

Citizens Investment Summary



April 2017

EXECUTIVE SUMMARY

- Citizens' total portfolio market value for April 2017 was \$12.26 billion with an average duration of 3.35 years and average credit ratings of "A+/A1/A+".
 - 71% of the total portfolio is taxable, with a market value of \$8.69 billion.
 - 29% of the total portfolio is tax-exempt, with a market value of \$3.57 billion, of which \$0.91 billion is invested in US Treasury securities to pay June 1, 2017 bond maturities.
 - 88%, or \$10.76 billion of the total portfolio is managed by 15 external investment managers, with an average duration of 3.80 years and 12% is internally managed, or \$1.50 billion.
- Citizens' gross total 3-year return was 32 basis points below the 3-year Treasury.

Portfolio	1-Month	1-Year	3-Year
Taxable	0.65%	0.89%	1.33%
Tax-Exempt	0.23%	0.53%	0.78%
Total	0.54%	0.79%	1.16%

- For April 2017, the average 1-year Treasury yield was 1.05%, 3-year Treasury yield was 1.48%, and 5-year Treasury yield was 1.85%.
- 15% of the portfolio matures in less than 90 days and 23% of the portfolio matures between 1 and 3 years.

Note: The legacy securities are not included in the taxable portfolio or total portfolio for the purpose of performance reporting in this report.

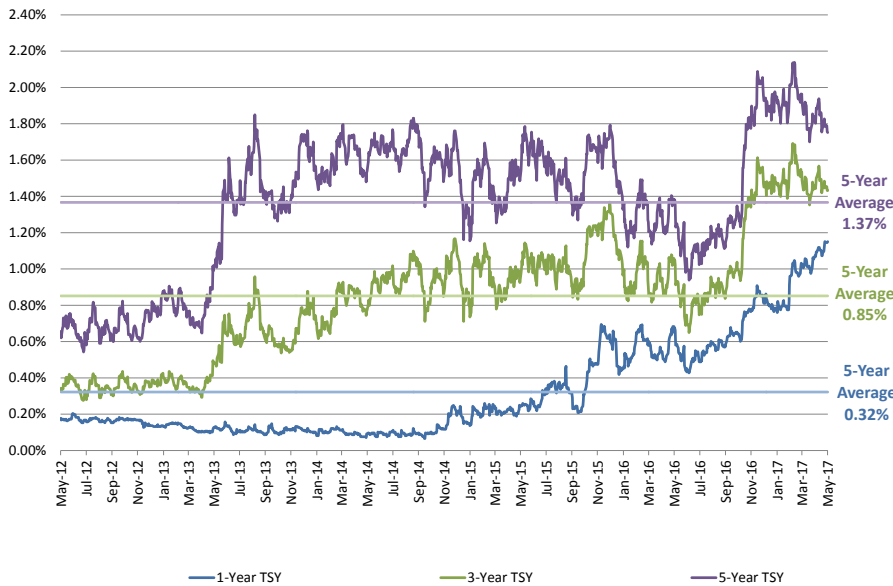
INTEREST RATES

Taxable

- The 1 year US Treasury rate has increased 48 basis points over the 12-month period ending May 31, 2017.
- The 5 year US Treasury rate has increased 38 basis points over the 12-month period ending May 31, 2017.

Taxable Rates	As of 5/31	3-Mos. Prior	1-Year Prior	5-Year Average
1-Yr Tsy	1.15%	0.91%	0.67%	0.32%
3-Yr Tsy	1.43%	1.56%	1.03%	0.85%
5-Yr Tsy	1.75%	1.99%	1.37%	1.37%

