31, 2019



## PORTFOLIO CHARACTERISTICS

Average Modified Duration	1.57
Average Coupon	2.07%
Average Purchase YTM	2.34%
Average Market YTM	1.70%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	1.64 yrs
Average Life	1.63 yrs

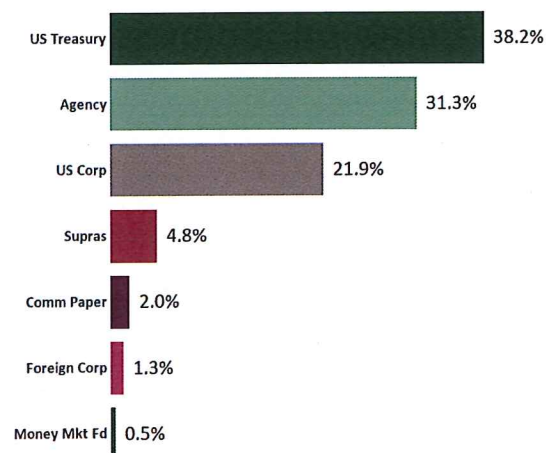
## ACCOUNT SUMMARY

	Beg. Values as of 9/30/19	End Values as of 10/31/19
Market Value	128,849,307	129,226,298
Accrued Interest	611,385	644,831
Total Market Value	<b>129,460,692</b>	<b>129,871,128</b>
Income Earned	248,438	251,127
Cont/WD		
Par	127,906,867	128,034,146
Book Value	127,485,213	127,702,894
Cost Value	127,063,250	127,258,137

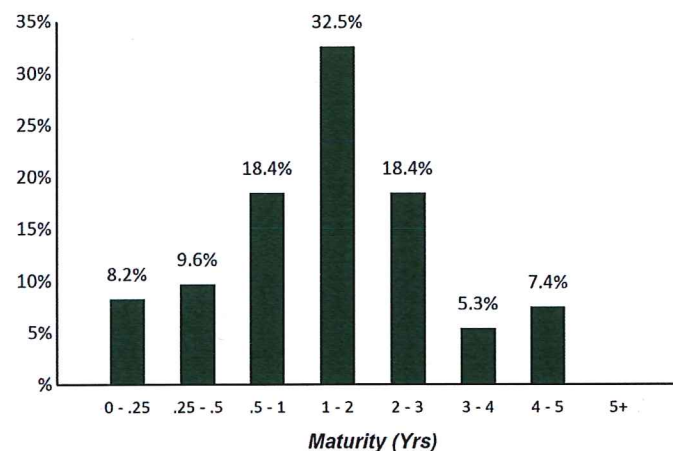
## TOP ISSUERS

Government of United States	38.2%
Federal Home Loan Bank	17.5%
Federal National Mortgage Assoc	7.9%
Federal Farm Credit Bank	3.9%
Federal Home Loan Mortgage Corp	2.1%
MUFG Bank Ltd/NY	1.8%
Intl Bank Recon and Development	1.7%
International Finance Corp	1.5%
<b>Total</b>	<b>74.6%</b>

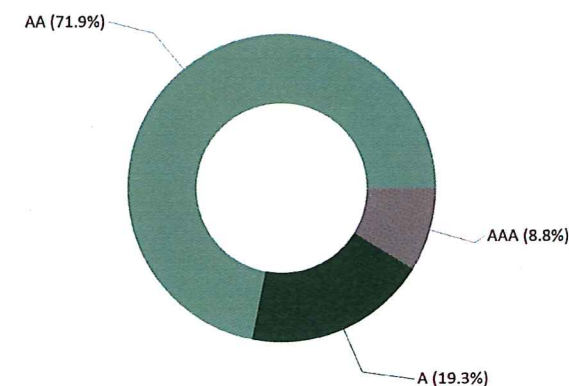
## SECTOR ALLOCATION



## MATURITY DISTRIBUTION



## CREDIT QUALITY (S&amp;P)





## Holdings Report

As of October 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
313384NZ8	FHLB Discount Note 2.005% Due 11/8/2019	250,000.00	08/30/2019 2.04%	249,081.04 249,902.21	99.96 2.04%	249,902.21 0.00	0.19% 0.00	P-1 / A-1+ F-1+	0.02 0.02
3130A0JR2	FHLB Note 2.375% Due 12/13/2019	250,000.00	07/25/2018 2.61%	249,217.50 249,934.92	100.07 1.76%	250,175.00 2,276.04	0.19% 240.08	Aaa / AA+ AAA	0.12 0.12
3133EG3J2	FFCB Note 1.55% Due 1/10/2020	250,000.00	08/01/2018 2.63%	246,210.00 249,495.63	99.98 1.66%	249,942.25 1,194.79	0.19% 446.62	Aaa / AA+ AAA	0.19 0.19
3135G0A78	FNMA Note 1.625% Due 1/21/2020	250,000.00	07/09/2018 2.55%	246,567.50 249,503.51	100.00 1.64%	249,989.25 1,128.47	0.19% 485.74	Aaa / AA+ AAA	0.22 0.22
313384TH2	FHLB Discount Note 2.03% Due 2/20/2020	500,000.00	07/16/2019 2.08%	493,853.61 496,856.71	99.37 2.08%	496,856.71 0.00	0.38% 0.00	P-1 / A-1+ F-1+	0.31 0.30
3135G0T29	FNMA Note 1.5% Due 2/28/2020	515,000.00	02/24/2017 1.52%	514,670.40 514,964.18	99.97 1.60%	514,831.60 1,351.88	0.40% (132.58)	Aaa / AA+ AAA	0.33 0.33
3135G0T29	FNMA Note 1.5% Due 2/28/2020	500,000.00	Various 1.52%	499,664.00 499,963.48	99.97 1.60%	499,836.50 1,312.50	0.39% (126.98)	Aaa / AA+ AAA	0.33 0.33
313378J77	FHLB Note 1.875% Due 3/13/2020	1,500,000.00	08/18/2017 1.48%	1,515,000.00 1,502,133.69	100.10 1.60%	1,501,486.50 3,750.00	1.16% (647.19)	Aaa / AA+ NR	0.37 0.36
3137EAEM7	FHLMC Note 2.5% Due 4/23/2020	500,000.00	Various 2.30%	500,160.00 500,480.01	100.43 1.60%	502,135.50 277.78	0.39% 1,655.49	Aaa / AA+ AAA	0.48 0.47
3137EADR7	FHLMC Note 1.375% Due 5/1/2020	250,000.00	09/12/2019 1.88%	249,204.00 249,372.85	99.88 1.62%	249,690.25 1,718.75	0.19% 317.40	Aaa / AA+ AAA	0.50 0.49
3133EHJA2	FFCB Note 1.55% Due 5/8/2020	1,200,000.00	05/30/2017 1.54%	1,200,408.00 1,200,071.87	99.95 1.65%	1,199,395.20 8,938.33	0.93% (676.67)	Aaa / AA+ AAA	0.52 0.51
3133EHJA2	FFCB Note 1.55% Due 5/8/2020	400,000.00	05/30/2017 1.54%	400,136.00 400,023.96	99.95 1.65%	399,798.40 2,979.44	0.31% (225.56)	Aaa / AA+ AAA	0.52 0.51
3130AECJ7	FHLB Note 2.625% Due 5/28/2020	250,000.00	07/09/2018 2.61%	250,047.50 250,014.43	100.57 1.63%	251,429.50 2,789.06	0.20% 1,415.07	Aaa / AA+ AAA	0.58 0.57
3135G0D75	FNMA Note 1.5% Due 6/22/2020	250,000.00	07/01/2019 2.00%	248,802.50 249,212.88	99.92 1.63%	249,793.25 1,343.75	0.19% 580.37	Aaa / AA+ AAA	0.64 0.63
3133EJUM9	FFCB Note 2.6% Due 7/16/2020	250,000.00	07/17/2018 2.69%	249,560.00 249,844.28	100.70 1.60%	251,758.50 1,895.83	0.20% 1,914.22	Aaa / AA+ AAA	0.71 0.70
3130ACE26	FHLB Note 1.375% Due 9/28/2020	1,500,000.00	09/27/2017 1.68%	1,486,800.00 1,496,001.46	99.77 1.64%	1,496,487.00 1,890.63	1.15% 485.54	Aaa / AA+ NR	0.91 0.90

