

# City of Cupertino

*Period Ending December 31, 2020*

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | [www.chandlerasset.com](http://www.chandlerasset.com)



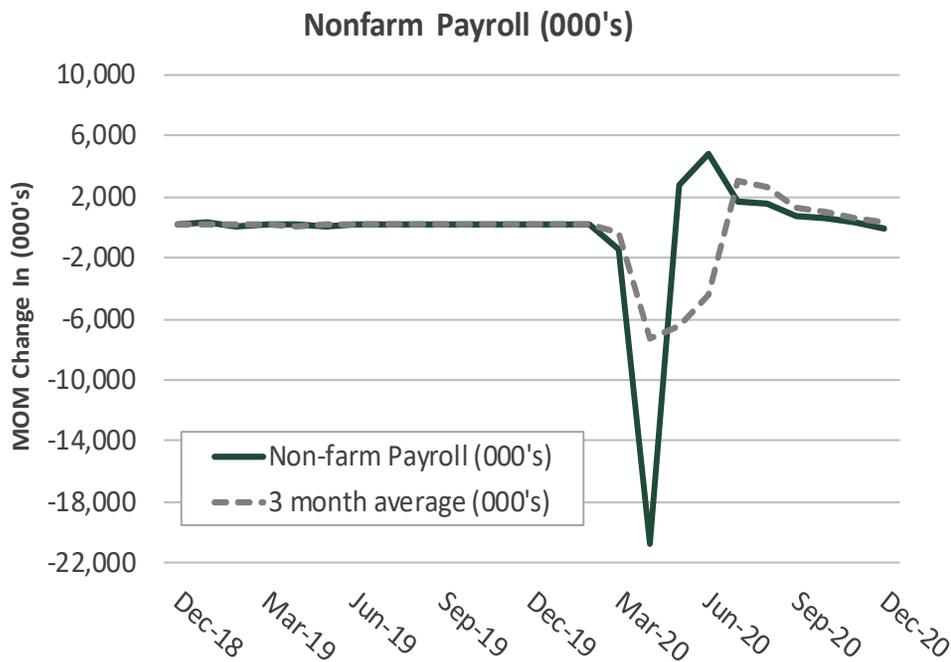
<b>SECTION 1</b>	<b>Economic Update</b>
<b>SECTION 2</b>	<b>Account Profile</b>
<b>SECTION 3</b>	<b>Portfolio Holdings</b>
<b>SECTION 4</b>	<b>Transactions</b>

# Section 1 | Economic Update

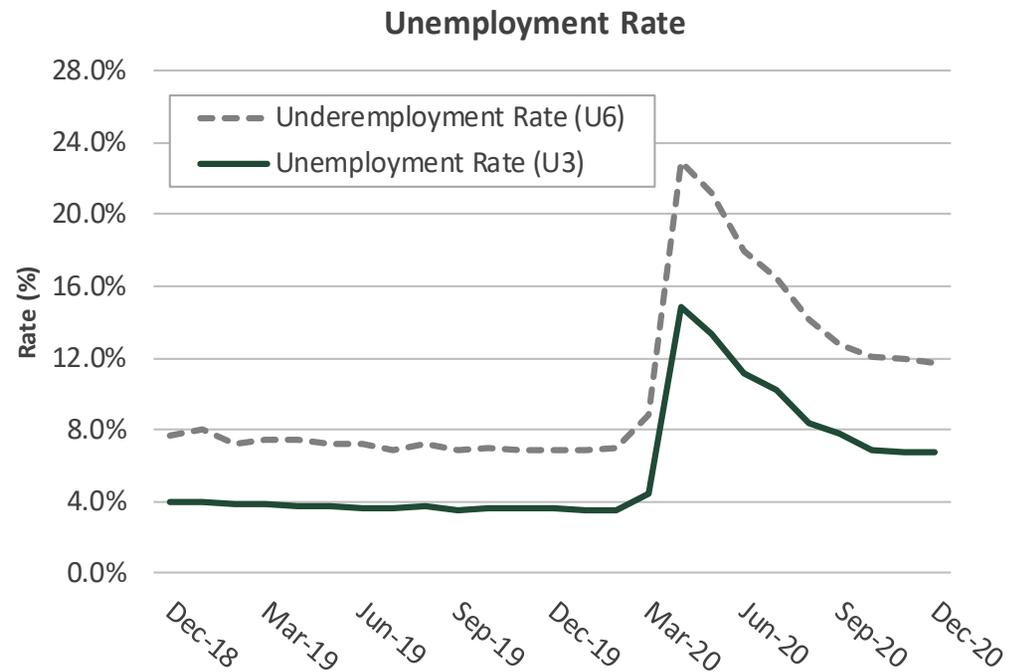
## Economic Update

- Recent economic data suggests that the economy has lost momentum as virus cases have risen. We anticipated that economic data would soften during the winter months, and believe the near-term outlook remains challenging as the labor market remains under pressure and many regions have renewed business restrictions due to the virus. However, the passage of a new \$900 billion COVID-19 fiscal relief bill should help cushion the economy over the next few months, and we believe the incoming Presidential administration will have a keen focus on getting the economy back on track. We also remain very optimistic about progress on vaccines. A limited number of vaccine doses have already been distributed, and we expect more widespread distribution in the second and third quarter of 2021. We believe the distribution of vaccines and therapeutics will help fuel the economic recovery later this year. We also expect the Fed's highly accommodative monetary policy framework will continue to provide support for the financial markets.
- The Federal Open Market Committee (FOMC) kept monetary policy unchanged at their December meeting as expected, with the fed funds target rate in a range of 0.0% to 0.25%. The Fed intends to remain highly accommodative until their goals of maximum employment and higher inflation are achieved. The Fed's summary of economic projections continues to signal that the target fed funds rate will remain unchanged until at least 2023, as policymakers do not expect inflation to exceed 2.0% during that timeframe. Until the Fed has made substantial progress toward achieving their dual mandate of maximum employment and price stability, they have set a floor for monthly asset purchases of at least \$80 billion per month of Treasuries and \$40 billion per month of agency mortgage-backed securities. Notably, the Fed's outlook for GDP over the next few years was revised higher and the outlook for unemployment was revised lower compared with their previous forecasts in September, which suggests increased optimism. Nevertheless, the outlook remains uncertain and Fed Chair Powell indicated that the Fed would increase policy accommodation further if progress toward their dual mandate slows.
- In 2020, the yield on 2-year Treasuries was down 145 basis points to 0.12% and the yield on 10-year Treasuries was down about 100 basis points to 0.91%. The yield curve steepened modestly in December and month-to-date the yield curve has continued to steepen, likely due in part to favorable developments on the vaccine front. Month-to-date, the yield on 2-year Treasuries is little changed but the yield on 10-year Treasuries is up about 20 basis points. We believe the Treasury yield curve is poised to steepen modestly further in 2021 as the economy reopens, driven by an increase in longer-term rates as the front end of the curve is likely to remain anchored near 0.0%.

# Employment



Source: US Department of Labor

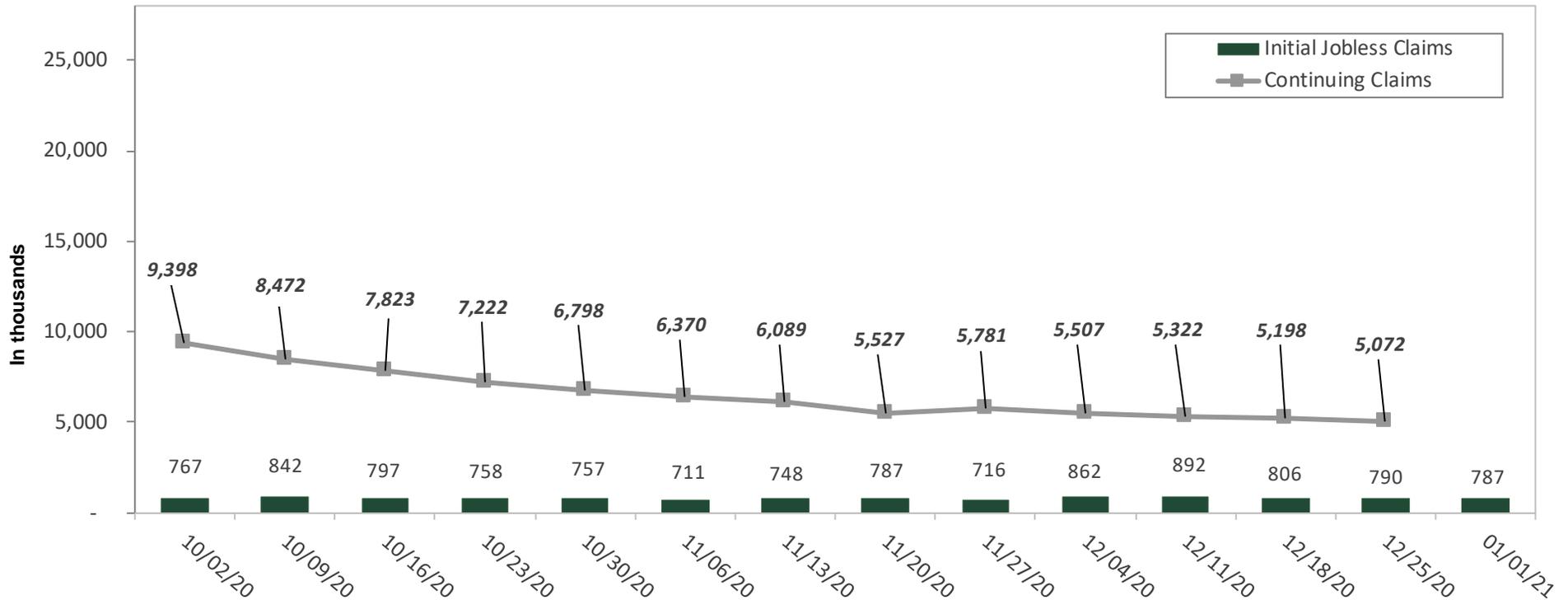


Source: US Department of Labor

U.S. nonfarm payrolls declined by 140,000 in December. It was the first monthly decline in nonfarm payrolls since April of last year and came in well below expectations for a 50,000 gain. The monthly decline was led by the leisure and hospitality sector which experienced a 498,000 net decline in payrolls in December, along with modest declines in government jobs and education and health services. The unemployment rate was unchanged in December at 6.7% and has improved significantly from the peak of 14.8% last April. Nevertheless, more than 10.7 million people remain unemployed. Workers who classified themselves as employed but absent from work in December continued to understate the unemployment rate by about 0.6%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, remained high but declined to 11.7% in December from 12.0% in November. The labor participation rate was unchanged at 61.5% in December and remains well below pre-pandemic levels.

# Initial Claims for Unemployment

## Initial Claims For Unemployment October 02, 2020 - January 01, 2021

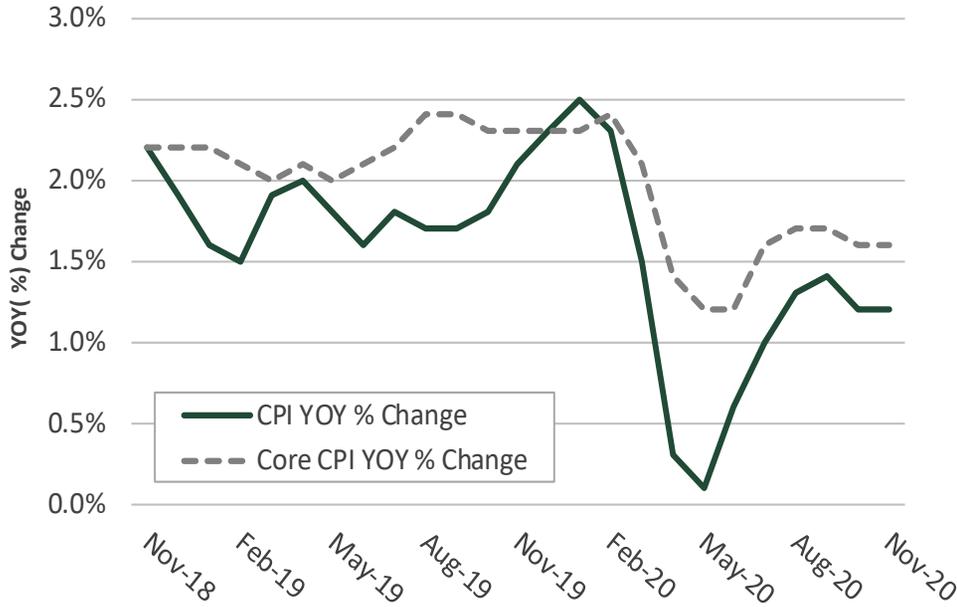


Source: US Department of Labor

In the most recent week, the number of initial jobless claims decreased to 787,000 compared to 790,000 in the prior week. The level of continuing unemployment claims (where the data is lagged by one week) decreased to about 5.1 million from roughly 5.2 million in the prior week. Although jobless claims have declined from the early stage of the pandemic, they have remained well above the 2019 average of 1.7 million. Given the resurgence of the virus and renewed lockdown measures, we believe the labor market is likely to remain under pressure over the near term.

