



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

A handwritten signature in black ink, appearing to be 'A. H.', is written above a horizontal line.

Deputy City Manager

A handwritten signature in blue ink, appearing to be 'M. Moore', is written above a horizontal line.

Finance Director

A handwritten signature in blue ink, appearing to be 'Dana A. King', is written above a horizontal line.

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	September 30, 2022			December 31, 2022		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	1.06%	\$ 49,104,494	\$ 49,104,494	2.29%	\$ 56,745,461	\$ 56,745,461
Money Markets/Local Gov't Investment Pools	2.59%	251,643,157	251,643,157	4.11%	231,664,886	231,664,886
CDs/Securities	3.66%	53,271,989	53,228,149	4.05%	70,442,775	70,278,855
<b>Totals</b>	<b>2.54%</b>	<b>\$ 354,019,640</b>	<b>\$ 353,975,800</b>	<b>3.81%</b>	<b>\$ 358,853,121</b>	<b>\$ 358,689,202</b>

<u>Current Quarter Average Yield (1)</u>	
Total Portfolio	3.81%
Rolling Three Month Treasury	4.19%
Rolling Six Month Treasury	3.90%
TexPool	3.98%

<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	3.81%
Rolling Three Month Treasury	4.19%
Rolling Six Month Treasury	3.90%
TexPool	3.98%

<u>Interest Revenue (Approximate)</u>	
Quarterly Interest Income	\$ 2,899,515
Year-to-date Interest Income	\$ 2,899,515

