



## **Report to City Council**

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**TO:** Mayor and City Council

**FROM:** Brian Mohan, Assistant City Manager

**AGENDA DATE:** March 1, 2022

**TITLE:** RECEIPT OF QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2021

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### **RECOMMENDED ACTION**

#### **Recommendations:**

1. Receive and file the Quarterly Investment Report for quarter ended December 31, 2021, in compliance with the City's Investment Policy.

### **SUMMARY**

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended December 31, 2021. This report is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

### **DISCUSSION**

The City maintains a portfolio of investments in order to earn interest on cash balances that are not currently required to fund operations. California Government Code Sections 53601 and 53646 establish the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the reporting practices related to the portfolios of local agencies. In keeping with best practices the City has implemented an Investment Policy, which was last reviewed by the City Council on April 7, 2020. The policy is in full compliance with the requirements of both of the above-mentioned Code Sections.

The attached Quarterly Investment Report presents the City’s cash and investments for the quarter that ended December 31, 2021. The report complies with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City’s Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City’s investment policy has set the primary goals of the portfolio management as Safety and Liquidity followed by Yield. The City’s cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City’s pooled investment funds with the Local Agency Investment Fund (LAIF). LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined use of a conservative approach to evaluating cash flow needs and LAIF liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment.

The table shows some of the key portfolio measures for the month.

	Portfolio Balance	Avg. Yield to Maturity Trends		
		Dec 2021	Nov 2021	Dec 2020
Investments	\$195,311,898	1.32%	1.35%	1.75%
LAIF	\$ 92,300,067	0.212%	0.203%	0.540%

Bond proceeds are held and invested by a Trustee. The investment of these funds is governed by an investment policy approved by the City Council as a part of the governing documents for each specific bond issue. Deferred Compensation Plan funds are not included in the report since these funds are held and invested by the respective plan administrators based on the direction of the participating employees. These funds are placed in a trust separate from City funds.

**ALTERNATIVES**

1. Receive and file the Quarterly Investment Report for December 31, 2021. **Staff recommends this alternative as it accomplishes timely investment reporting.**
2. Do not accept and file the Quarterly Investment Report and provide staff with additional direction. **Staff does not recommend this alternative as it will not accomplish timely investment reporting.**

**FISCAL IMPACT**

For additional information regarding the bond market, please see the attached Bond Market Review provided by Chandler Asset Management.

## **NOTIFICATION**

Publication of the agenda

## **PREPARATION OF STAFF REPORT**

Prepared By:  
Dena Heald  
Deputy Finance Director

Department Head Approval:  
Brian Mohan  
Assistant City Manager

## **CITY COUNCIL GOALS**

None

## **CITY COUNCIL STRATEGIC PRIORITIES**

- 1. Economic Development**
- 2. Public Safety**
- 3. Library**
- 4. Infrastructure**
- 5. Beautification, Community Engagement, and Quality of Life**
- 6. Youth Programs**

## **ATTACHMENTS**

- 1. 2021-12 Investment Report**
- 2. CAM-Newsletter-December-2021**

# CITY OF MORENO VALLEY

## Treasurer's Cash and Investments Report

December 2021

General Portfolio	Cost Value	Market Value	Par Value	Average Maturity (in years)	Average Yield to Maturity	Average Duration (in years)
Bank Accounts	7,015,546	7,015,546	7,015,546			
State of California LAIF Pool	92,300,067	92,063,698	92,300,067	0.94	0.212%	
Investments	196,821,935	196,675,399	195,311,898	2.67	1.32%	2.60
<b>Total General Portfolio</b>	<b>296,137,548</b>	<b>295,754,643</b>	<b>294,627,511</b>			
<b>Total Funds with Fiscal Agents</b>		<b>7,040,765</b>				
<b>Total Investment Portfolio</b>		<b>302,795,408</b>				

1. I hereby certify that the investments are in compliance with the investment policy adopted by the City Council. There are no items of non-compliance for this period.
2. The market values for the investments in the General Portfolio are provided by the City's investment advisors.
3. The market value for LAIF is provided by the State Treasurer's Office.
4. The market values for investments held by fiscal agents are provided by each respective trustee or fiscal agent.
5. The City has the ability to meet its budgeted expenditures for the next six months pending any future action by City Council or any unforeseen catastrophic event.

/S/ Brian Mohan  
City Treasurer

## PORTFOLIO PERFORMANCE - 36 MONTH TREND

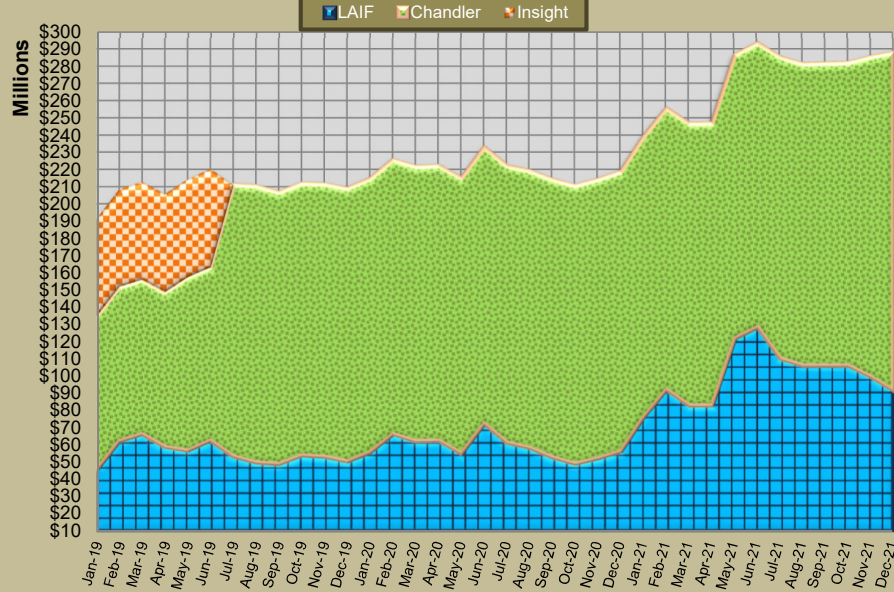
Period	Total General Portfolio (1)		Local Agency Investment Fund (LAIF)		Chandler Asset Management (CAM)				Insight Asset Management			
	Asset Balance (par)	Avg YTM (2)	Balance	Yield	Asset Balance (par)	Weighted Avg YTM (2)	Rate of Return (3)		Asset Balance (par)	Weighted Avg YTM (2)	Rate of Return (3)	
							Investment Portfolio (4)	Benchmark 1-3 Gov(5)			Investment Portfolio (4)	Benchmark 1-3 Gov(5)
Jan-19	195,050,449		45,553,390	2.355%	89,373,064	2.15%	2.50%	2.45%	56,704,121	1.96%	0.31%	2.40%
Feb-19	211,740,422		62,553,390	2.392%	89,552,434	2.17%	2.84%	2.68%	56,761,069	2.13%	0.29%	2.44%
Mar-19	216,770,725		66,553,390	2.436%	89,668,393	2.21%	3.40%	3.28%	56,827,466	2.11%	0.47%	2.72%
Apr-19	206,696,569		59,210,262	2.445%	89,757,226	2.23%	3.83%	3.76%	56,986,412	2.10%	1.12%	3.08%
May-19	217,014,248		56,910,262	2.449%	100,691,487	2.25%	4.22%	4.27%	57,041,732	2.06%	1.51%	2.52%
Jun-19	225,003,102		62,910,263	2.428%	100,533,542	2.19%	4.88%	5.01%	57,126,387	1.98%	1.85%	2.57%
Jul-19	215,879,596	2.16%	53,598,980	2.379%	157,563,906	2.15%	-0.05%	-0.15%				
Aug-19	209,798,005	2.17%	50,148,980	2.341%	160,310,760	2.15%	5.44%	5.65%				
Sep-19	211,426,202	2.14%	49,048,980	2.280%	157,687,693	2.13%	5.46%	5.69%				
Oct-19	214,964,798	2.12%	54,181,584	2.190%	157,861,930	2.14%	5.77%	5.93%				
Nov-19	214,680,646	2.08%	53,481,584	2.103%	158,054,077	2.13%	5.33%	5.39%				
Dec-19	212,612,925	2.06%	50,681,584	2.043%	158,388,112	2.12%	4.48%	4.44%				
Jan-20	229,167,101	1.94%	55,970,504	1.967%	158,699,920	2.12%	4.87%	4.91%				
Feb-20	230,049,439	1.99%	66,570,054	1.912%	158,969,268	2.09%	5.79%	6.00%				
Mar-20	225,363,037	1.94%	62,570,054	1.787%	159,105,226	2.06%	5.56%	6.45%				
Apr-20	225,445,326	1.85%	62,878,795	1.648%	159,403,581	2.04%	6.06%	6.63%				
May-20	219,117,777	1.77%	55,278,795	1.363%	159,679,729	1.97%	5.69%	5.90%				
Jun-20	236,772,134	1.68%	72,778,795	1.217%	160,035,042	1.95%	5.34%	5.32%				
Jul-20	226,372,547	1.60%	61,612,184	0.920%	160,406,297	1.93%	5.67%	5.70%				
Aug-20	223,935,560	1.57%	58,612,184	0.784%	160,692,610	1.90%	4.65%	4.45%				
Sep-20	218,568,986	1.54%	53,112,184	0.685%	161,062,847	1.87%	4.82%	4.68%				
Oct-20	215,409,591	1.53%	49,242,648	0.620%	161,363,505	1.85%	4.43%	4.23%				
Nov-20	219,911,125	1.45%	52,542,648	0.576%	161,645,491	1.79%	4.60%	4.43%				
Dec-20	222,707,950	1.41%	56,542,648	0.540%	162,067,058	1.75%	4.59%	4.36%				
Jan-21	247,976,895	1.26%	76,625,187	0.458%	162,426,675	1.72%	3.70%	3.42%				
Feb-21	261,300,356	1.19%	92,625,187	0.407%	162,768,446	1.68%	2.27%	1.89%				
Mar-21	252,962,115	1.18%	83,325,187	0.357%	163,251,768	1.64%	1.56%	0.49%				
Apr-21	258,986,067	1.14%	83,309,833	0.339%	163,515,676	1.64%	1.10%	0.34%				
May-21	293,505,179	1.01%	122,550,449	0.315%	163,706,976	1.59%	0.83%	0.25%				
Jun-21	300,785,514	0.95%	129,050,449	0.262%	164,046,885	1.54%	0.31%	-0.09%				
Jul-21	289,495,404	0.96%	110,832,982	0.221%	174,080,540	1.45%	0.39%	0.04%				
Aug-21	286,942,097	0.93%	106,832,983	0.221%	174,309,851	1.40%	0.29%	0.01%				
Sep-21	288,344,781	0.92%	106,832,983	0.206%	174,624,047	1.38%	0.02%	-0.27%				
Oct-21	288,711,262	0.91%	106,900,067	0.203%	174,923,444	1.38%	-0.42%	-0.63%				
Nov-21	294,654,846	0.92%	100,300,067	0.203%	184,906,704	1.35%	-0.62%	-0.71%				
Dec-21	294,627,511	0.94%	92,300,067	0.212%	195,311,898	1.32%	-0.95%	-1.05%				

Notes:

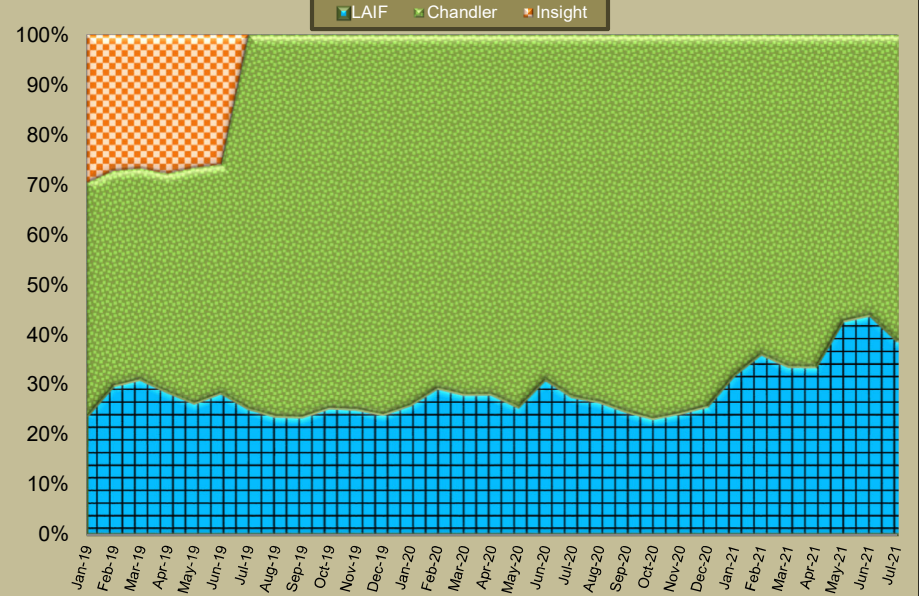
- (1) Total General Portfolio includes all assets that comprise the City's Investment Portfolio which is LAIF as well as assets managed by Chandler Asset Management.
- (2) Yield to Maturity (YTM): The rate of return on an investment or security if it were to be held until maturity. This yield does not reflect changes in the market value of a security
- (3) Rate of Return represents the gain or loss on an investment or portfolio of investments over a specified period, expressed as a percentage of increase over the initial investment cost. Gains on investments are considered to be any income received from the security or portfolio plus any realized capital gain. This measure of return recognizes the changes in market values of a security or portfolio of securities.
- (4) The Rate of Return for the investment portfolio reflects the performance of the portfolio during the past twelve months.
- (5) The portfolio benchmark is the ICE Bank of America-Merrill Lynch 1 to 5 year Government Index

