



## QUARTERLY INVESTMENT REPORT For the Quarter Ended

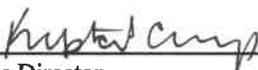
March 31, 2021

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, 2020    |                      | March 31, 2021       |                      |              |
|----------------|----------------------|----------------------|----------------------|----------------------|--------------|
|                | Book Value           | Market Value         | Book Value           | Market Value         | Ave. Yield   |
| Pools/Bank/MMA | \$ 19,337,001        | \$ 19,337,001        | \$ 21,480,896        | \$ 21,480,896        | 0.32%        |
| Securities/CDs | 24,987,104           | 24,987,104           | 23,977,213           | 23,977,213           | 1.30%        |
| <b>Totals</b>  | <b>\$ 44,324,105</b> | <b>\$ 44,324,105</b> | <b>\$ 45,458,109</b> | <b>\$ 45,458,109</b> | <b>0.84%</b> |

#### Quarter End Average Yield (1)

|                              |       |
|------------------------------|-------|
| Total Portfolio              | 0.84% |
| Rolling Three Month Treasury | 0.06% |
| Rolling Six Month Treasury   | 0.09% |
| TexPool                      | 0.02% |

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

|                              |       |
|------------------------------|-------|
| Total Portfolio              | 0.93% |
| Rolling Three Month Treasury | 0.08% |
| Rolling Six Month Treasury   | 0.10% |
| Quarterly TexPool Yield      | 0.05% |

#### Interest Earnings (Approximate)

|                              |            |
|------------------------------|------------|
| Quarterly Interest Income    | \$ 102,783 |
| Year-to-date Interest Income | \$ 216,241 |

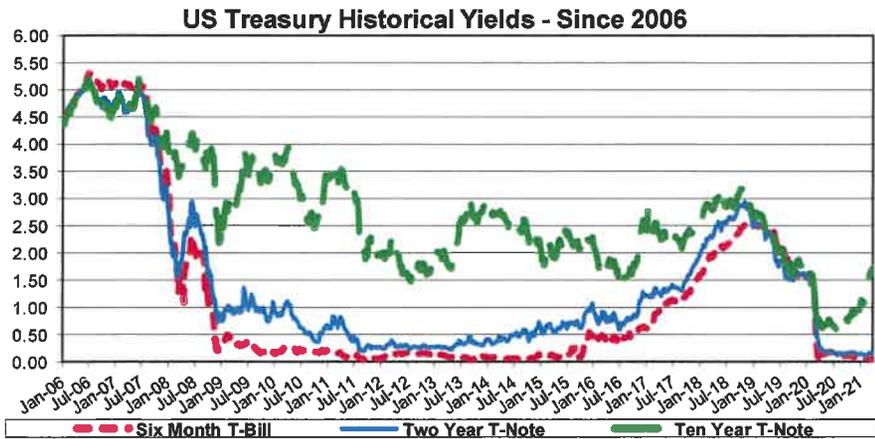
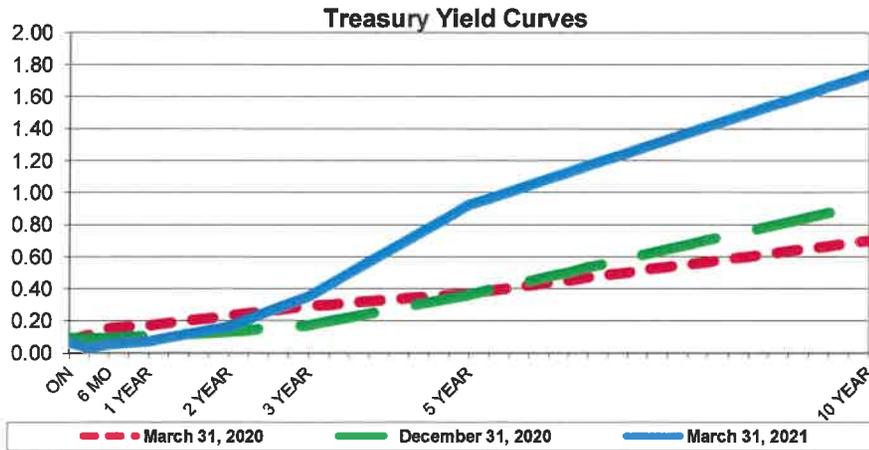
(1) **Quarter End Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date 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.

