INVESTMENT REPORT

City of Cupertino

Period Ending September 30, 2019

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com

Table of Contents

Section 1 | Economic Update

Economic Update

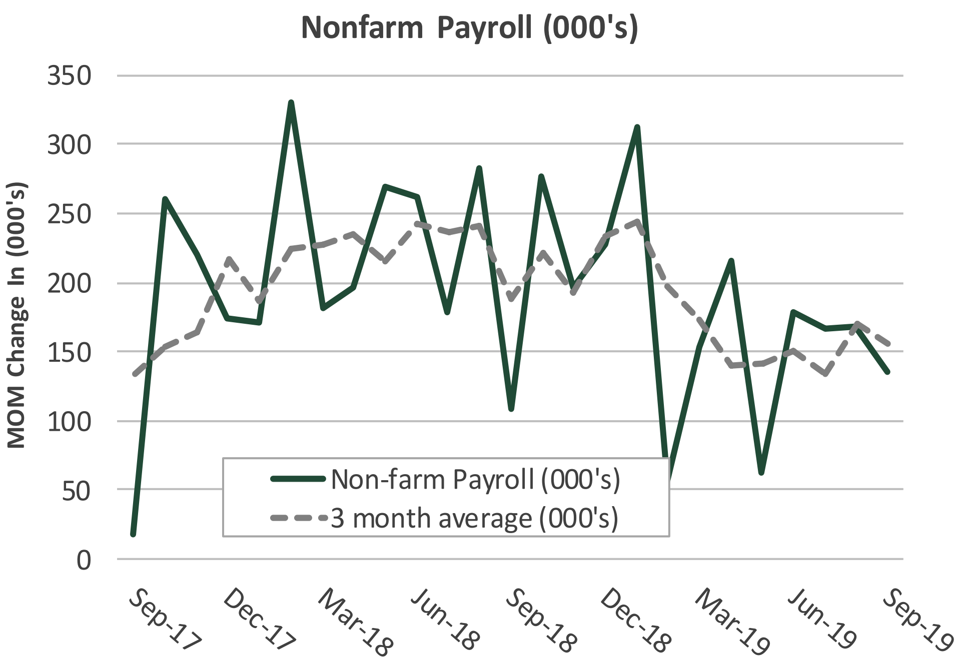
- Labor market and consumer fundamentals remain favorable, but manufacturing data continues to disappoint. We believe economic growth has slowed from earlier this year and downside risks to the outlook remain elevated. The US economy continues to face headwinds from trade disputes, slowing global economic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

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

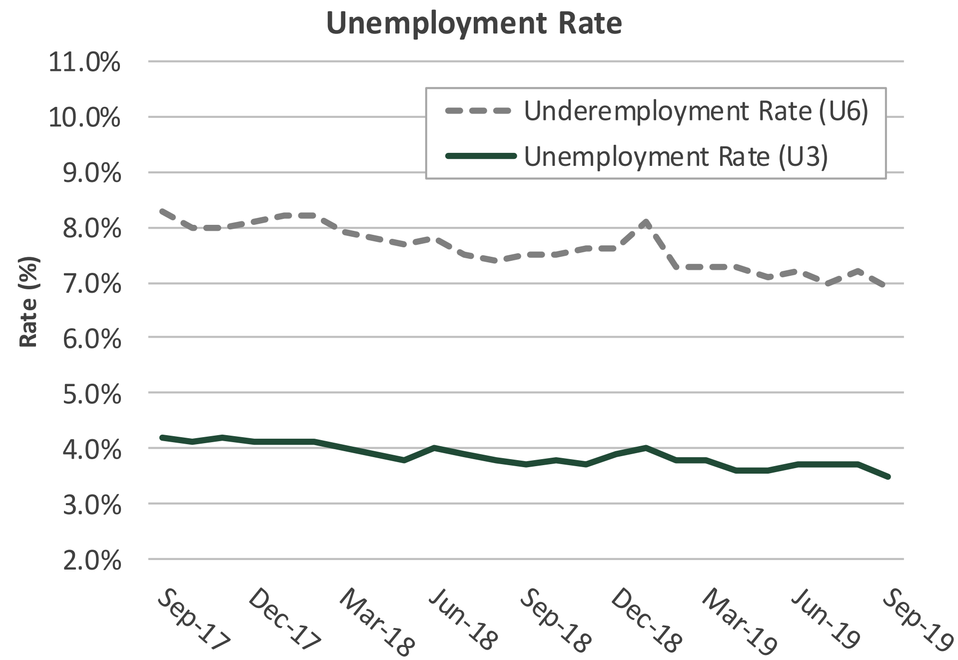
- The Treasury yield curve steepened modestly in September, although the curve remains partially inverted. The 3-month T-bill yield declined nearly 17 basis points to 1.81%, the 2-year Treasury yield increased nearly twelve basis points to 1.62%, and the 10-year Treasury yield increased about 17 basis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

