



**QUARTERLY INVESTMENT REPORT**  
**For the Quarter Ended**

**June 30, 2019**

**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	March 31, 2019		June 30, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 21,915,462	\$ 21,915,462	\$ 21,976,518	\$ 21,976,518	2.48%
Securities/CDs	24,459,878	24,459,878	23,926,760	23,926,760	2.60%
<b>Totals</b>	<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>	<b>\$ 45,903,277</b>	<b>\$ 45,903,277</b>	

#### Quarter End Average Yield (1)

Total Portfolio	2.54%
Rolling Three Month Treasury	2.36%
Rolling Six Month Treasury	2.43%

#### Fiscal Year-to-Date Average Yield (2)

Total Portfolio	2.43%
Rolling Three Month Treasury	2.39%
Rolling Six Month Treasury	2.44%
Quarterly TexPool Yield	2.36%

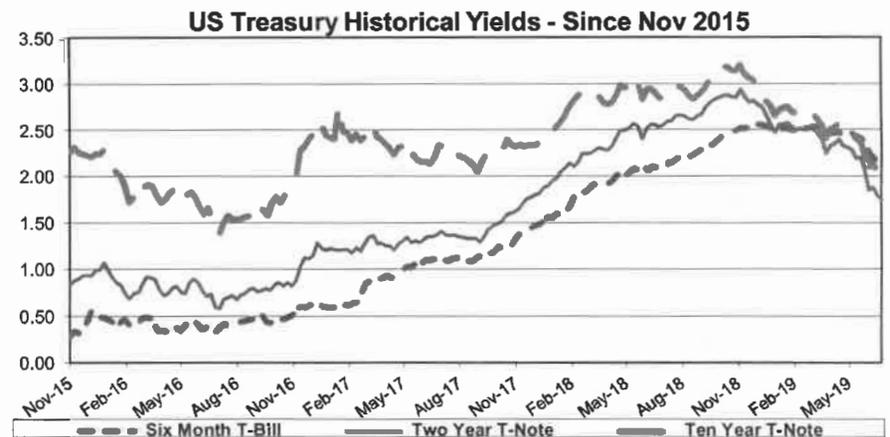
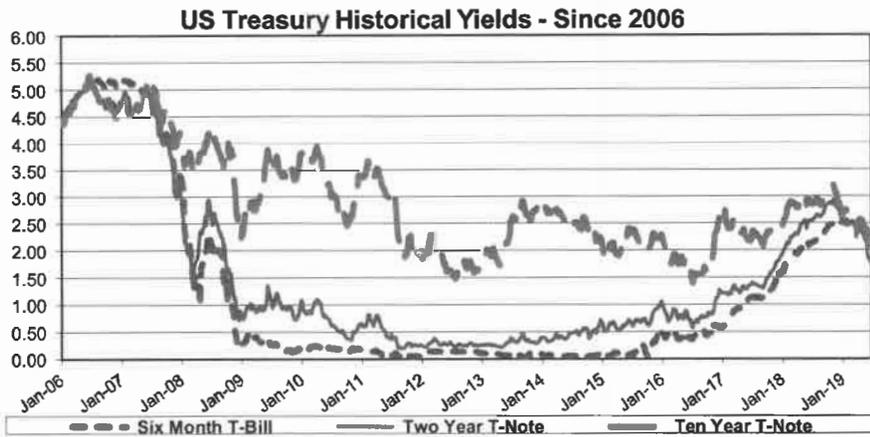
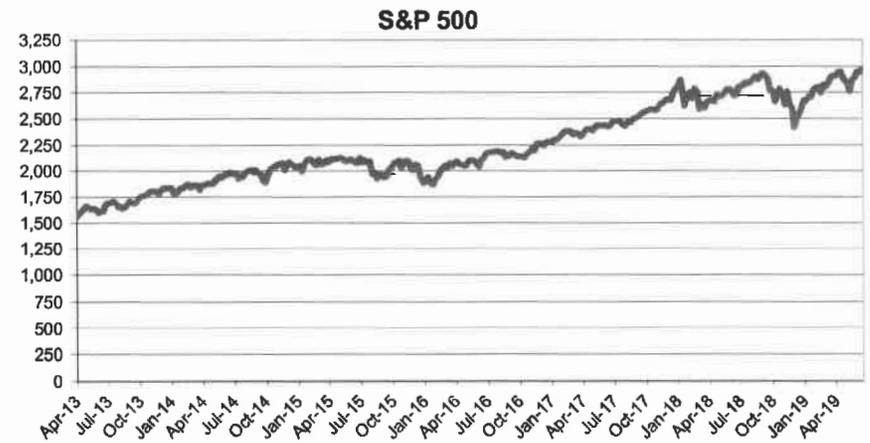
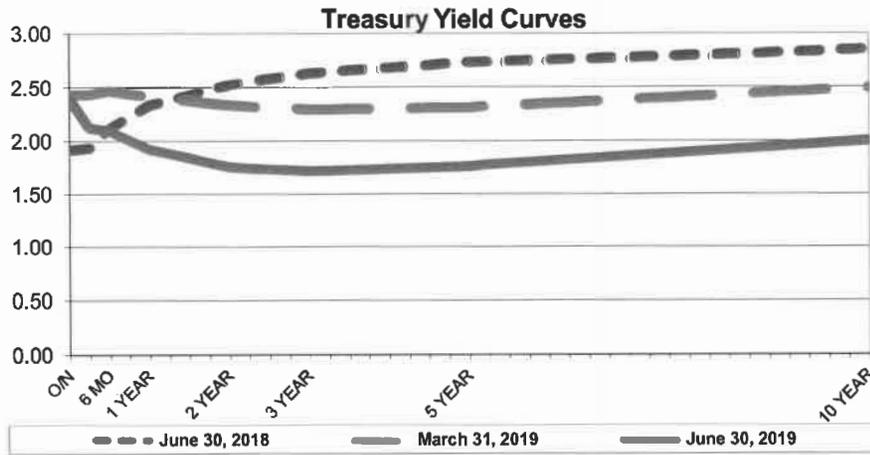
#### Interest Revenue

