



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 2022

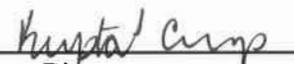
Prepared by

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.

 10/19/22

City Manager

 10/19/2022

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, 2021			September 30, 2022		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank/MMA	0.24%	\$ 36,833,734	\$ 36,833,734	2.66%	\$ 37,374,719	\$ 37,374,719
Securities/CDs	0.65%	15,151,675	15,151,675	1.65%	24,991,678	24,891,374
Totals		51,985,410	51,985,410		62,366,397	62,266,092

Fourth Quarter-End Yield **0.36%** **2.25%**

Average Quarter-End Yields (1):

	2021 Fiscal Year	2022 Fiscal Year
White Settlement	0.68%	1.02%
Rolling Three Month Treasury	0.06%	1.06%
Rolling Six Month Treasury	0.08%	1.01%
TexPool	0.04%	0.90%
Fiscal YTD interest earnings	\$ 360,576 (Approximate)	\$ 446,257 (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, 2022		September 30, 2022		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 35,469,456	\$ 35,469,456	\$ 37,374,719	\$ 37,374,719	2.66%
Securities/CDs	20,049,645	19,947,104	24,991,678	24,891,374	1.65%
Totals	\$ 55,519,101	\$ 55,416,560	\$ 62,366,397	\$ 62,266,092	2.25%

Quarter End Average Yield (1)

Total Portfolio	2.25%
Rolling Three Month Treasury	2.76%
Rolling Six Month Treasury	2.46%
TexPool	2.41%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	1.02%
Rolling Three Month Treasury	1.06%
Rolling Six Month Treasury	1.01%
Quarterly TexPool Yield	0.90%

Interest Earnings (Approximate)

Quarterly Interest Income	\$ 236,783
Year-to-date Interest Income	\$ 446,257

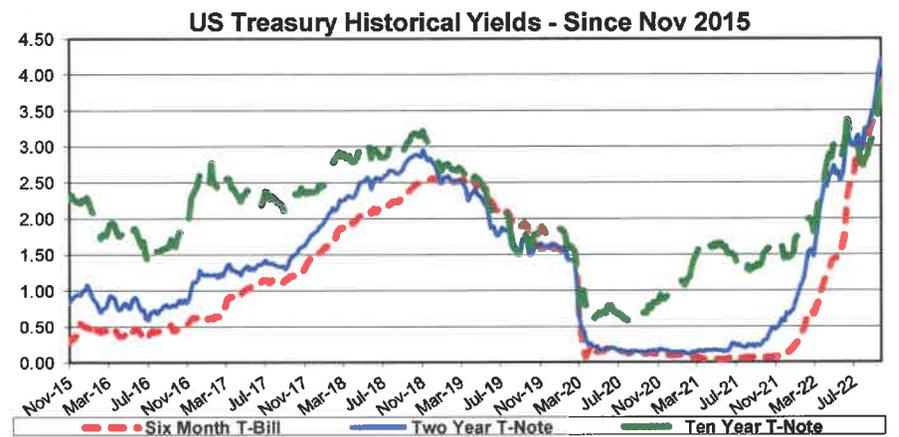
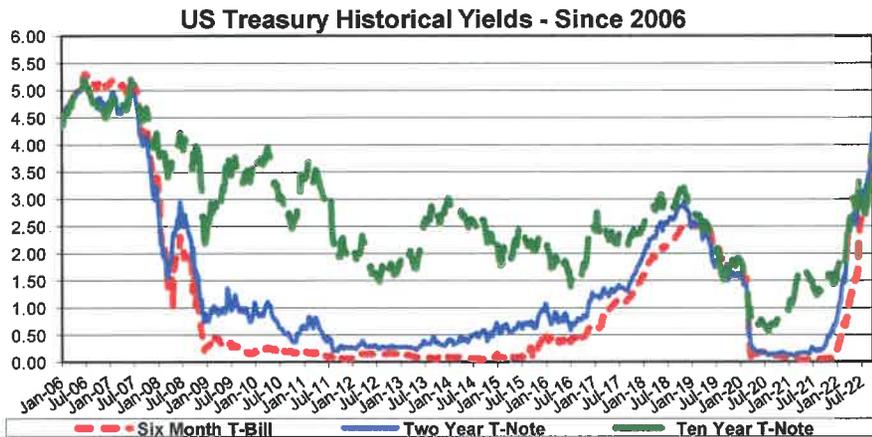
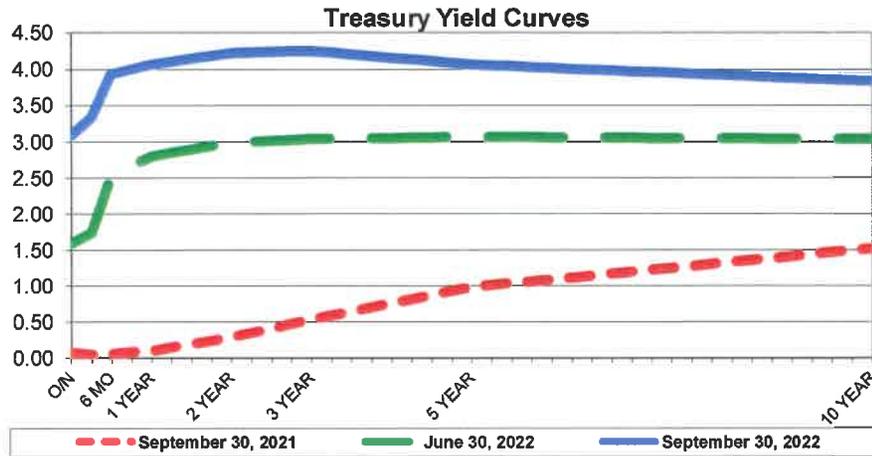
(1) **Quarter End Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

