



## 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 Pflugerville is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.



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Deputy City Manager



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Finance Director



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Assistant 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.

## Strategy Summary

### Quarter End Results by Investment Category:

Asset Type	December 31, 2022			March 31, 2023		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	2.29%	\$ 56,745,461	\$ 56,745,461	2.72%	\$ 58,943,060	\$ 58,943,060
Money Markets/Local Gov't Investment Pools	4.11%	231,664,886	231,664,886	4.66%	239,694,681	239,694,681
CDs/Securities	4.05%	70,442,775	70,278,855	4.27%	67,564,261	67,498,287
<b>Totals</b>	<b>3.81%</b>	<b>\$ 358,853,121</b>	<b>\$ 358,689,202</b>	<b>4.28%</b>	<b>\$ 366,202,002</b>	<b>\$ 366,136,027</b>

<u>Current Quarter Average Yield (1)</u>	
Total Portfolio	4.28%
Rolling Three Month Treasury	4.78%
Rolling Six Month Treasury	4.73%
TexPool	4.61%

<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	4.04%
Rolling Three Month Treasury	4.49%
Rolling Six Month Treasury	4.32%
TexPool	4.30%

<u>Interest Revenue (Approximate)</u>	
Quarterly Interest Income	\$ 3,675,040
Year-to-date Interest Income	\$ 6,574,555

