

## Compliance Requirements Overview

Sector	Fund Limitation	Per Issuer	Maturity	Credit Limits	In Compliance
U.S. Treasury	100%	100%	7 years	None	<b>Yes</b>
Government Agency/GSE	100%	40%	7 years	None	<b>Yes</b>
<i>Callable Agencies</i>	25%	25%	7 years	None	<b>Yes</b>
Commercial Paper	40%	5% Aggregate	270 days	A-1 by two and A by one	<b>Yes</b>
Negotiable CDs	30%	5% Aggregate	5 years	A-1 by two and A by one	<b>Yes</b>
BAs - Domestic	15%	5% Aggregate	180 days	A-1 by two and A by one	Yes - None in Portfolio
BAs - Foreign	15%	5% Aggregate	180 days	A-1 by two and A by one	Yes - None in Portfolio
Collateralized CDs	15%	5% Aggregate	5 years	Insured/Collateralized	Yes - None in Portfolio
Asset Backed Securities	20%	5% Aggregate	5 years	A or AA by type	Yes - None in Portfolio
Corporate Securities	30%	5% Aggregate	5 years	A by two	<b>Yes</b>
Repurchase Agreements	100%	100%	92 days	Collateralized/A by One	<b>Yes</b>
LAIF	\$50 million	\$50 million	N/A	None	Yes - None in Portfolio
Registered Warrants	100%	100%	5 years	None	Yes - None in Portfolio
Mutual Funds	10%	5%	N/A	AAA or \$500 million in assets	Yes - None in Portfolio

## Comments

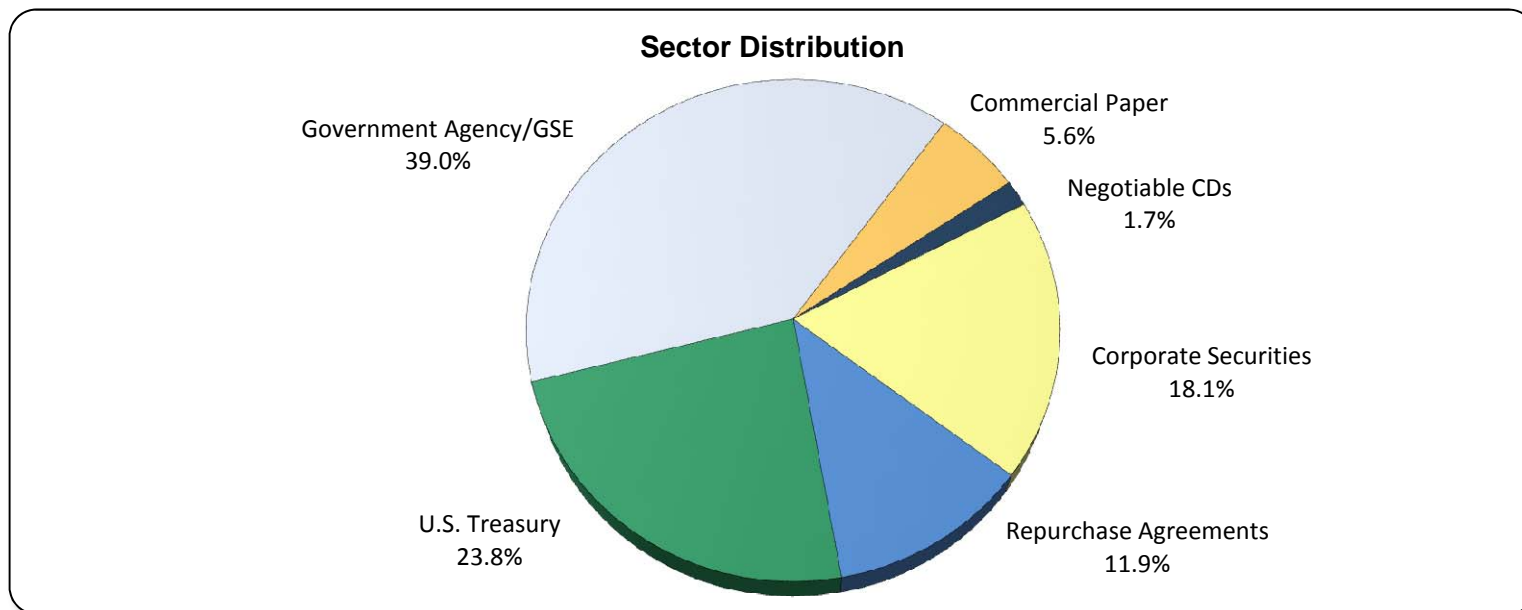
- The portfolio complies with the California Government Code and the County of San Mateo's Investment Policy as of the date of the report.