9/30/2022

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.75% to 3.00% - 3.25% September 21st (Effective Fed Funds are trading +/-3.10%). The FOMC continued actively reducing their balance sheet. An additional 0.50% - 0.75% increase is currently anticipated November 2nd. Second Quarter GDP was confirmed at -0.6%. Domestic and international economies are slowing. September Non-Farm Payroll added 263k new jobs with a Three Month Average of 372k. Crude oil fell below \$80 per barrel, but OPEC+ announced a target production reduction of 2 million barrels/day. The Stock Markets continued bouncing down and are +/-20% below the 2021 peak. The negatively sloped yield curve (6 months to 10 years, with peak yield at 3 years) may indicated lower future interest rates. Inflation remained well over the FOMC 2% target (Core PCE +/-4.9% and CPI exceeding 8%).



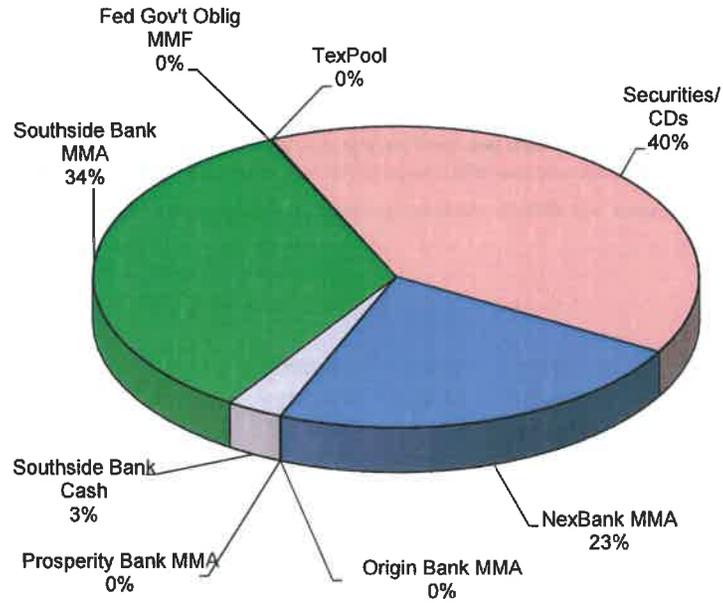
**Investment Holdings
September 30, 2022**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.40%	10/01/22	09/30/22	\$ 1,869,701	\$ 1,869,701	1.00	\$ 1,869,701	1	0.40%
Southside Bank MMA		2.60%	10/01/22	09/30/22	21,120,820	21,120,820	1.00	21,120,820	1	2.60%
NexBank MMA		3.05%	10/01/22	09/30/22	14,281,759	14,281,759	1.00	14,281,759	1	3.05%
Origin Bank MMA		0.24%	10/01/22	09/30/22	10,069	10,069	1.00	10,069	1	0.24%
Prosperity Bank MMA		0.18%	10/01/22	09/30/22	10,067	10,067	1.00	10,067	1	0.18%
Fed Gov't Oblig MMF	AAAm	2.87%	10/01/22	09/30/22	80,611	80,611	1.00	80,611	1	2.87%
TexPool	AAAm	2.41%	10/01/22	09/30/22	1,692	1,692	1.00	1,692	1	2.41%
T-Note	Aaa/AA+	0.13%	10/31/22	4/6/2022	1,000,000	999,069	99.80	997,990	31	1.24%
East West Bank CD		0.86%	11/24/22	02/24/22	1,005,173	1,005,173	100	1,005,173	55	0.86%
FNMA	Aaa/AA+	2.38%	01/19/23	01/21/22	3,000,000	3,016,136	99.61	2,988,360	111	0.60%
CapTex Bank CDARS		0.35%	01/26/23	01/28/21	2,011,752	2,011,752	100	2,011,752	118	0.35%
FHLMC	Aaa/AA+	0.38%	04/20/23	04/06/22	1,000,000	991,432	98.07	980,730	202	1.95%
CapTex Bank CD		0.40%	05/21/23	05/21/21	1,011,907	1,011,907	100	1,011,907	233	0.40%
FHLMC	Aaa/AA+	0.25%	06/26/23	05/12/22	1,000,000	985,631	97.21	972,050	269	2.24%
FFCB	Aaa/AA+	0.45%	07/24/23	01/21/22	3,000,000	2,988,914	99.47	2,984,070	297	0.91%
Veritex Community Bank CD		0.25%	07/31/23	07/30/21	1,002,929	1,002,929	100	1,002,929	304	0.25%
FHLB	Aaa/AA+	0.00%	09/12/23	09/15/22	1,000,000	962,601	96.38	963,790	347	4.04%
East West Bank CD		3.94%	09/18/23	09/16/22	1,001,620	1,001,620	100	1,001,620	353	3.94%
Southside Bank CD		3.22%	11/01/23	08/01/22	1,500,000	1,500,000	100	1,500,000	397	3.22%
CapTex Bank CD		0.50%	11/22/23	11/22/21	3,023,142	3,023,142	100	3,023,142	418	0.50%
Southside Bank CD		3.32%	02/01/24	08/01/22	1,500,000	1,500,000	100	1,500,000	489	3.32%
FHLB	Aaa/AA+	3.25%	03/08/24	07/26/22	2,000,000	2,005,340	98.48	1,969,500	525	3.06%
T-Note	Aaa/AA+	3.00%	06/30/24	09/15/22	1,000,000	986,031	97.84	978,360	639	3.83%
Total					\$ 62,431,242	\$ 62,366,397		\$ 62,266,092	121	2.25%
									(1)	(2)