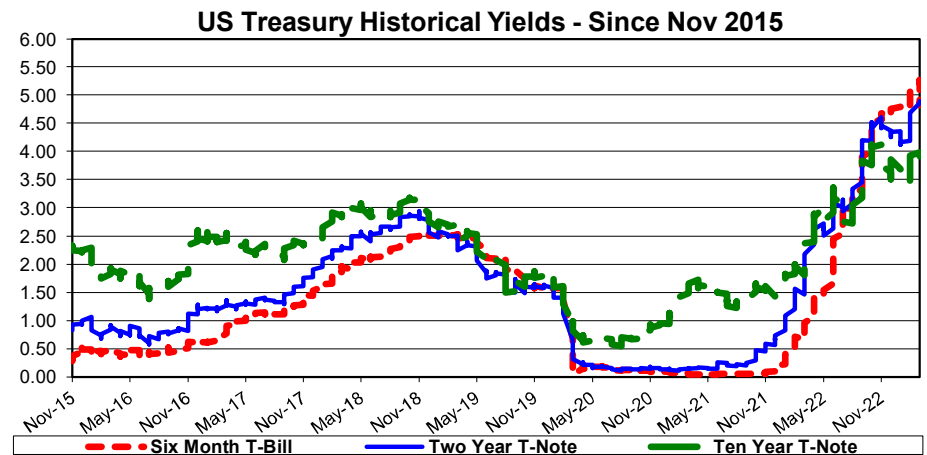
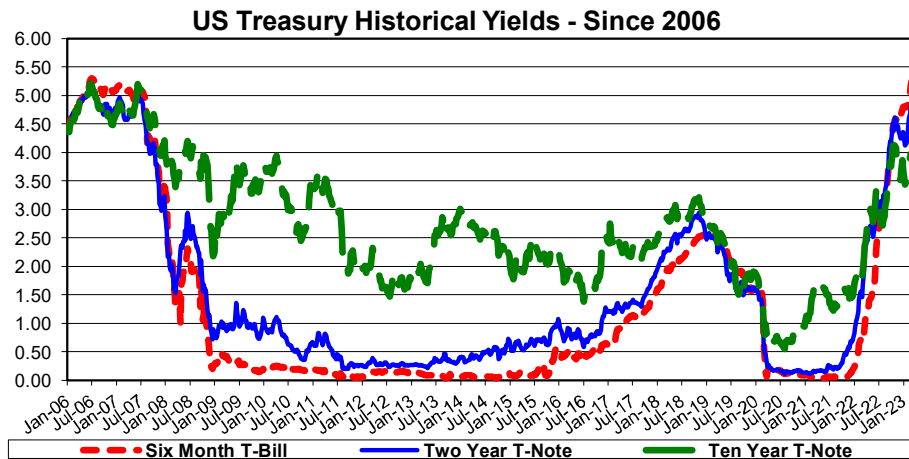
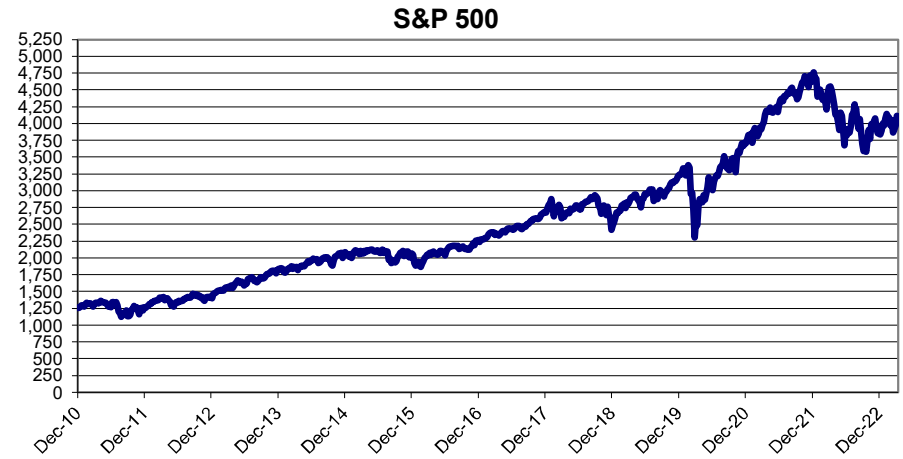
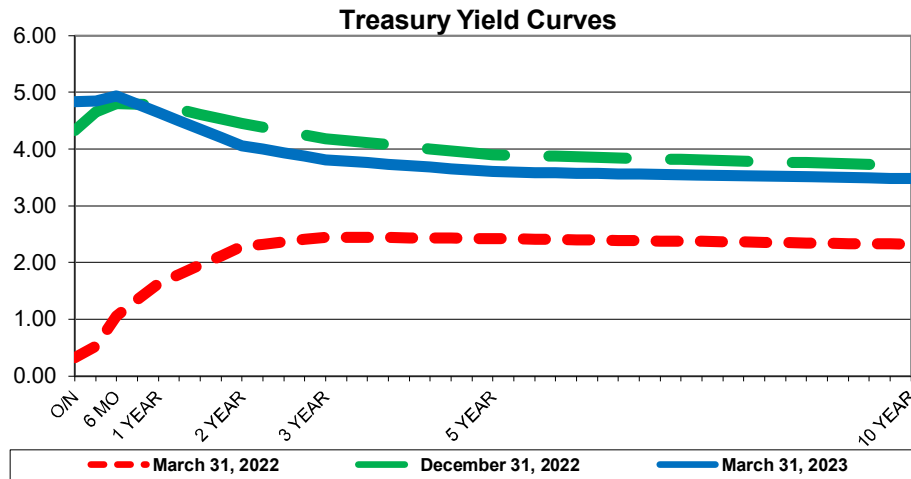
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

