



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 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.

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.

Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

Asset Type	September 30, 2022			September 30, 2023		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Pools/Bank/MMA	2.66%	\$ 37,374,719	\$ 37,374,719	5.52%	\$ 34,223,875	\$ 34,223,875
Securities/CDs	1.65%	24,991,678	24,891,374	4.19%	30,346,389	30,292,598
Totals		62,366,397	62,266,092		64,570,264	64,516,473

Fourth Quarter-End Yield **2.25%** **4.89%**

Average Quarter-End Yields (1):

	2022 Fiscal Year	2023 Fiscal Year
White Settlement	1.02%	4.14%
Rolling Three Month Treasury	1.06%	4.95%
Rolling Six Month Treasury	1.01%	4.77%
TexPool	0.90%	4.74%
Fiscal YTD interest earnings	\$ 446,257 (Approximate)	\$ 2,472,738 (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, 2023		September 30, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 32,047,204	\$ 32,047,204	\$ 34,223,875	\$ 34,223,875	5.52%
Securities/CDs	34,197,406	34,119,448	30,346,389	30,292,598	4.19%
Totals	\$ 66,244,609	\$ 66,166,651	\$ 64,570,264	\$ 64,516,473	4.89%

Quarter End Average Yield (1)

Total Portfolio	4.89%
Rolling Three Month Treasury	5.54%
Rolling Six Month Treasury	5.38%
TexPool	5.32%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	4.14%
Rolling Three Month Treasury	4.95%
Rolling Six Month Treasury	4.77%
Quarterly TexPool Yield	4.74%

Interest Earnings (Approximate)

