



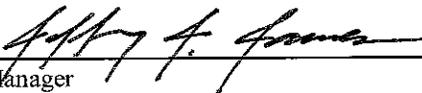
QUARTERLY INVESTMENT REPORT
For the Quarter Ended

September 30, 2018

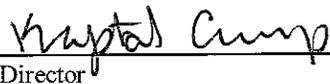
Prepared by

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.

Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

Asset Type	September 30, 2017			September 30, 2018		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank/MMA	1.11%	\$ 23,088,482	\$ 23,088,482	2.04%	\$ 21,251,093	\$ 21,251,093
Securities/CDs	1.44%	16,629,678	16,629,678	1.83%	20,358,957	20,358,957
Totals		39,718,161	39,718,161		41,610,050	41,610,050

Fourth Quarter-End Yield **1.25%** **1.93%**

Average Quarter-End Yields (1):

	2017 Fiscal Year	2018 Fiscal Year
White Settlement	0.94%	1.66%
Rolling Three Month Treasury	0.75%	1.69%
Rolling Six Month Treasury	0.78%	1.73%
TexPool	0.74%	1.62%
Fiscal YTD interest earnings	\$ 354,509	\$ 620,733

(1) Average Quarterly Yield calculated using quarter-end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2018		September 30, 2018		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 19,243,296	\$ 19,243,296	\$ 21,251,093	\$ 21,251,093	2.04%
Securities/CDs	21,321,015	21,321,015	20,358,957	20,358,957	1.83%
Totals	\$ 40,564,311	\$ 40,564,311	\$ 41,610,050	\$ 41,610,050	

Quarter End Average Yield (1)

Total Portfolio	1.93%
Rolling Three Mo. Treas. Yield	2.08%
Rolling Six Mo. Treas. Yield	2.15%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	1.66%
Rolling Three Mo. Treas. Yield	1.69%
Rolling Six Mo. Treas. Yield	1.73%
Quarterly TexPool Yield	1.62%