## Tampa Bay Water Consolidated

Account #10504

## Holdings Report

As of October 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3133EHF57	FFCB Note 1.68% Due 10/13/2020	500,000.00	10/30/2017 1.78%	498,615.00 499,554.18	100.05 1.63%	500,238.00 420.00	0.39% 683.82	Aaa / AA+ AAA	0.95 0.94
3133EHJ95	FFCB Note 1.75% Due 10/26/2020	500,000.00	07/16/2019 2.02%	498,295.50 498,686.04	100.13 1.62%	500,634.00 121.53	0.39% 1,947.96	Aaa / AA+ AAA	0.99 0.97
3130AD4X7	FHLB Note 2% Due 12/11/2020	250,000.00	07/12/2019 2.00%	249,997.00 249,997.63	100.29 1.74%	250,722.75 1,944.44	0.19% 725.12	Aaa / AA+ NR	1.12 1.09
3133EJCE7	FFCB Note 2.35% Due 2/12/2021	500,000.00	07/12/2019 1.97%	502,893.00 502,347.43	100.80 1.72%	503,981.50 2,578.47	0.39% 1,634.07	Aaa / AA+ AAA	1.29 1.25
3137EAEL9	FHLMC Note 2.375% Due 2/16/2021	450,000.00	03/06/2018 2.48%	448,636.50 449,401.17	101.03 1.57%	454,631.85 2,226.56	0.35% 5,230.68	Aaa / AA+ AAA	1.30 1.26
3137EAEL9	FHLMC Note 2.375% Due 2/16/2021	1,500,000.00	03/06/2018 2.48%	1,495,455.00 1,498,003.91	101.03 1.57%	1,515,439.50 7,421.88	1.17% 17,435.59	Aaa / AA+ AAA	1.30 1.26
3133EJXV6	FFCB Note 2.7% Due 2/23/2021	375,000.00	07/10/2019 1.96%	379,398.75 378,560.54	101.28 1.71%	379,807.88 1,912.50	0.29% 1,247.34	Aaa / AA+ AAA	1.32 1.28
3133EJJD2	FFCB Note 2.54% Due 4/5/2021	500,000.00	07/10/2019 1.93%	505,144.50 504,227.58	101.31 1.61%	506,529.50 917.22	0.39% 2,301.92	Aaa / AA+ AAA	1.43 1.40
3133EKLQ7	FFCB Note 2.25% Due 5/17/2021	500,000.00	Various 1.88%	503,330.00 502,751.92	100.94 1.63%	504,699.00 5,125.00	0.39% 1,947.08	Aaa / AA+ AAA	1.55 1.50
3130A1W95	FHLB Note 2.25% Due 6/11/2021	500,000.00	Various 1.93%	503,055.00 502,522.97	100.99 1.63%	504,937.50 4,375.00	0.39% 2,414.53	Aaa / AA+ AAA	1.61 1.57
3135G0U35	FNMA Note 2.75% Due 6/22/2021	2,200,000.00	07/27/2018 2.82%	2,195,864.00 2,197,658.35	101.86 1.60%	2,240,891.40 21,679.17	1.74% 43,233.05	Aaa / AA+ AAA	1.64 1.59
3135G0U35	FNMA Note 2.75% Due 6/22/2021	800,000.00	Various 2.76%	799,686.00 799,819.59	101.86 1.60%	814,869.60 7,883.33	0.63% 15,050.01	Aaa / AA+ AAA	1.64 1.59
313383ZU8	FHLB Note 3% Due 9/10/2021	500,000.00	08/16/2018 2.76%	503,495.00 502,118.84	102.53 1.61%	512,625.50 2,125.00	0.40% 10,506.66	Aaa / AA+ NR	1.86 1.80
3130AF5B9	FHLB Note 3% Due 10/12/2021	600,000.00	Various 2.92%	601,109.00 600,836.59	102.72 1.57%	616,333.80 950.00	0.48% 15,497.21	Aaa / AA+ NR	1.95 1.89
3130AF5B9	FHLB Note 3% Due 10/12/2021	2,500,000.00	Various 2.88%	2,507,665.00 2,505,572.30	102.72 1.57%	2,568,057.50 3,958.34	1.98% 62,485.20	Aaa / AA+ NR	1.95 1.89
313376C94	FHLB Note 2.625% Due 12/10/2021	3,500,000.00	10/01/2018 2.94%	3,466,123.50 3,477,609.52	102.22 1.55%	3,577,588.00 35,984.38	2.78% 99,978.48	Aaa / AA+ AAA	2.11 2.03

## Holdings Report

As of October 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
313376C94	FHLB Note 2.625% Due 12/10/2021	600,000.00	12/28/2018 2.63%	599,844.00 599,888.26	102.22 1.55%	613,300.80 6,168.75	0.48% 13,412.54	Aaa / AA+ AAA	2.11 2.03
313378WG2	FHLB Note 2.5% Due 3/11/2022	300,000.00	03/28/2019 2.26%	302,073.00 301,660.33	102.13 1.58%	306,391.80 1,041.67	0.24% 4,731.47	Aaa / AA+ NR	2.36 2.28
313378WG2	FHLB Note 2.5% Due 3/11/2022	1,750,000.00	04/15/2019 2.41%	1,754,340.00 1,753,525.23	102.13 1.58%	1,787,285.50 6,076.39	1.38% 33,760.27	Aaa / AA+ NR	2.36 2.28
313379Q69	FHLB Note 2.125% Due 6/10/2022	3,215,000.00	10/01/2018 2.93%	3,124,915.70 3,151,332.40	101.38 1.58%	3,259,463.45 26,758.18	2.53% 108,131.05	Aaa / AA+ AAA	2.61 2.51
313379Q69	FHLB Note 2.125% Due 6/10/2022	350,000.00	10/01/2018 2.93%	340,193.00 343,068.85	101.38 1.58%	354,840.50 2,913.02	0.28% 11,771.65	Aaa / AA+ AAA	2.61 2.51
3135G0W33	FNMA Note 1.375% Due 9/6/2022	450,000.00	09/11/2019 1.66%	446,265.00 446,436.33	99.45 1.57%	447,523.65 945.31	0.35% 1,087.32	Aaa / AA+ AAA	2.85 2.77
3135G0W33	FNMA Note 1.375% Due 9/6/2022	1,500,000.00	09/11/2019 1.66%	1,487,550.00 1,488,121.10	99.45 1.57%	1,491,745.50 3,151.04	1.15% 3,624.40	Aaa / AA+ AAA	2.85 2.77
3135G0T94	FNMA Note 2.375% Due 1/19/2023	350,000.00	07/18/2019 1.87%	355,915.00 355,429.79	102.57 1.55%	358,978.55 2,355.21	0.28% 3,548.76	Aaa / AA+ AAA	3.22 3.07
3135G0U43	FNMA Note 2.875% Due 9/12/2023	350,000.00	07/18/2019 1.88%	363,793.50 362,838.15	104.88 1.57%	367,093.30 1,369.62	0.28% 4,255.15	Aaa / AA+ AAA	3.87 3.65
3135G0U43	FNMA Note 2.875% Due 9/12/2023	1,250,000.00	07/18/2019 1.88%	1,299,262.50 1,295,850.52	104.88 1.57%	1,311,047.50 4,891.49	1.01% 15,196.98	Aaa / AA+ AAA	3.87 3.65
3130A0F70	FHLB Note 3.375% Due 12/8/2023	1,200,000.00	12/28/2018 2.73%	1,235,316.00 1,229,341.86	107.09 1.58%	1,285,066.80 16,087.50	1.00% 55,724.94	Aaa / AA+ AAA	4.11 3.80
3130A0F70	FHLB Note 3.375% Due 12/8/2023	600,000.00	12/28/2018 2.73%	617,658.00 614,670.93	107.09 1.58%	642,533.40 8,043.75	0.50% 27,862.47	Aaa / AA+ AAA	4.11 3.80
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	750,000.00	06/14/2019 1.97%	782,257.50 779,834.65	105.71 1.59%	792,857.25 8,205.73	0.62% 13,022.60	Aaa / AA+ NR	4.62 4.29
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	1,200,000.00	06/14/2019 1.97%	1,251,612.00 1,247,735.44	105.71 1.59%	1,268,571.60 13,129.17	0.99% 20,836.16	Aaa / AA+ NR	4.62 4.29
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,220,000.00	10/17/2019 1.66%	1,217,913.80 1,217,929.81	100.05 1.61%	1,220,653.92 715.90	0.94% 2,724.11	Aaa / AA+ AAA	4.96 4.74
3135G0W66	FNMA Note 1.625% Due 10/15/2024	390,000.00	10/17/2019 1.66%	389,333.10 389,338.22	100.05 1.61%	390,209.04 228.85	0.30% 870.82	Aaa / AA+ AAA	4.96 4.74

