



# CITY OF ST. LOUIS - QUARTERLY REPORT - COMBINED

## **Investment Performance Review For the Quarter Ended June 30, 2017**

Client Management Team

PFM Asset Management LLC

Leslie Spencer, Senior Managing Consultant

601 S. Figueroa St, Suite 4500

One Keystone Plaza, Suite 300

Kyle Jones, Director of Portfolio Strategies

Los Angeles, CA 90017

Harrisburg, PA 17101-2044

Danny A. Nelson, Senior Managing Consultant

213-404-0074

717-232-2723

## QUARTERLY MARKET SUMMARY

### SUMMARY

- Despite mixed economic data, and political and policy difficulties in the U.S., market conditions were characterized by investor optimism amid very low volatility. Bond yields were relatively well behaved during the quarter, credit spreads narrowed further, and equity markets moved higher still.
- For the second time this year, the Federal Open Market Committee (FOMC) raised the federal funds rate by 0.25%, setting a new target range of 1.00% to 1.25% for the overnight benchmark rate. The FOMC's latest economic forecasts and "dot plot" were largely unchanged. The Federal Reserve (the Fed) is still forecasting one more rate hike this year, although market-implied probabilities show only about a 50% chance of a hike in the second half of the year.
- Perhaps just as important, the Fed announced plans to gradually reduce the size of its balance sheet by decreasing its reinvestment of principal payments on existing holdings. The reduction will be \$10 billion per month initially, and will increase in steps of \$10 billion per month at three-month intervals, until it reaches \$50 billion per month. The specific timetable is likely to be announced later this year.
- U.S. equity markets had another strong quarter. In the past three months, all three major U.S. indices hit new all-time highs. The S&P 500 Index (S&P 500) returned 3.1% and is up 9.3% for the first half of the year. The Health Care and Industrial sectors were the strongest performers during the quarter.

### ECONOMIC SNAPSHOT

- U.S. economic data released in June was below expectations. While business investment accelerated, it was partly offset by weak consumer spending and a slowdown in government spending and inventories. On the positive side, the labor market remained strong, consumer confidence remained high, business surveys were optimistic and the housing market returned to near pre-crisis levels. Second quarter gross domestic product (GDP) growth is expected to show a rebound from the weak 1.4% growth rate of the first quarter.
- The labor market remained strong in the second quarter as the U.S. economy added 581,000 net new jobs, the most since the third quarter of 2016. The unemployment rate declined to a 16-year low, ending the quarter at 4.4%, but the labor force participation rate remained suppressed. At the same time, wage growth remained tepid, as average hourly earnings rose only 2.5% year-over-year (YoY) in June. The lack of wage pressures — a key driver of inflation — seems to indicate further slack remains in the labor market despite strong job gains.

### INTEREST RATES

- Short-term (three years and under) yields ended the second quarter higher, reflecting the Fed's June rate hike, while medium- to long-term yields declined amid subdued inflation expectations and fading prospects for near-term stimulus from tax reform or infrastructure spending.
- The two-year Treasury note yield ended the quarter 13 basis points (bps) (0.13%) higher at 1.38%, while the 10-year Treasury yield fell 8 bps (0.08%) to 2.30%. The result was a notably flatter yield curve, which reduced the incentive to invest in longer maturities.
- In the money market space, shorter-term Treasury yields continued to rise, reflecting the Fed's June rate hike, but beyond 6-month maturities, yields flattened out. Yield spreads on commercial paper (CP) and certificates of deposit (CD) relative to U.S. Treasuries continued to narrow from their exceptionally wide levels of late 2016 and early 2017. CP/CD spreads now offer only modest incremental yield, similar to long-standing averages, and are considered fair value.

### SECTOR PERFORMANCE

- U.S. Treasury indices posted positive returns in the second quarter. Returns for shorter indices were generated mostly by income, offset by modest price depreciation as yields on shorter maturities increased. Returns on longer Treasury indices were quite strong, benefitting from both income return and price appreciation from falling long-term rates and a flattening yield curve.
- Federal agency yield spreads ground tighter during the quarter as demand continued to outpace supply. The sector modestly outperformed comparable-duration Treasuries for the fourth quarter in a row.
- Corporate yield spreads tightened further during the quarter, reaching their narrowest levels since 2014 as the reach for yield continued globally. The sector generated strong outperformance relative to comparable-maturity Treasuries, its seventh straight quarter of outperformance.
- Shorter-duration mortgage-backed securities (MBS) outperformed Treasuries, but longer-duration structures could not keep pace. MBS remains at risk from the expected reduction in the Fed's balance sheet holdings later this year.
- For the second quarter in a row, asset-backed securities (ABS) posted strong outperformance versus Treasuries. Spreads across nearly all credit sectors tightened, including ABS.

## QUARTERLY MARKET SUMMARY

## Economic Snapshot

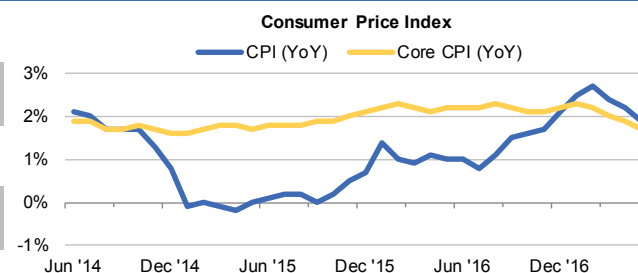
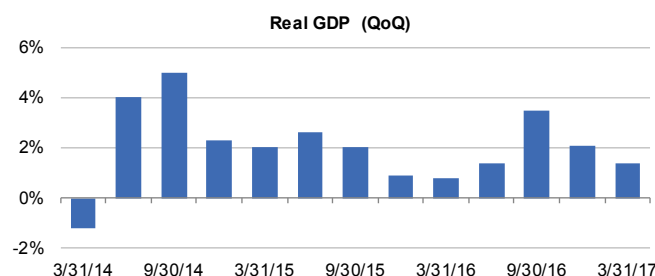
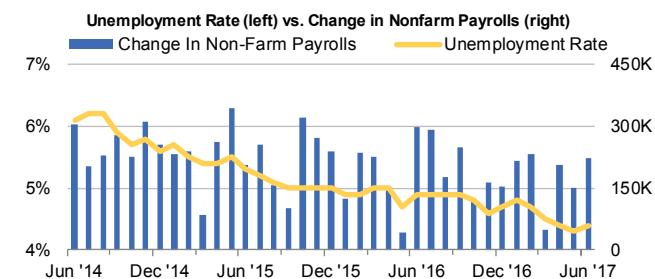
Labor Market		Latest	Mar '17	Jun '16
Unemployment Rate	Jun'17	4.4%	4.5%	4.9%
Change In Non-Farm Payrolls	Jun'17	222,000	50,000	297,000
Average Hourly Earnings (YoY)	Jun'17	2.5%	2.6%	2.6%
Personal Income (YoY)	May'17	3.5%	3.9%	3.4%
Initial Jobless Claims (week)	7/1/17	248,000	235,000	267,000

Growth				
Real GDP (QoQ SAAR)	2017Q1	1.4%	1.4% <sup>1</sup>	1.4% <sup>2</sup>
GDP Personal Consumption (QoQ SAAR)	2017Q1	1.1%	1.1% <sup>1</sup>	4.3% <sup>2</sup>
Retail Sales (YoY)	May'17	3.8%	4.8%	3.0%
ISM Manufacturing Survey (month)	Jun'17	57.8	57.2	52.8
Existing Home Sales SAAR (month)	May'17	5.62 mil.	5.70 mil.	5.48 mil.

Inflation / Prices				
Personal Consumption Expenditures (YoY)	May'17	1.4%	1.8%	0.9%
Consumer Price Index (YoY)	May'17	1.9%	2.4%	1.0%
Consumer Price Index Core (YoY)	May'17	1.7%	2.0%	2.2%
Crude Oil Futures (WTI, per barrel)	Jun 30	\$46.04	\$50.60	\$48.33
Gold Futures (oz.)	Jun 30	\$1,242	\$1,247	\$1,321



1. Data as of First Quarter 2017.

2. Data as of Second Quarter 2016.

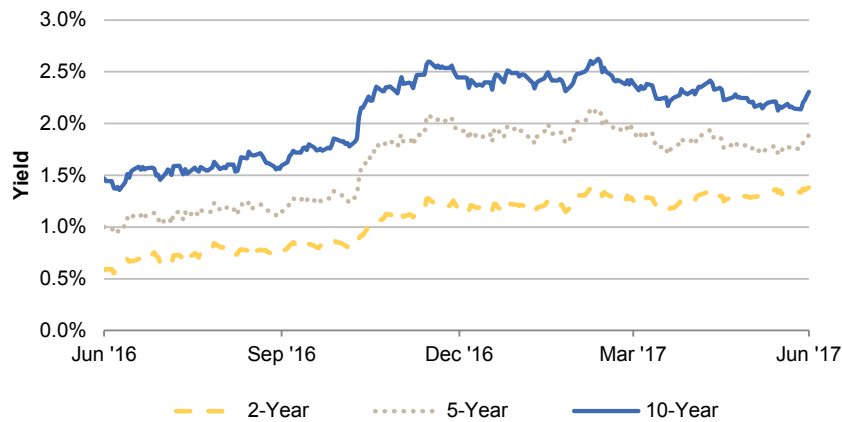
Note: YoY = year-over-year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

Source: Bloomberg.

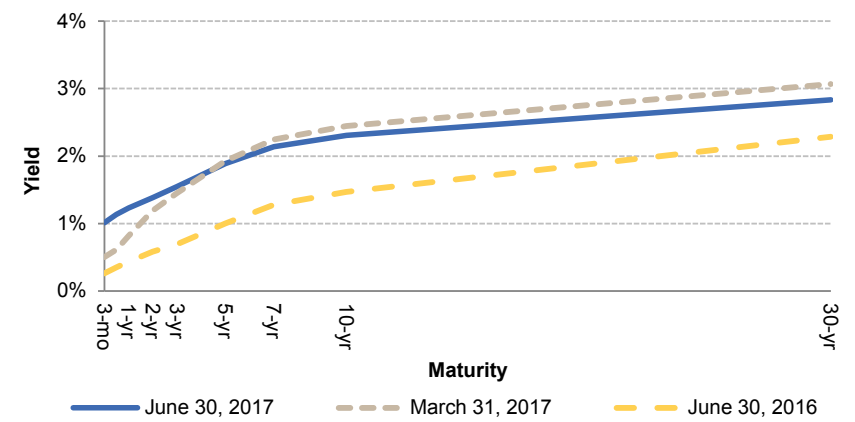
QUARTERLY MARKET SUMMARY

Interest Rate Overview

U.S. Treasury Note Yields



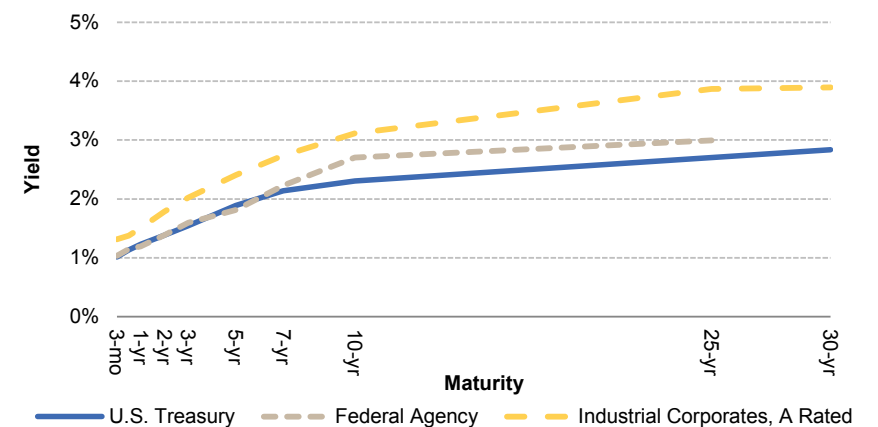
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Jun '17	Mar '17	Change over Quarter	Jun '16	Change over Year
3-month	1.01%	0.75%	0.26%	0.26%	0.75%
1-year	1.23%	1.02%	0.21%	0.44%	0.79%
2-year	1.38%	1.26%	0.12%	0.58%	0.80%
5-year	1.89%	1.92%	(0.03%)	1.00%	0.89%
10-year	2.31%	2.39%	(0.08%)	1.47%	0.84%
30-year	2.84%	3.01%	(0.17%)	2.29%	0.55%

Yield Curves as of 6/30/17



Source: Bloomberg.

