



## **QUARTERLY INVESTMENT REPORT**

**For the Quarter Ended**

**June 30, 2019**

**Prepared by**

**Valley View Consulting, L.L.C.**

The investment portfolio of Montgomery County Hospital District is in compliance with the Public Funds Investment Act and the Montgomery County Hospital District Investment Policy.

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Chief Executive Officer  
Investment Officer,  
Montgomery County Hospital District

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Chief Financial Officer  
Investment Officer,  
Montgomery County Hospital District

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Treasurer, MCHD Board  
Investment Officer,  
Montgomery County Hospital District

Disclaimer: These reports were compiled using information provided by the Montgomery County Hospital District. 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 adviser fees.

## Summary

### Quarter End Results by Investment Category:

Asset Type	March 31, 2019		June 30, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA	\$ 5,156,727	\$ 5,156,727	\$ 3,437,796	\$ 3,437,796	0.40%
MMA/MMF/LGIP	41,098,147	41,098,147	32,526,749	32,526,749	2.48%
CD/Security	15,720,640	15,721,741	19,828,565	19,829,666	2.65%
<b>Totals</b>	<b>\$ 61,975,514</b>	<b>\$ 61,976,616</b>	<b>\$ 55,793,109</b>	<b>\$ 55,794,211</b>	

#### Current Quarter Portfolio Performance:

Average Quarterly Yield	2.41%
Rolling Three Month Treasury	2.36%
Rolling Six Month Treasury	2.43%

#### Fiscal Year-to-Date Portfolio Performance:

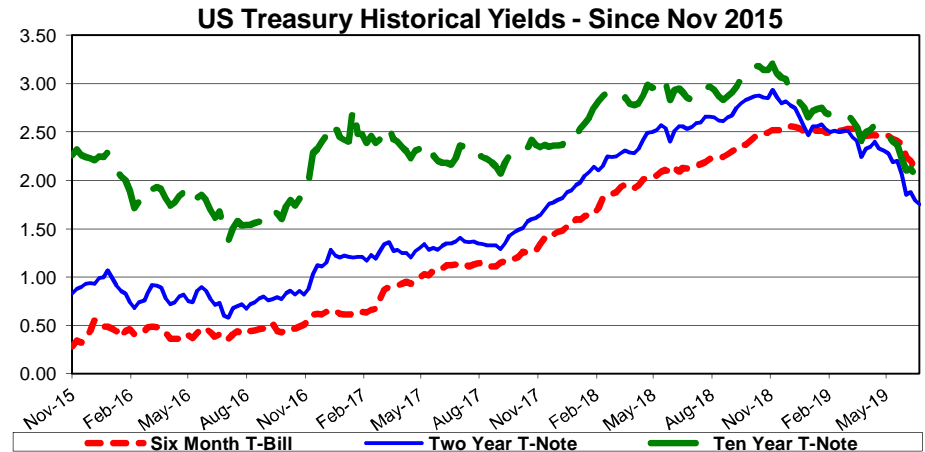
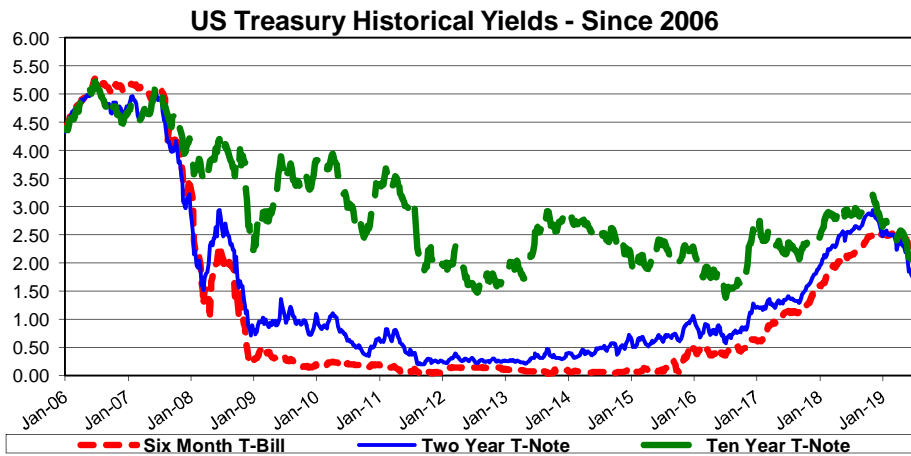
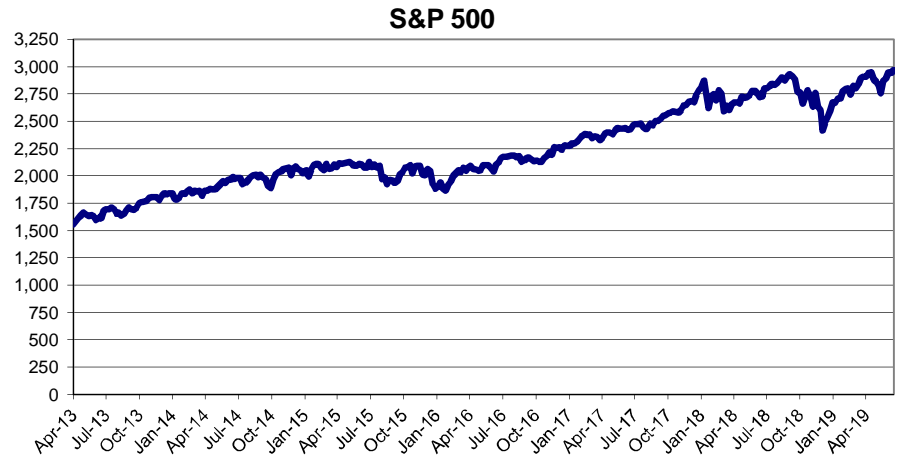
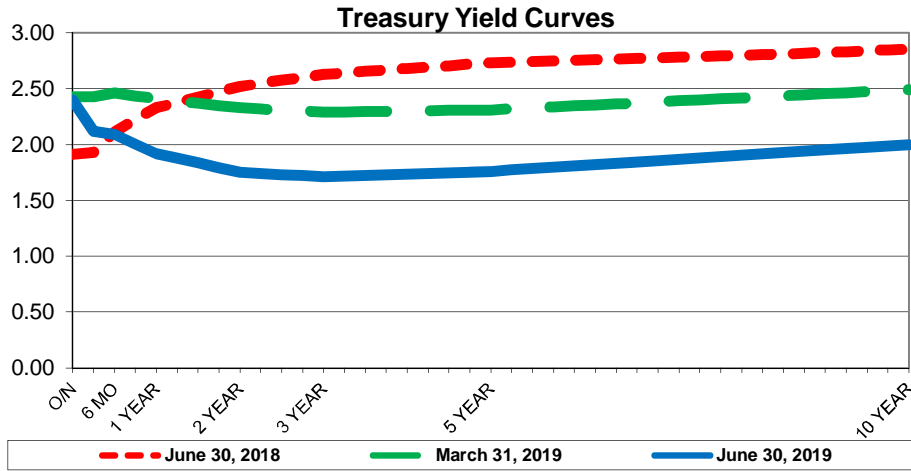
Average Quarter End Yield	2.26%
Rolling Three Month Treasury	2.39%
Rolling Six Month Treasury	2.44%
TexPool	2.36%

