



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

**March 31, 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	December 31, 2018		March 31, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 20,491,909	\$ 20,491,909	\$ 21,915,462	\$ 21,915,462	2.65%
Securities/CDs	24,418,167	24,418,167	24,459,878	24,459,878	2.37%
<b>Totals</b>	<b>\$ 44,910,076</b>	<b>\$ 44,910,076</b>	<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>	

#### Quarter End Average Yield (1)

Total Portfolio	2.50%
Rolling Three Month Treasury	2.44%
Rolling Six Month Treasury	2.51%

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

Total Portfolio	2.37%
Rolling Three Month Treasury	2.41%
Rolling Six Month Treasury	2.45%
Quarterly TexPool Yield	2.35%

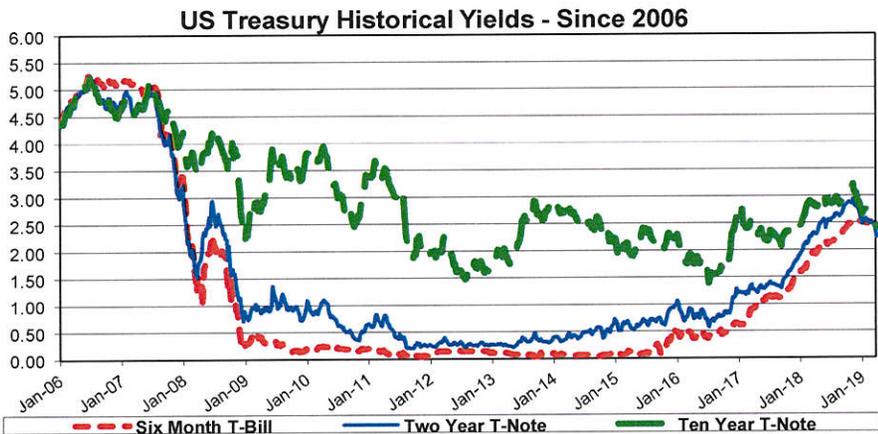
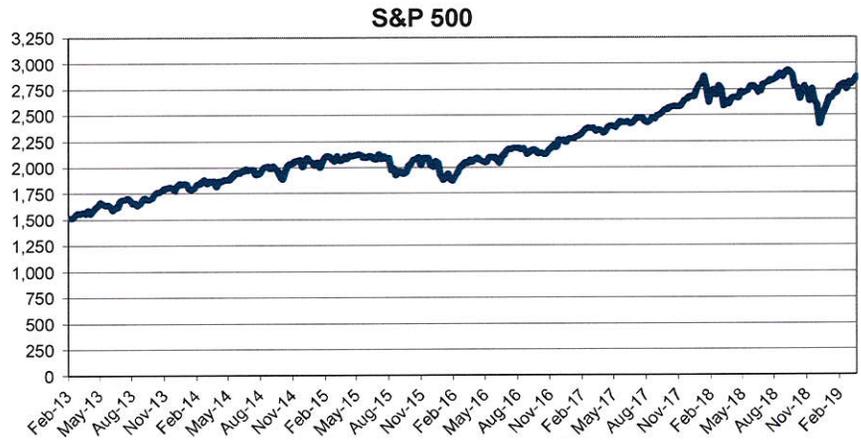
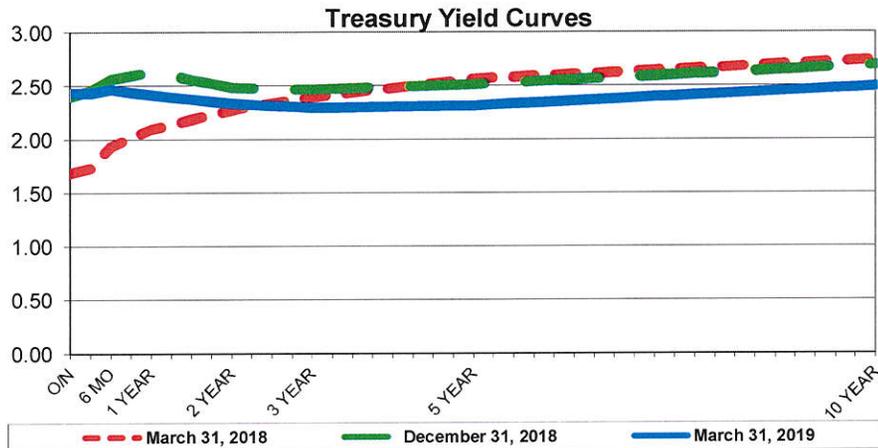
#### Interest Revenue

Quarterly Interest Income	\$ 266,488
Year-to-date Interest Income	\$ 503,553

(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 to 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The market projections now lean towards decreases late 2019 or early 2020. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. February Non Farm Payroll plunged to only 20,000 new jobs (although Dec and Jan were revised up slightly). Fourth quarter GDP registered 2.2% (final). Crude oil remained +/- \$55. The Stock Markets continued higher from December lows. Housing mostly mixed. The mid-maturity yield curve is lower and still sway-backed.



