

Treasury Group

To: Deborah Kafoury – Chair, Board of County Commissioners
Marissa Madrigal - Chief Operating Officer
Investment Advisory Board Members (IAB)
Mark Campbell – Chief Financial Officer
Jennifer McGuirk - County Auditor

From: Jeff DeCosta, County Treasury

Date: February 11, 2019

Re: Investment Portfolio Results for January 2019

The County Investment Pool's annualized earnings rate for January was 2.32%. This was a two basis point increase from the previous month's return of 2.30%. The year-to-date rate of return for Fiscal Year 2019 increased four basis points to 2.10%.

The U.S. Treasury 90-day T-Bill yield at the end of January was 2.41%. This was a four basis point decrease from December 31st.

The current yield for the State's Local Government Investment Pool is 2.75%.

Total nonfarm payroll employment increased by 304,000 in January, compared with an average monthly gain of 223,000 in 2018. The Fed repeated their message of patience concerning future interest rate increases. Fed officials will wait to see how the data plays out before making its next move. Some interpreted this as a sign that we are at the end of the rate-hiking cycle. The yield on the two-year through five-year treasury notes are yielding close to the current fed funds rate, indicating investors are comfortable locking in rates for five years.

For questions and suggestions regarding this report, please call me at (503) 988-7471 or email at: jeffrey.decosta@multco.us



GOVERNMENT
PORTFOLIO
ADVISORS

Executive Summary

Month-End 01/31/19



Investment Program

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MONTH END COMMENTARY- JANUARY 2019

Two-year Treasury note yields were little changed in January and showed little interest in retracing any of the substantial declines in yields that took place in December. The two-year Treasury yield closed 2018 at a yield of 2.49 and finished January down three basis points at a yield of 2.46. The lack of any bounce in yields was largely due to the Fed moderating their stance on monetary policy. The Fed announced that “further gradual increases” in short term interest rates are no longer necessary and they “will be patient as it determines what future adjustments” are needed. The move to “patience” from “autopilot” has instilled a sense of completion for this interest rate cycle. Fixed income investors have reacted by buying three to five-year notes at yields that are several basis points less than the one-year Treasury note. Thus, investors are pricing in a potential decline in yields during the latter part of 2019 and are trying to lock in yields at the same level as the current fund’s rate.

The employment report for January (announced on 2/1) has potentially created an awkward moment for a “patient” Fed. The report was exceptionally strong with non-farm payrolls growing by over 300,000 while annual earnings maintained a 3.2% YOY growth. On the same day as the employment report, the ISM reported that its manufacturing index rebounded from December’s sharp drop. Did the Fed prematurely announce a pause in their fed fund increases? The Fed’s decision was based on slowing global growth and trade issues which are weighing on economic strength. The government shutdown is going to obscure the true growth of the economy until back data can be brought up to date.

Strategy Going Forward:

Portfolios should be positioned with a neutral duration relative to their respective benchmarks with a close watch on economic data as the Fed has become much more sensitive to economic conditions and potential momentum shifts. If the fixed income markets are reading the economy correctly, we are moving closer to an economic slowdown and a potential recession. As such, market yields close to the existing fed funds rate are deemed to be relatively attractive. We are recommending corporate securities as relative spreads have risen, but we are cautious of the late economic cycle. Our credit selections are overweighted to higher quality and shorter maturities. The yield curve is expected to stay fairly flat in the near term and should eventually normalize to a steeper curve as the tightening cycle moves to an easing cycle.

TREASURY YIELD CURVE TOTAL RETURNS LAST 12 MONTHS:*

3month bill	2.035
1 year note	2.070
2 year note	2.047
3 year note	2.223
5 year note	3.321

TREASURY BENCHMARK TOTAL RETURNS IN MONTH*

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	0.26%	1.40
BAML 1-3 Year Treasury	0.27%	1.82
BAML 0-5 Year Treasury	0.31%	2.10
BAML 1-5 Year Treasury	0.32%	2.57

Changes in the Treasury Market (absolute yield levels): *

	12/31/2017	11/30/2018	12/31/2018	1/31/2019	Change from Last Month	Change from Prior Year
3 month bill	1.38	2.37	2.42	2.38	-0.04	1.00
1 year note	1.81	2.76	2.62	2.54	-0.08	0.73
2 year note	1.87	2.81	2.50	2.46	-0.04	0.59
3 year note	1.98	2.83	2.47	2.43	-0.04	0.45
5 year note	2.20	2.85	2.51	2.44	-0.07	0.24
10 year note	2.41	3.01	2.69	2.52	-0.17	0.11

