



CITY OF STOCKTON

Investment Performance Review For the Quarter Ended December 31, 2017

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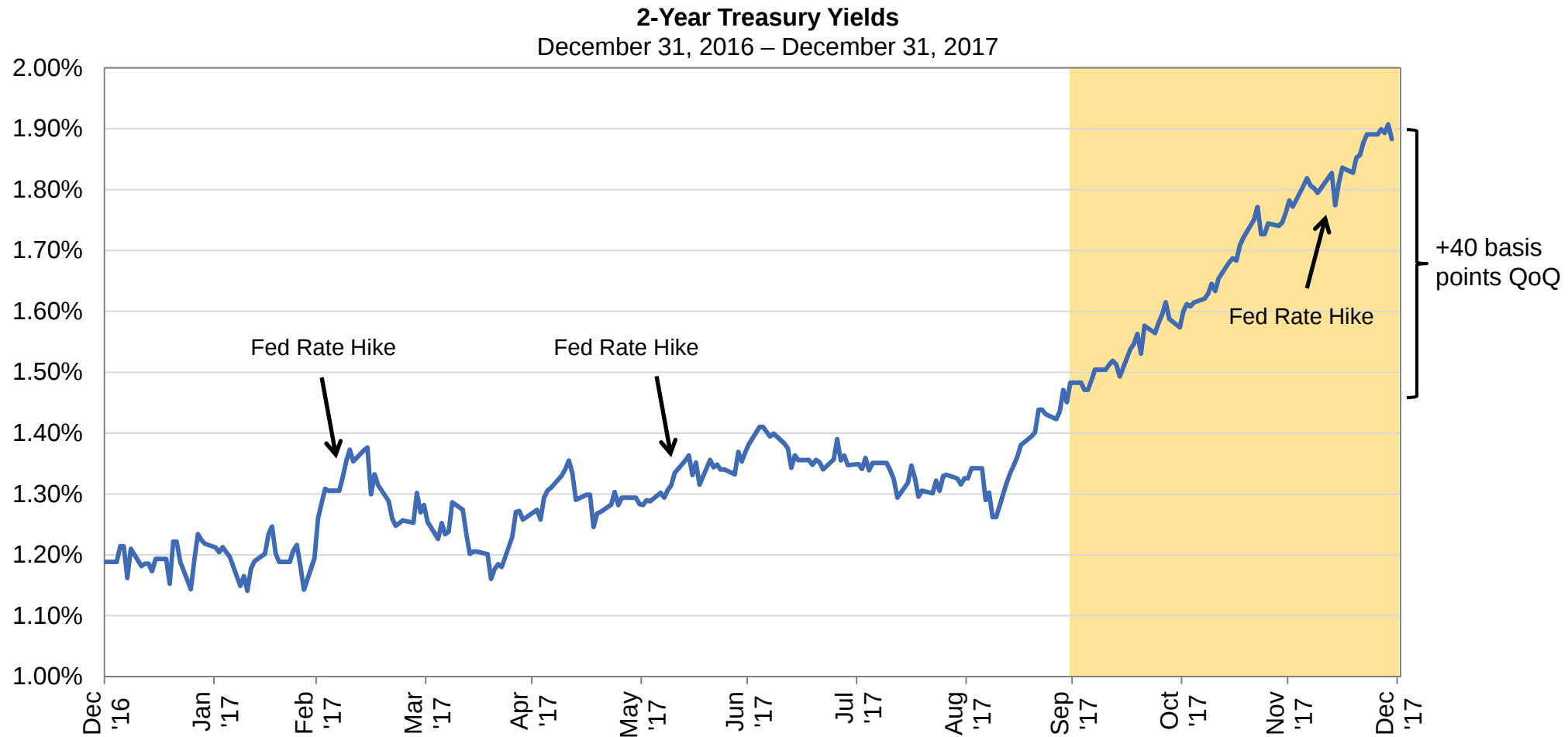
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Market Update

Interest Rate Update

- Two-year treasury yields moved notably higher for the year ended December 31, 2017; the increase was most pronounced during the fourth quarter as markets responded to another rate hike by the Federal Reserve and the passage of the largest overhaul of the U.S. tax system in more than 30 years.



Source: Bloomberg, as of 12/31/17.

A Flattening Yield Curve

- The yield on the 2-year U.S. Treasury note has increased by 70 basis points (0.70%) this year, while the yield on the 10-year U.S. Treasury note has decreased by 3 basis points (0.03%) since the beginning of the year as expectations of future growth and inflation prospects have fallen.
- As a result, the spread between the 10-year U.S. Treasury and the 2-year U.S. Treasury is currently near a 10-year low.

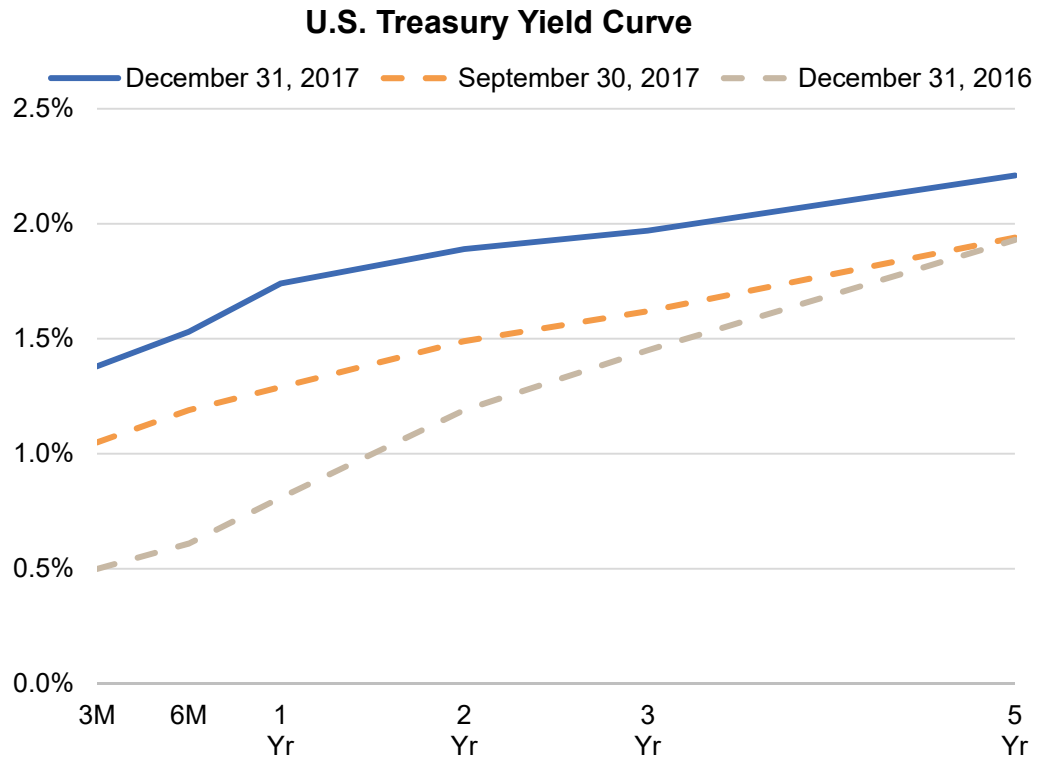
10-Year/2-Year U.S. Treasury Spread

January 1, 2002 – December 31, 2017



Source: Bloomberg, as of 12/31/17.

U.S. Treasury Yield Curve



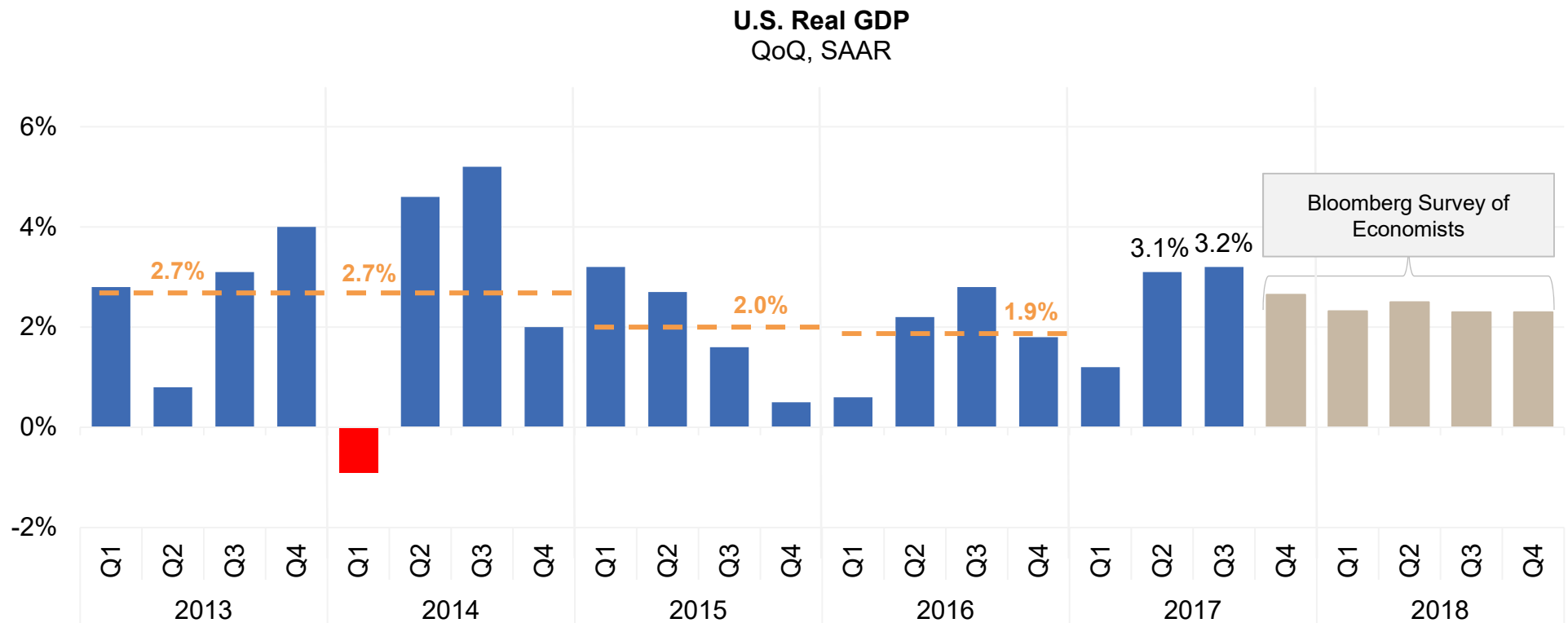
Yield Curve History

Maturity	12/31/16	12/31/17	Change
3-Mo.	0.50%	1.38%	+ 0.88%
6-Mo.	0.61%	1.53%	+ 0.92%
1-Yr.	0.81%	1.74%	+ 0.93%
2-Yr.	1.19%	1.89%	+ 0.70%
3-Yr.	1.45%	1.97%	+ 0.52%
5-Yr.	1.93%	2.21%	+ 0.28%
10-Yr.	2.44%	2.41%	- 0.03%
20-Yr.	2.76%	2.58%	- 0.18%
30-Yr.	3.07%	2.74%	- 0.33%

Source: Bloomberg, as of 12/31/17.

Economic Growth Remained Strong in Third Quarter

- Gross domestic product (GDP) increased at an annualized rate of 3.2% in the third quarter of 2017, the fastest pace of expansion over two consecutive quarters since 2014. Growth has averaged 2.3% over the last four quarters.
- The acceleration in third quarter GDP reflected positive contributions from personal consumption and business investment boosted primarily by a rise in private inventories and exports. This acceleration was offset by negative contributions from residential housing.

