



City of Duncanville, Texas
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 Duncanville is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.



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Disclaimer: These reports were compiled using information provided by the City of Duncanville. 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		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA	\$ 34,626,146	\$ 34,626,146	\$ 33,317,986	\$ 33,317,986	0.60%
MMA/LGIPs	31,912,698	31,912,698	32,178,009	32,178,009	3.91%
CDs	12,505,086	12,505,086	12,617,304	12,617,304	3.85%
Totals	\$ 79,043,930	\$ 79,043,930	\$ 78,113,298	\$ 78,113,298	2.49%

Current Quarter Weighted Average Yield (1)

Total Portfolio	2.49%
Rolling Three Month Treasury	4.19%
Rolling Six Month Treasury	3.90%
TexPool	3.98%

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

Total Portfolio	2.49%
Rolling Three Month Treasury	4.19%
Rolling Six Month Treasury	3.90%
Average Monthly TexPool	3.51%

Interest Earnings (Approximate)

Quarterly Interest Income	\$ 600,115
Year-to-date Interest Income	\$ 600,115

(1) **Current Quarter Weighted 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. The yield for the reporting month is used for bank and money market balances.

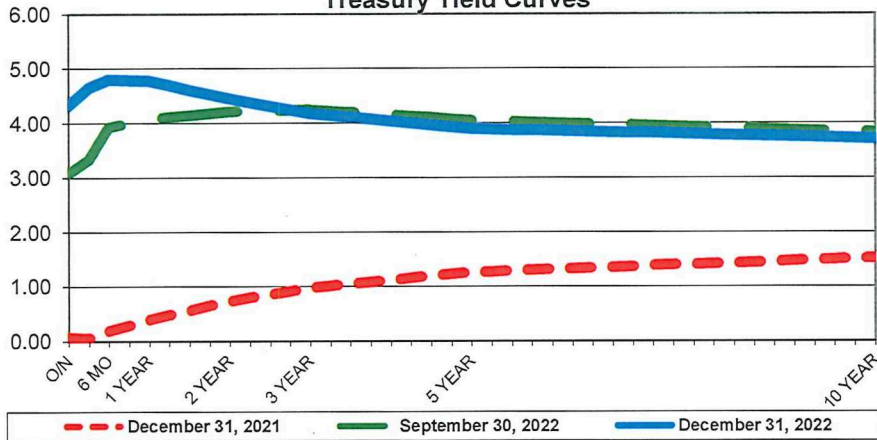
(2) **Fiscal Year-to-Date Weighted Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

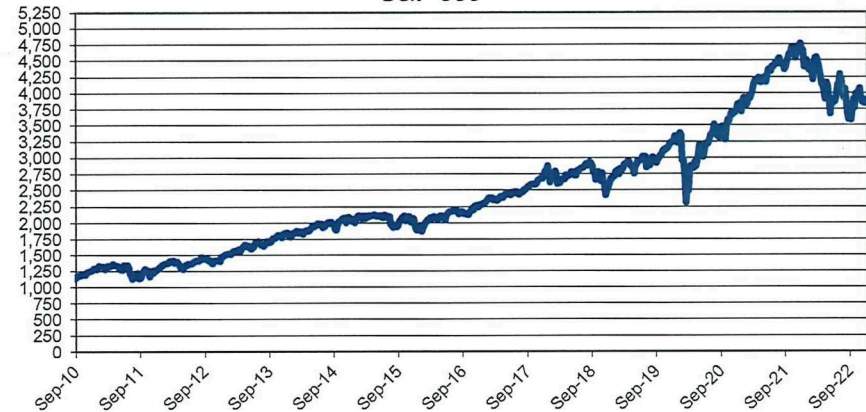
12/31/2022

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.