#### Interest Revenue (Unaudited)

Quarterly Interest Earnings	\$ 341,830
Fiscal YTD Interest Earnings	\$ 894,283

Note: Average yields calculated using quarter end report average yield and Book Value, but do not include adviser fees and realized and unrealized gains or losses.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). The Futures Market projects multiple decreases beginning later this summer. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. May Non Farm Payroll only generated 75,000 new jobs, lowering the three month rolling average to 151k. Crude oil bounced up and down this spring around +/- \$60. The Stock Markets reached new highs. Overall economic activity, including housing, remains mostly favorable but mixed. The inverted Yield Curve continues towards lower yields.



## Investment Holdings

June 30, 2019

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield	
Woodforest Bank - DDA		0.40%	07/01/19	06/30/19	\$ 3,437,796	\$ 3,437,796	1.00	\$ 3,437,796	1	0.40%	
Woodforest Bank - MMA		2.50%	07/01/19	06/30/19	12,210,738	12,210,738	1.00	12,210,738	1	2.50%	
LegacyTexas Bank MMA		2.51%	07/01/19	06/30/19	2,007,388	2,007,388	1.00	2,007,388	1	2.51%	
NexBank ICS MMA		2.66%	07/01/19	06/30/19	5,008,994	5,008,994	1.00	5,008,994	1	2.66%	
JPMorgan U.S. Gov't MMF	AAAm	0.30%	07/01/19	06/30/19	580	580	1.00	580	1	0.30%	
TexPool	AAAm	2.38%	07/01/19	06/30/19	6,654,135	6,654,135	1.00	6,654,135	1	2.38%	
TexSTAR	AAAm	2.38%	07/01/19	06/30/19	6,644,914	6,644,914	1.00	6,644,914	1	2.38%	
First Foundation Bank CD		2.35%	07/18/19	07/18/18	245,000	245,000	99.98	244,961	18	2.35%	
Origin Bank CD		2.72%	08/06/19	02/06/19	2,013,265	2,013,265	100.00	2,013,265	37	2.75%	
Morgan Stanley Bank CD		2.35%	08/23/19	08/23/18	245,000	245,000	99.97	244,934	54	2.35%	
East West Bank CD		2.62%	09/23/19	03/22/19	2,014,552	2,014,552	100.00	2,014,552	85	2.65%	
Bank of North America CD		2.50%	10/11/19	10/10/18	245,000	245,000	100.03	245,083	103	2.50%	
Synovus Bank CD		2.55%	10/17/19	10/09/18	245,000	245,000	100.06	245,152	109	2.55%	
East West Bank CD		2.55%	10/25/19	04/25/19	2,009,383	2,009,383	100.00	2,009,383	117	2.58%	
East West Bank CD		2.69%	11/05/19	02/05/19	2,021,635	2,021,635	100.00	2,021,635	128	2.73%	
Zions Bancorp, NA CD		2.65%	11/15/19	11/19/18	240,000	240,000	100.13	240,305	138	2.65%	
Morgan Stanley Bank CD		2.65%	11/22/19	11/19/18	240,000	240,000	100.13	240,312	145	2.65%	
Pinnacle Nat'l Bank CD		2.65%	12/13/19	12/04/18	240,000	240,000	100.15	240,355	166	2.65%	
East West Bank CD		2.61%	12/23/19	03/22/19	2,014,496	2,014,496	100.00	2,014,496	176	2.64%	
East West Bank CD		2.55%	01/27/20	04/25/19	2,009,383	2,009,383	100.00	2,009,383	211	2.58%	
East West Bank CD		2.72%	02/05/20	02/05/19	2,021,878	2,021,878	100.00	2,021,878	220	2.76%	
