

Port of Houston Authority Investment Report



For the Quarter Ended
December 31, 2016

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Distribution

Commissioners (7)

R. Guenther

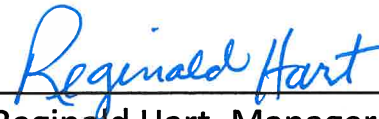
T. Heidt

Certification

The undersigned have prepared this report for the Port of Houston Authority (the "Authority") and certify that investment transactions entered into during the quarter ended December 31, 2016 were made in compliance with our Investment Policy and Chapter 2256 of the Texas Government Code (the "Public Funds Investment Act" or "PFIA"), which states: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." The report includes the disclosures required by the Policy and the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.



Ramon Yi, Senior Director, Treasury



Reginald Hart, Manager, Treasury



R. Timothy Finley, Chief Financial Officer

January 31, 2017

Executive Summary

- The Authority continues to follow a conservative investment strategy, with the following objectives, in order of priority
 - Preservation and safety of principal
 - Liquidity
 - Yield
- Total Cash and Investments* at December 31, 2016
 - General and Operating Funds \$ 397.9 Million
 - Promotion and Development Fund \$ 2.9
 - Debt Service Fund \$ 7.0
 - Construction and Bond Funds \$ 0.0

Total \$ 407.8 Million

* *Investments at market value, and includes cash in regular bank accounts, some of which may not be considered part of the investment portfolio*

Executive Summary (cont.)

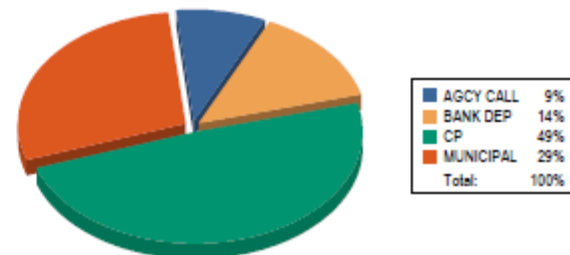
Account Summary

Beginning Values as of 09/30/16

Ending Values as of 12/31/16

Par Value	444,672,125.54	408,082,840.97
Market Value	444,420,420.00	407,781,786.71
Book Value	444,328,754.78	407,970,665.48
Unrealized Gain /(Loss)	91,665.22	(188,878.77)
Market Value %	100.02%	99.95%
Weighted Avg. YTW	0.961%	1.081%
Weighted Avg. YTM	0.961%	1.081%

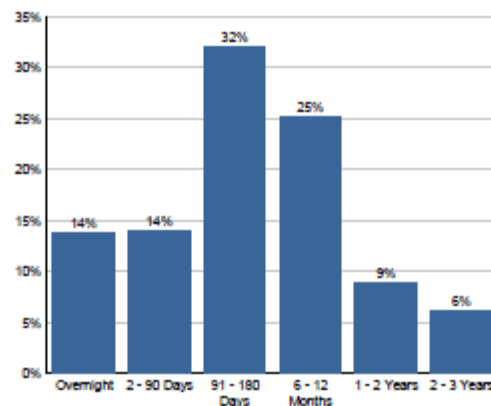
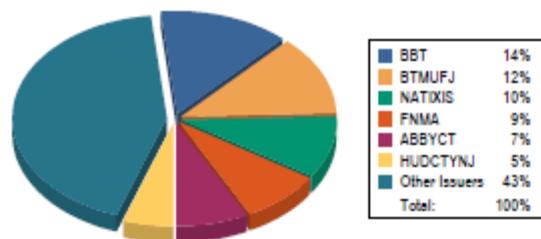
Allocation by Security Type



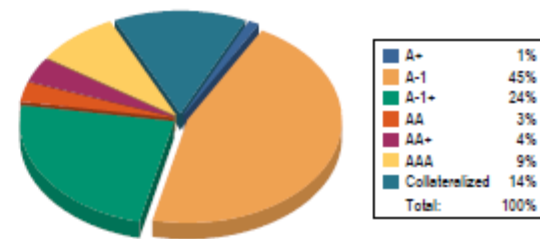
Allocation by Issuer

Maturity Distribution %

Credit Quality

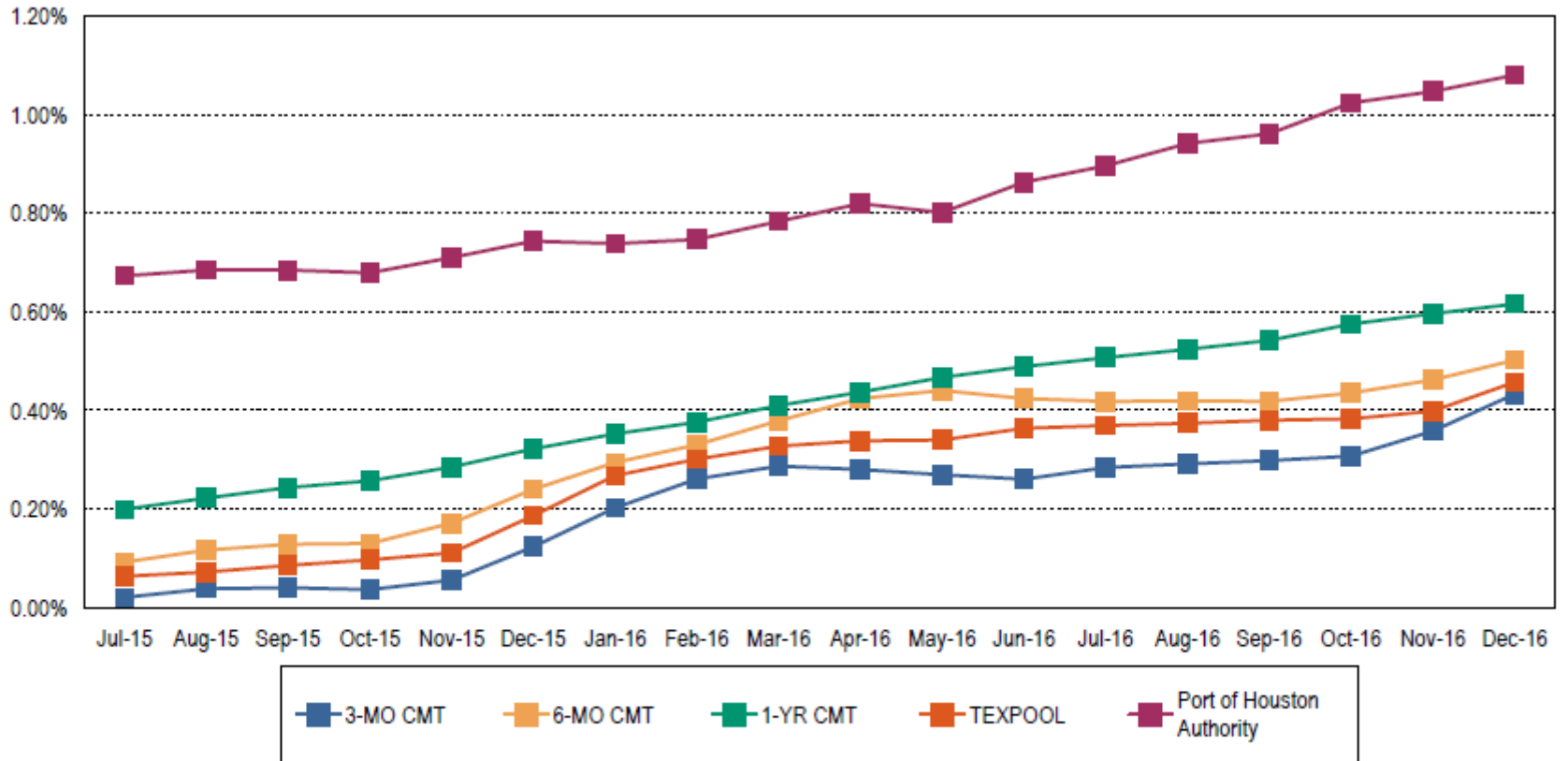


Weighted Average Days to Maturity: 209



Executive Summary (cont.)