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

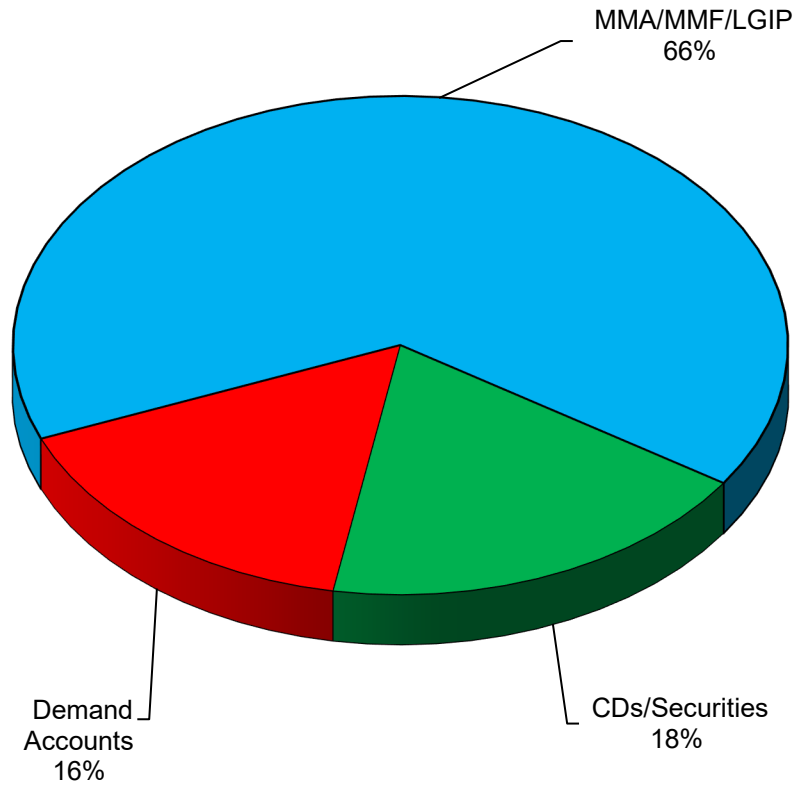
March 31, 2023

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Bank	AAAm	0.84%	04/01/23	03/31/23	\$ 32,354,490	\$ 32,354,490	1.00	\$ 32,354,490	1	0.84%
NexBank MMA		5.00%	04/01/23	03/31/23	26,588,570	26,588,570	1.00	26,588,570	1	5.00%
TexasCLASS (Gov't)	AAAm	4.47%	04/01/23	03/31/23	21,455,810	21,455,810	1.00	21,455,810	1	4.47%
TexasCLASS	AAAm	4.86%	04/01/23	03/31/23	160,159,186	160,159,186	1.00	160,159,186	1	4.86%
Morgan Stanley Inst. Gov't MMF	AAAm	4.19%	04/01/23	03/31/23	58,079,685	58,079,685	1.00	58,079,685	1	4.19%
US Treasury	AAA/AA+	0.13%	04/30/23	06/30/22	3,000,000	2,993,408	99.66	2,989,835	30	2.85%
FFCB	AAA/AA+	0.25%	05/22/23	09/20/22	3,000,000	2,984,131	99.40	2,981,919	52	4.03%
East West Bank CD		2.73%	06/22/23	06/22/22	3,064,175	3,064,175	100.00	3,064,175	83	2.73%
FHLB	AAA/AA+	0.00%	06/30/23	01/01/23	10,000,000	9,900,911	98.76	9,875,610	91	4.00%
FNMA	AAA/AA+	0.25%	07/10/23	06/30/22	3,000,000	2,977,544	98.85	2,965,383	101	3.02%
FHLMC	AAA/AA+	0.25%	08/24/23	09/20/22	3,000,000	2,954,093	98.22	2,946,693	146	4.18%
FHLB	AAA/AA+	0.00%	08/31/23	02/23/23	10,000,000	9,793,025	98.06	9,805,807	153	5.00%
FHLB	AAA/AA+	3.88%	09/15/23	09/20/22	3,000,000	2,995,571	99.59	2,987,836	168	4.21%
FHLB	AAA/AA+	0.00%	09/15/23	01/01/23	5,000,000	4,890,333	97.86	4,893,084	168	4.86%
FHLB	AAA/AA+	4.13%	09/20/23	01/01/23	10,000,000	9,996,155	99.68	9,967,607	173	4.20%
FHLB	AAA/AA+	5.00%	12/19/23	01/01/23	5,000,000	5,003,231	100.18	5,009,219	263	4.91%
FHLB	AAA/AA+	4.75%	03/08/24	01/01/23	5,000,000	5,000,972	99.88	4,993,944	343	4.73%
FHLB	AAA/AA+	4.88%	06/14/24	01/01/23	5,000,000	5,010,711	100.34	5,017,175	441	4.68%
					<b>\$366,701,916</b>	<b>\$366,202,002</b>		<b>\$ 366,136,027</b>	<b>33</b>	<b>4.28%</b>
									(1)	(2)

