



## 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*

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Bob Scott, Deputy Town Manager

*Chris Landrum*

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Chris Landrum, Finance Director

*Ryan Patterson*

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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	-	-	-
<b>Total</b>	<b>5.17%</b>	<b>\$ 170,331,785</b>	<b>\$ 170,264,834</b>	<b>4.96%</b>	<b>\$ 218,943,110</b>	<b>\$ 218,936,980</b>

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%

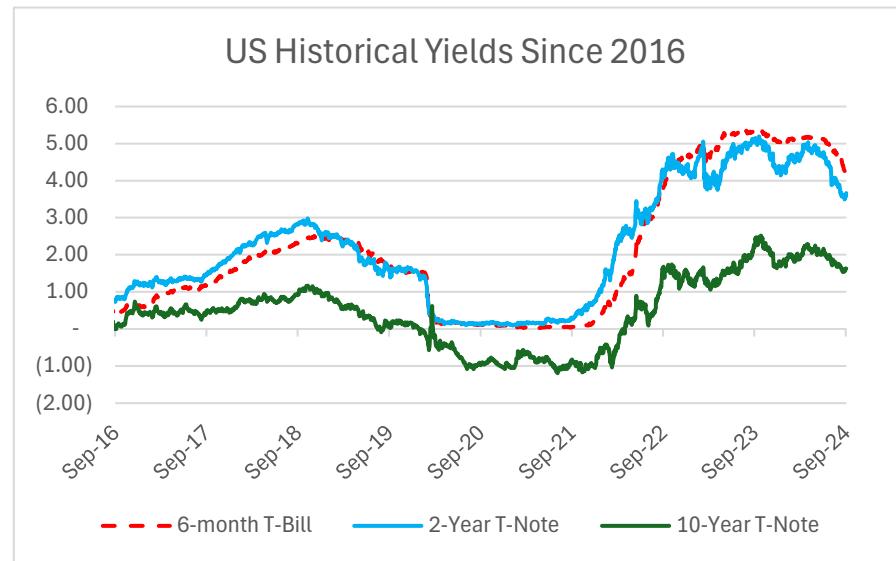
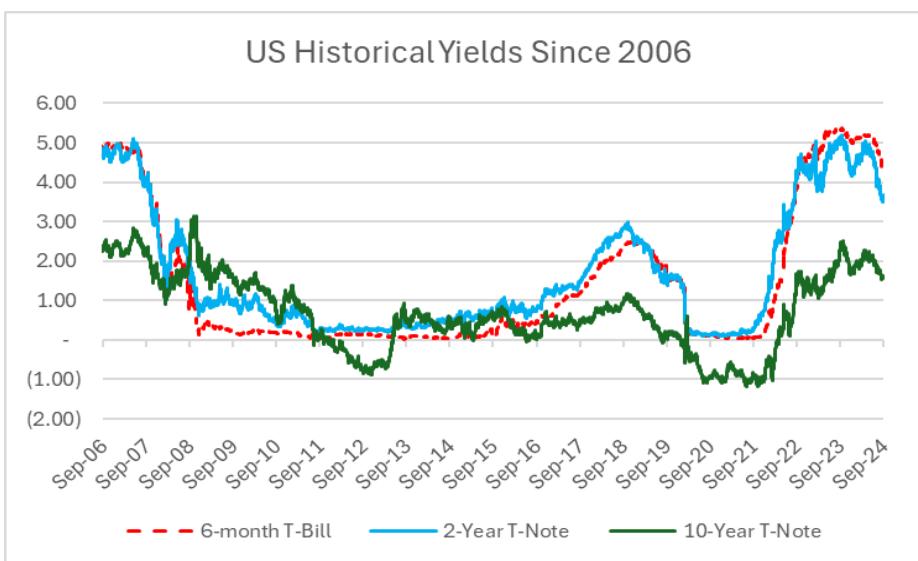
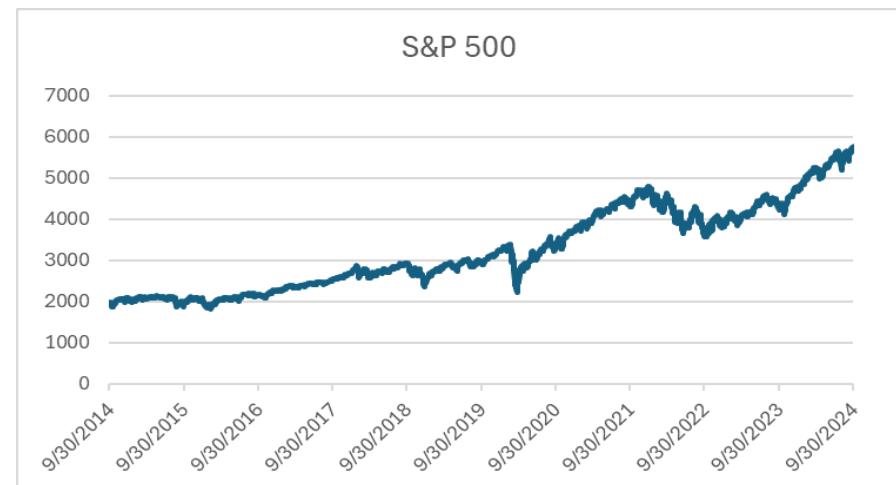
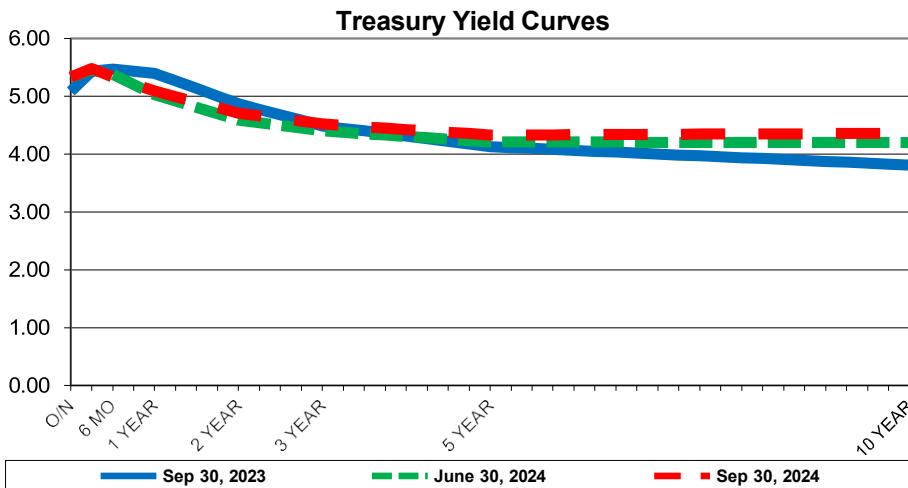
Interest Earnings (Approximate)		
Quarter	\$ 2,173,434	
Fiscal Year-to-date	\$ 9,489,495	