Quarterly Interest Income	\$ 747,702
Year-to-date Interest Income	\$ 2,472,738

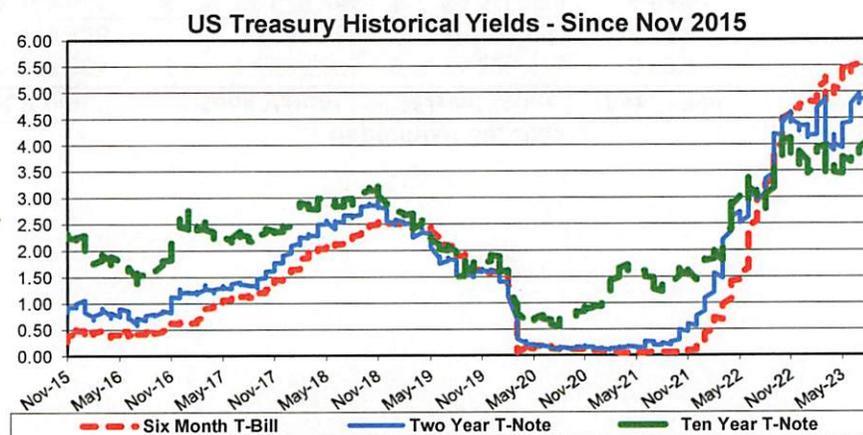
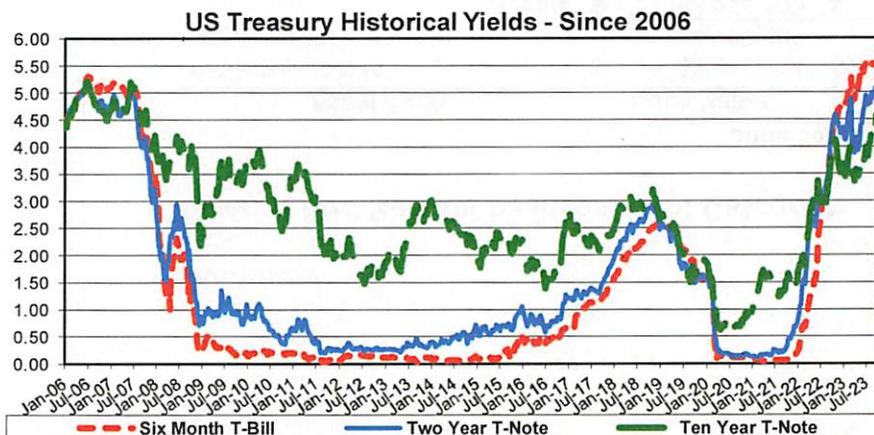
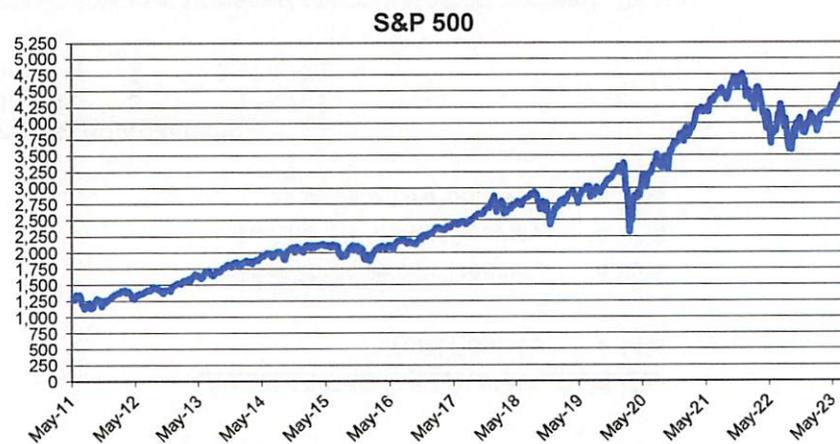
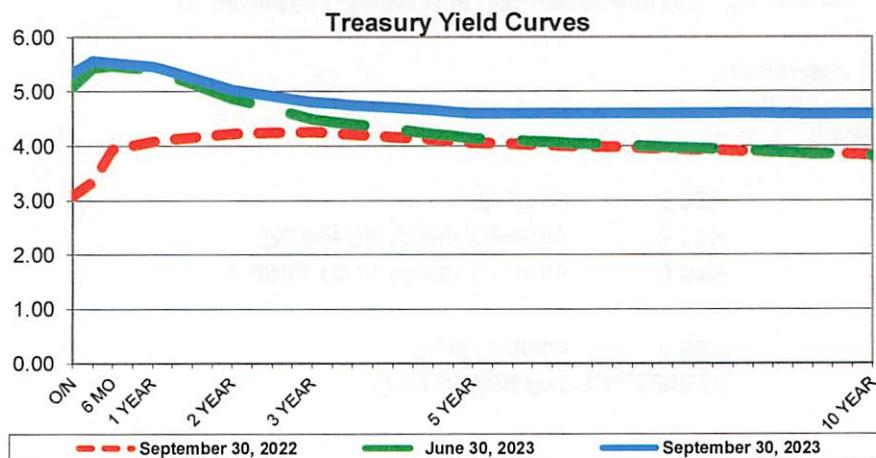
(1) **Quarter End Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

9/30/2023

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 0.25% to 5.25% - 5.50% (Effective Fed Funds are trading +/-5.33%). A pause is projected at least until the September 19-20 meeting, with any future actions data-dependent. Second Quarter 2023 GDP posted 2.1%. September Non-Farm Payroll surged up 336k new jobs, above the 170k projection. The S&P Stock Index continued to slide below 4,300. The yield curve drifted higher on the long end. Crude Oil traded +/- \$85 per barrel. Inflation drifted lower but still over the FOMC 2% target (Core PCE +/-3.9% and CPI +/-3.7%). The slowing China and German economies, Ukrainian/Russian and Israeli/Hamas conflicts continue to weight on future outlooks.