# PORTFOLIO PERFORMANCE - 36 MONTH TREND

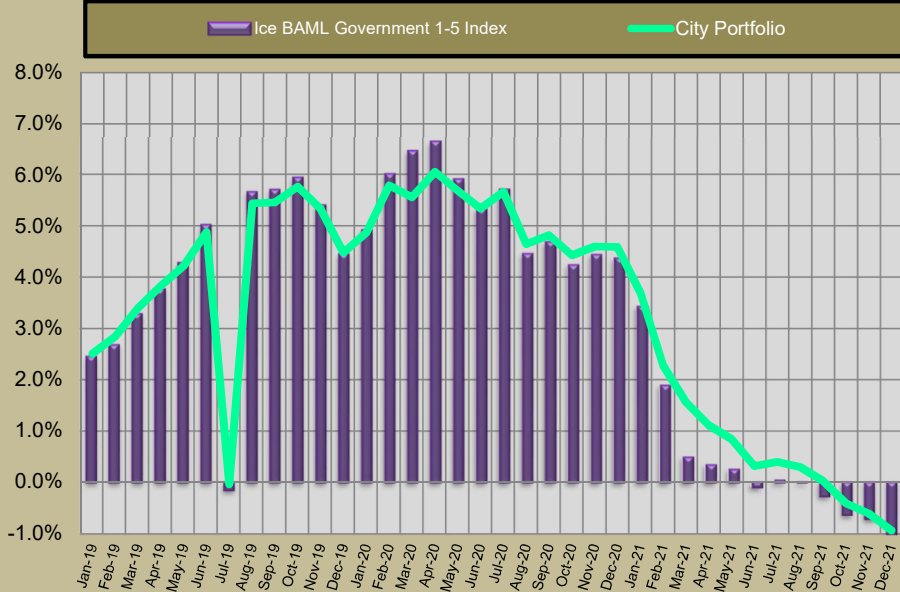
## Portfolio Balances Trend (\$)



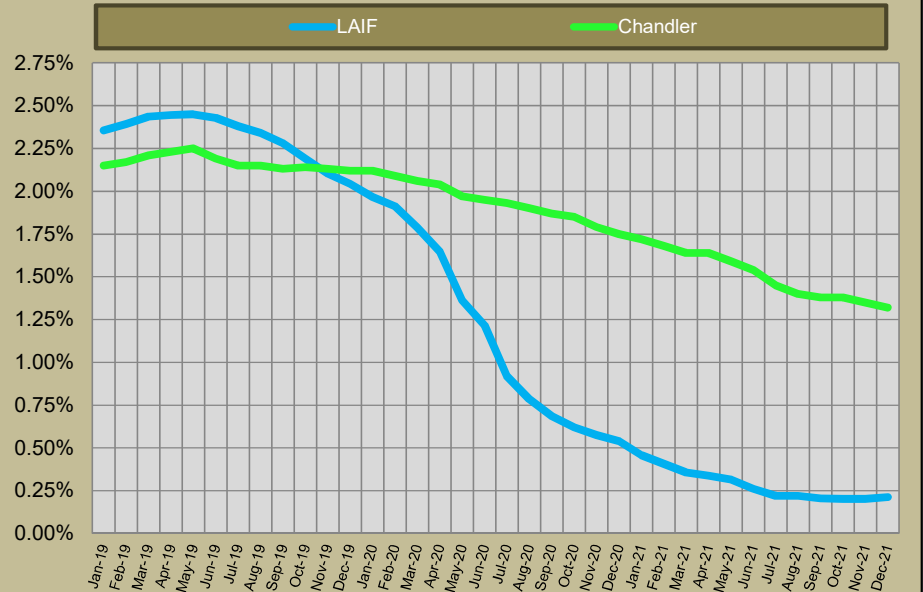
## Portfolio Balances Trend (%)



## Benchmark Comparison



## Avg Yield to Maturity Trend



### PORTFOLIO CHARACTERISTICS

The portfolio invested in LAIF represents the City's immediate cash liquidity needs and is managed by City staff in a manner to fund the day to day operations of the City.

The portfolio managed by Chandler is comprised of idle cash balances related to funds that generally expect to expend cash with the next 12 to 60 months.

## FUNDS WITH FISCAL AGENTS

### By Investment Type

Trustee	Bond Description	Investment Type	Issuer	Value Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio
Wells Fargo	CFD # 5	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 6	0.01%	0.01%	1.00	0.00%
Wells Fargo	Community Facilities District 87-1 (IA-1)	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 583,403	0.01%	0.01%	1.00	8.29%
Wells Fargo	2013 Partial Refunding of the 2005 Lease Revenue Bonds	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 12	0.01%	0.01%	1.00	0.00%
Wells Fargo	2014 Partial Refunding of the 2005 Lease Revenue Bonds	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 4	0.01%	0.01%	1.00	0.00%
Wells Fargo	2016 Community Facilities District 7 Improvement Area 1	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 247,363	0.01%	0.01%	1.00	3.51%
Wells Fargo	2017 Refunding of the 2007 RDA TABs	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 753,519	0.01%	0.01%	1.00	10.70%
Wells Fargo	2019 Taxable Lease Revenue Bonds (Electric Utility)	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 5,455,647	0.01%	0.01%	1.00	77.49%
Wilmington Trust	2020 Taxable Refunding of the 2013 TRIP COPs	Money Market	Federated Hermes Gov Fund	12/31/2021	1/1/2022	\$ 806	0.00%	0.00%	1.00	0.01%
Wells Fargo	2015 Taxable Refunding Lease Revenue Bonds (Electric Utility)	Cash		12/31/2021	1/1/2022	\$ -	0.00%	0.00%	1.00	0.00%
Wells Fargo	2021 Taxable Refunding Lease Revenue Bonds (Electric Utility)	Money Market	WF Government Fund	12/31/2021	1/1/2022	\$ 5	0.01%	0.01%	1.00	0.00%
<b>Total</b>						<b>\$ 7,040,765</b>				<b>100%</b>

### By Fund Purpose

Trustee	Bond Description	Construction fund	Debt Service	Reserve & Other	Total
Wells Fargo	CFD # 5	\$0	\$0	\$6	\$6
Wells Fargo	Community Facilities District 87-1 (IA-1)	\$0	\$559,915	\$23,488	\$583,403
Wells Fargo	2013 Partial Refunding of the 2005 Lease Revenue Bonds	\$0	\$12	\$0	\$12
Wells Fargo	2014 Partial Refunding of the 2005 Lease Revenue Bonds	\$0	\$4	\$0	\$4
Wells Fargo	2016 Community Facilities District 7 Improvement Area 1	\$0	\$14	\$247,349	\$247,363
Wells Fargo	2017 Refunding of the 2007 RDA TABs	\$0	\$753,519	\$0	\$753,519
Wells Fargo	2019 Taxable Lease Revenue Bonds (Electric Utility)	\$5,455,644	\$3	\$0	\$5,455,647
Wilmington Trust	2020 Taxable Refunding of the 2013 TRIP COPs	\$0	\$806	\$0	\$806
Wells Fargo	2015 Taxable Refunding Lease Revenue Bonds (Electric Utility)	\$0	\$0	\$0	\$0
Wells Fargo	2021 Taxable Refunding Lease Revenue Bonds (Electric Utility)	\$0	\$5	\$0	\$5
<b>Total</b>		<b>\$5,455,644</b>	<b>\$1,314,279</b>	<b>\$270,843</b>	<b>\$7,040,765</b>



CITY OF MORENO VALLEY  
Treasurer's Cash and Investments Report

**FUNDS WITH FISCAL AGENTS**

Account Name	Account Number	Investment	Value Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of of Portfolio
<b>Wells Fargo</b>		<b>CFD # 5</b>							
Series B Revenue	22333500	Cash	12/31/21	01/01/22	0	0.00%	0.00%	1.000	0.000%
Series B Revenue	22333500	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Series A Principal	22333501	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Series A reserve	22333502	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Series B reserve	22333503	Money Market	12/31/21	01/01/22	6	0.01%	0.01%	1.000	0.000%
Series A interest	22333503	Cash	12/31/21	01/01/22	0	0.00%	0.00%	1.000	0.000%
Series B admin fund	22333504	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Series B interest	22333504	Cash	12/31/21	01/01/22	0	0.00%	0.00%	1.000	0.000%
Series B interest	22333507	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Series A Revenue	22333507	Cash	12/31/21	01/01/22	0	0.00%	0.00%	1.000	0.000%
					6				
<b>Wells Fargo</b>		<b>Community Facilities District 87-1 (IA-1)</b>							
Special tax funds	22631800	Cash	12/31/21	01/01/22	0	0.00%	0.00%	1.000	0.000%
Special tax funds	22631800	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Interest acct	22631801	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Reserve fund	22631802	Money Market	12/31/21	01/01/22	2	0.01%	0.01%	1.000	0.000%
Reserve fund	22631804	Money Market	12/31/21	01/01/22	23,486	0.01%	0.01%	1.000	0.334%
Admin exp acct	22631805	Money Market	12/31/21	01/01/22	23	0.01%	0.01%	1.000	0.000%
Surplus acct	22631810	Money Market	12/31/21	01/01/22	195,534	0.01%	0.01%	1.000	2.777%
Special tax funds	22631900	Money Market	12/31/21	01/01/22	2	0.01%	0.01%	1.000	0.000%
Interest acct	22631901	Money Market	12/31/21	01/01/22	38	0.01%	0.01%	1.000	0.001%
Principal fund	22631902	Money Market	12/31/21	01/01/22	1	0.01%	0.01%	1.000	0.000%
Reserve fund	22631904	Money Market	12/31/21	01/01/22	362,668	0.01%	0.01%	1.000	5.151%
Admin exp acct	22631905	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Cost of issuance	22631906	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Surplus acct	22631907	Money Market	12/31/21	01/01/22	1,649	0.01%	0.01%	1.000	0.023%
					583,403				
<b>Wells Fargo</b>		<b>2013 Partial Refunding of the 2005 Lease Revenue Bond</b>							
Revenue fund	48360700	Money Market	12/31/21	01/01/22	12	0.01%	0.01%	1.000	0.000%
Interest fund	48360701	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Principal fund	48360702	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Cost of issuance	48360705	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
					12				



**CITY OF MORENO VALLEY**  
**Treasurer's Cash and Investments Report**

<b>Wells Fargo</b>		<b>2014 Partial Refunding of the 2005 Lease Revenue Bond</b>							
Revenue fund	83478300	Money Market	12/31/21	01/01/22	4	0.01%	0.01%	1.000	0.000%
Interest fund	83478301	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Principal fund	83478302	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Redemption fund	83478303	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
					<u>4</u>				

<b>Wells Fargo</b>		<b>2017 Refunding of the 2007 RDA TABs</b>							
Income fund	49150300	Money Market	12/31/21	01/01/22	753,519	0.01%	0.01%	1.000	10.702%
Interest fund	49150301	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Reserve fund	49150304	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Expense acct	49150305	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Cost of issuance	49150307	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Bond proceeds	49150308	Money Market	12/31/21	01/01/17	0	0.01%	0.01%	1.000	0.000%
					<u>753,519</u>				

<b>Wells Fargo</b>		<b>Community Facilities District 7 Improvement Area 1</b>							
Special tax fund	77025300	Money Market	12/31/21	01/01/22	76,981	0.01%	0.01%	1.000	1.093%
Bond fund	77025301	Money Market	12/31/21	01/01/22	9	0.01%	0.01%	1.000	0.000%
Reserve fund	77025302	Money Market	12/31/21	01/01/22	170,368	0.01%	0.01%	1.000	2.420%
Cost of issuance	77025303	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Improvement fund	77025304	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Admin exp acct	77025305	Money Market	12/31/21	01/01/22	5	0.01%	0.01%	1.000	0.000%
					<u>247,363</u>				