**County Comments**

➤ County comments:

Sector Allocations

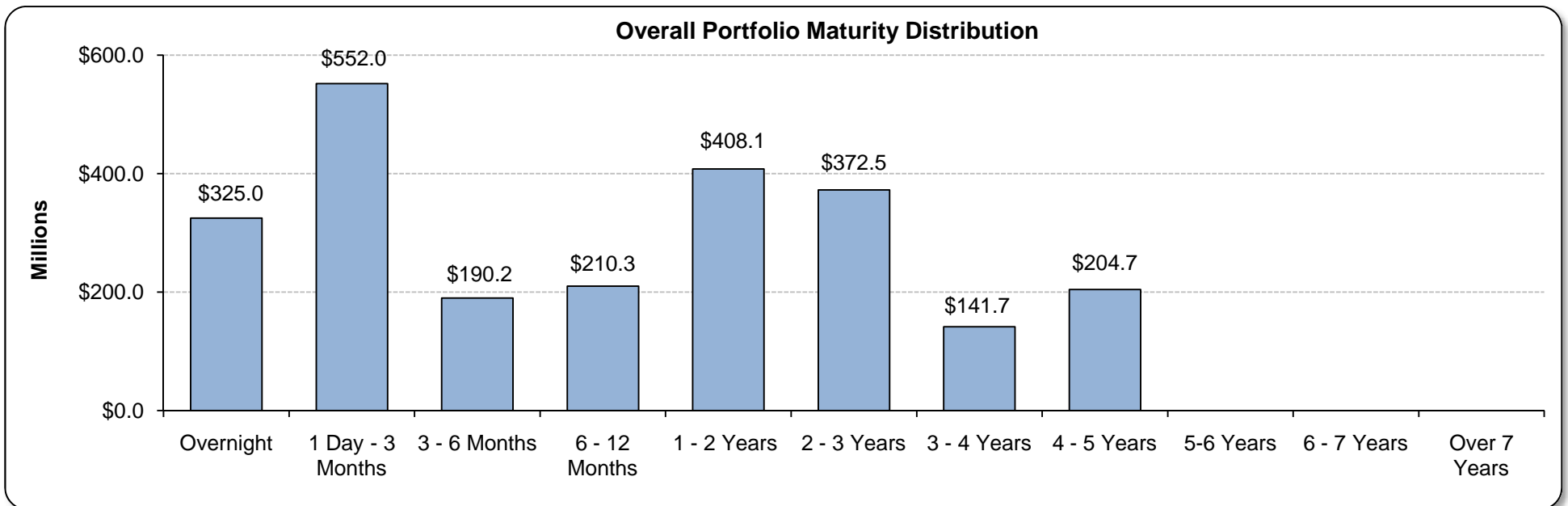
Sector	Market Value <sup>1</sup>	Sector Limit	Current Allocation	In Compliance
U.S. Treasury	571,664,957	100%	23.8%	Yes
Government Agency/GSE	936,113,239	100%	38.9%	Yes
<i>Callable Agencies</i>	306,565,245	25%	12.8%	Yes
Commercial Paper	134,976,468	40%	5.6%	Yes
Negotiable CDs	40,045,530	30%	1.7%	Yes
BAs - Domestic	-	15%		Yes - None in Portfolio
BAs - Foreign	-	15%		Yes - None in Portfolio
Asset Backed Securities	-	20%		Yes - None in Portfolio
Corporate Securities	436,465,146	30%	18.1%	Yes
Repurchase Agreements	285,001,997	100%	11.9%	Yes
LAIF	-	\$50 million		Yes - None in Portfolio
Registered Warrants	-	100%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
<b>Totals</b>	<b>2,404,267,337</b>		<b>100.0%</b>	



1. Market values listed in this report are market values including accrued interest as of period end as reported by the County.

