

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Phyllis J. Randall and Members
Northern Virginia Transportation Authority

FROM: Michael Longhi, Chief Financial Officer

DATE: May 8, 2020

SUBJECT: Investment Portfolio Report

- 1) **Purpose:** To provide the Northern Virginia Transportation Authority (NVTa) with required reports on investment activities and portfolio performance through April 30, 2020.
- 2) **Background:** This report is on investment activity through April 2020 and affirms the portfolio investments were acquired on the basis of safety, liquidity and then yield. This report summarizes the portfolio structure, and adherence to the NVTa Investment Policy.

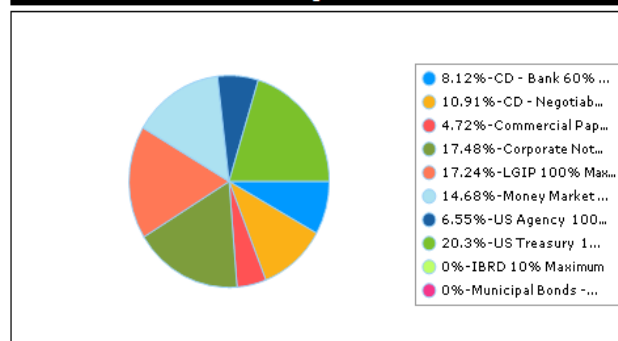


Northern Virginia Transportation Authority
Distribution by Asset Category - Book Value
Report Group: Regional Revenue

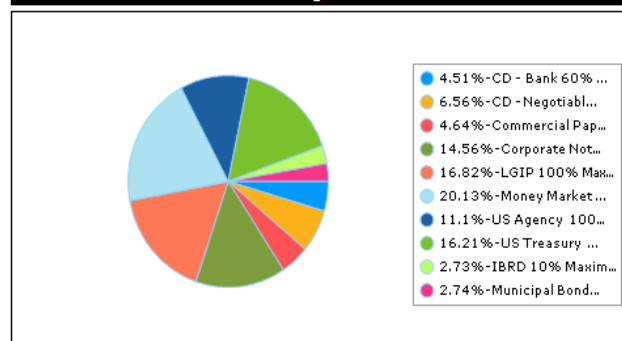
Begin Date: 1/31/2020, End Date: 4/30/2020

Asset Category Allocation				
Asset Category	Book Value 1/31/2020	% of Portfolio 1/31/2020	Book Value 4/30/2020	% of Portfolio 4/30/2020
CD - Bank 60% Maximum	87,134,723.53	8.12	49,500,000.00	4.51
CD - Negotiable 25% Maximum	117,000,451.10	10.91	72,000,000.00	6.56
Commercial Paper 30% / 5% Maximum	50,637,049.99	4.72	50,874,725.00	4.64
Corporate Notes 50% Maximum	187,512,695.58	17.48	159,799,894.67	14.56
LGIP 100% Maximum	184,994,771.31	17.24	184,615,298.21	16.82
Money Market 60% Maximum	157,472,265.68	14.68	220,935,124.60	20.13
US Agency 100% Maximum	70,253,437.33	6.55	121,821,281.86	11.10
US Treasury 100% Maximum	217,771,094.39	20.30	177,913,103.30	16.21
IBRD 10% Maximum	0.00	0.00	30,002,770.51	2.73
Municipal Bonds - US 75% Maximum	0.00	0.00	30,018,519.97	2.74
Total / Average	1,072,776,488.91	100.00	1,097,480,718.12	100.00

Portfolio Holdings as of 1/31/2020



Portfolio Holdings as of 4/30/2020



3) Current Period Reports:

