



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 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	March 31, 2018		December 31, 2017	
		Book Value	Market Value	Book Value	Market Value
Pools/Bank/MMA	1.47%	\$ 21,226,198	\$ 21,226,198	\$ 22,850,302	\$ 22,850,302
Securities/CDs	1.58%	19,721,514	19,721,514	16,686,839	16,686,839
Totals		\$ 40,947,712	\$ 40,947,712	\$ 39,537,141	\$ 39,537,141

Quarter End Average Yield (1)

Total Portfolio	1.52%
Rolling Three Mo. Treas. Yield	1.58%
Rolling Six Mo. Treas. Yield	1.58%

Fiscal Year-to-Date Average Yield (2)

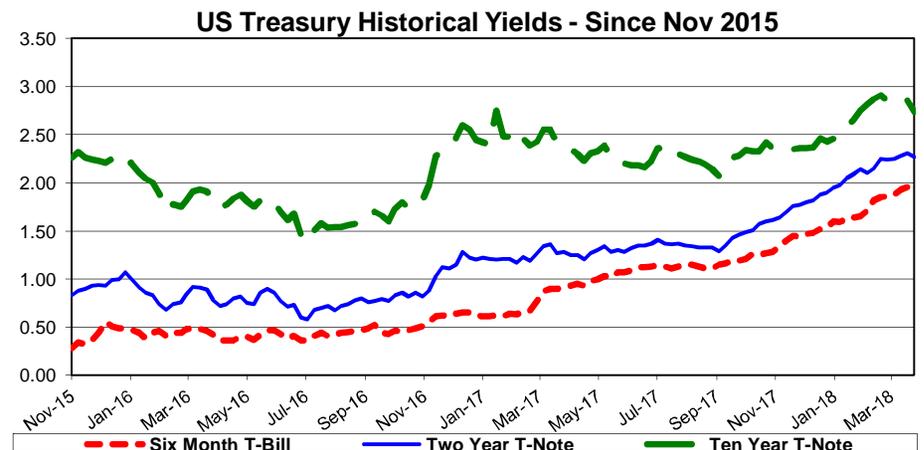
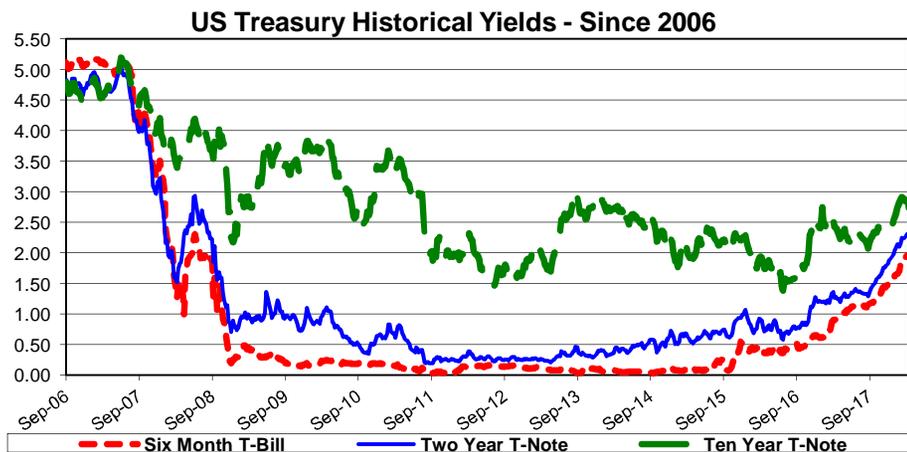
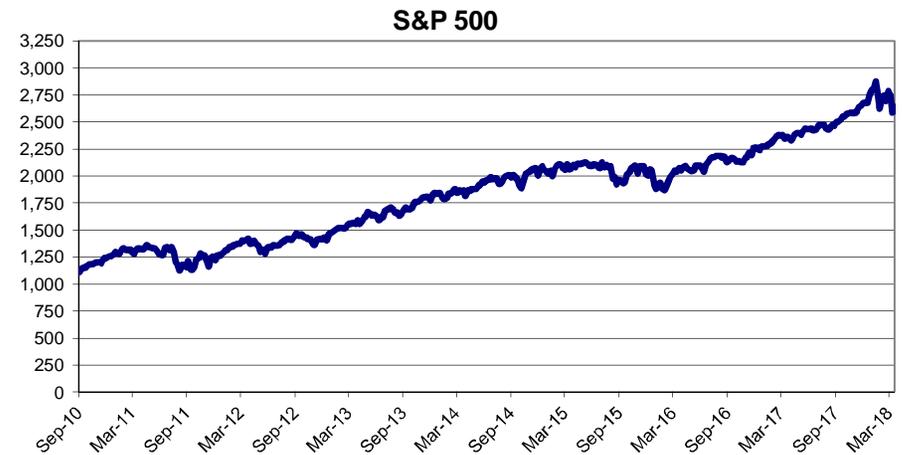
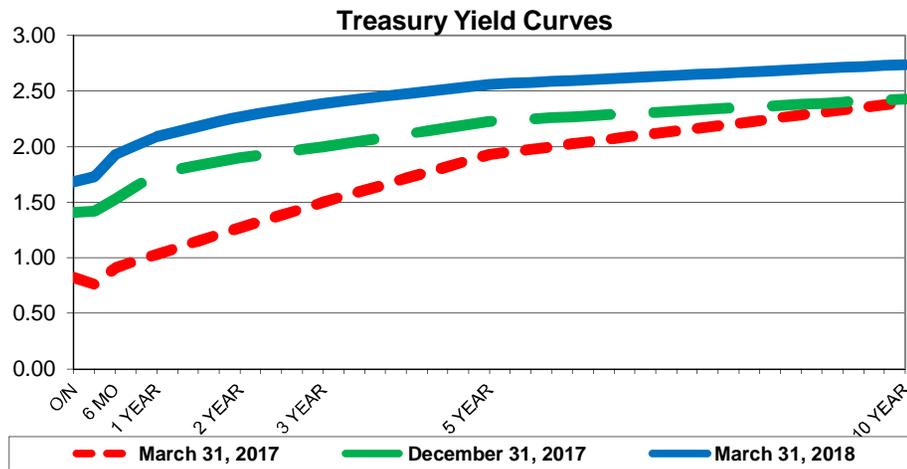
Total Portfolio	1.43%
Rolling Three Mo. Treas. Yield	1.40%
Rolling Six Mo. Treas. Yield	1.42%
Quarterly TexPool Yield	1.35%

