



## QUARTERLY INVESTMENT REPORT

For the Quarter Ended

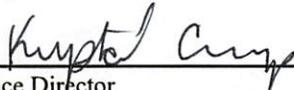
March 31, 2023

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.

 4/24/23  
\_\_\_\_\_  
City Manager

 4/24/2023  
\_\_\_\_\_  
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:**

<b>Asset Type</b>	<b>December 31, 2022</b>		<b>March 31, 2023</b>		
	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Ave. Yield</b>
Pools/Bank/MMA	\$ 36,061,704	\$ 36,061,704	\$ 36,517,101	\$ 36,517,101	4.77%
Securities/CDs	25,933,607	25,791,583	30,014,904	29,936,525	3.14%
<b>Totals</b>	<b>\$ 61,995,311</b>	<b>\$ 61,853,288</b>	<b>\$ 66,532,006</b>	<b>\$ 66,453,626</b>	<b>4.03%</b>

**Quarter End Average Yield (1)**

Total Portfolio	4.03%
Rolling Three Month Treasury	4.78%
Rolling Six Month Treasury	4.73%
TexPool	4.61%

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

Total Portfolio	3.63%
Rolling Three Month Treasury	4.49%
Rolling Six Month Treasury	4.32%
Quarterly TexPool Yield	4.30%

**Interest Earnings (Approximate)**

Quarterly Interest Income	\$ 612,688
Year-to-date Interest Income	\$ 1,037,804

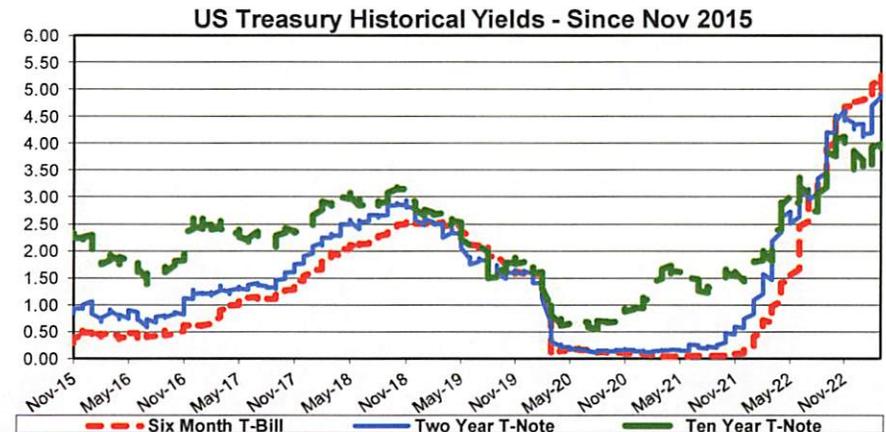
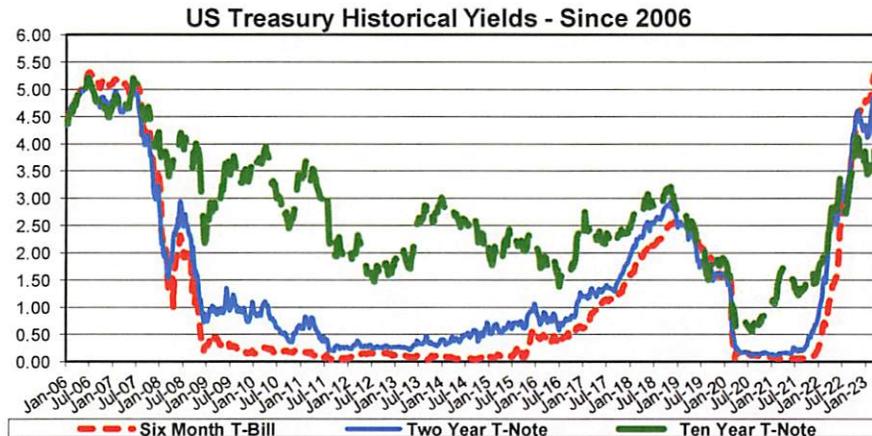
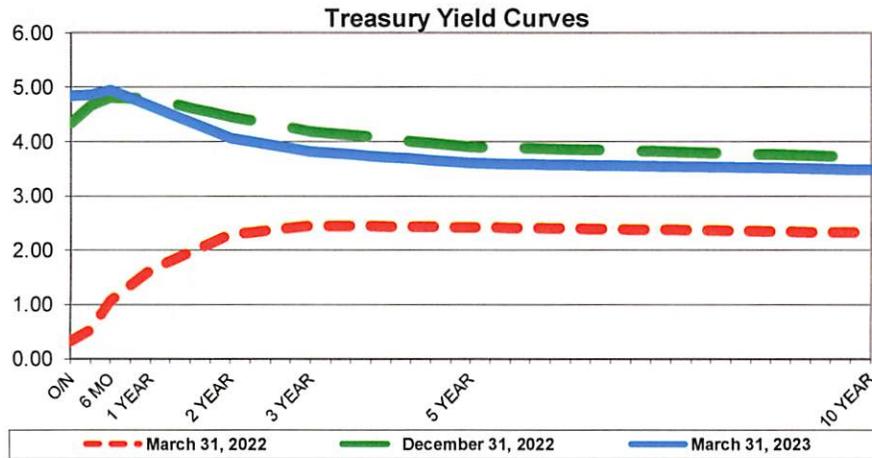
(1) **Quarter End Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

