

# City of Cupertino

*Period Ending September 30, 2021*

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



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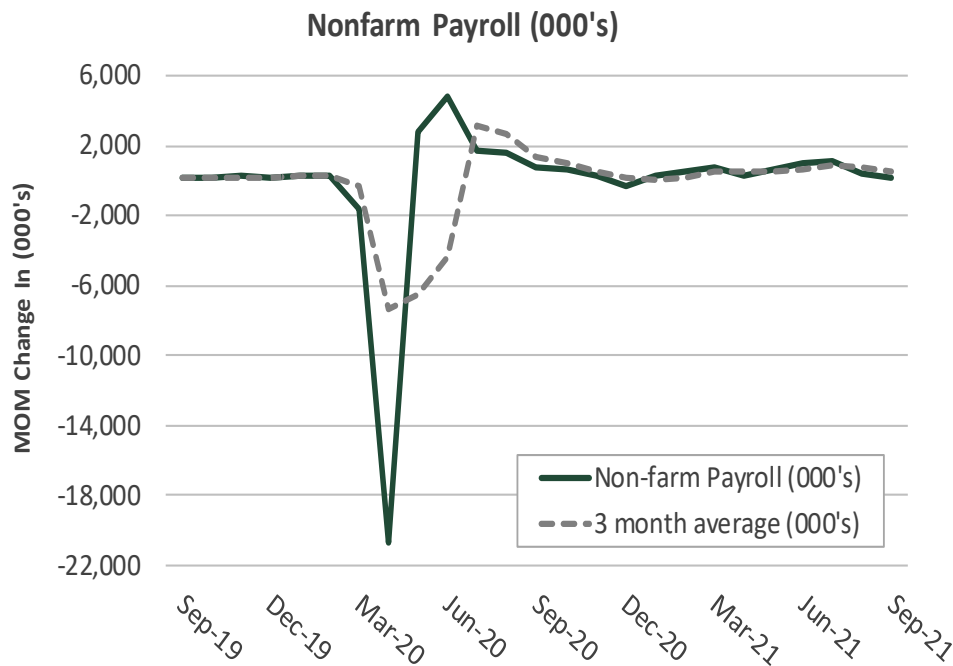


## Section 1 | Economic Update

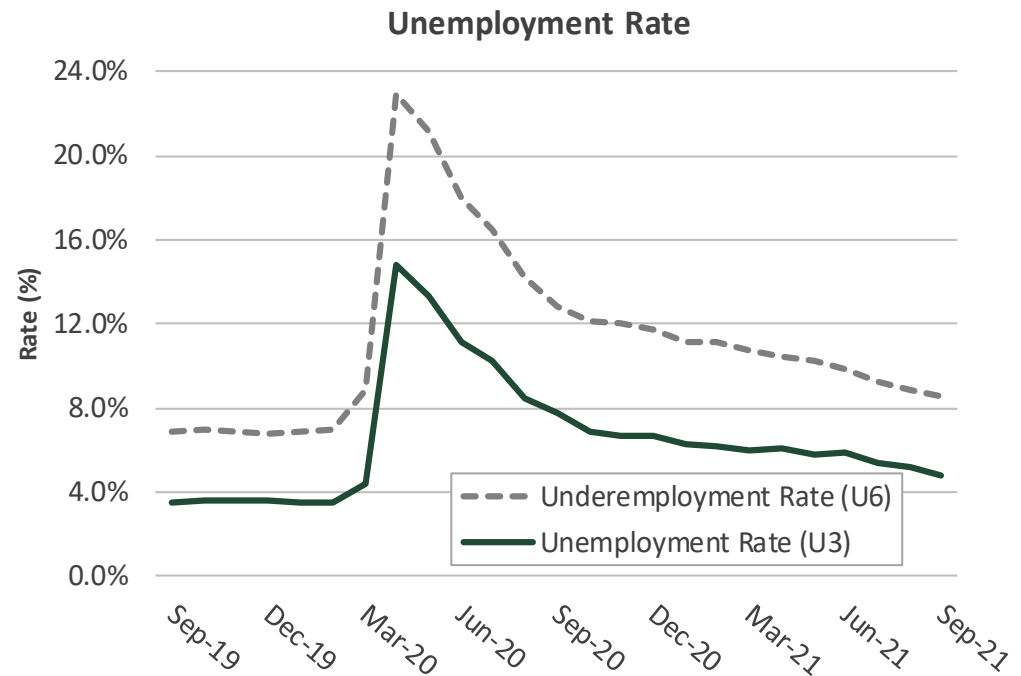
## Economic Update

- While some pockets of the economy remain dislocated, US real gross domestic product (GDP) has recovered to pre-pandemic levels. The recovery has been fueled by robust fiscal spending, accommodative monetary policy, and vaccinations. These factors are beginning to moderate but should continue to provide tailwinds for the economy in the coming quarters. Covid infection rates have started to decline, but the health crisis continues to disrupt economic activity and has weighed on consumer sentiment. Supply chain and labor market disruptions are also likely to continue over the near- to intermediate-term, putting ongoing upward pressure on transportation, input, and labor costs. Some pandemic-related fiscal relief has started to phase out, but an infrastructure spending plan is on the horizon. Meanwhile, the Federal Reserve remains accommodative and continues to facilitate further improvement in the labor market. Overall, we believe the US economy continues to grow at a strong, above-trend, pace but we believe economic data will remain somewhat choppy over the near-term.
- The Federal Open Market Committee (FOMC) kept monetary policy unchanged at its September meeting but indicated that they are preparing to reduce the magnitude of their asset purchases. The fed funds target rate remains in the range of 0.0% to 0.25%. For now, the Fed continues to purchase \$80 billion of Treasuries per month, and \$40 billion of agency mortgage-backed securities per month. However, the Fed is now widely expected to make the official announcement about tapering asset purchases at the next FOMC meeting in early November. The tapering process would likely commence December 1st, and Fed Chair Powell signaled that asset purchases would likely end by mid-2022. The projected timeline for liftoff on rate hikes was also pulled forward in the Fed's updated summary of economic projections. The median estimate among Fed policymakers now calls for one 25 basis point rate hike in 2022, versus the previous outlook for no rate hikes next year. Monetary policy remains highly accommodative for now but the Fed is moving toward a path of policy normalization. We believe the Fed will be cautious as it moves toward a slow and steady withdrawal of monetary policy accommodation, amid a backdrop of an improving labor market and growing economy.
- The Treasury yield curve steepened in September. The 10-year Treasury yield rose nearly 18 basis points in September to 1.49%, while the 2-year Treasury yield rose about seven basis points to 0.28%. We believe some of the factors that put downward pressure on longer-term rates over the summer including concerns about the Delta COVID-19 variant, market technicals, and uneven global vaccination rates, have started to ease. We expect the front-end of the curve to remain anchored near zero over the near-term and believe the yield curve may be poised for further steepening. At the end of September, the 10-year Treasury yield was down about 25 basis points from its high this year in March.

# Employment



Source: US Department of Labor

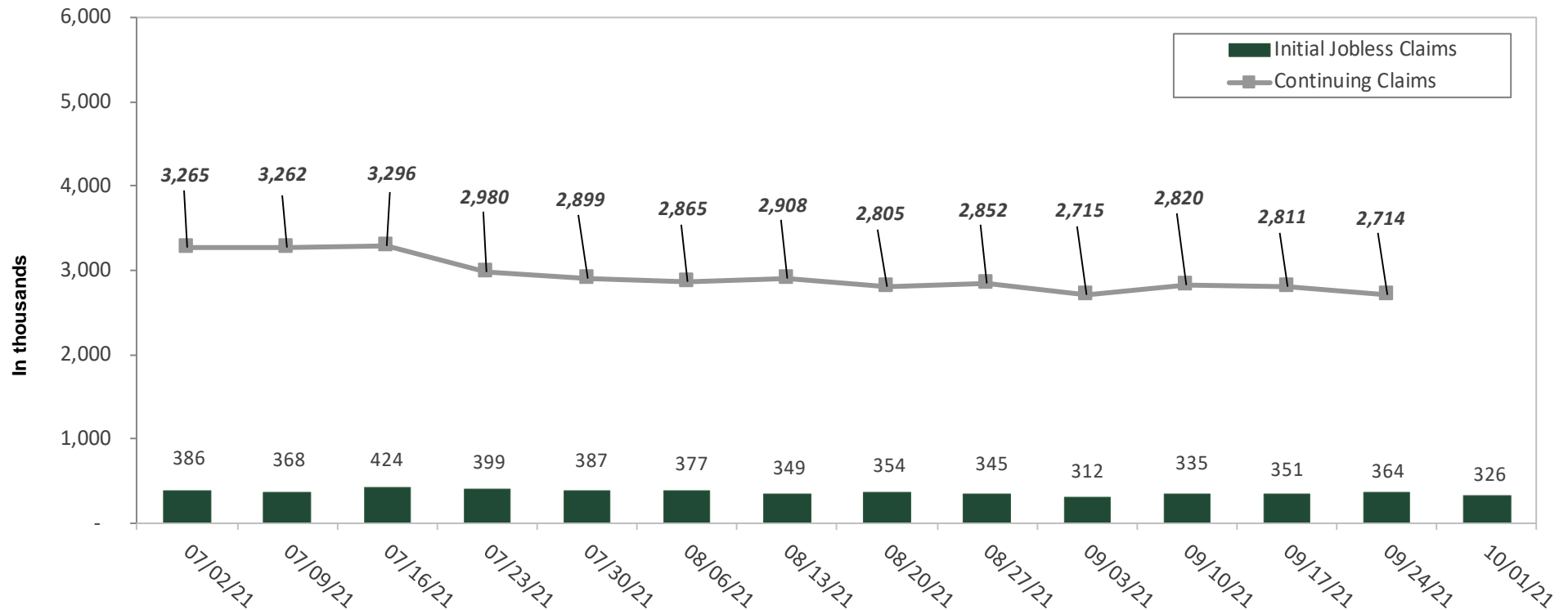


Source: US Department of Labor

Job growth was weaker than expected in September, but the unemployment rate fell below 5% for the first time since March 2020. U.S. nonfarm payrolls increased by 194,000 in September, versus the consensus forecast of 500,000. However, July and August payrolls were revised up a total of 169,000. On a trailing 3-month and 6-month basis, payrolls increased at a solid pace, up an average of 550,000 and 582,000 per month, respectively. The U-3 unemployment rate declined to 4.8% in September from 5.2% in August, a bigger decline than expected. The labor participation rate declined slightly to 61.6% in September but the employment-population ratio increased modestly to 58.7%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, declined to 8.5% in September from 8.8% in August. Annualized average hourly earnings were up by 4.6% in September versus 4.0% in August, reflecting strong wage growth driven in part by the ongoing imbalance in the supply and demand for labor. Although labor force participation has been slow to recover and more than 7.6 million people remain unemployed, the labor market has made significant progress over the past year.

# Initial Claims for Unemployment

Initial Claims For Unemployment July 02, 2021 - October 01, 2021

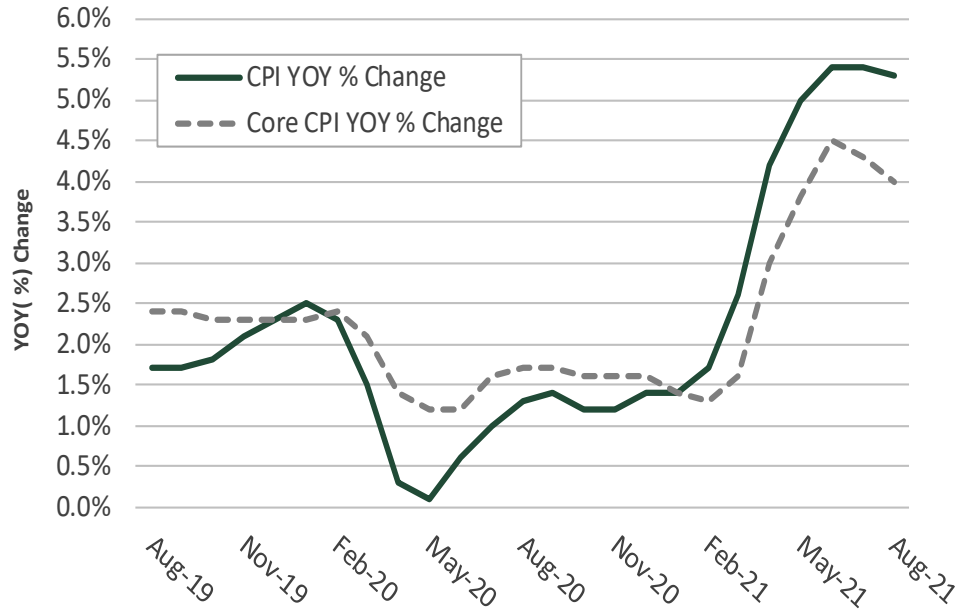


Source: US Department of Labor

In the most recent week, the number of initial jobless claims was 326,000 versus 364,000 in the prior week. The level of continuing unemployment claims (where the data is lagged by one week) declined to 2.714 million from 2.811 million in the prior week. Continuing jobless claims have declined significantly from the peak of nearly 25 million in May 2020, but they remained above the 2019 (pre-pandemic) average of 1.7 million.

