REGIONAL TRANSPORTATION COMMISSION OF WASHOE COUNTY (RTC)
INVESTMENT COMMITTEE MEETING

Monday	**1:00 p.m.**	**July 26, 2022**

PRESENT:

Christian Schonlau, RTC Director of Finance/CFO
Jelena Williams, RTC Financial Manager
Nelia Belen, RTC Accountant
Wale Kajopaiye, Senior Managing Consultant, PFM Asset Management LLC

The RTC Investment Committee Meeting was held on July 26, 2022 at 1:00 p.m. via Zoom and was called to order by Christian Schonlau. The following business was conducted:

ROLL CALL

Present: Christian Schonlau, Jelena Williams, Nelia Belen, and Wale Kajopaiye

Absent: Bill Thomas, AICP, RTC Executive Director

Item 1 APPROVAL OF AGENDA

Christian Schonlau opened the meeting and asked for a motion for approval of the Agenda. Jelena Williams moved to approve and Nelia Belen seconded. Motion passed.

Item 2 PUBLIC INPUT

Christian Schonlau asked if there were any public comments. As there were none, we moved onto the approval of the April 20, 2022 meeting minutes.

Item 3 **APPROVAL OF MINUTES**

Christian Schonlau asked if everyone had a chance to look at the minutes, and if there were any changes or comments? As there were no change or comments, Jelena Williams moved for approval of the minutes, with Nelia Belen seconding. Motion passed.

Item 4 ***DISCUSSION OF THE RTC DEBT SERVICE RESERVE INVESTMENT PERFORMANCE AND POSSIBLE APPROVAL OF A RECOMMENDATION TO BE PRESENTED TO THE RTC BOARD OF DIRECTORS***

Wale Kajopaiye from PFM Asset Management discussed the Investment Performance Review packet for the Quarter ended June 30, 2022, for the Regional Transportation Commission of Washoe County.

Wale Kajopaiye: We will start with the Market Update, and then go through the Account Summary and Portfolio review.

Most of what we saw in the 1st Quarter has continued to linger and move into the 2nd Quarter. The biggest and the most painful of them being high inflation. Inflation has driven a lot of the markets, including bonds and stocks, into a bear market this year and because of that we are starting to see more depressed consumer confidence moving forward. We also started to see growing potential of a recession based upon some of the data and the slow-downs that we are currently seeing. We had a negative GDP for the 1st Quarter of this year. We're expecting another GDP drop this week. If that is negative, technically we would be labeled in a recession.

The Federal Reserve continues to tighten their monetary policy. They are in a very aggressive rate hiking battle right now trying to curve inflation. We've had three rate hikes, 25 basis points, 50 basis points and 75 basis point this year. We're expecting another 75 basis rate hike tomorrow, but we'll see what the Fed has to say about that in their meeting. They are also starting to start to reduce their balance sheet in double back pay starting in September. That is something they are using as a way to help curb inflation.

We've also seen spreads widen because of the Fed increasing rates. We're seeing high commodity prices, a lot of that having to do with the conflict happening in Ukraine.

We looked at the CPI data. This is basically looking at a basket of goods and looking at how inflation has changed over the last year or so. The price at the end of June was 8.6 and we are now at 9.1. Inflation has not yet peaked yet, but we still have relatively very high inflation in what we're historically used to seeing.

When we look at what consumers are thinking; consumers still think that the short-term inflation data is going to be very painful. Obviously we are expecting this to abate over the long run, but in the short run a lot of people are still expecting to feel a lot of pain when it comes to where inflation is currently trending.

When we look at the overall data, we're in a space where we're getting good data and bad data. Unemployment continues to be relatively low, which is always good. We looked at retail sales and that continues to be strong moving forward, but then again, when we look at consumer sentiment and existing home sales with the cost of ownership continuing to climb.

We have a lot of people asking if we are in an inflation. Historically, recessions have been accompanied by times of high inflation. So, this time may not be very different, but we'll wait and see what the GDP is that comes out this week and says as far as where growth is heading.

When we look at some of the projections that the Fed has made from where they were in March to now, they've reduced their GDP projections expecting slower growth, and they are expecting unemployment to tick up a little bit. They are saying that the PTE inflation will be a little more sticky, even though in the long run they do expect that to come down. They are expecting their TCE projections to be a tad bit higher than where they were in March. Also, they are going to have to increase the Fed Funds a lot more aggressively than they had anticipated when they started hike rates earlier this year.

Page 7 is a chart that gives you an idea of where the Committee feels rates should be in the long run. We see that a lot of the Federal Committee Members are somewhere in that 3-4% range. That seems to be the consensus moving all the way into 2024. When they look at the long term rate, they expect at some point they will have to reduce rates, but again, that will come once inflation gets under control.

Page 8 is talking about the Treasury Index and how income and total price returns have changed over the years. This chart gives you a little more of glance of how the different sectors in that 1-5 year maturity space and bond markets have done. Since rates did move relatively higher in the 1st and 2nd Quarters of this year, we see that had a negative impact on the performance for the year. So, again, as rates go up, bond prices tend to move down. When we look at the longer term picture and we look at how they have performed over a 10-Year average, all of the sectors, treasuries, agencies, asset backed securities and also Corporate AAA still have positive returns over the long term time frame. So, as we get this part of the cycle that is sometimes painful to endure, we have to just think longer term that we will eventually get past this.

Page 9 has a little bit more color on our commentary about the different sectors in the bond market.

From PFM's standpoint, this gives you an idea of how we're feeling about different sectors of the market. We still think treasuries are fairly attractive. We do like Corporates, but as we get to more threats of a possible recession, we're not as positive on Corporates as we were in the 2nd Quarter. We've kind of brought that down just a tad and are being a little more selective in that space. Same with Asset Backed Securities as well.

That is it for the Market update, do we have any questions so far? Seeing that there are no questions, we'll move onto the Account Summary.

When we look at the Account Summary, we have a portfolio of about $7.8 million with a majority of the assets in the portfolio sitting in that 1-2 year maturity. Then the second biggest chunk of the portfolio sitting in that 2-3 year maturity area. 72% of the portfolio is made up of Federal Agencies and the other 28% being made up of U.S. Treasuries. We are well within the limits of what the investment policy allows, so there are no worries in that section.

Moving into the portfolio review, when we look at the effective duration, we have a duration of 1.24 years. Duration measures sensitivity to interest rate movements over time. Our Yield at Cost is .32%, so this is the income that is generated by the portfolio and the Yield at Market is at 2.76%. As we can see, we do have very high credit quality rating in the portfolio.

When we move to the portfolio composition, you can see it hasn't really changed over the last year. A lot of that mainly has to do with the portfolio size. The types of bonds or the access to the fixed income market has been very limited, so we haven't really been able to change much in the portfolio over the last four quarters. The portfolio composition has been pretty steady over that time.

When we look at the accrued earnings in the portfolio over the last three months, it is about $12,000. All of the fixed income investments in the portfolio do generate positive returns, those returns will continue to be positive moving forward. There were no realized gains or losses for the last quarter of the year.

When looking at how the portfolio has performed over time, again this just gives you an idea of the growth of the interest earned, we can see that it's been pretty consistent, somewhere in that $12,000 range. As the yields in the portfolio slowly but continually rise and increase over time, if we start to get more access to higher yield securities in the portfolio, I'm going to try to take advantage of that as we can.

That is pretty much it, the rest of the presentation just goes over the specific details in the portfolio. Again, this quarter there weren't a lot of buys and sales, so that is the end of the presentation.

Christian Schonlau: Thank you Wale. Based on what I'm seeing there are no proposed changes to the portfolio at this time, is that correct.

Wale Kajopaiye: No proposed changes, we're just trying to get through this part of the interest rate cycle, where rates are still climbing. As our portfolio manager starts to see opportunities to capture higher yields, they will start to make those purchases as they see fit.

Christian Schonlau: Thank you Wale, anyone else?

Jelena Williams: No additional questions, just noting that our area is experiencing a similar decrease in housing.

Wale Kajopaiye: The rates are so high, because homeowners are not finding enough buyers, and the cost of ownership has gone up. They've impacted reduced prices to see if they can get people to start buying those homes. That's a pattern that has been happening over the last couple of months.

Jelena Williams: Ok, thank you and thank you for a great presentation.

Christian Schonlau: There is no recommendations for the Board at this time, so we will move onto member items.

Item 5 MEMBER ITEMS

Christian Schonlau asked if anyone had any member items. Being none, we moved onto public input.

Item 6 PUBLIC INPUT

Christian Schonlau asked if there was any public input. Being none, we moved to adjournment.

Item 7 ADJOURNMENT

Christian Schonlau asked for a motion for adjournment. Jelena Williams gave a motion to adjourn, which was seconded by Nelia Belen. Motion carried unanimously and meeting was adjourned.

The meeting adjourned at 1:20 p.m.

