

City of Cupertino

Period Ending June 30, 2020

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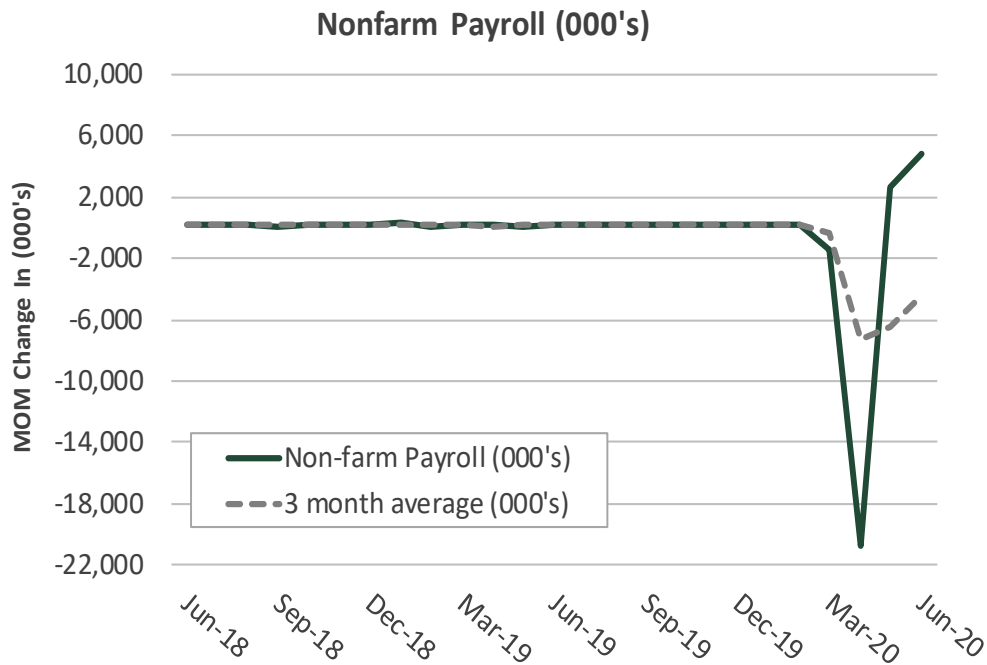
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Section 1 | Economic Update

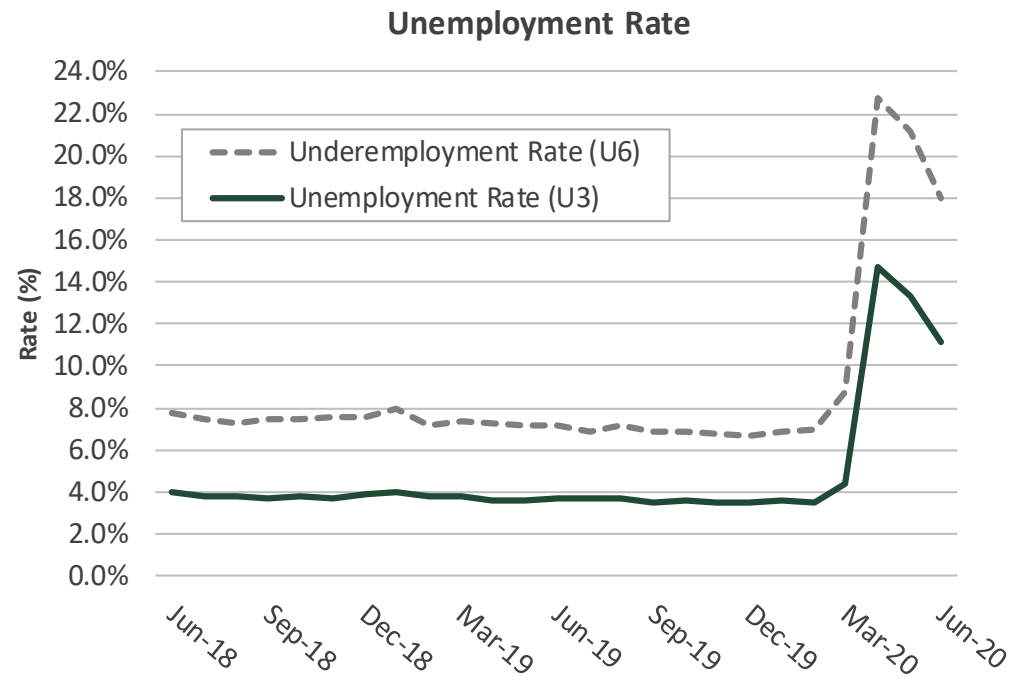
Economic Update

- Economic data remains weak but is showing signs of improvement. We believe financial market participants are looking through the data and expect conditions to recover further in the second half of the year, supported by robust fiscal and monetary relief. First quarter GDP declined 5.0% and the decline in second quarter GDP is expected to be more severe, but economic output is expected to grow in the third quarter. More than 40 million people have filed for unemployment since mid-March, though many of those jobs have already started to return. We believe additional fiscal stimulus, beyond the \$2.7 trillion that has already been announced, may be necessary to foster a strong recovery.
- The Federal Open Market Committee (FOMC) kept monetary policy unchanged at its June 9-10 meeting, as expected, with the fed funds target rate in the range of 0%-0.25%. According the Fed's economic projections, policymakers expect to keep that range unchanged through 2022. The Fed will continue to purchase Treasury and agency mortgage-backed securities as needed to support smooth market functioning and will continue to support the flow of credit to households, businesses, and municipalities through the various lending programs that have already been announced. Although some economic data has recently surprised to the upside, Fed Chair Powell maintained a dovish tone during his press conference and cautioned that unemployment is likely to remain elevated even as the economy recovers. He noted the outlook for the economy remains highly uncertain and depends largely on the path of the pandemic. He also hinted that the Fed is considering the option of yield curve control (i.e. structuring their bond purchases to target a cap on yields across the Treasury yield curve). Overall, the Fed remains highly accommodative.
- Treasury yields were nearly unchanged in June. The yield on 2-year Treasuries declined about one basis point to 0.15% and the yield on 10-year Treasuries was essentially unchanged at 0.66%. Global economic weakness continues to put downward pressure on inflation expectations. An ongoing global demand for safe-haven assets has also kept a lid on Treasury rates.

Employment



Source: US Department of Labor

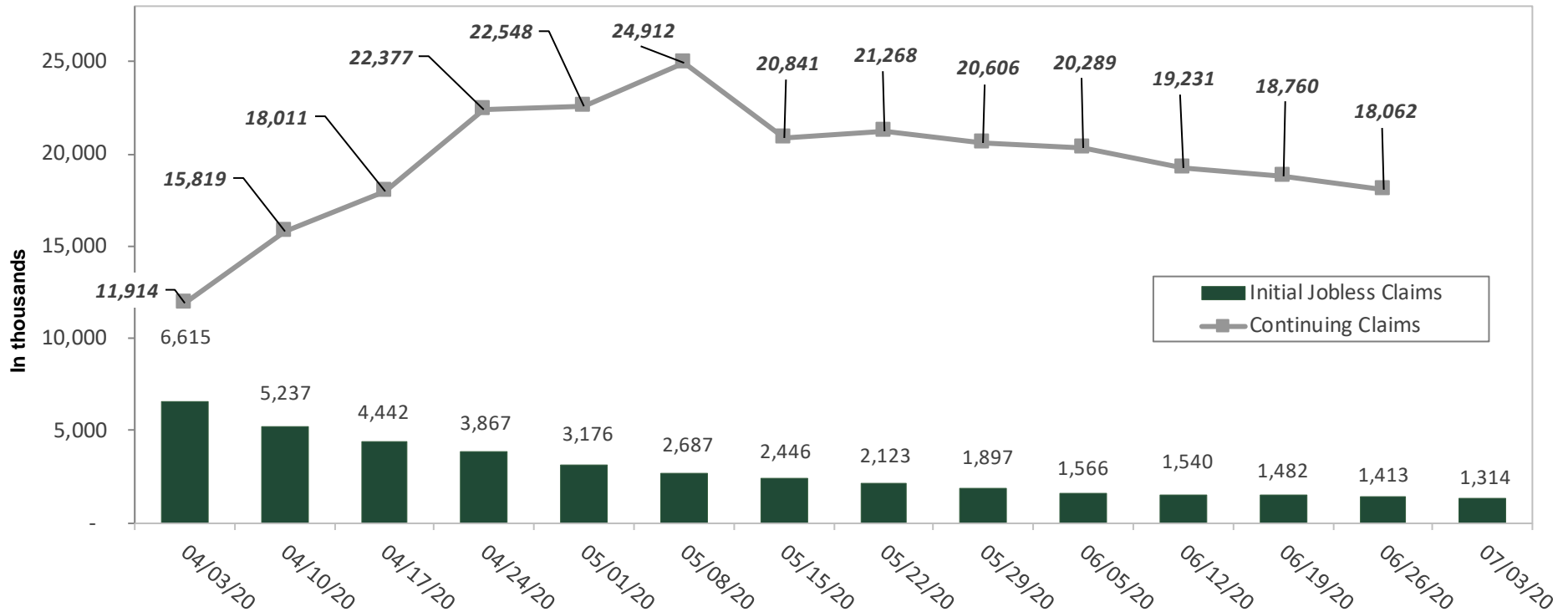


Source: US Department of Labor

U.S. nonfarm payrolls were better than expected in June increasing by 4,800,000 versus expectations of 3,230,000. The unemployment rate declined to 11.1% in June (versus expectations of 12.5%) from 13.3% in May. If the workers who classified themselves as employed but absent from work in the June survey had instead been classified as unemployed on temporary layoff, the total unemployment rate would have been about 1% higher. Job growth was broad-based in June, with particularly strong gains in leisure and hospitality and retail trade, but the improvement was still a long way from recovering the number of jobs lost in those sectors in April. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, remained very high but eased to 18.0% in June from 21.2% in May. The labor participation rate increased to 61.5% in June from 60.8% in May.

Initial Claims for Unemployment

Initial Claims For Unemployment April 03, 2020 - July 03, 2020

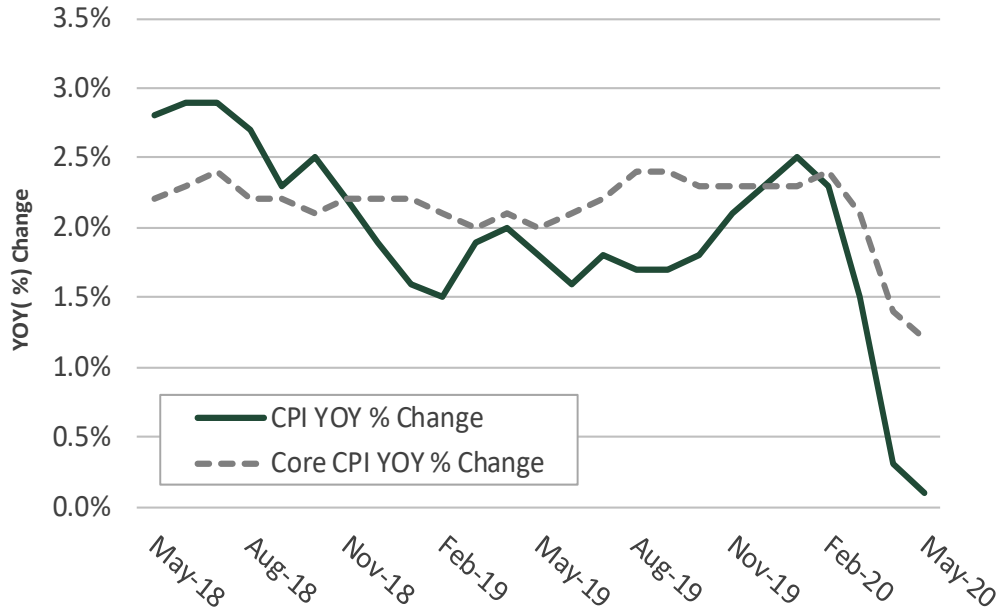


Source: US Department of Labor

In the most recent week of July 4th, more than 1.3 million people filed an initial claim for unemployment. The level of continuing unemployment claims (where the data is lagged by one week) remained very high in the week of June 26th but declined to nearly 18.1 million from the prior week level of about 18.8 million.

