



**QUARTERLY INVESTMENT REPORT  
For the Quarter Ended**

**June 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.

*Jeffrey A. Farnsworth*  
\_\_\_\_\_  
City Manager

*Kristal Amy*      *7/26/2023*  
\_\_\_\_\_  
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	March 31, 2023		June 30, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Pools/Bank/MMA	\$ 36,517,101	\$ 36,517,101	\$ 32,047,204	\$ 32,047,204	5.17%
Securities/CDs	30,014,904	29,936,525	34,197,406	34,119,448	3.70%
<b>Totals</b>	<b>\$ 66,532,006</b>	<b>\$ 66,453,626</b>	<b>\$ 66,244,609</b>	<b>\$ 66,166,651</b>	<b>4.41%</b>

#### Quarter End Average Yield (1)

Total Portfolio	4.41%
Rolling Three Month Treasury	5.28%
Rolling Six Month Treasury	5.08%
TexPool	5.05%

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

Total Portfolio	3.89%
Rolling Three Month Treasury	4.75%
Rolling Six Month Treasury	4.57%
Quarterly TexPool Yield	4.55%

#### Interest Earnings (Approximate)

Quarterly Interest Income	\$ 687,232
Year-to-date Interest Income	\$ 1,725,036

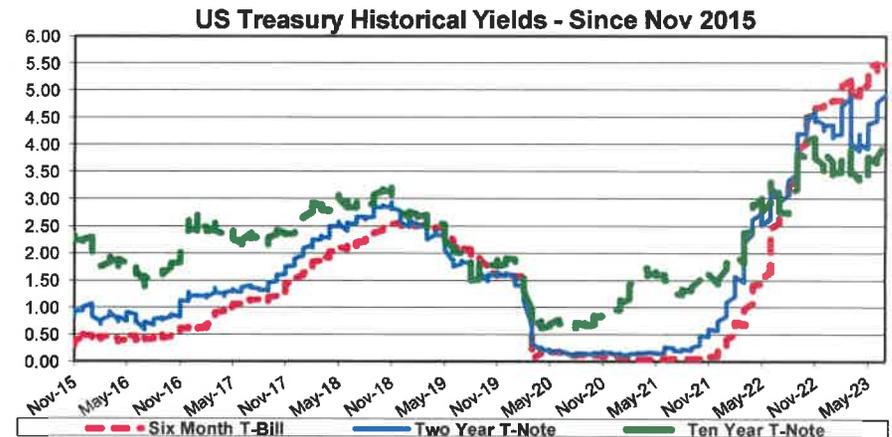
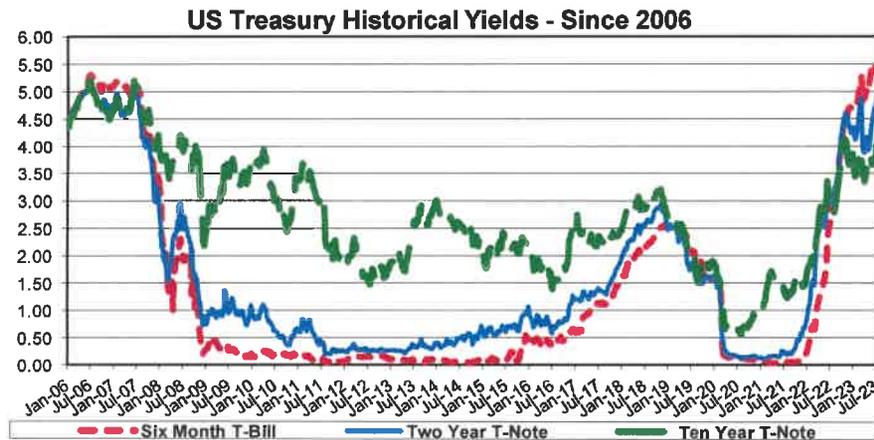
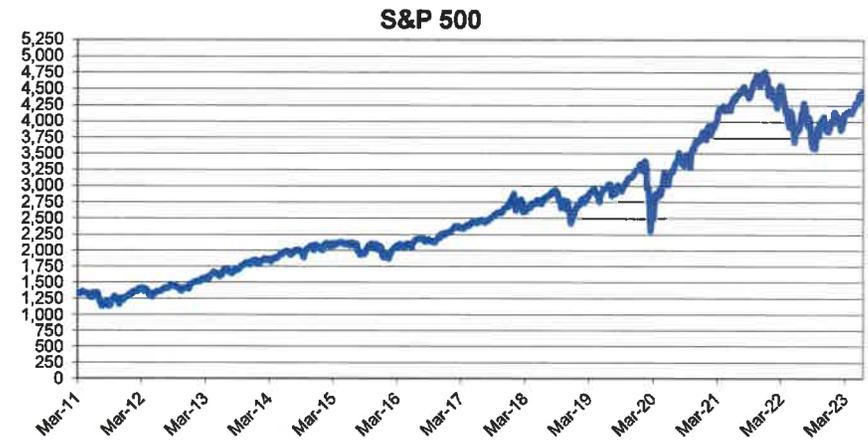
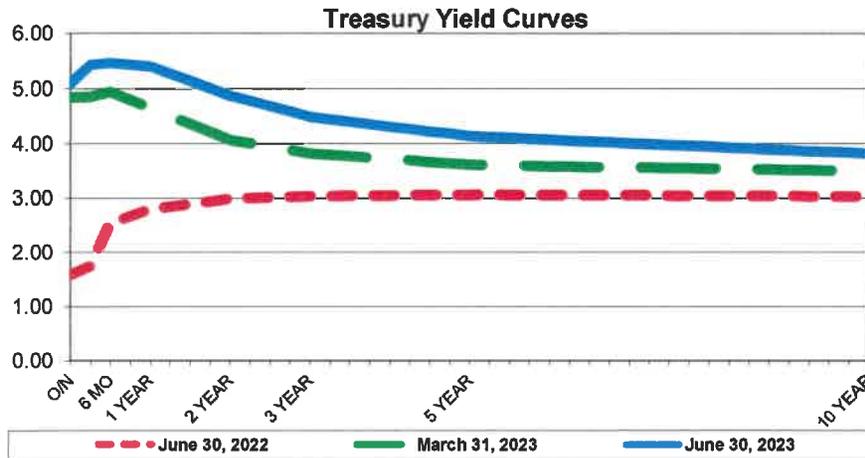
(1) **Quarter End Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

