



QUARTERLY INVESTMENT REPORT
For the Quarter Ended

September 30, 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.

 10/18/21

City Manager

 10/18/2021

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, 2020			September 30, 2021		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank/MMA	0.40%	\$ 19,689,745	\$ 19,689,745	0.24%	\$ 36,833,734	\$ 36,833,734
Securities/CDs	1.56%	25,946,447	25,946,447	0.65%	15,151,675	15,151,675
Totals		45,636,192	45,636,192		51,985,410	51,985,410
Fourth Quarter-End Yield	1.06%			0.36%		

Average Quarter-End Yields (1):

	2020 Fiscal Year	2021 Fiscal Year
White Settlement	1.54%	0.68%
Rolling Three Month Treasury	0.76%	0.06%
Rolling Six Month Treasury	0.99%	0.08%
TexPool	0.75%	0.04%
Fiscal YTD interest earnings	\$ 757,541 (Approximate)	\$ 360,576 (Approximate)

(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, 2021		September 30, 2021		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 33,107,052	\$ 33,107,052	\$ 36,833,734	\$ 36,833,734	0.24%
Securities/CDs	17,779,958	17,779,958	15,151,675	15,151,675	0.65%
Totals	\$ 50,887,010	\$ 50,887,010	\$ 51,985,410	\$ 51,985,410	0.36%

Quarter End Average Yield (1)

Total Portfolio	0.36%
Rolling Three Month Treasury	0.05%
Rolling Six Month Treasury	0.05%
TexPool	0.03%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	0.68%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.08%
Quarterly TexPool Yield	0.04%

Interest Earnings (Approximate)

Quarterly Interest Income	\$ 58,489
Year-to-date Interest Income	\$ 360,576

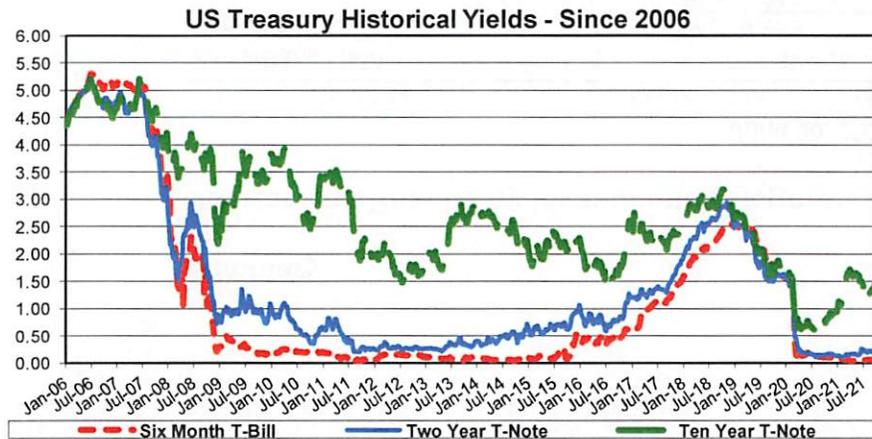
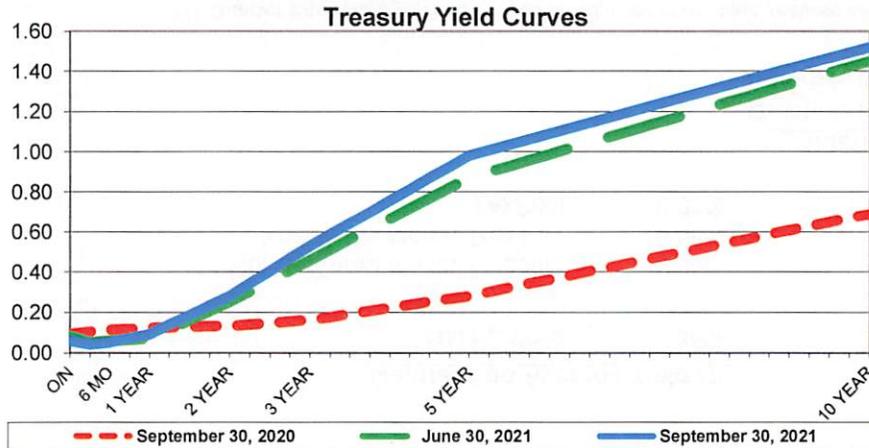
(1) **Quarter End Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