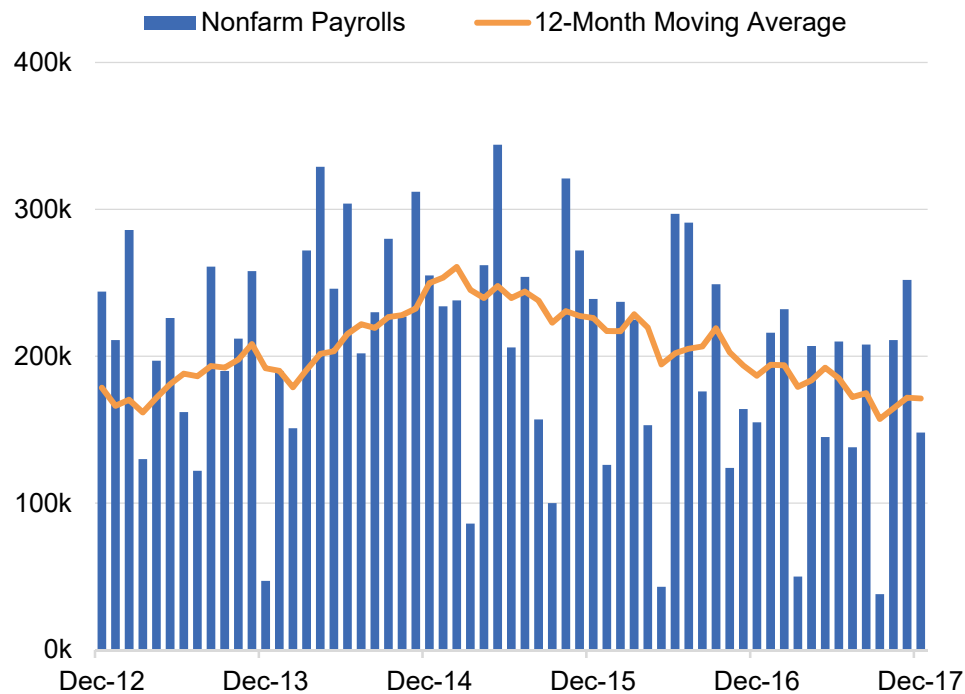


Source: Bloomberg, as of December 2017. SAAR is seasonally adjusted annualized rate. Orange dashes denote four-quarter averages.

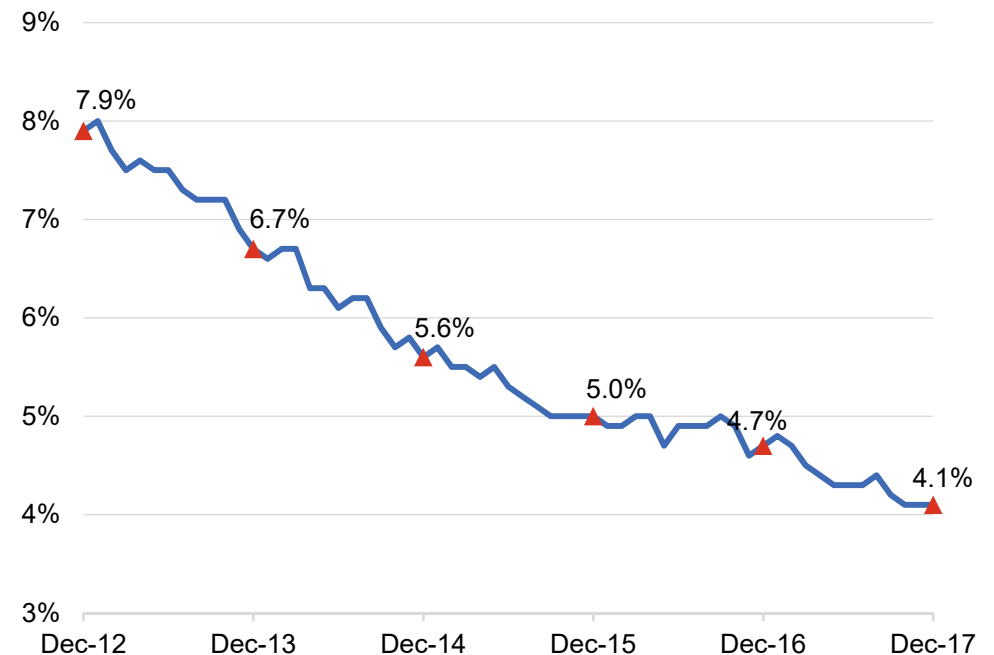
Labor Market Activity Slows Down in December

- The U.S. labor market added 611,000 jobs for the quarter ending December 31, 2017, and an average of 171,000 jobs per month over the past year.
- Headline unemployment rate for the fourth quarter remained at 4.1% for the third consecutive month. The U6 unemployment rate decreased from 8.3% in September to 8.1% in December, while the labor force participation rate fell from 63.0% in September to 62.7% in December.
- Average hourly earnings—an important gauge of wage growth—grew 2.5% over the past 12 months.

Monthly Change in Nonfarm Payrolls



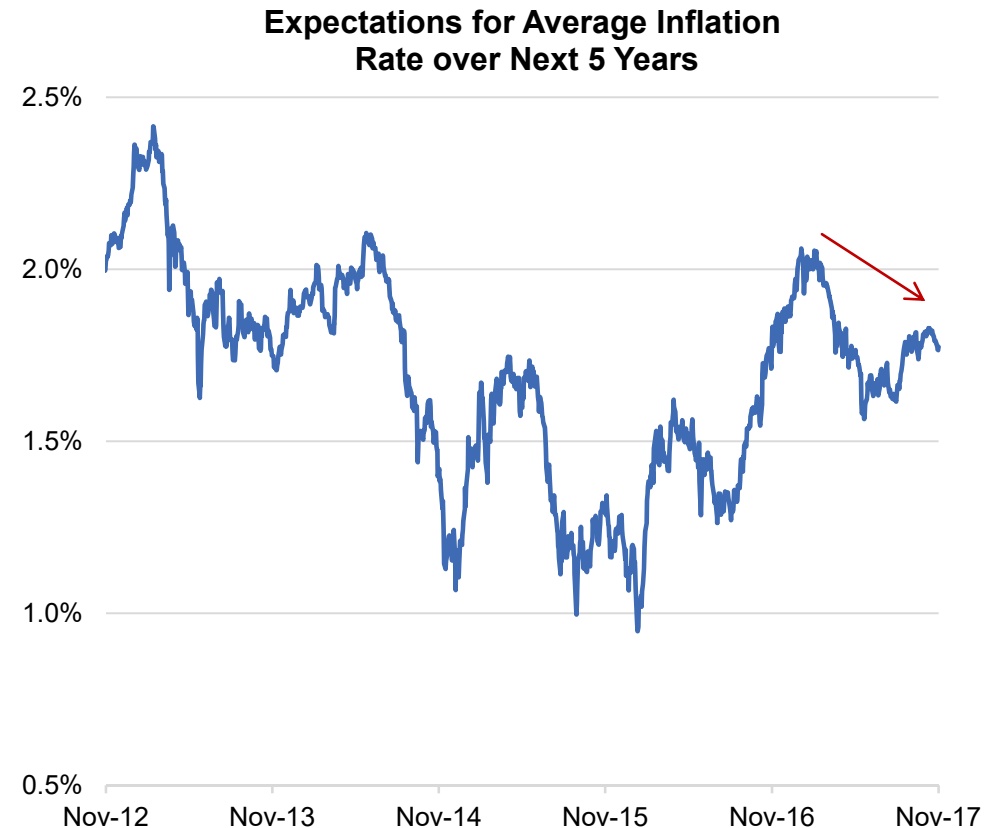
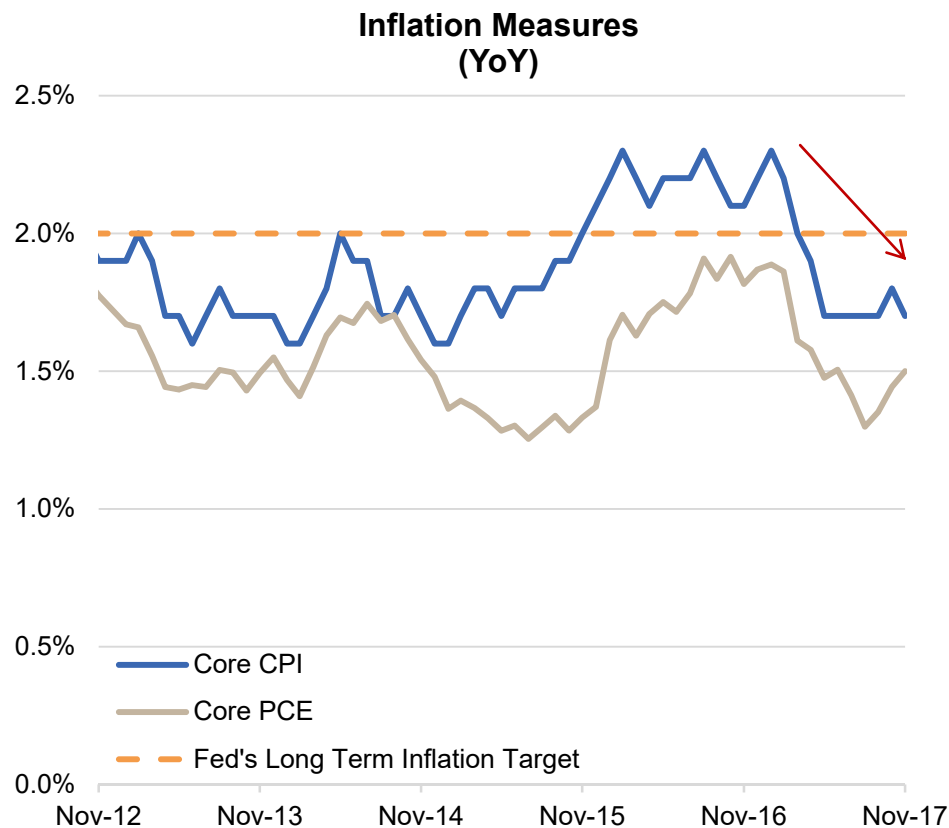
Unemployment Rate



Source: Bloomberg, as of December 2017.

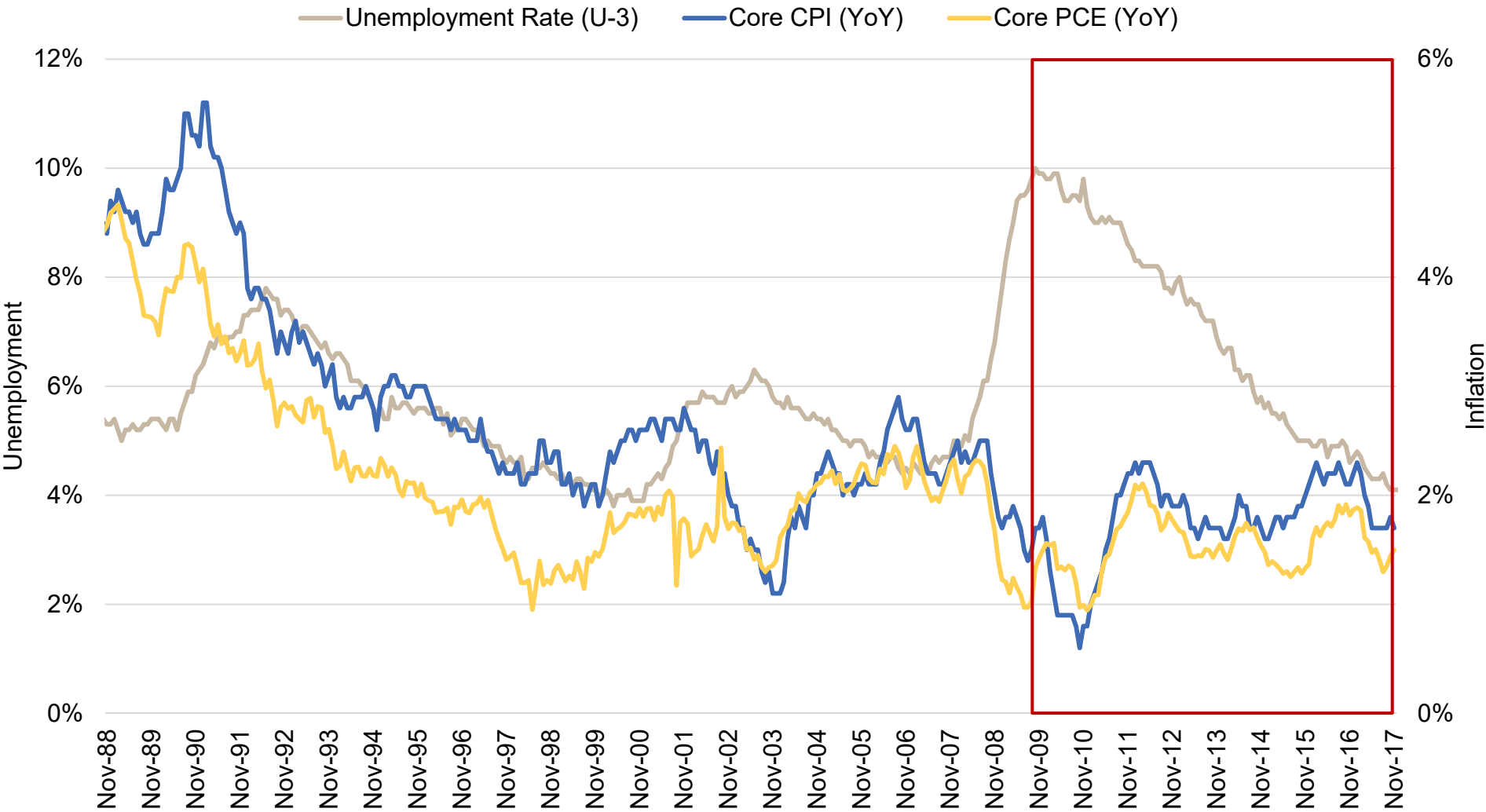
Inflation Remains Muted

- Inflation pressures have declined since the beginning of 2017. The core personal consumption expenditures (PCE) price index, the Fed's preferred measure of inflation, moved slightly higher to 1.5% year-over-year in November.
- The Fed expects inflation to remain subdued in the near term but to reach their 2% target in the medium term.



