

City of San Leandro

Period Ending October 31, 2018

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



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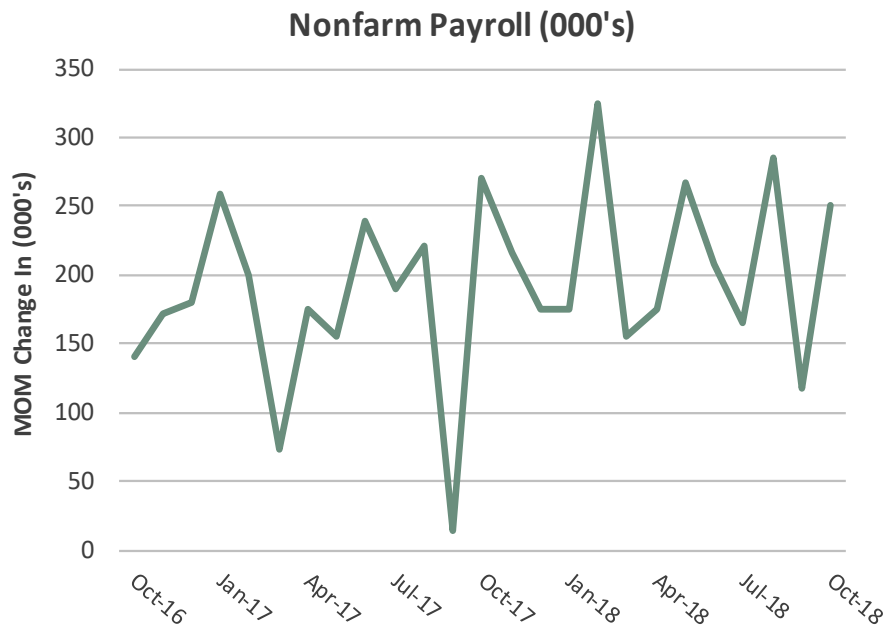


Section 1 | Economic Update

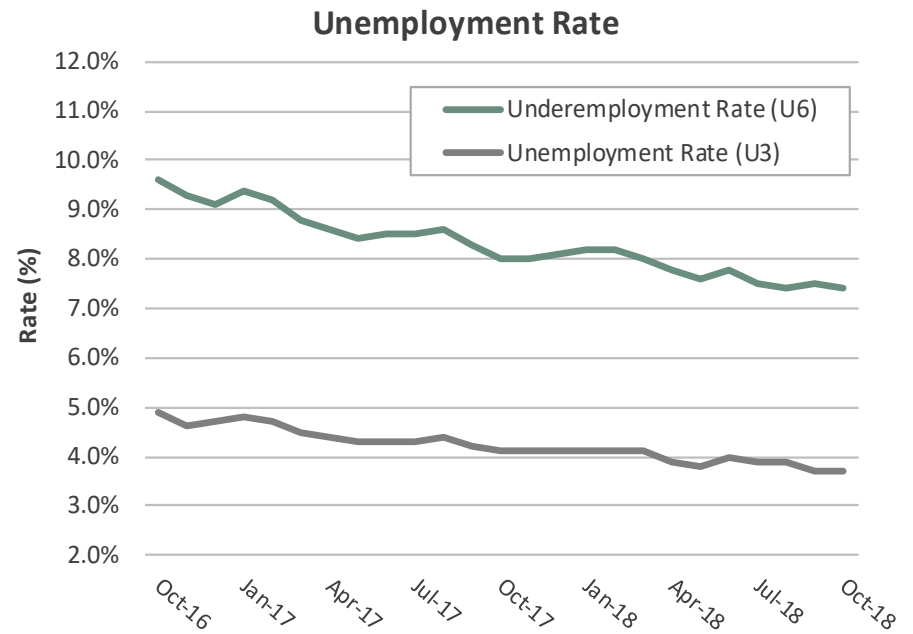
Economic Update

- As expected, the Federal Open Market Committee (FOMC) voted to raise the fed funds target rate by 25 basis points to a range of 2.00%-2.25% at the September 26th meeting. The vote was unanimous, including a vote from the new Board of Governors Vice Chair, Richard Clarida. The Fed raised its median forecast for GDP growth in 2018 and 2019 and left its forecasts for unemployment and inflation relatively unchanged. The Fed also kept its fed funds rate forecasts unchanged with the exception of the longer-run target which increased slightly to 3.0%. The Fed's forecast points to one more fed funds rate hike this year and three more hikes next year. Once again, in its policy statement, the FOMC noted that economic activity has been rising at a "strong rate" and policymakers expect that further gradual increases in the fed funds rate will be appropriate. The FOMC continues to believe risks to the economic outlook are roughly balanced. Market participants believe there is a very high probability that there will be another rate hike in December.
- Economic data remains favorable but predictive economic indicators suggest that economic growth is unlikely to accelerate. Although the labor market is strong and consumer confidence is high, we do not believe the economy is close to overheating. The Core PCE Index suggests that inflation is in line with the Fed's 2.0% target. GDP grew at an annualized pace of 2.2% in the first quarter, 4.2% in the second quarter, and 3.5% in the third quarter. Market participants are forecasting annualized GDP growth of about 2.7% in the fourth quarter, and 2.5% next year.
- Treasury yields were volatile in October but ended the month modestly higher. At month-end, the 2-year Treasury yield was up nearly five basis points to 2.87%, while the 10-year Treasury yield was up eight basis points to 3.14%. The spread between 2- and 10-year Treasury yields remained narrow at just 28 basis points at month-end. We continue to foresee an moderate upward bias to rates across the Treasury yield curve but believe that the yield curve will remain quite flat over the intermediate-term.

Employment



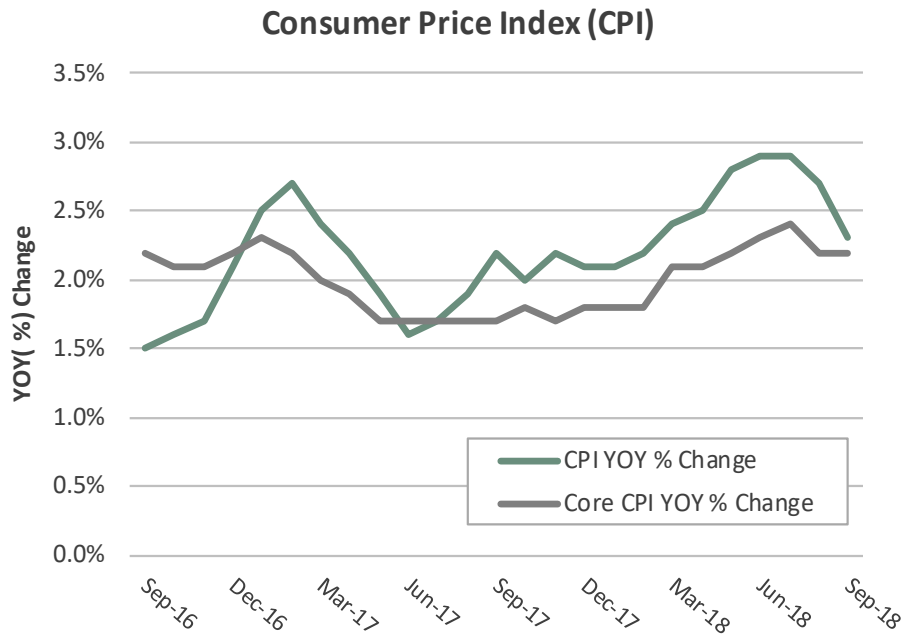
Source: US Department of Labor



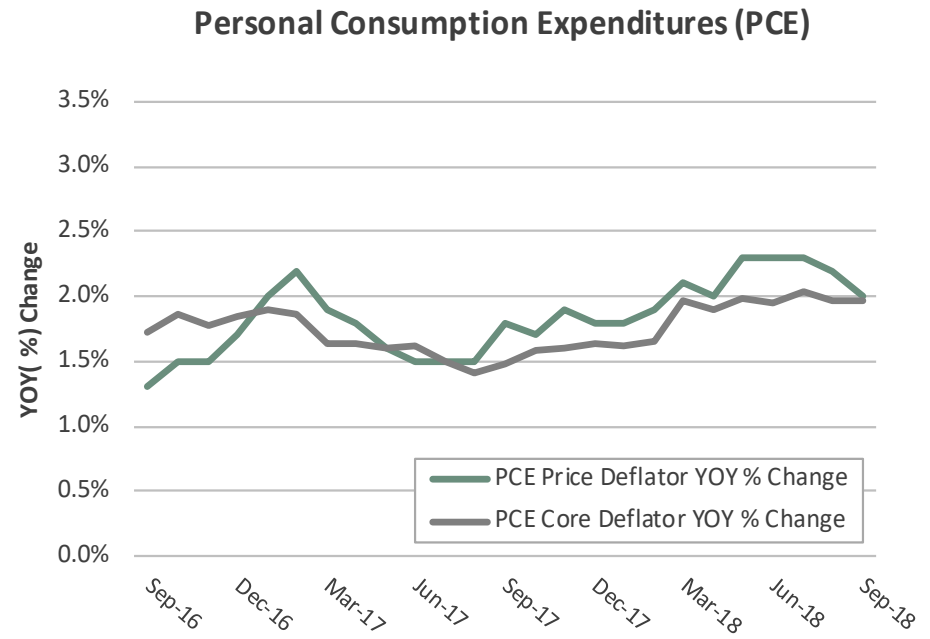
Source: US Department of Labor

U.S. payrolls rose by 250,000 in October, well above the consensus forecast of 200,000, driven in part by a post-Hurricane Florence rebound in hiring. August and September payroll revisions were a net wash. On a trailing 3-month and 6-month basis payrolls increased by an average of 218,000 and 216,000 per month, respectively, more than enough to absorb new entrants into the labor market. The unemployment rate was unchanged in October at 3.7%. The labor participation rate increased to 62.9% from 62.7%. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, decreased to 7.4% from 7.5% in September. Wages rose 0.2% in October on a month-over-month basis, in line with expectations. Wages were up 3.1% on a year-over-year basis in October, versus up 2.8% year-over-year in September. The average workweek was unchanged in October at 34.5 hours. Overall, the October employment report indicates the labor market remains strong.