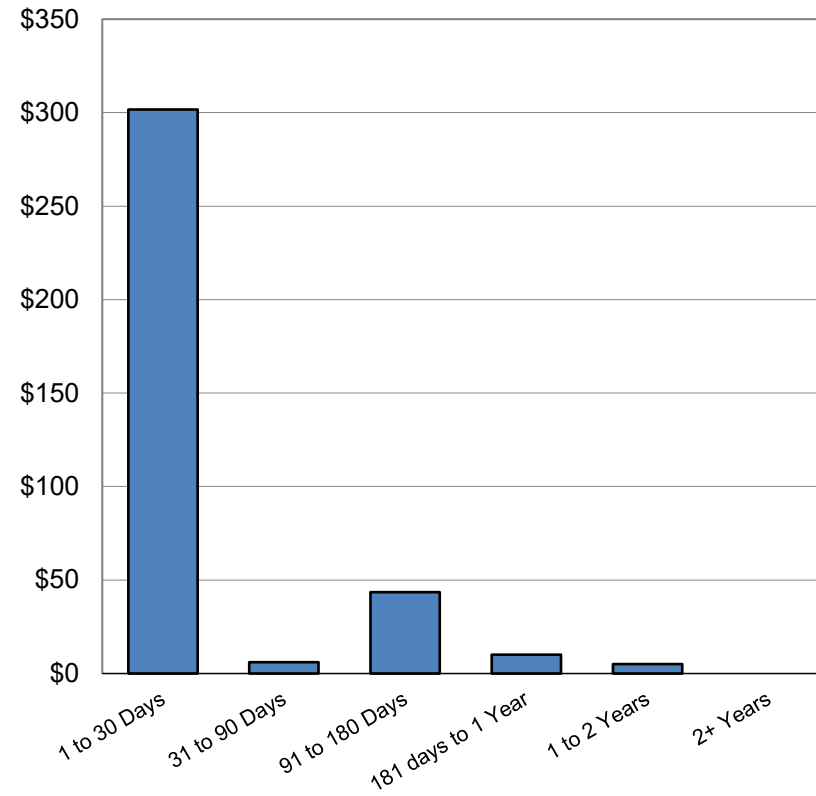
(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

(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 bank accounts, pools and money market funds.