<b>Wells Fargo</b>		<b>2019 Taxable Lease Revenue Bonds (Electric utility)</b>							
Revenue fund	83056100	Money Market	12/31/21	01/01/22	3	0.01%	0.01%	1.000	0.000%
Interest fund	83056101	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Construction fund	83056103	Money Market	12/31/21	01/01/22	5,455,644	0.01%	0.01%	1.000	77.487%
Cost of issuance	83056106	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
					<u>5,455,647</u>				

<b>Wilmington Trust</b>		<b>2020 Taxable Refunding of the 2013 TRIP COPs</b>							
Revenue fund	143629-000	Money Market	12/31/21	01/01/22	0	0.00%	0.00%	1.00	0.000%
Interest fund	143629-001	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.00	0.000%
Principal fund	143629-002	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Reserve fund	143629-003	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.00	0.000%
Admin fund	143629-004	Cash	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Admin fund	143629-004	Money Market	12/31/21	01/01/22	806	0.01%	0.01%	1.00	0.011%
Surplus fund	143629-005	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
					<u>806</u>				

**CITY OF MORENO VALLEY**  
**Treasurer's Cash and Investments Report**

<b>Wells Fargo</b>		<b>2015 Taxable Lease Revenue Bonds (Electric Utility)</b>							
construction fund	84457006	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
construction fund	84457006	Government Pool	12/31/21	01/01/22	0	0.00%	0.00%	1.000	0.000%
cost of issuance	84467007	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
					0				
<b>Wells Fargo</b>		<b>2021 Taxable Refunding Lease Revenue Bonds (Electric)</b>							
Revenue fund	83056107	Money Market	12/31/21	01/01/22	5	0.01%	0.01%	1.000	0.000%
Interest fund	83056108	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Principal fund	83056109	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Acquisition & construc	83056110	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Reserve fund	83056111	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Bond proceeds	83056112	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
Cost of issuance	83056113	Money Market	12/31/21	01/01/22	0	0.01%	0.01%	1.000	0.000%
					5				
					<u>7,040,765</u>				
						100.000%			

<b>Type</b>			
1	1	Construction Funds	5,455,644
2	2	Principal & Interest Accounts	949,934
3	3	Debt Service Reserve Funds	556,530
4	4	Custody Accounts	76,981
5	5	Arbitrage Rebate Accounts	1,649
6	6	Other Accounts	28
		<b>Total Fiscal Agent Funds</b>	<u><u>7,040,765</u></u>



# City of Moreno Valley

## MONTHLY ACCOUNT STATEMENT

DECEMBER 1, 2021 THROUGH DECEMBER 31, 2021

### Chandler Team:

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

### Custodian

US Bank  
Ryan Morris  
(503) 464-3685

**CHANDLER ASSET MANAGEMENT**  
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 CHARACTERISTICS**

Average Modified Duration	2.60
Average Coupon	1.56%
Average Purchase YTM	1.32%
Average Market YTM	0.98%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.85 yrs
Average Life	2.67 yrs

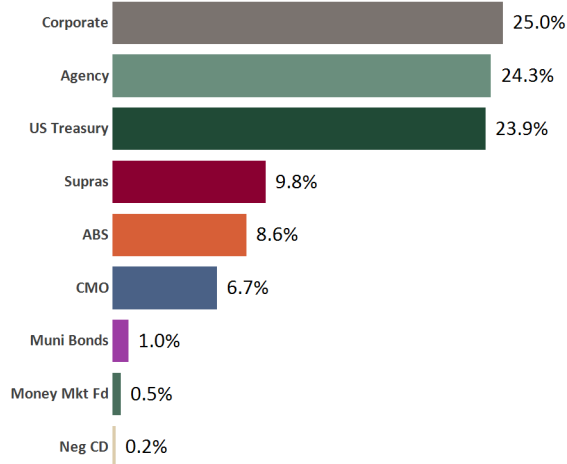
**ACCOUNT SUMMARY**

	Beg. Values as of 11/30/21	End Values as of 12/31/21
Market Value	186,894,410	196,675,399
Accrued Interest	707,563	616,539
<b>Total Market Value</b>	<b>187,601,972</b>	<b>197,291,938</b>
Income Earned	207,094	213,070
Cont/WD		10,006,715
Par	184,906,704	195,311,898
Book Value	185,761,465	196,085,515
Cost Value	186,465,966	196,821,935

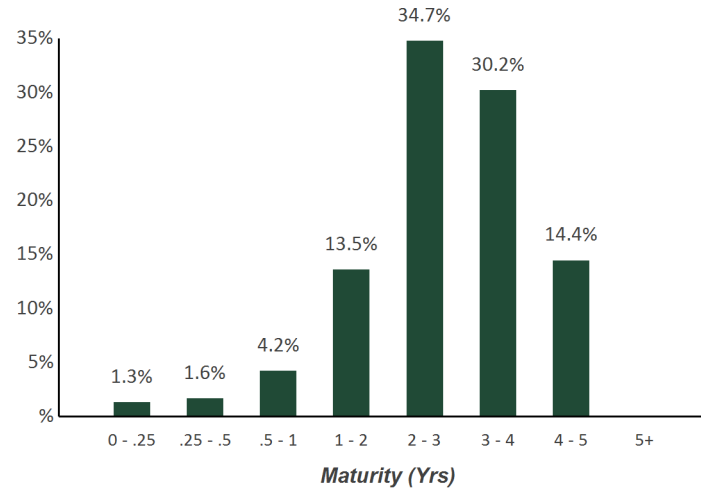
**TOP ISSUERS**

Government of United States	23.9%
Federal Home Loan Mortgage Corp	14.4%
Federal National Mortgage Assoc	10.2%
Federal Home Loan Bank	6.3%
Inter-American Dev Bank	3.7%
International Finance Corp	3.2%
Intl Bank Recon and Development	3.0%
JP Morgan Chase & Co	1.8%
<b>Total</b>	<b>66.5%</b>

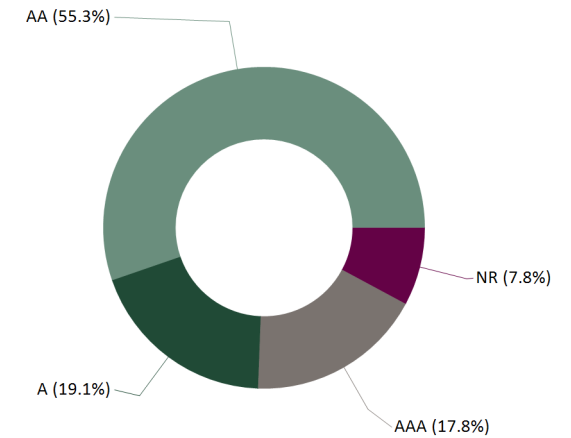
**SECTOR ALLOCATION**



**MATURITY DISTRIBUTION**



**CREDIT QUALITY (S&P)**



**PERFORMANCE REVIEW**

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	5/31/2010
City of Moreno Valley	-0.18%	-0.72%	-0.95%	-0.95%	1.78%	2.68%	2.14%	1.67%	1.85%
ICE BofA 1-5 Yr US Treasury & Agency Index	-0.28%	-0.68%	-1.09%	-1.09%	1.53%	2.41%	1.88%	1.35%	1.56%
ICE BofA 1-5 Yr AAA-A US Corp & Govt Index	-0.25%	-0.68%	-1.05%	-1.05%	1.62%	2.55%	1.99%	1.51%	1.72%

# Statement of Compliance

As of December 31, 2021



## City of Moreno Valley

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
U.S. Agency Issues	No Limitation	Complies
Supranational Securities	"AA" rating by a NRSRO; 30% maximum; 5% max per issuer; Issued by International Bank for Reconstruction (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB) only	Complies
Municipal Securities (Local Agency/State-CA and others)	No Limitation	Complies
Banker's Acceptances	40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1/P-1/F-1" minimum ratings; "A" rated issuer or higher, if long term debt issued; 25% maximum; 5% max per issuer; 270 days max maturity	Complies
Negotiable Certificates of Deposit	30% maximum; 5% max per issuer	Complies
Medium Term Notes	"A" rating or better by a NRSRO; 30% maximum; 5% max per issuer	Complies
Money Market Mutual Funds and Mutual Funds	AAA/Aaa or Highest rating by two NRSROs; 20% maximum	Complies
Certificates of Deposit (CD)/ Time Deposit (TD)/ Bank Deposit (Collateralized/FDIC insured)	5% max per issuer	Complies
Asset-Backed Securities, Mortgage Pass-Through Securities, Collateralized Mortgage Backed Securities	"AA" rating or better by a NRSRO; 20% maximum (combined MBS/ABS/CMO); 5% max per issuer	Complies
Repurchase Agreements	1 year max maturity	Complies
Local Agency Investment Fund (LAIF)	Maximum program limitation; Not used by investment adviser	Complies
County Pooled Investment Funds; Joint Powers Authority Pool	Not used by investment adviser	Complies
Prohibited Securities	Reverse repurchase agreements; Futures or Option contracts; Securities lending; Zero interest accrual securities; Derivatives including but not limited to: Inverse floaters, Interest only strips from mortgages, residual securities, structured notes, forward based derivatives, forward contracts, forward rate agreements, interest rate futures, foreign currency futures contracts, option based derivatives, interest rate caps, interest rate floors, swap contracts, interest rate swaps, interest rate collars, foreign currency swaps, cross currency exchange agreements, fixed rate currency swaps, basis swaps, equity swaps, fixed rate equity swaps, floating rate equity swaps and commodity swaps.	Complies
Max Per Issuer	5% of portfolio per issuer, except US Government, its agencies and instrumentalities	Complies
Maximum Maturity	5 years	Complies
Weighted Average Maturity	3 years	Complies



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>ABS</b>									
58770FAC6	Mercedes Benz Auto Lease Trust 2020-A A3 1.84% Due 12/15/2022	254,255.21	01/21/2020 1.85%	254,221.70 254,244.11	100.27 0.51%	254,932.55 207.92	0.13% 688.44	Aaa / AAA NR	0.96 0.20
65479GAD1	Nissan Auto Receivables Trust 2018-B A3 3.06% Due 3/15/2023	80,800.78	09/16/2019 1.67%	81,924.41 80,858.17	100.21 0.48%	80,967.15 109.89	0.04% 108.98	Aaa / AAA NR	1.20 0.08
47789JAD8	John Deere Owner Trust 2019-A A3 2.91% Due 7/17/2023	292,237.47	08/27/2019 1.90%	298,321.95 293,508.35	100.55 0.36%	293,833.08 377.96	0.15% 324.73	Aaa / NR AAA	1.54 0.22
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.78% Due 8/15/2023	602,922.87	08/20/2019 1.79%	602,917.86 602,921.72	100.57 0.35%	606,363.75 476.98	0.31% 3,442.03	Aaa / AAA NR	1.62 0.40
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.4% Due 11/15/2023	525,000.00	09/15/2020 0.40%	524,973.38 524,988.05	99.88 0.54%	524,369.48 93.33	0.27% (618.57)	NR / AAA AAA	1.87 0.86
477870AC3	John Deere Owner Trust 2019-B A3 2.21% Due 12/15/2023	255,877.09	07/16/2019 2.23%	255,822.76 255,852.95	100.66 0.63%	257,562.55 251.33	0.13% 1,709.60	Aaa / NR AAA	1.96 0.42
92348AAA3	Verizon Owner Trust 2019-C A1A 1.94% Due 4/22/2024	614,960.63	10/01/2019 1.95%	614,913.22 614,936.55	100.69 0.48%	619,174.34 364.53	0.31% 4,237.79	NR / AAA AAA	2.31 0.47
44891VAC5	Hyundai Auto Lease Trust 2021-B A3 0.33% Due 6/17/2024	1,020,000.00	06/08/2021 0.34%	1,019,847.00 1,019,884.09	99.37 0.73%	1,013,614.80 149.60	0.51% (6,269.29)	Aaa / AAA NR	2.46 1.56
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.93% Due 7/15/2024	800,873.18	10/16/2019 1.94%	800,830.89 800,850.50	100.81 0.38%	807,337.83 686.97	0.41% 6,487.33	Aaa / AAA NR	2.54 0.52
43813DAC2	Honda Auto Receivables 2020-2 A3 0.82% Due 7/15/2024	497,534.32	05/18/2020 0.83%	497,495.16 497,510.31	100.18 0.57%	498,423.41 181.32	0.25% 913.10	Aaa / AAA NR	2.54 0.71
47789KAC7	John Deere Owner Trust 2020-A A3 1.1% Due 8/15/2024	752,589.43	03/04/2020 1.11%	752,543.44 752,562.23	100.35 0.58%	755,237.04 367.93	0.38% 2,674.81	Aaa / NR AAA	2.62 0.68
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	870,000.00	09/22/2020 0.38%	869,872.20 869,923.43	99.72 0.65%	867,568.35 116.24	0.44% (2,355.08)	NR / AAA AAA	2.80 0.99
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	1,220,000.00	08/10/2021 0.39%	1,219,983.41 1,219,985.96	99.04 0.91%	1,208,306.30 145.38	0.61% (11,679.66)	NR / AAA AAA	2.81 1.84
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	400,000.00	07/14/2020 0.52%	399,939.04 399,964.34	99.85 0.69%	399,387.60 90.67	0.20% (576.74)	Aaa / NR AAA	2.88 0.83