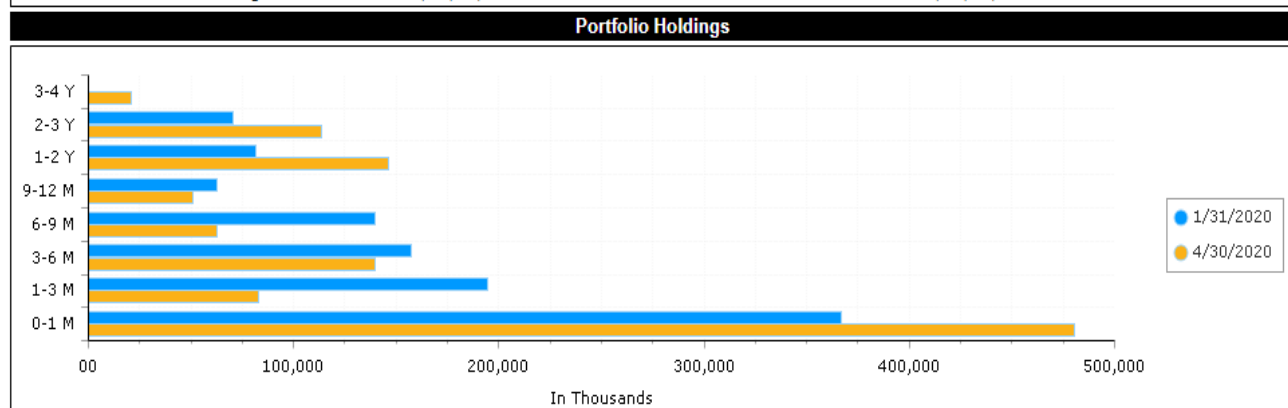
- a. The safety of the portfolio is reflected in the actual composition of the portfolio as shown above.



Northern Virginia Transportation Authority Distribution by Maturity Range - Book Value Report Group: Regional Revenue

Begin Date: 1/31/2020, End Date: 4/30/2020

Maturity Range Allocation				
Maturity Range	Book Value 1/31/2020	% of Portfolio 1/31/2020	Book Value 4/30/2020	% of Portfolio 4/30/2020
0-1 Month	367,062,425.73	34.22	480,515,168.09	43.78
1-3 Months	194,201,371.29	18.10	82,917,592.20	7.56
3-6 Months	157,604,549.14	14.69	139,942,542.60	12.75
6-9 Months	139,893,021.03	13.04	62,406,216.10	5.69
9-12 Months	62,360,925.88	5.81	51,143,292.68	4.66
1-2 Years	81,445,155.54	7.59	145,909,408.78	13.29
2-3 Years	70,209,040.30	6.54	113,646,497.67	10.36
3-4 Years	0.00	0.00	21,000,000.00	1.91
Total / Average	1,072,776,488.91	100.00	1,097,480,718.12	100.00



- b. The liquidity of the portfolio is reflected in the portfolio's duration of .43 (1.0 = 1 year) and the maturity schedule shown above.

NVTA Investment Benchmarks	Apr-20 Month End
Fed Funds Rate	0.05%
Treasury 90 Day T Bill	0.12%
Local Government Investment Pool	1.01%
Virginia Non-Arbitrage Program *	0.86%
NVTA Performance	1.63%

Source: Bloomberg, Statements

*SNAP 7-day yield, 4/30

- c. The yield on the portfolio at the end of April 2020 was 1.63. The NVTA's Investment Policy specifies the benchmarks shown above for yield performance comparison.

4) Portfolio Analysis & Statistics Overview

a) Safety

i) **Covid-19 Stress Test - Portfolio Safety Review:** Staff undertook an extensive review of the investment portfolio to evaluate the potential risks to its holdings, and concluded the portfolio well positioned to weather the economic fallout from the Covid-19 pandemic. Below please find an overview:

- a. **AAA/AA rated U.S. Treasury and Agency Bonds (27.31%):** U.S. Treasuries and various U.S. agencies, the safest investments in the world, represent the majority of NVTAs portfolio holdings. NVTAs has increased its U.S. government bond holdings (to increase safety) and plans to continue to add significantly to its position.
- b. **Collateralized bank money market accounts and CD's (15.61%):** All of NVTAs bank money market and time deposits are protected through the Commonwealth of Virginia collateralization program, or are FDIC insured.
- c. **AAA/AA rated investment grade corporate bonds (14.56%):** Staff conducted a full review using various credit and solvency metrics, and reached out to credit analysts from S&P, Moody's and Fitch. Credit rating agencies judged the companies to have sufficient earnings and reserves for NVTAs corporate bonds to retain investment grade credit ratings. NVTAs independent analysis and credit market values also support this finding (see chart below).
- d. **Commercial Paper and Negotiable CD's (11.2%):** Nearly all of NVTAs commercial paper and negotiable bank CDs mature in the next 90 days. All the holdings have retained their short-term investment grade ratings.