Source: Bloomberg, as of November 2017. Inflation expectations based on yield difference between 5-year Treasury note and 5-year Treasury Inflation Protected Securities (TIPS).

Inflation Remains Lackluster Despite a Strong Labor Market



Source: Bloomberg, as of November 2017.

GOP Tax Cuts and Jobs Act

Personal Taxes

Income Tax Brackets		
Tax Rate	Single	Married
10%	\$9,525	\$19,050
12%	\$38,700	\$77,400
22%	\$82,500	\$165,000
24%	\$157,500	\$315,000
32%	\$200,000	\$400,000
35%	\$500,000	\$600,000
37%	> \$500,000	> \$600,000

Deductions

- Can deduct up to \$10,000 in a blend of state and local property, income, and sales tax. The state and local deduction was previously unlimited.
- Deductible interest on mortgage capped at \$750,000.

Exemptions

- Child tax credit raised from \$1,000 to \$2,000 per child.
- The estate tax exemption will be doubled from \$5.5 million to \$11 million.

Other

- The deduction for interest on education loans, qualified tuition expenses, and expensive medical bills would be maintained.
- No changes will be made to 401(k) plans.

Business Taxes

Marginal Tax Rate

- Reduced from 35% to 21%.
- Marks the largest one-time decline in U.S. history and amounts to almost \$1 trillion of tax cuts over the next decade.

Deductions

- Pass-through businesses like limited liability corporations allowed to deduct 20% of their earnings. However, this will expire after 2025.

Exemptions

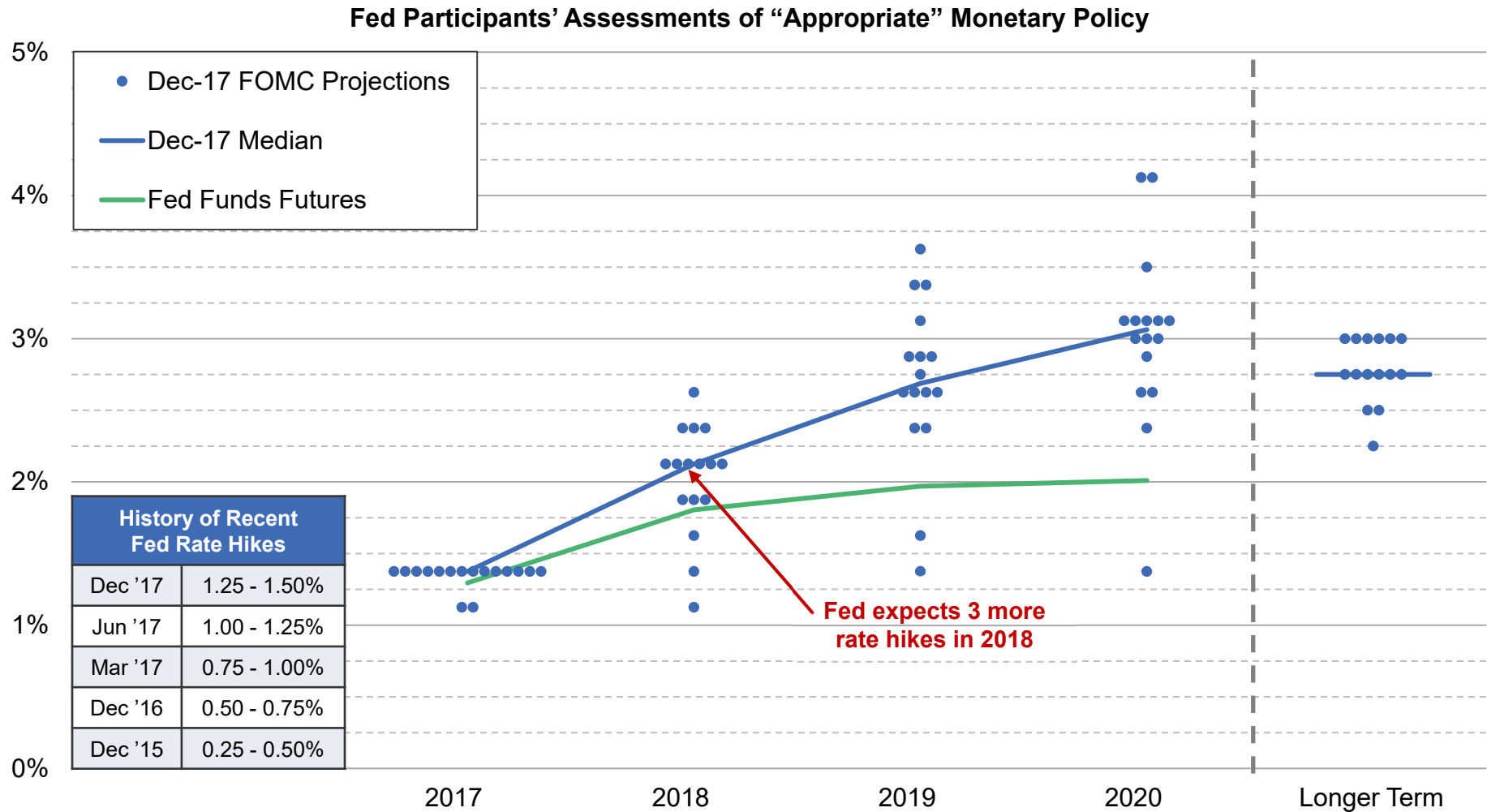
- Businesses will be exempt from paying the corporate alternative minimum tax.

Other

- One-time tax on repatriated cash and profits will be 15.5%, up slightly from the 14% to 14.5% that had been proposed in earlier versions.

Source: The Washington Post, Business Insider.

FOMC "Dot Plot" – December 2017



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 12/13/17.

Investment Strategy & Portfolio Review

Portfolio Recap

- ◆ Yields continued to climb during the fourth quarter, with some short- and intermediate-term yields reaching highs not seen since 2008. However, in this era of gradually increasing interest rates, new purchases were weighed against the probability for further rate increases and their potential to diminish the market value of portfolio investments. In this flat yield curve environment, we emphasized maturity selection.
- ◆ We continued to maintain the portfolio's duration in line with the benchmark's duration to minimize return volatility.
- ◆ Strong investor appetite for high-quality alternatives to U.S. Treasuries caused the yield spreads on investment-grade fixed income sectors (relative to U.S. Treasuries) to tighten over the quarter, resulting in positive relative performance for non-Treasury sectors.
 - The yield spreads on federal agency securities vs. comparable-maturity Treasuries remained near historic lows, in some cases near zero, leading to diminished value of the agency sector.
 - Supranationals carried more yield spread and offered an attractive alternative in the high-quality government agency space.
 - Corporate yield spreads also remained near multi-year lows, as investors reaching for yield piled into a limited market supply of investment-grade securities, leading the corporate sector to deliver its ninth straight quarter of outperformance relative to U.S. Treasuries.
 - Short-term commercial paper (CP) and negotiable bank certificates of deposit (CDs) continued to offer value during the quarter. Although the Fed's December meeting caused CP/CD spreads to narrow, issuance has picked up and CP/CD yields have risen, widening the spread over similar-dated Treasuries.
 - Asset-backed securities (ABS) performed positively relative to Treasuries. Further spread compression in the ABS sector is likely to be limited given that current level spreads sit at historically tight levels.

Sector Allocation and Compliance

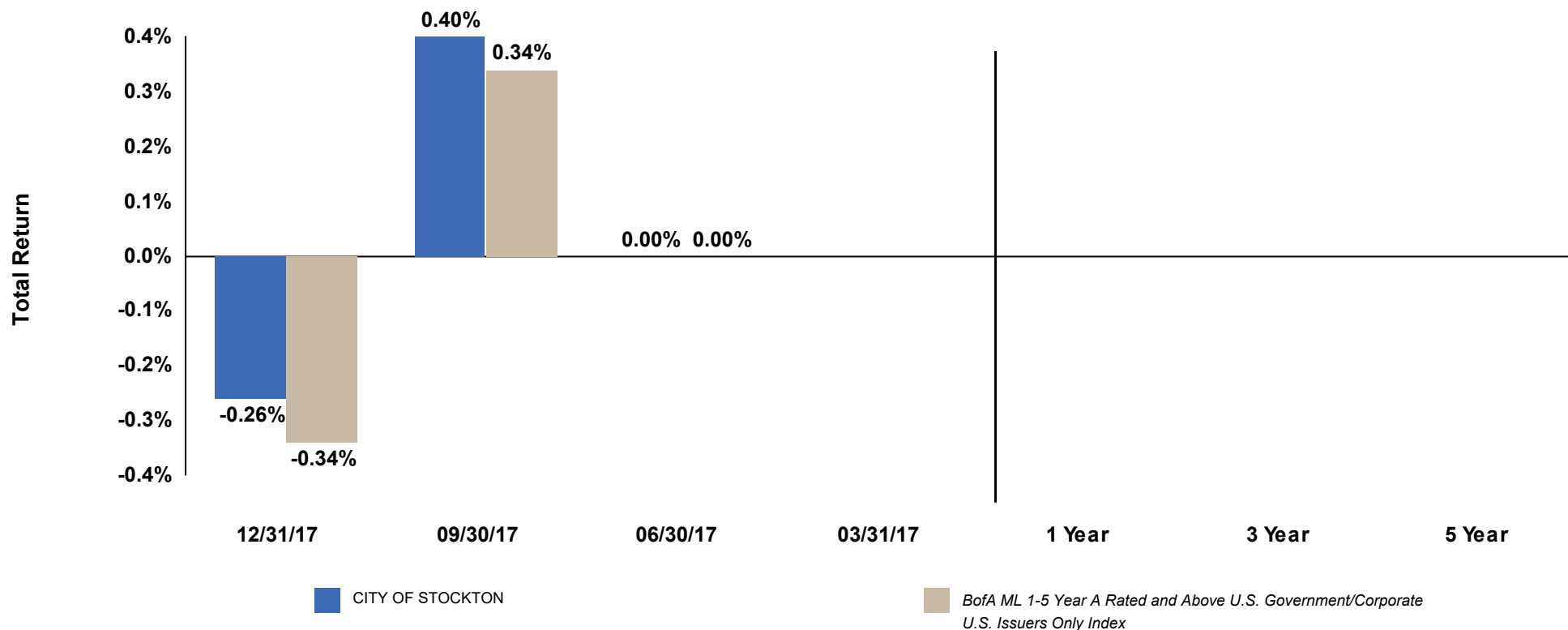
- The portfolio is in compliance with the City's Investment Policy and the California Government Code.