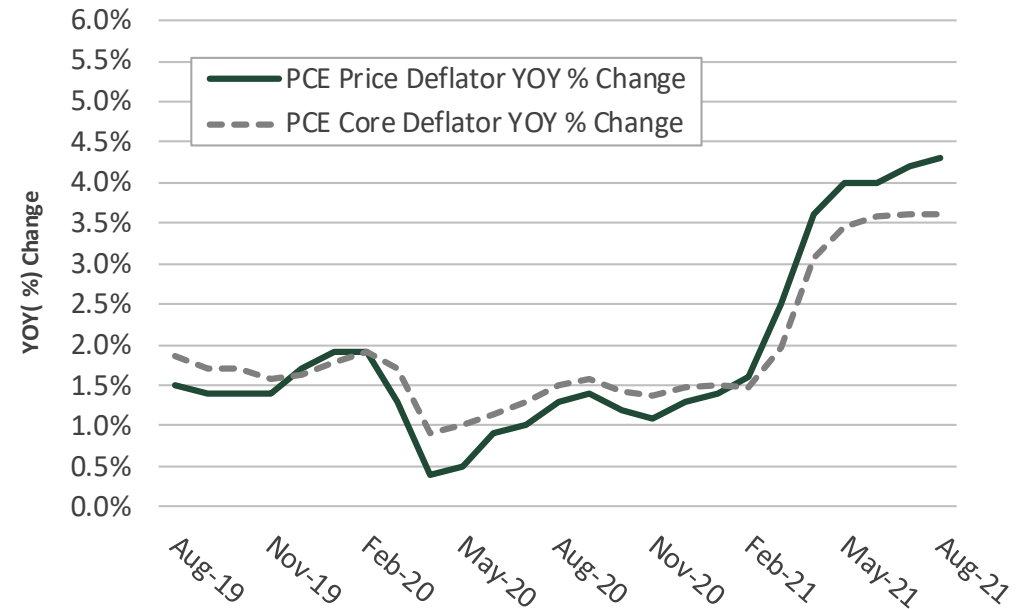
# Inflation

## Consumer Price Index (CPI)



Source: US Department of Labor

## Personal Consumption Expenditures (PCE)

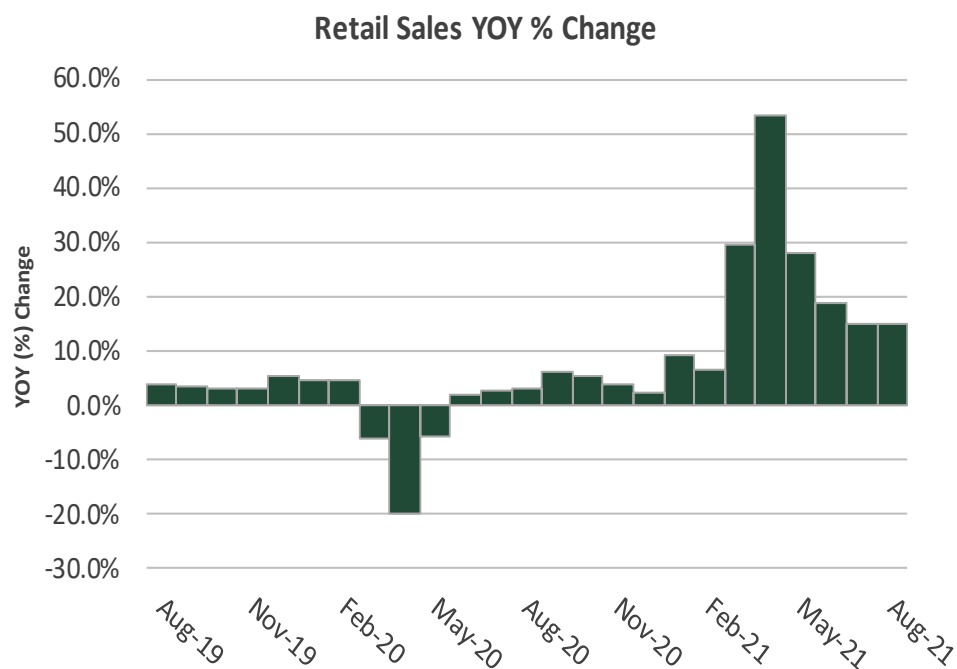


Source: US Department of Commerce

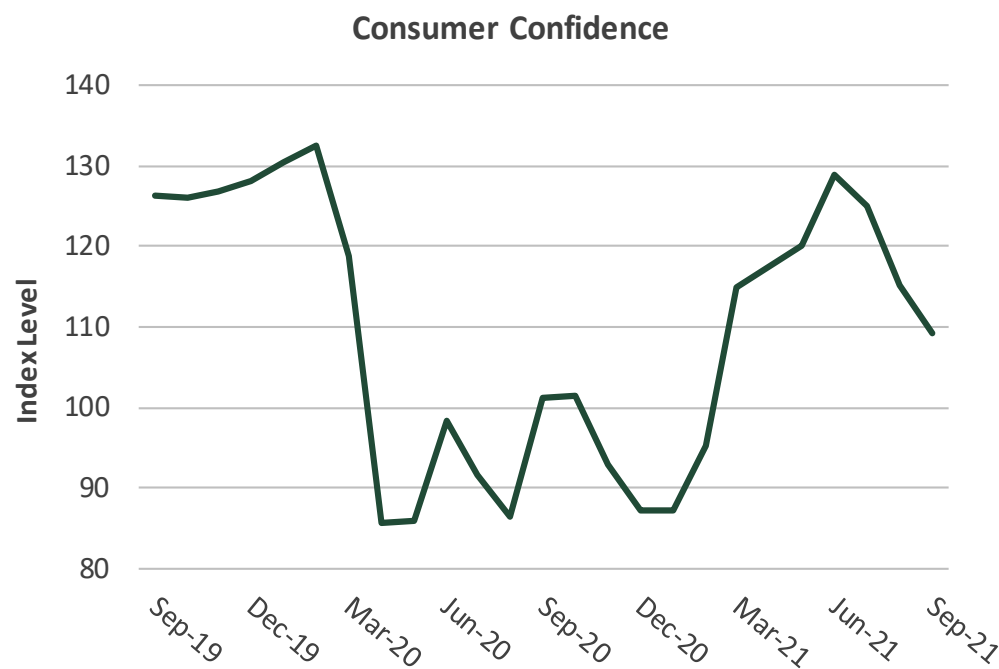
The Consumer Price Index (CPI) was up 5.3% year-over-year in August, versus up 5.4% year-over-year in July. Core CPI (CPI less food and energy) was up 4.0% year-over-year in August (below expectations), versus up 4.3% in July, suggesting that pricing pressures may be easing slightly. The Personal Consumption Expenditures (PCE) index was up 4.3% year-over-year in August, versus up 4.2% in July. Core PCE was up 3.6% year-over-year in August, unchanged from July. Current inflation readings are running well above the Fed's longer-run target of around 2.0%. While the Fed believes many of the factors fueling higher inflation will be temporary, the upward pressure on inflation from supply chain bottlenecks and pandemic-related disruptions is likely to remain elevated over the near-term.



## Consumer



Source: US Department of Commerce

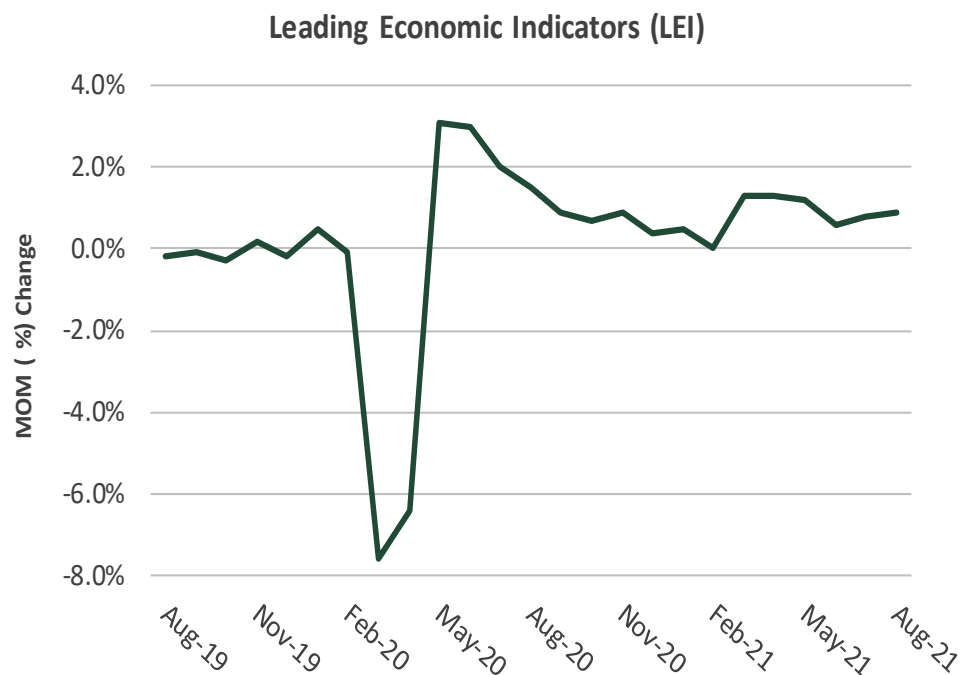


Source: The Conference Board

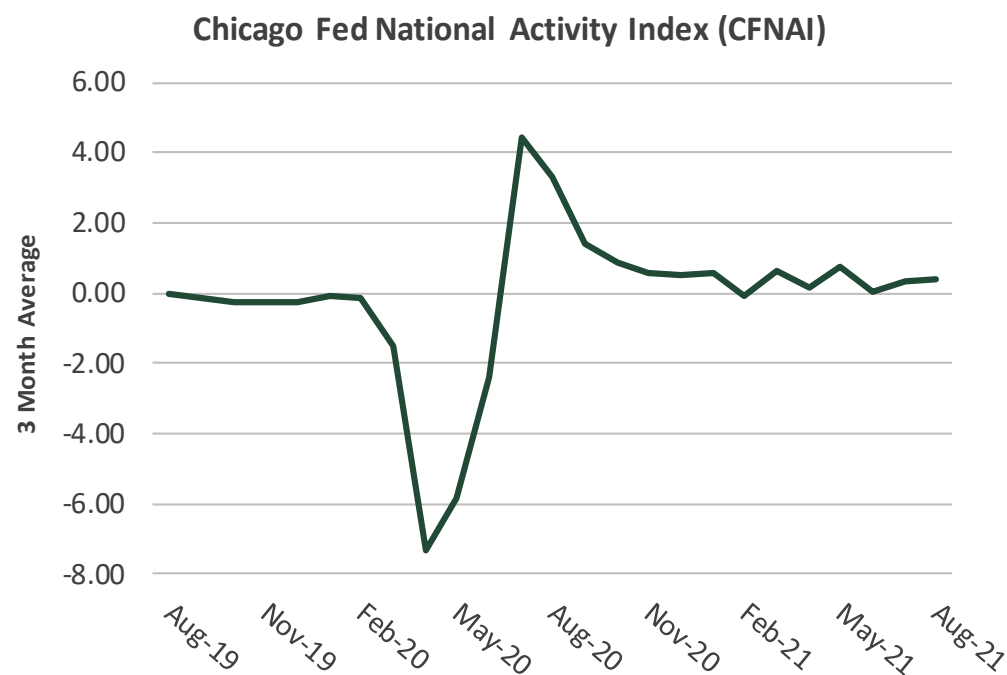
On a year-over-year basis, retail sales were up 15.1% in August. On a month-over-month basis, retail sales were stronger than expected in August, up 0.7% versus expectations of a 0.7% decline. The month-over-month gain was driven largely by increases in online shopping, furniture and home furnishings, and general merchandise stores. These gains were partially offset by declines in vehicles, electronics and appliances, sporting goods, hobby, musical instrument, and bookstores, on a seasonally adjusted basis. Excluding vehicles and gas, retail sales were up 2.0% month-over-month, following a 1.4% decline in July. In our view, the August retail sales report indicates that consumers have the propensity to spend but their spending patterns continue to be influenced by the pandemic, with the delta virus outbreak driving more people back to online shopping in the month. Furthermore, we believe high prices fueled by supply chain constraints on bigger ticket items like vehicles and appliances may now be pressuring sales of those items. The Consumer Confidence index declined to 109.3 in September from 115.2 in August. Consumers remain concerned about the Delta variant and the economic impact of the virus.