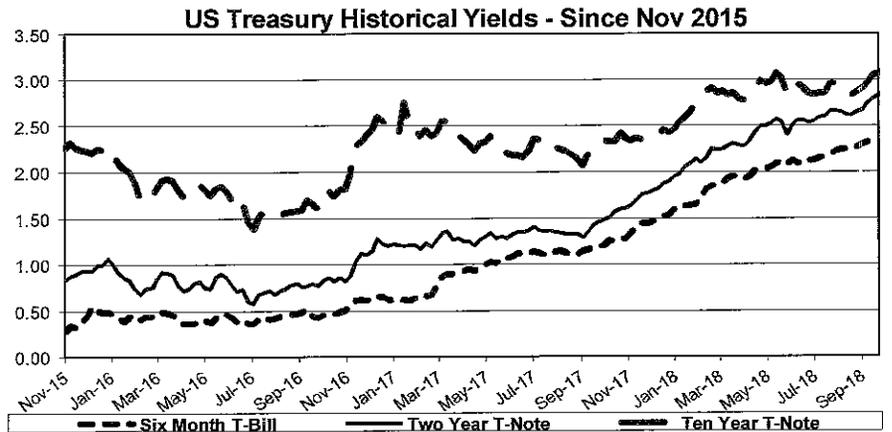
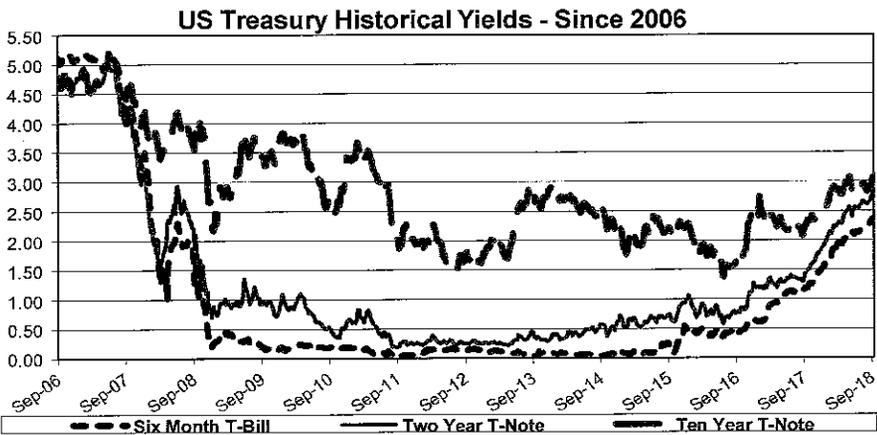
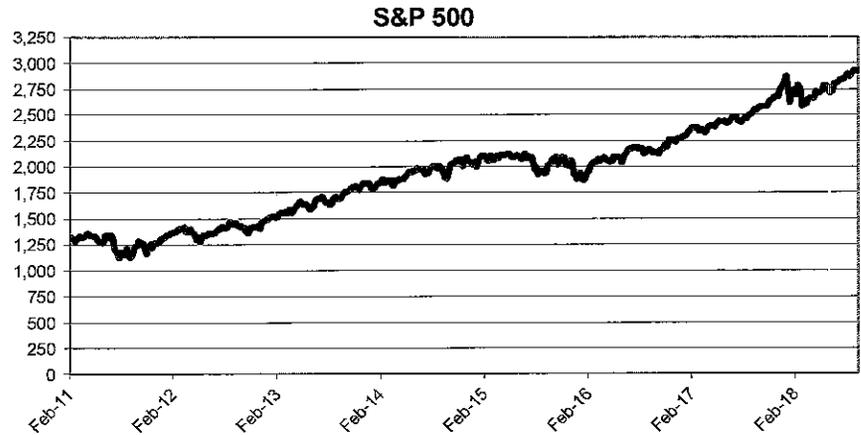
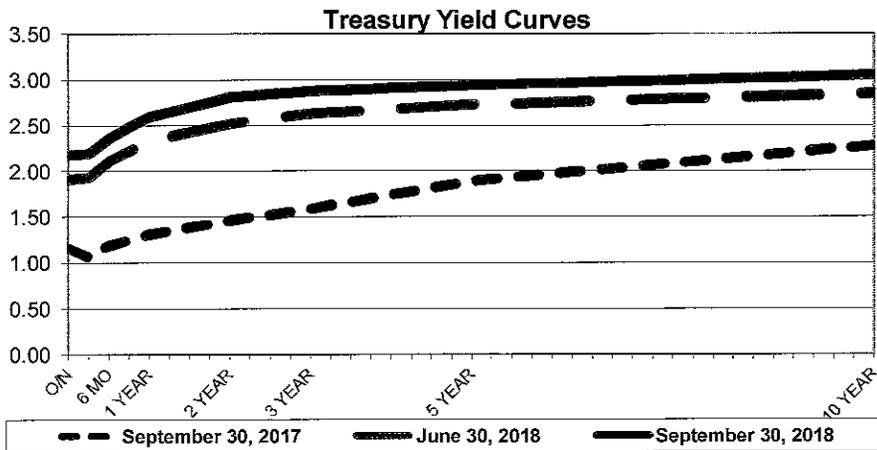
Interest Revenue

Quarterly Interest Income	\$ 212,658
Year-to-date Interest Income	\$ 620,733

(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 to 2.00% - 2.25% (Effective Fed Funds are trading +/-2.18%). Additional range increases are still projected for Dec 2018 and 2019. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings. Second Quarter grew 4.2% (final estimate). Employment/ Unemployment continues to strong levels. WTI Crude oil increased above +/- \$70. The Stock Markets reached new highs. Consumer Confidence is strong. Personal Income is improving. The flattening yield curve may or may not impact long range FOMC actions.



