



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2018

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of White Settlement is in compliance with the Public Funds Investment Act and the Investment Policy and its incorporated strategies.

City Manager

Finance Director

Disclaimer: These reports were compiled using information provided by the City. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	Ave. Yield	June 30, 2018		March 31, 2018	
		Book Value	Market Value	Book Value	Market Value
Pools/Bank/MMA	1.78%	\$ 20,770,296	\$ 20,770,296	\$ 21,226,198	\$ 21,226,198
Securities/CDs	1.77%	19,792,449	19,792,449	19,721,514	19,721,514
Totals		\$ 40,562,744	\$ 40,562,744	\$ 40,947,712	\$ 40,947,712

Quarter End Average Yield (1)

Total Portfolio	1.78%
Rolling Three Mo. Treas. Yield	1.88%
Rolling Six Mo. Treas. Yield	1.92%

Fiscal Year-to-Date Average Yield (2)

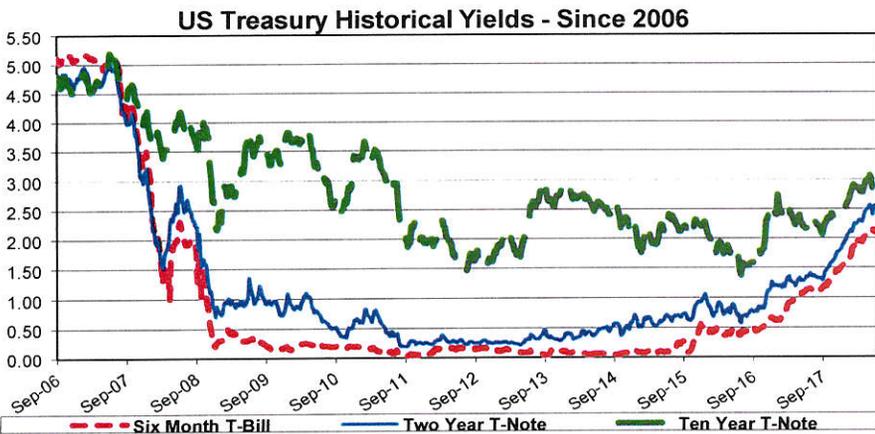
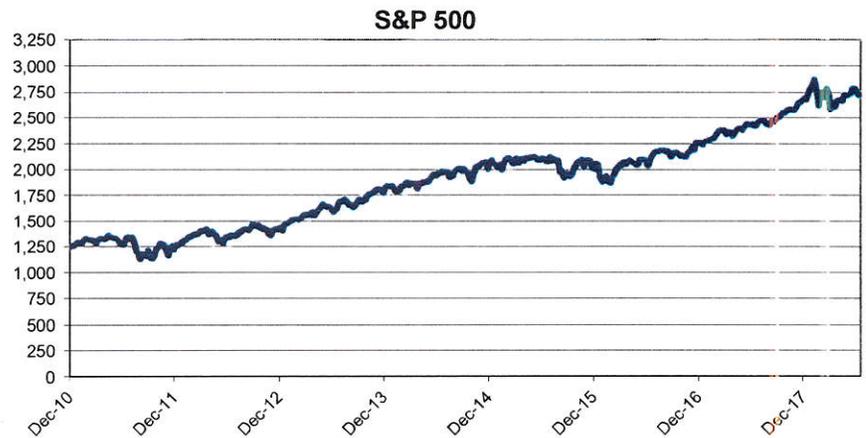
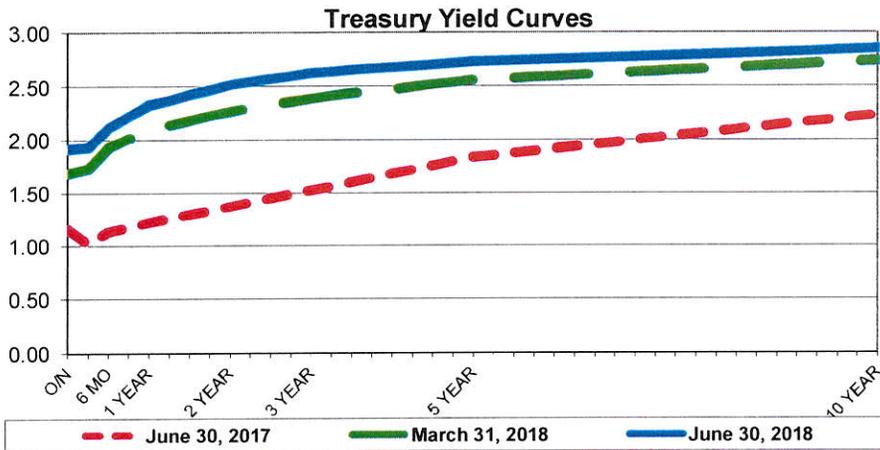
Total Portfolio	1.54%
Rolling Three Mo. Treas. Yield	1.56%
Rolling Six Mo. Treas. Yield	1.58%
Quarterly TexPool Yield	1.50%

