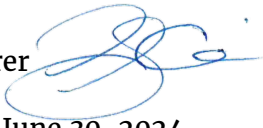




THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: July 29, 2024  
TO: Distribution  
FROM: Elizabeth Correia, City Treasurer   
SUBJECT: Monthly Investment Report – June 30, 2024

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Attached is the City Treasurer's Monthly Investment Report, which includes three schedules. These investments are in conformance with the City Treasurer's [Investment Policy](#) and are sufficiently liquid to meet the City's expenditure requirements for the next six months as required by California Government Code section 53646(b)(3).

If you have questions, please contact Emmanuel Labrinos, Chief Investment Officer, at (619) 236-6112.

EC/el

Attachments:

- I. Schedule I:
  - a. City's pooled investment holdings
  - b. City's pooled investment maturity distribution schedule
  - c. City's pooled investment historical earned income yields and weighted average days to maturity
- II. Schedule II: Pooled Portfolio Position Detail Report
- III. Appendix: Glossary of Investment Terms

Distribution:

Honorable Mayor Todd Gloria  
Honorable Mara Elliott, City Attorney  
Honorable Council President Elo-Rivera and Members of the City Council  
Paola Avila, Chief of Staff, Office of the Mayor  
Eric Dargan, Chief Operating Officer  
Charles Modica, Independent Budget Analyst

Page 2  
Distribution  
July 29, 2024

Deborah Higgins, Investment Advisory Committee  
Stefan Meierhofer, Investment Advisory Committee  
Jayson Schmitt, Investment Advisory Committee  
Matt Vespi, Chief Financial Officer and Investment Advisory Committee  
Jyothi Pantulu, Assistant Director, Department of Finance and Investment Advisory Committee

cc: Matt Yagyagan, Director of Policy, Office of the Mayor  
Rolando Charvel, Director, Department of Finance and City Comptroller  
Emmanuel Labrinos, Chief Investment Officer, Office of the City Treasurer  
Nicole LeClair-Miller, Deputy Director, Office of the City Treasurer  
Jeremy Shortess, Principal Accountant, Office of the City Treasurer



**ASSET ALLOCATION**

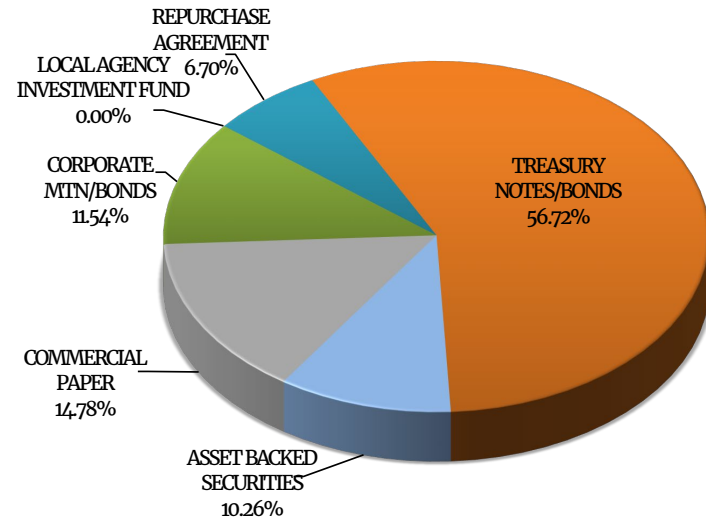
Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	306,694	306,022	304,697	99.57%	4.42%
COMMERCIAL PAPER	443,350	440,730	443,029	100.52%	5.49%
CORPORATE MTN/BONDS	346,272	344,088	343,008	99.69%	4.88%
LOCAL AGENCY INVESTMENT FUND	69	69	69	100.00%	4.55%
REPURCHASE AGREEMENT	199,700	199,700	199,700	100.00%	5.40%
TREASURY NOTES/BONDS	1,717,100	1,691,595	1,674,850	99.01%	3.09%
<b>Totals (000's):</b>	<b>3,013,185</b>	<b>2,982,204</b>	<b>2,965,352</b>	<b>99.43%</b>	<b>3.95%</b>

**Portfolio Breakdown & Statistics**

	Liquidity	Core
Portfolio Size	\$1,518,351,127	\$1,463,852,914
% of total pool	50.91%	49.09%
Portfolio Duration*	0.31	1.79**
Index Duration*	0.27	1.88
% of index	111.49%	95.21%
Weighted Average Days to Maturity	135	778
Earned Income Yield	3.326%	3.827%

\* Macaulay's Duration for Liquidity and Effective Duration for Core.