Quarterly Interest Income	\$ 281,329
Year-to-date Interest Income	\$ 784,882

(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) maintained the Fed Funds target range 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The Futures Market projects multiple decreases beginning later this summer. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. May Non Farm Payroll only generated 75,000 new jobs, lowering the three month rolling average to 151k. Crude oil bounced up and down this spring around +/- \$60. The Stock Markets reached new highs. Overall economic activity, including housing, remains mostly favorable but mixed. The inverted Yield Curve continues towards lower yields.



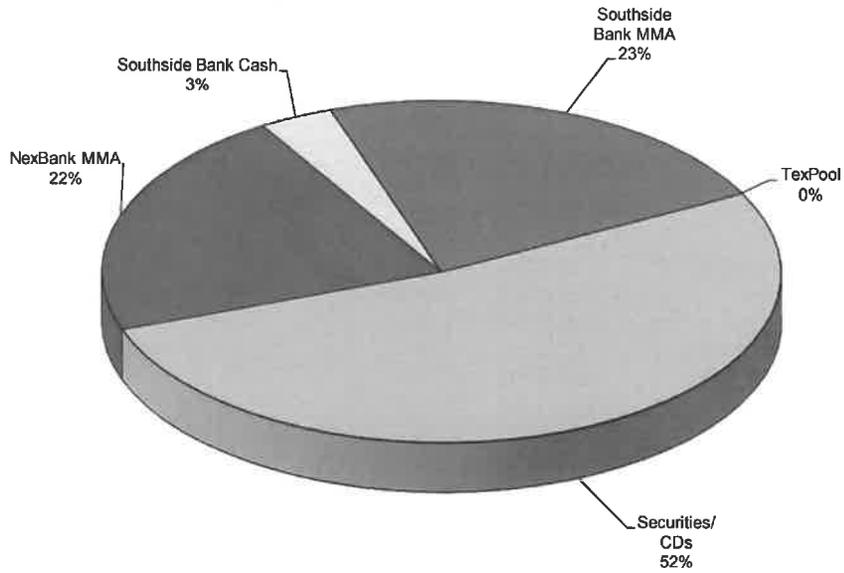
**Investment Holdings**  
**June 30, 2019**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.50%	07/01/19	06/30/19	\$ 1,621,862	\$ 1,621,862	1.00	\$ 1,621,862	1	0.50%
Southside Bank MMA		2.61%	07/01/19	06/30/19	10,389,657	10,389,657	1.00	10,389,657	1	2.61%
NexBank MMA		2.66%	07/01/19	06/30/19	9,963,343	9,963,343	1.00	9,963,343	1	2.66%
TexPool	AAAm	2.38%	07/01/19	06/30/19	1,656	1,656	1.00	1,656	1	2.38%
Lubbock National Bank CD		1.75%	07/13/19	07/13/17	3,619,371	3,619,371	100	3,619,371	13	1.76%
East West Bank CD		2.83%	10/17/19	10/17/18	1,020,125	1,020,125	100	1,020,125	109	2.87%
East West Bank CD		2.83%	10/17/19	10/17/18	1,020,125	1,020,125	100	1,020,125	109	2.87%
East West Bank CD		2.70%	10/25/19	01/25/19	1,011,681	1,011,681	100	1,011,681	117	2.74%