Historical Taxable Rates

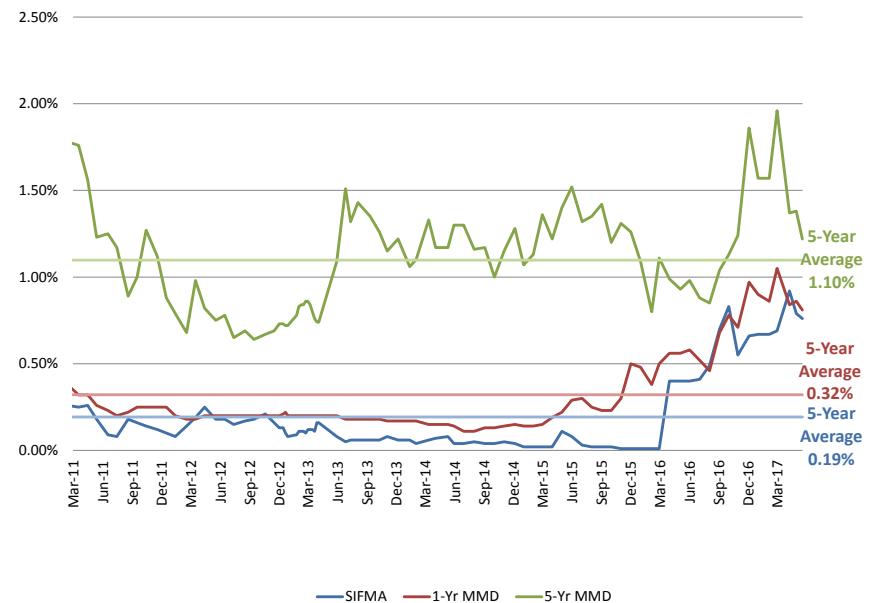


Tax-Exempt

- The short-term (SIFMA) rate has increased 36 basis points over the 12-month period ending May 31, 2017.
- The 1-year MMD rate has increased 23 basis points over the 12-month period ending May 31, 2017.

Tax-Exempt Rates	As of 5/31	3-Mos. Prior	1-Year Prior	5-Year Average
SIFMA	0.76%	0.67%	0.40%	0.19%
1-Yr MMD	0.81%	0.86%	0.58%	0.32%
5-Yr MMD	1.22%	1.57%	0.98%	1.10%

Historical Tax-Exempt Rates

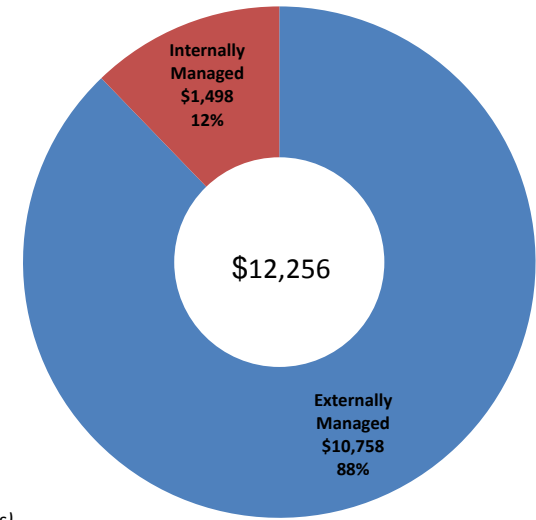


PORTFOLIO SUMMARY

Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month % of Portfolio MV
Taxable				
Treasury & Agency Securities	\$2,972	\$3,031	(\$59)	24%
Corporate Bonds, Commercial Paper, Certificates of Deposits, & Foreign Government Securities	\$5,011	\$4,948	\$63	41%
Municipal Bonds	\$262	\$231	\$31	2%
Money Market Funds & Cash	\$303	\$315	(\$12)	2%
Asset Backed Securities	\$91	\$89	\$3	1%
Legacy Securities	\$50	\$50	(\$0)	0%
Total Taxable Portfolio	\$8,688	\$8,664	\$25	71%
Tax-Exempt				
Municipal Bonds	\$2,303	\$2,377	(\$74)	19%
Variable Rate Demand Notes (VRDN's)	\$49	\$58	(\$9)	0%
Money Market Funds & Cash	\$293	\$285	\$8	2%
Government & Agency Securities	\$923	\$840	\$84	8%
Total Tax-Exempt Portfolio	\$3,568	\$3,560	\$8	29%
Total Citizens Portfolio	\$12,256	\$12,224	\$32	100%