Yield on Investments



Note 1: CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

Note 2: Benchmark data for TexPool is the monthly average yield.

Detail of Investment Holdings

As of December 31, 2016

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
Debt Service Fund																	
BBT-PTHOU		BANK DEP	BB&T					6,982,316.57	100.000	6,982,316.57	6,982,316.57	100.000	6,982,316.57	1		0.380	0.380
Total for Debt Service Fund								6,982,316.57	100.000	6,982,316.57	6,982,316.57	100.000	6,982,316.57	1		0.380	0.380
General Fund																	
BBT-PTHOU		BANK DEP	BB&T					45,285,266.83	100.000	45,285,266.83	45,285,266.83	100.000	45,285,266.83	1		0.380	0.380
JPM-PHA		BANK DEP	JPM Chase Bk					1,256,402.61	100.000	1,256,402.61	1,256,402.61	100.000	1,256,402.61	1		0.000	0.000
45462TDY5	09/15/15	MUNICIPAL	IN Bond Bk Rev	1.057	01/15/17			4,455,000.00	100.180	4,463,019.00	4,455,234.42	100.009	4,455,400.95	15		0.921	0.921
60680ANR5	10/27/16	CP - DISC	Mitsubishi Intl Corp		01/25/17			20,000,000.00	99.780	19,956,000.00	19,988,266.60	99.953	19,990,660.00	25		0.882	0.882
14329NDS0	12/27/12	MUNICIPAL	City of Carmel, IN Redev Auth	1.188	02/01/17			2,695,000.00	100.000	2,695,000.00	2,695,000.00	100.024	2,695,646.80	32		1.188	1.188
63873JQ29	06/08/16	CP - DISC	Natixis NY		03/02/17			10,000,000.00	99.166	9,916,562.50	9,981,250.00	99.861	9,986,100.00	61		1.134	1.134
22533TQ33	06/08/16	CP - DISC	Credit Agricole		03/03/17			10,000,000.00	99.196	9,919,600.00	9,981,700.00	99.850	9,984,970.00	62		1.089	1.089
06538BQT3	10/27/16	CP - DISC	Bk of Tokyo Mitsubishi NY		03/27/17			10,000,000.00	99.539	9,953,861.11	9,974,027.80	99.774	9,977,430.00	86		1.105	1.105
791697DC6	02/12/13	MUNICIPAL	St. Louis MO Spl Admin Sch Dist	4.000	04/01/17			2,000,000.00	110.879	2,217,580.00	2,013,463.46	100.762	2,015,240.00	91		1.290	1.290
06538BR39	10/03/16	CP - DISC	Bk of Tokyo Mitsubishi NY		04/03/17			10,000,000.00	99.371	9,937,058.33	9,968,183.30	99.748	9,974,800.00	93		1.253	1.253
46640PR39	07/07/16	CP - DISC	J.P.Morgan Sec		04/03/17			15,000,000.00	99.246	14,886,937.50	14,961,475.05	99.734	14,960,055.00	93		1.013	1.013
443728EH9	04/19/16	MUNICIPAL	Hudson Cty NJ Imprv Auth Rev	2.000	04/19/17			12,138,000.00	100.940	12,252,097.20	12,172,229.16	100.338	12,179,026.44	109		1.050	1.050
06538BRM7	07/27/16	CP - DISC	Bk of Tokyo Mitsubishi NY		04/21/17			20,000,000.00	99.192	19,838,455.56	19,933,694.40	99.679	19,935,840.00	111		1.094	1.094
00280NSC5	08/17/16	CP - DISC	Abbey Natl Treas Svc		05/12/17			20,000,000.00	99.021	19,804,211.11	19,904,297.20	99.605	19,921,080.00	132		1.328	1.328
09659JSC8	08/17/16	CP - DISC	BNP Paribas Fortis SA/NY		05/12/17			15,000,000.00	99.006	14,850,925.00	14,927,131.20	99.592	14,938,770.00	132		1.348	1.348
682455AR1	05/18/16	MUNICIPAL	City of Oneida NY GO	1.500	05/18/17			1,911,610.00	100.644	1,923,920.77	1,916,294.94	100.108	1,913,674.54	138		0.851	0.851
187468JG9	06/17/16	MUNICIPAL	Clinton Cty NY BANS	2.500	06/09/17			10,000,000.00	101.451	10,145,100.00	10,065,130.10	100.505	10,050,500.00	160		1.008	1.008
63873JTP5	09/27/16	CP - DISC	Natixis NY		06/23/17			15,000,000.00	99.002	14,850,368.75	14,903,768.70	99.388	14,908,125.00	174		1.348	1.348
63873JTP5	09/27/16	CP - DISC	Natixis NY		06/23/17			10,000,000.00	99.002	9,900,245.83	9,935,845.80	99.388	9,938,750.00	174		1.348	1.348
14329NDT8	12/27/12	MUNICIPAL	City of Carmel, IN Redev Auth	1.238	08/01/17			2,805,000.00	100.000	2,805,000.00	2,805,000.00	100.115	2,808,225.75	213		1.238	1.238
661334DR0	02/14/13	MUNICIPAL	N Orange Cty CA CC Dist	1.240	08/01/17			4,250,000.00	100.000	4,250,000.00	4,250,000.00	100.305	4,262,962.50	213		1.240	1.240
796720JG6	05/02/13	MUNICIPAL	San Bernardino CA Cmty Clg	1.686	08/01/17			1,250,000.00	100.000	1,250,000.00	1,250,000.00	100.250	1,253,125.00	213		1.686	1.686
094171JD8	08/05/16	MUNICIPAL	Township of Bloomfield, NJ GO	1.500	08/04/17			1,072,000.00	100.444	1,076,759.68	1,074,811.35	100.207	1,074,219.04	216		1.050	1.050
06538BVA8	11/14/16	CP - DISC	Bk of Tokyo Mitsubishi NY		08/10/17			11,000,000.00	99.029	10,893,147.22	10,912,213.84	99.169	10,908,557.00	222		1.313	1.313
09659BVB3	11/15/16	CP - DISC	BNP Paribas NY		08/11/17			20,000,000.00	99.029	19,805,722.22	19,839,666.60	99.182	19,836,480.00	223		1.313	1.313

Detail of Investment Holdings (cont.)