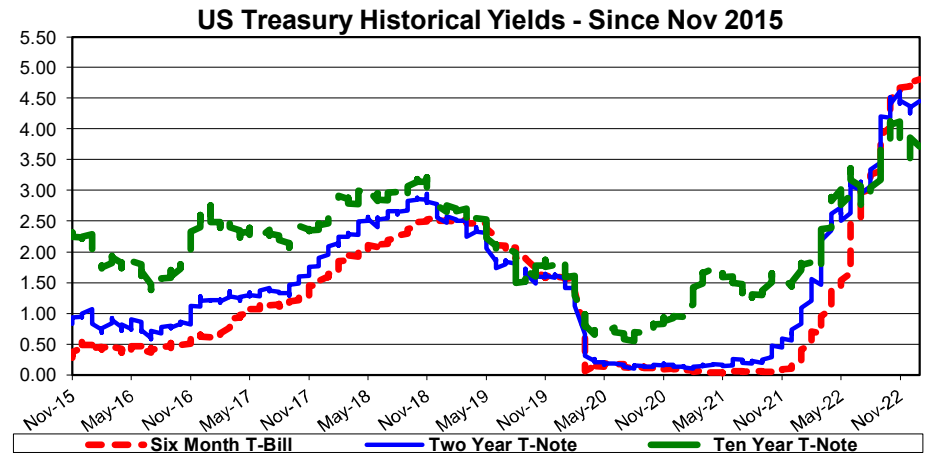
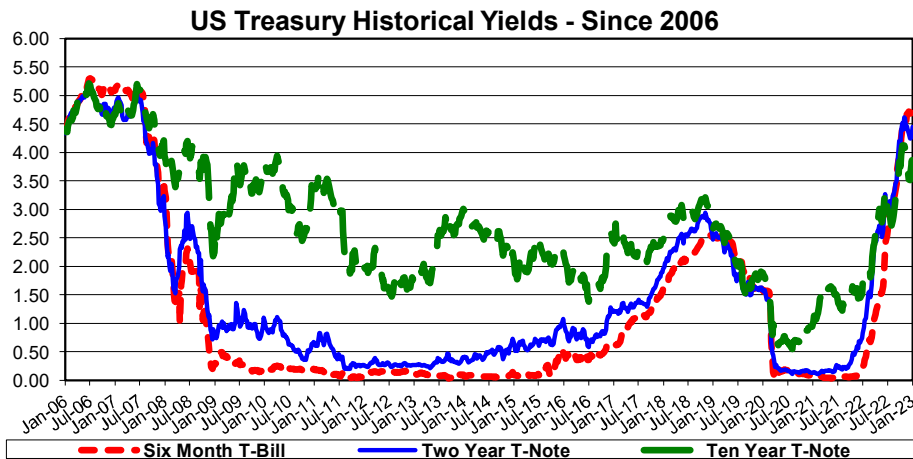
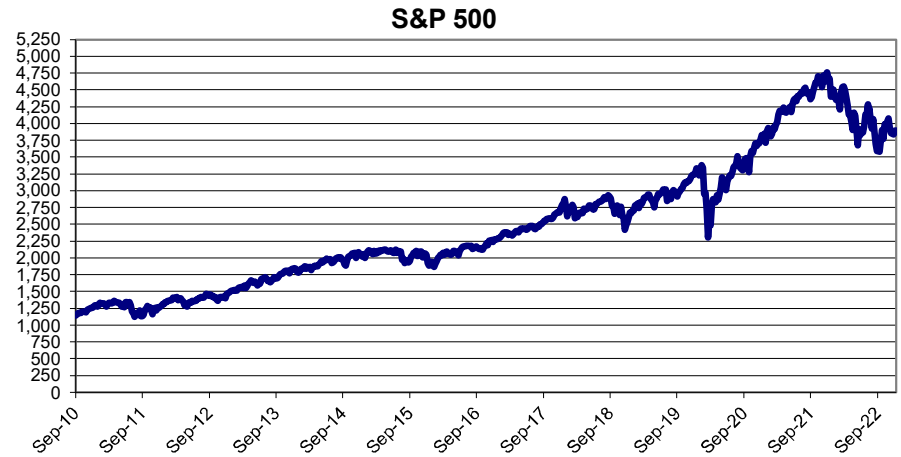
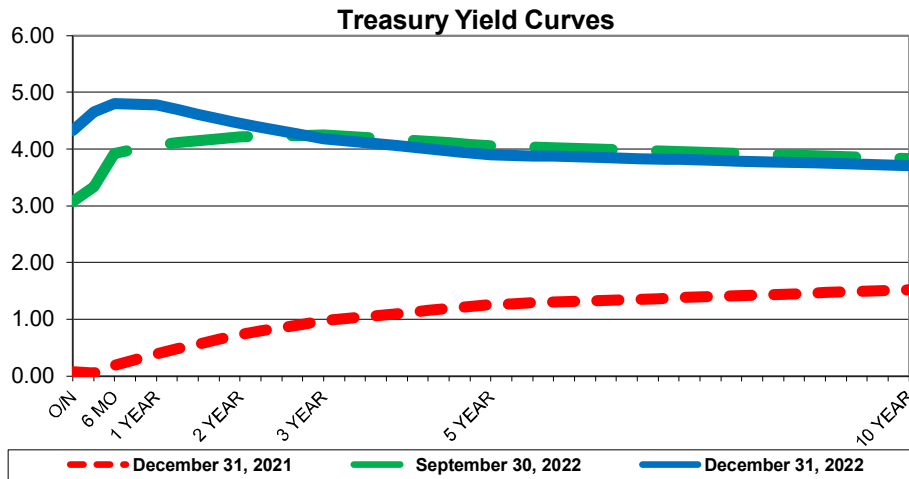
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

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.