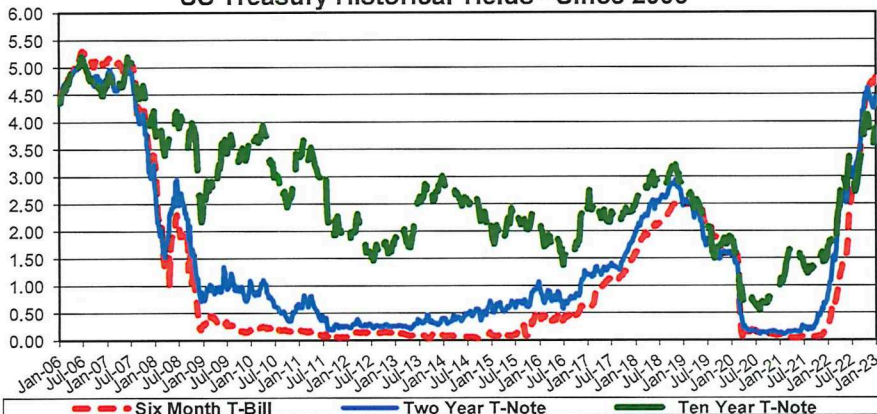
Treasury Yield Curves



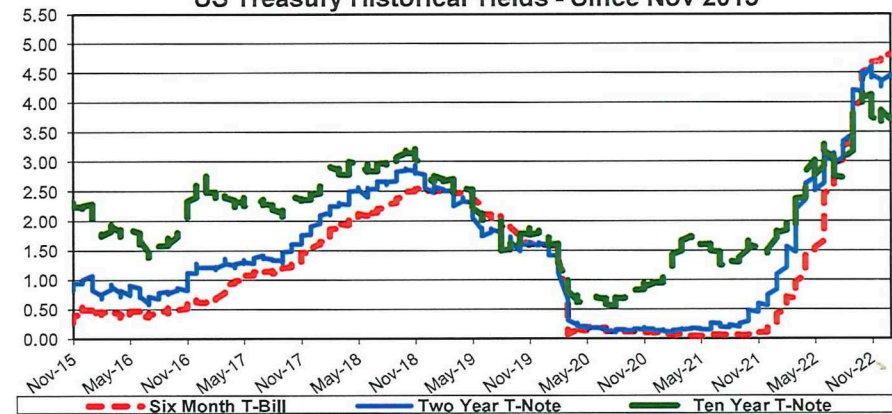
S&P 500



US Treasury Historical Yields - Since 2006



US Treasury Historical Yields - Since Nov 2015

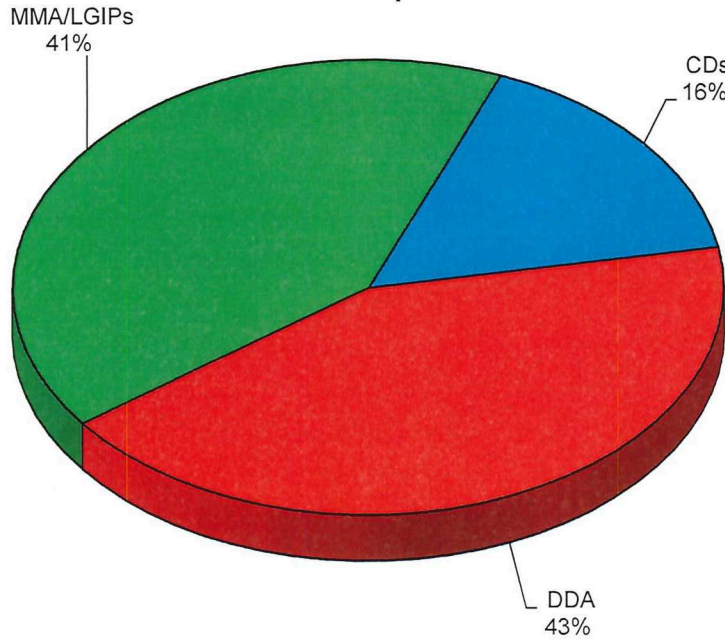


Investment Holdings
December 31, 2022

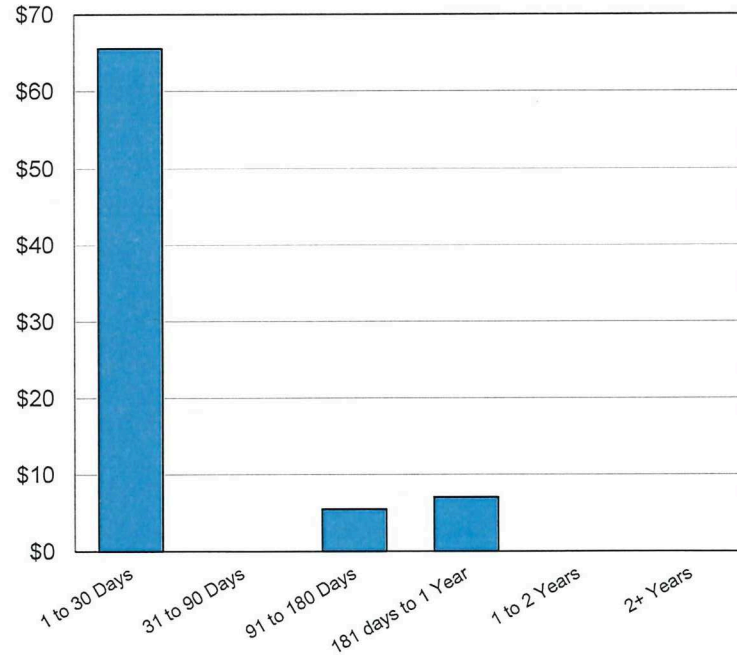
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Bank DDA (3)		0.60%	01/01/23	12/31/22	\$ 33,317,986	\$ 33,317,986	1.00	\$ 33,317,986	1	0.60%
NexBank IntraFi MMA		4.40%	01/01/23	12/31/22	23,875,568	23,875,568	1.00	23,875,568	1	4.40%
Prosperity Bank MMA		2.03%	01/01/23	12/31/22	6,549,980	6,549,980	1.00	6,549,980	1	2.03%
TexPool	AAAm	3.98%	01/01/23	12/31/22	5,116	5,116	1.00	5,116	1	3.98%
LOGIC LGIP	AAAm	4.33%	01/01/23	12/31/22	1,747,345	1,747,345	1.00	1,747,345	1	4.33%