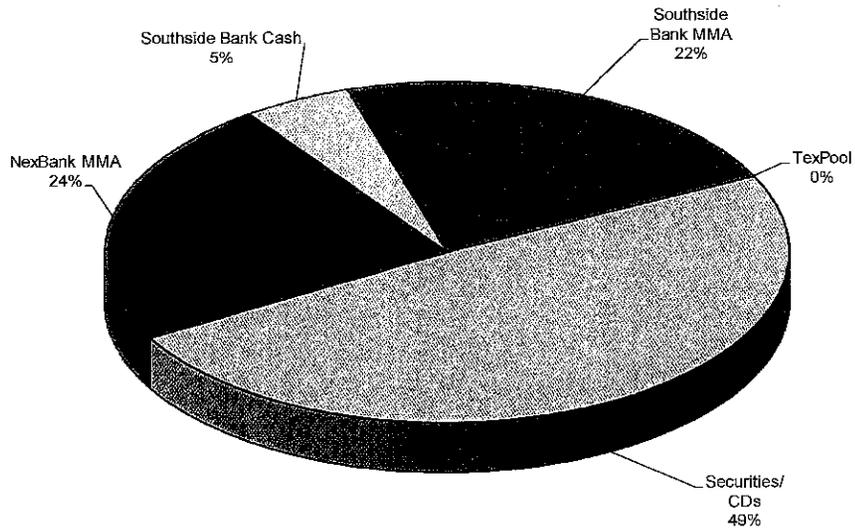
**Investment Holdings
September 30, 2018**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.53%	10/01/18	09/30/18	\$ 2,140,705	\$ 2,140,705	1.00	\$ 2,140,705	1	0.53%
Southside Bank MMA		2.19%	10/01/18	09/30/18	9,336,282	9,336,282	1.00	9,336,282	1	2.19%
NexBank MMA		2.22%	10/01/18	09/30/18	9,772,480	9,772,480	1.00	9,772,480	1	2.22%
TexPool	AAAm	2.00%	10/01/18	09/30/18	1,627	1,627	1.00	1,627	1	2.00%
Southside Bank CD		1.32%	10/15/18	04/14/17	2,033,200	2,033,200	100	2,033,200	15	1.32%
East West Bank CD		2.03%	11/21/18	02/21/18	1,012,423	1,012,423	100	1,012,423	52	2.03%
LegacyTexas Bank CD		1.40%	01/25/19	01/25/17	3,070,742	3,070,742	100	3,070,742	117	1.40%
East West Bank CD		2.08%	02/21/19	02/21/18	1,012,731	1,012,731	100	1,012,731	144	2.08%
Southside Bank CD		1.50%	04/15/19	04/14/17	2,037,761	2,037,761	100	2,037,761	197	1.50%
BBVA Compass Bank CD		1.50%	05/12/19	05/12/17	3,045,338	3,045,338	100	3,045,338	224	1.50%
East West Bank CD		2.14%	05/21/19	02/21/18	1,018,364	1,018,364	100	1,018,364	233	2.14%
East West Bank CD		2.68%	06/14/19	09/14/18	1,501,873	1,501,873	100	1,501,873	257	2.68%
Lubbock National Bank CD		1.75%	07/13/19	07/13/17	3,567,076	3,567,076	100	3,567,076	286	1.75%
LegacyTexas Bank CD		2.90%	06/12/20	06/13/18	2,059,448	2,059,448	100	2,059,448	621	2.90%
Total					\$ 41,610,050	\$ 41,610,050		\$ 41,610,050	111	1.93%
									(1)	(2)

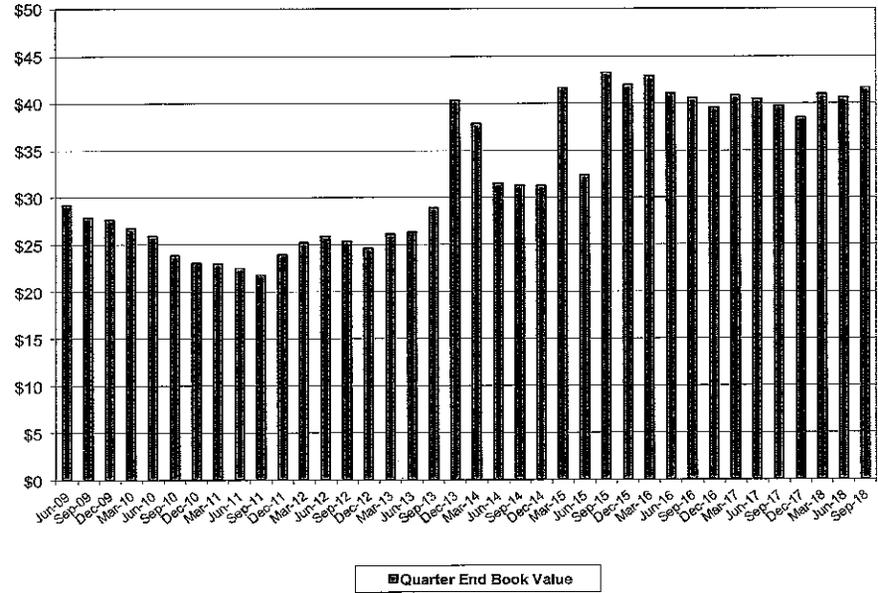
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