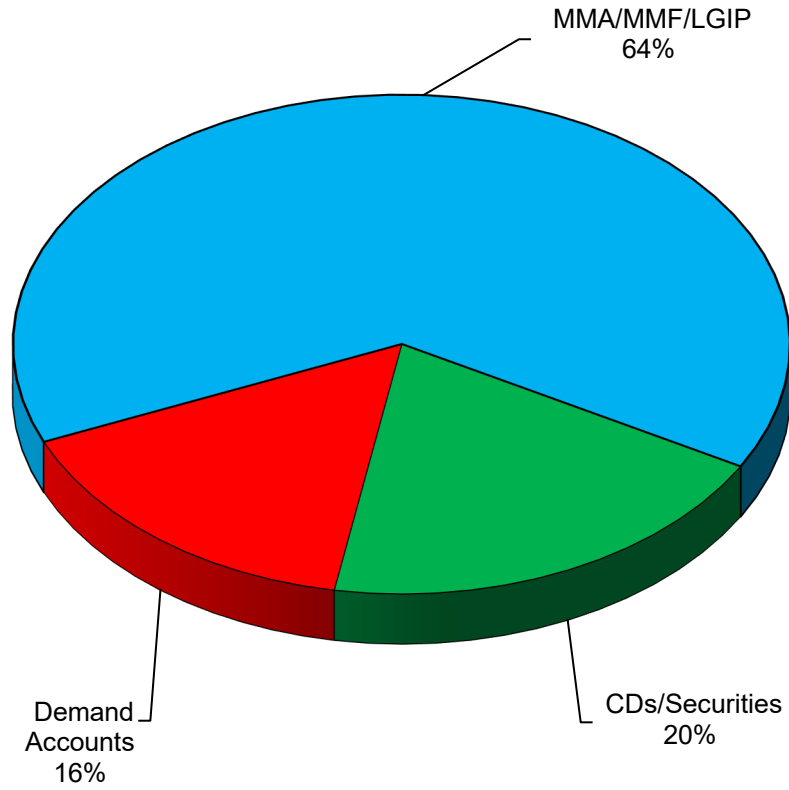
**Investment Holdings**  
**December 31, 2022**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
R Bank MMA		1.21%	01/01/23	12/31/22	\$ 2,010,102	\$ 2,010,102	1.00	\$ 2,010,102	1	1.21%
NexBank MMA		4.40%	01/01/23	12/31/22	24,282,759	24,282,759	1.00	24,282,759	1	4.40%
Wells Fargo Bank	AAAm	0.67%	01/01/23	12/31/22	30,452,600	30,452,600	1.00	30,452,600	1	0.67%
TexasCLASS (Gov't)	AAAm	3.85%	01/01/23	12/31/22	5,956,867	5,956,867	1.00	5,956,867	1	3.85%
TexasCLASS	AAAm	4.32%	01/01/23	12/31/22	168,145,629	168,145,629	1.00	168,145,629	1	4.32%
Morgan Stanley Inst. Gov't MMF	AAAm	3.53%	01/01/23	12/31/22	57,562,390	57,562,390	1.00	57,562,390	1	3.53%
East West Bank CD		2.43%	03/22/23	06/22/22	3,038,795	3,038,795	100.00	3,038,795	81	2.43%
FHLB		3.86%	03/30/23	09/21/22	10,000,000	9,906,426	98.97	9,896,531	89	3.86%
US Treasury	AAA/AA+	0.13%	04/30/23	06/30/22	3,000,000	2,973,633	98.63	2,958,750	120	2.85%
FFCB	AAA/AA+	0.25%	05/22/23	09/20/22	3,000,000	2,956,665	98.42	2,952,525	142	4.03%
East West Bank CD		2.73%	06/22/23	06/22/22	3,043,618	3,043,618	100.00	3,043,618	173	2.73%
FHLB	AAA/AA+	0.00%	06/30/23	09/21/22	10,000,000	9,802,911	97.58	9,758,190	181	4.04%
FNMA	AAA/AA+	0.25%	07/10/23	06/30/22	3,000,000	2,957,534	97.65	2,929,649	191	3.02%
FHLMC	AAA/AA+	0.25%	08/24/23	09/20/22	3,000,000	2,925,794	97.09	2,912,651	236	4.18%
FHLB	AAA/AA+	3.88%	09/15/23	09/20/22	3,000,000	2,993,199	99.26	2,977,785	258	4.21%
FHLB	AAA/AA+	0.00%	09/15/23	12/06/22	5,000,000	4,831,583	96.88	4,844,159	258	4.88%
FHLB	AAA/AA+	4.13%	09/20/23	09/21/22	10,000,000	9,994,155	99.52	9,951,856	263	4.21%
FHLB	AAA/AA+	5.00%	12/19/23	12/19/22	5,000,000	5,004,337	100.23	5,011,429	353	4.91%
FHLB	AAA/AA+	4.75%	03/08/24	12/06/22	5,000,000	5,001,227	99.91	4,995,278	433	4.73%
FHLB	AAA/AA+	4.88%	06/14/24	12/06/22	5,000,000	5,012,897	100.15	5,007,639	531	4.68%
						<b>\$359,492,759</b>	<b>\$358,853,121</b>	<b>\$ 358,689,202</b>	<b>47</b>	<b>3.81%</b>
									(1)	(2)