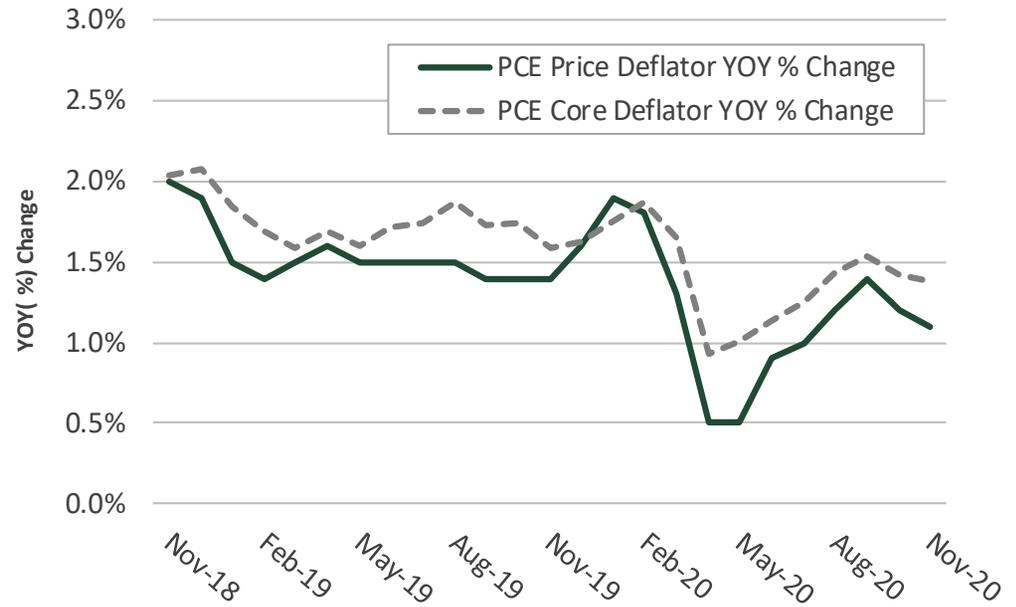
# Inflation

### Consumer Price Index (CPI)



Source: US Department of Labor

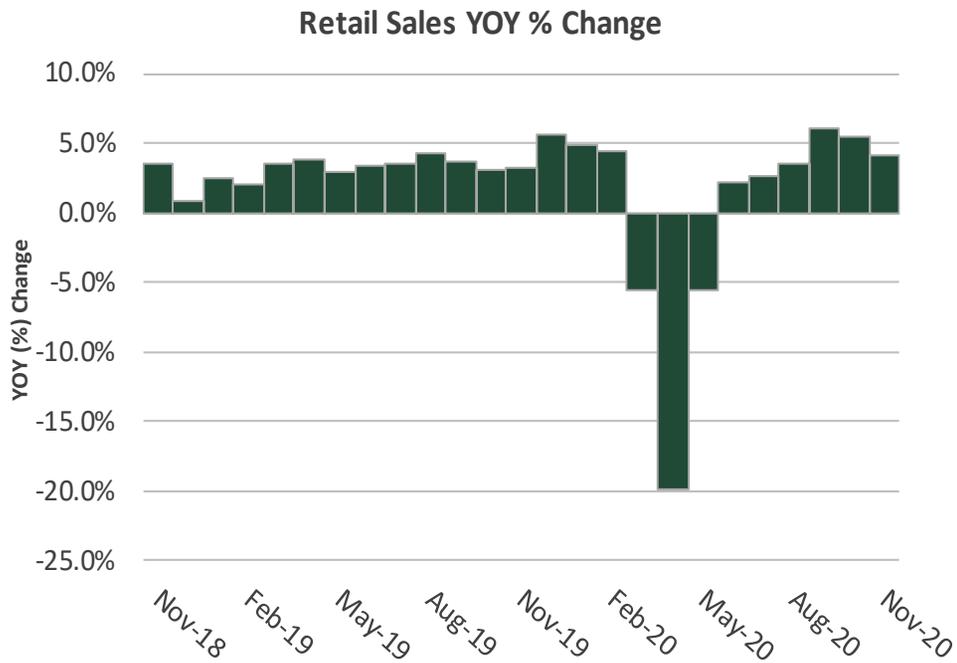
### Personal Consumption Expenditures (PCE)



Source: US Department of Commerce

The Consumer Price Index (CPI) was up 1.2% year-over-year in November, unchanged from October. Core CPI (CPI less food and energy) was up 1.6% year-over-year in November, also unchanged from October. The Personal Consumption Expenditures (PCE) index was up 1.1% year-over-year in November, versus up 1.2% year-over-year in October. Core PCE, which is the Fed's primary inflation gauge, was up 1.4% year-over-year in November, unchanged from October. Inflation remains below the Fed's target.

# Consumer



Source: US Department of Commerce



Source: The Conference Board

Consumer spending trends softened in November. On a year-over-year basis, retail sales were up 4.1% in November versus 5.5% in October. On a month-over-month basis, retail sales declined 1.1% in November, with broad-based declines in many categories on a seasonally adjusted basis. Excluding vehicles and gas, retail sales fell 0.8% in November, following a 0.1% decline in October. Notably, retail sales makes up roughly one third of the personal consumption expenditures component of US gross domestic product (GDP), while services revenue comprises roughly two thirds. Spending on services has been hit particularly hard by the pandemic and lagged the pick-up in overall third quarter GDP. While retail sales remain higher on a year-over-year basis, we believe this has been partially boosted by the contraction in spending on services. The Consumer Confidence index declined to 88.6 in December from 92.9 in November. The index is well below pre-pandemic levels at the start of this year.

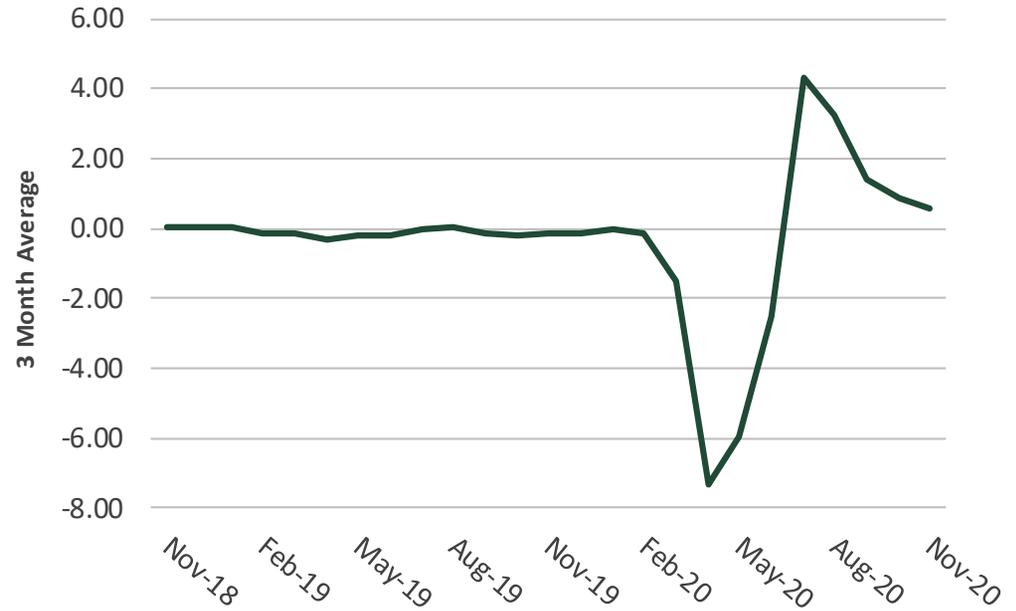
# Economic Activity

### Leading Economic Indicators (LEI)



Source: The Conference Board

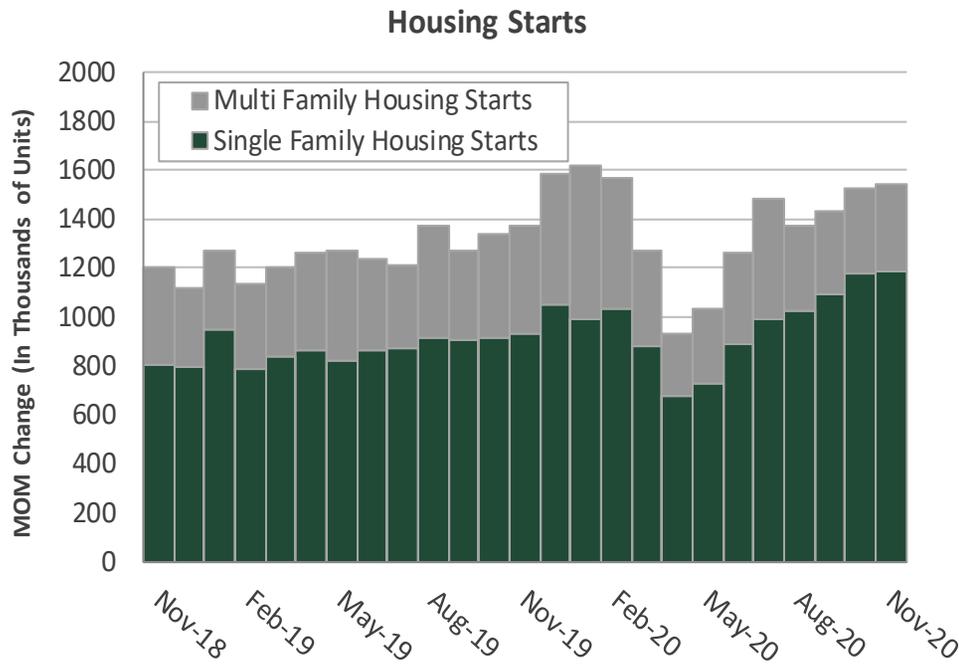
### Chicago Fed National Activity Index (CFNAI)



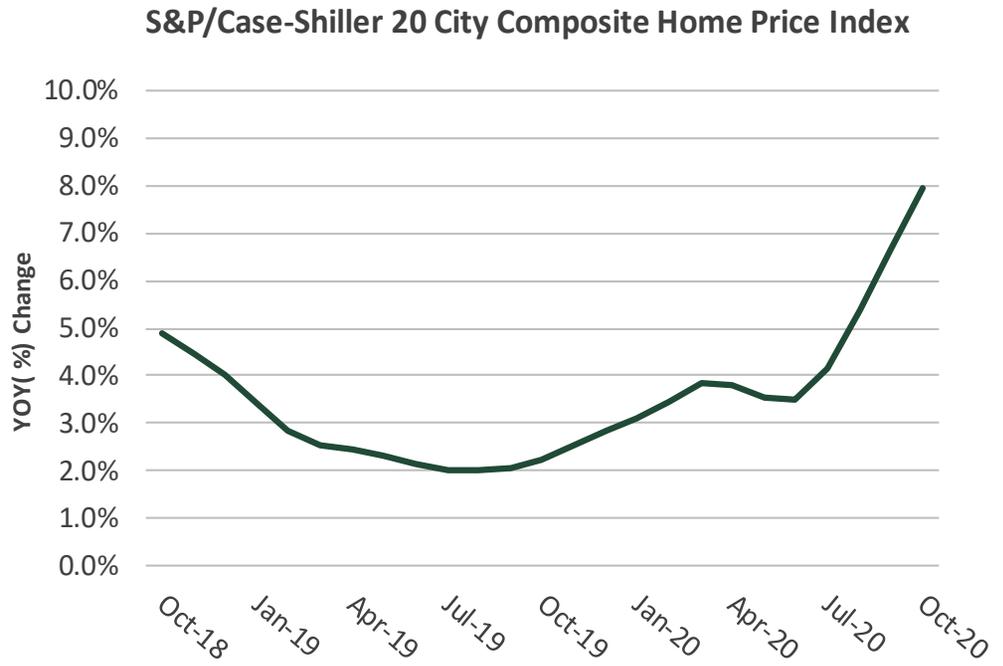
Source: Federal Reserve Bank of Chicago

The Conference Board’s Leading Economic Index (LEI) rose 0.6% in November (following a 0.8% increase in October) but remained down 2.2% year-over-year. According to the Conference Board, a decelerating pace of improvement in the LEI in recent months suggests that economic growth has moderated heading into 2021. Furthermore, the Conference Board warns of potential downside risks to economic growth from a second wave of the virus and high unemployment. The Chicago Fed National Activity Index (CFNAI) declined to 0.27 in November from 1.01 in October. On a 3-month moving average basis, the CFNAI declined to 0.56 in November from 0.85 in October. The index slipped on a one month and 3-month basis, but a positive index reading corresponds to above trend growth.