East West Bank CD		2.62%	03/23/20	03/22/19	2,014,552	2,014,552	100.00	2,014,552	267	2.65%	
East West Bank CD		2.56%	04/27/20	04/25/19	2,009,420	2,009,420	100.00	2,009,420	302	2.59%	
<b>\$ 55,793,109</b>						<b>\$ 55,793,109</b>		<b>\$ 55,794,211</b>		<b>60</b>	<b>2.41%</b>
									(1)	(2)	

(1) **Weighted average life** - Pools, Money Market Funds, and Bank Deposits 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, adviser fees and realized and unrealized gains/losses are not considered. The pool and mutual fund yields are the average for the last month of the quarter. Bank deposit yields are estimated from the monthly allocated earnings.

## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2019				June 30, 2019	
			Original Face\		Purchases/ Adjustments	Sales/Adjust/ Maturities	Original Face\	
			Par Value	Book Value			Par Value	Book Value
Woodforest Bank - DDA	0.40%	07/01/19	\$ 5,156,727	\$ 5,156,727	\$ -	\$ (1,718,932)	\$ 3,437,796	\$ 3,437,796
Woodforest Bank - MMA	2.50%	07/01/19	10,137,073	10,137,073	2,073,666		12,210,738	12,210,738
LegacyTexas Bank MMA	2.51%	07/01/19	-	-	2,007,388		2,007,388	2,007,388
NexBank ICS MMA	2.66%	07/01/19	-	-	5,008,994		5,008,994	5,008,994
JPMorgan U.S. Gov't MMF	0.30%	07/01/19	39,757	39,757		(39,178)	580	580
TexPool	2.38%	07/01/19	15,465,190	15,465,190		(8,811,056)	6,654,135	6,654,135
TexSTAR	2.38%	07/01/19	15,456,127	15,456,127		(8,811,213)	6,644,914	6,644,914
WallisBank CD	2.51%	05/06/19	2,000,000	2,000,000		(2,000,000)	-	-
First Foundation Bank CD	2.35%	07/18/19	245,000	245,000			245,000	245,000
Origin Bank CD	2.72%	08/06/19	2,000,000	2,000,000	13,265		2,013,265	2,013,265
Morgan Stanley Bank CD	2.35%	08/23/19	245,000	245,000			245,000	245,000
East West Bank CD	2.62%	09/23/19	2,001,436	2,001,436	13,116		2,014,552	2,014,552
Bank of North America CD	2.50%	10/11/19	245,000	245,000			245,000	245,000
Synovus Bank CD	2.55%	10/17/19	245,000	245,000			245,000	245,000
East West Bank CD	2.55%	10/25/19	-	-	2,009,383		2,009,383	2,009,383
East West Bank CD	2.69%	11/05/19	2,008,123	2,008,123	13,512		2,021,635	2,021,635
Zions Bancorp, NA CD	2.65%	11/15/19	240,000	240,000			240,000	240,000
Morgan Stanley Bank CD	2.65%	11/22/19	240,000	240,000			240,000	240,000
Pinnacle Nat'l Bank CD	2.65%	12/13/19	240,000	240,000			240,000	240,000
East West Bank CD	2.61%	12/23/19	2,001,431	2,001,431	13,066		2,014,496	2,014,496
East West Bank CD	2.55%	01/27/20	-	-	2,009,383		2,009,383	2,009,383
East West Bank CD	2.72%	02/05/20	2,008,214	2,008,214	13,664		2,021,878	2,021,878
East West Bank CD	2.62%	03/23/20	2,001,436	2,001,436	13,116		2,014,552	2,014,552
East West Bank CD	2.56%	04/27/20	-	-	2,009,420		2,009,420	2,009,420
<b>TOTAL</b>			<b>\$ 61,975,514</b>	<b>\$ 61,975,514</b>	<b>\$ 15,197,972</b>	<b>\$ (21,380,377)</b>	<b>\$ 55,793,109</b>	<b>\$ 55,793,109</b>