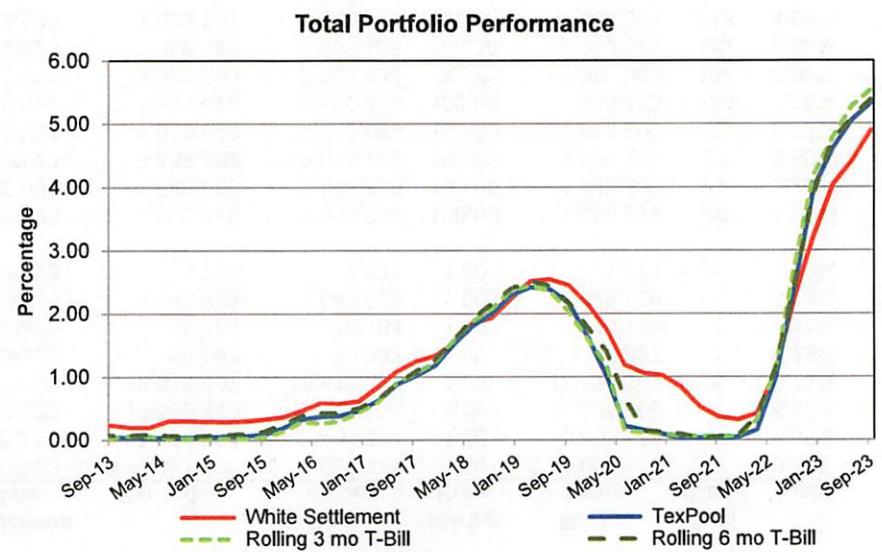
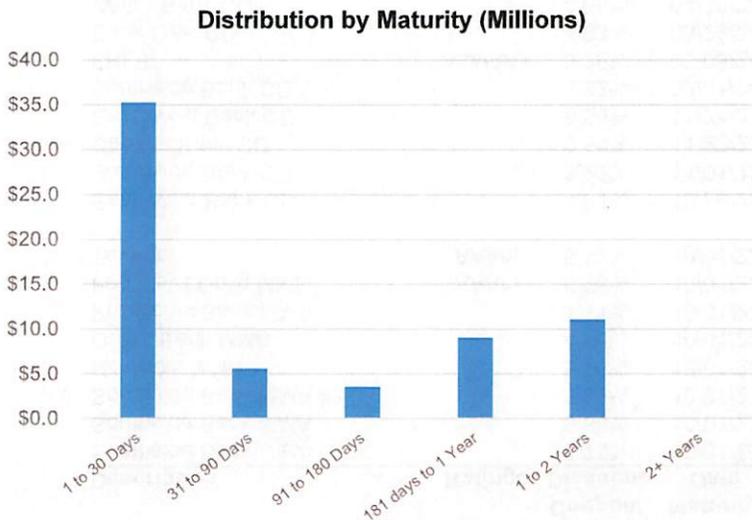
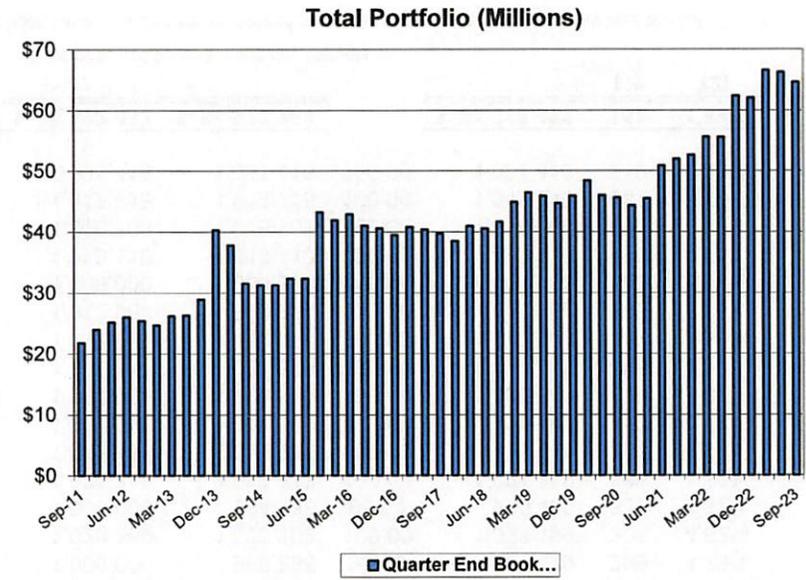
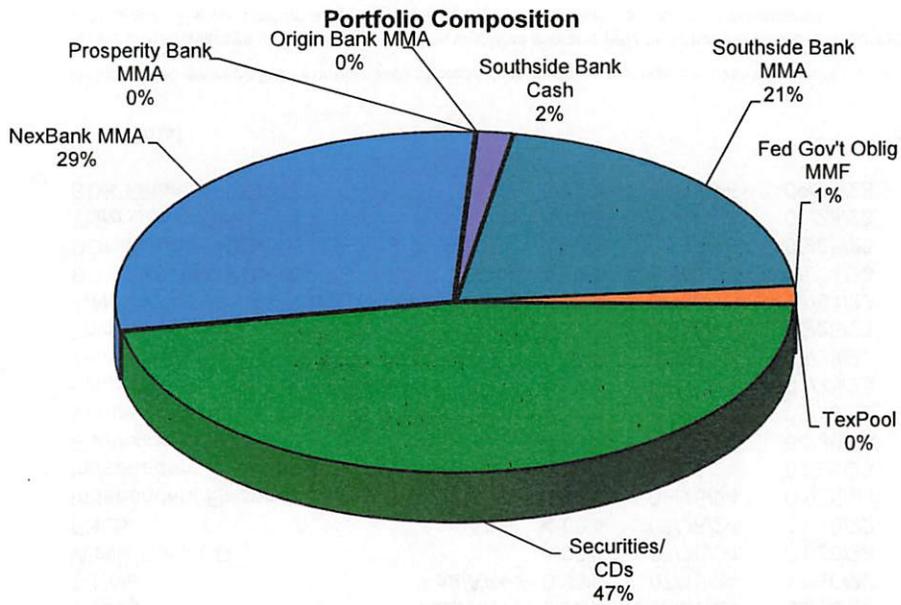
**Investment Holdings
September 30, 2023**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.75%	10/01/23	09/30/23	\$ 1,061,175	\$ 1,061,175	1.00	\$ 1,061,175	1	0.75%
Southside Bank MMA		5.66%	10/01/23	09/30/23	3,404,664	3,404,664	1.00	3,404,664	1	5.66%
Southside Bank MMA #2		5.66%	10/01/23	09/30/23	10,076,298	10,076,298	1.00	10,076,298	1	5.66%
NexBank MMA		5.71%	10/01/23	09/30/23	18,616,007	18,616,007	1.00	18,616,007	1	5.71%
Origin Bank MMA		4.75%	10/01/23	09/30/23	10,237	10,237	1.00	10,237	1	4.75%
Prosperity Bank MMA		1.11%	10/01/23	09/30/23	10,164	10,164	1.00	10,164	1	1.11%
Fed Gov't Oblig MMF	AAAm	5.26%	10/01/23	09/30/23	1,043,559	1,043,559	1.00	1,043,559	1	5.26%
TexPool	AAAm	5.32%	10/01/23	09/30/23	1,771	1,771	1.00	1,771	1	5.32%
East West Bank CD		4.81%	10/26/23	01/26/23	1,033,219	1,033,219	100.00	1,033,219	26	4.93%
Southside Bank CD		3.22%	11/01/23	08/01/22	1,548,886	1,548,886	100.00	1,548,886	32	3.26%