Quarterly Interest Income	\$ 140,434
Year-to-date Interest Income	\$ 266,814

(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) increased the Fed Funds target range 0.25% to 1.50% - 1.75% (Effective Fed Funds are trading +/-1.68%). Two to three additional increases are projected for 2018 (although subject to economic activity). Gradual portfolio reduction continues by limiting reinvestment of maturing holdings. Fourth Quarter 2017 GDP measured 2.9% (third/final estimate). February Non Farm Payroll data jumped +313k (well above the expected +205k). The Three Month Average increased to +242k. World events raised some uncertainty (Korea, Russia, Middle East). WTI Crude oil maintained +/- \$65. The Stock Markets waffled 5% to 10% below recent highs. The post-FOMC meeting press release pointed to continuing and frequent rate increases.



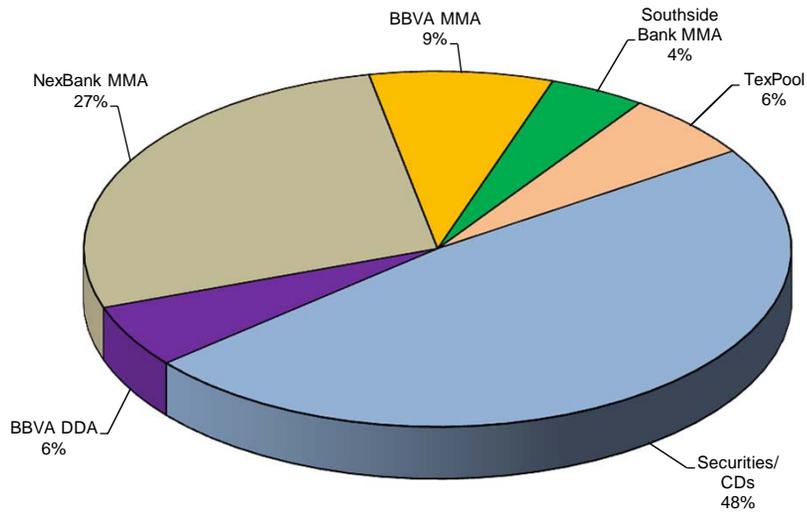
Investment Holdings
March 31, 2018

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
BBVA DDA		0.13%	04/01/18	03/31/18	\$ 2,342,039	\$ 2,342,039	1.00	\$ 2,342,039	1	0.13%
BBVA MMA		0.65%	04/01/18	03/31/18	3,441,069	3,441,069	1.00	3,441,069	1	0.65%
Southside Bank MMA		1.84%	04/01/18	03/31/18	1,798,373	1,798,373	1.00	1,798,373	1	1.84%
NexBank MMA		1.93%	04/01/18	03/31/18	11,168,947	11,168,947	1.00	11,168,947	1	1.93%
TexPool	AAAm	1.52%	04/01/18	03/31/18	2,475,770	2,475,770	1.00	2,475,770	1	1.52%
LegacyTexas Bank CD		1.10%	06/11/18	06/10/16	2,039,915	2,039,915	100	2,039,915	72	1.10%
East West Bank CD		1.97%	08/21/18	02/21/18	1,002,107	1,002,107	100	1,002,107	143	1.97%
Southside Bank CD		1.32%	10/15/18	04/14/17	2,019,956	2,019,956	100	2,019,956	198	1.32%
East West Bank CD		2.03%	11/21/18	02/21/18	1,002,171	1,002,171	100	1,002,171	235	2.03%
LegacyTexas Bank CD		1.40%	01/25/19	01/25/17	3,049,159	3,049,159	100	3,049,159	300	1.40%
East West Bank CD		2.08%	02/21/19	02/21/18	1,002,225	1,002,225	100	1,002,225	327	2.08%
Southside Bank CD		1.50%	04/15/19	04/14/17	2,022,688	2,022,688	100	2,022,688	380	1.50%
BBVA Compass Bank CD		1.50%	05/12/19	05/12/17	3,040,017	3,040,017	100	3,040,017	407	1.50%
East West Bank CD		2.14%	05/21/19	02/21/18	1,002,289	1,002,289	100	1,002,289	416	2.14%
Lubbock National Bank CD		1.75%	07/13/19	07/13/17	3,540,986	3,540,986	100	3,540,986	469	1.75%
Total					\$ 40,947,712	\$ 40,947,712		\$ 40,947,712	153	1.52%
									(1)	(2)

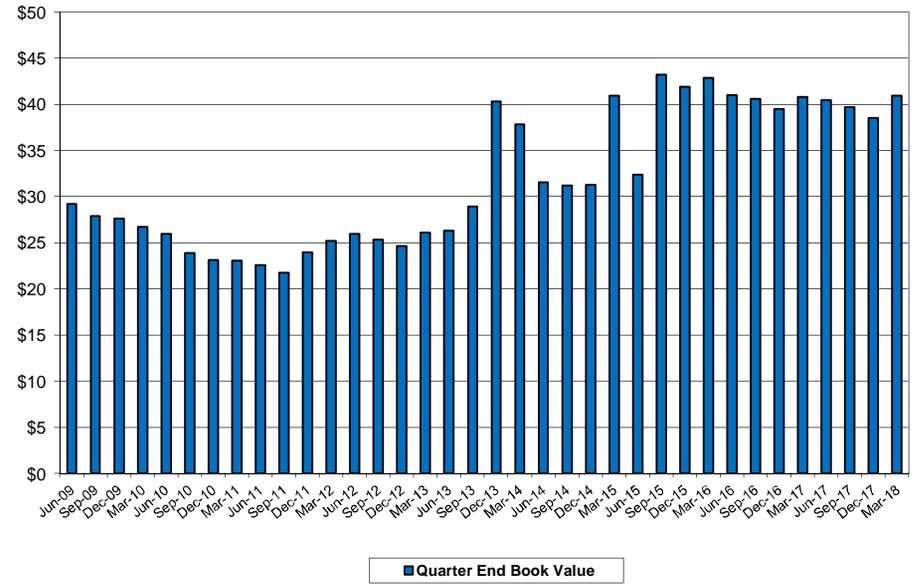
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