Quarterly Interest Income \$ 139,695
 Year-to-date Interest Income \$ 406,509

(1) Quarter end Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 1.75% - 2.00% (Effective Fed Funds are trading +/-1.91%). Additional range increases are expected this calendar year (one or two) although subject to economic activity. Gradual portfolio reduction continues by limiting reinvestment of maturing holdings. The ultimate size of the balance sheet is under discussion. First Quarter 2018 GDP measured 2.0% (final estimate). Second Quarter is expected to be substantially higher. Employment/Unemployment continued to record levels. Trade war uncertainty dominated world markets. WTI Crude oil hovers at +/- \$73. The Stock Markets wiggled higher but still below recent highs.



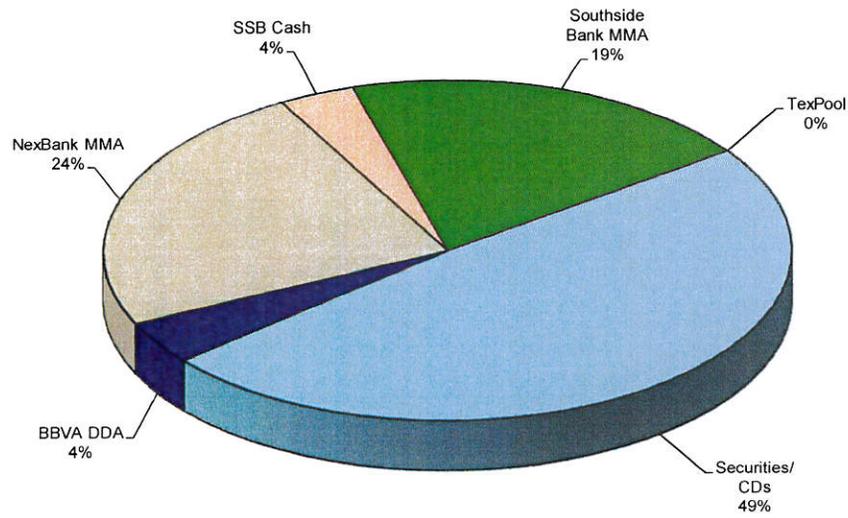
**Investment Holdings
June 30, 2018**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
BBVA DDA		0.00%	07/01/18	06/30/18	\$ 1,671,808	\$ 1,671,808	1.00	\$ 1,671,808	1	0.00%
Southside Bank Cash		0.49%	07/01/18	06/30/18	1,445,765	1,445,765	1.00	1,445,765	1	0.49%
Southside Bank MMA		2.03%	07/01/18	06/30/18	7,931,967	7,931,967	1.00	7,931,967	1	2.03%
NexBank MMA		2.08%	07/01/18	06/30/18	9,719,137	9,719,137	1.00	9,719,137	1	2.08%
TexPool	AAA	1.81%	07/01/18	06/30/18	1,619	1,619	1.00	1,619	1	1.81%
East West Bank CD		1.97%	08/21/18	02/21/18	1,007,041	1,007,041	100	1,007,041	52	1.97%
Southside Bank CD		1.32%	10/15/18	04/14/17	2,026,531	2,026,531	100	2,026,531	107	1.32%
East West Bank CD		2.03%	11/21/18	02/21/18	1,007,256	1,007,256	100	1,007,256	144	2.03%
LegacyTexas Bank CD		1.40%	01/25/19	01/25/17	3,059,932	3,059,932	100	3,059,932	209	1.40%
East West Bank CD		2.08%	02/21/19	02/21/18	1,007,436	1,007,436	100	1,007,436	236	2.08%
Southside Bank CD		1.50%	04/15/19	04/14/17	2,030,169	2,030,169	100	2,030,169	289	1.50%
BBVA Compass Bank CD		1.50%	05/12/19	05/12/17	3,045,338	3,045,338	100	3,045,338	316	1.50%
East West Bank CD		2.14%	05/21/19	02/21/18	1,012,914	1,012,914	100	1,012,914	325	2.14%
Lubbock National Bank CD		1.75%	07/13/19	07/13/17	3,551,365	3,551,365	100	3,551,365	378	1.75%
LegacyTexas Bank CD		2.90%	06/12/20	06/13/18	2,044,467	2,044,467	100	2,044,467	713	2.90%
Total					\$ 40,562,744	\$ 40,562,744		\$ 40,562,744	148	1.78%
									(1)	(2)