*Source: Bloomberg



Total Funds Multnomah County

Compliance Report

Policy 2018 | 01/31/2019

	Policy Requirement	% of Total Accumulated	Portfolio Allocation	Within Limits	S&P	Moody's
Under 30 days	10%	14%	\$ 96,356,226	Yes	Muni's AA-	Aa3
Under 1 year	35%	80%	\$ 550,412,358	Yes	Corp Bonds AA-	Aa3
Under 5 years	100%	100%	\$ 686,429,925	Yes	C P A-1	P-1
				Yes	B A A-1+	P-1
Maximum Weighted Average Maturity	2		0.70	Yes		
Maximum Callable Securities	25%	1%	\$ 9,873,940	Yes		
Maximum Single Maturity	5 Years		3.97	Yes	Policy states ONE rating meets requirement	

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value	% Within Limits	Ratings Compliance	Issuer Compliance
US Treasury Obligations	100%		44.85%	\$ 307,878,853	Yes		
US Agencies Primary	100%		36.76%	\$ 252,302,942	Yes		
FHLB		25%	14.27%	\$ 97,978,877	Yes		
FNMA		25%	3.61%	\$ 24,751,610	Yes		
FHLMC		25%	6.50%	\$ 44,619,430	Yes		
FFCB		25%	12.38%	\$ 84,953,025	Yes		
US Agencies Secondary	10%	10%	0.00%	\$ -			
Municipal Obligations OR, CA, ID, WA	10%	5%	0.31%	\$ 2,104,400	Yes		Yes
Corporate Bonds (No Fossil Fuel)	25%	5%	4.35%	\$ 29,869,525	Yes	Yes	Yes
Commercial Paper	10%	5%	2.18%	\$ 14,942,133	Yes	Yes	Yes
Bank Deposits	50%	25%	3.54%	\$ 24,276,063	Yes	N/A	N/A
Certificates of Deposit	20%	10%	0.29%	\$ 1,960,000	Yes	Yes	Yes
Bankers Acceptances	10%	5%	0.00%	\$ -			
Repurchase Agreements	10%	5%					
Reverse Repurchase Agreement	10%	5%	0.00%	\$ -			
OST Fund Pool	ORS 294.810 ***		7.74%	\$ 53,096,009	Yes*	**	**
Total			100%	\$ 686,429,925			

*** Current ORS Maximum

\$ 49,500,000.00

* ORS allows for OST Balances to be above limit during tax receipt periods.

** Ratings & Issuer restrictions do not apply to pool funds

Benchmark: BofA Merrill 0-3 year Treasury

STRATEGY OVERVIEW

Name	Par Amount	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur
Multnomah County - Core Investment Fund	\$ 250,000,000	\$ 249,761,860	\$ 249,444,962	\$ (316,898)	1.94	1.28	1.40
Multnomah County CD Fund	\$ 1,960,000	\$ 1,960,000	\$ 1,960,000	\$ -	1.92	0.85	0.10
Multnomah County Liquidity	\$ 437,372,072	\$ 434,863,952	\$ 435,024,963	\$ 161,011	2.55	0.30	0.10
TOTAL PORTFOLIO	\$ 689,332,072	\$ 686,585,813	\$ 686,429,925	\$ (155,887)	2.33	0.66	0.57