Credit Markets: Project Less Than 1% Default Probability on NVTAs Corporate Bonds

Name	Bloomberg Default Risk	1 Yr Default Likelihood	Model 5 Yr CDS Spread (bp)
EXXON MOBIL CORP	IG7	0.069%	129
CHEVRON CORP	IG8	0.097%	151
TOYOTA MOTOR CORP	IG6	0.044%	45
AUTOMATIC DATA PROCESSING	IG2	0.003%	60
APPLE INC	IG4	0.008%	68
BANK OF NEW YORK MELLON CORP	IG10	0.450%	124
BERKSHIRE HATHAWAY INC-CL B	IG1	0.002%	67
JOHNSON & JOHNSON	IG1	0.001%	44
PROCTER & GAMBLE CO/THE	IG3	0.006%	60
WALMART INC	IG2	0.003%	56
MICROSOFT CORP	IG2	0.004%	61

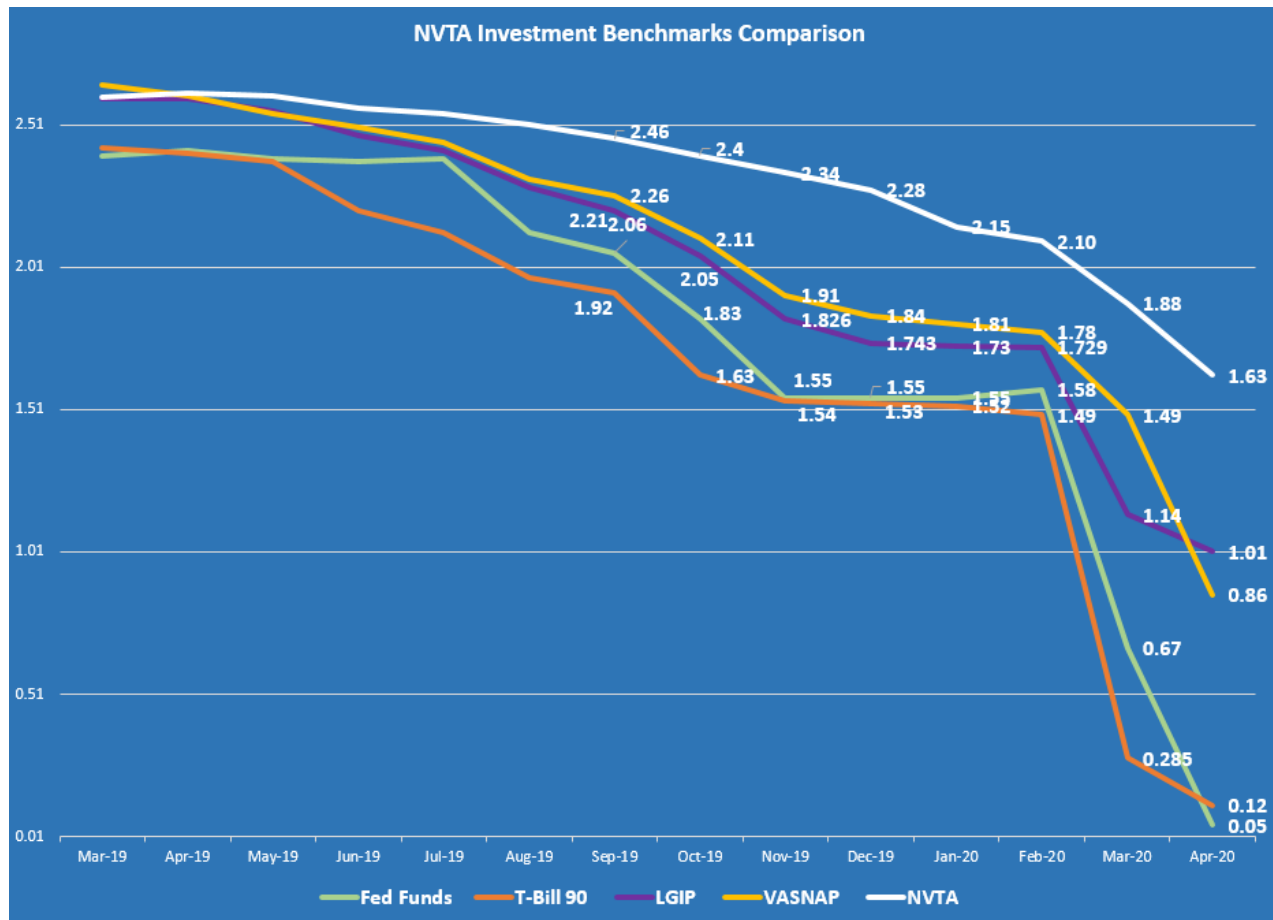
b) Liquidity:

- i) **A Return to Orderly Markets:** After several weeks of high volatility, the Federal Reserve's unprecedented "No Credit Left Behind" liquidity support to shore up the U.S. economy during the pandemic has been successful in assuring orderly markets for the buying and selling of bonds.
- ii) The NVTA Portfolio average duration was .43 - or less than 6 months – reflecting a significant decline in investment activity during the Covid-19 crises as staff paused to evaluate the pandemic's implications to NVTA's portfolio and the investment environment.
- iii) Given the change in market dynamics - the Federal Reserve has dropped rates near zero because of the pandemic – longer-dated maturities pay suboptimal rates. As such, NVTA intends to focus on shorter term, variable investments to participate in the ultimate U.S. economic recovery, which will cause the portfolio duration to remain at present levels, and offering exceptional liquidity during this period.

c) Yield:

- i) **Fed Emergency Rate Cuts: A Return to Sub-Zero:** To support the U.S. economy during the Covid-19 pandemic, the Federal Reserve on March 15 announced emergency rate cuts for the second time, to nearly zero, dropping the federal funds rate by 1 percent to a range of 0-0.25 percent. Just two weeks earlier, on March 3, the Fed's first pandemic emergency response cut rates by half of a percentage point, where the rate was 1-1.25 percent. The two emergency cuts are the first since the 2008 financial crises. Following the Federal Open Market Committee (FOMC) meeting on April 29, the central bank pledged accommodative policy (or sub-zero rates) until the economy again reaches full employment and 2% inflation.
- ii) **Low Rates for Longer:** Given the significant uncertainty among U.S. economists over the pandemic's duration and consequent economic impact, not to mention the timing of an economic recovery, NVTA staff project a significant decline in the yield performance of the investment portfolio over the next year as compared to prior year's performance.
- iii) **In Covid-19's Shadow – A 12-Month Performance Milestone:** As of March, NVTA quietly celebrated a performance milestone – marking the 12th month in a row whereas NVTA continued to outperform its benchmarks, which was repeated in April.
 - (a) **NVTA Alpha:** With an annualized performance measure now in hand, the annual average of our benchmarks was 1.95 percent, whereas NVTA generated 2.37 percent in yield in the last 12 months, or 42 basis points over NVTA's benchmarks, or nearly \$4.2 million in alpha was generated.
 - 1. **Alpha**, often considered the active return on an investment gauges the performance of an investment against a market index or benchmark that is considered to represent the market's movement as a whole. The Excess Return of an investment relative to the return of a benchmark index is the investment's alpha, or the return or value produced by active portfolio managers.

- **Rate Strategy Implications:** As noted previously, while there are still many safe, liquid and fair yielding investments, staff acknowledges that over time NVTA's portfolio performance will move (decline) with the market.



Note: SNAP 7-day yield (4/30)

- 5) **Custodian Certification:** BB&T Retirement & Institutional Services is the custodian of all of NVTA's investment purchases and is where all of NVTA's non-deposit investments are held. Deposit type investments are protected through the Commonwealth of Virginia collateralization program or FDIC Insurance.
- 6) **Policy Required Reports:** The attached Compliance - GASB 40 Report addresses specific Investment Policy requirements regarding the purchase and holding of securities. The attached report, documents:
 - a. **Compliance – Investment Policy, Summary.** The report shows the percentage of the portfolio by each type of investment.
 - b. **Investment Portfolio – By Maturity Range.** The report shows the yield to maturity, and percentage of the portfolio which each type of investment represents.
 - c. **Portfolio Holdings by Custodian.** This report shows each depository, investment firm or custodian holding NVTA securities or cash.

Note: Due to the acceleration of the May Finance Committee meeting date, the numbers in this report are not reconciled. If any significant variances are discovered during reconciliation, they will be reported at the next Committee meeting.