## QUARTERLY MARKET SUMMARY

## BofA Merrill Lynch Index Returns

June 30, 2017	As of 6/30/17		Returns for Periods ended 6/30/17		
	Duration	Yield	3-month	1-year	3-years
<b>1-3 Year Indices</b>					
U.S. Treasury	1.89	1.40%	0.17%	(0.11%)	0.69%
Federal Agency	1.78	1.48%	0.25%	0.25%	0.83%
U.S. Corporates, A-AAA rated	1.95	1.95%	0.55%	1.04%	1.43%
Agency MBS (0 to 3 years)	2.25	1.88%	0.60%	0.35%	1.15%
Taxable Municipals	1.74	2.34%	0.34%	1.20%	1.77%
<b>1-5 Year Indices</b>					
U.S. Treasury	2.69	1.54%	0.38%	(0.53%)	1.08%
Federal Agency	2.24	1.58%	0.37%	0.06%	1.10%
U.S. Corporates, A-AAA rated	2.80	2.16%	0.84%	0.99%	1.91%
Agency MBS (0 to 5 years)	3.33	2.32%	0.66%	0.04%	1.65%
Taxable Municipals	2.65	2.41%	0.56%	0.88%	2.27%
<b>Master Indices (Maturities 1 Year or Greater)</b>					
U.S. Treasury	6.36	1.91%	1.22%	(2.45%)	2.20%
Federal Agency	3.99	1.87%	0.88%	(0.35%)	1.88%
U.S. Corporates, A-AAA rated	7.16	2.91%	2.21%	0.98%	3.49%
Agency MBS (0 to 30 years)	4.69	2.76%	0.90%	(0.03%)	2.15%
Taxable Municipals	4.18	2.86%	0.94%	(0.16%)	2.74%

Returns for periods greater than one year are annualized.

Source: BofA Merrill Lynch Indices.

## QUARTERLY MARKET SUMMARY

**DISCLOSURES**

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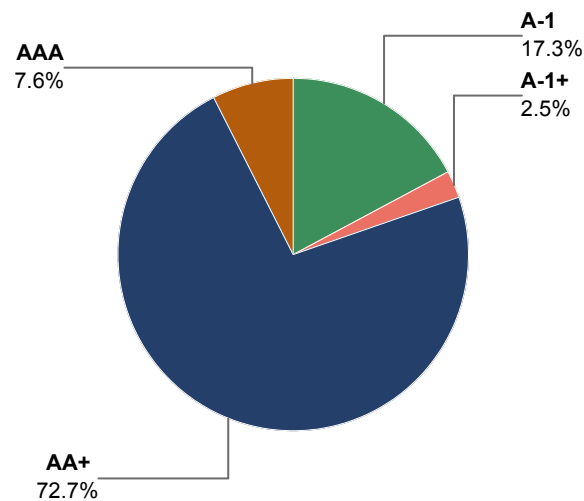
# CITY OF ST. LOUIS - AIRPORT PORTFOLIO

**Portfolio Statistics**

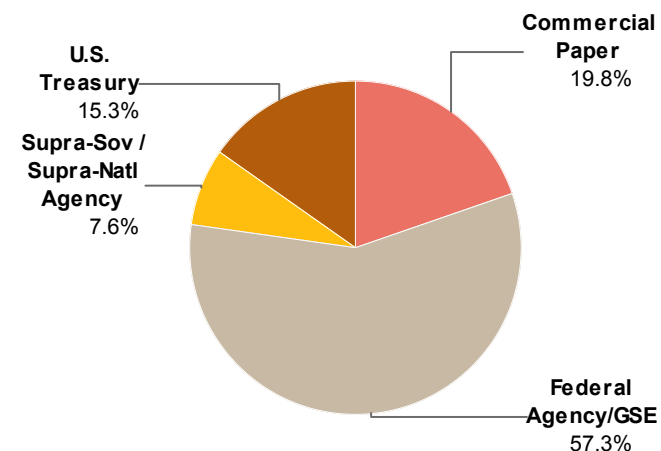
As of June 30, 2017

<b>Par Value:</b>	\$127,495,000
<b>Total Market Value:</b>	\$127,296,555
<b>Security Market Value:</b>	\$126,957,357
<b>Accrued Interest:</b>	\$242,197
<b>Cash:</b>	\$97,001
<b>Amortized Cost:</b>	\$127,379,084
<b>Yield at Market:</b>	1.37%
<b>Yield at Cost:</b>	1.14%
<b>Effective Duration:</b>	1.38 Years
<b>Duration to Worst:</b>	1.38 Years
<b>Average Maturity:</b>	1.41 Years
<b>Average Credit: **</b>	AA

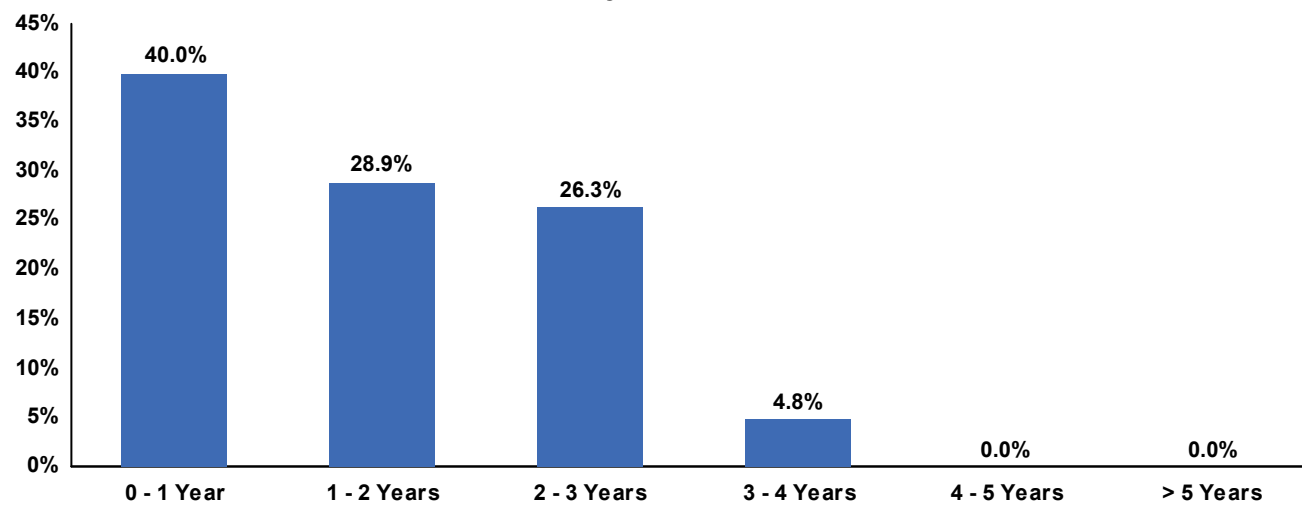
**Credit Quality (S&P Ratings)**



**Sector Allocation**



**Maturity Distribution**

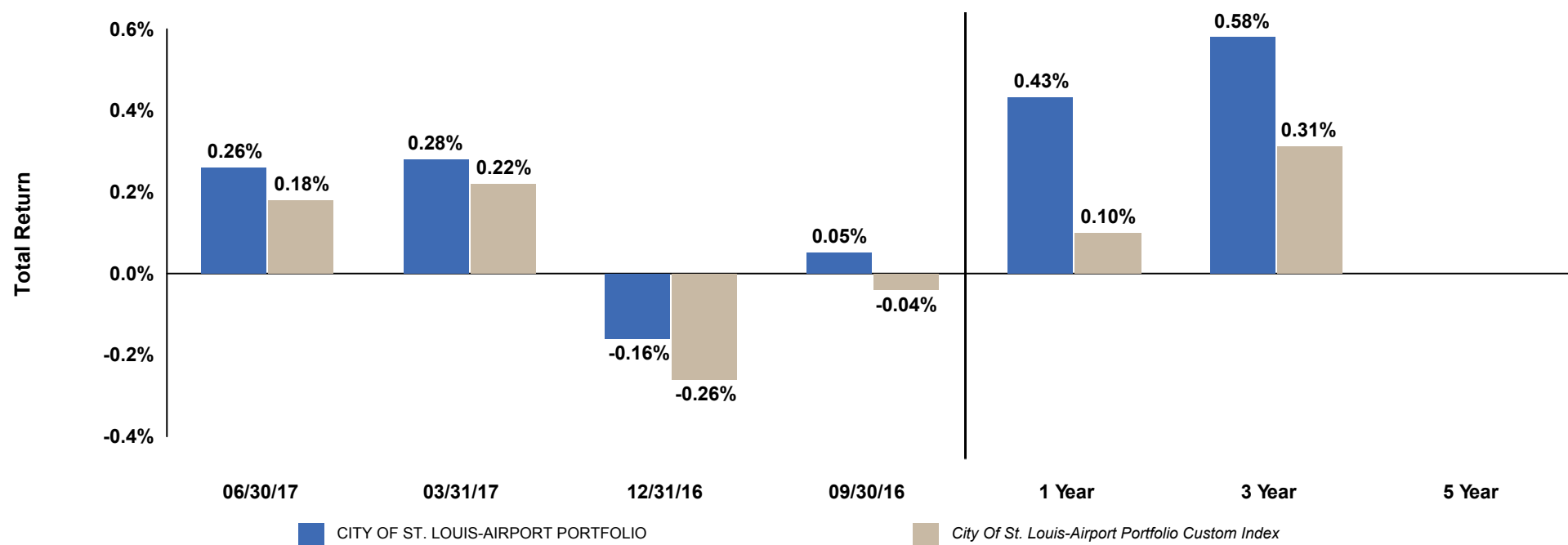


\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.



Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				Annualized Return		
		06/30/17	03/31/17	12/31/16	09/30/16	1 Year	3 Year	5 Year
CITY OF ST. LOUIS-AIRPORT PORTFOLIO	1.38	0.26%	0.28%	-0.16%	0.05%	0.43%	0.58%	-
<i>Net of Fees **</i>	0.00	0.25%	0.27%	-0.17%	0.04%	0.38%	0.53%	-
<i>City Of St. Louis-Airport Portfolio Custom Index</i>	1.37	0.18%	0.22%	-0.26%	-0.04%	0.10%	0.31%	-
<b>Difference (Gross)</b>		0.08%	0.06%	0.10%	0.09%	0.33%	0.27%	-
<b>Difference (Net)</b>		0.07%	0.05%	0.09%	0.08%	0.28%	0.22%	-



Portfolio performance is gross of fees unless otherwise indicated. \*\* Fees were calculated based on average assets during the period at the contractual rate.

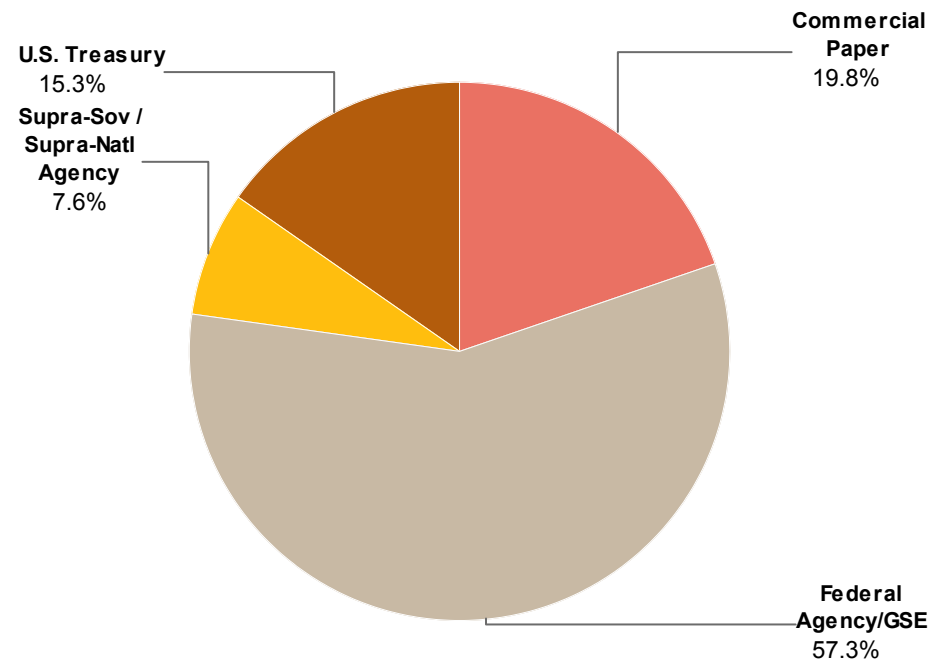
**Portfolio Earnings***Quarter-Ended June 30, 2017*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/30/2017)</b>	\$126,635,946.47	\$127,021,181.35
<b>Net Purchases/Sales</b>	\$290,969.48	\$290,969.48
<b>Change in Value</b>	\$30,441.07	\$66,933.60
<b>Ending Value (06/30/2017)</b>	\$126,957,357.02	\$127,379,084.43
<b>Interest Earned</b>	\$297,941.95	\$297,941.95
<b>Portfolio Earnings</b>	\$328,383.02	\$364,875.55

**Sector Allocation**

*As of June 30, 2017*

Sector	Market Value (\$)	% of Portfolio
Federal Agency/GSE	72,868,878	57.3%
Commercial Paper	25,124,718	19.8%
U.S. Treasury	19,368,283	15.3%
Supra-Sov / Supra-Natl Agency	9,595,478	7.6%
<b>Total</b>	<b>\$126,957,357</b>	<b>100.0%</b>

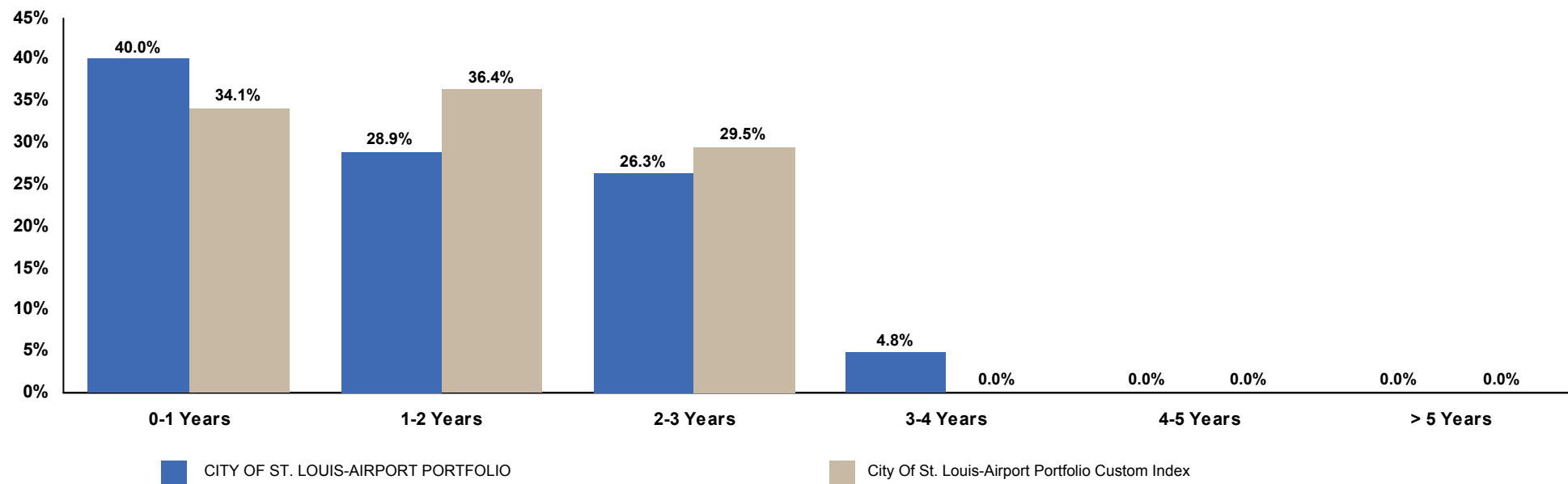


Detail may not add to total due to rounding.

**Maturity Distribution**

*As of June 30, 2017*

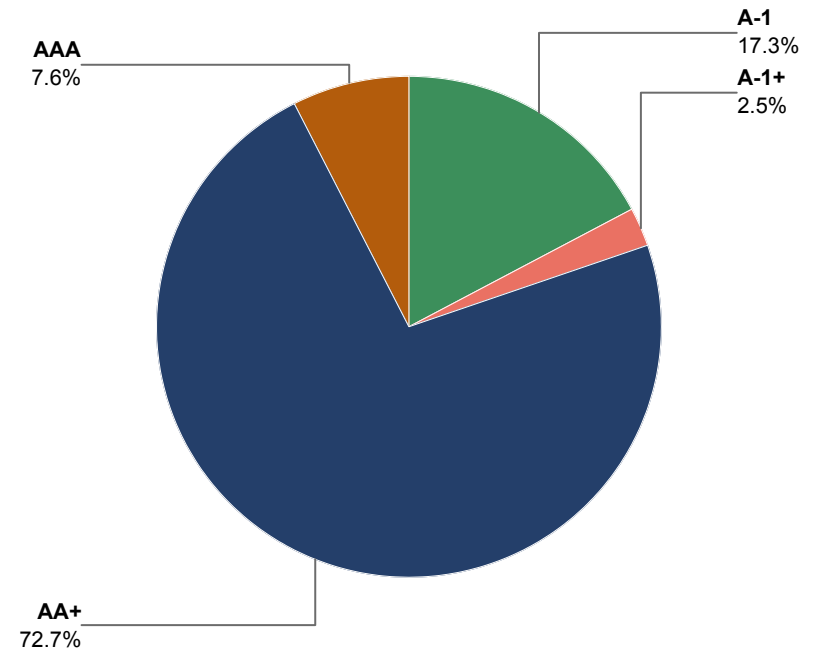
Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF ST. LOUIS-AIRPORT PORTFOLIO	1.37%	1.41 yrs	40.0%	28.9%	26.3%	4.8%	0.0%	0.0%
City Of St. Louis-Airport Portfolio Custom Index	1.33%	1.48 yrs	34.1%	36.4%	29.5%	0.0%	0.0%	0.0%



**Credit Quality**

*As of June 30, 2017*

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$92,237,161	72.7%
A-1	\$21,978,760	17.3%
AAA	\$9,595,478	7.6%
A-1+	\$3,145,959	2.5%
<b>Totals</b>	<b>\$126,957,357</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

## Issuer Distribution

As of June 30, 2017

Issuer	Market Value (\$)	% of Portfolio
FEDERAL HOME LOAN BANKS	31,998,263	25.2%
FANNIE MAE	24,342,722	19.2%
UNITED STATES TREASURY	19,368,283	15.3%
FREDDIE MAC	16,527,894	13.0%
AFRICAN DEVELOPMENT BANK	4,623,188	3.6%
INTL BANK OF RECONSTRUCTION AND DEV	3,718,650	2.9%
ING GROUP NV	3,148,359	2.5%
TOYOTA MOTOR CORP	3,145,959	2.5%
BNP PARIBAS	3,139,734	2.5%
CREDIT AGRICOLE SA	3,139,580	2.5%
MITSUBISHI UFJ FINANCIAL GROUP INC	3,139,085	2.5%
RABOBANK NEDERLAND	3,138,720	2.5%
BANK OF MONTREAL	3,138,225	2.5%
JP MORGAN CHASE & CO	3,135,056	2.5%
ASIAN DEVELOPMENT BANK	1,253,640	1.0%
<b>Grand Total:</b>	<b>126,957,357</b>	<b>100.0%</b>

Top 5 = 76.3%

Top 10 = 89.1%

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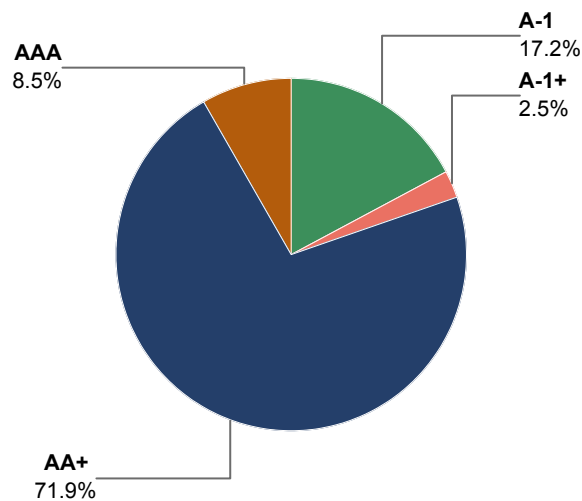
# CITY OF ST. LOUIS - AIRPORT PFC PORTFOLIO