East West Bank CD		2.85%	11/28/19	11/28/18	1,016,929	1,016,929	100	1,016,929	151	2.89%
East West Bank CD		2.74%	01/27/20	01/25/19	1,011,855	1,011,855	100	1,011,855	211	2.78%
East West Bank CD		2.89%	02/28/20	11/28/18	1,017,168	1,017,168	100	1,017,168	243	2.93%
East West Bank CD		2.94%	04/17/20	10/17/18	1,020,916	1,020,916	100	1,020,916	292	2.98%
East West Bank CD		2.94%	04/17/20	10/17/18	1,020,916	1,020,916	100	1,020,916	292	2.98%
East West Bank CD		2.66%	05/21/20	02/21/19	1,030,736	1,030,736	100	1,030,736	326	2.70%
LegacyTexas Bank CD		2.90%	06/12/20	06/13/18	2,104,551	2,104,551	100	2,104,551	348	2.94%
BTH Bank CDARS		2.60%	07/23/20	04/25/19	1,004,784	1,004,784	100	1,004,784	389	2.60%
BBVA Compass Bank CD		2.54%	08/13/20	05/13/19	1,002,160	1,002,160	100	1,002,160	410	2.57%
LegacyTexas Bank CD		2.78%	10/26/20	01/25/19	1,011,554	1,011,554	100	1,011,554	484	2.82%
BTH Bank CDARS		2.62%	01/21/21	04/25/19	1,004,821	1,004,821	100	1,004,821	571	2.65%
LegacyTexas Bank CD		2.48%	02/12/21	05/14/19	1,002,106	1,002,106	100	1,002,106	593	2.51%
BTH Bank CDARS		2.63%	04/21/21	04/25/19	1,004,839	1,004,839	100	1,004,839	661	2.66%
LegacyTexas Bank CD		2.50%	05/14/21	05/14/19	1,002,123	1,002,123	100	1,002,123	684	2.53%
Security State B&T CD		2.45%	06/26/21	06/26/19	2,000,000	2,000,000	100	2,000,000	727	2.48%
<b>Total</b>					<b>\$ 45,903,277</b>	<b>\$ 45,903,277</b>		<b>\$ 45,903,277</b>	<b>173</b>	<b>2.54%</b>
									<b>(1)</b>	<b>(2)</b>

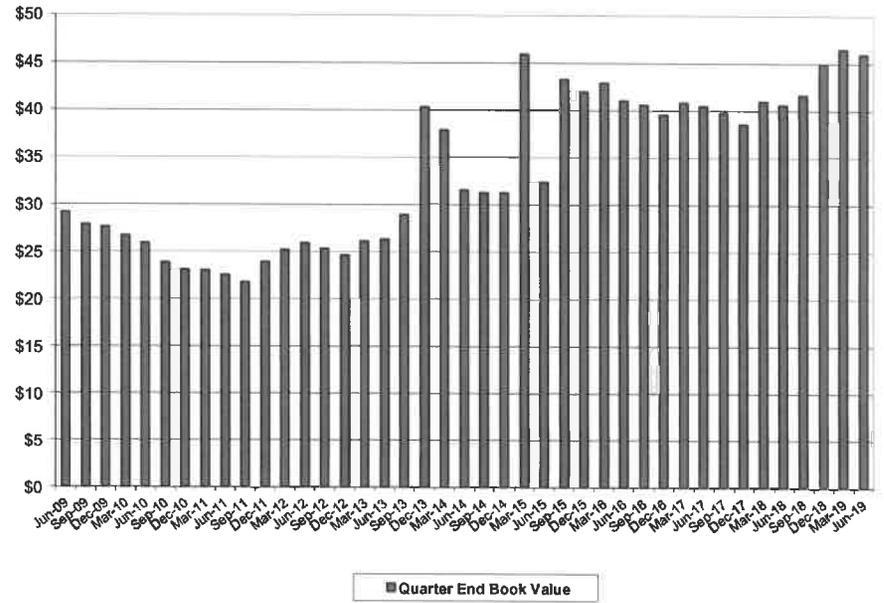
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