Security Type	Market Value	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$92,976,106	19.2%	100%	✓
Federal Agency	\$89,255,595	18.5%	100%	✓
Negotiable CDs	\$25,384,111	5.3%	30%	✓
Corporate Notes	\$84,929,854	17.6%	30%	✓
Commercial Paper	\$52,937,018	11.0%	25%	✓
Asset-Backed Securities	\$26,856,937	5.6%	20%	✓
Securities Sub-Total	\$372,339,621	77.1%		
Accrued Interest	\$1,576,336			
Securities Total	\$373,915,957			
Money Market Fund	\$2,129,577	0.4%	20%	✓
Main City Sweep Account	\$43,740,860	9.1%	20%	✓
LAIF	\$64,999,004	13.5%	\$65 million	✓
Total Investments	\$484,785,397	100.0%		

As of 12/31/2017. Detail may not add to total due to rounding.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		12/31/17	09/30/17	06/30/17	03/31/17		3 Year	5 Year
CITY OF STOCKTON	2.52	-0.26%	0.40%	-	-	-	-	-
BofA ML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.58	-0.34%	0.34%	-	-	-	-	-
Difference		0.08%	0.06%	-	-	-	-	-



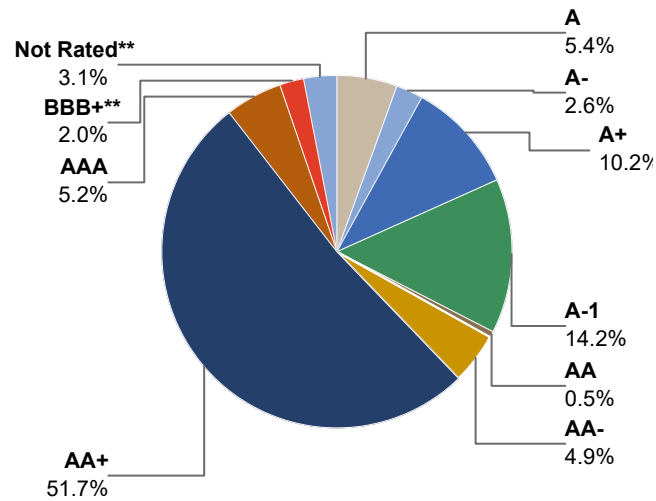
Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Statistics

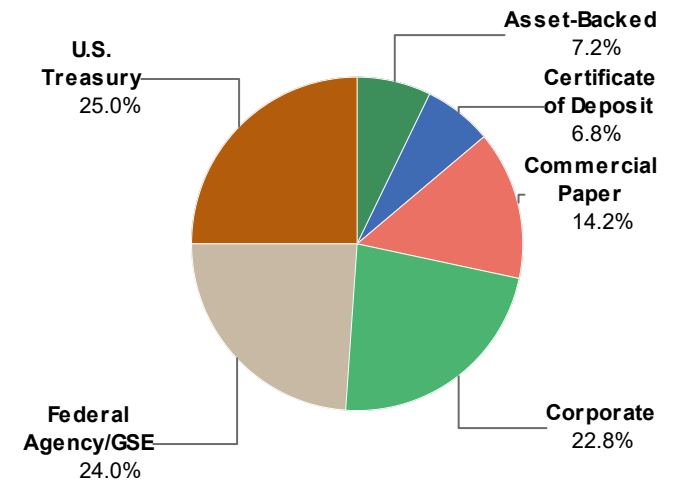
As of December 31, 2017

Par Value:	\$375,952,124
Total Market Value:	\$376,045,534
Security Market Value:	\$372,339,621
Accrued Interest:	\$1,576,336
Cash:	\$2,129,577
Amortized Cost:	\$375,180,526
Yield at Market:	2.09%
Yield at Cost:	1.79%
Effective Duration:	2.52 Years
Duration to Worst:	2.54 Years
Average Maturity:	2.74 Years
Average Credit: *	AA

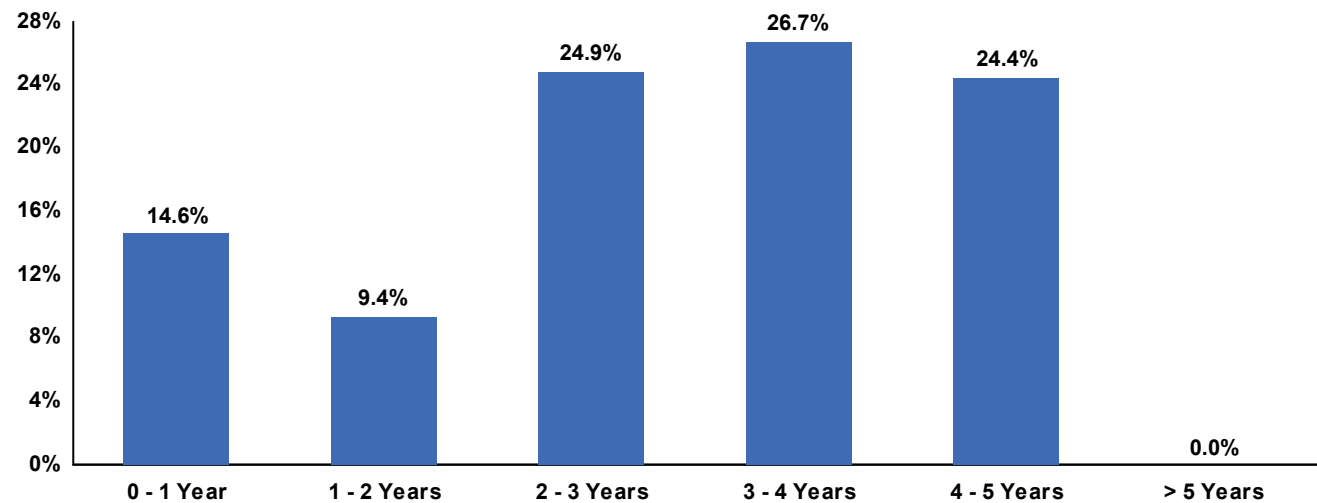
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

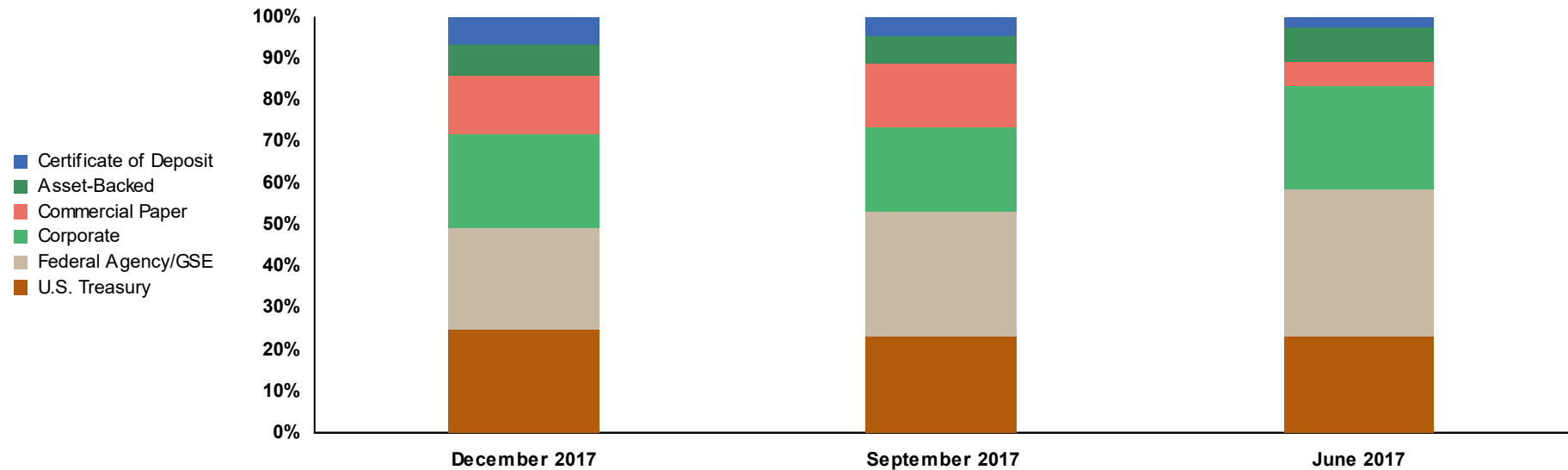
** Securities Not Rated or rated BBB+ by S&P are rated in a rating category of "A" or its equivalent or better by Moody's and/or Fitch.

Portfolio Earnings
Quarter-Ended December 31, 2017

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2017)	\$375,735,745.62	\$376,067,597.73
Net Purchases/Sales	(\$1,012,077.64)	(\$1,012,077.64)
Change in Value	(\$2,384,046.64)	\$125,005.78
Ending Value (12/31/2017)	\$372,339,621.34	\$375,180,525.87
Interest Earned	\$1,395,122.49	\$1,395,122.49
Portfolio Earnings	(\$988,924.15)	\$1,520,128.27

Sector Allocation

Sector	December 31, 2017		September 30, 2017		June 30, 2017		March 31, 2017	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	93.0	25.0%	87.4	23.3%	83.8	23.0%	0.0	0.0%
Federal Agency/GSE	89.3	24.0%	113.2	30.0%	130.3	35.6%	0.0	0.0%
Corporate	84.9	22.8%	74.7	19.9%	90.3	24.8%	0.0	0.0%
Commercial Paper	52.9	14.2%	57.7	15.4%	21.5	5.9%	0.0	0.0%
Asset-Backed	26.9	7.2%	24.7	6.6%	29.1	8.0%	0.0	0.0%
Certificate of Deposit	25.4	6.8%	18.0	4.8%	10.0	2.7%	0.0	0.0%
Total	\$372.3	100.0%	\$375.7	100.0%	\$364.9	100.0%	\$0.0	0.0%

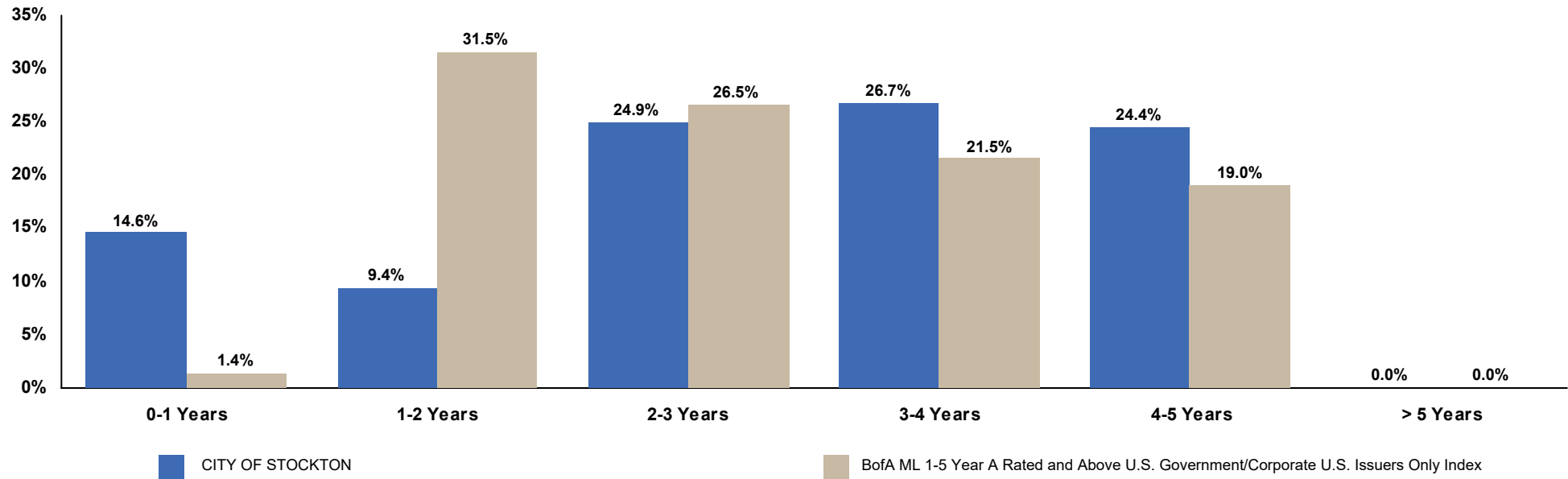


Detail may not add to total due to rounding.