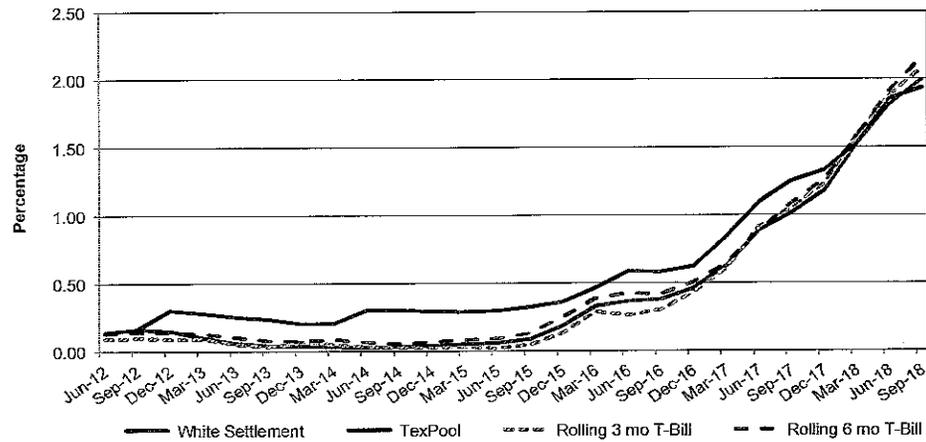
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2018			September 30, 2018		
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Par Value	Book Value
BBVA DDA	0.00%	10/01/18	\$ 144,808	\$ 144,808	\$ -	\$ (144,808)	\$ -	\$ -
Southside Bank Cash	0.53%	10/01/18	1,445,765	1,445,765	694,940		2,140,705	2,140,705
BBVA MMA	0.00%	10/01/18	-	-			-	-
Southside Bank MMA	2.19%	10/01/18	7,931,967	7,931,967	1,404,315		9,336,282	9,336,282
NexBank MMA	2.22%	10/01/18	9,719,137	9,719,137	53,342		9,772,480	9,772,480
TexPool	2.00%	10/01/18	1,619	1,619	8		1,627	1,627
East West Bank CD	1.97%	08/21/18	1,007,041	1,007,041		(1,007,041)	-	-
BBVA Compass Bank CD	2.08%	09/12/18	1,528,566	1,528,566		(1,528,566)	-	-
Southside Bank CD	1.32%	10/15/18	2,026,531	2,026,531	6,669		2,033,200	2,033,200
East West Bank CD	2.03%	11/21/18	1,007,256	1,007,256	5,167		1,012,423	1,012,423
LegacyTexas Bank CD	1.40%	01/25/19	3,059,932	3,059,932	10,810		3,070,742	3,070,742
East West Bank CD	2.08%	02/21/19	1,007,436	1,007,436	5,295		1,012,731	1,012,731
Southside Bank CD	1.50%	04/15/19	2,030,169	2,030,169	7,592		2,037,761	2,037,761
BBVA Compass Bank CD	1.50%	05/12/19	3,045,338	3,045,338			3,045,338	3,045,338
East West Bank CD	2.14%	05/21/19	1,012,914	1,012,914	5,450		1,018,364	1,018,364
East West Bank CD	2.68%	06/14/19	-	-	1,501,873		1,501,873	1,501,873
Lubbock National Bank CD	1.75%	07/13/19	3,551,365	3,551,365	15,711		3,567,076	3,567,076
LegacyTexas Bank CD	2.90%	06/12/20	2,044,467	2,044,467	14,981		2,059,448	2,059,448
TOTAL			\$ 40,564,311	\$ 40,564,311	\$ 3,726,155	\$ (2,680,415)	\$ 41,610,050	\$ 41,610,050