Texas Brand Bank CD		0.30%	04/07/23	04/07/22	500,752	500,752	100.00	500,752	97	0.30%
Texas Capital Bank		3.70%	06/28/23	09/28/22	5,045,823	5,045,823	100.00	5,045,823	179	3.70%
East West Bank CD		3.98%	09/28/23	09/28/22	5,052,061	5,052,061	100.00	5,052,061	271	3.98%
East West Bank CD		4.78%	11/06/23	11/04/22	2,018,667	2,018,667	100.00	2,018,667	310	4.78%
					\$ 78,113,298	\$ 78,113,298		\$ 78,113,298	39	2.49%
									(1)	(2)

- (1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts 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 and money market funds.
- (3) **Earnings Credit Rate** - Wells Fargo balances are used to to offset bank fees generating an estimated Earnings Credit Rate.

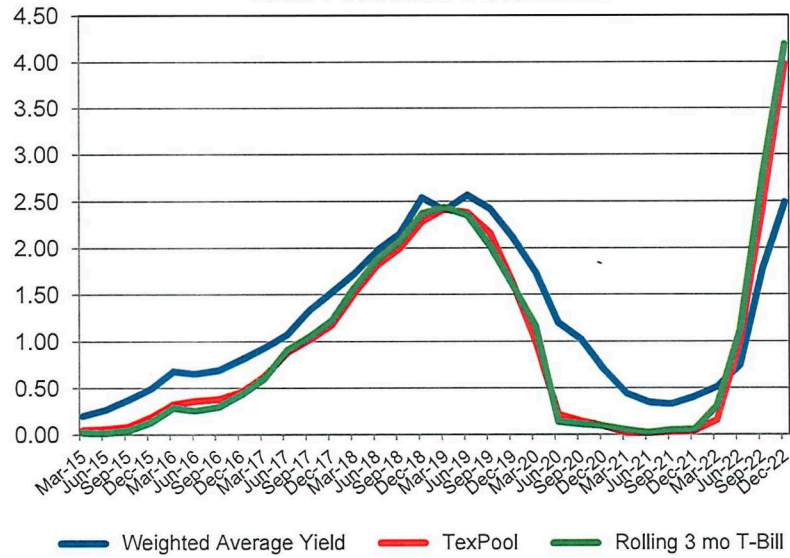
Portfolio Composition



Distribution by Maturity (Millions)