Maturity Distribution

As of December 31, 2017

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF STOCKTON	2.09%	2.74 yrs	14.6%	9.4%	24.9%	26.7%	24.4%	0.0%
BofA ML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.04%	2.77 yrs	1.4%	31.5%	26.5%	21.5%	19.0%	0.0%



Issuer Distribution
As of December 31, 2017

Issuer	Market Value (\$)	% of Portfolio	Top 5 = 54.3%	Top 10 = 66.9%
UNITED STATES TREASURY	92,976,106	25.0%		
FANNIE MAE	47,229,193	12.7%		
FREDDIE MAC	34,077,379	9.2%		
MITSUBISHI UFJ FINANCIAL GROUP INC	15,696,843	4.2%		
JP MORGAN CHASE & CO	11,996,428	3.2%		
CREDIT AGRICOLE SA	11,995,212	3.2%		
BANK OF MONTREAL	11,994,912	3.2%		
FEDERAL HOME LOAN BANKS	7,949,024	2.1%		
HONDA AUTO RECEIVABLES	7,614,556	2.1%		
SWEDBANK AB	7,514,188	2.0%		
SKANDINAVISKA ENSKILDA BANKEN AB	7,403,697	2.0%		
BNP PARIBAS	6,997,088	1.9%		
WESTPAC BANKING CORP	6,723,820	1.8%		
US BANCORP	6,047,879	1.6%		
APPLE INC	5,958,048	1.6%		
TOYOTA MOTOR CORP	5,660,017	1.5%		
WELLS FARGO & COMPANY	5,148,684	1.4%		
DEERE & COMPANY	4,903,387	1.3%		

CITY OF STOCKTON

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
EXXON MOBIL CORP	4,482,945	1.2%
JOHN DEERE OWNER TRUST	4,444,191	1.2%
MICROSOFT CORP	4,410,648	1.2%
HYUNDAI AUTO RECEIVABLES	4,152,268	1.1%
ORACLE CORP	4,035,294	1.1%
THE WALT DISNEY CORPORATION	3,995,660	1.1%
INTEL CORPORATION	3,987,184	1.1%
THE BANK OF NEW YORK MELLON CORPORATION	3,985,363	1.1%
UNITED PARCEL SERVICE INC	3,982,020	1.1%
AMERICAN HONDA FINANCE	3,968,516	1.1%
HOME DEPOT INC	3,796,846	1.0%
CITIGROUP INC	3,769,646	1.0%
BANK OF AMERICA CO	3,764,107	1.0%
GOLDMAN SACHS GROUP INC	3,737,401	1.0%
IBM CORP	3,113,906	0.8%
ALLY AUTO RECEIVABLES TRUST	2,920,586	0.8%
STATE STREET CORPORATION	2,345,647	0.6%
NISSAN AUTO RECEIVABLES	2,065,319	0.6%
AMERICAN EXPRESS CO	2,006,488	0.5%
BB&T CORPORATION	1,926,600	0.5%
BERKSHIRE HATHAWAY INC	1,880,940	0.5%

CITY OF STOCKTON

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
PACCAR FINANCIAL CORP	1,681,588	0.5%
Grand Total:	372,339,621	100.0%

2018 Investment Outlook and Strategy

- The U.S. economy is generally on strong footing heading into the new year, bolstered by expanding economic activity, a strong jobs market, and gains in housing. However, the continued rise of the domestic stock market, coupled with low volatility, may point to investor complacency.
- The Federal Reserve recently reiterated its intentions to continue to gradually increase rates into 2018. However, persistently low inflation readings may derail these plans. In this uncertain environment, we plan to adopt a duration-neutral stance but will continue to carefully monitor the portfolio's duration relative to the benchmark's duration, making adjustments as appropriate.
- Federal Agency issuance is expected to resume in the new year, but the overall level is expected to be slower than 2017. Given the flatness of the yield curve and narrow bullet agency spreads, we may seek value in callable agency securities where we find them advantageous.
- We will continue to focus on exposure to the corporate sector as well as other spread products to add value to the portfolio.
- The mortgage-backed securities (MBS) sector may experience some turbulence once the pace of tapering increases in future months. For that reason, we are generally avoiding additional MBS allocations at this time.
- Broad diversification across all investment-grade sectors remains a key component of our portfolio strategy. We will continue to monitor the markets and will make relative-value trades as appropriate in order to safely enhance portfolio earnings. However, as always, while we continue to seek opportunities to enhance the earnings, our priority will always be to maintain the safety and liquidity of portfolio investments.

Transactions & Account Holdings

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/3/17	10/6/17	5,555,000	912828L57	US TREASURY NOTES	1.75%	9/30/22	5,509,298.10	1.93%	
10/23/17	10/26/17	1,945,000	05531FAZ6	BRANCH BANKING & TRUST (CALLABLE) NOTES	2.15%	2/1/21	1,944,105.30	2.17%	
11/1/17	11/3/17	3,745,000	06051GFW4	BANK OF AMERICA CORP NOTE	2.62%	4/19/21	3,776,873.07	2.40%	
11/1/17	11/3/17	5,400,000	912828P4	US TREASURY NOTES	1.87%	7/31/22	5,392,809.79	2.01%	
11/3/17	11/7/17	3,740,000	38141GVU5	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.62%	4/25/21	3,761,994.94	2.47%	
11/7/17	11/15/17	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	2,339,784.25	2.26%	
11/8/17	11/9/17	2,200,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	2,181,048.53	1.77%	
11/14/17	11/22/17	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	2,929,772.63	1.99%	
11/16/17	11/17/17	7,555,000	87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	2.27%	11/16/20	7,555,000.00	2.30%	
11/20/17	11/22/17	3,745,000	172967LC3	CITIGROUP INC CORP (CALLABLE) NOTE	2.90%	12/8/21	3,820,053.96	2.72%	
11/22/17	11/29/17	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	2,104,703.41	2.06%	
12/1/17	12/5/17	6,470,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	6,431,592.70	2.10%	
Total BUY		47,730,000					47,747,036.68		
INTEREST									
10/2/17	10/2/17	1,000,000	3137EADM8	FREDDIE MAC GLOBAL NOTES	1.25%	10/2/19	6,250.00		
10/2/17	10/2/17	3,250,000	3137EADM8	FREDDIE MAC GLOBAL NOTES	1.25%	10/2/19	20,312.50		
10/2/17	10/2/17	0	MONEY0002	MONEY MARKET FUND			445.18		
10/2/17	10/2/17	1,100,000	3137EADM8	FREDDIE MAC GLOBAL NOTES	1.25%	10/2/19	6,875.00		
10/5/17	10/5/17	7,150,000	3135G0T45	FANNIE MAE NOTES	1.87%	4/5/22	65,169.27		
10/7/17	10/7/17	1,150,000	3135G0Q89	FANNIE MAE BENCHMARK NOTES	1.37%	10/7/21	7,906.25		
10/15/17	10/15/17	1,141,765	65478WAB1	NISSAN ABS 2016-C A2A	1.07%	5/15/19	1,018.07		
10/15/17	10/15/17	502,815	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	469.29		
10/15/17	10/15/17	171,219	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	152.67		

CITY OF STOCKTON

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/15/17	10/15/17	44,028	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	39.26		
10/15/17	10/15/17	1,435,000	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	1,793.75		
10/15/17	10/15/17	1,549,853	47788NAB4	JOHN DEERE ABS 2016-B A2	1.09%	2/15/19	1,407.78		
10/15/17	10/15/17	2,135,000	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	2,526.42		
10/15/17	10/15/17	2,450,000	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	2,776.67		
10/15/17	10/15/17	1,490,000	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	1,825.25		
10/15/17	10/15/17	1,808,249	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	1,597.29		
10/15/17	10/15/17	210,677	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	196.63		
10/15/17	10/15/17	1,770,000	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	2,050.25		
10/15/17	10/15/17	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
10/15/17	10/15/17	84,142	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	75.03		
10/18/17	10/18/17	2,795,926	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	2,423.14		
10/20/17	10/20/17	6,500,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	44,687.50		
10/21/17	10/21/17	113,119	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	98.04		
10/21/17	10/21/17	96,959	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	84.03		
10/21/17	10/21/17	1,910,863	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	8/21/18	2,261.19		
10/21/17	10/21/17	796,680	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	690.46		
10/25/17	10/25/17	2,000,000	91159HHH6	US BANCORP (CALLABLE) CORPORATE NOTES	2.20%	4/25/19	22,000.00		
10/25/17	10/25/17	810,000	91159HHH6	US BANCORP (CALLABLE) CORPORATE NOTES	2.20%	4/25/19	8,910.00		
10/25/17	10/25/17	60,000	91159HHH6	US BANCORP (CALLABLE) CORPORATE NOTES	2.20%	4/25/19	660.00		
10/25/17	10/25/17	580,000	91159HHH6	US BANCORP (CALLABLE) CORPORATE NOTES	2.20%	4/25/19	6,380.00		
10/25/17	10/25/17	575,000	91159HHH6	US BANCORP (CALLABLE) CORPORATE NOTES	2.20%	4/25/19	6,325.00		
10/31/17	10/31/17	6,000,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	41,250.00		
10/31/17	10/31/17	400,000	912828L99	US TREASURY NOTES	1.37%	10/31/20	2,750.00		
11/1/17	11/1/17	0	MONEY0002	MONEY MARKET FUND			636.63		
11/1/17	11/1/17	2,200,000	3137EADR7	FREDDIE MAC GLOBAL NOTES	1.37%	5/1/20	15,125.00		
11/3/17	11/3/17	1,515,000	594918BG8	MICROSOFT CORP (CALLABLE) NOTES	2.00%	11/3/20	15,150.00		
11/11/17	11/11/17	4,000,000	458140BB5	INTEL CORP (CALLABLE) NOTES	2.35%	5/11/22	47,000.00		
11/11/17	11/11/17	6,000,000	037833CQ1	APPLE INC CORP (CALLABLE) NOTE	2.30%	5/11/22	69,000.00		
11/15/17	11/15/17	1,599,545	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	1,412.93		

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11/15/17	11/15/17	2,135,000	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	2,526.42		
11/15/17	11/15/17	1,435,000	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	1,793.75		
11/15/17	11/15/17	1,306,180	47788NAB4	JOHN DEERE ABS 2016-B A2	1.09%	2/15/19	1,186.45		
11/15/17	11/15/17	998,467	65478WAB1	NISSAN ABS 2016-C A2A	1.07%	5/15/19	890.30		
11/15/17	11/15/17	2,450,000	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	2,776.67		
11/15/17	11/15/17	1,770,000	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	2,050.25		
11/15/17	11/15/17	120,233	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	107.21		
11/15/17	11/15/17	59,086	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	52.69		
11/15/17	11/15/17	421,209	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	393.13		
11/15/17	11/15/17	176,484	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	164.72		
11/15/17	11/15/17	1,490,000	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	1,825.25		
11/15/17	11/15/17	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
11/15/17	11/15/17	30,917	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	27.57		
11/16/17	11/16/17	4,000,000	911312BC9	UNITED PARCEL SERVICE (CALLABLE) NOTES	2.35%	5/16/22	47,000.00		
11/18/17	11/18/17	2,472,741	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	2,143.04		
11/19/17	11/19/17	2,230,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	21,742.50		
11/19/17	11/19/17	150,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	1,462.50		
11/21/17	11/21/17	81,124	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	70.31		
11/21/17	11/21/17	94,645	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	82.03		
11/21/17	11/21/17	1,732,257	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	8/21/18	2,049.84		
11/21/17	11/21/17	666,573	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	577.70		
11/30/17	11/30/17	6,000,000	3135G0F73	FNMA BENCHMARK NOTE	1.50%	11/30/20	45,000.00		
11/30/17	11/30/17	9,500,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	65,312.50		
11/30/17	11/30/17	5,880,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	40,425.00		
11/30/17	11/30/17	400,000	3135G0F73	FNMA BENCHMARK NOTE	1.50%	11/30/20	3,000.00		
12/1/17	12/1/17	0	MONEY0002	MONEY MARKET FUND			477.15		
12/1/17	12/1/17	2,000,000	437076BG6	HOME DEPOT INC CORP (CALLABLE) NOTES	2.62%	6/1/22	26,250.00		
12/5/17	12/5/17	1,800,000	437076BQ4	HOME DEPOT INC CORP NOTES	1.80%	6/5/20	16,200.00		
12/8/17	12/8/17	3,745,000	172967LC3	CITIGROUP INC CORP (CALLABLE) NOTE	2.90%	12/8/21	54,302.50		
12/15/17	12/15/17	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	3,725.17		