Attachments: Compliance - GASB 40 Report shows reporting requirements as listed above, and not otherwise presented. This report is also fundamental for the Authority's Annual Financial Statements and annual audit.



Northern Virginia Transportation Authority

Attachment.

Portfolio Holdings Compliance - GASB 40 Report - As of 4/30/2020

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Certificate Of Deposit									
Atlantic Union Bank1.7 12/26/2020	9,500,000.00	9,500,000.00	9,500,000.00	NR	NR	0.87	12/26/2020	1.700	0.66
United Bank1.81 8/2/2020	30,000,000.00	30,000,000.00	30,000,000.00	NR	NR	2.73	08/02/2020	1.810	0.26
United Bank1.9 1/14/2021	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.91	01/14/2021	1.900	0.71
Sub Total / Average Certificate Of Deposit	49,500,000.00	49,500,000.00	49,500,000.00			4.51		1.807	0.43
Commercial Paper									
JP Morgan Securities 0 5/29/2020	20,000,000.00	19,971,000.00	19,713,066.66	S&P-A1	Moody's-P1	1.82	05/29/2020	1.824	0.08
JP Morgan Securities 0 6/19/2020	12,000,000.00	11,968,000.00	11,828,920.00	S&P-A1	Moody's-P1	1.09	06/19/2020	1.948	0.14
JP Morgan Securities 0 6/19/2020	14,000,000.00	13,962,666.67	13,800,406.66	S&P-A1	Moody's-P1	1.28	06/19/2020	1.948	0.14
JP Morgan Securities 0 8/14/2020	5,000,000.00	4,973,058.33	4,930,650.42	S&P-A1	Moody's-P1	0.46	08/14/2020	1.855	0.29
Sub Total / Average Commercial Paper	51,000,000.00	50,874,725.00	50,273,043.74			4.65		1.890	0.13
Corporate Bond									
ADP 2.25 9/15/2020	5,000,000.00	4,995,173.91	5,022,800.00	S&P-AA	Moody's-Aa3	0.46	09/15/2020	2.512	0.38
Apple Corp.1.7 9/11/2022	16,145,000.00	16,107,665.16	16,563,639.85	S&P-AA+	Moody's-Aa1	1.47	09/11/2022	1.800	2.32
Apple Corp.Var. Corp 2/9/2022	5,011,000.00	5,041,412.27	5,018,316.06	S&P-AA+	Moody's-Aa1	0.46	02/09/2022	2.234	0.00
Apple Corp. 2 11/13/2020	5,000,000.00	4,981,341.94	5,036,650.00	S&P-AA+	Moody's-Aa1	0.46	11/13/2020	2.718	0.53
Bank of New YorkVar. Corp 6/4/2021 -20	8,258,000.00	8,266,463.72	8,212,746.16	S&P-AA-	Moody's-Aa2	0.75	06/04/2021	1.534	0.00
Berkshire Hathaway2.2 3/15/2021	7,386,000.00	7,346,858.18	7,472,711.64	S&P-AA	Moody's-Aa2	0.67	03/15/2021	2.833	0.87
Berkshire Hathaway2.2 3/15/2021	10,000,000.00	10,011,811.96	10,117,400.00	S&P-AA	Moody's-Aa2	0.91	03/15/2021	2.061	0.87
Chevron Corp. 2.1 5/16/2021	5,560,000.00	5,514,377.08	5,622,716.80	S&P-AA	Moody's-Aa2	0.51	05/16/2021	2.923	1.03
Exxon Mobil Corp Var. Corp 3/6/2022	1,000,000.00	1,004,591.37	990,860.00	S&P-AA	Moody's-Aa1	0.09	03/06/2022	1.371	0.00
Exxon Mobil Corp Var. Corp 3/6/2022	7,500,000.00	7,532,691.83	7,431,450.00	S&P-AA	Moody's-Aa1	0.68	03/06/2022	1.371	0.00
Exxon Mobil Corp Var. Corp 8/16/2022	10,000,000.00	10,036,305.51	9,899,500.00	S&P-AA	Moody's-Aa1	0.91	08/16/2022	2.022	0.00
IBRD 1.75 1/27/2023-21	30,000,000.00	30,002,770.51	30,255,000.00	S&P-AAA	Moody's-Aaa	2.73	01/27/2023	1.746	2.68