**Portfolio Statistics**

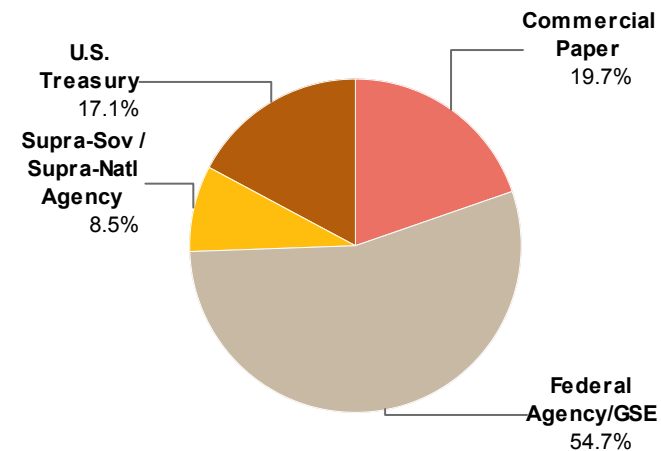
As of June 30, 2017

<b>Par Value:</b>	\$14,240,000
<b>Total Market Value:</b>	\$14,234,930
<b>Security Market Value:</b>	\$14,182,698
<b>Accrued Interest:</b>	\$29,647
<b>Cash:</b>	\$22,584
<b>Amortized Cost:</b>	\$14,229,671
<b>Yield at Market:</b>	1.37%
<b>Yield at Cost:</b>	1.14%
<b>Effective Duration:</b>	1.38 Years
<b>Duration to Worst:</b>	1.38 Years
<b>Average Maturity:</b>	1.40 Years
<b>Average Credit: **</b>	AA

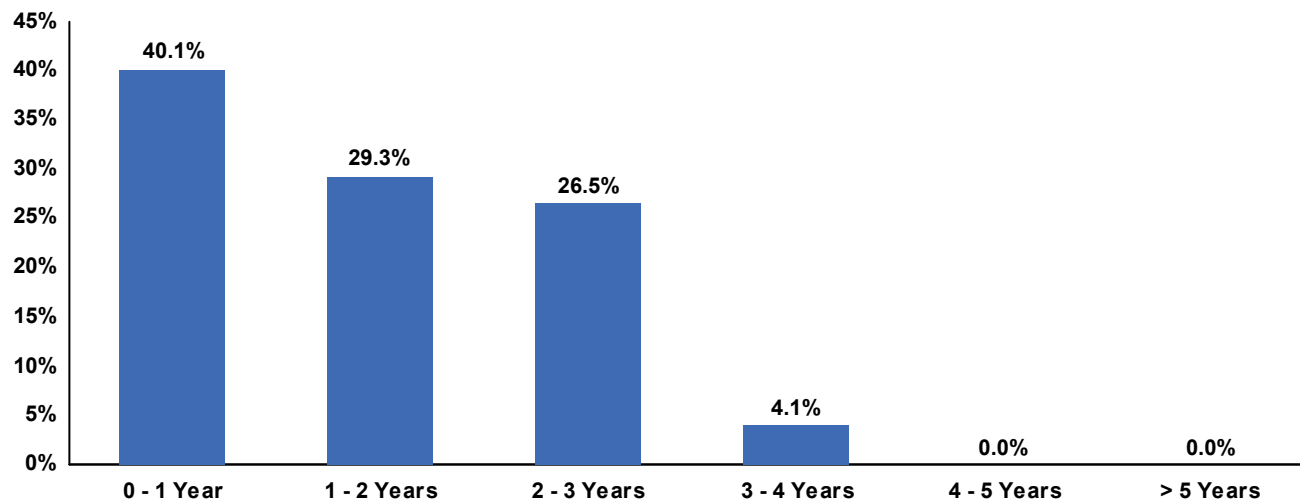
**Credit Quality (S&P Ratings)**



**Sector Allocation**



**Maturity Distribution**

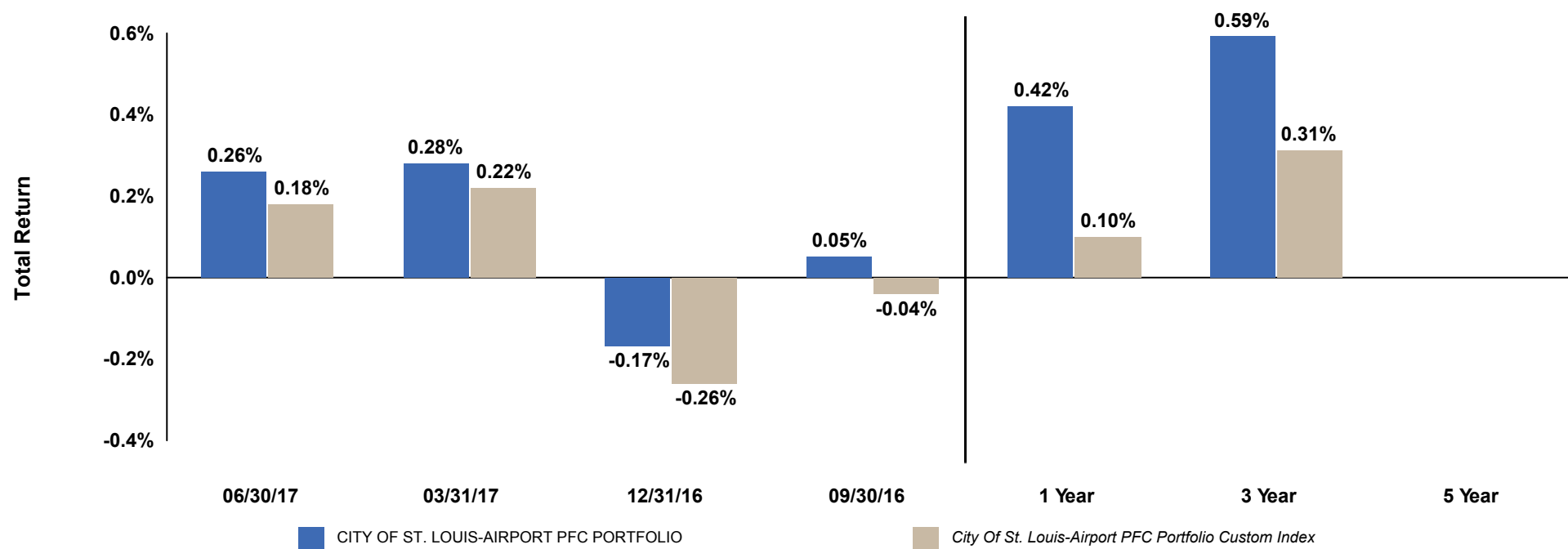


\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.



Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				Annualized Return		
		06/30/17	03/31/17	12/31/16	09/30/16	1 Year	3 Year	5 Year
CITY OF ST. LOUIS-AIRPORT PFC PORTFOLIO	1.38	0.26%	0.28%	-0.17%	0.05%	0.42%	0.59%	-
<i>Net of Fees **</i>	0.00	0.25%	0.27%	-0.18%	0.04%	0.37%	0.54%	-
<i>City Of St. Louis-Airport PFC Portfolio Custom Index</i>	1.37	0.18%	0.22%	-0.26%	-0.04%	0.10%	0.31%	-
Difference (Gross)		0.08%	0.06%	0.09%	0.09%	0.32%	0.28%	-
Difference (Net)		0.07%	0.05%	0.08%	0.08%	0.27%	0.23%	-



Portfolio performance is gross of fees unless otherwise indicated. \*\* Fees were calculated based on average assets during the period at the contractual rate.

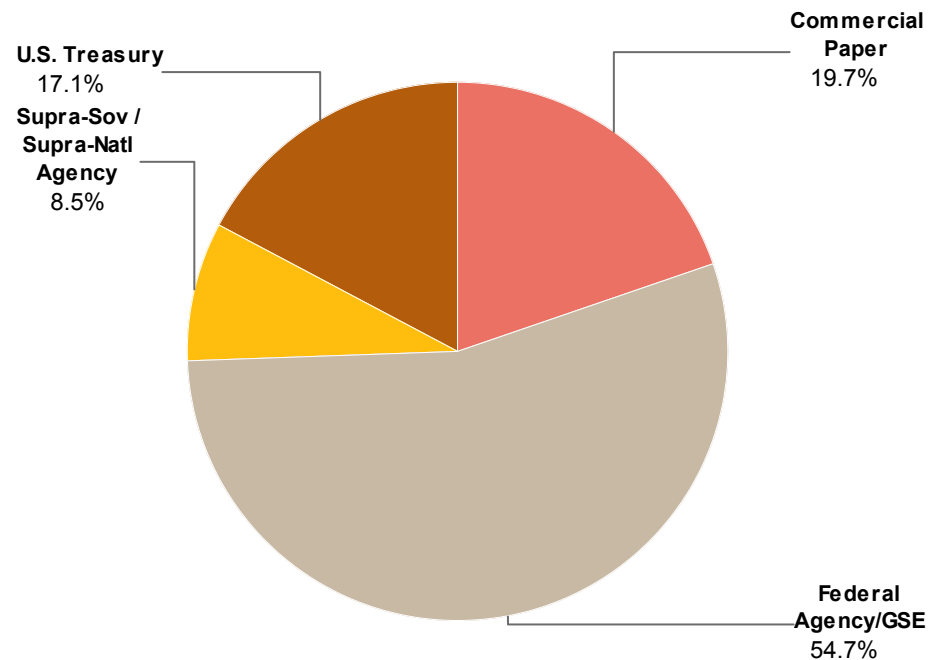
**Portfolio Earnings***Quarter-Ended June 30, 2017*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/30/2017)</b>	\$14,136,545.93	\$14,179,539.45
<b>Net Purchases/Sales</b>	\$47,532.37	\$47,532.37
<b>Change in Value</b>	(\$1,380.02)	\$2,598.72
<b>Ending Value (06/30/2017)</b>	\$14,182,698.28	\$14,229,670.54
<b>Interest Earned</b>	\$38,389.18	\$38,389.18
<b>Portfolio Earnings</b>	\$37,009.16	\$40,987.90

**Sector Allocation**

*As of June 30, 2017*

Sector	Market Value (\$)	% of Portfolio
Federal Agency/GSE	7,771,089	54.7%
Commercial Paper	2,791,635	19.7%
U.S. Treasury	2,420,007	17.1%
Supra-Sov / Supra-Natl Agency	1,199,966	8.5%
<b>Total</b>	<b>\$14,182,698</b>	<b>100.0%</b>

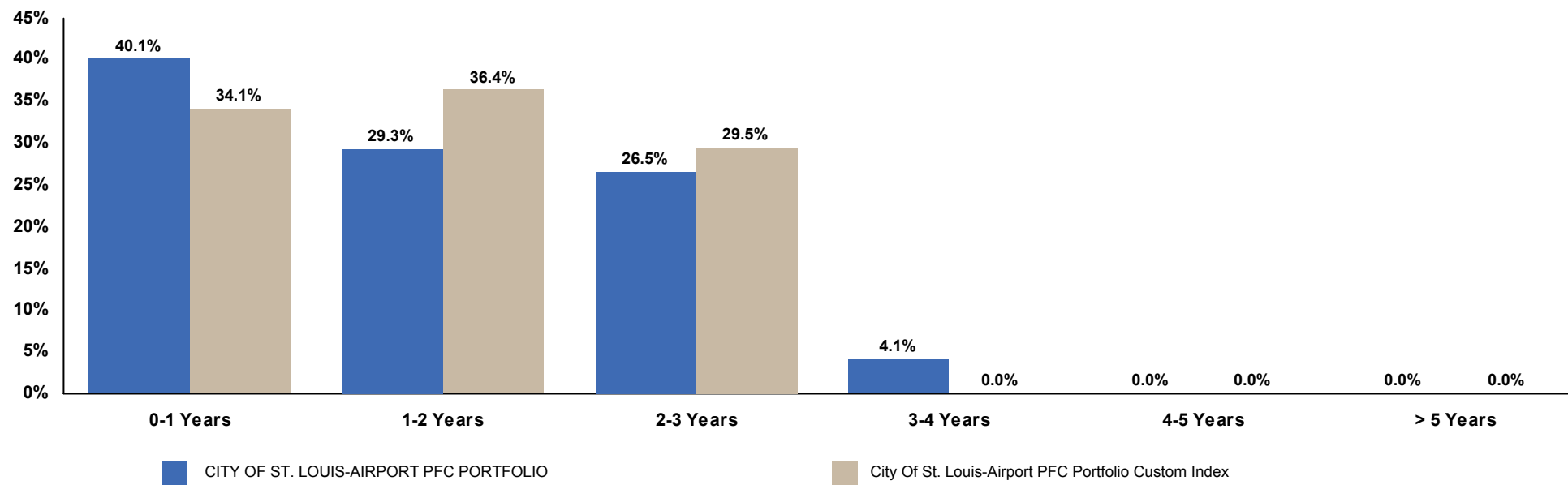


Detail may not add to total due to rounding.