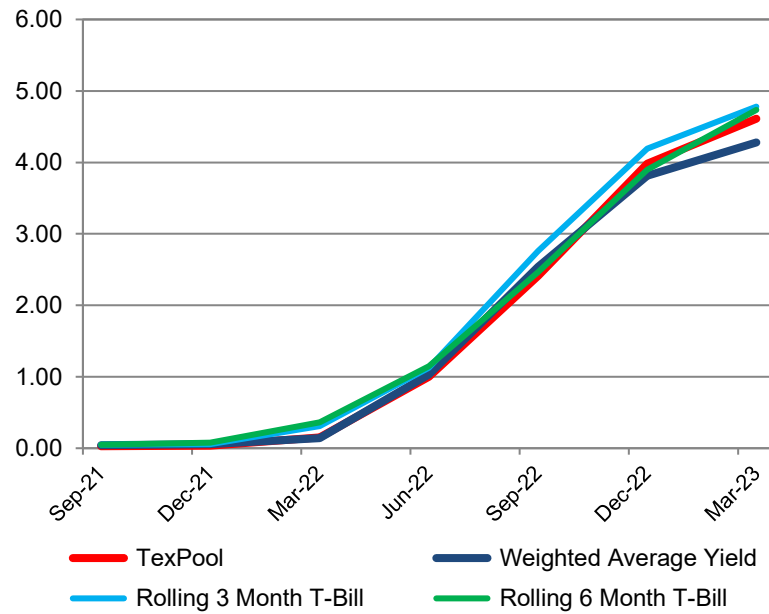
**Portfolio Composition**



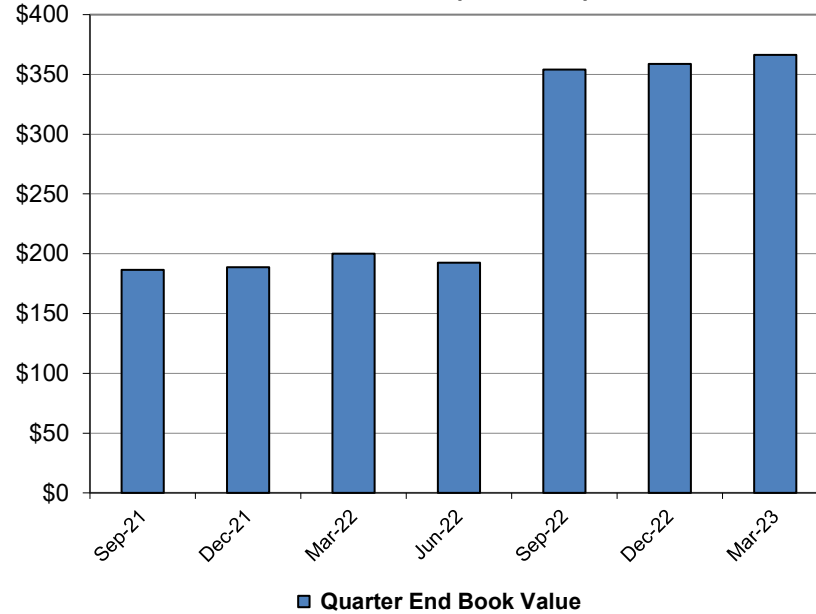
**Distribution by Maturity (Millions)**



**Total Portfolio Performance**



**Total Portfolio (Millions)**



**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
Wells Fargo Bank	0.84%	04/01/23	\$ 30,452,600	\$ 1,901,890	\$ -	\$ 32,354,490	\$ 30,452,600	\$ 1,901,890	\$ 32,354,490
R Bank MMA	1.21%	04/01/23	2,010,102	-	(2,010,102)	-	2,010,102	(2,010,102)	-
NexBank MMA	5.00%	04/01/23	24,282,759	2,305,811	-	26,588,570	24,282,759	2,305,811	26,588,570
TexasCLASS (Gov't)	4.47%	04/01/23	5,956,867	15,498,943	-	21,455,810	5,956,867	15,498,943	21,455,810
TexasCLASS	4.86%	04/01/23	168,145,629	-	(7,986,442)	160,159,186	168,145,629	(7,986,442)	160,159,186
Morgan Stanley Inst. Gov't MMF	4.19%	04/01/23	57,562,390	517,295	-	58,079,685	57,562,390	517,295	58,079,685
East West Bank CD	2.43%	03/22/23	3,038,795	-	(3,038,795)	-	3,038,795	(3,038,795)	-
FHLB	3.86%	03/30/23	9,906,426	-	(9,906,426)	-	9,896,531	(9,896,531)	-
US Treasury	2.85%	04/30/23	2,973,633	19,775	-	2,993,408	2,958,750	31,085	2,989,835
FFCB	4.03%	05/22/23	2,956,665	27,466	-	2,984,131	2,952,525	29,393	2,981,919
East West Bank CD	2.73%	06/22/23	3,043,618	20,556	-	3,064,175	3,043,618	20,556	3,064,175
FHLB	4.00%	06/30/23	9,802,911	98,000	-	9,900,911	9,758,190	117,420	9,875,610
FNMA	3.02%	07/10/23	2,957,534	20,010	-	2,977,544	2,929,649	35,735	2,965,383
FHLMC	4.18%	08/24/23	2,925,794	28,299	-	2,954,093	2,912,651	34,042	2,946,693
FHLB	5.00%	08/31/23	-	9,793,025	-	9,793,025	-	9,805,807	9,805,807
FHLB	4.21%	09/15/23	2,993,199	2,372	-	2,995,571	2,977,785	10,051	2,987,836
FHLB	4.86%	09/15/23	4,831,583	58,750	-	4,890,333	4,844,159	48,925	4,893,084
FHLB	4.20%	09/20/23	9,994,155	2,000	-	9,996,155	9,951,856	15,751	9,967,607
FHLB	4.91%	12/19/23	5,004,337	-	(1,106)	5,003,231	5,011,429	(2,210)	5,009,219
FHLB	4.73%	03/08/24	5,001,227	-	(255)	5,000,972	4,995,278	(1,334)	4,993,944
FHLB	4.68%	06/14/24	5,012,897	-	(2,186)	5,010,711	5,007,639	9,536	5,017,175
<b>TOTAL / AVERAGE</b>	<b>4.28%</b>		<b>\$ 358,853,121</b>	<b>\$ 30,294,193</b>	<b>\$ (22,945,312)</b>	<b>\$ 366,202,002</b>	<b>\$ 358,689,202</b>	<b>\$ 7,446,826</b>	<b>\$ 366,136,027</b>