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2018		Qtr to Qtr Change	September 30, 2018	
			Par Value	Market Value		Par Value	Market Value
BBVA DDA	0.00%	10/01/18	\$ 144,808	\$ 144,808	\$ (144,808)	\$ -	\$ -
Southside Bank Cash	0.53%	10/01/18	1,445,765	1,445,765	694,940	2,140,705	2,140,705
BBVA MMA	0.00%	10/01/18	-	-	-	-	-
Southside Bank MMA	2.19%	10/01/18	7,931,967	7,931,967	1,404,315	9,336,282	9,336,282
NexBank MMA	2.22%	10/01/18	9,719,137	9,719,137	53,342	9,772,480	9,772,480
TexPool	2.00%	10/01/18	1,619	1,619	8	1,627	1,627
East West Bank CD	1.97%	08/21/18	1,007,041	1,007,041	(1,007,041)	-	-
BBVA Compass Bank CD	2.08%	09/12/18	1,528,566	1,528,566	(1,528,566)	-	-
Southside Bank CD	1.32%	10/15/18	2,026,531	2,026,531	6,669	2,033,200	2,033,200
East West Bank CD	2.03%	11/21/18	1,007,256	1,007,256	5,167	1,012,423	1,012,423
LegacyTexas Bank CD	1.40%	01/25/19	3,059,932	3,059,932	10,810	3,070,742	3,070,742
East West Bank CD	2.08%	02/21/19	1,007,436	1,007,436	5,295	1,012,731	1,012,731
Southside Bank CD	1.50%	04/15/19	2,030,169	2,030,169	7,592	2,037,761	2,037,761
BBVA Compass Bank CD	1.50%	05/12/19	3,045,338	3,045,338	-	3,045,338	3,045,338
East West Bank CD	2.14%	05/21/19	1,012,914	1,012,914	5,450	1,018,364	1,018,364
East West Bank CD	2.68%	06/14/19	-	-	1,501,873	1,501,873	1,501,873
Lubbock National Bank CD	1.75%	07/13/19	3,551,365	3,551,365	15,711	3,567,076	3,567,076
LegacyTexas Bank CD	2.90%	06/12/20	2,044,467	2,044,467	14,981	2,059,448	2,059,448
TOTAL			\$ 40,564,311	\$ 40,564,311	\$ 1,045,739	\$ 41,610,050	\$ 41,610,050

**Allocation By Fund
September 30, 2018**

Book and Market Value	Totals	Pooled Cash
BBVA DDA	\$ -	\$ -
Southside Bank Cash	2,140,705	2,140,705
Southside Bank MMA	9,336,282	9,336,282
NexBank MMA	9,772,480	9,772,480
TexPool	1,627	1,627
10/15/18–Southside Bank CD	2,033,200	2,033,200
11/21/18–East West Bank CD	1,012,423	1,012,423
01/25/19–LegacyTexas Bank CD	3,070,742	3,070,742
02/21/19–East West Bank CD	1,012,731	1,012,731
04/15/19–Southside Bank CD	2,037,761	2,037,761
05/12/19–BBVA Compass Bank CD	3,045,338	3,045,338
05/21/19–East West Bank CD	1,018,364	1,018,364
06/14/19–East West Bank CD	1,501,873	1,501,873
07/13/19–Lubbock National Bank CD	3,567,076	3,567,076
06/12/20–LegacyTexas Bank CD	2,059,448	2,059,448
Total	\$ 41,610,050	\$ 41,610,050

Allocation By Fund
June 30, 2018

Book and Market Value	Totals	Pooled Cash
BBVA DDA \$	144,808	\$ 144,808
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
09/12/18–BBVA Compass Bank CD	1,528,566	1,528,566
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	\$ 40,564,311	\$ 40,564,311