3/31/2023

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.25% to 4.75% - 5.00% March 22nd (Effective Fed Funds are trading +/-4.82%). An additional 0.25% increase is projected May 3rd. Fourth Quarter 2022 GDP was revised downward to 2.6% (final number). March Non-Farm Payroll saw 236k new jobs. OPEC announced production cuts and Crude Oil moved up slightly to +/- \$80 per barrel. The S&P Stock Index still oscillates on either side of 4,000. In early March, two large US banks and one European bank required bail-outs to prevent wider financial market disruption. The yield curve shifted lower on broader economic concerns, even with the expectation of additional FOMC rate increases. The Market is now considering lower future interest rates as early as this fall. Inflation is still over the FOMC 2% target (Core PCE +/-4.7% and CPI +/-6.4%). International challenges add to economic uncertainty.

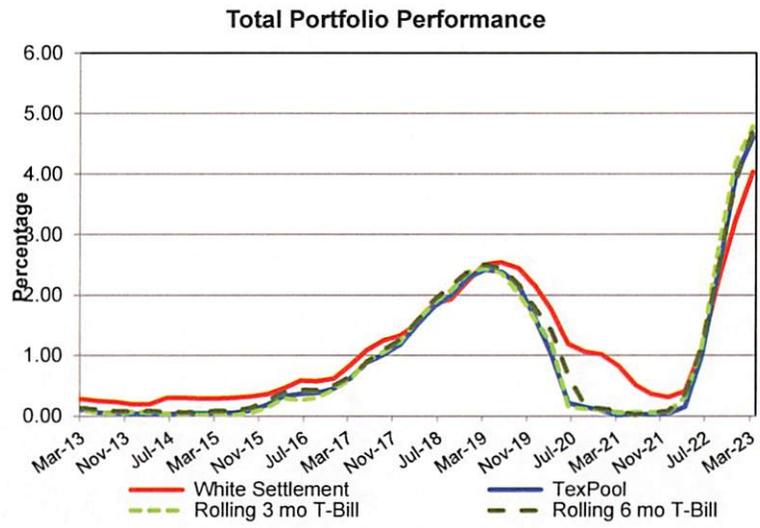
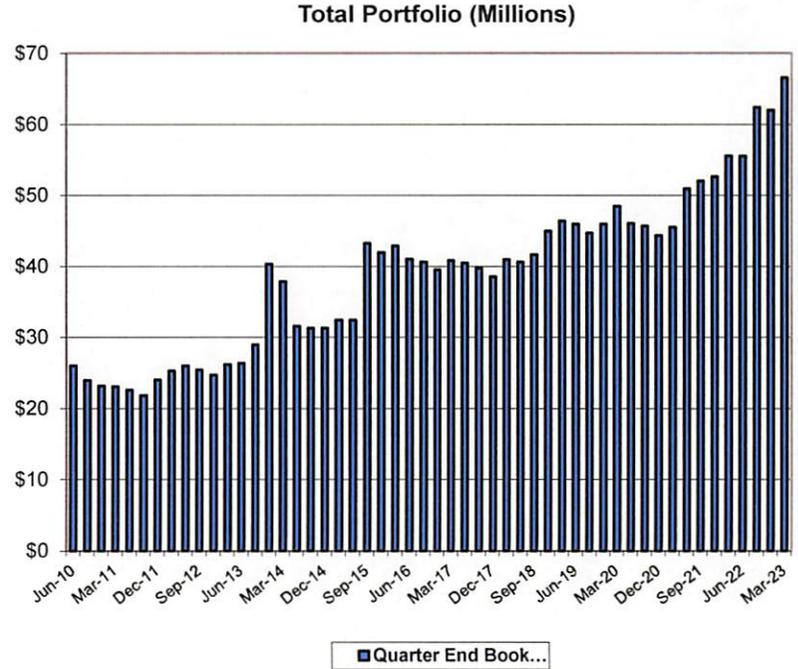
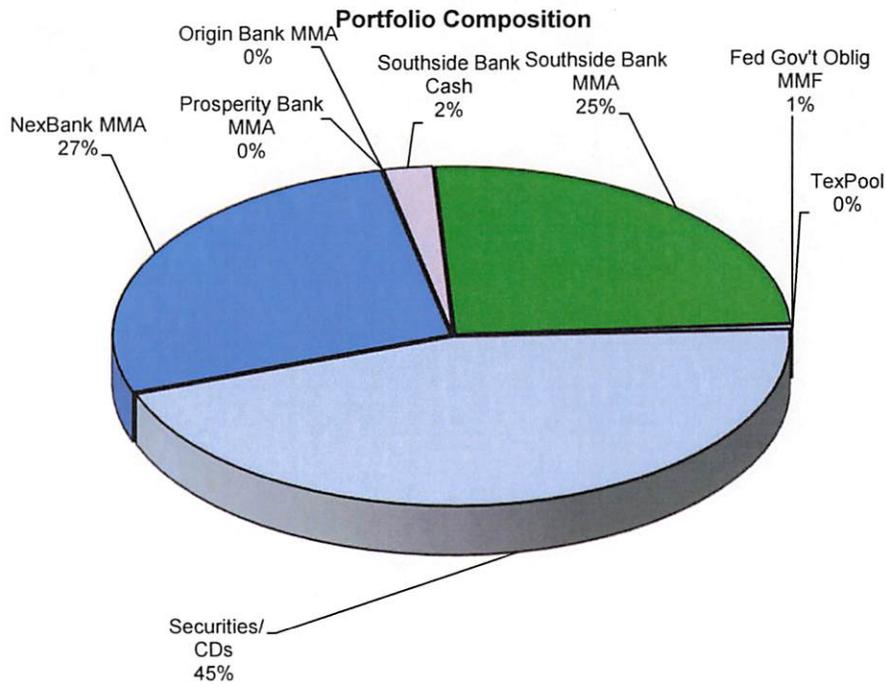


