



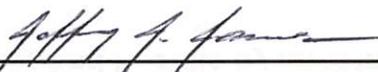
QUARTERLY INVESTMENT REPORT
For the Quarter Ended

December 31, 2022

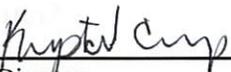
Prepared by

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.

 1/18/23

City Manager

 1/17/2023

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	September 30, 2022		December 31, 2022		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 37,374,719	\$ 37,374,719	\$ 36,061,704	\$ 36,061,704	4.08%
Securities/CDs	24,991,678	24,891,374	25,933,607	25,791,583	2.06%
Totals	\$ 62,366,397	\$ 62,266,092	\$ 61,995,311	\$ 61,853,288	3.23%

Quarter End Average Yield (1)

Total Portfolio	3.23%
Rolling Three Month Treasury	4.19%
Rolling Six Month Treasury	3.90%
TexPool	3.98%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	3.23%
Rolling Three Month Treasury	4.19%
Rolling Six Month Treasury	3.90%
Quarterly TexPool Yield	3.98%

Interest Earnings (Approximate)

Quarterly Interest Income	\$ 425,115
Year-to-date Interest Income	\$ 425,115

(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.

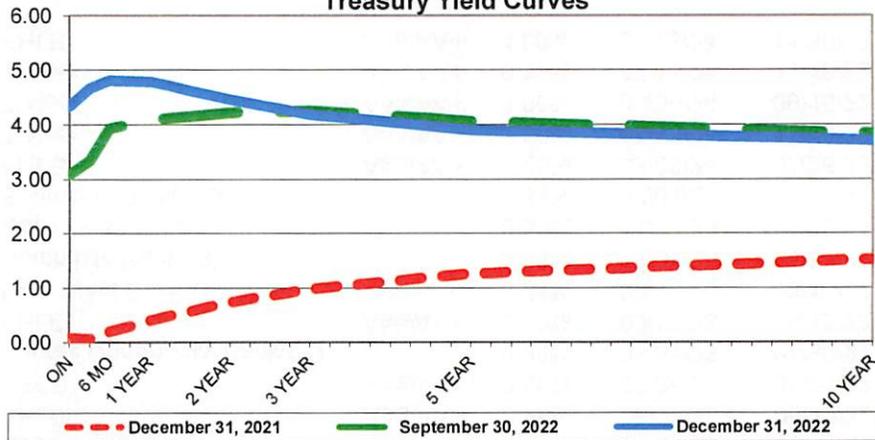
(2) **Fiscal Year-to-Date Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

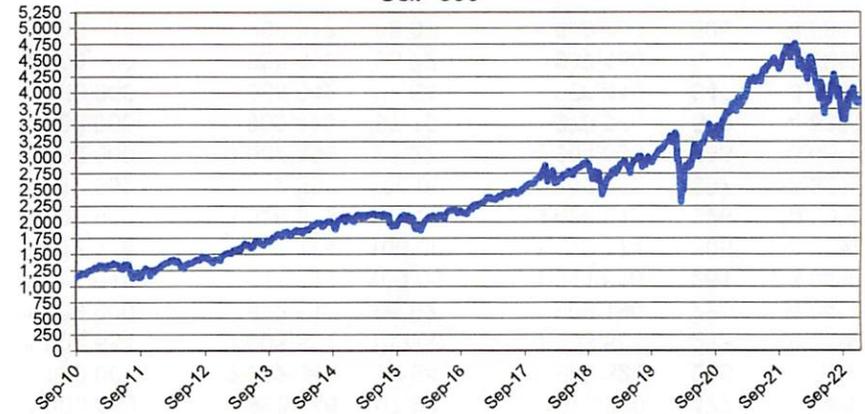
12/31/2022

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.50% to 4.25% - 4.50% December 14th (Effective Fed Funds are trading +/-4.33%). A 0.25% increase is projected February 1st. Third Quarter GDP jumped to 3.2% in the final number. December Non-Farm Payroll added 223k new jobs with the Three Month Average declining to 247k. Crude oil continues moderating at +/- \$75 per barrel. The Stock Markets drifted between +/-15% to +/-19% below the 2021 peak. The yield curve is fully negatively sloped (3 months to 10 years, with peak yield at 6 months) and continues to indicate lower future interest rates. Inflation remained well over the FOMC 2% target (Core PCE +/-5% and CPI +/-6%). International challenges add to economic uncertainty.