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>ABS</b>									
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	540,000.00	09/08/2021 0.34%	539,944.27 539,951.51	99.24 0.80%	535,878.19 29.70	0.27% (4,073.32)	Aaa / NR AAA	2.99 1.64
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	695,000.00	10/06/2020 0.36%	694,870.52 694,907.57	99.74 0.64%	693,211.07 108.11	0.35% (1,696.50)	NR / AAA AAA	3.04 0.90
92290BAA9	Verizon Owner Trust 2020-B A 0.47% Due 2/20/2025	1,215,000.00	08/04/2020 0.48%	1,214,744.85 1,214,823.11	99.73 0.71%	1,211,774.18 174.49	0.61% (3,048.93)	Aaa / NR AAA	3.14 1.11
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	415,000.00	02/17/2021 0.27%	414,992.41 414,994.52	99.47 0.71%	412,785.98 31.13	0.21% (2,208.54)	Aaa / NR AAA	3.31 1.21
44891RAC4	Hyundai Auto Receivables Trust 2020-C A3 0.38% Due 5/15/2025	880,000.00	10/20/2020 0.39%	879,797.34 879,869.66	99.57 0.73%	876,223.92 148.62	0.44% (3,645.74)	NR / AAA AAA	3.37 1.21
89240BAC2	Toyota Auto Receivables Owners 2021- A A3 0.26% Due 5/15/2025	1,520,000.00	02/02/2021 0.27%	1,519,717.89 1,519,799.45	99.50 0.67%	1,512,362.00 175.64	0.77% (7,437.45)	Aaa / NR AAA	3.37 1.23
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	720,000.00	04/20/2021 0.38%	719,924.26 719,941.14	99.25 0.84%	714,625.21 121.60	0.36% (5,315.93)	NR / AAA AAA	3.71 1.62
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	615,000.00	11/16/2021 0.89%	614,870.36 614,874.52	99.76 0.99%	613,516.01 150.33	0.31% (1,358.51)	Aaa / NR AAA	4.06 2.13
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	735,000.00	07/13/2021 0.52%	734,934.44 734,942.51	98.86 1.02%	726,624.68 169.87	0.37% (8,317.83)	Aaa / NR AAA	4.21 2.30
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	575,000.00	11/09/2021 0.71%	574,987.75 574,988.23	99.39 1.37%	571,465.48 181.44	0.29% (3,522.75)	NR / AAA AAA	4.29 0.94
44935FAD6	Hyundai Auto Receivables Trust 2021-C A3 0.74% Due 5/15/2026	440,000.00	11/09/2021 0.75%	439,901.79 439,905.62	99.31 1.05%	436,983.36 144.71	0.22% (2,922.26)	NR / AAA AAA	4.37 2.19
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	445,000.00	10/13/2021 0.68%	444,988.65 444,989.31	99.25 1.06%	441,657.61 126.08	0.22% (3,331.70)	Aaa / AAA NR	4.71 1.98
<b>Total ABS</b>		<b>16,982,050.98</b>	<b>0.74%</b>	<b>16,987,280.95</b> <b>16,981,977.91</b>	<b>0.72%</b>	<b>16,934,185.92</b> <b>5,181.77</b>	<b>8.59%</b> <b>(47,791.99)</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>3.01</b> <b>1.20</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>AGENCY</b>									
3137EAEN5	FHLMC Note 2.75% Due 6/19/2023	3,000,000.00	Various 2.40%	3,038,014.00 3,014,809.85	103.15 0.59%	3,094,386.00 2,750.00	1.57% 79,576.15	Aaa / AA+ AAA	1.47 1.44
3137EAEV7	FHLMC Note 0.25% Due 8/24/2023	1,925,000.00	08/19/2020 0.28%	1,923,036.50 1,923,927.05	99.36 0.64%	1,912,687.70 1,697.74	0.97% (11,239.35)	Aaa / AA+ AAA	1.65 1.64
3130A0F70	FHLB Note 3.375% Due 12/8/2023	1,700,000.00	01/16/2019 2.73%	1,749,623.00 1,719,615.81	105.07 0.73%	1,786,247.80 3,665.63	0.91% 66,631.99	Aaa / AA+ AAA	1.94 1.88
3130AB3H7	FHLB Note 2.375% Due 3/8/2024	1,400,000.00	04/29/2019 2.37%	1,400,098.00 1,400,044.03	103.34 0.83%	1,446,804.80 10,436.81	0.74% 46,760.77	Aaa / AA+ NR	2.19 2.12
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	3,000,000.00	Various 1.94%	3,131,160.00 3,064,945.61	104.87 0.87%	3,145,998.00 4,072.92	1.60% 81,052.39	Aaa / AA+ NR	2.45 2.37
3135G0V75	FNMA Note 1.75% Due 7/2/2024	3,000,000.00	07/16/2019 1.96%	2,969,790.00 2,984,778.29	102.21 0.86%	3,066,327.00 26,104.17	1.57% 81,548.71	Aaa / AA+ AAA	2.50 2.43
3130A2UW4	FHLB Note 2.875% Due 9/13/2024	3,000,000.00	09/13/2019 1.79%	3,155,070.00 3,083,826.22	105.11 0.95%	3,153,153.00 25,875.00	1.61% 69,326.78	Aaa / AA+ AAA	2.70 2.59
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,180,000.00	10/17/2019 1.66%	1,177,982.20 1,178,873.84	101.88 0.94%	1,202,212.32 4,048.06	0.61% 23,338.48	Aaa / AA+ AAA	2.79 2.72
3135G0X24	FNMA Note 1.625% Due 1/7/2025	3,210,000.00	Various 1.18%	3,276,100.10 3,251,274.27	101.83 1.01%	3,268,659.54 25,211.87	1.67% 17,385.27	Aaa / AA+ AAA	3.02 2.92
3137EAEP0	FHLMC Note 1.5% Due 2/12/2025	3,590,000.00	02/13/2020 1.52%	3,587,235.70 3,588,276.29	101.46 1.02%	3,642,564.78 20,792.08	1.86% 54,288.49	Aaa / AA+ AAA	3.12 3.02
3130A4CH3	FHLB Note 2.375% Due 3/14/2025	2,750,000.00	03/19/2020 1.18%	2,908,867.50 2,851,954.53	104.21 1.04%	2,865,750.25 19,412.33	1.46% 13,795.72	Aaa / AA+ AAA	3.20 3.07
3135G03U5	FNMA Note 0.625% Due 4/22/2025	2,830,000.00	04/22/2020 0.67%	2,824,170.20 2,826,142.23	98.64 1.04%	2,791,489.36 3,390.10	1.42% (34,652.87)	Aaa / AA+ AAA	3.31 3.26
3135G04Z3	FNMA Note 0.5% Due 6/17/2025	3,400,000.00	Various 0.51%	3,398,324.20 3,399,017.69	98.03 1.08%	3,332,907.80 661.11	1.69% (66,109.89)	Aaa / AA+ AAA	3.46 3.42
3137EAEU9	FHLMC Note 0.375% Due 7/21/2025	3,400,000.00	Various 0.45%	3,388,108.00 3,391,346.51	97.48 1.10%	3,314,303.00 5,666.67	1.68% (77,043.51)	Aaa / AA+ AAA	3.56 3.51
3135G05X7	FNMA Note 0.375% Due 8/25/2025	3,150,000.00	12/16/2020 0.43%	3,141,904.50 3,143,701.40	97.29 1.14%	3,064,606.65 4,134.38	1.56% (79,094.75)	Aaa / AA+ AAA	3.65 3.60
3137EAEX3	FHLMC Note 0.375% Due 9/23/2025	3,385,000.00	Various 0.44%	3,374,969.55 3,377,379.96	97.32 1.11%	3,294,112.75 3,455.52	1.67% (83,267.21)	Aaa / AA+ AAA	3.73 3.68



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>									
3135G06G3	FNMA Note 0.5% Due 11/7/2025	3,400,000.00	Various 0.56%	3,389,186.80 3,391,646.27	97.59 1.14%	3,318,114.40 2,550.00	1.68% (73,531.87)	Aaa / AA+ AAA	3.85 3.79
<b>Total Agency</b>		<b>47,320,000.00</b>	<b>1.21%</b>	<b>47,833,640.25</b> <b>47,591,559.85</b>	<b>0.97%</b>	<b>47,700,325.15</b> <b>163,924.39</b>	<b>24.26%</b> <b>108,765.30</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.95</b> <b>2.88</b>
<b>CMO</b>									
3137BM6P6	FHLMC K721 A2 3.09% Due 8/25/2022	2,385,747.65	Various 2.19%	2,460,245.21 2,397,868.54	100.87 0.66%	2,406,518.09 6,143.29	1.22% 8,649.55	Aaa / NR NR	0.65 0.44
3137B5JM6	FHLMC K034 A2 3.531% Due 7/25/2023	1,500,000.00	08/28/2018 3.03%	1,531,816.41 1,510,137.15	103.64 0.88%	1,554,534.00 4,413.75	0.79% 44,396.85	NR / NR AAA	1.56 1.43
3137B4WB8	FHLMC K033 A2 3.06% Due 7/25/2023	1,500,000.00	08/19/2019 1.90%	1,562,812.50 1,524,984.73	102.99 0.83%	1,544,788.50 765.00	0.78% 19,803.77	Aaa / NR NR	1.56 1.41
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	2,145,000.00	Various 2.79%	2,209,267.38 2,171,274.56	104.12 0.92%	2,233,446.93 1,260.90	1.13% 62,172.37	Aaa / NR AAA	1.82 1.63
3137B7YY9	FHLMC K037 A2 3.49% Due 1/25/2024	3,000,000.00	11/05/2021 0.58%	3,163,242.19 3,152,521.20	104.47 0.96%	3,133,950.00 8,725.00	1.59% (18,571.20)	NR / AAA NR	2.07 1.81
3137BYPQ7	FHLMC K726 A2 2.905% Due 4/25/2024	1,236,296.91	04/22/2019 2.72%	1,245,134.52 1,240,384.37	103.54 1.14%	1,280,090.26 2,992.87	0.65% 39,705.89	NR / AAA NR	2.32 2.07
3137BSP72	FHLMC K058 A2 2.653% Due 8/25/2026	950,000.00	11/12/2021 1.35%	1,004,736.33 1,003,302.61	105.21 1.44%	999,471.25 2,100.29	0.51% (3,831.36)	NR / NR AAA	4.65 4.28
<b>Total CMO</b>		<b>12,717,044.56</b>	<b>1.95%</b>	<b>13,177,254.54</b> <b>13,000,473.16</b>	<b>0.93%</b>	<b>13,152,799.03</b> <b>26,401.10</b>	<b>6.68%</b> <b>152,325.87</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>1.87</b> <b>1.65</b>
<b>CORPORATE</b>									
89233P5T9	Toyota Motor Credit Corp Note 3.3% Due 1/12/2022	1,500,000.00	02/20/2019 2.84%	1,519,035.00 1,500,198.47	100.06 1.40%	1,500,861.00 23,237.50	0.77% 662.53	A1 / A+ A+	0.03 0.03
05531FBG7	Truist Financial Corporation Callable Note Cont 5/20/2022 3.05% Due 6/20/2022	1,800,000.00	07/26/2021 0.17%	1,842,192.00 1,819,746.42	100.98 0.50%	1,817,650.80 1,677.50	0.92% (2,095.62)	A3 / A- A	0.47 0.39



