



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 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.

Chief Executive Officer
Investment Officer,
Montgomery County Hospital District

Chief Financial Officer
Investment Officer,
Montgomery County Hospital District

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	September 30, 2019		December 31, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA	\$ 2,984,674	\$ 2,984,674	\$ 4,173,329	\$ 4,173,329	0.31%
MMA/MMF/LGIP	22,791,267	22,791,267	28,683,683	28,683,683	1.70%
CD/Security	17,654,434	17,655,382	14,217,007	14,217,007	2.34%
Totals	\$ 43,430,375	\$ 43,431,323	\$ 47,074,018	\$ 47,074,018	

Current Quarter Portfolio Performance: (1)

Average Quarterly Yield	1.77%
Rolling Three Month Treasury	1.60%
Rolling Six Month Treasury	1.78%
TexPool	1.62%

Fiscal Year-to-Date Portfolio Performance: (2)

Average Quarter End Yield	1.77%
Rolling Three Month Treasury	1.60%
Rolling Six Month Treasury	1.78%
TexPool	1.62%

Interest Revenue (Unaudited)

Quarterly Interest Earnings	\$ 194,382
Fiscal YTD Interest Earnings	\$ 194,382

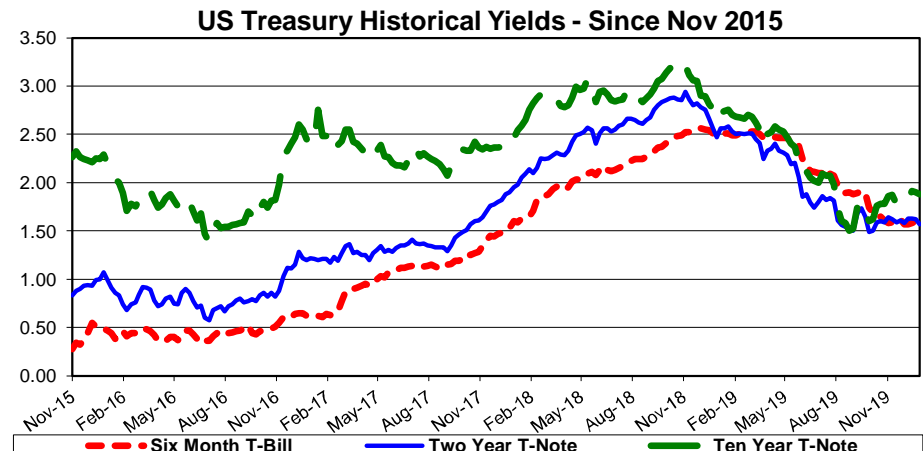
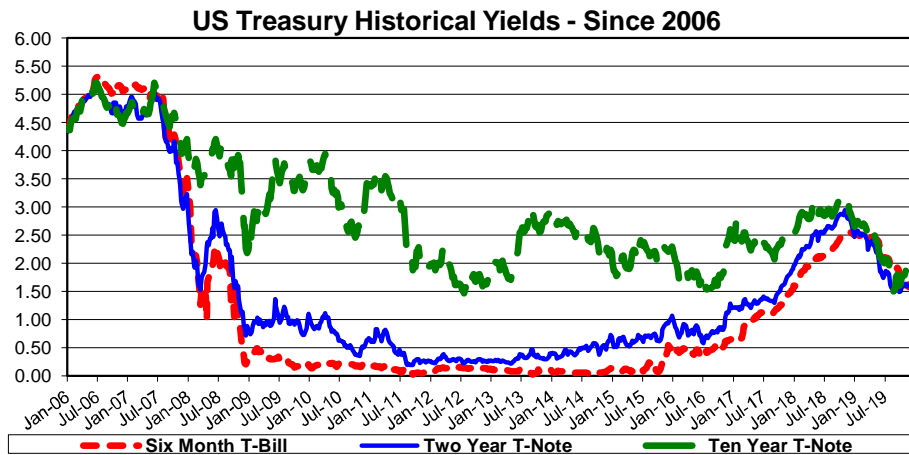
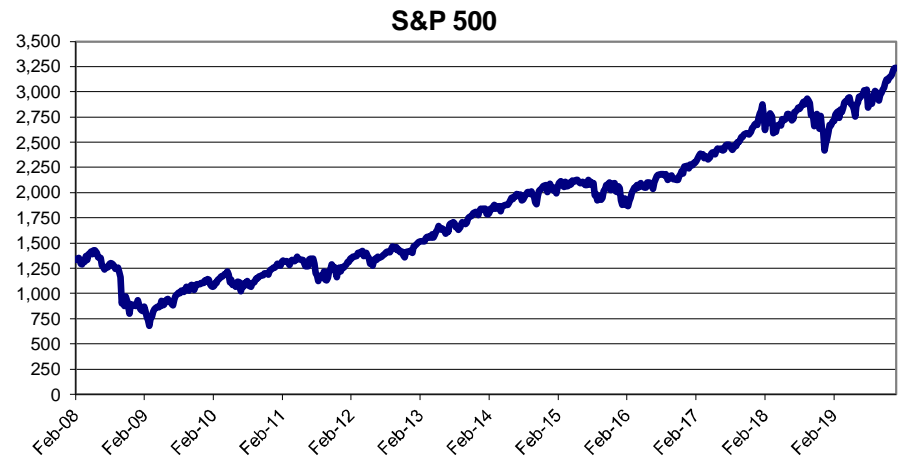
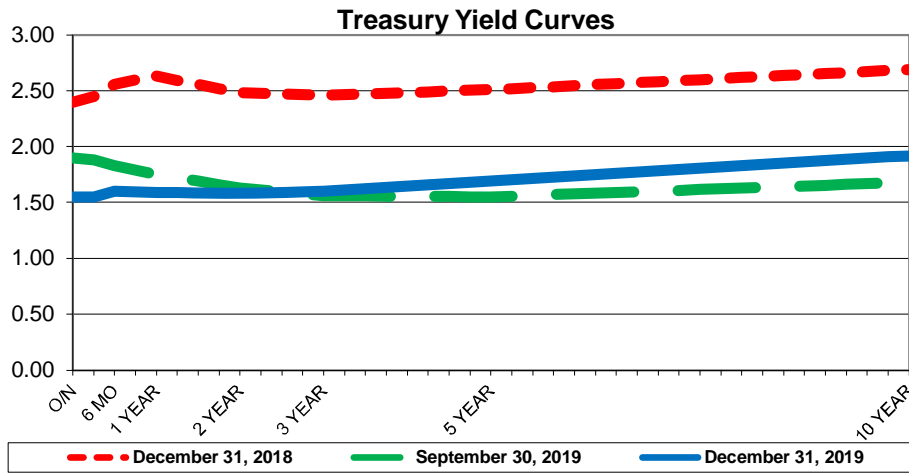
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Average Yields** calculated using quarter end report yields.