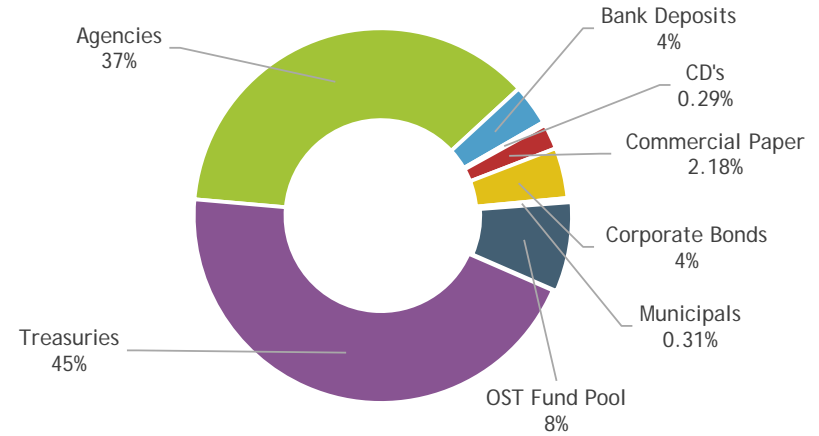
Total Funds Multnomah County

For Period January 01, 2019 - January 31, 2019

Investment Report

Policy 2018 | 01/31/2019

Investment Holdings at 01/31/2019	Market Value	% of Total Portfolio	Maximum Per Policy
US Treasury Obligations	\$ 307,878,853	44.85%	100%
US Agencies Primary	\$ 252,302,942	36.76%	100%
Municipal Obligations OR, CA, ID, WA	\$ 2,104,400	0.31%	10%
Corporate Bonds (No Fossil Fuel)	\$ 29,869,525	4.35%	25%
Commercial Paper	\$ 14,942,133	2.18%	10%
Bank Deposits	\$ 24,276,063	3.54%	50%
Certificates of Deposit	\$ 1,960,000	0.29%	20%
Bankers Acceptances	\$ -	-	10%
Repurchase Agreements	\$ -	-	10%
Reverse Repurchase Agreement	\$ -	-	10%
OST Fund Pool	\$ 53,096,009	7.74%	
Total Portfolio	\$ 686,429,925	100.00%	

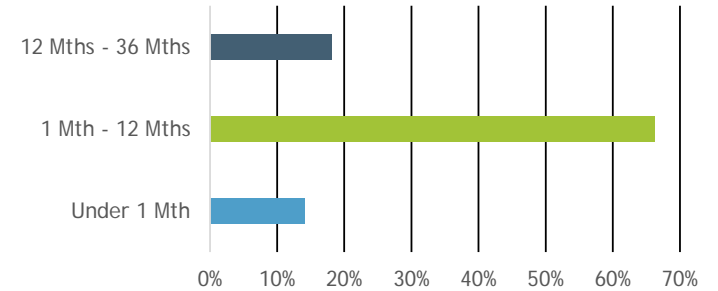


% of Portfolio With One Issuer:

Corporate Notes	\$ 19,942,295	2.91%	5%
State Obligations	\$ 2,104,400	0.31%	5%

MATURITY DISTRIBUTION

Maturities from 01/31/2019	Per Maturity Bucket		Cumulative	
	Market Value	% of Total Portfolio	% of Total Portfolio	Minimum Per Policy
Under 1 Mth	\$ 96,356,226	14%	14%	10%
1 Mth - 12 Mths	\$ 454,056,132	66%	80%	35%
12 Mths - 36 Mths	\$ 124,005,667	18%	98%	100%
36 Mths - 60 Mths	\$ 12,011,900	2%	100%	0%



Average Maturity on 01/31/2019: 0.70 Years
 Average Maturity of portfolio (excluding bank / LGIP deposits): 1.30 Years

Maximum Per Policy: 5 Years

ACTIVITY & PERFORMANCE SUMMARY

Activity Summary	This Month	Fiscal Year-to-Date
Beginning Amortized Cost	\$ 753,893,482	\$ 529,951,765
Investment purchases	\$ -	\$ 547,117,070
Investment maturities and sales	\$ (25,000,000)	\$ (392,205,000)
Amortization	\$ 637,388	\$ 1,860,017
Net cash deposit (withdrawals)	\$ (42,945,058)	\$ (138,040)
Realized Gain/Loss	\$ -	\$ -
Ending Amortized Costs	\$ 686,585,813	\$ 686,585,813

Performance Summary	This Month	Fiscal Year-to-Date
Amortization	\$ 637,388	\$ 1,860,017
Interest income	\$ 782,224	\$ 6,197,548
Realized gain (loss)	\$ -	\$ -
Total income	\$ 1,419,612	\$ 8,057,565
Average portfolio balance*	\$ 720,638,755	\$ 650,061,382

Market Value on 01/31/2019: \$ 686,429,925

Daily average annualized earned for the period: 2.32%
 Investment Portfolio yield at cost (excluding bank / LGIP deposits): 1.94%
 Local Government Investment Pool interest rate: 2.75%

