

THE PUBLIC INVESTMENT PORTFOLIO:

UNDERSTANDING STRUCTURED POOLED SECURITIES – ASSET-BACKED, MORTGAGE-BACKED AND COLLATERALIZED MORTGAGE SECURITIES

**Wednesday, September 2, 2015
10:00 AM – 11:45 AM PDT**

Asset-backed securities (ABS) and mortgage-backed securities (MBS) are two potentially useful investment options available to local agencies. ABS are supported by the pooling of assets such as leases while MBS are supported by pooled mortgages. Collateralized mortgage obligations (CMO) are more complex financial instruments as the income received from the mortgages is passed to investors based on a predetermined set of rules, and investors receive payments based on the specific layer of mortgages (called a tranche) in which they are invested. This webinar will include:

1. A description of ABS, MBS and CMO, the types of securities supporting each, and their structures and characteristics.
2. Legal code restrictions for the use of ABS, MBS and CMOs under Government Code section 53601(o) with regard to maturity, ratings and portfolio limits.
3. Examples, valuations, transactions, and credit monitoring of structured pooled securities.
4. Analysis required to determine if these pooled securities meet the investment objectives for local governments as stated in their investment plan and policies.
5. Types of risks associated with each type of instrument.

Speakers:

Martin Cassell, Chief Executive Officer and Chief Investment Officer, Chandler Asset Management

Jeff Probst, CFA, Vice President and Portfolio Manager, Chandler Asset Management

Garret Sloan, Fixed-Income Strategist, Wells Fargo Securities

Thomas Williams, Investment Officer, City of San Diego