Christian Schonlau
Digitally signed by Christian Schonlau
Date: 2022.08.09 13:50:35 -07'00'

Christian Schonlau
Director of Finance/CFO
Regional Transportation Commission

pfm asset management

WASHOE COUNTY REGIONAL TRANS COMMISSION

Investment Performance Review
For the Quarter Ended June 30, 2022

Client Management Team		PFM Asset Management LLC
Monique Spyke, Managing Director	1 California Street Ste. 1000	213 Market Street
Robert Cheddar, CFA, Managing Director	San Francisco, CA 94111-5411	Harrisburg, PA 17101-2141
	415-393-7270	717-232-2723

Agenda

- Market Update
- Account Summary
- Portfolio Review

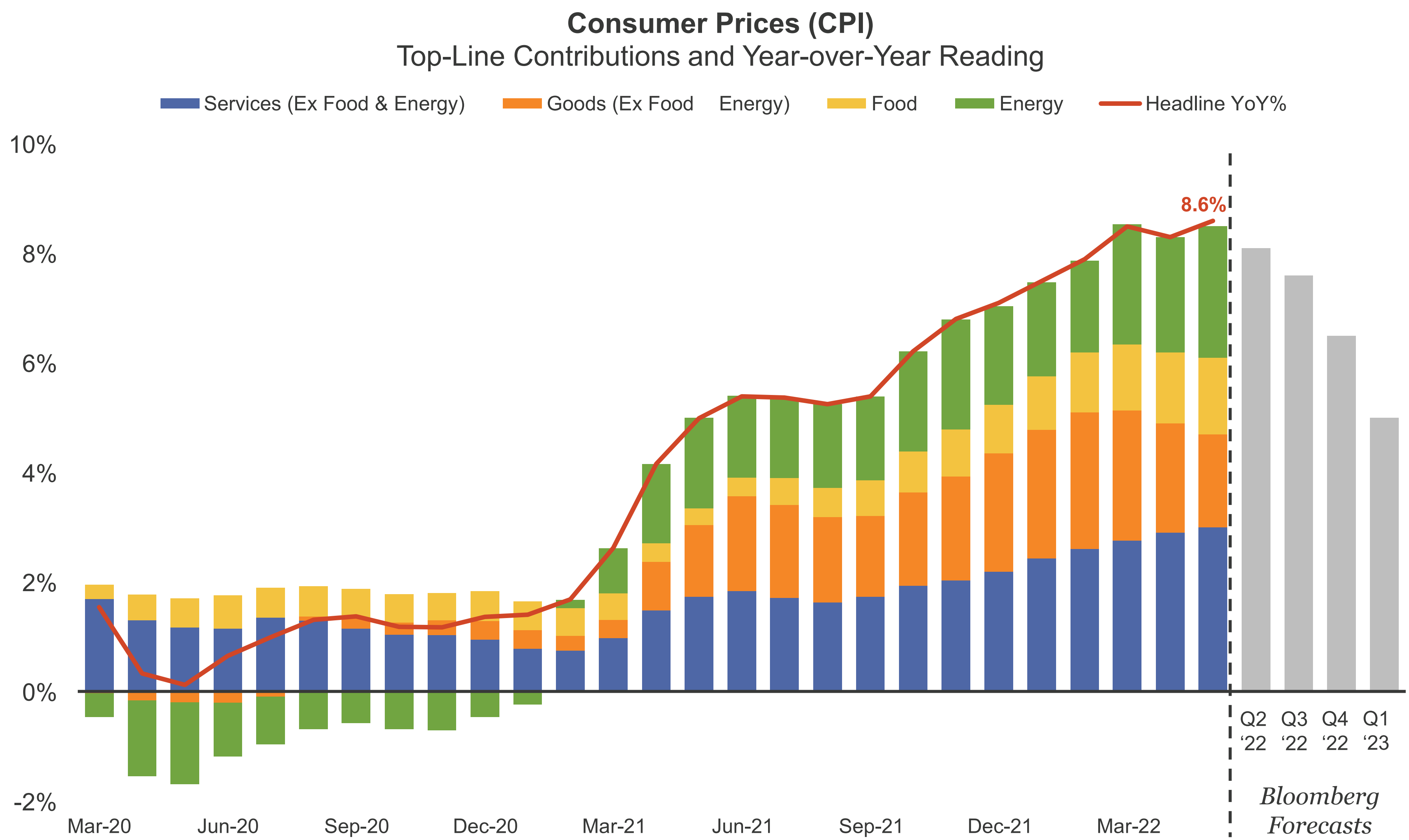
Market Update

For the Quarter Ended June 30, 2022
Market Update

Current Market Themes

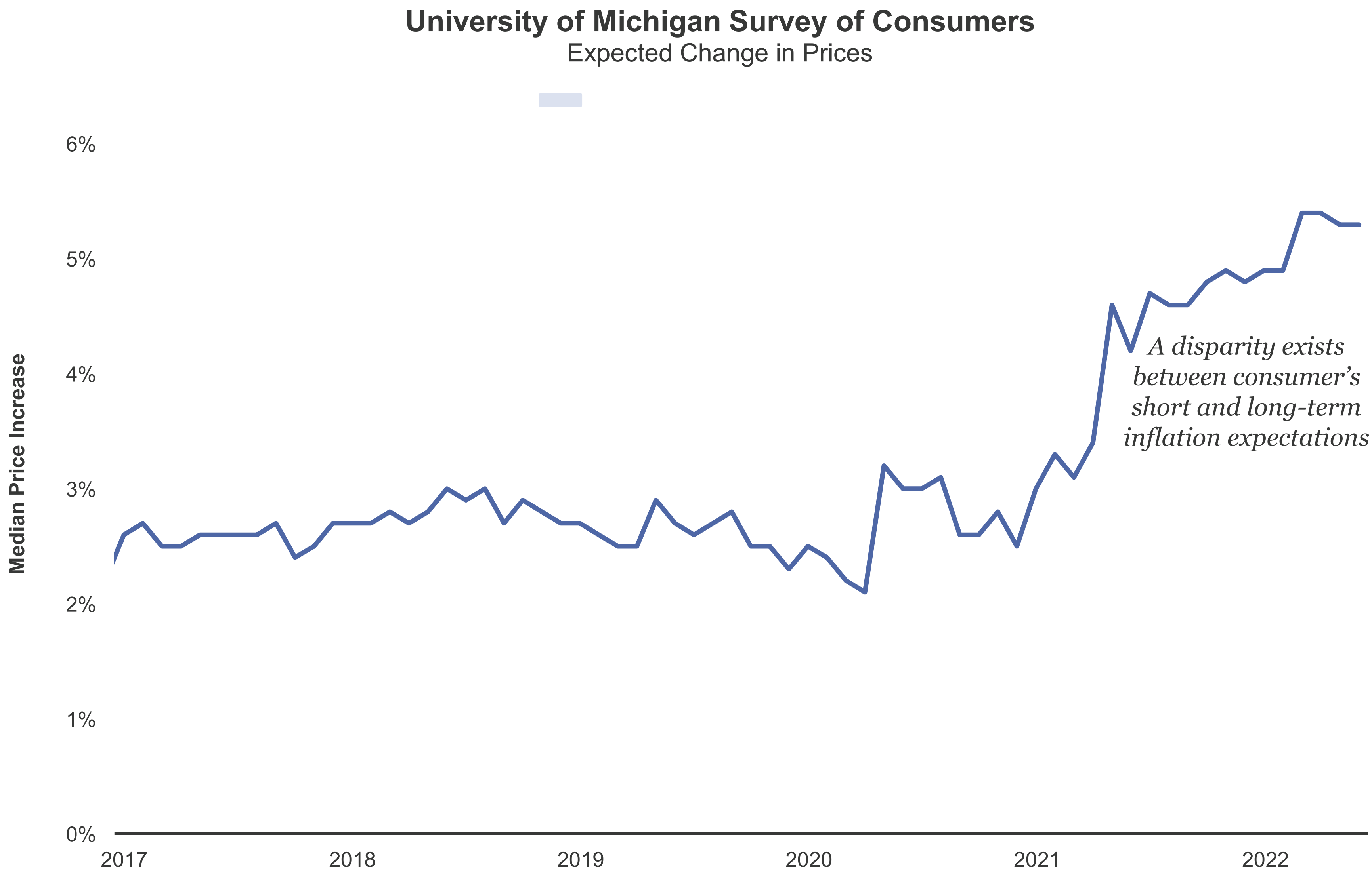
- The U.S. economy is characterized by:
  - High inflation
  - A strong labor market
  - Depressed consumer confidence
  - Growing potential for economic recession
- The Federal Reserve is tightening monetary policy
  - More aggressive rate hikes to battle persistent inflation
  - Short-term fed funds rate projected to reach 3.25% to 3.75% by year-end
  - Start of balance sheet reduction; pace to double beginning in September
- Asset prices have fallen sharply in 2022 as a result of:
  - The impact of higher rates on bond prices and equity valuations
  - Wider credit spreads
  - High commodity prices, rising labor costs, and the continuing conflict in Ukraine
  - High levels of volatility and uncertainty

U.S. Inflation Hit a New Four-Decade High in May



Source: Bloomberg, as of May 2022.