**Investment Holdings**  
**March 31, 2023**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.70%	04/01/23	03/31/23	\$ 1,541,761	\$ 1,541,761	1.00	\$ 1,541,761	1	0.70%
Southside Bank MMA		4.90%	04/01/23	03/31/23	3,315,749	3,315,749	1.00	3,315,749	1	4.90%
Southside Bank MMA #2		4.90%	04/01/23	03/31/23	13,239,670	13,239,670	1.00	13,239,670	1	4.90%
NexBank MMA		5.00%	04/01/23	03/31/23	18,127,139	18,127,139	1.00	18,127,139	1	5.00%
Origin Bank MMA		1.00%	04/01/23	03/31/23	10,091	10,091	1.00	10,091	1	1.00%
Prosperity Bank MMA		1.01%	04/01/23	03/31/23	10,108	10,108	1.00	10,108	1	1.01%
Fed Gov't Oblig MMF	AAAm	4.71%	04/01/23	03/31/23	270,857	270,857	1.00	270,857	1	4.71%
TexPool	AAAm	4.61%	04/01/23	03/31/23	1,726	1,726	1.00	1,726	1	4.61%
FHLMC	Aaa/AA+	0.38%	04/20/23	04/06/22	1,000,000	999,152	99.78	997,790	20	1.95%
CapTex Bank CD		0.40%	05/21/23	05/21/21	1,013,916	1,013,916	100.00	1,013,916	51	0.40%
FHLMC	Aaa/AA+	0.25%	06/26/23	05/12/22	1,000,000	995,353	99.00	989,950	87	2.24%
FFCB	Aaa/AA+	0.45%	07/24/23	01/21/22	3,000,000	2,995,707	98.61	2,958,180	115	0.91%
East West Bank CD		4.87%	07/26/23	01/26/23	1,008,710	1,008,710	100.00	1,008,710	117	4.99%
Veritex Community Bank CD		0.25%	07/31/23	07/30/21	1,004,173	1,004,173	100.00	1,004,173	122	0.25%
FHLB	Aaa/AA+	0.00%	09/12/23	09/15/22	1,000,000	982,217	97.90	979,000	165	4.04%
East West Bank CD		3.94%	09/18/23	09/16/22	1,021,492	1,021,492	100.00	1,021,492	171	4.02%
East West Bank CD		4.81%	10/26/23	01/26/23	1,008,602	1,008,602	100.00	1,008,602	209	4.93%
Southside Bank CD		3.22%	11/01/23	08/01/22	1,524,447	1,524,447	100.00	1,524,447	215	3.26%
CapTex Bank CD		0.50%	11/22/23	11/22/21	3,030,646	3,030,646	100.00	3,030,646	236	0.50%
Southside Bank CD		3.32%	02/01/24	08/01/22	1,525,210	1,525,210	100.00	1,525,210	307	3.36%
FHLB	Aaa/AA+	3.25%	03/08/24	07/26/22	2,000,000	2,003,489	98.59	1,971,700	343	3.06%
BankOZK CD		4.93%	03/29/24	03/29/23	2,000,000	2,000,000	100.00	2,000,000	364	5.05%
Wallis Bank CD		4.65%	04/30/24	01/30/23	1,000,000	1,000,000	100.00	1,000,000	396	4.65%
T-Note	Aaa/AA+	2.50%	05/15/24	11/10/22	1,000,000	974,958	97.80	977,970	411	4.83%
T-Note	Aaa/AA+	3.00%	06/30/24	09/15/22	1,000,000	990,010	98.21	982,070	457	3.83%
T-Note	Aaa/AA+	0.38%	07/15/24	11/10/22	1,000,000	945,921	94.98	949,840	472	4.78%
Wallis Bank CD		4.62%	07/30/24	01/30/23	1,000,000	1,000,000	100.00	1,000,000	487	4.62%
FHLB	Aaa/AA+	4.00%	08/28/24	11/30/22	1,000,000	990,903	99.28	992,830	516	4.67%
Independent Financial Bank CD		4.50%	09/25/24	01/25/23	1,000,000	1,000,000	100.00	1,000,000	544	4.58%
Independent Financial Bank CD		4.50%	10/25/24	01/25/23	1,000,000	1,000,000	100.00	1,000,000	574	4.58%
Independent Financial Bank CD		4.50%	01/25/25	01/25/23	1,000,000	1,000,000	100.00	1,000,000	666	4.58%
<b>Total</b>					<b>\$ 66,654,296</b>	<b>\$ 66,532,006</b>		<b>\$ 66,453,626</b>	<b>131</b>	<b>4.03%</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.



## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/22	Increases	Decreases	Book Value 03/31/23	Market Value 12/31/22	Change in Market Value	Market Value 03/31/23
Southside Bank Cash	0.70%	04/01/23	\$ 2,120,034	\$ -	\$ (578,273)	\$ 1,541,761	\$ 2,120,034	\$ (578,273)	\$ 1,541,761
Southside Bank MMA	4.90%	04/01/23	3,371,011	-	(55,262)	3,315,749	3,371,011	(55,262)	3,315,749
Southside Bank MMA #2	4.90%	04/01/23	12,461,057	778,614	-	13,239,670	12,461,057	778,614	13,239,670
NexBank MMA	5.00%	04/01/23	17,920,669	206,470	-	18,127,139	17,920,669	206,470	18,127,139
Origin Bank MMA	1.00%	04/01/23	10,075	15	-	10,091	10,075	15	10,091
Prosperity Bank MMA	1.01%	04/01/23	10,083	25	-	10,108	10,083	25	10,108
Fed Gov't Oblig MMF	4.71%	04/01/23	167,068	103,789	-	270,857	167,068	103,789	270,857
TexPool	4.61%	04/01/23	1,707	19	-	1,726	1,707	19	1,726
FNMA	0.60%	01/19/23	3,002,762	-	(3,002,762)	-	2,997,450	(2,997,450)	-
CapTex Bank CDARS	0.35%	01/26/23	2,013,527	-	(2,013,527)	-	2,013,527	(2,013,527)	-
FHLMC	1.95%	04/20/23	995,334	3,818	-	999,152	987,470	10,320	997,790
CapTex Bank CD	0.40%	05/21/23	1,012,917	999	-	1,013,916	1,012,917	999	1,013,916
FHLMC	2.24%	06/26/23	990,546	4,807	-	995,353	979,360	10,590	989,950
FFCB	0.91%	07/24/23	2,992,348	3,359	-	2,995,707	2,926,320	31,860	2,958,180
East West Bank CD	4.99%	07/26/23	-	1,008,710	-	1,008,710	-	1,008,710	1,008,710
Veritex Community Bank CD	0.25%	07/31/23	1,003,554	619	-	1,004,173	1,003,554	619	1,004,173
FHLB	4.04%	09/12/23	972,517	9,700	-	982,217	969,190	9,810	979,000
East West Bank CD	4.02%	09/18/23	1,011,616	9,875	-	1,021,492	1,011,616	9,875	1,021,492
East West Bank CD	4.93%	10/26/23	-	1,008,602	-	1,008,602	-	1,008,602	1,008,602
Southside Bank CD	3.26%	11/01/23	1,512,174	12,273	-	1,524,447	1,512,174	12,273	1,524,447
CapTex Bank CD	0.50%	11/22/23	3,026,912	3,733	-	3,030,646	3,026,912	3,733	3,030,646
Southside Bank CD	3.36%	02/01/24	1,512,552	12,657	-	1,525,210	1,512,552	12,657	1,525,210
FHLB	3.06%	03/08/24	2,004,405	-	(916)	2,003,489	1,964,300	7,400	1,971,700
BankOZK CD	5.05%	03/29/24	-	2,000,000	-	2,000,000	-	2,000,000	2,000,000
Wallis Bank CD	4.65%	04/30/24	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
T-Note	4.83%	05/15/24	969,475	5,484	-	974,958	970,980	6,990	977,970
T-Note	3.83%	06/30/24	988,042	1,967	-	990,010	976,410	5,660	982,070
T-Note	4.78%	07/15/24	935,609	10,312	-	945,921	937,150	12,690	949,840
Wallis Bank CD	4.62%	07/30/24	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
FHLB	4.67%	08/28/24	989,317	1,587	-	990,903	989,700	3,130	992,830
Independent Financial Bank CD	4.58%	09/25/24	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
Independent Financial Bank CD	4.58%	10/25/24	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
Independent Financial Bank CD	4.58%	01/25/25	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
<b>TOTAL / AVERAGE</b>	<b>4.03%</b>		<b>\$ 61,995,311</b>	<b>\$ 10,187,434</b>	<b>\$ (5,650,740)</b>	<b>\$ 66,532,006</b>	<b>\$ 61,853,288</b>	<b>\$ 4,600,338</b>	<b>\$ 66,453,626</b>