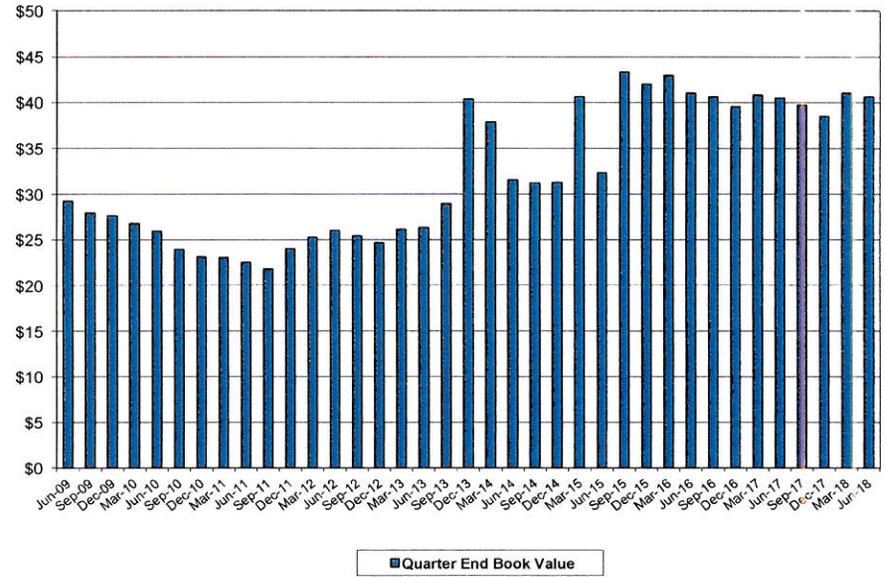
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for pool, and bank account investments.