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Johnson and Johnson2.95 9/1/2020	5,000,000.00	5,007,842.16	5,036,350.00	S&P-AAA	Moodys-Aaa	0.46	09/01/2020	2.472	0.34
Microsoft Corp 1.55 8/8/2021	5,000,000.00	4,921,171.02	5,060,950.00	S&P-AAA	Moodys-Aaa	0.46	08/08/2021	2.850	1.26
Proctor and Gamble Co. 1.9 10/23/2020	5,000,000.00	4,980,352.97	5,036,100.00	S&P-AA-	Moodys-Aa3	0.46	10/23/2020	2.746	0.48
Toyota Motor Credit corpVar. Corp 5/17/2022	10,000,000.00	10,029,483.11	9,733,800.00	S&P-AA-	Moodys-A1	0.91	05/17/2022	2.092	0.00
Toyota Motor Credit corp 2.8 7/13/2022	5,305,000.00	5,412,692.38	5,491,152.45	S&P-AA-	Moodys-A1	0.48	07/13/2022	1.851	2.14
Toyota Motor Credit corp Var. Corp 1/11/2022	4,607,000.00	4,639,391.53	4,551,577.79	S&P-AA-	Moodys-A1	0.42	01/11/2022	2.001	0.00
Toyota Motor Credit corp Var. Corp 1/11/2022	900,000.00	906,327.84	889,173.00	S&P-AA-	Moodys-A1	0.08	01/11/2022	2.001	0.00
Toyota Motor Credit corp Var. Corp 10/7/2021	10,000,000.00	10,020,850.00	9,880,300.00	S&P-AA-	Moodys-A1	0.91	10/07/2021	1.677	0.00
Toyota Motor Credit corp Var. Corp 10/7/2021	20,000,000.00	20,058,779.07	19,760,600.00	S&P-AA-	Moodys-A1	1.82	10/07/2021	1.677	0.00
Toyota Motor Credit corp Var. Corp 8/13/2021	3,000,000.00	3,000,000.00	2,960,460.00	S&P-AA-	Moodys-A1	0.27	08/13/2021	1.832	0.00
WalmartVar. Corp 6/23/2021	5,000,000.00	5,009,108.70	4,998,250.00	S&P-AA	Moodys-Aa2	0.46	06/23/2021	1.425	0.00
Walmart Corp 1.9 12/15/2020	5,000,000.00	4,975,202.96	5,038,000.00	S&P-AA	Moodys-Aa2	0.46	12/15/2020	2.722	0.62
Sub Total / Average Corporate Bond	189,672,000.00	189,802,665.18	190,080,503.75			17.29		2.002	0.89
FFCB Bond									
FFCBVar. FFCB 9/13/2021	5,000,000.00	5,000,000.00	5,002,200.00	S&P-AA+	Moodys-Aaa	0.46	09/13/2021	0.783	0.00
FFCB 1.85 3/3/2022	5,000,000.00	4,999,076.92	5,018,550.00	S&P-AA+	Moodys-Aaa	0.46	03/03/2022	1.860	1.81
FFCB Var. FFCB 10/27/2021	20,000,000.00	19,998,099.08	19,954,600.00	S&P-AA+	Moodys-Aaa	1.82	10/27/2021	0.891	0.00
FFCB Var. FFCB 11/7/2022	10,000,000.00	10,040,635.28	10,035,700.00	S&P-AA+	Moodys-Aaa	0.91	11/07/2022	0.540	0.00
FFCB Var. FFCB 5/16/2022	10,000,000.00	10,008,233.78	10,004,200.00	S&P-AA+	Moodys-Aaa	0.91	05/16/2022	0.390	0.00
Sub Total / Average FFCB Bond	50,000,000.00	50,046,045.06	50,015,250.00			4.56		0.807	0.18
FHLB Bond									
FHLB 1.67 8/25/2023-21	21,000,000.00	21,000,000.00	21,203,070.00	S&P-AA+	Moodys-Aaa	1.91	08/25/2023	1.670	3.23
FHLB 1.75 2/14/2023-20	12,000,000.00	12,000,000.00	12,003,600.00	S&P-AA+	Moodys-Aaa	1.09	02/14/2023	1.750	2.72
FHLB 2.4 2/15/2022-20	10,000,000.00	10,018,785.80	10,007,100.00	S&P-AA+	Moodys-Aaa	0.91	02/15/2022	2.291	1.74
FHLB 2.875 9/11/2020	5,000,000.00	4,999,237.55	5,047,950.00	S&P-AA+	Moodys-Aaa	0.46	09/11/2020	2.917	0.36
Sub Total / Average FHLB Bond	48,000,000.00	48,018,023.35	48,261,720.00			4.37		1.949	2.50
FHLMC Bond									
FHLMC 1.875 11/17/2020	5,000,000.00	4,972,590.91	5,046,050.00	S&P-AA+	Moodys-Aaa	0.46	11/17/2020	2.910	0.54
Sub Total / Average FHLMC Bond	5,000,000.00	4,972,590.91	5,046,050.00			0.46		2.910	0.54
Local Government Investment Pool									
Commonweath of VirginiaLGIP	11,979.15	11,979.15	11,979.15	S&P-AAA	NR	0.00	N/A	1.009	0.00
Commonweath of Virginia LGIP	62,737,602.90	62,737,602.90	62,737,602.90	S&P-AAA	NR	5.72	N/A	1.009	0.00
VIP Stable NAV LGIP	121,865,716.16	121,865,716.16	121,865,716.16	S&P-AAA	NR	11.11	N/A	1.060	0.00
Sub Total / Average LGIP	184,615,298.21	184,615,298.21	184,615,298.21			16.83		1.043	0.00