9/30/2021

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 projects that reduced rates could remain into 2023. Monthly government security purchases may begin tapering as early as Nov 2021. Second Quarter GDP posted +6.7% (Final). Employment recovery/growth has moderated, but job openings remain high. August Non-Farm Payroll only added 194k net new jobs. Crude oil bounced up to +/- \$77 per barrel, with fuel shortages in England and other countries. The Stock Markets reached new highs, but have retrenched slightly. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators remain positive but constrained. The Biden administration and Congress continue to negotiate infrastructure, fiscal and debt limit packages. Inflation remained over the FOMC 2+% target and may not be as temporary as initially projected. The Yield Curve rose slightly from two years to ten years.

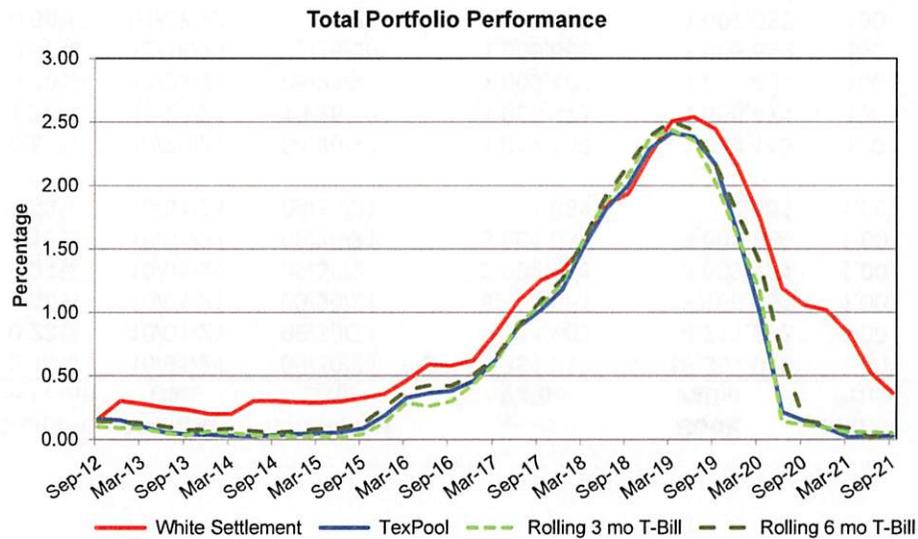
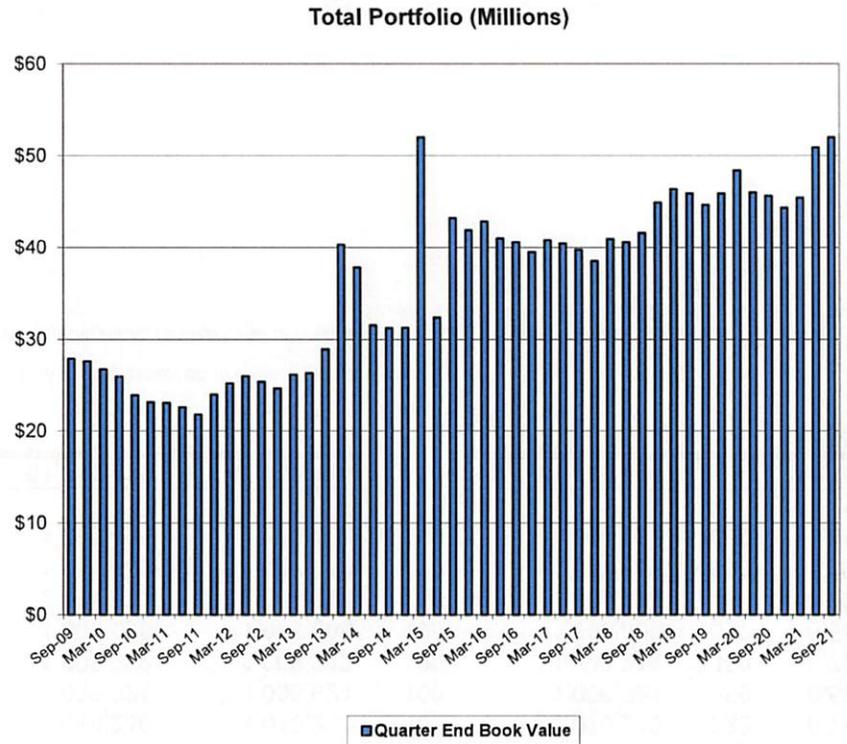
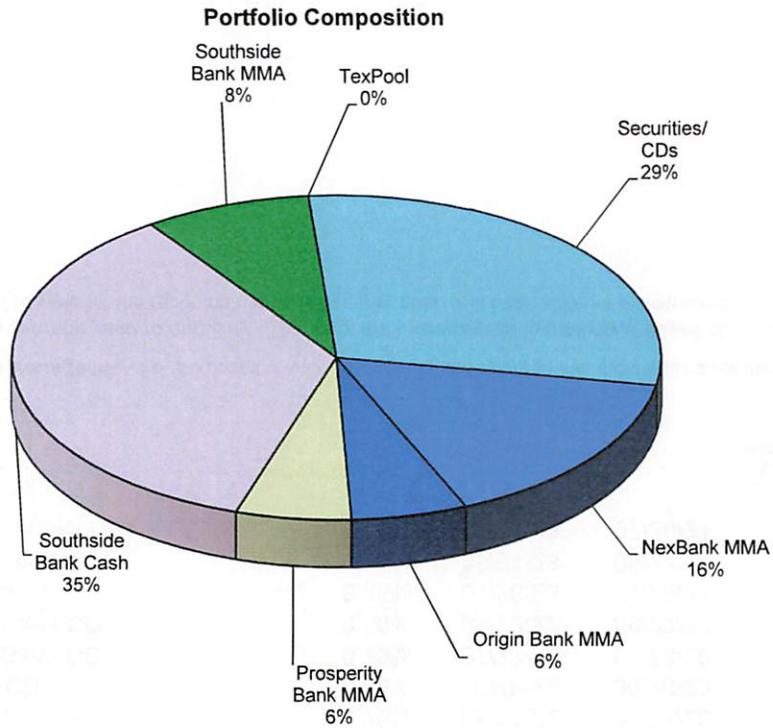