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>CORPORATE</b>									
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 7/28/2022	1,170,000.00	07/25/2017 2.45%	1,169,894.70 1,169,988.01	100.97 0.48%	1,181,308.05 12,182.63	0.60% 11,320.04	A2 / A A+	0.57 0.49
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	665,000.00	08/01/2019 2.27%	673,179.50 667,365.32	101.85 0.75%	677,335.09 7,636.42	0.35% 9,969.77	A2 / A A	1.07 0.97
24422ETG4	John Deere Capital Corp Note 2.8% Due 3/6/2023	780,000.00	Various 2.50%	786,043.20 782,677.04	102.47 0.69%	799,288.62 6,976.66	0.41% 16,611.58	A2 / A A	1.18 1.16
037833AK6	Apple Inc Note 2.4% Due 5/3/2023	715,000.00	11/28/2018 3.54%	681,959.85 705,036.81	102.39 0.60%	732,109.95 2,764.67	0.37% 27,073.14	Aaa / AA+ NR	1.34 1.32
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	335,000.00	07/11/2018 3.49%	334,420.45 334,822.39	104.09 0.76%	348,714.90 5,361.40	0.18% 13,892.51	A3 / A- NR	1.53 1.48
06406RAJ6	Bank of NY Mellon Corp Note 3.45% Due 8/11/2023	1,900,000.00	Various 2.64%	1,960,162.00 1,923,344.23	104.20 0.82%	1,979,822.80 25,491.66	1.02% 56,478.57	A1 / A AA-	1.61 1.56
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,635,000.00	Various 3.02%	1,673,579.30 1,651,339.51	104.84 0.87%	1,714,191.23 13,335.47	0.88% 62,851.72	A3 / A- NR	1.78 1.72
24422EVN6	John Deere Capital Corp Note 0.45% Due 1/17/2024	2,300,000.00	03/01/2021 0.47%	2,298,367.00 2,298,838.69	99.05 0.92%	2,278,129.30 4,715.00	1.16% (20,709.39)	A2 / A A	2.05 2.02
69371RR24	Paccar Financial Corp Note 0.35% Due 2/2/2024	665,000.00	01/28/2021 0.39%	664,228.60 664,463.19	98.68 0.99%	656,212.03 963.33	0.33% (8,251.16)	A1 / A+ NR	2.09 2.07
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	1,500,000.00	Various 2.63%	1,528,695.00 1,513,366.89	102.98 1.00%	1,544,694.00 17,158.33	0.79% 31,327.11	A2 / A- AA-	2.18 1.15
89114QCB2	Toronto Dominion Bank Note 3.25% Due 3/11/2024	1,900,000.00	Various 2.77%	1,940,554.00 1,918,660.67	104.52 1.16%	1,985,838.20 18,868.06	1.02% 67,177.53	A1 / A AA-	2.19 2.11
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	955,000.00	03/16/2021 0.77%	954,522.50 954,648.41	99.57 0.95%	950,902.10 2,049.27	0.48% (3,746.31)	A2 / A A	2.21 2.18
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	2,000,000.00	Various 0.91%	1,985,486.00 1,985,934.22	99.09 0.99%	1,981,782.01 5,868.06	1.01% (4,152.21)	A2 / A+ NR	2.54 2.50
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	1,750,000.00	10/10/2019 2.07%	1,775,567.50 1,763,527.86	103.34 1.04%	1,808,406.25 17,616.67	0.93% 44,878.39	A2 / A+ A+	2.58 2.40



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<b>CORPORATE</b>									
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.35% Due 7/31/2024	500,000.00	08/07/2019 2.11%	527,750.00 513,665.99	105.13 1.12%	525,634.00 7,025.69	0.27% 11,968.01	A2 / A NR	2.58 2.22
69371RR40	Paccar Financial Corp Note 0.5% Due 8/9/2024	865,000.00	08/03/2021 0.52%	864,532.90 864,594.70	98.29 1.17%	850,179.96 1,705.97	0.43% (14,414.74)	A1 / A+ NR	2.61 2.57
69371RQ25	Paccar Financial Corp Note 2.15% Due 8/15/2024	670,000.00	08/08/2019 2.20%	668,519.30 669,224.40	102.43 1.20%	686,313.83 5,441.89	0.35% 17,089.43	A1 / A+ NR	2.62 2.53
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/1/2024	1,900,000.00	12/05/2019 2.26%	1,899,012.00 1,899,428.41	102.74 1.26%	1,952,075.20 7,125.00	0.99% 52,646.79	A2 / A AA-	2.84 2.74
14913Q3B3	Caterpillar Finl Service Note 2.15% Due 11/8/2024	2,020,000.00	Various 1.88%	2,044,446.00 2,034,692.89	102.92 1.11%	2,079,028.44 6,393.86	1.06% 44,335.55	A2 / A A	2.86 2.76
74153WCQ0	Pricoa Global Funding Note 1.15% Due 12/6/2024	1,185,000.00	12/01/2021 1.19%	1,183,779.45 1,183,806.23	99.84 1.21%	1,183,087.41 870.65	0.60% (718.82)	Aa3 / AA- AA-	2.93 2.87
90331HPL1	US Bank NA Callable Note Cont 12/21/2024 2.05% Due 1/21/2025	810,000.00	01/16/2020 2.10%	808,274.70 808,946.12	102.31 1.25%	828,726.39 7,380.00	0.42% 19,780.27	A1 / AA- AA-	3.06 2.86
06367WB85	Bank of Montreal Note 1.85% Due 5/1/2025	1,571,000.00	07/23/2021 0.85%	1,628,844.22 1,622,192.56	101.52 1.38%	1,594,872.92 4,843.92	0.81% (27,319.64)	A2 / A- AA-	3.33 3.22
46647PCH7	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	1,770,000.00	05/24/2021 0.74%	1,772,292.35 1,771,956.58	98.85 1.10%	1,749,669.78 1,215.40	0.89% (22,286.80)	A2 / A- AA-	3.42 3.36
46647PCK0	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 6/23/2025	840,000.00	Various 0.87%	840,520.15 840,452.10	99.05 1.16%	831,986.40 180.88	0.42% (8,465.70)	A2 / A- AA-	3.48 3.41
64952WDQ3	New York Life Global Note 0.95% Due 6/24/2025	950,000.00	11/17/2021 1.29%	938,543.00 938,918.21	98.58 1.37%	936,491.95 175.49	0.47% (2,426.26)	Aaa / AA+ AAA	3.48 3.41
40139LBC6	Guardian Life Glob Fun Note 0.875% Due 12/10/2025	1,700,000.00	Various 1.12%	1,682,830.00 1,683,822.35	97.43 1.55%	1,656,325.30 867.70	0.84% (27,497.05)	Aa2 / AA+ NR	3.95 3.85
66815L2A6	Northwestern Mutual Gbl Note 0.8% Due 1/14/2026	1,100,000.00	12/06/2021 1.47%	1,070,817.00 1,071,284.55	97.17 1.53%	1,068,827.10 4,082.22	0.54% (2,457.45)	Aaa / AA+ AAA	4.04 3.93
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 4/22/2026	1,034,000.00	Various 1.36%	1,061,039.22 1,057,849.42	101.54 1.60%	1,049,917.40 4,128.16	0.53% (7,932.02)	A2 / A- AA-	4.31 3.18



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<b>CORPORATE</b>									
78016EZQ3	Royal Bank of Canada Note 1.2% Due 4/27/2026	1,000,000.00	07/09/2021 1.13%	1,003,440.00 1,003,101.70	98.28 1.61%	982,810.00 2,133.33	0.50% (20,291.70)	A2 / A AA-	4.32 4.18
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1% Due 5/12/2026	2,615,000.00	05/10/2021 1.09%	2,603,703.20 2,605,150.87	99.07 1.22%	2,590,764.18 3,559.31	1.31% (14,386.69)	A1 / AA AA-	4.36 4.25
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 5/15/2026	430,000.00	Various 1.08%	431,391.30 431,234.57	98.97 1.39%	425,586.06 631.86	0.22% (5,648.51)	A3 / A+ A	4.37 4.24
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 6/18/2026	1,785,000.00	06/15/2021 1.13%	1,784,214.60 1,784,299.33	98.54 1.46%	1,758,906.87 725.16	0.89% (25,392.46)	A1 / A+ A+	4.47 4.33
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 6/19/2026	1,800,000.00	Various 1.23%	1,805,843.00 1,805,205.81	98.98 1.53%	1,781,670.60 791.39	0.90% (23,535.21)	A2 / A- AA-	4.47 4.32
57629WDE7	Mass Mutual Global funding Note 1.2% Due 7/16/2026	1,250,000.00	08/19/2021 1.15%	1,252,787.50 1,252,583.27	98.04 1.65%	1,225,450.00 6,875.00	0.62% (27,133.27)	Aa3 / AA+ AA+	4.54 4.37
58989V2D5	Met Tower Global Funding Note 1.25% Due 9/14/2026	975,000.00	09/07/2021 1.27%	974,103.00 974,156.54	97.89 1.72%	954,455.78 3,622.40	0.49% (19,700.76)	Aa3 / AA- AA-	4.71 4.52
931142ER0	Wal-Mart Stores Callable Note Cont 08/17/2026 1.05% Due 9/17/2026	445,000.00	09/08/2021 1.09%	444,158.95 444,207.77	98.94 1.28%	440,266.09 1,349.83	0.22% (3,941.68)	Aa2 / AA AA	4.72 4.56
<b>Total Corporate</b>		<b>48,785,000.00</b>	<b>1.58%</b>	<b>49,078,728.44</b> <b>48,914,732.50</b>	<b>1.15%</b>	<b>49,110,291.99</b> <b>237,027.74</b>	<b>25.01%</b> <b>195,559.49</b>	<b>A1 / A+</b> <b>AA-</b>	<b>2.80</b> <b>2.65</b>
<b>MONEY MARKET FUND</b>									
60934N104	Federated Investors Government Obligations Fund	1,027,802.46	Various 0.03%	1,027,802.46 1,027,802.46	1.00 0.03%	1,027,802.46 0.00	0.52% 0.00	Aaa / AAA AAA	0.00 0.00
<b>Total Money Market Fund</b>		<b>1,027,802.46</b>	<b>0.03%</b>	<b>1,027,802.46</b> <b>1,027,802.46</b>	<b>0.03%</b>	<b>1,027,802.46</b> <b>0.00</b>	<b>0.52%</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>0.00</b> <b>0.00</b>



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<b>MUNICIPAL BONDS</b>									
13063DRK6	California State Taxable GO 2.4% Due 10/1/2024	1,915,000.00	10/16/2019 1.91%	1,958,987.55 1,939,480.88	103.86 0.97%	1,988,919.00 11,490.00	1.01% 49,438.12	Aa2 / AA- AA	2.75 2.65
<b>Total Municipal Bonds</b>		<b>1,915,000.00</b>	<b>1.91%</b>	<b>1,958,987.55</b> <b>1,939,480.88</b>	<b>0.97%</b>	<b>1,988,919.00</b> <b>11,490.00</b>	<b>1.01%</b> <b>49,438.12</b>	<b>Aa2 / AA- AA</b>	<b>2.75</b> <b>2.65</b>
<b>NEGOTIABLE CD</b>									
89114W7M1	Toronto Dominion Yankee CD 0.24% Due 4/28/2022	400,000.00	04/29/2021 0.24%	399,999.99 400,000.00	100.00 0.23%	400,015.20 661.33	0.20% 15.20	P-1 / A-1 F-1+	0.32 0.32
<b>Total Negotiable CD</b>		<b>400,000.00</b>	<b>0.24%</b>	<b>399,999.99</b> <b>400,000.00</b>	<b>0.23%</b>	<b>400,015.20</b> <b>661.33</b>	<b>0.20%</b> <b>15.20</b>	<b>P-1 / A-1</b> <b>F-1+</b>	<b>0.32</b> <b>0.32</b>
<b>SUPRANATIONAL</b>									
4581X0CZ9	Inter-American Dev Bank Note 1.75% Due 9/14/2022	850,000.00	03/23/2018 2.79%	813,178.00 844,224.00	100.95 0.40%	858,042.70 4,421.18	0.44% 13,818.70	Aaa / AAA AAA	0.70 0.70
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	2,500,000.00	07/12/2021 0.54%	2,567,250.00 2,557,586.34	101.01 1.01%	2,525,372.50 7,161.46	1.28% (32,213.84)	Aaa / AAA NR	2.79 2.73
459058HT3	Intl. Bank Recon & Development Note 1.625% Due 1/15/2025	2,500,000.00	07/12/2021 0.56%	2,592,325.00 2,580,000.59	101.72 1.05%	2,542,885.00 18,732.64	1.30% (37,115.59)	Aaa / AAA AAA	3.04 2.94
4581X0DL9	Inter-American Dev Bank Note 0.875% Due 4/3/2025	3,000,000.00	12/14/2021 1.08%	2,980,230.00 2,980,492.72	99.30 1.10%	2,978,919.00 6,416.67	1.51% (1,573.72)	Aaa / AAA NR	3.26 3.19
459058JL8	Intl. Bank Recon & Development Note 0.5% Due 10/28/2025	3,400,000.00	Various 0.60%	3,384,848.15 3,387,689.48	97.46 1.18%	3,313,704.61 2,975.01	1.68% (73,984.87)	Aaa / AAA AAA	3.83 3.77
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 4/20/2026	3,435,000.00	04/13/2021 0.97%	3,419,267.70 3,421,473.32	98.44 1.25%	3,381,252.56 5,927.76	1.72% (40,220.76)	Aaa / AAA AAA	4.30 4.20
45950KCX6	International Finance Corp Note 0.75% Due 10/8/2026	3,800,000.00	11/08/2021 1.15%	3,728,332.00 3,730,410.49	97.42 1.31%	3,702,138.60 8,945.83	1.88% (28,271.89)	Aaa / AAA NR	4.77 4.65
<b>Total Supranational</b>		<b>19,485,000.00</b>	<b>0.92%</b>	<b>19,485,430.85</b> <b>19,501,876.94</b>	<b>1.13%</b>	<b>19,302,314.97</b> <b>54,580.55</b>	<b>9.81%</b> <b>(199,561.97)</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>3.63</b> <b>3.54</b>