**Allocation By Fund**  
**March 31, 2023**

	Book Value	Market Value	Book Value
	Pooled Cash	Pooled Cash	Yield
Southside Bank Cash	\$ 1,541,761	1,541,761.20	0.70%
Southside Bank MMA	3,315,749	3,315,749.09	4.90%
Southside Bank MMA #2	13,239,670	13,239,670.33	4.90%
NexBank MMA	18,127,139	18,127,138.77	5.00%
Origin Bank MMA	10,091	10,090.51	1.00%
Prosperity Bank MMA	10,108	10,108.06	1.01%
Fed Gov't Oblig MMF	270,857	270,857.25	4.71%
TexPool	1,726	1,726.06	4.61%
04/20/23–FHLMC	999,152	997,790.00	1.95%
05/21/23–CapTex Bank CD	1,013,916	1,013,916.25	0.40%
06/26/23–FHLMC	995,353	989,950.00	2.24%
07/24/23–FFCB	2,995,707	2,958,180.00	0.91%
07/26/23–East West Bank CD	1,008,710	1,008,709.74	4.99%
07/31/23–Veritex Community Bank CD	1,004,173	1,004,172.63	0.25%
09/12/23–FHLB	982,217	979,000.00	4.04%
09/18/23–East West Bank CD	1,021,492	1,021,491.75	4.02%
10/26/23–East West Bank CD	1,008,602	1,008,601.97	4.93%
11/01/23–Southside Bank CD	1,524,447	1,524,447.30	3.26%
11/22/23–CapTex Bank CD	3,030,646	3,030,645.52	0.50%
02/01/24–Southside Bank CD	1,525,210	1,525,209.70	3.36%
03/08/24–FHLB	2,003,489	1,971,700.00	3.06%
03/29/24–BankOZK CD	2,000,000	2,000,000.00	5.05%
04/30/24–Wallis Bank CD	1,000,000	1,000,000.00	4.65%
05/15/24–T-Note	974,958	977,970.00	4.83%
06/30/24–T-Note	990,010	982,070.00	3.83%
07/15/24–T-Note	945,921	949,840.00	4.78%
07/30/24–Wallis Bank CD	1,000,000	1,000,000.00	4.62%
08/28/24–FHLB	990,903	992,830.00	4.67%
'25/24–Independent Financial Bank CD	1,000,000	1,000,000.00	4.58%
'25/24–Independent Financial Bank CD	1,000,000	1,000,000.00	4.58%
'25/25–Independent Financial Bank CD	1,000,000	1,000,000.00	4.58%
<b>Total</b>	<b>\$ 66,532,006</b>	<b>\$ 66,453,626</b>	

**Allocation By Fund  
December 31, 2022**

	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>
	<b>Pooled Cash</b>	<b>Pooled Cash</b>	<b>Yield</b>
Southside Bank Cash	\$ 2,120,034	2,120,034.03	0.56%
Southside Bank MMA	3,371,011	3,371,010.87	4.20%
Southside Bank MMA #2	12,461,057	12,461,056.79	4.18%
NexBank MMA	17,920,669	17,920,668.82	4.40%
Origin Bank MMA	10,075	10,075.31	0.24%
Prosperity Bank MMA	10,083	10,083.10	0.77%
Fed Gov't Oblig MMF	167,068	167,068.05	4.16%
TexPool	1,707	1,707.28	3.98%
01/19/23–FNMA	3,002,762	2,997,450.00	0.60%
01/26/23–CapTex Bank CDARS	2,013,527	2,013,527.42	0.35%
04/20/23–FHLMC	995,334	987,470.00	1.95%
05/21/23–CapTex Bank CD	1,012,917	1,012,916.89	0.40%
06/26/23–FHLMC	990,546	979,360.00	2.24%
07/24/23–FFCB	2,992,348	2,926,320.00	0.91%
07/31/23–Veritex Community Bank CD	1,003,554	1,003,553.87	0.25%
09/12/23–FHLB	972,517	969,190.00	4.04%
09/18/23–East West Bank CD	1,011,616	1,011,616.47	3.94%
11/01/23–Southside Bank CD	1,512,174	1,512,174.25	3.22%
11/22/23–CapTex Bank CD	3,026,912	3,026,912.18	0.50%
02/01/24–Southside Bank CD	1,512,552	1,512,552.33	3.32%
03/08/24–FHLB	2,004,405	1,964,300.00	3.06%
05/15/24–T-Note	969,475	970,980.00	4.83%
06/30/24–T-Note	988,042	976,410.00	3.83%
07/15/24–T-Note	935,609	937,150.00	4.78%
08/28/24–FHLB	989,317	989,700.00	4.68%
<b>Total</b>	<b>\$ 61,995,311</b>	<b>\$ 61,853,288</b>	