CapTex Bank CD		0.50%	11/22/23	11/22/21	3,038,292	3,038,292	100.00	3,038,292	53	0.50%
East West Bank CD		5.56%	11/24/23	05/24/23	1,019,999	1,019,999	100.00	1,019,999	55	5.72%
Southside Bank CD		3.32%	02/01/24	08/01/22	1,550,423	1,550,423	100.00	1,550,423	124	3.36%
FHLB	Aaa/AA+	3.25%	03/08/24	07/26/22	2,000,000	2,001,632	99.02	1,980,460	160	3.06%
Bank OZK CD		4.93%	03/29/24	03/29/23	2,050,325	2,050,325	100.00	2,050,325	181	5.05%
Wallis Bank CD		4.65%	04/30/24	01/30/23	1,023,321	1,023,321	100.00	1,023,321	213	4.65%
T-Note	Aaa/AA+	2.50%	05/15/24	11/10/22	1,000,000	986,108	98.21	982,070	228	4.83%
T-Note	Aaa/AA+	3.00%	06/30/24	09/15/22	1,000,000	994,010	98.18	981,800	274	3.83%
T-Note	Aaa/AA+	0.38%	07/15/24	11/10/22	1,000,000	966,888	96.10	961,020	289	4.78%
Wallis Bank CD		4.62%	07/30/24	01/30/23	1,023,169	1,023,169	100.00	1,023,169	304	4.62%
FHLB	Aaa/AA+	4.00%	08/28/24	11/30/22	1,000,000	994,135	98.64	986,430	333	4.67%
Independent Financial Bank CD		4.50%	09/25/24	01/25/23	1,021,318	1,021,318	100.00	1,021,318	361	4.58%