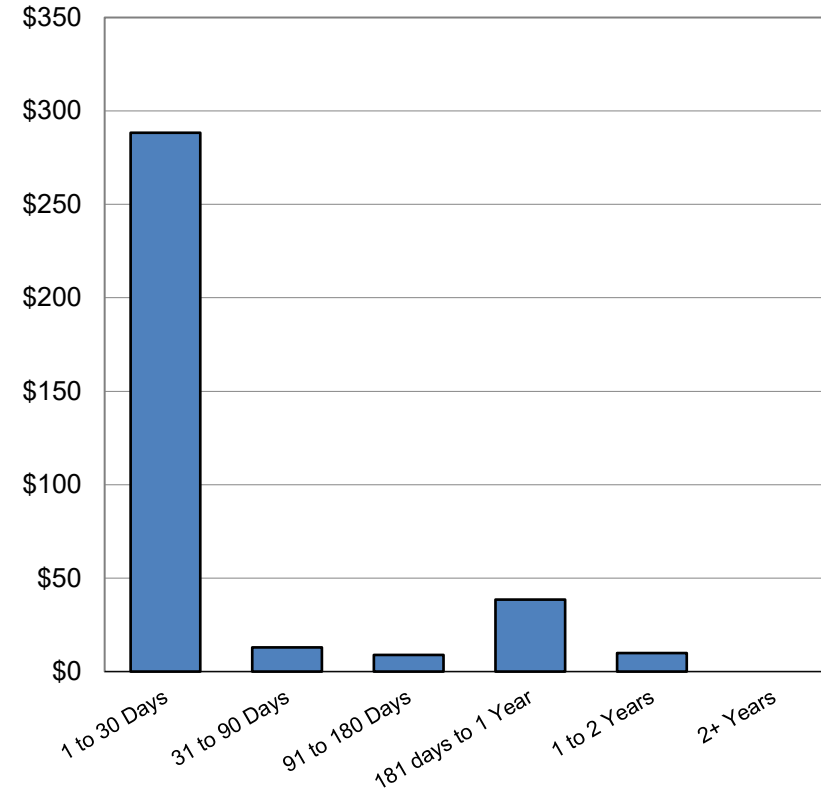
(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

(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.