Inflation



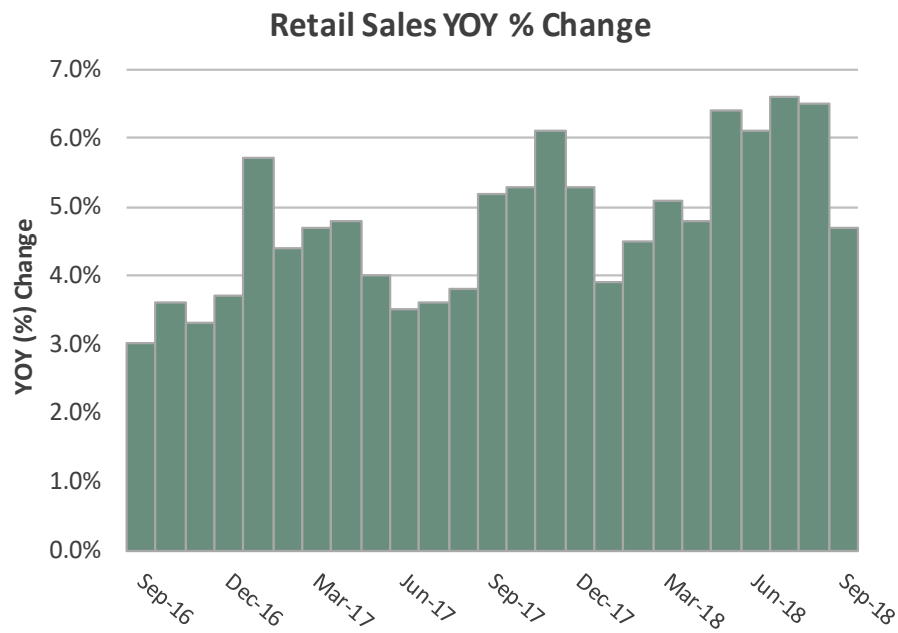
Source: US Department of Labor



Source: US Department of Commerce

The Consumer Price Index (CPI) was up 2.3% year-over-year in September, versus up 2.7% year-over-year in August. Core CPI (CPI less food and energy) was up 2.2% year-over-year in September, unchanged from 2.2% year-over-year in August. The Personal Consumption Expenditures (PCE) index was up 2.0% year-over-year in September, down from 2.2% year-over-year in August. Core PCE (excluding food and energy) was up 2.0% on a year-over-year basis in September, unchanged from 2.0% in August. Core PCE inflation, which is the Fed's primary inflation gauge, remains in line with the Fed's 2.0% target.

Consumer



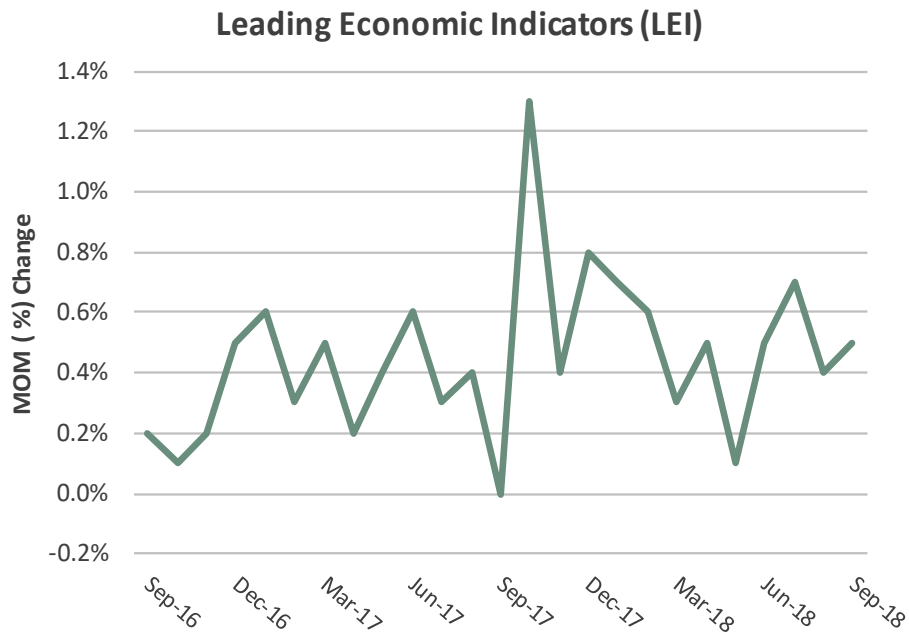
Source: US Department of Commerce



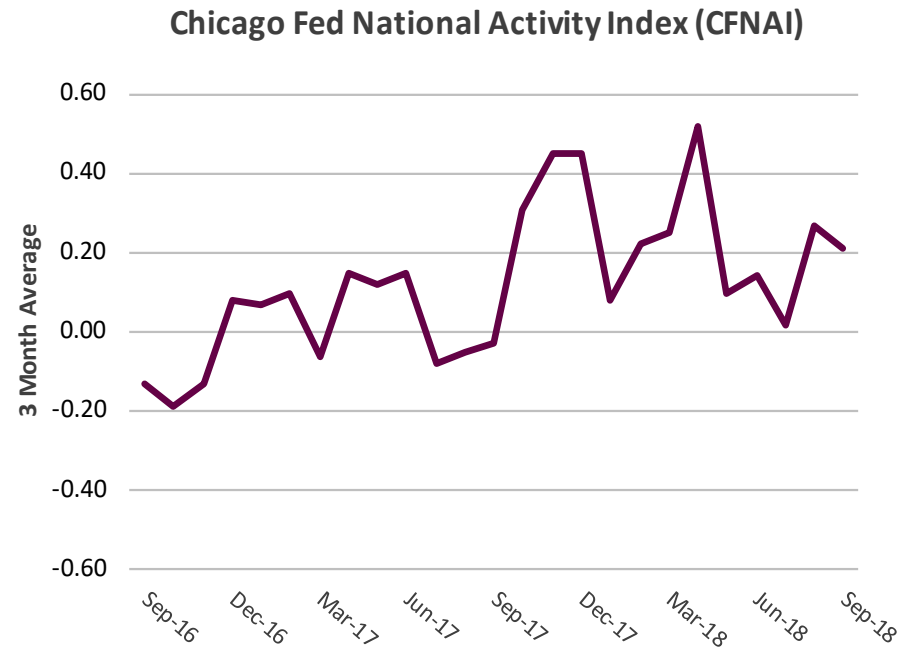
Source: The Conference Board

On a year-over-year basis, retail sales were up 4.7% in September, versus up 6.5% year-over-year in August. On a month-over-month basis, retail sales increased just 0.1% in September, well below expectations for a 0.6% increase. E-commerce and furniture sales were strong in September while department store sales declined. The Consumer Confidence Index remains very strong at 137.9 in October, up from 135.5 in September. Ongoing strength in the labor market continues to support consumer confidence and spending trends.

Economic Activity



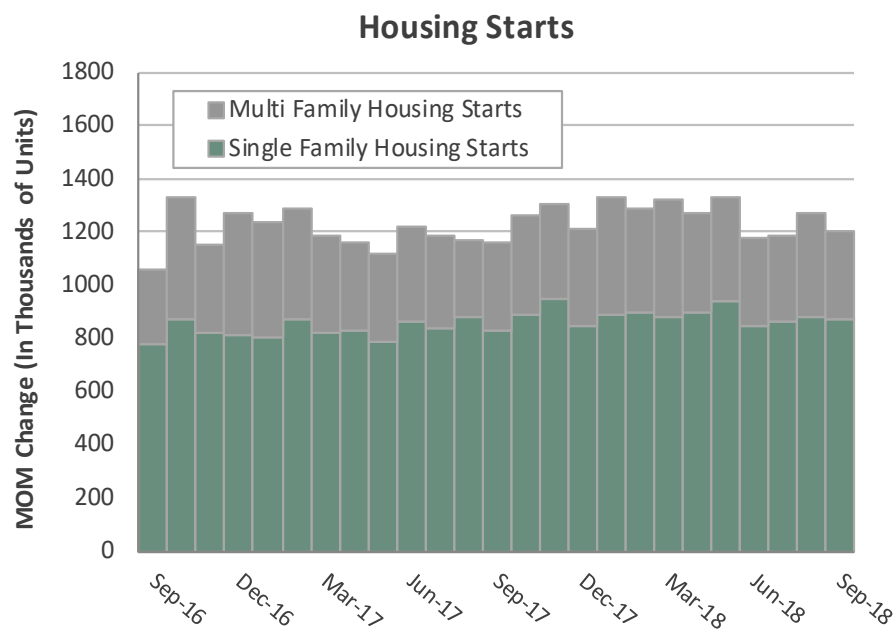
Source: The Conference Board



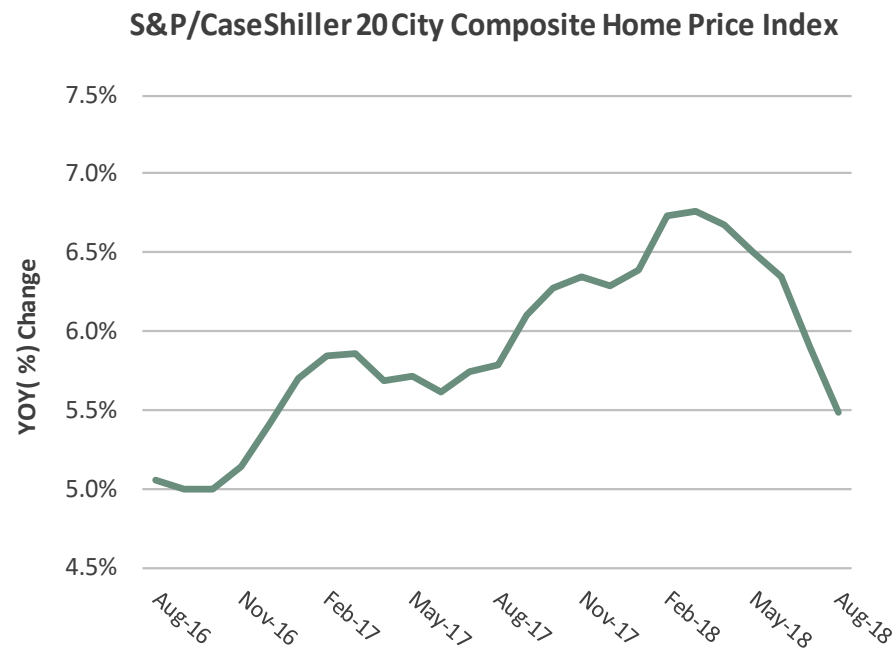
Source: Federal Reserve Bank of Chicago

The Index of Leading Economic Indicators (LEI) rose 0.5% month-over-month in September, following a 0.4% increase in August. According to the Conference Board, the index points to strong US economic growth heading into 2019. However, the Conference Board also warns that growth of index has slowed recently, suggesting that the economy may be facing capacity constraints. The Chicago Fed National Activity Index (CFNAI) declined to 0.17 in September from 0.27 in August. On a 3-month moving average basis, the index decreased to 0.21 in September from 0.27 in August. Although the index declined, it still points to above trend economic growth.