As of December 31, 2016

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
General Fund																	
63873JVB3	11/16/16	CP - DISC	Natixis NY		08/11/17			5,000,000.00	99.066	4,953,286.11	4,961,304.15	99.170	4,958,500.00	223		1.267	1.267
00280NWF3	12/20/16	CP - DISC	Akkey Nat'l Treas Svc		09/15/17			10,000,000.00	98.999	9,899,872.22	9,904,338.90	99.011	9,901,100.00	258		1.354	1.354
443728EM8	11/01/16	MUNICIPAL	Hudson Cty NJ Imprv Auth GO	1.750	11/01/17			10,000,000.00	100.593	10,059,300.00	10,049,416.70	100.672	10,067,190.00	305		1.150	1.150
094228BF9	12/22/16	MUNICIPAL	Bloomfield NJ Pkg Auth Rev	2.000	11/03/17			3,040,000.00	100.551	3,056,750.40	3,056,220.32	100.472	3,054,348.80	307		1.351	1.351
621545EX6	11/18/16	MUNICIPAL	Mt Holly Township NJ GO	2.000	11/13/17			5,994,000.00	100.907	6,048,365.58	6,041,780.45	100.593	6,029,544.42	317		1.076	1.076
476576MN0	12/08/16	MUNICIPAL	City of Jersey City, NJ GO	2.000	12/08/17			10,000,000.00	100.740	10,074,000.00	10,069,272.20	100.623	10,062,300.00	342		1.251	1.251
702725WD0	12/12/16	MUNICIPAL	Passaic Cty, NJ GO	1.750	12/11/17			10,000,000.00	100.492	10,049,200.00	10,046,496.70	100.292	10,029,200.00	345		1.251	1.251
083763PV8	12/22/16	MUNICIPAL	Bergen Cty, NJ GO	1.750	12/14/17			2,400,000.00	100.385	2,409,240.00	2,409,003.74	100.476	2,411,424.00	348		1.351	1.351
419587DM9	12/20/16	MUNICIPAL	Haverstraw Village, NY GO	1.750	12/20/17			5,700,000.00	100.444	5,725,308.00	5,724,534.68	100.535	5,730,495.00	354		1.300	1.300
981306PZ0	12/21/16	MUNICIPAL	Worcester, MA	2.500	01/23/18			10,000,000.00	101.342	10,134,200.00	10,130,491.00	101.184	10,118,400.00	388		1.253	1.253
67868UDN0	04/05/13	MUNICIPAL	OK Cty Fina Auth Ed Rev	4.000	03/01/18			4,650,000.00	112.334	5,223,531.00	4,789,919.66	103.039	4,791,313.50	425		1.390	1.390
442368KU9	08/22/16	MUNICIPAL	Houston TX Cmty Clg Rev	1.860	04/15/18			1,295,000.00	101.483	1,314,204.85	1,310,053.84	100.760	1,304,842.00	470		0.950	0.950
3135G0XG3	05/21/13	AGCY CALL	FNMA	1.000	05/21/18	02/21/17	QRTLY	20,000,000.00	99.900	19,980,000.00	19,994,342.80	99.491	19,898,280.00	506	52	1.021	1.021
3135G0G31	11/04/15	AGCY CALL	FNMA	1.200	01/29/19	01/29/17	QRTLY	15,000,000.00	99.750	14,962,500.00	14,975,706.45	99.647	14,947,080.00	759	29	1.279	1.279
341271AA2	06/10/16	MUNICIPAL	FL SBA Rev	2.163	07/01/19		CONT	10,000,000.00	102.094	10,209,400.00	10,171,869.00	100.809	10,080,900.00	912		1.460	1.460
Total for General Fund								398,197,279.44	100.018	398,232,399.38	398,085,103.95	99.928	397,896,225.18	214		1.098	1.098
Promotion & Development Fund 74																	
BBT-PTHOU		BANK DEP	BB&T					2,903,244.96	100.000	2,903,244.96	2,903,244.96	100.000	2,903,244.96	1		0.380	0.380
Total for Promotion & Development Fund 74								2,903,244.96	100.000	2,903,244.96	2,903,244.96	100.000	2,903,244.96	1		0.380	0.380
Total for Port of Houston Authority								408,082,840.97	100.017	408,117,960.91	407,970,665.48	99.930	407,781,786.71	209		1.081	1.081

Note: Bank deposits at BB&T and JPMorgan Chase are fully collateralized in accordance with Chapter 2257, Texas Government Code ("Public Funds Collateral Act").

Investment Transactions

Quarter Ended December 31, 2016

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
General Fund															
Calls															
11/14/16	11/15/16	3134G43V8	AGCY CALL	FHLMC	1.050	05/15/18	11/15/16	25,000,000.00	100.000	25,000,000.00	0.00	25,000,000.00		1.050	1.050
Total for: Calls								25,000,000.00		25,000,000.00	0.00	25,000,000.00		1.050	1.050
Maturities															
10/15/16	10/15/16	20772JKJ0	MUNICIPAL	State of CT GO	1.032	10/15/16		1,000,000.00	100.000	1,000,000.00	0.00	1,000,000.00		1.032	
10/21/16	10/21/16	730146AV9	MUNICIPAL	PMA Levy & Aid WI	1.000	10/21/16		3,000,000.00	100.000	3,000,000.00	0.00	3,000,000.00		0.700	
10/28/16	10/28/16	56108JKU4	CP - DISC	Malayan Banking BHD		10/28/16		25,000,000.00	100.000	25,000,000.00	0.00	25,000,000.00		1.048	
10/28/16	10/28/16	56108JKU4	CP - DISC	Malayan Banking BHD		10/28/16		5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		0.802	
11/01/16	11/01/16	59447PN56	MUNICIPAL	MI Finance Auth Rev	5.000	11/01/16		1,150,000.00	100.000	1,150,000.00	0.00	1,150,000.00		1.051	
11/11/16	11/11/16	443728EF3	MUNICIPAL	Hudson Cty NJ Imprv Auth F	1.500	11/11/16		10,825,000.00	100.000	10,825,000.00	0.00	10,825,000.00		0.799	
11/15/16	11/15/16	413890DM3	MUNICIPAL	Houston Sports Auth Rev	1.324	11/15/16		3,770,000.00	100.000	3,770,000.00	0.00	3,770,000.00		1.324	
11/15/16	11/15/16	64985HHZ3	MUNICIPAL	NY ST Enwmmntl Fac Rev	0.986	11/15/16		895,000.00	100.000	895,000.00	0.00	895,000.00		0.986	
11/25/16	11/25/16	00280NLR9	CP - DISC	Abbey Natl N America		11/25/16		20,000,000.00	100.000	20,000,000.00	0.00	20,000,000.00		1.013	
12/01/16	12/01/16	64966HTM2	MUNICIPAL	New York City, NY GO	4.000	12/01/16		1,900,000.00	100.000	1,900,000.00	0.00	1,900,000.00		1.000	
12/09/16	12/09/16	476576JX2	MUNICIPAL	City of Jersey City, NJ GO	1.500	12/09/16		10,000,000.00	100.000	10,000,000.00	0.00	10,000,000.00		1.000	
12/13/16	12/13/16	702725VF6	MUNICIPAL	Passaic Cty, NJ GO	1.500	12/13/16		12,970,000.00	100.000	12,970,000.00	0.00	12,970,000.00		0.975	
12/23/16	12/23/16	22533TMP8	CP - DISC	Credit Agricole		12/23/16		10,000,000.00	100.000	10,000,000.00	0.00	10,000,000.00		1.063	
12/23/16	12/23/16	89233GMP8	CP - DISC	Toyota Mtr Cr		12/23/16		15,000,000.00	100.000	15,000,000.00	0.00	15,000,000.00		0.987	
Total for: Maturities								120,510,000.00		120,510,000.00	0.00	120,510,000.00		0.990	
Purchases															
09/30/16	10/03/16	06538BR39	CP - DISC	Bk of Tokyo Mitsubishi NY		04/03/17		10,000,000.00	99.371	9,937,058.33	0.00	9,937,058.33		1.253	1.253
10/25/16	11/01/16	443728EM8	MUNICIPAL	Hudson Cty NJ Imprv Auth C	1.750	11/01/17		10,000,000.00	100.593	10,059,300.00	0.00	10,059,300.00		1.150	1.150
10/26/16	10/27/16	60680ANR5	CP - DISC	Mitsubishi Intl Corp		01/25/17		20,000,000.00	99.780	19,956,000.00	0.00	19,956,000.00		0.882	0.882
10/26/16	10/27/16	06538BQT3	CP - DISC	Bk of Tokyo Mitsubishi NY		03/27/17		10,000,000.00	99.539	9,953,861.11	0.00	9,953,861.11		1.105	1.105
11/14/16	11/14/16	06538BVA8	CP - DISC	Bk of Tokyo Mitsubishi NY		08/10/17		11,000,000.00	99.029	10,893,147.22	0.00	10,893,147.22		1.313	1.313
11/15/16	11/15/16	09659BVB3	CP - DISC	BNP Paribas NY		08/11/17		20,000,000.00	99.029	19,805,722.22	0.00	19,805,722.22		1.313	1.313
11/15/16	11/16/16	63873JV3	CP - DISC	Natixis NY		08/11/17		5,000,000.00	99.066	4,953,286.11	0.00	4,953,286.11		1.267	1.267
11/15/16	11/18/16	621545EX6	MUNICIPAL	Mt Holly Township NJ GO	2.000	11/13/17		5,994,000.00	100.907	6,048,365.58	1,332.00	6,049,697.58		1.076	1.076
11/29/16	12/08/16	476576MNO	MUNICIPAL	City of Jersey City, NJ GO	2.000	12/08/17		10,000,000.00	100.740	10,074,000.00	0.00	10,074,000.00		1.251	1.251

Investment Transactions (cont.)