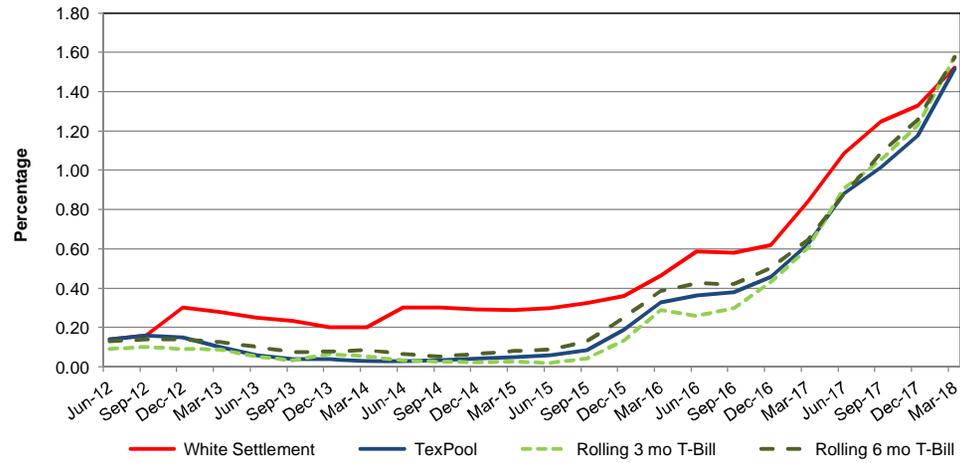
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2017			March 31, 2018		
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Par Value	Book Value
BBVA DDA	0.13%	04/01/18	\$ 2,639,382	\$ 2,639,382	\$ -	\$ (297,342)	\$ 2,342,039	\$ 2,342,039
BBVA MMA	0.65%	04/01/18	1,836,578	1,836,578	1,604,491		3,441,069	3,441,069
Southside Bank MMA	1.84%	04/01/18	1,791,440	1,791,440	6,933		1,798,373	1,798,373
NexBank MMA	1.93%	04/01/18	11,121,076	11,121,076	47,871		11,168,947	11,168,947
TexPool	1.52%	04/01/18	5,461,827	5,461,827		(2,986,057)	2,475,770	2,475,770
BBVA Compass Bank CD	1.05%	03/02/18	1,032,000	1,032,000		(1,032,000)	-	-
LegacyTexas Bank CD	1.10%	06/11/18	2,033,289	2,033,289	6,626		2,039,915	2,039,915
East West Bank CD	1.97%	08/21/18	-	-	1,002,107		1,002,107	1,002,107
Southside Bank CD	1.32%	10/15/18	2,013,258	2,013,258	6,698		2,019,956	2,019,956
East West Bank CD	2.03%	11/21/18	-	-	1,002,171		1,002,171	1,002,171
LegacyTexas Bank CD	1.40%	01/25/19	3,038,657	3,038,657	10,502		3,049,159	3,049,159
East West Bank CD	2.08%	02/21/19	-	-	1,002,225		1,002,225	1,002,225
Southside Bank CD	1.50%	04/15/19	2,015,069	2,015,069	7,619		2,022,688	2,022,688
BBVA Compass Bank CD	1.50%	05/12/19	3,028,815	3,028,815	11,202		3,040,017	3,040,017
East West Bank CD	2.14%	05/21/19	-	-	1,002,289		1,002,289	1,002,289
Lubbock National Bank CD	1.75%	07/13/19	3,525,750	3,525,750	15,236		3,540,986	3,540,986
TOTAL			\$ 39,537,141	\$ 39,537,141	\$ 5,725,970	\$ (4,315,399)	\$ 40,947,712	\$ 40,947,712