**Investment Holdings
September 30, 2021**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.19%	10/01/21	09/30/21	\$ 18,351,013	\$ 18,351,013	1.00	\$ 18,351,013	1	0.19%
Southside Bank MMA		0.23%	10/01/21	09/30/21	4,311,903	4,311,903	1.00	4,311,903	1	0.23%
NexBank MMA		0.40%	10/01/21	09/30/21	8,165,951	8,165,951	1.00	8,165,951	1	0.40%
Origin Bank MMA		0.24%	10/01/21	09/30/21	3,002,151	3,002,151	1.00	3,002,151	1	0.24%
Prosperity Bank MMA		0.15%	10/01/21	09/30/21	3,001,036	3,001,036	1.00	3,001,036	1	0.15%
TexPool	AAAm	0.03%	10/01/21	09/30/21	1,681	1,681	1.00	1,681	1	0.03%
Bank OZK CD		0.85%	10/20/21	04/20/20	1,012,146	1,012,146	100	1,012,146	20	0.90%
BBVA USA CD		1.76%	10/25/21	10/25/19	1,055,471	1,055,471	100	1,055,471	25	1.78%
CapTex Bank CD		0.70%	11/21/21	05/21/20	1,009,400	1,009,400	100	1,009,400	52	0.70%
Bank OZK CD		0.53%	12/16/21	06/16/20	1,006,669	1,006,669	100	1,006,669	77	0.53%
Prosperity Bank CD		0.60%	01/27/22	07/27/20	1,007,035	1,007,035	100	1,007,035	119	0.60%
Prosperity Bank CD		0.40%	03/22/22	09/22/20	1,004,004	1,004,004	100	1,004,004	173	0.40%
Bank OZK CD		0.95%	04/20/22	04/20/20	1,013,582	1,013,582	100	1,013,582	202	0.96%
CapTex Bank CD		0.76%	05/21/22	05/21/20	1,010,210	1,010,210	100	1,010,210	233	0.76%
Bank OZK CD		0.55%	06/16/22	06/16/20	1,006,921	1,006,921	100	1,006,921	259	0.55%
Prosperity Bank CD		0.70%	07/27/22	07/28/20	1,008,212	1,008,212	100	1,008,212	300	0.70%
Prosperity Bank CD		0.50%	09/22/22	09/22/20	1,005,008	1,005,008	100	1,005,008	357	0.50%
CapTex Bank CD		0.35%	01/26/23	01/28/21	2,004,723	2,004,723	100	2,004,723	483	0.35%
CapTex Bank CD		0.40%	05/21/23	05/21/21	1,007,869	1,007,869	100	1,007,869	598	0.40%
Veritex Community Bank CD		0.25%	07/31/23	07/30/21	1,000,425	1,000,425	100	1,000,425	669	0.25%
Total					\$ 51,985,410	\$ 51,985,410		\$ 51,985,410	79	0.36%
									(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.