Quarter Ended December 31, 2016

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
General Fund															
Purchases															
12/06/16	12/12/16	702725WD0	MUNICIPAL	Passaic Cty, NJ GO	1.750	12/11/17		10,000,000.00	100.492	10,049,200.00	0.00	10,049,200.00		1.251	1.251
12/12/16	12/21/16	981306PZ0	MUNICIPAL	Worcester, MA	2.500	01/23/18		10,000,000.00	101.342	10,134,200.00	0.00	10,134,200.00		1.253	1.253
12/13/16	12/20/16	419587DM9	MUNICIPAL	Haverstraw Village, NY GO	1.750	12/20/17		5,700,000.00	100.444	5,725,308.00	0.00	5,725,308.00		1.300	1.300
12/19/16	12/22/16	083763PV8	MUNICIPAL	Bergen Cty, NJ GO	1.750	12/14/17		2,400,000.00	100.385	2,409,240.00	933.33	2,410,173.33		1.351	1.351
12/19/16	12/20/16	00280NWF3	CP - DISC	Akkey Natl Treas Svc		09/15/17		10,000,000.00	98.999	9,899,872.22	0.00	9,899,872.22		1.354	1.354
12/19/16	12/22/16	094228BF9	MUNICIPAL	Bloomfield NJ Pkg Auth Rev	2.000	11/03/17		3,040,000.00	100.551	3,056,750.40	8,275.56	3,065,025.96		1.351	1.351
Total for: Purchases								143,134,000.00		142,955,311.19	10,540.89	142,965,852.08		1.202	1.202
Income Payments															
10/03/16	10/01/16	791697DC6	MUNICIPAL	St. Louis MO Spl Admin Sch	4.000	04/01/17				0.00	40,000.00	40,000.00			
10/17/16	10/15/16	20772JKJ0	MUNICIPAL	State of CT GO	1.032	10/15/16				0.00	5,160.00	5,160.00			
10/17/16	10/15/16	442368KU9	MUNICIPAL	Houston TX Cmty Clg Rev	1.860	04/15/18				0.00	12,043.50	12,043.50			
10/21/16	10/21/16	730146AV9	MUNICIPAL	PMA Levy & Aid WI	1.000	10/21/16				0.00	31,083.33	31,083.33			
11/01/16	11/01/16	59447PN56	MUNICIPAL	MI Finance Auth Rev	5.000	11/01/16				0.00	28,750.00	28,750.00			
11/11/16	11/11/16	443728EF3	MUNICIPAL	Hudson Cty NJ Imprv Auth R	1.500	11/11/16				0.00	161,923.96	161,923.96			
11/15/16	11/15/16	3134G43V8	AGCY CALL	FHLMC	1.050	05/15/18				0.00	131,250.00	131,250.00			
11/15/16	11/15/16	413890DM3	MUNICIPAL	Houston Sports Auth Rev	1.324	11/15/16				0.00	24,957.40	24,957.40			
11/15/16	11/15/16	64985HHZ3	MUNICIPAL	NY ST Envrmmntl Fac Rev	0.986	11/15/16				0.00	4,412.35	4,412.35			
11/21/16	11/21/16	3135G0XG3	AGCY CALL	FNMA	1.000	05/21/18				0.00	100,000.00	100,000.00			
12/01/16	12/01/16	64966HTM2	MUNICIPAL	New York City, NY GO	4.000	12/01/16				0.00	38,000.00	38,000.00			
12/09/16	12/09/16	476576JX2	MUNICIPAL	City of Jersey City, NJ GO	1.500	12/09/16				0.00	149,166.67	149,166.67			
12/13/16	12/13/16	702725VF6	MUNICIPAL	Passaic Cty, NJ GO	1.500	12/13/16				0.00	194,009.58	194,009.58			
Total for: Income Payments										0.00	920,756.79	920,756.79			