\*\* Includes effects from trades settling over month-end.



Pooled Portfolio Composition by Book Value

POOLED INVESTMENTS AT JUNE 30, 2024 - MATURITY DISTRIBUTION

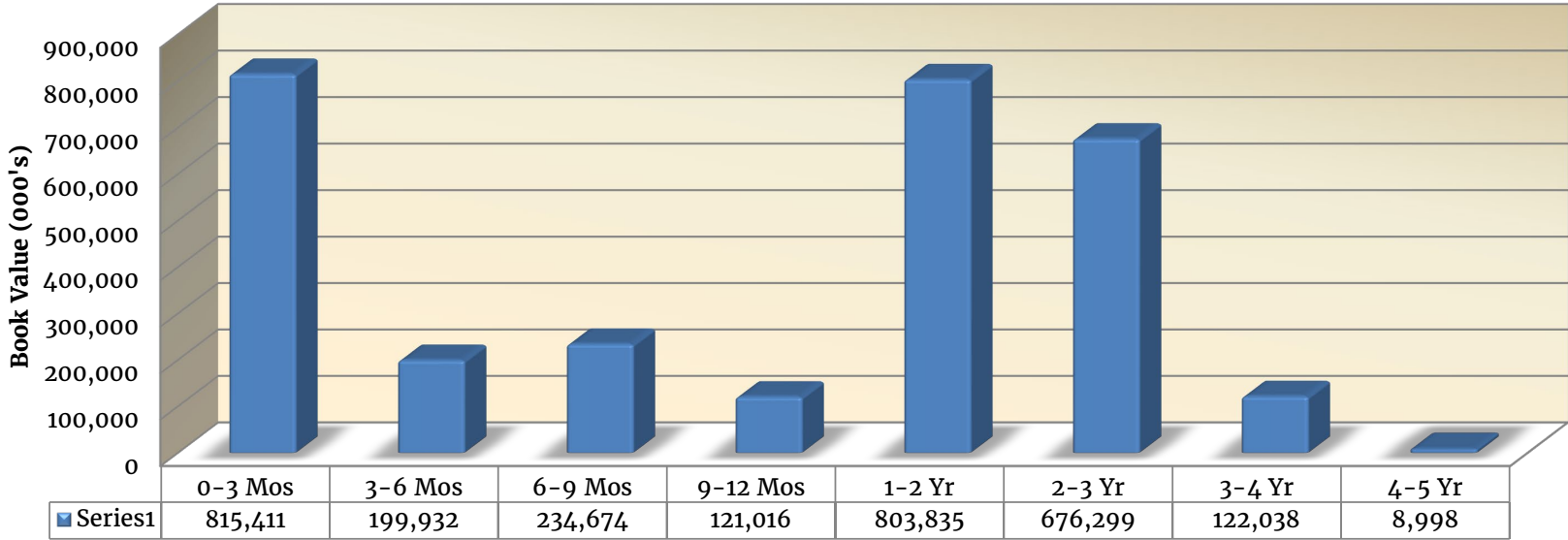
City of San Diego  
Office of the City Treasurer



**MATURITY DISTRIBUTION**

Current Book Value (000's)	0-3 Mos	3-6 Mos	6-9 Mos	9-12 Mos	1-2 Yr	2-3 Yr	3-4 Yr	4-5 Yr	Totals (000's)
<b>ASSET BACKED SECURITIES</b>					47,497	127,489	122,038	8,998	306,022
<b>COMMERCIAL PAPER</b>	440,730								440,730
<b>CORPORATE MTN/BONDS</b>			9,744	21,096	80,397	232,851			344,088
<b>LOCAL AGENCY INVESTMENT FUND</b>	69								69
<b>REPURCHASE AGREEMENT</b>	199,700								199,700
<b>TREASURY NOTES/BONDS</b>	174,912	199,932	224,930	99,920	675,942	315,959			1,691,595
<b>Totals (000's):</b>	<b>815,411</b>	<b>199,932</b>	<b>234,674</b>	<b>121,016</b>	<b>803,835</b>	<b>676,299</b>	<b>122,038</b>	<b>8,998</b>	<b>2,982,204</b>
<b>% of Portfolio</b>	<b>27.34%</b>	<b>6.70%</b>	<b>7.87%</b>	<b>4.06%</b>	<b>26.95%</b>	<b>22.68%</b>	<b>4.09%</b>	<b>0.30%</b>	<b>100.00%</b>