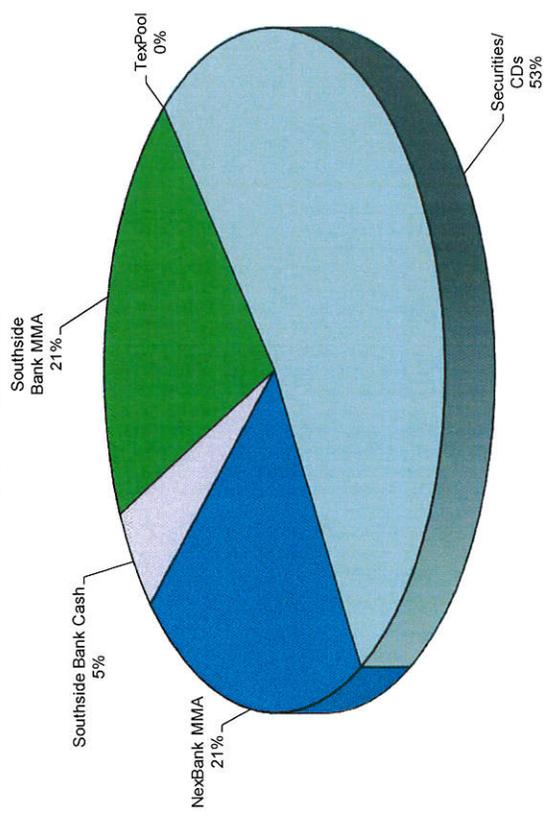
**Investment Holdings**  
**March 31, 2019**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		2.64%	04/01/19	03/31/19	\$ 2,362,312	\$ 2,362,312	1.00	\$ 2,362,312	1	2.64%
Southside Bank MMA		2.64%	04/01/19	03/31/19	9,653,687	9,653,687	1.00	9,653,687	1	2.64%
NexBank MMA		2.66%	04/01/19	03/31/19	9,897,817	9,897,817	1.00	9,897,817	1	2.66%
TexPool	AAAm	2.42%	04/01/19	03/31/19	1,646	1,646	1.00	1,646	1	2.42%
Southside Bank CD		1.50%	04/15/19	04/14/17	2,053,199	2,053,199	100	2,053,199	15	1.51%
East West Bank CD		2.60%	04/17/19	10/17/18	1,011,894	1,011,894	100	1,011,894	17	2.63%
BBVA Compass Bank CD		1.50%	05/12/19	05/12/17	3,045,338	3,045,338	100	3,045,338	42	1.51%
East West Bank CD		2.14%	05/21/19	02/21/18	1,023,969	1,023,969	100	1,023,969	51	2.16%
East West Bank CD		2.68%	06/14/19	09/14/18	1,522,077	1,522,077	100	1,522,077	75	2.72%
Lubbock National Bank CD		1.75%	07/13/19	07/13/17	3,603,452	3,603,452	100	3,603,452	104	1.76%
East West Bank CD		2.83%	10/17/19	10/17/18	1,012,953	1,012,953	100	1,012,953	200	2.87%
East West Bank CD		2.83%	10/17/19	10/17/18	1,012,953	1,012,953	100	1,012,953	200	2.87%
East West Bank CD		2.70%	10/25/19	01/25/19	1,004,894	1,004,894	100	1,004,894	208	2.74%
East West Bank CD		2.85%	11/28/19	11/28/18	1,009,729	1,009,729	100	1,009,729	242	2.89%
East West Bank CD		2.74%	01/27/20	01/25/19	1,004,967	1,004,967	100	1,004,967	302	2.78%
East West Bank CD		2.89%	02/28/20	11/28/18	1,009,866	1,009,866	100	1,009,866	334	2.93%
East West Bank CD		2.94%	04/17/20	10/17/18	1,013,460	1,013,460	100	1,013,460	383	2.98%
East West Bank CD		2.94%	04/17/20	10/17/18	1,013,460	1,013,460	100	1,013,460	383	2.98%
East West Bank CD		2.66%	05/21/20	02/21/19	1,023,923	1,023,923	100	1,023,923	417	2.70%
LegacyTexas Bank CD		2.90%	06/12/20	06/13/18	2,089,243	2,089,243	100	2,089,243	439	2.94%
LegacyTexas Bank CD		2.78%	10/26/20	01/25/19	1,004,499	1,004,499	100	1,004,499	575	2.82%
<b>Total</b>					<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>		<b>\$ 46,375,339</b>	<b>106</b>	<b>2.50%</b>
									<b>(1)</b>	<b>(2)</b>