* Average portfolio balance is based on County's Sympro report system



Portfolio Appraisal - Settled Trades

US Dollar
1/31/2019

Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
US Agency (USD)								
10,000,000	3133782M2	FEDERAL HOME LOAN BANKS 1.500% Due 03-08-19	100.05	10,005,156.67	99.90	9,990,250.00	4.0	1.0
10,000,000	3134G9AW7	FEDERAL HOME LN MTG CORP 1.150% Due 04-26-19	99.99	9,999,232.88	99.70	9,969,510.00	4.0	1.2
10,000,000	3133EF5X1	FEDERAL FARM CR BKS 1.100% Due 05-03-19	100.02	10,002,067.47	99.68	9,968,300.00	4.0	1.0
15,000,000	313379EE5	FEDERAL HOME LOAN BANKS 1.625% Due 06-14-19	100.26	15,039,267.87	99.70	14,955,360.00	6.0	0.9
15,000,000	3137EAEB1	FEDERAL HOME LN MTG CORP 0.875% Due 07-19-19	99.97	14,995,980.50	99.26	14,889,420.00	6.0	0.9
10,000,000	3136G3X67	FEDERAL NATL MTG ASSN 1.100% Due 08-23-19	100.00	10,000,000.00	99.21	9,921,200.00	4.0	1.1
15,000,000	3133EHYJ6	FEDERAL FARM CR BKS 1.375% Due 09-12-19	99.93	14,989,266.08	99.33	14,898,885.00	6.0	1.5
10,000,000	3137EAE5	FEDERAL HOME LN MTG CORP 1.500% Due 01-17-20	99.99	9,998,950.29	99.00	9,900,140.00	4.0	1.5
10,000,000	3133EJNW5	FEDERAL FARM CR BKS 2.550% Due 05-15-20	99.88	9,987,911.12	100.05	10,004,620.00	4.0	2.6
10,000,000	3130ABPV2	FEDERAL HOME LOAN BANKS 1.690% Due 06-29-20	99.98	9,997,613.16	98.74	9,873,940.00	4.0	1.7
10,000,000	3135G0T60	FEDERAL NATL MTG ASSN 1.500% Due 07-30-20	99.86	9,986,055.75	98.55	9,854,980.00	4.0	1.6
8,000,000	313370US5	FEDERAL HOME LOAN BANKS 2.875% Due 09-11-20	100.26	8,020,530.86	100.54	8,043,592.00	3.2	2.7
5,000,000	3130ACE26	FEDERAL HOME LOAN BANKS 1.375% Due 09-28-20	97.98	4,898,794.37	98.17	4,908,605.00	2.0	2.6
10,000,000	3137EAEJ4	FEDERAL HOME LN MTG CORP 1.625% Due 09-29-20	98.32	9,831,873.65	98.60	9,860,360.00	4.0	2.7
10,000,000	3133EJAW9	FEDERAL FARM CR BKS 2.250% Due 01-29-21	99.59	9,959,030.59	99.44	9,943,940.00	4.0	2.5
10,000,000	3133EJCE7	FEDERAL FARM CR BKS 2.350% Due 02-12-21	99.28	9,927,827.26	99.61	9,961,300.00	4.0	2.7
10,000,000	3133EJEM7	FEDERAL FARM CR BKS 2.500% Due 03-01-21	99.85	9,984,676.18	99.91	9,991,220.00	4.0	2.6
15,000,000	313373ZY1	FEDERAL HOME LOAN BANKS 3.625% Due 06-11-21	101.76	15,263,429.39	102.50	15,375,225.00	6.2	2.8
10,000,000	3133EJZU6	FEDERAL FARM CR BKS 2.850% Due 09-20-21	99.77	9,977,297.04	100.72	10,072,170.00	4.0	2.9
10,000,000	3133EJK24	FEDERAL FARM CR BKS 3.000% Due 10-19-21	100.09	10,009,498.33	101.13	10,112,590.00	4.1	3.0
5,000,000	3135G0T94	FEDERAL NATL MTG ASSN 2.375% Due 01-19-23	98.70	4,934,998.77	99.51	4,975,430.00	2.0	2.7
				217,809,458.23		217,471,037.00	87.2	1.94



Portfolio Appraisal - Settled Trades

US Dollar
1/31/2019

Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
Corporate (USD)								
10,000,000	037833AQ3	APPLE INC 2.100% Due 05-06-19	100.14	10,013,661.69	99.87	9,987,100.00	4.0	1.6
10,000,000	594918BN3	MICROSOFT CORP 1.100% Due 08-08-19	99.98	9,997,922.56	99.27	9,927,230.00	4.0	1.1
5,000,000	037833AR1	APPLE INC 2.850% Due 05-06-21	99.99	4,999,676.72	100.46	5,023,125.00	2.0	2.9
5,000,000	037833CQ1	APPLE INC 2.300% Due 05-11-22	97.04	4,851,793.47	98.64	4,932,070.00	2.0	3.3
				29,863,054.44		29,869,525.00	12.0	1.92
Municipal (USD)								
2,000,000	93974CRA0	WASHINGTON ST 4.369% Due 08-01-22	104.47	2,089,347.70	105.22	2,104,400.00	0.8	3.0
				2,089,347.70		2,104,400.00	0.8	3.00
Total Portfolio				249,761,860.37		249,444,962.00	100.0	1.94



