CITY OF SALEM

Investment Performance Review For the Quarter Ended June 30, 2021

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Market Update

SUMMARY

- In Q2, U.S. economic conditions were impacted by: (1) dramatically lower COVID-19 caseloads as vaccine inoculations accelerated, balanced with waning vaccine demand and the emergence of more infectious variants; (2) strong consumer data supported by ongoing fiscal stimulus measures; (3) elevated inflation fueled by surging economic activity amid labor and supply chain shortages; (4) a late-quarter hawkish signal from the Federal Reserve (Fed), as anticipation of bond purchase tapering gained traction and the timeline for expected rate hikes was pulled forward; and (5) the largest increase in corporate earnings estimates in nearly 20 years, which propelled major U.S. stock indices to all-time highs.
- With the public health situation drastically improving and pent-up consumer demand being released, the U.S. has seemingly turned the corner in its recovery. Due to the quicker-than-expected rebound, Federal Open Market Committee (FOMC) officials have suggested that they have started to contemplate the timing and communication around a potential tapering of asset purchases. The FOMC remains "attuned and attentive" to the inflation outlook amid supply shortages and other risk factors. In the updated June projections, 13 of 18 Fed officials indicated they expect to increase short-term rates by the end of 2023, up from seven who expected that outcome in March.
- Despite significant progress toward a comprehensive economic recovery, headwinds persist and mixed signals remain. Demand is recovering faster than supply, triggering supply chain bottlenecks and wage-price pressures. Inflation is rising sooner than in previous cycles, with core consumer prices recently showing the sharpest monthly increase since 1982. Despite some scary inflation headlines, many market participants believe that the economy's current wave of inflation is likely transitory in nature.
- Looking past this year, economists and strategists have moderated long-term growth projections as uncertainty remains a key characteristic of our current environment. Perhaps the term "cautious optimism" best describes the current mood as we near what we hope to be the final innings of the pandemic.

ECONOMIC SNAPSHOT

- Following a 4.3% expansion in Q4 2020, U.S. GDP increased 6.4% in Q1. The consumer continues to be the driving force behind recent GDP growth as consumer spending rose by 11.4% in Q2, the second-fastest pace since the 1960s. Goods and services that benefit the most from the reopening of the economy, such as auto sales, food services and travel accommodations, are the main contributors to the growth in spending.
- The U.S. labor market recovery is accelerating after a spring lull. Following a disappointing April jobs report, employers added over 580,000 and 850,000 jobs in May and June, respectively. The service sector led the job recovery in the first half of 2021 as leisure and hospitality accounted for 1.6 million jobs created, or almost half of the year's payroll gains. The robust demand for workers pushed wages up by a brisk pace of 3.6% year-over-year (YoY).
- Surveys of manufacturing and services activity produced mixed signals this quarter. After reaching a record high in March 2021 of 64.7, the ISM Manufacturing PMI declined to 60.6 by the end of Q2. Similarly, the ISM Non-Manufacturing PMI told a similar story, retracting from a record-high reading. The recent survey noted, "challenges with materials shortages, inflation, logistics and employment resources continue to be an impediment to business conditions." Despite these headwinds, both indices remain well above both the 50-point threshold that differentiates growth from contraction and long-term historical averages.
- On the housing front, existing home sales declined roughly 21% YoY largely due to inventory shortages. Stressed supply and demand dynamics are evidenced by the drastic changes seen in housing prices, which increased by 15% YoY. Mortgage rates pulled back from the climb seen earlier this year, as the 30-year mortgage rate finished the quarter at 2.93%, compared to last quarter's reading of 3.18%.

INTEREST RATES

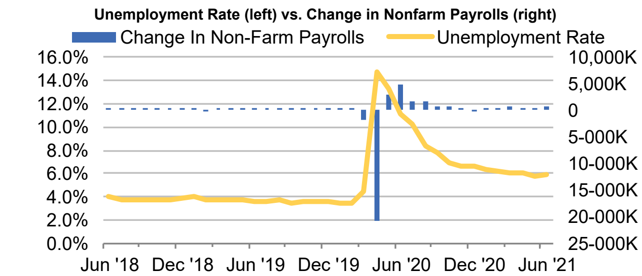
- The U.S. Treasury yield curve flattened modestly over the quarter as longer term yields retraced some of their significant first quarter higher moves, and shorter term maturities inched higher from rock-bottom lows. Near quarter-end, short-term Treasury yields rose in response as the Fed raised by five basis points the interest it pays banks on excess reserves and its offering rate for overnight reverse repurchase agreements. An earlier-than-expected discussion by the FOMC of increasing the overnight target rate also contributed to Treasuries softening on the short end of the curve. Long-term yields fell as investors worried less about inflation over the long term. This view was encouraged in part by a more hawkish tone from the FOMC.
- As a result of a flattening curve, index returns were mixed for the quarter. Shorter-duration U.S. Treasury total return indices (three years and under) were generally flat, while longer-duration indices posted strong positive returns. For example, the 3-month Treasury index returned 0% for the quarter, the 2-year Treasury index returned -0.1%, and the 10-year Treasury index returned 3.2%.

SECTOR PERFORMANCE

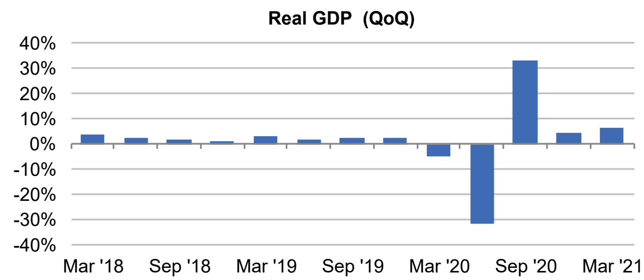
- Diversification away from U.S. Treasuries was again additive to performance in Q2. Broad global demand for yield has continued to push spreads of most bonds tighter. As a result, most investment-grade (IG) spread sectors showed positive excess returns. The lone exception was mortgage-related sectors, where expectations that the FOMC may begin tapering asset purchases caused mortgage-backed security (MBS) spreads to come under pressure and lift off from multi-year tights.
- The federal agency sector saw minimal spread widening of one to two basis points (0.01% to 0.02%), mostly concentrated in the longer duration part of the curve (past three years). Supply remains markedly light, limiting new buying opportunities within the sector. On the flipside, opportunistic selling opportunities are expected to persist for the foreseeable future.
- The taxable municipal sector, once again, was one of the best performing IG sectors during Q2. Municipals boosted relative portfolio performance over the quarter as strong demand for new issues and the general market reach for yield pressured spreads tighter.
- IG corporates generated positive returns this quarter as spreads tightened due to the prospect of strong corporate earnings and supportive monetary policy. The continued demand for yield pushed spreads to retest multi-year lows despite an active new issue market.
- Federal agency-backed mortgage-backed security (MBS) excess returns were negative as FOMC-related selling pressure arrived near quarter end. Generally, all collateral and coupon structures underperformed with the exception of agency-backed commercial MBS (CMBS), which have continued to provide solid absolute and relative returns on a consistent basis over the past 18 months.

Economic Snapshot

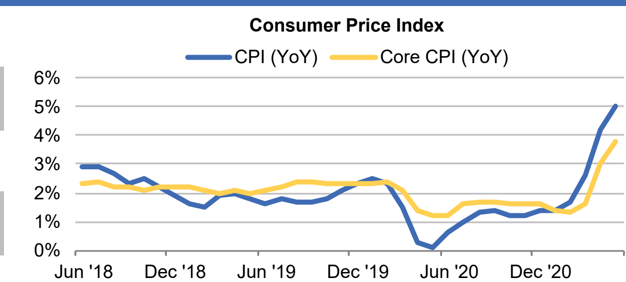
Labor Market	Latest		Mar '21	Jun'20
Unemployment Rate	Jun '21	5.9%	6.0%	11.1%
Change In Non-Farm Payrolls	Jun '21	850,000	785,000	4,846,000
Average Hourly Earnings (YoY)	Jun '21	3.6%	4.3%	5.0%
Personal Income (YoY)	May '21	2.8%	30.1%	8.2%
Initial Jobless Claims (week)	7/3/21	373,000	729,000	1,436,000



Growth				
Real GDP (QoQ SAAR)	2021Q1	6.4%	4.3% [1]	-5.0% [2]
GDP Personal Consumption (QoQ SAAR)	2021Q1	11.4%	2.3% [1]	-6.9% [2]
Retail Sales (YoY)	May '21	28.1%	29.7%	2.1%
ISM Manufacturing Survey (month)	Jun '21	60.6	64.7	52.2
Existing Home Sales SAAR (month)	May '21	5.80 mil.	6.01 mil.	4.77 mil.