## Holdings Report

As of October 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>Total Agency</b>		<b>39,765,000.00</b>	<b>2.31%</b>	<b>39,826,386.90</b> <b>39,854,446.50</b>	<b>1.60%</b>	<b>40,463,057.46</b> <b>234,551.65</b>	<b>31.34%</b> <b>608,610.96</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.12</b> <b>2.02</b>
<b>COMMERCIAL PAPER</b>									
62479MZJ5	MUFG Bank Ltd/NY Discount CP 2.12% Due 12/18/2019	550,000.00	09/17/2019 2.16%	547,052.61 548,473.77	99.72 2.16%	548,473.77 0.00	0.42% 0.00	P-1 / A-1 NR	0.13 0.13
62479MZJ5	MUFG Bank Ltd/NY Discount CP 2.12% Due 12/18/2019	1,500,000.00	09/17/2019 2.16%	1,491,961.67 1,495,837.55	99.72 2.16%	1,495,837.55 0.00	1.15% 0.00	P-1 / A-1 NR	0.13 0.13
89233GA71	Toyota Motor Credit Discount CP 2.55% Due 1/7/2020	250,000.00	04/11/2019 2.62%	245,218.75 248,801.31	99.52 2.62%	248,801.31 0.00	0.19% 0.00	P-1 / A-1+ NR	0.19 0.18
62479LCH6	MUFG Bank Ltd Discount CP 2.07% Due 3/17/2020	250,000.00	09/17/2019 2.12%	247,398.13 248,025.63	99.21 2.12%	248,025.63 0.00	0.19% 0.00	P-1 / A-1 NR	0.38 0.37
<b>Total Commercial Paper</b>		<b>2,550,000.00</b>	<b>2.20%</b>	<b>2,531,631.16</b> <b>2,541,138.26</b>	<b>2.20%</b>	<b>2,541,138.26</b> <b>0.00</b>	<b>1.96%</b> <b>0.00</b>	<b>Aaa / AA</b> <b>NR</b>	<b>0.16</b> <b>0.16</b>
<b>FOREIGN CORPORATE</b>									
89114QBL1	Toronto Dominion Bank Note 1.8% Due 7/13/2021	350,000.00	08/16/2018 3.17%	336,822.50 342,277.84	99.95 1.83%	349,814.50 1,890.00	0.27% 7,536.66	Aa1 / AA- AA-	1.70 1.66
404280BF5	HSBC Holdings PLC Note 2.65% Due 1/5/2022	1,000,000.00	03/06/2018 3.42%	972,590.00 984,404.32	101.08 2.14%	1,010,759.00 8,538.89	0.78% 26,354.68	A2 / A AA-	2.18 2.09
404280BF5	HSBC Holdings PLC Note 2.65% Due 1/5/2022	350,000.00	03/06/2018 3.42%	340,406.50 344,541.51	101.08 2.14%	353,765.65 2,988.61	0.27% 9,224.14	A2 / A AA-	2.18 2.09
<b>Total Foreign Corporate</b>		<b>1,700,000.00</b>	<b>3.37%</b>	<b>1,649,819.00</b> <b>1,671,223.67</b>	<b>2.08%</b>	<b>1,714,339.15</b> <b>13,417.50</b>	<b>1.33%</b> <b>43,115.48</b>	<b>A1 / A</b> <b>AA-</b>	<b>2.09</b> <b>2.00</b>
<b>MONEY MARKET FUND FI</b>									
192826303	Fidelity Institutional Govt Portfolio	194,727.96	Various 1.68%	194,727.96 194,727.96	1.00 1.68%	194,727.96 0.00	0.15% 0.00	Aaa / AAA NR	0.00 0.00
192826303	Fidelity Institutional Govt Portfolio	156,407.48	10/31/2019 1.68%	156,407.48 156,407.48	1.00 1.68%	156,407.48 0.00	0.12% 0.00	Aaa / AAA NR	0.00 0.00



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>MONEY MARKET FUND FI</b>									
192826303	Fidelity Institutional Govt Portfolio	268,010.84	Various 1.68%	268,010.84 268,010.84	1.00 1.68%	268,010.84 0.00	0.21% 0.00	Aaa / AAA NR	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>619,146.28</b>	<b>1.68%</b>	<b>619,146.28</b>	<b>1.68%</b>	<b>0.00</b>	<b>0.00</b>	<b>NR</b>	<b>0.00</b>

<b>SUPRANATIONAL</b>									
459058FS7	Intl. Bank Recon & Development Note 1.125% Due 11/27/2019	250,000.00	07/09/2018 2.57%	245,138.60 249,749.21	99.95 1.83%	249,870.75 1,203.13	0.19% 121.54	Aaa / AAA AAA	0.07 0.07
4581X0DB1	Inter-American Dev Bank Note 2.625% Due 4/19/2021	450,000.00	05/10/2018 2.81%	447,696.41 448,849.28	101.33 1.70%	456,002.55 393.75	0.35% 7,153.27	Aaa / AAA AAA	1.47 1.44
4581X0DB1	Inter-American Dev Bank Note 2.625% Due 4/19/2021	1,500,000.00	05/10/2018 2.81%	1,492,321.37 1,496,164.27	101.33 1.70%	1,520,008.50 1,312.50	1.17% 23,844.23	Aaa / AAA AAA	1.47 1.44
459058FH1	Intl. Bank Recon & Development Note 1.375% Due 5/24/2021	1,500,000.00	05/10/2018 2.79%	1,438,822.71 1,468,471.02	99.59 1.64%	1,493,790.00 8,994.79	1.16% 25,318.98	Aaa / AAA AAA	1.56 1.53
459058FH1	Intl. Bank Recon & Development Note 1.375% Due 5/24/2021	500,000.00	07/09/2018 2.78%	480,800.00 489,557.25	99.59 1.64%	497,930.00 2,998.26	0.39% 8,372.75	Aaa / AAA AAA	1.56 1.53
45950KCJ7	International Finance Corp Note 1.125% Due 7/20/2021	500,000.00	07/09/2018 2.79%	476,050.54 486,410.58	99.17 1.62%	495,855.00 1,578.13	0.38% 9,444.42	Aaa / AAA NR	1.72 1.69
45950KCJ7	International Finance Corp Note 1.125% Due 7/20/2021	1,500,000.00	Various 2.83%	1,427,054.97 1,458,183.59	99.17 1.62%	1,487,565.00 4,734.38	1.15% 29,381.41	Aaa / AAA NR	1.72 1.69
<b>Total Supranational</b>		<b>6,200,000.00</b>	<b>2.79%</b>	<b>6,007,884.60</b> <b>6,097,385.20</b>	<b>1.66%</b>	<b>6,201,021.80</b> <b>21,214.94</b>	<b>4.79%</b> <b>103,636.60</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>1.52</b> <b>1.49</b>