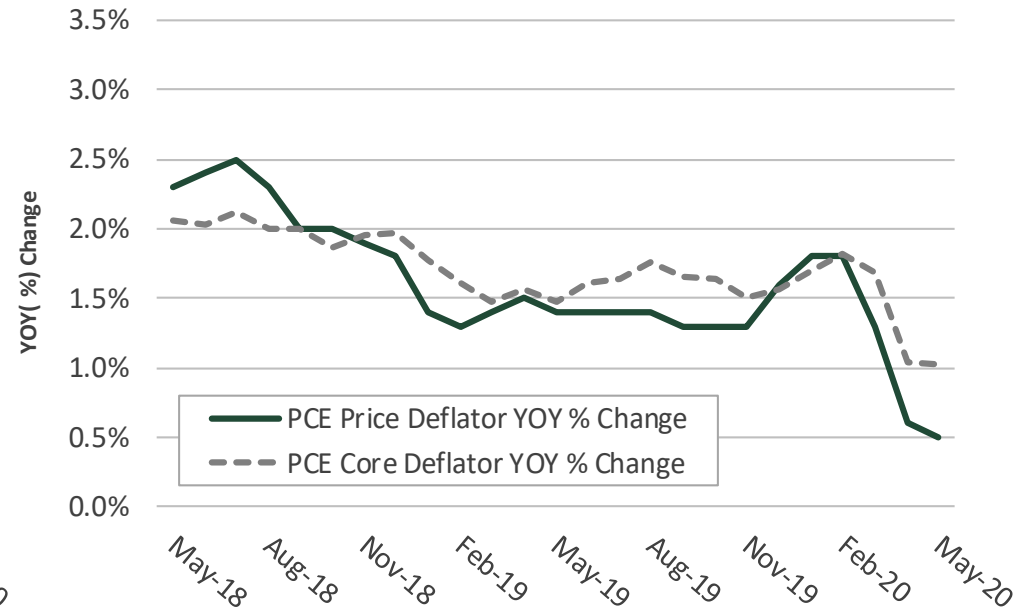
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

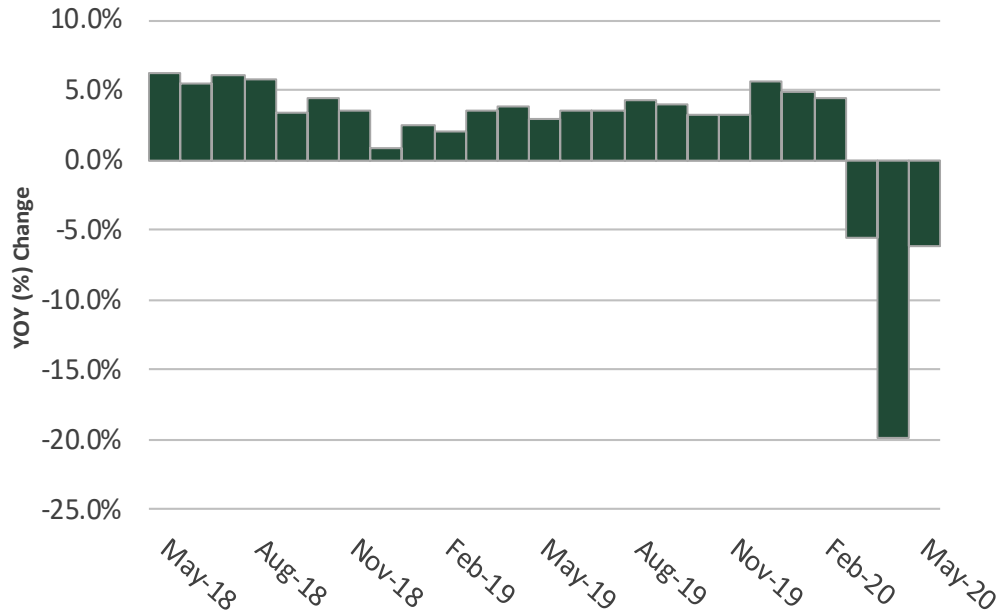


Source: US Department of Commerce

The Consumer Price Index (CPI) was up 0.1% year-over-year in May, down from 0.3% in April. Core CPI (CPI less food and energy) was up just 1.2% year-over-year in May, down from 1.4% in April. The Personal Consumption Expenditures (PCE) index was up just 0.5% year-over-year in May, versus up 0.6% year-over-year in April and 1.3% in March. Core PCE, which is the Fed's primary inflation gauge, was up 1.0% year-over-year in May, versus up 1.0% year-over-year in April and 1.7% in March. Consumer pricing data indicate that the effect of the pandemic has been deflationary.

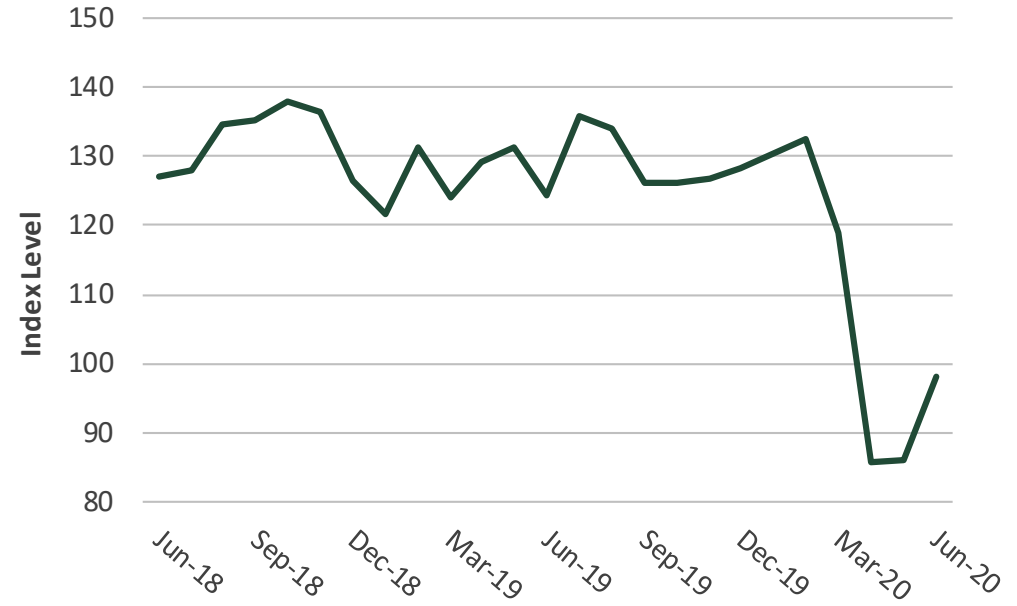
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

Consumer Confidence

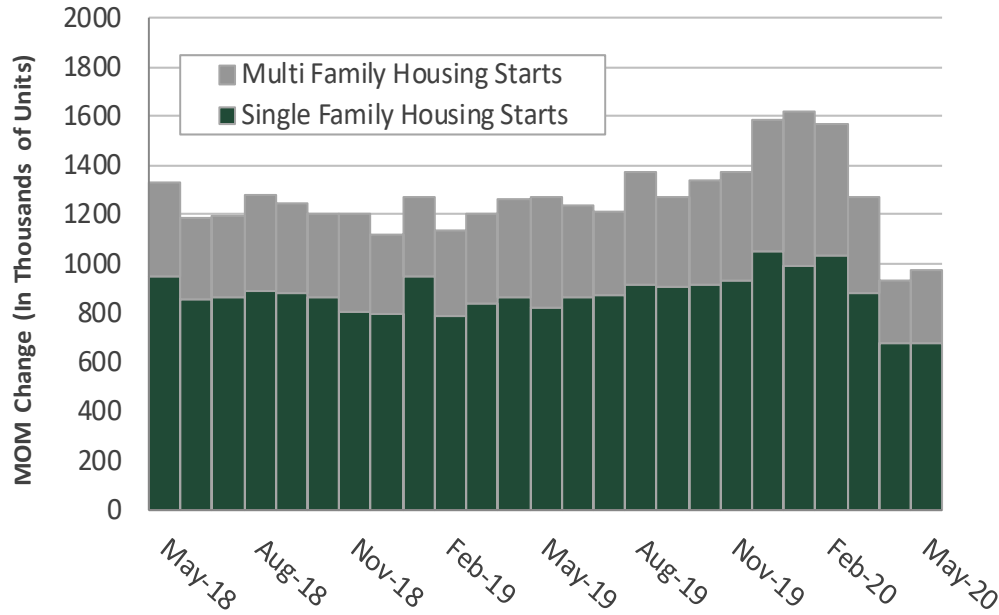


Source: The Conference Board

On a year-over-year basis, retail sales were down 6.1% in May versus down of 19.9% in April. On a month-over-month basis, retail sales jumped 17.7% in May (a much stronger rebound than expected), following a 14.7% decline in April. In May, month-over-month increases were particularly strong for clothing, furniture, sporting goods, electronics, appliances, and auto sales. Consumer confidence continued to recover in June. The Consumer Confidence index rose to 98.1 in June from 85.9 in May. Both the Present Situation index the Expectations index improved.