**Maturity Distribution**

*As of June 30, 2017*

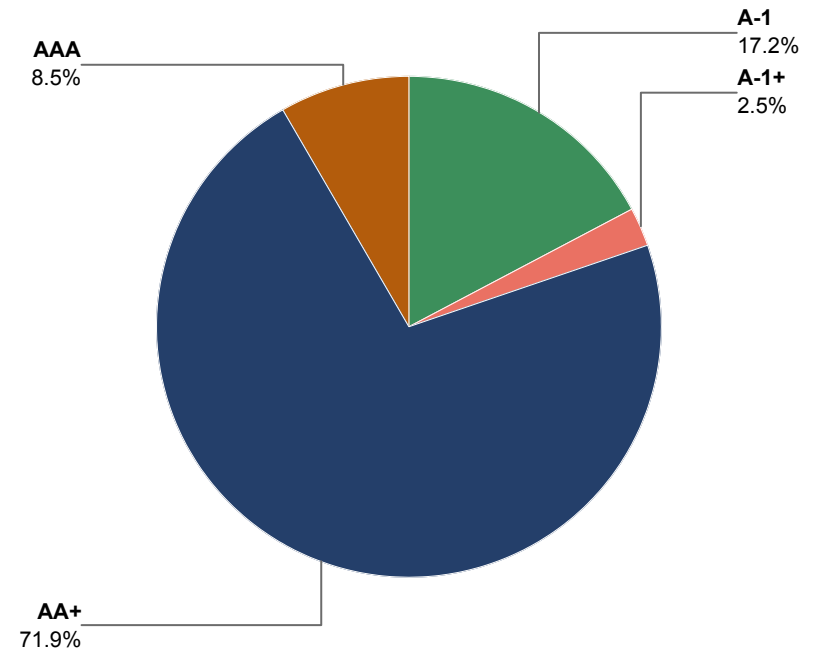
Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF ST. LOUIS-AIRPORT PFC PORTFOLIO	1.37%	1.40 yrs	40.1%	29.3%	26.5%	4.1%	0.0%	0.0%
City Of St. Louis-Airport PFC Portfolio Custom Index	1.33%	1.48 yrs	34.1%	36.4%	29.5%	0.0%	0.0%	0.0%



**Credit Quality**

**As of June 30, 2017**

<b>S&amp;P Rating</b>	<b>Market Value (\$)</b>	<b>% of Portfolio</b>
<b>AA+</b>	\$10,191,097	71.9%
<b>A-1</b>	\$2,442,084	17.2%
<b>AAA</b>	\$1,199,966	8.5%
<b>A-1+</b>	\$349,551	2.5%
<b>Totals</b>	<b>\$14,182,698</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

## Issuer Distribution

As of June 30, 2017

Issuer	Market Value (\$)	% of Portfolio
FEDERAL HOME LOAN BANKS	3,732,989	26.3%
FANNIE MAE	2,831,797	20.0%
UNITED STATES TREASURY	2,420,007	17.1%
FREDDIE MAC	1,206,304	8.5%
AFRICAN DEVELOPMENT BANK	553,562	3.9%
INTL BANK OF RECONSTRUCTION AND DEV	495,967	3.5%
ING GROUP NV	349,818	2.5%
TOYOTA MOTOR CORP	349,551	2.5%
BNP PARIBAS	348,859	2.5%
CREDIT AGRICOLE SA	348,842	2.5%
MITSUBISHI UFJ FINANCIAL GROUP INC	348,787	2.5%
RABOBANK NEDERLAND	348,747	2.5%
BANK OF MONTREAL	348,692	2.5%
JP MORGAN CHASE & CO	348,340	2.5%
ASIAN DEVELOPMENT BANK	150,437	1.1%
<b>Grand Total:</b>	<b>14,182,698</b>	<b>100.0%</b>

Top 5 = 75.8%

Top 10 = 89.1%

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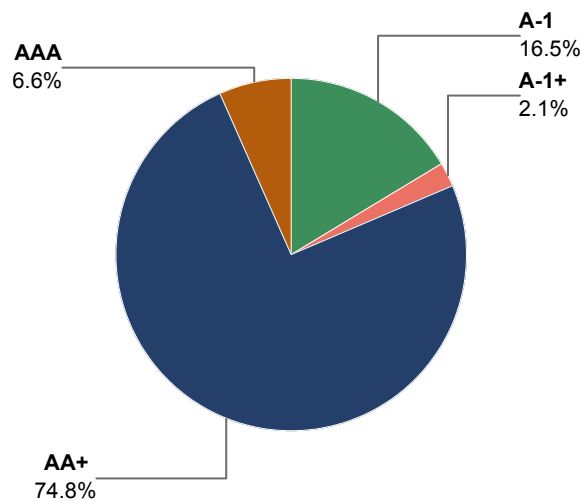
# CITY OF ST. LOUIS - GENERAL POOL PORTFOLIO

**Portfolio Statistics**

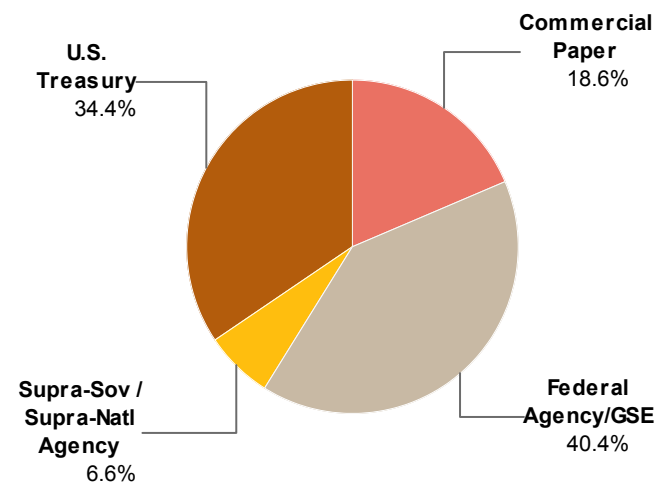
As of June 30, 2017

Par Value:	\$32,650,000
Total Market Value:	\$32,656,732
Security Market Value:	\$32,551,083
Accrued Interest:	\$55,956
Cash:	\$49,693
Amortized Cost:	\$32,630,484
Yield at Market:	1.36%
Yield at Cost:	1.18%
Effective Duration:	1.37 Years
Duration to Worst:	1.37 Years
Average Maturity:	1.40 Years
Average Credit: **	AA

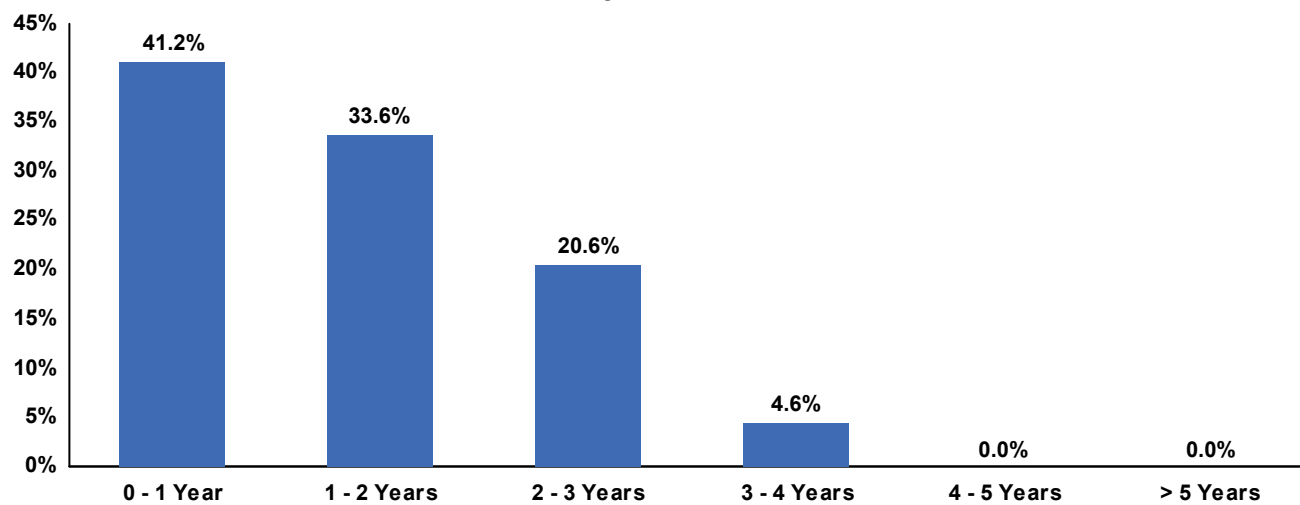
**Credit Quality (S&P Ratings)**



**Sector Allocation**



**Maturity Distribution**

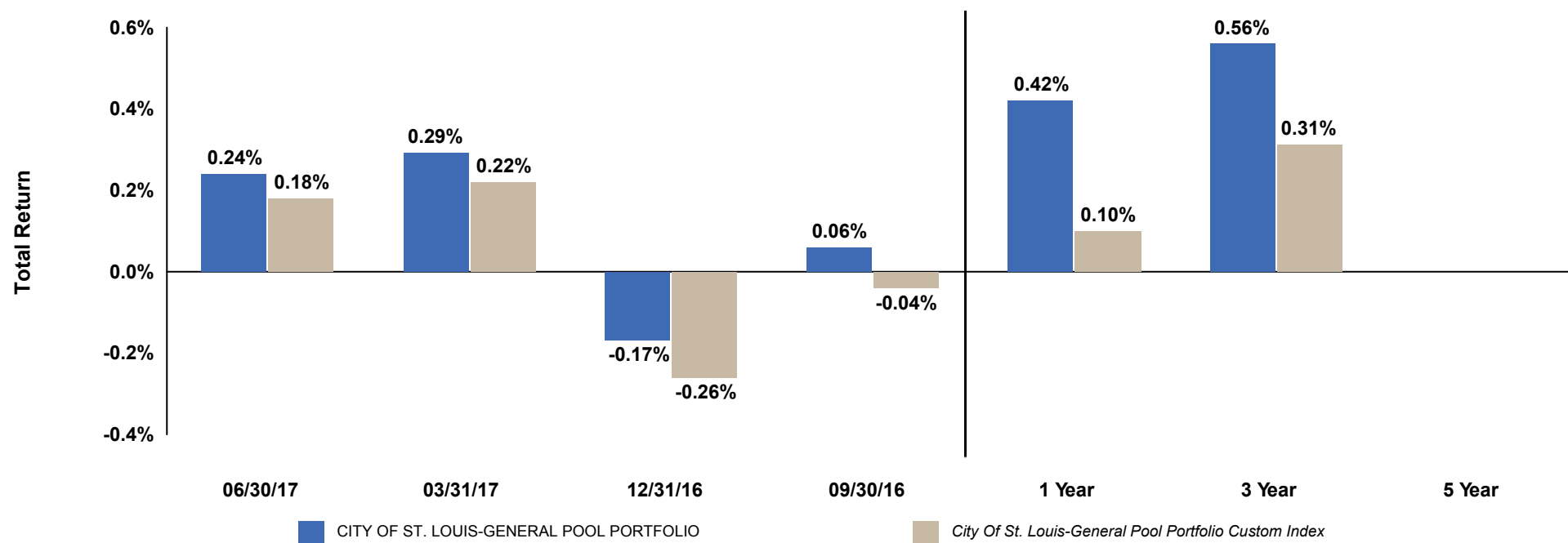


\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.



Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				Annualized Return		
		06/30/17	03/31/17	12/31/16	09/30/16	1 Year	3 Year	5 Year
CITY OF ST. LOUIS-GENERAL POOL PORTFOLIO	1.37	0.24%	0.29%	-0.17%	0.06%	0.42%	0.56%	-
<i>Net of Fees **</i>	0.00	0.23%	0.28%	-0.18%	0.05%	0.37%	0.51%	-
<i>City Of St. Louis-General Pool Portfolio Custom Inde:</i>	1.37	0.18%	0.22%	-0.26%	-0.04%	0.10%	0.31%	-
<b>Difference (Gross)</b>		0.06%	0.07%	0.09%	0.10%	0.32%	0.25%	-
<b>Difference (Net)</b>		0.05%	0.06%	0.08%	0.09%	0.27%	0.20%	-



Portfolio performance is gross of fees unless otherwise indicated. \*\* Fees were calculated based on average assets during the period at the contractual rate.

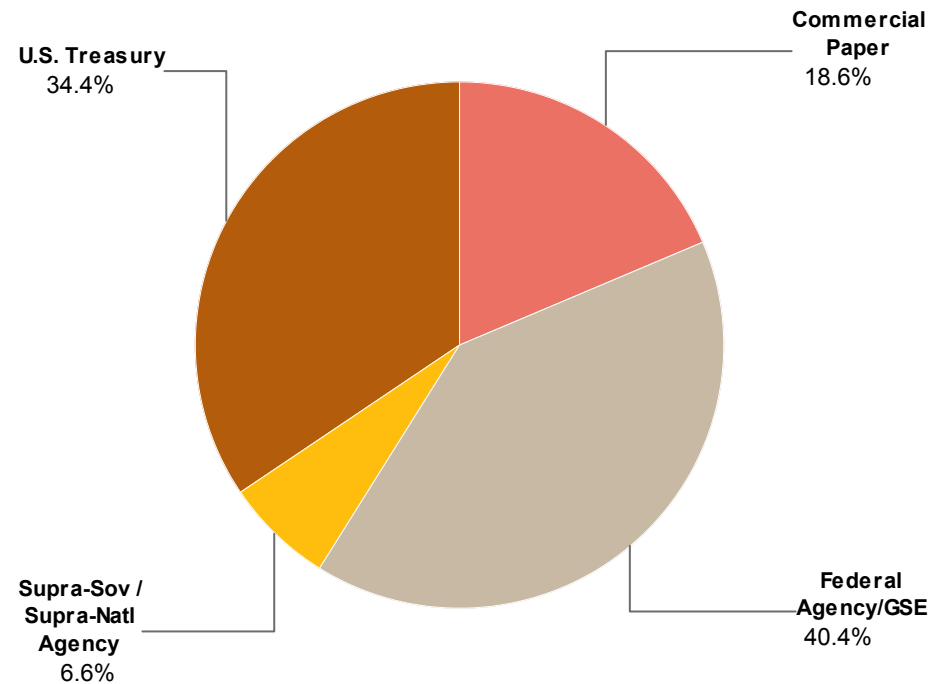
**Portfolio Earnings***Quarter-Ended June 30, 2017*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/30/2017)</b>	\$32,486,810.85	\$32,549,817.58
<b>Net Purchases/Sales</b>	\$65,391.47	\$65,391.47
<b>Change in Value</b>	(\$1,119.26)	\$15,275.25
<b>Ending Value (06/30/2017)</b>	\$32,551,083.06	\$32,630,484.30
<b>Interest Earned</b>	\$77,954.70	\$77,954.70
<b>Portfolio Earnings</b>	\$76,835.44	\$93,229.95

**Sector Allocation**

*As of June 30, 2017*

Sector	Market Value (\$)	% of Portfolio
Federal Agency/GSE	13,150,034	40.4%
U.S. Treasury	11,199,004	34.4%
Commercial Paper	6,056,126	18.6%
Supra-Sov / Supra-Natl Agency	2,145,918	6.6%
<b>Total</b>	<b>\$32,551,083</b>	<b>100.0%</b>

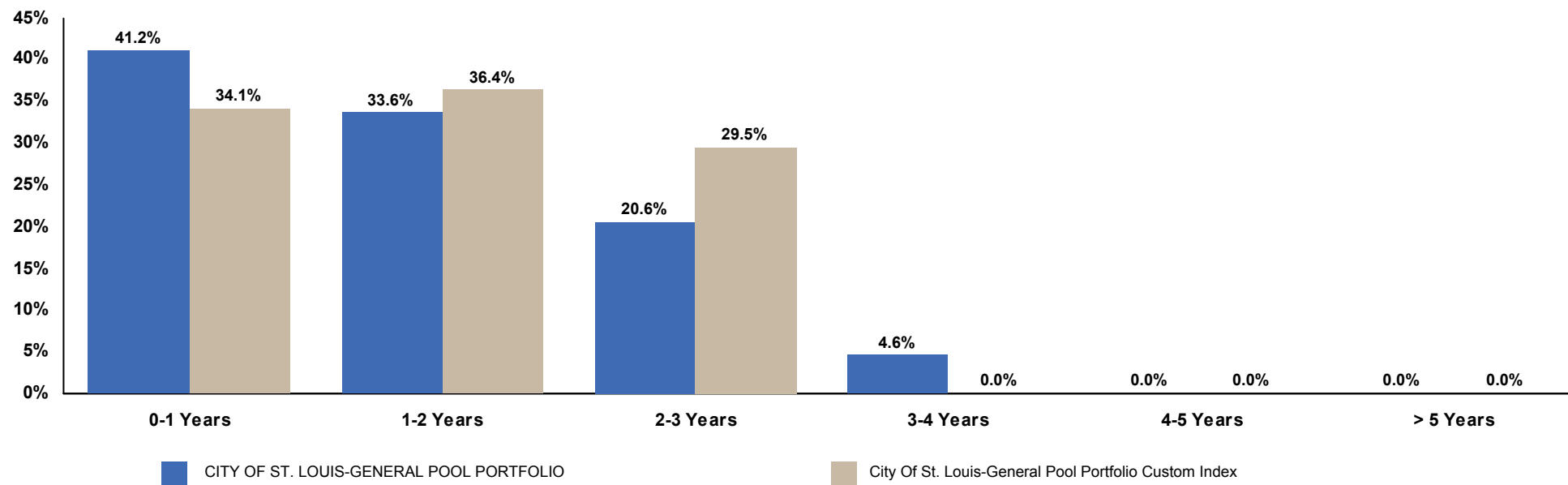


Detail may not add to total due to rounding.

**Maturity Distribution**

*As of June 30, 2017*

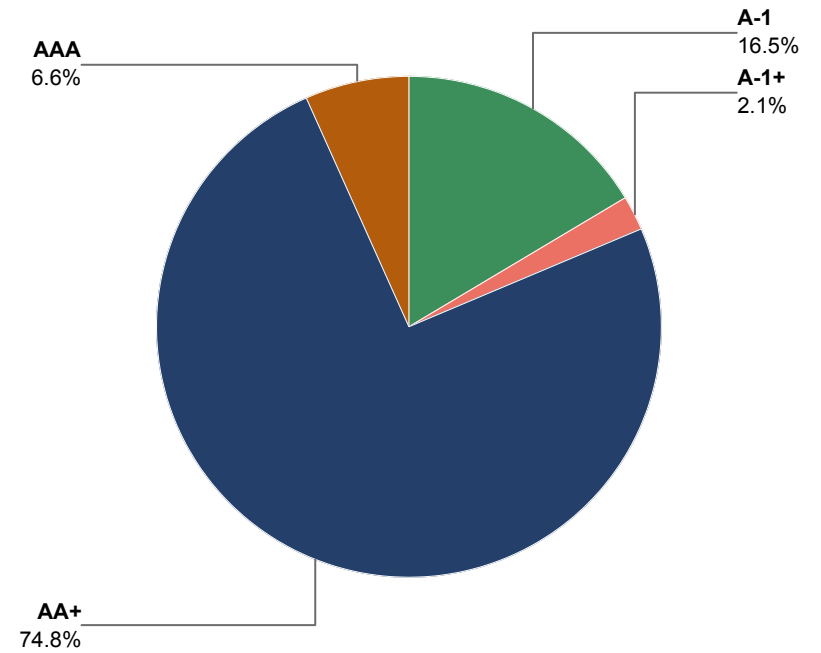
Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF ST. LOUIS-GENERAL POOL PORTFOLIO	1.36%	1.40 yrs	41.2%	33.6%	20.6%	4.6%	0.0%	0.0%
City Of St. Louis-General Pool Portfolio Custom Index	1.33%	1.48 yrs	34.1%	36.4%	29.5%	0.0%	0.0%	0.0%



**Credit Quality**

*As of June 30, 2017*

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$24,349,038	74.8%
A-1	\$5,357,024	16.5%
AAA	\$2,145,918	6.6%
A-1+	\$699,102	2.2%
<b>Totals</b>	<b>\$32,551,083</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

## Issuer Distribution

As of June 30, 2017

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	11,199,004	34.4%
FEDERAL HOME LOAN BANKS	6,431,075	19.8%
FANNIE MAE	4,796,664	14.7%
FREDDIE MAC	1,922,295	5.9%
INTL BANK OF RECONSTRUCTION AND DEV	966,849	3.0%
AFRICAN DEVELOPMENT BANK	953,414	2.9%
BNP PARIBAS	797,393	2.5%
CREDIT AGRICOLE SA	797,354	2.5%
MITSUBISHI UFJ FINANCIAL GROUP INC	797,228	2.5%
RABOBANK NEDERLAND	797,135	2.5%
BANK OF MONTREAL	797,010	2.5%
JP MORGAN CHASE & CO	796,205	2.5%
TOYOTA MOTOR CORP	699,102	2.2%
ING GROUP NV	574,700	1.8%
ASIAN DEVELOPMENT BANK	225,655	0.7%
<b>Grand Total:</b>	<b>32,551,083</b>	<b>100.0%</b>