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Money Market									
Access National Bank MM	57,603,999.05	57,603,999.05	57,603,999.05	NR	NR	5.25	N/A	1.130	0.00
BB&T MM	25,014,880.90	25,014,880.90	25,014,880.90	NR	NR	2.28	N/A	0.270	0.00
John Marshall Bank ICS MM	47,516,276.94	47,516,276.94	47,516,276.94	NR	NR	4.33	N/A	1.230	0.00
United Bank MM	90,799,967.71	90,799,967.71	90,799,967.71	NR	NR	8.28	N/A	1.120	0.00
Sub Total / Average Money Market	220,935,124.60	220,935,124.60	220,935,124.60			20.14		1.050	0.00
Municipal Bond									
NYC GO 1.58 8/1/2021	20,000,000.00	20,009,808.03	20,056,000.00	S&P-AA	Moodys-Aa1	1.82	08/01/2021	1.541	1.24
NYC GO 1.58 8/1/2022	10,000,000.00	10,008,711.94	10,038,000.00	S&P-AA	Moodys-Aa1	0.91	08/01/2022	1.541	2.22
Sub Total / Average Municipal Bond	30,000,000.00	30,018,519.97	30,094,000.00			2.73		1.541	1.57
Negotiable Certificate Of Deposit									
Credit Mutuel-CIC NY 1.83 5/20/2020	20,000,000.00	20,000,000.00	20,019,400.00	S&P-A1	Moodys-P1	1.82	05/20/2020	1.830	0.05
Rabobank NY2.05 7/17/2020	17,000,000.00	17,000,000.00	17,063,920.00	S&P-A1	Moodys-P1	1.55	07/17/2020	2.050	0.21
TD Bank NY 2.05 6/26/2020	10,000,000.00	10,000,000.00	10,029,100.00	S&P-A1+	Moodys-P1	0.91	06/26/2020	2.050	0.16
TD Bank NY 2.08 7/15/2020	10,000,000.00	10,000,000.00	10,038,800.00	S&P-A1+	Moodys-P1	0.91	07/15/2020	2.080	0.21
TD Bank NY 2.5 3/23/2021	15,000,000.00	15,000,000.00	15,106,800.00	S&P-A1+	Moodys-P1	1.37	03/23/2021	2.500	0.90
Sub Total / Average Negotiable CD	72,000,000.00	72,000,000.00	72,258,020.00			6.56		2.087	0.30
Treasury Note									
T-Note 1.375 10/31/2020	10,000,000.00	9,944,758.24	10,063,300.00	S&P-AA+	Moodys-Aaa	0.91	10/31/2020	2.504	0.50
T-Note 1.5 5/15/2020	10,000,000.00	9,995,829.58	10,005,400.00	S&P-AA+	Moodys-Aaa	0.91	05/15/2020	2.537	0.04
T-Note 1.5 5/15/2020	15,000,000.00	14,993,935.75	15,008,100.00	S&P-AA+	Moodys-Aaa	1.37	05/15/2020	2.505	0.04
T-Note 1.5 6/15/2020	10,000,000.00	9,987,175.83	10,017,200.00	S&P-AA+	Moodys-Aaa	0.91	06/15/2020	2.542	0.13
T-Note 1.5 8/15/2020	10,000,000.00	9,971,188.56	10,041,400.00	S&P-AA+	Moodys-Aaa	0.91	08/15/2020	2.506	0.29
T-Note 1.5 8/15/2020	10,000,000.00	9,985,594.81	10,041,400.00	S&P-AA+	Moodys-Aaa	0.91	08/15/2020	2.000	0.29
T-Note 1.5 8/15/2020	5,000,000.00	4,992,942.68	5,020,700.00	S&P-AA+	Moodys-Aaa	0.46	08/15/2020	1.990	0.29
T-Note 1.625 10/15/2020	10,000,000.00	9,983,889.36	10,069,100.00	S&P-AA+	Moodys-Aaa	0.91	10/15/2020	1.981	0.46
T-Note 1.625 7/31/2020	5,000,000.00	4,995,566.77	5,019,050.00	S&P-AA+	Moodys-Aaa	0.46	07/31/2020	1.983	0.25
T-Note 2 11/30/2020	5,000,000.00	5,002,077.38	5,054,700.00	S&P-AA+	Moodys-Aaa	0.46	11/30/2020	1.927	0.58
T-Note 2 11/30/2020	6,000,000.00	6,005,422.30	6,065,640.00	S&P-AA+	Moodys-Aaa	0.55	11/30/2020	1.842	0.58
T-Note 2.375 12/31/2020	7,000,000.00	7,024,822.37	7,103,880.00	S&P-AA+	Moodys-Aaa	0.64	12/31/2020	1.835	0.66
T-Note 2.5 6/30/2020	10,000,000.00	9,999,749.70	10,039,500.00	S&P-AA+	Moodys-Aaa	0.91	06/30/2020	2.514	0.17
T-Note 2.625 7/31/2020	10,000,000.00	10,002,911.93	10,063,100.00	S&P-AA+	Moodys-Aaa	0.91	07/31/2020	2.506	0.25
T-Note 2.625 8/31/2020	5,000,000.00	5,010,787.22	5,041,800.00	S&P-AA+	Moodys-Aaa	0.46	08/31/2020	1.971	0.33
T-Note 2.75 9/15/2021	10,000,000.00	9,968,474.52	10,352,000.00	S&P-AA+	Moodys-Aaa	0.91	09/15/2021	2.990	1.36