(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**

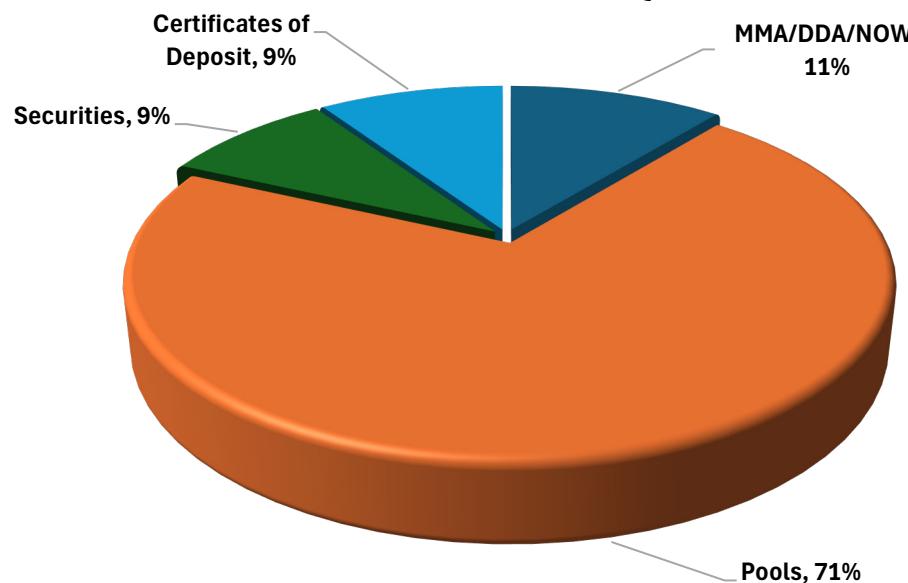
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Independent Financial DDA		2.52%	10/01/24	09/30/24	\$ 10,149,306	\$ 10,149,306	1.00	\$ 10,149,306	1	2.52%
Independent Financial DDA #2		5.41%	10/01/24	09/30/24	6,413,373	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%
<b>Total Portfolio</b>					<b>\$ 218,943,110</b>	<b>\$ 218,943,110</b>		<b>\$ 218,936,980</b>	<b>8</b>	<b>4.96%</b>