Source: Bloomberg

Employment



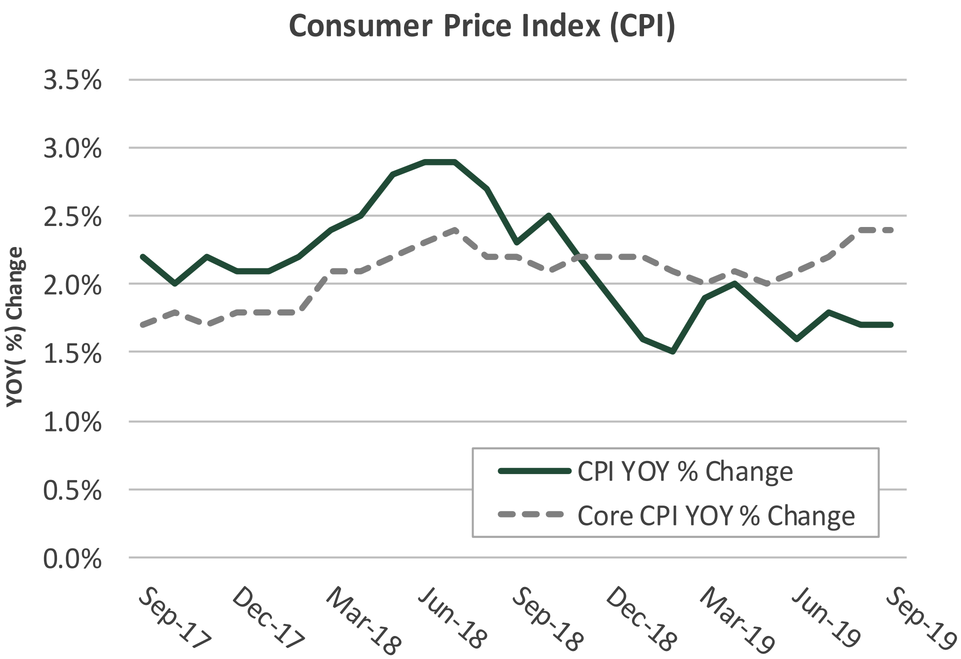
Source: US Department of Labor



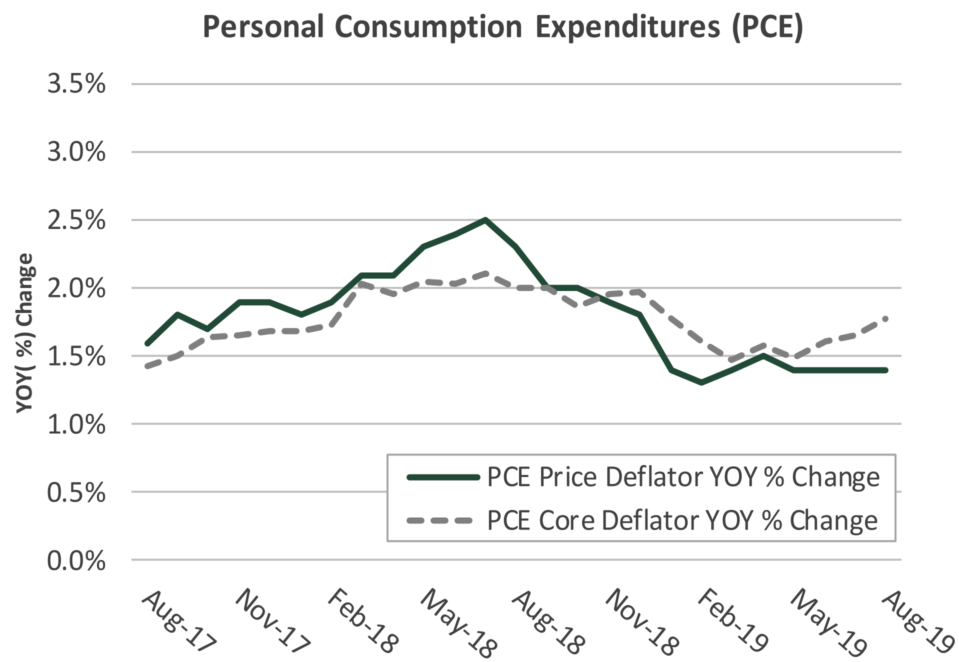
Source: US Department of Labor

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

Inflation



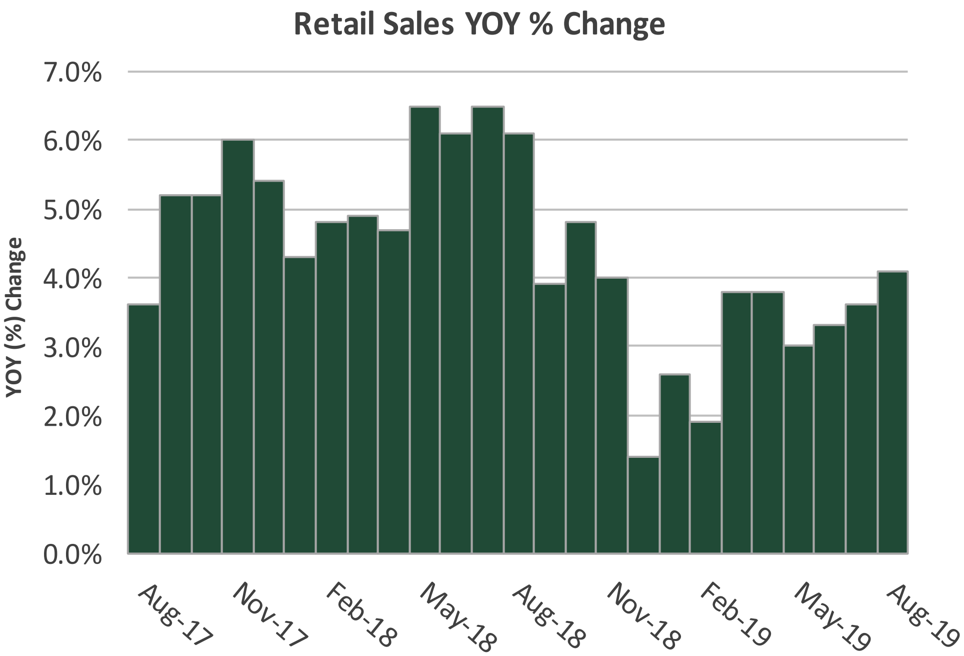
Source: US Department of Labor



Source: US Department of Commerce

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

Consumer

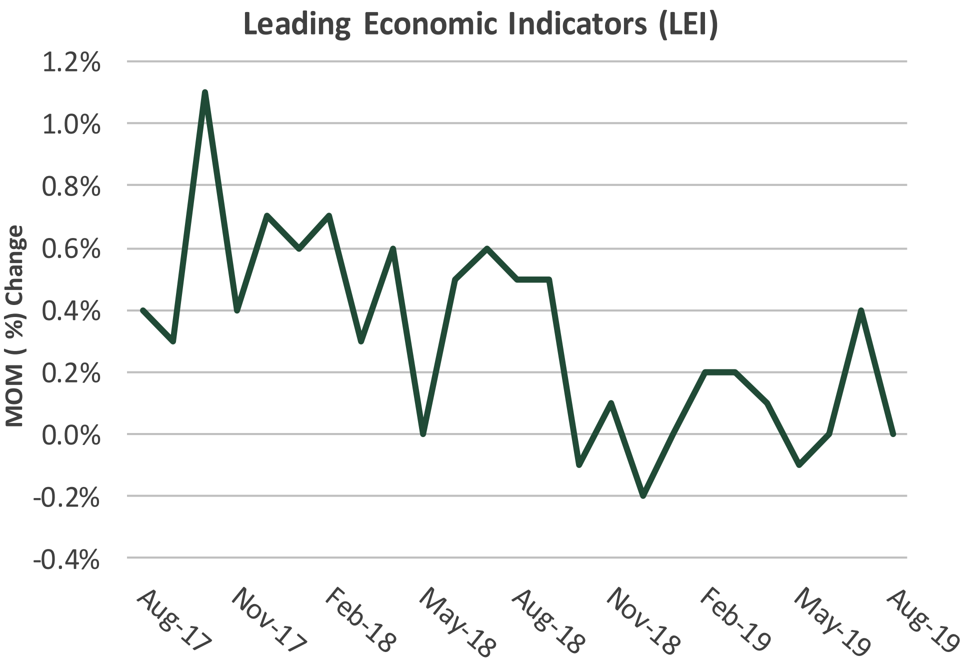


Source: US Department of Commerce

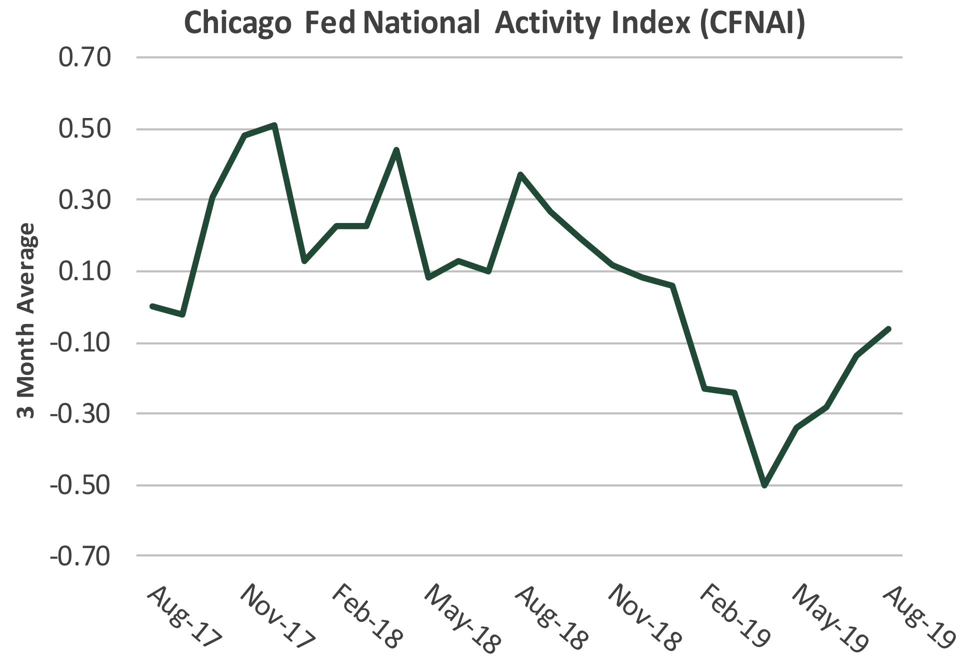
Source: The Conference Board

Retail sales in August were moderately above consensus expectations, coming in at 0.4% compared to the 0.2% estimate. Excluding auto and gas, retail sales were up 0.1% compared to expectations for a 0.2% increase. On a year-over-year basis, retail sales increased by 4.1%, a modest increase from the prior year-over-year number of 3.6%. The Consumer Confidence Index unexpectedly declined to 125.1 in September from 134.2 in August. Nevertheless, the index remains at a strong level.

Economic Activity



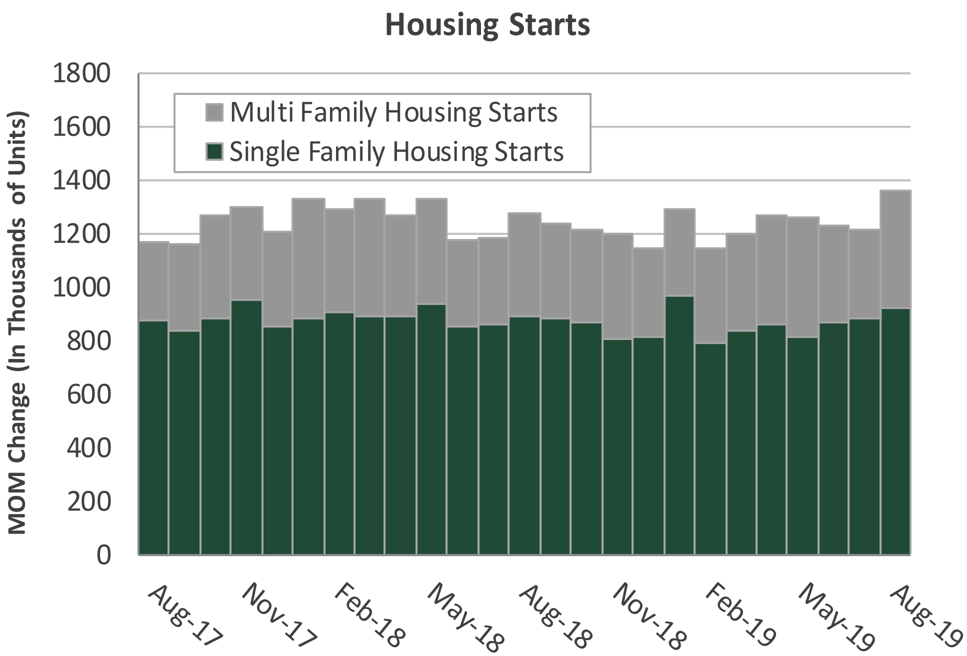
Source: The Conference Board



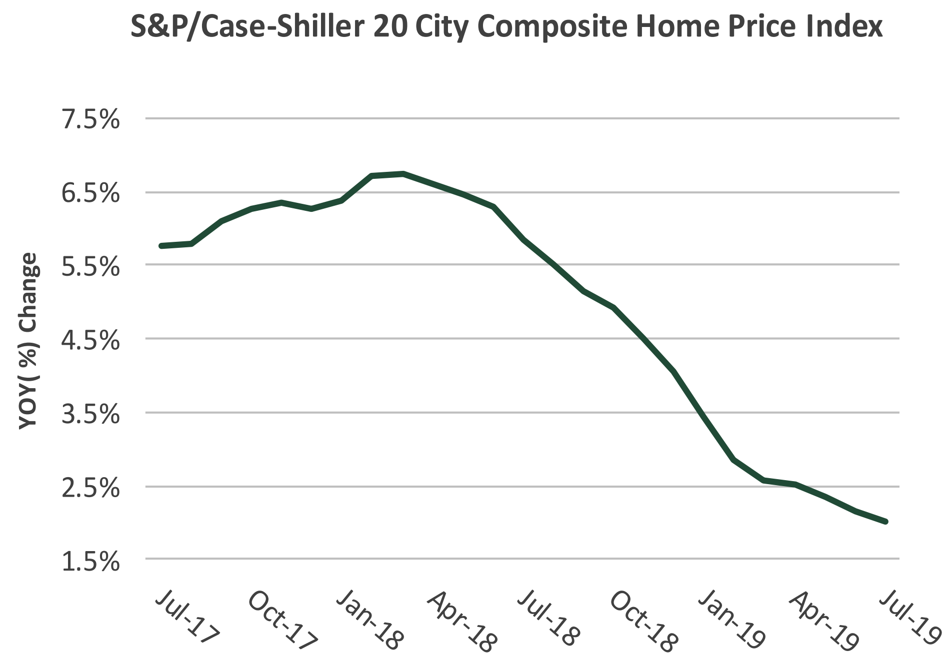
Source: Federal Reserve Bank of Chicago

The Leading Economic Index (LEI) was flat in August, in line with expectations, following a 0.4% increase in July. While the LEI remains higher on a year-over-year basis (up 1.1% in August) the pace of year-over-year improvement continues to decline, and the index suggests broad economic growth will continue to slow. The Chicago Fed National Activity Index (CFNAI) increased to 0.10 in August from -0.41 in July. On a 3-month moving average basis, the index improved to -0.06 in August versus -0.14 in July. Negative values are generally consistent with below-average growth. However, periods of economic contraction have historically been associated with values below -0.70 on a 3-month moving average basis.

Housing



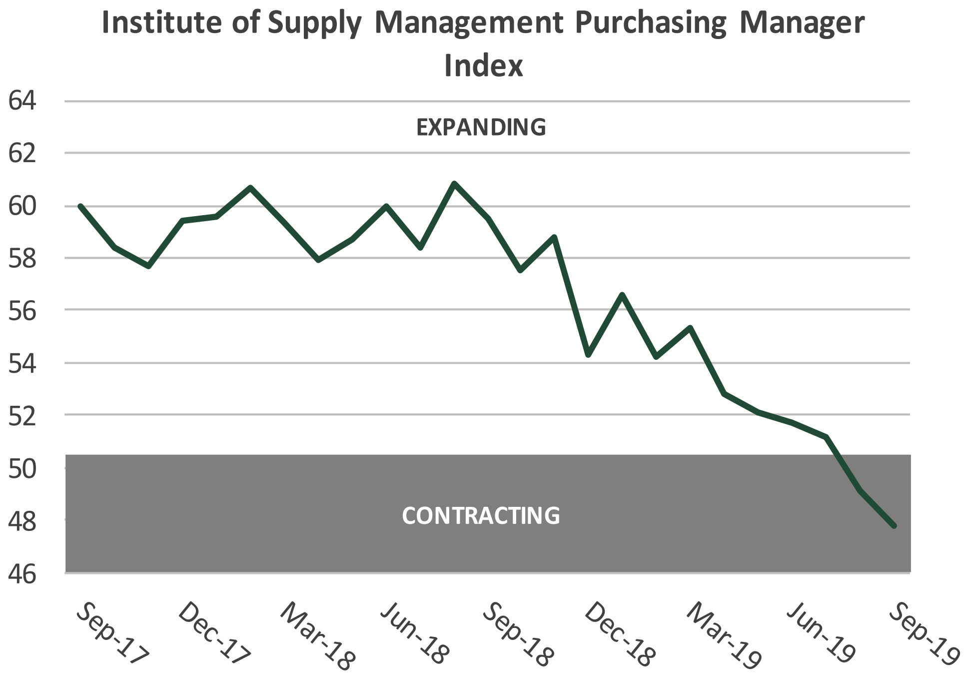
Source: US Department of Commerce



Source: S&P

Housing starts were much stronger than expected in August, up 12.3% month-over-month to a 1.364 million annualized rate. Multi-family starts jumped 32.8% month-over-month to an annualized rate of 445,000, while single-family starts rose 4.4% to an annualized rate of 919,000. On a year-over-year basis, total housing starts were up 6.6% in August. Permits were also stronger than expected in the month. Although housing data tends to be volatile on a month-over-month basis, the August report and three-month moving averages suggest that housing activity is accelerating. According to the Case-Shiller 20-City home price index, home prices were up just 2.0% year-over-year in July, versus up 2.2% in June. The year-over-year pace of price appreciation is at a 7-year low.