Maturity Distribution  
June 30, 2024

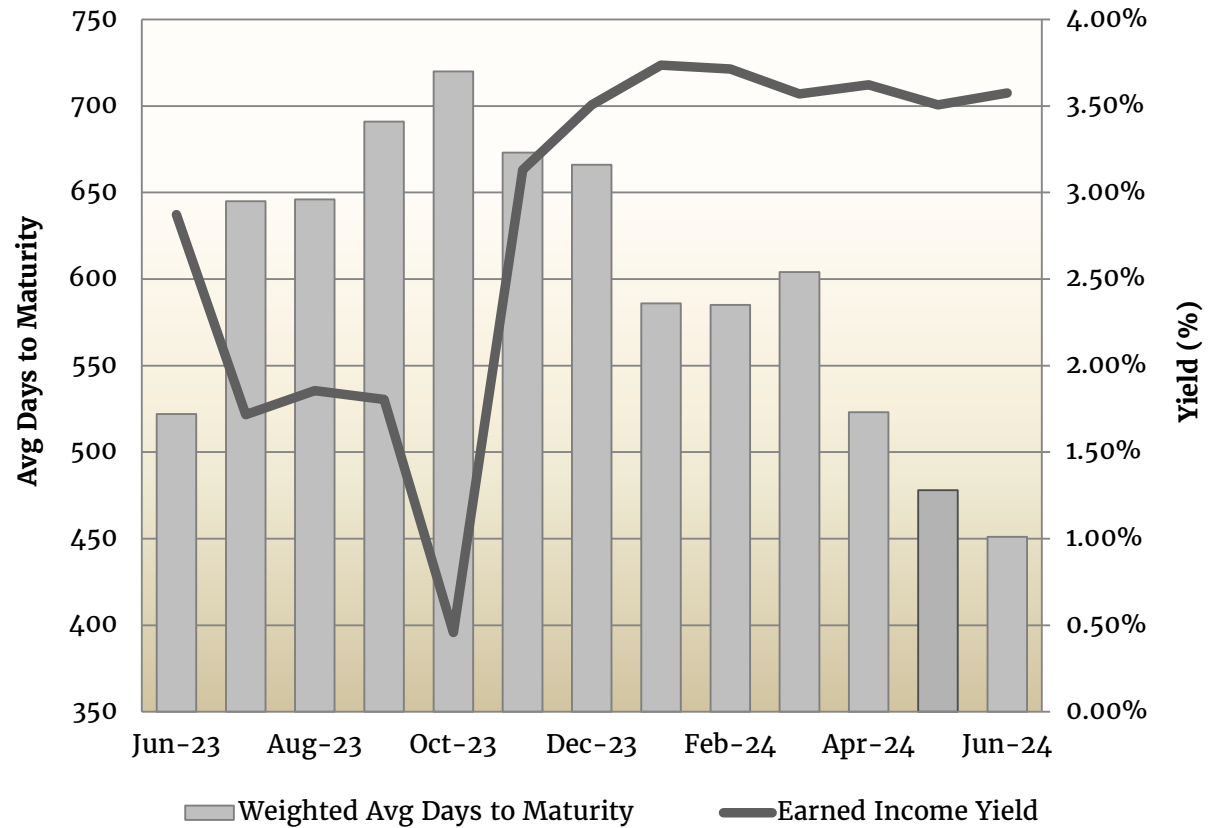




**PORTFOLIO - EARNED INCOME YIELD**

Month	Earned Income Yield	Weighted Avg Days to Maturity
Jun-23	2.87%	522
Jul-23	1.72%	645
Aug-23	1.86%	646
Sep-23	1.80%	691
Oct-23	0.46%	720
Nov-23	3.13%	673
Dec-23	3.51%	666
Jan-24	3.74%	586
Feb-24	3.71%	585
Mar-24	3.57%	604
Apr-24	3.62%	523
May-24	3.51%	478
Jun-24	3.58%	451