<b>US CORPORATE</b>									
69371RN69	Paccar Financial Corp Note 1.95% Due 2/27/2020	200,000.00	07/09/2018 2.84%	197,192.00 199,444.05	100.03 1.85%	200,061.60 693.33	0.15% 617.55	A1 / A+ NR	0.33 0.32
166764BP4	Chevron Corp Note 1.991% Due 3/3/2020	200,000.00	07/09/2018 2.75%	197,586.00 199,505.95	100.04 1.86%	200,082.60 641.54	0.15% 576.65	Aa2 / AA NR	0.34 0.34



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
40428HPR7	HSBC USA Inc Note 2.35% Due 3/5/2020	500,000.00	Various 2.53%	497,791.00 499,702.14	100.10 2.04%	500,522.00 1,827.78	0.39% 819.86	A2 / A AA-	0.35 0.34
369550BA5	General Dynamics Corp Note 2.875% Due 5/11/2020	1,000,000.00	05/29/2019 2.47%	1,003,750.00 1,002,080.92	100.50 1.92%	1,005,010.00 13,576.39	0.78% 2,929.08	A2 / A+ NR	0.53 0.52
369550BA5	General Dynamics Corp Note 2.875% Due 5/11/2020	500,000.00	Various 2.28%	501,360.00 501,537.58	100.50 1.92%	502,505.00 6,788.20	0.39% 967.42	A2 / A+ NR	0.53 0.52
24422ETS8	John Deere Capital Corp Note 1.95% Due 6/22/2020	500,000.00	Various 2.53%	495,293.00 498,195.43	99.99 1.96%	499,952.00 3,493.75	0.39% 1,756.57	A2 / A A	0.64 0.63
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	1,000,000.00	03/29/2017 2.20%	1,003,460.00 1,000,969.75	100.31 1.95%	1,003,097.00 11,372.22	0.78% 2,127.25	A3 / A A	1.01 0.90
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	350,000.00	03/29/2017 2.20%	351,211.00 350,339.41	100.31 1.95%	351,083.95 3,980.28	0.27% 744.54	A3 / A A	1.01 0.90
24422ETF6	John Deere Capital Corp Note 2.55% Due 1/8/2021	1,000,000.00	01/11/2017 2.36%	1,007,280.00 1,002,175.98	100.81 1.85%	1,008,105.00 8,004.17	0.78% 5,929.02	A2 / A A	1.19 1.16
69353RFH6	PNC Bank Callable Note Cont 12/23/2020 2.5% Due 1/22/2021	250,000.00	07/10/2019 2.28%	250,802.50 250,642.00	100.71 1.86%	251,776.00 1,718.75	0.20% 1,134.00	A2 / A A+	1.23 1.12
02665WCD1	American Honda Finance Note 2.65% Due 2/12/2021	500,000.00	07/10/2019 2.29%	502,770.00 502,236.02	101.02 1.84%	505,105.50 2,907.64	0.39% 2,869.48	A2 / A NR	1.29 1.25
037833BS8	Apple Inc Callable Note Cont 1/23/2021 2.25% Due 2/23/2021	1,000,000.00	01/06/2017 2.22%	1,001,260.00 1,000,402.13	100.62 1.73%	1,006,207.00 4,250.00	0.78% 5,804.87	Aa1 / AA+ NR	1.32 1.21
037833BS8	Apple Inc Callable Note Cont 1/23/2021 2.25% Due 2/23/2021	325,000.00	01/06/2017 2.22%	325,409.50 325,130.69	100.62 1.73%	327,017.28 1,381.25	0.25% 1,886.59	Aa1 / AA+ NR	1.32 1.21
46625HQJ2	JP Morgan Chase Callable Note Cont 2/1/2021 2.55% Due 3/1/2021	500,000.00	Various 2.56%	499,825.00 499,927.14	100.85 1.86%	504,230.50 2,125.00	0.39% 4,303.36	A2 / A- AA-	1.33 1.22
06406FAA1	Bank of NY Mellon Corp Callable Note Cont 03/15/2021 2.5% Due 4/15/2021	1,000,000.00	01/06/2017 2.52%	999,340.00 999,774.62	100.91 1.82%	1,009,142.00 1,111.11	0.78% 9,367.38	A1 / A AA-	1.46 1.35
06406FAA1	Bank of NY Mellon Corp Callable Note Cont 03/15/2021 2.5% Due 4/15/2021	300,000.00	11/09/2017 2.21%	302,862.00 301,216.75	100.91 1.82%	302,742.60 333.33	0.23% 1,525.85	A1 / A AA-	1.46 1.35



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
69353REW4	PNC Bank Callable Note Cont 3/30/2021 2.15% Due 4/29/2021	275,000.00	12/11/2017 2.40%	272,789.00 274,022.71	100.39 1.87%	276,062.88 32.85	0.21% 2,040.17	A2 / A A+	1.50 1.39
69353REW4	PNC Bank Callable Note Cont 3/30/2021 2.15% Due 4/29/2021	1,000,000.00	Various 2.92%	977,920.00 989,030.48	100.39 1.87%	1,003,865.01 119.45	0.77% 14,834.53	A2 / A A+	1.50 1.39
06406FAB9	Bank of NY Mellon Corp Callable Note Cont 4/3/2021 2.05% Due 5/3/2021	500,000.00	Various 2.10%	499,522.50 499,618.66	100.29 1.84%	501,455.50 5,068.06	0.39% 1,836.84	A1 / A AA-	1.51 1.38
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	250,000.00	08/13/2019 2.00%	249,795.00 249,819.87	100.15 1.85%	250,384.75 2,193.75	0.19% 564.88	A1 / A AA-	1.55 1.51
91159HHA1	US Bancorp Callable Note Cont 4/23/2021 4.125% Due 5/24/2021	500,000.00	Various 2.13%	516,935.00 515,172.04	103.33 1.83%	516,642.00 8,994.80	0.40% 1,469.96	A1 / A+ AA-	1.56 1.41
46625HRT9	JP Morgan Chase Callable Note Cont 5/7/2021 2.4% Due 6/7/2021	350,000.00	02/22/2017 2.54%	347,987.50 349,247.09	100.76 1.88%	352,670.15 3,360.00	0.27% 3,423.06	A2 / A- AA-	1.60 1.47
69371RP42	Paccar Financial Corp Note 3.15% Due 8/9/2021	350,000.00	08/06/2018 3.16%	349,891.50 349,935.95	102.44 1.74%	358,544.90 2,511.25	0.28% 8,608.95	A1 / A+ NR	1.78 1.71
69371RP42	Paccar Financial Corp Note 3.15% Due 8/9/2021	1,000,000.00	08/06/2018 3.16%	999,690.00 999,817.00	102.44 1.74%	1,024,414.00 7,175.00	0.79% 24,597.00	A1 / A+ NR	1.78 1.71
02665WBG5	American Honda Finance Note 1.7% Due 9/9/2021	350,000.00	10/01/2018 3.17%	335,692.00 340,950.72	99.73 1.85%	349,059.90 859.44	0.27% 8,109.18	A2 / A NR	1.86 1.81
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.9% Due 9/15/2021	1,000,000.00	06/27/2018 3.10%	963,660.00 978,827.46	100.21 1.78%	1,002,068.00 2,427.78	0.77% 23,240.54	A1 / A+ A	1.88 1.75
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.9% Due 9/15/2021	375,000.00	Various 2.48%	367,590.75 371,116.85	100.21 1.78%	375,775.50 910.41	0.29% 4,658.65	A1 / A+ A	1.88 1.75
02665WCP4	American Honda Finance Note 3.375% Due 12/10/2021	1,000,000.00	10/03/2018 3.39%	999,520.00 999,680.55	103.17 1.84%	1,031,670.00 13,218.75	0.80% 31,989.45	A2 / A NR	2.11 2.01
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	1,000,000.00	05/01/2017 2.41%	1,009,320.00 1,004,400.81	101.61 1.85%	1,016,133.00 7,072.92	0.79% 11,732.19	A1 / A+ AA-	2.24 2.07
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	350,000.00	05/01/2017 2.41%	353,262.00 351,540.28	101.61 1.85%	355,646.55 2,475.52	0.28% 4,106.27	A1 / A+ AA-	2.24 2.07