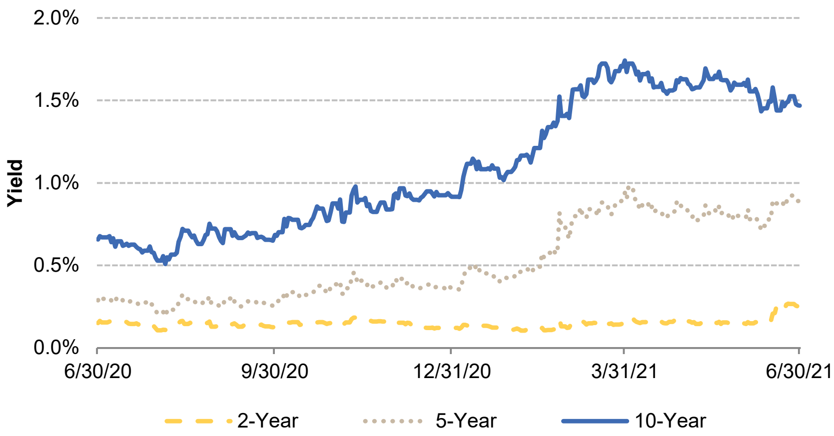
Inflation / Prices				
Personal Consumption Expenditures (YoY)	May '21	3.9%	2.4%	0.9%
Consumer Price Index (YoY)	May '21	5.0%	2.6%	0.6%
Consumer Price Index Core (YoY)	May '21	3.8%	1.6%	1.2%
Crude Oil Futures (WTI, per barrel)	Jun 30	$73.47	$59.16	$39.27
Gold Futures (oz.)	Jun 30	$1,772	$1,714	$1,801



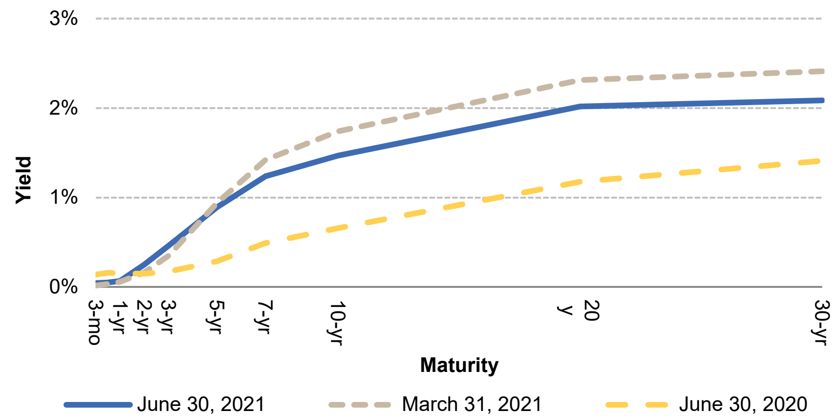
1. Data as of Fourth Quarter 2020.
2. Data as of First Quarter 2021.
Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.
Source: Bloomberg.

Interest Rate Overview

U.S. Treasury Note Yields



U.S. Treasury Yield Curve

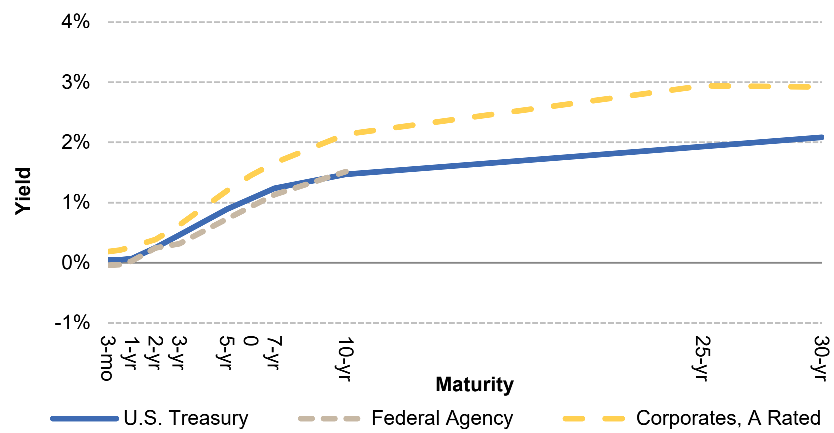


U.S. Treasury Yields

Maturity	Jun '21	Mar '21	Change over Quarter	Jun '20	Change over Year
3-Month	0.04%	0.02%	0.02%	0.14%	(0.10%)
1-Year	0.07%	0.06%	0.01%	0.15%	(0.08%)
2-Year	0.25%	0.16%	0.09%	0.15%	0.10%
5-Year	0.89%	0.94%	(0.05%)	0.29%	0.60%
10-Year	1.47%	1.74%	(0.27%)	0.66%	0.81%
30-Year	2.09%	2.41%	(0.32%)	1.41%	0.68%

Source: Bloomberg.

Yield Curves as of 06/30/2021



ICE BofAML Index Returns

June 30, 2021	Duration	Yield	3 Month	1 Year	3 Years
	As of 06/30/2021		Returns for Periods ended 06/30/2021		
1-3 Year Indices					
U.S. Treasury	1.90	0.25%	(0.03%)	0.07%	2.68%
Federal Agency	1.74	0.27%	0.01%	0.32%	2.56%
U.S. Corporates, A-AAA rated	1.90	0.53%	0.24%	1.11%	3.57%
Agency MBS (0 to 3 years)	1.73	0.75%	(0.82%)	(1.31%)	3.31%
Taxable Municipals	1.74	0.39%	1.54%	4.25%	4.30%
1-5 Year Indices					
U.S. Treasury	2.66	0.41%	0.11%	(0.27%)	3.26%
Federal Agency	2.36	0.43%	0.18%	0.17%	2.85%
U.S. Corporates, A-AAA rated	2.81	0.80%	0.61%	1.37%	4.44%
Agency MBS (0 to 5 years)	2.44	1.35%	(0.27%)	(0.58%)	3.32%
Taxable Municipals	2.83	0.77%	0.76%	2.85%	4.09%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	7.24	0.97%	2.02%	(3.39%)	4.72%
Federal Agency	3.99	0.75%	1.00%	(0.35%)	4.22%
U.S. Corporates, A-AAA rated	8.52	1.81%	3.46%	1.47%	7.17%
Agency MBS (0 to 30 years)	3.49	1.55%	0.32%	(0.39%)	3.86%
Taxable Municipals	11.35	2.47%	4.93%	3.87%	8.82%

Returns for periods greater than one year are annualized.
Source: ICE BofAML Indices.

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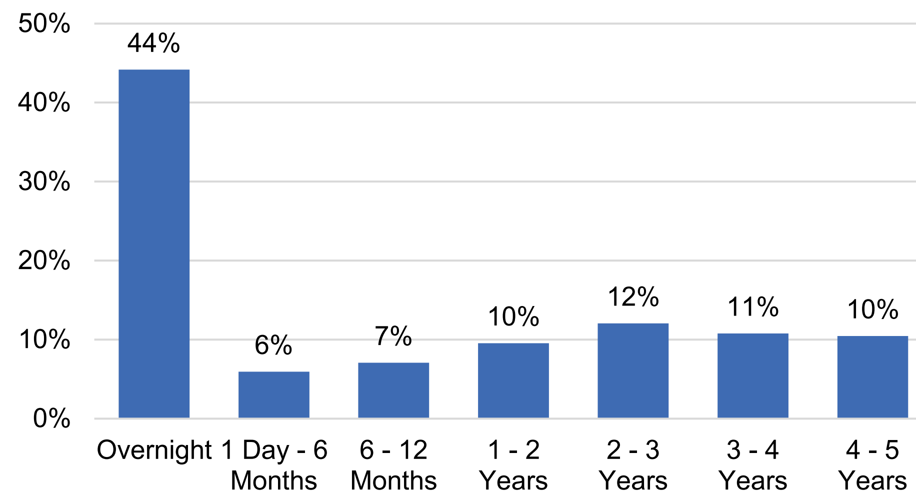
CITY OF SALEM COMBINED PORTFOLIO

Investment Performance Review
For the Quarter Ended June 30, 2021

The portfolio is in compliance with applicable state statutes and the City's Investment Policy C-7.