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/21	Increases	Decreases	Book Value 09/30/21	Market Value 06/30/21	Change in Market Value	Market Value 09/30/21
Southside Bank Cash	0.19%	10/01/21	\$ 15,137,041	\$ 3,213,972	\$ -	\$ 18,351,013	\$ 15,137,041	\$ 3,213,972	\$ 18,351,013
Southside Bank MMA	0.23%	10/01/21	4,810,263	-	(498,360)	4,311,903	4,810,263	(498,360)	4,311,903
NexBank MMA	0.40%	10/01/21	8,157,723	8,228	-	8,165,951	8,157,723	8,228	8,165,951
Origin Bank MMA	0.24%	10/01/21	3,000,335	1,815	-	3,002,151	3,000,335	1,815	3,002,151
Prosperity Bank MMA	0.15%	10/01/21	2,000,008	1,001,028	-	3,001,036	2,000,008	1,001,028	3,001,036
TexPool	0.03%	10/01/21	1,681	-	-	1,681	1,681	-	1,681
Security State B&T CD	2.25%	07/24/21	3,652,787	-	(3,652,787)	-	3,652,787	(3,652,787)	-
Bank OZK CD	0.90%	10/20/21	1,009,978	2,168	-	1,012,146	1,009,978	2,168	1,012,146
BBVA USA CD	1.78%	10/25/21	1,050,800	4,672	-	1,055,471	1,050,800	4,672	1,055,471
CapTex Bank CD	0.23%	11/21/21	1,007,621	1,779	-	1,009,400	1,007,621	1,779	1,009,400
Bank OZK CD	0.53%	12/16/21	1,005,323	1,346	-	1,006,669	1,005,323	1,346	1,006,669
Prosperity Bank CD	0.60%	01/27/22	1,005,514	1,521	-	1,007,035	1,005,514	1,521	1,007,035
Prosperity Bank CD	0.40%	03/22/22	1,002,993	1,012	-	1,004,004	1,002,993	1,012	1,004,004
Bank OZK CD	0.96%	04/20/22	1,011,157	2,426	-	1,013,582	1,011,157	2,426	1,013,582
CapTex Bank CD	0.76%	05/21/22	1,008,277	1,933	-	1,010,210	1,008,277	1,933	1,010,210
Bank OZK CD	0.55%	06/16/22	1,005,524	1,397	-	1,006,921	1,005,524	1,397	1,006,921
Prosperity Bank CD	0.70%	07/27/22	1,006,435	1,777	-	1,008,212	1,006,435	1,777	1,008,212
Prosperity Bank CD	0.50%	09/22/22	1,003,742	1,266	-	1,005,008	1,003,742	1,266	1,005,008
CapTex Bank CD	0.35%	01/26/23	2,002,956	1,768	-	2,004,723	2,002,956	1,768	2,004,723
CapTex Bank CD	0.40%	05/21/23	1,006,853	1,015	-	1,007,869	1,006,853	1,015	1,007,869
Veritex Community Bank C	0.25%	07/31/23	-	1,000,425	-	1,000,425	-	1,000,425	1,000,425
TOTAL / AVERAGE	0.36%		\$ 50,887,010	\$ 5,249,546	\$ (4,151,147)	\$ 51,985,410	\$ 50,887,010	\$ 1,098,399	\$ 51,985,410