**Maturity Limits**

<u>Sector</u>	<u>Market Value</u>	<u>Maturity Limit</u>	<u>Current Maximum</u>	<u>In Compliance</u>
U.S. Treasury	571,664,957	7 years	4.8 years	<b>Yes</b>
Government Agency/GSE	936,113,239	7 years	4.3 years	<b>Yes</b>
Commercial Paper	134,976,468	270 days	108 days	<b>Yes</b>
Negotiable CDs	40,045,530	5 years	1.5 years	<b>Yes</b>
BAs - Domestic	-	180 days		Yes - None in Portfolio
BAs - Foreign	-	180 days		Yes - None in Portfolio
Collateralized CDs	-	5 years		Yes - None in Portfolio
Asset Backed Securities	-	5 years		Yes - None in Portfolio
Corporate Securities	436,465,146	5 years	5 years	<b>Yes</b>
Repurchase Agreements	285,001,997	92 days	1 days	<b>Yes</b>
LAIF	-	N/A		Yes - None in Portfolio
Registered Warrants	-	5 years		Yes - None in Portfolio
Mutual Funds	-	N/A		Yes - None in Portfolio
<b>Overall Portfolio WAM</b>	<b>2,404,267,337</b>	<b>3 years</b>	<b>1.39 years</b>	<b>Yes</b>



## Issuer Compliance

<u>Issuer</u>	<u>Total</u>	<u>Current Issuer Allocation</u>	<u>Issuer Limit</u>	<u>Compliance?</u>
U.S. Treasury	571,664,957	23.8%	100%	Yes
FHLB	458,841,155	19.1%	40%	Yes
FHLMC	277,132,195	11.5%	40%	Yes
FNMA	200,139,889	8.3%	40%	Yes
Repurchase Agreement	285,001,997	11.9%	100%	Yes
Abbott Laboratories	10,580,330	0.4%	5%	Yes
Bank of America	19,963,881	0.8%	5%	Yes
Berkshire Hathaway	10,736,441	0.4%	5%	Yes
Canadian Imperial Bank of Commerce	20,023,448	0.8%	5%	Yes
Chevron	10,981,249	0.5%	5%	Yes
Cisco Systems	20,076,756	0.8%	5%	Yes
Coca-Cola	20,029,193	0.8%	5%	Yes
Deutsche Bank	20,022,082	0.8%	5%	Yes
General Electric Capital	86,700,323	3.6%	5%	Yes
Goldman Sachs	23,885,938	1.0%	5%	Yes
Google	17,379,462	0.7%	5%	Yes
Harvard University	19,991,200	0.8%	5%	Yes
Hewlett-Packard	35,095,677	1.5%	5%	Yes
International Business Machines	6,017,637	0.3%	5%	Yes
Johnson & Johnson	10,149,033	0.4%	5%	Yes
JPMorgan Chase	20,027,842	0.8%	5%	Yes
Microsoft	13,841,505	0.6%	5%	Yes
Morgan Stanley	14,989,055	0.6%	5%	Yes
Procter & Gamble	30,310,306	1.3%	5%	Yes
Toronto-Dominion Bank	57,231,961	2.4%	5%	Yes
Toyota Motor Credit	85,567,496	3.6%	5%	Yes
Verizon Communications	12,137,604	0.5%	5%	Yes
Wal-Mart Stores	20,738,656	0.9%	5%	Yes
Wells Fargo	25,010,068	1.0%	5%	Yes
	<b>2,404,267,337</b>	<b>100%</b>		

**Notes**

- The purpose of this report is to verify the accuracy of the County's portfolio holdings information and verify the portfolio's compliance with the California Government Code and County's Investment Policy as of the date of the report.
- The report was prepared using the month-end portfolio holdings and market value information provided by the Treasurer's office.
- Percentages listed in this report were calculated using market values, including accrued interest, as of month-end.
- Using the CUSIPs provided by the County, issuer information and credit ratings were verified on Bloomberg for compliance purposes.
- This report is for the purposes indicated above and it is not intended to provide specific investment advice or recommendations.
- Subsequent to the date of the report, Standard & Poor's (S&P) downgraded the long-term credit rating of the U.S from AAA to AA+. S&P did not change the short-term credit rating of the U.S., which is still A-1+.
  - S&P also downgraded the long-term credit rating of the federal agencies and government sponsored enterprises from AAA to AA+. The federal agencies' short-term credit ratings are still A-1+ by S&P.
  - S&P is the only rating agency that took action to downgrade the U.S. and its related agencies. Moody's and Fitch affirmed the U.S.'s AAA and short-term ratings (P1/F-1+) after the passage of the debt ceiling legislation.
  - The action by S&P does not have any impact on the portfolio's compliance with either the County's Investment Policy or the California Government Code.