(1) (2)

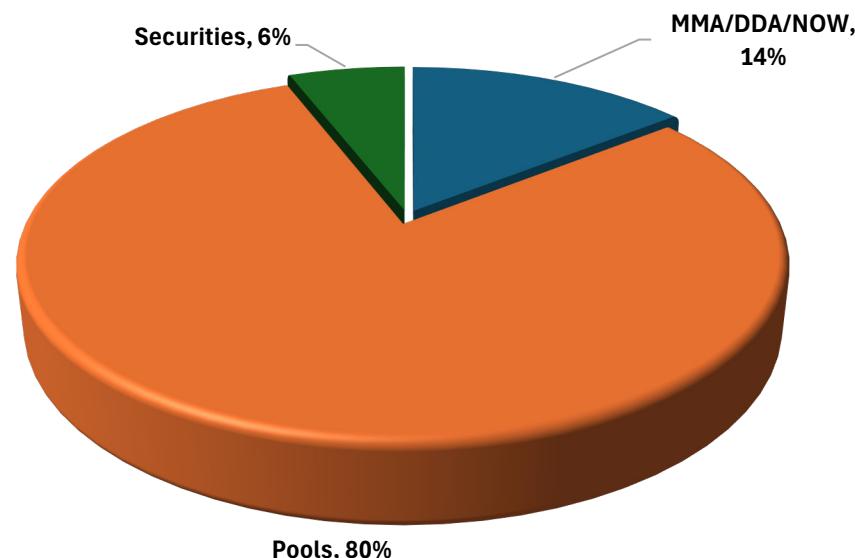
(1) **Weighted average life** - For purposes of calculating weighted average life, overnight bank and pool balances are assumed to have a one-day maturity.

(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.