Housing



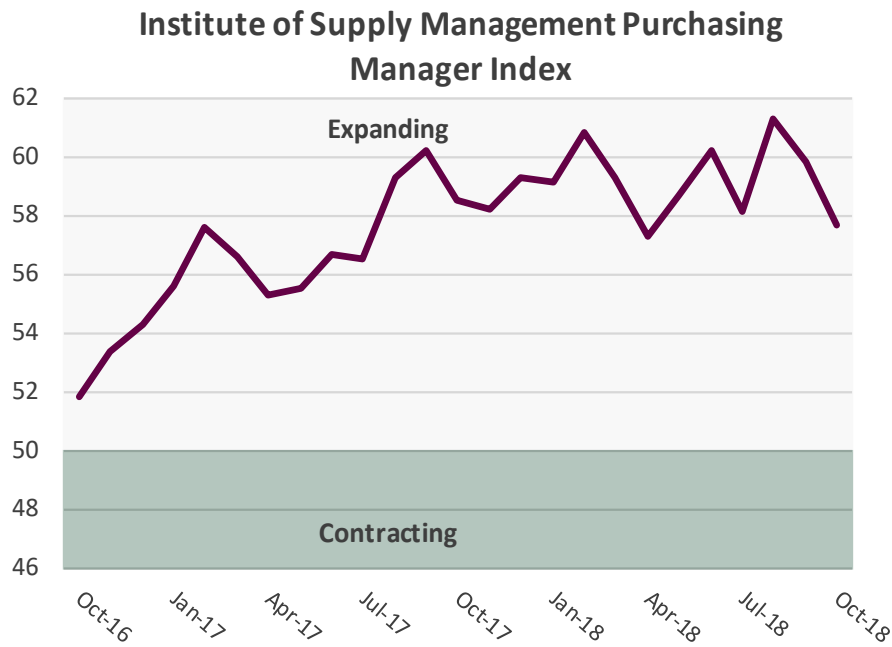
Source: US Department of Commerce



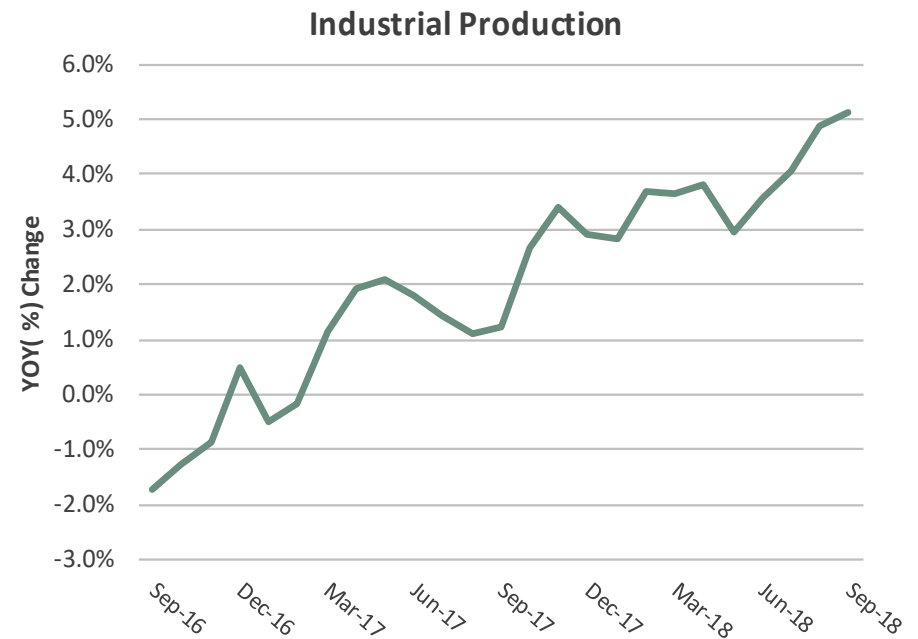
Source: S&P

Total housing starts decreased 5.3% in September. Single-family starts declined 0.9% in September and multi-family starts dropped 15.2%. Meanwhile, permits fell 0.6% in September. According to the Case-Shiller 20-City home price index, home prices were up 5.5% year-over-year in August, versus up 5.9% in July. The housing sector has softened as mortgage rates have increased.

Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

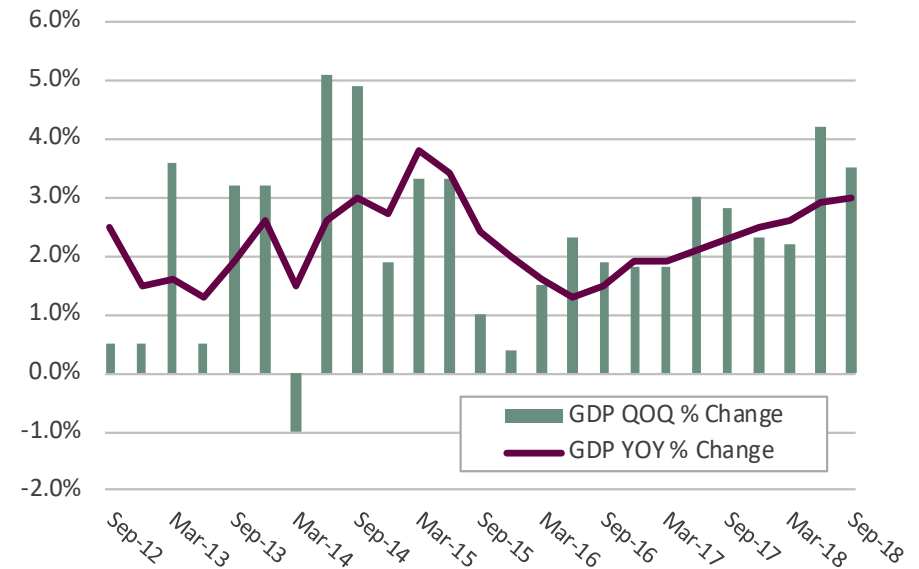
The Institute for Supply Management (ISM) manufacturing index eased to 57.7 in October from a very strong level of 59.8 in September. A reading above 50.0 suggests the manufacturing sector is expanding. The Industrial Production index was up 5.1% year-over-year in September versus up 4.9% year-over-year in August. On a month-over-month basis, the manufacturing component of the index edged up just 0.2% in September, following a 0.3% increase in August, pointing to modest growth in the sector. Capacity Utilization was unchanged at 78.1% in September, and remains below the long-run average of 79.8% indicating there is still excess capacity for growth.

Gross Domestic Product (GDP)

Components of GDP	12/17	3/18	6/18	9/18
Personal Consumption Expenditures	2.6%	0.4%	2.6%	2.7%
Gross Private Domestic Investment	0.1%	1.6%	-0.1%	2.0%
Net Exports and Imports	-0.9%	0.0%	1.2%	-1.8%
Federal Government Expenditures	0.3%	0.2%	0.2%	0.2%
State and Local (Consumption and Gross Investment)	0.2%	0.1%	0.2%	0.4%
Total	2.3%	2.2%	4.2%	3.5%

Source: US Department of Commerce

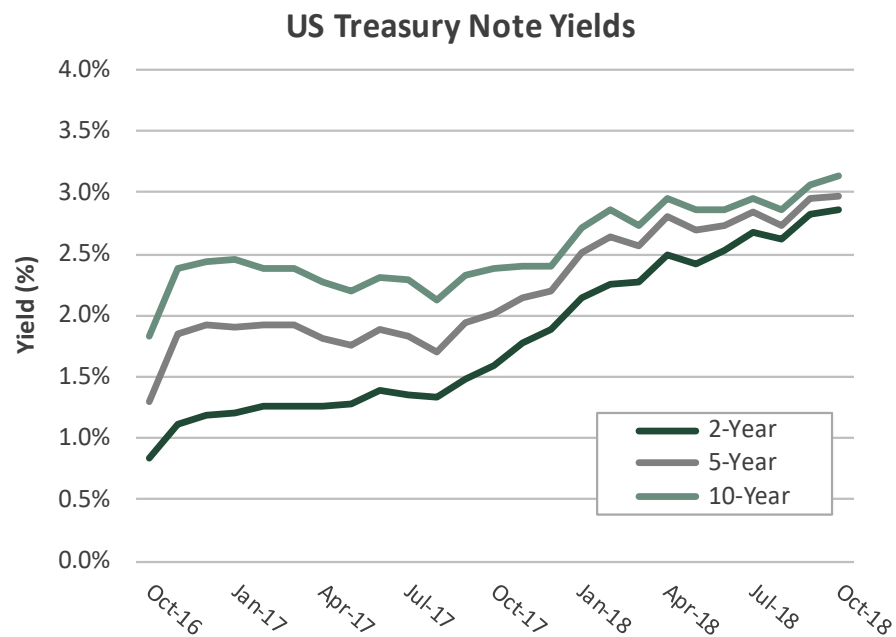
Gross Domestic Product (GDP)



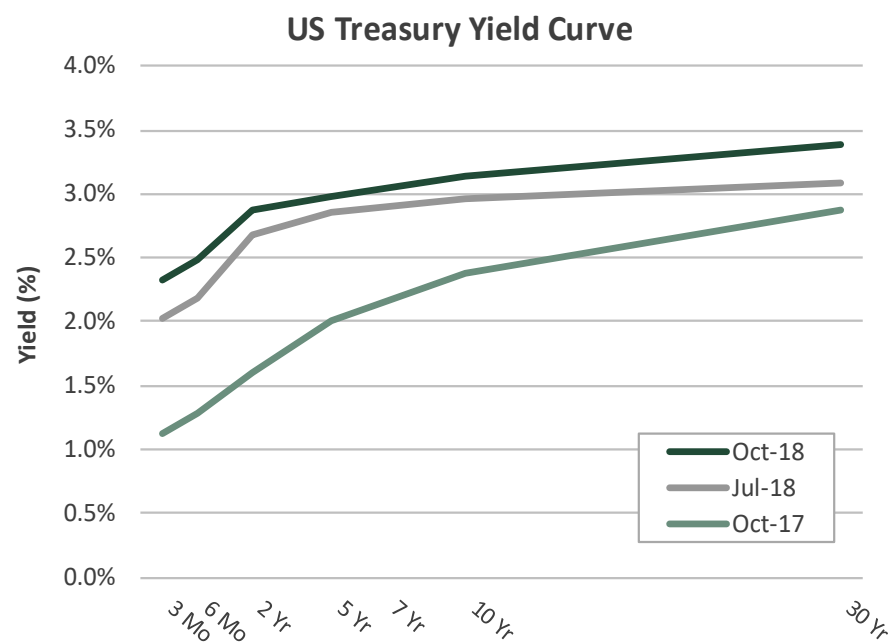
Source: US Department of Commerce

According to the advance estimate, third quarter GDP grew at an annualized rate of 3.5%, above expectations of 3.3%. This follows growth of 4.2% in the second quarter. Inventories contributed 2.1% to third quarter growth, while net trade was a 1.8% drag. Consumer spending contributed 2.7% to growth in the third quarter, compared with 2.6% in the second quarter. Looking ahead, economic growth is expected to ease to 2.7% in the current quarter and 2.5% in 2019.