Independent Financial Bank CD		4.50%	10/25/24	01/25/23	1,021,318	1,021,318	100.00	1,021,318	391	4.58%
Southside Bank CD		4.65%	11/20/24	04/20/23	1,011,593	1,011,593	100.00	1,011,593	417	4.73%
Veritex Community Bank CD		5.53%	12/18/24	09/18/23	1,000,000	1,000,000	100.00	1,000,000	445	5.67%
Independent Financial Bank CD		4.50%	01/25/25	01/25/23	1,021,318	1,021,318	100.00	1,021,318	483	4.58%
Third Coast Bank CD		5.20%	02/28/25	06/28/23	1,012,964	1,012,964	100.00	1,012,964	517	5.30%
Third Coast Bank CD		5.20%	03/28/25	06/28/23	1,012,964	1,012,964	100.00	1,012,964	545	5.30%
T-Note		2.63%	04/15/25	08/01/23	1,000,000	964,558	96.18	961,760	563	5.05%
BOK Financial CDARS		4.61%	05/01/25	05/04/23	1,019,110	1,019,110	100.00	1,019,110	579	4.71%
BOK Financial CDARS		4.69%	05/22/25	05/25/23	1,016,708	1,016,708	100.00	1,016,708	600	4.80%
Third Coast Bank CD		5.10%	06/28/25	06/28/23	1,012,715	1,012,715	100.00	1,012,715	637	5.20%
BOK Financial CDARS		5.17%	09/18/25	09/21/23	1,001,416	1,001,416	100.00	1,001,416	719	5.30%
Total					\$ 64,662,933	\$ 64,570,264		\$ 64,516,473	142	4.89%