Manufacturing



Source: Institute for Supply Management

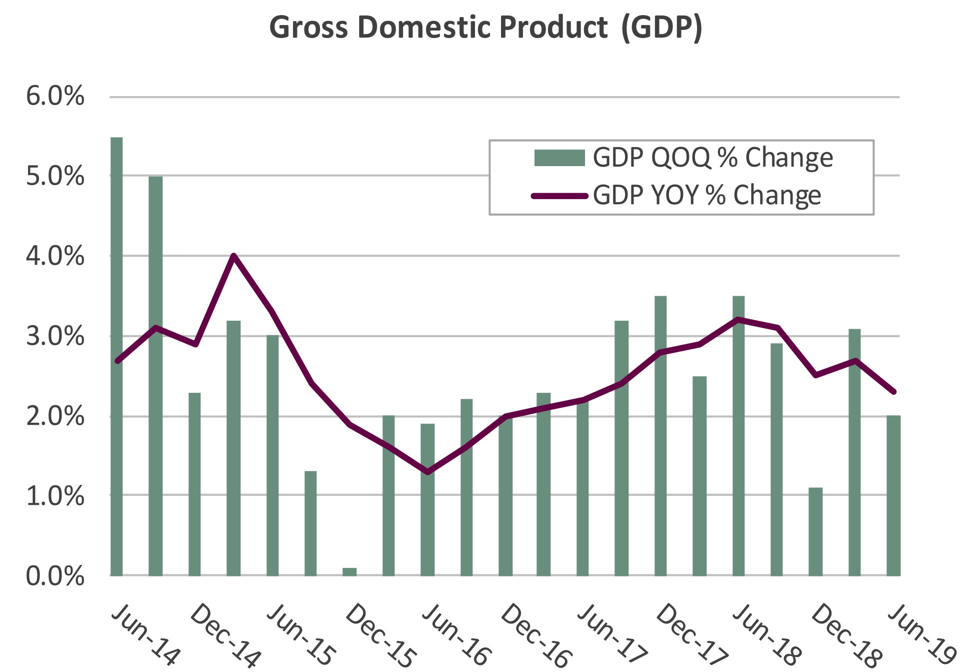
Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index declined to 47.8 in September from 49.1 in August. The reading was worse than expected and suggests the manufacturing sector remains in contraction. New orders and backlog orders also remained below 50.0 in September. Overall, the ISM Manufacturing report suggests the outlook for the manufacturing sector is weak. The Industrial Production index was up 0.4% year-over-year in August versus up 0.5% year-over-year in July. On a month-over-month basis, the index rose 0.6% in August, above the consensus forecast of 0.2%. The manufacturing component of the index rose 0.5% in August, above the 0.1% consensus, following a 0.4% decline in July. Capacity Utilization increased to 77.9% in August from 77.5% in July, but remains below the long-run average of 79.8% indicating there is still excess capacity for growth.

Gross Domestic Product (GDP)

Components of GDP	9/18	12/18	3/19	6/19
Personal Consumption Expenditures	2.3%	1.0%	0.8%	3.0%
Gross Private Domestic Investment	2.3%	0.5%	1.1%	-1.2%
Net Exports and Imports	-2.1%	-0.4%	0.7%	-0.7%
Federal Government Expenditures	0.2%	0.1%	0.1%	0.5%
State and Local (Consumption and Gross Investment)	0.2%	-0.1%	0.4%	0.3%
Total	**2.9%**	**1.1%**	**3.1%**	**2.0%**

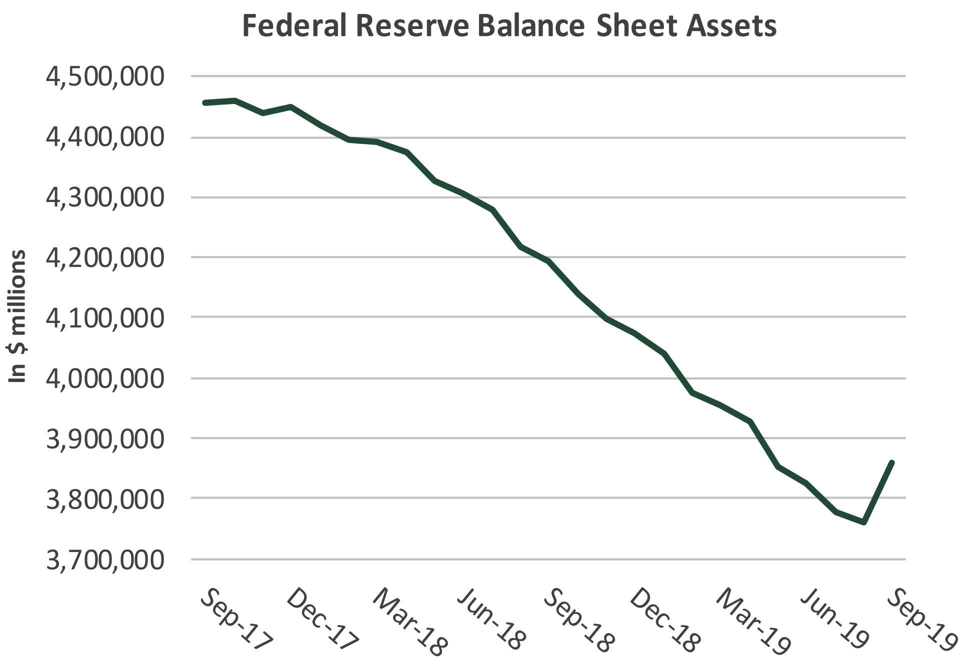
Source: US Department of Commerce



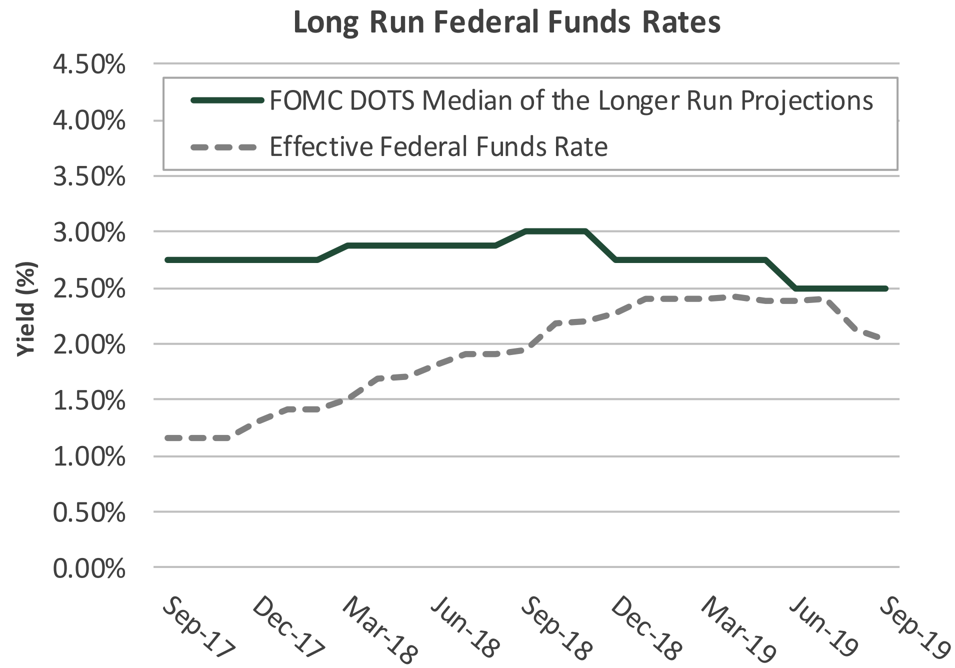
Source: US Department of Commerce

Second quarter GDP grew at an annualized rate of 2.0% following growth of 3.1% in the first quarter. Although the overall pace of GDP growth slowed in the second quarter (as expected), personal consumption expenditures accelerated and were up 4.6% in Q2, following sluggish growth of just 1.1% in Q1. Personal consumption expenditures contributed 3.00 percentage points to Q2 GDP, federal government spending contributed 0.53 percentage points, and state & local government spending contributed 0.29 percentage points. Meanwhile, gross private domestic investment and net exports were a drag on Q2 GDP growth. The consensus forecast calls for GDP growth of 1.9% in the third quarter and 1.7% in the fourth quarter, for full year growth of about 2.0-2.5% versus 2.9% growth in 2018.