## Economic Activity



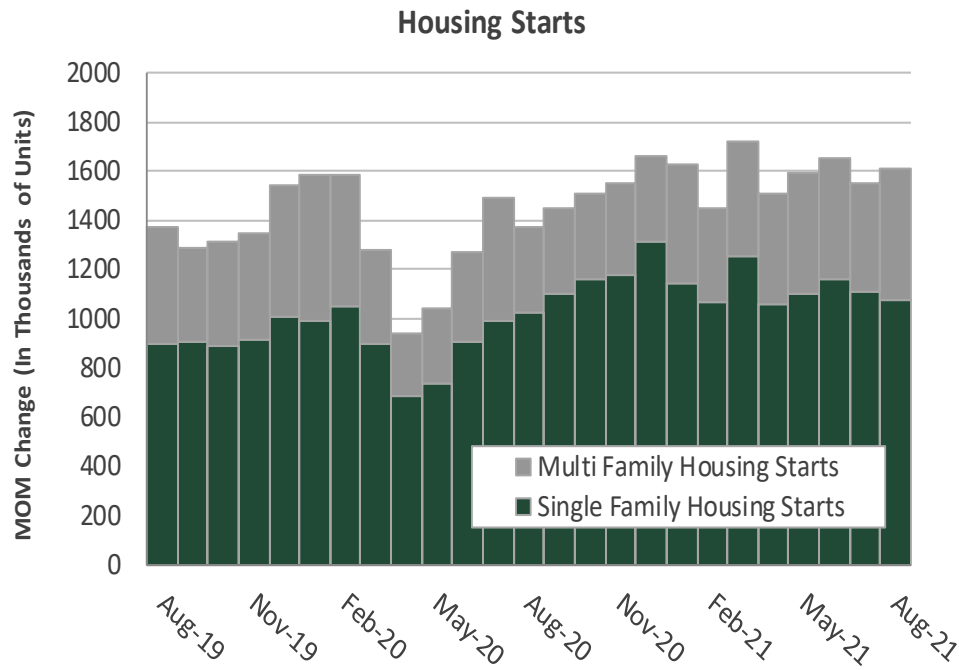
Source: The Conference Board



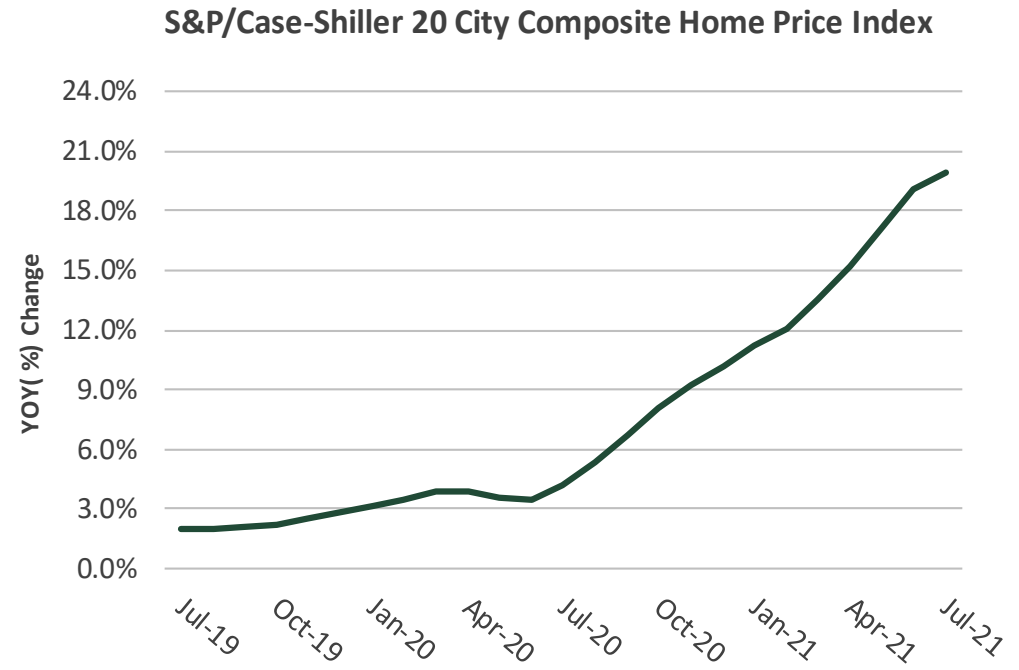
Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) increased 0.9% month-over-month in August (slightly above expectations), following a 0.8% increase in July. On a year-over-year basis, the LEI was up 10.0% in August. According to the Conference Board, the LEI's sharp increase in August suggests the economy is on a rapidly rising trajectory. The Conference Board is forecasting 6.0% GDP growth for 2021 and 4.0% GDP growth in 2022. Meanwhile, the Chicago Fed National Activity Index (CFNAI) declined to 0.29 in August from 0.75 in July, pulled down by production and employment. However, on a 3-month moving average basis, the CFNAI improved to 0.43 in August from 0.36 in July. A reading above zero signals above-trend economic growth.

# Housing



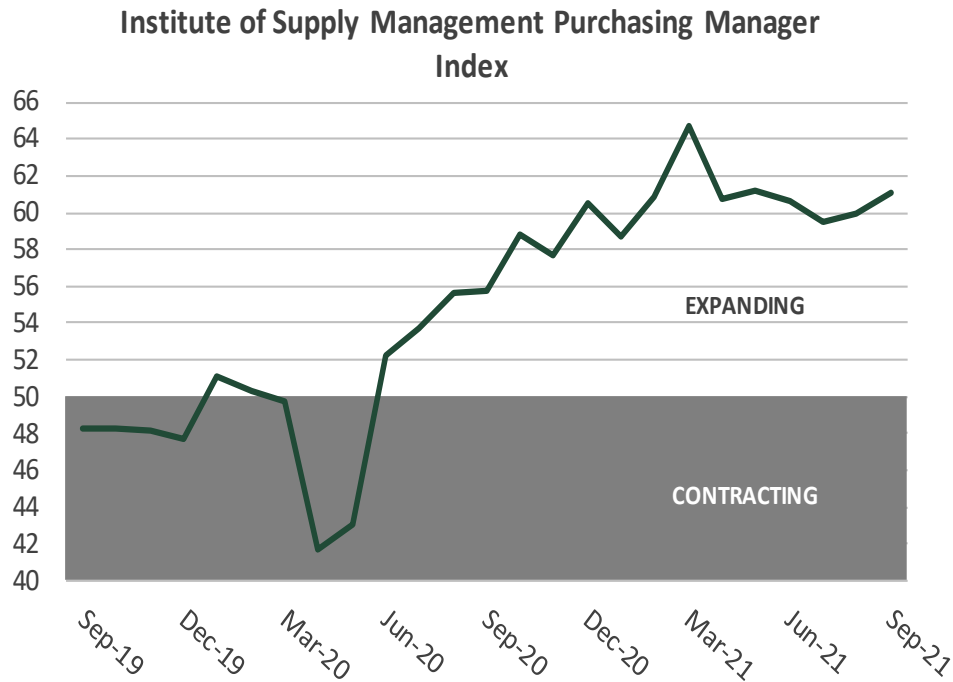
Source: US Department of Commerce



Source: S&P

Total housing starts increased 3.9% in August to an annual pace of 1,615,000, led by multi-family starts. Single-family starts declined 2.8% in August while multi-family starts rose 20.6%. On a year-over-year basis, housing starts were up 17.4% in August. According to the Case-Shiller 20-City home price index, home prices were up 20.0% year-over-year in July versus up 19.1% year-over-year in June. Low mortgage rates and tight supply continue to support prices.

# Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

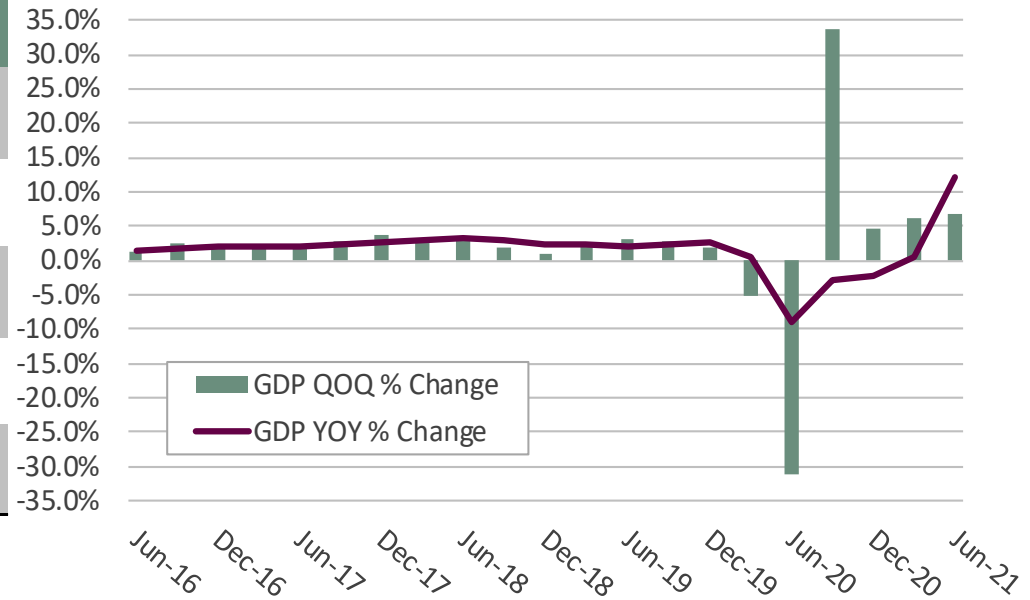
The Institute for Supply Management (ISM) manufacturing index increased to 61.1 in September from 59.9 in August. The index points to continued strength in manufacturing, as readings above 50.0 are indicative of expansion in the manufacturing sector. New orders were particularly strong, increasing to 66.7 in August from 64.9 in July, which The Industrial Production index was up 6.0% year-over-year in August, versus up 6.6% in July. On a month-over-month basis, the Industrial Production index increased 0.4% in August, following a 0.8% increase in July. Capacity Utilization increased to 76.4% in August from 76.2% in July but remains well below the long-run average of 79.8%. Chip shortages and other supply chain bottlenecks continue to weigh on activity in the manufacturing sector.

## Gross Domestic Product (GDP)

Components of GDP	9/20	12/20	3/21	6/21
Personal Consumption Expenditures	25.5%	2.3%	7.4%	7.9%
Gross Private Domestic Investment	11.7%	4.0%	-0.4%	-0.7%
Net Exports and Imports	-3.3%	-1.7%	-1.6%	-0.2%
Federal Government Expenditures	-0.3%	-0.2%	0.8%	-0.4%
State and Local (Consumption and Gross Investment)	0.1%	0.1%	0.0%	0.0%
<b>Total</b>	<b>33.8%</b>	<b>4.5%</b>	<b>6.3%</b>	<b>6.7%</b>

Source: US Department of Commerce

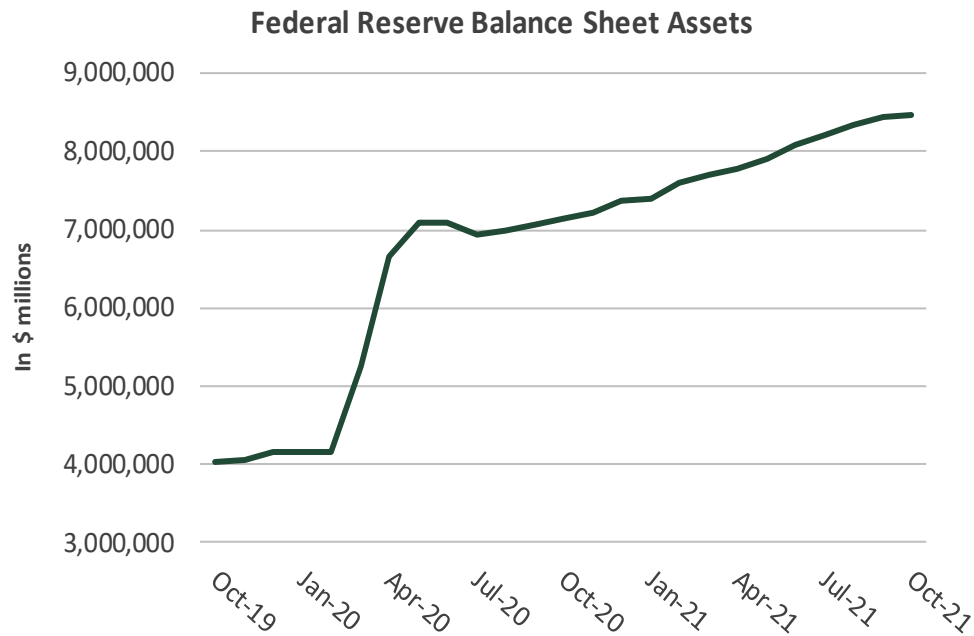
Gross Domestic Product (GDP)



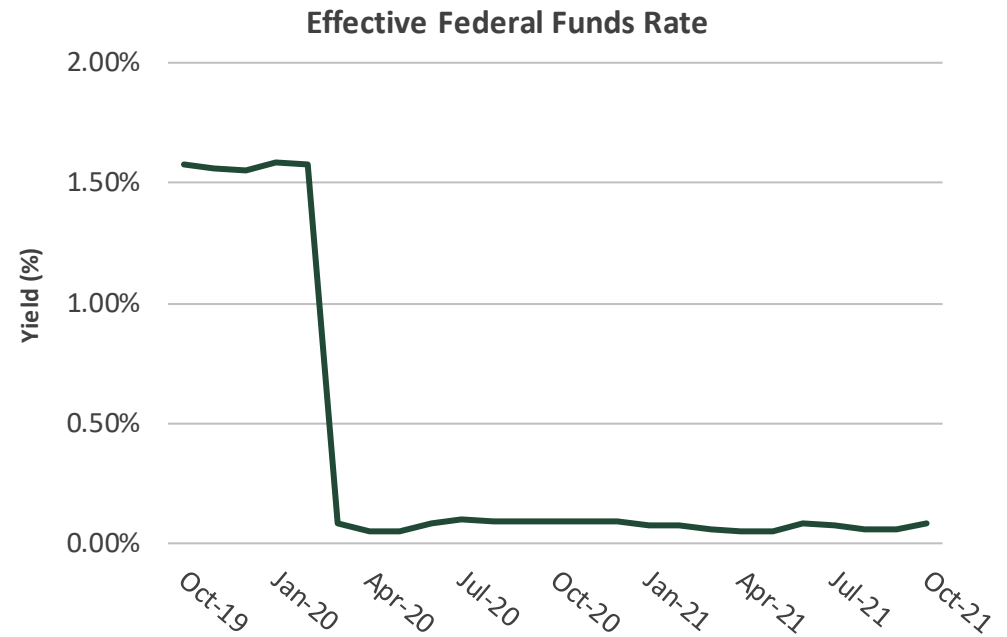
Source: US Department of Commerce

Real US gross domestic product (GDP) grew at an annualized rate of 6.7% in the second quarter, following 6.3% growth in the first quarter. As of the second quarter, real US GDP had exceeded its pre-pandemic level. The consensus forecast for full year 2021 US gross domestic product growth has moderated but remains well above the long-run trend growth rate of about 1.8%. The current Bloomberg consensus estimates for 2021 and 2022 US GDP growth are 5.9% and 4.1%, respectively, following a 3.4% decline in 2020.