Top 5 = 77.8%

Top 10 = 90.5%

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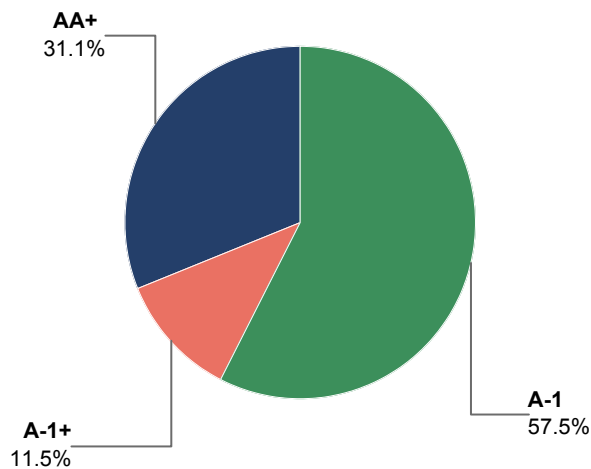
# CITY OF ST. LOUIS - WATER REVENUE PORTFOLIO

**Portfolio Statistics**

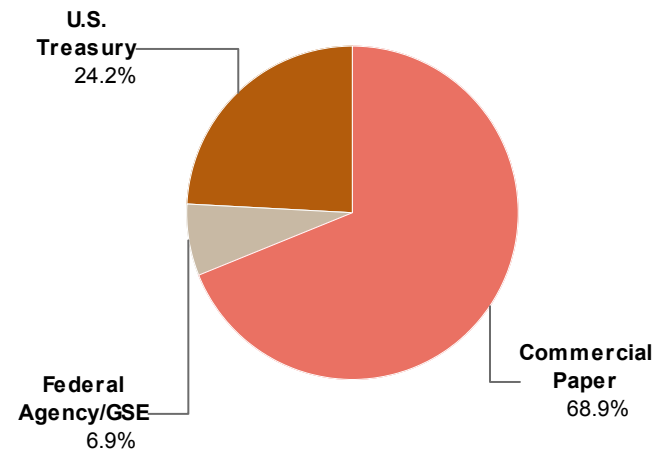
As of June 30, 2017

Par Value:	\$17,400,000
Total Market Value:	\$17,445,050
Security Market Value:	\$17,370,035
Accrued Interest:	\$14,004
Cash:	\$61,012
Amortized Cost:	\$17,371,468
Yield at Market:	1.12%
Yield at Cost:	1.07%
Effective Duration:	0.15 Years
Duration to Worst:	0.15 Years
Average Maturity:	0.15 Years
Average Credit: **	A

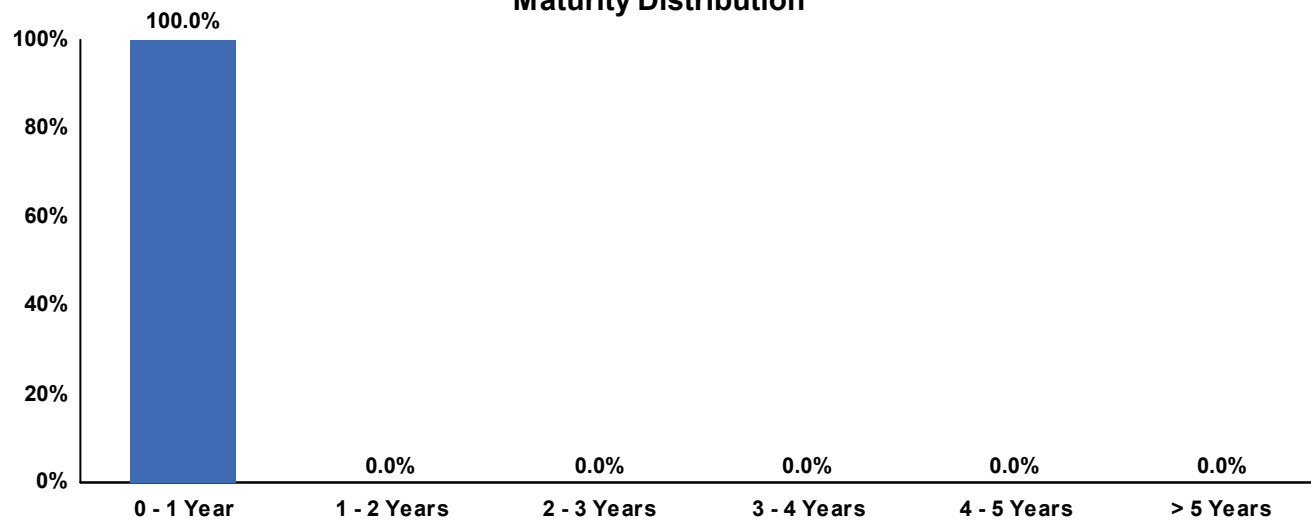
**Credit Quality (S&P Ratings)**



**Sector Allocation**



**Maturity Distribution**



\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.



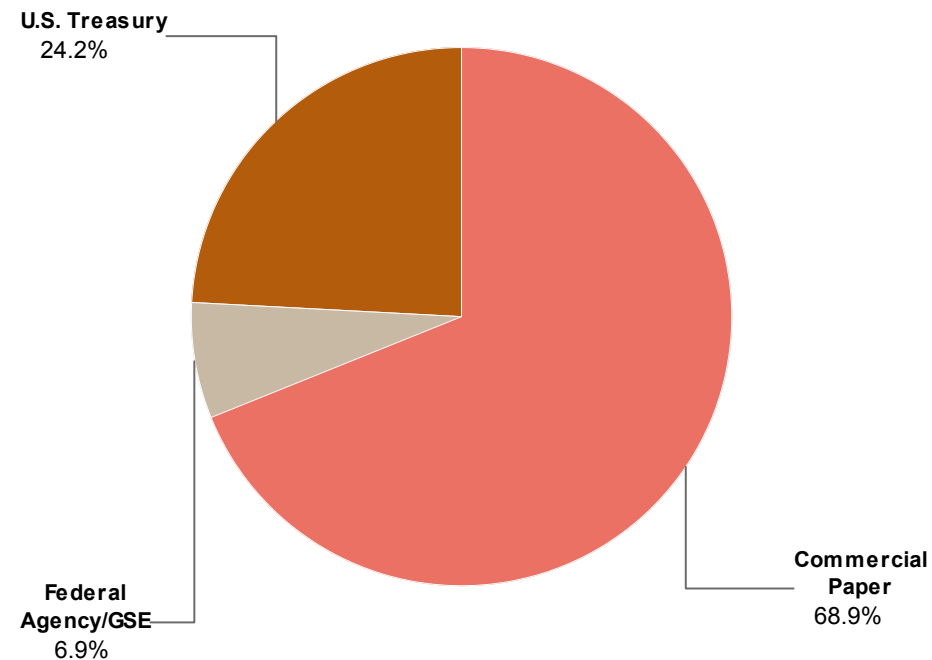
**Portfolio Earnings***Quarter-Ended June 30, 2017*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/30/2017)</b>	\$17,357,747.15	\$17,358,608.55
<b>Net Purchases/Sales</b>	(\$24,900.00)	(\$24,900.00)
<b>Change in Value</b>	\$37,187.45	\$37,759.61
<b>Ending Value (06/30/2017)</b>	\$17,370,034.60	\$17,371,468.16
<b>Interest Earned</b>	\$8,216.01	\$8,216.01
<b>Portfolio Earnings</b>	\$45,403.46	\$45,975.62

**Sector Allocation**

*As of June 30, 2017*

Sector	Market Value (\$)	% of Portfolio
Commercial Paper	11,971,192	68.9%
U.S. Treasury	4,198,958	24.2%
Federal Agency/GSE	1,199,885	6.9%
<b>Total</b>	<b>\$17,370,035</b>	<b>100.0%</b>

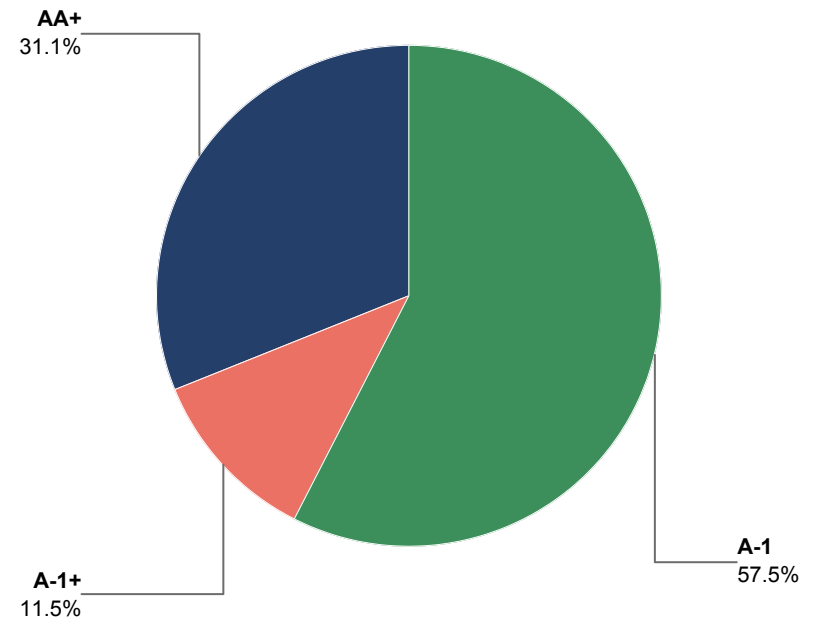


*Detail may not add to total due to rounding.*

**Credit Quality**

*As of June 30, 2017*

<b>S&amp;P Rating</b>	<b>Market Value (\$)</b>	<b>% of Portfolio</b>
A-1	\$9,980,514	57.5%
AA+	\$5,398,843	31.1%
A-1+	\$1,990,678	11.5%
<b>Totals</b>	<b>\$17,370,035</b>	<b>100.0%</b>



*Detail may not add to total due to rounding.*

**Issuer Distribution***As of June 30, 2017*

<b>Issuer</b>	<b>Market Value (\$)</b>	<b>% of Portfolio</b>
UNITED STATES TREASURY	4,198,958	24.2%
RABOBANK NEDERLAND	1,998,426	11.5%
JP MORGAN CHASE & CO	1,998,170	11.5%
MITSUBISHI UFJ FINANCIAL GROUP INC	1,997,932	11.5%
BNP PARIBAS	1,996,214	11.5%
TOYOTA MOTOR CORP	1,990,678	11.5%
CREDIT AGRICOLE SA	1,989,772	11.5%
FREDDIE MAC	1,199,885	6.9%
<b>Grand Total:</b>	<b>17,370,035</b>	<b>100.0%</b>

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**IMPORTANT DISCLOSURES**

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

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**GLOSSARY**

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

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**GLOSSARY**

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.