Quarter Ended June 30, 2021 – 2Q21[1]	
Quarterly Summary	
Market Value (MV)	$359,005,504
Amortized Cost	$356,134,166
Portfolio Yield on Cost	1.07%
Weighted Average Maturity	1.36 years
Cash Basis Earnings for Quarter[2]	$1,596,979
Accrual Basis Earnings for Quarter[2]	$898,590
Quarterly Change	
Amortized Cost – 2Q21	$356,134,166
Beginning MV – 1Q21	$403,897,404
Net Contributions	($21,781,213)
Change in Cash	(23,351,941)
Change in MV	$241,254
Ending MV – 2Q21	$359,005,504

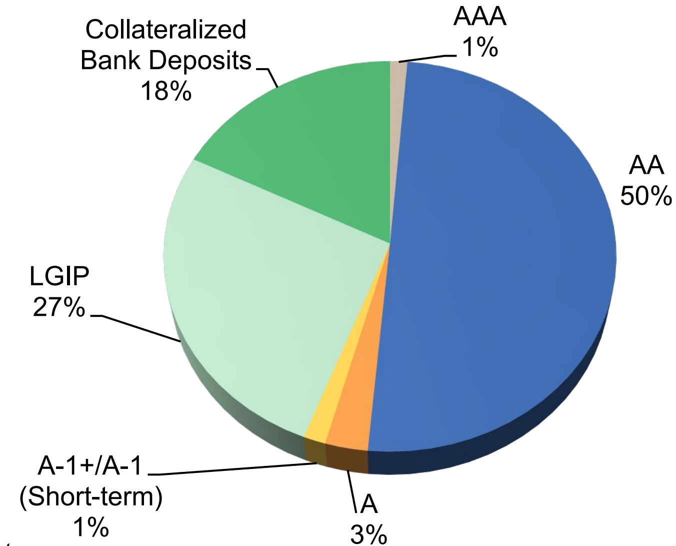
Maturity Distribution[4]



Sector Distribution[1]

Sector	Amortized Cost	Market Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	$135,736,447	$138,438,334	39%	100%
Federal Agencies	$18,535,607	$18,487,296	5%	100%
Commercial Paper	$5,358,380	$5,359,636	1%	Combined 35% Max.
Corporate Notes	$37,924,843	$38,141,350	11%	
LGIP	$95,245,155	$95,245,155	27%	ORS limit
Collateralized Deposit Accounts	$63,333,734	$63,333,734	18%	100%
Total	$356,134,166	$359,005,504	100%	

Credit Quality Distribution[3]



1. Combined portfolio includes funds in the PFM-managed portfolios, funds in the Oregon LGIP, and the City's US Bank account. Portfolio values are as of June 30, 2021 and exclude accrued interest on the PFM-managed funds.
2. Excludes earnings on LGIP and deposit accounts.
3. Ratings by Standard & Poor's (S&P).
4. Callable securities are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Portfolio Recap

- Despite higher inflation expectations and concerns about tapering, the U.S. Treasury yield curve flattened over the month, with yields on long tenors continuing to retreat. The 10-year Treasury yield fell 13 bps (0.13%) to 1.47%. The market is grappling with a variety of uncertainties, including concerns about the Delta COVID variant, downward growth momentum, foreign demand, a more hawkish Fed, and reduced expectations for additional fiscal stimulus

- Our strategy for the second quarter encompassed the following:
    - Diversification remained a key element of our strategy and we sought to further diversify the portfolio holdings while, at the same time, we carefully managed risk as we considered inflationary pressures and Fed policy uncertainty.
    - Federal agency sector spreads remained historically narrow and agencies offered little to no yield advantage over U.S. Treasuries. Because of narrow spreads, we favored Treasuries when making new purchases.
    - Investment-grade corporates were aided over the quarter by the prospect of economic recovery, helped by further fiscal stimulus and supportive monetary policy globally. Credit spreads achieved new tights versus comparable-maturity Treasuries despite an active new issue market as investors continued to reach for yield. PFM engaged in opportunistic buying in the corporate sector, purchasing high quality issues that offered attractive spreads relative to comparable maturity U.S. Treasuries. New corporate purchases were made in longer issues, which captured value along the steeper portions of the curve.

Investment Strategy Outlook

- The strong U.S. economic expansion is expected to persist, aided by a vaccine-driven reopening, pent-up consumer demand, and continued fiscal and monetary support. GDP expectations for 2021 have been revised upward, with current forecasts pointing to an annualized 6% growth this year. However, growing inflationary pressures may force the Fed’s hand when considering tapering its bond purchases and, ultimately, future rate increases.

- We expect interest rates at the short end of the Treasury yield curve to remain anchored by the Fed’s zero interest rate policy, while yields on the long end of the curve will respond to emerging inflation expectations

- Our outlook for major investment-grade sectors includes the following:

    - Treasuries: Current allocations provide opportunities to add to other sectors should spreads become more attractive. Portfolio rebalancing and duration extension trades are focused in the steepest portions of the curve. Along with income, yield curve roll-down should serve as a significant contributor to portfolio returns as the upside for pure price appreciation is quite limited.

    - Agencies: There is limited room for further spread tightening from current levels as spreads are in the single-digit range across most of the curve. With spreads likely to remain near zero over the coming quarter, the sector offers very little incremental yield compared to Treasuries.

    - Corporates: Continued economic recovery, supportive monetary policy, lower expected supply, and strong investor demand for high quality yield should serve as catalysts for good performance in the corporate sector. While historically tight spreads have encouraged us to position the allocation defensively, we will continue to look for opportunities to purchase corporates in an effort to safely grow the portfolio's value.

    - Taxable Municipals: Taxable municipals have been a great alternative to corporates over the past year. While we still see opportunities in the sector, we have turned more cautious due to very tight spreads.

CITY OF SALEM LONG-TERM PORTFOLIO

Investment Performance Review For

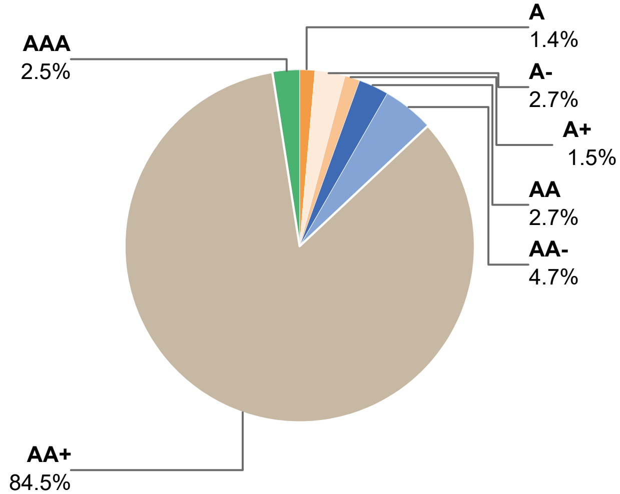
the Quarter Ended June 30, 2021

Portfolio Statistics

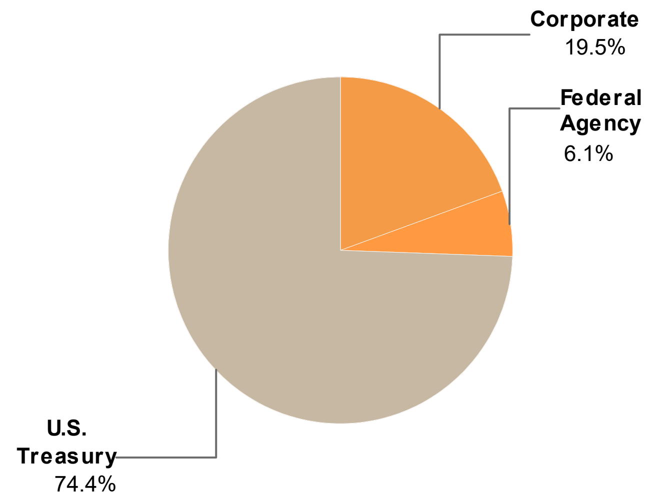
As of June 30, 2021

Par Value:	$182,715,000
Total Market Value:	$186,615,413
Security Market Value:	$185,941,061
Accrued Interest:	$674,353
Cash:	-
Amortized Cost:	$183,091,624
Yield at Market:	0.44%
Yield at Cost:	1.56%
Effective Duration:	2.48 Years
Average Maturity:	2.54 Years
Average Credit: *	AA