# Federal Reserve



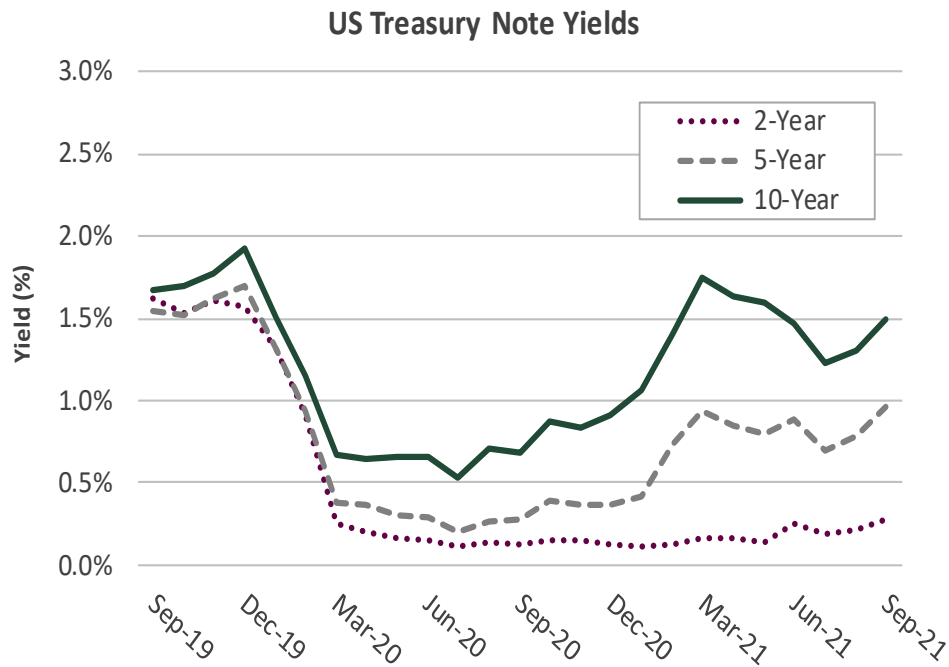
Source: Federal Reserve



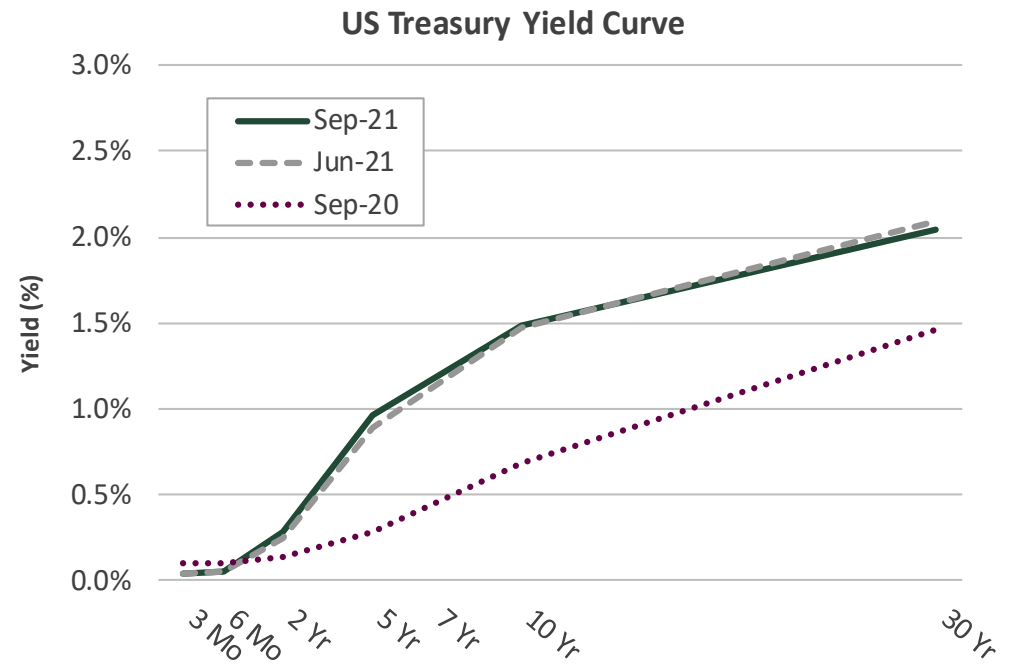
Source: Bloomberg

Last year, the Fed took a wide range of aggressive actions to help stabilize and provide liquidity to the financial markets. The Fed lowered the fed funds target rate to a range of 0.0%-0.25% and started purchasing Treasury and agency mortgage-backed securities (MBS) to support smooth market functioning. Last 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 expired at the end of 2020, including the Fed's corporate credit, asset-backed securities, municipal lending, and Main Street Lending programs. In June 2021, the Fed announced plans to unwind its corporate credit facility. The Fed is now widely expected to start tapering their Treasury and agency MBS purchases before this year-end, and stop making asset purchases around the middle of next year.

## Bond Yields



Source: Bloomberg



Source: Bloomberg

The treasury yield curve is steeper on a year-over-year basis. At the end of September, the 2-year Treasury yield was about 15 basis points higher and the 10-Year Treasury yield was about 80 basis points higher, year-over-year. However, the yield curve was less steep than the historical average. The spread between the 2-year Treasury yield and 10-year Treasury yield was 121 basis points at September month-end compared to the average historical spread (since 2002) of about 135 basis points. We believe the curve remains poised for further steepening, amid a growing economy and improving labor market, while the Fed is expected to slowly normalize monetary policy.



## 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	<i>Complies</i>
Agency Issues	25% per Agency/GSE issuer; 20% max agency callable securities; Issued by Federal Agencies or U.S. Government Sponsored Enterprise obligations.	<i>Complies</i>
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.	<i>Complies</i>
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.	<i>Complies</i>
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.	<i>Complies</i>
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 .	<i>Complies</i>
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.	<i>Complies</i>
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.	<i>Complies</i>
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	<i>Complies</i>
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.	<i>Complies</i>

## 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
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.	<i>Complies</i>
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 September 30, 2021

### City of Cupertino

	9/30/2021		6/30/2021
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.65	2.82	2.75
Average Modified Duration	2.58	2.56	2.49
Average Purchase Yield	n/a	1.21%	1.24%
Average Market Yield	0.46%	0.56%	0.47%
Average Quality**	AAA	AA/Aa1	AA+/Aa1
Total Market Value		140,794,510	140,772,864

\*ICE BofA 1-5 Yr US Treasury & Agency Index

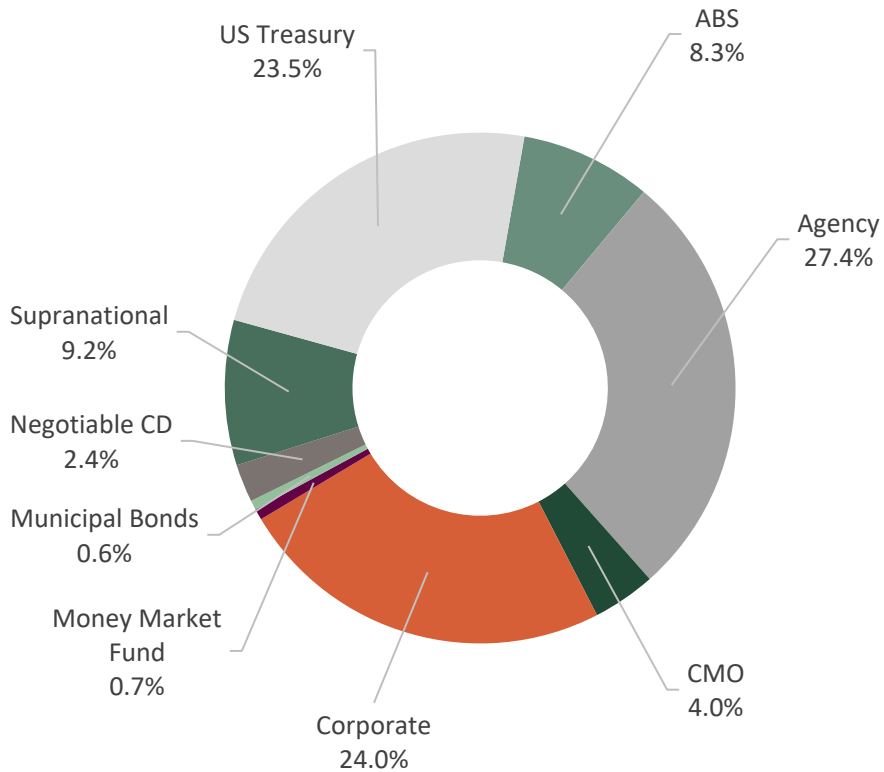
\*\*Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