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<b>US TREASURY</b>									
912828XG0	US Treasury Note 2.125% Due 6/30/2022	1,000,000.00	08/15/2017 1.82%	1,014,183.04 1,001,435.85	100.93 0.26%	1,009,297.00 58.70	0.51% 7,861.15	Aaa / AA+ AAA	0.50 0.50
912828L57	US Treasury Note 1.75% Due 9/30/2022	1,750,000.00	10/17/2017 1.99%	1,730,585.94 1,747,079.30	101.07 0.32%	1,768,662.00 7,824.52	0.90% 21,582.70	Aaa / AA+ AAA	0.75 0.74
912828N30	US Treasury Note 2.125% Due 12/31/2022	1,750,000.00	01/25/2018 2.46%	1,722,792.97 1,744,498.13	101.66 0.46%	1,779,053.50 102.73	0.90% 34,555.37	Aaa / AA+ AAA	1.00 0.99
912828T91	US Treasury Note 1.625% Due 10/31/2023	3,200,000.00	Various 1.80%	3,176,515.63 3,190,019.50	101.69 0.69%	3,254,124.80 8,906.08	1.65% 64,105.30	Aaa / AA+ AAA	1.83 1.80
912828V23	US Treasury Note 2.25% Due 12/31/2023	3,150,000.00	Various 1.81%	3,209,369.15 3,176,392.54	103.01 0.73%	3,244,868.55 195.78	1.64% 68,476.01	Aaa / AA+ AAA	2.00 1.96
912828B66	US Treasury Note 2.75% Due 2/15/2024	3,150,000.00	Various 1.81%	3,279,865.24 3,209,725.39	104.17 0.77%	3,281,292.00 32,719.77	1.68% 71,566.61	Aaa / AA+ AAA	2.13 2.05
91282CBR1	US Treasury Note 0.25% Due 3/15/2024	1,000,000.00	03/30/2021 0.33%	997,578.13 998,197.05	98.82 0.79%	988,203.00 745.86	0.50% (9,994.05)	Aaa / AA+ AAA	2.21 2.19
912828X70	US Treasury Note 2% Due 4/30/2024	3,100,000.00	Various 1.86%	3,119,312.50 3,109,310.84	102.73 0.82%	3,184,645.50 10,618.78	1.62% 75,334.66	Aaa / AA+ AAA	2.33 2.27
912828XX3	US Treasury Note 2% Due 6/30/2024	3,000,000.00	07/30/2019 1.87%	3,018,867.19 3,009,570.16	102.81 0.86%	3,084,375.00 165.75	1.56% 74,804.84	Aaa / AA+ AAA	2.50 2.44
91282CCL3	US Treasury Note 0.375% Due 7/15/2024	2,500,000.00	07/13/2021 0.46%	2,493,359.38 2,494,389.40	98.79 0.86%	2,469,630.00 4,330.84	1.25% (24,759.40)	Aaa / AA+ AAA	2.54 2.52
912828D56	US Treasury Note 2.375% Due 8/15/2024	3,000,000.00	08/29/2019 1.45%	3,133,007.81 3,070,247.50	103.86 0.89%	3,115,665.00 26,912.36	1.59% 45,417.50	Aaa / AA+ AAA	2.62 2.53
9128283D0	US Treasury Note 2.25% Due 10/31/2024	2,900,000.00	Various 1.76%	2,966,847.66 2,938,366.31	103.68 0.93%	3,006,711.30 11,175.42	1.53% 68,344.99	Aaa / AA+ AAA	2.84 2.74
91282CDN8	US Treasury Note 1% Due 12/15/2024	3,000,000.00	12/14/2021 0.98%	3,001,640.63 3,001,615.18	100.13 0.95%	3,003,984.00 1,401.10	1.52% 2,368.82	Aaa / AA+ AAA	2.96 2.91
91282CAM3	US Treasury Note 0.25% Due 9/30/2025	3,300,000.00	03/29/2021 0.74%	3,228,199.22 3,240,289.69	96.88 1.10%	3,196,875.00 2,107.83	1.62% (43,414.69)	Aaa / AA+ AAA	3.75 3.71
91282CAT8	US Treasury Note 0.25% Due 10/31/2025	3,400,000.00	02/22/2021 0.54%	3,354,046.88 3,362,426.41	96.69 1.13%	3,287,507.60 1,455.80	1.67% (74,918.81)	Aaa / AA+ AAA	3.84 3.79
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	2,200,000.00	03/26/2021 0.77%	2,160,554.69 2,166,978.71	97.02 1.15%	2,134,514.80 725.27	1.08% (32,463.91)	Aaa / AA+ AAA	3.92 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 TREASURY</b>									
91282CCZ2	US Treasury Note 0.875% Due 9/30/2026	1,780,000.00	10/18/2021 1.19%	1,753,369.53 1,754,460.10	98.28 1.25%	1,749,335.94 3,979.33	0.89% (5,124.16)	Aaa / AA+ AAA	4.75 4.62
91282CDK4	US Treasury Note 1.25% Due 11/30/2026	3,500,000.00	12/16/2021 1.17%	3,512,714.84 3,512,609.41	100.00 1.25%	3,500,000.00 3,846.15	1.78% (12,609.41)	Aaa / AA+ AAA	4.92 4.75
<b>Total US Treasury</b>		<b>46,680,000.00</b>	<b>1.38%</b>	<b>46,872,810.43</b> <b>46,727,611.47</b>	<b>0.89%</b>	<b>47,058,744.99</b> <b>117,272.07</b>	<b>23.91%</b> <b>331,133.52</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.78</b> <b>2.72</b>
<b>TOTAL PORTFOLIO</b>		<b>195,311,898.00</b>	<b>1.32%</b>	<b>196,821,935.46</b> <b>196,085,515.17</b>	<b>0.98%</b>	<b>196,675,398.71</b> <b>616,538.95</b>	<b>100.00%</b> <b>589,883.54</b>	<b>Aa1 / AA</b> <b>AAA</b>	<b>2.85</b> <b>2.60</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>197,291,937.66</b>			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	12/01/2021	60934N104	7,292.40	Federated Investors Government Obligations Fund	1.000	0.03%	7,292.40	0.00	7,292.40	0.00
Purchase	12/01/2021	60934N104	75.98	Federated Investors Government Obligations Fund	1.000	0.03%	75.98	0.00	75.98	0.00
Purchase	12/02/2021	79466LAG9	970,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	99.250	0.92%	962,725.00	2,357.64	965,082.64	0.00
Purchase	12/06/2021	60934N104	522,877.65	Federated Investors Government Obligations Fund	1.000	0.03%	522,877.65	0.00	522,877.65	0.00
Purchase	12/06/2021	60934N104	681,713.81	Federated Investors Government Obligations Fund	1.000	0.03%	681,713.81	0.00	681,713.81	0.00
Purchase	12/06/2021	79466LAG9	695,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	98.983	1.02%	687,931.85	1,737.50	689,669.35	0.00
Purchase	12/08/2021	60934N104	1,052,322.02	Federated Investors Government Obligations Fund	1.000	0.03%	1,052,322.02	0.00	1,052,322.02	0.00
Purchase	12/08/2021	60934N104	28,687.50	Federated Investors Government Obligations Fund	1.000	0.03%	28,687.50	0.00	28,687.50	0.00
Purchase	12/08/2021	66815L2A6	1,100,000.00	Northwestern Mutual Glbl Note 0.8% Due 1/14/2026	97.347	1.47%	1,070,817.00	3,520.00	1,074,337.00	0.00
Purchase	12/08/2021	74153WCQ0	1,185,000.00	Prcoa Global Funding Note 1.15% Due 12/6/2024	99.897	1.19%	1,183,779.45	0.00	1,183,779.45	0.00
Purchase	12/10/2021	60934N104	7,437.50	Federated Investors Government Obligations Fund	1.000	0.03%	7,437.50	0.00	7,437.50	0.00
Purchase	12/14/2021	60934N104	43,125.00	Federated Investors Government Obligations Fund	1.000	0.03%	43,125.00	0.00	43,125.00	0.00
Purchase	12/15/2021	60934N104	253.24	Federated Investors Government Obligations Fund	1.000	0.03%	253.24	0.00	253.24	0.00
Purchase	12/15/2021	60934N104	318.50	Federated Investors Government Obligations Fund	1.000	0.03%	318.50	0.00	318.50	0.00
Purchase	12/15/2021	60934N104	175.00	Federated Investors Government Obligations Fund	1.000	0.03%	175.00	0.00	175.00	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	12/15/2021	60934N104	202.71	Federated Investors Government Obligations Fund	1.000	0.03%	202.71	0.00	202.71	0.00
Purchase	12/15/2021	60934N104	329.33	Federated Investors Government Obligations Fund	1.000	0.03%	329.33	0.00	329.33	0.00
Purchase	12/15/2021	60934N104	170.00	Federated Investors Government Obligations Fund	1.000	0.03%	170.00	0.00	170.00	0.00
Purchase	12/15/2021	60934N104	228.00	Federated Investors Government Obligations Fund	1.000	0.03%	228.00	0.00	228.00	0.00
Purchase	12/15/2021	60934N104	278.67	Federated Investors Government Obligations Fund	1.000	0.03%	278.67	0.00	278.67	0.00
Purchase	12/15/2021	60934N104	340.21	Federated Investors Government Obligations Fund	1.000	0.03%	340.21	0.00	340.21	0.00
Purchase	12/15/2021	60934N104	280.50	Federated Investors Government Obligations Fund	1.000	0.03%	280.50	0.00	280.50	0.00
Purchase	12/15/2021	60934N104	27,824.43	Federated Investors Government Obligations Fund	1.000	0.03%	27,824.43	0.00	27,824.43	0.00
Purchase	12/15/2021	60934N104	71,305.16	Federated Investors Government Obligations Fund	1.000	0.03%	71,305.16	0.00	71,305.16	0.00
Purchase	12/15/2021	60934N104	21,699.71	Federated Investors Government Obligations Fund	1.000	0.03%	21,699.71	0.00	21,699.71	0.00
Purchase	12/15/2021	60934N104	63,997.83	Federated Investors Government Obligations Fund	1.000	0.03%	63,997.83	0.00	63,997.83	0.00
Purchase	12/15/2021	60934N104	53,354.25	Federated Investors Government Obligations Fund	1.000	0.03%	53,354.25	0.00	53,354.25	0.00
Purchase	12/15/2021	60934N104	63,074.70	Federated Investors Government Obligations Fund	1.000	0.03%	63,074.70	0.00	63,074.70	0.00
Purchase	12/15/2021	60934N104	36,551.32	Federated Investors Government Obligations Fund	1.000	0.03%	36,551.32	0.00	36,551.32	0.00
Purchase	12/15/2021	60934N104	73,205.46	Federated Investors Government Obligations Fund	1.000	0.03%	73,205.46	0.00	73,205.46	0.00
Purchase	12/15/2021	91282CDN8	3,000,000.00	US Treasury Note 1% Due 12/15/2024	100.055	0.98%	3,001,640.63	0.00	3,001,640.63	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	12/16/2021	4581X0DL9	3,000,000.00	Inter-American Dev Bank Note 0.875% Due 4/3/2025	99.341	1.08%	2,980,230.00	5,322.92	2,985,552.92	0.00
Purchase	12/16/2021	46647PBK1	500,000.00	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 4/22/2026	101.421	1.65%	507,105.00	1,562.25	508,667.25	0.00
Purchase	12/16/2021	60934N104	252.17	Federated Investors Government Obligations Fund	1.000	0.03%	252.17	0.00	252.17	0.00
Purchase	12/17/2021	60934N104	8,500.00	Federated Investors Government Obligations Fund	1.000	0.03%	8,500.00	0.00	8,500.00	0.00
Purchase	12/17/2021	91282CDK4	3,500,000.00	US Treasury Note 1.25% Due 11/30/2026	100.363	1.17%	3,512,714.84	2,043.27	3,514,758.11	0.00
Purchase	12/18/2021	60934N104	10,040.63	Federated Investors Government Obligations Fund	1.000	0.03%	10,040.63	0.00	10,040.63	0.00
Purchase	12/19/2021	60934N104	53,121.00	Federated Investors Government Obligations Fund	1.000	0.03%	53,121.00	0.00	53,121.00	0.00
Purchase	12/20/2021	60934N104	27,450.00	Federated Investors Government Obligations Fund	1.000	0.03%	27,450.00	0.00	27,450.00	0.00
Purchase	12/20/2021	60934N104	475.88	Federated Investors Government Obligations Fund	1.000	0.03%	475.88	0.00	475.88	0.00
Purchase	12/20/2021	60934N104	268.25	Federated Investors Government Obligations Fund	1.000	0.03%	268.25	0.00	268.25	0.00
Purchase	12/20/2021	60934N104	396.50	Federated Investors Government Obligations Fund	1.000	0.03%	396.50	0.00	396.50	0.00
Purchase	12/20/2021	60934N104	82,089.82	Federated Investors Government Obligations Fund	1.000	0.03%	82,089.82	0.00	82,089.82	0.00
Purchase	12/21/2021	60934N104	93.38	Federated Investors Government Obligations Fund	1.000	0.03%	93.38	0.00	93.38	0.00
Purchase	12/21/2021	60934N104	405.90	Federated Investors Government Obligations Fund	1.000	0.03%	405.90	0.00	405.90	0.00
Purchase	12/23/2021	60934N104	4,069.80	Federated Investors Government Obligations Fund	1.000	0.03%	4,069.80	0.00	4,069.80	0.00
Purchase	12/24/2021	60934N104	4,512.50	Federated Investors Government Obligations Fund	1.000	0.03%	4,512.50	0.00	4,512.50	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	12/27/2021	60934N104	2,100.29	Federated Investors Government Obligations Fund	1.000	0.03%	2,100.29	0.00	2,100.29	0.00
Purchase	12/27/2021	60934N104	6,304.52	Federated Investors Government Obligations Fund	1.000	0.03%	6,304.52	0.00	6,304.52	0.00
Purchase	12/27/2021	60934N104	8,724.99	Federated Investors Government Obligations Fund	1.000	0.03%	8,724.99	0.00	8,724.99	0.00
Purchase	12/27/2021	60934N104	4,413.75	Federated Investors Government Obligations Fund	1.000	0.03%	4,413.75	0.00	4,413.75	0.00
Purchase	12/27/2021	60934N104	3,825.00	Federated Investors Government Obligations Fund	1.000	0.03%	3,825.00	0.00	3,825.00	0.00
Purchase	12/27/2021	60934N104	148.50	Federated Investors Government Obligations Fund	1.000	0.03%	148.50	0.00	148.50	0.00
Purchase	12/27/2021	60934N104	204,363.14	Federated Investors Government Obligations Fund	1.000	0.03%	204,363.14	0.00	204,363.14	0.00
Purchase	12/27/2021	60934N104	4,503.54	Federated Investors Government Obligations Fund	1.000	0.03%	4,503.54	0.00	4,503.54	0.00
Purchase	12/31/2021	60934N104	94,656.25	Federated Investors Government Obligations Fund	1.000	0.03%	94,656.25	0.00	94,656.25	0.00
<b>Subtotal</b>			<b>17,227,836.69</b>				<b>17,184,780.46</b>	<b>16,543.58</b>	<b>17,201,324.04</b>	<b>0.00</b>
Security Contribution	12/09/2021	60934N104	10,000,000.00	Federated Investors Government Obligations Fund	1.000		10,000,000.00	0.00	10,000,000.00	0.00
Security Contribution	12/16/2021	60934N104	6,714.80	Federated Investors Government Obligations Fund	1.000		6,714.80	0.00	6,714.80	0.00
<b>Subtotal</b>			<b>10,006,714.80</b>				<b>10,006,714.80</b>	<b>0.00</b>	<b>10,006,714.80</b>	<b>0.00</b>
Short Sale	12/08/2021	60934N104	-1,183,779.45	Federated Investors Government Obligations Fund	1.000		-1,183,779.45	0.00	-1,183,779.45	0.00
<b>Subtotal</b>			<b>-1,183,779.45</b>				<b>-1,183,779.45</b>	<b>0.00</b>	<b>-1,183,779.45</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>26,050,772.04</b>				<b>26,007,715.81</b>	<b>16,543.58</b>	<b>26,024,259.39</b>	<b>0.00</b>