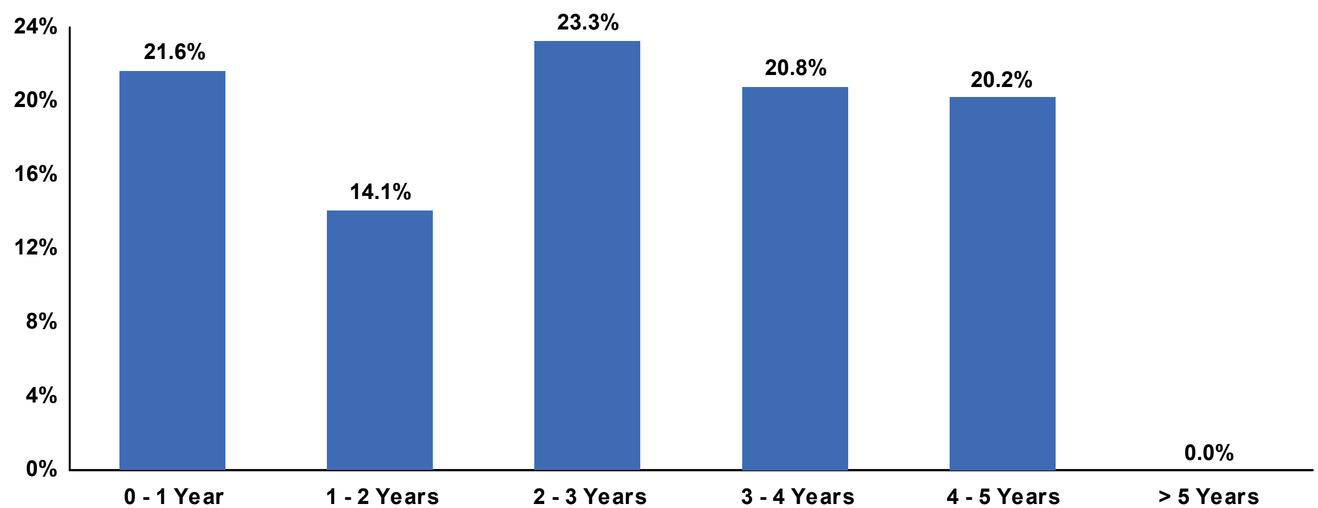
Credit Quality (S&P Ratings)



Sector Allocation



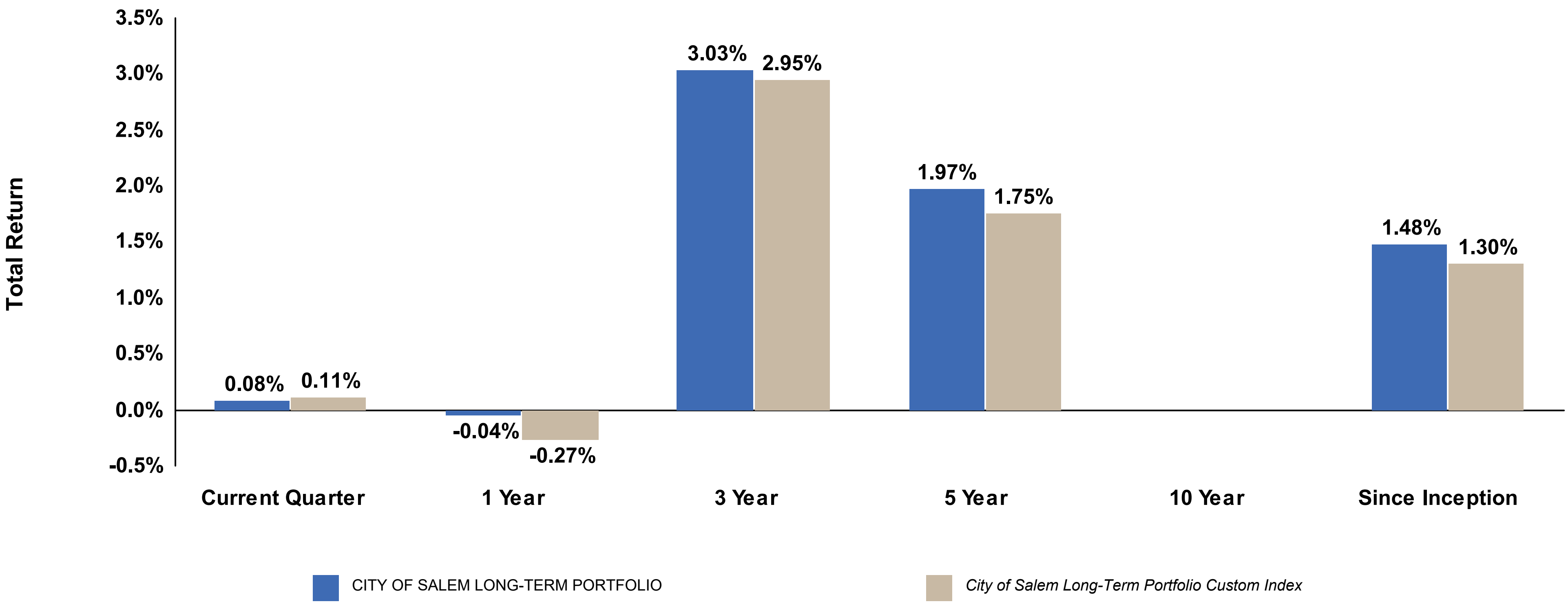
Maturity Distribution



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

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return 3 Year	5 Year	10 Year	Since Inception (12/31/12)
CITY OF SALEM LONG-TERM PORTFOLIO	2.48	0.08%	-0.04%	3.03%	1.97%	-	1.48%
City of Salem Long-Term Portfolio Custom Index*	*2.60*	*0.11%*	*-0.27%*	*2.95%*	*1.75%*	-	*1.30%*
Difference		-0.03%	0.23%	0.08%	0.22%	-	0.18%



Portfolio performance is gross of fees unless otherwise indicated.
**Performance benchmark is the ICE BofAML 1-5 Year U.S. Treasury index as of 12/31/19. Prior to that, it was the ICE BofAML 0-3 Year U.S. Treasury Index from inception through 6/30/2016 and the ICE BofAML 1-3 Year U.S. Treasury Index from 6/30/16 to 12/31/19.*