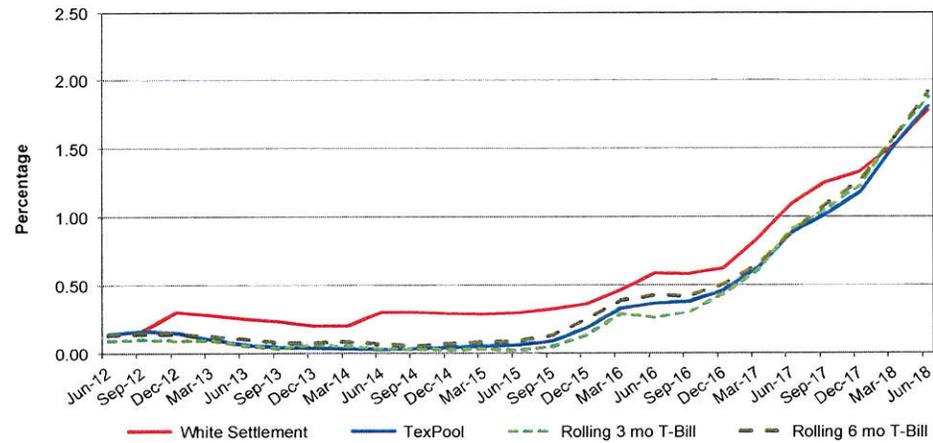
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2018		Purchases/ Adjustments	Sales/Adjust/ Maturities	June 30, 2018	
			Par Value	Book Value			Par Value	Book Value
BBVA DDA	0.00%	07/01/18	\$ 2,342,039	\$ 2,342,039	\$ -	\$ (670,231)	\$ 1,671,808	\$ 1,671,808
Southside Bank Cash	0.49%	07/01/18	-	-	1,445,765		1,445,765	1,445,765
BBVA MMA	0.00%	07/01/18	3,441,069	3,441,069		(3,441,069)	-	-
Southside Bank MMA	2.03%	07/01/18	1,798,373	1,798,373	6,133,594		7,931,967	7,931,967
NexBank MMA	2.08%	07/01/18	11,168,947	11,168,947		(1,449,809)	9,719,137	9,719,137
TexPool	1.81%	07/01/18	2,475,770	2,475,770		(2,474,151)	1,619	1,619
LegacyTexas Bank CD	1.10%	06/11/18	2,039,915	2,039,915		(2,039,915)	-	-
East West Bank CD	1.97%	08/21/18	1,002,107	1,002,107	4,934		1,007,041	1,007,041
Southside Bank CD	1.32%	10/15/18	2,019,956	2,019,956	6,575		2,026,531	2,026,531
East West Bank CD	2.03%	11/21/18	1,002,171	1,002,171	5,085		1,007,256	1,007,256
LegacyTexas Bank CD	1.40%	01/25/19	3,049,159	3,049,159	10,772		3,059,932	3,059,932
East West Bank CD	2.08%	02/21/19	1,002,225	1,002,225	5,211		1,007,436	1,007,436
Southside Bank CD	1.50%	04/15/19	2,022,688	2,022,688	7,481		2,030,169	2,030,169
BBVA Compass Bank CD	1.50%	05/12/19	3,040,017	3,040,017	5,321		3,045,338	3,045,338
East West Bank CD	2.14%	05/21/19	1,002,289	1,002,289	10,625		1,012,914	1,012,914
Lubbock National Bank CD	1.75%	07/13/19	3,540,986	3,540,986	10,379		3,551,365	3,551,365
LegacyTexas Bank CD	2.90%	06/12/20	-	-	2,044,467		2,044,467	2,044,467
TOTAL			\$ 40,947,712	\$ 40,947,712	\$ 9,690,208	\$ (10,075,175)	\$ 40,562,744	\$ 40,562,744