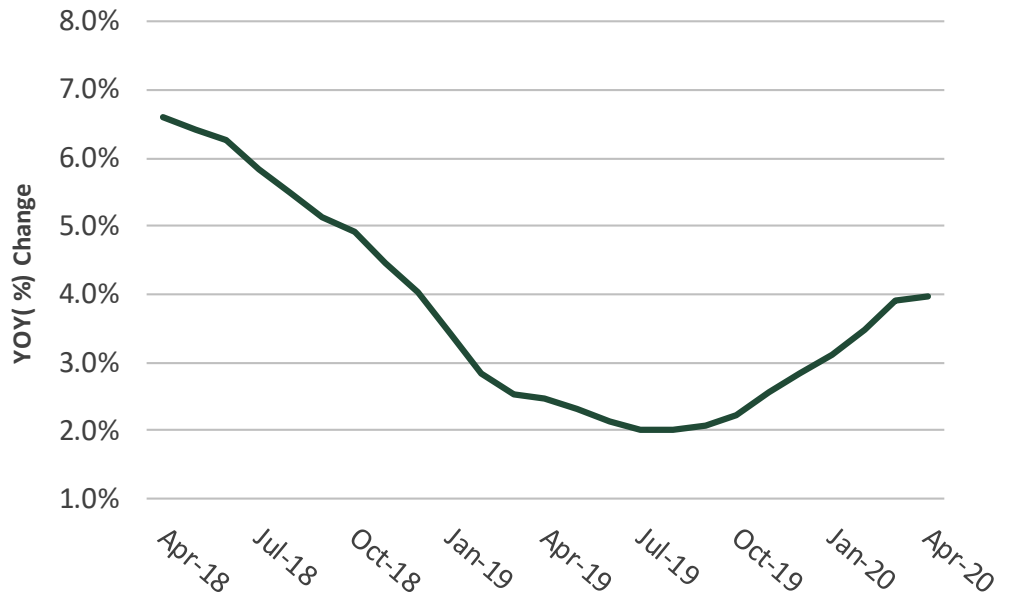
Housing

Housing Starts



Source: US Department of Commerce

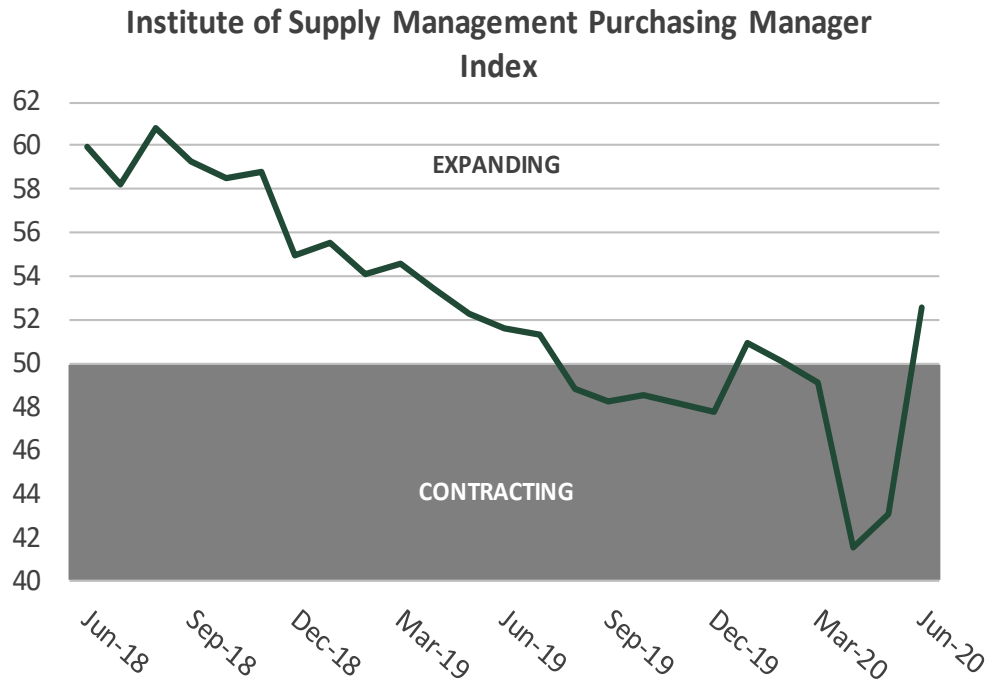
S&P/Case-Shiller 20 City Composite Home Price Index



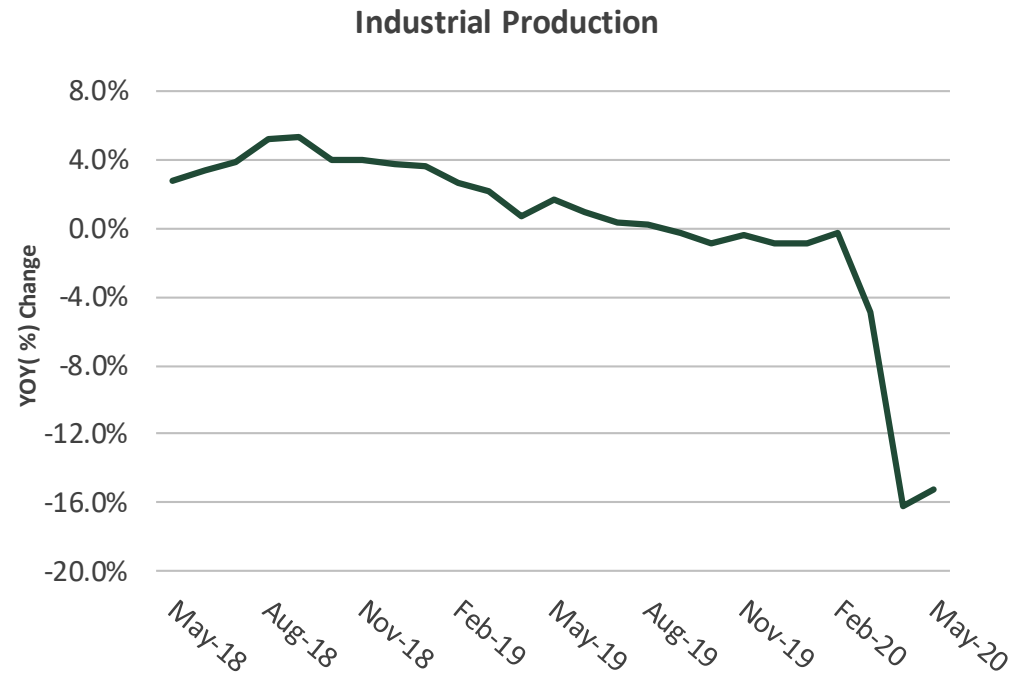
Source: S&P

Housing starts rose 4.3% in May to an annual pace of 974,000. Single family starts were roughly flat at an annualized rate of 675,000, while multi-family starts increased 15.0% to an annualized rate of 299,000. Permits increased 14.4% in May to an annualized rate of 1,220,000. According to the Case-Shiller 20-City home price index, home prices were up 4.0% year-over-year in April versus up 3.9% year-over-year in March. We believe low inventory and low mortgage rates continue to support prices.

Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

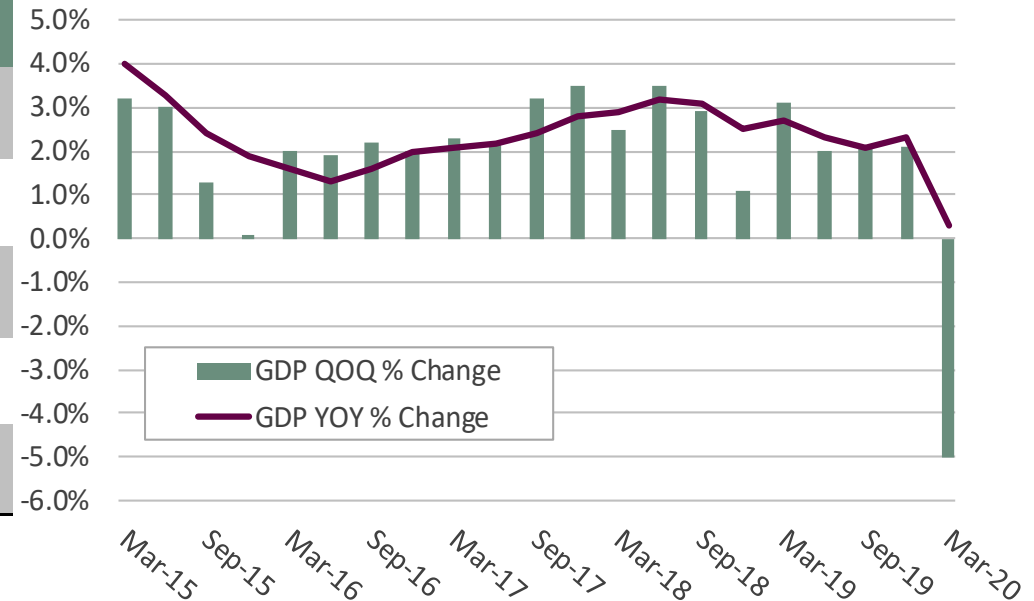
The Institute for Supply Management (ISM) manufacturing index improved meaningfully to 52.6 in June from 43.1 in May. The reading above 50.0 suggests that the manufacturing sector is no longer contracting. The Industrial Production index was down 15.3% year-over-year in May, versus down 16.3% in April. On a month-over-month basis, the Industrial Production index increased 1.4% in May, following a 12.5% decline in April. Capacity Utilization improved to 64.8% in May from 64.0% in April, but remains well below the long-run average of 79.8%. Overall manufacturing conditions remain under pressure but the sector is showing modest improvement from April.

Gross Domestic Product (GDP)

Components of GDP	6/19	9/19	12/19	3/20
Personal Consumption Expenditures	3.0%	2.1%	1.2%	-4.7%
Gross Private Domestic Investment	-1.2%	-0.2%	-1.1%	-1.8%
Net Exports and Imports	-0.7%	-0.1%	1.5%	1.3%
Federal Government Expenditures	0.5%	0.2%	0.2%	0.1%
State and Local (Consumption and Gross Investment)	0.3%	0.1%	0.2%	0.1%
Total	2.0%	2.1%	2.1%	-5.0%

Source: US Department of Commerce

Gross Domestic Product (GDP)

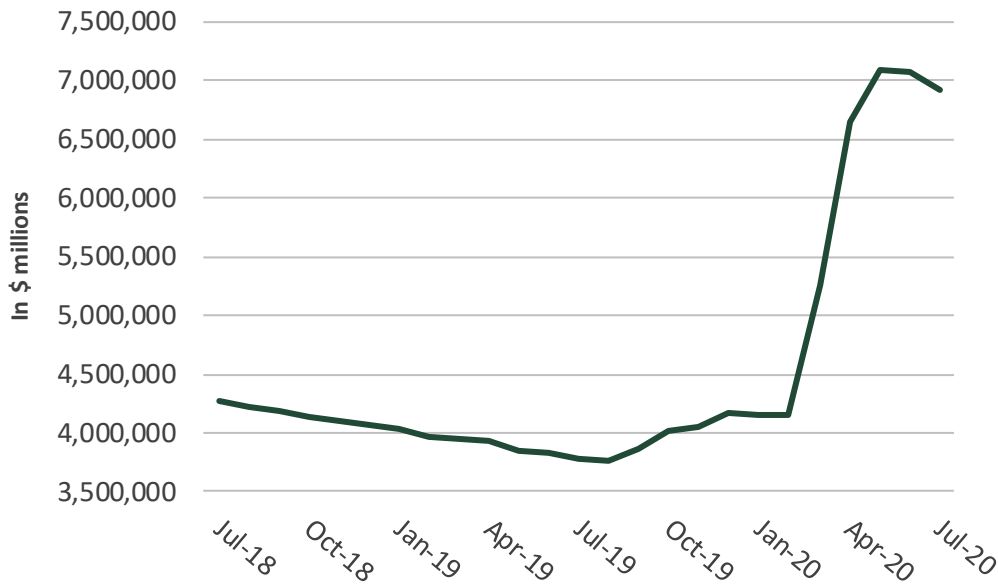


Source: US Department of Commerce

First quarter US gross domestic product (GDP) declined 5.0%, a slightly larger decline than the initial estimate of -4.8%. Consumer spending declined 6.8% in the quarter. Notably, the decline in second quarter 2020 GDP is expected to be much more severe. The Bloomberg median estimate for second quarter GDP is -34.7%, and consumer spending is expected to decline 39.7%. The consensus forecast calls for a return to positive GDP growth in the third quarter. According to the National Bureau of Economic Research, the US economy officially entered a recession in February 2020, following a 128-month economic expansion. Economic data remains weak but is showing early signs of improvement, which suggests that the recession (which is the period between the peak of economic activity and the trough) may technically already be over.