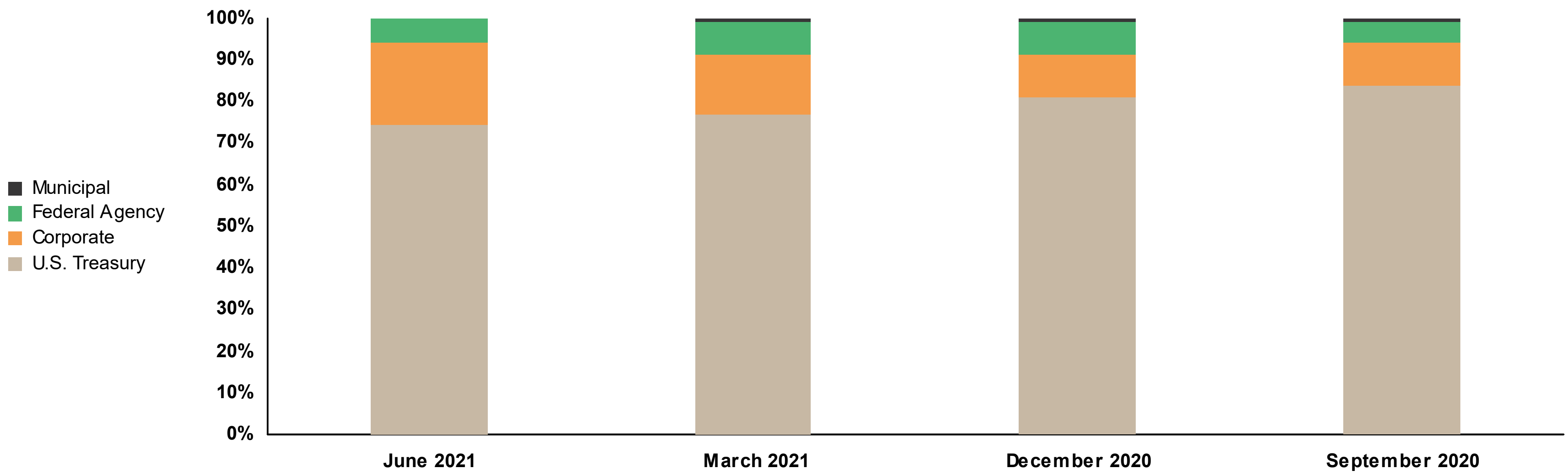
Portfolio Earnings

Quarter-Ended June 30, 2021

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2021)	$184,074,912.81	$180,482,284.89
Net Purchases/Sales	$2,469,654.29	$2,469,654.29
Change in Value	($603,506.36)	$139,684.78
Ending Value (06/30/2021)	$185,941,060.74	$183,091,623.96
Interest Earned	$739,211.13	$739,211.13
Portfolio Earnings	$135,704.77	$878,895.91

Sector Allocation

	June 30, 2021		March 31, 2021		December 31, 2020		September 30, 2020	
Sector	**MV ($MM)**	**% of Total**	**MV ($MM)**	**% of Total**	**MV ($MM)**	**% of Total**	**MV ($MM)**	**% of Total**
U.S. Treasury	138.4	74.4%	141.1	76.6%	149.9	80.9%	155.9	83.8%
Corporate	36.3	19.5%	27.2	14.8%	19.4	10.5%	19.5	10.5%
Federal Agency	11.2	6.1%	14.3	7.8%	14.5	7.8%	9.2	4.9%
Municipal	0.0	0.0%	1.5	0.8%	1.5	0.8%	1.5	0.8%
Total	**$185.9**	**100.0%**	**$184.1**	**100.0%**	**$185.3**	**100.0%**	**$186.0**	**100.0%**

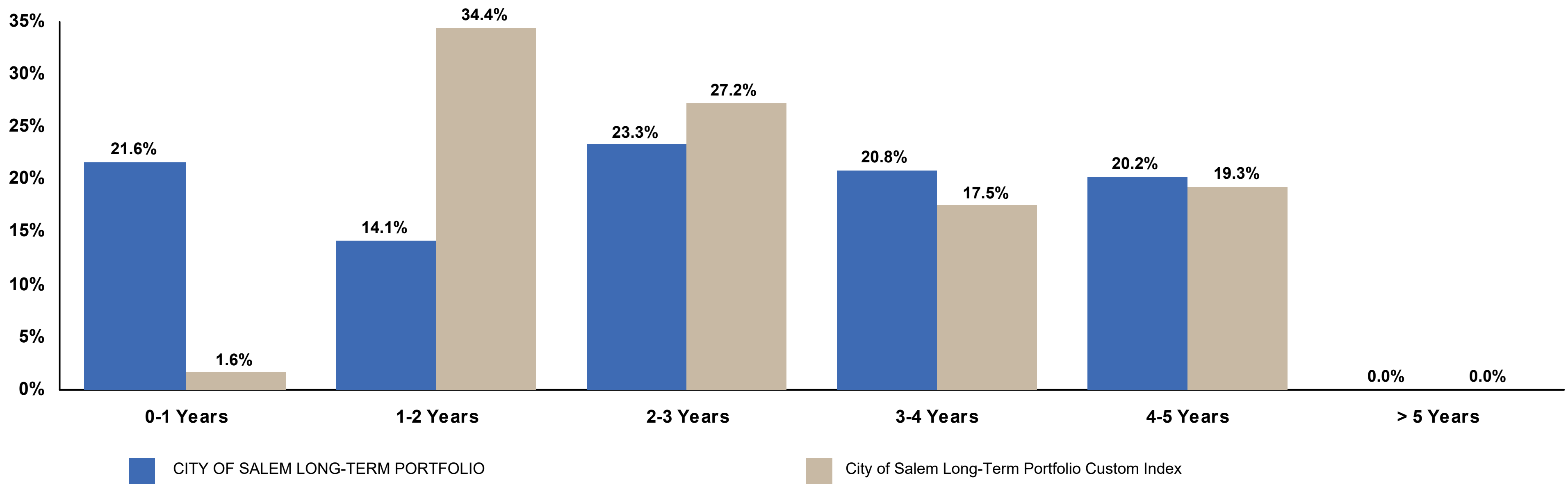


Detail may not add to total due to rounding.

Maturity Distribution

As of June 30, 2021

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF SALEM LONG-TERM PORTFOLIO	0.44%	2.54 yrs	21.6%	14.1%	23.3%	20.8%	20.2%	0.0%
City of Salem Long-Term Portfolio Custom Index*	*0.41%*	*2.73 yrs*	*1.6%*	*34.4%*	*27.2%*	*17.5%*	*19.3%*	*0.0%*



**Performance benchmark is the ICE BofAML 1-5 Year U.S. Treasury index as of 12/31/19. Prior to that, it was the ICE BofAML 0-3 Year U.S. Treasury Index from inception through 6/30/2016 and the ICE BofAML 1-3 Year U.S. Treasury Index from 6/30/16 to 12/31/19.*

CITY OF SALEM SHORT TERM PORTFOLIO

Investment Performance Review For

the Quarter Ended June 30, 2021

Portfolio Earnings

Quarter-Ended June 30, 2021

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2021)	$20,994,550.50	$20,991,471.67
Net Purchases/Sales	($21,000,000.00)	($21,000,000.00)
Change in Value	$5,449.50	$8,528.33
Ending Value (06/30/2021)	$0.00	$0.00
Interest Earned	$0.00	$0.00
Portfolio Earnings	$5,449.50	$8,528.33

CITY OF SALEM STREETS & BRIDGES GO BONDS

Investment Performance Review For

the Quarter Ended June 30, 2021

Portfolio Earnings

Quarter-Ended June 30, 2021

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2021)	$1,614,956.07	$1,614,763.70
Net Purchases/Sales	($1,615,000.00)	($1,615,000.00)
Change in Value	$43.93	$236.30
Ending Value (06/30/2021)	$0.00	$0.00
Interest Earned	$0.00	$0.00
Portfolio Earnings	$43.93	$236.30

CITY OF SALEM WATER-SEWER REV BOND 2020

Investment Performance Review For

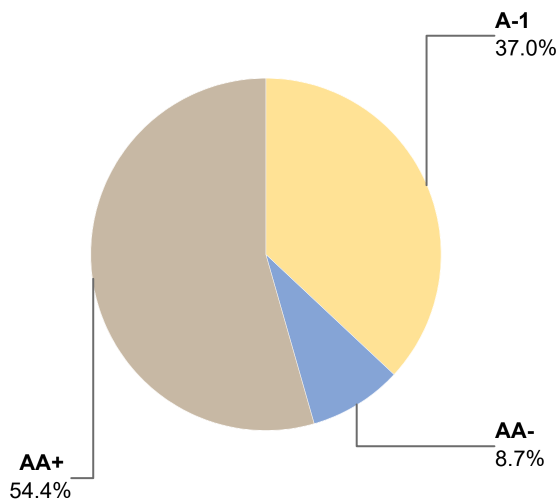
the Quarter Ended June 30, 2021

Portfolio Statistics

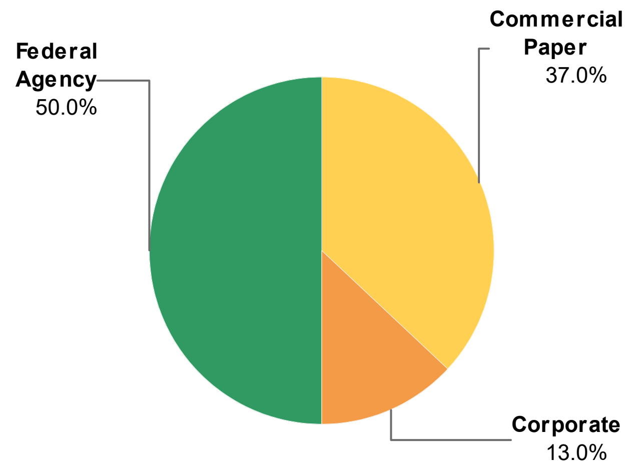
As of June 30, 2021

Par Value:	$14,215,000
Total Market Value:	$14,574,605
Security Market Value:	$14,485,554
Accrued Interest:	$89,051
Cash:	-
Amortized Cost:	$14,463,653
Yield at Market:	0.16%
Yield at Cost:	0.31%
Effective Duration:	0.92 Years
Average Maturity:	0.95 Years
Average Credit: *	AA