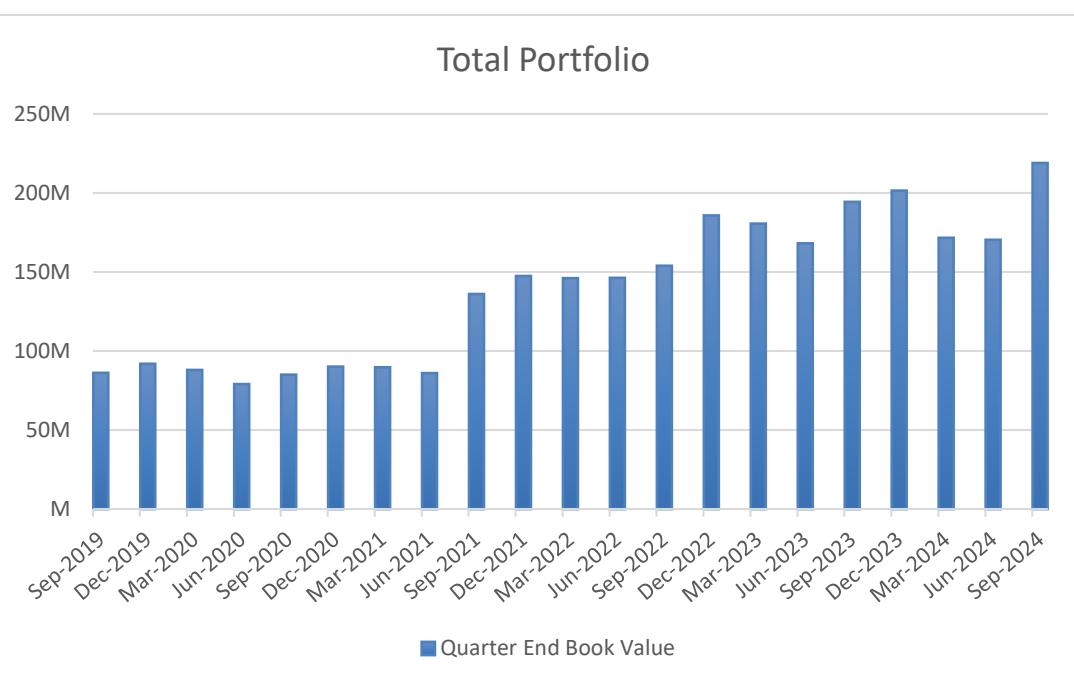
## COMPOSITION - PRIOR QUARTER



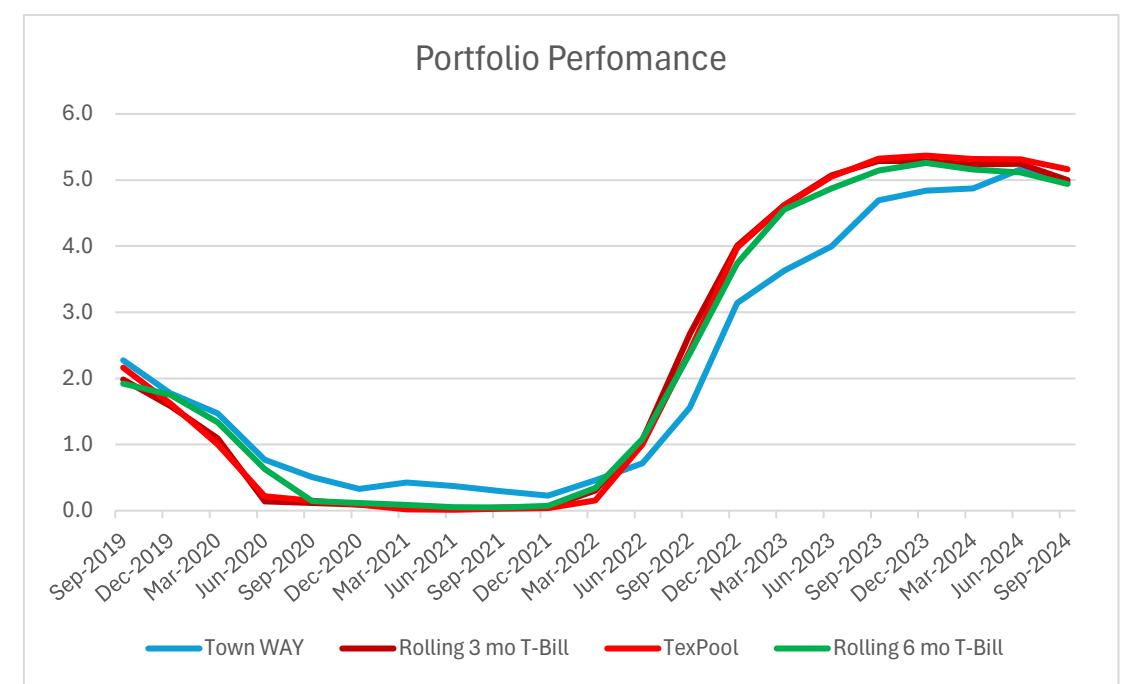
## COMPOSITION - CURRENT QUARTER



## 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
<b>TOTAL / AVERAGE</b>	<b>4.96%</b>		<b>\$ 170,331,786</b>	<b>\$ 79,614,737</b>	<b>\$ (31,03,413)</b>	<b>\$ 218,943,110</b>	<b>\$ 170,264,834</b>	<b>\$ (48,672,146)</b>	<b>\$ 218,936,980</b>

**Allocation****September 30, 2024**

<b>Book Value</b>	<b>Yield</b>	<b>Maturity Date</b>	<b>Total</b>	<b>Pooled Funds</b>	<b>Debt Service Fund</b>
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	—
<b>Totals</b>					
<b>Totals</b>			<b><u>\$ 215,862,210</u></b>	<b><u>\$ 214,616,933</u></b>	<b><u>\$ 1,245,277</u></b>

**Allocation****June 30, 2024**

<b>Book Value</b>	<b>Yield</b>	<b>Maturity Date</b>	<b>Total</b>	<b>Pooled Funds</b>	<b>Debt Service Fund</b>
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	—
<b>Totals</b>			<b><u>\$ 170,331,786</u></b>	<b><u>\$ 165,416,670</u></b>	<b><u>\$ 4,915,116</u></b>