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2017		Qtr to Qtr Change	March 31, 2018	
			Par Value	Market Value		Par Value	Market Value
BBVA DDA	0.13%	04/01/18	\$ 2,639,382	\$ 2,639,382	\$ (297,342)	\$ 2,342,039	\$ 2,342,039
BBVA MMA	0.65%	04/01/18	1,836,578	1,836,578	1,604,491	3,441,069	3,441,069
Southside Bank MMA	1.84%	04/01/18	1,791,440	1,791,440	6,933	1,798,373	1,798,373
NexBank MMA	1.93%	04/01/18	11,121,076	11,121,076	47,871	11,168,947	11,168,947
TexPool	1.52%	04/01/18	5,461,827	5,461,827	(2,986,057)	2,475,770	2,475,770
BBVA Compass Bank CD	1.05%	03/02/18	1,032,000	1,032,000	(1,032,000)	-	-
LegacyTexas Bank CD	1.10%	06/11/18	2,033,289	2,033,289	6,626	2,039,915	2,039,915
East West Bank CD	1.97%	08/21/18	-	-	1,002,107	1,002,107	1,002,107
Southside Bank CD	1.32%	10/15/18	2,013,258	2,013,258	6,698	2,019,956	2,019,956
East West Bank CD	2.03%	11/21/18	-	-	1,002,171	1,002,171	1,002,171
LegacyTexas Bank CD	1.40%	01/25/19	3,038,657	3,038,657	10,502	3,049,159	3,049,159
East West Bank CD	2.08%	02/21/19	-	-	1,002,225	1,002,225	1,002,225
Southside Bank CD	1.50%	04/15/19	2,015,069	2,015,069	7,619	2,022,688	2,022,688
BBVA Compass Bank CD	1.50%	05/12/19	3,028,815	3,028,815	11,202	3,040,017	3,040,017
East West Bank CD	2.14%	05/21/19	-	-	1,002,289	1,002,289	1,002,289
Lubbock National Bank CD	1.75%	07/13/19	3,525,750	3,525,750	15,236	3,540,986	3,540,986
TOTAL			\$ 39,537,141	\$ 39,537,141	\$ 1,410,571	\$ 40,947,712	\$ 40,947,712

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

**Allocation By Fund
December 31, 2017**

Book and Market Value	Totals	Pooled Cash	GF Oil & Gas Reserves	Utility Debt Service I&S	Utility Debt Reserve
BBVA DDA	\$ 2,639,382	\$ 2,639,382	\$ -	\$ -	\$ -
BBVA MMA	1,836,578	1,836,578			
Southside Bank MMA	1,791,440	1,791,440			
NexBank MMA	11,121,076	11,121,076			
TexPool	5,461,827	705,487	379,606	4,273,373	103,361
03/02/18–BBVA Compass Bank CD	1,032,000	1,032,000			
06/11/18–LegacyTexas Bank CD	2,033,289	2,033,289			
10/15/18–Southside Bank CD	2,013,258	2,013,258			
01/25/19–LegacyTexas Bank CD	3,038,657	3,038,657			
04/15/19–Southside Bank CD	2,015,069	2,015,069			
05/12/19–BBVA Compass Bank CD	3,028,815	3,028,815			
07/13/19–Lubbock National Bank CD	3,525,750	3,525,750			
Total	\$ 39,537,141	\$ 34,780,801	\$ 379,606	\$ 4,273,373	\$ 103,361