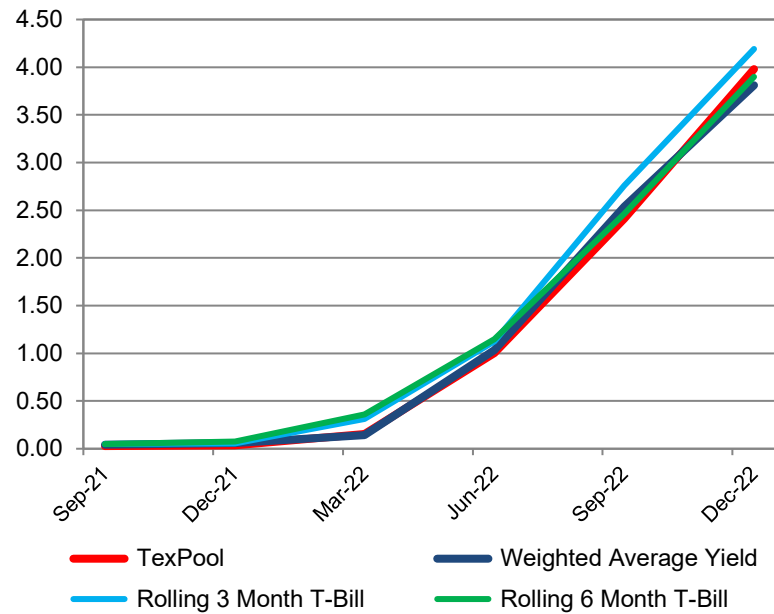
**Portfolio Composition**



**Distribution by Maturity (Millions)**



**Total Portfolio Performance**



**Total Portfolio (Millions)**



### Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 09/30/22	Increases	Decreases	Book Value 12/31/22	Market Value 09/30/22	Change in Market Value	Market Value 12/31/22
Prosperity Bank MMA	0.60%	01/01/23	\$ 10,021,320	\$ -	\$ (10,021,320)	\$ -	\$ 10,021,320	\$ (10,021,320)	\$ -
R Bank MMA	1.21%	01/01/23	2,004,795	5,307	-	2,010,102	2,004,795	5,307	2,010,102
NexBank MMA	4.40%	01/01/23	11,096,559	13,186,200	-	24,282,759	11,096,559	13,186,200	24,282,759
Wells Fargo Bank	0.67%	01/01/23	25,981,819	4,470,780	-	30,452,600	25,981,819	4,470,780	30,452,600
Lone Star Investment Pool Corp O/N	2.48%	01/01/23	161,502	-	(161,502)	-	161,502	(161,502)	-
TexasCLASS (Gov't)	3.85%	01/01/23	-	5,956,867	-	5,956,867	-	5,956,867	5,956,867
TexasCLASS	4.32%	01/01/23	194,263,310	-	(26,117,681)	168,145,629	194,263,310	(26,117,681)	168,145,629
Morgan Stanley Inst. Gov't MMF	3.53%	01/01/23	57,218,345	344,045	-	57,562,390	57,218,345	344,045	57,562,390
East West Bank CD	2.13%	12/22/22	3,017,734	-	(3,017,734)	-	3,017,734	(3,017,734)	-
East West Bank CD	2.43%	03/22/23	3,020,240	18,555	-	3,038,795	3,020,240	18,555	3,038,795
FHLB	3.86%	03/30/23	9,809,699	96,728	-	9,906,426	9,809,809	86,722	9,896,531
US Treasury	2.85%	04/30/23	2,953,418	20,215	-	2,973,633	2,932,734	26,016	2,958,750
FFCB	4.03%	05/22/23	2,928,589	28,076	-	2,956,665	2,928,912	23,613	2,952,525
East West Bank CD	2.73%	06/22/23	3,022,748	20,871	-	3,043,618	3,022,748	20,871	3,043,618
FHLB	4.04%	06/30/23	9,702,733	100,178	-	9,802,911	9,715,155	43,035	9,758,190
FNMA	3.02%	07/10/23	2,937,079	20,455	-	2,957,534	2,913,829	15,819	2,929,649
FHLMC	4.18%	08/24/23	2,896,866	28,928	-	2,925,794	2,896,269	16,382	2,912,651
FHLB	4.21%	09/15/23	2,990,774	2,425	-	2,993,199	2,988,331	(10,546)	2,977,785
FHLB	4.88%	09/15/23	-	4,831,583	-	4,831,583	-	4,844,159	4,844,159
FHLB	4.21%	09/20/23	9,992,110	2,045	-	9,994,155	9,982,388	(30,532)	9,951,856
FHLB	4.91%	12/19/23	-	5,004,337	-	5,004,337	-	5,011,429	5,011,429
FHLB	4.73%	03/08/24	-	5,001,227	-	5,001,227	-	4,995,278	4,995,278
FHLB	4.68%	06/14/24	-	5,012,897	-	5,012,897	-	5,007,639	5,007,639
<b>TOTAL / AVERAGE</b>	<b>3.81%</b>		<b>\$ 354,019,640</b>	<b>\$ 44,151,719</b>	<b>\$ (39,318,237)</b>	<b>\$ 358,853,121</b>	<b>\$ 353,975,800</b>	<b>\$ 4,713,402</b>	<b>\$ 358,689,202</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>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	9,906,426	-	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>