Federal Reserve



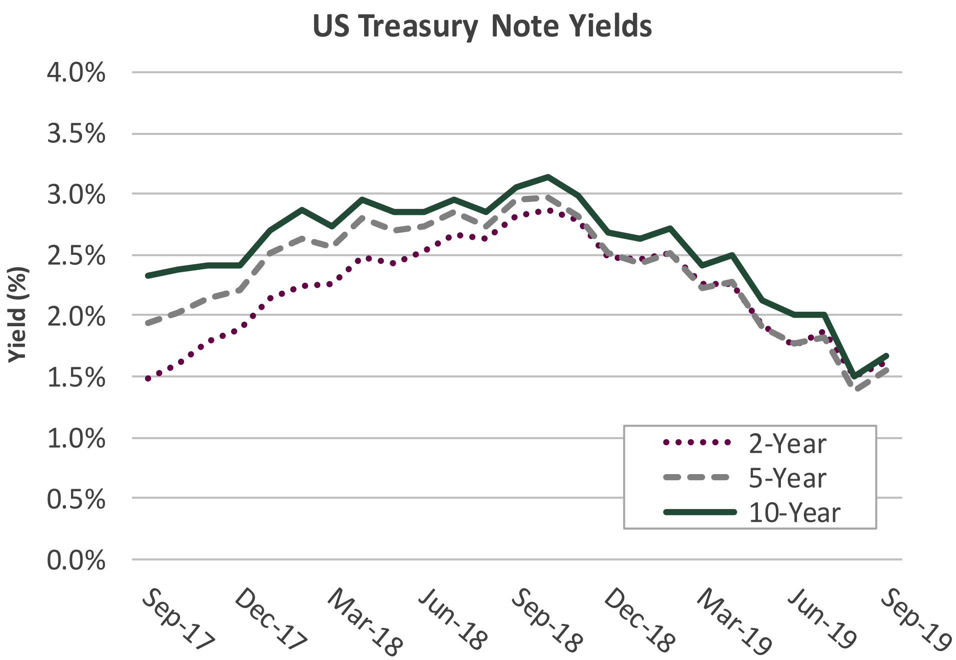
Source: Federal Reserve



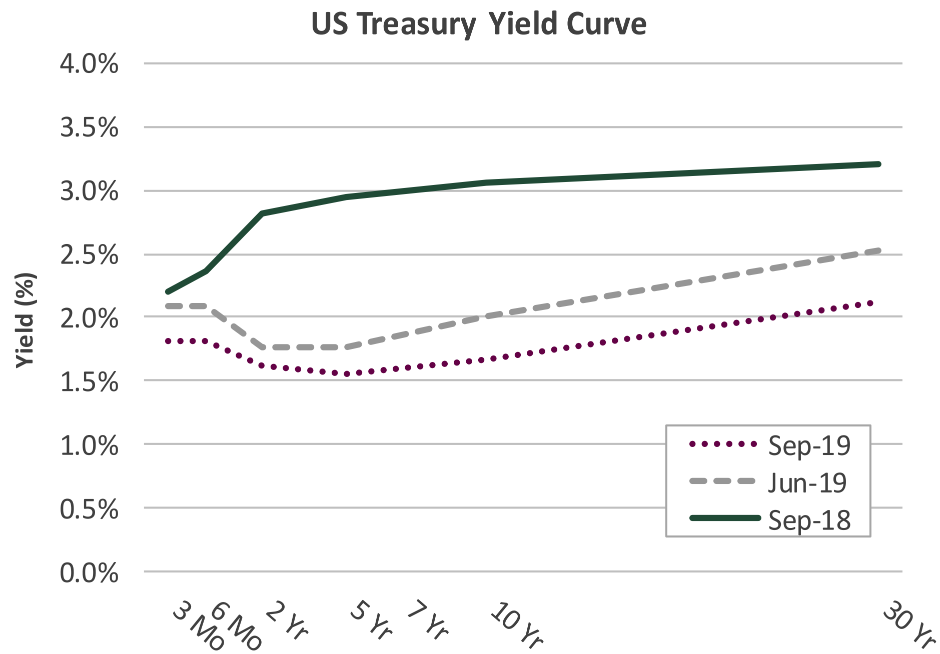
Source: Bloomberg

Fed policymakers have signaled they are prepared to act as appropriate to incoming data in order to sustain the economic expansion. The FOMC has cut the fed funds rate by 25 basis points twice this year to a range of 1.75-2.00%. The Fed concluded its balance sheet normalization program in August. However, the Federal Reserve will soon increase its purchases of short-term Treasury securities in order to provide sufficient liquidity to the banking system and money markets. Fed Chair Powell has emphasized that the purchases will be aimed at controlling the level of short-term lending rates but will not be a form of quantitative easing or stimulus. More details will be announced at the next FOMC meeting at the end of October.

Bond Yields



Source: Bloomberg



Source: Bloomberg

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

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.

Compliance

As of September 30, 2019

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*

Compliance

As of September 30, 2019

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
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	*Complies*
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	*Complies*
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.	*Complies*
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	*Complies*
Max Per Issuer	5% per issuer, unless otherwise specified in the policy	*Complies*
Maximum maturity	5 years	*Complies*

Portfolio Characteristics

As of September 30, 2019

City of Cupertino

	9/30/2019		6/30/2019
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.66	2.62	2.24
Average Modified Duration	2.54	2.32	2.09
Average Purchase Yield	n/a	1.94%	2.01%
Average Market Yield	1.65%	1.84%	2.10%
Average Quality**	AAA	AA/Aa1	AA/Aa1
Total Market Value		105,780,960	68,116,368

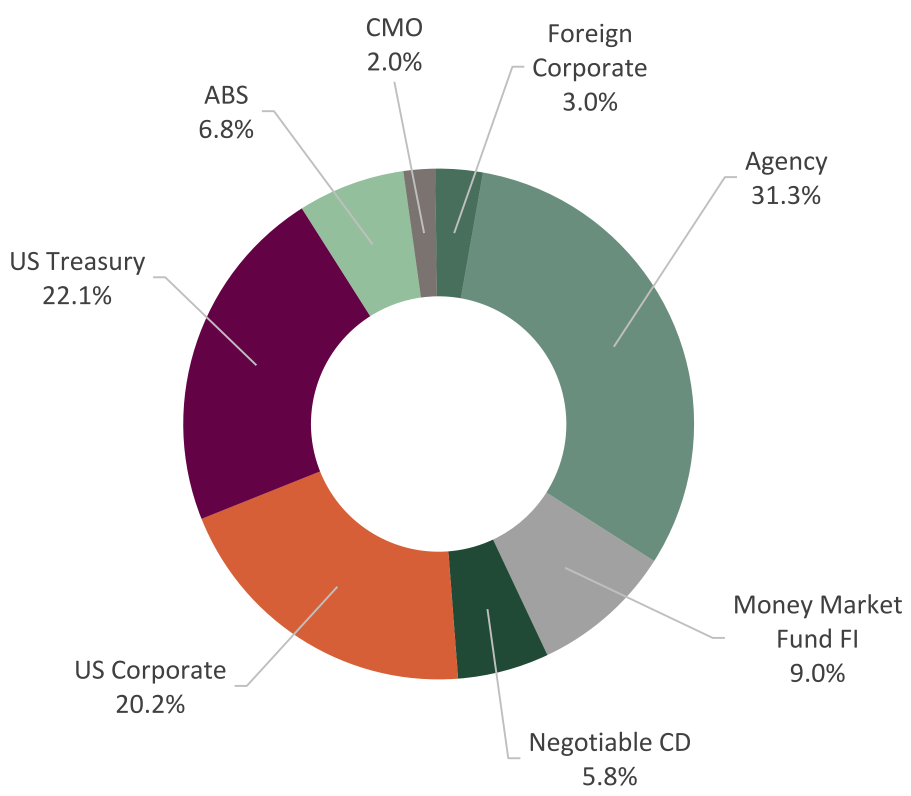
**ICE BAML 1-5 Yr US Treasury/Agency Index*