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Closing Purchase	12/08/2021	60934N104	-1,183,779.45	Federated Investors Government Obligations Fund	1.000		-1,183,779.45	0.00	-1,183,779.45	0.00
<b>Subtotal</b>			<b>-1,183,779.45</b>				<b>-1,183,779.45</b>	<b>0.00</b>	<b>-1,183,779.45</b>	<b>0.00</b>
Sale	12/02/2021	60934N104	965,082.64	Federated Investors Government Obligations Fund	1.000	0.03%	965,082.64	0.00	965,082.64	0.00
Sale	12/06/2021	4581X0CW6	475,000.00	Inter-American Dev Bank Note 2.125% Due 1/18/2022	100.232	2.15%	476,102.00	3,869.27	479,971.27	1,115.76
Sale	12/06/2021	4581X0CW6	1,200,000.00	Inter-American Dev Bank Note 2.125% Due 1/18/2022	100.231	2.15%	1,202,772.00	9,775.00	1,212,547.00	2,806.76
Sale	12/06/2021	912828J43	200,000.00	US Treasury Note 1.75% Due 2/28/2022	100.402	2.14%	200,804.69	937.85	201,742.54	972.44
Sale	12/08/2021	60934N104	1,074,337.00	Federated Investors Government Obligations Fund	1.000	0.03%	1,074,337.00	0.00	1,074,337.00	0.00
Sale	12/08/2021	60934N104	1,183,779.45	Federated Investors Government Obligations Fund	1.000	0.03%	1,183,779.45	0.00	1,183,779.45	0.00
Sale	12/08/2021	912828J43	335,000.00	US Treasury Note 1.75% Due 2/28/2022	100.391	2.14%	336,308.59	1,603.28	337,911.87	1,582.87
Sale	12/08/2021	912828XG0	700,000.00	US Treasury Note 2.125% Due 6/30/2022	101.129	1.82%	707,902.34	6,507.81	714,410.15	6,763.23
Sale	12/15/2021	60934N104	3,001,640.63	Federated Investors Government Obligations Fund	1.000	0.03%	3,001,640.63	0.00	3,001,640.63	0.00
Sale	12/16/2021	60934N104	3,494,220.17	Federated Investors Government Obligations Fund	1.000	0.03%	3,494,220.17	0.00	3,494,220.17	0.00
Sale	12/17/2021	60934N104	3,514,758.11	Federated Investors Government Obligations Fund	1.000	0.03%	3,514,758.11	0.00	3,514,758.11	0.00
<b>Subtotal</b>			<b>16,143,818.00</b>				<b>16,157,707.62</b>	<b>22,693.21</b>	<b>16,180,400.83</b>	<b>13,241.06</b>
Paydown	12/15/2021	43813DAC2	27,465.68	Honda Auto Receivables 2020-2 A3 0.82% Due 7/15/2024	100.000		27,465.68	358.75	27,824.43	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	12/15/2021	43815NAC8	70,306.54	Honda Auto Receivables Trust 2019-3 A3 1.78% Due 8/15/2023	100.000		70,306.54	998.62	71,305.16	0.00
Paydown	12/15/2021	44891RAC4	0.00	Hyundai Auto Receivables Trust 2020-C A3 0.38% Due 5/15/2025	100.000		0.00	278.67	278.67	0.00
Paydown	12/15/2021	44891VAC5	0.00	Hyundai Auto Lease Trust 2021-B A3 0.33% Due 6/17/2024	100.000		0.00	280.50	280.50	0.00
Paydown	12/15/2021	44933LAC7	0.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	100.000		0.00	228.00	228.00	0.00
Paydown	12/15/2021	44935FAD6	0.00	Hyundai Auto Receivables Trust 2021-C A3 0.74% Due 5/15/2026	100.000		0.00	253.24	253.24	0.00
Paydown	12/15/2021	477870AC3	21,189.45	John Deere Owner Trust 2019-B A3 2.21% Due 12/15/2023	100.000		21,189.45	510.26	21,699.71	0.00
Paydown	12/15/2021	47787NAC3	0.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	100.000		0.00	170.00	170.00	0.00
Paydown	12/15/2021	47789JAD8	63,136.05	John Deere Owner Trust 2019-A A3 2.91% Due 7/17/2023	100.000		63,136.05	861.78	63,997.83	0.00
Paydown	12/15/2021	47789KAC7	52,616.14	John Deere Owner Trust 2020-A A3 1.1% Due 8/15/2024	100.000		52,616.14	738.11	53,354.25	0.00
Paydown	12/15/2021	47789QAC4	0.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	100.000		0.00	318.50	318.50	0.00
Paydown	12/15/2021	58769EAC2	0.00	Mercedes-Benz Auto Lease Trust 2020-B A3 0.4% Due 11/15/2023	100.000		0.00	175.00	175.00	0.00
Paydown	12/15/2021	58770FAC6	62,588.87	Mercedes Benz Auto Lease Trust 2020-A A3 1.84% Due 12/15/2022	100.000		62,588.87	485.83	63,074.70	0.00
Paydown	12/15/2021	65479GAD1	36,252.83	Nissan Auto Receivables Trust 2018-B A3 3.06% Due 3/15/2023	100.000		36,252.83	298.49	36,551.32	0.00





Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	12/15/2021	65479JAD5	71,801.91	Nissan Auto Receivables Owner 2019-C A3 1.93% Due 7/15/2024	100.000		71,801.91	1,403.55	73,205.46	0.00
Paydown	12/15/2021	89236XAC0	0.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	100.000		0.00	202.71	202.71	0.00
Paydown	12/15/2021	89238JAC9	0.00	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	100.000		0.00	340.21	340.21	0.00
Paydown	12/15/2021	89240BAC2	0.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	100.000		0.00	329.33	329.33	0.00
Paydown	12/16/2021	362554AC1	0.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	100.000		0.00	252.17	252.17	0.00
Paydown	12/20/2021	36262XAC8	0.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	100.000		0.00	396.50	396.50	0.00
Paydown	12/20/2021	43813KAC6	0.00	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	100.000		0.00	268.25	268.25	0.00
Paydown	12/20/2021	92290BAA9	0.00	Verizon Owner Trust 2020-B A 0.47% Due 2/20/2025	100.000		0.00	475.88	475.88	0.00
Paydown	12/20/2021	92348AAA3	80,964.74	Verizon Owner Trust 2019-C A1A 1.94% Due 4/22/2024	100.000		80,964.74	1,125.08	82,089.82	0.00
Paydown	12/21/2021	43813GAC5	0.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	100.000		0.00	93.38	93.38	0.00
Paydown	12/21/2021	43815GAC3	0.00	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	100.000		0.00	405.90	405.90	0.00
Paydown	12/27/2021	09690AAC7	0.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	100.000		0.00	148.50	148.50	0.00
Paydown	12/27/2021	3137B4WB8	0.00	FHLMC K033 A2Due 7/25/2023	100.000		0.00	3,825.00	3,825.00	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	12/27/2021	3137B5JM6	0.00	FHLMC K034 A2 3.531% Due 7/25/2023	100.000		0.00	4,413.75	4,413.75	0.00
Paydown	12/27/2021	3137B7MZ9	0.00	FHLMC K036 A2Due 10/25/2023	100.000		0.00	6,304.52	6,304.52	0.00
Paydown	12/27/2021	3137B7YY9	0.00	FHLMC K037 A2 3.49% Due 1/25/2024	100.000		0.00	8,724.99	8,724.99	0.00
Paydown	12/27/2021	3137BM6P6	197,710.73	FHLMC K721 A2Due 8/25/2022	100.000		197,710.73	6,652.41	204,363.14	0.00
Paydown	12/27/2021	3137BSP72	0.00	FHLMC K058 A2 2.653% Due 8/25/2026	100.000		0.00	2,100.29	2,100.29	0.00
Paydown	12/27/2021	3137BYPQ7	1,507.02	FHLMC K726 A2 2.905% Due 4/25/2024	100.000		1,507.02	2,996.52	4,503.54	0.00
<b>Subtotal</b>			<b>685,539.96</b>				<b>685,539.96</b>	<b>46,414.69</b>	<b>731,954.65</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>15,645,578.51</b>				<b>15,659,468.13</b>	<b>69,107.90</b>	<b>15,728,576.03</b>	<b>13,241.06</b>
<b>OTHER TRANSACTIONS</b>										
Interest	12/01/2021	46647PCH7	1,770,000.00	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	0.000		7,292.40	0.00	7,292.40	0.00
Interest	12/08/2021	3130A0F70	1,700,000.00	FHLB Note 3.375% Due 12/8/2023	0.000		28,687.50	0.00	28,687.50	0.00
Interest	12/10/2021	40139LBC6	1,700,000.00	Guardian Life Glob Fun Note 0.875% Due 12/10/2025	0.000		7,437.50	0.00	7,437.50	0.00
Interest	12/14/2021	3130A1XJ2	3,000,000.00	FHLB Note 2.875% Due 6/14/2024	0.000		43,125.00	0.00	43,125.00	0.00
Interest	12/17/2021	3135G04Z3	3,400,000.00	FNMA Note 0.5% Due 6/17/2025	0.000		8,500.00	0.00	8,500.00	0.00
Interest	12/18/2021	89236TJK2	1,785,000.00	Toyota Motor Credit Corp Note 1.125% Due 6/18/2026	0.000		10,040.63	0.00	10,040.63	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>OTHER TRANSACTIONS</b>										
Interest	12/19/2021	06051GJD2	1,800,000.00	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 6/19/2026	0.000		11,871.00	0.00	11,871.00	0.00
Interest	12/19/2021	3137EAEN5	3,000,000.00	FHLMC Note 2.75% Due 6/19/2023	0.000		41,250.00	0.00	41,250.00	0.00
Interest	12/20/2021	05531FBG7	1,800,000.00	Truist Financial Corporation Callable Note Cont 5/20/2022 3.05% Due 6/20/2022	0.000		27,450.00	0.00	27,450.00	0.00
Interest	12/23/2021	46647PCK0	840,000.00	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 6/23/2025	0.000		4,069.80	0.00	4,069.80	0.00
Interest	12/24/2021	64952WDQ3	950,000.00	New York Life Global Note 0.95% Due 6/24/2025	0.000		4,512.50	0.00	4,512.50	0.00
Interest	12/31/2021	912828N30	1,750,000.00	US Treasury Note 2.125% Due 12/31/2022	0.000		18,593.75	0.00	18,593.75	0.00
Interest	12/31/2021	912828V23	3,150,000.00	US Treasury Note 2.25% Due 12/31/2023	0.000		35,437.50	0.00	35,437.50	0.00
Interest	12/31/2021	912828XG0	1,000,000.00	US Treasury Note 2.125% Due 6/30/2022	0.000		10,625.00	0.00	10,625.00	0.00
Interest	12/31/2021	912828XX3	3,000,000.00	US Treasury Note 2% Due 6/30/2024	0.000		30,000.00	0.00	30,000.00	0.00
<b>Subtotal</b>			<b>30,645,000.00</b>				<b>288,892.58</b>	<b>0.00</b>	<b>288,892.58</b>	<b>0.00</b>
Dividend	12/01/2021	60934N104	-1,164,500.72	Federated Investors Government Obligations Fund	0.000		75.98	0.00	75.98	0.00
<b>Subtotal</b>			<b>-1,164,500.72</b>				<b>75.98</b>	<b>0.00</b>	<b>75.98</b>	<b>0.00</b>
<b>TOTAL OTHER TRANSACTIONS</b>			<b>29,480,499.28</b>				<b>288,968.56</b>	<b>0.00</b>	<b>288,968.56</b>	<b>0.00</b>