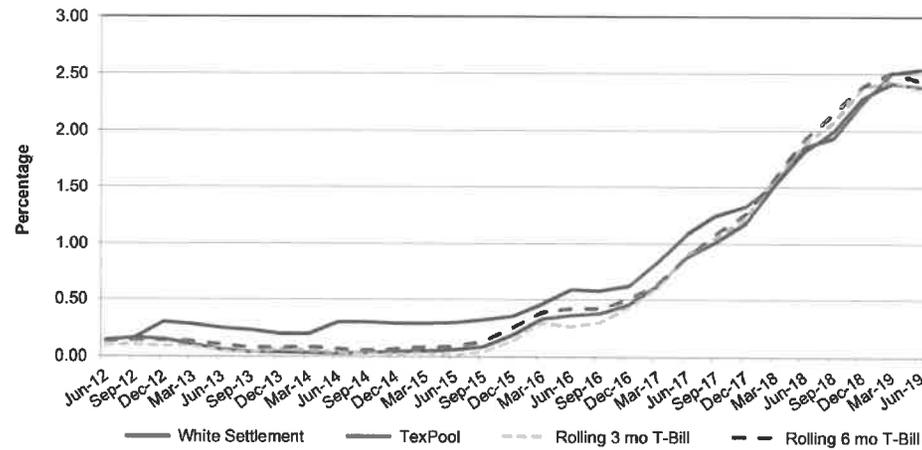
**Portfolio Composition**



**Total Portfolio (Millions)**



**Total Portfolio Performance**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2019		Purchases/ Adjustments	Sales/Adjust/ Maturities	June 30, 2019	
			Par Value	Book Value			Par Value	Book Value
Southside Bank Cash	0.50%	07/01/19	\$ 2,362,312	\$ 2,362,312	\$ -	\$ (740,450)	\$ 1,621,862	\$ 1,621,862
Southside Bank MMA	2.61%	07/01/19	9,653,687	9,653,687	735,970		10,389,657	10,389,657
NexBank MMA	2.66%	07/01/19	9,897,817	9,897,817	65,527		9,963,343	9,963,343
TexPool	2.38%	07/01/19	1,646	1,646	10		1,656	1,656
Southside Bank CD	1.50%	04/15/19	2,053,199	2,053,199		(2,053,199)	-	-
East West Bank CD	2.60%	04/17/19	1,011,894	1,011,894		(1,011,894)	-	-
BBVA Compass Bank CD	1.50%	05/12/19	3,045,338	3,045,338		(3,045,338)	-	-
East West Bank CD	2.14%	05/21/19	1,023,969	1,023,969		(1,023,969)	-	-
East West Bank CD	2.68%	06/14/19	1,522,077	1,522,077		(1,522,077)	-	-
Lubbock National Bank CD	1.75%	07/13/19	3,603,452	3,603,452	15,918		3,619,371	3,619,371
East West Bank CD	2.83%	10/17/19	1,012,953	1,012,953	7,172		1,020,125	1,020,125
East West Bank CD	2.83%	10/17/19	1,012,953	1,012,953	7,172		1,020,125	1,020,125
East West Bank CD	2.70%	10/25/19	1,004,894	1,004,894	6,787		1,011,681	1,011,681
East West Bank CD	2.85%	11/28/19	1,009,729	1,009,729	7,200		1,016,929	1,016,929
East West Bank CD	2.74%	01/27/20	1,004,967	1,004,967	6,888		1,011,855	1,011,855
East West Bank CD	2.89%	02/28/20	1,009,866	1,009,866	7,302		1,017,168	1,017,168
East West Bank CD	2.94%	04/17/20	1,013,460	1,013,460	7,456		1,020,916	1,020,916
East West Bank CD	2.94%	04/17/20	1,013,460	1,013,460	7,456		1,020,916	1,020,916
East West Bank CD	2.66%	05/21/20	1,023,923	1,023,923	6,813		1,030,736	1,030,736
LegacyTexas Bank CD	2.90%	06/12/20	2,089,243	2,089,243	15,309		2,104,551	2,104,551
BTH Bank CDARS	2.60%	07/23/20	-	-	1,004,784		1,004,784	1,004,784
BBVA Compass Bank CD	2.54%	08/13/20	-	-	1,002,160		1,002,160	1,002,160
LegacyTexas Bank CD	2.78%	10/26/20	1,004,499	1,004,499	7,055		1,011,554	1,011,554
BTH Bank CDARS	2.62%	01/21/21	-	-	1,004,821		1,004,821	1,004,821
LegacyTexas Bank CD	2.48%	02/12/21	-	-	1,002,106		1,002,106	1,002,106
BTH Bank CDARS	2.63%	04/21/21	-	-	1,004,839		1,004,839	1,004,839
LegacyTexas Bank CD	2.50%	05/14/21	-	-	1,002,123		1,002,123	1,002,123
Security State B&T CD	2.45%	06/26/21	-	-	2,000,000		2,000,000	2,000,000
<b>TOTAL</b>			<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>	<b>\$ 8,924,866</b>	<b>\$ (9,396,928)</b>	<b>\$ 45,903,277</b>	<b>\$ 45,903,277</b>