Bond Yields



Source: Bloomberg



Source: Bloomberg

On a year-over-year basis, Treasury yields have increased and the Treasury yield curve has flattened. The spread between 2-Year and 10-year Treasury yields has narrowed from 78 basis points to 28 basis points, year-over-year as of October month-end. Rate hikes by the Federal Reserve have put upward pressure on rates, while supply and demand imbalances, technical factors, and subdued inflation expectations have contributed to the curve flattening.



Section 2 | Account Profile

Investment Objectives

The investment objectives of the City of San Leandro are first, to preserve principal; second, to provide liquidity; and third, to earn a return that is commensurate with the first two objectives.

Chandler Asset Management Performance Objective

The performance objective for the City of San Leandro is to achieve a rate of return over a market cycle that equals or exceeds the return on a market index of similar duration and sector allocation.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.

City of San Leandro

Assets managed by Chandler Asset Management are in full compliance with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitations	Complies
Agency Issues	No limitations	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or higher by a NRSRO; 30% maximum; 10% max per issuer	Complies
Municipal Securities	Issued by City of San Leandro and its Agencies	Complies
Banker's Acceptances	"A" or higher by a NRSRO; 40% maximum; 30% per issuer; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 or highest rating by a NRSRO; Issuer rating by S&P and Moody's; Issuer must be a domestic corporation having assets in excess of \$500 million; 25% maximum; 10% per issuer; 270days max maturity	Complies
Negotiable Certificates of Deposit (including CDARS)	30% maximum (including CDARS); FDIC Insured or Collateralized 110%	Complies
Time Deposits (TD)/ Certificates of Deposit (CD)	Collateralized 110%	Complies
Medium Term Corp Notes	"A" or better by a NRSRO; 30% maximum; Issuers must be corporations organized and operating within the U.S. or depository institutions licensed by the U.S.	Complies
Money Market Funds	Highest rating by two NRSROs or SEC registered adviser with assets greater than \$500 million; 20% maximum	Complies
Asset Backed Securities, Mortgage Backed/ Pass-Through Securities, CMOs	"AA" or higher by a NRSRO; "A" or higher for the issuer's long term debt by at least one NRSRO; 20% maximum; 5% per single Asset-Backed or Commercial Mortgage issuer; There is no issuer limitation on any Mortgage security where the issuer is US Treasury or a Federal Agency/Government-sponsored Enterprise (GSE).	Complies
Repurchase Agreements	20% maximum; 360 days max maturity; 102% collateralized; Not used by IA	Complies
Reverse Repurchase Agreements	20% maximum; 92 days max maturity; Not used by IA	Complies
LAIF	Maximum program limit; Not used by IA	Complies
Maximum Maturity	5 years	Complies

Portfolio Characteristics

As of October 31, 2018

City of San Leandro

	10/31/2018	7/31/2018
	Benchmark*	Portfolio
Average Maturity (yrs)	1.84	1.87
Average Modified Duration	1.78	1.67
Average Purchase Yield	n/a	2.10%
Average Market Yield	2.85%	2.90%
Average Quality**	AAA	AA+/Aa1
Total Market Value		65,513,824

*ICE BAML 1-3 Yr US Treasury/Agency Index

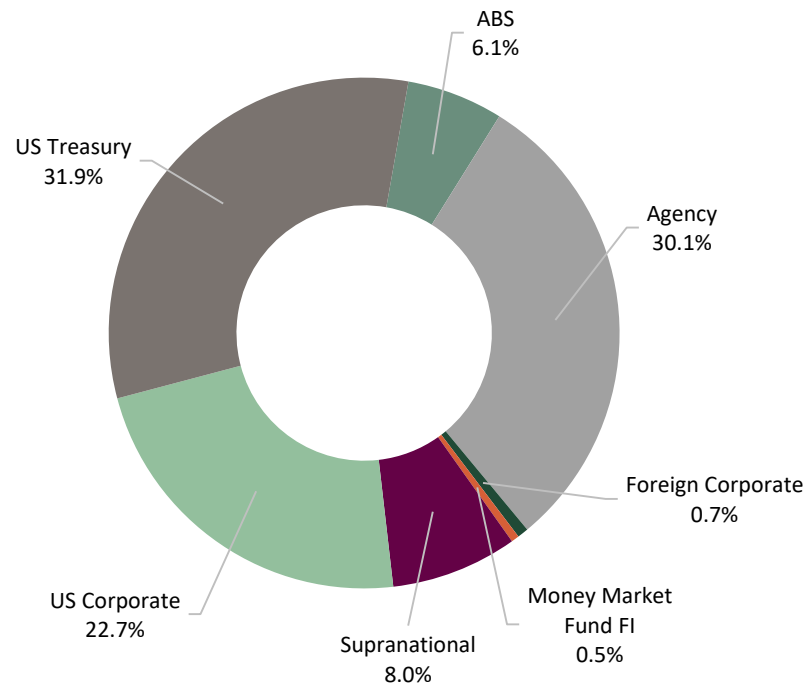
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