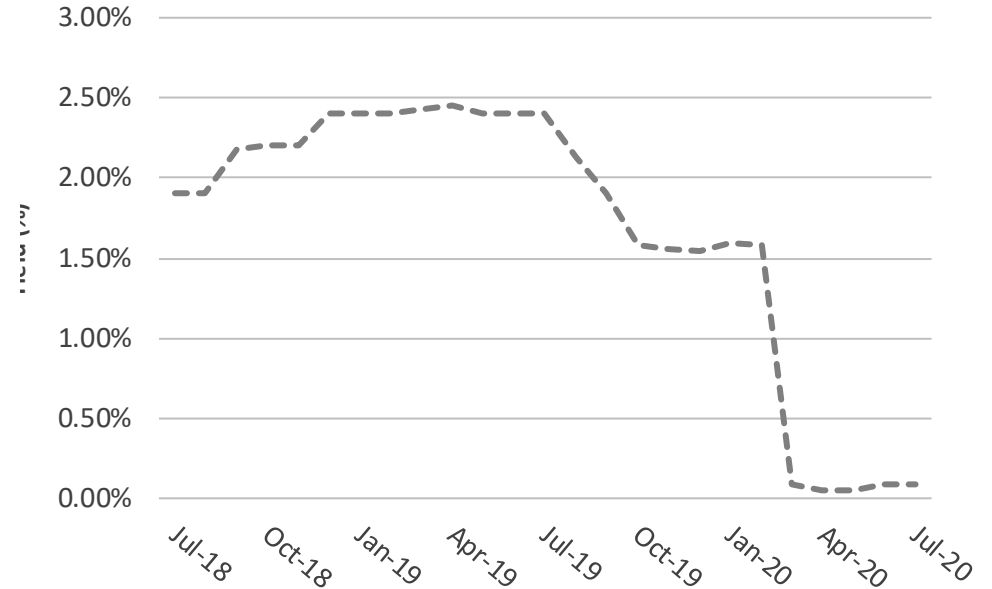
Federal Reserve

Federal Reserve Balance Sheet Assets



Source: Federal Reserve

Effective Federal Funds Rate

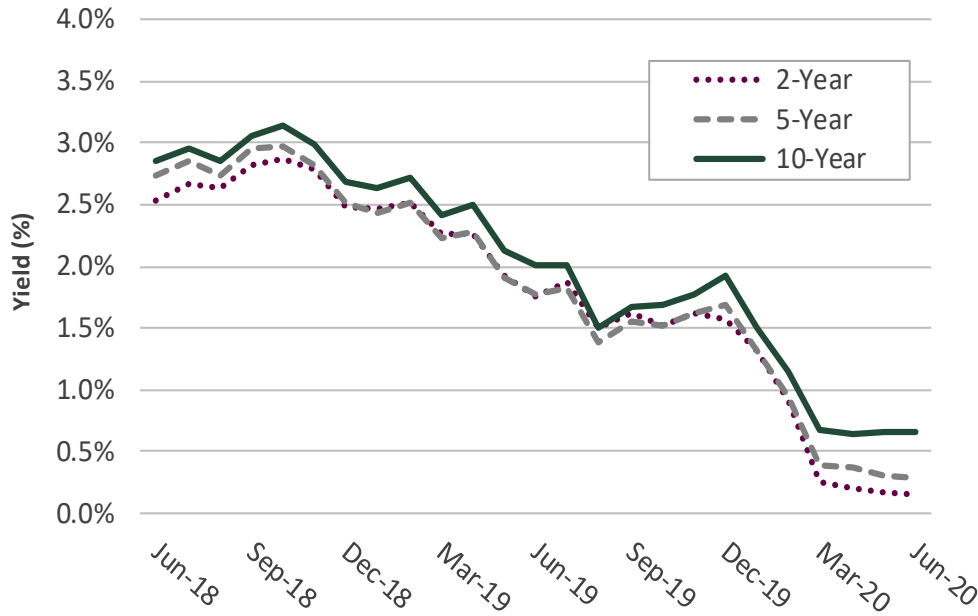


Source: Bloomberg

The Fed has taken a wide range of aggressive actions to help stabilize and provide liquidity to the financial markets. The Fed has lowered the fed funds target rate to a range of 0.0%-0.25% and continues to purchase Treasury and agency mortgage-backed securities to support smooth market functioning. Policymakers reinstated the Commercial Paper Funding Facility and Money Market Mutual Fund Liquidity Facility in order to provide liquidity to the commercial paper, money markets, and the municipal bond markets. The Fed has established the Primary Market Corporate Credit Facility and Secondary Market Corporate Credit Facility to support the corporate bond market. The Term Asset-Backed Securities Loan Facility has been established to enable the issuance of asset-backed securities backed by student loans, auto loans, credit card loans, and loans guaranteed by the Small Business Administration. The Fed has established the Paycheck Protection Program Liquidity Facility and Fed’s Main Street Lending Facility to support the flow of credit to businesses. The Fed established the Municipal Liquidity Facility to purchase short-term debt directly from US states, counties, and cities. The Fed has also provided short-term funding through large-scale repo operations and lowered the reserve requirement for depository institutions.

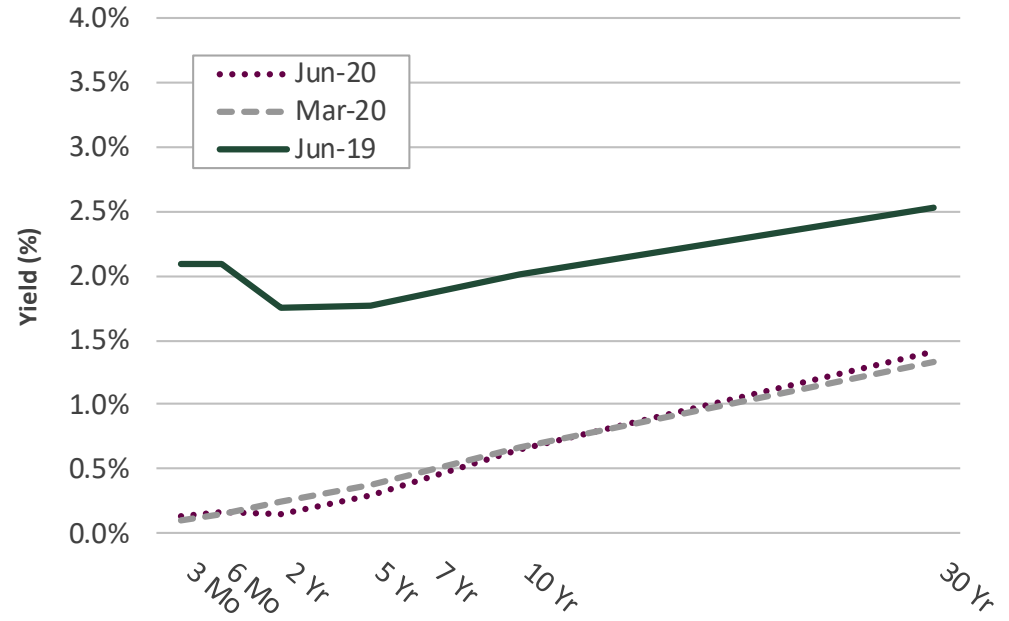
Bond Yields

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At June month-end, Treasury yields were much lower on a year-over-year basis. The 3-month T-bill yield was down 196 basis points, the 2-year Treasury yield was down 161 basis points, and the 10-Year Treasury yield was down 135 basis points, year-over-year. Much of the spread movement was in the month of March 2020, with the Fed cutting rates by a total of 150 basis points and concerns about a global recession and a flight to safe-haven assets driving down yields across the curve.

Section 2 | Account Profile

Investment Objectives

The City of Cupertino's investment objectives, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed incomes securities consistent with the investment policy and California Government Code.

City of Cupertino

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
Agency Issues	25% per Agency/GSE issuer; 20% max agency callable securities; Issued by Federal Agencies or U.S. Government Sponsored Enterprise obligations.	Complies
Supranational	"AA" rating category or better by a NRSRO; 30% maximum; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, or IADB.	Complies
Municipal Securities	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Obligations of the City, State of California, and any local agency within the State of California; Obligations of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states in addition to California.	Complies
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Asset Backed/ Mortgage Backed/ Collateralized Mortgage Obligation	"AA" rating category or better by a NRSRO; 20% maximum; 5% max per issuer on Asset-Backed or Commercial Mortgage security; There is no issuer limitation on any Mortgage security where the issuer is the U.S. Treasury or a Federal Agency/GSE .	Complies
Negotiable Certificates of Deposit (NCDs)	No rating required if amount of the NCD is insured up to the FDIC limit; If above FDIC insured limit, requires "A-1" short-term rated or "A" long-term rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by nationally or state chartered banks, state or federal savings associations, or state or federal credit unions, or by a federally licensed or state-licensed branch of a foreign bank.	Complies
Certificates of Deposit (CDs)/Time Deposit (TDs)	30% maximum; 5% max per issuer; Certificates of Deposit, Time Deposit, non-negotiable, and collateralized in accordance with California Government Code.	Complies
Banker's Acceptances	"A-1" short-term rated or better by a NRSRO; or "A" long-term rating category or better by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" short term rated or better a NRSRO; "A" long-term issuer rating category or better by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issued by corporations organized and operating in the U.S. with assets > \$500 million; 10% max outstanding paper of the issuing corporation.	Complies
Money Market Funds	20% maximum; Daily money market funds administered for or by trustees, paying agents and custodian banks contracted by a City of Cupertino as allowed under California Government Code; Only funds holding U.S. Treasury obligations, Government agency obligations or repurchase agreements collateralized by U.S. Treasury or Government agency obligations can be utilized.	Complies
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	Complies

City of Cupertino

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

Category	Standard	Comment
Repurchase Agreements	1 year max maturity; 102% collateralized; A PSA Master Repurchase Agreement is required between City of Cupertino and the broke/dealer or financial institution for all repurchase agreements; Not used by investment adviser	<i>Complies</i>
Prohibited Securities	Reverse Repurchase Agreement; Common stocks; Long-term (> 5 years maturity) notes and bonds; Special circumstances arise that necessitate purchase of securities beyond the 5-year limitation. On such occasions, request must be approved by City Council prior to purchase; Futures/Options; Inverse floaters; Ranges notes, Mortgage-derived, Interest-only strips; Zero interest accrual securities; Purchasing/selling securities on margin; Foreign currency denominated securities.	<i>Complies</i>
Minimum Budgeted Operating Expenditures in Short Term Investments	Minimum 6 months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements	<i>Complies</i>
Max Per Issuer	5% per issuer, unless otherwise specified in the policy	<i>Complies</i>
Maximum maturity	5 years	<i>Complies</i>

City of Cupertino

	6/30/2020		3/31/2020
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.66	2.90	2.89
Average Modified Duration	2.55	2.58	2.55
Average Purchase Yield	n/a	1.81%	1.91%
Average Market Yield	0.20%	0.41%	1.08%
Average Quality**	AAA	AA/Aa2	AA/Aa1
Total Market Value		110,508,445	108,725,922