**Economic Overview**

3/31/2021

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projected that reduced rates could remain into 2023 or longer. Fourth Quarter GDP finalized at +4.3%. March Non Farm Payroll added 916k and Unemployment declined to 6.0%. Crude oil traded above \$60 per barrel. The Stock Markets reached new highs. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators showed solid gains. An additional \$1.9 trillion stimulus package passed Congress and was signed by the President. The Yield Curve continued steepening on longer maturities.



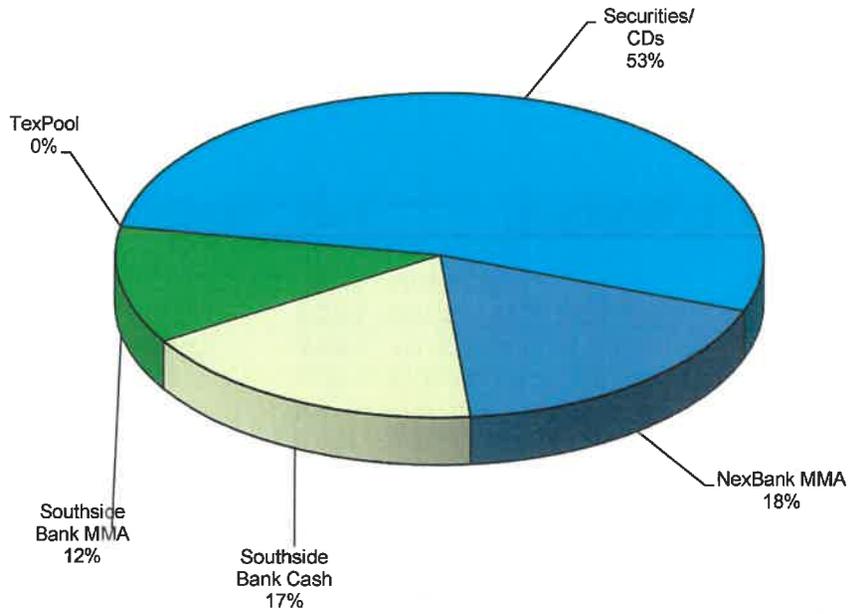
**Investment Holdings**  
**March 31, 2021**