Sector Distribution

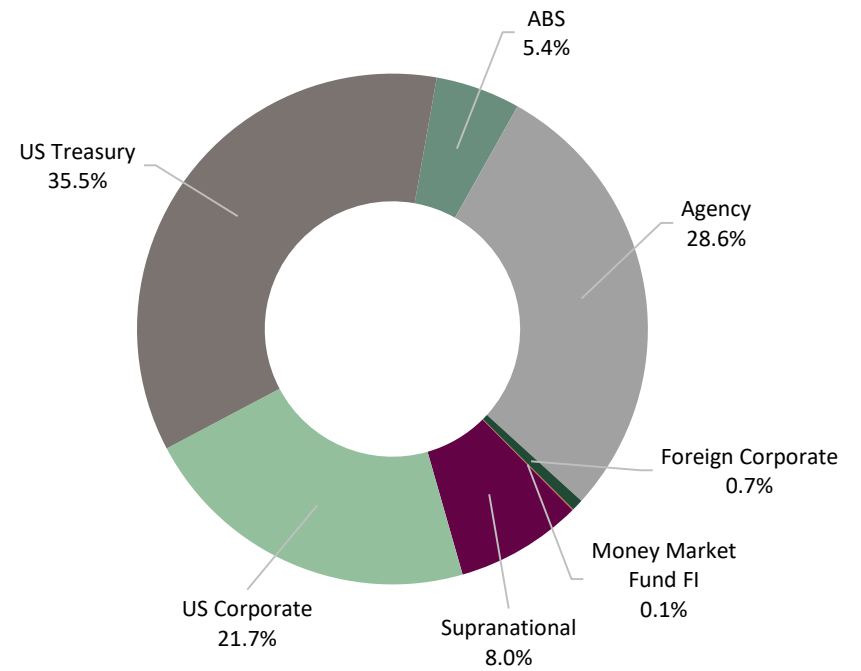
As of October 31, 2018

City of San Leandro

October 31, 2018



July 31, 2018



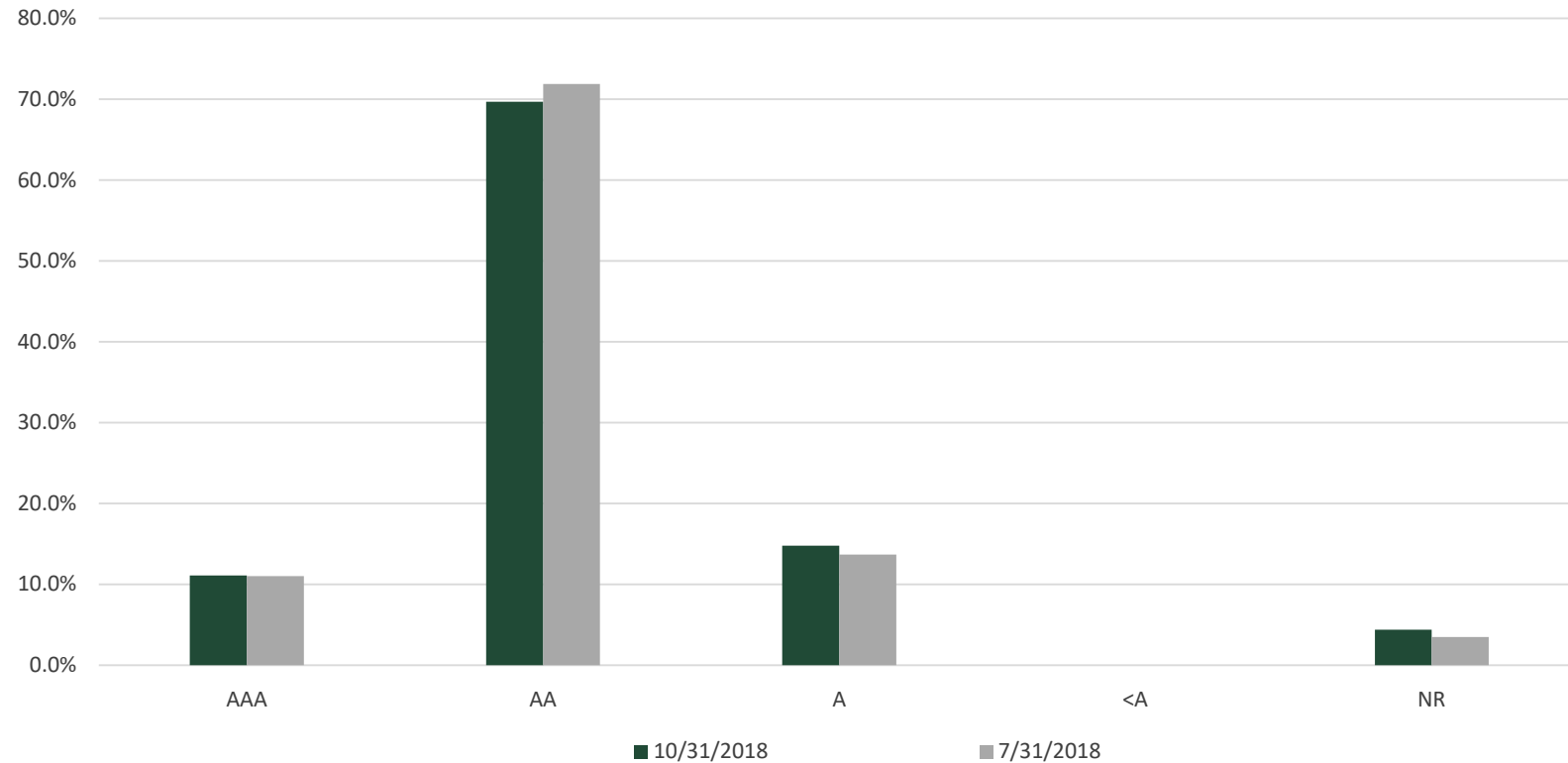
City of San Leandro – Account #460

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	31.92%
Federal Home Loan Bank	Agency	13.44%
Federal Home Loan Mortgage Corp	Agency	8.76%
Federal National Mortgage Association	Agency	6.35%
Inter-American Dev Bank	Supranational	3.46%
International Finance Corp	Supranational	2.27%
Intl Bank Recon and Development	Supranational	2.26%
Toyota ABS	ABS	2.03%
Federal Farm Credit Bank	Agency	1.53%
Honda ABS	ABS	1.53%
Toyota Motor Corp	US Corporate	1.37%
Eli Lilly & Co	US Corporate	1.36%
Charles Schwab Corp/The	US Corporate	1.27%
General Dynamics Corp	US Corporate	1.27%
Deere & Company	US Corporate	1.25%
Bank of America Corp	US Corporate	1.24%
American Express ABS	ABS	1.20%
ChevronTexaco Corp	US Corporate	1.20%
PNC Financial Services Group	US Corporate	1.19%
JP Morgan Chase & Co	US Corporate	1.16%
Chubb Corporation	US Corporate	1.14%
US Bancorp	US Corporate	1.13%
IBM Corp	US Corporate	1.12%
Honda Motor Corporation	US Corporate	1.12%
Paccar Financial	US Corporate	1.06%
Microsoft	US Corporate	0.98%
Nissan ABS	ABS	0.86%
Cisco Systems	US Corporate	0.81%
Berkshire Hathaway	US Corporate	0.79%
Apple Inc	US Corporate	0.77%
Bank of New York	US Corporate	0.75%
HSBC Holdings PLC	Foreign Corporate	0.74%
Oracle Corp	US Corporate	0.70%
Exxon Mobil Corp	US Corporate	0.69%
Federated GOVT Obligation MMF	Money Market Fund FI	0.47%
John Deere ABS	ABS	0.45%
HSBC Holdings PLC	US Corporate	0.38%
TOTAL		100.00%

Quality Distribution

As of October 31, 2018

City of San Leandro October 31, 2018 vs. July 31, 2018



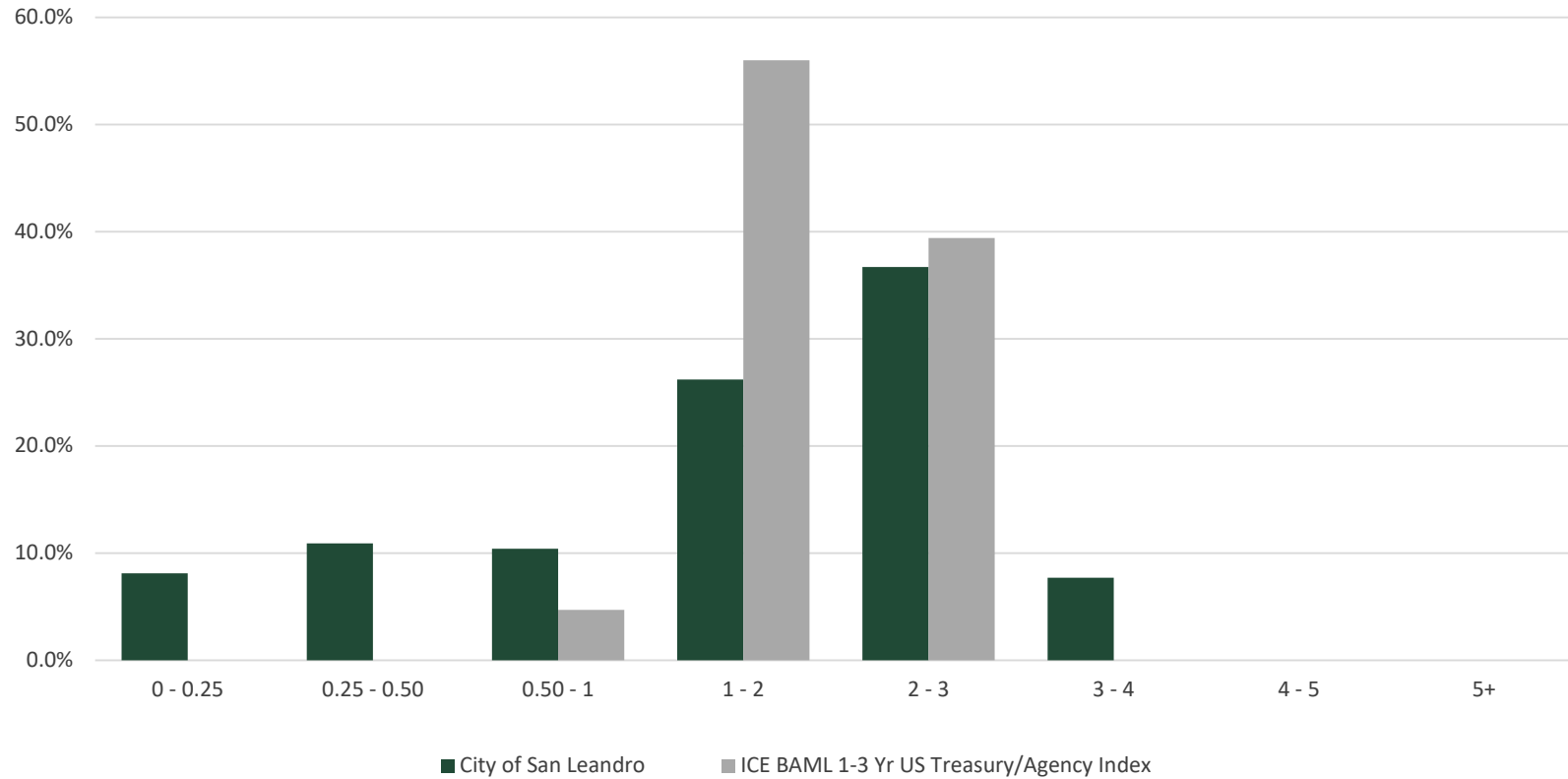
	AAA	AA	A	<A	NR
10/31/18	11.1%	69.7%	14.8%	0.0%	4.4%
07/31/18	11.0%	71.9%	13.7%	0.0%	3.5%

Source: S&P Ratings

Duration Distribution

As of October 31, 2018

City of San Leandro
Portfolio Compared to the Benchmark as of October 31, 2018



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	8.1%	10.9%	10.4%	26.2%	36.7%	7.7%	0.0%	0.0%
Benchmark*	0.0%	0.0%	4.7%	56.0%	39.4%	0.0%	0.0%	0.0%

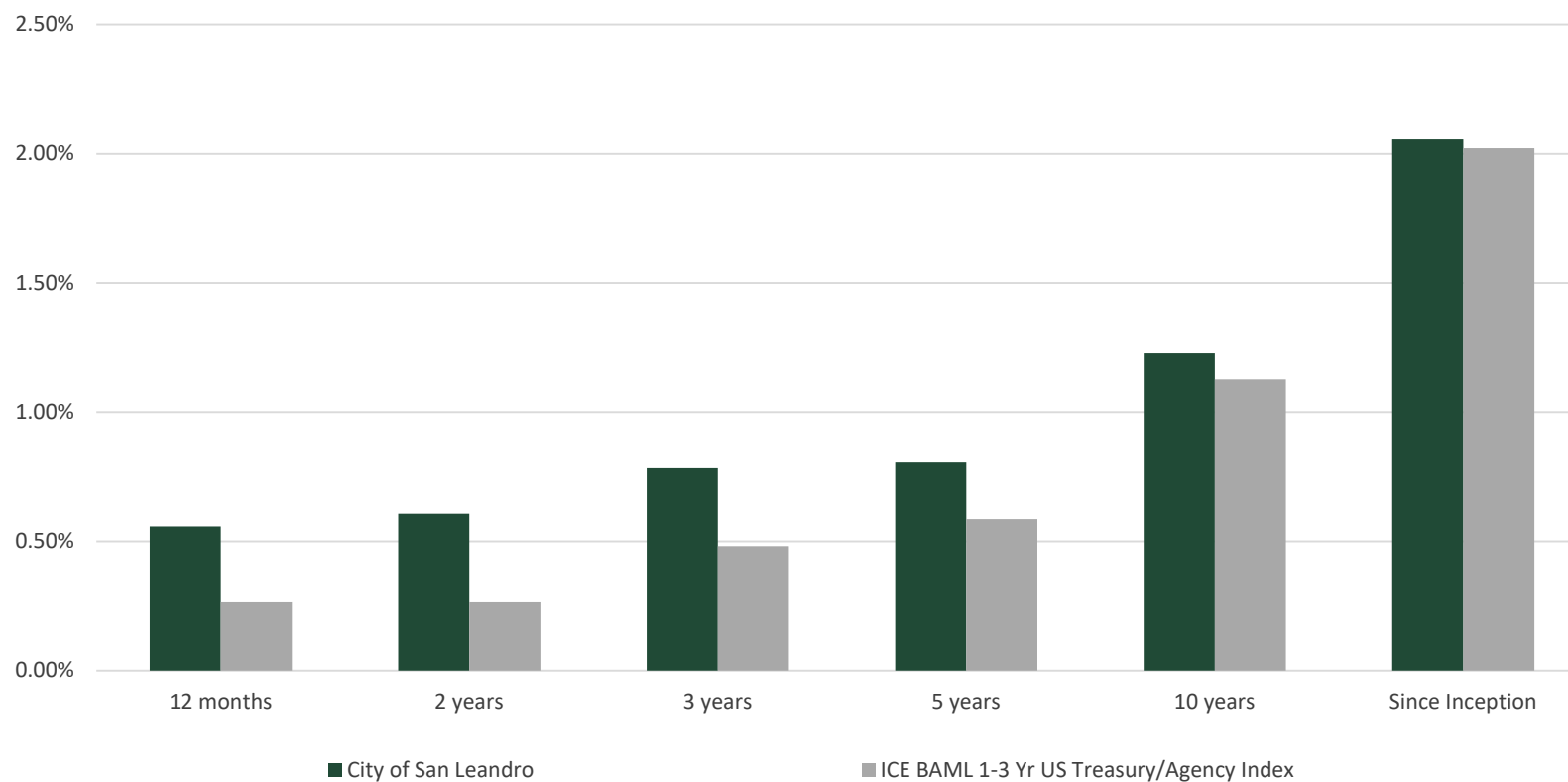
*ICE BAML 1-3 Yr US Treasury/Agency Index