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	350,000.00	05/12/2017 2.30%	361,480.00 355,828.11	103.45 1.61%	362,071.85 4,841.67	0.28% 6,243.74	Aa2 / AA A+	2.54 2.41
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	1,000,000.00	05/12/2017 2.30%	1,032,800.00 1,016,651.75	103.45 1.61%	1,034,491.00 13,833.33	0.81% 17,839.25	Aa2 / AA A+	2.54 2.41
911312BC9	UPS Callable Note Cont 4/16/2022 2.35% Due 5/16/2022	1,000,000.00	10/01/2018 3.30%	967,750.00 977,368.85	101.13 1.88%	1,011,302.00 10,770.83	0.79% 33,933.15	A2 / A NR	2.54 2.36
911312BC9	UPS Callable Note Cont 4/16/2022 2.35% Due 5/16/2022	350,000.00	10/01/2018 3.30%	338,712.50 342,079.10	101.13 1.88%	353,955.70 3,769.79	0.28% 11,876.60	A2 / A NR	2.54 2.36
95000U2B8	Wells Fargo & Company Note 2.625% Due 7/22/2022	350,000.00	12/11/2017 2.78%	347,725.00 348,655.56	101.35 2.11%	354,732.70 2,526.56	0.28% 6,077.14	A2 / A- A+	2.73 2.60
95000U2B8	Wells Fargo & Company Note 2.625% Due 7/22/2022	1,000,000.00	12/11/2017 2.78%	993,500.00 996,158.74	101.35 2.11%	1,013,522.00 7,218.75	0.79% 17,363.26	A2 / A- A+	2.73 2.60
166764AB6	Chevron Corp Callable Note Cont 9/5/2022 2.355% Due 12/5/2022	350,000.00	07/09/2018 3.17%	338,408.00 341,853.88	101.50 1.81%	355,240.20 3,342.79	0.28% 13,386.32	Aa2 / AA NR	3.10 2.72
24422EUA5	John Deere Capital Corp Note 2.7% Due 1/6/2023	350,000.00	08/16/2018 3.27%	341,918.50 344,130.81	102.43 1.91%	358,514.80 3,018.75	0.28% 14,383.99	A2 / A A	3.19 3.02
89236TEL5	Toyota Motor Credit Corp Note 2.7% Due 1/11/2023	350,000.00	08/16/2018 3.27%	341,838.00 344,065.39	102.79 1.80%	359,769.20 2,887.50	0.28% 15,703.81	Aa3 / AA- A+	3.20 3.03
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	350,000.00	06/18/2018 3.32%	340,081.00 343,027.18	102.04 1.98%	357,157.15 2,473.33	0.28% 14,129.97	A2 / A A	3.24 3.00
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	1,000,000.00	06/18/2018 3.32%	971,660.00 980,077.65	102.04 1.98%	1,020,449.00 7,066.67	0.79% 40,371.35	A2 / A A	3.24 3.00
44932HAH6	IBM Credit Corp Note 3% Due 2/6/2023	350,000.00	09/18/2019 2.20%	359,051.00 358,743.19	103.10 2.01%	360,852.10 2,479.17	0.28% 2,108.91	A2 / A NR	3.27 3.08
44932HAH6	IBM Credit Corp Note 3% Due 2/6/2023	1,000,000.00	10/07/2019 1.88%	1,036,050.00 1,035,368.13	103.10 2.01%	1,031,006.00 7,083.33	0.80% (4,362.13)	A2 / A NR	3.27 3.08
437076AZ5	Home Depot Callable Note Cont 1/1/2023 2.7% Due 4/1/2023	1,000,000.00	04/17/2019 2.73%	999,060.00 999,185.99	102.87 1.76%	1,028,704.00 2,250.00	0.79% 29,518.01	A2 / A A	3.42 3.03
89236TFS9	Toyota Motor Credit Corp Note 3.35% Due 1/8/2024	1,000,000.00	05/20/2019 2.69%	1,028,610.00 1,025,853.84	105.41 2.00%	1,054,100.00 10,515.28	0.82% 28,246.16	Aa3 / AA- A+	4.19 3.87





CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
46625HJT8	JP Morgan Chase Note 3.875% Due 2/1/2024	500,000.00	03/28/2019 2.89%	521,940.00 519,282.86	106.77 2.20%	533,869.00 4,843.75	0.41% 14,586.14	A2 / A- AA-	4.26 3.89
<b>Total US Corporate</b>		<b>27,725,000.00</b>	<b>2.65%</b>	<b>27,734,792.06</b>	<b>1.87%</b>	<b>28,180,768.87</b> <b>209,546.22</b>	<b>21.86%</b> <b>445,976.81</b>	<b>A1 / A+</b> <b>A+</b>	<b>2.06</b> <b>1.92</b>

<b>US TREASURY</b>									
912796SS9	US Treasury Bill 1.92% Due 11/14/2019	2,500,000.00	08/27/2019 1.95%	2,489,600.00 2,498,260.64	99.93 1.95%	2,498,260.64 0.00	1.92% 0.00	P-1 / A-1+ F-1+	0.04 0.04
912796SS9	US Treasury Bill 1.92% Due 11/14/2019	825,000.00	08/27/2019 1.95%	821,568.00 824,426.01	99.93 1.95%	824,426.01 0.00	0.63% 0.00	P-1 / A-1+ F-1+	0.04 0.04
912828U32	US Treasury Note 1% Due 11/15/2019	250,000.00	07/25/2018 2.54%	245,097.66 249,856.12	99.97 1.79%	249,918.50 1,154.89	0.19% 62.38	Aaa / AA+ AAA	0.04 0.04
912828UB4	US Treasury Note 1% Due 11/30/2019	250,000.00	05/14/2019 2.44%	248,066.41 249,718.22	99.93 1.82%	249,830.25 1,051.91	0.19% 112.03	Aaa / AA+ AAA	0.08 0.08
912828UB4	US Treasury Note 1% Due 11/30/2019	1,250,000.00	07/18/2019 2.15%	1,244,775.39 1,248,869.30	99.93 1.82%	1,249,151.25 5,259.56	0.97% 281.95	Aaa / AA+ AAA	0.08 0.08
912828UB4	US Treasury Note 1% Due 11/30/2019	850,000.00	Various 1.90%	848,009.77 849,394.86	99.93 1.82%	849,422.85 3,576.51	0.66% 27.99	Aaa / AA+ AAA	0.08 0.08
912828N8	US Treasury Note 1.875% Due 12/31/2019	250,000.00	07/17/2018 2.56%	247,587.89 249,727.45	100.01 1.81%	250,021.75 1,579.48	0.19% 294.30	Aaa / AA+ AAA	0.17 0.17
912796TC3	US Treasury Bill 2.038% Due 1/23/2020	300,000.00	07/30/2019 2.09%	297,010.93 298,582.92	99.53 2.09%	298,582.92 0.00	0.23% 0.00	P-1 / A-1+ F-1+	0.23 0.23
912828W22	US Treasury Note 1.375% Due 2/15/2020	2,000,000.00	02/27/2019 2.54%	1,977,968.75 1,993,365.59	99.91 1.67%	1,998,282.00 5,828.80	1.54% 4,916.41	Aaa / AA+ AAA	0.29 0.29
912828W22	US Treasury Note 1.375% Due 2/15/2020	700,000.00	02/27/2019 2.54%	692,289.06 697,677.96	99.91 1.67%	699,398.70 2,040.08	0.54% 1,720.74	Aaa / AA+ AAA	0.29 0.29
912828W22	US Treasury Note 1.375% Due 2/15/2020	500,000.00	Various 2.35%	494,355.47 498,613.88	99.91 1.67%	499,570.50 1,457.20	0.39% 956.62	Aaa / AA+ AAA	0.29 0.29
912828J50	US Treasury Note 1.375% Due 2/29/2020	1,500,000.00	08/18/2017 1.40%	1,499,184.71 1,499,893.89	99.91 1.64%	1,498,653.00 3,513.05	1.16% (1,240.89)	Aaa / AA+ AAA	0.33 0.33
912828J50	US Treasury Note 1.375% Due 2/29/2020	1,375,000.00	Various 1.43%	1,372,612.04 1,374,735.79	99.91 1.64%	1,373,765.25 3,220.29	1.06% (970.54)	Aaa / AA+ AAA	0.33 0.33