Portfolio Appraisal - Settled Trades

US Dollar
1/31/2019

Multnomah County CD Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
Bank or Cash Deposit (USD)								
245,000	SYS7502	UNITUS COMMUNITY CU CD 1.500% Due 07-24-19	100.00	245,000.00	100.00	245,000.00	12.5	1.5
245,000	SYS7505	PREMIER COMMUNITY BK (HERITAGE) CD 1.200% Due 08-01-19	100.00	245,000.00	100.00	245,000.00	12.5	1.2
245,000	SYS7509	HOMESTREET BANK CD 2.000% Due 09-18-19	100.00	245,000.00	100.00	245,000.00	12.5	2.0
245,000	SYS7520	SUMMIT BANK CD 2.000% Due 11-15-19	100.00	245,000.00	100.00	245,000.00	12.5	2.0
245,000	SYS7510	WILLAMETTE COMMUNITY BK CD 2.000% Due 02-15-20	100.00	245,000.00	100.00	245,000.00	12.5	2.0
245,000	SYS7508	PACIFIC WEST BANK CD 2.000% Due 02-16-20	100.00	245,000.00	100.00	245,000.00	12.5	2.0
245,000	SYS7506	NORTHWEST COMMUNITY CU CD 1.900% Due 03-15-20	100.00	245,000.00	100.00	245,000.00	12.5	1.9
245,000	SYS7521	UMPQUA BANK CD 2.800% Due 05-20-20	100.00	245,000.00	100.00	245,000.00	12.5	2.8
				1,960,000.00		1,960,000.00	100.0	1.9
Total Portfolio				1,960,000.00		1,960,000.00	100.0	1.92



Portfolio Appraisal - Settled Trades

US Dollar
1/31/2019

Multnomah County Liquidity

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
US Agency (USD)								
19,000,000	313384CX5	FEDL HOME LOAN BKS DISC NT 0.000% Due 03-11-19	99.75	18,951,866.66	99.75	18,951,873.00	4.4	2.4
16,000,000	313384FZ7	FEDL HOME LOAN BKS DISC NT 0.000% Due 05-24-19	99.23	15,876,302.22	99.25	15,880,032.00	3.7	2.5
				34,828,168.89		34,831,905.00	8.0	2.55
US Treasury (USD)								
19,000,000	912796QX0	UNITED STATES TREAS BILLS 0.000% Due 02-14-19	99.91	18,983,787.19	99.92	18,984,154.00	4.4	2.4
19,000,000	912796RG6	UNITED STATES TREAS BILLS 0.000% Due 04-11-19	99.55	18,913,626.95	99.55	18,914,006.00	4.3	2.4
10,000,000	912796QC6	UNITED STATES TREAS BILLS 0.000% Due 04-25-19	99.44	9,944,482.22	99.46	9,946,050.00	2.3	2.5
19,000,000	912796QC6	UNITED STATES TREAS BILLS 0.000% Due 04-25-19	99.45	18,896,027.51	99.46	18,897,495.00	4.3	2.4
19,000,000	912796RP6	UNITED STATES TREAS BILLS 0.000% Due 05-09-19	99.36	18,877,568.49	99.36	18,878,153.00	4.3	2.4
10,000,000	912828R44	UNITED STATES TREAS NTS 0.875% Due 05-15-19	99.54	9,953,983.44	99.55	9,955,470.00	2.3	2.5
25,000,000	912796QH5	UNITED STATES TREAS BILLS 0.000% Due 05-23-19	99.24	24,810,398.13	99.27	24,817,300.00	5.7	2.5
19,000,000	912828R85	UNITED STATES TREAS NTS 0.875% Due 06-15-19	99.38	18,882,169.67	99.43	18,890,902.00	4.3	2.6
25,000,000	912828XV7	UNITED STATES TREAS NTS 1.250% Due 06-30-19	99.45	24,862,535.33	99.51	24,876,950.00	5.7	2.6
19,000,000	912828S43	UNITED STATES TREAS NTS 0.750% Due 07-15-19	99.17	18,842,448.16	99.23	18,853,795.00	4.3	2.6
24,000,000	912828WW6	UNITED STATES TREAS NTS 1.625% Due 07-31-19	99.52	23,884,076.09	99.59	23,901,552.00	5.5	2.6
19,000,000	9128282B5	UNITED STATES TREAS NTS 0.750% Due 08-15-19	99.01	18,812,028.45	99.08	18,824,839.00	4.3	2.6
20,000,000	9128282B5	UNITED STATES TREAS NTS 0.750% Due 08-15-19	99.01	19,801,642.22	99.08	19,815,620.00	4.6	2.6
19,000,000	912796RA9	UNITED STATES TREAS BILLS 0.000% Due 09-12-19	98.42	18,699,787.25	98.51	18,716,349.00	4.3	2.6
25,000,000	9128282X7	UNITED STATES TREAS NTS 1.375% Due 09-30-19	99.14	24,786,044.04	99.24	24,809,575.00	5.7	2.7
19,000,000	912828T59	UNITED STATES TREAS NTS 1.000% Due 10-15-19	98.82	18,775,897.44	98.93	18,796,643.00	4.3	2.7
				307,726,502.58		307,878,853.00	70.8	2.56