**Allocation  
September 30, 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>Prosperity Bank MMA</b>	10/1/22	\$ 10,021,320	\$ 10,021,320	\$ -	\$ -	\$ -	\$ -
<b>R Bank MMA</b>	10/1/22	2,004,795	2,004,795	-	-	-	-
<b>NexBank MMA</b>	10/1/22	11,096,559	1,040,970	5,027,795	-	-	5,027,795
<b>Wells Fargo Bank</b>	10/1/22	25,981,819	24,949,023	-	-	304,204	728,593
<b>Lone Star Investment Pool Corp O/N</b>	10/1/22	161,502	6,206	136,046	3,191	293	15,767
<b>TexasCLASS</b>	10/1/22	194,263,310	93,071,871	-	72,686	2,768,664	98,350,089
<b>Morgan Stanley Inst. Gov't MMF</b>	10/1/22	57,218,345	-	-	-	-	57,218,345
<b>East West Bank CD</b>	12/22/22	3,017,734	3,017,734	-	-	-	-
<b>East West Bank CD</b>	3/22/23	3,020,240	3,020,240	-	-	-	-
<b>FHLB</b>	3/30/23	9,809,699	9,809,699	-	-	-	-
<b>US Treasury</b>	4/30/23	2,953,418	2,953,418	-	-	-	-
<b>FFCB</b>	5/22/23	2,928,589	2,928,589	-	-	-	-
<b>East West Bank CD</b>	6/22/23	3,022,748	3,022,748	-	-	-	-
<b>FHLB</b>	6/30/23	9,702,733	9,702,733	-	-	-	-
<b>FNMA</b>	7/10/23	2,937,079	2,937,079	-	-	-	-
<b>FHLMC</b>	8/24/23	2,896,866	2,896,866	-	-	-	-
<b>FHLB</b>	9/15/23	2,990,774	2,990,774	-	-	-	-
<b>FHLB</b>	9/20/23	9,992,110	9,992,110	-	-	-	-
<b>Total</b>		<b>\$ 354,019,640</b>	<b>\$184,366,175</b>	<b>\$ 5,163,840</b>	<b>\$ 75,877</b>	<b>\$ 3,073,160</b>	<b>\$ 161,340,588</b>

**Allocation  
September 30, 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>Prosperity Bank MMA</b>	10/1/22	\$ 10,021,320	\$ 10,021,320	\$ –	\$ –	\$ –	\$ –
<b>R Bank MMA</b>	10/1/22	2,004,795	2,004,795	–	–	–	–
<b>NexBank MMA</b>	10/1/22	11,096,559	1,040,970	5,027,795	–	–	5,027,795
<b>Wells Fargo Bank</b>	10/1/22	25,981,819	24,949,023	–	–	304,204	728,593
<b>Lone Star Investment Pool Corp O/N</b>	10/1/22	161,502	6,206	136,046	3,191	293	15,767
<b>TexasCLASS</b>	10/1/22	194,263,310	93,071,871	–	72,686	2,768,664	98,350,089
<b>Morgan Stanley Inst. Gov't MMF</b>	10/1/22	57,218,345	–	–	–	–	57,218,345
<b>East West Bank CD</b>	12/22/22	3,017,734	3,017,734	–	–	–	–
<b>East West Bank CD</b>	3/22/23	3,020,240	3,020,240	–	–	–	–
<b>FHLB</b>	3/30/23	9,809,809	9,809,809	–	–	–	–
<b>US Treasury</b>	4/30/23	2,932,734	2,932,734	–	–	–	–
<b>FFCB</b>	5/22/23	2,928,912	2,928,912	–	–	–	–
<b>East West Bank CD</b>	6/22/23	3,022,748	3,022,748	–	–	–	–
<b>FHLB</b>	6/30/23	9,715,155	9,715,155	–	–	–	–
<b>FNMA</b>	7/10/23	2,913,829	2,913,829	–	–	–	–
<b>FHLMC</b>	8/24/23	2,896,269	2,896,269	–	–	–	–
<b>FHLB</b>	9/15/23	2,988,331	2,988,331	–	–	–	–
<b>FHLB</b>	9/20/23	9,982,388	9,982,388	–	–	–	–
<b>Total</b>		<b>\$ 353,975,800</b>	<b>\$184,322,334</b>	<b>\$ 5,163,840</b>	<b>\$ 75,877</b>	<b>\$ 3,073,160</b>	<b>\$ 161,340,588</b>