# Housing



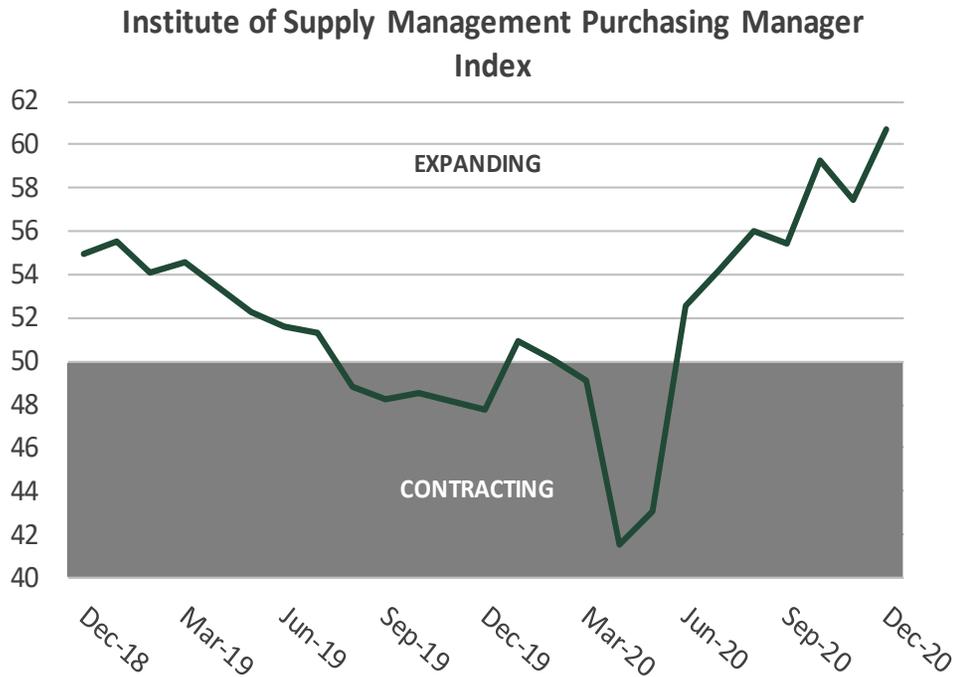
Source: US Department of Commerce



Source: S&P

Total housing starts increased 1.2% in November to an annual pace of 1,547,000. Single family starts inched up 0.4% to a very strong annualized rate of 1,186,000, while multi-family starts increased 4.0% to an annualized rate of 361,000. On a year-over-year basis, total housing starts were up 12.8% in November, driven by growth in single-family starts. Meanwhile, permits were up 6.2% on a month-over-month basis in November, to an annualized rate of 1,639,000 (the strongest rate since 2006). According to the Case-Shiller 20-City home price index, home prices were up 7.9% year-over-year in October versus up 6.6% year-over-year in September. The housing market has been an area of strength during the pandemic. Very low mortgage rates, solid stock market performance, and a meaningful shift toward working from home are providing strong tailwinds for the housing sector.

# Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

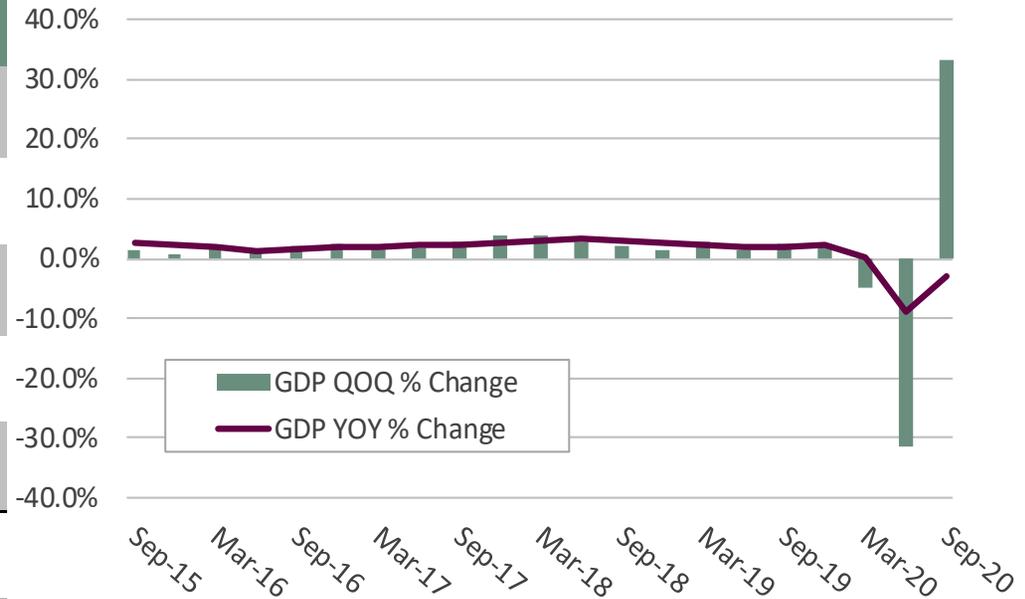
The Institute for Supply Management (ISM) manufacturing index increased to 60.7 in December from 57.5 in November. Readings above 50.0 are indicative of expansion in the manufacturing sector. We believe a weakening US dollar has been supportive of the US manufacturing sector throughout the pandemic. The Industrial Production index was down 5.5% year-over-year in November, versus down 5.0% in October. On a month-over-month basis, the Industrial Production index increased 0.4% in November, following a 0.9% increase in October. Capacity Utilization increased to 73.3% in November from 73.0% in October, but remains well below the long-run average of 79.8%. Overall manufacturing conditions have improved since the deep contraction in activity earlier this year, but industrial production remains lower on a year-over-year basis.

# Gross Domestic Product (GDP)

Components of GDP	12/19	3/20	6/20	9/20
Personal Consumption Expenditures	1.1%	-4.8%	-24.0%	25.4%
Gross Private Domestic Investment	-0.6%	-1.6%	-8.8%	12.0%
Net Exports and Imports	1.5%	1.1%	0.6%	-3.2%
Federal Government Expenditures	0.3%	0.1%	1.2%	-0.4%
State and Local (Consumption and Gross Investment)	0.2%	0.1%	-0.4%	-0.4%
<b>Total</b>	<b>2.4%</b>	<b>-5.0%</b>	<b>-31.4%</b>	<b>33.4%</b>

Source: US Department of Commerce

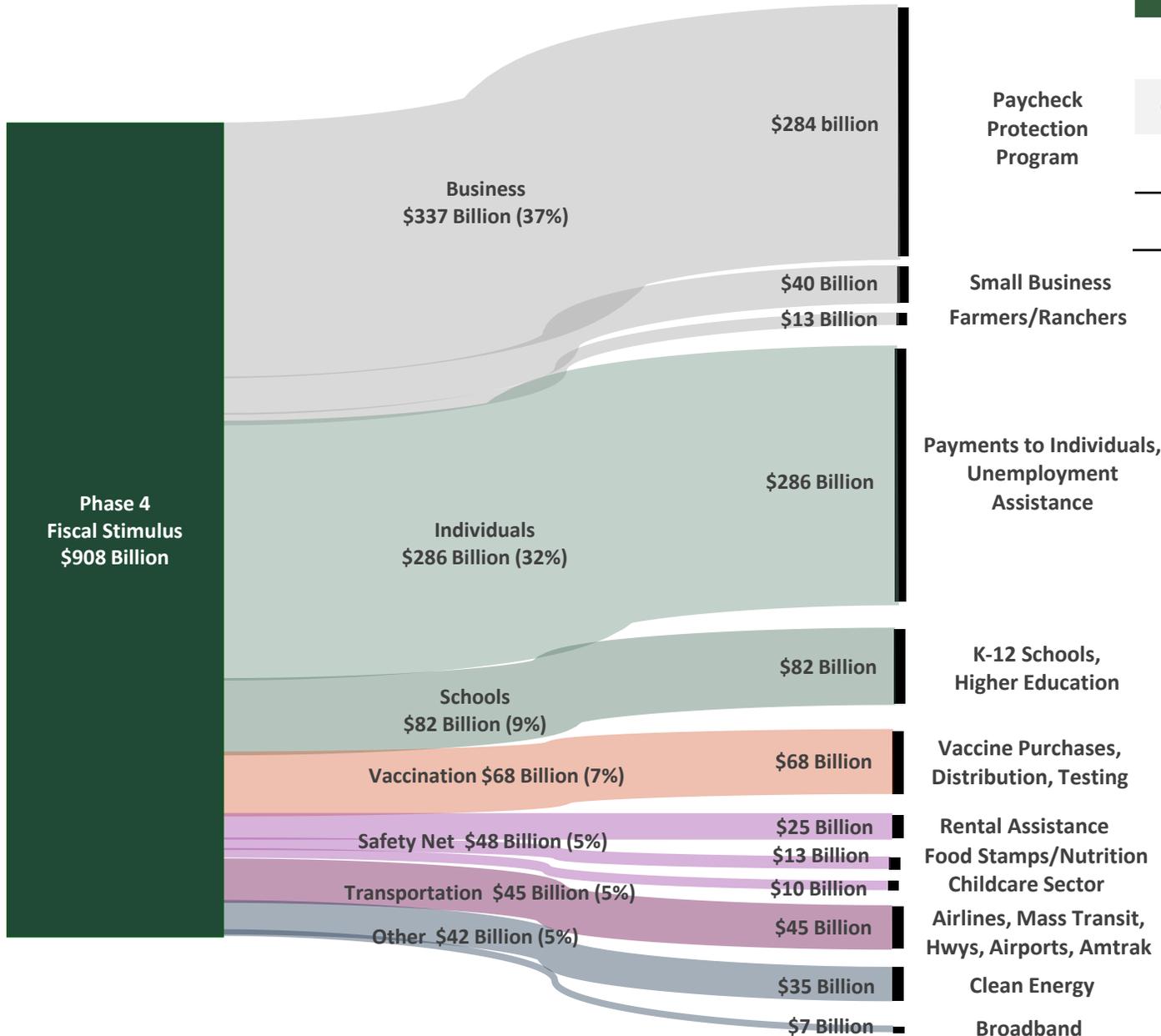
## Gross Domestic Product (GDP)



Source: US Department of Commerce

According to the third estimate, real US gross domestic product (GDP) grew at an annualized rate of 33.4% in the third quarter (up slightly from the advance and second estimates), following a 31.4% annualized decline in the second quarter. Third quarter GDP growth was by far the largest annualized gain on record but followed the largest annualized decline in GDP on record in the second quarter. Personal consumption expenditures rebounded in the third quarter and was by far the biggest contributor to third quarter GDP growth. The consensus estimate for fourth quarter 2020 GDP growth is 4.6%. The consensus forecast for US gross domestic product growth in 2021 is 4.0%, following an expected 3.5% decline in 2020.

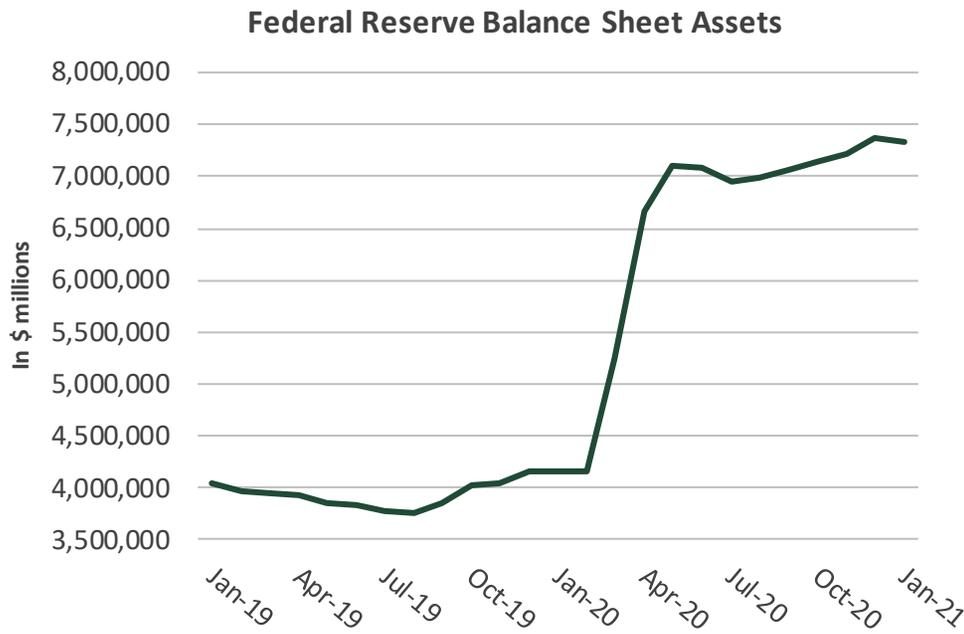
# \$3.6 Trillion Stimulus And Counting



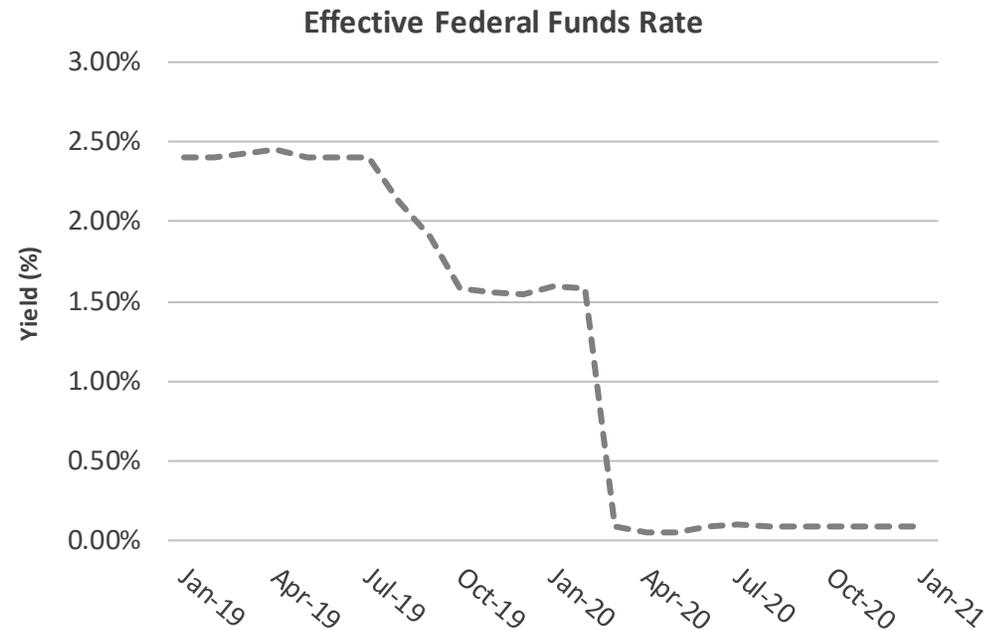
Fiscal Package	Amount
CARES Act	\$2.23 Trillion
Coronavirus Relief Bill	\$484 Billion
Phase 4 Stimulus	\$908 Billion
<b>Total So Far</b>	<b>\$3.6 Trillion</b>