Yield and Weighted Average Days to Maturity Trends



POOLED INVESTMENTS AT JUNE 30, 2024 - PORTFOLIO POSITION DETAIL

TREASURY NOTES/BONDS	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Treasury Notes	UST Note	91282CCL3	0.375	0.346	0.038	7/3/2023	7/15/2024	50,000,000.00	50,015,041.06	49,904,100.00	99.808	ICED
Treasury Notes	UST Note	91282CCT6	0.375	0.397	0.123	7/3/2023	8/15/2024	75,000,000.00	74,981,167.46	74,535,675.00	99.381	ICED
Treasury Notes	UST Note	91282CCX7	0.375	0.526	0.208	8/1/2023	9/15/2024	50,000,000.00	49,915,473.09	49,492,200.00	98.984	ICED
Treasury Notes	UST Note	91282CDB4	0.625	0.759	0.290	9/1/2023	10/15/2024	75,000,000.00	74,887,838.31	73,974,600.00	98.633	ICED
Treasury Notes	UST Note	91282CDH1	0.750	0.749	0.375	10/2/2023	11/15/2024	50,000,000.00	50,000,739.66	49,153,300.00	98.307	ICED
Treasury Notes	UST Note	91282CDN8	1.000	0.948	0.457	11/1/2023	12/15/2024	75,000,000.00	75,043,390.38	73,556,400.00	98.075	ICED
Treasury Notes	UST Note	91282CGG0	4.125	4.216	0.557	11/1/2023	1/31/2025	100,000,000.00	99,885,316.78	99,305,700.00	99.306	ICED
Treasury Notes	UST Note	912828Z52	1.375	1.401	0.563	12/1/2023	1/31/2025	50,000,000.00	49,984,803.08	48,879,900.00	97.760	ICED
Treasury Notes	UST Note	91282CDZ1	1.500	1.636	0.603	3/1/2024	2/15/2025	25,000,000.00	24,983,232.15	24,415,275.00	97.661	ICED
Treasury Notes	UST Note	9128284F4	2.625	2.476	0.723	4/1/2024	3/31/2025	50,000,000.00	50,076,683.91	49,058,600.00	98.117	ICED
Treasury Notes	UST Note	91282CEQ0	2.750	2.752	0.843	5/1/2024	5/15/2025	50,000,000.00	49,998,632.81	48,965,800.00	97.932	ICED
Treasury Notes	UST Note	91282CGL9	4.000	4.511	0.915	3/1/2023	2/15/2026	85,000,000.00	83,808,007.81	83,851,140.00	98.648	ICED
Treasury Notes	UST Note	91282CEU1	2.875	3.031	0.925	6/3/2024	6/15/2025	50,000,000.00	49,921,122.69	48,940,900.00	97.882	ICED
Treasury Notes	UST Note	91282CEY3	3.000	2.846	0.991	6/3/2024	7/15/2025	100,000,000.00	101,319,935.99	97,899,400.00	97.899	ICED
Treasury Notes	UST Note	91282CFE6	3.125	3.444	1.073	9/1/2022	8/15/2025	150,000,000.00	148,664,062.50	146,853,450.00	97.902	ICED
Treasury Notes	UST Note	91282CFP1	4.250	4.320	1.227	12/2/2022	10/15/2025	100,000,000.00	99,808,593.75	99,062,500.00	99.063	ICED
Treasury Notes	UST Note	91282CGA3	4.000	4.238	1.392	1/3/2023	12/15/2025	100,000,000.00	99,343,750.00	98,710,900.00	98.711	ICED
Treasury Notes	UST Note	91282CJV4	4.250	4.712	1.484	2/23/2024	1/31/2026	20,000,000.00	19,884,177.54	19,807,820.00	99.039	ICED
Treasury Notes	UST Note	91282CKB6	4.625	4.627	1.560	3/1/2024	2/28/2026	30,000,000.00	30,002,598.51	29,892,180.00	99.641	ICED
Treasury Notes	UST Note	91282CKB6	4.625	4.606	1.560	3/28/2024	2/28/2026	10,100,000.00	10,138,698.37	10,063,700.60	99.641	ICED
Treasury Notes	UST Note	91282CCF6	0.750	4.581	1.859	4/1/2024	5/31/2026	90,000,000.00	82,972,265.63	83,464,470.00	92.738	ICED
Treasury Notes	UST Note	91282CJM6	4.500	4.528	1.885	8/1/2023	7/15/2026	75,000,000.00	74,941,406.25	74,677,725.00	99.570	ICED
Treasury Notes	UST Note	91282CJK8	4.625	4.465	2.210	12/1/2023	11/15/2026	67,000,000.00	67,293,125.00	66,968,577.00	99.953	ICED
Treasury Notes	UST Note	91282CJP7	4.375	4.040	2.298	12/29/2023	12/15/2026	32,000,000.00	32,296,250.00	31,816,256.00	99.426	ICED
Treasury Notes	UST Note	912828ZE3	0.625	3.970	2.662	2/1/2024	3/31/2027	110,000,000.00	99,167,578.13	98,948,410.00	89.953	ICED
Treasury Notes	UST Note	912828ZV5	0.500	4.632	2.911	5/9/2024	6/30/2027	48,000,000.00	42,260,625.00	42,660,640.00	88.856	ICED
<b>Total</b>	<b>Count 26</b>		<b>2.534</b>	<b>3.094</b>	<b>1.132</b>			<b>1,717,100,000.00</b>	<b>1,691,594,515.86</b>	<b>1,674,849,618.60</b>	<b>97.539</b>	