6/30/2023

The Federal Open Market Committee (FOMC) paused and kept the Fed Funds target range 5.00% - 5.25% June 14th (Effective Fed Funds are trading +/-5.08%). Another increase is projected after the July 25-26 meeting. First quarter 2023 GDP (Final) recorded 2.0%. June Non-Farm Payroll added 209k new jobs, below the 230k projection. The three month average declined to 244k. The S&P Stock Index continues moderate increases, trading +/-4,400. The yield curve rose from last month but remains steeply inverted with the expectation of future FOMC rate decreases. Crude Oil trades over +/- \$70 per barrel. Inflation declined slightly but is still over the FOMC 2% target (Core PCE +/-4.6% and CPI +/-5.3%). The Ukrainian/Russian war and Middle East conflicts increase market anxiety.

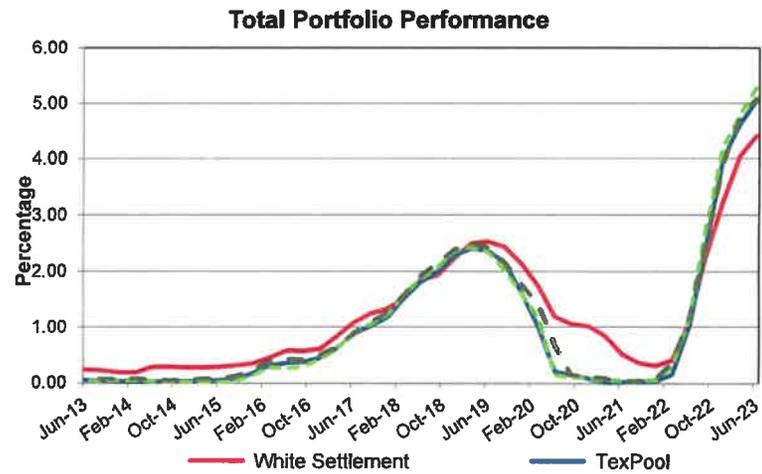
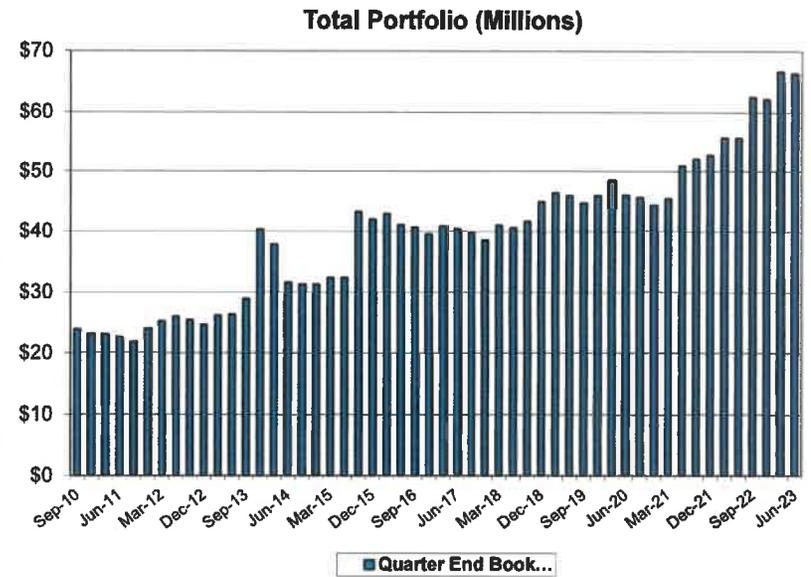
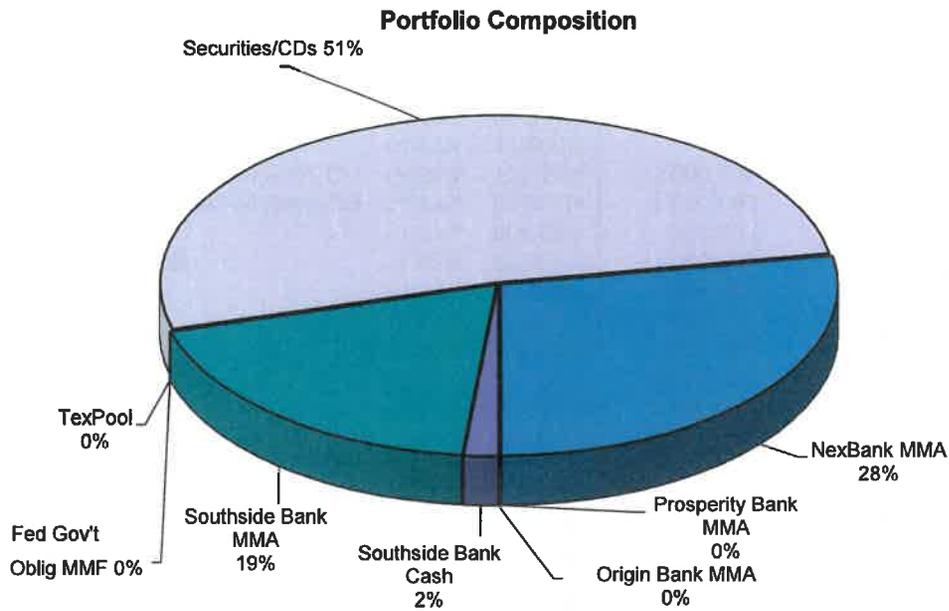