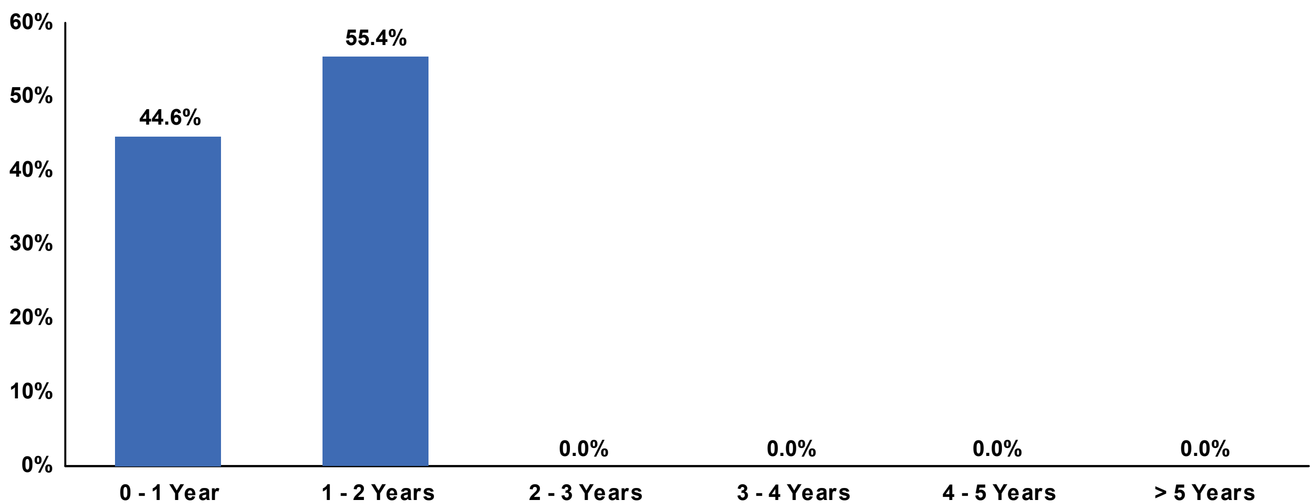
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



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

Portfolio Earnings

Quarter-Ended June 30, 2021

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (03/31/2021)	$14,532,157.60	$14,506,989.78
Net Purchases/Sales	$0.00	$0.00
Change in Value	($46,603.38)	($43,337.21)
Ending Value (06/30/2021)	$14,485,554.22	$14,463,652.57
Interest Earned	$54,266.88	$54,266.88
Portfolio Earnings	$7,663.50	$10,929.67

Portfolio Transactions

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
BUY									
4/15/21	4/16/21	5,000,000	91282CBR1	US TREASURY NOTES	0.25%	3/15/24	4,993,860.40	0.30%	
4/15/21	4/16/21	5,900,000	91282CBH3	US TREASURY NOTES	0.37%	1/31/26	5,794,650.32	0.77%	
4/15/21	4/16/21	6,000,000	91282CAB7	US TREASURY NOTES	0.25%	7/31/25	5,902,092.11	0.65%	
4/27/21	4/28/21	2,500,000	91282CBV2	US TREASURY N/B NOTES	0.37%	4/15/24	2,501,797.83	0.36%	
5/25/21	6/1/21	5,000,000	46647PCH7	JPMORGAN CHASE & CO CORPORATE NOTES	0.82%	6/1/25	5,010,350.00	0.77%	
6/8/21	6/10/21	5,000,000	023135BX3	AMAZON.COM INC CORPORATE NOTES	1.00%	5/12/26	5,014,288.89	0.96%	
6/16/21	6/18/21	2,500,000	89114TZD7	TORONTO-DOMINION BANK CORPORATE NOTES	1.20%	6/3/26	2,510,975.00	1.12%	
Total BUY		**31,900,000**					**31,728,014.55**		
INTEREST									
4/15/21	4/15/21	9,965,000	9128285F3	US TREASURY NOTES	2.87%	10/15/21	143,246.88		
4/30/21	4/30/21	5,400,000	912828X47	US TREASURY NOTES	1.87%	4/30/22	50,625.00		
4/30/21	4/30/21	4,500,000	912828R28	US TREASURY NOTES	1.62%	4/30/23	36,562.50		
4/30/21	4/30/21	1,750,000	912828WZ9	US TREASURY NOTES	1.75%	4/30/22	15,312.50		
4/30/21	4/30/21	5,250,000	912828YM6	US TREASURY NOTES	1.50%	10/31/24	39,375.00		
5/3/21	5/3/21	2,000,000	594918BJ2	MICROSOFT CORP NOTES	3.12%	11/3/25	31,250.00		
5/11/21	5/11/21	4,000,000	166764BW9	CHEVRON CORP (CALLABLE) NOTES	1.55%	5/11/25	31,080.00		
5/15/21	5/15/21	4,070,000	912828G38	US TREASURY NOTES	2.25%	11/15/24	45,787.50		
5/15/21	5/15/21	5,000,000	912828TY6	US TREASURY NOTES	1.62%	11/15/22	40,625.00		
5/31/21	5/31/21	960,000	912828XR6	US TREASURY NOTES	1.75%	5/31/22	8,400.00		
5/31/21	5/31/21	5,000,000	912828U65	US TREASURY NOTES	1.75%	11/30/21	43,750.00		
5/31/21	5/31/21	5,250,000	912828XT2	US TREASURY NOTES	2.00%	5/31/24	52,500.00		
6/30/21	6/30/21	2,000,000	91282CBC4	US TREASURY NOTES	0.37%	12/31/25	3,750.00		
6/30/21	6/30/21	3,530,000	912828V23	US TREASURY NOTES	2.25%	12/31/23	39,712.50		

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
6/30/21	6/30/21	4,600,000	912828XX3	US TREASURY NOTES	2.00%	6/30/24	46,000.00		
6/30/21	6/30/21	4,750,000	912828YY0	US TREASURY NOTES	1.75%	12/31/24	41,562.50		
Total INTEREST		**68,025,000**					**669,539.38**		
MATURITY									
4/1/21	4/1/21	1,480,000	13063DGA0	CA ST TXBL GO BONDS	2.80%	4/1/21	1,500,720.00		0.00
4/13/21	4/13/21	3,100,000	3135G0U27	FANNIE MAE NOTES	2.50%	4/13/21	3,138,750.00		0.00
5/19/21	5/19/21	875,000	02079KAA5	ALPHABET INC CORP NOTE	3.62%	5/19/21	890,859.38		0.00
6/23/21	6/23/21	2,500,000	931142EJ8	WAL-MART STORES INC CORP NOTES	3.12%	6/23/21	2,539,062.50		0.00
Total MATURITY		**7,955,000**					**8,069,391.88**		**0.00**
SELL									
4/15/21	4/16/21	2,500,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	2,524,873.37		7,850.44
4/15/21	4/16/21	175,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	176,741.14		566.22
4/15/21	4/16/21	5,000,000	912828S27	US TREASURY NOTES	1.12%	6/30/21	5,027,994.43		26,978.33
4/15/21	4/16/21	5,025,000	912828WN6	US TREASURY NOTES	2.00%	5/31/21	5,074,995.47		16,258.67
4/15/21	4/16/21	1,015,000	9128284P2	US TREASURY NOTES	2.62%	5/15/21	1,028,328.45		2,160.15
5/25/21	6/1/21	3,750,000	912828T34	US TREASURY NOTES	1.12%	9/30/21	3,771,062.54		33,931.78
5/25/21	6/1/21	1,250,000	912828T34	US TREASURY NOTES	1.12%	9/30/21	1,257,020.84		10,184.13
6/16/21	6/18/21	2,500,000	9128285F3	US TREASURY NOTES	2.87%	10/15/21	2,535,810.50		24,146.17
Total SELL		**21,215,000**					**21,396,826.74**		**122,075.89**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
MATURITY									
6/8/21	6/8/21	10,500,000	62479LT88	MUFG BANK LTD/NY COMM PAPER	0.00%	6/8/21	10,500,000.00		0.00
6/8/21	6/8/21	10,500,000	22533TT89	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	6/8/21	10,500,000.00		0.00
Total MATURITY		**21,000,000**					**21,000,000.00**		**0.00**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
MATURITY									
5/20/21	5/20/21	1,615,000	9127962Y4	US TREASURY BILL	0.00%	5/20/21	1,615,000.00		0.00
Total MATURITY		**1,615,000**					**1,615,000.00**		**0.00**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
INTEREST									
6/14/21	6/14/21	605,000	92826CAC6	VISA INC CORPORATE (CALLABLE) NOTES	2.80%	12/14/22	8,470.00		
Total INTEREST		**605,000**					**8,470.00**		