Changes in Book and Market Values

CUSIP	Security Type	Security Description	09/30/16 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain(Loss)	12/31/16 Book Value	09/30/16 Market Value	12/31/16 Market Value	Change in Mkt Value
Debt Service Fund											
BBT-PTHOU	BANK DEP	BB&T	33,665,359.64	6,902,780.14	(33,585,823.21)	0.00	0.00	6,982,316.57	33,665,359.64	6,982,316.57	(26,683,043.07)
CB-PORHOU	BANK DEP	Citibank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total for Debt Service Fund			33,665,359.64	6,902,780.14	(33,585,823.21)	0.00	0.00	6,982,316.57	33,665,359.64	6,982,316.57	(26,683,043.07)
General Fund											
BBT-PTHOU	BANK DEP	BB&T	51,782,586.26	4,817,155.91	(11,314,475.34)	0.00	0.00	45,285,266.83	51,782,586.26	45,285,266.83	(6,497,319.43)
CB-PORHOU	BANK DEP	Citibank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JPM-PHA	BANK DEP	JPM Chase Bk	1,191,497.91	171,507.96	(106,603.26)	0.00	0.00	1,256,402.61	1,191,497.91	1,256,402.61	64,904.70
20772JKJ0	MUNICIPAL	State of CT GO 1.032 10/15/16	1,000,000.00	0.00	(1,000,000.00)	0.00	0.00	0.00	1,000,120.00	0.00	(1,000,120.00)
730146AV9	MUNICIPAL	PMA Levy & Aid Wt 1.000 10/21/16	3,000,487.59	0.00	(3,000,000.00)	(487.59)	0.00	0.00	3,000,000.00	0.00	(3,000,000.00)
56108JKU4	CP - DISC	Malayan Banking BHD 0.000 10/28/16	29,977,500.00	0.00	(30,000,000.00)	22,500.00	0.00	0.00	29,987,610.00	0.00	(29,987,610.00)
59447PN56	MUNICIPAL	MI Finance Auth Rev 5.000 11/01/16	1,153,765.16	0.00	(1,150,000.00)	(3,765.16)	0.00	0.00	1,153,093.50	0.00	(1,153,093.50)
443728EF3	MUNICIPAL	Hudson Cty NJ Imprv Auth Rev 1.500 11/11	10,833,414.49	0.00	(10,825,000.00)	(8,414.49)	0.00	0.00	10,828,788.75	0.00	(10,828,788.75)
413890DM3	MUNICIPAL	Houston Sports Auth Rev 1.324 11/15/16	3,770,000.00	0.00	(3,770,000.00)	0.00	0.00	0.00	3,770,452.40	0.00	(3,770,452.40)
64985HHZ3	MUNICIPAL	NY ST Envrnmntl Fac Rev 0.986 11/15/16	895,000.00	0.00	(895,000.00)	0.00	0.00	0.00	894,758.35	0.00	(894,758.35)
00280NLR9	CP - DISC	Abbey Natl N America 0.000 11/25/16	19,969,291.60	0.00	(20,000,000.00)	30,708.40	0.00	0.00	19,980,440.00	0.00	(19,980,440.00)
64966HTM2	MUNICIPAL	New York City, NY GO 4.000 12/01/16	1,909,452.58	0.00	(1,900,000.00)	(9,452.58)	0.00	0.00	1,909,557.00	0.00	(1,909,557.00)
476576JX2	MUNICIPAL	City of Jersey City, NJ GO 1.500 12/09/16	10,009,324.30	0.00	(10,000,000.00)	(9,324.30)	0.00	0.00	10,005,800.00	0.00	(10,005,800.00)
702725VF6	MUNICIPAL	Passaic Cty, NJ GO 1.500 12/13/16	12,983,590.23	0.00	(12,970,000.00)	(13,590.23)	0.00	0.00	12,984,189.18	0.00	(12,984,189.18)
22533TMP8	CP - DISC	Credit Agricole 0.000 12/23/16	9,975,676.40	0.00	(10,000,000.00)	24,323.60	0.00	0.00	9,980,730.00	0.00	(9,980,730.00)
89233GMP8	CP - DISC	Toyota Mtr Cr 0.000 12/23/16	14,966,108.40	0.00	(15,000,000.00)	33,891.60	0.00	0.00	14,975,145.00	0.00	(14,975,145.00)
45462TDY5	MUNICIPAL	IN Bond Bk Rev 1.057 01/15/17	4,456,741.50	0.00	0.00	(1,507.08)	0.00	4,455,234.42	4,460,390.55	4,455,400.95	(4,989.60)
60680ANR5	CP - DISC	Mitsubishi Intl Corp 0.000 01/25/17	0.00	19,956,000.00	0.00	32,266.60	0.00	19,988,266.60	0.00	19,990,660.00	19,990,660.00
14329ND50	MUNICIPAL	City of Carmel, IN Redev Auth 1.188 02/01/17	2,695,000.00	0.00	0.00	0.00	0.00	2,695,000.00	2,698,799.95	2,695,646.80	(3,153.15)
63873JQ29	CP - DISC	Natixis NY 0.000 03/02/17	9,952,500.00	0.00	0.00	28,750.00	0.00	9,981,250.00	9,950,700.00	9,986,100.00	35,400.00
22533TQ33	CP - DISC	Credit Agricole 0.000 03/03/17	9,954,100.00	0.00	0.00	27,600.00	0.00	9,981,700.00	9,951,790.00	9,984,970.00	33,180.00
06538BQ73	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 03/27/17	0.00	9,953,861.11	0.00	20,166.69	0.00	9,974,027.80	0.00	9,977,430.00	9,977,430.00
791697DC6	MUNICIPAL	St. Louis MO Spl Admin Sch Dist 4.000 04/17	2,026,926.94	0.00	0.00	(13,463.48)	0.00	2,013,463.46	2,031,120.00	2,015,240.00	(15,880.00)
06538BR39	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 04/03/17	0.00	9,937,058.33	0.00	31,124.97	0.00	9,968,183.30	0.00	9,974,800.00	9,974,800.00
46640PR39	CP - DISC	J.P.Morgan Sec 0.000 04/03/17	14,922,949.95	0.00	0.00	38,525.10	0.00	14,961,475.05	14,919,060.00	14,960,055.00	40,995.00
443728EH9	MUNICIPAL	Hudson Cty NJ Imprv Auth Rev 2.000 04/19	12,200,753.46	0.00	0.00	(28,524.30)	0.00	12,172,229.16	12,194,902.94	12,179,026.44	(15,876.50)
06538BRM7	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 04/21/17	19,878,238.80	0.00	0.00	55,455.60	0.00	19,933,694.40	19,874,820.00	19,935,840.00	61,020.00
00280NSCS	CP - DISC	Abbey Natl Treas Svc 0.000 05/12/17	19,837,086.20	0.00	0.00	67,211.00	0.00	19,904,297.20	19,838,220.00	19,921,080.00	82,860.00

Changes in Book and Market Values (cont.)

CUSIP	Security Type	Security Description	09/30/16 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/16 Book Value	09/30/16 Market Value	12/31/16 Market Value	Change in Mkt Value
General Fund											
09659JSC8	CP - DISC	BNP Paribas Fortis SA/NY 0.000 05/12/17	14,875,956.30	0.00	0.00	51,174.90	0.00	14,927,131.20	14,890,800.00	14,938,770.00	47,970.00
682455AR1	MUNICIPAL	City of Oneida NY GO 1.500 05/18/17	1,919,372.63	0.00	0.00	(3,077.69)	0.00	1,916,294.94	1,917,285.57	1,913,674.54	(3,611.03)
187468JG9	MUNICIPAL	Clinton City NY BANS 2.500 06/09/17	10,102,229.50	0.00	0.00	(37,099.40)	0.00	10,065,130.10	10,087,500.00	10,050,500.00	(37,000.00)
63873JTP5	CP - DISC	Natixis NY 0.000 06/23/17	24,754,323.00	0.00	0.00	85,291.50	0.00	24,839,614.50	24,743,225.00	24,846,875.00	103,650.00
14329NDT8	MUNICIPAL	City of Carmel, IN Redev Auth 1.238 08/01/17	2,805,000.00	0.00	0.00	0.00	0.00	2,805,000.00	2,811,535.65	2,808,225.75	(3,309.90)
661334DR0	MUNICIPAL	N Orange City CA CC Dist 1.240 08/01/17	4,250,000.00	0.00	0.00	0.00	0.00	4,250,000.00	4,271,462.50	4,262,962.50	(8,500.00)
796720JG6	MUNICIPAL	San Bernardino CA Cmty Clg 1.686 08/01/17	1,250,000.00	0.00	0.00	0.00	0.00	1,250,000.00	1,255,337.50	1,253,125.00	(2,212.50)
094171JD8	MUNICIPAL	Township of Bloomfield, NJ GO 1.500 08/04	1,076,014.35	0.00	0.00	(1,203.00)	0.00	1,074,811.35	1,077,263.52	1,074,219.04	(3,044.48)
06538BVA8	CP - DISC	Bk of Tokyo Mitsuikishi NY 0.000 08/10/17	0.00	10,893,147.22	0.00	19,066.62	0.00	10,912,213.84	0.00	10,908,557.00	10,908,557.00
09659BVB3	CP - DISC	BNP Paribas NY 0.000 08/11/17	0.00	19,805,722.22	0.00	33,944.38	0.00	19,839,666.60	0.00	19,836,480.00	19,836,480.00
63873JVB3	CP - DISC	Natixis NY 0.000 08/11/17	0.00	4,953,286.11	0.00	8,018.04	0.00	4,961,304.15	0.00	4,958,500.00	4,958,500.00
00280NWF3	CP - DISC	Akhey Natl Treas Svc 0.000 09/15/17	0.00	9,899,872.22	0.00	4,466.68	0.00	9,904,338.90	0.00	9,901,100.00	9,901,100.00
443728EM8	MUNICIPAL	Hudson Cty NJ Imprv Auth GO 1.750 11/01/17	0.00	10,059,300.00	0.00	(9,883.30)	0.00	10,049,416.70	0.00	10,067,190.00	10,067,190.00
094228BF9	MUNICIPAL	Bloomfield NJ Pkg Auth Rev 2.000 11/03/17	0.00	3,056,750.40	0.00	(530.08)	0.00	3,056,220.32	0.00	3,054,348.80	3,054,348.80
621545EX6	MUNICIPAL	Mt Holly Township NJ GO 2.000 11/13/17	0.00	6,048,365.58	0.00	(6,585.13)	0.00	6,041,780.45	0.00	6,029,544.42	6,029,544.42
476576MN0	MUNICIPAL	City of Jersey City, NJ GO 2.000 12/08/17	0.00	10,074,000.00	0.00	(4,727.80)	0.00	10,069,272.20	0.00	10,062,300.00	10,062,300.00
702725WD0	MUNICIPAL	Passaic City, NJ GO 1.750 12/11/17	0.00	10,049,200.00	0.00	(2,703.30)	0.00	10,046,496.70	0.00	10,029,200.00	10,029,200.00
083763PV8	MUNICIPAL	Bergen City, NJ GO 1.750 12/14/17	0.00	2,409,240.00	0.00	(236.26)	0.00	2,409,003.74	0.00	2,411,424.00	2,411,424.00
419587DM9	MUNICIPAL	Haverstraw Village, NY GO 1.750 12/20/17	0.00	5,725,308.00	0.00	(773.32)	0.00	5,724,534.68	0.00	5,730,495.00	5,730,495.00
981306PZ0	MUNICIPAL	Worcester, MA 2.500 01/23/18	0.00	10,134,200.00	0.00	(3,709.00)	0.00	10,130,491.00	0.00	10,118,400.00	10,118,400.00
67868JDN0	MUNICIPAL	OK Cty Fina Auth Ed Rev 4.000 03/01/18	4,819,636.28	0.00	0.00	(29,716.62)	0.00	4,789,919.66	4,837,534.50	4,791,313.50	(46,221.00)
442368KU9	MUNICIPAL	Houston TX Cmty Clg Rev 1.860 04/15/18	1,312,954.73	0.00	0.00	(2,900.89)	0.00	1,310,053.84	1,312,197.60	1,304,842.00	(7,355.60)
3134G43V8	AGCY CALL	FHLMC 1.050 05/15/18	25,000,000.00	0.00	(25,000,000.00)	0.00	0.00	0.00	25,002,100.00	0.00	(25,002,100.00)
3135G0XG3	AGCY CALL	FNMA 1.000 05/21/18	19,993,333.00	0.00	0.00	1,009.80	0.00	19,994,342.80	20,000,540.00	19,898,280.00	(102,260.00)
3135G0G31	AGCY CALL	FNMA 1.200 01/29/19	14,972,827.95	0.00	0.00	2,878.50	0.00	14,975,706.45	14,995,335.00	14,947,080.00	(48,255.00)
341271AA2	MUNICIPAL	FL SBA Rev 2.163 07/01/19	10,188,683.90	0.00	0.00	(16,814.90)	0.00	10,171,869.00	10,187,300.00	10,080,900.00	(106,400.00)
Total for General Fund			406,662,323.41	147,943,975.06	(156,931,078.60)	409,884.08	0.00	398,085,103.95	406,753,988.63	397,896,225.18	(8,857,763.45)