## Market Value Comparison

Description	Maturity Date	March 31, 2019			Qtr to Qtr Change	June 30, 2019		
		Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
Woodforest Bank - DDA	07/01/19	\$ 5,156,727	1.00	\$ 5,156,727	\$ (1,718,932)	\$ 3,437,796	1.00	\$ 3,437,796
Woodforest Bank - MMA	07/01/19	10,137,073	1.00	10,137,073	2,073,666	12,210,738	1.00	12,210,738
LegacyTexas Bank MMA	07/01/19	–		–	2,007,388	2,007,388	1.00	2,007,388
NexBank ICS MMA	07/01/19	–		–	5,008,994	5,008,994	1.00	5,008,994
JPMorgan U.S. Gov't MMF	07/01/19	39,757	1.00	39,757	(39,178)	580	1.00	580
TexPool	07/01/19	15,465,190	1.00	15,465,190	(8,811,056)	6,654,135	1.00	6,654,135
TexSTAR	07/01/19	15,456,127	1.00	15,456,127	(8,811,213)	6,644,914	1.00	6,644,914
WallisBank CD	05/06/19	2,000,000	100.00	2,000,000	(2,000,000)	–		–
First Foundation Bank CD	07/18/19	245,000	99.98	244,961		245,000	99.98	244,961
Origin Bank CD	08/06/19	2,000,000	100.00	2,000,000	13,265	2,013,265	100.00	2,013,265
Morgan Stanley Bank CD	08/23/19	245,000	99.97	244,934		245,000	99.97	244,934
East West Bank CD	09/23/19	2,001,436	100.00	2,001,436	13,116	2,014,552	100.00	2,014,552
Bank of North America CD	10/11/19	245,000	100.03	245,083		245,000	100.03	245,083
Synovus Bank CD	10/17/19	245,000	100.06	245,152		245,000	100.06	245,152
East West Bank CD	10/25/19	–		–	2,009,383	2,009,383	100.00	2,009,383
East West Bank CD	11/05/19	2,008,123	100.00	2,008,123	13,512	2,021,635	100.00	2,021,635
Zions Bancorp, NA CD	11/15/19	240,000	100.13	240,305		240,000	100.13	240,305
Morgan Stanley Bank CD	11/22/19	240,000	100.13	240,312		240,000	100.13	240,312
Pinnacle Nat'l Bank CD	12/13/19	240,000	100.15	240,355		240,000	100.15	240,355
East West Bank CD	12/23/19	2,001,431	100.00	2,001,431	13,066	2,014,496	100.00	2,014,496
East West Bank CD	01/27/20	–		–	2,009,383	2,009,383	100.00	2,009,383
East West Bank CD	02/05/20	2,008,214	100.00	2,008,214	13,664	2,021,878	100.00	2,021,878
East West Bank CD	03/23/20	2,001,436	100.00	2,001,436	13,116	2,014,552	100.00	2,014,552
East West Bank CD	04/27/20	–		–	2,009,420	2,009,420	100.00	2,009,420
<b>TOTAL</b>		<b>\$ 61,975,514</b>		<b>\$ 61,976,616</b>	<b>\$ (6,182,405)</b>	<b>\$ 55,793,109</b>		<b>\$ 55,794,211</b>