**Investment Holdings**  
**June 30, 2023**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Southside Bank Cash		0.70%	07/01/23	06/30/23	\$ 1,080,860	\$ 1,080,860	1.00	\$ 1,080,860	1	0.70%
Southside Bank MMA		5.38%	07/01/23	06/30/23	3,358,420	3,358,420	1.00	3,358,420	1	5.38%
Southside Bank MMA #2		5.38%	07/01/23	06/30/23	9,208,478	9,208,478	1.00	9,208,478	1	5.38%
NexBank MMA		5.30%	07/01/23	06/30/23	18,361,445	18,361,445	1.00	18,361,445	1	5.30%
Origin Bank MMA		1.25%	07/01/23	06/30/23	10,118	10,118	1.00	10,118	1	1.25%
Prosperity Bank MMA		1.11%	07/01/23	06/30/23	10,136	10,136	1.00	10,136	1	1.11%
Fed Gov't Oblig MMF	AAAm	4.99%	07/01/23	06/30/23	16,000	16,000	1.00	16,000	1	4.99%
TexPool	AAAm	5.05%	07/01/23	06/30/23	1,748	1,748	1.00	1,748	1	5.05%
FFCB	Aaa/AA+	0.45%	07/24/23	01/21/22	3,000,000	2,999,104	99.70	2,990,970	24	0.91%
East West Bank CD		4.87%	07/26/23	01/26/23	1,021,031	1,021,031	100.00	1,021,031	26	4.99%
Veritex Community Bank CD		0.25%	07/31/23	07/30/21	1,004,806	1,004,806	100.00	1,004,806	31	0.25%
FHLB	Aaa/AA+	0.00%	09/12/23	09/15/22	1,000,000	992,024	99.03	990,310	74	4.04%
East West Bank CD		3.94%	09/18/23	09/16/22	1,031,575	1,031,575	100.00	1,031,575	80	4.02%
East West Bank CD		4.81%	10/26/23	01/26/23	1,020,769	1,020,769	100.00	1,020,769	118	4.93%
Southside Bank CD		3.22%	11/01/23	08/01/22	1,536,417	1,536,417	100.00	1,536,417	124	3.26%
CapTex Bank CD		0.50%	11/22/23	11/22/21	3,034,467	3,034,467	100.00	3,034,467	145	0.50%
East West Bank CD		5.56%	11/24/23	05/24/23	1,005,805	1,005,805	100.00	1,005,805	147	5.72%
Southside Bank CD		3.32%	02/01/24	08/01/22	1,537,557	1,537,557	100.00	1,537,557	216	3.36%
FHLB	Aaa/AA+	3.25%	03/08/24	07/26/22	2,000,000	2,002,563	98.53	1,970,560	252	3.06%
Bank OZK CD		4.93%	03/29/24	03/29/23	2,025,006	2,025,006	100.00	2,025,006	273	5.05%
Wallis Bank CD		4.65%	04/30/24	01/30/23	1,011,466	1,011,466	100.00	1,011,466	305	4.65%
T-Note	Aaa/AA+	2.50%	05/15/24	11/10/22	1,000,000	980,503	97.49	974,920	320	4.83%
T-Note	Aaa/AA+	3.00%	06/30/24	09/15/22	1,000,000	991,999	97.64	976,410	366	3.83%
T-Note	Aaa/AA+	0.38%	07/15/24	11/10/22	1,000,000	956,347	94.97	949,730	381	4.78%
Wallis Bank CD		4.62%	07/30/24	01/30/23	1,011,392	1,011,392	100.00	1,011,392	396	4.62%
FHLB	Aaa/AA+	4.00%	08/28/24	11/30/22	1,000,000	992,507	98.42	984,190	425	4.67%
Independent Financial Bank CD		4.50%	09/25/24	01/25/23	1,009,986	1,009,986	100.00	1,009,986	453	4.58%
Independent Financial Bank CD		4.50%	10/25/24	01/25/23	1,009,986	1,009,986	100.00	1,009,986	483	4.58%
Southside Bank CD		4.65%	11/20/24	04/20/23	1,000,000	1,000,000	100.00	1,000,000	509	4.73%
Independent Financial Bank CD		4.50%	01/25/25	01/25/23	1,009,986	1,009,986	100.00	1,009,986	575	4.58%
Third Coast Bank CD		5.20%	02/28/25	06/28/23	1,000,000	1,000,000	100.00	1,000,000	609	5.30%
Third Coast Bank CD		5.20%	03/28/25	06/28/23	1,000,000	1,000,000	100.00	1,000,000	637	5.30%
BOK Financial CDARS		4.61%	05/01/25	05/04/23	1,007,346	1,007,346	100.00	1,007,346	671	4.71%
BOK Financial CDARS		4.69%	05/22/25	05/25/23	1,004,764	1,004,764	100.00	1,004,764	692	4.80%
Third Coast Bank CD		5.10%	06/28/25	06/28/23	1,000,000	1,000,000	100.00	1,000,000	729	5.20%
<b>Total</b>					<b>\$ 66,329,561</b>	<b>\$ 66,244,609</b>		<b>\$ 66,166,651</b>	<b>153</b>	<b>4.41%</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 03/31/23	Increases	Decreases	Book Value 06/30/23	Market Value 03/31/23	Change in Market Value	Market Value 06/30/23