*ICE BAML 1-5 Year US Treasury/Agency Index

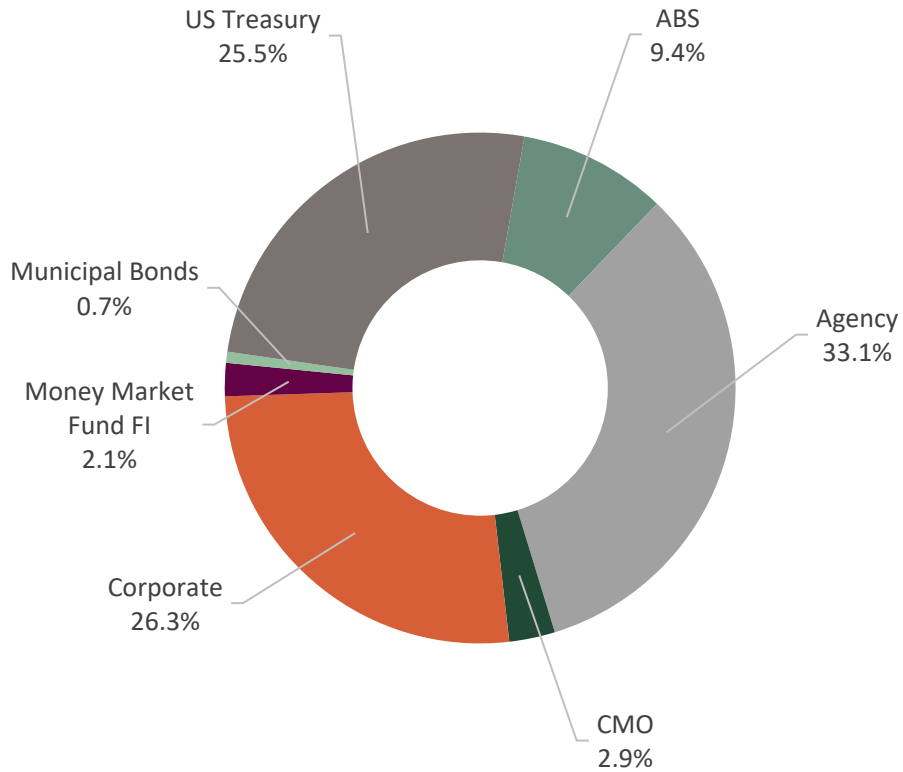
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

Sector Distribution

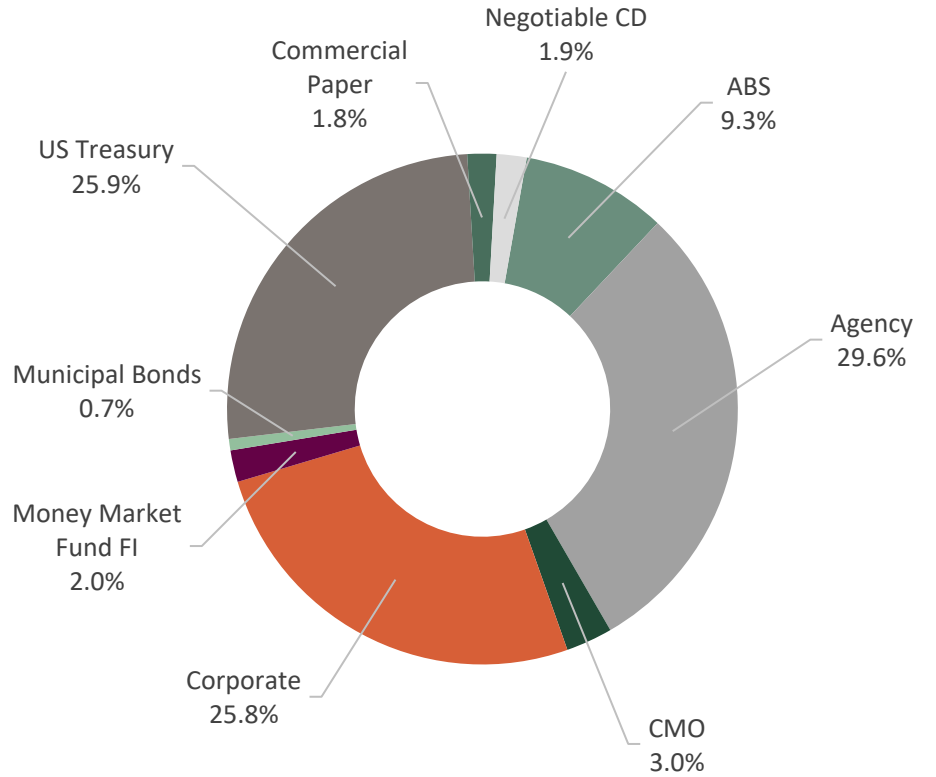
As of June 30, 2020

City of Cupertino

June 30, 2020



March 31, 2020



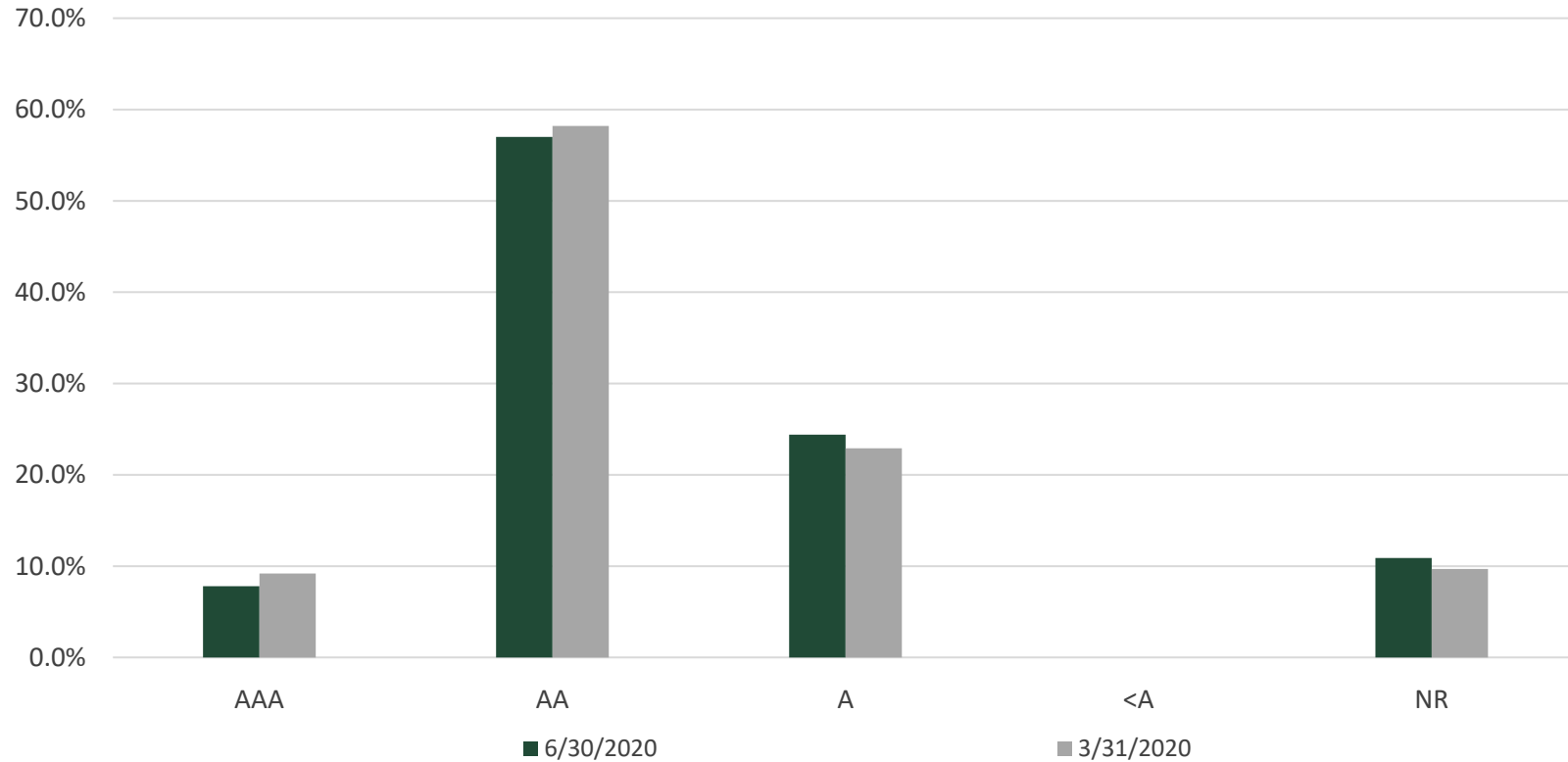
City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	25.46%
Federal Home Loan Bank	Agency	13.46%
Federal National Mortgage Association	Agency	12.65%
Federal Home Loan Mortgage Corp	Agency	6.99%
Federal Home Loan Mortgage Corp	CMO	2.93%
Nissan ABS	ABS	2.65%
John Deere ABS	ABS	2.48%
Honda ABS	ABS	2.26%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund FI	2.05%
Air Products & Chemicals	Corporate	1.68%
HSBC Holdings PLC	Corporate	1.47%
Toronto Dominion Holdings	Corporate	1.45%
Charles Schwab Corp/The	Corporate	1.44%
IBM Corp	Corporate	1.42%
Honda Motor Corporation	Corporate	1.29%
Bank of America Corp	Corporate	1.27%
Royal Bank of Canada	Corporate	1.26%
Wells Fargo Corp	Corporate	1.24%
JP Morgan Chase & Co	Corporate	1.23%
US Bancorp	Corporate	1.22%
Toyota ABS	ABS	1.17%
PNC Financial Services Group	Corporate	1.14%
Caterpillar Inc	Corporate	1.06%
Wal-Mart Stores	Corporate	0.99%
Bank of New York	Corporate	0.98%
Deere & Company	Corporate	0.97%
Apple Inc	Corporate	0.96%
Toyota Motor Corp	Corporate	0.94%
General Dynamics Corp	Corporate	0.93%
Oracle Corp	Corporate	0.93%
State Street Bank	Corporate	0.92%
Paccar Financial	Corporate	0.79%
Chubb Corporation	Corporate	0.78%
State of California	Municipal Bonds	0.73%
Verizon Owner Trust	ABS	0.48%
Mercedes-Benz Auto Lease Trust	ABS	0.34%
TOTAL		100.00%

Quality Distribution

As of June 30, 2020

City of Cupertino
June 30, 2020 vs. March 31, 2020



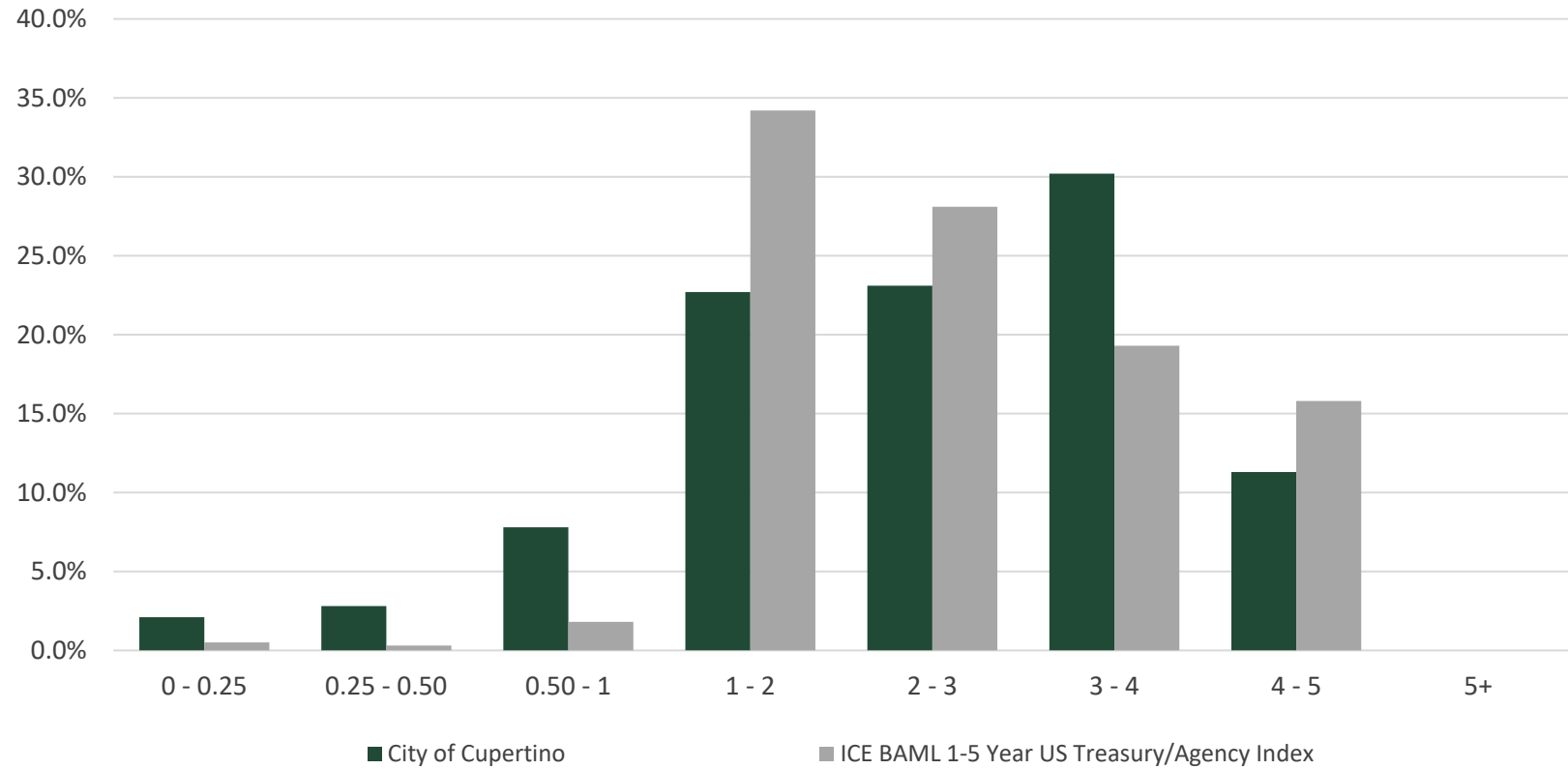
	AAA	AA	A	<A	NR
06/30/20	7.8%	57.0%	24.4%	0.0%	10.9%
03/31/20	9.2%	58.2%	22.9%	0.0%	9.7%