Source: US Congress

# Federal Reserve



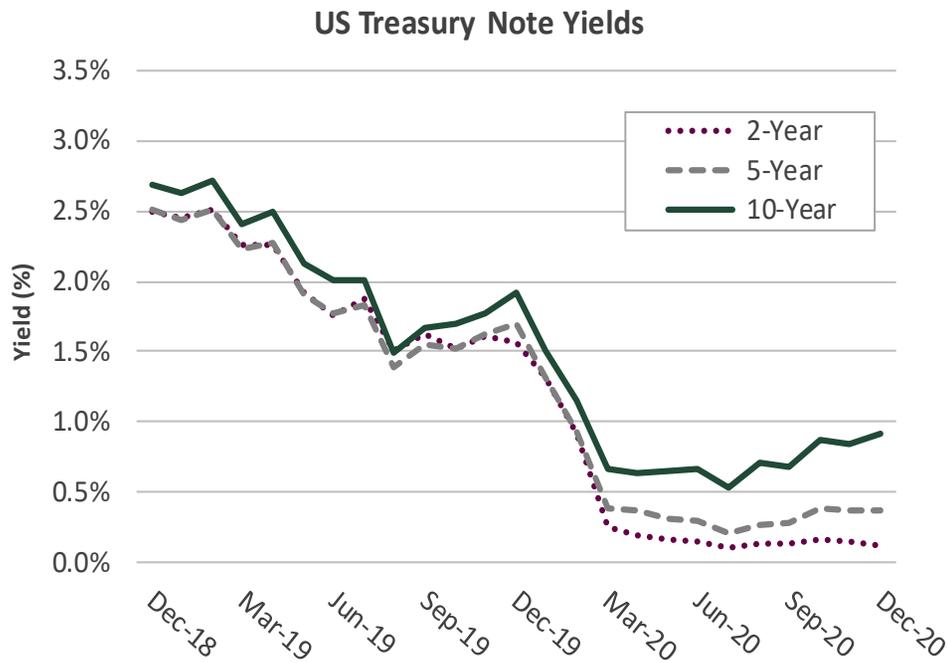
Source: Federal Reserve



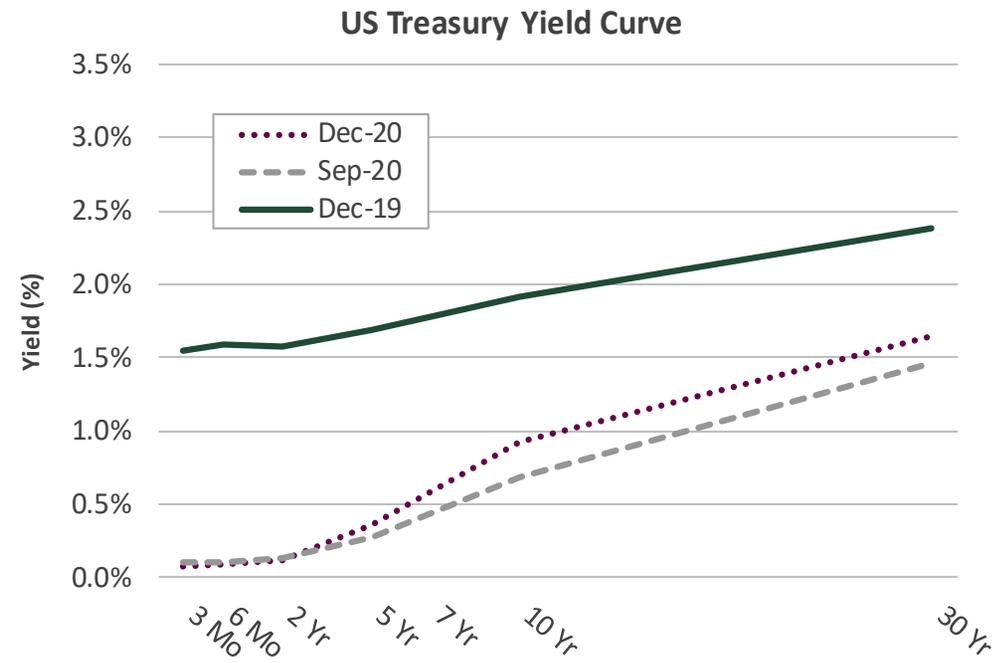
Source: Bloomberg

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. Earlier this year, policymakers reinstated the Commercial Paper Funding Facility and Money Market Mutual Fund Liquidity Facility. The Fed also established the Primary Market Corporate Credit Facility, Secondary Market Corporate Credit Facility, Term Asset-Backed Securities Loan Facility, Paycheck Protection Program Liquidity Facility, Main Street Lending Facility, and Municipal Liquidity Facility. The Fed has also provided short-term funding through large-scale repo operations and lowered the reserve requirement for depository institutions. Notably, many of the Fed's lending facilities are set to expire at the end of this year, including the Fed's corporate credit, asset-backed securities, municipal lending, and Main Street Lending programs. The Fed will return the unused funds currently earmarked for those facilities to the Treasury.

# Bond Yields



Source: Bloomberg



Source: Bloomberg

Treasury yields were much lower on a year-over-year basis at 2020 year-end. The 3-month T-bill yield was down 149 basis points, the 2-year Treasury yield was down 145 basis points, and the 10-Year Treasury yield was down 100 basis points, year-over-year. Yields declined precipitously in March 2020, with the Fed cutting rates by a total of 150 basis points and a flight to safe-haven assets driving down yields across the curve. The Fed has signaled plans to keep the front end of the Treasury yield curve anchored near zero for at least the next few years.



## 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

## 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	<i>Complies</i>
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>

## Portfolio Characteristics

As of December 31, 2020

### City of Cupertino

	12/31/2020		9/30/2020
	Benchmark*	Portfolio	Portfolio
<b>Average Maturity (yrs)</b>	2.64	2.78	2.89
<b>Average Modified Duration</b>	2.57	2.50	2.57
<b>Average Purchase Yield</b>	n/a	1.60%	1.78%
<b>Average Market Yield</b>	0.18%	0.27%	0.33%
<b>Average Quality**</b>	AAA	AA/Aa1	AA/Aa2
<b>Total Market Value</b>		121,152,642	110,868,405

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

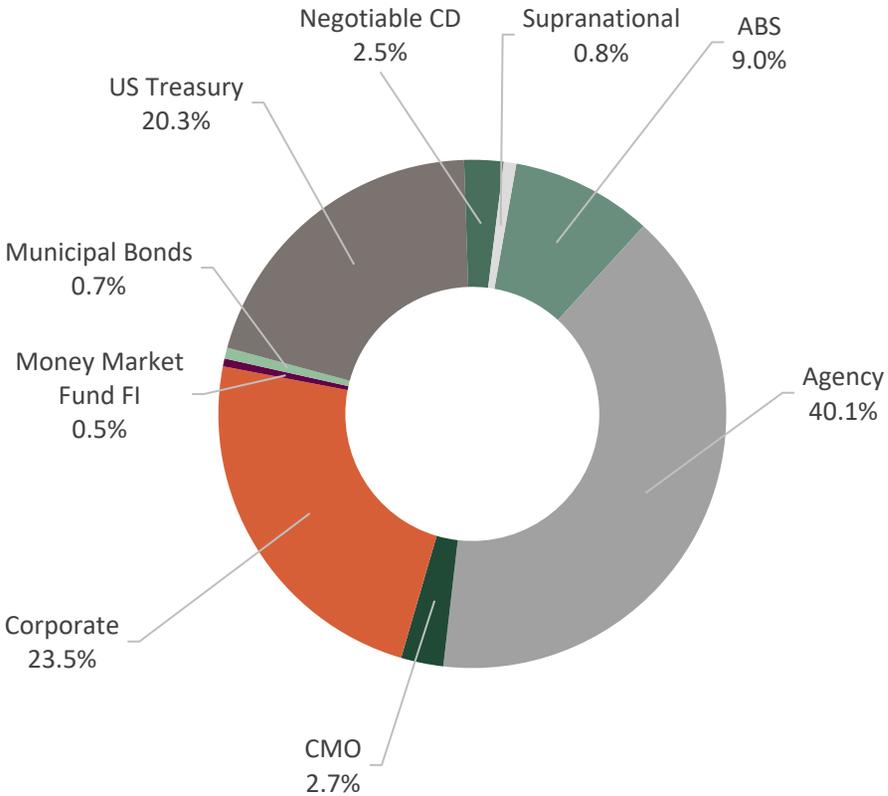
\*\*Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