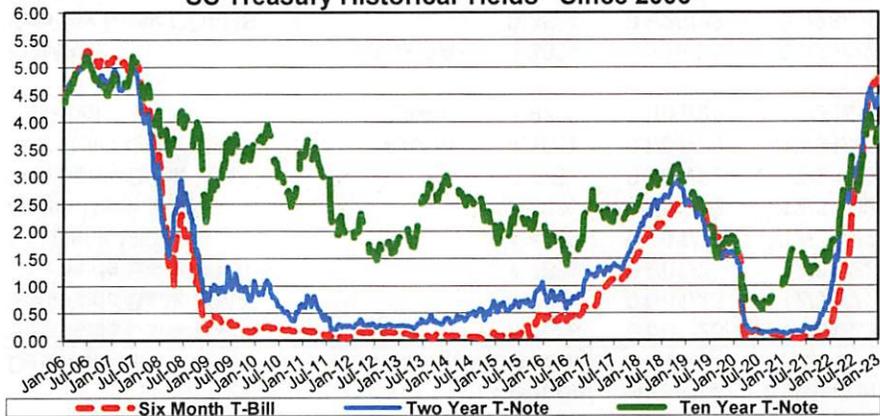
Treasury Yield Curves



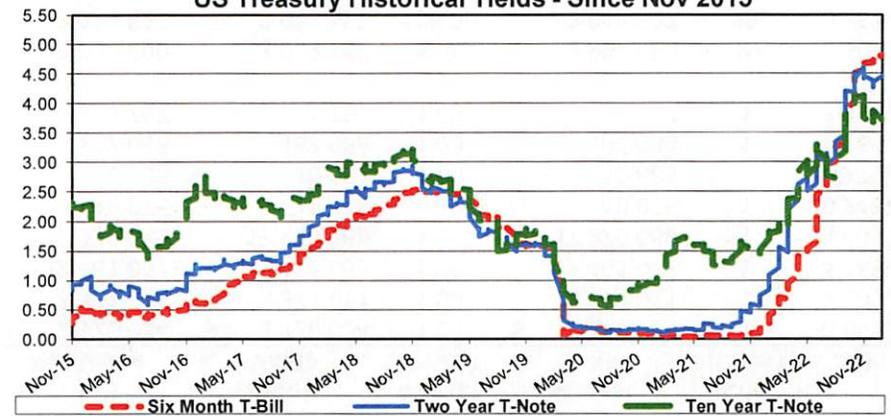
S&P 500



US Treasury Historical Yields - Since 2006



US Treasury Historical Yields - Since Nov 2015

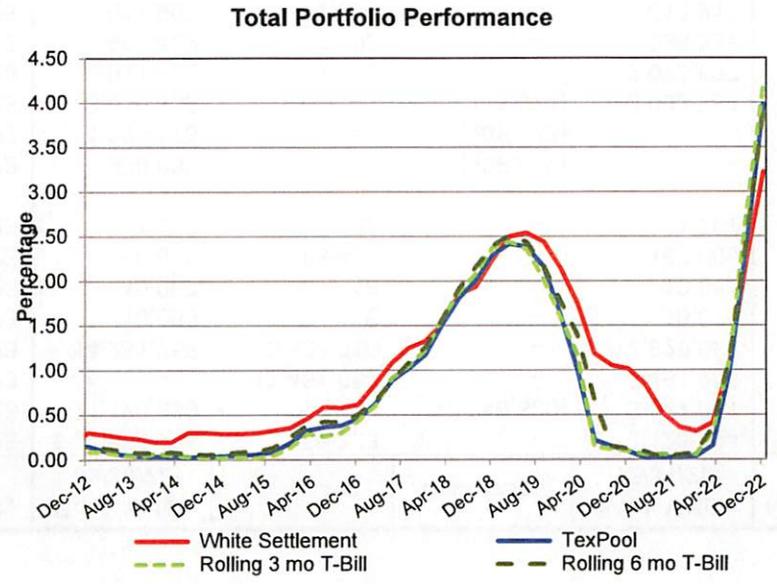
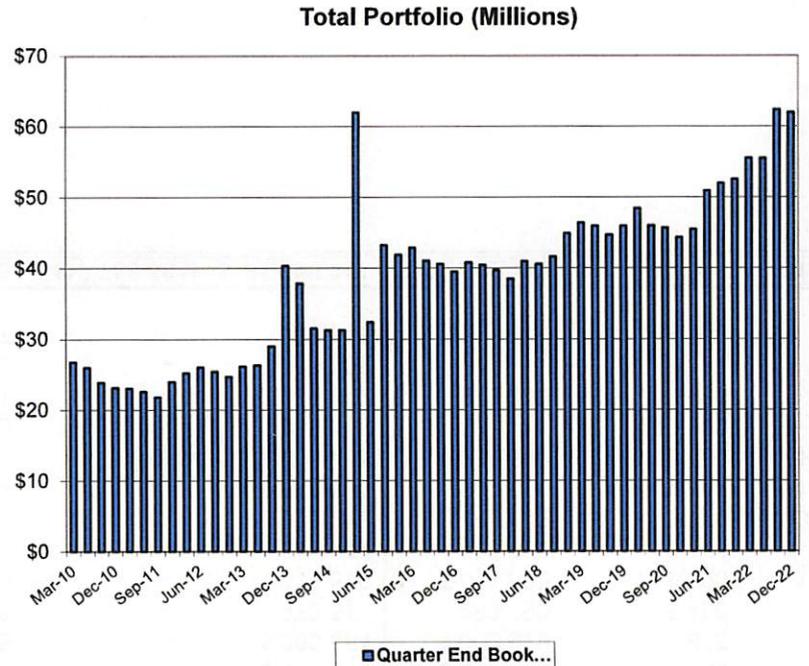
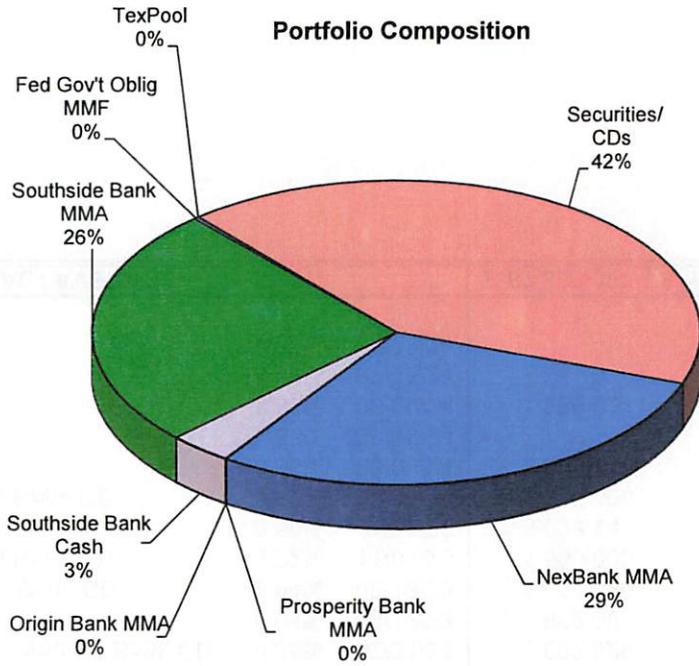


