



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

September 30, 2024

**Prepared by
Prosper Finance Department**

The investment portfolio of the Town of Prosper is in compliance with the Public Funds Investment Act and the Town of Prosper Investment Policy and Strategies.

Robert B. Scott

Bob Scott, Deputy Town Manager

Chris Landrum

Chris Landrum, Finance Director

Ryan Patterson

Ryan Patterson, Assistant Finance Director

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2024			September 30, 2024		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW	5.29%	\$ 18,605,077	\$ 18,605,077	4.49%	\$ 31,509,385	\$ 31,509,385
MMF/Pools	5.31%	120,663,793	120,663,793	5.07%	174,433,724	174,433,724
Securities	3.48%	14,998,081	14,931,130	4.65%	13,000,000	12,993,870
Certificates of Deposit	5.50%	16,064,834	16,064,834	-	-	-
Total	5.17%	\$ 170,331,785	\$ 170,264,834	4.96%	\$ 218,943,110	\$ 218,936,980

Average Yield - Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	4.96%	Total Portfolio	4.97%
Rolling Three Month Treasury	5.41%	Rolling Three Month Treasury	5.46%
Rolling Six Month Treasury	5.16%	Rolling Six Month Treasury	5.34%
TexPool	5.20%	TexPool	5.30%

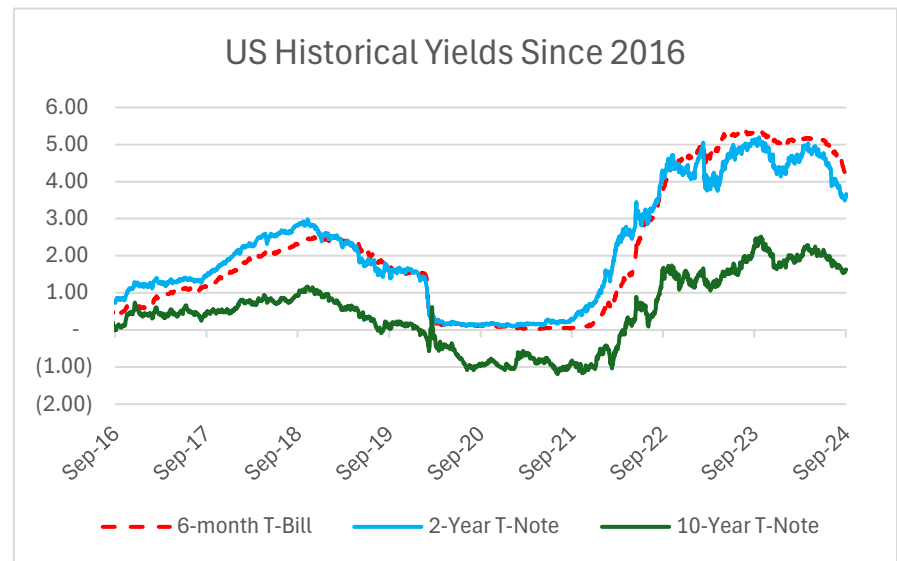
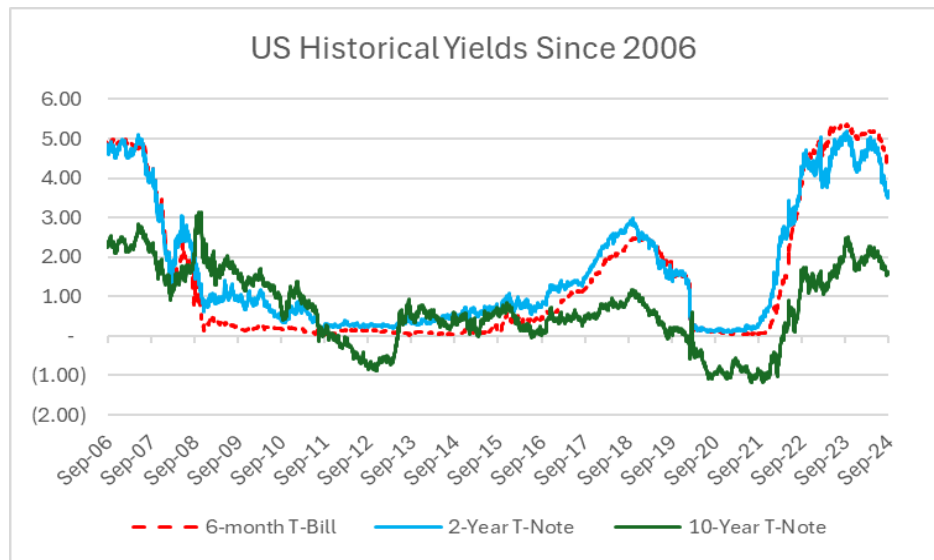