Investment Performance

As of October 31, 2018

City of San Leandro

Total Rate of Return Annualized Since Inception 04/30/2004



Annualized

TOTAL RATE OF RETURN	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of San Leandro	0.38%	0.56%	0.61%	0.78%	0.80%	1.23%	2.06%
ICE BAML 1-3 Yr US Treasury/Agency Index	0.35%	0.26%	0.26%	0.48%	0.59%	1.13%	2.02%

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 October 31, 2018

City of San Leandro - Account #460

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
ABS									
89238BAB8	Toyota Auto Receivables Owner 2018-A A2A 2.100% Due 10/15/2020	640,148.00	01/23/2018 2.12%	640,082.58 640,100.72	99.66 2.82%	638,000.26 597.47	0.97% (2,100.46)	Aaa / AAA NR	1.96 0.47
43814RAC0	Honda Auto Receivables 2016-4 A3 1.210% Due 12/18/2020	391,459.00	02/07/2018 2.58%	387,162.12 388,253.85	99.08 2.90%	387,852.88 171.05	0.59% (400.97)	NR / AAA AAA	2.13 0.54
89238MAD0	Toyota Auto Receivables Owner 2017-A A3 1.730% Due 02/16/2021	695,000.00	12/18/2017 2.02%	691,769.34 692,653.99	99.21 2.99%	689,543.56 534.38	1.05% (3,110.43)	Aaa / AAA NR	2.30 0.63
43814TAC6	Honda Auto Receivables 2017-1 A3 1.720% Due 07/21/2021	469,817.63	12/27/2017 2.11%	466,642.69 467,392.46	99.02 3.08%	465,236.90 224.47	0.71% (2,155.56)	Aaa / NR AAA	2.72 0.72
43811BAC8	Honda Auto Receivables 2017-2 A3 1.680% Due 08/16/2021	150,000.00	07/20/2018 2.60%	147,861.33 148,052.45	98.65 3.08%	147,976.80 112.00	0.23% (75.65)	Aaa / AAA NR	2.79 0.97
65477UAD2	NAROT 2015-A4 1.500% Due 09/15/2021	562,548.15	02/09/2018 1.86%	559,032.22 559,732.72	99.57 2.85%	560,135.94 375.03	0.86% 403.22	Aaa / NR AAA	2.88 0.32
47788BAD6	John Deere Owner Trust 2017-B A3 1.820% Due 10/15/2021	300,000.00	07/26/2018 3.16%	295,535.16 295,892.96	98.59 3.13%	295,763.10 242.67	0.45% (129.86)	Aaa / NR AAA	2.96 1.09
02587AAJ3	American Express Credit 2017-1 1.930% Due 09/15/2022	800,000.00	09/17/2018 2.93%	789,156.24 789,476.27	98.50 3.15%	787,987.20 686.22	1.20% (1,489.07)	Aaa / NR AAA	3.88 1.24
TOTAL ABS		4,008,972.78	2.37%	3,977,241.68 3,981,555.42	2.99%	3,972,496.64 2,943.29	6.07% (9,058.78)	Aaa / AAA Aaa	2.74 0.73
Agency									
313376BR5	FHLB Note 1.750% Due 12/14/2018	1,000,000.00	01/06/2016 1.35%	1,011,550.00 1,000,463.29	99.93 2.34%	999,276.00 6,659.72	1.54% (1,187.29)	Aaa / AA+ AAA	0.12 0.12
3135G0H63	FNMA Note 1.375% Due 01/28/2019	1,000,000.00	01/06/2016 1.38%	999,898.00 999,991.96	99.75 2.42%	997,461.00 3,552.08	1.53% (2,530.96)	Aaa / AA+ AAA	0.24 0.24
3133782M2	FHLB Note 1.500% Due 03/08/2019	775,000.00	02/16/2016 1.07%	784,966.50 776,135.20	99.68 2.42%	772,493.65 1,711.46	1.18% (3,641.55)	Aaa / AA+ AAA	0.35 0.35
3137EADZ9	FHLMC Note 1.125% Due 04/15/2019	385,000.00	06/23/2016 0.98%	386,493.80 385,240.47	99.36 2.54%	382,536.77 192.50	0.58% (2,703.70)	Aaa / AA+ AAA	0.45 0.45
3135G0ZE6	FNMA Note 1.750% Due 06/20/2019	1,000,000.00	05/29/2015 1.37%	1,014,928.00 1,002,329.98	99.46 2.62%	994,558.00 6,368.06	1.53% (7,771.98)	Aaa / AA+ AAA	0.64 0.62
3130A8DB6	FHLB Note 1.125% Due 06/21/2019	550,000.00	06/06/2016 1.04%	551,364.00 550,285.35	99.07 2.60%	544,874.55 2,234.38	0.84% (5,410.80)	Aaa / AA+ AAA	0.64 0.63
3137EADK2	FHLMC Note 1.250% Due 08/01/2019	450,000.00	12/15/2015 1.54%	445,351.50 449,041.51	98.95 2.67%	445,280.85 1,406.25	0.68% (3,760.66)	Aaa / AA+ AAA	0.75 0.74

Holdings Report

As of October 31, 2018

City of San Leandro - Account #460

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
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	850,000.00	03/28/2016 1.20%	851,385.50 850,362.05	98.64 2.75%	838,479.95 855.90	1.28% (11,882.10)	Aaa / AA+ AAA	0.92 0.90
3130ACM92	FHLB Note 1.500% Due 10/21/2019	800,000.00	09/17/2018 2.65%	790,160.00 791,247.84	98.79 2.77%	790,303.20 333.33	1.21% (944.64)	Aaa / AA+ AAA	0.97 0.96
3130AA3R7	FHLB Note 1.375% Due 11/15/2019	875,000.00	11/29/2016 1.43%	873,617.50 874,514.84	98.58 2.77%	862,608.25 5,547.74	1.33% (11,906.59)	Aaa / AA+ AAA	1.04 1.01
3133EJLU1	FFCB Note 2.420% Due 01/24/2020	1,000,000.00	04/20/2018 2.50%	998,590.00 999,010.80	99.59 2.76%	995,882.00 6,520.56	1.53% (3,128.80)	Aaa / AA+ AAA	1.23 1.20
3135G0T29	FNMA Note 1.500% Due 02/28/2020	675,000.00	03/07/2017 1.69%	671,321.25 673,361.99	98.30 2.81%	663,534.45 1,771.88	1.02% (9,827.54)	Aaa / AA+ AAA	1.33 1.30
313378J77	FHLB Note 1.875% Due 03/13/2020	1,000,000.00	04/20/2018 2.53%	987,990.00 991,331.91	98.75 2.82%	987,468.00 2,500.00	1.51% (3,863.91)	Aaa / AA+ NR	1.37 1.33
3137EAEF2	FHLMC Note 1.375% Due 04/20/2020	550,000.00	04/19/2017 1.48%	548,245.50 549,141.96	97.94 2.82%	538,655.70 231.08	0.82% (10,486.26)	Aaa / AA+ AAA	1.47 1.44
3137EAEM7	FHLMC Note 2.500% Due 04/23/2020	1,000,000.00	04/19/2018 2.52%	999,640.00 999,734.56	99.46 2.88%	994,594.00 555.56	1.52% (5,140.56)	Aaa / AA+ AAA	1.48 1.44
3137EADR7	FHLMC Note 1.375% Due 05/01/2020	790,000.00	08/25/2016 1.07%	798,571.50 793,488.55	97.86 2.84%	773,071.09 5,431.25	1.19% (20,417.46)	Aaa / AA+ AAA	1.50 1.46
313383HU8	FHLB Note 1.750% Due 06/12/2020	825,000.00	06/05/2017 1.54%	830,123.25 827,738.29	98.22 2.89%	810,288.60 5,574.48	1.25% (17,449.69)	Aaa / AA+ NR	1.62 1.57
3130ACE26	FHLB Note 1.375% Due 09/28/2020	825,000.00	09/21/2017 1.65%	818,259.75 820,736.88	97.17 2.91%	801,685.50 1,039.84	1.23% (19,051.38)	Aaa / AA+ NR	1.91 1.86
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	1,000,000.00	12/18/2017 2.01%	996,290.00 997,395.33	97.87 2.95%	978,731.00 8,541.67	1.51% (18,664.33)	Aaa / AA+ AAA	2.05 1.97
3130A3UQ5	FHLB Note 1.875% Due 12/11/2020	1,000,000.00	12/18/2017 2.02%	995,770.00 997,002.45	97.74 2.99%	977,364.00 7,291.67	1.50% (19,638.45)	Aaa / AA+ NR	2.12 2.03
3137EAEI9	FHLMC Note 2.375% Due 02/16/2021	775,000.00	02/26/2018 2.43%	773,760.00 774,042.29	98.66 2.98%	764,591.75 3,834.64	1.17% (9,450.54)	Aaa / AA+ AAA	2.30 2.20
3135G0U27	FNMA Note 2.500% Due 04/13/2021	725,000.00	06/15/2018 2.72%	720,592.00 721,174.03	98.89 2.97%	716,940.18 906.25	1.10% (4,233.85)	Aaa / AA+ AAA	2.45 2.35
3135G0U35	FNMA Note 2.750% Due 06/22/2021	775,000.00	07/16/2018 2.75%	774,914.75 774,923.27	99.39 2.99%	770,269.40 7,459.38	1.19% (4,653.87)	Aaa / AA+ AAA	2.64 2.50