**Investment Holdings
December 31, 2022**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.56%	01/01/23	12/31/22	\$ 2,120,034	\$ 2,120,034	1.00	\$ 2,120,034	1	0.56%
Southside Bank MMA		4.20%	01/01/23	12/31/22	3,371,011	3,371,011	1.00	3,371,011	1	4.20%
Southside Bank MMA #2		4.18%	01/01/23	12/31/22	12,461,057	12,461,057	1.00	12,461,057	1	4.18%
NexBank MMA		4.40%	01/01/23	12/31/22	17,920,669	17,920,669	1.00	17,920,669	1	4.40%
Origin Bank MMA		0.24%	01/01/23	12/31/22	10,075	10,075	1.00	10,075	1	0.24%
Prosperity Bank MMA		0.77%	01/01/23	12/31/22	10,083	10,083	1.00	10,083	1	0.77%
Fed Gov't Oblig MMF	AAAm	4.16%	01/01/23	12/31/22	167,068	167,068	1.00	167,068	1	4.16%
TexPool	AAAm	3.98%	01/01/23	12/31/22	1,707	1,707	1.00	1,707	1	3.98%
FNMA	Aaa/AA+	2.38%	01/19/23	01/21/22	3,000,000	3,002,762	99.92	2,997,450	19	0.60%
CapTex Bank CDARS		0.35%	01/26/23	01/28/21	2,013,527	2,013,527	100.00	2,013,527	26	0.35%
FHLMC	Aaa/AA+	0.38%	04/20/23	04/06/22	1,000,000	995,334	98.75	987,470	110	1.95%
CapTex Bank CD		0.40%	05/21/23	05/21/21	1,012,917	1,012,917	100.00	1,012,917	141	0.40%
FHLMC	Aaa/AA+	0.25%	06/26/23	05/12/22	1,000,000	990,546	97.94	979,360	177	2.24%
FFCB	Aaa/AA+	0.45%	07/24/23	01/21/22	3,000,000	2,992,348	97.54	2,926,320	205	0.91%
Veritex Community Bank CD		0.25%	07/31/23	07/30/21	1,003,554	1,003,554	100.00	1,003,554	212	0.25%
FHLB	Aaa/AA+	0.00%	09/12/23	09/15/22	1,000,000	972,517	96.92	969,190	255	4.04%
East West Bank CD		3.94%	09/18/23	09/16/22	1,011,616	1,011,616	100.00	1,011,616	261	3.94%
Southside Bank CD		3.22%	11/01/23	08/01/22	1,512,174	1,512,174	100.00	1,512,174	305	3.22%
CapTex Bank CD		0.50%	11/22/23	11/22/21	3,026,912	3,026,912	100.00	3,026,912	326	0.50%
Southside Bank CD		3.32%	02/01/24	08/01/22	1,512,552	1,512,552	100.00	1,512,552	397	3.32%
FHLB	Aaa/AA+	3.25%	03/08/24	07/26/22	2,000,000	2,004,405	98.22	1,964,300	433	3.06%
T-Note	Aaa/AA+	2.50%	05/15/24	11/10/22	1,000,000	969,475	97.10	970,980	501	4.83%
T-Note	Aaa/AA+	3.00%	06/30/24	09/15/22	1,000,000	988,042	97.64	976,410	547	3.83%
T-Note	Aaa/AA+	0.38%	07/15/24	11/10/22	1,000,000	935,609	93.72	937,150	562	4.78%
FHLB	Aaa/AA+	4.00%	08/28/24	11/30/22	1,000,000	989,317	98.97	989,700	606	4.68%
Total					\$ 62,154,958	\$ 61,995,311		\$ 61,853,288	113	3.23%