## Holdings Report

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828J50	US Treasury Note 1.375% Due 2/29/2020	500,000.00	07/26/2019 2.10%	497,890.63 498,822.68	99.91 1.64%	499,551.00 1,171.02	0.39% 728.32	Aaa / AA+ AAA	0.33 0.33
912828W63	US Treasury Note 1.625% Due 3/15/2020	250,000.00	05/30/2019 2.37%	248,554.69 249,324.86	100.00 1.63%	249,990.25 524.55	0.19% 665.39	Aaa / AA+ AAA	0.37 0.37
9128284C1	US Treasury Note 2.25% Due 3/31/2020	500,000.00	07/26/2019 2.08%	500,546.88 500,335.69	100.26 1.61%	501,308.50 983.61	0.39% 972.81	Aaa / AA+ AAA	0.42 0.41
912828VA5	US Treasury Note 1.125% Due 4/30/2020	500,000.00	07/23/2019 2.03%	496,562.50 497,785.81	99.76 1.61%	498,808.50 15.63	0.38% 1,022.69	Aaa / AA+ AAA	0.50 0.50
9128284Q0	US Treasury Note 2.5% Due 5/31/2020	2,000,000.00	02/26/2019 2.53%	1,999,296.88 1,999,675.25	100.50 1.63%	2,010,000.00 21,038.25	1.56% 10,324.75	Aaa / AA+ AAA	0.58 0.57
9128284Q0	US Treasury Note 2.5% Due 5/31/2020	700,000.00	02/26/2019 2.53%	699,753.91 699,886.34	100.50 1.63%	703,500.00 7,363.39	0.55% 3,613.66	Aaa / AA+ AAA	0.58 0.57
912828XE5	US Treasury Note 1.5% Due 5/31/2020	500,000.00	07/23/2019 2.02%	497,812.50 498,513.62	99.92 1.63%	499,609.50 3,155.74	0.39% 1,095.88	Aaa / AA+ AAA	0.58 0.57
912828XU9	US Treasury Note 1.5% Due 6/15/2020	825,000.00	08/15/2019 1.81%	822,873.05 823,411.78	99.95 1.58%	824,580.90 4,699.80	0.64% 1,169.12	Aaa / AA+ AAA	0.62 0.61
912828XU9	US Treasury Note 1.5% Due 6/15/2020	2,500,000.00	08/27/2019 1.79%	2,494,238.28 2,495,520.85	99.95 1.58%	2,498,730.00 14,241.80	1.93% 3,209.15	Aaa / AA+ AAA	0.62 0.61
912828XH8	US Treasury Note 1.625% Due 6/30/2020	300,000.00	07/30/2019 2.04%	298,875.00 299,187.31	100.00 1.63%	300,000.00 1,642.66	0.23% 812.69	Aaa / AA+ AAA	0.67 0.66
9128282J8	US Treasury Note 1.5% Due 7/15/2020	600,000.00	02/26/2019 2.53%	591,656.25 595,745.35	99.92 1.62%	599,508.00 2,665.76	0.46% 3,762.65	Aaa / AA+ AAA	0.71 0.70
9128282J8	US Treasury Note 1.5% Due 7/15/2020	1,000,000.00	02/27/2019 2.54%	985,937.51 992,814.99	99.92 1.62%	999,180.00 4,442.93	0.77% 6,365.01	Aaa / AA+ AAA	0.71 0.70
9128282J8	US Treasury Note 1.5% Due 7/15/2020	500,000.00	Various 2.22%	495,693.36 497,526.11	99.92 1.62%	499,590.00 2,221.46	0.39% 2,063.89	Aaa / AA+ AAA	0.71 0.70
9128282Q2	US Treasury Note 1.5% Due 8/15/2020	500,000.00	Various 2.24%	495,009.77 497,142.37	99.91 1.61%	499,551.00 1,589.68	0.39% 2,408.63	Aaa / AA+ AAA	0.79 0.78
9128284Y3	US Treasury Note 2.625% Due 8/31/2020	500,000.00	07/16/2019 1.99%	503,476.56 502,571.47	100.84 1.61%	504,180.50 2,235.58	0.39% 1,609.03	Aaa / AA+ AAA	0.84 0.82
9128282V1	US Treasury Note 1.375% Due 9/15/2020	250,000.00	02/26/2019 2.52%	245,683.59 247,567.25	99.82 1.59%	249,541.00 443.85	0.19% 1,973.75	Aaa / AA+ AAA	0.88 0.86