| Description           | Ratings | Coupon/<br>Discount | Maturity<br>Date | Settlement<br>Date | Par Value            | Book<br>Value        | Market<br>Price | Market<br>Value      | Life<br>(Days) | Yield        |
|-----------------------|---------|---------------------|------------------|--------------------|----------------------|----------------------|-----------------|----------------------|----------------|--------------|
| Southside Bank Cash   |         | 0.25%               | 04/01/21         | 03/31/21           | \$ 8,021,578         | \$ 8,021,578         | 1.00            | \$ 8,021,578         | 1              | 0.25%        |
| Southside Bank MMA    |         | 0.22%               | 04/01/21         | 03/31/21           | 5,309,060            | 5,309,060            | 1.00            | 5,309,060            | 1              | 0.22%        |
| NexBank MMA           |         | 0.45%               | 04/01/21         | 03/31/21           | 8,148,576            | 8,148,576            | 1.00            | 8,148,576            | 1              | 0.45%        |
| TexPool               | AAAm    | 0.02%               | 04/01/21         | 03/31/21           | 1,681                | 1,681                | 1.00            | 1,681                | 1              | 0.02%        |
| Bank OZK CD           |         | 0.75%               | 4/20/2021        | 04/20/20           | 1,006,894            | 1,006,894            | 100             | 1,006,894            | 20             | 0.75%        |
| BTH Bank CDARS        |         | 2.63%               | 4/21/2021        | 04/25/19           | 1,052,261            | 1,052,261            | 100             | 1,052,261            | 21             | 2.66%        |
| East West Bank CD     |         | 1.70%               | 4/27/2021        | 01/27/20           | 1,048,726            | 1,048,726            | 100             | 1,048,726            | 27             | 1.71%        |
| LegacyTexas Bank CD   |         | 2.50%               | 5/14/2021        | 05/14/19           | 1,046,838            | 1,046,838            | 100             | 1,046,838            | 44             | 2.53%        |
| CapTex Bank CD        |         | 0.65%               | 5/21/2021        | 05/21/20           | 1,005,419            | 1,005,419            | 100             | 1,005,419            | 51             | 0.65%        |
| Security State B&T CD |         | 2.45%               | 6/26/2021        | 06/26/19           | 2,087,419            | 2,087,419            | 100             | 2,087,419            | 87             | 2.48%        |
| Security State B&T CD |         | 2.23%               | 7/24/2021        | 07/24/19           | 3,632,332            | 3,632,332            | 100             | 3,632,332            | 115            | 2.25%        |
| Bank OZK CD           |         | 0.85%               | 10/20/2021       | 04/20/20           | 1,007,815            | 1,007,815            | 100             | 1,007,815            | 203            | 0.90%        |
| BBVA USA CD           |         | 1.76%               | 10/25/2021       | 10/25/19           | 1,046,148            | 1,046,148            | 100             | 1,046,148            | 208            | 1.78%        |
| CapTex Bank CD        |         | 0.70%               | 11/21/2021       | 05/21/20           | 1,005,845            | 1,005,845            | 100             | 1,005,845            | 235            | 0.70%        |
| Bank OZK CD           |         | 0.53%               | 12/16/2021       | 06/16/20           | 1,003,979            | 1,003,979            | 100             | 1,003,979            | 260            | 0.53%        |
| Prosperity Bank CD    |         | 0.60%               | 1/27/2022        | 07/27/20           | 1,003,994            | 1,003,994            | 100             | 1,003,994            | 302            | 0.60%        |
| Prosperity Bank CD    |         | 0.40%               | 3/22/2022        | 09/22/20           | 1,001,982            | 1,001,982            | 100             | 1,001,982            | 356            | 0.40%        |
| Bank OZK CD           |         | 0.95%               | 4/20/2022        | 04/20/20           | 1,008,737            | 1,008,737            | 100             | 1,008,737            | 385            | 0.96%        |
| CapTex Bank CD        |         | 0.76%               | 5/21/2022        | 05/21/20           | 1,006,348            | 1,006,348            | 100             | 1,006,348            | 416            | 0.76%        |
| Bank OZK CD           |         | 0.55%               | 6/16/2022        | 06/16/20           | 1,004,129            | 1,004,129            | 100             | 1,004,129            | 442            | 0.55%        |
| Prosperity Bank CD    |         | 0.70%               | 7/27/2022        | 07/28/20           | 1,004,662            | 1,004,662            | 100             | 1,004,662            | 483            | 0.70%        |
| Prosperity Bank CD    |         | 0.50%               | 9/22/2022        | 09/22/20           | 1,002,478            | 1,002,478            | 100             | 1,002,478            | 540            | 0.50%        |
| CapTex Bank CD        |         | 0.35%               | 1/26/2023        | 1/28/2021          | 2,001,209            | 2,001,209            | 100             | 2,001,209            | 666            | 0.35%        |
| <b>Total</b>          |         |                     |                  |                    | <b>\$ 45,458,109</b> | <b>\$ 45,458,109</b> |                 | <b>\$ 45,458,109</b> | <b>132</b>     | <b>0.84%</b> |
|                       |         |                     |                  |                    |                      |                      |                 |                      | <b>(1)</b>     | <b>(2)</b>   |