Changes in Book and Market Values (cont.)

CUSIP	Security Type	Security Description	09/30/16 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/16 Book Value	09/30/16 Market Value	12/31/16 Market Value	Change in Mkt Value
Promotion & Development Fund 74											
BBT-PTHOU	BANK DEP	BB&T	4,001,071.73	0.00	(1,097,826.77)	0.00	0.00	2,903,244.96	4,001,071.73	2,903,244.96	(1,097,826.77)
CB-PORHOU	BANK DEP	Citibank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total for Promotion & Development Fund 74			4,001,071.73	0.00	(1,097,826.77)	0.00	0.00	2,903,244.96	4,001,071.73	2,903,244.96	(1,097,826.77)
Total for Port of Houston Authority			444,328,754.78	154,846,755.20	(191,614,728.58)	409,884.08	0.00	407,970,665.48	444,420,420.00	407,781,786.71	(36,638,633.29)

Investment Income

Quarter Ended December 31, 2016

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
Debt Service Fund									
BBT-PTHOU	BANK DEP	BB&T	0.00	1,530.80	1,530.80	0.00	0.00	0.00	1,530.80
Total for Debt Service Fund			0.00	1,530.80	1,530.80	0.00	0.00	0.00	1,530.80
General Fund									
BBT-PTHOU	BANK DEP	BB&T	0.00	36,908.07	36,908.07	0.00	0.00	0.00	36,908.07
20772JKJ0	MUNICIPAL	State of CT GO 1.032 10/15/16	4,758.67	401.33	5,160.00	0.00	0.00	0.00	401.33
730146AV9	MUNICIPAL	PMA Levy & Aid Wt 1.000 10/21/16	29,416.67	1,666.66	31,083.33	0.00	0.00	(487.59)	1,179.07
56108JKU4	CP - DISC	Malayan Banking BHD 0.000 10/28/16	0.00	0.00	0.00	0.00	0.00	22,500.00	22,500.00
59447PNS6	MUNICIPAL	MI Finance Auth Rev 5.000 11/01/16	23,958.33	4,791.67	28,750.00	0.00	0.00	(3,765.16)	1,026.51
443728EF3	MUNICIPAL	Hudson Cty NJ Imprv Auth Rev 1.500 11/11/16	143,882.29	18,041.67	161,923.96	0.00	0.00	(8,414.49)	9,627.18
413890DM3	MUNICIPAL	Houston Sports Auth Rev 1.324 11/15/16	18,856.70	6,100.70	24,957.40	0.00	0.00	0.00	6,100.70
64985HHZ3	MUNICIPAL	NY ST Envrnmntl Fac Rev 0.986 11/15/16	3,333.78	1,078.57	4,412.35	0.00	0.00	0.00	1,078.57
00280NLR9	CP - DISC	Abbey Natl N America 0.000 11/25/16	0.00	0.00	0.00	0.00	0.00	30,708.40	30,708.40
64966HTM2	MUNICIPAL	New York City, NY GO 4.000 12/01/16	25,333.33	12,666.67	38,000.00	0.00	0.00	(9,452.58)	3,214.09
476576JX2	MUNICIPAL	City of Jersey City, NJ GO 1.500 12/09/16	120,833.33	28,333.34	149,166.67	0.00	0.00	(9,324.30)	19,009.04
702725VF6	MUNICIPAL	Passaic Cty, NJ GO 1.500 12/13/16	155,099.58	38,910.00	194,009.58	0.00	0.00	(13,590.23)	25,319.77
22533TMP8	CP - DISC	Credit Agricole 0.000 12/23/16	0.00	0.00	0.00	0.00	0.00	24,323.60	24,323.60
89233GMP8	CP - DISC	Toyota Mtr Cr 0.000 12/23/16	0.00	0.00	0.00	0.00	0.00	33,891.60	33,891.60
45462TDY5	MUNICIPAL	IN Bond Bk Rev 1.057 01/15/17	9,941.09	11,772.33	0.00	0.00	21,713.42	(1,507.08)	10,265.25
60680ANR5	CP - DISC	Mitsubishi Intl Corp 0.000 01/25/17	0.00	0.00	0.00	0.00	0.00	32,266.60	32,266.60
14329ND50	MUNICIPAL	City of Carmel, IN Redev Auth 1.188 02/01/17	5,336.10	8,004.15	0.00	0.00	13,340.25	0.00	8,004.15
63873JQZ9	CP - DISC	Natixis NY 0.000 03/02/17	0.00	0.00	0.00	0.00	0.00	28,750.00	28,750.00
22533TQ33	CP - DISC	Credit Agricole 0.000 03/03/17	0.00	0.00	0.00	0.00	0.00	27,600.00	27,600.00
06538BQT3	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 03/27/17	0.00	0.00	0.00	0.00	0.00	20,166.69	20,166.69
791697DC6	MUNICIPAL	St. Louis MO Spl Admin Sch Dist 4.000 04/01/17	40,000.00	20,000.00	40,000.00	0.00	20,000.00	(13,463.48)	6,536.52
06538BR39	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 04/03/17	0.00	0.00	0.00	0.00	0.00	31,124.97	31,124.97
46640PR39	CP - DISC	J.P.Morgan Sec 0.000 04/03/17	0.00	0.00	0.00	0.00	0.00	38,525.10	38,525.10
443728EH9	MUNICIPAL	Hudson Cty NJ Imprv Auth Rev 2.000 04/19/17	109,242.00	60,690.00	0.00	0.00	169,932.00	(28,524.30)	32,165.70
06538BRM7	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 04/21/17	0.00	0.00	0.00	0.00	0.00	55,455.60	55,455.60
00280NSC5	CP - DISC	Abbey Natl Treas Svc 0.000 05/12/17	0.00	0.00	0.00	0.00	0.00	67,211.00	67,211.00
09659JSC8	CP - DISC	BNP Paribas Fortis SA/NY 0.000 05/12/17	0.00	0.00	0.00	0.00	0.00	51,174.90	51,174.90
682455AR1	MUNICIPAL	City of Oneida NY GO 1.500 05/18/17	10,593.51	7,168.53	0.00	0.00	17,762.04	(3,077.69)	4,090.84
187466JG9	MUNICIPAL	Clinton Cty NY BANS 2.500 06/09/17	77,083.33	62,500.00	0.00	0.00	139,583.33	(37,099.40)	25,400.60