Source: S&P Ratings

Duration Distribution

As of June 30, 2020

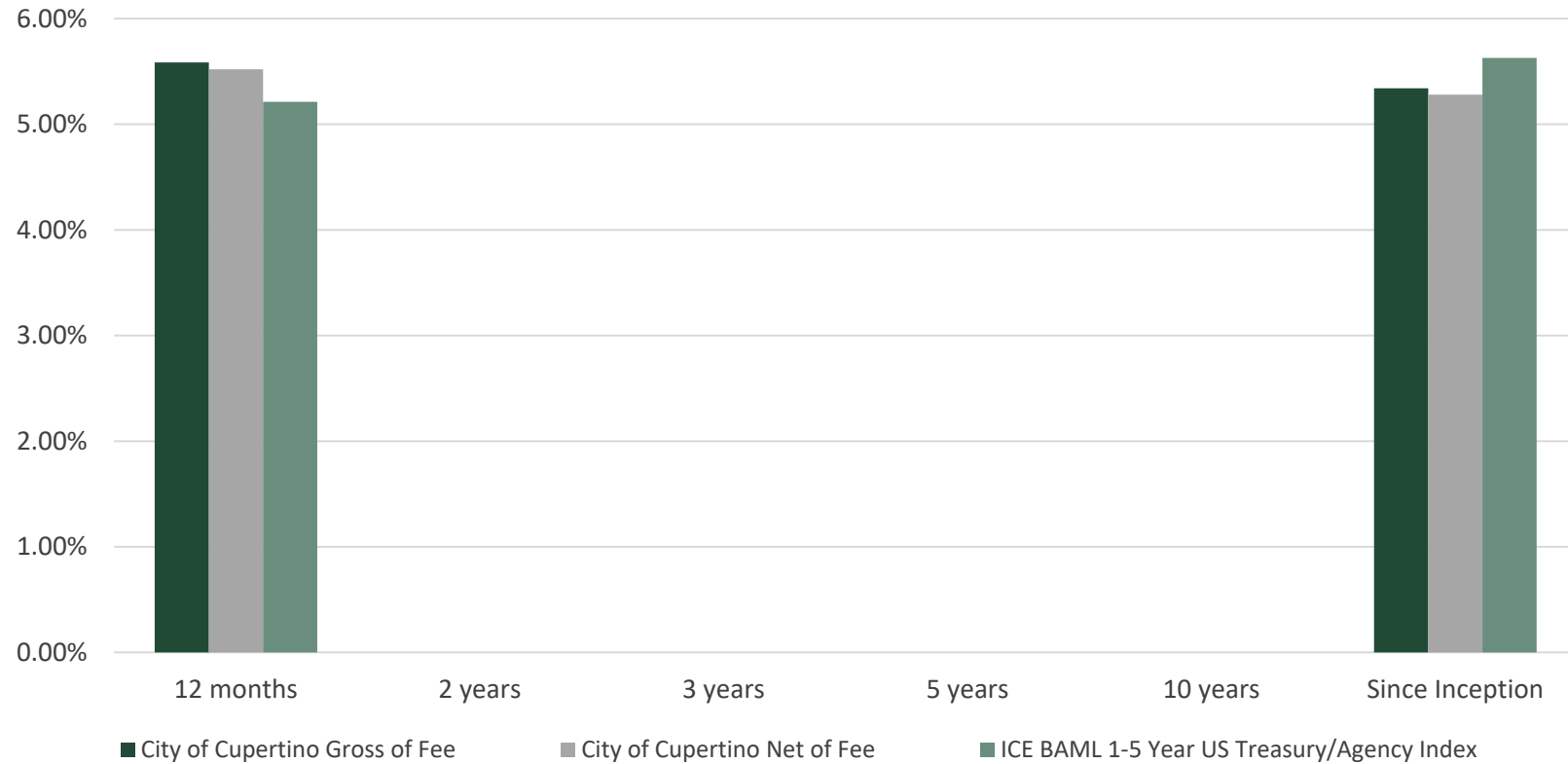
City of Cupertino
Portfolio Compared to the Benchmark as of June 30, 2020



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	2.1%	2.8%	7.8%	22.7%	23.1%	30.2%	11.3%	0.0%
Benchmark*	0.5%	0.3%	1.8%	34.2%	28.1%	19.3%	15.8%	0.0%

*ICE BAML 1-5 Year US Treasury/Agency Index

City of Cupertino Total Rate of Return Annualized Since Inception 01/31/2019



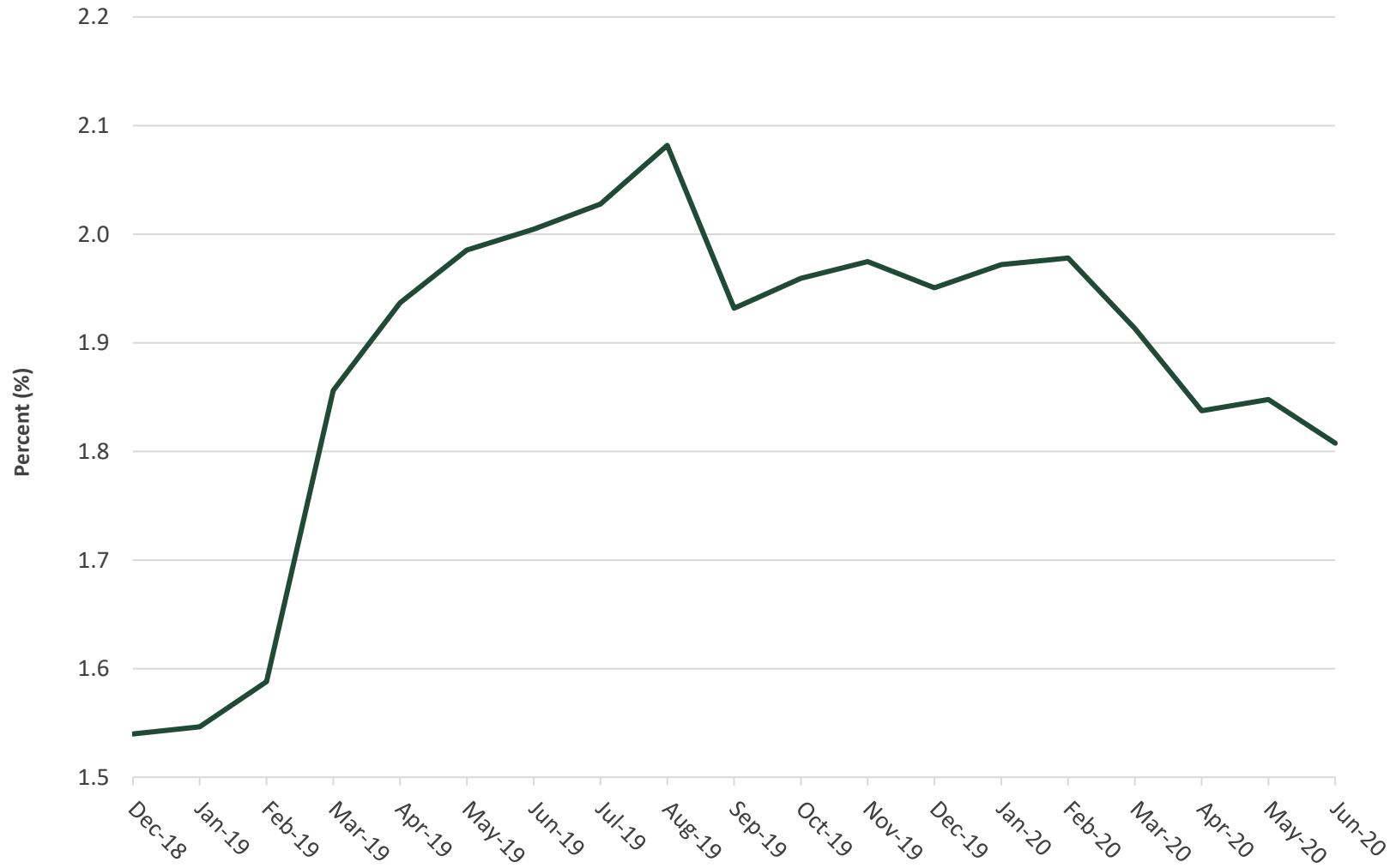
TOTAL RATE OF RETURN	<i>Annualized</i>						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of Cupertino Gross of Fee	1.66%	5.59%	N/A	N/A	N/A	N/A	5.34%
City of Cupertino Net of Fee	1.65%	5.52%	N/A	N/A	N/A	N/A	5.28%
ICE BAML 1-5 Year US Treasury/Agency Index	0.30%	5.21%	N/A	N/A	N/A	N/A	5.63%

Total rate of return: A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Historical Average Purchase Yield