# Sector Distribution

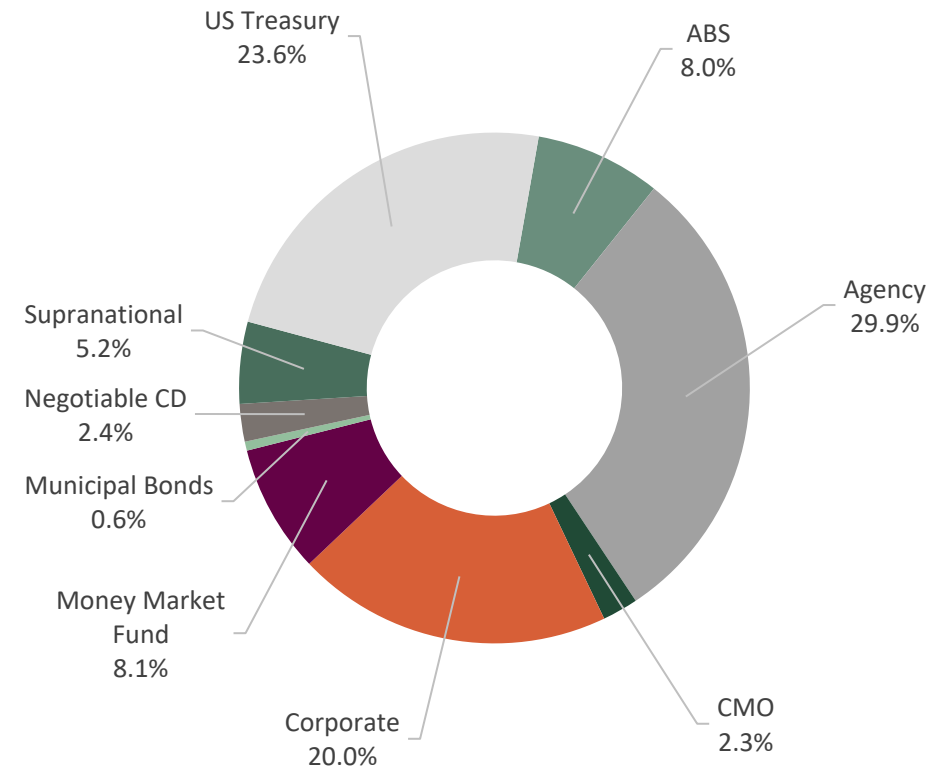
As of September 30, 2021

## City of Cupertino

September 30, 2021



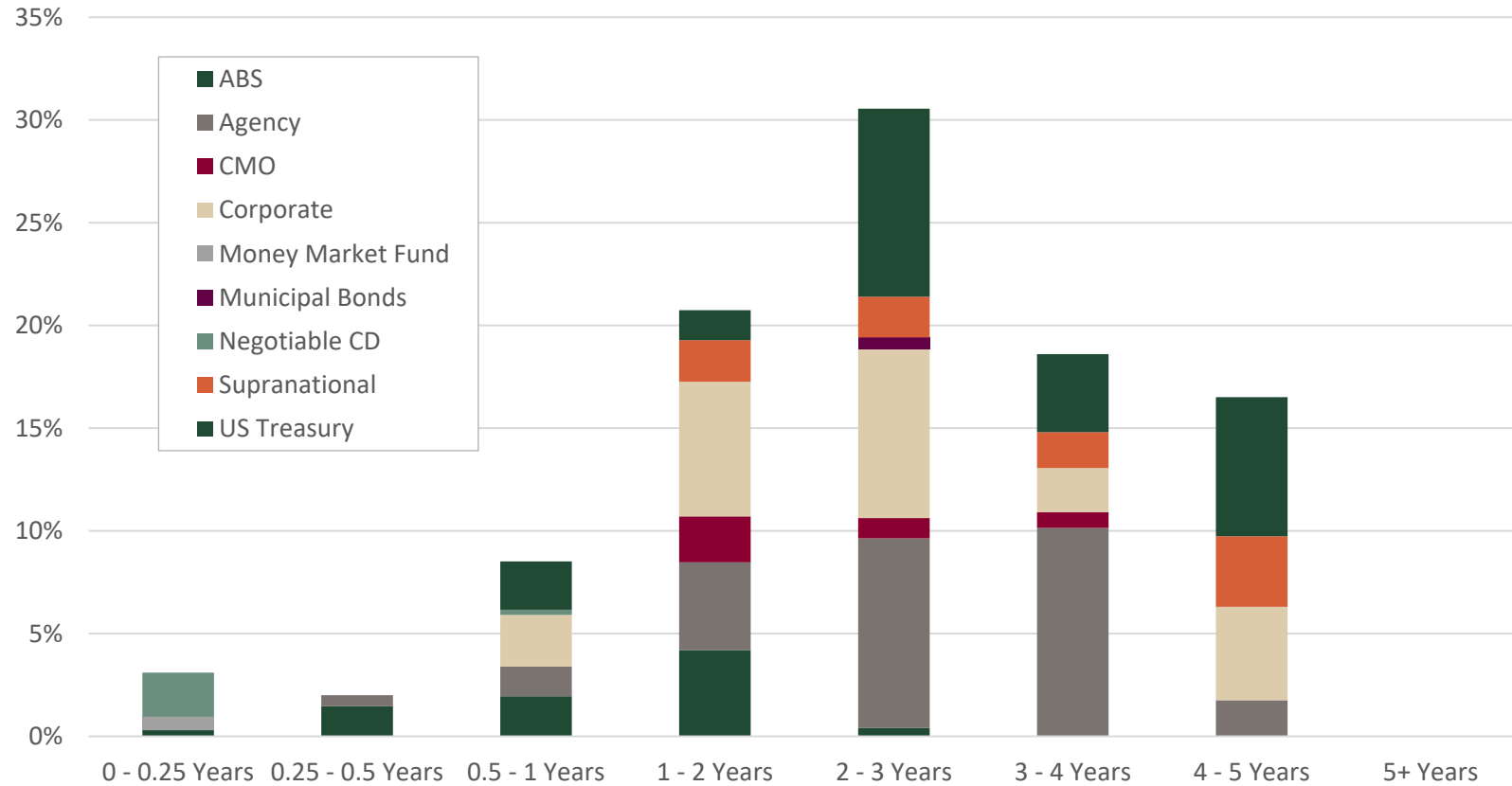
June 30, 2021



# Duration Allocation

As of September 30, 2021

## City of Cupertino



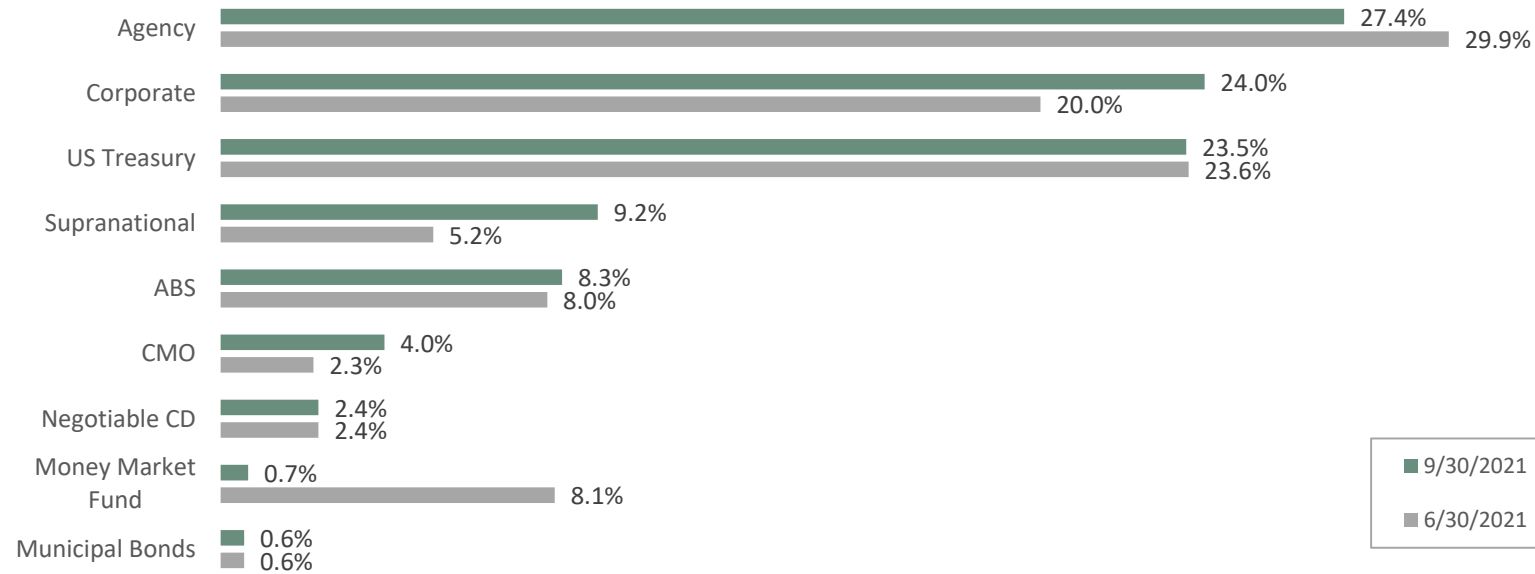
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
09/30/21	3.1%	2.0%	8.5%	20.7%	30.5%	18.6%	16.5%	0.0%

# Portfolio Allocation & Duration Changes

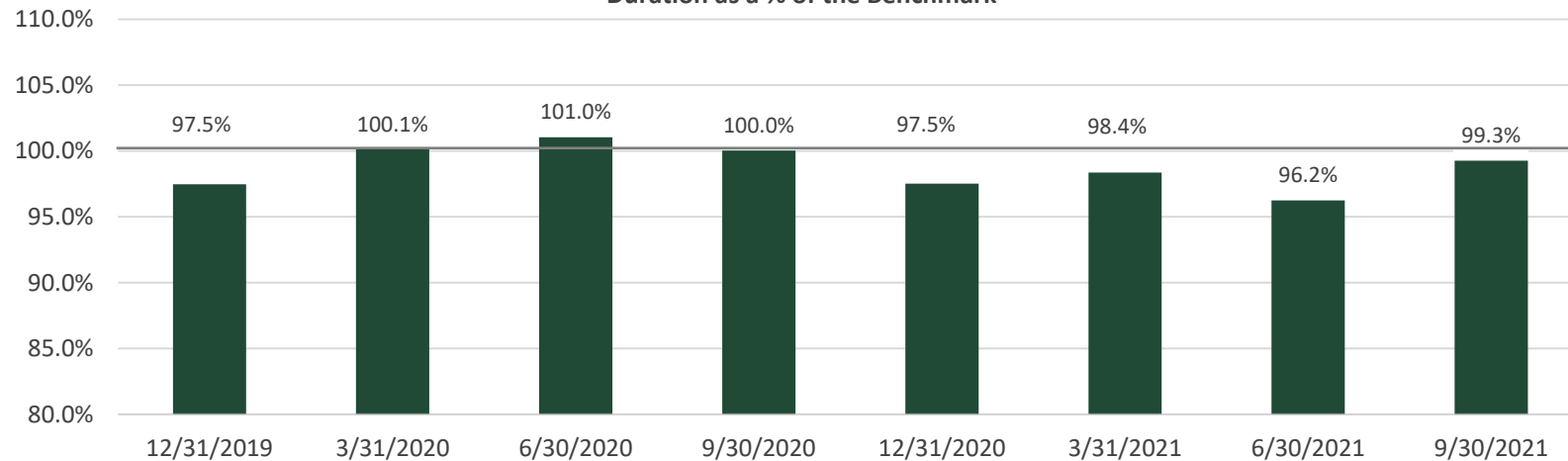
As of September 30, 2021

## City of Cupertino

### Portfolio Allocation



### Duration as a % of the Benchmark



Benchmark: ICE BofA 1-5 Yr US Treasury & Agency Index



## City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	23.53%
Federal National Mortgage Association	Agency	11.23%
Federal Home Loan Bank	Agency	8.34%
Federal Home Loan Mortgage Corp	Agency	7.80%
Federal Home Loan Mortgage Corp	CMO	3.99%
International Finance Corp	Supranational	3.77%
Inter-American Dev Bank	Supranational	3.73%
Bank of Nova Scotia Houston	Negotiable CD	2.14%
Bank of America Corp	Corporate	1.83%
JP Morgan Chase & Co	Corporate	1.74%
Intl Bank Recon and Development	Supranational	1.68%
John Deere ABS	ABS	1.56%
Deere & Company	Corporate	1.47%
Truist Financial Corporation	Corporate	1.46%
Amazon.com Inc	Corporate	1.34%
Honda ABS	ABS	1.31%
Air Products & Chemicals	Corporate	1.28%
Toyota Motor Corp	Corporate	1.23%
Toyota ABS	ABS	1.13%
Toronto Dominion Holdings	Corporate	1.13%
Royal Bank of Canada	Corporate	1.12%
Charles Schwab Corp/The	Corporate	1.10%
Paccar Financial	Corporate	1.08%
Nissan ABS	ABS	1.02%
Wal-Mart Stores	Corporate	1.00%
Honda Motor Corporation	Corporate	1.00%
Verizon Owner Trust	ABS	0.94%
US Bancorp	Corporate	0.93%
Bank of Montreal Chicago	Corporate	0.91%
PNC Financial Services Group	Corporate	0.87%
Caterpillar Inc	Corporate	0.82%
Bank of New York	Corporate	0.76%
Apple Inc	Corporate	0.74%
Mass Mutual Insurance	Corporate	0.71%
GM Financial Automobile Leasing Trust	ABS	0.69%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund	0.67%
State of California	Municipal Bonds	0.57%
Hyundai Auto Lease Securitization	ABS	0.56%

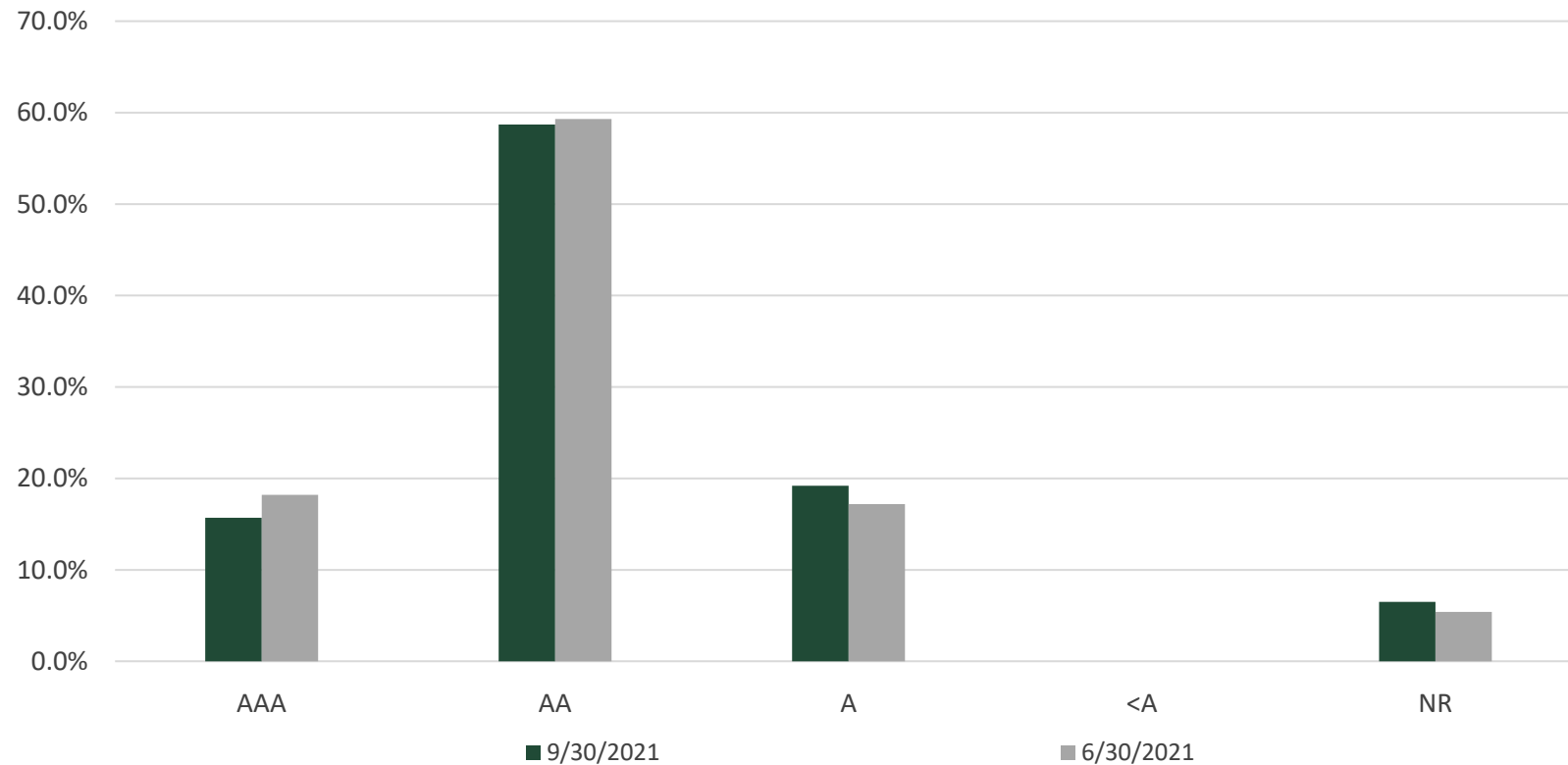
## City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Metlife Inc	Corporate	0.54%
Guardian Life Global Funding	Corporate	0.49%
Mercedes-Benz Auto Lease Trust	ABS	0.45%
Hyundai Auot Receivables	ABS	0.37%
BMW Vehicle Lease Trust	ABS	0.30%
Toronto Dominion Holdings	Negotiable CD	0.25%
United Health Group Inc	Corporate	0.24%
Salesforce.com Inc	Corporate	0.19%
<b>TOTAL</b>		<b>100.00%</b>