Investment Income (cont.)

Quarter Ended December 31, 2016

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
General Fund									
63873JTP5	CP - DISC	Natixis NY 0.000 06/23/17	0.00	0.00	0.00	0.00	0.00	85,291.50	85,291.50
14329NDT8	MUNICIPAL	City of Carmel, IN Redev Auth 1.238 08/01/17	5,787.65	8,681.48	0.00	0.00	14,469.13	0.00	8,681.48
661334DR0	MUNICIPAL	N Orange City CA CC Dist 1.240 08/01/17	8,783.33	13,175.00	0.00	0.00	21,958.33	0.00	13,175.00
796720JG6	MUNICIPAL	San Bernardino CA Cmty Clg 1.686 08/01/17	3,512.50	5,268.75	0.00	0.00	8,781.25	0.00	5,268.75
094171JD8	MUNICIPAL	Township of Bloomfield, NJ GO 1.500 08/04/17	2,501.33	4,020.00	0.00	0.00	6,521.33	(1,203.00)	2,817.00
06538BVA8	CP - DISC	Bk of Tokyo Mitsubishi NY 0.000 08/10/17	0.00	0.00	0.00	0.00	0.00	19,066.62	19,066.62
09659BV83	CP - DISC	BNP Paribas NY 0.000 08/11/17	0.00	0.00	0.00	0.00	0.00	33,944.38	33,944.38
63873JVB3	CP - DISC	Natixis NY 0.000 08/11/17	0.00	0.00	0.00	0.00	0.00	8,018.04	8,018.04
00280NWF3	CP - DISC	Akhey Nat'l Treas Srvc 0.000 09/15/17	0.00	0.00	0.00	0.00	0.00	4,466.68	4,466.68
443728EM8	MUNICIPAL	Hudson Cty NJ Imprv Auth GO 1.750 11/01/17	0.00	29,166.67	0.00	0.00	29,166.67	(9,883.30)	19,283.37
094228BF9	MUNICIPAL	Bloomfield NJ Pkg Auth Rev 2.000 11/03/17	0.00	1,520.00	0.00	(8,275.56)	9,795.56	(530.08)	989.92
621545EX6	MUNICIPAL	Mt Holly Township NJ GO 2.000 11/13/17	0.00	14,319.00	0.00	(1,332.00)	15,651.00	(6,585.13)	7,733.87
476576MN0	MUNICIPAL	City of Jersey City, NJ GO 2.000 12/08/17	0.00	12,777.78	0.00	0.00	12,777.78	(4,727.80)	8,049.98
702725WD0	MUNICIPAL	Passaic Cty, NJ GO 1.750 12/11/17	0.00	9,589.04	0.00	0.00	9,589.04	(2,703.30)	6,885.74
083763PV8	MUNICIPAL	Bergen Cty, NJ GO 1.750 12/14/17	0.00	1,050.00	0.00	(933.33)	1,983.33	(236.26)	813.74
419587DM9	MUNICIPAL	Haverstraw Village, NY GO 1.750 12/20/17	0.00	3,047.92	0.00	0.00	3,047.92	(773.32)	2,274.60
981306PZ0	MUNICIPAL	Worcester, MA 2.500 01/23/18	0.00	6,944.44	0.00	0.00	6,944.44	(3,709.00)	3,235.44
67868UDN0	MUNICIPAL	OK Cty Fina Auth Ed Rev 4.000 03/01/18	15,500.00	46,500.00	0.00	0.00	62,000.00	(29,716.62)	16,783.38
442368KU9	MUNICIPAL	Houston TX Cmty Clg Rev 1.860 04/15/18	11,106.78	6,021.75	12,043.50	0.00	5,085.03	(2,900.89)	3,120.86
3134G43V8	AGCY CALL	FHLMC 1.050 05/15/18	99,166.67	32,083.33	131,250.00	0.00	0.00	0.00	32,083.33
3135G0XG3	AGCY CALL	FNMA 1.000 05/21/18	72,222.22	50,000.00	100,000.00	0.00	22,222.22	1,009.80	51,009.80
3135G0G31	AGCY CALL	FNMA 1.200 01/29/19	31,000.00	45,000.00	0.00	0.00	76,000.00	2,878.50	47,878.50
341271AA2	MUNICIPAL	FL SBA Rev 2.163 07/01/19	54,075.00	54,075.00	0.00	0.00	108,150.00	(16,814.90)	37,260.10
Total for General Fund			1,081,324.19	662,273.85	957,664.86	(10,540.89)	796,474.07	409,884.08	1,072,157.93
Promotion & Development Fund 74									
BBT-PTHOU	BANK DEP	BB&T	0.00	2,969.89	2,969.89	0.00	0.00	0.00	2,969.89
Total for Promotion & Development Fund 74			0.00	2,969.89	2,969.89	0.00	0.00	0.00	2,969.89
Total for Port of Houston Authority			1,081,324.19	666,774.54	962,165.55	(10,540.89)	796,474.07	409,884.08	1,076,658.62

Compliance

Requirement

4.6 Maturity

- Weighted average maturity excluding construction, debt service and bond reserve funds ≤ 2 years
- Bond reserve funds \leq maturity date of the bonds
- Operating funds ≤ 5 years, Debt service funds ≤ 1 year, and Construction funds ≤ 5 years

4.7 Diversification

- Avoid undue concentration of assets by staggering maturities
- Select maturities to provide stability of income and reasonable liquidity

Actual Performance

4.6 Maturity

- Compliant (weighted average days to call of 159 days, and weighted average final maturity of 209 days)
- Compliant (no investments in bond reserve funds currently)
- Compliant (operating and construction funds mature in less than 5 years; debt service funds invested in interest-bearing overnight bank deposits)

4.7 Diversification

- Compliant (maturities through Jul 2019, with some call dates through Feb 2017)
- Compliant (\$56.4 million in overnight bank deposits, and \$201.0 million in CP maturing within 270 days)

Compliance (cont.)