LOCAL AGENCY INVESTMENT FUND	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
LAIF	LAIF	SYS49819	4.300	4.300	0.000	3/31/2003	7/1/2024	68,653.39	68,653.39	68,653.39	100.000	MNL
<b>Total</b>	<b>Count 1</b>		<b>4.300</b>	<b>4.300</b>	<b>0.000</b>			<b>68,653.39</b>	<b>68,653.39</b>	<b>68,653.39</b>	<b>100.000</b>	

ASSET BACKED SECURITIES	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Asset Backed Secs	Capital One	14041NFW6	0.550	0.533	1.034	3/1/2024	7/15/2026	27,000,000.00	26,998,906.50	26,939,439.00	99.776	ICED
Asset Backed Secs	Mercedes-Benz Auto Lease	58768RAC4	4.740	4.604	1.212	6/3/2024	1/15/2027	19,000,000.00	18,999,338.80	18,861,946.00	99.273	ICED
Asset Backed Secs	American Express Credit	02582JJV3	3.750	3.898	1.455	9/12/2022	8/15/2027	27,740,000.00	27,589,380.47	27,240,874.18	98.201	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.417	1.492	2/2/2023	9/15/2027	8,871,000.00	8,776,052.58	8,726,225.28	98.368	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.010	1.502	9/16/2022	9/15/2027	10,000,000.00	9,998,331.00	9,836,800.00	98.368	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.705	1.502	3/31/2023	9/15/2027	24,000,000.00	23,613,476.56	23,608,320.00	98.368	ICED
Asset Backed Secs	American Express Credit	02582JJX9	4.950	5.004	1.530	11/3/2022	10/15/2027	10,000,000.00	9,999,504.00	9,949,910.00	99.499	ICED
Asset Backed Secs	Navistar Financial Dealer	63938PBW8	5.590	5.662	1.722	5/23/2024	4/25/2026	7,500,000.00	7,498,995.75	7,516,425.00	100.219	ICED
Asset Backed Secs	Bank of America Credit Card	05522RDF2	5.000	5.113	1.731	6/21/2023	4/15/2028	20,645,000.00	20,600,645.51	20,567,374.80	99.624	ICED
Asset Backed Secs	Verizon Master Trust	92348KCU5	5.980	5.272	1.830	6/28/2024	6/22/2026	40,000,000.00	39,997,784.00	40,000,000.00	100.000	ICED
Asset Backed Secs	Discover Card	254683CZ6	4.930	4.820	1.893	7/20/2023	6/15/2028	21,438,000.00	21,460,610.39	21,348,946.55	99.585	ICED
Asset Backed Secs	Ford Credit Auto OwnerTrust	34535EAD4	5.090	5.152	2.048	3/19/2024	12/15/2028	9,000,000.00	8,998,487.10	8,998,160.00	99.824	ICED
Asset Backed Secs	Bank of America Credit Card	05522RDH8	4.980	4.985	2.228	12/14/2023	11/15/2026	9,500,000.00	9,498,724.15	9,493,036.50	99.927	ICED
Asset Backed Secs	Chase Issuance Trust	161571HV9	4.600	4.601	2.385	1/31/2024	1/15/2027	34,000,000.00	33,994,821.80	33,644,020.00	98.953	MNL
Asset Backed Secs	GMF Floorplan Owner Revolving	361886DA9	5.130	5.190	2.514	3/27/2024	3/15/2027	13,000,000.00	12,998,329.50	12,969,320.00	99.764	MNL
Asset Backed Secs	Bank of America Credit Card	05522RDJ4	4.930	5.088	2.716	6/13/2024	5/15/2027	25,000,000.00	24,998,597.50	25,009,925.00	100.040	ICED
<b>Total</b>	<b>Count 16</b>		<b>4.429</b>	<b>4.432</b>	<b>1.809</b>			<b>306,694,000.00</b>	<b>306,021,985.61</b>	<b>304,696,722.31</b>	<b>99.349</b>	