# Quality Distribution

As of September 30, 2021

**City of Cupertino**  
September 30, 2021 vs. June 30, 2021

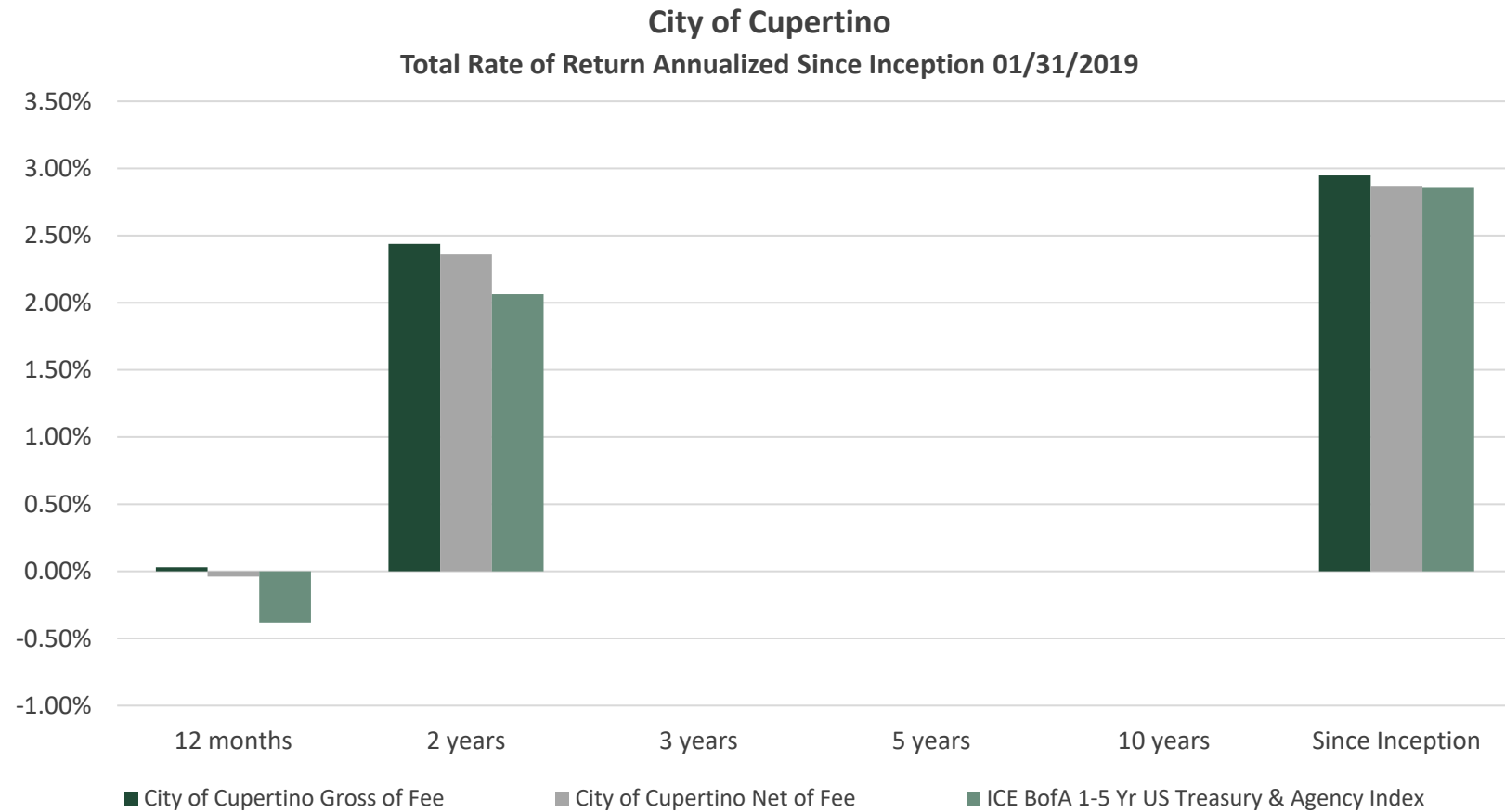


	AAA	AA	A	<A	NR
09/30/21	15.7%	58.7%	19.2%	0.0%	6.5%
06/30/21	18.2%	59.3%	17.2%	0.0%	5.4%

Source: S&P Ratings

# Investment Performance

As of September 30, 2021



TOTAL RATE OF RETURN	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of Cupertino Gross of Fee	0.04%	0.03%	2.44%	N/A	N/A	N/A	2.95%
City of Cupertino Net of Fee	0.02%	-0.04%	2.36%	N/A	N/A	N/A	2.87%
ICE BofA 1-5 Yr US Treasury & Agency Index	0.00%	-0.38%	2.06%	N/A	N/A	N/A	2.85%

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.



## Section 3 | Portfolio Holdings

# Holdings Report

As of September 30, 2021

## 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	80,044.08	09/16/2019 1.45%	80,888.30 80,300.74	100.22 0.22%	80,223.85 65.59	0.06% (76.89)	Aaa / NR AAA	0.89 0.08
89238TAD5	Toyota Auto Receivables Trust 2018-B A3 2.960% Due 09/15/2022	48,040.18	09/10/2019 2.20%	48,601.28 48,218.36	100.12 0.03%	48,098.84 63.20	0.03% (119.52)	Aaa / AAA NR	0.96 0.04
58770FAC6	Mercedes Benz Auto Lease Trust 2020-A A3 1.840% Due 12/15/2022	280,634.69	01/21/2020 1.85%	280,597.71 280,619.21	100.51 0.20%	282,057.79 229.50	0.20% 1,438.58	Aaa / AAA NR	1.21 0.31
65479GAD1	Nissan Auto Receivables Trust 2018-B A3 3.060% Due 03/15/2023	286,000.83	09/16/2019 1.65%	290,045.05 286,629.73	100.49 0.41%	287,401.38 388.96	0.20% 771.65	Aaa / AAA NR	1.45 0.18
47789JAD8	John Deere Owner Trust 2019-A A3 2.910% Due 07/17/2023	484,277.38	Various 1.94%	493,787.27 487,107.27	100.88 0.11%	488,527.39 626.33	0.35% 1,420.12	Aaa / NR AAA	1.79 0.31
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.780% Due 08/15/2023	705,818.01	Various 1.93%	704,631.50 705,425.93	100.75 0.23%	711,080.59 558.38	0.51% 5,654.66	Aaa / AAA NR	1.87 0.48
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.400% Due 11/15/2023	345,000.00	09/15/2020 0.40%	344,982.51 344,990.24	100.15 0.24%	345,526.13 61.33	0.25% 535.89	NR / AAA AAA	2.13 0.92
477870AC3	John Deere Owner Trust 2019-B A3 2.210% Due 12/15/2023	570,892.38	08/27/2019 1.79%	576,177.60 573,604.04	100.95 0.27%	576,332.42 560.74	0.41% 2,728.38	Aaa / NR AAA	2.21 0.49
92348AAA3	Verizon Owner Trust 2019-C A1A 1.940% Due 04/22/2024	515,000.00	10/01/2019 1.95%	514,960.29 514,977.63	100.99 0.23%	520,086.14 305.28	0.37% 5,108.51	NR / AAA AAA	2.56 0.57
44891VAC5	Hyundai Auto Lease Trust 2021-B A3 0.330% Due 06/17/2024	790,000.00	06/08/2021 0.34%	789,881.50 789,896.94	99.90 0.39%	789,204.47 115.87	0.56% (692.47)	Aaa / AAA NR	2.72 1.63
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	1,141,706.96	Various 1.70%	1,147,370.74 1,145,441.29	101.00 0.22%	1,153,112.62 979.33	0.82% 7,671.33	Aaa / AAA NR	2.79 0.58
43813DAC2	Honda Auto Receivables 2020-2 A3 0.820% Due 07/15/2024	175,000.00	05/18/2020 0.83%	174,986.23 174,990.72	100.52 0.24%	175,907.38 63.78	0.12% 916.66	Aaa / AAA NR	2.79 0.89
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	285,000.00	03/04/2020 1.11%	284,982.59 284,988.71	100.69 0.22%	286,971.35 139.33	0.20% 1,982.64	Aaa / NR AAA	2.88 0.78
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.370% Due 10/18/2024	575,000.00	09/22/2020 0.38%	574,915.53 574,942.60	100.11 0.28%	575,642.28 76.83	0.41% 699.68	NR / AAA AAA	3.05 1.20
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.390% Due 10/21/2024	965,000.00	08/10/2021 0.39%	964,986.88 964,987.53	99.93 0.43%	964,359.24 115.00	0.69% (628.29)	NR / AAA AAA	3.06 1.88
47787NAC3	John Deere Owner Trust 2020-B A3 0.510% Due 11/15/2024	260,000.00	07/14/2020 0.52%	259,960.38 259,973.96	100.21 0.30%	260,545.48 58.93	0.19% 571.52	Aaa / NR AAA	3.13 0.97
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.330% Due 12/26/2024	425,000.00	09/08/2021 0.34%	424,956.14 424,956.98	99.91 0.38%	424,606.88 62.33	0.30% (350.10)	Aaa / NR AAA	3.24 1.77

# Holdings Report

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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
89236XAC0	Toyota Auto Receivables 2020-D A3 0.350% Due 01/15/2025	455,000.00	10/06/2020 0.36%	454,915.23 454,934.47	100.08 0.28%	455,342.16 70.78	0.32% 407.69	NR / AAA AAA	3.30 1.05
92290BAA9	Verizon Owner Trust 2020-B A 0.470% Due 02/20/2025	800,000.00	08/04/2020 0.48%	799,832.00 799,874.18	100.25 0.29%	801,990.40 114.89	0.57% 2,116.22	Aaa / NR AAA	3.39 1.34
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.270% Due 04/21/2025	295,000.00	02/17/2021 0.27%	294,994.60 294,995.65	99.95 0.31%	294,858.99 22.13	0.21% (136.66)	Aaa / NR AAA	3.56 1.32
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.260% Due 05/15/2025	1,090,000.00	02/02/2021 0.27%	1,089,797.70 1,089,839.73	99.90 0.34%	1,088,889.29 125.96	0.77% (950.44)	Aaa / NR AAA	3.62 1.36
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.380% Due 09/15/2025	515,000.00	04/20/2021 0.38%	514,945.82 514,953.41	99.96 0.40%	514,790.40 86.98	0.37% (163.01)	NR / AAA AAA	3.96 1.75
47789QAC4	John Deere Owner Trust 2021-B A3 0.520% Due 03/16/2026	580,000.00	07/13/2021 0.52%	579,948.26 579,951.05	99.93 0.55%	579,610.82 134.04	0.41% (340.23)	Aaa / NR AAA	4.46 2.41
<b>TOTAL ABS</b>		<b>11,667,414.51</b>	<b>0.91%</b>	<b>11,691,145.11</b> <b>11,676,600.37</b>	<b>0.31%</b>	<b>11,705,166.29</b> <b>5,025.49</b>	<b>8.32%</b> <b>28,565.92</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>2.89</b> <b>1.12</b>

Agency									
3137EADB2	FHLMC Note 2.375% Due 01/13/2022	750,000.00	06/21/2019 1.84%	760,050.00 751,119.06	100.65 0.09%	754,910.25 3,859.38	0.54% 3,791.19	Aaa / AA+ AAA	0.29 0.29
313380GJ0	FHLB Note 2.000% Due 09/09/2022	2,000,000.00	10/10/2019 1.55%	2,025,400.00 2,008,188.16	101.79 0.10%	2,035,816.00 2,444.44	1.45% 27,627.84	Aaa / AA+ NR	0.94 0.94
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	1,500,000.00	05/05/2020 0.39%	1,499,370.00 1,499,665.11	100.22 0.24%	1,503,280.50 2,281.25	1.07% 3,615.39	Aaa / AA+ AAA	1.59 1.59
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	800,000.00	06/21/2019 1.83%	828,320.00 812,176.04	104.29 0.25%	834,326.40 6,233.33	0.60% 22,150.36	Aaa / AA+ AAA	1.72 1.68
3130A3DL5	FHLB Note 2.375% Due 09/08/2023	2,000,000.00	09/06/2019 1.52%	2,066,320.00 2,032,115.23	104.04 0.29%	2,080,718.00 3,034.72	1.48% 48,602.77	Aaa / AA+ NR	1.94 1.90
3135G0U43	FNMA Note 2.875% Due 09/12/2023	1,500,000.00	06/21/2019 1.89%	1,559,805.00 1,527,593.35	105.07 0.27%	1,576,003.50 2,276.04	1.12% 48,410.15	Aaa / AA+ AAA	1.95 1.91
3137EAF2	FHLMC Note 0.250% Due 12/04/2023	1,755,000.00	12/02/2020 0.28%	1,753,262.55 1,753,740.15	99.78 0.35%	1,751,137.25 1,425.94	1.24% (2,602.90)	Aaa / AA+ AAA	2.18 2.17
3130A0F70	FHLB Note 3.375% Due 12/08/2023	2,100,000.00	Various 1.74%	2,222,418.00 2,171,942.06	106.66 0.32%	2,239,824.30 22,246.88	1.61% 67,882.24	Aaa / AA+ AAA	2.19 2.11
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019 2.27%	1,568,115.00 1,533,529.48	106.88 0.41%	1,603,222.50 3,114.58	1.14% 69,693.02	Aaa / AA+ NR	2.44 2.36
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019 1.96%	1,564,890.20 1,535,151.82	106.45 0.47%	1,596,786.00 12,817.70	1.14% 61,634.18	Aaa / AA+ NR	2.71 2.60