Requirement

4.7 Diversification Limitations

- No more than 40% of the portfolio (excluding major capex, debt service, bond reserve and capitalized interest) invested beyond 24 months
- Average maturity of portfolio shall not exceed two years
- Maximum 25% of portfolio invested in time deposits of a single issuer
- Maximum 20% of portfolio invested in a single municipal or Commercial Paper issuer
- Maximum 30% of portfolio invested in a single Federal agency issuer

Actual Performance

4.7 Diversification Limitations

- Compliant (only 6% of the portfolio is invested beyond 24 months)
- Compliant (weighted average final maturity of 209 days, or 159 days to the call/put dates)
- Compliant (there are no investments in time deposits or CD's presently)
- Compliant (highest concentration for any single CP issuer is currently 17% of the portfolio)
- Compliant (highest concentration is 9% in FNMA)

Glossary

- Funds
- Terms
- Investment Types

Glossary - Funds

Bond Reserve Fund	A restricted fund where monies are set aside to meet covenants under revenue bond indentures, and the total amount is typically equivalent to the one year average of principal and interest due on all outstanding revenue bonds.
Construction Fund	A restricted fund where proceeds of bond issuances are designated for construction projects, and which may be invested in longer-dated maturities structured to meet the timing of the construction projects.
Debt Service Fund	Also referred to as an Interest and Redemption (“I&R”) Fund, as monies in this fund are used to cover principal and interest payments due on our outstanding General Obligations tax bonds. Monies are received from the Harris County Tax Assessor-Collector representing ad valorem taxes levied and collected annually from Harris County taxpayers, net of collection fees. Any shortfalls due to timing differences may be met from temporary transfers from the Operating Fund, but Harris County should be contacted to resolve the issue.
General Fund	An unrestricted fund.
General Obligations Fund	Another term for a Construction Fund which is funded from proceeds of General Obligations bond issuances.
Operating Fund	A highly liquid General Fund used to meet current spending needs.
P & D Fund #74	The Promotion and Development Fund was created by action of the Port Commission in accordance with Section 60.201 of the Texas Water Code, and is maintained pursuant to Section 5007.219 of the Texas Special District Local Laws Code. A navigation district may set aside up to 5% of gross income from operations to pay expenses connected with (1) any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors or terminals; (2) furthering the general welfare of the district and its facilities; and/or (3) the betterment of the district's relations with steamship and rail lines, shippers, governmental officials, or others interested in ports, waterways, harbors or terminals. The P&D Fund has been audited by the State Auditor’s Office in the past and found to be in compliance with the statutes. On an ongoing basis, the Port Authority’s Internal Audit department monitors the P&D Fund for compliance with statutory and internal policy requirements.

Glossary - Terms

Basis Points	One basis point is equal to 0.01% per annum. One hundred basis points is the equivalent of 1.00% per annum.
Book Value	The cost basis of an investment, plus or minus any discount or premium paid.
Bullet Maturity	An investment with no (further) calls or put options prior to the final maturity date.
Call or Call Option	An instrument which may be “called” (i.e., redeemed) at the option of the issuer.
Coupon Rate	The interest rate specified in the debt instrument.
Discount	The difference between the par value of an investment and the price at which it is issued, when issued at a price below par.
Effective Maturity	The date used in place of the final stated maturity date of a security issued with call, put or prepayment features. Effective maturity takes into consideration the effect of such optional call, put or prepayment dates relative to the prevailing interest rate environment. For example, during periods of declining interest rates, bonds with call features tend to have shorter lifespans as the issuers have opportunity to refinance those bonds at lower rates.
Effective Rate	Another term for Yield.
Face Value	Another term for Par Value.
In the Money	For a callable security, when the market price is greater than the call price, it is referred to as “in the money”, indicating that the holder of the security should be able to sell the security at a premium (i.e., profit) as it is worth more than comparable securities or investments available at that time.
Market Price or Market Value	The price a willing buyer is willing to pay for an instrument.
Muni or Municipal	A debt security (bond or note) issued by a State, local government, political subdivision or municipality.
Par Value	The face amount or principal amount of an investment which the borrower agrees to repay at maturity and the amount on which interest payments are based. Par is often shown as a price of 100.00.

Premium	The difference between the par value of an investment and the price at which it is issued, when issued at a price above par.
Put or Put Option	An instrument which may be “put” back to the issuer (i.e., redeemed) at the option of the holder.
Stated Rate	Another term for Coupon Rate.
Step Up or Step Note	Investments which offer one or more increases in the Coupon Rate if the instruments are not called by specific date(s).
Swap Transaction	Exchanging one security or investment for another. This may include selling a security and purchasing another security that may have similar or different features (e.g., principal amount, call features, final maturity date, etc.).
Yield, YTW, YTM	The true interest rate (i.e., total interest received divided by the cost of the investment) on an annualized basis, often expressed as “Yield to Worst (call/put date)” and “Yield to Maturity”.

Glossary – Investment Types

Abbey Nat'l N America	CP notes issued by Abbey National North America LLC, a Delaware limited liability company, guaranteed by parent company Santander UK plc
AGCY	Federal agency paper (may be callable, have bullet maturity and/or offer “step up” in interest rate)
AGCY CALL	Federal agency paper, callable at the agency’s option
BANK DEP	Bank deposit (generally collateralized or insured by FDIC)
BB&T	Branch Banking and Trust Company
Bk of Tokyo Mitsubishi	CP notes issued by Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch
Citibank or Citi	Citibank, N.A.
CMO	Collateralized Mortgage Obligations
CP	Commercial Paper
CP-DISC or DCP	Commercial Paper purchased at a discount
CRAGRICNA or Credit Agricole	CP notes issued by Credit Agricole North America, Inc, a Delaware corporation, guaranteed by Credit Agricole Corporate and Investment Bank, a multinational French banking institution
Deutsche Bk or DBKFIN	CP notes issued by Deutsche Bank Financial LLC, a Delaware limited liability company, guaranteed by Deutsche Bank AG New York Branch
FAMC or Farmer Mac	Federal Agriculture Mortgage Corporation
FCAR Owner Trust	CP notes backed by Ford Motor retail sale contracts
FDIC	Federal Deposit Insurance Corporation
FFCB	Federal Farm Credit Bureau
FHLB	Federal Home Loan Bank
FHLMC or Freddie Mac	Federal Home Loan Mortgage Corporation
FMCC	Ford Motor Credit Company
FNMA or Fannie Mae	Federal National Mortgage Association
FSN	FHLMC Step Note

GMAC	General Motors Acceptance Corp.
GO or GOB	General Obligation Bond
ING Funding LLC	CP notes issued by ING (U.S.) Funding LLC, a Delaware limited liability company, guaranteed by ING Bank N.V., one of the world's largest financial institutions
JPM Chase Bk	JPMorgan Chase Bank
LGIP	Local Government Investment Pool (e.g., TexSTAR, TexPool, TexPool Prime)
Malayan Banking BHD	CP issued by Malayan Banking Berhad, New York Branch, which are guaranteed by a letter of credit from Wells Fargo Bank, N.A.
MM or MMF	Money Market Fund
Muni or Municipal	Notes, bonds and other debt obligations issued by municipalities, state and local governments
Natixis Finance	CP notes issued by Natixis U.S. Finance Company, LLC, a Delaware limited liability company, guaranteed by Natixis, a French banking institution
PMA WI Levy Aid	Taxable Note Participations issued under the Wisconsin PMA Levy and Aid Participation Notes Program, payable from taxes and other revenues of participating school districts
Rev	Revenue bonds
SLMA or Sallie Mae	Student Loan Marketing Association
Societe Generale	CP notes issued by Societe Generale North America, Inc., a Delaware limited liability company, guaranteed by Societe Generale, a multinational French banking institution, also known as "Soc Gen"
TexPool Prime	A local government investment pool
TexSTAR	A local government investment pool
Toyota Mtr Cr	Toyota Motor Credit Corporation
USTB	U.S. Treasury Bill
USTN	U.S. Treasury Note