POOLED INVESTMENTS AT JUNE 30, 2024 - PORTFOLIO POSITION DETAIL

REPURCHASE AGREEMENT	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Repo	Daiwa Repurchase Agmt	REPO80234	5.340	5.414	0.000	6/27/2024	7/1/2024	102,700,000.00	102,700,000.00	102,700,000.00	100.000	ICED
Repo	Daiwa Repurchase Agmt	REPO80237	5.320	5.394	0.000	6/28/2024	7/1/2024	97,000,000.00	97,000,000.00	97,000,000.00	100.000	ICED
<b>Total</b>	<b>Count 2</b>		<b>5.330</b>	<b>5.404</b>	<b>0.000</b>			<b>199,700,000.00</b>	<b>199,700,000.00</b>	<b>199,700,000.00</b>	<b>100.000</b>	

COMMERCIAL PAPER	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Commercial Paper	Bayerische Landesbank	07274LG19	5.370	5.512	0.000	4/10/2024	7/1/2024	40,000,000.00	39,510,733.33	39,982,280.00	99.956	ICED
Commercial Paper	Thunder Bay Funding	88602TG15	5.360	5.500	0.000	4/12/2024	7/1/2024	30,000,000.00	29,642,666.67	29,986,650.00	99.956	ICED
Commercial Paper	Hannover Funding Co	41068KG10	5.540	5.683	0.000	4/17/2024	7/1/2024	20,800,000.00	20,559,933.33	20,790,494.40	99.954	ICED
Commercial Paper	Jupiter Sec Co	4820P2G17	5.370	5.506	0.000	4/17/2024	7/1/2024	50,000,000.00	49,440,625.00	49,977,750.00	99.956	ICED
Commercial Paper	Hannover Funding Co	41068KG10	5.540	5.656	0.000	5/17/2024	7/1/2024	17,000,000.00	16,882,275.00	16,992,231.00	99.954	ICED
Commercial Paper	Hannover Funding Co	41068KG10	5.520	5.623	0.000	5/31/2024	7/1/2024	29,000,000.00	28,862,153.33	28,986,747.00	99.954	ICED
Commercial Paper	PACCAR Inc	69372AG14	5.320	5.416	0.000	6/3/2024	7/1/2024	25,800,000.00	25,693,245.33	25,788,364.20	99.955	ICED
Commercial Paper	Mercedes-Benz Fin	58768JG10	5.330	5.427	0.000	6/3/2024	7/1/2024	30,000,000.00	29,875,633.33	29,986,740.00	99.956	ICED
Commercial Paper	Hannover Funding Co	41068KG10	5.440	5.518	0.000	6/28/2024	7/1/2024	36,500,000.00	36,483,453.33	36,483,319.50	99.954	ICED
Commercial Paper	Landesbank Baden-Wuert	5148XOG17	5.310	5.386	0.000	6/28/2024	7/1/2024	47,000,000.00	46,979,202.50	46,979,085.00	99.956	ICED
Commercial Paper	Banner Health	06653MG36	5.420	5.540	0.005	5/10/2024	7/3/2024	25,000,000.00	24,796,750.00	24,981,225.00	99.925	ICED
Commercial Paper	Barclays	06741FG35	5.340	5.419	0.005	6/27/2024	7/3/2024	36,250,000.00	36,217,737.50	36,223,211.25	99.926	ICED
Commercial Paper	Chariot FDG LLC	15963TG52	5.350	5.449	0.010	6/5/2024	7/5/2024	25,000,000.00	24,888,541.67	24,974,050.00	99.896	ICED
Commercial Paper	Credit Indust	22536LGF1	5.340	5.428	0.038	6/28/2024	7/15/2024	20,000,000.00	19,949,566.67	19,949,760.00	99.749	ICED
Commercial Paper	Jupiter Sec Co	4820P2GW9	5.330	5.430	0.079	6/28/2024	7/30/2024	11,000,000.00	10,947,884.44	10,947,387.00	99.522	ICED
<b>Total</b>	<b>Count 15</b>		<b>5.384</b>	<b>5.492</b>	<b>0.005</b>			<b>443,350,000.00</b>	<b>440,730,401.43</b>	<b>443,029,294.35</b>	<b>99.928</b>	