Holdings Report

As of October 31, 2018

City of San Leandro - Account #460

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
313378CR0	FHLB Note 2.250% Due 03/11/2022	1,250,000.00	10/15/2018 3.02%	1,219,012.50 1,219,411.69	97.49 3.04%	1,218,655.00 3,906.25	1.87% (756.69)	Aaa / AA+ NR	3.36 3.20
TOTAL Agency		19,875,000.00	1.90%	19,842,795.30 19,818,106.49	2.78%	19,619,602.89 84,425.93	30.08% (198,503.60)	Aaa / AA+ Aaa	1.43 1.38
Foreign Corporate									
404280BF5	HSBC Holdings PLC Note 2.650% Due 01/05/2022	500,000.00	01/17/2018 2.91%	495,185.00 496,136.69	96.71 3.76%	483,558.50 4,269.44	0.74% (12,578.19)	A2 / A AA-	3.18 2.98
TOTAL Foreign Corporate		500,000.00	2.91%	495,185.00 496,136.69	3.76%	483,558.50 4,269.44	0.74% (12,578.19)	A2 / A AA-	3.18 2.98
Money Market Fund FI									
60934N104	Federated Investors Government Obligations Fund	306,087.41	Various 2.03%	306,087.41 306,087.41	1.00 2.03%	306,087.41 0.00	0.47% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		306,087.41	2.03%	306,087.41 306,087.41	2.03%	306,087.41 0.00	0.47% 0.00	Aaa / AAA Aaa	0.00 0.00
Supranational									
459058DL4	Intl. Bank Recon & Development Note 1.875% Due 03/15/2019	900,000.00	04/12/2016 1.02%	922,095.00 902,777.42	99.78 2.48%	897,975.90 2,156.25	1.37% (4,801.52)	Aaa / AAA AAA	0.37 0.37
4581X0BY3	Inter-American Dev Bank Note 1.125% Due 09/12/2019	500,000.00	06/06/2016 1.12%	500,080.00 500,021.14	98.61 2.76%	493,052.50 765.63	0.75% (6,968.64)	Aaa / AAA AAA	0.87 0.85
45950KCD0	International Finance Corp Note 1.750% Due 09/16/2019	500,000.00	06/23/2016 1.12%	509,940.00 502,689.45	99.08 2.82%	495,406.00 1,093.75	0.76% (7,283.45)	Aaa / AAA NR	0.88 0.86
45950KCM0	International Finance Corp Note 2.250% Due 01/25/2021	1,000,000.00	03/12/2018 2.56%	991,430.00 993,327.18	98.35 3.02%	983,541.00 6,000.00	1.51% (9,786.18)	Aaa / AAA NR	2.24 2.15
4581X0DB1	Inter-American Dev Bank Note 2.625% Due 04/19/2021	1,000,000.00	04/19/2018 2.76%	996,240.00 996,901.10	99.05 3.03%	990,490.00 875.00	1.51% (6,411.10)	Aaa / AAA NR	2.47 2.37
459058FH1	Intl. Bank Recon & Development Note 1.375% Due 05/24/2021	600,000.00	03/21/2017 2.01%	584,772.00 590,645.09	95.98 3.01%	575,904.00 3,597.92	0.88% (14,741.09)	Aaa / AAA AAA	2.56 2.47
4581X0CW6	Inter-American Dev Bank Note 2.125% Due 01/18/2022	800,000.00	01/26/2017 2.20%	797,264.00 798,228.32	96.97 3.12%	775,753.60 4,863.89	1.19% (22,474.72)	Aaa / NR AAA	3.22 3.06
TOTAL Supranational		5,300,000.00	1.95%	5,301,821.00 5,284,589.70	2.90%	5,212,123.00 19,352.44	7.99% (72,466.70)	Aaa / AAA Aaa	1.88 1.81

Holdings Report

As of October 31, 2018

City of San Leandro - Account #460

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
US Corporate									
30231GAD4	Exxon Mobil Corp Callable Note Cont 2/15/2019 1.819% Due 03/15/2019	450,000.00	05/13/2016 1.28%	456,475.50 450,684.35	99.66 2.75%	448,448.85 1,045.93	0.69% (2,235.50)	Aaa / AA+ NR	0.37 0.37
532457BF4	Eli Lilly & Co Note 1.950% Due 03/15/2019	400,000.00	08/11/2016 1.11%	408,532.00 401,214.97	99.71 2.72%	398,858.80 996.67	0.61% (2,356.17)	A2 / AA- A	0.37 0.37
037833AQ3	Apple Inc Note 2.100% Due 05/06/2019	500,000.00	05/13/2016 1.26%	512,220.00 502,098.73	99.69 2.72%	498,435.50 5,104.17	0.77% (3,663.23)	Aa1 / AA+ NR	0.51 0.50
69371RN69	Paccar Financial Corp Note 1.950% Due 02/27/2020	700,000.00	12/05/2017 2.22%	695,842.00 697,526.71	98.57 3.06%	690,008.20 2,426.67	1.06% (7,518.51)	A1 / A+ NR	1.33 1.29
40428HPV8	HSBC USA Inc Note 2.750% Due 08/07/2020	250,000.00	12/20/2017 2.45%	251,880.00 251,264.44	99.10 3.28%	247,748.50 1,604.17	0.38% (3,515.94)	A2 / A AA-	1.77 1.70
02665WAZ4	American Honda Finance Note 2.450% Due 09/24/2020	500,000.00	10/07/2016 1.72%	513,870.00 506,665.68	98.64 3.19%	493,204.50 1,259.03	0.75% (13,461.18)	A2 / A+ NR	1.90 1.83
594918BG8	Microsoft Callable Note Cont. 10/03/20 2.000% Due 11/03/2020	650,000.00	11/14/2016 1.95%	651,163.50 650,576.82	97.94 3.06%	636,612.60 6,427.78	0.98% (13,964.22)	Aaa / AAA AA+	2.01 1.93
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.300% Due 11/03/2020	750,000.00	Various 2.15%	753,852.50 752,121.04	98.07 3.30%	735,537.75 8,529.17	1.14% (16,583.29)	A3 / A A	2.01 1.92
91159HHL7	US Bancorp Callable Note 1X 12/29/2020 2.350% Due 01/29/2021	750,000.00	Various 2.13%	755,590.00 753,394.34	97.87 3.34%	733,995.00 4,504.17	1.13% (19,399.34)	A1 / A+ AA-	2.25 2.15
459200JF9	IBM Corp Note 2.250% Due 02/19/2021	750,000.00	12/20/2017 2.35%	747,675.00 748,307.08	97.55 3.37%	731,599.50 3,375.00	1.12% (16,707.58)	A1 / A A	2.31 2.21
46625HQJ2	JP Morgan Chase Callable Note Cont 2/1/2021 2.550% Due 03/01/2021	775,000.00	Various 2.33%	780,700.25 778,707.62	98.02 3.43%	759,677.48 3,293.75	1.16% (19,030.14)	A2 / A- AA-	2.33 2.23
24422ESL4	John Deere Capital Corp Note 2.800% Due 03/04/2021	825,000.00	Various 2.64%	829,074.25 827,993.91	98.93 3.28%	816,171.68 3,657.50	1.25% (11,822.23)	A2 / A A	2.34 2.24
084670BQ0	Berkshire Hathaway Callable Note Cont 2/15/2021 2.200% Due 03/15/2021	525,000.00	01/26/2017 2.26%	523,740.00 524,275.33	97.94 3.10%	514,191.30 1,475.83	0.79% (10,084.03)	Aa2 / AA A+	2.37 2.28
369550BE7	General Dynamics Corp Note 3.000% Due 05/11/2021	825,000.00	05/21/2018 3.25%	819,208.50 820,074.02	99.30 3.29%	819,183.75 11,687.50	1.27% (890.27)	A2 / A+ NR	2.53 2.38
166764BG4	Chevron Corp Callable Note Cont 4/15/2021 2.100% Due 05/16/2021	800,000.00	Various 2.56%	788,793.25 790,983.87	97.07 3.31%	776,575.20 7,700.01	1.20% (14,408.67)	Aa2 / AA- NR	2.54 2.42
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.250% Due 05/21/2021	825,000.00	05/24/2018 3.12%	827,862.75 827,440.64	99.67 3.39%	822,245.33 11,842.19	1.27% (5,195.31)	A2 / A A	2.56 2.40

Holdings Report

As of October 31, 2018

City of San Leandro - Account #460

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
02665WBG5	American Honda Finance Note 1.700% Due 09/09/2021	250,000.00	12/27/2017 2.43%	243,595.00 245,051.54	95.73 3.28%	239,322.50 613.89	0.37% (5,729.04)	A2 / A+ NR	2.86 2.75
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.900% Due 09/15/2021	475,000.00	11/09/2017 2.33%	467,466.50 469,363.31	96.03 3.36%	456,153.43 1,153.19	0.70% (13,209.88)	A1 / AA- A	2.88 2.75
89233P5F9	Toyota Motor Credit Corp Note 3.400% Due 09/15/2021	450,000.00	04/17/2018 3.02%	455,458.50 454,599.17	100.35 3.27%	451,589.85 1,955.00	0.69% (3,009.32)	Aa3 / AA- A+	2.88 2.71
17275RBJ0	Cisco Systems Callable Note Cont 8/20/2021 1.850% Due 09/20/2021	550,000.00	03/01/2017 2.36%	537,922.00 542,326.58	96.06 3.29%	528,323.95 1,158.82	0.81% (14,002.63)	A1 / AA- NR	2.89 2.77
89236TDP7	Toyota Motor Credit Corp Note 2.600% Due 01/11/2022	450,000.00	10/22/2018 3.42%	438,912.00 438,987.49	97.61 3.39%	439,253.10 3,575.00	0.68% 265.61	Aa3 / AA- A+	3.20 3.01
69353RFB9	PNC Bank Callable Note Cont 1/18/2022 2.625% Due 02/17/2022	800,000.00	Various 2.66%	799,479.00 798,928.01	97.05 3.58%	776,368.80 4,316.67	1.19% (22,559.21)	A2 / A A+	3.30 3.10
532457BQ0	Eli Lilly & Co Note 2.350% Due 05/15/2022	500,000.00	04/09/2018 2.98%	487,860.00 489,516.56	96.74 3.33%	483,719.00 5,418.06	0.75% (5,797.56)	A2 / AA- A	3.54 3.32
06051GEU9	Bank of America Corp Note 3.300% Due 01/11/2023	825,000.00	09/12/2018 3.62%	814,539.00 814,856.80	97.76 3.88%	806,534.85 8,318.75	1.24% (8,321.95)	A3 / A- A+	4.20 3.83
06406RAE7	Bank of NY Mellon Corp Callable Note Cont 12/29/2022 2.950% Due 01/29/2023	500,000.00	Various 3.44%	489,951.00 490,481.12	97.24 3.66%	486,200.50 3,769.44	0.75% (4,280.62)	A1 / A AA-	4.25 3.92
TOTAL US Corporate		15,075,000.00	2.50%	15,051,662.50 15,027,440.13	3.29%	14,789,959.92 105,208.36	22.74% (237,480.21)	A1 / A+ A+	2.43 2.30
US Treasury									
912828A34	US Treasury Note 1.250% Due 11/30/2018	2,000,000.00	Various 2.04%	1,990,390.63 1,998,761.16	99.93 2.14%	1,998,526.00 10,519.12	3.07% (235.16)	Aaa / AA+ AAA	0.08 0.08
912828N22	US Treasury Note 1.250% Due 12/15/2018	1,000,000.00	01/06/2016 1.27%	999,495.54 999,979.31	99.88 2.18%	998,848.00 4,747.27	1.53% (1,131.31)	Aaa / AA+ AAA	0.12 0.12
912828KD1	US Treasury Note 2.750% Due 02/15/2019	2,000,000.00	Various 2.21%	2,008,632.82 2,003,086.27	100.11 2.36%	2,002,152.00 11,657.60	3.07% (934.27)	Aaa / AA+ AAA	0.29 0.29
912828C65	US Treasury Note 1.625% Due 03/31/2019	1,000,000.00	01/06/2016 1.36%	1,008,362.73 1,001,063.96	99.65 2.47%	996,523.00 1,428.57	1.52% (4,540.96)	Aaa / AA+ AAA	0.41 0.41
912828UB4	US Treasury Note 1.000% Due 11/30/2019	1,125,000.00	Various 1.43%	1,118,063.14 1,119,882.02	98.16 2.73%	1,104,346.13 4,733.61	1.69% (15,535.89)	Aaa / AA+ AAA	1.08 1.06
912828UV0	US Treasury Note 1.125% Due 03/31/2020	1,000,000.00	Various 1.57%	981,265.07 993,996.48	97.66 2.82%	976,641.01 989.01	1.49% (17,355.47)	Aaa / AA+ AAA	1.42 1.39