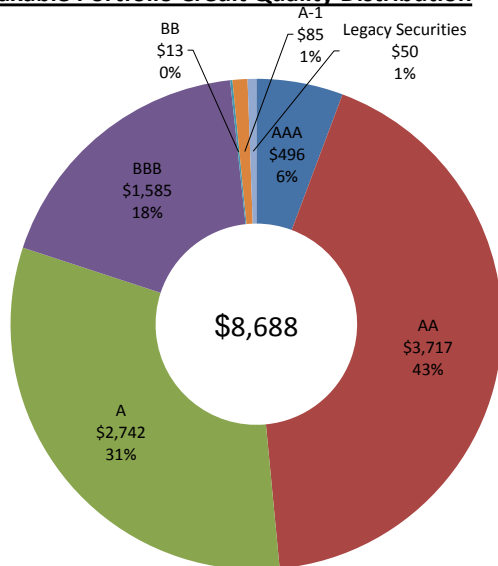
(\$ in Millions)

Total Portfolio Composition



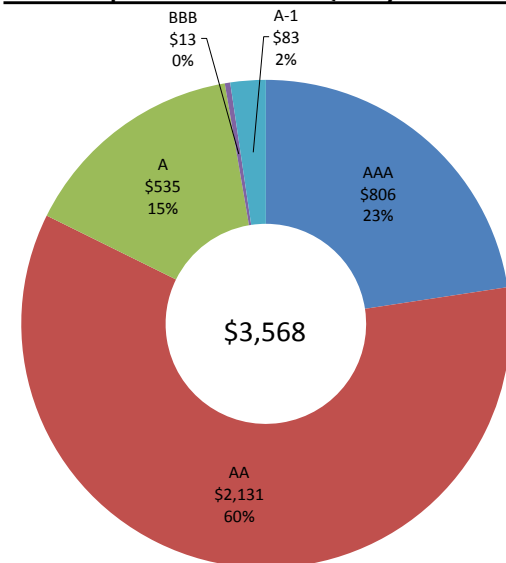
(\$ in Millions)

Taxable Portfolio Credit Quality Distribution



(\$ in Millions)

Tax-Exempt Portfolio Credit Quality Distribution



(\$ in Millions)

PORTFOLIO RETURNS SUMMARY

- The total portfolio duration is 3.35 years.
- The 1-year total return is 0.79% and income return is 1.56%.
- The 2-year annualized total return is 1.19% and income return is 1.36%.

Citizens Portfolios	Duration (Years)	Credit Rating	Total Returns					Income Returns				
			1 Month	3 Month	1 Year	2 Year	3 Year	1 Month	3 Month	1 Year	2 Year	3 Year
Taxable Aggregate (Excluding Legacy Securities)	4.10	A/A2/A	0.65%	1.19%	0.89%	1.37%	1.33%	0.17%	0.50%	1.77%	1.51%	1.34%
Taxable Internally Managed (Excluding Legacy Securities)	1.74	AA-/Aa3/AA-	0.32%	0.60%	0.59%	0.55%	0.37%	0.12%	0.34%	1.06%	0.66%	0.44%
Tax-Exempt Aggregate	1.40	AA/Aa2/AA	0.23%	0.59%	0.53%	0.91%	0.78%	0.09%	0.27%	1.04%	0.98%	0.97%
Tax-Exempt Externally Managed Aggregate	2.08	AA-/Aa3/AA-	0.31%	0.78%	0.57%	1.03%	0.89%	0.11%	0.33%	1.20%	1.14%	1.12%
Citizens Total Portfolio (Excluding Legacy Securities) Average	3.35	A+/A1/A+	0.54%	1.07%	0.79%	1.19%	1.16%	0.15%	0.44%	1.56%	1.36%	1.23%

Reference Rates	1 Month	3 Month	6 Month	1 year	2 Year
3-Year Treasury Yield	1.48%	1.55%	1.50%	1.22%	1.16%
Bloomberg "A" Corporate 3-Year	2.10%	2.12%	2.08%	1.80%	1.78%
SIFMA	0.90%	0.76%	0.69%	0.61%	0.34%
"A" 3-year MMD Tax-Exempt	1.43%	1.49%	1.56%	1.28%	1.19%
Bloomberg "A" Corporate 1-Year	1.52%	1.48%	1.42%	1.22%	1.04%
1-Year Treasury Yield	1.05%	0.98%	0.90%	0.75%	0.61%
1-Month LIBOR	0.99%	0.90%	0.78%	0.64%	0.46%

Notes:

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