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
T-Note 2.75 9/30/2020	10,000,000.00	9,996,711.66	10,110,200.00	S&P-AA+	Moody's-Aaa	0.91	09/30/2020	2.831	0.42
T-Note 2.75 9/30/2020	10,000,000.00	10,009,890.79	10,110,200.00	S&P-AA+	Moody's-Aaa	0.91	09/30/2020	2.507	0.42
T-Note 2.75 9/30/2020	5,000,000.00	5,018,656.57	5,055,100.00	S&P-AA+	Moody's-Aaa	0.46	09/30/2020	1.845	0.42
T-Note 2.75 9/30/2020	5,000,000.00	5,018,737.33	5,055,100.00	S&P-AA+	Moody's-Aaa	0.46	09/30/2020	1.841	0.42
T-Note 3.5 5/15/2020	10,000,000.00	10,003,979.95	10,013,100.00	S&P-AA+	Moody's-Aaa	0.91	05/15/2020	2.508	0.04
Sub Total / Average Treasury Note	178,000,000.00	177,913,103.30	179,349,970.00			16.22		2.351	0.36
TVA Bond									
TVA 3.875 2/15/2021	5,000,000.00	5,032,652.91	5,134,600.00	S&P-AA+	Moody's-Aaa	0.46	02/15/2021	3.017	0.78
TVA 3.875 2/15/2021	13,500,000.00	13,751,969.63	13,863,420.00	S&P-AA+	Moody's-Aaa	1.23	02/15/2021	1.500	0.78
Sub Total / Average TVA Bond	18,500,000.00	18,784,622.54	18,998,020.00			1.69		1.910	0.78
Total / Average	1,097,222,422.81	1,097,480,718.12	1,099,427,000.30			100		1.630	0.43