Southside Bank Cash	0.70%	07/01/23	\$ 1,541,761	\$ -	\$ (460,902)	\$ 1,080,860	\$ 1,541,761	\$ (460,902)	\$ 1,080,860
Southside Bank MMA	5.38%	07/01/23	3,315,749	42,671	-	3,358,420	3,315,749	42,671	3,358,420
Southside Bank MMA #2	5.38%	07/01/23	13,239,670	-	(4,031,192)	9,208,478	13,239,670	(4,031,192)	9,208,478
NexBank MMA	5.30%	07/01/23	18,127,139	234,306	-	18,361,445	18,127,139	234,306	18,361,445
Origin Bank MMA	1.25%	07/01/23	10,091	27	-	10,118	10,091	27	10,118
Prosperity Bank MMA	1.11%	07/01/23	10,108	28	-	10,136	10,108	28	10,136
Fed Gov't Oblig MMF	4.99%	07/01/23	270,857	-	(254,857)	16,000	270,857	(254,857)	16,000
TexPool	5.05%	07/01/23	1,726	22	-	1,748	1,726	22	1,748
FHLMC	1.95%	04/20/23	999,152	-	(999,152)	-	997,790	(997,790)	-
CapTex Bank CD	0.40%	05/21/23	1,013,916	-	(1,013,916)	-	1,013,916	(1,013,916)	-
FHLMC	2.24%	06/26/23	995,353	-	(995,353)	-	989,950	(989,950)	-
FFCB	0.91%	07/24/23	2,995,707	3,397	-	2,999,104	2,958,180	32,790	2,990,970
East West Bank CD	4.99%	07/26/23	1,008,710	12,321	-	1,021,031	1,008,710	12,321	1,021,031
Veritex Community Bank CD	0.25%	07/31/23	1,004,173	633	-	1,004,806	1,004,173	633	1,004,806
FHLB	4.04%	09/12/23	982,217	9,808	-	992,024	979,000	11,310	990,310
East West Bank CD	4.02%	09/18/23	1,021,492	10,083	-	1,031,575	1,021,492	10,083	1,031,575
East West Bank CD	4.93%	10/26/23	1,008,602	12,167	-	1,020,769	1,008,602	12,167	1,020,769
Southside Bank CD	3.26%	11/01/23	1,524,447	11,969	-	1,536,417	1,524,447	11,969	1,536,417
CapTex Bank CD	0.50%	11/22/23	3,030,646	3,821	-	3,034,467	3,030,646	3,821	3,034,467
East West Bank CD	5.72%	11/24/23	-	1,005,805	-	1,005,805	-	1,005,805	1,005,805
Southside Bank CD	3.36%	02/01/24	1,525,210	12,347	-	1,537,557	1,525,210	12,347	1,537,557
FHLB	3.06%	03/08/24	2,003,489	-	(926)	2,002,563	1,971,700	(1,140)	1,970,560
Bank OZK CD	5.05%	03/29/24	2,000,000	25,006	-	2,025,006	2,000,000	25,006	2,025,006
Wallis Bank CD	4.65%	04/30/24	1,000,000	11,466	-	1,011,466	1,000,000	11,466	1,011,466
T-Note	4.83%	05/15/24	974,958	5,545	-	980,503	977,970	(3,050)	974,920
T-Note	3.83%	06/30/24	990,010	1,989	-	991,999	982,070	(5,660)	976,410
T-Note	4.78%	07/15/24	945,921	10,426	-	956,347	949,840	(110)	949,730
Wallis Bank CD	4.62%	07/30/24	1,000,000	11,392	-	1,011,392	1,000,000	11,392	1,011,392
FHLB	4.67%	08/28/24	990,903	1,604	-	992,507	992,830	(8,640)	984,190
Independent Financial Bank CD	4.58%	09/25/24	1,000,000	9,986	-	1,009,986	1,000,000	9,986	1,009,986
Independent Financial Bank CD	4.58%	10/25/24	1,000,000	9,986	-	1,009,986	1,000,000	9,986	1,009,986
Southside Bank CD	4.73%	11/20/24	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
Independent Financial Bank CD	4.58%	01/25/25	1,000,000	9,986	-	1,009,986	1,000,000	9,986	1,009,986
Third Coast Bank CD	5.30%	02/28/25	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
Third Coast Bank CD	5.30%	03/28/25	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
BOK Financial CDARS	4.71%	05/01/25	-	1,007,346	-	1,007,346	-	1,007,346	1,007,346
BOK Financial CDARS	4.80%	05/22/25	-	1,004,764	-	1,004,764	-	1,004,764	1,004,764
Third Coast Bank CD	5.20%	06/28/25	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
<b>TOTAL / AVERAGE</b>	<b>4.41%</b>		<b>\$ 66,532,006</b>	<b>\$ 7,468,901</b>	<b>\$ (7,756,298)</b>	<b>\$ 66,244,609</b>	<b>\$ 66,453,626</b>	<b>\$ (286,975)</b>	<b>\$ 66,166,651</b>