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12/15/17	12/15/17	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
12/15/17	12/15/17	847,127	65478WAB1	NISSAN ABS 2016-C A2A	1.07%	5/15/19	755.36		
12/15/17	12/15/17	142,044	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	132.57		
12/15/17	12/15/17	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
12/15/17	12/15/17	2,413,797	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	2,735.64		
12/15/17	12/15/17	1,482,509	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	1,816.07		
12/15/17	12/15/17	11,222	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	10.01		
12/15/17	12/15/17	1,435,000	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	1,793.75		
12/15/17	12/15/17	1,770,000	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	2,050.25		
12/15/17	12/15/17	991,922	47788NAB4	JOHN DEERE ABS 2016-B A2	1.09%	2/15/19	901.00		
12/15/17	12/15/17	1,384,185	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	1,222.70		
12/15/17	12/15/17	339,013	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	316.41		
12/15/17	12/15/17	1,949,017	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	2,306.34		
12/15/17	12/15/17	43,643	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	38.91		
12/15/17	12/15/17	21,447	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	19.12		
12/18/17	12/18/17	2,165,583	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	1,876.84		
12/21/17	12/21/17	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	2,637.10		
12/21/17	12/21/17	544,853	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	472.21		
12/21/17	12/21/17	77,362	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	67.05		
12/21/17	12/21/17	66,311	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	57.47		
12/21/17	12/21/17	1,558,008	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	8/21/18	1,843.64		
Total INTEREST		156,713,801					796,679.71		

PAYDOWNS

10/15/17	10/15/17	243,673	47788NAB4	JOHN DEERE ABS 2016-B A2	1.09%	2/15/19	243,673.25		0.00
10/15/17	10/15/17	50,986	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	50,985.70		0.00
10/15/17	10/15/17	13,111	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	13,110.61		0.00
10/15/17	10/15/17	25,056	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	25,055.83		0.00

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10/15/17	10/15/17	208,704	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	208,704.19		0.00
10/15/17	10/15/17	81,606	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	81,606.10		0.00
10/15/17	10/15/17	34,193	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	34,192.50		0.00
10/15/17	10/15/17	143,298	65478WAB1	NISSAN ABS 2016-C A2A	1.07%	5/15/19	143,298.11		0.00
10/18/17	10/18/17	323,185	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	323,185.13		0.00
10/21/17	10/21/17	130,107	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	130,107.23		0.00
10/21/17	10/21/17	18,474	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	18,473.64		0.00
10/21/17	10/21/17	15,835	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	15,834.56		0.00
10/21/17	10/21/17	178,606	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	8/21/18	178,605.62		0.00
11/15/17	11/15/17	36,203	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	36,203.18		0.00
11/15/17	11/15/17	314,258	47788NAB4	JOHN DEERE ABS 2016-B A2	1.09%	2/15/19	314,258.39		0.00
11/15/17	11/15/17	37,639	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	37,638.80		0.00
11/15/17	11/15/17	76,591	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	76,590.57		0.00
11/15/17	11/15/17	19,695	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	19,694.72		0.00
11/15/17	11/15/17	215,360	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	215,359.57		0.00
11/15/17	11/15/17	7,491	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	7,490.65		0.00
11/15/17	11/15/17	82,196	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	82,196.11		0.00
11/15/17	11/15/17	34,440	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	34,439.71		0.00
11/15/17	11/15/17	185,983	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	185,982.69		0.00
11/15/17	11/15/17	151,340	65478WAB1	NISSAN ABS 2016-C A2A	1.07%	5/15/19	151,339.50		0.00
11/18/17	11/18/17	307,157	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	307,157.23		0.00
11/21/17	11/21/17	17,283	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	17,282.76		0.00
11/21/17	11/21/17	14,814	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	14,813.79		0.00
11/21/17	11/21/17	121,720	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	121,719.98		0.00
11/21/17	11/21/17	174,249	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	8/21/18	174,249.29		0.00
12/15/17	12/15/17	11,029	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	11,028.66		0.00
12/15/17	12/15/17	150,683	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	150,683.36		0.00
12/15/17	12/15/17	44,742	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	44,742.43		0.00
12/15/17	12/15/17	226,155	47788NAB4	JOHN DEERE ABS 2016-B A2	1.09%	2/15/19	226,154.53		0.00
12/15/17	12/15/17	21,447	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	21,447.35		0.00

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12/15/17	12/15/17	11,222	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	11,222.45		0.00
12/15/17	12/15/17	43,643	477877AD6	JDOT 2014-B A3	1.07%	11/15/18	43,642.87		0.00
12/15/17	12/15/17	192,039	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	192,039.08		0.00
12/15/17	12/15/17	117,312	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	117,311.87		0.00
12/15/17	12/15/17	179,366	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	179,365.85		0.00
12/15/17	12/15/17	73,311	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	73,311.25		0.00
12/15/17	12/15/17	30,717	89236WAC2	TOYOTA ABS 2015-A A3	1.12%	2/15/19	30,717.01		0.00
12/15/17	12/15/17	144,033	65478WAB1	NISSAN ABS 2016-C A2A	1.07%	5/15/19	144,033.04		0.00
12/18/17	12/18/17	295,863	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	295,863.24		0.00
12/21/17	12/21/17	16,364	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	16,364.19		0.00
12/21/17	12/21/17	14,026	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	14,026.45		0.00
12/21/17	12/21/17	115,251	43813NAC0	HONDA ABS 2015-2 A3	1.04%	2/21/19	115,250.70		0.00
12/21/17	12/21/17	169,717	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	8/21/18	169,716.99		0.00
Total PAYDOWNS		5,120,171					5,120,170.73		0.00

SELL

10/3/17	10/6/17	1,505,000	912828TH3	US TREASURY NOTES	0.87%	7/31/19	1,492,171.20	1.44%	(9,680.04)
10/3/17	10/6/17	2,450,000	3135G0ZE6	FNMA NOTES	1.75%	6/20/19	2,473,918.81	1.47%	4,812.61
10/3/17	10/6/17	1,600,000	3135G0ZE6	FNMA NOTES	1.75%	6/20/19	1,615,620.44	1.47%	322.75
10/23/17	10/26/17	250,000	912828B90	US TREASURY NOTES	2.00%	2/28/21	252,599.65	1.77%	(3,073.60)
11/1/17	11/3/17	3,250,000	3137EADK2	FREDDIE MAC GLOBAL NOTES	1.25%	8/1/19	3,239,094.44	1.63%	11,120.82
11/1/17	11/3/17	495,000	3137EADK2	FREDDIE MAC GLOBAL NOTES	1.25%	8/1/19	493,339.00	1.63%	(686.56)
11/2/17	11/3/17	5,000,000	09659CA81	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	1/8/18	4,987,075.00	1.41%	183.35
11/3/17	11/7/17	2,150,000	3137EAEH8	FREDDIE MAC NOTES	1.37%	8/15/19	2,148,161.75	1.66%	(8,002.45)
11/3/17	11/7/17	605,000	3137EADK2	FREDDIE MAC GLOBAL NOTES	1.25%	8/1/19	602,963.17	1.64%	(949.51)
11/3/17	11/7/17	1,050,000	3137EADK2	FREDDIE MAC GLOBAL NOTES	1.25%	8/1/19	1,046,465.00	1.64%	(598.95)
11/7/17	11/15/17	2,340,000	3137EAEH8	FREDDIE MAC NOTES	1.37%	8/15/19	2,339,088.70	1.65%	(8,372.01)
11/8/17	11/9/17	2,200,000	3137EADR7	FREDDIE MAC GLOBAL NOTES	1.37%	5/1/20	2,182,214.22	1.72%	(8,790.61)

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11/14/17	11/22/17	705,000	3137EAEH8	FREDDIE MAC NOTES	1.37%	8/15/19	704,067.93	1.73%	(3,378.02)
11/14/17	11/22/17	2,225,000	3135G0ZG1	FNMA NOTES	1.75%	9/12/19	2,233,194.18	1.73%	(1,304.07)
11/16/17	11/17/17	1,100,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	1,087,464.34	1.87%	(16,309.79)
11/16/17	11/17/17	600,000	912828UB4	US TREASURY NOTES	1.00%	11/30/19	594,208.76	1.72%	(2,168.81)
11/16/17	11/17/17	1,000,000	912828UB4	US TREASURY NOTES	1.00%	11/30/19	990,347.93	1.72%	(12,596.53)
11/16/17	11/17/17	3,875,000	912828UB4	US TREASURY NOTES	1.00%	11/30/19	3,837,598.25	1.72%	(3,711.73)
11/16/17	11/17/17	1,000,000	912828UB4	US TREASURY NOTES	1.00%	11/30/19	990,347.93	1.72%	(1,892.85)
11/20/17	11/22/17	1,150,000	3135G0Q89	FANNIE MAE BENCHMARK NOTES	1.37%	10/7/21	1,124,802.06	2.01%	(21,644.96)
11/20/17	11/22/17	1,700,000	912828T34	US TREASURY N/B	1.12%	9/30/21	1,648,530.77	1.99%	(31,429.17)
11/22/17	11/29/17	2,105,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	2,096,646.66	1.85%	(11,931.75)
12/1/17	12/5/17	645,000	17275RAR3	CISCO SYSTEMS INC GLOBAL NOTES	2.12%	3/1/19	650,017.20	1.94%	1,180.26
12/1/17	12/5/17	260,000	17275RAR3	CISCO SYSTEMS INC GLOBAL NOTES	2.12%	3/1/19	262,022.44	1.94%	693.37
12/1/17	12/5/17	645,000	17275RAR3	CISCO SYSTEMS INC GLOBAL NOTES	2.12%	3/1/19	650,017.20	1.94%	568.19
12/1/17	12/5/17	200,000	17275RAR3	CISCO SYSTEMS INC GLOBAL NOTES	2.12%	3/1/19	201,555.73	1.94%	169.54
12/1/17	12/5/17	645,000	17275RAR3	CISCO SYSTEMS INC GLOBAL NOTES	2.12%	3/1/19	650,017.20	1.94%	197.94
12/1/17	12/5/17	1,500,000	3135G0ZG1	FNMA NOTES	1.75%	9/12/19	1,503,802.08	1.84%	(6,565.50)
12/1/17	12/5/17	1,575,000	3135G0ZG1	FNMA NOTES	1.75%	9/12/19	1,578,992.19	1.84%	(3,699.71)
Total SELL		43,825,000					43,676,344.23		-137,537.79



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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 03/31/2015 1.375% 03/31/2020	912828J84	1,100,000.00	AA+	Aaa	11/23/15	11/23/15	1,088,445.09	1.63	3,864.35	1,093,944.31	1,087,109.10
US TREASURY NOTES DTD 03/31/2015 1.375% 03/31/2020	912828J84	2,415,000.00	AA+	Aaa	10/23/15	10/23/15	2,417,366.48	1.35	8,484.01	2,416,217.69	2,386,698.62
US TREASURY NOTES DTD 03/31/2015 1.375% 03/31/2020	912828J84	2,450,000.00	AA+	Aaa	02/23/16	02/23/16	2,471,350.00	1.16	8,606.97	2,461,812.21	2,421,288.45
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	210,000.00	AA+	Aaa	09/29/15	09/29/15	210,066.33	1.37	981.11	210,036.77	206,932.11
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	900,000.00	AA+	Aaa	03/01/16	03/01/16	904,256.92	1.27	4,204.77	902,546.93	886,851.90
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	2,100,000.00	AA+	Aaa	10/23/15	10/23/15	2,098,530.46	1.39	9,811.12	2,099,188.31	2,069,321.10
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	400,000.00	AA+	Aaa	07/28/16	07/28/16	405,688.84	1.03	941.99	403,807.70	393,546.80
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	6,000,000.00	AA+	Aaa	11/23/15	11/23/15	5,906,035.73	1.71	14,129.83	5,945,217.54	5,903,202.00
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	1,350,000.00	AA+	Aaa	12/28/16	12/28/16	1,323,109.99	1.88	7,768.00	1,329,568.65	1,324,266.30
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	2,650,000.00	AA+	Aaa	03/09/16	03/09/16	2,647,420.99	1.40	15,248.30	2,648,363.02	2,599,485.70
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	5,750,000.00	AA+	Aaa	04/26/16	04/26/16	5,911,513.42	1.40	39,074.59	5,856,595.05	5,746,630.50
US TREASURY N/B DTD 02/29/2016 1.125% 02/28/2021	912828P87	6,475,000.00	AA+	Aaa	08/25/17	08/28/17	6,377,622.07	1.57	24,750.78	6,387,056.94	6,296,684.98
US TREASURY NOTES DTD 03/31/2016 1.250% 03/31/2021	912828O37	6,500,000.00	AA+	Aaa	12/13/16	12/13/16	6,349,455.39	1.81	20,758.93	6,385,302.63	6,339,528.00
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	5,880,000.00	AA+	Aaa	07/03/17	07/06/17	5,790,192.19	1.78	7,107.69	5,801,154.73	5,747,700.00