DECEMBER 2021



## Market Data

 World Stock Market Indices  
 data as of 11/30/2021

	Change (10/29/21)	%CHG
S&P 500	4,567.00	-38.38 -0.83%
NASDAQ	15,537.69	39.30 0.25%
DOW JONES	34,483.72	-1,335.84 -3.73%
FTSE (UK)	7,059.45	-178.12 -2.46%
DAX (Germany)	15,100.13	-588.64 -3.75%
Hang Seng (Hong Kong)	23,475.26	-1,901.98 -7.49%
Nikkei (Japan)	27,821.76	-1,070.93 -3.71%

Source: Bloomberg. Please see descriptions of indices on Page 2.

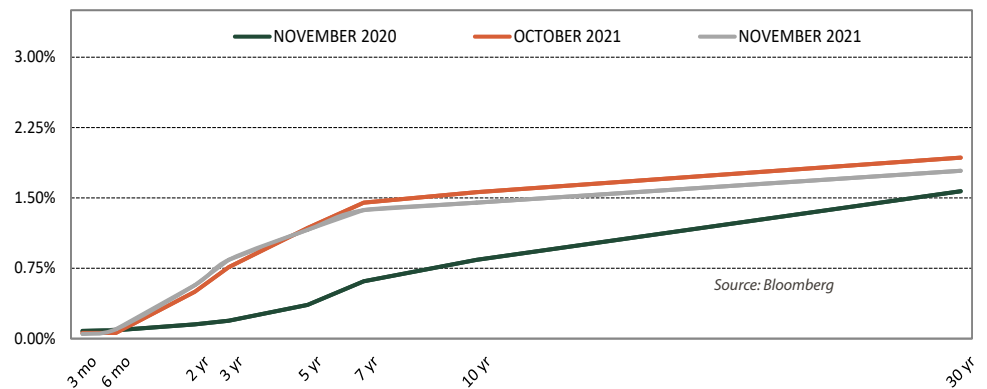
## Market Summary

In our view, economic growth is likely to moderate but remain modestly above-trend in 2022, fueled in part by ongoing tailwinds from fiscal support, accommodative monetary policy, and continued progress on vaccinations. Our outlook assumes an improving global health backdrop, though risks to the downside remain. Covid infection rates in the US and on a global basis have recently increased, and the new omicron variant poses a significant risk to the outlook. Given the high level of uncertainty regarding omicron's impact on the global health situation, supply chains, and the broader economy, we expect financial market volatility will be elevated over the near-term. Inflation readings continue to run hot, but market-based inflation expectations remain relatively contained and we believe inflation may be at or near a peak. We expect supply chain bottlenecks will continue to put upward pressure on prices over the near-term but should improve next year.

The Federal Open Market Committee (FOMC) kept the fed funds target rate unchanged in November, in a range of 0%-0.25%, but started to reduce the magnitude of their asset purchases at a pace of \$15 billion per month. The FOMC's next meeting is scheduled for December 14-15. With inflation now appearing to be more elevated and prolonged than originally projected, we anticipate the Fed may accelerate the pace of their tapering process this month in order to give them the option of hiking rates sooner, if needed. We do not believe that monetary policy is on a pre-set course and believe the Fed wishes to be positioned to respond to economic data as it evolves. We continue to believe that the Fed will take a gradual approach to normalizing monetary policy, given the ongoing uncertainties related to the pandemic, and we are not expecting a rate hike within the next six months. We expect the Fed to complete the taper process sometime in the first half of next year and announce the first rate hike in the second half of the year. For now, monetary policy remains highly accommodative. We anticipate that the Fed's gradual approach to rate hikes will put upward pressure on Treasury yields across the curve next year.

The Treasury yield curve flattened in November and has flattened further in early December. The 2-year Treasury yield increased nearly seven basis points to 0.57% in November, the 5-year Treasury yields declined two points to 1.16%, and the 10-year Treasury yield declined nearly eleven basis points to 1.44% in the month. Given the high level of uncertainty regarding the outlook for monetary policy as well as the unknown impact of the new omicron variant, we believe an ongoing flight to quality may keep downward pressure on the longer end of the Treasury curve, at least over the near-term.

### THE TREASURY YIELD CURVE HAS RECENTLY FLATTENED



At the end of November, the 2-year Treasury yield was about 42 basis points higher and the 10-Year Treasury yield was about 61 basis points higher, year-over-year. The yield curve has recently flattened and is less steep than the historical average. The spread between the 2-year Treasury yield and 10-year Treasury yield was 88 basis points at November month-end compared to the average historical spread (since 2002) of about 135 basis points.

TREASURY YIELDS	Trend (▲/▼)	11/30/2021	10/29/2021	Change
3-Month	▼	0.05	0.06	(0.01)
2-Year	▲	0.57	0.50	0.07
3-Year	▲	0.84	0.76	0.08
5-Year	▼	1.16	1.18	(0.02)
7-Year	▼	1.37	1.45	(0.08)
10-Year	▼	1.45	1.56	(0.11)
30-Year	▼	1.79	1.93	(0.14)

Source: Bloomberg

# BOND MARKET REVIEW

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.

## Credit Spreads Widened in November

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top rated commercial paper	0.08	0.07	0.01
2-year A corporate note	0.23	0.15	0.08
5-year A corporate note	0.45	0.33	0.12
5-year Agency note	0.06	0.00	0.06

Source: Bloomberg

Data as of 11/30/2021

## Supply and Demand Imbalances Continue to Impact Economic Data

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(80.93) \$Bln SEP 21	(72.81) \$Bln AUG 21	(62.63) \$Bln SEP 20
Gross Domestic Product	2.10% SEP 21	6.70% JUN 21	33.80% SEP 20
Unemployment Rate	4.20% NOV 21	4.60% OCT 21	6.70% NOV 20
Prime Rate	3.25% NOV 21	3.25% OCT 21	3.25% NOV 20
Commodity Research Bureau Index	219.19 NOV 21	237.70 OCT 21	160.06 NOV 20
Oil (West Texas Int.)	\$66.18 NOV 21	\$83.57 OCT 21	\$45.34 NOV 20
Consumer Price Index (y/o/y)	6.20% OCT 21	5.40% SEP 21	1.20% OCT 20
Producer Price Index (y/o/y)	12.50% OCT 21	11.80% SEP 21	(1.20%) OCT 20
Euro/Dollar	1.13 NOV 21	1.16 OCT 21	1.19 NOV 20

Source: Bloomberg

## Economic Roundup

### Consumer Prices

The Consumer Price Index (CPI) was up 6.2% year-over-year in October, versus up 5.4% year-over-year in September. Core CPI (CPI less food and energy) was up 4.6% year-over-year in October (higher than expected), versus up 4.0% in September. The Personal Consumption Expenditures (PCE) index was up 5.0% year-over-year in October, up from 4.4% in September. Core PCE was up 4.1% year-over-year in October, versus up 3.7% in September. Current inflation readings continue to run well above the Fed's longer-run target of around 2.0%. Upward pressure on inflation from supply chain bottlenecks and pandemic-related disruptions is likely to remain elevated over the near-term.

### Retail Sales

On a year-over-year basis, retail sales were up 16.3% in October versus up 14.3% in September. On a month-over-month basis, retail sales were stronger than expected in October, up 1.7% versus expectations of 1.4%, following a 0.8% increase in September. Overall, the pick-up in retail sales bodes well for the fourth quarter. Strength was broad-based in October, suggesting that higher prices haven't meaningfully deterred shoppers. Notably, sales in every retail category have well surpassed their pre-pandemic level and overall retail sales are up 21% from February 2020.

### Labor Market

Job growth was weaker than expected in November, but the unemployment rate still declined four tenths of a percent to 4.2%. We believe a variety of factors are keeping some workers out of the labor force, which has likely held back job growth despite strong demand from employers. U.S. nonfarm payrolls increased by 210,000 in November, versus the consensus forecast of 550,000. On a trailing 3-month and 6-month basis, payrolls increased an average of 378,000 and 612,000 per month, as job growth has decelerated from the summer months. The labor participation rate improved to 61.8% in November from 61.6% in October but remains lower than the pre-pandemic level of 63.4%. The employment-population ratio increased to 59.2% from 58.8%, but also remains below the pre-pandemic level of 61.1%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, declined to 7.8% in November from 8.3% in October (versus 7.0% in February 2020). Annualized average hourly earnings were up by 4.8% in November (unchanged from October), reflecting strong wage growth driven in part by the ongoing imbalance in the supply and demand for labor.

### Housing Starts

Total housing starts declined 0.7% in October to an annual pace of 1,520,000. Single-family starts fell 3.9% while multi-family starts increased 7.1%, month-over-month. We believe supply chain bottlenecks and high materials and input costs have likely held back the pace of new starts, even as demand for housing seems to remain robust. On a year-over-year basis total housing starts were essentially flat in October, as a decline in single-family starts has been offset with an increase in multi-family starts.

### World Stock Market Index Descriptions

S&P 500—The S&P 500 is a market value weighted index of 500 large-capitalization stocks. The 500 companies included in the index capture approximately 80% of available US market capitalization. NASDAQ—The NASDAQ Composite Index is the market capitalization-weighted index of over 3,300 common stocks listed on the NASDAQ stock exchange. Dow Jones—The Dow Jones Industrial Average is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange and the NASDAQ. The Financial Times Stock Exchange Group (FTSE)—The FTSE is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalization. DAX—The Deutscher Aktienindex (DAX) is a blue chip stock market index consisting of the 30 major German companies trading on the Frankfurt Stock Exchange. Hang Seng—The Hang Seng Index is a freefloat-adjusted market-capitalization-weighted stock market index in Hong Kong. It is used to record and monitor daily changes of the largest companies of the Hong Kong stock market and is the main indicator of overall market performance in Hong Kong. Nikkei—Japan's Nikkei 225 Stock Average is a price-weighted index composed of Japan's top 225 blue-chip companies traded on the Tokyo Stock Exchange.

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