**Allocation  
March 31, 2023  
Book Value**

	<b>Maturity</b>	<b>Total</b>	<b>General Fund</b>	<b>Capital Projects Fund - General Funds</b>	<b>Capital Projects - Utility Fund</b>	<b>Debt Service</b>	<b>Special Revenue</b>	<b>Utility Fund</b>
<b>Wells Fargo Bank</b>	04/01/23	\$ 32,354,490	\$ 19,311,758	\$ -	\$ -	\$ -	\$ 4,963,583	\$ 8,079,149
<b>NexBank MMA</b>	04/01/23	26,588,570	16,322,843	5,132,863	-	-	\$ -	\$ 5,132,863
<b>TexasCLASS (Gov't)</b>	04/01/23	21,455,810	-	-	-	21,455,810	-	-
<b>TexasCLASS</b>	04/01/23	160,159,186	-	102,228,681	54,293,292	-	3,637,213	-
<b>Morgan Stanley Inst. Gov't MMF</b>	04/01/23	58,079,685	-	-	58,079,685	-	-	-
<b>US Treasury</b>	04/30/23	2,993,408	-	-	-	-	2,993,408	-
<b>FFCB</b>	05/22/23	2,984,131	-	-	-	-	2,984,131	-
<b>East West Bank CD</b>	06/22/23	3,064,175	-	-	-	-	3,064,175	-
<b>FHLB</b>	06/30/23	9,900,911	-	9,900,911	-	-	-	-
<b>FNMA</b>	07/10/23	2,977,544	-	-	-	-	2,977,544	-
<b>FHLMC</b>	08/24/23	2,954,093	-	-	-	-	2,954,093	-
<b>FHLB</b>	08/31/23	9,793,025	-	9,793,025	-	-	-	-
<b>FHLB</b>	09/15/23	2,995,571	-	-	-	-	2,995,571	-
<b>FHLB</b>	09/15/23	4,890,333	-	-	4,890,333	-	-	-
<b>FHLB</b>	09/20/23	9,996,155	-	9,996,155	-	-	-	-
<b>FHLB</b>	12/19/23	5,003,231	-	-	5,003,231	-	-	-
<b>FHLB</b>	03/08/24	5,000,972	-	-	5,000,972	-	-	-
<b>FHLB</b>	06/14/24	5,010,711	-	-	5,010,711	-	-	-
<b>Total</b>		<b>\$ 366,202,002</b>	<b>\$ 35,634,601</b>	<b>\$ 137,051,635</b>	<b>\$ 132,278,225</b>	<b>\$ 21,455,810</b>	<b>\$ 26,569,719</b>	<b>\$ 13,212,012</b>