# Holdings Report

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## 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
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,491,622.23	103.49 0.47%	1,552,347.00 6,489.58	1.11% 60,724.77	Aaa / AA+ AAA	2.76 2.69
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019 1.79%	2,103,380.00 2,061,098.49	106.89 0.52%	2,137,726.00 2,875.00	1.52% 76,627.51	Aaa / AA+ AAA	2.96 2.85
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,975,000.00	Various 1.73%	1,965,802.75 1,969,251.26	103.32 0.52%	2,040,595.68 14,798.79	1.46% 71,344.42	Aaa / AA+ AAA	3.04 2.95
3135G0X24	FNMA Note 1.625% Due 01/07/2025	1,295,000.00	Various 1.38%	1,309,953.95 1,305,151.58	103.39 0.58%	1,338,881.08 4,910.21	0.95% 33,729.50	Aaa / AA+ AAA	3.27 3.18
3137EAEPO	FHLMC Note 1.500% Due 02/12/2025	2,365,000.00	02/13/2020 1.52%	2,363,178.95 2,363,772.66	102.85 0.64%	2,432,364.66 4,828.54	1.73% 68,592.00	Aaa / AA+ AAA	3.37 3.28
3135G03U5	FNMA Note 0.625% Due 04/22/2025	1,860,000.00	04/22/2020 0.67%	1,856,168.40 1,857,271.25	99.77 0.69%	1,855,679.22 5,134.38	1.32% (1,592.03)	Aaa / AA+ AAA	3.56 3.51
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	2,500,000.00	Various 0.50%	2,499,227.30 2,499,582.82	99.22 0.71%	2,480,617.50 3,611.11	1.76% (18,965.32)	Aaa / AA+ AAA	3.72 3.67
3137EAEU9	FHLMC Note 0.375% Due 07/21/2025	1,250,000.00	07/21/2020 0.48%	1,243,775.00 1,245,259.58	98.65 0.74%	1,233,128.75 911.46	0.88% (12,130.83)	Aaa / AA+ AAA	3.81 3.77
3135G05X7	FNMA Note 0.375% Due 08/25/2025	2,500,000.00	Various 0.48%	2,487,983.75 2,490,348.53	98.43 0.78%	2,460,777.51 937.51	1.75% (29,571.02)	Aaa / AA+ AAA	3.90 3.86
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	2,500,000.00	Various 0.46%	2,489,362.80 2,491,349.09	98.34 0.80%	2,458,382.50 208.33	1.75% (32,966.59)	Aaa / AA+ AAA	3.98 3.94
3135G06G3	FNMA Note 0.500% Due 11/07/2025	2,500,000.00	Various 0.56%	2,492,700.00 2,493,993.10	98.67 0.83%	2,466,655.00 5,000.00	1.76% (27,338.10)	Aaa / AA+ AAA	4.11 4.04
<b>TOTAL Agency</b>		<b>37,650,000.00</b>	<b>1.20%</b>	<b>38,144,378.65</b> <b>37,893,921.05</b>	<b>0.51%</b>	<b>38,433,179.60</b> <b>109,439.17</b>	<b>27.38%</b> <b>539,258.55</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>2.85</b> <b>2.79</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 1,017,323.45	104.20 0.45%	1,041,998.00 510.00	0.74% 24,674.55	Aaa / NR NR	1.82 1.65
3137B5JM6	FHLMC K034 A2 3.531% Due 07/25/2023	1,000,000.00	09/26/2019 2.00%	1,053,867.19 1,025,599.48	104.95 0.51%	1,049,471.00 2,942.50	0.75% 23,871.52	NR / NR AAA	1.82 1.67
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	1,000,000.00	08/19/2019 1.92%	1,061,914.06 1,030,611.94	105.60 0.50%	1,055,950.00 587.83	0.75% 25,338.06	Aaa / NR AAA	2.07 1.87
3137BFE98	FHLMC K041 A2 3.171% Due 10/25/2024	1,300,000.00	07/01/2021 0.72%	1,398,414.06 1,391,253.65	106.92 0.76%	1,390,001.60 3,435.25	0.99% (1,252.05)	Aaa / AAA AAA	3.07 2.86

# Holdings Report

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## 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
3137BLMZ8	FHLMC K049 A2 3.010% Due 07/25/2025	1,000,000.00	07/01/2021 0.87%	1,079,687.50 1,074,977.45	107.36 0.94%	1,073,586.00 2,508.33	0.76% (1,391.45)	NR / NR AAA	3.82 3.51
<b>TOTAL CMO</b>		<b>5,300,000.00</b>	<b>1.45%</b>	<b>5,631,539.06</b> <b>5,539,765.97</b>	<b>0.64%</b>	<b>5,611,006.60</b> <b>9,983.91</b>	<b>3.99%</b> <b>71,240.63</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>2.56</b> <b>2.35</b>
<b>Corporate</b>									
05531FBG7	Truist Financial Corporation Callable Note Cont 5/20/2022 3.050% Due 06/20/2022	2,000,000.00	07/01/2021 0.21%	2,049,420.00 2,035,899.43	101.79 0.24%	2,035,826.00 17,113.89	1.46% (73.43)	A3 / A- A	0.72 0.63
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 1,202,512.47	101.67 0.20%	1,220,053.20 5,145.00	0.87% 17,540.73	A2 / A A+	0.82 0.74
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 1,501,986.02	102.90 0.29%	1,543,554.00 7,287.50	1.10% 41,567.98	A2 / A A	1.32 1.22
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 1,002,746.30	103.53 0.33%	1,035,257.00 1,944.44	0.74% 32,510.70	A2 / A A	1.43 1.41
89236TJD8	Toyota Motor Credit Corp Note 0.400% Due 04/06/2023	355,000.00	04/06/2021 0.44%	354,712.45 354,781.67	100.18 0.28%	355,625.87 678.44	0.25% 844.20	A1 / A+ A+	1.52 1.51
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 1,005,178.52	104.94 0.36%	1,049,384.00 14,875.00	0.76% 44,205.48	A1 / A AA-	1.58 1.53
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	1,000,000.00	03/11/2019 2.79%	984,840.00 994,194.68	103.23 0.36%	1,032,311.00 9,866.67	0.74% 38,116.32	Aa1 / AA+ NR	1.59 1.55
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 1,009,279.36	105.13 0.29%	1,051,301.00 8,972.22	0.75% 42,021.64	Aa2 / AA AA	1.74 1.61
69371RP59	Paccar Financial Corp Note 3.400% Due 08/09/2023	435,000.00	06/18/2019 2.56%	449,315.85 441,414.18	105.47 0.44%	458,800.16 2,136.33	0.33% 17,385.98	A1 / A+ NR	1.86 1.81
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,300,000.00	Various 2.77%	1,345,306.00 1,321,156.39	106.24 0.53%	1,381,174.60 22,384.38	1.00% 60,018.21	A3 / A- NR	2.03 1.94
24422EVN6	John Deere Capital Corp Note 0.450% Due 01/17/2024	1,030,000.00	03/01/2021 0.47%	1,029,268.70 1,029,415.80	99.97 0.46%	1,029,696.15 952.75	0.73% 280.35	A2 / A A	2.30 2.28
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.550% Due 03/05/2024	1,200,000.00	Various 2.38%	1,226,303.25 1,215,333.48	104.21 0.59%	1,250,545.21 3,076.68	0.89% 35,211.73	A2 / A- AA-	2.43 1.40
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,515,482.22	105.21 0.70%	1,578,223.50 12,035.42	1.13% 62,741.28	A1 / A AA-	2.70 2.60
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	260,000.00	06/29/2021 0.64%	259,867.40 259,877.17	100.19 0.39%	260,482.82 356.60	0.19% 605.65	A2 / A+ NR	2.79 0.79

# Holdings Report

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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
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	1,500,000.00	Various	1,533,359.18	104.90	1,573,494.00	1.12%	A2 / A	2.79
			1.98%	1,522,621.81	0.77%	7,968.76	50,872.19	AA-	2.69
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.400% Due 07/30/2024	1,250,000.00	10/10/2019	1,268,262.50	104.75	1,309,322.50	0.93%	A2 / A+	2.83
			2.07%	1,260,640.72	0.65%	5,083.33	48,681.78	A+	2.66
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.350% Due 07/31/2024	1,675,000.00	08/07/2019	1,771,212.00	106.97	1,791,819.53	1.28%	A2 / A	2.84
			2.07%	1,727,509.68	0.62%	9,507.95	64,309.85	NR	2.48
69371RR40	Paccar Financial Corp Note 0.500% Due 08/09/2024	680,000.00	08/03/2021	679,632.80	99.72	678,096.00	0.48%	A1 / A+	2.86
			0.52%	679,650.56	0.60%	491.11	(1,554.56)	NR	2.83
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019	369,182.30	103.71	383,735.51	0.27%	A1 / A+	2.88
			2.20%	369,530.51	0.84%	1,016.47	14,205.00	NR	2.79
14913Q3B3	Caterpillar Finl Service Note 2.150% Due 11/08/2024	1,100,000.00	01/28/2020	1,111,517.00	104.48	1,149,247.00	0.82%	A2 / A	3.11
			1.92%	1,107,488.69	0.69%	9,394.31	41,758.31	A	2.99
06367WB85	Bank of Montreal Note 1.850% Due 05/01/2025	1,240,000.00	07/23/2021	1,285,656.80	102.86	1,275,522.28	0.91%	A2 / A-	3.59
			0.85%	1,283,463.68	1.03%	9,558.33	(7,941.40)	AA-	3.44
46647PCH7	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 06/01/2025	1,370,000.00	05/24/2021	1,371,773.90	99.97	1,369,562.98	0.98%	A2 / A-	3.67
			0.74%	1,371,625.77	0.84%	3,762.93	(2,062.79)	AA-	2.63
46647PCK0	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 06/23/2025	655,000.00	Various	655,406.85	100.11	655,709.37	0.47%	A2 / A-	3.73
			0.87%	655,379.26	0.93%	1,727.78	330.11	AA-	2.68
40139LBC6	Guardian Life Glob Fun Note 0.875% Due 12/10/2025	700,000.00	09/13/2021	695,422.00	98.81	691,635.70	0.49%	Aa2 / AA+	4.20
			1.03%	695,469.35	1.17%	1,888.54	(3,833.65)	NR	4.09
06051GHY8	Bank of America Corp Callable Note Cont 2/13/2025 2.015% Due 02/13/2026	600,000.00	05/24/2021	620,988.00	102.51	615,081.00	0.44%	A2 / A-	4.38
			1.00%	619,429.73	1.25%	1,612.00	(4,348.73)	AA-	3.25
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 04/22/2026	401,000.00	05/20/2021	415,969.33	102.79	412,187.50	0.30%	A2 / A-	4.56
			1.11%	414,607.53	1.28%	3,689.17	(2,420.03)	AA-	3.40
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1.000% Due 05/12/2026	1,875,000.00	05/10/2021	1,866,900.00	99.89	1,872,969.38	1.34%	A1 / AA	4.62
			1.09%	1,867,529.90	1.02%	7,239.58	5,439.48	AA-	4.40
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.150% Due 05/15/2026	335,000.00	Various	336,083.35	100.03	335,095.14	0.24%	A3 / A+	4.62
			1.08%	336,017.82	1.14%	1,412.59	(922.68)	A	4.39
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 06/18/2026	1,385,000.00	06/15/2021	1,384,390.60	99.40	1,376,649.84	0.98%	A1 / A+	4.72
			1.13%	1,384,425.64	1.26%	4,457.97	(7,775.80)	A+	4.56

# Holdings Report

As of September 30, 2021

## 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
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 06/19/2026	700,000.00	07/16/2021 1.26%	701,274.00 701,222.19	99.98 1.32%	699,881.70 2,616.02	0.50% (1,340.49)	A2 / A- AA-	4.72 3.61
57629WDE7	Mass Mutual Global funding Note 1.200% Due 07/16/2026	1,000,000.00	08/19/2021 1.15%	1,002,230.00 1,002,181.36	99.05 1.41%	990,453.00 2,500.00	0.71% (11,728.36)	Aa3 / AA+ AA+	4.79 4.63
58989V2D5	Met Tower Global Funding Note 1.250% Due 09/14/2026	770,000.00	09/07/2021 1.27%	769,291.60 769,298.20	99.45 1.37%	765,755.76 454.51	0.54% (3,542.44)	Aa3 / AA- AA-	4.96 4.78
931142ER0	Wal-Mart Stores Callable Note Cont 08/17/2026 1.050% Due 09/17/2026	350,000.00	09/08/2021 1.09%	349,338.50 349,343.57	99.82 1.09%	349,367.55 142.92	0.25% 23.98	Aa2 / AA AA	4.97 4.74
<b>TOTAL Corporate</b>		<b>32,736,000.00</b>	<b>1.65%</b>	<b>33,174,230.36</b> <b>33,006,693.66</b>	<b>0.71%</b>	<b>33,577,820.25</b> <b>181,349.59</b>	<b>23.98%</b> <b>571,126.59</b>	<b>A1 / A+</b> <b>A+</b>	<b>2.84</b> <b>2.56</b>
<b>Money Market Fund</b>									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	936,419.75	Various 0.01%	936,419.75 936,419.75	1.00 0.01%	936,419.75 0.00	0.67% 0.00	Aaa / AAA NR	0.00 0.00
<b>TOTAL Money Market Fund</b>		<b>936,419.75</b>	<b>0.01%</b>	<b>936,419.75</b> <b>936,419.75</b>	<b>0.01%</b>	<b>936,419.75</b> <b>0.00</b>	<b>0.67%</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%	772,342.35 765,536.15	105.29 0.62%	794,947.05 9,060.00	0.57% 29,410.90	Aa2 / AA- AA	3.01 2.88
<b>TOTAL Municipal Bonds</b>		<b>755,000.00</b>	<b>1.91%</b>	<b>772,342.35</b> <b>765,536.15</b>	<b>0.62%</b>	<b>794,947.05</b> <b>9,060.00</b>	<b>0.57%</b> <b>29,410.90</b>	<b>Aa2 / AA-</b> <b>AA</b>	<b>3.01</b> <b>2.88</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 7,233.33	2.14% 0.00	P-1 / A-1 F-1+	0.15 0.15
89114W7M1	Toronto Dominion Yankee CD 0.240% Due 04/28/2022	350,000.00	04/29/2021 0.24%	349,999.99 349,999.99	100.04 0.16%	350,156.45 364.00	0.25% 156.46	P-1 / A-1 F-1+	0.58 0.57
<b>TOTAL Negotiable CD</b>		<b>3,350,000.00</b>	<b>0.28%</b>	<b>3,349,999.99</b> <b>3,349,999.99</b>	<b>0.27%</b>	<b>3,350,156.45</b> <b>7,597.33</b>	<b>2.38%</b> <b>156.46</b>	<b>Aaa / AA</b> <b>Aaa</b>	<b>0.20</b> <b>0.19</b>
<b>Supranational</b>									
45950KCP3	International Finance Corp Note 2.875% Due 07/31/2023	2,700,000.00	07/01/2021 0.31%	2,842,425.00 2,826,013.11	104.71 0.30%	2,827,143.00 13,153.13	2.02% 1,129.89	Aaa / AAA NR	1.83 1.79