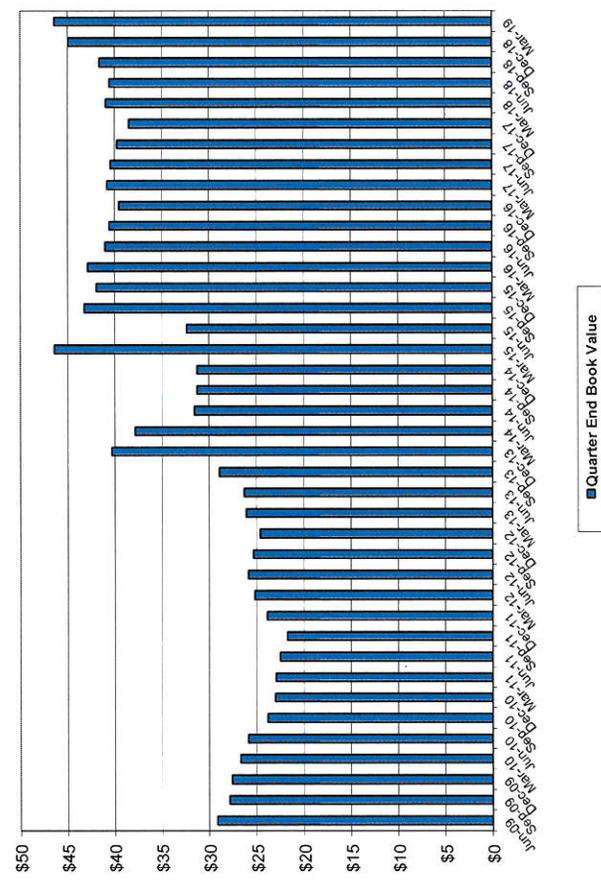
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

