

Citizens Investment Summary



October 2019

EXECUTIVE SUMMARY

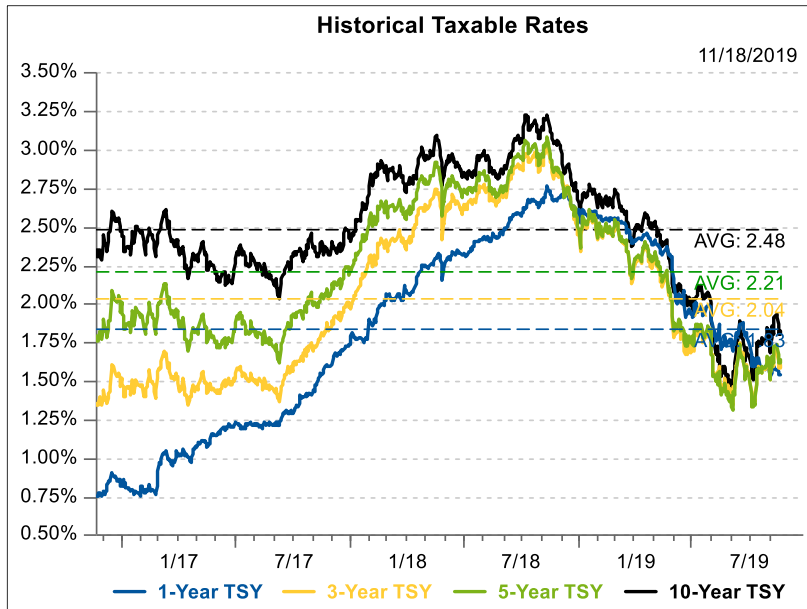
- Citizens' total portfolio market value for October 2019 was \$9.30 billion (prior month: \$9.23 billion) with an average duration of 4.14 years (prior month: 4.10 years) and average credit ratings of A+/Aa3/AA-.
 - 86% of the total portfolio is taxable, with a market value of \$8.01 billion.
 - 14% of the total portfolio is tax-exempt, with a market value of \$1.29 billion.
 - 92%, or \$8.59 billion of the total portfolio is managed by 10 external investment managers, with an average duration of 4.20 years and 8% is internally managed, or \$0.71 billion.
- The 1-year total return and income return of Citizens' total portfolio (excluding legacy securities and a majority of the money market funds) was 8.62% and 2.49%.
- 3% of the portfolio matures in less than 90 days and 23% of the portfolio matures between 1 and 3 years.

INTEREST RATES

Taxable

- The 1 year US Treasury rate has decreased 113 basis points over the 12-month period ending 11/18/2019.
- The 5 year US Treasury rate has decreased 127 basis points over the 12-month period ending 11/18/2019.

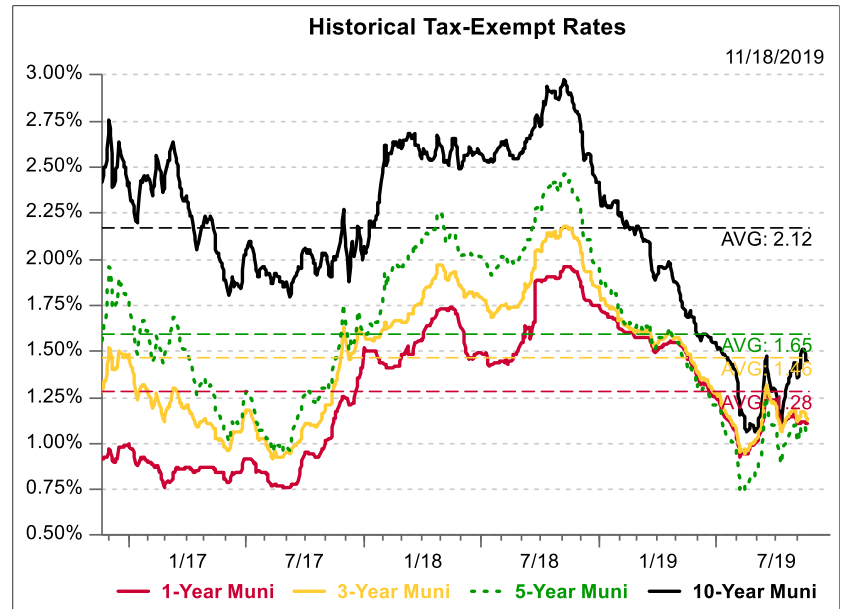
Taxable Rates	As Of 11/18/2019	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change (bps)
1-Yr TSY	1.55%	1.71%	2.68%	1.83%	(16)
3-Yr TSY	1.59%	1.43%	2.86%	2.04%	16
5-Yr TSY	1.62%	1.41%	2.89%	2.21%	21
10-Yr TSY	1.81%	1.54%	3.07%	2.48%	27



Tax-Exempt

- The S&P 1-Yr AAA Municipal rate has decreased 83 basis points over the 12-month period ending 11/18/2019.
- The S&P 5-Yr AAA Municipal rate has decreased 108 basis points over the 12-month period ending 11/18/2019.