As of June 30, 2020

City of Cupertino
Purchase Yield as of 6/30/2020 = 1.81%





Section 3 | Portfolio Holdings

Holdings Report

As of June 30, 2020

City of Cupertino - Account #10659

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
ABS									
43815HAC1	Honda Auto Receivables Trust 2018-3 A3 2.950% Due 08/22/2022	1,283,435.00	09/16/2019 1.45%	1,296,971.23 1,293,337.09	101.75 0.22%	1,305,941.24 1,051.70	1.18% 12,604.15	Aaa / NR AAA	2.15 0.64
89238TAD5	Toyota Auto Receivables Trust 2018-B A3 2.960% Due 09/15/2022	1,268,116.70	09/10/2019 1.15%	1,282,927.90 1,278,979.15	101.52 0.31%	1,287,442.79 1,668.28	1.17% 8,463.64	Aaa / AAA NR	2.21 0.57
58770FAC6	Mercedes Benz Auto Lease Trust 2020-A A3 1.840% Due 12/15/2022	375,000.00	01/21/2020 1.86%	374,950.58 374,957.82	101.53 0.66%	380,749.13 306.67	0.34% 5,791.31	Aaa / AAA NR	2.46 1.28
65479GAD1	Nissan Auto Receivables Trust 2018-B A3 3.060% Due 03/15/2023	1,483,111.89	09/16/2019 1.37%	1,504,084.01 1,499,359.52	102.06 0.40%	1,513,642.91 2,017.03	1.37% 14,283.39	Aaa / AAA NR	2.71 0.77
47789JAD8	John Deere Owner Trust 2019-A A3 2.910% Due 07/17/2023	1,400,000.00	Various 1.92%	1,427,492.19 1,421,743.04	102.62 0.53%	1,436,618.40 1,810.66	1.30% 14,875.36	Aaa / NR AAA	3.05 1.08
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.780% Due 08/15/2023	990,000.00	Various 1.93%	988,335.77 988,729.93	102.06 0.55%	1,010,350.44 783.20	0.91% 21,620.51	Aaa / AAA NR	3.13 1.64
477870AC3	John Deere Owner Trust 2019-B A3 2.210% Due 12/15/2023	1,000,000.00	08/27/2019 1.79%	1,009,257.81 1,007,446.37	101.81 0.88%	1,018,141.00 982.22	0.92% 10,694.63	Aaa / NR AAA	3.46 1.35
92348AAA3	Verizon Owner Trust 2019-C A1A 1.940% Due 04/22/2024	515,000.00	10/01/2019 1.95%	514,960.29 514,966.68	102.58 0.32%	528,303.48 305.28	0.48% 13,336.80	NR / AAA AAA	3.81 1.73
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	1,375,000.00	Various 1.70%	1,381,821.10 1,381,516.36	102.78 0.48%	1,413,249.75 1,179.44	1.28% 31,733.39	Aaa / AAA NR	4.04 1.89
43813DAC2	Honda Auto Receivables 2020-2 A3 0.820% Due 07/15/2024	175,000.00	05/18/2020 0.83%	174,986.23 174,986.55	100.67 0.52%	176,172.15 63.78	0.16% 1,185.60	Aaa / AAA NR	4.04 2.18
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	285,000.00	03/04/2020 1.11%	284,982.59 284,983.80	100.85 0.74%	287,412.53 139.33	0.26% 2,428.73	Aaa / NR AAA	4.13 2.32
TOTAL ABS		10,149,663.59	1.60%	10,240,769.70 10,221,006.31	0.47%	10,358,023.82 10,307.59	9.38% 137,017.51	Aaa / AAA Aaa	3.03 1.20
Agency									
3136G3QQ1	FNMA Callable Note 1X 5/25/2017 1.500% Due 11/25/2020	2,200,000.00	05/25/2016 1.50%	2,200,000.00 2,200,000.00	100.52 0.20%	2,211,503.80 3,300.00	2.00% 11,503.80	NR / NR AAA	0.41 0.40
313378JP7	FHLB Note 2.375% Due 09/10/2021	2,000,000.00	09/06/2019 1.57%	2,031,540.00 2,018,786.12	102.48 0.29%	2,049,598.00 14,645.83	1.87% 30,811.88	Aaa / AA+ AAA	1.20 1.18
313376C94	FHLB Note 2.625% Due 12/10/2021	1,325,000.00	01/19/2017 1.90%	1,369,559.75 1,338,148.37	103.44 0.24%	1,370,525.68 2,028.91	1.24% 32,377.31	Aaa / AA+ AAA	1.45 1.42
3137EADB2	FHLMC Note 2.375% Due 01/13/2022	1,500,000.00	06/21/2019 1.84%	1,520,100.00 1,512,072.91	103.33 0.20%	1,550,005.50 16,625.00	1.42% 37,932.59	Aaa / AA+ AAA	1.54 1.50

Holdings Report

As of June 30, 2020

City of Cupertino - Account #10659

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
313380GJ0	FHLB Note 2.000% Due 09/09/2022	2,000,000.00	10/10/2019	2,025,400.00	103.87	2,077,392.00	1.89%	Aaa / AA+	2.19
					2,019,097.74	0.23%	12,444.44	58,294.26	NR
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	2,045,000.00	05/05/2020	2,044,141.10	100.26	2,050,312.91	1.86%	Aaa / AA+	2.85
					2,044,184.32	0.28%	1,150.31	6,128.59	AAA
3135G04Q3	FNMA Note 0.250% Due 05/22/2023	2,025,000.00	05/20/2020	2,018,904.75	99.90	2,022,873.75	1.83%	NR / AA+	2.89
					2,019,127.41	0.29%	548.44	3,746.34	AAA
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	1,500,000.00	06/21/2019	1,553,100.00	107.49	1,612,297.50	1.46%	Aaa / AA+	2.97
					1,539,496.77	0.22%	1,375.00	72,800.73	AAA
3130A3DL5	FHLB Note 2.375% Due 09/08/2023	2,000,000.00	09/06/2019	2,066,320.00	106.30	2,125,954.00	1.94%	Aaa / AA+	3.19
					2,052,874.30	0.39%	14,909.72	73,079.70	NR
3135G0U43	FNMA Note 2.875% Due 09/12/2023	1,500,000.00	06/21/2019	1,559,805.00	108.37	1,625,566.50	1.48%	Aaa / AA+	3.20
					1,545,329.16	0.25%	13,057.29	80,237.34	AAA
3130A0F70	FHLB Note 3.375% Due 12/08/2023	1,500,000.00	04/29/2019	1,565,940.00	110.37	1,655,593.50	1.50%	Aaa / AA+	3.44
					1,549,170.94	0.34%	3,234.38	106,422.56	AAA
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019	1,568,115.00	110.38	1,655,643.00	1.51%	Aaa / AA+	3.69
					1,550,765.66	0.41%	15,302.08	104,877.34	NR
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019	1,564,890.20	109.71	1,645,687.51	1.49%	Aaa / AA+	3.96
					1,551,427.80	0.40%	2,036.46	94,259.71	NR
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019	1,484,895.00	105.57	1,583,605.50	1.44%	Aaa / AA+	4.01
					1,487,812.63	0.35%	13,052.08	95,792.87	AAA
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019	2,103,380.00	110.42	2,208,310.00	2.01%	Aaa / AA+	4.21
					2,087,000.16	0.37%	17,250.00	121,309.84	AAA
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,975,000.00	Various	1,965,802.75	105.08	2,075,233.23	1.88%	Aaa / AA+	4.30
					1,966,884.43	0.43%	6,775.35	108,348.80	AAA
3135G0X24	FNMA Note 1.625% Due 01/07/2025	1,295,000.00	Various	1,309,953.95	105.35	1,364,325.24	1.24%	Aaa / AA+	4.53
					1,309,037.06	0.43%	9,995.79	55,288.18	AAA
3137EAEP0	FHLMC Note 1.500% Due 02/12/2025	2,365,000.00	02/13/2020	2,363,178.95	104.78	2,478,068.29	2.25%	Aaa / NR	4.62
					2,363,316.65	0.45%	13,500.21	114,751.64	AAA
3135G03U5	FNMA Note 0.625% Due 04/22/2025	1,860,000.00	04/22/2020	1,856,168.40	100.81	1,875,066.00	1.70%	NR / AA+	4.81
					1,856,311.24	0.45%	2,163.54	18,754.76	AAA
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	1,170,000.00	06/17/2020	1,167,578.10	100.04	1,170,446.94	1.06%	NR / AA+	4.97
					1,167,594.03	0.49%	195.00	2,852.91	AAA
TOTAL Agency		34,760,000.00	1.51%	35,338,772.95 35,178,437.70	0.34%	36,408,008.85 163,589.83	33.09% 1,229,571.15	Aaa / AA+ Aaa	3.19 3.08

Holdings Report

As of June 30, 2020

City of Cupertino - Account #10659

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
CMO									
3137B4WB8	FHLMC K033 A2 3.060% Due 07/25/2023	1,000,000.00	08/13/2019 1.18%	1,037,656.25 1,029,282.38	106.81 0.64%	1,068,070.00 510.00	0.97% 38,787.62	Aaa / NR NR	3.07 2.80
3137B5JM6	FHLMC K034 A2 3.531% Due 07/25/2023	1,000,000.00	09/26/2019 2.00%	1,053,867.19 1,043,271.63	108.19 0.66%	1,081,922.00 2,942.50	0.98% 38,650.37	NR / NR AAA	3.07 2.82
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	1,000,000.00	08/19/2019 1.92%	1,061,914.06 1,049,165.85	108.74 0.68%	1,087,409.00 587.83	0.98% 38,243.15	Aaa / NR AAA	3.32 3.01
TOTAL CMO		3,000,000.00	1.70%	3,153,437.50 3,121,719.86	0.66%	3,237,401.00 4,040.33	2.93% 115,681.14	Aaa / NR Aaa	3.15 2.88
Corporate									
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.300% Due 11/03/2020	850,000.00	03/05/2019 2.90%	841,840.00 848,319.60	100.48 0.43%	854,106.35 3,149.72	0.78% 5,786.75	A3 / A A	0.35 0.26
369550BE7	General Dynamics Corp Note 3.000% Due 05/11/2021	1,000,000.00	03/11/2019 2.76%	1,004,920.00 1,001,955.54	102.31 0.32%	1,023,088.00 4,166.67	0.93% 21,132.46	A2 / A NR	0.86 0.86
857477AV5	State Street Bank Note 1.950% Due 05/19/2021	1,000,000.00	Various 2.65%	986,055.00 994,025.46	101.44 0.33%	1,014,354.00 2,275.00	0.92% 20,328.54	A1 / A AA-	0.88 0.88
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.900% Due 09/15/2021	1,000,000.00	04/11/2019 2.66%	982,320.00 991,180.00	101.71 0.38%	1,017,090.00 5,594.44	0.93% 25,910.00	A3 / A A-	1.21 1.11
89236TDP7	Toyota Motor Credit Corp Note 2.600% Due 01/11/2022	1,000,000.00	03/05/2019 2.89%	992,200.00 995,811.53	103.09 0.57%	1,030,870.00 12,277.78	0.94% 35,058.47	A1 / A+ A+	1.53 1.49
95000U2B8	Wells Fargo & Company Note 2.625% Due 07/22/2022	1,300,000.00	Various 2.68%	1,297,365.00 1,298,666.95	104.18 0.58%	1,354,353.00 15,071.88	1.24% 55,686.05	A2 / A- A+	2.06 1.99
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.450% Due 07/28/2022	1,200,000.00	06/20/2019 2.16%	1,210,236.00 1,206,765.07	103.77 0.55%	1,245,241.20 12,495.00	1.14% 38,476.13	A2 / A A+	2.08 1.93
44932HAC7	IBM Credit Corp Note 2.200% Due 09/08/2022	1,500,000.00	Various 2.88%	1,467,755.00 1,478,814.40	103.63 0.53%	1,554,478.50 10,358.34	1.42% 75,664.10	A2 / A NR	2.19 2.13
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 01/15/2023	1,300,000.00	Various 2.92%	1,299,224.00 1,299,475.01	103.55 0.66%	1,346,108.40 17,815.49	1.23% 46,633.39	A2 / A- AA-	2.55 1.49
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.650% Due 01/25/2023	1,500,000.00	Various 2.53%	1,504,955.00 1,504,126.15	105.16 0.56%	1,577,460.00 17,225.00	1.44% 73,333.85	A2 / A A	2.57 2.39
24422ETG4	John Deere Capital Corp Note 2.800% Due 03/06/2023	1,000,000.00	03/28/2019 2.60%	1,007,580.00 1,005,155.24	106.23 0.46%	1,062,315.00 8,944.44	0.97% 57,159.76	A2 / A A	2.68 2.58