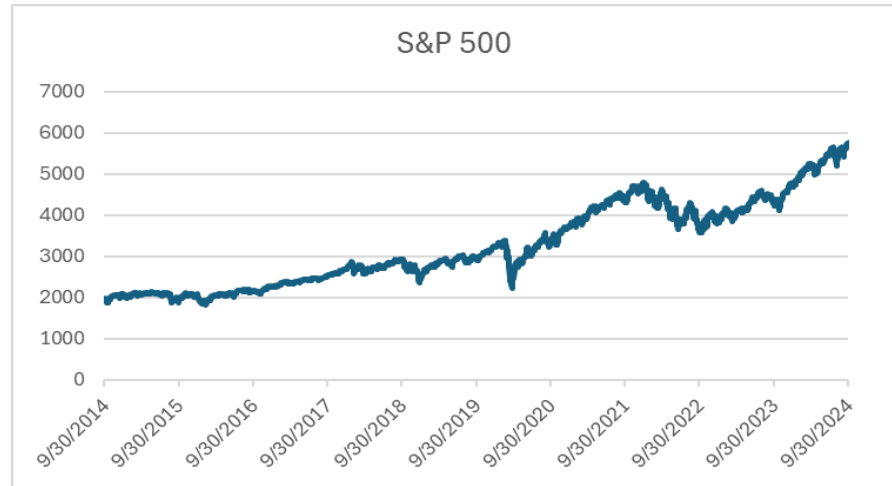
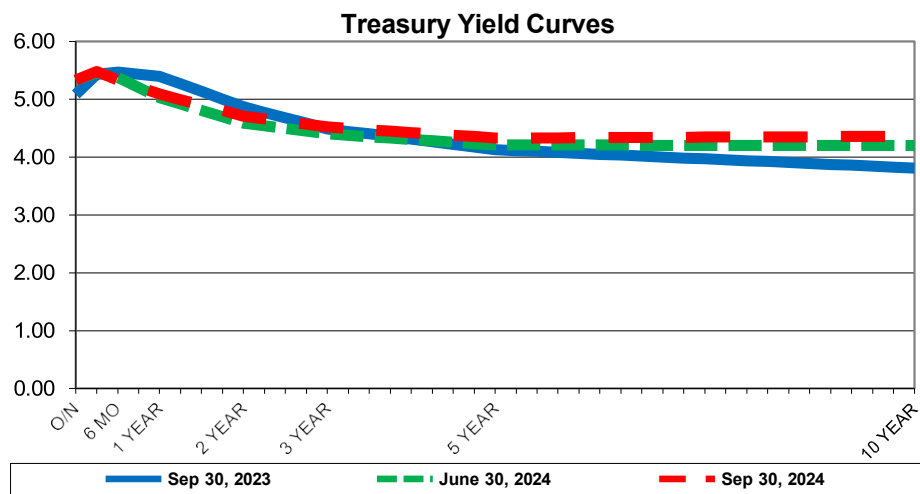
Interest Earnings (Approximate)	
Quarter	\$ 2,173,434
Fiscal Year-to-date	\$ 9,489,495

(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 9/30/2024

The Federal Open Market Committee (FOMC) lowered the Fed Funds target range by 25 basis points to 4.50%-4.75% during its November 2024 meeting, continuing the easing cycle initiated in September. Effective Fed Funds are now trading around 4.55%. Despite progress in reducing inflation, it remains above the 2% target, with Core PCE at approximately 2.4% and Core CPI at 3.2%. The FOMC emphasized a data-dependent approach for future adjustments, noting mixed economic signals: labor markets show some softening, while economic activity has remained solid. June Non-Farm Payroll added 206k new jobs, slightly above expectations, though prior months were revised down. The three-month average fell to 177k. Final First Quarter 2024 GDP growth was revised to +1.4%. Crude oil trades above \$80 per barrel, and the yield curve remains inverted despite slight increases in longer-term yields. Global economic uncertainties and geopolitical conflicts continue to contribute to market volatility.