									(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 09/30/22	Increases	Decreases	Book Value 12/31/22	Market Value 09/30/22	Change in Market Value	Market Value 12/31/22
Southside Bank Cash	0.56%	01/01/23	\$ 1,869,701	\$ 250,333	\$ -	\$ 2,120,034	\$ 1,869,701	\$ 250,333	\$ 2,120,034
Southside Bank MMA	4.20%	01/01/23	21,120,820	-	(17,749,809)	3,371,011	21,120,820	(17,749,809)	3,371,011
Southside Bank MMA #2	4.18%	01/01/23	-	12,461,057	-	12,461,057	-	12,461,057	12,461,057
NexBank MMA	4.40%	01/01/23	14,281,759	3,638,910	-	17,920,669	14,281,759	3,638,910	17,920,669
Origin Bank MMA	0.24%	01/01/23	10,069	6	-	10,075	10,069	6	10,075
Prosperity Bank MMA	0.77%	01/01/23	10,067	16	-	10,083	10,067	16	10,083
Fed Gov't Oblig MMF	4.16%	01/01/23	80,611	86,458	-	167,068	80,611	86,458	167,068
TexPool	3.98%	01/01/23	1,692	15	-	1,707	1,692	15	1,707
UST Note	1.24%	10/31/22	999,069	-	(999,069)	-	997,990	(997,990)	-
East West Bank CD	0.86%	11/24/22	1,005,173	-	(1,005,173)	-	1,005,173	(1,005,173)	-
FNMA	0.60%	01/19/23	3,016,136	-	(13,374)	3,002,762	2,988,360	9,090	2,997,450
CapTex Bank CDARS	0.35%	01/26/23	2,011,752	1,775	-	2,013,527	2,011,752	1,775	2,013,527
FHLMC	1.95%	04/20/23	991,432	3,902	-	995,334	980,730	6,740	987,470
CapTex Bank CD	0.40%	05/21/23	1,011,907	1,009	-	1,012,917	1,011,907	1,009	1,012,917
FHLMC	2.24%	06/26/23	985,631	4,914	-	990,546	972,050	7,310	979,360
FFCB	0.91%	07/24/23	2,988,914	3,434	-	2,992,348	2,984,070	(57,750)	2,926,320
Veritex Community Bank CD	0.25%	07/31/23	1,002,929	625	-	1,003,554	1,002,929	625	1,003,554
FHLB	4.04%	09/12/23	962,601	9,916	-	972,517	963,790	5,400	969,190
East West Bank CD	3.94%	09/18/23	1,001,620	9,996	-	1,011,616	1,001,620	9,996	1,011,616
Southside Bank CD	3.22%	11/01/23	1,500,000	12,174	-	1,512,174	1,500,000	12,174	1,512,174
CapTex Bank CD	0.50%	11/22/23	3,023,142	3,770	-	3,026,912	3,023,142	3,770	3,026,912
Southside Bank CD	3.32%	02/01/24	1,500,000	12,552	-	1,512,552	1,500,000	12,552	1,512,552
FHLB	3.06%	03/08/24	2,005,340	-	(936)	2,004,405	1,969,500	(5,200)	1,964,300
T-Note	4.83%	05/15/24	-	969,475	-	969,475	-	970,980	970,980
T-Note	3.83%	06/30/24	986,031	2,011	-	988,042	978,360	(1,950)	976,410
T-Note	4.78%	07/15/24	-	935,609	-	935,609	-	937,150	937,150
T-Note	4.68%	08/28/24	-	989,317	-	989,317	-	989,700	989,700
TOTAL / AVERAGE	3.23%		\$ 62,366,397	\$ 19,397,275	\$(19,768,361)	\$ 61,995,311	\$ 62,266,092	\$ (412,805)	\$ 61,853,288