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

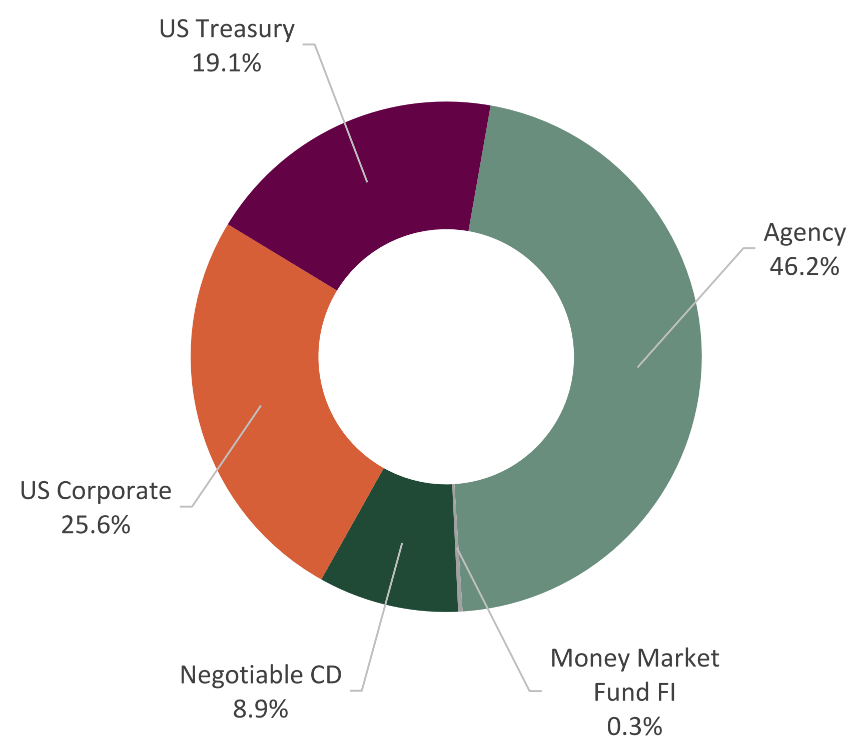
Sector Distribution

City of Cupertino

September 30, 2019



June 30, 2019



Issuers

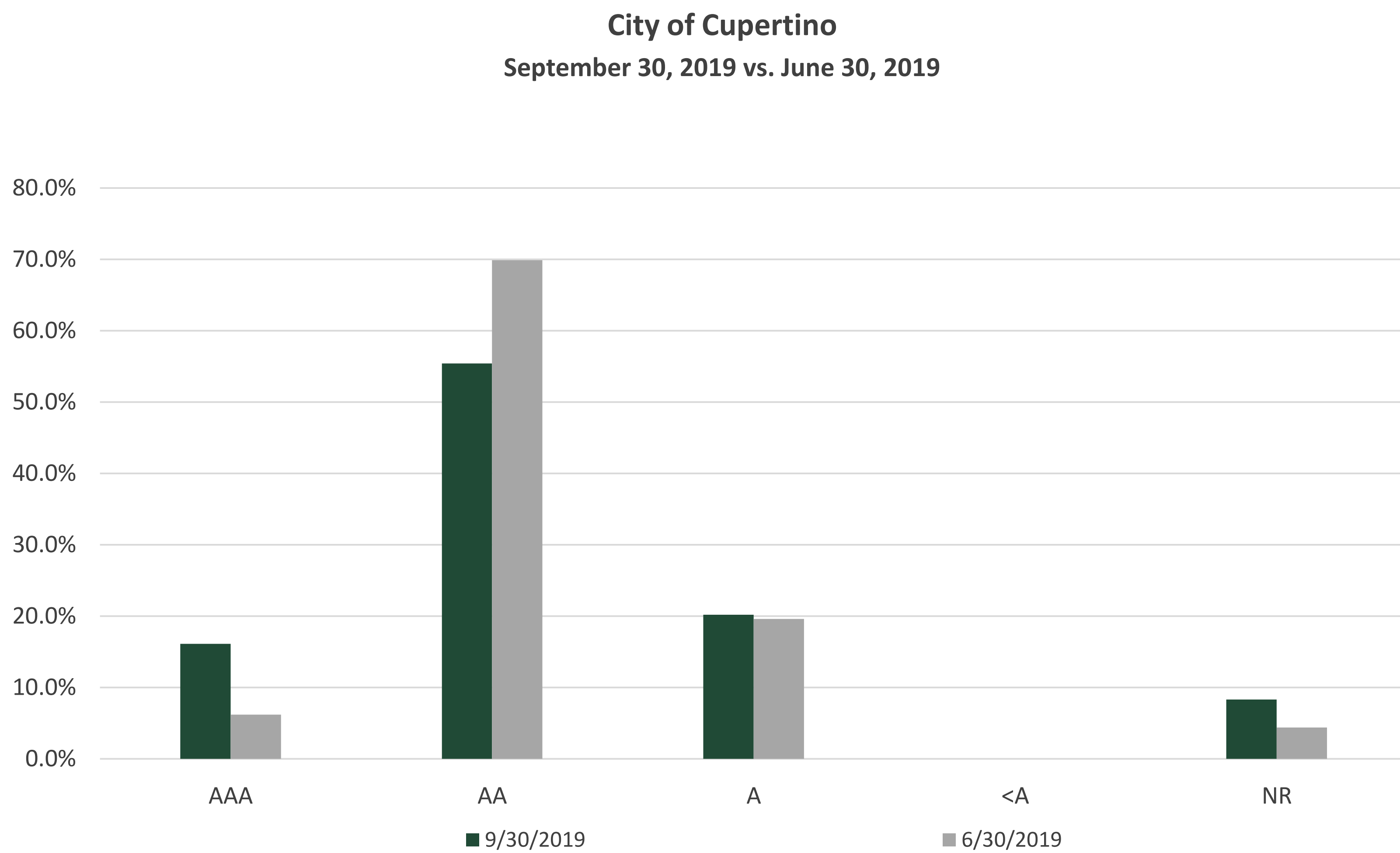
As of September 30, 2019

City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	22.08%
Federal Home Loan Bank	Agency	13.15%
Federal Home Loan Mortgage Corp	Agency	10.47%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund FI	8.96%
Federal National Mortgage Association	Agency	5.76%
Honda ABS	ABS	1.99%
Federal Home Loan Mortgage Corp	CMO	1.98%
Nordea Bank ABP New York	Negotiable CD	1.92%
Toronto Dominion Holdings	Negotiable CD	1.92%
Bank of Nova Scotia Houston	Negotiable CD	1.92%
John Deere ABS	ABS	1.92%
Federal Farm Credit Bank	Agency	1.90%
Air Products & Chemicals	US Corporate	1.68%
HSBC Holdings PLC	Foreign Corporate	1.50%
Toronto Dominion Holdings	Foreign Corporate	1.46%
Charles Schwab Corp/The	US Corporate	1.45%
Nissan ABS	ABS	1.44%
Toyota ABS	ABS	1.44%
IBM Corp	US Corporate	1.43%
Honda Motor Corporation	US Corporate	1.32%
Bank of America Corp	US Corporate	1.28%
JP Morgan Chase & Co	US Corporate	1.26%
Wells Fargo Corp	US Corporate	1.25%
PNC Financial Services Group	US Corporate	1.15%
Bank of New York	US Corporate	1.00%
Wal-Mart Stores	US Corporate	1.00%
Deere & Company	US Corporate	0.97%
General Dynamics Corp	US Corporate	0.97%
Apple Inc	US Corporate	0.97%
Toyota Motor Corp	US Corporate	0.97%
State Street Bank	US Corporate	0.95%
Oracle Corp	US Corporate	0.95%
Chubb Corporation	US Corporate	0.81%
Paccar Financial	US Corporate	0.78%
TOTAL		**100.00%**

Quality Distribution

As of September 30, 2019

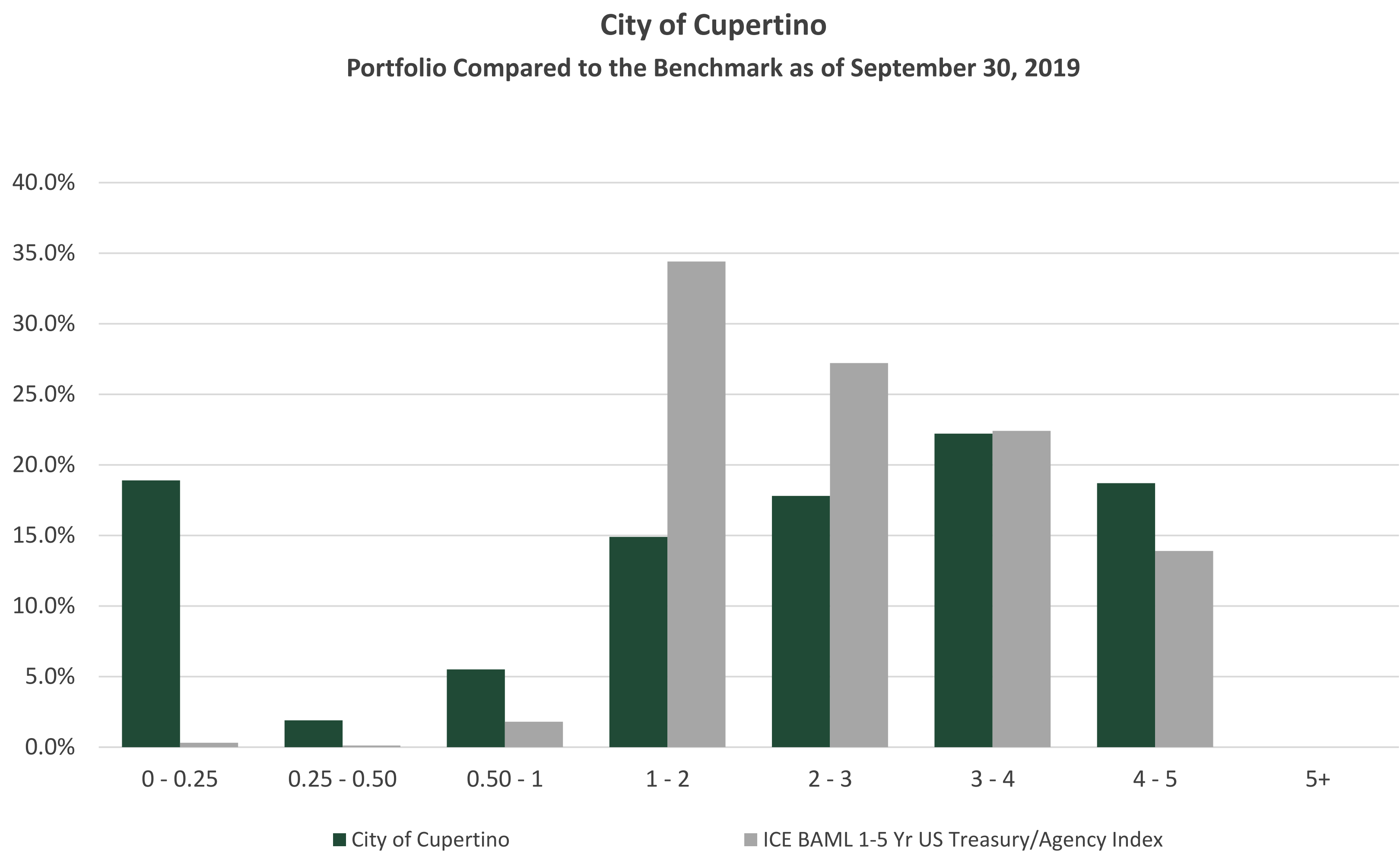


	AAA	AA	A	<A	NR
09/30/19	16.1%	55.4%	20.2%	0.0%	8.3%
06/30/19	6.2%	69.9%	19.6%	0.0%	4.4%

Source: S&P Ratings

Duration Distribution

As of September 30, 2019



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	18.9%	1.9%	5.5%	14.9%	17.8%	22.2%	18.7%	0.0%
Benchmark*	0.3%	0.1%	1.8%	34.4%	27.2%	22.4%	13.9%	0.0%

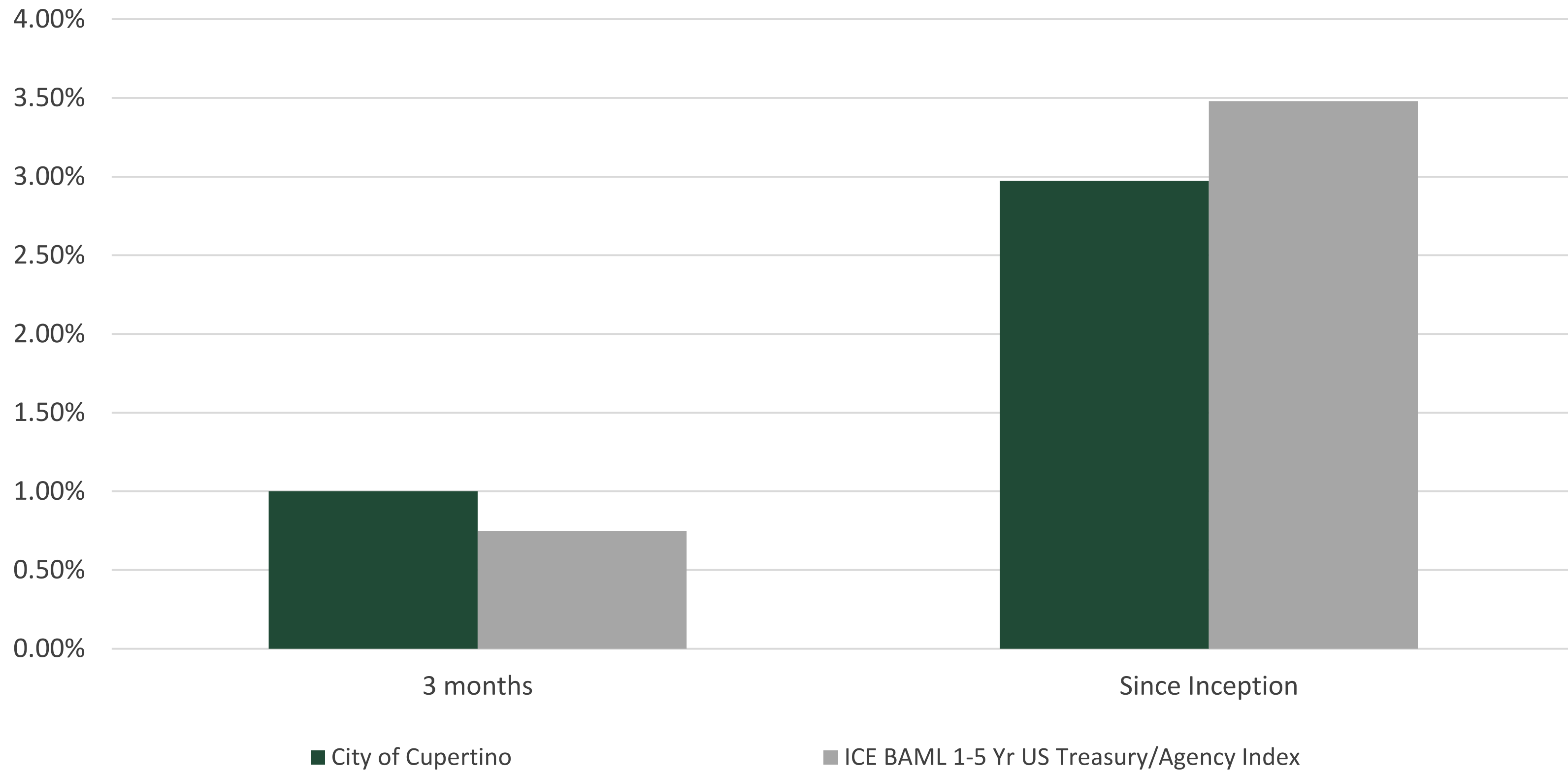
**ICE BAML 1-5 Yr US Treasury/Agency Index*