# Sector Distribution

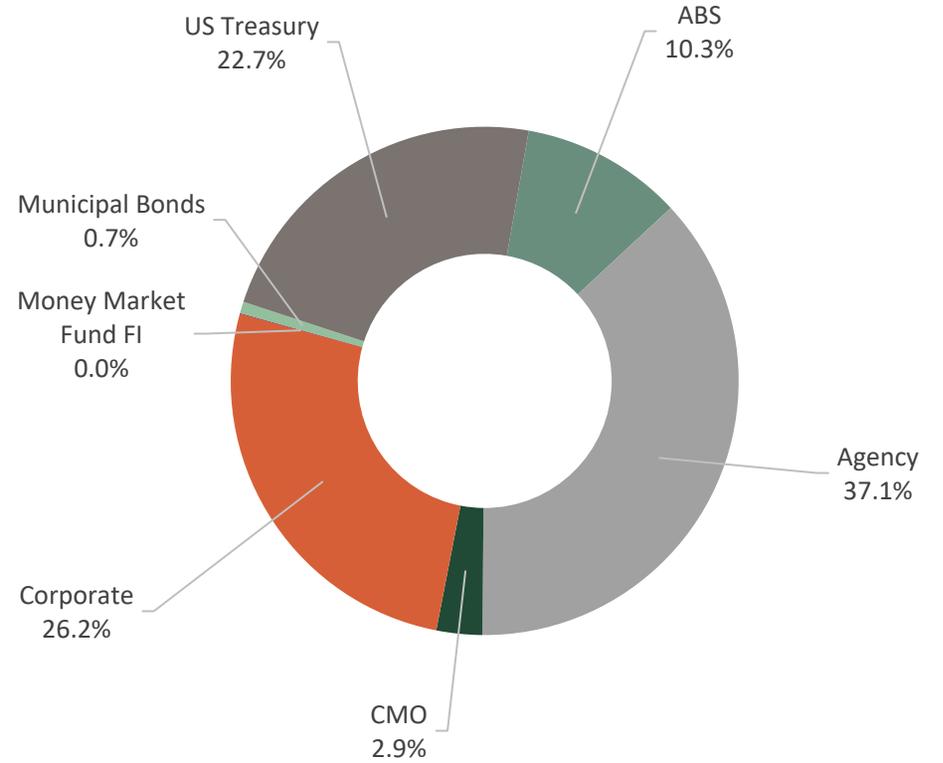
As of December 31, 2020

## City of Cupertino

December 31, 2020



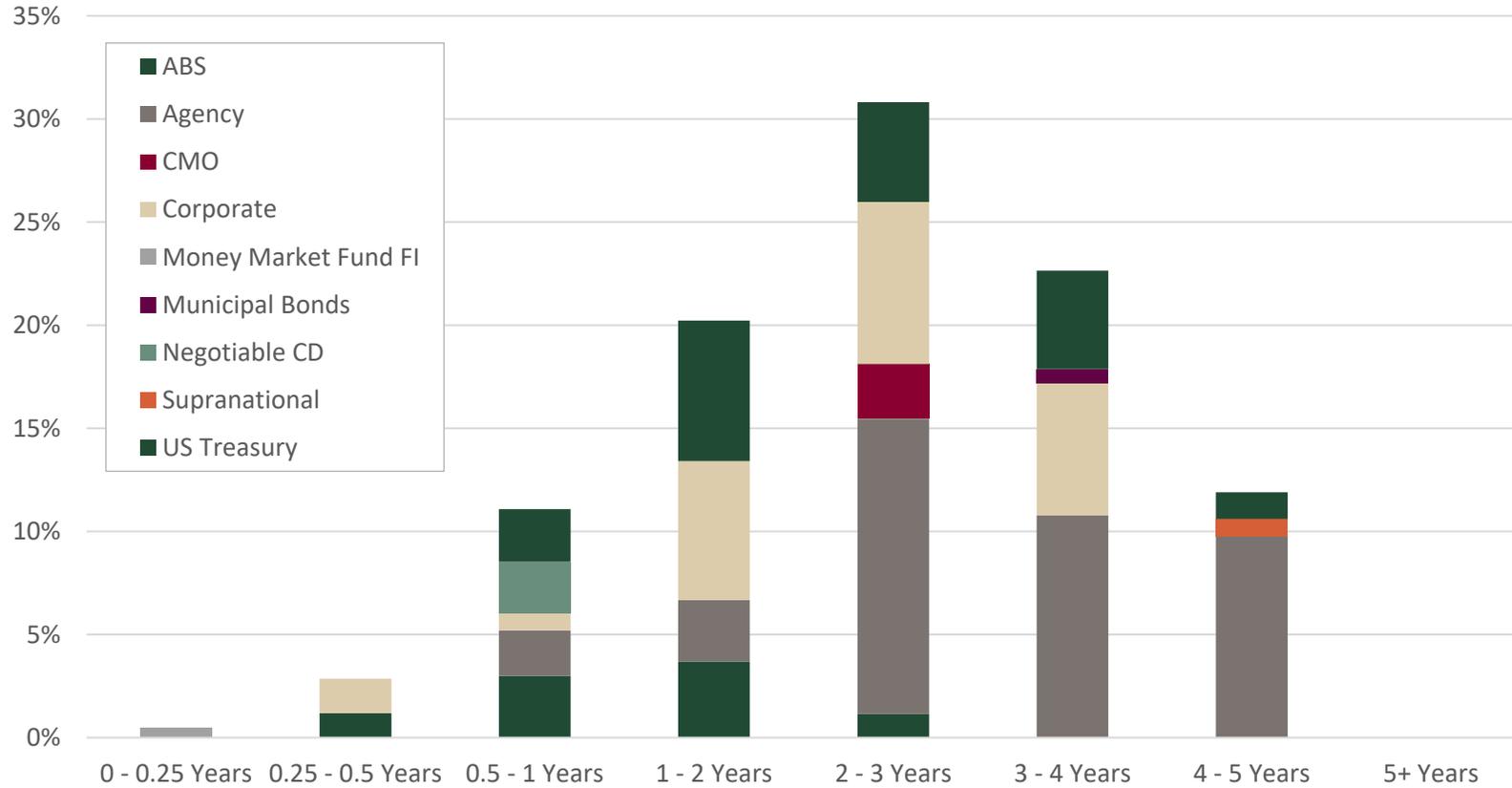
September 30, 2020



# Duration Allocation

As of December 31, 2020

## City of Cupertino



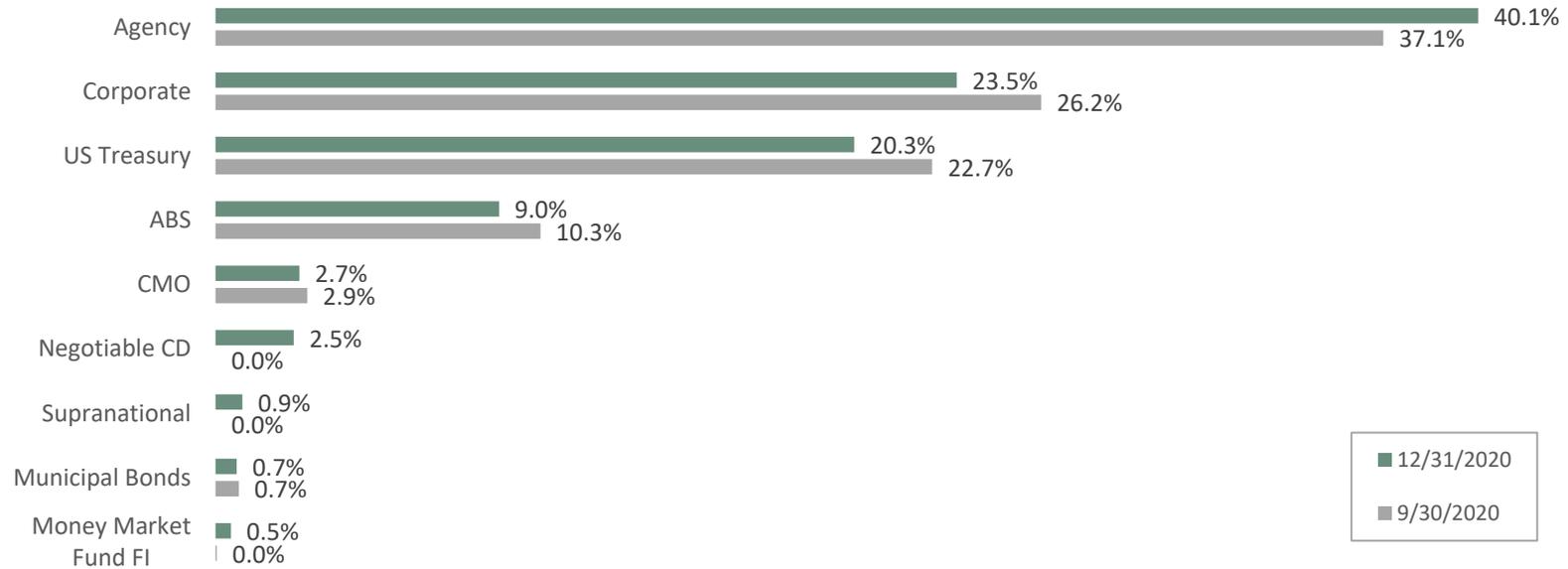
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
12/31/20	0.5%	2.9%	11.1%	20.2%	30.8%	22.6%	11.9%	0.0%

# Portfolio Allocation & Duration Changes

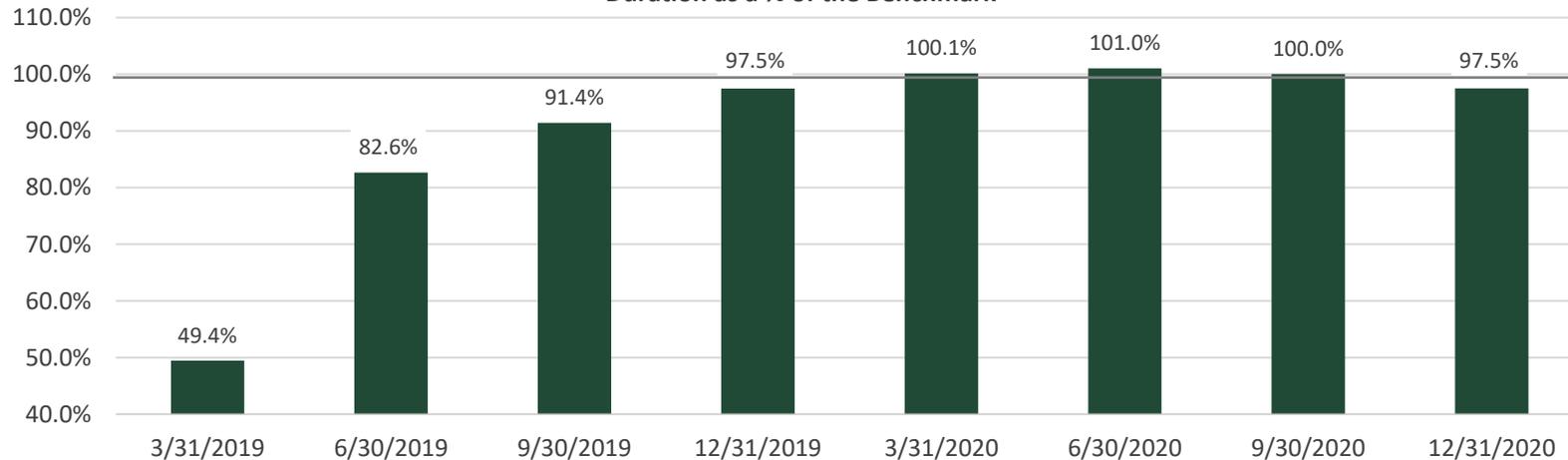
As of December 31, 2020

## City of Cupertino

### Portfolio Allocation



### Duration as a % of the Benchmark



Benchmark: ICE BAML 1-5 Year US Treasury/Agency Index

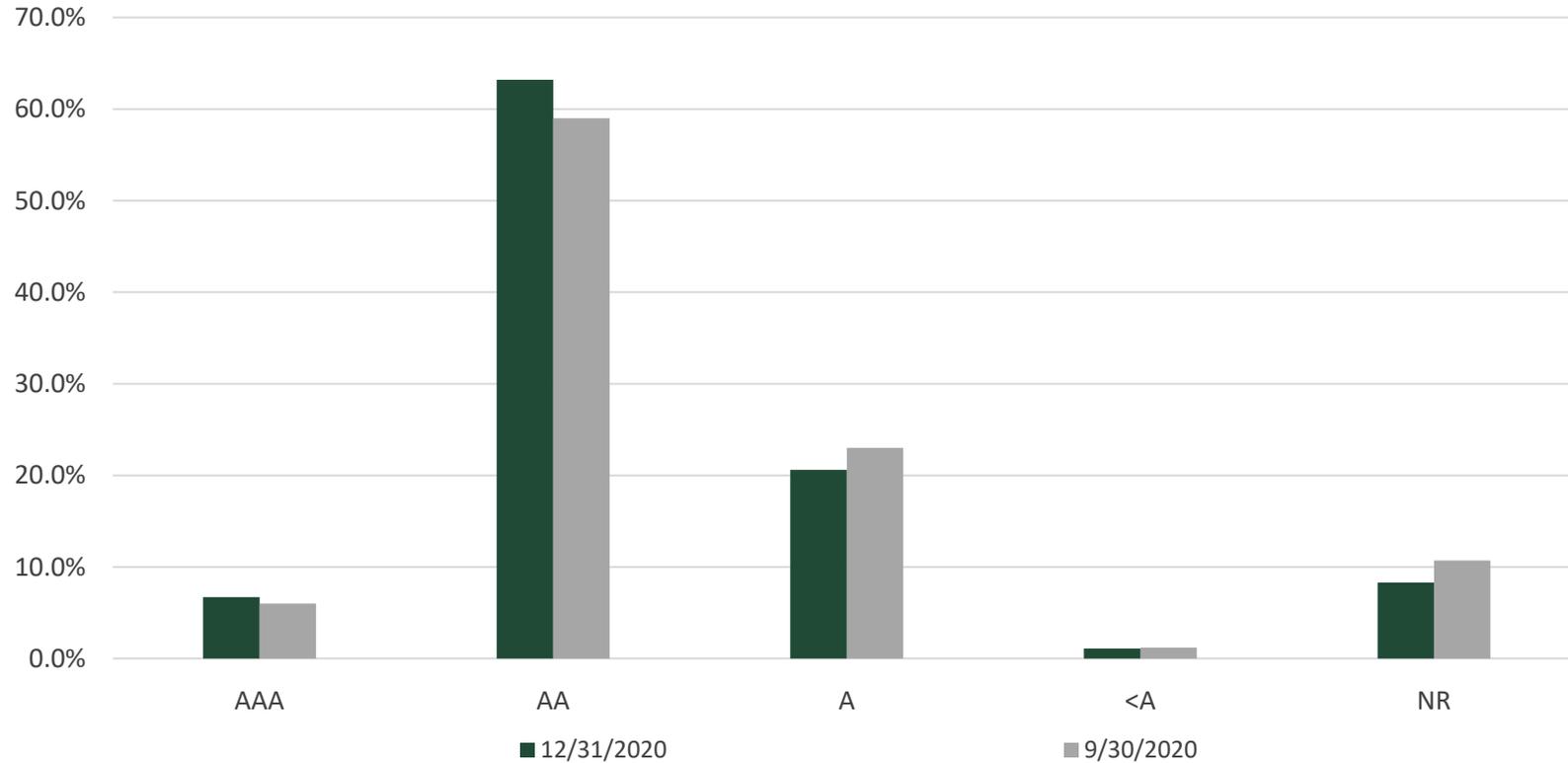
## City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	20.27%
Federal National Mortgage Association	Agency	17.03%
Federal Home Loan Bank	Agency	12.14%
Federal Home Loan Mortgage Corp	Agency	10.90%
Federal Home Loan Mortgage Corp	CMO	2.66%
Bank of Nova Scotia Houston	Negotiable CD	2.48%
John Deere ABS	ABS	2.34%
Honda ABS	ABS	2.06%
Nissan ABS	ABS	1.94%
Air Products & Chemicals	Corporate	1.53%
Bank of America Corp	Corporate	1.43%
HSBC Holdings PLC	Corporate	1.34%
Toronto Dominion Holdings	Corporate	1.33%
Charles Schwab Corp/The	Corporate	1.31%
IBM Corp	Corporate	1.29%
Honda Motor Corporation	Corporate	1.18%
Royal Bank of Canada	Corporate	1.16%
Wells Fargo Corp	Corporate	1.12%
JP Morgan Chase & Co	Corporate	1.12%
US Bancorp	Corporate	1.11%
Verizon Owner Trust	ABS	1.10%
PNC Financial Services Group	Corporate	1.03%
Caterpillar Inc	Corporate	0.97%
Toyota ABS	ABS	0.96%
Bank of New York	Corporate	0.89%
Wal-Mart Stores	Corporate	0.89%
Deere & Company	Corporate	0.88%
Apple Inc	Corporate	0.87%
Toyota Motor Corp	Corporate	0.86%
Intl Bank Recon and Development	Supranational	0.85%
Oracle Corp	Corporate	0.84%
General Dynamics Corp	Corporate	0.84%
State Street Bank	Corporate	0.83%
Paccar Financial	Corporate	0.72%
State of California	Municipal Bonds	0.67%
Mercedes-Benz Auto Lease Trust	ABS	0.60%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund FI	0.49%
<b>TOTAL</b>		<b>100.00%</b>