Holdings Report

As of June 30, 2020

City of Cupertino - Account #10659

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
06406RAG2	Bank of NY Mellon Corp Note 3.500% Due 04/28/2023	1,000,000.00	03/05/2019 3.15%	1,013,650.00 1,009,301.49	108.02 0.63%	1,080,197.00 6,125.00	0.98% 70,895.51	A1 / A AA-	2.83 2.70
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	1,000,000.00	03/11/2019 2.79%	984,840.00 989,612.59	105.71 0.38%	1,057,070.00 3,866.67	0.96% 67,457.41	Aa1 / AA+ NR	2.84 2.75
931142EK5	Wal-Mart Stores Callable Note Cont 5/26/2023 3.400% Due 06/26/2023	1,000,000.00	03/13/2019 2.80%	1,023,630.00 1,016,323.66	108.94 0.31%	1,089,367.00 472.22	0.99% 73,043.34	Aa2 / AA AA	2.99 2.79
69371RP59	Paccar Financial Corp Note 3.400% Due 08/09/2023	435,000.00	06/18/2019 2.56%	449,315.85 445,743.99	108.21 0.72%	470,727.42 5,833.83	0.43% 24,983.43	A1 / A+ NR	3.11 2.94
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,300,000.00	Various 2.76%	1,345,306.00 1,334,239.57	108.63 0.94%	1,412,182.20 10,603.13	1.29% 77,942.63	A3 / A- NR	3.28 3.09
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.550% Due 03/05/2024	1,300,000.00	Various 2.82%	1,315,499.00 1,312,403.30	106.90 0.94%	1,389,650.60 14,870.56	1.27% 77,247.30	A2 / A- A+	3.68 2.55
404280BS7	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.950% Due 05/18/2024	1,500,000.00	Various 2.24%	1,572,790.00 1,560,459.57	107.47 1.30%	1,612,057.50 7,077.09	1.47% 51,597.93	A2 / A- A+	3.88 2.73
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,522,665.35	107.01 0.84%	1,605,126.00 2,097.92	1.45% 82,460.65	Aa3 / A AA-	3.95 3.76
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	1,300,000.00	Various 2.17%	1,321,985.18 1,318,812.07	106.19 0.98%	1,380,531.10 15,193.76	1.26% 61,719.03	A2 / A AA	4.05 3.81
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.400% Due 07/30/2024	1,250,000.00	10/10/2019 2.07%	1,268,262.50 1,265,498.68	106.50 0.74%	1,331,311.25 12,583.33	1.22% 65,812.57	A1 / A+ AA-	4.08 3.79
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.350% Due 07/31/2024	1,675,000.00	08/07/2019 2.07%	1,771,212.00 1,752,984.12	109.13 0.92%	1,828,001.20 23,536.08	1.68% 75,017.08	A2 / A NR	4.09 3.58
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019 2.20%	369,182.30 369,325.97	105.30 0.84%	389,592.98 3,005.22	0.36% 20,267.01	A1 / A+ NR	4.13 3.93
14913Q3B3	Caterpillar Finl Service Note 2.150% Due 11/08/2024	1,100,000.00	01/28/2020 1.92%	1,111,517.00 1,110,506.62	106.13 0.72%	1,167,412.40 3,481.81	1.06% 56,905.78	A3 / A A	4.36 4.16
TOTAL Corporate		27,380,000.00	2.54%	27,668,894.83 27,632,171.93	0.68%	28,892,691.10 218,120.38	26.34% 1,260,519.17	A1 / A A+	2.85 2.54

Holdings Report

As of June 30, 2020

City of Cupertino - Account #10659

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
Money Market Fund FI									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	2,268,531.58	Various 0.01%	2,268,531.58 2,268,531.58	1.00 0.01%	2,268,531.58 0.00	2.05% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund FI		2,268,531.58	0.01%	2,268,531.58	0.01%	2,268,531.58 0.00	2.05% 0.00	Aaa / AAA NR	0.00 0.00
Municipal Bonds									
13063DRK6	California St Taxable GO 2.400% Due 10/01/2024	755,000.00	10/16/2019 1.91%	772,342.35 769,929.42	106.69 0.80%	805,486.85 4,530.00	0.73% 35,557.43	Aa2 / AA- AA	4.26 4.04
TOTAL Municipal Bonds		755,000.00	1.91%	772,342.35 769,929.42	0.80%	805,486.85 4,530.00	0.73% 35,557.43	Aa2 / AA- AA	4.26 4.04
US Treasury									
912828N89	US Treasury Note 1.375% Due 01/31/2021	400,000.00	01/28/2020 1.54%	399,359.38 399,627.47	100.69 0.20%	402,750.00 2,296.70	0.37% 3,122.53	Aaa / AA+ AAA	0.59 0.58
912828Q37	US Treasury Note 1.250% Due 03/31/2021	2,000,000.00	01/22/2020 1.56%	1,992,656.25 1,995,369.88	100.80 0.18%	2,016,094.00 6,284.15	1.83% 20,724.12	Aaa / AA+ AAA	0.75 0.75
912828T34	US Treasury Note 1.125% Due 09/30/2021	2,000,000.00	09/25/2019 1.71%	1,977,109.38 1,985,798.47	101.19 0.17%	2,023,750.00 5,655.74	1.84% 37,951.53	Aaa / AA+ AAA	1.25 1.24
912828F96	US Treasury Note 2.000% Due 10/31/2021	2,000,000.00	09/25/2019 1.71%	2,012,031.25 2,007,649.11	102.44 0.17%	2,048,750.00 6,739.13	1.86% 41,100.89	Aaa / AA+ AAA	1.34 1.32
912828J43	US Treasury Note 1.750% Due 02/28/2022	2,000,000.00	09/11/2019 1.64%	2,005,078.13 2,003,424.92	102.61 0.19%	2,052,110.00 11,698.37	1.87% 48,685.08	Aaa / AA+ AAA	1.67 1.64
912828XG0	US Treasury Note 2.125% Due 06/30/2022	2,000,000.00	09/11/2019 1.61%	2,028,203.13 2,020,117.50	103.91 0.17%	2,078,124.00 115.49	1.88% 58,006.50	Aaa / AA+ AAA	2.00 1.97
912828L57	US Treasury Note 1.750% Due 09/30/2022	2,000,000.00	09/11/2019 1.62%	2,007,890.63 2,005,815.27	103.54 0.17%	2,070,860.00 8,797.81	1.88% 65,044.73	Aaa / AA+ AAA	2.25 2.21
912828N30	US Treasury Note 2.125% Due 12/31/2022	2,000,000.00	Various 1.68%	2,029,085.94 2,021,693.64	104.87 0.17%	2,097,422.00 115.49	1.90% 75,728.36	Aaa / AA+ AAA	2.50 2.45
912828T91	US Treasury Note 1.625% Due 10/31/2023	2,000,000.00	Various 1.94%	1,973,554.69 1,980,107.05	104.77 0.19%	2,095,390.00 5,475.55	1.90% 115,282.95	Aaa / AA+ AAA	3.34 3.25
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,522,814.09	107.16 0.20%	1,607,343.00 91.71	1.45% 84,528.91	Aaa / AA+ AAA	3.50 3.39
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.13%	2,053,613.28 2,042,199.35	109.18 0.21%	2,183,672.00 20,700.55	1.99% 141,472.65	Aaa / AA+ AAA	3.63 3.45

Holdings Report

As of June 30, 2020

City of Cupertino - Account #10659

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
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,704,684.15	106.81 0.21%	1,815,812.50 5,728.26	1.65% 111,128.35	Aaa / AA+ AAA	3.84 3.70
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,015,360.56	107.07 0.22%	2,141,328.00 108.69	1.94% 125,967.44	Aaa / AA+ AAA	4.00 3.87
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,744,702.16	108.80 0.23%	1,849,547.30 15,196.09	1.69% 104,845.14	Aaa / AA+ AAA	4.13 3.93
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,521,812.47	104.01 0.26%	1,560,117.00 5,640.29	1.42% 38,304.53	Aaa / AA+ AAA	4.67 4.54
TOTAL US Treasury		26,800,000.00	1.70%	27,008,941.44 26,971,176.09	0.19%	28,043,069.80 94,644.02	25.46% 1,071,893.71	Aaa / AA+ Aaa	2.69 2.61
TOTAL PORTFOLIO		105,113,195.17	1.82%	106,451,690.35 106,162,972.89	0.41%	110,013,213.00 495,232.15	100.00% 3,850,240.11	Aa2 / AA Aaa	2.90 2.58
TOTAL MARKET VALUE PLUS ACCRUALS						110,508,445.15			



Section 4 | Transactions

Transaction Ledger

As of June 30, 2020

City of Cupertino - Account #10659

March 31, 2020 through June 30, 2020

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/22/2020	65479JAD5	565,000.00	Nissan Auto Receivables Owner 2019-C A3 1.93% Due: 07/15/2024	101.215	1.37%	571,863.87	212.03	572,075.90	0.00
Purchase	04/24/2020	3135G03U5	1,860,000.00	FNMA Note 0.625% Due: 04/22/2025	99.794	0.67%	1,856,168.40	0.00	1,856,168.40	0.00
Purchase	05/07/2020	3137EAER6	2,045,000.00	FHLMC Note 0.375% Due: 05/05/2023	99.958	0.39%	2,044,141.10	0.00	2,044,141.10	0.00
Purchase	05/22/2020	3135G04Q3	2,025,000.00	FNMA Note 0.25% Due: 05/22/2023	99.699	0.35%	2,018,904.75	0.00	2,018,904.75	0.00
Purchase	05/27/2020	43813DAC2	175,000.00	Honda Auto Receivables 2020-2 A3 0.82% Due: 07/15/2024	99.992	0.83%	174,986.23	0.00	174,986.23	0.00
Purchase	06/19/2020	3135G04Z3	1,170,000.00	FNMA Note 0.5% Due: 06/17/2025	99.793	0.54%	1,167,578.10	0.00	1,167,578.10	0.00
Subtotal			7,840,000.00				7,833,642.45	212.03	7,833,854.48	0.00
TOTAL ACQUISITIONS			7,840,000.00				7,833,642.45	212.03	7,833,854.48	0.00
DISPOSITIONS										
Sale	06/18/2020	3136G3QQ1	800,000.00	FNMA Callable Note 1X 5/25/2017 1.5% Due: 11/25/2020	100.574	1.50%	804,592.00	766.67	805,358.67	4,592.00
Subtotal			800,000.00				804,592.00	766.67	805,358.67	4,592.00
Maturity	04/02/2020	89114MYP6	2,000,000.00	Toronto Dominion Bank Yankee CD 2.62% Due: 04/02/2020	100.000	2.62%	2,000,000.00	55,020.00	2,055,020.00	0.00
Maturity	04/16/2020	62479LDG7	2,000,000.00	MUFG Bank Ltd Discount CP 1.91% Due: 04/16/2020	99.204		2,000,000.00	0.00	2,000,000.00	0.00
Maturity	06/30/2020	3134G9SK4	2,000,000.00	FHLMC Callable Note 1X 6/30/2017 1.5% Due: 06/30/2020	100.000	1.50%	2,000,000.00	0.00	2,000,000.00	0.00
Subtotal			6,000,000.00				6,000,000.00	55,020.00	6,055,020.00	0.00
TOTAL DISPOSITIONS			6,800,000.00				6,804,592.00	55,786.67	6,860,378.67	4,592.00

Important Disclosures

As of June 30, 2020

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Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

ICE BAML 1-5 Year US Treasury/Agency Index

The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit www.mlindex.ml.com for more information)