Portfolio Holdings

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 09/30/2016 1.125% 09/30/2021	912828T34	3,375,000.00	AA+	Aaa	9/11/2018	9/12/2018	3,209,150.39	2.82	9,544.06	3,361,452.14	3,383,964.68
US TREASURY NOTES DTD 10/15/2018 2.875% 10/15/2021	9128285F3	7,465,000.00	AA+	Aaa	11/9/2018	11/13/2018	7,440,797.07	2.99	45,152.03	7,462,595.59	7,525,653.13
US TREASURY NOTES DTD 11/30/2016 1.750% 11/30/2021	912828U65	5,000,000.00	AA+	Aaa	12/4/2018	12/7/2018	4,850,390.63	2.80	7,411.20	4,979,117.88	5,035,156.00
US TREASURY NOTES DTD 01/15/2019 2.500% 01/15/2022	9128285V8	8,100,000.00	AA+	Aaa	1/30/2019	1/31/2019	8,085,761.72	2.56	93,418.51	8,097,389.65	8,205,047.28
US TREASURY NOTES DTD 02/28/2017 1.875% 02/28/2022	912828W55	2,500,000.00	AA+	Aaa	2/26/2019	2/27/2019	2,458,203.13	2.46	15,667.46	2,490,779.54	2,529,687.50
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	5,400,000.00	AA+	Aaa	5/10/2019	5/16/2019	5,348,531.25	2.21	17,058.42	5,385,560.16	5,480,156.52
US TREASURY NOTES DTD 04/30/2015 1.750% 04/30/2022	912828WZ9	1,750,000.00	AA+	Aaa	5/8/2019	5/13/2019	1,726,074.22	2.23	5,159.65	1,743,306.08	1,774,062.50
US TREASURY NOTES DTD 05/31/2017 1.750% 05/31/2022	912828XR6	960,000.00	AA+	Aaa	9/19/2019	9/20/2019	961,312.50	1.70	1,422.95	960,445.50	974,549.95
US TREASURY NOTES DTD 09/15/2019 1.500% 09/15/2022	912828YF1	5,470,000.00	AA+	Aaa	11/13/2019	11/15/2019	5,448,632.81	1.64	24,079.89	5,460,895.72	5,560,596.88
US TREASURY NOTES DTD 11/15/2012 1.625% 11/15/2022	912828TY6	5,000,000.00	AA+	Aaa	11/13/2019	11/15/2019	4,995,117.19	1.66	10,377.04	4,997,763.53	5,100,781.00
US TREASURY NOTES DTD 03/31/2016 1.500% 03/31/2023	912828Q29	3,750,000.00	AA+	Aaa	11/19/2019	11/21/2019	3,738,574.22	1.59	14,139.34	3,744,054.12	3,834,375.00
US TREASURY NOTES DTD 05/02/2016 1.625% 04/30/2023	912828R28	4,500,000.00	AA+	Aaa	1/17/2020	1/22/2020	4,506,503.91	1.58	12,319.97	4,503,638.70	4,614,609.60
US TREASURY NOTES DTD 08/01/2016 1.250% 07/31/2023	912828S92	3,750,000.00	AA+	Aaa	11/19/2019	11/21/2019	3,702,685.55	1.60	19,552.83	3,723,324.20	3,826,758.00
US TREASURY NOTES DTD 08/31/2016 1.375% 08/31/2023	9128282D1	4,500,000.00	AA+	Aaa	1/17/2020	1/22/2020	4,466,425.78	1.59	20,681.05	4,479,835.07	4,606,172.10
US TREASURY NOTES DTD 09/30/2016 1.375% 09/30/2023	912828T26	3,750,000.00	AA+	Aaa	11/19/2019	11/21/2019	3,717,480.47	1.61	12,961.07	3,731,051.43	3,840,234.38