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CITY OF STOCKTON

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U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	9,500,000.00	AA+	Aaa	08/02/17	08/03/17	9,397,207.03	1.67	11,483.52	9,408,058.05	9,286,250.00
US TREASURY NOTES DTD 08/01/2016 1.125% 07/31/2021	912828S76	2,800,000.00	AA+	Aaa	07/10/17	07/11/17	2,724,203.13	1.82	13,182.07	2,732,784.77	2,707,686.80
US TREASURY N/B DTD 09/30/2016 1.125% 09/30/2021	912828T34	4,850,000.00	AA+	Aaa	11/09/16	11/09/16	4,767,983.06	1.48	13,940.42	4,786,689.41	4,679,682.55
US TREASURY NOTES DTD 03/02/2015 1.750% 02/28/2022	912828J43	6,900,000.00	AA+	Aaa	03/13/17	03/13/17	6,775,230.15	2.14	41,028.31	6,794,596.36	6,794,347.20
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	6,470,000.00	AA+	Aaa	12/01/17	12/05/17	6,409,596.48	2.10	30,994.68	6,410,606.95	6,396,960.17
US TREASURY N/B NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	5,400,000.00	AA+	Aaa	11/01/17	11/03/17	5,366,671.88	2.01	42,370.92	5,367,788.62	5,326,803.00
US TREASURY NOTES DTD 07/31/2015 2.000% 07/31/2022	912828X08	9,000,000.00	AA+	Aaa	08/30/17	08/31/17	9,113,906.25	1.73	75,326.09	9,106,498.17	8,931,447.00
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	5,555,000.00	AA+	Aaa	10/03/17	10/06/17	5,507,695.70	1.93	24,837.26	5,509,870.96	5,443,683.36
Security Type Sub-Total		94,655,000.00					93,963,547.58	1.72	418,895.71	94,057,705.77	92,976,105.64
Federal Agency Bond / Note											
FREDDIE MAC GLOBAL NOTES DTD 10/02/2012 1.250% 10/02/2019	3137EADM8	1,000,000.00	AA+	Aaa	06/26/15	06/26/15	982,648.00	1.67	3,090.28	992,726.95	988,091.00
FREDDIE MAC GLOBAL NOTES DTD 10/02/2012 1.250% 10/02/2019	3137EADM8	1,100,000.00	AA+	Aaa	03/05/15	03/05/15	1,083,495.60	1.59	3,399.31	1,093,538.18	1,086,900.10
FREDDIE MAC GLOBAL NOTES DTD 10/02/2012 1.250% 10/02/2019	3137EADM8	3,250,000.00	AA+	Aaa	12/18/14	12/18/14	3,173,235.00	1.77	10,043.40	3,221,167.56	3,211,295.75
FREDDIE MAC NOTES DTD 01/17/2017 1.500% 01/17/2020	3137EAE5	7,500,000.00	AA+	Aaa	03/23/17	03/23/17	7,479,450.00	1.60	51,250.00	7,485,031.73	7,429,035.00
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	3,785,000.00	AA+	Aaa	07/07/17	07/10/17	3,775,726.75	1.60	19,398.13	3,777,390.56	3,745,723.06



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Federal Agency Bond / Note											
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	2,200,000.00	AA+	Aaa	11/08/17	11/09/17	2,179,452.00	1.77	5,965.97	2,180,645.26	2,168,903.00
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	6,500,000.00	AA+	Aaa	04/25/17	04/25/17	6,462,820.00	1.57	17,626.74	6,471,184.85	6,408,122.50
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	4,000,000.00	AA+	Aaa	08/30/17	08/31/17	3,999,760.00	1.50	25,000.00	3,999,797.36	3,950,520.00
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	7,335,000.00	AA+	Aaa	07/28/17	08/01/17	7,312,774.95	1.60	45,843.75	7,315,802.40	7,244,266.05
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	3,490,000.00	AA+	Aaa	09/07/17	09/08/17	3,478,797.10	1.48	12,396.77	3,479,918.58	3,429,183.26
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	4,600,000.00	AA+	Aaa	09/15/17	09/15/17	4,571,526.00	1.58	16,339.58	4,574,225.69	4,519,840.40
FNMA BENCHMARK NOTE DTD 10/19/2015 1.500% 11/30/2020	3135G0F73	400,000.00	AA+	Aaa	02/23/16	02/23/16	402,044.00	1.39	516.67	401,266.26	394,122.40
FNMA BENCHMARK NOTE DTD 10/19/2015 1.500% 11/30/2020	3135G0F73	6,000,000.00	AA+	Aaa	12/16/15	12/16/15	5,886,600.00	1.90	7,750.00	5,932,053.90	5,911,836.00
FNMA NOTES DTD 02/05/2016 1.375% 02/26/2021	3135G0J20	6,400,000.00	AA+	Aaa	02/26/16	02/26/16	6,388,224.00	1.41	30,555.56	6,392,479.17	6,265,273.60
FHLMC REFERENCE NOTE DTD 08/12/2016 1.125% 08/12/2021	3137EAEC9	2,330,000.00	AA+	Aaa	09/26/16	09/26/16	2,312,851.20	1.28	10,120.94	2,317,199.38	2,249,130.36
FHLMC REFERENCE NOTE DTD 08/12/2016 1.125% 08/12/2021	3137EAEC9	4,225,000.00	AA+	Aaa	08/30/16	08/30/16	4,183,552.75	1.33	18,352.34	4,194,481.18	4,078,358.70
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	6,500,000.00	AA+	Aaa	10/04/16	10/04/16	6,464,854.50	1.37	30,243.06	6,473,616.96	6,298,669.00
FANNIE MAE AGENCY NOTES DTD 01/09/2017 2.000% 01/05/2022	3135G0S38	6,400,000.00	AA+	Aaa	01/11/17	01/11/17	6,395,040.00	2.02	62,577.78	6,395,966.40	6,357,843.20
FREDDIE MAC GLOBAL NOTES DTD 01/13/2012 2.375% 01/13/2022	3137EADB2	6,400,000.00	AA+	Aaa	01/27/17	01/27/17	6,502,188.80	2.03	70,933.33	6,483,869.95	6,457,542.40



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CITY OF STOCKTON

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Federal Agency Bond / Note											
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	7,150,000.00	AA+	Aaa	06/19/17	06/20/17	7,148,920.35	1.88	32,026.04	7,149,094.31	7,060,939.60
Security Type Sub-Total		90,565,000.00					90,183,961.00	1.65	473,429.65	90,331,456.63	89,255,595.38
Corporate Note											
US BANCORP (CALLABLE) CORPORATE NOTES DTD 04/24/2014 2.200% 04/25/2019	91159HHH6	60,000.00	A+	A1	08/04/14	08/04/14	60,437.40	2.04	242.00	60,120.77	60,169.86
US BANCORP (CALLABLE) CORPORATE NOTES DTD 04/24/2014 2.200% 04/25/2019	91159HHH6	575,000.00	A+	A1	06/10/14	06/10/14	578,881.25	2.05	2,319.17	576,039.97	576,627.83
US BANCORP (CALLABLE) CORPORATE NOTES DTD 04/24/2014 2.200% 04/25/2019	91159HHH6	580,000.00	A+	A1	04/28/14	04/28/14	578,938.60	2.24	2,339.33	579,708.78	581,641.98
US BANCORP (CALLABLE) CORPORATE NOTES DTD 04/24/2014 2.200% 04/25/2019	91159HHH6	810,000.00	A+	A1	04/28/14	04/28/14	808,744.50	2.23	3,267.00	809,655.60	812,293.11
US BANCORP (CALLABLE) CORPORATE NOTES DTD 04/24/2014 2.200% 04/25/2019	91159HHH6	2,000,000.00	A+	A1	02/26/16	02/26/16	2,029,600.00	1.72	8,066.67	2,012,048.10	2,005,662.00
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019	084664CK5	1,905,000.00	AA	Aa2	08/08/16	08/15/16	1,903,152.15	1.33	9,355.67	1,903,991.84	1,880,939.85
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	200,000.00	A	A1	06/19/15	06/19/15	201,186.00	2.15	1,405.56	200,475.63	200,521.40
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	300,000.00	A	A1	07/17/15	07/17/15	299,985.00	2.30	2,108.33	299,995.45	300,782.10



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Corporate Note											
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	350,000.00	A	A1	03/21/17	03/21/17	352,520.00	2.00	2,459.72	351,713.57	350,912.45
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	750,000.00	A	A1	03/10/15	03/10/15	757,845.00	2.06	5,270.83	752,945.01	751,955.25
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	790,000.00	A	A1	09/08/14	09/11/14	791,216.60	2.27	5,551.94	790,418.13	792,059.53
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	1,585,000.00	A	A1	09/04/14	09/11/14	1,584,698.85	2.30	11,139.03	1,584,894.11	1,589,132.10
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	500,000.00	A	A2	01/26/15	02/02/15	500,000.00	2.15	4,509.03	500,000.00	498,903.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	500,000.00	A	A2	07/17/15	07/17/15	494,355.00	2.41	4,509.03	497,335.96	498,903.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	675,000.00	A	A2	06/25/15	06/25/15	666,900.00	2.43	6,087.19	671,226.57	673,519.73
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,500,000.00	A	A2	03/23/17	03/23/17	1,501,920.00	2.10	13,527.08	1,501,424.16	1,496,710.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,985,000.00	A	A2	01/26/15	02/02/15	1,982,300.40	2.18	17,900.84	1,983,839.47	1,980,646.90
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BO4	1,800,000.00	A	A2	05/24/17	06/05/17	1,798,956.00	1.82	2,340.00	1,799,150.87	1,785,686.40
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	845,000.00	A+	A2	07/17/17	07/20/17	844,146.55	1.98	7,369.10	844,270.66	838,349.01
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	3,155,000.00	A+	A2	07/19/17	07/24/17	3,156,829.90	1.93	27,514.23	3,156,571.66	3,130,167.00
MICROSOFT CORP (CALLABLE) NOTES DTD 11/03/2015 2.000% 11/03/2020	594918BG8	1,515,000.00	AAA	Aaa	10/29/15	11/03/15	1,513,788.00	2.02	4,881.67	1,514,297.10	1,509,102.11