CORPORATE MTN/BONDS	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Medium Term Notes	US BANK NA	90331HPL1	2.050	5.299	0.535	3/1/2024	1/21/2025	10,000,000.00	9,743,989.08	9,800,690.00	98.007	ICED
Medium Term Notes	US Bancorp	91159HHZ6	1.450	5.507	0.837	4/22/2024	5/12/2025	22,000,000.00	21,096,460.00	21,247,468.00	96.579	ICED
Medium Term Notes	Home Depot	437076CR1	4.000	4.294	1.146	9/23/2022	9/15/2025	11,272,000.00	11,180,245.92	11,107,812.05	98.543	ICED
Medium Term Notes	Caterpillar Fncl Service	14913R3B1	4.800	4.809	1.408	1/6/2023	1/6/2026	15,000,000.00	14,996,250.00	14,926,470.00	99.510	ICED
Medium Term Notes	Microsoft Corp	594918CN2	3.400	4.843	1.475	6/14/2024	9/15/2026	34,000,000.00	33,248,788.89	32,914,720.00	96.808	ICED
Medium Term Notes	Deere & Co.	24422EWT2	5.050	4.470	1.560	3/30/2023	3/3/2026	15,000,000.00	15,235,500.00	14,999,385.00	99.996	ICED
Medium Term Notes	PACCAR Inc	69371RS49	4.450	4.474	1.640	3/30/2023	3/30/2026	17,000,000.00	16,988,610.00	16,829,728.00	98.998	ICED
Medium Term Notes	Morgan Stanley	61690U4T4	4.754	4.754	1.691	4/21/2023	4/21/2026	15,000,000.00	15,000,000.00	14,864,835.00	99.099	ICED
Medium Term Notes	Deere & Co.	24422EWX3	4.750	4.771	1.821	6/8/2023	6/8/2026	7,000,000.00	6,995,940.00	6,955,767.00	99.368	ICED
Medium Term Notes	Bank of America	06051GLA5	4.827	5.050	1.892	5/9/2023	7/22/2026	15,000,000.00	14,901,000.00	14,855,385.00	99.036	ICED
Medium Term Notes	Thermo Fisher Scientific	883556CZ3	5.000	5.025	2.251	12/5/2023	12/5/2026	10,000,000.00	9,993,100.00	9,987,940.00	99.879	ICED
Medium Term Notes	JPMorgan Chase	48125LRU8	5.110	5.110	2.256	12/8/2023	12/8/2026	20,000,000.00	20,000,000.00	19,996,800.00	99.984	ICED
Medium Term Notes	Bank of America	06051GLE7	5.080	5.401	2.310	6/23/2023	1/20/2027	10,000,000.00	9,896,400.00	9,939,980.00	99.400	ICED
Medium Term Notes	Texas Instrument	882508CE2	4.600	4.623	2.380	2/8/2024	2/8/2027	10,000,000.00	9,993,600.00	9,934,570.00	99.346	ICED
Medium Term Notes	Eli Lilly	532457CJ5	4.500	4.519	2.386	2/9/2024	2/9/2027	30,000,000.00	29,984,100.00	29,739,510.00	99.132	ICED
Medium Term Notes	Cisco Systems	17275RBQ4	4.800	4.847	2.423	2/26/2024	2/26/2027	35,000,000.00	34,954,500.00	34,905,360.00	99.730	ICED
Medium Term Notes	Abbvie Inc	00287YDR7	4.800	4.763	2.466	2/26/2024	3/15/2027	20,000,000.00	19,971,800.00	19,910,260.00	99.551	ICED
Medium Term Notes	Hormel Foods Corp	440452AK6	4.800	4.833	2.507	3/8/2024	3/30/2027	15,000,000.00	14,985,450.00	14,941,980.00	99.613	ICED
Medium Term Notes	Adobe Inc	00724PAE9	4.850	4.868	2.525	4/4/2024	4/4/2027	10,000,000.00	9,995,000.00	10,002,190.00	100.022	ICED
Medium Term Notes	USAA CAP Corp	90327QD97	5.250	5.356	2.665	6/3/2024	6/1/2027	25,000,000.00	24,927,750.00	25,147,025.00	100.588	ICED
<b>Total</b>	<b>Count 20</b>		<b>4.381</b>	<b>4.882</b>	<b>1.955</b>			<b>346,272,000.00</b>	<b>344,088,483.89</b>	<b>343,007,875.05</b>	<b>99.057</b>	