Consumers Expect High Inflation in the Near Term, but Moderation Longer Term

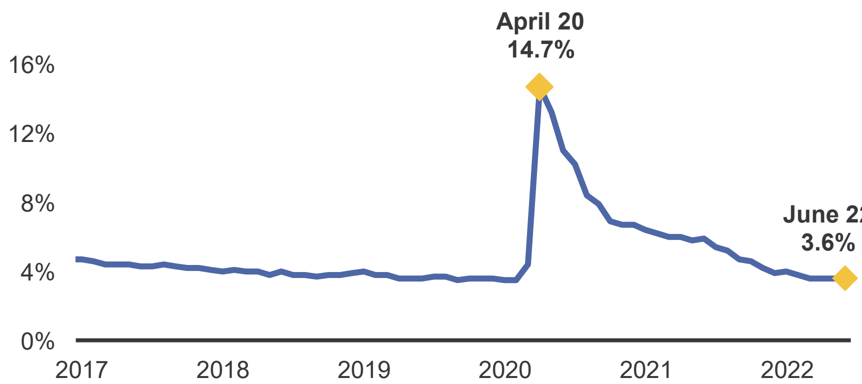


Source: Bloomberg, as of June 2022.

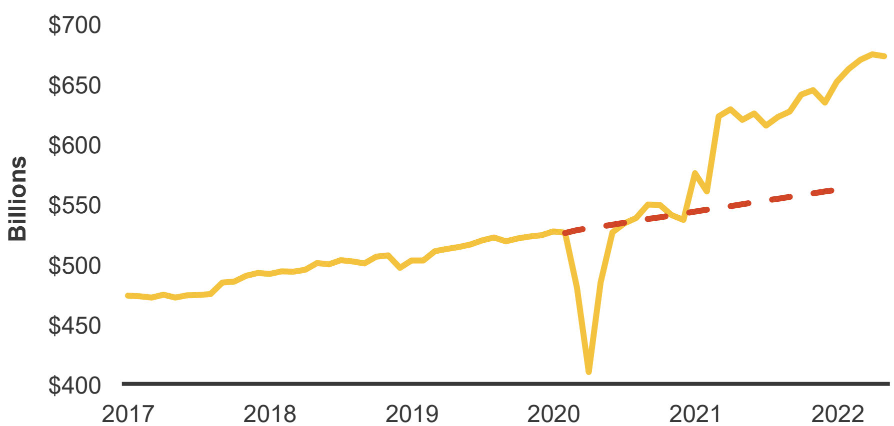
Strong Labor Market and Spending Provide Momentum Against Signs of Economic Slowing

Tailwinds

U.S. Unemployment Rate

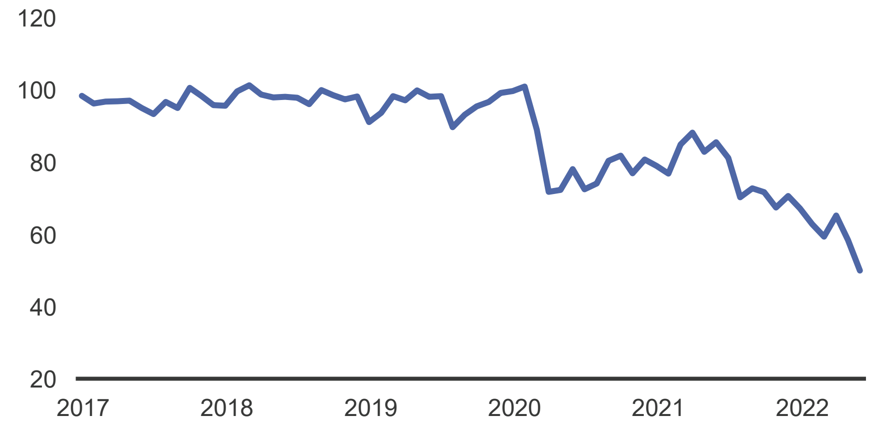


Retail Sales (Monthly)

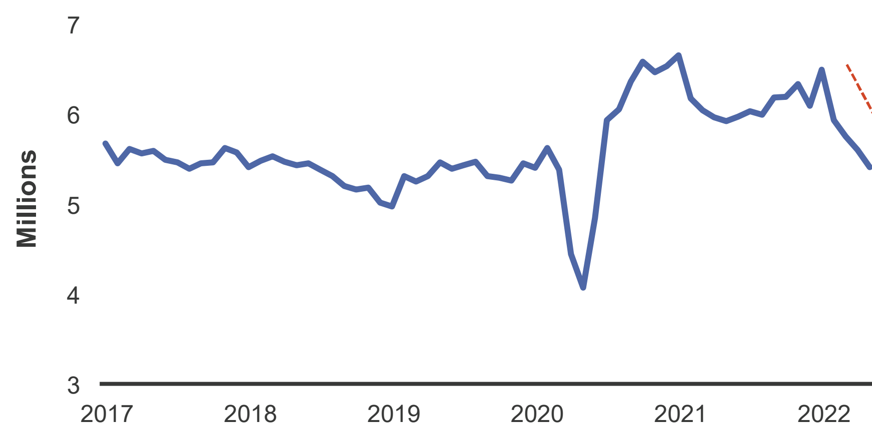


Headwinds

Index of Consumer Sentiment



Existing Home Sales



Source: Bloomberg, as of June 2022.

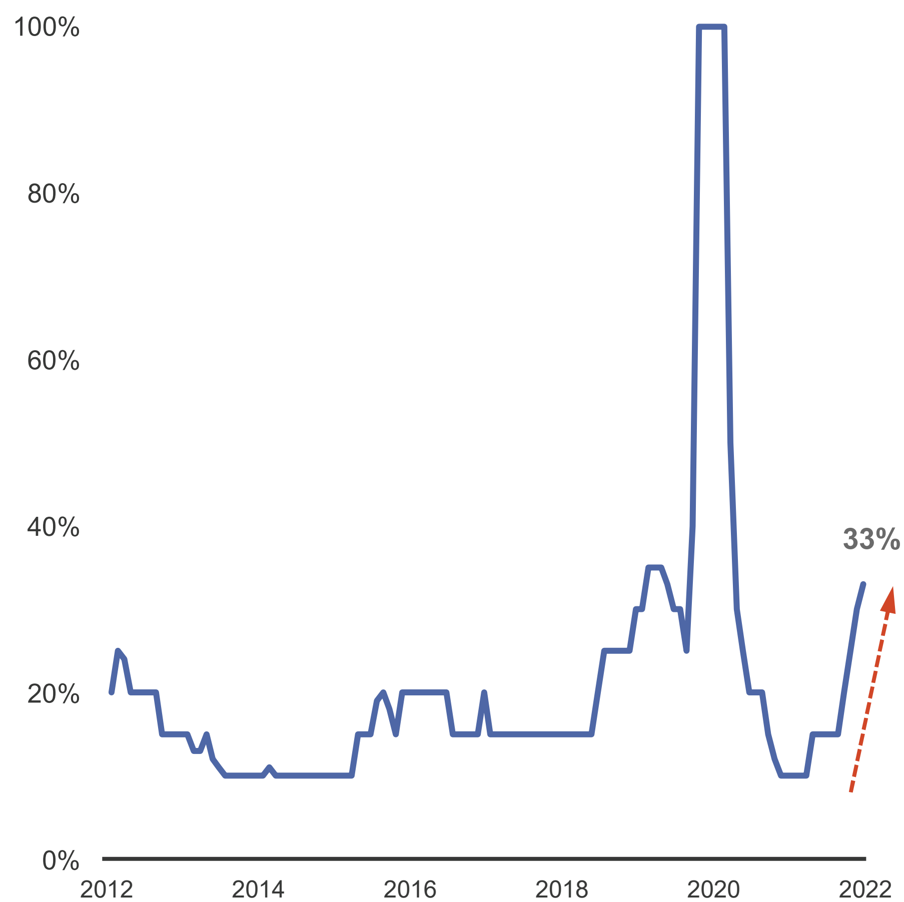
Uncertainty Grows Around Economic Outlook

GDP Contributors

	Q2 2021	Q3 2021	Q4 2021	Q1 2022
U.S. Real GDP	**6.7%**	**2.3%**	**6.9%**	**-1.6%**
Personal Consumption	7.9%	1.4%	1.8%	1.2%
Fixed Investment	0.6%	-0.2%	0.5%	1.3%
Private Inventories	-1.3%	2.2%	5.3%	-0.4%
Net Exports	-0.2%	-1.3%	-0.2%	-3.2%
Gov't Expenditures	-0.3%	0.2%	-0.5%	-0.5%

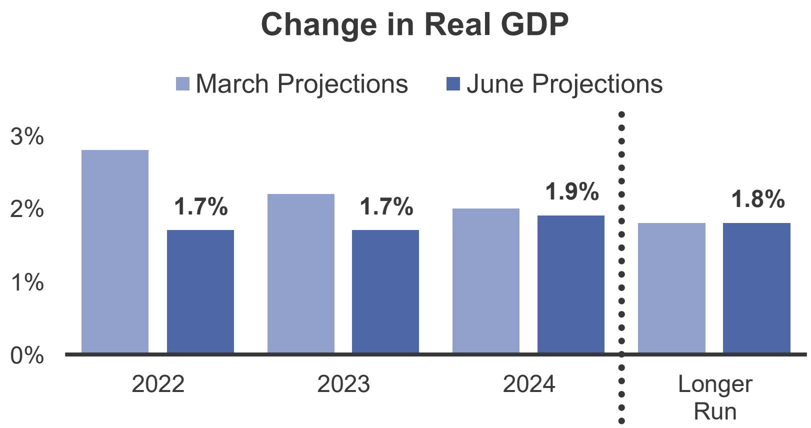
Following a negative Q1 reading, economists expect positive yet decelerating growth amid an increasingly cautious consumer