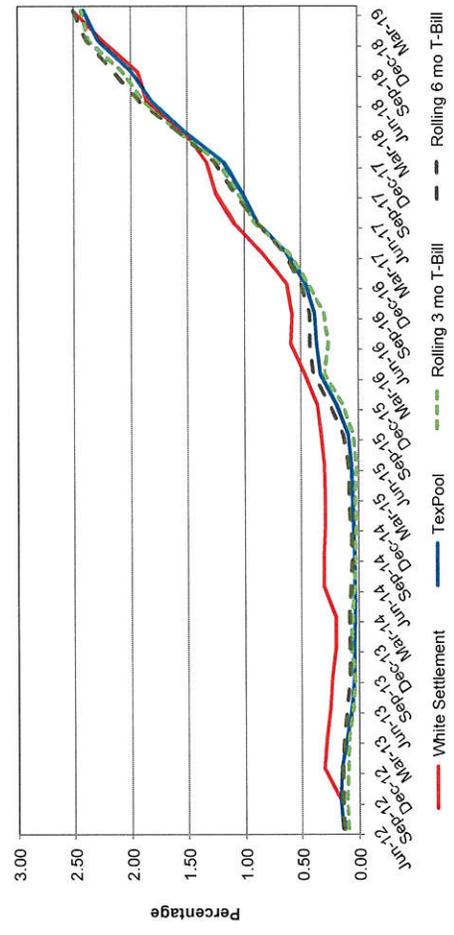
**Portfolio Composition**



**Total Portfolio (Millions)**



**Total Portfolio Performance**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2018			March 31, 2019		
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Par Value	Book Value
Southside Bank Cash	2.64%	04/01/19	\$ 2,019,262	\$ 2,019,262	\$ 343,050	\$ -	\$ 2,362,312	\$ 2,362,312
Southside Bank MMA	2.64%	04/01/19	8,637,604	8,637,604	1,016,083		9,653,687	9,653,687
NexBank MMA	2.66%	04/01/19	9,833,407	9,833,407	64,410		9,897,817	9,897,817
TexPool	2.42%	04/01/19	1,636	1,636	10		1,646	1,646
LegacyTexas Bank CD	1.40%	01/25/19	3,081,473	3,081,473		(3,081,473)	-	-
East West Bank CD	2.08%	02/21/19	1,018,054	1,018,054		(1,018,054)	-	-
Southside Bank CD	1.50%	04/15/19	2,045,466	2,045,466	7,734		2,053,199	2,053,199
East West Bank CD	2.60%	04/17/19	1,005,428	1,005,428	6,466		1,011,894	1,011,894
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	1,023,842	1,023,842	126		1,023,969	1,023,969
East West Bank CD	2.68%	06/14/19	1,512,053	1,512,053	10,025		1,522,077	1,522,077
Lubbock National Bank CD	1.75%	07/13/19	3,582,685	3,582,685	20,767		3,603,452	3,603,452
East West Bank CD	2.83%	10/17/19	1,005,910	1,005,910	7,044		1,012,953	1,012,953
East West Bank CD	2.83%	10/17/19	1,005,910	1,005,910	7,044		1,012,953	1,012,953
East West Bank CD	2.70%	10/25/19	-	-	1,004,894		1,004,894	1,004,894
East West Bank CD	2.85%	11/28/19	1,002,658	1,002,658	7,071		1,009,729	1,009,729
East West Bank CD	2.74%	01/27/20	-	-	1,004,967		1,004,967	1,004,967
East West Bank CD	2.89%	02/28/20	1,002,696	1,002,696	7,170		1,009,866	1,009,866
East West Bank CD	2.94%	04/17/20	1,006,140	1,006,140	7,320		1,013,460	1,013,460
East West Bank CD	2.94%	04/17/20	1,006,140	1,006,140	7,320		1,013,460	1,013,460
East West Bank CD	2.66%	05/21/20	-	-	1,023,923		1,023,923	1,023,923
LegacyTexas Bank CD	2.90%	06/12/20	2,074,374	2,074,374	14,869		2,089,243	2,089,243
LegacyTexas Bank CD	2.78%	10/26/20	-	-	1,004,499		1,004,499	1,004,499
<b>TOTAL</b>			<b>\$ 44,910,076</b>	<b>\$ 44,910,076</b>	<b>\$ 5,564,791</b>	<b>\$ (4,099,527)</b>	<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>

## Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2018		Qtr to Qtr Change	March 31, 2019	
			Par Value	Market Value		Par Value	Market Value
Southside Bank Cash	2.64%	04/01/19	\$ 2,019,262	\$ 2,019,262	\$ 343,050	\$ 2,362,312	\$ 2,362,312
Southside Bank MMA	2.64%	04/01/19	8,637,604	8,637,604	1,016,083	9,653,687	9,653,687
NexBank MMA	2.66%	04/01/19	9,833,407	9,833,407	64,410	9,897,817	9,897,817
TexPool	2.42%	04/01/19	1,636	1,636	10	1,646	1,646
LegacyTexas Bank CD	1.40%	01/25/19	3,081,473	3,081,473	(3,081,473)	—	—
East West Bank CD	2.08%	02/21/19	1,018,054	1,018,054	(1,018,054)	—	—
Southside Bank CD	1.50%	04/15/19	2,045,466	2,045,466	7,734	2,053,199	2,053,199
East West Bank CD	2.60%	04/17/19	1,005,428	1,005,428	6,466	1,011,894	1,011,894
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	1,023,842	1,023,842	126	1,023,969	1,023,969
East West Bank CD	2.68%	06/14/19	1,512,053	1,512,053	10,025	1,522,077	1,522,077
Lubbock National Bank CD	1.75%	07/13/19	3,582,685	3,582,685	20,767	3,603,452	3,603,452
East West Bank CD	2.83%	10/17/19	1,005,910	1,005,910	7,044	1,012,953	1,012,953
East West Bank CD	2.83%	10/17/19	1,005,910	1,005,910	7,044	1,012,953	1,012,953
East West Bank CD	2.70%	10/25/19	—	—	1,004,894	1,004,894	1,004,894
East West Bank CD	2.85%	11/28/19	1,002,658	1,002,658	7,071	1,009,729	1,009,729
East West Bank CD	2.74%	01/27/20	—	—	1,004,967	1,004,967	1,004,967
East West Bank CD	2.89%	02/28/20	1,002,696	1,002,696	7,170	1,009,866	1,009,866
East West Bank CD	2.94%	04/17/20	1,006,140	1,006,140	7,320	1,013,460	1,013,460
East West Bank CD	2.94%	04/17/20	1,006,140	1,006,140	7,320	1,013,460	1,013,460
East West Bank CD	2.66%	05/21/20	—	—	1,023,923	1,023,923	1,023,923
LegacyTexas Bank CD	2.90%	06/12/20	2,074,374	2,074,374	14,869	2,089,243	2,089,243
LegacyTexas Bank CD	2.78%	10/26/20	—	—	1,004,499	1,004,499	1,004,499
<b>TOTAL</b>			<b>\$ 44,910,076</b>	<b>\$ 44,910,076</b>	<b>\$ 1,465,264</b>	<b>\$ 46,375,339</b>	<b>\$ 46,375,339</b>