# Holdings Report

As of September 30, 2021

## 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
4581X0DP0	Inter-American Dev Bank Note 0.250% Due 11/15/2023	2,800,000.00	07/01/2021 0.37%	2,792,300.00 2,793,077.15	99.76 0.36%	2,793,277.20 2,644.44	1.99% 200.05	Aaa / AAA NR	2.13 2.11
45950KCT5	International Finance Corp Note 0.375% Due 07/16/2025	2,500,000.00	05/27/2021 0.66%	2,471,150.00 2,473,487.12	98.51 0.77%	2,462,725.00 1,953.13	1.75% (10,762.12)	Aaa / AAA NR	3.79 3.75
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	2,400,000.00	Various 0.60%	2,388,859.25 2,390,344.15	98.63 0.84%	2,367,045.61 5,100.01	1.68% (23,298.54)	Aaa / AAA AAA	4.08 4.02
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 04/20/2026	2,460,000.00	04/13/2021 0.97%	2,448,733.20 2,449,745.11	99.57 0.97%	2,449,345.74 9,626.46	1.75% (399.37)	Aaa / AAA AAA	4.56 4.44
<b>TOTAL Supranational</b>		<b>12,860,000.00</b>	<b>0.57%</b>	<b>12,943,467.45</b> <b>12,932,666.64</b>	<b>0.63%</b>	<b>12,899,536.55</b> <b>32,477.17</b>	<b>9.19%</b> <b>(33,130.09)</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>3.20</b> <b>3.15</b>

US Treasury									
912828XG0	US Treasury Note 2.125% Due 06/30/2022	1,250,000.00	09/11/2019 1.61%	1,267,626.96 1,254,691.32	101.53 0.09%	1,269,091.25 6,712.81	0.91% 14,399.93	Aaa / AA+ AAA	0.75 0.74
912828L57	US Treasury Note 1.750% Due 09/30/2022	2,000,000.00	09/11/2019 1.62%	2,007,890.63 2,002,578.27	101.65 0.10%	2,033,046.00 96.15	1.44% 30,467.73	Aaa / AA+ AAA	1.00 1.00
912828N30	US Treasury Note 2.125% Due 12/31/2022	2,000,000.00	Various 1.68%	2,029,085.94 2,010,834.94	102.46 0.15%	2,049,296.00 10,740.49	1.46% 38,461.06	Aaa / AA+ AAA	1.25 1.23
912828T91	US Treasury Note 1.625% Due 10/31/2023	2,000,000.00	Various 1.94%	1,973,554.69 1,987,577.12	102.74 0.31%	2,054,766.00 13,600.55	1.47% 67,188.88	Aaa / AA+ AAA	2.08 2.04
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,514,656.00	104.26 0.35%	1,563,867.00 8,529.21	1.12% 49,211.00	Aaa / AA+ AAA	2.25 2.19
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.14%	2,053,613.28 2,027,633.56	105.62 0.37%	2,112,344.00 7,024.45	1.51% 84,710.44	Aaa / AA+ AAA	2.38 2.31
91282CBR1	US Treasury Note 0.250% Due 03/15/2024	1,450,000.00	03/30/2021 0.33%	1,446,488.28 1,447,086.57	99.64 0.40%	1,444,845.25 160.22	1.03% (2,241.32)	Aaa / AA+ AAA	2.46 2.45
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,703,154.02	104.04 0.43%	1,768,664.70 14,228.26	1.27% 65,510.68	Aaa / AA+ AAA	2.58 2.51
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,010,552.49	104.17 0.47%	2,083,360.00 10,108.69	1.49% 72,807.51	Aaa / AA+ AAA	2.75 2.67
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,731,137.16	105.36 0.50%	1,791,043.50 5,156.59	1.28% 59,906.34	Aaa / AA+ AAA	2.88 2.78
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,515,959.09	101.64 0.64%	1,524,667.50 1,445.10	1.08% 8,708.41	Aaa / AA+ AAA	3.42 3.35
91282CAB7	US Treasury Note 0.250% Due 07/31/2025	1,500,000.00	03/12/2021 0.72%	1,469,765.63 1,473,547.29	98.05 0.77%	1,470,820.50 631.79	1.05% (2,726.79)	Aaa / AA+ AAA	3.84 3.80

# Holdings Report

As of September 30, 2021

## 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
91282CAM3	US Treasury Note 0.250% Due 09/30/2025	2,400,000.00	Various 0.56%	2,366,140.63 2,370,413.67	97.82 0.80%	2,347,687.20 16.49	1.67% (22,726.47)	Aaa / AA+ AAA	4.00 3.97
91282CAT8	US Treasury Note 0.250% Due 10/31/2025	2,450,000.00	Various 0.49%	2,422,492.19 2,426,490.58	97.68 0.83%	2,393,057.10 2,563.18	1.70% (33,433.48)	Aaa / AA+ AAA	4.09 4.04
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	2,250,000.00	03/26/2021 0.77%	2,209,658.20 2,214,053.97	98.06 0.85%	2,206,318.50 2,835.55	1.57% (7,735.47)	Aaa / AA+ AAA	4.17 4.12
91282CBH3	US Treasury Note 0.375% Due 01/31/2026	2,500,000.00	05/27/2021 0.75%	2,456,445.31 2,459,656.48	97.82 0.89%	2,445,410.00 1,579.48	1.74% (14,246.48)	Aaa / AA+ AAA	4.34 4.28
91282CBW0	US Treasury Note 0.750% Due 04/30/2026	2,500,000.00	05/27/2021 0.80%	2,493,652.34 2,494,097.17	99.19 0.93%	2,479,785.00 7,846.47	1.77% (14,312.17)	Aaa / AA+ AAA	4.58 4.48
<b>TOTAL US Treasury</b>		<b>32,700,000.00</b>	<b>1.23%</b>	<b>32,726,773.46</b> <b>32,644,119.70</b>	<b>0.55%</b>	<b>33,038,069.50</b> <b>93,275.48</b>	<b>23.53%</b> <b>393,949.80</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>2.98</b> <b>2.93</b>
<b>TOTAL PORTFOLIO</b>		<b>137,954,834.26</b>	<b>1.21%</b>	<b>139,370,296.18</b> <b>138,745,723.28</b>	<b>0.56%</b>	<b>140,346,302.04</b> <b>448,208.14</b>	<b>100.00%</b> <b>1,600,578.76</b>	<b>Aa1 / AA</b> <b>Aaa</b>	<b>2.82</b> <b>2.56</b>
<b>TOTAL MARKET VALUE PLUS ACCRUALS</b>						<b>140,794,510.18</b>			



## Section 4 | Transactions



# Transaction Ledger

As of September 30, 2021

## City of Cupertino - Account #10659

June 30, 2021 through September 30, 2021

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	07/06/2021	05531FBG7	2,000,000.00	Truist Financial Corporation Callable Note Cont 5/20/2022 3.05% Due: 06/20/2022	102.471	0.21%	2,049,420.00	2,711.11	2,052,131.11	0.00
Purchase	07/06/2021	4581X0DP0	2,800,000.00	Inter-American Dev Bank Note 0.25% Due: 11/15/2023	99.725	0.37%	2,792,300.00	991.67	2,793,291.67	0.00
Purchase	07/06/2021	45950KCP3	2,700,000.00	International Finance Corp Note 2.875% Due: 07/31/2023	105.275	0.31%	2,842,425.00	33,637.50	2,876,062.50	0.00
Purchase	07/07/2021	3137BFE98	1,300,000.00	FHLMC K041 A2 3.171% Due: 10/25/2024	107.570	0.72%	1,398,414.06	687.05	1,399,101.11	0.00
Purchase	07/07/2021	3137BLMZ8	1,000,000.00	FHLMC K049 A2 3.01% Due: 07/25/2025	107.969	0.87%	1,079,687.50	501.67	1,080,189.17	0.00
Purchase	07/12/2021	79466LAG9	260,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due: 07/15/2024	99.949	0.64%	259,867.40	0.00	259,867.40	0.00
Purchase	07/20/2021	06051GJD2	700,000.00	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due: 06/19/2026	100.182	1.26%	701,274.00	795.06	702,069.06	0.00
Purchase	07/21/2021	47789QAC4	580,000.00	John Deere Owner Trust 2021-B A3 0.52% Due: 03/16/2026	99.991	0.52%	579,948.26	0.00	579,948.26	0.00
Purchase	07/27/2021	06367WB85	1,240,000.00	Bank of Montreal Note 1.85% Due: 05/01/2025	103.682	0.85%	1,285,656.80	5,480.11	1,291,136.91	0.00
Purchase	08/09/2021	69371RR40	680,000.00	Paccar Financial Corp Note 0.5% Due: 08/09/2024	99.946	0.52%	679,632.80	0.00	679,632.80	0.00
Purchase	08/18/2021	36262XAC8	965,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due: 10/21/2024	99.999	0.39%	964,986.88	0.00	964,986.88	0.00
Purchase	08/23/2021	57629WDE7	1,000,000.00	Mass Mutual Global funding Note 1.2% Due: 07/16/2026	100.223	1.15%	1,002,230.00	1,233.33	1,003,463.33	0.00
Purchase	09/14/2021	58989V2D5	770,000.00	Met Tower Global Funding Note 1.25% Due: 09/14/2026	99.908	1.27%	769,291.60	0.00	769,291.60	0.00
Purchase	09/15/2021	09690AAC7	425,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due: 12/26/2024	99.990	0.34%	424,956.14	0.00	424,956.14	0.00

# Transaction Ledger

As of September 30, 2021

## City of Cupertino - Account #10659

June 30, 2021 through September 30, 2021

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	09/15/2021	40139LBC6	700,000.00	Guardian Life Glob Fun Note 0.875% Due: 12/10/2025	99.346	1.03%	695,422.00	1,616.32	697,038.32	0.00
Purchase	09/17/2021	931142ER0	350,000.00	Wal-Mart Stores Callable Note Cont 08/17/2026 1.05% Due: 09/17/2026	99.811	1.09%	349,338.50	0.00	349,338.50	0.00
<b>Subtotal</b>			<b>17,470,000.00</b>				<b>17,874,850.94</b>	<b>47,653.82</b>	<b>17,922,504.76</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>17,470,000.00</b>				<b>17,874,850.94</b>	<b>47,653.82</b>	<b>17,922,504.76</b>	<b>0.00</b>
<b>DISPOSITIONS</b>										
Sale	07/20/2021	06051GHF9	400,000.00	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due: 03/05/2024	104.730	1.92%	418,920.00	5,325.00	424,245.00	13,209.95
Sale	07/27/2021	404280BS7	800,000.00	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.95% Due: 05/18/2024	105.974	2.21%	847,792.00	6,056.67	853,848.67	24,444.46
Sale	08/06/2021	404280BS7	350,000.00	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.95% Due: 05/18/2024	106.001	2.20%	371,003.50	2,995.42	373,998.92	10,888.50
Sale	08/12/2021	313378JP7	950,000.00	FHLB Note 2.375% Due: 09/10/2021	100.180	1.57%	951,710.00	9,526.39	961,236.39	1,116.47
Sale	08/20/2021	313376C94	425,000.00	FHLB Note 2.625% Due: 12/10/2021	100.783	1.90%	428,327.75	2,169.27	430,497.02	2,431.45
Sale	09/09/2021	313376C94	250,000.00	FHLB Note 2.625% Due: 12/10/2021	100.646	1.90%	251,615.00	1,622.40	253,237.40	1,181.91
Sale	09/10/2021	313376C94	650,000.00	FHLB Note 2.625% Due: 12/10/2021	100.638	1.90%	654,147.00	4,265.63	658,412.63	3,033.22
Sale	09/10/2021	3137EADB2	450,000.00	FHLMC Note 2.375% Due: 01/13/2022	100.793	1.84%	453,568.50	1,692.19	455,260.69	2,761.49
Sale	09/15/2021	3137EADB2	300,000.00	FHLMC Note 2.375% Due: 01/13/2022	100.761	1.84%	302,283.00	1,227.08	303,510.08	1,766.51

# Transaction Ledger

As of September 30, 2021

## City of Cupertino - Account #10659

June 30, 2021 through September 30, 2021

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	09/17/2021	404280BS7	350,000.00	HSBC Holdings PLC Callable Note 1X 5/18/2023 3.95% Due: 05/18/2024	105.533	2.20%	369,365.50	4,569.93	373,935.43	9,668.65
<b>Subtotal</b>			<b>4,925,000.00</b>				<b>5,048,732.25</b>	<b>39,449.98</b>	<b>5,088,182.23</b>	<b>70,502.61</b>
Maturity	09/10/2021	313378JP7	350,000.00	FHLB Note 2.375% Due: 09/10/2021	100.000		350,000.00	0.00	350,000.00	0.00
<b>Subtotal</b>			<b>350,000.00</b>				<b>350,000.00</b>	<b>0.00</b>	<b>350,000.00</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>5,275,000.00</b>				<b>5,398,732.25</b>	<b>39,449.98</b>	<b>5,438,182.23</b>	<b>70,502.61</b>

# Important Disclosures

*As of September 30, 2021*

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

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

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.

## ICE BofA 1-5 Yr US Treasury & Agency Index

*The ICE BofA 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.*