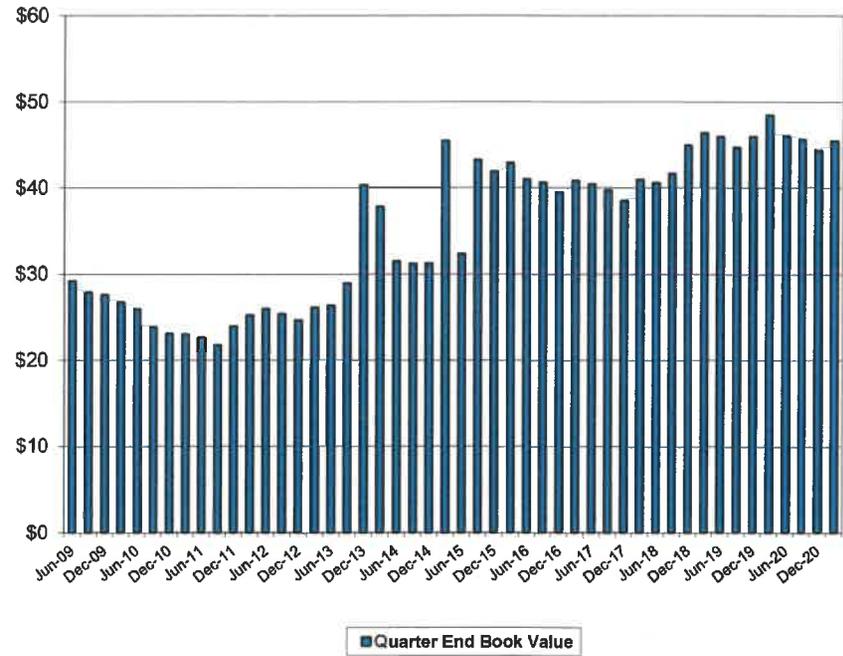
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