Investment Performance

As of September 30, 2019

City of Cupertino

Total Rate of Return Since Inception 01/31/2019

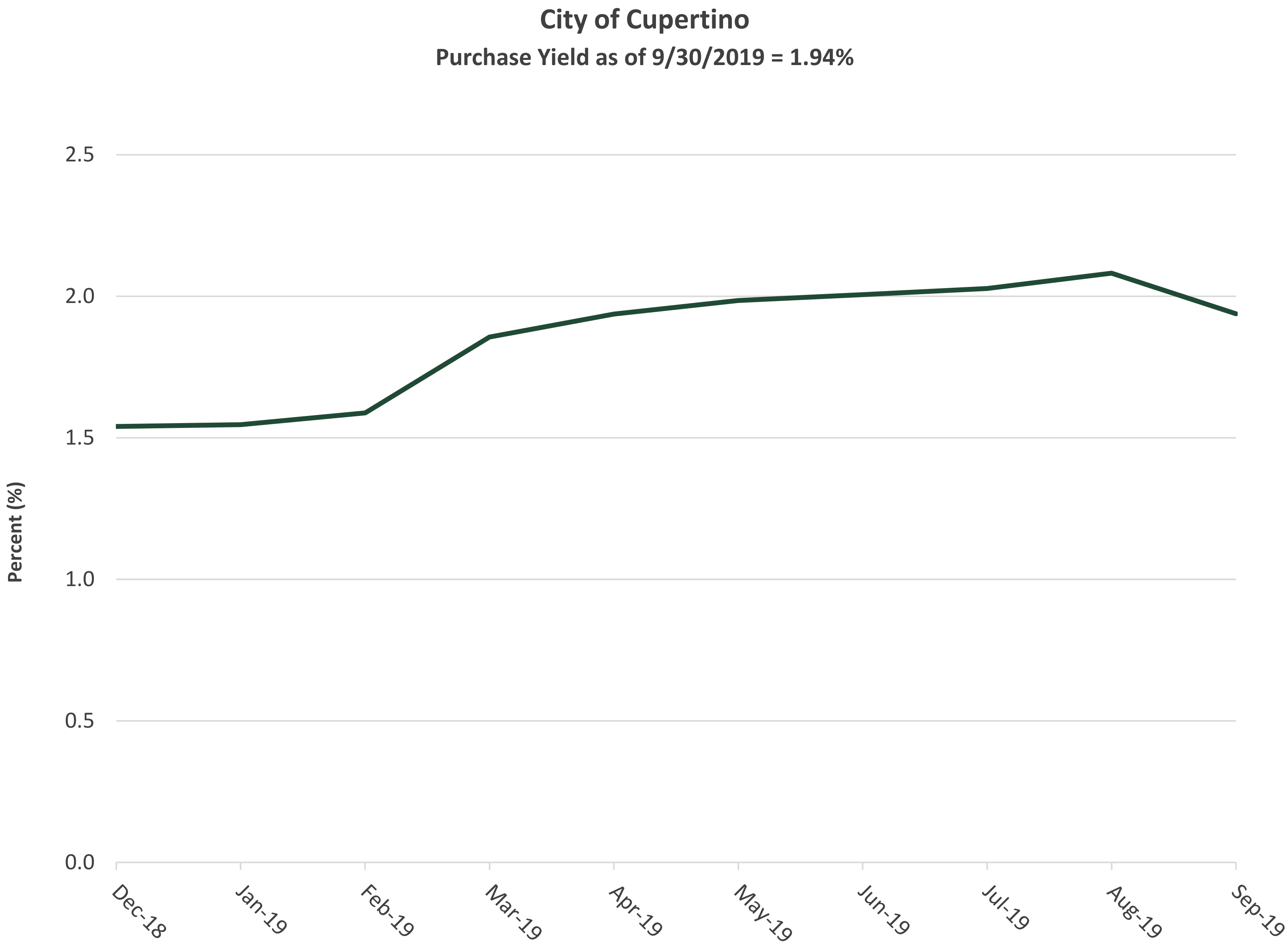


TOTAL RATE OF RETURN	Latest 3 months	Since Inception
City of Cupertino	1.00%	2.97%
ICE BAML 1-5 Yr US Treasury/Agency Index	0.75%	3.48%

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 September 30, 2019



Section 3 | Portfolio Holdings

Holdings Report

As of September 30, 2019

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	1,600,000.00	09/16/2019 1.45%	1,616,875.00 1,616,669.78	101.16 1.99%	1,618,500.78 1,311.11	1.53% 1,831.00	Aaa / NR AAA	2.90 1.18
89238TAD5	Toyota Auto Receivables Trust 2018-B A3 2.960% Due 09/15/2022	1,500,000.00	09/10/2019 1.15%	1,517,519.53 1,517,216.64	101.14 1.97%	1,517,112.00 1,973.33	1.44% (104.64)	Aaa / AAA NR	2.96 1.12
65479GAD1	Nissan Auto Receivables Trust 2018-B A3 3.060% Due 03/15/2023	1,500,000.00	09/16/2019 1.37%	1,521,210.93 1,520,994.49	101.45 2.08%	1,521,688.50 2,040.00	1.44% 694.01	Aaa / AAA NR	3.46 1.44
47789JAD8	John Deere Owner Trust 2019-A A3 2.910% Due 07/17/2023	1,000,000.00	08/27/2019 1.87%	1,020,820.31 1,020,335.78	101.79 1.93%	1,017,877.00 1,293.33	0.96% (2,458.78)	Aaa / NR AAA	3.80 1.78
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.780% Due 08/15/2023	490,000.00	08/20/2019 1.79%	489,995.93 489,996.06	99.79 1.88%	488,963.16 387.64	0.46% (1,032.90)	Aaa / AAA NR	3.88 2.34
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 1,009,063.10	100.66 1.93%	1,006,583.00 982.22	0.95% (2,480.10)	Aaa / NR AAA	4.21 2.23
TOTAL ABS		**7,090,000.00**	**1.50%**	**7,175,679.51** **7,174,275.85**	**1.98%**	**7,170,724.44** **7,987.63**	**6.79%** **(3,551.41)**	**Aaa / AAA** **Aaa**	**3.41** **1.53**
Agency									
313378UP4	FHLB Note 2.000% Due 10/11/2019	1,500,000.00	06/22/2017 1.43%	1,519,380.00 1,500,230.44	100.00 1.84%	1,500,064.50 14,166.67	1.43% (165.94)	Aaa / AA+ NR	0.03 0.03
3133EGJ30	FFCB Note 1.100% Due 11/18/2019	2,000,000.00	11/23/2016 1.36%	1,984,760.00 1,999,328.88	99.90 1.86%	1,997,952.00 8,127.78	1.90% (1,376.88)	Aaa / AA+ AAA	0.13 0.13
3134G8S83	FHLMC Callable Note 1X 3/30/2017 1.500% Due 12/30/2019	2,000,000.00	03/30/2016 1.50%	2,000,000.00 2,000,000.00	99.90 1.90%	1,998,012.00 83.33	1.89% (1,988.00)	Aaa / AA+ AAA	0.25 0.25
3134G9G43	FHLMC Callable Note 1X 12/30/2016 1.020% Due 12/30/2019	3,000,000.00	06/30/2016 1.02%	3,000,000.00 3,000,000.00	99.78 1.89%	2,993,439.00 7,735.00	2.84% (6,561.00)	Aaa / AA+ AAA	0.25 0.25
3134G9MW4	FHLMC Callable Note 1X 5/26/2017 1.350% Due 05/26/2020	975,000.00	05/31/2016 1.35%	975,000.00 975,000.00	99.64 1.91%	971,455.88 4,570.31	0.92% (3,544.12)	Aaa / AA+ AAA	0.65 0.65
3134G9SK4	FHLMC Callable Note 1X 6/30/2017 1.500% Due 06/30/2020	2,000,000.00	06/30/2016 1.50%	2,000,000.00 2,000,000.00	99.73 1.87%	1,994,522.00 7,583.33	1.89% (5,478.00)	Aaa / AA+ AAA	0.75 0.74
3136G3QQ1	FNMA Callable Note 1X 5/25/2017 1.500% Due 11/25/2020	3,000,000.00	05/25/2016 1.50%	3,000,000.00 3,000,000.00	99.63 1.82%	2,988,966.00 15,750.00	2.84% (11,034.00)	NR / NR AAA	1.16 1.13
313378JP7	FHLB Note 2.375% Due 09/10/2021	2,000,000.00	09/06/2019 1.57%	2,031,540.00 2,030,592.08	101.36 1.66%	2,027,130.00 2,770.83	1.92% (3,462.08)	Aaa / AA+ AAA	1.95 1.89
313376C94	FHLB Note 2.625% Due 12/10/2021	1,325,000.00	01/19/2017 1.90%	1,369,559.75 1,344,984.52	102.07 1.66%	1,352,481.83 10,724.22	1.29% 7,497.31	Aaa / AA+ AAA	2.20 2.11