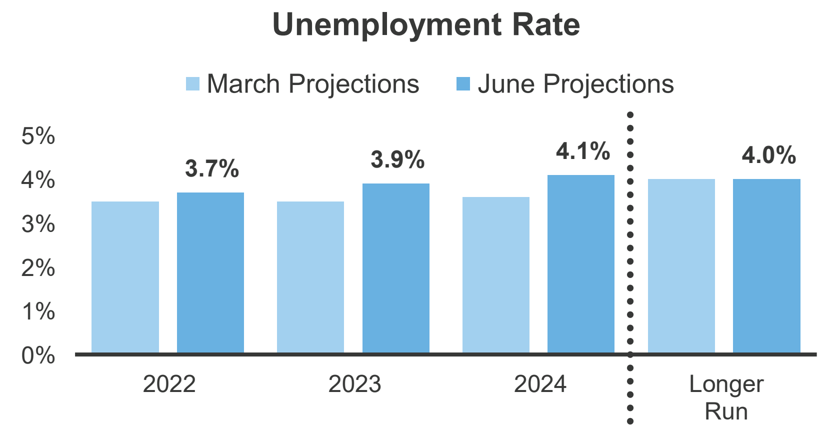
U.S. 1-Year Recession Probability
(Bloomberg Median Economist Forecast)

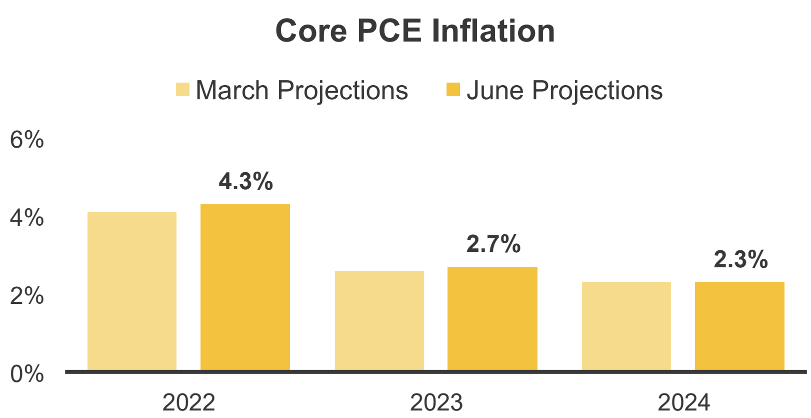


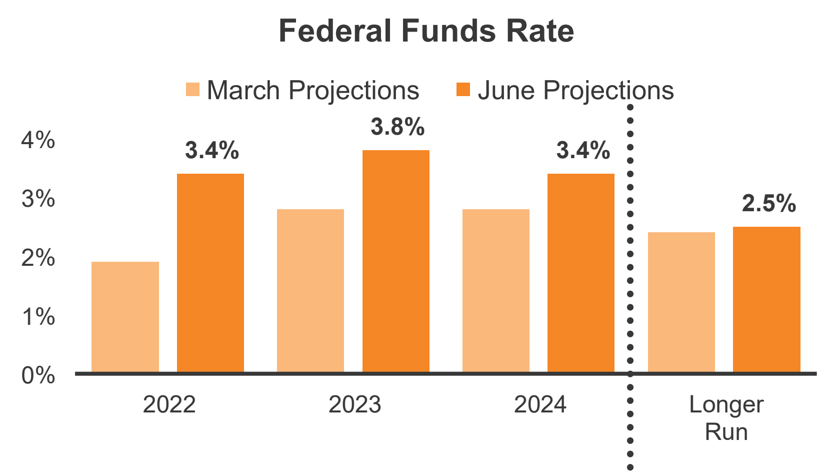
Source: Bloomberg, as of June 2022.

Fed's Updated Projections Show More Expected Inflation, Lower Growth



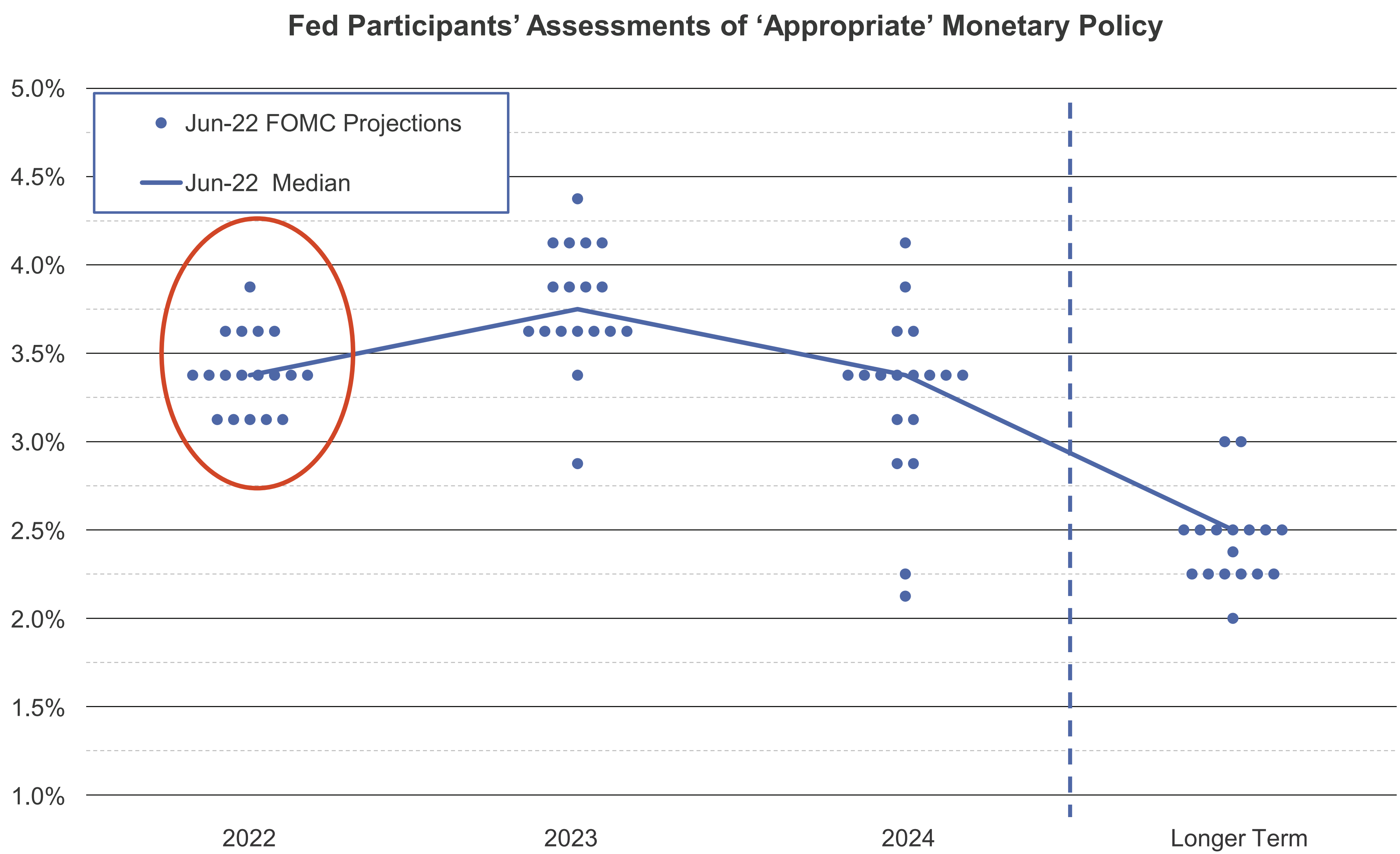






Source: Federal Reserve, latest economic projections as of June 2022.