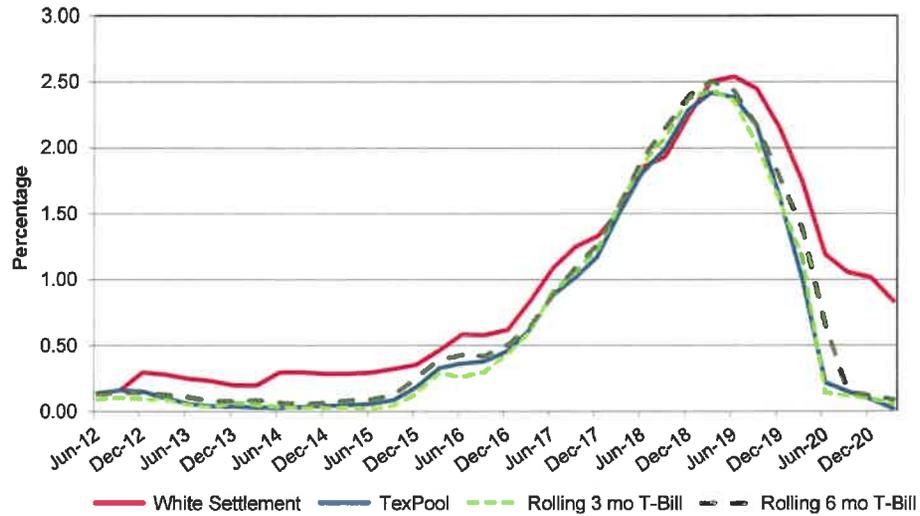
**Portfolio Composition**



**Total Portfolio (Millions)**



**Total Portfolio Performance**



## Book & Market Value Comparison

| Issuer/Description     | Yield        | Maturity Date | Book Value<br>12/31/20 | Increases           | Decreases             | Book Value<br>03/31/21 | Market Value<br>12/31/20 | Change in<br>Market Value | Market Value<br>03/31/21 |
|------------------------|--------------|---------------|------------------------|---------------------|-----------------------|------------------------|--------------------------|---------------------------|--------------------------|
| Southside Bank Cash    | 0.25%        | 04/01/21      | \$ 4,889,091           | \$ 3,132,486        | \$ -                  | \$ 8,021,578           | \$ 4,889,091             | \$ 3,132,486              | \$ 8,021,578             |
| Southside Bank MMA     | 0.22%        | 04/01/21      | 6,306,688              | -                   | (997,628)             | 5,309,060              | 6,306,688                | (997,628)                 | 5,309,060                |
| NexBank MMA            | 0.45%        | 04/01/21      | 8,139,541              | 9,036               | -                     | 8,148,576              | 8,139,541                | 9,036                     | 8,148,576                |
| TexPool                | 0.02%        | 04/01/21      | 1,681                  | -                   | -                     | 1,681                  | 1,681                    | -                         | 1,681                    |
| BTH Bank CDARS         | 2.65%        | 01/21/21      | 1,045,283              | -                   | (1,045,283)           | -                      | 1,045,283                | (1,045,283)               | -                        |
| LegacyTexas Bank CD    | 2.51%        | 02/12/21      | 1,040,086              | -                   | (1,040,086)           | -                      | 1,040,086                | (1,040,086)               | -                        |
| Legend Bank CDARS      | 1.87%        | 03/11/21      | 1,000,000              | -                   | (1,000,000)           | -                      | 1,000,000                | (1,000,000)               | -                        |
| Bank OZK CD            | 0.75%        | 4/20/2021     | 1,005,031              | 1,862               | -                     | 1,006,894              | 1,005,031                | 1,862                     | 1,006,894                |
| BTH Bank CDARS         | 2.66%        | 4/21/2021     | 1,045,459              | 6,802               | -                     | 1,052,261              | 1,045,459                | 6,802                     | 1,052,261                |
| East West Bank CD      | 1.71%        | 4/27/2021     | 1,044,339              | 4,387               | -                     | 1,048,726              | 1,044,339                | 4,387                     | 1,048,726                |
| LegacyTexas Bank CD    | 2.53%        | 5/14/2021     | 1,040,415              | 6,423               | -                     | 1,046,838              | 1,040,415                | 6,423                     | 1,046,838                |
| CapTex Bank CD         | 0.65%        | 5/21/2021     | 1,003,809              | 1,610               | -                     | 1,005,419              | 1,003,809                | 1,610                     | 1,005,419                |
| Security State B&T CD  | 2.48%        | 6/26/2021     | 2,074,861              | 12,557              | -                     | 2,087,419              | 2,074,861                | 12,557                    | 2,087,419                |
| Security State B&T CD  | 2.25%        | 7/24/2021     | 3,612,437              | 19,895              | -                     | 3,632,332              | 3,612,437                | 19,895                    | 3,632,332                |
| Bank OZK CD            | 0.90%        | 10/20/2021    | 1,005,703              | 2,112               | -                     | 1,007,815              | 1,005,703                | 2,112                     | 1,007,815                |
| BBVA USA CD            | 1.78%        | 10/25/2021    | 1,041,620              | 4,529               | -                     | 1,046,148              | 1,041,620                | 4,529                     | 1,046,148                |
| CapTex Bank CD         | 0.22%        | 11/21/2021    | 1,004,111              | 1,734               | -                     | 1,005,845              | 1,004,111                | 1,734                     | 1,005,845                |
| Bank OZK CD            | 0.53%        | 12/16/2021    | 1,002,665              | 1,313               | -                     | 1,003,979              | 1,002,665                | 1,313                     | 1,003,979                |
| Prosperity Bank CD     | 0.60%        | 1/27/2022     | 1,002,511              | 1,484               | -                     | 1,003,994              | 1,002,511                | 1,484                     | 1,003,994                |
| Prosperity Bank CD     | 0.40%        | 3/22/2022     | 1,000,995              | 987                 | -                     | 1,001,982              | 1,000,995                | 987                       | 1,001,982                |
| Bank OZK CD            | 0.96%        | 4/20/2022     | 1,006,375              | 2,362               | -                     | 1,008,737              | 1,006,375                | 2,362                     | 1,008,737                |
| CapTex Bank CD         | 0.76%        | 5/21/2022     | 1,004,464              | 1,884               | -                     | 1,006,348              | 1,004,464                | 1,884                     | 1,006,348                |
| Bank OZK CD            | 0.55%        | 6/16/2022     | 1,002,766              | 1,363               | -                     | 1,004,129              | 1,002,766                | 1,363                     | 1,004,129                |
| Prosperity Bank CD     | 0.70%        | 7/27/2022     | 1,002,930              | 1,732               | -                     | 1,004,662              | 1,002,930                | 1,732                     | 1,004,662                |
| Prosperity Bank CD     | 0.50%        | 9/22/2022     | 1,001,244              | 1,235               | -                     | 1,002,478              | 1,001,244                | 1,235                     | 1,002,478                |
| CapTex Bank CD         | 0.35%        | 1/26/2023     | -                      | 2,001,209           | -                     | 2,001,209              | -                        | 2,001,209                 | 2,001,209                |
| <b>TOTAL / AVERAGE</b> | <b>0.84%</b> |               | <b>\$ 44,324,105</b>   | <b>\$ 5,217,000</b> | <b>\$ (4,082,996)</b> | <b>\$ 45,458,109</b>   | <b>\$ 44,324,105</b>     | <b>\$ 1,134,004</b>       | <b>\$ 45,458,109</b>     |