# Quality Distribution

As of December 31, 2020

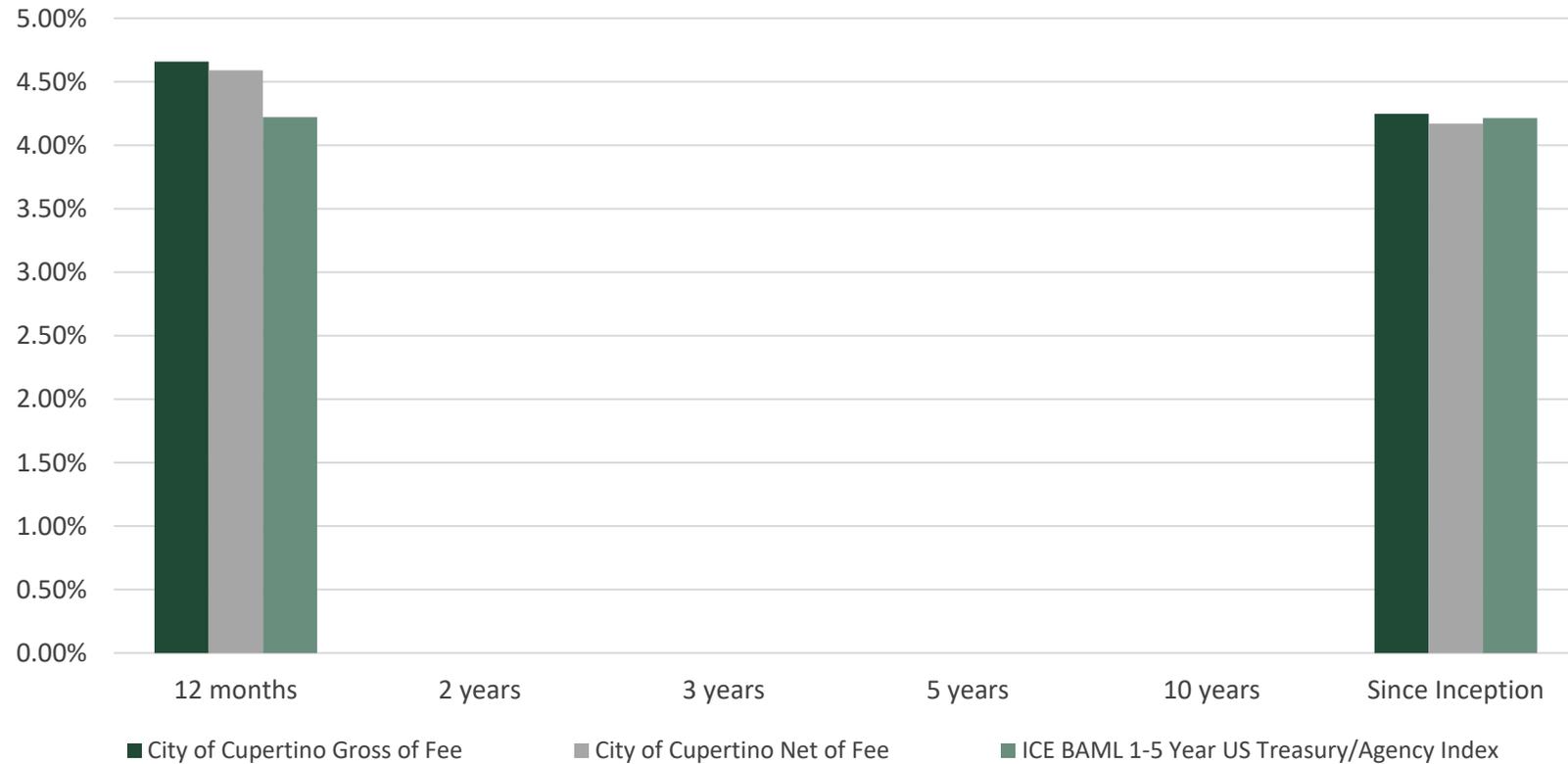
**City of Cupertino**  
December 31, 2020 vs. September 30, 2020



	AAA	AA	A	<A	NR
12/31/20	6.7%	63.2%	20.6%	1.1%	8.3%
09/30/20	6.0%	59.0%	23.0%	1.2%	10.7%

Source: S&P Ratings

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



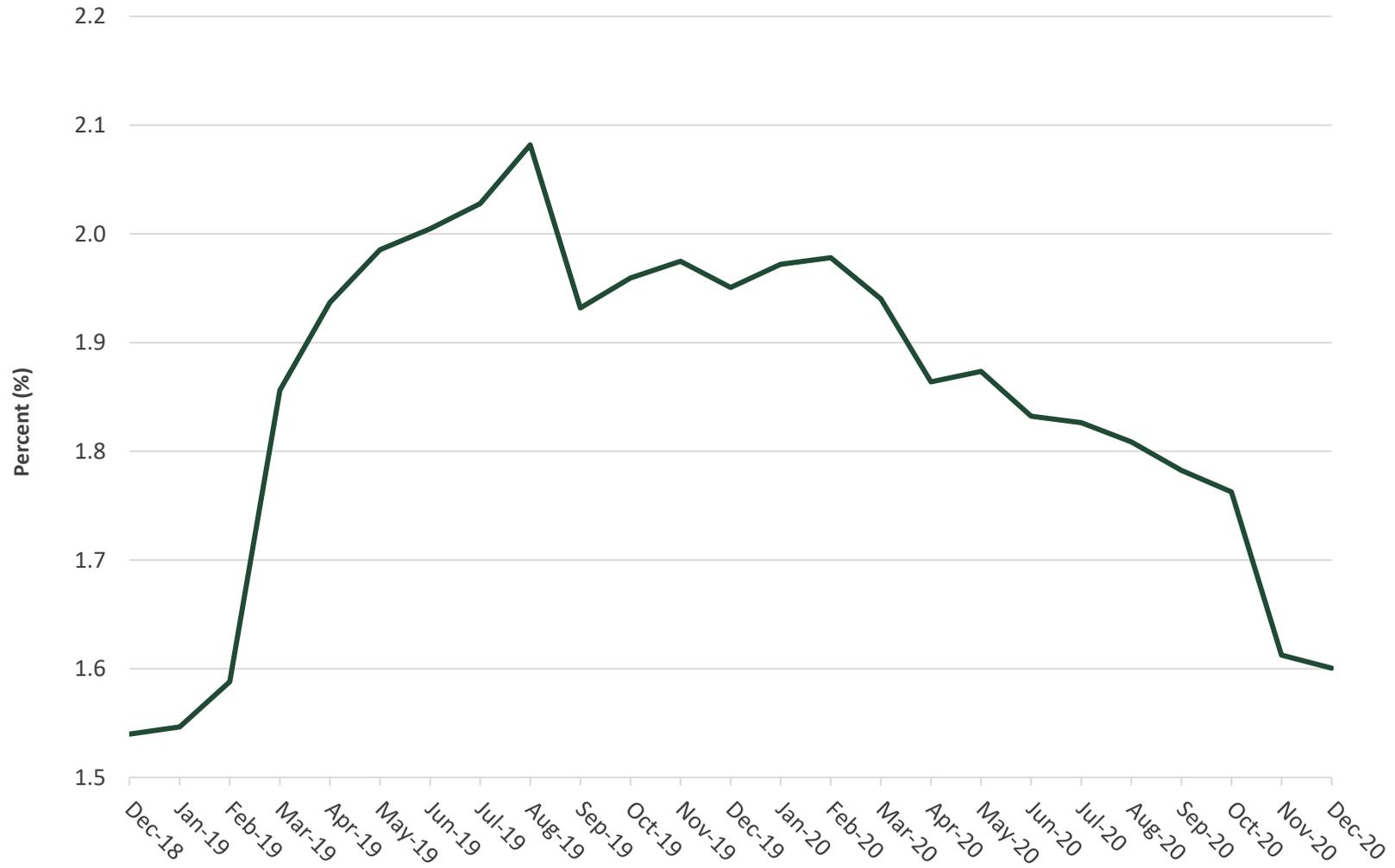
<b>TOTAL RATE OF RETURN</b>	<i>Annualized</i>						
	<b>3 months</b>	<b>12 months</b>	<b>2 years</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>	<b>Since Inception</b>
City of Cupertino Gross of Fee	0.26%	4.66%	N/A	N/A	N/A	N/A	4.25%
City of Cupertino Net of Fee	0.24%	4.59%	N/A	N/A	N/A	N/A	4.17%
ICE BAML 1-5 Year US Treasury/Agency Index	0.02%	4.22%	N/A	N/A	N/A	N/A	4.21%

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 December 31, 2020

**City of Cupertino**  
Purchase Yield as of 12/31/2020 = 1.60%





## Section 3 | Portfolio Holdings

# Holdings Report

As of December 31, 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
<b>ABS</b>									
43815HAC1	Honda Auto Receivables Trust 2018-3 A3 2.950% Due 08/22/2022	722,076.12	09/16/2019 1.45%	729,691.77 726,336.32	101.18 0.17%	730,629.13 591.70	0.60% 4,292.81	Aaa / NR AAA	1.64 0.43
89238TAD5	Toyota Auto Receivables Trust 2018-B A3 2.960% Due 09/15/2022	699,395.06	09/10/2019 2.20%	707,563.77 704,018.30	101.07 0.03%	706,846.42 920.09	0.58% 2,828.12	Aaa / AAA NR	1.71 0.36
58770FAC6	Mercedes Benz Auto Lease Trust 2020-A A3 1.840% Due 12/15/2022	375,000.00	01/21/2020 1.85%	374,950.58 374,966.47	101.40 0.26%	380,239.13 306.67	0.31% 5,272.66	Aaa / AAA NR	1.96 0.88
65479GAD1	Nissan Auto Receivables Trust 2018-B A3 3.060% Due 03/15/2023	936,563.33	09/16/2019 1.65%	949,806.91 942,726.63	101.37 0.42%	949,427.03 1,273.73	0.78% 6,700.40	Aaa / AAA NR	2.20 0.52
47789JAD8	John Deere Owner Trust 2019-A A3 2.910% Due 07/17/2023	1,240,184.79	Various 1.94%	1,264,538.65 1,253,653.40	101.91 0.03%	1,263,928.13 1,603.97	1.04% 10,274.73	Aaa / NR AAA	2.54 0.66
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.780% Due 08/15/2023	990,000.00	Various 1.93%	988,335.77 989,019.87	101.63 0.30%	1,006,159.77 783.20	0.83% 17,139.90	Aaa / AAA NR	2.62 1.09
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.400% Due 11/15/2023	345,000.00	09/15/2020 0.40%	344,982.51 344,984.58	100.21 0.27%	345,726.92 61.33	0.29% 742.34	NR / AAA AAA	2.87 1.65
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 1,006,360.69	101.93 0.17%	1,019,300.00 982.22	0.84% 12,939.31	Aaa / NR AAA	2.96 0.94
92348AAA3	Verizon Owner Trust 2019-C A1A 1.940% Due 04/22/2024	515,000.00	10/01/2019 1.95%	514,960.29 514,971.09	102.15 0.26%	526,049.32 305.28	0.43% 11,078.23	NR / AAA AAA	3.31 1.26
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 1,380,703.47	102.04 0.43%	1,403,043.13 1,179.44	1.16% 22,339.66	Aaa / AAA NR	3.54 1.35
43813DAC2	Honda Auto Receivables 2020-2 A3 0.820% Due 07/15/2024	175,000.00	05/18/2020 0.83%	174,986.23 174,988.23	100.98 0.24%	176,707.30 63.78	0.15% 1,719.07	Aaa / AAA NR	3.54 1.67
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	285,000.00	03/04/2020 1.11%	284,982.59 284,985.78	101.25 0.30%	288,575.61 139.33	0.24% 3,589.83	Aaa / NR AAA	3.62 1.56
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.370% Due 10/18/2024	575,000.00	09/22/2020 0.38%	574,915.53 574,922.46	100.17 0.29%	575,972.33 76.83	0.48% 1,049.87	NR / AAA AAA	3.80 2.01
47787NAC3	John Deere Owner Trust 2020-B A3 0.510% Due 11/15/2024	260,000.00	07/14/2020 0.52%	259,960.38 259,965.46	100.32 0.34%	260,835.90 58.93	0.22% 870.44	Aaa / NR AAA	3.88 1.87
89236XAC0	Toyota Auto Receivables 2020-D A3 0.350% Due 01/15/2025	455,000.00	10/06/2020 0.36%	454,915.23 454,919.59	99.98 0.36%	454,919.59 70.78	0.38% 0.00	NR / AAA AAA	4.04 1.94
92290BAA9	Verizon Owner Trust 2020-B A 0.470% Due 02/20/2025	800,000.00	08/04/2020 0.48%	799,832.00 799,846.43	100.35 0.30%	802,832.00 114.89	0.66% 2,985.57	Aaa / NR AAA	4.14 2.08
<b>TOTAL ABS</b>		<b>10,748,219.30</b>	<b>1.47%</b>	<b>10,815,501.12</b> <b>10,787,368.77</b>	<b>0.25%</b>	<b>10,891,191.71</b> <b>8,532.17</b>	<b>9.00%</b> <b>103,822.94</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>2.92</b> <b>1.14</b>