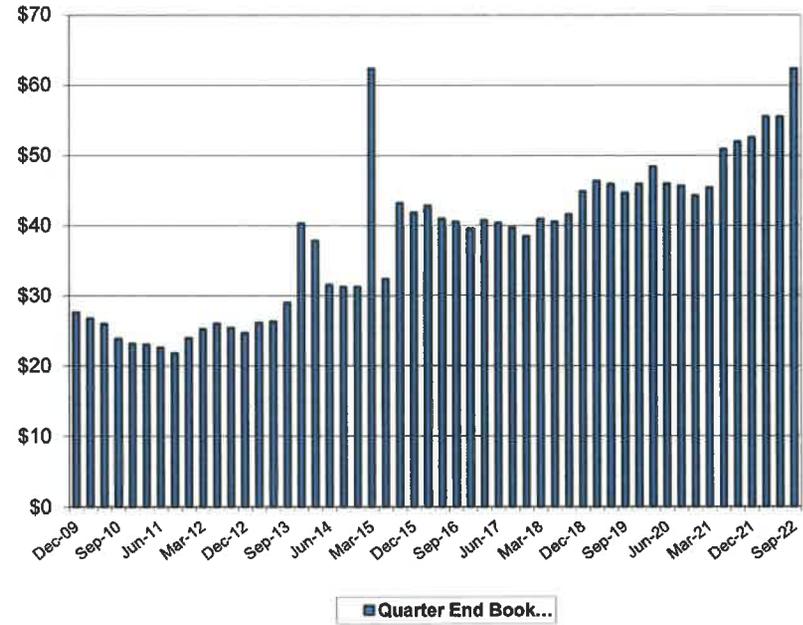
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(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.