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
3137EADB2	FHLMC Note 2.375% Due 01/13/2022	1,500,000.00	06/21/2019 1.84%	1,520,100.00 1,517,969.49	101.54 1.69%	1,523,097.00 7,718.75	1.45% 5,127.51	Aaa / AA+ AAA	2.29 2.21
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	1,500,000.00	06/21/2019 1.83%	1,553,100.00 1,549,489.49	104.04 1.63%	1,560,642.00 11,687.50	1.49% 11,152.51	Aaa / AA+ AAA	3.72 3.51
3130A3DL5	FHLB Note 2.375% Due 09/08/2023	2,000,000.00	09/06/2019 1.52%	2,066,320.00 2,065,320.66	102.89 1.62%	2,057,700.00 3,034.72	1.95% (7,620.66)	Aaa / AA+ NR	3.94 3.75
3135G0U43	FNMA Note 2.875% Due 09/12/2023	1,500,000.00	06/21/2019 1.89%	1,559,805.00 1,555,962.89	104.80 1.62%	1,571,991.00 2,276.04	1.49% 16,028.11	Aaa / AA+ AAA	3.95 3.73
3130A0F70	FHLB Note 3.375% Due 12/08/2023	1,500,000.00	04/29/2019 2.36%	1,565,940.00 1,559,906.27	106.99 1.64%	1,604,884.50 15,890.63	1.53% 44,978.23	Aaa / AA+ AAA	4.19 3.88
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019 2.27%	1,568,115.00 1,561,099.83	107.14 1.58%	1,607,058.00 3,114.58	1.52% 45,958.17	Aaa / AA+ NR	4.44 4.14
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019 1.96%	1,564,890.20 1,561,186.26	105.58 1.64%	1,583,730.00 12,817.70	1.51% 22,543.74	Aaa / AA+ NR	4.71 4.37
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,485,528.54	100.57 1.62%	1,508,553.00 6,052.08	1.43% 23,024.46	Aaa / AA+ AAA	4.76 4.53
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019 1.79%	2,103,380.00 2,102,529.84	105.72 1.67%	2,114,422.00 2,875.00	2.00% 11,892.16	Aaa / AA+ AAA	4.96 4.62
TOTAL Agency		**32,300,000.00**	**1.65%**	**32,866,784.95** **32,809,129.19**	**1.74%**	**32,956,100.71** **136,978.47**	**31.28%** **146,971.52**	**Aaa / AA+** **Aaa**	**2.33** **2.20**
CMO									
3137B4WB8	FHLMC K033 A2 3.060% Due 07/25/2023	1,000,000.00	08/13/2019 1.18%	1,037,656.25 1,036,452.51	103.64 1.98%	1,036,401.99 510.00	0.98% (50.52)	Aaa / NR NR	3.82 3.46
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	1,000,000.00	08/19/2019 1.92%	1,061,914.06 1,060,290.08	105.58 2.05%	1,055,785.00 587.83	1.00% (4,505.08)	Aaa / NR AAA	4.07 3.65
TOTAL CMO		**2,000,000.00**	**1.55%**	**2,099,570.31** **2,096,742.59**	**2.02%**	**2,092,186.99** **1,097.83**	**1.98%** **(4,555.60)**	**Aaa / NR** **Aaa**	**3.95** **3.56**
Foreign Corporate									
404280BS7	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.950% Due 05/18/2024	1,500,000.00	Various 2.51%	1,572,790.00 1,572,150.41	104.66 2.55%	1,569,826.50 21,889.59	1.50% (2,323.91)	A2 / A AA-	4.64 3.56

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
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,526,972.08	101.89 2.22%	1,528,276.50 12,035.42	1.46% 1,304.42	Aa3 / A NR	4.70 4.37
TOTAL Foreign Corporate		**3,000,000.00**	**2.38%**	**3,100,045.00 3,099,122.49**	**2.39%**	**3,098,103.00 33,925.01**	**2.96% (1,019.49)**	**A1 / A AA-**	**4.67 3.96**
Money Market Fund FI									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	9,475,707.12	Various 1.54%	9,475,707.12 9,475,707.12	1.00 1.54%	9,475,707.12 0.00	8.96% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund FI		**9,475,707.12**	**1.54%**	**9,475,707.12 9,475,707.12**	**1.54%**	**9,475,707.12 0.00**	**8.96% 0.00**	**Aaa / AAA NR**	**0.00 0.00**
Negotiable CD									
06417G5Q7	Bank of Nova Scotia Yankee CD 2.610% Due 12/23/2019	2,000,000.00	04/04/2019 2.57%	2,000,538.93 2,000,170.08	100.01 2.57%	2,000,170.08 27,985.00	1.92% 0.00	P-1 / A-1 F-1+	0.23 0.23
65558TFW0	Nordea Bank ABP New York Yankee CD 2.640% Due 03/23/2020	2,000,000.00	03/21/2019 2.64%	2,000,000.00 2,000,000.00	100.00 2.64%	2,000,000.00 28,453.33	1.92% 0.00	P-1 / A-1+ F-1+	0.48 0.47
89114MYP6	Toronto Dominion Bank Yankee CD 2.620% Due 04/02/2020	2,000,000.00	03/21/2019 2.62%	2,000,000.00 2,000,000.00	100.00 2.62%	2,000,000.00 28,237.78	1.92% 0.00	P-1 / A-1+ F-1+	0.51 0.50
TOTAL Negotiable CD		**6,000,000.00**	**2.61%**	**6,000,538.93 6,000,170.08**	**2.61%**	**6,000,170.08 84,676.11**	**5.75% 0.00**	**Aaa / AAA Aaa**	**0.41 0.40**
US 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%	841,840.00 844,636.18	100.32 1.97%	852,745.50 8,037.22	0.81% 8,109.32	A3 / A A	1.10 0.98
369550BE7	General Dynamics Corp Note 3.000% Due 05/11/2021	1,000,000.00	03/11/2019 2.76%	1,004,920.00 1,003,661.97	101.75 1.89%	1,017,511.00 11,666.67	0.97% 13,849.03	A2 / A+ NR	1.61 1.56
857477AV5	State Street Bank Note 1.950% Due 05/19/2021	1,000,000.00	Various 2.65%	986,055.00 988,941.53	100.01 1.94%	1,000,111.00 7,150.00	0.95% 11,169.47	A1 / A AA-	1.64 1.59
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.900% Due 09/15/2021	1,000,000.00	04/11/2019 2.66%	982,320.00 985,700.00	99.88 1.96%	998,821.00 844.44	0.95% 13,121.00	A1 / A+ A	1.96 1.91
89236TDP7	Toyota Motor Credit Corp Note 2.600% Due 01/11/2022	1,000,000.00	03/05/2019 2.89%	992,200.00 993,758.50	101.58 1.89%	1,015,825.00 5,777.78	0.97% 22,066.50	Aa3 / AA- A+	2.28 2.20
95000U2B8	Wells Fargo & Company Note 2.625% Due 07/22/2022	1,300,000.00	Various 2.68%	1,297,365.00 1,298,180.60	101.11 2.21%	1,314,432.60 6,540.63	1.25% 16,252.00	A2 / A- A+	2.81 2.69

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
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 1,209,314.76	101.04 2.06%	1,212,480.00 5,145.00	1.15% 3,165.24	A2 / A A+	2.83 2.63
44932HAC7	IBM Credit Corp Note 2.200% Due 09/08/2022	1,500,000.00	Various 2.88%	1,467,755.00 1,471,549.25	100.46 2.04%	1,506,901.50 2,108.34	1.43% 35,352.25	A2 / A NR	2.94 2.83
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 1,299,931.82	101.81 2.16%	1,323,519.60 8,156.49	1.26% 23,587.78	A2 / A- AA-	3.30 2.20
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 1,505,409.30	101.80 2.07%	1,527,022.50 7,287.50	1.45% 21,613.20	A2 / A A	3.32 3.08
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 1,006,599.55	102.84 1.94%	1,028,413.00 1,944.44	0.97% 21,813.45	A2 / A A	3.43 3.26
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 1,011,773.46	104.76 2.11%	1,047,577.00 14,875.00	1.00% 35,803.54	A1 / A AA-	3.58 3.32
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	1,000,000.00	03/11/2019 2.79%	984,840.00 986,865.34	101.65 1.92%	1,016,469.00 9,866.67	0.97% 29,603.66	Aa1 / AA+ NR	3.59 3.40
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 1,020,547.16	105.26 1.90%	1,052,646.00 8,972.22	1.00% 32,098.84	Aa2 / AA AA	3.74 3.41
69371RP59	Paccar Financial Corp Note 3.400% Due 08/09/2023	435,000.00	06/18/2019 2.56%	449,315.85 448,339.98	104.62 2.15%	455,076.12 2,136.33	0.43% 6,736.14	A1 / A+ NR	3.86 3.60
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,300,000.00	Various 2.76%	1,345,306.00 1,342,083.75	105.90 2.09%	1,376,675.30 22,384.38	1.32% 34,591.55	A2 / A NR	4.03 3.69
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.550% Due 03/05/2024	1,300,000.00	Various 3.14%	1,315,499.00 1,314,896.85	103.93 2.35%	1,351,043.20 3,333.06	1.28% 36,146.35	A2 / A- A+	4.43 3.22
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 1,768,257.63	105.48 2.09%	1,766,823.50 9,507.95	1.68% (1,434.13)	A2 / A NR	4.84 4.23
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019 2.20%	369,182.30 369,203.34	99.98 2.16%	369,909.72 1,016.47	0.35% 706.38	A1 / A+ NR	4.88 4.59
TOTAL US Corporate		**20,730,000.00**	**2.69%**	**20,867,085.15** **20,869,650.97**	**2.05%**	**21,234,002.54** **136,750.59**	**20.20%** **364,351.57**	**A1 / A** **A+**	**3.20** **2.87**
US Treasury									
912828T34	US Treasury Note 1.125% Due 09/30/2021	2,000,000.00	09/25/2019 1.71%	1,977,109.38 1,977,265.10	98.98 1.65%	1,979,532.00 61.48	1.87% 2,266.90	Aaa / AA+ AAA	2.00 1.97
912828F96	US Treasury Note 2.000% Due 10/31/2021	2,000,000.00	09/25/2019 1.71%	2,012,031.25 2,011,952.72	100.70 1.66%	2,013,984.00 16,739.13	1.92% 2,031.28	Aaa / AA+ AAA	2.09 2.02

Holdings Report

As of September 30, 2019

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
912828J43	US Treasury Note 1.750% Due 02/28/2022	2,000,000.00	09/11/2019 1.64%	2,005,078.13 2,004,970.93	100.32 1.62%	2,006,328.00 2,980.77	1.90% 1,357.07	Aaa / AA+ AAA	2.42 2.36
912828XG0	US Treasury Note 2.125% Due 06/30/2022	2,000,000.00	09/11/2019 1.61%	2,028,203.13 2,027,678.81	101.45 1.58%	2,028,984.00 10,740.49	1.93% 1,305.19	Aaa / AA+ AAA	2.75 2.65
912828L57	US Treasury Note 1.750% Due 09/30/2022	2,000,000.00	09/11/2019 1.62%	2,007,890.63 2,007,756.05	100.50 1.58%	2,009,922.00 95.63	1.90% 2,165.95	Aaa / AA+ AAA	3.00 2.91
912828N30	US Treasury Note 2.125% Due 12/31/2022	2,000,000.00	Various 1.68%	2,029,085.94 2,028,204.11	101.71 1.58%	2,034,140.00 10,740.49	1.93% 5,935.89	Aaa / AA+ AAA	3.25 3.12
912828T91	US Treasury Note 1.625% Due 10/31/2023	2,000,000.00	Various 1.94%	1,973,554.69 1,975,628.27	100.21 1.57%	2,004,296.00 13,600.55	1.91% 28,667.73	Aaa / AA+ AAA	4.09 3.91
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,527,705.37	102.77 1.57%	1,541,542.50 8,529.21	1.47% 13,837.13	Aaa / AA+ AAA	4.25 4.03
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.13%	2,053,613.28 2,050,932.45	104.96 1.57%	2,099,296.00 7,024.45	1.99% 48,363.55	Aaa / AA+ AAA	4.38 4.11
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,705,601.56	101.90 1.57%	1,732,339.10 14,228.26	1.65% 26,737.54	Aaa / AA+ AAA	4.59 4.34
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,018,243.29	101.94 1.57%	2,038,828.00 10,108.69	1.94% 20,584.71	Aaa / AA+ AAA	4.75 4.50
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,752,835.22	103.73 1.58%	1,763,352.20 5,156.59	1.67% 10,516.98	Aaa / AA+ AAA	4.88 4.59
TOTAL US Treasury		**22,900,000.00**	**1.77%**	**23,093,781.28** **23,088,773.88**	**1.59%**	**23,252,543.80** **100,005.74**	**22.08%** **163,769.92**	**Aaa / AA+** **Aaa**	**3.50** **3.34**
TOTAL PORTFOLIO		**103,495,707.12**	**1.94%**	**104,679,192.25** **104,613,572.17**	**1.84%**	**105,279,538.68** **501,421.38**	**100.00%** **665,966.51**	**Aa1 / AA** **Aaa**	**2.62** **2.32**
TOTAL MARKET VALUE PLUS ACCRUALS						**105,780,960.06**			