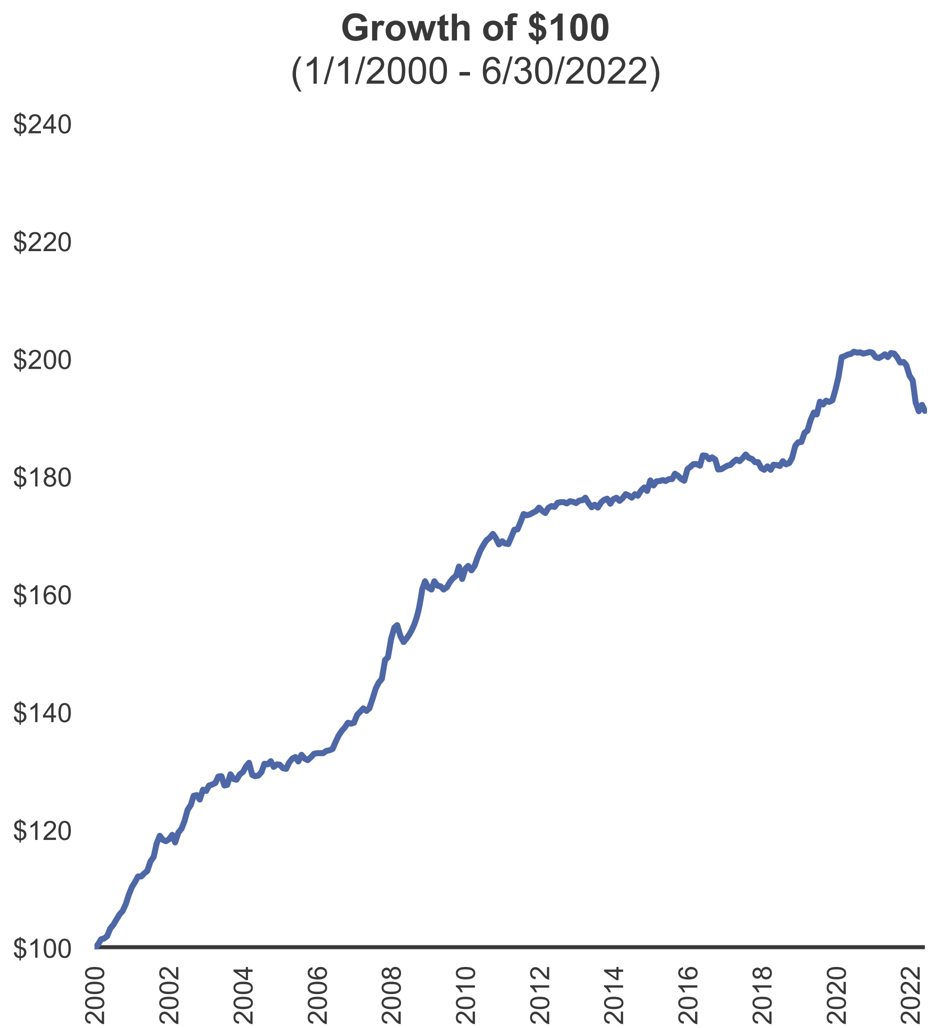
Federal Reserve Officials Project 1.75% More in Rate Hikes in 2022

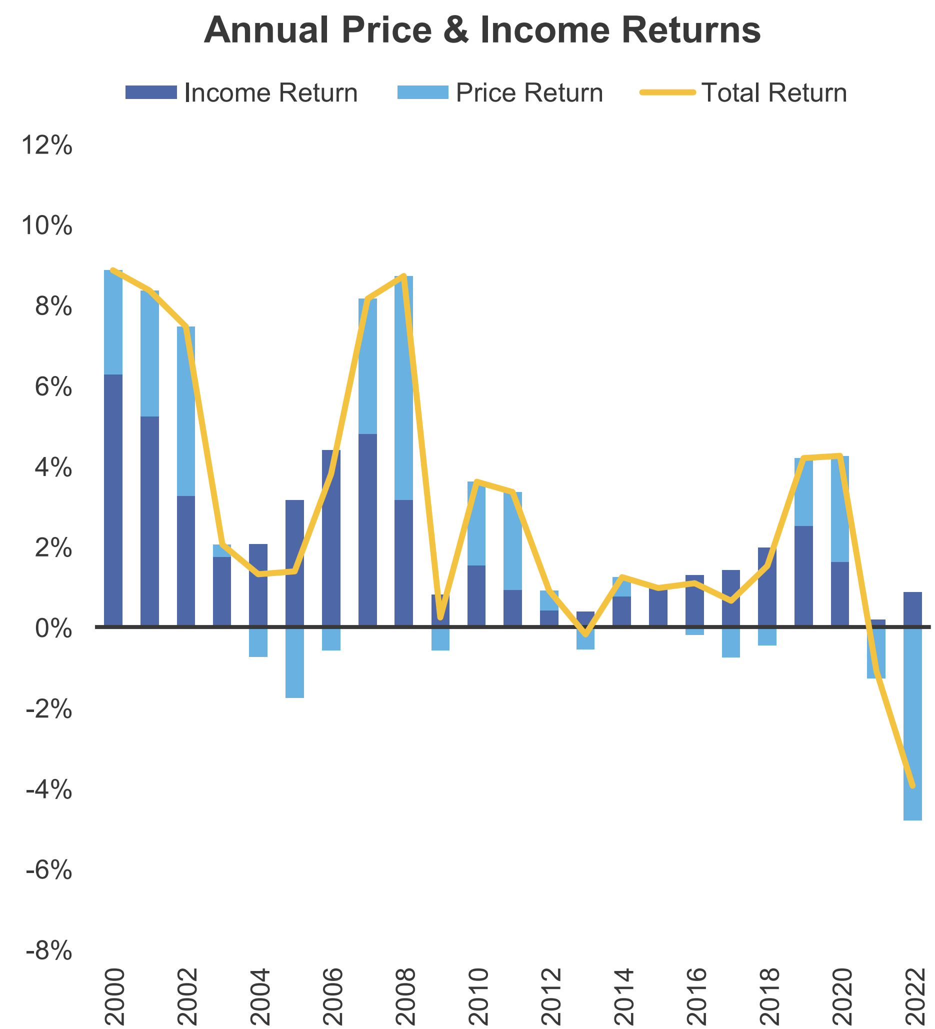


Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

Surging Yields Give Back Pandemic Gains

ICE BofA 1-5 Year Treasury Index

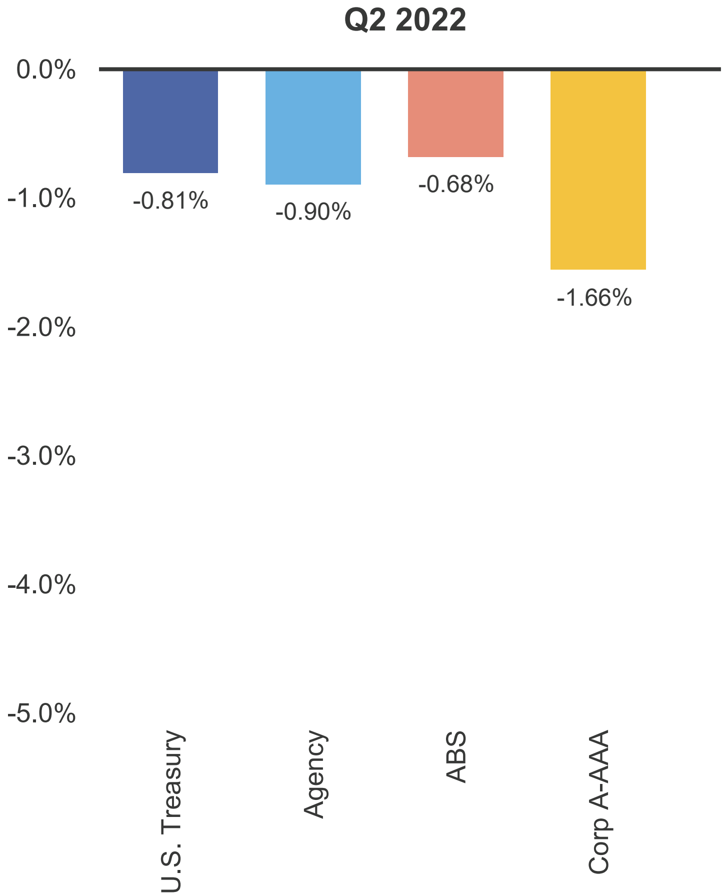


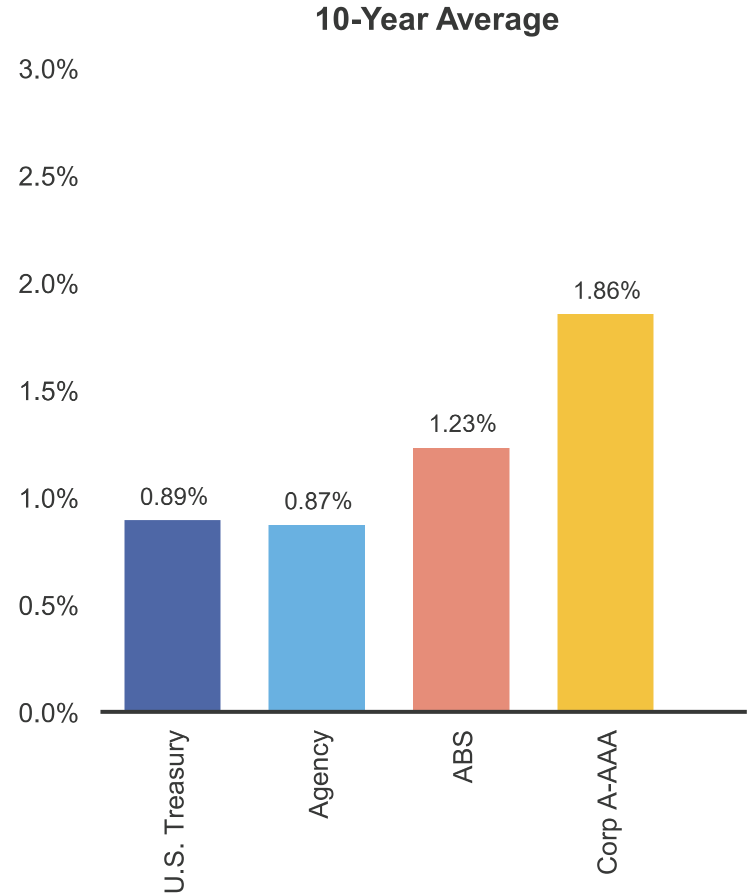


Source: ICE BofAML Indices via Bloomberg, as of 6/30/2022; PFMAM calculations. 2022 Price, income, and total return is YTD as of 6/30/2022.