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# **Portfolio Summary and Statistics**

## City of St. Louis - PFMAM Managed Accounts



Account Summary Report for: CITY OF ST LOUIS

As of 6/30/2017

Portfolio Number	Portfolio Description	Par Value	Market Value	Accrued Interest	Total Value	Yield at Cost	Yield to Maturity	Duration to Worst
81670100	CITY OF ST. LOUIS-AIRPORT PORTFOLIO	127,495,000.00	126,957,357.02	242,197.07	127,199,554.09	1.14	1.37	1.38
81670200	CITY OF ST. LOUIS-AIRPORT PFC PORTFOLIO	14,240,000.00	14,182,698.28	29,647.20	14,212,345.48	1.14	1.37	1.38
81670300	CITY OF ST. LOUIS-GENERAL POOL PORTFOLIO	32,650,000.00	32,551,083.06	55,956.03	32,607,039.09	1.18	1.36	1.37
81670400	CITY OF ST. LOUIS-WATER REVENUE PORT	17,400,000.00	17,370,034.60	14,003.56	17,384,038.16	1.07	1.12	0.15
<b>Total</b>		<b>174,385,000.00</b>	<b>191,061,172.96</b>	<b>341,803.86</b>	<b>191,402,976.82</b>			

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# **Portfolio Summary and Statistics**

## City of St. Louis - CCGAM Managed Accounts

Account Summary Report for: CITY OF ST. LOUIS- COMER MANAGED

As of 6/30/2017

Portfolio Number	Portfolio Description	Par Value	Market Value	Accrued Interest	Total Value	Yield at Cost	Yield to Maturity	Duration to Worst
81700500	STL CITY PARKS SERIES 2014 PROJECT FUND	6,065,000.00	6,067,818.21	4,462.54	6,072,280.75	1.05	1.25	0.90
81700510	STL CITY PARKS SERIES 2014 DSR	430,000.00	427,238.31	1,095.07	428,333.38	0.79	1.32	1.04
<b>Total</b>		<b>6,065,000.00</b>	<b>6,495,056.52</b>	<b>5,557.61</b>	<b>6,500,614.13</b>			

Account Summary Report for: CITY OF ST LOUIS- UMB MANAGED

As of 6/30/2017

Portfolio Number	Portfolio Description	Par Value	Market Value	Accrued Interest	Total Value	Yield at Cost	Yield to Maturity	Duration to Worst
81680002	ST LOUIS LAMBERT FIELD 2005A DSR	3,225,000.00	3,212,196.31	9,394.63	3,221,590.94	0.86	1.32	0.99
81680004	ST LOUIS LAMBERT FIELD 2009A DSR	9,800,000.00	9,778,594.99	30,071.36	9,808,666.35	0.88	1.29	0.89
81680005	ST LOUIS LAMBERT FIELD 2007A DSR	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680006	ST LOUIS LAMBERT FIELD 2007B DSR	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680009	STL LAMBERT FLD-ARPT REV BND SERIES 2012	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680010	ST LOUIS LAMBERT FIELD 2013 DSR	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680011	ST LOUIS LAMBERT FLD 2007B DEBT SERVICE	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680012	ST LOUIS LAMBERT FLD 2009A DEBT SERVICE	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680015	ST LOUIS LAMBERT FIELD 2012 DSR	1,965,000.00	1,961,558.63	4,945.19	1,966,503.82	0.87	1.29	0.88
81680016	ST LOUIS LAMBERT FIELD 2015 DSR	1,940,000.00	1,936,143.35	5,932.01	1,942,075.36	0.87	1.28	0.84
81680017	ST LOUIS LAMBERT FLD 2015 DEBT SERVICE	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680018	ST LOUIS LAMBERT FIELD 2017 C & D DSR	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680019	ST LOUIS LAMBERT FLD 17C CONSTRUCTION BD	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680020	ST LOUIS LAMBERT FLD 17D CONSTRUCTION BD	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680021	ST LOUIS LAMBERT FIELD C&D CAP INTEREST	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680100	CITY OF ST LOUIS FIRE DEBT ACCOUNT	500,000.00	500,429.50	18.68	500,448.18	1.14	1.29	0.99
81680112	ST LOUIS AIRPORT 2005 REFUNDED	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680113	ST LOUIS AIRPORT 2007A	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680114	STL 2013 AIRPORT REV REFUNDING BOND ACCT	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680121	ST LOUIS CARNAHAN COURTHOUSE 2016A DSR	2,046,000.00	2,043,334.92	0.00	2,043,334.92	5.88	1.02	0.13
81680150	STL 1520 MKT ST LRB SERIES A PROJECT FND	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680205	STL MFC REC CENTER BONDS SERIES 2016 DSR	2,700,000.00	2,694,072.60	8,891.53	2,702,964.13	1.33	1.39	1.65
81680300	STL PARKING TRUST PARKING	1,870,000.00	1,866,128.67	5,689.44	1,871,818.11	0.87	1.29	0.86
81680301	STL PARKING TRUST GENERAL	1,440,000.00	1,436,945.69	4,401.63	1,441,347.32	0.88	1.29	0.88
81680302	STL PARKING REPAIR AND REPLACE	1,715,000.00	1,717,445.25	2,784.58	1,720,229.83	1.14	1.28	1.03
81680303	STL PARKING REV BONDS 2007 DEBT SERVICE	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680304	STL PARKING REVENUE BONDS 2007 DSR	452,000.00	449,801.92	0.00	449,801.92	4.35	1.05	0.46
81680308	STL PARKING REVENUE- 2015 PROJECT	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680309	STL PARKING REVENUE BONDS 2015 DSR	490,000.00	489,700.93	1,333.80	491,034.73	1.00	1.28	0.91
81680310	STL PARKING REV BONDS 2013 DEBT SERVICE	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680311	STL PARKING REV BONDS 2015 DEBT SERVICE	0.00	0.00	0.00	0.00	n/a	n/a	n/a
81680351	FOREST PK CAP LEASEHOLD IMPROVE BONDS 13	6,220,000.00	6,221,134.94	11,803.01	6,232,937.95	1.01	1.23	0.81
81680352	STL FOREST PK CAP LEASE IMPROVE 2015 DSR	785,000.00	783,067.89	2,457.78	785,525.67	0.89	1.31	0.94
81680405	STL MLK PLAZA REDEVELOPMENT PRJ 2004 DSR	125,000.00	124,249.83	356.94	124,606.77	0.79	1.31	1.01
81680407	STL GRAND CTR REDEVELOP PROJ 2011B DSR	1,585,000.00	1,581,736.98	4,787.95	1,586,524.93	0.88	1.29	0.87
<b>Total</b>		<b>35,273,000.00</b>	<b>36,796,542.40</b>	<b>92,868.53</b>	<b>36,889,410.93</b>			

Account Summary Report for: CITY OF ST LOUIS-BNY

As of 6/30/2017

Portfolio Number	Portfolio Description	Par Value	Market Value	Accrued Interest	Total Value	Yield at Cost	Yield to Maturity	Duration to Worst
81690100	MFC CCC IMPROVEMENT PROJECT 2009A DSR	715,000.00	714,702.93	959.24	715,662.17	0.94	1.28	0.93
81690102	MFC CCC IMPROVE PROJECT 2009B DSR	2,000,000.00	2,000,546.50	329.27	2,000,875.77	1.16	1.30	1.10
81690103	MFC CCC IMPROVE PRJ 2009B INFRASTRUCTURE	740,000.00	739,818.70	592.02	740,410.72	1.04	1.25	0.92
81690105	MFC CCC IMPROVE PRJ 2010A BOND RESERVE	2,430,000.00	2,428,886.64	1,991.67	2,430,878.31	0.86	1.29	0.93
81690109	MFC CCC IMPROVEMENT 2015 PROJECT FUND	640,000.00	640,408.56	820.64	641,229.20	1.03	1.24	0.84
81690110	MFC CCC IMPROVEMENT 2015 DSR	2,365,000.00	2,366,713.11	5,240.56	2,371,953.67	1.11	1.26	0.93
<b>Total</b>		<b>6,525,000.00</b>	<b>8,891,076.44</b>	<b>9,933.40</b>	<b>8,901,009.84</b>			

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# **Portfolio Summary and Statistics**

## City of St. Louis - MOSIP Accounts

**Consolidated Summary Statement**

City of St. Louis

<b>Portfolio Summary</b>			
<b>Portfolio Holdings</b>	<b>Cash Dividends and Income</b>	<b>Closing Market Value</b>	<b>Current Yield</b>
MOSIP	6,208.77	2,530,146.60	0.88 %
MOSIP TERM	0.00	12,000,000.00	* N/A
<b>Total</b>	<b>\$6,208.77</b>	<b>\$14,530,146.60</b>	

<b>Investment Allocation</b>		
<b>Investment Type</b>	<b>Closing Market Value</b>	<b>Percent</b>
Money Market Fund	2,530,146.60	17.41
Term Investment	12,000,000.00	82.59
<b>Total</b>	<b>\$14,530,146.60</b>	<b>100.00%</b>

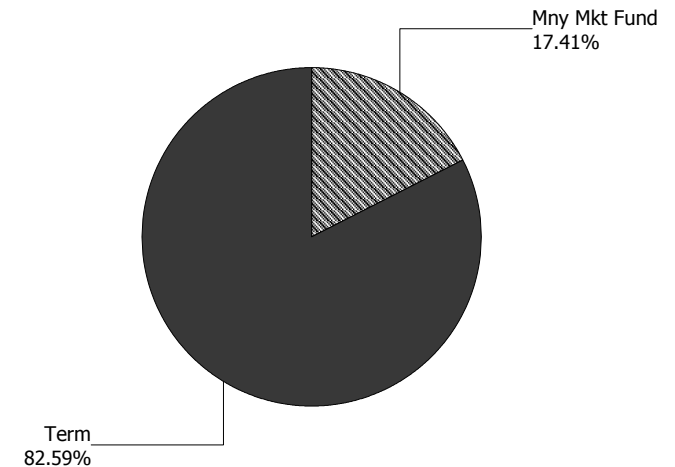
\* Not Applicable

**Maturity Distribution (Fixed Income Holdings)**

<b>Portfolio Holdings</b>	<b>Closing Market Value</b>	<b>Percent</b>
Under 30 days	12,530,146.60	86.24
31 to 60 days	0.00	0.00
61 to 90 days	0.00	0.00
91 to 180 days	2,000,000.00	13.76
181 days to 1 year	0.00	0.00
1 to 2 years	0.00	0.00
2 to 3 years	0.00	0.00
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
<b>Total</b>	<b>\$14,530,146.60</b>	<b>100.00%</b>

**Weighted Average Days to Maturity 31**

**Sector Allocation**



**Consolidated Summary Statement**

City of St. Louis

<b>Account Number</b>	<b>Account Name</b>	<b>Opening Market Value</b>	<b>Purchases / Deposits</b>	<b>Redemptions / Sales/ Maturities</b>	<b>Unsettled Trades</b>	<b>Change in Value</b>	<b>Closing Market Value</b>	<b>Cash Dividends and Income</b>
8500162	General Fund	15,111,790.01	4,443.46	(15,111,790.01)	0.00	0.00	4,443.46	4,443.46
8500180	Section 108	2,508,632.34	1,754.61	0.00	0.00	0.00	2,510,386.95	1,754.61
8500181	Water - ORD #1	1,006,905.85	4.83	0.00	0.00	0.00	1,006,910.68	4.83
8500182	Water - ORD #2	1,005,453.57	3.81	0.00	0.00	0.00	1,005,457.38	3.81
8500230	Parking Division	10,002,946.07	2.06	0.00	0.00	0.00	10,002,948.13	2.06
<b>Total</b>		<b>\$29,635,727.84</b>	<b>\$6,208.77</b>	<b>(\$15,111,790.01)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$14,530,146.60</b>	<b>\$6,208.77</b>