Investment Holdings
September 30, 2024

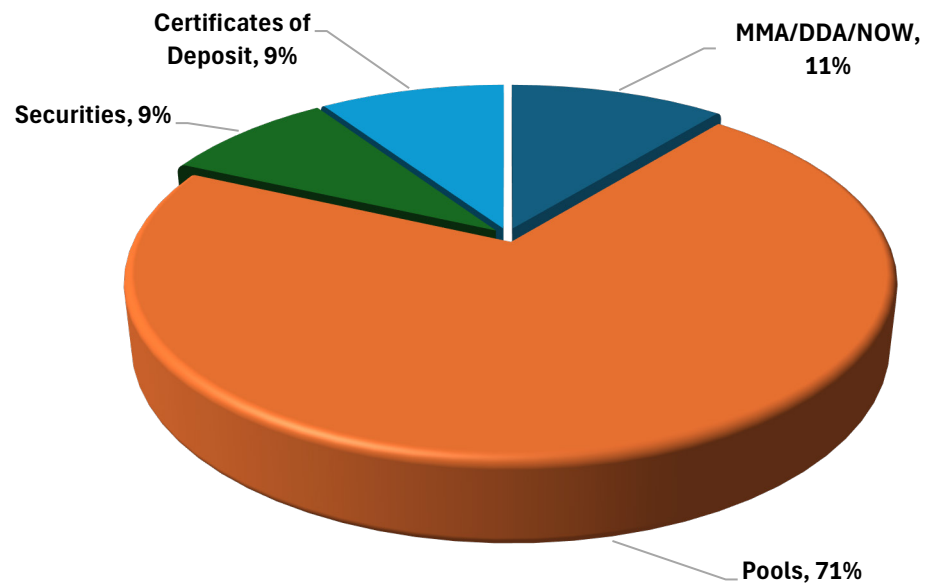
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Independent Financial DDA		2.52%	10/01/24	09/30/24	\$ 10,149,306	\$ 10,149,306	1.00	\$ 10,149,306	1	2.52%
Independent Financial DDA #2		5.41%	10/01/24	09/30/24	6,413,373	6,413,373	1.00	6,413,373	1	5.41%
Independent Financial DDA #3		5.41%	10/01/24	09/30/24	9,336,632	9,336,632	1.00	9,336,632	1	5.41%
NexBank MMA		5.46%	10/01/24	09/30/24	5,610,074	5,610,074	1.00	5,610,074	1	5.46%
TexSTAR	AAAm	5.13%	10/01/24	09/30/24	90,567,830	90,567,830	1.00	90,567,830	1	5.13%
TexPool	AAAm	5.01%	10/01/24	09/30/24	83,865,895	83,865,895	1.00	83,865,895	1	5.01%
FHLB	Aaa/AA+	4.48%	10/03/24	12/21/22	10,000,000	10,000,000	99.98	9,998,400	3	4.48%
FHLB	Aaa/AA+	5.25%	2/10/26	8/20/24	3,000,000	3,000,000	99.85	2,995,470	498	5.25%
Total Portfolio					\$ 218,943,110	\$ 218,943,110		\$ 218,936,980	8	4.96%

(1) (2)

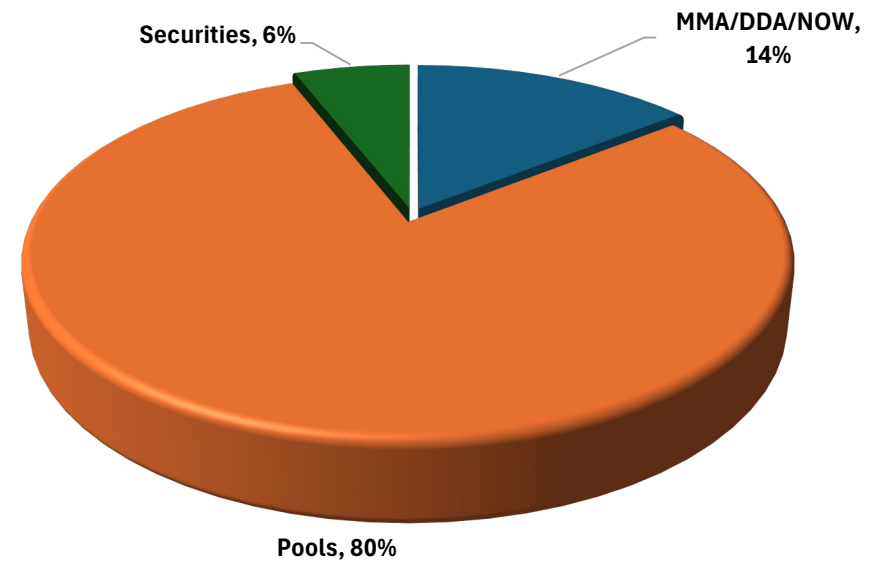
(1) **Weighted average life** - For purposes of calculating weighted average life, overnight bank and pool balances are assumed to have a one-day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, realized and unrealized gains/losses and investment advisory fees are not included. The yield for the reporting month is used for overnight bank and pool balances.