Rising Rates and Wider Spreads Hurt Fixed-Income Returns in Q2 2022

1-5 Year Indices



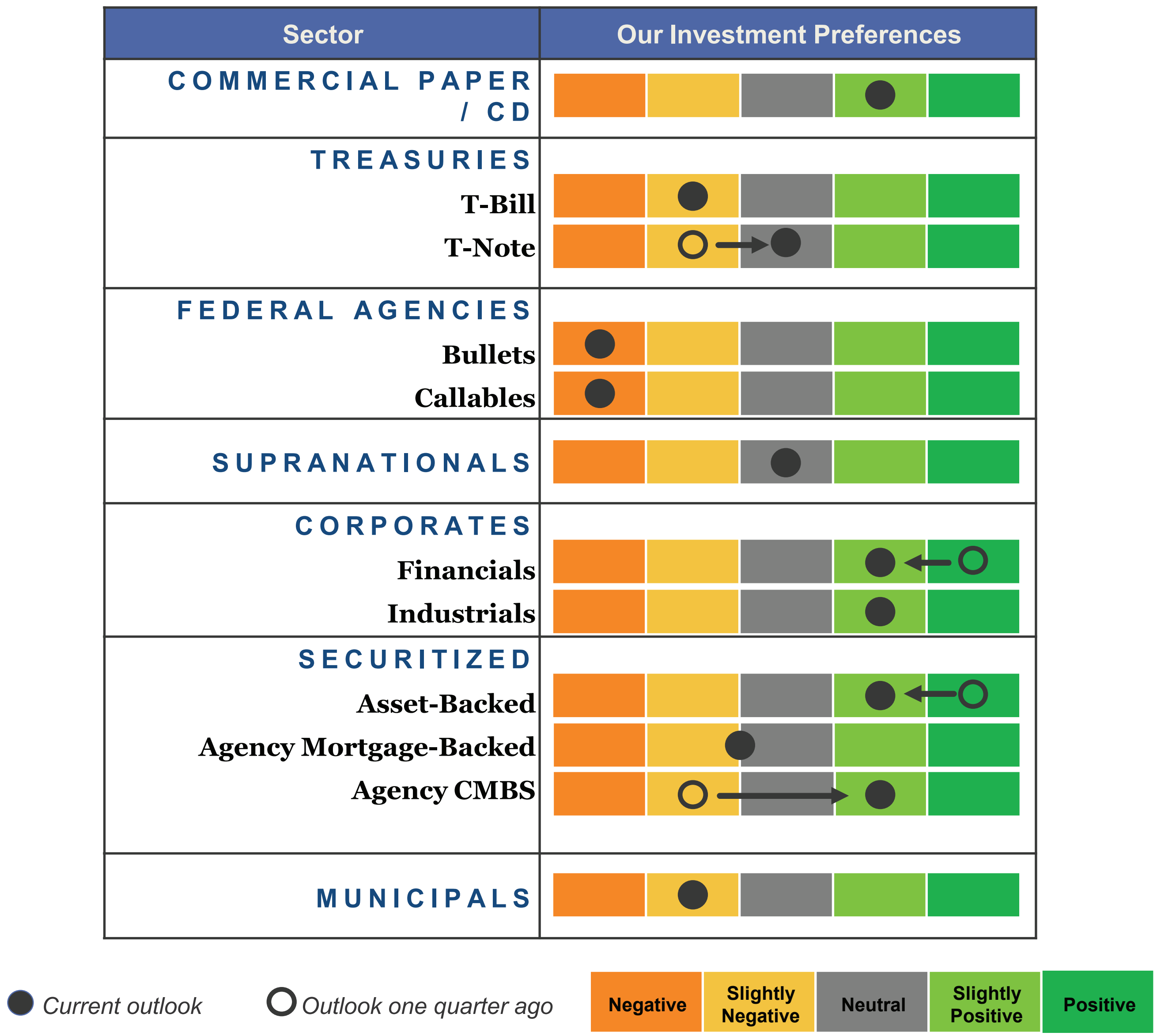


Source: ICE BofAML Indices. ABS indices are 0-5 year, based on weighted average life. As of 6/30/2022.

Fixed-Income Sector Commentary – 2Q 2022

- **U.S. Treasury** securities posted negative returns for more than two quarters. Yields continued to move higher on surging inflation data and expectations for aggressive Fed rate hikes over the course of 2022.
- The **Federal Agency** sector generated modest incremental returns over Treasuries in Q2 but continue to offer narrow yield spreads and limited value.
- **Supranational** spreads are elevated for shorter maturities but remained historically tight further out the curve. Issuance has been relatively light year-to-date which has helped keep downward pressure on yield spreads.
- Investment grade **Corporates** appear to have priced in a recession on the horizon; however, fundamentals and ratings are expected to stabilize while also carrying a low default rate. Yield spreads have been driven wider to historically attractive levels as uncertainties persist.
- **Asset-Backed** yield spreads widened after a volatile start to the year. Some measures of collateral performance are trending worse, but overall are in a good position from a historical perspective and remain within rating agency expectations.
- **Mortgage-Backed Securities** were hampered by soaring mortgage rates and the looming reduction to the Fed's balance sheet. The sector will likely remain under pressure for the foreseeable future as it faces a myriad of headwinds.
- **Taxable Municipals** were one of the few investment grade sectors that performed well during the quarter. But while issuance has slowed despite appearing at attractive levels, deals remain heavily oversubscribed, pressuring spreads lower.
- **Commercial Paper and CD** spreads remain elevated and attractive, particularly on maturities near nine months which have heightened value and a steeper curve.

Fixed-Income Sector Outlook – 3Q 2022



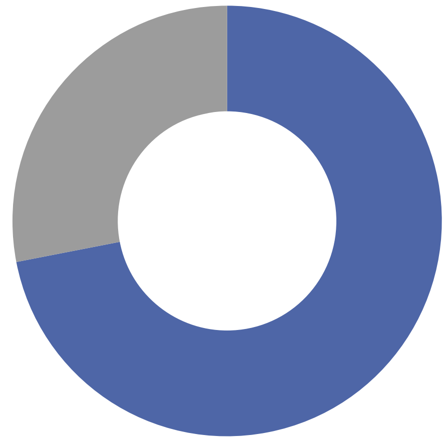
Account Summary

Consolidated Summary

Account Summary[1]

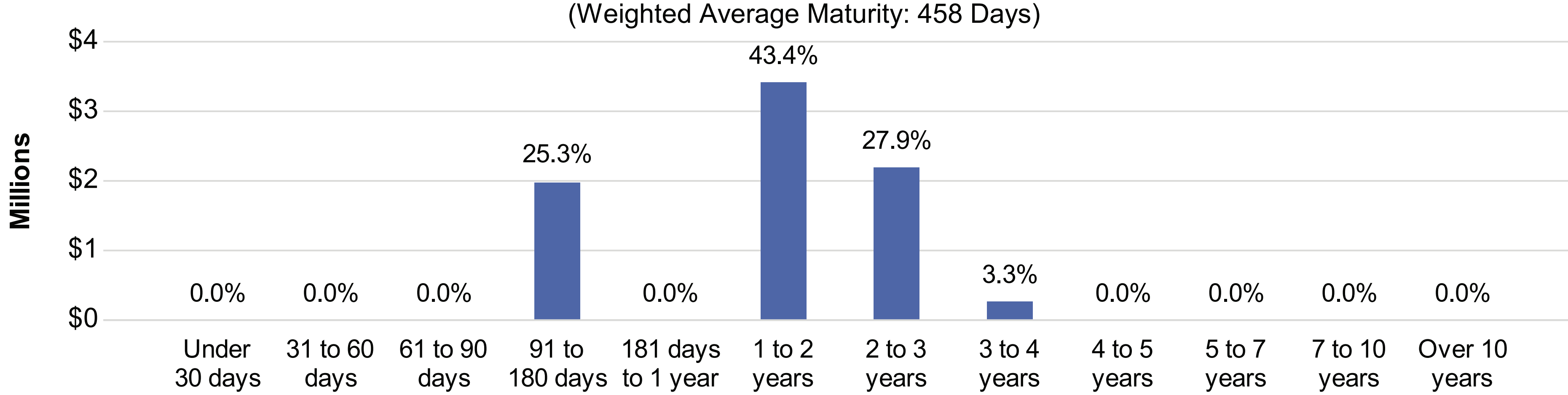
PFMAM Managed Account	$7,886,243
Total Program	**$7,886,243**