## Market Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2019		Qtr to Qtr Change	June 30, 2019	
			Par Value	Market Value		Par Value	Market Value
Southside Bank Cash	0.50%	07/01/19	\$ 2,362,312	\$ 2,362,312	\$ (740,450)	\$ 1,621,862	\$ 1,621,862
Southside Bank MMA	2.61%	07/01/19	9,653,687	9,653,687	735,970	10,389,657	10,389,657
NexBank MMA	2.66%	07/01/19	9,897,817	9,897,817	65,527	9,963,343	9,963,343
TexPool	2.38%	07/01/19	1,646	1,646	10	1,656	1,656
Southside Bank CD	1.50%	04/15/19	2,053,199	2,053,199	(2,053,199)	—	—
East West Bank CD	2.60%	04/17/19	1,011,894	1,011,894	(1,011,894)	—	—
BBVA Compass Bank CD	1.50%	05/12/19	3,045,338	3,045,338	(3,045,338)	—	—
East West Bank CD	2.14%	05/21/19	1,023,969	1,023,969	(1,023,969)	—	—
East West Bank CD	2.68%	06/14/19	1,522,077	1,522,077	(1,522,077)	—	—
Lubbock National Bank CD	1.75%	07/13/19	3,603,452	3,603,452	15,918	3,619,371	3,619,371
East West Bank CD	2.83%	10/17/19	1,012,953	1,012,953	7,172	1,020,125	1,020,125
East West Bank CD	2.83%	10/17/19	1,012,953	1,012,953	7,172	1,020,125	1,020,125
East West Bank CD	2.70%	10/25/19	1,004,894	1,004,894	6,787	1,011,681	1,011,681
East West Bank CD	2.85%	11/28/19	1,009,729	1,009,729	7,200	1,016,929	1,016,929
East West Bank CD	2.74%	01/27/20	1,004,967	1,004,967	6,888	1,011,855	1,011,855
East West Bank CD	2.89%	02/28/20	1,009,866	1,009,866	7,302	1,017,168	1,017,168
East West Bank CD	2.94%	04/17/20	1,013,460	1,013,460	7,456	1,020,916	1,020,916
East West Bank CD	2.94%	04/17/20	1,013,460	1,013,460	7,456	1,020,916	1,020,916
East West Bank CD	2.66%	05/21/20	1,023,923	1,023,923	6,813	1,030,736	1,030,736
LegacyTexas Bank CD	2.90%	06/12/20	2,089,243	2,089,243	15,309	2,104,551	2,104,551
BTH Bank CDARS	2.60%	07/23/20	—	—	1,004,784	1,004,784	1,004,784
BBVA Compass Bank CD	2.54%	08/13/20	—	—	1,002,160	1,002,160	1,002,160
LegacyTexas Bank CD	2.78%	10/26/20	1,004,499	1,004,499	7,055	1,011,554	1,011,554
BTH Bank CDARS	2.62%	01/21/21	—	—	1,004,821	1,004,821	1,004,821
LegacyTexas Bank CD	2.48%	02/12/21	—	—	1,002,106	1,002,106	1,002,106
BTH Bank CDARS	2.63%	04/21/21	—	—	1,004,839	1,004,839	1,004,839
LegacyTexas Bank CD	2.50%	05/14/21	—	—	1,002,123	1,002,123	1,002,123
Security State B&T CD	2.45%	06/26/21	—	—	2,000,000	2,000,000	2,000,000
<b>TOTAL</b>			<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>	<b>\$ (472,062)</b>	<b>\$ 45,903,277</b>	<b>\$ 45,903,277</b>