Holdings Report

As of October 31, 2018

City of San Leandro - Account #460

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
912828XM7	US Treasury Note 1.625% Due 07/31/2020	1,000,000.00	Various 2.06%	992,853.24 992,538.42	97.88 2.87%	978,828.00 4,106.66	1.50% (13,710.42)	Aaa / AA+ AAA	1.75 1.70
912828VV9	US Treasury Note 2.125% Due 08/31/2020	800,000.00	03/09/2018 2.40%	794,843.75 796,179.92	98.66 2.88%	789,249.60 2,911.60	1.21% (6,930.32)	Aaa / AA+ AAA	1.84 1.77
912828L65	US Treasury Note 1.375% Due 09/30/2020	1,000,000.00	Various 2.20%	982,180.13 984,559.04	97.23 2.87%	972,305.01 1,208.79	1.49% (12,254.03)	Aaa / AA+ AAA	1.92 1.87
912828A42	US Treasury Note 2.000% Due 11/30/2020	725,000.00	10/13/2017 1.68%	732,108.40 729,734.78	98.21 2.89%	712,029.03 6,101.09	1.10% (17,705.75)	Aaa / AA+ AAA	2.08 2.00
912828N89	US Treasury Note 1.375% Due 01/31/2021	1,000,000.00	Various 1.87%	984,582.48 989,187.91	96.70 2.90%	966,992.00 3,474.87	1.48% (22,195.91)	Aaa / AA+ AAA	2.25 2.18
912828P87	US Treasury Note 1.125% Due 02/28/2021	1,000,000.00	Various 1.99%	973,149.42 980,520.96	96.02 2.90%	960,234.00 1,926.80	1.47% (20,286.96)	Aaa / AA+ AAA	2.33 2.27
912828Q78	US Treasury Note 1.375% Due 04/30/2021	1,000,000.00	Various 1.65%	990,740.31 993,454.86	96.32 2.91%	963,203.00 37.99	1.47% (30,251.86)	Aaa / AA+ AAA	2.50 2.43
912828R77	US Treasury Note 1.375% Due 05/31/2021	1,500,000.00	02/01/2018 2.37%	1,452,363.28 1,463,036.42	96.18 2.92%	1,442,754.00 8,678.28	2.22% (20,282.42)	Aaa / AA+ AAA	2.58 2.49
912828S76	US Treasury Note 1.125% Due 07/31/2021	1,000,000.00	Various 1.77%	975,649.25 982,817.82	95.26 2.93%	952,578.00 2,843.07	1.46% (30,239.82)	Aaa / AA+ AAA	2.75 2.67
9128284W7	US Treasury Note 2.750% Due 08/15/2021	1,000,000.00	08/30/2018 2.73%	1,000,664.06 1,000,625.94	99.51 2.93%	995,078.00 5,828.80	1.53% (5,547.94)	Aaa / AA+ AAA	2.79 2.65
912828T34	US Treasury Note 1.125% Due 09/30/2021	1,000,000.00	Various 2.07%	965,809.57 973,749.93	94.98 2.93%	949,805.01 989.01	1.45% (23,944.92)	Aaa / AA+ AAA	2.92 2.83
912828F96	US Treasury Note 2.000% Due 10/31/2021	640,000.00	12/27/2017 2.14%	636,775.00 637,482.98	97.32 2.94%	622,824.96 35.36	0.95% (14,658.02)	Aaa / AA+ AAA	3.00 2.88
912828U65	US Treasury Note 1.750% Due 11/30/2021	1,500,000.00	02/01/2018 2.43%	1,462,734.38 1,469,990.11	96.51 2.94%	1,447,617.00 11,045.08	2.23% (22,373.11)	Aaa / AA+ AAA	3.08 2.95
TOTAL US Treasury		21,290,000.00	1.99%	21,050,663.20 21,110,648.29	2.71%	20,830,533.75 83,262.58	31.92% (280,114.54)	Aaa / AA+ Aaa	1.70 1.64
TOTAL PORTFOLIO		66,355,060.19	2.10%	66,025,456.09 66,024,564.13	2.90%	65,214,362.11 299,462.04	100.00% (810,202.02)	Aa1 / AA+ Aaa	1.87 1.67
TOTAL MARKET VALUE PLUS ACCRUALS						65,513,824.15			



Section 4 | Transactions

Transaction Ledger

As of October 31, 2018

City of San Leandro - Account #460

July 31, 2018 through October 31, 2018

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	08/06/2018	06406RAE7	150,000.00	Bank of NY Mellon Corp Callable Note Cont 12/29/2022 2.95% Due: 01/29/2023	97.839	3.47%	146,758.50	86.04	146,844.54	0.00
Purchase	08/07/2018	06406RAE7	350,000.00	Bank of NY Mellon Corp Callable Note Cont 12/29/2022 2.95% Due: 01/29/2023	98.055	3.42%	343,192.50	229.44	343,421.94	0.00
Purchase	08/31/2018	9128284W7	1,000,000.00	US Treasury Note 2.75% Due: 08/15/2021	100.066	2.73%	1,000,664.06	1,195.65	1,001,859.71	0.00
Purchase	08/31/2018	912828L65	575,000.00	US Treasury Note 1.375% Due: 09/30/2020	97.383	2.68%	559,951.17	3,305.07	563,256.24	0.00
Purchase	08/31/2018	912828XM7	500,000.00	US Treasury Note 1.625% Due: 07/31/2020	98.070	2.66%	490,351.56	684.44	491,036.00	0.00
Purchase	09/14/2018	06051GEU9	825,000.00	Bank of America Corp Note 3.3% Due: 01/11/2023	98.732	3.62%	814,539.00	4,764.38	819,303.38	0.00
Purchase	09/18/2018	3130ACM92	800,000.00	FHLB Note 1.5% Due: 10/21/2019	98.770	2.65%	790,160.00	4,900.00	795,060.00	0.00
Purchase	09/19/2018	02587AAJ3	800,000.00	American Express Credit 2017-1 1.93% Due: 09/15/2022	98.645	2.93%	789,156.24	171.56	789,327.80	0.00
Purchase	10/16/2018	313378CR0	1,250,000.00	FHLB Note 2.25% Due: 03/11/2022	97.521	3.02%	1,219,012.50	2,734.38	1,221,746.88	0.00
Purchase	10/24/2018	89236TDP7	450,000.00	Toyota Motor Credit Corp Note 2.6% Due: 01/11/2022	97.536	3.42%	438,912.00	3,347.50	442,259.50	0.00
Subtotal			6,700,000.00				6,592,697.53	21,418.46	6,614,115.99	0.00
TOTAL ACQUISITIONS			6,700,000.00				6,592,697.53	21,418.46	6,614,115.99	0.00

Transaction Ledger

As of October 31, 2018

City of San Leandro - Account #460

July 31, 2018 through October 31, 2018

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Maturity	08/01/2018	06406HCL1	500,000.00	Bank of New York Callable Note Cont 7/2/2018 2.1% Due: 08/01/2018	100.000		500,000.00	0.00	500,000.00	0.00
Maturity	08/31/2018	912828RE2	2,000,000.00	US Treasury Note 1.5% Due: 08/31/2018	100.000		2,000,000.00	0.00	2,000,000.00	0.00
Maturity	09/14/2018	3130A6AE7	975,000.00	FHLB Note 1.125% Due: 09/14/2018	100.000		975,000.00	0.00	975,000.00	0.00
Maturity	09/15/2018	912828L40	1,300,000.00	US Treasury Note 1% Due: 09/15/2018	100.000		1,300,000.00	0.00	1,300,000.00	0.00
Maturity	10/15/2018	912828L81	1,000,000.00	US Treasury Note 0.875% Due: 10/15/2018	100.000		1,000,000.00	0.00	1,000,000.00	0.00
Maturity	10/24/2018	89236TAY1	450,000.00	Toyota Motor Credit Corp Note 2% Due: 10/24/2018	100.000		450,000.00	0.00	450,000.00	0.00
Subtotal			6,225,000.00				6,225,000.00	0.00	6,225,000.00	0.00
TOTAL DISPOSITIONS			6,225,000.00				6,225,000.00	0.00	6,225,000.00	0.00

Interest Rates Normalizing

As of October 31, 2018

Market Rates	12/31/15	12/31/16	12/31/17	10/31/18
Fed Funds Target	0.25 - 0.50	0.50 - 0.75	1.25 - 1.50	2.00 - 2.25
2 Year Treasury	1.05%	1.19%	1.88%	2.87%
3 Year Treasury	1.31%	1.45%	1.97%	2.93%
5 Year Treasury	1.76%	1.93%	2.21%	2.98%
2s / 5s Treasury Curve	0.71%	0.74%	0.32%	0.11%

San Leandro Portfolio	12/31/15	12/31/16	12/31/17	10/31/18
Market Value	\$39,192,913	\$44,704,548	\$55,083,962	\$65,513,824
Purchase Yield	1.04%	1.19%	1.53%	2.10%
Market Yield	1.13%	1.19%	1.88%	2.90%
Duration	1.62	1.51	1.67	1.67

San Leandro One Year Total Returns	12/31/15	12/31/16	12/31/17	10/31/18
Portfolio	0.71%	1.17%	0.84%	0.56%
Benchmark	0.56%	0.89%	0.44%	0.26%
+/- Benchmark	0.15%	0.28%	0.40%	0.30%

LAIF	12/31/15	12/31/16	12/31/17	10/31/18
Effective Yield	0.43%	0.74%	1.30%	2.17%*

Source: Bloomberg, California Treasurer, Chandler Asset Management

*LAIF daily yield as of 10/29/2018

Important Disclosures

As of October 31, 2018

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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.

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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 BAML 1-3 Yr US Treasury/Agency Index

The ICE BAML 1-3 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 three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: G1A0. Please visit www.mlindex.ml.com for more information)