## Holdings Report

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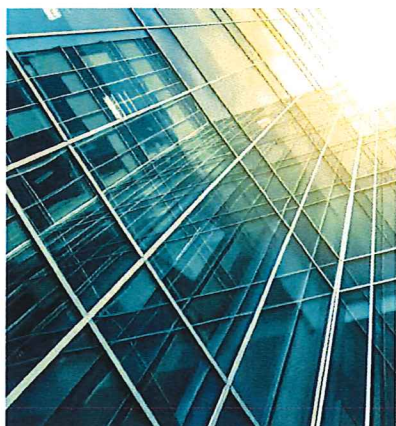
CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
9128282V1	US Treasury Note 1.375% Due 9/15/2020	2,000,000.00	02/26/2019 2.52%	1,965,468.75 1,980,538.04	99.82 1.59%	1,996,328.00 3,550.82	1.54% 15,789.96	Aaa / AA+ AAA	0.88 0.86
9128282V1	US Treasury Note 1.375% Due 9/15/2020	700,000.00	02/26/2019 2.52%	687,914.06 693,188.31	99.82 1.59%	698,714.80 1,242.79	0.54% 5,526.49	Aaa / AA+ AAA	0.88 0.86
912828L65	US Treasury Note 1.375% Due 9/30/2020	500,000.00	Various 2.26%	493,769.53 496,046.87	99.78 1.62%	498,886.50 601.10	0.38% 2,839.63	Aaa / AA+ AAA	0.92 0.90
9128282Z2	US Treasury Note 1.625% Due 10/15/2020	2,500,000.00	08/15/2019 1.72%	2,497,167.97 2,497,679.86	100.04 1.58%	2,500,977.50 1,886.95	1.93% 3,297.64	Aaa / AA+ AAA	0.96 0.94
9128282Z2	US Treasury Note 1.625% Due 10/15/2020	825,000.00	08/15/2019 1.72%	824,065.43 824,234.35	100.04 1.58%	825,322.58 622.69	0.64% 1,088.23	Aaa / AA+ AAA	0.96 0.94
912828L99	US Treasury Note 1.375% Due 10/31/2020	500,000.00	Various 2.09%	495,125.01 496,519.24	99.76 1.62%	498,808.50 18.89	0.38% 2,289.26	Aaa / AA+ AAA	1.00 0.99
9128283G3	US Treasury Note 1.75% Due 11/15/2020	250,000.00	05/20/2019 2.28%	248,085.94 248,662.97	100.13 1.62%	250,322.25 2,021.06	0.19% 1,659.28	Aaa / AA+ AAA	1.04 1.02
9128285S5	US Treasury Note 2.5% Due 12/31/2020	250,000.00	04/29/2019 2.34%	250,664.06 250,462.99	101.02 1.62%	252,539.00 2,105.98	0.20% 2,076.01	Aaa / AA+ AAA	1.17 1.14
912828N89	US Treasury Note 1.375% Due 1/31/2021	650,000.00	10/30/2018 2.87%	629,001.95 638,340.09	99.73 1.59%	648,273.60 2,258.66	0.50% 9,933.51	Aaa / AA+ AAA	1.25 1.23
912828N89	US Treasury Note 1.375% Due 1/31/2021	1,425,000.00	Various 2.04%	1,402,617.02 1,413,457.26	99.73 1.59%	1,421,215.20 4,951.68	1.10% 7,757.94	Aaa / AA+ AAA	1.25 1.23
912828B58	US Treasury Note 2.125% Due 1/31/2021	500,000.00	07/23/2019 1.91%	501,601.56 501,314.03	100.66 1.59%	503,281.00 2,685.12	0.39% 1,966.97	Aaa / AA+ AAA	1.25 1.22
9128283X6	US Treasury Note 2.25% Due 2/15/2021	250,000.00	04/12/2019 2.42%	249,238.28 249,464.98	100.83 1.60%	252,080.00 1,192.26	0.20% 2,615.02	Aaa / AA+ AAA	1.30 1.26
912828WG1	US Treasury Note 2.25% Due 4/30/2021	500,000.00	10/30/2019 1.69%	504,101.56 504,094.06	100.96 1.60%	504,824.00 30.91	0.39% 729.94	Aaa / AA+ AAA	1.50 1.47
912828R77	US Treasury Note 1.375% Due 5/31/2021	1,500,000.00	03/06/2018 2.47%	1,449,375.00 1,475,266.19	99.66 1.60%	1,494,843.00 8,678.28	1.16% 19,576.81	Aaa / AA+ AAA	1.58 1.55
9128286V7	US Treasury Note 2.125% Due 5/31/2021	250,000.00	08/02/2019 1.77%	251,591.80 251,381.16	100.83 1.59%	252,080.00 2,235.31	0.20% 698.84	Aaa / AA+ AAA	1.58 1.54
912828R77	US Treasury Note 1.375% Due 5/31/2021	450,000.00	09/17/2019 1.81%	446,712.89 446,945.79	99.66 1.60%	448,452.90 2,603.48	0.35% 1,507.11	Aaa / AA+ AAA	1.58 1.55



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828T34	US Treasury Note 1.125% Due 9/30/2021	1,575,000.00	Various 1.69%	1,539,512.12 1,558,705.97	99.17 1.57%	1,561,957.43 1,549.18	1.20% 3,251.46	Aaa / AA+ AAA	1.92 1.88
912828T34	US Treasury Note 1.125% Due 9/30/2021	4,050,000.00	Various 1.69%	3,958,443.25 4,008,017.65	99.17 1.57%	4,016,461.95 3,983.61	3.10% 8,444.30	Aaa / AA+ AAA	1.92 1.88
912828U65	US Treasury Note 1.75% Due 11/30/2021	875,000.00	Various 2.72%	846,950.20 858,214.29	100.41 1.55%	878,554.25 6,442.96	0.68% 20,339.96	Aaa / AA+ AAA	2.08 2.02
912828U65	US Treasury Note 1.75% Due 11/30/2021	450,000.00	Various 2.70%	436,092.77 441,526.29	100.41 1.55%	451,827.90 3,313.52	0.35% 10,301.61	Aaa / AA+ AAA	2.08 2.02
912828W89	US Treasury Note 1.875% Due 3/31/2022	550,000.00	07/31/2018 2.81%	532,275.39 538,329.31	100.81 1.53%	554,468.75 901.64	0.43% 16,139.44	Aaa / AA+ AAA	2.42 2.35
912828W89	US Treasury Note 1.875% Due 3/31/2022	1,000,000.00	07/31/2018 2.81%	967,773.44 978,780.57	100.81 1.53%	1,008,125.00 1,639.34	0.78% 29,344.43	Aaa / AA+ AAA	2.42 2.35
912828XR6	US Treasury Note 1.75% Due 5/31/2022	1,100,000.00	Various 2.75%	1,063,132.81 1,073,160.53	100.57 1.52%	1,106,273.30 8,099.72	0.86% 33,112.77	Aaa / AA+ AAA	2.58 2.50
912828W48	US Treasury Note 2.125% Due 2/29/2024	1,250,000.00	04/15/2019 2.37%	1,236,035.16 1,237,596.40	102.47 1.53%	1,280,908.75 4,524.38	0.99% 43,312.35	Aaa / AA+ AAA	4.33 4.12
912828W48	US Treasury Note 2.125% Due 2/29/2024	500,000.00	04/29/2019 2.32%	495,605.47 496,065.83	102.47 1.53%	512,363.50 1,809.75	0.40% 16,297.67	Aaa / AA+ AAA	4.33 4.12
912828X70	US Treasury Note 2% Due 4/30/2024	600,000.00	05/30/2019 2.09%	597,609.38 597,814.37	102.00 1.54%	612,023.40 32.97	0.47% 14,209.03	Aaa / AA+ AAA	4.50 4.29
<b>Total US Treasury</b>		<b>49,475,000.00</b>	<b>2.13%</b>	<b>48,921,918.24 49,184,761.76</b>	<b>1.63%</b>	<b>49,506,825.83 166,100.53</b>	<b>38.25% 322,064.07</b>	<b>Aaa / AA+ AAA</b>	<b>1.12 1.09</b>
				<b>127,258,137.43</b>		<b>129,226,297.65</b>	<b>100.00%</b>	<b>Aa1 / AA</b>	<b>1.64</b>
<b>TOTAL PORTFOLIO</b>		<b>128,034,146.28</b>	<b>2.34%</b>	<b>127,702,893.73</b>	<b>1.70%</b>	<b>644,830.84</b>	<b>1,523,403.92</b>	<b>AAA</b>	<b>1.57</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>129,871,128.49</b>			



OCTOBER 2019



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Since 1988, Chandler Asset Management has specialized in providing fixed income investment solutions to risk-averse public agencies and institutions. Chandler's mission is to provide fully customizable, client-centered portfolio management that preserves principal, mitigates risk and generates income in our clients' portfolios.