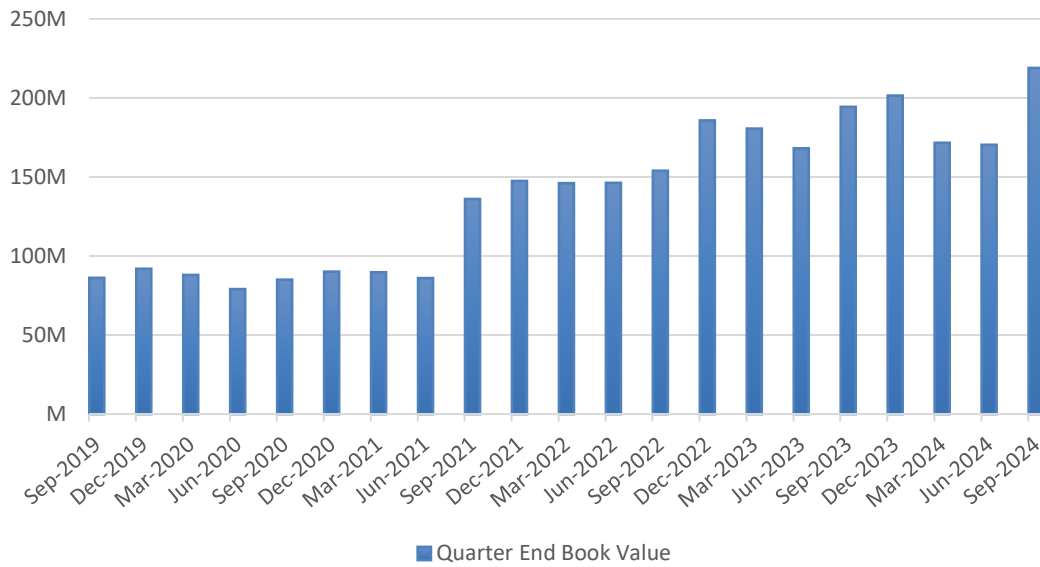
COMPOSITION - PRIOR QUARTER



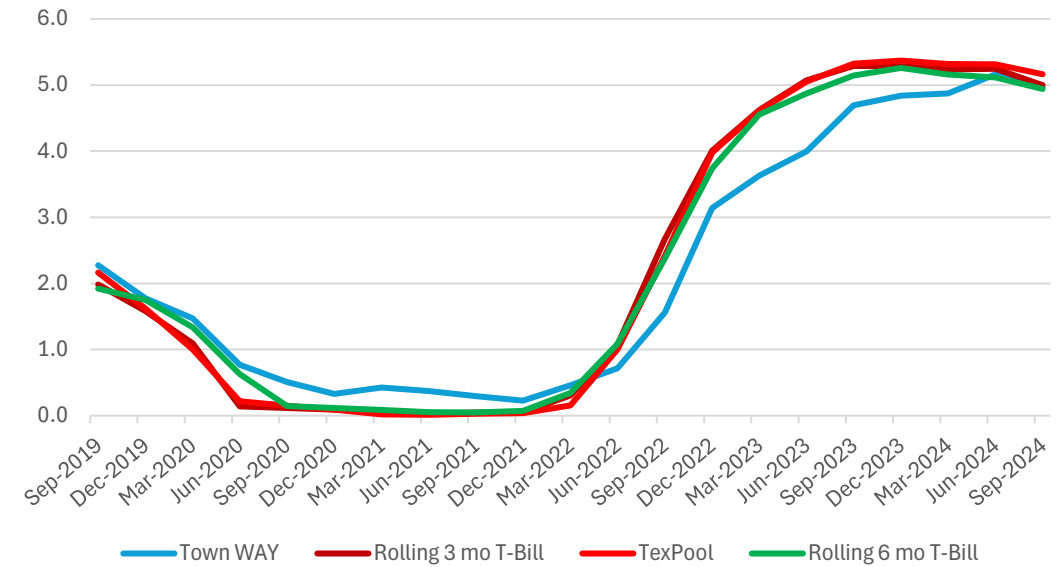
COMPOSITION - CURRENT QUARTER



Total Portfolio



Portfolio Performance



Book and Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/24	Increases	Decreases	Book Value 09/30/24	Market Value 06/30/24	Change in Market Value	Market Value 09/30/24
Independent Financial DDA	2.52%	10/01/24	\$ 2,042,144	\$ 8,107,162	\$ —	\$ 10,149,306	\$ 2,042,144	\$ 8,107,162	\$ 10,149,306
Independent Financial DDA #2	5.41%	10/01/24	22,765	6,390,608	—	6,413,373	22,765	6,390,608	6,413,373
Independent Financial DDA #3	5.41%	10/01/24	11,006,070	—	(1,669,438)	9,336,632	11,006,070	(1,669,438)	9,336,632
NexBank MMA	5.46%	10/01/24	5,533,299	76,775	—	5,610,074	5,533,299	76,775	5,610,074
PlainsCapital Bank MMA	1.85%	7/31/24	799	—	(799)	—	799	(799)	—
TexSTAR	5.13%	10/01/24	28,527,638	62,040,192	—	90,567,830	28,527,638	62,040,192	90,567,830
TexPool	5.01%	10/01/24	92,136,156	—	(8,270,261)	83,865,895	92,136,156	(8,270,261)	83,865,895
Independent Financial CD	5.39%	08/04/24	10,837,811	—	(10,837,811)	—	10,837,811	(10,837,811)	—
T-Note	1.48%	08/31/24	4,998,081	—	(4,998,081)	—	4,965,430	(4,965,430)	—
East West Bank CD	5.73%	09/16/24	5,227,023	—	(5,227,023)	—	5,227,023	(5,227,023)	—
FHLB	4.48%	10/03/24	10,000,000	—	—	10,000,000	9,965,700	32,700	9,998,400
FHLB	5.25%	2/10/26	—	3,000,000	—	3,000,000	—	2,995,470	2,995,470