**Allocation  
March 31, 2023  
Market Value**

		<b>Total</b>	<b>General Fund</b>	<b>Capital Projects Fund - General Funds</b>	<b>Capital Projects - Utility Fund</b>	<b>Debt Service</b>	<b>Special Revenue</b>	<b>Utility Fund</b>
<b>NexBank MMA</b>	04/01/23	\$ 26,588,570	\$ 16,322,843	\$ 5,132,863	\$ -	\$ -	\$ -	\$ 5,132,863
<b>Wells Fargo Bank</b>	04/01/23	32,354,490	19,311,758	-	-	-	4,963,583	8,079,149
<b>TexasCLASS (Gov't)</b>	04/01/23	21,455,810	-	-	-	21,455,810	-	-
<b>TexasCLASS</b>	04/01/23	160,159,186	-	102,228,681	54,293,292	-	3,637,213	-
<b>Morgan Stanley Inst. Gov't MMF</b>	04/01/23	58,079,685	-	-	58,079,685	-	-	-
<b>US Treasury</b>	04/30/23	2,989,835	-	-	-	-	2,989,835	-
<b>FFCB</b>	05/22/23	2,981,919	-	-	-	-	2,981,919	-
<b>East West Bank CD</b>	06/22/23	3,064,175	-	-	-	-	3,064,175	-
<b>FHLB</b>	06/30/23	9,875,610	-	9,875,610	-	-	-	-
<b>FNMA</b>	07/10/23	2,965,383	-	-	-	-	2,965,383	-
<b>FHLMC</b>	08/24/23	2,946,693	-	-	-	-	2,946,693	-
<b>FHLB</b>	08/31/23	9,805,807	-	9,805,807	-	-	-	-
<b>FHLB</b>	09/15/23	2,987,836	-	-	-	-	2,987,836	-
<b>FHLB</b>	09/15/23	4,893,084	-	-	4,893,084	-	-	-
<b>FHLB</b>	09/20/23	9,967,607	-	9,967,607	-	-	-	-
<b>FHLB</b>	12/19/23	5,009,219	-	-	5,009,219	-	-	-
<b>FHLB</b>	03/08/24	4,993,944	-	-	4,993,944	-	-	-
<b>FHLB</b>	06/14/24	5,017,175	-	-	5,017,175	-	-	-
<b>Total</b>		<b>\$ 366,136,027</b>	<b>\$ 35,634,601</b>	<b>\$ 137,010,568</b>	<b>\$ 132,286,400</b>	<b>\$ 21,455,810</b>	<b>\$ 26,536,637</b>	<b>\$ 13,212,012</b>