# Holdings Report

As of December 31, 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
<b>Agency</b>									
313378JP7	FHLB Note 2.375% Due 09/10/2021	1,300,000.00	09/06/2019 1.57%	1,320,501.00 1,307,057.72	101.52 0.17%	1,319,766.50 9,519.79	1.10% 12,708.78	Aaa / AA+ AAA	0.69 0.69
313376C94	FHLB Note 2.625% Due 12/10/2021	1,325,000.00	01/19/2017 1.90%	1,369,559.75 1,333,557.67	102.34 0.13%	1,356,044.75 2,028.91	1.12% 22,487.08	Aaa / AA+ AAA	0.94 0.93
3137EADB2	FHLMC Note 2.375% Due 01/13/2022	1,500,000.00	06/21/2019 1.84%	1,520,100.00 1,508,113.17	102.31 0.14%	1,534,680.00 16,625.00	1.28% 26,566.83	Aaa / AA+ AAA	1.04 1.02
313380GJ0	FHLB Note 2.000% Due 09/09/2022	2,000,000.00	10/10/2019 1.55%	2,025,400.00 2,014,705.26	103.13 0.14%	2,062,572.00 12,444.44	1.71% 47,866.74	Aaa / AA+ NR	1.69 1.66
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	2,045,000.00	05/05/2020 0.39%	2,044,141.10 2,044,328.91	100.51 0.16%	2,055,499.03 1,192.92	1.70% 11,170.12	Aaa / AA+ AAA	2.34 2.33
3135G04Q3	FNMA Note 0.250% Due 05/22/2023	2,025,000.00	05/20/2020 0.35%	2,018,904.75 2,020,151.63	100.24 0.15%	2,029,781.03 548.44	1.68% 9,629.40	Aaa / AA+ AAA	2.39 2.38
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	1,500,000.00	06/21/2019 1.83%	1,553,100.00 1,532,786.33	106.32 0.18%	1,594,756.50 1,375.00	1.32% 61,970.17	Aaa / AA+ AAA	2.47 2.40
3135G05G4	FNMA Note 0.250% Due 07/10/2023	1,680,000.00	07/08/2020 0.32%	1,676,388.00 1,676,965.26	100.24 0.16%	1,684,011.84 1,995.00	1.39% 7,046.58	Aaa / AA+ AAA	2.52 2.51
3130A3DL5	FHLB Note 2.375% Due 09/08/2023	2,000,000.00	09/06/2019 1.52%	2,066,320.00 2,044,516.16	105.84 0.19%	2,116,892.00 14,909.72	1.76% 72,375.84	Aaa / AA+ NR	2.69 2.60
3135G0U43	FNMA Note 2.875% Due 09/12/2023	1,500,000.00	06/21/2019 1.89%	1,559,805.00 1,538,188.27	107.15 0.21%	1,607,256.00 13,057.29	1.34% 69,067.73	Aaa / AA+ AAA	2.70 2.59
3135G06H1	FNMA Note 0.250% Due 11/27/2023	2,165,000.00	11/23/2020 0.29%	2,162,531.90 2,162,615.14	100.09 0.22%	2,166,952.83 541.25	1.79% 4,337.69	Aaa / AA+ AAA	2.91 2.89
3137EAFA2	FHLMC Note 0.250% Due 12/04/2023	1,755,000.00	12/02/2020 0.28%	1,753,262.55 1,753,306.98	100.11 0.21%	1,756,870.83 329.06	1.45% 3,563.85	Aaa / AA+ AAA	2.93 2.91
3130A0F70	FHLB Note 3.375% Due 12/08/2023	2,100,000.00	Various 1.74%	2,222,418.00 2,196,553.82	109.25 0.21%	2,294,300.40 4,528.13	1.90% 97,746.58	Aaa / AA+ AAA	2.94 2.82
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019 2.27%	1,568,115.00 1,543,825.93	109.65 0.21%	1,644,724.50 15,302.08	1.37% 100,898.57	Aaa / AA+ NR	3.19 3.03
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019 1.96%	1,564,890.20 1,544,874.67	109.16 0.21%	1,637,356.51 2,036.46	1.35% 92,481.84	Aaa / AA+ NR	3.45 3.31
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,489,346.47	105.29 0.23%	1,579,368.00 13,052.08	1.31% 90,021.53	Aaa / AA+ AAA	3.50 3.38
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019 1.79%	2,103,380.00 2,076,571.48	109.67 0.25%	2,193,366.00 17,250.00	1.82% 116,794.52	Aaa / AA+ AAA	3.70 3.51

# Holdings Report

As of December 31, 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
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,975,000.00	Various 1.73%	1,965,802.75 1,967,837.37	105.41 0.19%	2,081,912.68 6,775.35	1.72% 114,075.31	Aaa / AA+ AAA	3.79 3.68
3135G0X24	FNMA Note 1.625% Due 01/07/2025	1,295,000.00	Various 1.37%	1,309,953.95 1,307,472.67	105.38 0.28%	1,364,629.56 10,171.14	1.13% 57,156.89	Aaa / AA+ AAA	4.02 3.87
3137EAEPO	FHLMC Note 1.500% Due 02/12/2025	2,365,000.00	02/13/2020 1.52%	2,363,178.95 2,363,500.25	104.90 0.30%	2,480,951.22 13,697.29	2.06% 117,450.97	Aaa / NR AAA	4.12 3.98
3135G03U5	FNMA Note 0.625% Due 04/22/2025	1,860,000.00	04/22/2020 0.67%	1,856,168.40 1,856,697.77	101.18 0.35%	1,881,864.30 2,228.13	1.56% 25,166.53	Aaa / AA+ AAA	4.31 4.25
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	1,170,000.00	06/17/2020 0.54%	1,167,578.10 1,167,838.35	100.53 0.38%	1,176,206.85 227.50	0.97% 8,368.50	Aaa / AA+ AAA	4.46 4.41
3137EAEU9	FHLMC Note 0.375% Due 07/21/2025	1,250,000.00	07/21/2020 0.48%	1,243,775.00 1,244,327.88	100.05 0.36%	1,250,660.00 2,057.29	1.03% 6,332.12	Aaa / AA+ AAA	4.56 4.51
3135G05X7	FNMA Note 0.375% Due 08/25/2025	2,500,000.00	Various 0.48%	2,487,983.75 2,488,498.21	99.98 0.38%	2,499,452.51 3,229.17	2.07% 10,954.30	Aaa / AA+ AAA	4.65 4.60
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	2,500,000.00	Various 0.46%	2,489,362.80 2,489,723.70	99.83 0.41%	2,495,840.00 2,500.00	2.06% 6,116.30	Aaa / AA+ AAA	4.73 4.68
3135G06G3	FNMA Note 0.500% Due 11/07/2025	2,500,000.00	Various 0.56%	2,492,700.00 2,492,898.38	100.42 0.41%	2,510,457.50 1,701.39	2.07% 17,559.12	Aaa / AA+ AAA	4.85 4.78
<b>TOTAL Agency</b>		<b>46,810,000.00</b>	<b>1.15%</b>	<b>47,390,215.95</b> <b>47,166,259.45</b>	<b>0.25%</b>	<b>48,376,173.34</b> <b>169,322.83</b>	<b>40.07%</b> <b>1,209,913.89</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>3.23</b> <b>3.15</b>
<b>CMO</b>									
3137B4WB8	FHLMC K033 A2 3.060% Due 07/25/2023	1,000,000.00	08/13/2019 2.02%	1,037,656.25 1,024,467.40	106.21 0.42%	1,062,099.00 510.00	0.88% 37,631.60	Aaa / NR NR	2.56 2.35
3137B5JM6	FHLMC K034 A2 3.531% Due 07/25/2023	1,000,000.00	09/26/2019 2.00%	1,053,867.19 1,036,156.37	107.49 0.40%	1,074,852.00 2,942.50	0.89% 38,695.63	NR / NR AAA	2.56 2.38
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	1,000,000.00	08/19/2019 1.92%	1,061,914.06 1,041,695.57	108.04 0.43%	1,080,384.00 587.83	0.89% 38,688.43	Aaa / NR AAA	2.82 2.57
<b>TOTAL CMO</b>		<b>3,000,000.00</b>	<b>1.98%</b>	<b>3,153,437.50</b> <b>3,102,319.34</b>	<b>0.41%</b>	<b>3,217,335.00</b> <b>4,040.33</b>	<b>2.66%</b> <b>115,015.66</b>	<b>Aaa / NR</b> <b>Aaa</b>	<b>2.65</b> <b>2.43</b>
<b>Corporate</b>									
369550BE7	General Dynamics Corp Note 3.000% Due 05/11/2021	1,000,000.00	03/11/2019 2.76%	1,004,920.00 1,000,809.62	100.96 0.33%	1,009,633.00 4,166.67	0.84% 8,823.38	A2 / A NR	0.36 0.36
857477AV5	State Street Bank Note 1.950% Due 05/19/2021	1,000,000.00	Various 2.65%	986,055.00 997,439.48	100.67 0.21%	1,006,659.00 2,275.00	0.83% 9,219.52	A1 / A AA-	0.38 0.38

# Holdings Report

As of December 31, 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
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.900% Due 09/15/2021	1,000,000.00	04/11/2019 2.66%	982,320.00 994,860.00	101.01 0.28%	1,010,070.00 5,594.44	0.84% 15,210.00	A3 / A A-	0.71 0.62
89236TDP7	Toyota Motor Credit Corp Note 2.600% Due 01/11/2022	1,000,000.00	03/05/2019 2.89%	992,200.00 997,190.20	102.36 0.30%	1,023,587.00 12,277.78	0.86% 26,396.80	A1 / A+ A+	1.03 1.01
95000U2B8	Wells Fargo & Company Note 2.625% Due 07/22/2022	1,300,000.00	Various 2.68%	1,297,365.00 1,298,993.56	103.51 0.36%	1,345,654.70 15,071.88	1.12% 46,661.14	A2 / BBB+ A+	1.56 1.52
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 1,205,052.86	103.28 0.25%	1,239,303.60 12,495.00	1.03% 34,250.74	A2 / A A+	1.57 1.46
44932HAC7	IBM Credit Corp Note 2.200% Due 09/08/2022	1,500,000.00	Various 2.88%	1,467,755.00 1,483,693.18	103.49 0.13%	1,552,309.50 10,358.34	1.29% 68,616.32	A2 / A NR	1.69 1.65
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 01/15/2023	1,300,000.00	Various 2.93%	1,299,224.00 1,299,168.24	102.72 0.34%	1,335,405.50 17,815.49	1.12% 36,237.26	A2 / A- AA-	2.04 1.02
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 1,503,264.48	104.76 0.24%	1,571,338.50 17,225.00	1.31% 68,074.02	A2 / A A	2.07 1.93
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 1,004,185.34	105.54 0.25%	1,055,434.00 8,944.44	0.88% 51,248.66	A2 / A A	2.18 2.11
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 1,007,641.47	107.24 0.37%	1,072,408.00 6,125.00	0.89% 64,766.53	A1 / A AA-	2.32 2.24
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	1,000,000.00	03/11/2019 2.79%	984,840.00 991,457.46	104.90 0.30%	1,048,964.00 3,866.67	0.87% 57,506.54	Aa1 / AA+ NR	2.34 2.28
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 1,013,487.44	107.39 0.31%	1,073,944.00 472.22	0.89% 60,456.56	Aa2 / AA AA	2.48 2.33
69371RP59	Paccar Financial Corp Note 3.400% Due 08/09/2023	435,000.00	06/18/2019 2.56%	449,315.85 444,000.70	107.98 0.32%	469,704.30 5,833.83	0.39% 25,703.60	A1 / A+ NR	2.61 2.49
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,300,000.00	Various 2.76%	1,345,306.00 1,328,971.94	108.80 0.43%	1,414,401.30 10,603.13	1.18% 85,429.36	A3 / A- NR	2.78 2.65
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.550% Due 03/05/2024	1,600,000.00	Various 2.38%	1,635,071.00 1,629,403.47	106.83 0.40%	1,709,264.00 18,302.23	1.43% 79,860.53	A2 / A- A+	3.18 2.09
404280BS7	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.950% Due 05/18/2024	1,500,000.00	Various 2.23%	1,572,790.00 1,552,608.78	107.87 0.62%	1,618,000.50 7,077.09	1.34% 65,391.72	A2 / A- A+	3.38 2.29
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,519,773.24	107.15 0.55%	1,607,281.50 2,097.92	1.33% 87,508.26	Aa3 / A AA-	3.45 3.31
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	1,300,000.00	Various 2.17%	1,321,985.18 1,316,466.94	106.93 0.57%	1,390,152.40 15,193.76	1.16% 73,685.46	A2 / A AA	3.54 3.37