TOTAL / AVERAGE	4.96%		\$ 170,331,786	\$ 79,614,737	\$ (31,03,413)	\$ 218,943,110	\$ 170,264,834	\$ (48,672,146)	\$ 218,936,980

Allocation

September 30, 2024

Book Value	Yield	Maturity Date	Total	Pooled Funds	Debt Service Fund
Independent Financial DDA	2.52%		\$ 7,068,406	\$ 7,068,406	\$ —
Independent Financial DDA #2	5.41%		6,413,373	6,413,373	—
Independent Financial DDA #3	5.41%		9,336,632	9,336,632	—
NexBank MMA	5.46%		5,610,074	5,610,074	—
TexSTAR	5.13%		90,567,830	90,567,830	—
TexPool	5.01%		83,865,895	82,620,618	\$ 1,245,277
FHLB	4.48%	10/03/2024	10,000,000	10,000,000	—
FHLB	5.25%	2/10/2026	3,000,000	3,000,000	—
Totals					
			<u>\$ 215,862,210</u>	<u>\$ 214,616,933</u>	<u>\$ 1,245,277</u>

Allocation

June 30, 2024

Book Value	Yield	Maturity Date	Total	Pooled Funds	Debt Service Fund
Independent Financial DDA	2.78%		\$ 2,042,144	\$ 2,042,144	\$ —
Independent Financial DDA #2	5.63%		22,765	22,765	—
Independent Financial DDA #3	5.63%		11,006,070	11,006,070	—
NexBank MMA	5.55%		5,533,299	5,533,299	—
PlainsCapital Bank MMA	1.85%		799	799	—
TexSTAR	5.31%		28,527,638	28,527,638	—
TexPool	5.31%		92,136,156	87,221,040	\$ 4,915,116
Independent Financial CD	5.39%	08/04/24	10,837,811	10,837,811	—
T-Note	1.48%	08/31/24	4,998,081	4,998,081	—
East West Bank CD	5.73%	09/16/24	5,227,023	5,227,023	—
FHLB	4.48%	10/03/24	10,000,000	10,000,000	—
Totals			\$ 170,331,786	\$ 165,416,670	\$ 4,915,116