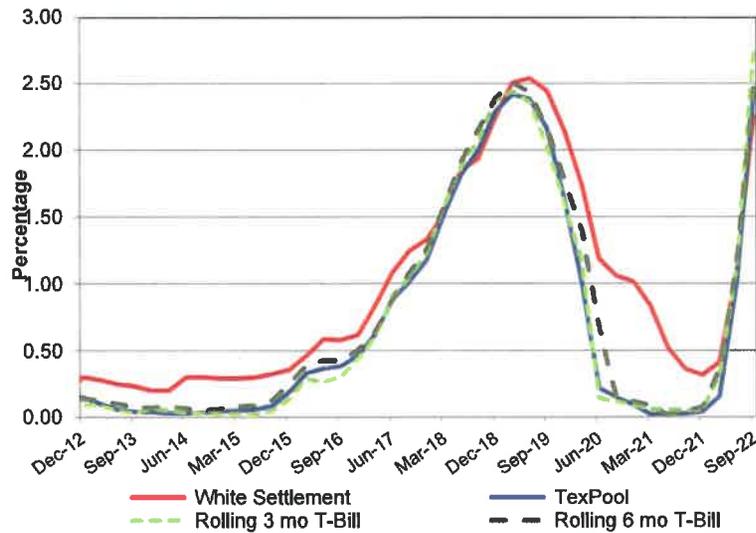
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/22	Increases	Decreases	Book Value 09/30/22	Market Value 06/30/22	Change in Market Value	Market Value 09/30/22
Southside Bank Cash	0.40%	10/01/22	\$ 1,548,415	\$ 321,287	\$ -	\$ 1,869,701	\$ 1,548,415	\$ 321,287	\$ 1,869,701
Southside Bank MMA	2.60%	10/01/22	19,689,397	1,431,423	-	21,120,820	19,689,397	1,431,423	21,120,820
NexBank MMA	3.05%	10/01/22	14,204,051	77,708	-	14,281,759	14,204,051	77,708	14,281,759
Origin Bank MMA	0.24%	10/01/22	10,063	6	-	10,069	10,063	6	10,069
Prosperity Bank MMA	0.18%	10/01/22	10,063	4	-	10,067	10,063	4	10,067
Fed Gov't Oblig MMF	2.87%	10/01/22	5,783	74,827	-	80,611	5,783	74,827	80,611
TexPool	2.41%	10/01/22	1,684	9	-	1,692	1,684	9	1,692
Prosperity Bank CD	0.70%	07/27/22	1,013,503	-	(1,013,503)	-	1,013,503	(1,013,503)	-
East West Bank CD	0.67%	08/24/22	1,002,334	-	(1,002,334)	-	1,002,334	(1,002,334)	-
Prosperity Bank CD	0.50%	09/22/22	1,008,772	-	(1,008,772)	-	1,008,772	(1,008,772)	-
UST Note	1.24%	10/31/22	996,304	2,764	-	999,069	993,410	4,580	997,990
East West Bank CD	0.86%	11/24/22	1,002,997	2,176	-	1,005,173	1,002,997	2,176	1,005,173
FNMA	0.60%	01/19/23	3,029,511	-	(13,374)	3,016,136	2,998,260	(9,900)	2,988,360
CapTex Bank CDARS	0.35%	01/26/23	2,009,978	1,774	-	2,011,752	2,009,978	1,774	2,011,752
FHLMC	1.95%	04/20/23	987,529	3,902	-	991,432	980,150	580	980,730
CapTex Bank CD	0.40%	05/21/23	1,010,888	1,020	-	1,011,907	1,010,888	1,020	1,011,907
FHLMC	2.24%	06/26/23	980,717	4,914	-	985,631	973,310	(1,260)	972,050
FFCB	0.91%	07/24/23	2,985,480	3,434	-	2,988,914	2,931,870	52,200	2,984,070
Veritex Community Bank CD	0.25%	07/31/23	1,002,297	632	-	1,002,929	1,002,297	632	1,002,929
FHLB	4.04%	09/12/23	-	962,601	-	962,601	-	963,790	963,790
East West Bank CD	3.94%	09/18/23	-	1,001,620	-	1,001,620	-	1,001,620	1,001,620
Southside Bank CD	3.22%	11/01/23	-	1,500,000	-	1,500,000	-	1,500,000	1,500,000
CapTex Bank CD	0.50%	11/22/23	3,019,335	3,807	-	3,023,142	3,019,335	3,807	3,023,142
Southside Bank CD	3.32%	02/01/24	-	1,500,000	-	1,500,000	-	1,500,000	1,500,000
FHLB	3.06%	03/08/24	-	2,005,340	-	2,005,340	-	1,969,500	1,969,500
T-Note	3.83%	06/30/24	-	986,031	-	986,031	-	978,360	978,360
TOTAL / AVERAGE	2.25%		\$ 55,519,101	\$ 9,885,279	\$ (3,037,983)	\$ 62,366,397	\$ 55,416,560	\$ 6,849,533	\$ 62,266,092