**Grand Total** 3,013,184,653.39 2,982,204,040.18 2,965,352,163.70



<b>GLOSSARY OF INVESTMENT TERMS</b>
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**ASSET BACKED SECURITIES:** Securities, such as bonds or notes, collateralized by receivables such as credit card or auto loans.

**BOOK VALUE:** The original cost of the investment, plus accrued interest and amortization of any premium or discount.

**CERTIFICATE OF DEPOSIT (CD or NCD):** A deposit of funds at a bank for a specified period of time that earns interest at a specified rate. Commonly known as "CDs" or "negotiable CDs."

**COUPON:** The annual rate at which a bond pays interest.

**CUSIP:** The number identifying all stocks and registered bonds, using the Committee on Uniform Securities Identification Procedures (CUSIP).

**DURATION:** Duration measures the price sensitivity of a bond to changes in interest rates.  
(a) **EFFECTIVE DURATION** is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.  
(b) **MACAULAY'S DURATION** is the weighted average maturity of the bond's cash flows, where the present values of the cash flows serves as the weights. The greater the duration of the bond, the greater its percentage price volatility.

**LOCAL AGENCY INVESTMENT FUND (LAIF):** An investment pool sponsored by the State of California and administered/managed by the State Treasurer's Office. Local government units, with consent of the local governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**PAR VALUE:** The amount of principal which must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

**REPURCHASE AGREEMENT (RP OR REPO):** The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities at a later date at a specified price that includes interest for the buyer's holding period. In essence, this is a collateralized investment whereby the security "buyer" lends the "seller" money for the period of the agreement.

**SUPRANATIONAL:** An entity formed by two or more central governments through international treaties, for the purpose of promoting economic development for member countries. Two examples of supranational institutions are the International Bank for Reconstruction and Development (World Bank) and the Inter-American Development Bank.

**U. S. GOVERNMENT AGENCY SECURITIES:** Debt securities issued by U. S. Government sponsored enterprises and federally related institutions. These government agencies include: Federal Home Loan Banks (FHLB); Federal Home Loan Mortgage Corporation (FHLMC, or "Freddie Mac"); Federal National Mortgage Association (FNMA, or "Fannie Mae"); Federal Farm Credit Banks (FFCB); and Tennessee Valley Authority (TVA).

**U.S. TREASURY SECURITIES:** Securities issued by the U. S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**WEIGHTED AVERAGE DAYS TO MATURITY:** The weighted average of the remaining term to maturity of all of the assets in an investment pool or securities portfolio, as expressed in days.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.  
(a) **EARNED INCOME YIELD** is the annual income from an investment divided by the current market value.  
(b) **YIELD TO MATURITY** is the rate of return earned on an investment considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.

For additional glossary terms, previous Investment Reports, and City Investment Policy, please visit the Office of the City Treasurer's website at:  
<http://www.sandiego.gov/treasurer/investments/>