# Holdings Report

As of December 31, 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
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 1,263,542.74	106.60 0.49%	1,332,491.25 12,583.33	1.11% 68,948.51	A1 / A+ A+	3.58 3.34
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 1,742,727.45	109.04 0.61%	1,826,347.98 23,536.08	1.53% 83,620.53	A2 / A NR	3.58 3.14
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019 2.20%	369,182.30 369,408.32	105.82 0.53%	391,532.15 3,005.22	0.33% 22,123.83	A1 / A+ NR	3.62 3.47
14913Q3B3	Caterpillar Finl Service Note 2.150% Due 11/08/2024	1,100,000.00	01/28/2020 1.92%	1,111,517.00 1,109,291.52	106.53 0.44%	1,171,782.70 3,481.81	0.97% 62,491.18	A3 / A A	3.86 3.70
<b>TOTAL Corporate</b>		<b>26,830,000.00</b>	<b>2.51%</b>	<b>27,146,626.83</b> <b>27,073,438.43</b>	<b>0.38%</b>	<b>28,275,668.88</b> <b>218,402.33</b>	<b>23.52%</b> <b>1,202,230.45</b>	<b>A1 / A</b> <b>A+</b>	<b>2.43</b> <b>2.15</b>
<b>Money Market Fund FI</b>									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	593,317.85	Various 0.01%	593,317.85 593,317.85	1.00 0.01%	593,317.85 0.00	0.49% 0.00	Aaa / AAA NR	0.00 0.00
<b>TOTAL Money Market Fund FI</b>		<b>593,317.85</b>	<b>0.01%</b>	<b>593,317.85</b>	<b>0.01%</b>	<b>0.00</b>	<b>0.00</b>	<b>Aaa / AAA</b> <b>NR</b>	<b>0.00</b> <b>0.00</b>
<b>Municipal Bonds</b>									
13063DRK6	California State Taxable GO 2.400% Due 10/01/2024	755,000.00	10/16/2019 1.91%	772,342.35 768,160.57	107.14 0.48%	808,869.25 4,530.00	0.67% 40,708.68	Aa2 / AA- AA	3.75 3.59
<b>TOTAL Municipal Bonds</b>		<b>755,000.00</b>	<b>1.91%</b>	<b>772,342.35</b> <b>768,160.57</b>	<b>0.48%</b>	<b>808,869.25</b> <b>4,530.00</b>	<b>0.67%</b> <b>40,708.68</b>	<b>Aa2 / AA-</b> <b>AA</b>	<b>3.75</b> <b>3.59</b>
<b>Negotiable CD</b>									
06417MMB8	Bank of Nova Scotia Houston Yankee CD 0.280% Due 11/24/2021	3,000,000.00	11/24/2020 0.28%	3,000,000.00 3,000,000.00	100.00 0.28%	3,000,000.00 863.33	2.48% 0.00	P-1 / A-1 F-1+	0.90 0.90
<b>TOTAL Negotiable CD</b>		<b>3,000,000.00</b>	<b>0.28%</b>	<b>3,000,000.00</b>	<b>0.28%</b>	<b>863.33</b>	<b>0.00</b>	<b>Aaa / AA</b> <b>Aaa</b>	<b>0.90</b> <b>0.90</b>
<b>Supranational</b>									
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	1,025,000.00	10/21/2020 0.52%	1,023,841.75 1,023,882.98	100.19 0.46%	1,026,917.78 896.88	0.85% 3,034.80	Aaa / AAA AAA	4.83 4.76
<b>TOTAL Supranational</b>		<b>1,025,000.00</b>	<b>0.52%</b>	<b>1,023,841.75</b> <b>1,023,882.98</b>	<b>0.46%</b>	<b>896.88</b>	<b>3,034.80</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>4.83</b> <b>4.76</b>

# Holdings Report

As of December 31, 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
<b>US Treasury</b>									
912828T34	US Treasury Note 1.125% Due 09/30/2021	1,050,000.00	09/25/2019 1.71%	1,037,982.43 1,045,552.68	100.75 0.12%	1,057,915.95 3,018.03	0.88% 12,363.27	Aaa / AA+ AAA	0.75 0.74
912828F96	US Treasury Note 2.000% Due 10/31/2021	2,000,000.00	09/25/2019 1.71%	2,012,031.25 2,004,759.10	101.55 0.13%	2,031,016.00 6,850.83	1.68% 26,256.90	Aaa / AA+ AAA	0.83 0.83
912828J43	US Treasury Note 1.750% Due 02/28/2022	2,000,000.00	09/11/2019 1.64%	2,005,078.13 2,002,386.72	101.89 0.12%	2,037,812.00 11,892.27	1.69% 35,425.28	Aaa / AA+ AAA	1.16 1.15
912828XG0	US Treasury Note 2.125% Due 06/30/2022	2,000,000.00	09/11/2019 1.61%	2,028,203.13 2,015,039.83	102.99 0.13%	2,059,844.00 117.40	1.70% 44,804.17	Aaa / AA+ AAA	1.50 1.48
912828L57	US Treasury Note 1.750% Due 09/30/2022	2,000,000.00	09/11/2019 1.62%	2,007,890.63 2,004,511.97	102.82 0.13%	2,056,484.00 8,942.31	1.70% 51,972.03	Aaa / AA+ AAA	1.75 1.72
912828N30	US Treasury Note 2.125% Due 12/31/2022	2,000,000.00	Various 1.68%	2,029,085.94 2,017,321.65	103.98 0.13%	2,079,610.00 117.41	1.72% 62,288.35	Aaa / AA+ AAA	2.00 1.97
912828T91	US Treasury Note 1.625% Due 10/31/2023	2,000,000.00	Various 1.94%	1,973,554.69 1,983,114.69	104.18 0.15%	2,083,516.00 5,566.29	1.72% 100,401.31	Aaa / AA+ AAA	2.83 2.77
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,519,529.43	106.24 0.16%	1,593,633.00 93.23	1.32% 74,103.57	Aaa / AA+ AAA	3.00 2.92
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.13%	2,053,613.28 2,036,334.78	108.02 0.18%	2,160,390.00 20,774.45	1.80% 124,055.22	Aaa / AA+ AAA	3.13 2.99
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,704,068.08	105.99 0.19%	1,801,867.40 5,823.20	1.49% 97,799.32	Aaa / AA+ AAA	3.33 3.23
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,013,424.71	106.25 0.21%	2,125,078.00 110.49	1.75% 111,653.29	Aaa / AA+ AAA	3.50 3.40
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,739,240.54	107.78 0.22%	1,832,214.10 15,250.34	1.52% 92,973.56	Aaa / AA+ AAA	3.62 3.47
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,519,455.75	103.53 0.27%	1,552,909.50 5,733.77	1.29% 33,453.75	Aaa / AA+ AAA	4.16 4.06
<b>TOTAL US Treasury</b>		<b>23,450,000.00</b>	<b>1.71%</b>	<b>23,677,798.86</b> <b>23,604,739.93</b>	<b>0.16%</b>	<b>24,472,289.95</b> <b>84,290.02</b>	<b>20.27%</b> <b>867,550.02</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>2.44</b> <b>2.37</b>
<b>TOTAL PORTFOLIO</b>		<b>116,211,537.15</b>	<b>1.60%</b>	<b>117,573,082.21</b> <b>117,119,487.32</b>	<b>0.27%</b>	<b>120,661,763.76</b> <b>490,877.89</b>	<b>100.00%</b> <b>3,542,276.44</b>	<b>Aa1 / AA</b> <b>Aaa</b>	<b>2.78</b> <b>2.50</b>
<b>TOTAL MARKET VALUE PLUS ACCRUALS</b>						<b>121,152,641.65</b>			



## Section 4 | Transactions

# Transaction Ledger

As of December 31, 2020

## City of Cupertino - Account #10659

September 30, 2020 through December 31, 2020

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	10/13/2020	89236XACO	455,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due: 01/15/2025	99.981	0.36%	454,915.23	0.00	454,915.23	0.00
Purchase	10/28/2020	459058JL8	1,025,000.00	Intl. Bank Recon & Development Note 0.5% Due: 10/28/2025	99.887	0.52%	1,023,841.75	0.00	1,023,841.75	0.00
Purchase	11/12/2020	3135G06G3	1,950,000.00	FNMA Note 0.5% Due: 11/07/2025	99.642	0.57%	1,943,019.00	0.00	1,943,019.00	0.00
Purchase	11/24/2020	3135G05X7	1,375,000.00	FNMA Note 0.375% Due: 08/25/2025	99.509	0.48%	1,368,248.75	1,246.09	1,369,494.84	0.00
Purchase	11/24/2020	3135G06G3	550,000.00	FNMA Note 0.5% Due: 11/07/2025	99.942	0.51%	549,681.00	91.67	549,772.67	0.00
Purchase	11/24/2020	3137EAEX3	1,140,000.00	FHLMC Note 0.375% Due: 09/23/2025	99.426	0.50%	1,133,456.40	700.63	1,134,157.03	0.00
Purchase	11/25/2020	06051GHF9	300,000.00	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due: 03/05/2024	106.524	0.66%	319,572.00	2,366.67	321,938.67	0.00
Purchase	11/25/2020	06417MMB8	3,000,000.00	Bank of Nova Scotia Houston Yankee CD 0.28% Due: 11/24/2021	100.000	0.28%	3,000,000.00	0.00	3,000,000.00	0.00
Purchase	11/25/2020	3130A0F70	600,000.00	FHLB Note 3.375% Due: 12/08/2023	109.413	0.26%	656,478.00	9,393.75	665,871.75	0.00
Purchase	11/25/2020	3135G06H1	2,165,000.00	FNMA Note 0.25% Due: 11/27/2023	99.886	0.29%	2,162,531.90	0.00	2,162,531.90	0.00
Purchase	12/04/2020	3137EAFA2	1,755,000.00	FHLMC Note 0.25% Due: 12/04/2023	99.901	0.28%	1,753,262.55	0.00	1,753,262.55	0.00
<b>Subtotal</b>			<b>14,315,000.00</b>				<b>14,365,006.58</b>	<b>13,798.81</b>	<b>14,378,805.39</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>14,315,000.00</b>				<b>14,365,006.58</b>	<b>13,798.81</b>	<b>14,378,805.39</b>	<b>0.00</b>

# Transaction Ledger

As of December 31, 2020

## City of Cupertino - Account #10659

September 30, 2020 through December 31, 2020

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Sale	10/13/2020	3136G3QQ1	400,000.00	FNMA Callable Note 1X 5/25/2017 1.5% Due: 11/25/2020	100.163	1.50%	400,652.00	2,300.00	402,952.00	652.00
Sale	10/26/2020	3136G3QQ1	975,000.00	FNMA Callable Note 1X 5/25/2017 1.5% Due: 11/25/2020	100.114	1.50%	976,111.50	6,134.38	982,245.88	1,111.50
Sale	11/12/2020	313378JP7	700,000.00	FHLB Note 2.375% Due: 09/10/2021	101.864	1.57%	713,048.00	2,863.19	715,911.19	8,493.66
Sale	12/04/2020	912828T34	525,000.00	US Treasury Note 1.125% Due: 09/30/2021	100.836	1.71%	529,388.67	1,054.69	530,443.36	6,841.24
<b>Subtotal</b>			<b>2,600,000.00</b>				<b>2,619,200.17</b>	<b>12,352.26</b>	<b>2,631,552.43</b>	<b>17,098.40</b>
Maturity	11/03/2020	00440EAT4	850,000.00	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due: 11/03/2020	100.000		850,000.00	0.00	850,000.00	0.00
<b>Subtotal</b>			<b>850,000.00</b>				<b>850,000.00</b>	<b>0.00</b>	<b>850,000.00</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>3,450,000.00</b>				<b>3,469,200.17</b>	<b>12,352.26</b>	<b>3,481,552.43</b>	<b>17,098.40</b>

# Important Disclosures

*As of December 31, 2020*

2020 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

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.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE permits use of the ICE indices and related data on an "as is" basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and licensee's use it at licensee's own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

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

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](http://www.mlindex.ml.com) for more information)*