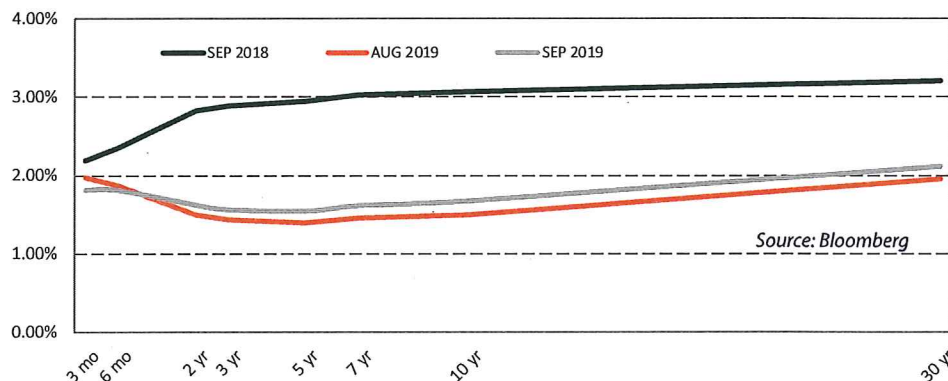
## Market Summary

Labor market and consumer fundamentals remain favorable, but manufacturing data continue to disappoint. We believe economic growth has slowed from earlier this year and downside risks to the outlook remain elevated. The US economy continues to face headwinds from trade disputes, slowing global economic growth, and an uncertain outlook for Brexit. However, we believe accommodative US monetary policy and a collective dovish stance by all of the major global central banks should help to combat the headwinds. We also believe the Trump administration faces significant political pressure to make progress toward a trade agreement with China as we head into an election year.

The Federal Open Market Committee (FOMC) lowered the target fed funds rate by 25 basis points in September (for the second time this year) to a range of 1.75%-2.00%. There were three dissenting votes; one policymaker favored a 50-basis point rate cut, and two policymakers favored leaving the fed funds rate unchanged. According to the Fed's dot plot, only seven out of 17 policymakers are anticipating another rate cut before year-end. Although there is a growing disparity among policymakers about the appropriate path of monetary policy, Fed Chair Powell's press conference suggested the Fed will be flexible and data dependent. Powell indicated more rate cuts may be appropriate if the economy slows further, but the Fed is not on a preset course. We continue to believe the FOMC is likely to cut the fed funds target rate again before year-end, in the absence of a trade resolution or meaningful improvement in market-based measures of inflation. The next FOMC meeting is scheduled for October 29-30.

The Treasury yield curve steepened modestly in September, although the curve remains partially inverted. The 3-month T-bill yield declined nearly 17 basis points to 1.81%, the 2-year Treasury yield increased nearly twelve basis points to 1.62%, and the 10-year Treasury yield increased about 17 basis points to 1.67%. An inversion of the yield curve in which the 10-year Treasury yield is lower than the 3-month T-bill yield is generally viewed as a powerful predictive signal of an upcoming recession. However, we believe increased short-term Treasury issuance to fund the deficit, and negative sovereign bond yields in other countries may be distorting the US Treasury yield curve. German sovereign bond yields (from 1-month out to 30-years) remained negative at September month-end.

## The Treasury Yield Curve Remains Partially Inverted



The shape of the Treasury yield curve has changed significantly on a year-over-year basis. As of September month-end, the 3-month T-bill yield was down 39 basis points, the 2-Year Treasury yield was down nearly 120 basis points, and the 10-Year Treasury yield was down nearly 140 basis points, year-over-year. The current shape of the yield curve implies that market participants are pricing-in additional rate cuts. We believe the year-over-year decline in long-term Treasury yields reflects a high level of market participants' nervousness about the outlook for global economic growth and a decline in global inflation expectations.

TREASURY YIELDS	Trend (▲/▼)	9/30/2019	8/31/2019	Change
3-Month	▼	1.81	1.98	(0.17)
2-Year	▲	1.62	1.50	0.12
3-Year	▲	1.56	1.43	0.13
5-Year	▲	1.54	1.39	0.15
7-Year	▲	1.61	1.45	0.16
10-Year	▲	1.67	1.50	0.17
30-Year	▲	2.11	1.96	0.15

Source: Bloomberg



# BOND MARKET REVIEW

## Economic Roundup

### Consumer Prices

The Consumer Price Index (CPI) was up 1.7% year-over-year in August, versus up 1.8% year-over-year in July. Core CPI (CPI less food and energy) was up 2.4% year-over-year in August, versus up 2.2% year-over-year in July. The Personal Consumption Expenditures (PCE) index was up 1.4% year-over-year in August, unchanged from July. Core PCE, which is the Fed's primary inflation gauge, was up 1.8% year-over-year in August versus 1.7% year-over-year in July. Core PCE remains below the Fed's 2.0% inflation target.

### Retail Sales

Retail sales in August were moderately above consensus expectations, coming in at 0.4% compared to the 0.2% estimate. Excluding auto and gas, retail sales were up 0.1% compared to expectations for a 0.2% increase. On a year-over-year basis, retail sales increased by 4.1%, a modest increase from the prior year-over-year number of 3.6%.

### Labor Market

U.S. nonfarm payrolls rose by 136,000 in September, slightly below expectations of 145,000. However, August payrolls were revised higher by 38,000. On a trailing 3-month and 6-month average basis, payrolls increased an average of about 157,000 and 154,000 per month, respectively. The unemployment rate declined to 3.5% (the lowest rate since December 1969) from 3.7% in August, and the participation rate held steady at 63.2%. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, dropped to 6.9% in September from 7.2% in August. Wages were flat in September, missing expectations for a 0.3% increase, and the average workweek was unchanged. On a year-over-year basis, wages were up 2.9% in September, versus up 3.2% in August.

### Housing Starts

Housing starts were much stronger than expected in August, up 12.3% month-over-month to a 1.364 million annualized rate. Multi-family starts jumped 32.8% month-over-month to an annualized rate of 445,000, while single-family starts rose 4.4% to an annualized rate of 919,000. On a year-over-year basis, total housing starts were up 6.6% in August. Permits were also stronger than expected in the month. Although housing data tends to be volatile on a month-over-month basis, the August report and three-month moving averages suggest that housing activity is accelerating.

### Credit Spreads Narrowed Slightly in September

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top rated commercial paper	0.15	0.10	0.05
2-year A corporate note	0.38	0.47	(0.09)
5-year A corporate note	0.64	0.69	(0.05)
5-year Agency note	0.08	0.08	0

Source: Bloomberg

Data as of 9/30/2019

### Economic Data Remains Consistent with Slow Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(54.9) \$Bln AUG 19	(54.0) \$Bln JUL 19	(54.9) \$Bln AUG 18
GDP	2.0% JUN 19	3.1% MAR 19	3.5% JUN 18
Unemployment Rate	3.5% SEP 19	3.7% AUG 19	3.7% SEP 18
Prime Rate	5.0% SEP 19	5.25% AUG 19	5.25% SEP 18
CRB Index	173.9399 SEP 19	170.3556 AUG 19	195.1592 SEP 18
Oil (West Texas Int.)	\$54.07 SEP 19	\$55.1 AUG 19	\$73.25 SEP 18
Consumer Price Index (y/o/y)	1.7% AUG 19	1.8% JUL 19	2.7% AUG 18
Producer Price Index (y/o/y)	0.2% AUG 19	0.8% JUL 19	3.7% AUG 18
Dollar/Euro	1.09 SEP 19	1.10 AUG 19	1.160 SEP 18

Source: Bloomberg

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## Market Data

### World Indices

data as of 9/30/2019

	Diff (8/31/19)	% Change
S&P 500		
2,976.74	50.28	1.72%
NASDAQ		
7,999.34	36.46	0.46%
DOW JONES		
26,916.83	513.55	1.95%
FTSE (UK)		
7,408.21	201.03	2.79%
DAX (Germany)		
12,428.08	488.80	4.09%
Hang Seng (Hong Kong)		
26,092.27	367.54	1.43%
Nikkei (Japan)		
21,755.84	1,051.47	5.08%

Source: Bloomberg



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