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2018		Qtr to Qtr Change	June 30, 2018	
			Par Value	Market Value		Par Value	Market Value
BBVA DDA	0.00%	07/01/18	\$ 2,342,039	\$ 2,342,039	\$ (670,231)	\$ 1,671,808	\$ 1,671,808
Southside Bank Cash	0.49%	07/01/18	-	-	1,445,765	1,445,765	1,445,765
BBVA MMA	0.00%	07/01/18	3,441,069	3,441,069	(3,441,069)	-	-
Southside Bank MMA	2.03%	07/01/18	1,798,373	1,798,373	6,133,594	7,931,967	7,931,967
NexBank MMA	2.08%	07/01/18	11,168,947	11,168,947	(1,449,809)	9,719,137	9,719,137
TexPool	1.81%	07/01/18	2,475,770	2,475,770	(2,474,151)	1,619	1,619
LegacyTexas Bank CD	1.10%	06/11/18	2,039,915	2,039,915	(2,039,915)	-	-
East West Bank CD	1.97%	08/21/18	1,002,107	1,002,107	4,934	1,007,041	1,007,041
Southside Bank CD	1.32%	10/15/18	2,019,956	2,019,956	6,575	2,026,531	2,026,531
East West Bank CD	2.03%	11/21/18	1,002,171	1,002,171	5,085	1,007,256	1,007,256
LegacyTexas Bank CD	1.40%	01/25/19	3,049,159	3,049,159	10,772	3,059,932	3,059,932
East West Bank CD	2.08%	02/21/19	1,002,225	1,002,225	5,211	1,007,436	1,007,436
Southside Bank CD	1.50%	04/15/19	2,022,688	2,022,688	7,481	2,030,169	2,030,169
BBVA Compass Bank CD	1.50%	05/12/19	3,040,017	3,040,017	5,321	3,045,338	3,045,338
East West Bank CD	2.14%	05/21/19	1,002,289	1,002,289	10,625	1,012,914	1,012,914
Lubbock National Bank CD	1.75%	07/13/19	3,540,986	3,540,986	10,379	3,551,365	3,551,365
LegacyTexas Bank CD	2.90%	06/12/20	-	-	2,044,467	2,044,467	2,044,467
TOTAL			\$ 40,947,712	\$ 40,947,712	\$ (384,967)	\$ 40,562,744	\$ 40,562,744

Allocation By Fund
June 30, 2018

Book and Market Value	Totals	Pooled Cash	GF Oil & Gas Reserves	Utility Debt Service I&S	Utility Debt Reserve
BBVA DDA	\$ 1,671,808	\$ 1,671,808	\$ -	\$ -	\$ -
Southside Bank Cash	1,445,765	1,445,765			
Southside Bank MMA	7,931,967	7,931,967			
NexBank MMA	9,719,137	9,719,137			
TexPool	1,619	1,619			
08/21/18–East West Bank CD	1,007,041	1,007,041			
10/15/18–Southside Bank CD	2,026,531	2,026,531			
11/21/18–East West Bank CD	1,007,256	1,007,256			
01/25/19–LegacyTexas Bank CD	3,059,932	3,059,932			
02/21/19–East West Bank CD	1,007,436	1,007,436			
04/15/19–Southside Bank CD	2,030,169	2,030,169			
05/12/19–BBVA Compass Bank CD	3,045,338	3,045,338			
05/21/19–East West Bank CD	1,012,914	1,012,914			
07/13/19–Lubbock National Bank CD	3,551,365	3,551,365			
06/12/20–LegacyTexas Bank CD	2,044,467	2,044,467			
Total	\$ 40,562,744	\$ 40,562,744	\$ -	\$ -	\$ -

**Allocation By Fund
March 31, 2018**

Book and Market Value	Totals	Pooled Cash	GF Oil & Gas Reserves	Utility Debt Service I&S	Utility Debt Reserve
BBVA DDA	\$ 2,342,039	\$ 2,342,039	\$ -	\$ -	\$ -
BBVA MMA	3,441,069	3,441,069			
Southside Bank MMA	1,798,373	1,798,373			
NexBank MMA	11,168,947	11,168,947			
TexPool	2,475,770	707,903	380,906	1,283,245	103,715
06/11/18–LegacyTexas Bank CD	2,039,915	2,039,915			
08/21/18–East West Bank CD	1,002,107	1,002,107			
10/15/18–Southside Bank CD	2,019,956	2,019,956			
11/21/18–East West Bank CD	1,002,171	1,002,171			
01/25/19–LegacyTexas Bank CD	3,049,159	3,049,159			
02/21/19–East West Bank CD	1,002,225	1,002,225			
04/15/19–Southside Bank CD	2,022,688	2,022,688			
05/12/19–BBVA Compass Bank CD	3,040,017	3,040,017			
05/21/19–East West Bank CD	1,002,289	1,002,289			
07/13/19–Lubbock National Bank CD	3,540,986	3,540,986			
Total	\$ 40,947,712	\$ 39,179,845	\$ 380,906	\$ 1,283,245	\$ 103,715