**Allocation  
December 31, 2022  
Book Value**

	<b>Maturity</b>	<b>Total</b>	<b>General Fund</b>	<b>Capital Projects</b>	<b>Debt Service</b>	<b>Special Revenue</b>	<b>Utility Fund</b>
<b>Wells Fargo Bank</b>	01/01/23	\$ 30,452,600	\$ 21,063,803	\$ -	\$ -	\$ 5,983,837	\$ 3,404,960
<b>R Bank MMA</b>	01/01/23	2,010,102	2,010,102	-	-	-	-
<b>NexBank MMA</b>	01/01/23	24,282,759	14,134,015	5,074,372	-	-	5,074,372
<b>TexasCLASS (Gov't)</b>	01/01/23	5,956,867	-	-	5,956,867	-	-
<b>TexasCLASS</b>	01/01/23	168,145,629	-	164,397,001	-	3,748,628	-
<b>Morgan Stanley Inst. Gov't MMF</b>	01/01/23	57,562,390	-	57,562,390	-	-	-
<b>East West Bank CD</b>	03/22/23	3,038,795	-	-	-	3,038,795	-
<b>FHLB</b>	03/30/23	9,906,426	-	9,906,426	-	-	-
<b>US Treasury</b>	04/30/23	2,973,633	-	-	-	2,973,633	-
<b>FFCB</b>	05/22/23	2,956,665	-	-	-	2,956,665	-
<b>East West Bank CD</b>	06/22/23	3,043,618	-	-	-	3,043,618	-
<b>FHLB</b>	06/30/23	9,802,911	-	9,802,911	-	-	-
<b>FNMA</b>	07/10/23	2,957,534	-	-	-	2,957,534	-
<b>FHLMC</b>	08/24/23	2,925,794	-	-	-	2,925,794	-
<b>FHLB</b>	09/15/23	2,993,199	-	-	-	2,993,199	-
<b>FHLB</b>	09/15/23	4,831,583	-	4,831,583	-	-	-
<b>FHLB</b>	09/20/23	9,994,155	-	9,994,155	-	-	-
<b>FHLB</b>	12/19/23	5,004,337	-	5,004,337	-	-	-
<b>FHLB</b>	03/08/24	5,001,227	-	5,001,227	-	-	-
<b>FHLB</b>	06/14/24	5,012,897	-	5,012,897	-	-	-
<b>Total</b>		<b>\$ 358,853,121</b>	<b>\$ 37,207,919</b>	<b>\$ 276,587,300</b>	<b>\$ 5,956,867</b>	<b>\$ 30,621,702</b>	<b>\$ 8,479,333</b>

**Allocation  
December 31, 2022  
Market Value**

		<b>Total</b>	<b>General Fund</b>	<b>Capital Projects</b>	<b>Debt Service</b>	<b>Special Revenue</b>	<b>Utility Fund</b>
<b>R Bank MMA</b>	01/01/23	\$ 2,010,102	\$ 2,010,102	\$ -	\$ -	\$ -	\$ -
<b>NexBank MMA</b>	01/01/23	24,282,759	14,134,015	5,074,372	-	-	5,074,372
<b>Wells Fargo Bank</b>	01/01/23	30,452,600	21,063,803	-	-	5,983,837	3,404,960
<b>TexasCLASS (Gov't)</b>	01/01/23	5,956,867	-	-	5,956,867	-	-
<b>TexasCLASS</b>	01/01/23	168,145,629	-	164,397,001	-	3,748,628	-
<b>Morgan Stanley Inst. Gov't MMF</b>	01/01/23	57,562,390	-	57,562,390	-	-	-
<b>East West Bank CD</b>	03/22/23	3,038,795	-	-	-	3,038,795	-
<b>FHLB</b>	03/30/23	9,896,531	-	9,896,531	-	-	-
<b>US Treasury</b>	04/30/23	2,958,750	-	-	-	2,958,750	-
<b>FFCB</b>	05/22/23	2,952,525	-	-	-	2,952,525	-
<b>East West Bank CD</b>	06/22/23	3,043,618	-	-	-	3,043,618	-
<b>FHLB</b>	06/30/23	9,758,190	-	9,758,190	-	-	-
<b>FNMA</b>	07/10/23	2,929,649	-	-	-	2,929,649	-
<b>FHLMC</b>	08/24/23	2,912,651	-	-	-	2,912,651	-
<b>FHLB</b>	09/15/23	2,977,785	-	-	-	2,977,785	-
<b>FHLB</b>	09/15/23	4,844,159	-	4,844,159	-	-	-
<b>FHLB</b>	09/20/23	9,951,856	-	9,951,856	-	-	-
<b>FHLB</b>	12/19/23	5,011,429	-	5,011,429	-	-	-
<b>FHLB</b>	03/08/24	4,995,278	-	4,995,278	-	-	-
<b>FHLB</b>	06/14/24	5,007,639	-	5,007,639	-	-	-
<b>Total</b>		<b>\$ 358,689,202</b>	<b>\$ 37,207,919</b>	<b>\$ 276,498,846</b>	<b>\$ 5,956,867</b>	<b>\$ 30,546,237</b>	<b>\$ 8,479,333</b>