Total Portfolio Performance



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
Wells Fargo Bank DDA	0.60%	01/01/23	\$ 34,626,146	\$ -	\$ (1,308,160)	\$ 33,317,986	\$ 34,626,146	\$ (1,308,160)	\$ 33,317,986
NexBank IntraFi MMA	4.40%	01/01/23	23,656,414	219,154	-	23,875,568	23,656,414	219,154	23,875,568
Prosperity Bank MMA	2.03%	01/01/23	6,520,460	29,520	-	6,549,980	6,520,460	29,520	6,549,980
TexPool	3.98%	01/01/23	5,071	45	-	5,116	5,071	45	5,116
LOGIC LGIP	4.33%	01/01/23	1,730,753	16,593	-	1,747,345	1,730,753	16,593	1,747,345
East West Bank CD	0.17%	11/04/22	2,003,076	-	(2,003,076)	-	2,003,076	(2,003,076)	-
Texas Brand Bank CD	0.30%	04/07/23	500,374	378	-	500,752	500,374	378	500,752
Texas Capital Bank	3.70%	06/28/23	5,000,000	45,823	-	5,045,823	5,000,000	45,823	5,045,823
East West Bank CD	3.98%	09/28/23	5,001,636	50,425	-	5,052,061	5,001,636	50,425	5,052,061
East West Bank CD	4.78%	11/06/23	-	2,018,667	-	2,018,667	-	2,018,667	2,018,667
TOTAL/AVERAGE	2.49%		\$ 79,043,930	\$ 2,380,605	\$ (3,311,237)	\$ 78,113,298	\$ 79,043,930	\$ (930,632)	\$ 78,113,298

**Allocation
December 31, 2022**

Book & Market Value

	Total	General	ARPA	Utility	Economic Development	Capital Projects Construction
Wells Fargo Bank DDA	\$ 33,317,986	\$33,317,986	\$ -	\$ -	\$ -	\$ -
NexBank IntraFi MMA	23,875,568	15,909,675	-	-	-	7,965,893
Prosperity Bank MMA	6,549,980	1,513,385	4,532,133	504,462	-	-
TexPool LGIP	5,116	5,116	-	-	-	-
LOGIC LGIP	1,747,345	1,747,345	-	-	-	-
04/07/23-Texas Brand Bank CD	500,752	-	-	-	500,752	-
06/28/23-Texas Capital Bank	5,045,823	-	-	5,045,823	-	-
09/28/23-East West Bank CD	5,052,061	-	-	-	-	5,052,061
11/06/23-East West Bank CD	2,018,667	2,018,667	-	-	-	-
Total	\$ 78,113,298	\$54,512,174	\$ 4,532,133	\$ 5,550,284	\$ 500,752	\$ 13,017,954

**Allocation
September 30, 2022**

Book & Market Value

	Total	General	ARPA	Utility	Economic Development	Capital Projects Construction
Wells Fargo Bank DDA	\$ 34,626,146	\$34,626,146	\$ -	\$ -	\$ -	\$ -
NexBank MMA	-	-	-	-	-	-
NexBank IntraFi MMA	23,656,414	15,763,640	-	-	-	7,892,774
Prosperity Bank MMA	6,520,460	1,506,878	4,511,506	502,075	-	-
TexPool LGIP	5,071	5,071	-	-	-	-
LOGIC LGIP	1,730,753	1,730,753	-	-	-	-
11/04/22–East West Bank CD	2,003,076	2,003,076	-	-	-	-
04/07/23–Texas Brand Bank CD	500,374	-	-	-	500,374	-
06/28/23–Texas Capital Bank	5,000,000	-	-	5,000,000	-	-
09/28/23–East West Bank CD	5,001,636	-	-	-	-	5,001,636
Total	\$ 79,043,930	\$21,009,418	\$ 4,511,506	\$ 5,502,075	\$ 500,374	\$ 12,894,410