Multnomah County Liquidity

Portfolio Appraisal - Settled Trades

US Dollar
1/31/2019

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
LGIP State Pool (USD)								
53,096,009	OSTFLGIP	OREGON SHORT TERM FUND POOL 2.750% Due 02-27-19	100.00	53,096,009.09	100.00	53,096,009.09	12.2	2.8
				53,096,009.09		53,096,009.09	12.2	2.75
Bank or Cash Deposit (USD)								
2,354,522	SYSBADD1	BANK OF AMERICA 0.010% Due 02-27-19	100.00	2,354,522.21	100.00	2,354,522.21	0.5	0.0
11,938,112	SYSSSBMM1	UMPQUA BANK 2.250% Due 02-27-19	100.00	11,938,111.74	100.00	11,938,111.74	2.7	2.3
196,199	SYSUSB076	US BANK 0.010% Due 02-27-19	100.00	196,198.50	100.00	196,198.50	0.0	0.0
8,190,666	000WAFED	WASHINGTON FEDERAL MMF 2.250% Due 02-27-19	100.00	8,190,665.79	100.00	8,190,665.79	1.9	2.3
1,596,565	SYSWCBMM1	WILLAMETTE COMMUNITY BANK 1.750% Due 02-27-19	100.00	1,596,565.05	100.00	1,596,565.05	0.4	1.8
				24,276,063.29		24,276,063.29	5.6	1.99
Commercial Paper (USD)								
15,000,000	89233HQU1	TOYOTA MOTOR CREDIT CP 0.000% Due 03-28-19	99.58	14,937,208.33	99.61	14,942,133.00	3.4	2.8
				14,937,208.33		14,942,133.00	3.4	2.79
Total Portfolio				434,863,952.17		435,024,963.38	100.0	2.55



Disclaimer

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Definition and Terms

Investment Report: Provides of summary asset allocation and maturity distribution. The activity and earnings summary provides a high level overview of the total funds.

Total Funds: This is the amount of the overall portfolio balances that are held in short term liquid investments to meet ongoing operational budgets and cash flows and investments held for longer periods. An annual assessment of the allocations to each component is evaluated through a cash flow process determining liquidity needs and District preferences, the Guideline Portfolio Strategy "GPS" is completed by Government Portfolio Advisors.

Compliance Report: Provides a comparison of the portfolio positions to the investment policy. This report includes a breakout of the specific funds and each allocation to the liquidity and investments.

Holdings Reports: Provides an overview by fund of portfolio distribution.

Security Type: Allocates the investment to a specific issuer type.

Par Value: The total face value of the investment at maturity.

Security Name: Lists the specific name of issuer.

Book Yield or Yield at Cost: Is the earning yield on each security at the time of purchase. The total is a weighting based on investment value.

Market Value: The current market value of the security based on a third party pricing source. This price represents the value if the securities were sold on the pricing date. The market value changes with interest rates.

Total Adjusted Cost: This may be referred to as "book value" and represents the cost basis to date after amortization of premiums or discounts since the purchase date.

Unrealized gain or loss: This represents the difference between the market value and the adjusted cost at the time of the report.

% of Portfolio: Represents the percent allocation dedicated to each security type in the fund.

Effective Duration: Represents the duration based on the time between the report date and the maturity of the bond. Duration is similar to average maturity and is used to measure the price sensitivity of the portfolio given interest rate changes.