Section 4 | Transactions

Transaction Ledger

As of September 30, 2019

City of Cupertino - Account #10659

June 30, 2019 through September 30, 2019

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/17/2019	3135G0V75	1,500,000.00	FNMA Note 1.75% Due: 07/02/2024	98.993	1.96%	1,484,895.00	656.25	1,485,551.25	0.00
Purchase	07/31/2019	912828XX3	1,500,000.00	US Treasury Note 2% Due: 06/30/2024	100.629	1.87%	1,509,433.59	2,527.17	1,511,960.76	0.00
Purchase	08/09/2019	009158AV8	1,675,000.00	Air Products & Chemicals Callable Note Cont 4/30/2024 3.35% Due: 07/31/2024	105.744	2.13%	1,771,212.00	1,402.81	1,772,614.81	0.00
Purchase	08/15/2019	69371RQ25	370,000.00	Paccar Financial Corp Note 2.15% Due: 08/15/2024	99.779	2.20%	369,182.30	0.00	369,182.30	0.00
Purchase	08/16/2019	3137B4WB8	1,000,000.00	FHLMC K033 A2 Due: 07/25/2023	103.766	1.18%	1,037,656.25	1,275.00	1,038,931.25	0.00
Purchase	08/22/2019	3137B7MZ9	1,000,000.00	FHLMC K036 A2 Due: 10/25/2023	106.191	1.92%	1,061,914.06	2,057.42	1,063,971.48	0.00
Purchase	08/27/2019	43815NAC8	490,000.00	Honda Auto Receivables Trust 2019-3 A3 1.78% Due: 08/15/2023	99.999	1.79%	489,995.93	0.00	489,995.93	0.00
Purchase	08/29/2019	477870AC3	1,000,000.00	John Deere Owner Trust 2019-B A3 2.21% Due: 12/15/2023	100.926	1.79%	1,009,257.81	2,148.61	1,011,406.42	0.00
Purchase	08/29/2019	47789JAD8	1,000,000.00	John Deere Owner Trust 2019-A A3 2.91% Due: 07/17/2023	102.082	1.87%	1,020,820.31	1,131.67	1,021,951.98	0.00
Purchase	08/30/2019	404280BS7	500,000.00	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.95% Due: 05/18/2024	105.084	2.47%	525,420.00	5,595.83	531,015.83	0.00
Purchase	09/09/2019	3130A3DL5	2,000,000.00	FHLB Note 2.375% Due: 09/08/2023	103.316	1.52%	2,066,320.00	131.94	2,066,451.94	0.00
Purchase	09/09/2019	313378JP7	2,000,000.00	FHLB Note 2.375% Due: 09/10/2021	101.577	1.57%	2,031,540.00	23,618.06	2,055,158.06	0.00
Purchase	09/11/2019	808513AT2	500,000.00	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due: 01/25/2023	102.065	2.01%	510,325.00	1,693.06	512,018.06	0.00
Purchase	09/12/2019	89238TAD5	1,500,000.00	Toyota Auto Receivables Trust 2018-B A3 2.96% Due: 09/15/2022	101.168	1.15%	1,517,519.53	3,330.00	1,520,849.53	0.00

Transaction Ledger

As of September 30, 2019

City of Cupertino - Account #10659

June 30, 2019 through September 30, 2019

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	09/12/2019	912828J43	2,000,000.00	US Treasury Note 1.75% Due: 02/28/2022	100.254	1.64%	2,005,078.13	1,153.85	2,006,231.98	0.00
Purchase	09/12/2019	912828L57	2,000,000.00	US Treasury Note 1.75% Due: 09/30/2022	100.395	1.62%	2,007,890.63	15,778.69	2,023,669.32	0.00
Purchase	09/12/2019	912828XG0	2,000,000.00	US Treasury Note 2.125% Due: 06/30/2022	101.410	1.61%	2,028,203.13	8,546.20	2,036,749.33	0.00
Purchase	09/13/2019	06051GHF9	300,000.00	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due: 03/05/2024	103.883	2.38%	311,649.00	236.67	311,885.67	0.00
Purchase	09/13/2019	48128BAB7	300,000.00	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due: 01/15/2023	101.618	2.26%	304,854.00	1,436.47	306,290.47	0.00
Purchase	09/13/2019	89114QCA4	1,500,000.00	Toronto Dominion Bank Note 2.65% Due: 06/12/2024	101.817	2.24%	1,527,255.00	10,047.92	1,537,302.92	0.00
Purchase	09/13/2019	95000U2B8	300,000.00	Wells Fargo & Company Note 2.625% Due: 07/22/2022	100.995	2.26%	302,985.00	1,115.63	304,100.63	0.00
Purchase	09/16/2019	3130A2UW4	2,000,000.00	FHLB Note 2.875% Due: 09/13/2024	105.169	1.79%	2,103,380.00	479.17	2,103,859.17	0.00
Purchase	09/18/2019	43815HAC1	1,600,000.00	Honda Auto Receivables Trust 2018-3 A3 2.95% Due: 08/22/2022	101.055	1.45%	1,616,875.00	3,540.00	1,620,415.00	0.00
Purchase	09/18/2019	65479GAD1	1,500,000.00	Nissan Auto Receivables Trust 2018-B A3 3.06% Due: 03/15/2023	101.414	1.37%	1,521,210.93	382.50	1,521,593.43	0.00
Purchase	09/19/2019	912828D56	1,700,000.00	US Treasury Note 2.375% Due: 08/15/2024	103.129	1.71%	1,753,191.41	3,840.01	1,757,031.42	0.00
Purchase	09/25/2019	02665WCQ2	300,000.00	American Honda Finance Note 3.625% Due: 10/10/2023	106.102	2.04%	318,306.00	4,984.38	323,290.38	0.00
Purchase	09/25/2019	404280BS7	1,000,000.00	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.95% Due: 05/18/2024	104.737	2.53%	1,047,370.00	13,934.72	1,061,304.72	0.00
Purchase	09/26/2019	912828B66	500,000.00	US Treasury Note 2.75% Due: 02/15/2024	104.793	1.61%	523,964.84	1,569.29	525,534.13	0.00
Purchase	09/26/2019	912828F96	2,000,000.00	US Treasury Note 2% Due: 10/31/2021	100.602	1.71%	2,012,031.25	16,195.65	2,028,226.90	0.00

Transaction Ledger

As of September 30, 2019

City of Cupertino - Account #10659

June 30, 2019 through September 30, 2019

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	09/26/2019	912828N30	1,150,000.00	US Treasury Note 2.125% Due: 12/31/2022	101.594	1.62%	1,168,328.13	5,843.75	1,174,171.88	0.00
Purchase	09/26/2019	912828T34	2,000,000.00	US Treasury Note 1.125% Due: 09/30/2021	98.855	1.71%	1,977,109.38	11,004.10	1,988,113.48	0.00
Purchase	09/30/2019	912828T91	500,000.00	US Treasury Note 1.625% Due: 10/31/2023	100.113	1.60%	500,566.41	3,378.06	503,944.47	0.00
Purchase	09/30/2019	912828XX3	500,000.00	US Treasury Note 2% Due: 06/30/2024	101.828	1.60%	509,140.63	2,500.00	511,640.63	0.00
Subtotal			**39,185,000.00**				**39,944,880.65**	**151,534.88**	**40,096,415.53**	**0.00**
TOTAL ACQUISITIONS			**39,185,000.00**				**39,944,880.65**	**151,534.88**	**40,096,415.53**	**0.00**
DISPOSITIONS										
Sale	07/17/2019	912828TH3	1,300,000.00	US Treasury Note 0.875% Due: 07/31/2019	100.000	0.88%	1,300,000.00	5,247.58	1,305,247.58	220.29
Sale	07/31/2019	3134G8S83	1,000,000.00	FHLMC Callable Note 1X 3/30/2017 1.5% Due: 12/30/2019	99.725	2.17%	997,250.00	5,000.00	1,002,250.00	-2,750.00
Sale	08/08/2019	313376C94	1,675,000.00	FHLB Note 2.625% Due: 12/10/2021	102.420	1.57%	1,715,535.00	7,083.85	1,722,618.85	13,568.39
Sale	08/21/2019	912828TR1	500,000.00	US Treasury Note 1% Due: 09/30/2019	99.891	2.00%	499,453.13	1,953.55	501,406.68	-321.21
Sale	08/26/2019	912828TR1	425,000.00	US Treasury Note 1% Due: 09/30/2019	99.902	2.02%	424,584.96	1,718.58	426,303.54	-247.21
Sale	08/28/2019	3134G9MW4	1,025,000.00	FHLMC Callable Note 1X 5/26/2017 1.35% Due: 05/26/2020	99.614	1.87%	1,021,043.50	3,536.25	1,024,579.75	-3,956.50
Sale	08/28/2019	912828TR1	1,075,000.00	US Treasury Note 1% Due: 09/30/2019	99.902	2.08%	1,073,950.20	4,405.74	1,078,355.94	-649.54
Sale	08/29/2019	313378UP4	500,000.00	FHLB Note 2% Due: 10/11/2019	99.993	2.04%	499,965.00	3,833.33	503,798.33	-365.30
Subtotal			**7,500,000.00**				**7,531,781.79**	**32,778.88**	**7,564,560.67**	**5,498.92**

Transaction Ledger

As of September 30, 2019

City of Cupertino - Account #10659

June 30, 2019 through September 30, 2019

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Maturity	07/31/2019	912828TH3	500,000.00	US Treasury Note 0.875% Due: 07/31/2019	100.000		500,000.00	0.00	500,000.00	0.00
Maturity	08/15/2019	9128282B5	2,000,000.00	US Treasury Note 0.75% Due: 08/15/2019	100.000		2,000,000.00	0.00	2,000,000.00	0.00
Maturity	09/13/2019	313383VN8	2,000,000.00	FHLB Note 2% Due: 09/13/2019	100.000		2,000,000.00	0.00	2,000,000.00	0.00
Subtotal			**4,500,000.00**				**4,500,000.00**	**0.00**	**4,500,000.00**	**0.00**
TOTAL DISPOSITIONS			**12,000,000.00**				**12,031,781.79**	**32,778.88**	**12,064,560.67**	**5,498.92**

Important Disclosures

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.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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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.

Benchmark Disclosures

As of September 30, 2019

ICE BAML 1-5 Yr 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)