Sector Allocation



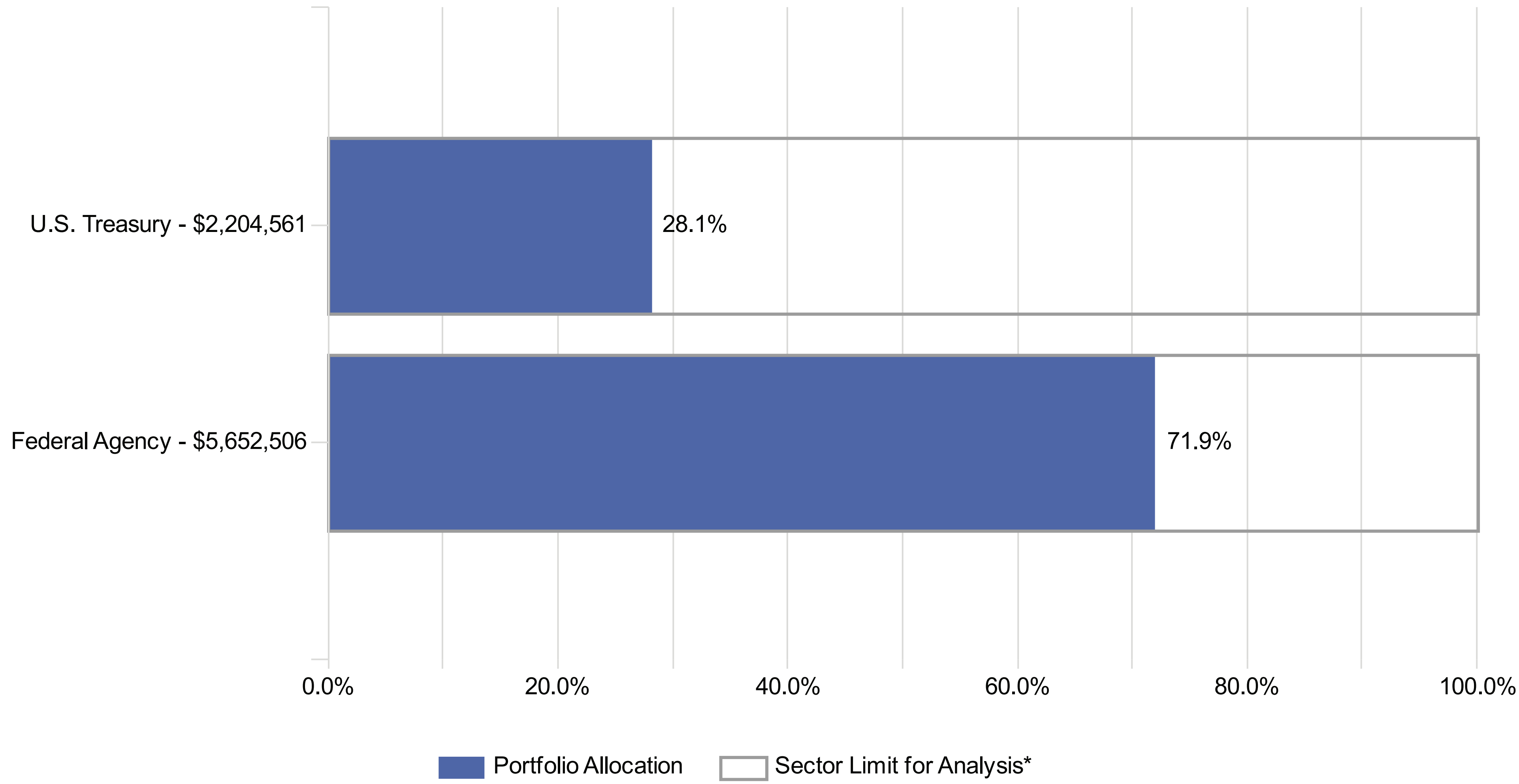
Maturity Distribution

(Weighted Average Maturity: 458 Days)



1. Account summary includes market values, accrued interest, cash and cash equivalents. Sector allocation and the maturity distribution include market values and accrued interest.

Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.
**Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.*

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody s / Fitch
U.S. Treasury	**28.1%**	
UNITED STATES TREASURY	28.1%	AA / Aaa / AAA
Federal Agency	**71.9%**	
FANNIE MAE	31.0%	AA / Aaa / AAA
FEDERAL FARM CREDIT BANKS	25.3%	AA / Aaa / AAA
FREDDIE MAC	15.7%	AA / Aaa / AAA
Total	**100.0%**	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

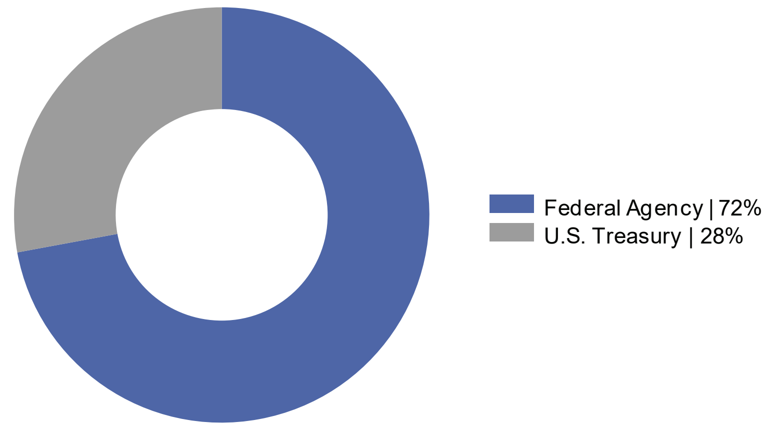
Portfolio Review:
WASHOE RTC BOND PROCEEDS AGG PORTFOLIO

Portfolio Snapshot - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO[1]

Portfolio Statistics

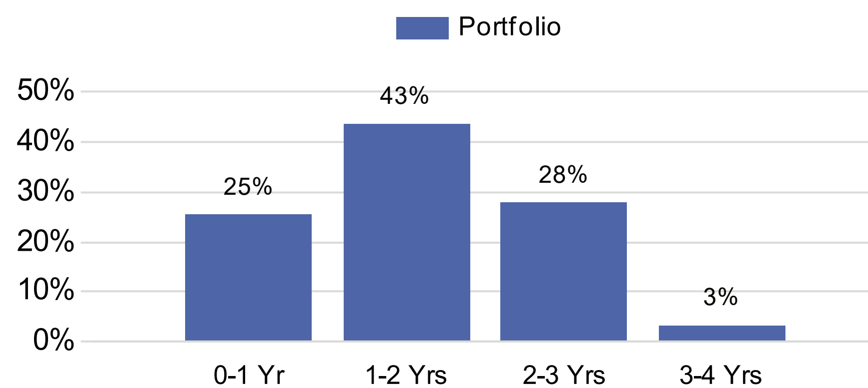
Total Market Value	$7,886,242.83
Securities Sub-Total	*$7,836,273.59*
Accrued Interest	*$20,793.40*
Cash	*$29,175.84*
Portfolio Effective Duration	1.24 years
Yield At Cost	0.32%
Yield At Market	2.76%
Portfolio Credit Quality	AA

Sector Allocation



Credit Quality - S P

Duration Distribution



1. *Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interests. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.*

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody s / Fitch
U.S. Treasury	**28.1%**	
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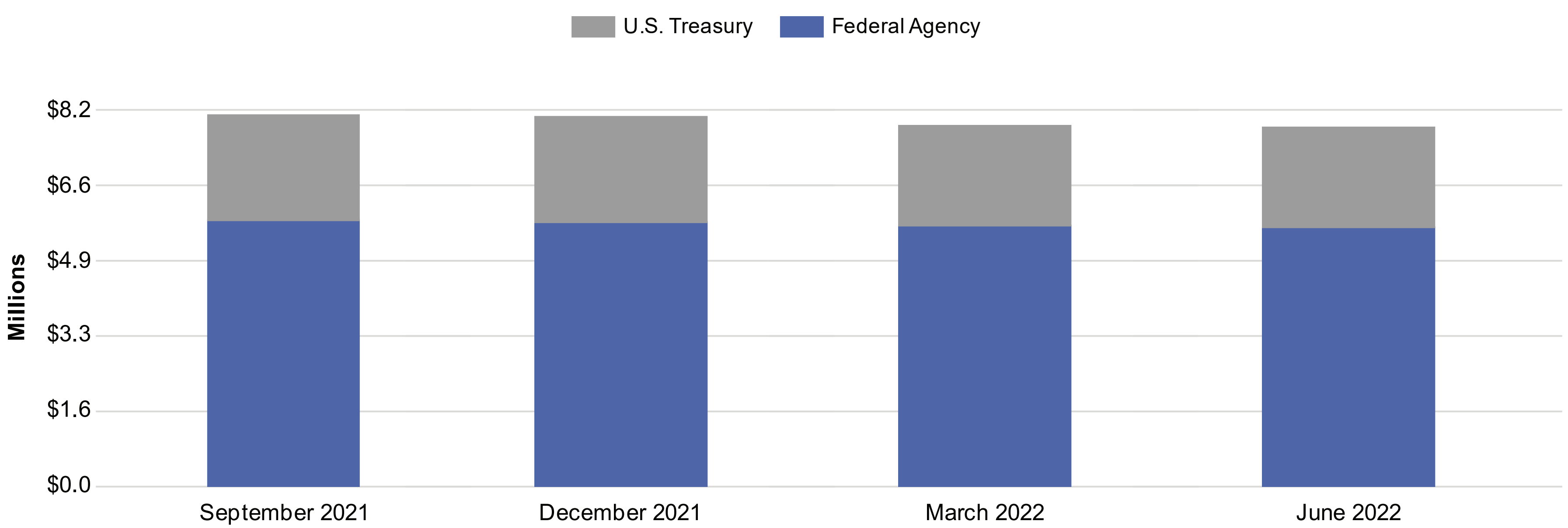
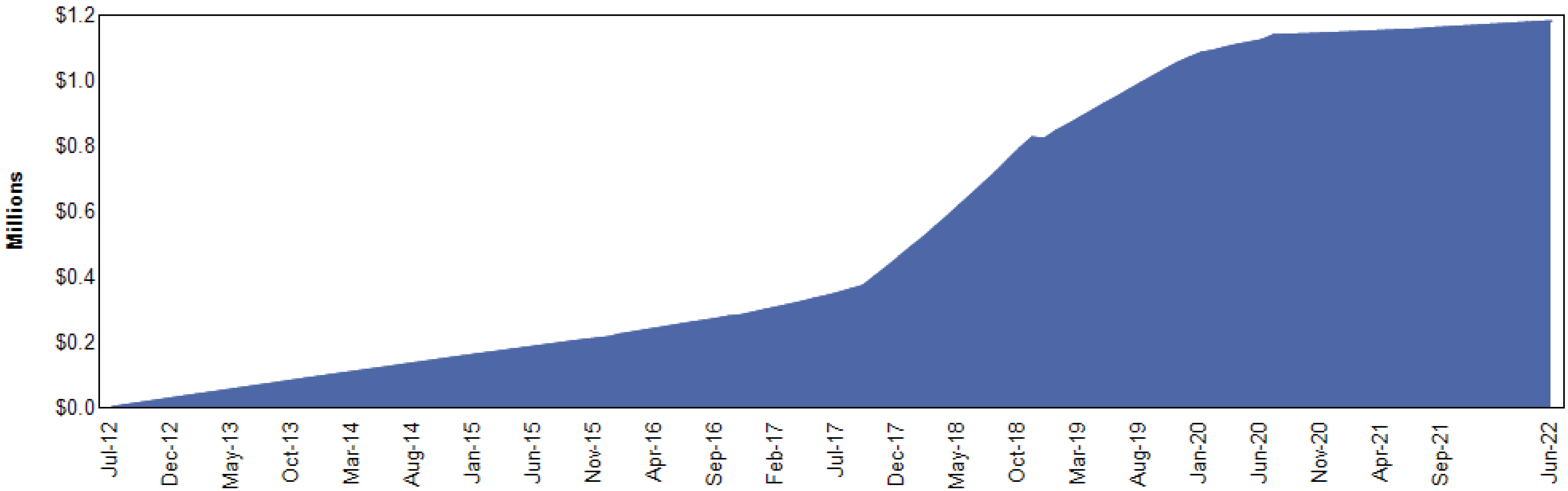
Sector Allocation Review - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO

Security Type	Sep-21	% of Total	Dec-21	% of Total	Mar-22	% of Total	un-22	% of Total
U.S. Treasury	$2.3	28.7%	$2.3	28.5%	$2.2	28.1%	$2.2	27.9%
Federal Agency	$5.8	71.3%	$5.8	71.5%	$5.7	71.9%	$5.6	72.1%
Total	**$8.1**	**100.0%**	**$8.0**	**100.0%**	**$7.9**	**100.0%**	**$7.8**	**100.0%**



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

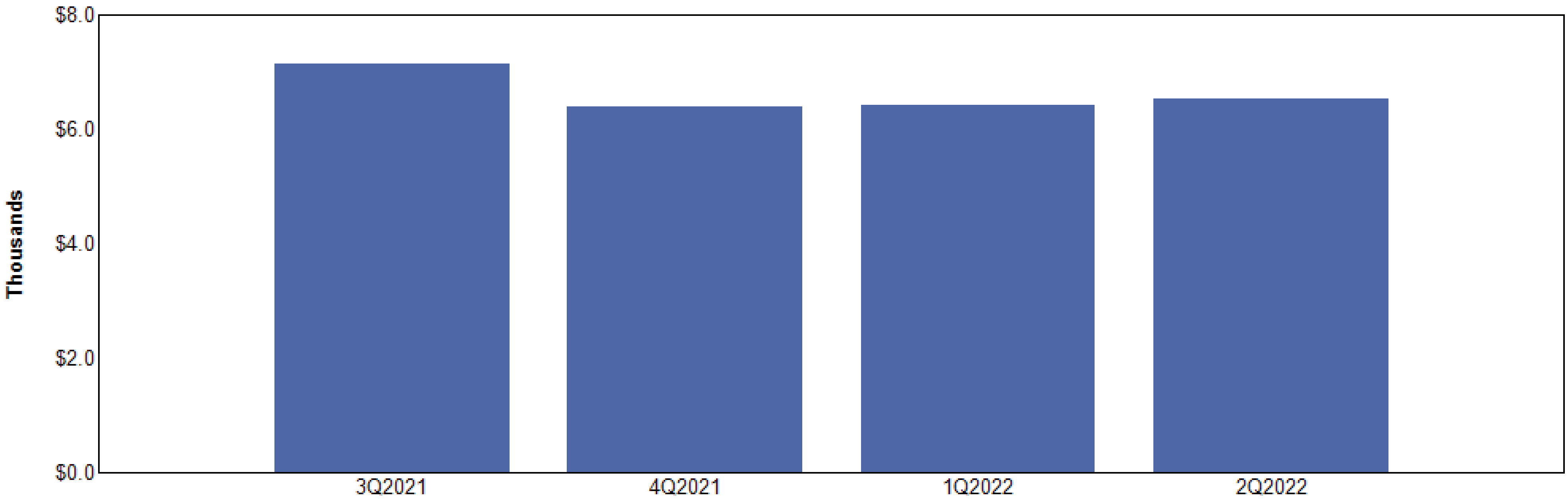
Accrual Basis Earnings - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	10 Year[1]
Interest Earned[2]	$12,963	$46,837	$210,641	$715,826	$1,224,559
Realized Gains / (Losses)[3]	-	$1,564	$9,695	($26,621)	($25,476)
Change in Amortized Cost	($6,436)	($21,904)	$11,256	$149,274	($15,648)
Total Earnings	**$6,527**	**$26,497**	**$231,591**	**$838,479**	**$1,183,435**

1. *The lesser of 10 years or since inception is shown. Performance inception date is March 31, 2012.*
2. *Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.*
3. *Realized gains / (losses) are shown on an amortized cost basis.*

Accrual Basis Earnings - WASHOE RTC BOND PROCEEDS AGG PORTFOLIO



Accrual Basis Earnings	3Q2021	4Q2021	1Q2022	2Q2022
Interest Earned[1]	$8,178	$12,902	$12,794	$12,963
Realized Gains / (Losses)[2]	$1,564	-	-	-
Change in Amortized Cost	($2,595)	($6,507)	($6,366)	($6,436)
Total Earnings	**$7,147**	**$6,394**	**$6,429**	**$6,527**

1. *Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.*
2. *Realized gains / (losses) are shown on an amortized cost basis.*

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY NOTES DTD 07/31/2019 1.750% 07/31/2024	912828Y87	2,245,000.00	AA+	Aaa	8/13/2021	8/16/2021	2,333,309.18	0.41	16,387.88	2,307,225.26	2,188,173.44
Security Type Sub-Total		**2,245,000.00**					**2,333,309.18**	**0.41**	**16,387.88**	**2,307,225.26**	**2,188,173.44**
Federal Agency											
FFCB NOTES DTD 11/23/2020 0.125% 11/23/2022	3133EMGX4	2,000,000.00	AA+	Aaa	11/16/2020	11/23/2020	1,996,180.00	0.22	263.89	1,999,241.23	1,983,962.00
FANNIE MAE NOTES DTD 07/10/2020 0.250% 07/10/2023	3135G05G4	2,500,000.00	AA+	Aaa	7/9/2020	7/10/2020	2,495,350.00	0.31	2,968.75	2,498,411.78	2,432,890.00
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	1,000,000.00	AA+	Aaa	8/25/2020	8/26/2020	998,810.00	0.29	881.94	999,543.82	969,678.00
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	285,000.00	AA+	Aaa	9/23/2020	9/25/2020	284,142.15	0.44	290.94	284,445.03	261,570.15
Security Type Sub-Total		**5,785,000.00**					**5,774,482.15**	**0.28**	**4,405.52**	**5,781,641.86**	**5,648,100.15**
Managed Account Sub Total		**8,030,000.00**					**8,107,791.33**	**0.32**	**20,793.40**	**8,088,867.12**	**7,836,273.59**
Securities Sub Total		**$8,030,000.00**					**$8,107,791.33**	**0.32%**	**$20,793.40**	**$8,088,867.12**	**$7,836,273.59**
Accrued Interest											**$20,793.40**
Total Investments											**$7,857,066.99**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
4/1/2022	4/1/2022		MONEY0002	MONEY MARKET FUND			0.14		
5/2/2022	5/2/2022		MONEY0002	MONEY MARKET FUND			0.14		
5/23/2022	5/23/2022	2,000,000.00	3133EMGX4	FFCB NOTES	0.12%	11/23/2022	1,250.00		
6/1/2022	6/1/2022		MONEY0002	MONEY MARKET FUND			6.98		
Total INTEREST		**2,000,000.00**					**1,257.26**		**0.00**

Important Disclosures

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- 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.

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.
- Asset-Backed Security: A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- Bankers' Acceptance: A draft or bill or 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 Total Return: The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- 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.
- 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.

Glossary

- 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.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- 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.