PFM Asset Management LLC


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Corporate Note											
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	1,945,000.00	A-	A2	10/23/17	10/26/17	1,944,105.30	2.17	7,550.38	1,944,135.62	1,926,600.30
IBM CORP NOTES DTD 02/19/2016 2.250% 02/19/2021	459200JF9	3,123,000.00	A+	A1	07/13/17	07/18/17	3,139,895.43	2.09	25,764.75	3,137,851.74	3,113,905.82
EXXON MOBIL CORPORATE (CALLABLE) NOTES DTD 03/03/2016 2.222% 03/01/2021	30231GAV4	1,415,000.00	AA+	Aaa	02/29/16	03/03/16	1,415,000.00	2.22	10,480.43	1,415,000.00	1,411,833.23
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 03/01/2016 2.550% 03/01/2021	46625HOJ2	2,000,000.00	A-	A3	07/06/17	07/11/17	2,010,300.00	2.40	17,000.00	2,009,009.22	2,001,058.00
EXXON MOBIL CORPORATE (CALLABLE) NOTES DTD 03/03/2016 2.222% 03/01/2021	30231GAV4	3,078,000.00	AA+	Aaa	05/16/16	05/16/16	3,131,957.34	1.84	22,797.72	3,113,881.32	3,071,111.44
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	3,745,000.00	A-	A3	11/01/17	11/03/17	3,773,050.05	2.40	19,661.25	3,771,796.94	3,764,106.99
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	3,740,000.00	BBB+	A3	11/03/17	11/07/17	3,758,722.44	2.47	17,998.75	3,757,928.81	3,737,400.70
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	150,000.00	A	A1	11/01/16	11/01/16	150,142.50	1.93	341.25	150,107.60	147,834.90
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	2,230,000.00	A	A1	05/16/16	05/19/16	2,228,840.40	1.96	5,073.25	2,229,203.13	2,197,812.18
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 1.550% 08/08/2021	594918BP8	855,000.00	AAA	Aaa	08/02/16	08/08/16	853,691.85	1.58	5,264.19	854,047.17	832,490.42
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 1.550% 08/08/2021	594918BP8	2,125,000.00	AAA	Aaa	08/01/16	08/08/16	2,122,768.75	1.57	13,083.51	2,123,374.93	2,069,055.13
PACCAR FINANCIAL CORP DTD 08/11/2016 1.650% 08/11/2021	69371RN44	1,730,000.00	A+	A1	01/25/17	01/25/17	1,661,976.40	2.57	11,100.83	1,675,323.70	1,681,587.68



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

CITY OF STOCKTON

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
ORACLE CORP (CALLABLE) NOTES DTD 07/07/2016 1.900% 09/15/2021	68389XBK0	4,100,000.00	AA-	A1	11/29/16	11/29/16	4,008,201.00	2.40	22,937.22	4,028,196.58	4,035,293.80
CITIGROUP INC CORP (CALLABLE) NOTE DTD 12/08/2016 2.900% 12/08/2021	172967LC3	3,745,000.00	BBB+	Baa1	11/20/17	11/22/17	3,770,578.35	2.72	6,938.65	3,769,942.52	3,769,645.85
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	875,000.00	A	A2	03/21/17	03/21/17	877,056.25	2.60	11,271.70	876,754.86	880,095.13
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	1,000,000.00	A	A2	03/21/17	03/21/17	1,003,240.00	2.58	12,881.94	1,002,758.12	1,005,823.00
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	3,000,000.00	A	A2	03/22/17	03/22/17	3,010,920.00	2.57	38,645.83	3,009,294.18	3,017,469.00
US BANCORP (CALLABLE) NOTES DTD 01/24/2017 2.625% 01/24/2022	91159HHP8	2,000,000.00	A+	A1	01/19/17	01/24/17	1,996,560.00	2.66	22,895.83	1,997,170.16	2,011,484.00
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 03/03/2017 2.700% 03/03/2022	0258M0EG0	2,000,000.00	A-	A2	07/10/17	07/13/17	2,019,320.00	2.48	17,700.00	2,017,466.10	2,006,488.00
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 2.450% 03/04/2022	25468PDO6	4,000,000.00	A+	A2	07/14/17	07/19/17	4,047,920.00	2.18	31,850.00	4,043,503.00	3,995,660.00
INTEL CORP (CALLABLE) NOTES DTD 05/11/2017 2.350% 05/11/2022	458140BB5	4,000,000.00	A+	A1	07/10/17	07/13/17	4,002,480.00	2.34	13,055.56	4,002,307.08	3,987,184.00
APPLE INC CORP (CALLABLE) NOTE DTD 05/11/2017 2.300% 05/11/2022	037833CO1	6,000,000.00	AA+	Aa1	07/10/17	07/13/17	5,992,020.00	2.33	19,166.67	5,992,835.76	5,958,048.00
UNITED PARCEL SERVICE (CALLABLE) NOTES DTD 05/16/2017 2.350% 05/16/2022	911312BC9	4,000,000.00	A+	A1	07/10/17	07/13/17	4,012,880.00	2.28	11,750.00	4,011,731.56	3,982,020.00
HOME DEPOT INC CORP (CALLABLE) NOTES DTD 06/02/2015 2.625% 06/01/2022	437076BG6	2,000,000.00	A	A2	07/10/17	07/13/17	2,029,380.00	2.30	4,375.00	2,026,686.98	2,011,160.00
Security Type Sub-Total		85,236,000.00					85,367,407.26	2.23	511,748.13	85,350,430.49	84,929,853.68

Commercial Paper



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
BNP PARIBAS NY BRANCH COMM PAPER DTD 07/10/2017 0.000% 01/08/2018	09659CA81	7,000,000.00	A-1	P-1	07/10/17	07/11/17	6,949,671.94	1.44	0.00	6,998,053.58	6,997,088.00
CREDIT AGRICOLE CIB NY COMM PAPER DTD 07/06/2017 0.000% 01/08/2018	22533UA86	12,000,000.00	A-1	P-1	07/10/17	07/11/17	11,916,740.00	1.39	0.00	11,996,780.04	11,995,212.00
BANK OF MONTREAL CHICAGO COMM PAPER DTD 07/10/2017 0.000% 01/08/2018	06366HA80	12,000,000.00	A-1	P-1	07/10/17	07/11/17	11,917,313.71	1.38	0.00	11,996,802.24	11,994,912.00
JP MORGAN SECURITIES LLC COMM PAPER DTD 07/12/2017 0.000% 01/09/2018	46640OA92	10,000,000.00	A-1	P-1	07/12/17	07/13/17	9,928,500.00	1.44	0.00	9,996,822.20	9,995,370.00
BANK OF TOKYO MITSUBISHI UFJ COMM PAPER DTD 07/24/2017 0.000% 03/21/2018	06538CCM1	12,000,000.00	A-1	P-1	07/24/17	07/24/17	11,880,800.00	1.51	0.00	11,960,763.36	11,954,436.00
Security Type Sub-Total		53,000,000.00					52,593,025.65	1.43	0.00	52,949,221.42	52,937,018.00
Certificate of Deposit											
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	7,500,000.00	A+	Aa3	08/03/17	08/04/17	7,497,075.00	1.85	57,500.00	7,497,677.70	7,403,696.70
BANK TOKYO MITSUBISHI UFJ LTD LT CD DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	3,760,000.00	A+	A1	09/25/17	09/27/17	3,760,000.00	2.07	20,755.20	3,760,000.00	3,742,406.96
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	6,735,000.00	AA-	Aa3	08/03/17	08/07/17	6,735,000.00	2.05	55,227.00	6,735,000.00	6,723,819.90
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	7,555,000.00	AA-	Aa3	11/16/17	11/17/17	7,555,000.00	2.30	21,437.31	7,555,000.00	7,514,187.89
Security Type Sub-Total		25,550,000.00					25,547,075.00	2.07	154,919.51	25,547,677.70	25,384,111.45
Asset-Backed Security / Collateralized Mortgage Obligation											
HONDA AUTO RECEIVABLES OWNER 2017-1 A2 DTD 03/28/2017 1.420% 08/21/2018	43814TAB8	1,388,291.00	NR	Aaa	03/21/17	03/28/17	1,388,257.82	1.42	547.60	1,388,274.66	1,386,411.39



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For the Month Ending **December 31, 2017**

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
TOYOTA ABS 2015-A A3 DTD 03/04/2015 1.120% 02/15/2019	89236WAC2	111,327.44	AAA	Aaa	11/17/15	11/17/15	111,101.30	1.24	55.42	111,244.99	111,244.39
TOYOTA ABS 2015-A A3 DTD 03/04/2015 1.120% 02/15/2019	89236WAC2	265,701.50	AAA	Aaa	02/24/15	03/04/15	265,661.32	1.13	132.26	265,689.51	265,503.29
JOHN DEERE ABS 2016-B A2 DTD 07/27/2016 1.090% 02/15/2019	47788NAB4	765,767.24	NR	Aaa	07/19/16	07/27/16	765,720.53	1.09	370.97	765,749.08	765,293.92
HONDA ABS 2015-2 A3 DTD 05/20/2015 1.040% 02/21/2019	43813NAC0	52,284.22	AAA	NR	06/25/15	06/25/15	52,026.88	1.22	15.10	52,217.54	52,213.11
HONDA ABS 2015-2 A3 DTD 05/20/2015 1.040% 02/21/2019	43813NAC0	60,998.26	AAA	NR	12/01/15	12/01/15	60,717.09	1.23	17.62	60,913.48	60,915.30
HONDA ABS 2015-2 A3 DTD 05/20/2015 1.040% 02/21/2019	43813NAC0	429,602.00	AAA	NR	05/13/15	05/20/15	429,536.05	1.05	124.11	429,585.48	429,017.70
HONDA ABS 2016-4 A2 DTD 10/25/2016 1.040% 04/18/2019	43814RAB2	1,869,720.13	AAA	NR	10/18/16	10/25/16	1,869,667.96	1.04	702.18	1,869,695.39	1,866,188.42
NISSAN ABS 2016-C A2A DTD 08/10/2016 1.070% 05/15/2019	65478WAB1	703,094.36	NR	Aaa	08/02/16	08/10/16	703,066.66	1.07	334.36	703,082.06	702,583.07
TOYOTA ABS 2016-D A2A DTD 10/12/2016 1.060% 05/15/2019	89231LAB3	1,192,146.12	AAA	Aaa	10/04/16	10/12/16	1,192,050.75	1.06	561.63	1,192,100.70	1,190,327.02
TOYOTA ABS 2017-A A2A DTD 03/15/2017 1.420% 09/15/2019	89238MAB4	1,769,651.46	AAA	Aaa	03/07/17	03/15/17	1,769,480.69	1.43	1,116.85	1,769,532.98	1,766,746.05
JOHN DEERE ABS 2017-A A2 DTD 03/02/2017 1.500% 10/15/2019	47787XAB3	1,423,971.34	NR	Aaa	02/22/17	03/02/17	1,423,965.64	1.50	949.31	1,423,967.62	1,422,105.23
NISSAN ABS 2017-A A2A DTD 03/28/2017 1.470% 01/15/2020	654747AB0	1,365,197.48	NR	Aaa	03/21/17	03/28/17	1,365,190.52	1.47	891.93	1,365,192.47	1,362,736.30
HONDA ABS 2016-2 A3 DTD 05/31/2016 1.390% 04/15/2020	43814OAC2	1,725,257.57	NR	Aaa	05/24/16	05/31/16	1,725,224.10	1.39	1,065.83	1,725,239.68	1,719,564.39
JOHN DEERE ABS 2016-A A3 DTD 03/02/2016 1.360% 04/15/2020	47788MAC4	2,263,113.46	NR	Aaa	02/23/16	03/02/16	2,262,757.25	1.37	1,367.93	2,262,936.53	2,256,791.45



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CITY OF STOCKTON

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
HAROT 2017-4 A3 DTD 11/29/2017 2.050% 11/21/2021	43813FAC7	2,105,000.00	NR	Aaa	11/22/17	11/29/17	2,104,703.41	2.06	1,198.68	2,104,708.88	2,100,245.86
TAOT 2017-D A3 DTD 11/15/2017 1.930% 01/15/2022	89238KAD4	2,340,000.00	AAA	Aaa	11/07/17	11/15/17	2,339,784.25	2.26	2,007.20	2,339,790.66	2,326,196.11
HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/15/2022	44932GAD7	4,185,000.00	AAA	Aaa	08/09/17	08/16/17	4,184,274.74	1.78	3,292.20	4,184,334.21	4,152,268.28
ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	2,930,000.00	AAA	Aaa	11/14/17	11/22/17	2,929,772.63	1.99	2,591.42	2,929,777.94	2,920,585.91
Security Type Sub-Total		26,946,123.58					26,942,959.59	1.59	17,342.60	26,944,033.86	26,856,937.19
Managed Account Sub-Total		375,952,123.58					374,597,976.08	1.79	1,576,335.60	375,180,525.87	372,339,621.34
Securities Sub-Total		\$375,952,123.58					\$374,597,976.08	1.79%	\$1,576,335.60	\$375,180,525.87	\$372,339,621.34
Accrued Interest											\$1,576,335.60
Total Investments											\$373,915,956.94

Appendix

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.