Tax-Exempt Rates	As Of 11/18/2019	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change (bps)
S&P 1-Yr AAA Muni	1.11%	0.94%	1.94%	1.28%	17
S&P 3-Yr AAA Muni	1.13%	0.96%	2.14%	1.46%	17
S&P 5-Yr AAA Muni	1.20%	0.98%	2.28%	1.65%	22
S&P 10-Yr AAA Muni	1.53%	1.21%	2.68%	2.12%	32



PORTFOLIO SUMMARY

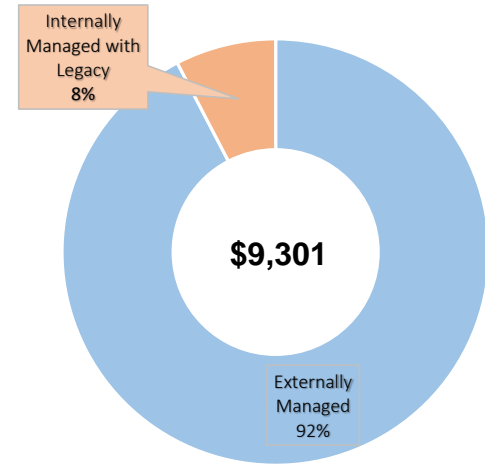
Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month Weight (%)
Total	\$9,301	\$9,232	\$69	100
Taxable with Legacy Securities	8,008	7,942	66	86
Corporate Bonds, Commercial Paper, CDs, & Foreign Govt Securities	4,446	4,483	(37)	48
Treasury & Agency Securities	2,459	2,440	19	26
Money Market Funds & Cash	566	545	20	6
Municipal Bonds	423	361	62	5
ABS	99	97	2	1
Legacy Securities	16	16	(0)	0
Tax Exempt	1,293	1,290	3	14
Municipal Bonds	1,019	1,085	(65)	11
Treasury & Agency Securities	138	110	28	1
Money Market Funds & Cash	136	95	41	1

(\$ in Millions)

Notes:

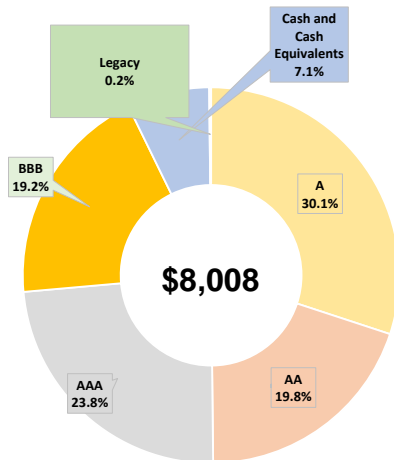
1. Month-to-month changes can be driven by transfers of funds from one category of securities to another.
2. Numbers may not add up due to rounding.
3. The legacy securities were sold on Oct. 9, 2019 and the trades are awaiting settlements.

Total Portfolio Composition



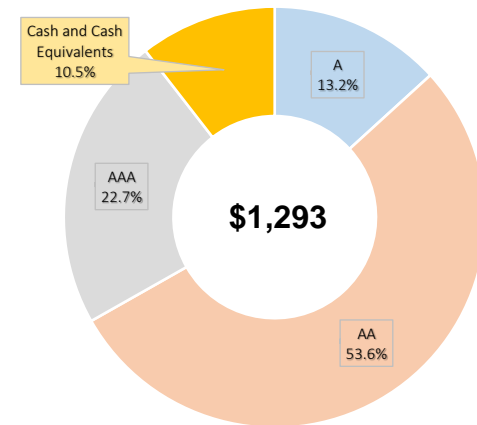
(\$ in Millions)

Taxable Portfolio Credit Quality Distribution



(\$ in Millions)

Tax-Exempt Portfolio Credit Quality Distribution



(\$ in Millions)

PORTFOLIO RETURNS SUMMARY

- The total portfolio duration is 4.14 years.
- The 2-year annualized total return and income return was 3.73% and 2.55%.

Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch Credit	Total Return (%)					Income Return (%)				
					1 month	3 month	1 Year	2 Year	3 Year	1 month	3 month	1 Year	2 Year	3 Year
Tax Exempt	1.50	AA	Aa2	AA	0.25	0.22	3.36	1.72	1.28	0.10	0.31	1.66	1.68	1.31
Tax Exempt Externally Managed	1.62	AA	Aa2	AA	0.26	0.16	3.41	1.74	1.44	0.10	0.29	1.53	1.62	1.43
Taxable (Excluding Legacy Securities and a Majority of Money Market Funds)	4.55	A+	Aa3	AA-	0.44	1.87	9.65	4.10	3.41	0.17	0.51	2.65	2.72	2.45
Total (Excluding Legacy Securities and a Majority of Money Market Funds)	4.14	A+	Aa3	AA-	0.42	1.64	8.62	3.73	3.05	0.16	0.48	2.49	2.55	2.22

Note:

- The 2 Year and 3 Year returns are annualized, and the remaining returns are actual for the period.

	1 Month	3 Month	6 Month	1 Year	2 Year
3-Year Treasury Yield	1.53%	1.54%	1.73%	2.12%	2.30%
US Corporate Bond 3-5 Year	2.29%	2.33%	2.54%	2.98%	3.12%
S&P 3-Yr AAA Muni	1.15%	1.10%	1.22%	1.49%	1.62%
US Corporate Bond 1 Year	2.12%	2.19%	2.38%	2.77%	2.83%
1-Year Treasury Yield	1.62%	1.73%	1.92%	2.24%	2.20%
1-Month LIBOR	1.88%	2.03%	2.21%	2.33%	2.09%