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 01/03/2017 2.250% 12/31/2023	912828V23	3,530,000.00	AA+	Aaa	11/19/2019	11/21/2019	3,619,491.02	1.61	215.83	3,584,433.91	3,696,571.88
US TREASURY NOTES DTD 01/31/2017 2.250% 01/31/2024	912828V80	4,600,000.00	AA+	Aaa	11/26/2019	11/27/2019	4,718,953.13	1.61	43,172.65	4,673,585.68	4,822,812.50
US TREASURY NOTES DTD 03/15/2021 0.250% 03/15/2024	91282CBR1	5,000,000.00	AA+	Aaa	4/15/2021	4/16/2021	4,992,773.44	0.30	3,668.48	4,993,289.62	4,980,469.00
US TREASURY NOTES DTD 03/31/2017 2.125% 03/31/2024	912828W71	4,600,000.00	AA+	Aaa	11/26/2019	11/27/2019	4,698,289.06	1.61	24,571.04	4,662,220.82	4,816,343.52
US TREASURY N/B NOTES DTD 04/15/2021 0.375% 04/15/2024	91282CBV2	2,500,000.00	AA+	Aaa	4/27/2021	4/28/2021	2,501,464.84	0.36	1,972.34	2,501,378.28	2,496,875.00
US TREASURY NOTES DTD 05/31/2017 2.000% 05/31/2024	912828XT2	5,250,000.00	AA+	Aaa	1/17/2020	1/22/2020	5,333,876.95	1.62	8,893.44	5,306,146.42	5,486,250.00
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	4,600,000.00	AA+	Aaa	11/26/2019	11/27/2019	4,678,343.75	1.61	250.00	4,651,154.68	4,810,593.52
US TREASURY NOTES DTD 08/31/2019 1.250% 08/31/2024	912828YE4	5,250,000.00	AA+	Aaa	1/17/2020	1/22/2020	5,163,457.03	1.62	21,934.44	5,190,504.92	5,373,867.45
US TREASURY NOTES DTD 09/30/2019 1.500% 09/30/2024	912828YH7	4,600,000.00	AA+	Aaa	11/26/2019	11/27/2019	4,575,742.19	1.61	17,344.26	4,583,723.00	4,746,625.00
US TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024	912828YM6	5,250,000.00	AA+	Aaa	1/17/2020	1/22/2020	5,219,238.28	1.63	13,267.66	5,228,516.18	5,417,343.75
US TREASURY NOTES DTD 11/17/2014 2.250% 11/15/2024	912828G38	4,070,000.00	AA+	Aaa	11/26/2019	11/27/2019	4,192,735.94	1.62	11,695.72	4,153,379.29	4,302,116.98
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	4,750,000.00	AA+	Aaa	1/17/2020	1/22/2020	4,777,275.39	1.63	225.88	4,769,326.99	4,942,968.75
US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	6,000,000.00	AA+	Aaa	4/15/2021	4/16/2021	5,898,984.38	0.65	6,256.91	5,903,883.67	5,885,625.00
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	2,000,000.00	AA+	Aaa	1/15/2021	1/19/2021	1,992,500.00	0.45	20.38	1,993,176.54	1,961,875.00
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	5,900,000.00	AA+	Aaa	4/15/2021	4/16/2021	5,790,066.41	0.77	9,228.94	5,794,837.94	5,782,000.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 02/28/2021 0.500% 02/28/2026	91282CBQ3	2,665,000.00	AA+	Aaa	3/16/2021	3/18/2021	2,623,255.27	0.82	4,453.74	2,625,679.60	2,624,192.19
Security Type Sub-Total		**135,835,000.00**					**135,432,087.92**	**1.69**	**476,117.18**	**135,736,446.85**	**138,438,334.06**
Federal Agency Bond / Note											
FEDERAL HOME LOAN BANKS NOTES DTD 02/21/2020 1.375% 02/17/2023	3130AJ7E3	4,500,000.00	AA+	Aaa	4/13/2020	4/15/2020	4,617,990.00	0.44	23,031.25	4,567,747.63	4,585,842.00
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	2,850,000.00	AA+	Aaa	11/30/2020	12/1/2020	2,844,129.00	0.42	4,750.00	2,844,864.18	2,812,505.40
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	1,400,000.00	AA+	Aaa	9/29/2020	9/30/2020	1,397,830.00	0.41	1,429.17	1,398,156.87	1,379,655.20
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	2,500,000.00	AA+	Aaa	11/30/2020	12/1/2020	2,490,025.00	0.46	2,552.08	2,491,228.59	2,463,670.00
Security Type Sub-Total		**11,250,000.00**					**11,349,974.00**	**0.44**	**31,762.50**	**11,301,997.27**	**11,241,672.60**
Corporate Note											
TOYOTA MOTOR CREDIT CORP BONDS DTD 01/09/2017 2.600% 01/11/2022	89236TDP7	2,750,000.00	A+	A1	1/8/2019	1/10/2019	2,705,972.50	3.16	33,763.89	2,742,213.92	2,784,369.50
JOHNSON & JOHNSON CORP NOTES DTD 03/03/2017 2.250% 03/03/2022	478160CD4	2,500,000.00	AAA	Aaa	3/5/2019	3/7/2019	2,467,900.00	2.70	18,437.50	2,492,798.08	2,532,025.00
PROCTER & GAMBLE CO/THE CORP NOTES DTD 08/11/2017 2.150% 08/11/2022	742718EU9	2,500,000.00	AA-	Aa3	11/13/2019	11/15/2019	2,524,850.00	1.78	20,902.78	2,510,089.10	2,552,317.50
APPLE INC (CALLABLE) BONDS DTD 02/09/2017 3.000% 02/09/2024	037833CG3	2,380,000.00	AA+	Aa1	1/17/2020	1/22/2020	2,477,699.00	1.94	28,163.33	2,441,432.47	2,524,385.08
BLACKROCK INC CORP NOTES DTD 03/18/2014 3.500% 03/18/2024	09247XAL5	2,000,000.00	AA-	Aa3	11/19/2019	11/21/2019	2,130,520.00	1.92	20,027.78	2,081,915.97	2,161,194.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
CHEVRON CORP (CALLABLE) NOTES DTD 05/11/2020 1.554% 05/11/2025	166764BW9	2,000,000.00	AA-	Aa2	3/11/2021	3/15/2021	2,048,380.00	0.96	4,316.67	2,044,868.55	2,046,830.00
CHEVRON CORP (CALLABLE) NOTES DTD 05/11/2020 1.554% 05/11/2025	166764BW9	2,000,000.00	AA-	Aa2	3/12/2021	3/16/2021	2,041,100.00	1.05	4,316.67	2,038,142.57	2,046,830.00
JPMORGAN CHASE & CO CORPORATE NOTES DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	5,000,000.00	A-	A2	5/25/2021	6/1/2021	5,010,350.00	0.77	3,433.33	5,010,137.47	4,991,995.00
MICROSOFT CORP NOTES DTD 11/03/2015 3.125% 11/03/2025	594918BJ2	2,000,000.00	AAA	Aaa	3/16/2021	3/18/2021	2,186,160.00	1.06	10,069.44	2,174,600.69	2,180,338.00
APPLE INC (CALLABLE) CORPORATE NOTES DTD 02/08/2021 0.700% 02/08/2026	037833EB2	5,000,000.00	AA+	Aa1	2/8/2021	2/10/2021	4,996,800.00	0.71	13,902.78	4,997,047.37	4,939,650.00
AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 1.000% 05/12/2026	023135BX3	5,000,000.00	AA	A1	6/8/2021	6/10/2021	5,010,400.00	0.96	6,805.56	5,010,278.46	4,995,715.00
TORONTO-DOMINION BANK CORPORATE NOTES DTD 06/03/2021 1.200% 06/03/2026	89114TZD7	2,500,000.00	A	Aa3	6/16/2021	6/18/2021	2,509,725.00	1.12	2,333.33	2,509,655.19	2,505,405.00
Security Type Sub-Total		**35,630,000.00**					**36,109,856.50**	**1.40**	**166,473.06**	**36,053,179.84**	**36,261,054.08**
Managed Account Sub Total		**182,715,000.00**					**182,891,918.42**	**1.56**	**674,352.74**	**183,091,623.96**	**185,941,060.74**
Securities Sub-Total		**$182,715,000.00**					**$182,891,918.42**	**1.56%**	**$674,352.74**	**$183,091,623.96**	**$185,941,060.74**
Accrued Interest											**$674,352.74**
Total Investments											**$186,615,413.48**

Bolded items are forward settling trades.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FANNIE MAE NOTES DTD 01/11/2019 2.625% 01/11/2022	3135G0U92	1,080,000.00	AA+	Aaa	4/27/2020	4/29/2020	1,122,260.40	0.32	13,387.50	1,093,180.90	1,094,560.56
FANNIE MAE NOTES DTD 01/23/2018 2.375% 01/19/2023	3135G0T94	5,950,000.00	AA+	Aaa	4/24/2020	4/28/2020	6,284,509.00	0.30	63,590.63	6,140,428.32	6,151,062.40
Security Type Sub-Total		**7,030,000.00**					**7,406,769.40**	**0.30**	**76,978.13**	**7,233,609.22**	**7,245,622.96**
Corporate Note											
PROCTER & GAMBLE CO/THE CORP NOTES DTD 08/11/2017 2.150% 08/11/2022	742718EU9	615,000.00	AA-	Aa3	4/24/2020	4/28/2020	637,847.25	0.51	5,142.08	626,108.96	627,870.11
VISA INC CORPORATE (CALLABLE) NOTES DTD 12/14/2015 2.800% 12/14/2022	92826CAC6	605,000.00	AA-	Aa3	4/27/2020	4/29/2020	636,490.25	0.79	799.94	621,481.53	624,445.31
APPLE CORP NOTES (CALLABLE) DTD 02/23/2016 2.850% 02/23/2023	037833BU3	605,000.00	AA+	Aa1	4/30/2020	5/4/2020	639,013.10	0.82	6,130.67	624,072.77	627,980.32
Security Type Sub-Total		**1,825,000.00**					**1,913,350.60**	**0.71**	**12,072.69**	**1,871,663.26**	**1,880,295.74**
Commercial Paper											
NATIXIS NY BRANCH COMM PAPER DTD 12/08/2020 0.000% 09/03/2021	63873JW30	5,360,000.00	A-1	P-1	3/5/2021	3/8/2021	5,355,469.31	0.17	0.00	5,358,380.09	5,359,635.52
Security Type Sub-Total		**5,360,000.00**					**5,355,469.31**	**0.17**	**0.00**	**5,358,380.09**	**5,359,635.52**
Managed Account Sub Total		**14,215,000.00**					**14,675,589.31**	**0.31**	**89,050.82**	**14,463,652.57**	**14,485,554.22**
Securities Sub-Total		**$14,215,000.00**					**$14,675,589.31**	**0.31%**	**$89,050.82**	**$14,463,652.57**	**$14,485,554.22**
Accrued Interest											**$89,050.82**
Total Investments											**$14,574,605.04**

Bolded items are forward settling trades.

IMPORTANT DISCLOSURES

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

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

GLOSSARY

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

GLOSSARY

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