(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 06/30/23	Increases	Decreases	Book Value 09/30/23	Market Value 06/30/23	Change in Market Value	Market Value 09/30/23
Southside Bank Cash	0.75%	10/01/23	\$ 1,080,860	\$ -	\$ (19,685)	\$ 1,061,175	\$ 1,080,860	\$ (19,685)	\$ 1,061,175
Southside Bank MMA	5.66%	10/01/23	3,358,420	46,243	-	3,404,664	3,358,420	46,243	3,404,664
Southside Bank MMA #2	5.66%	10/01/23	9,208,478	867,820	-	10,076,298	9,208,478	867,820	10,076,298
NexBank MMA	5.71%	10/01/23	18,361,445	254,563	-	18,616,007	18,361,445	254,563	18,616,007
Origin Bank MMA	4.75%	10/01/23	10,118	119	-	10,237	10,118	119	10,237
Prosperity Bank MMA	1.11%	10/01/23	10,136	28	-	10,164	10,136	28	10,164
Fed Gov't Oblig MMF	5.26%	10/01/23	16,000	1,027,559	-	1,043,559	16,000	1,027,559	1,043,559
TexPool	5.32%	10/01/23	1,748	23	-	1,771	1,748	23	1,771
FFCB	0.91%	07/24/23	2,999,104	-	(2,999,104)	-	2,990,970	(2,990,970)	-
East West Bank CD	4.99%	07/26/23	1,021,031	-	(1,021,031)	-	1,021,031	(1,021,031)	-
Veritex Community Bank CD	0.25%	07/31/23	1,004,806	-	(1,004,806)	-	1,004,806	(1,004,806)	-
FHLB	4.04%	09/12/23	992,024	-	(992,024)	-	990,310	(990,310)	-
East West Bank CD	4.02%	09/18/23	1,031,575	-	(1,031,575)	-	1,031,575	(1,031,575)	-
East West Bank CD	4.93%	10/26/23	1,020,769	12,450	-	1,033,219	1,020,769	12,450	1,033,219
Southside Bank CD	3.26%	11/01/23	1,536,417	12,470	-	1,548,886	1,536,417	12,470	1,548,886
CapTex Bank CD	0.50%	11/22/23	3,034,467	3,826	-	3,038,292	3,034,467	3,826	3,038,292
East West Bank CD	5.72%	11/24/23	1,005,805	14,194	-	1,019,999	1,005,805	14,194	1,019,999
Southside Bank CD	3.36%	02/01/24	1,537,557	12,867	-	1,550,423	1,537,557	12,867	1,550,423
FHLB	3.06%	03/08/24	2,002,563	-	(931)	2,001,632	1,970,560	9,900	1,980,460
Bank OZK CD	5.05%	03/29/24	2,025,006	25,319	-	2,050,325	2,025,006	25,319	2,050,325
Wallis Bank CD	4.65%	04/30/24	1,011,466	11,855	-	1,023,321	1,011,466	11,855	1,023,321
T-Note	4.83%	05/15/24	980,503	5,605	-	986,108	974,920	7,150	982,070
T-Note	3.83%	06/30/24	991,999	2,011	-	994,010	976,410	5,390	981,800
T-Note	4.78%	07/15/24	956,347	10,541	-	966,888	949,730	11,290	961,020
Wallis Bank CD	4.62%	07/30/24	1,011,392	11,778	-	1,023,169	1,011,392	11,778	1,023,169
FHLB	4.67%	08/28/24	992,507	1,627	-	994,135	984,190	2,240	986,430
Independent Financial Bank CD	4.58%	09/25/24	1,009,986	11,331	-	1,021,318	1,009,986	11,331	1,021,318
Independent Financial Bank CD	4.58%	10/25/24	1,009,986	11,331	-	1,021,318	1,009,986	11,331	1,021,318
Southside Bank CD	4.73%	11/20/24	1,000,000	11,593	-	1,011,593	1,000,000	11,593	1,011,593
Veritex Community Bank CD	5.67%	12/18/24	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
Independent Financial Bank CD	4.58%	01/25/25	1,009,986	11,331	-	1,021,318	1,009,986	11,331	1,021,318
Third Coast Bank CD	5.30%	02/28/25	1,000,000	12,964	-	1,012,964	1,000,000	12,964	1,012,964
Third Coast Bank CD	5.30%	03/28/25	1,000,000	12,964	-	1,012,964	1,000,000	12,964	1,012,964
T-Note	5.05%	04/15/25	-	964,558	-	964,558	-	961,760	961,760
BOK Financial CDARS	4.71%	05/01/25	1,007,346	11,764	-	1,019,110	1,007,346	11,764	1,019,110
BOK Financial CDARS	4.80%	05/22/25	1,004,764	11,944	-	1,016,708	1,004,764	11,944	1,016,708
Third Coast Bank CD	5.20%	06/28/25	1,000,000	12,715	-	1,012,715	1,000,000	12,715	1,012,715
BOK Financial CDARS	5.30%	09/18/25	-	1,001,416	-	1,001,416	-	1,001,416	1,001,416
TOTAL / AVERAGE	4.89%		\$ 66,244,609	\$ 5,394,811	\$ (7,069,156)	\$ 64,570,264	\$ 66,166,651	\$ (1,650,178)	\$ 64,516,473