Quarter ending: March 2016

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City Treasurer
Economic and Market Overview
January – March 2016:

- Fed Funds rate remains ¼ to ½ percent
- 2-year Treasury down from 1.02% to 0.73%
- March Unemployment Rate: 5.00%
- Dec Labor Participation Rate: 63.0%
## Portfolio Overview 03/31/16:

### As of March 31, 2016:

$ in millions

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Market Value</th>
<th>Book Value</th>
<th>% Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Agency Issues</td>
<td>$ 148.2</td>
<td>$148.1</td>
<td>69%</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>$ 25.4</td>
<td>$ 25.4</td>
<td>12%</td>
</tr>
<tr>
<td>Corporate Bonds</td>
<td>$ 40.8</td>
<td>$ 40.7</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Total Portfolio</strong></td>
<td><strong>$214.4</strong></td>
<td><strong>$214.1</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Portfolio Composition 03/31/16:

- Investments By Type:
  - Corporate Bonds 19%
  - Federal Agencies 69%
  - LAIF 12%
Maturity Details 03/31/16:

- Market Value % by Maturity:

  - 2 - 3Yr: 26.23%
  - 3 - 4Yr: 9.34%
  - 4 - 5Yr: 19.57%
  - 1 - 2Yr: 29.29%
  - 0 - 1Yr: 3.74%
  - Cash: 11.82%

Market Value % of Portfolio By Maturity Bucket
Book Value by Month 03/31/16

• Historical Book Value

$ in millions

$214.1MM
Current Agency Holdings 03/31/16:

- Federal Agency Holdings:
  - Federal Home Loan Bank
  - Federal National Mortgage Association (Fannie Mae)
  - Federal Farm Credit Bank
  - Federal Home Loan Mortgage Corp. (Freddie Mac)
Agency Structure 03/31/16:

- Federal Agency Structure Composition:

  - **CALLABLE**: 33.62%
  - **STEP UP**: 21.48%
  - **BULLET**: 14.04%

**Book Value % of Portfolio By Agency Type**
Corporate Holdings 03/31/16:

- Select Corporate Bond Issuers:
  - Apple Inc.
  - Caterpillar Financial Corp.
  - GE Capital Corp.
  - Coca Cola Co.
  - Merck & Co Inc.
  - Oracle Corp.
  - Toyota Motor Credit
**Portfolio Earnings:**

**Quarter ending 03/31/16:**

<table>
<thead>
<tr>
<th>Total Earnings:</th>
<th>Month end 3/31/16:</th>
<th>FYTD 2015/16:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Year</td>
<td>$188,760</td>
<td>$1,072,011</td>
</tr>
<tr>
<td>Current Budget</td>
<td>$110,000</td>
<td>$660,000</td>
</tr>
<tr>
<td>Last Year Actual</td>
<td>$175,525</td>
<td>$893,851</td>
</tr>
</tbody>
</table>

**Effective Rate of Return**

- **1.10%**
- **1.10%**

**versus benchmark:**

- **0.73%**
Conclusion:

- Earnings utilized to offset taxpayer funds for operations, capital expenditures and other City projects
- City Portfolio remains compliant with all State regulations and Investment Policy
- No losses
QUESTIONS?

Thank you