Economic Overview

12/31/2019

The Federal Open Market Committee (FOMC) held the Fed Funds target range at 1.50% - 1.75% (Effective Fed Funds are trading +/-1.55%). The Futures Market has reduced the probability of additional decreases until late summer/early fall 2020. Middle East turmoil had bumped crude oil over \$60, but it has retreated back below. December Non Farm Payroll rose 145,000 resulting in a three month moving average of 185,000. The Unemployed level remained at 3.5%. The Stock Markets remain at or near historic highs. Consumer spending has improved. Housing shows signs of growth. Overall economic activity remains positive, 3rd Quarter GDP was confirmed at 2.1%. The British are moving forward with Brexit. Several trade agreements are also progressing (China, North America, Japan). The Yield Curve shifted to slightly positive.



Investment Holdings
December 31, 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		0.33%	01/01/20	12/31/19	\$ 3,932,813	\$ 3,932,813	1.00	\$ 3,932,813	1	0.33%
Raymond James Bank Dep Program		0.08%	01/01/20	12/31/19	240,516	240,516	1.00	240,516	1	0.08%
Woodforest Bank - MMA		1.80%	01/01/20	12/31/19	8,437,072	8,437,072	1.00	8,437,072	1	1.80%
LegacyTexas Bank MMA		1.74%	01/01/20	12/31/19	2,028,710	2,028,710	1.00	2,028,710	1	1.74%
NexBank ICS MMA		1.82%	01/01/20	12/31/19	5,064,568	5,064,568	1.00	5,064,568	1	1.82%
TexPool	AAAm	1.62%	01/01/20	12/31/19	6,581,488	6,581,488	1.00	6,581,488	1	1.62%
TexSTAR	AAAm	1.56%	01/01/20	12/31/19	6,571,845	6,571,845	1.00	6,571,845	1	1.56%
East West Bank CD		2.55%	01/27/20	04/25/19	2,035,379	2,035,379	100.00	2,035,379	27	2.58%
East West Bank CD		2.72%	02/05/20	02/05/19	2,049,791	2,049,791	100.00	2,049,791	36	2.76%
East West Bank CD		2.62%	03/23/20	03/22/19	2,041,335	2,041,335	100.00	2,041,335	83	2.65%
East West Bank CD		1.80%	04/25/20	10/25/19	2,032,537	2,032,537	100.00	2,032,537	116	1.82%
East West Bank CD		2.56%	04/27/20	04/25/19	2,035,519	2,035,519	100.00	2,035,519	118	2.59%
East West Bank CD		1.78%	07/29/20	10/29/19	2,006,252	2,006,252	100.00	2,006,252	211	1.80%
BankOZK CDARS		2.12%	08/13/20	08/15/19	2,016,193	2,016,193	100.00	2,016,193	226	2.14%
					\$ 47,074,018	\$ 47,074,018		\$ 47,074,018	36	1.77%
									(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	September 30, 2019				December 31, 2019		
			Original Face\		Purchases/ Adjustments	Sales/Adjust/ Maturities	Original Face\		
			Par Value	Book Value			Par Value	Book Value	
Woodforest Bank - DDA	0.33%	01/01/20	\$ 2,976,714	\$ 2,976,714	\$ 956,099	\$ -	\$ 3,932,813	\$ 3,932,813	
Raymond James Bank Dep Program	0.08%	01/01/20	7,961	7,961	232,555		240,516	240,516	
Woodforest Bank - MMA	1.80%	01/01/20	13,784,022	13,784,022		(5,346,950)	8,437,072	8,437,072	
LegacyTexas Bank MMA	1.74%	01/01/20	2,019,296	2,019,296	9,414		2,028,710	2,028,710	
NexBank ICS MMA	1.82%	01/01/20	5,040,247	5,040,247	24,321		5,064,568	5,064,568	
TexPool	1.62%	01/01/20	978,603	978,603	5,602,884		6,581,488	6,581,488	
TexSTAR	1.56%	01/01/20	969,099	969,099	5,602,746		6,571,845	6,571,845	
Bank of North America CD	2.50%	10/11/19	245,000	245,000		(245,000)	-	-	
Synovus Bank CD	2.55%	10/17/19	245,000	245,000		(245,000)	-	-	
East West Bank CD	2.55%	10/25/19	2,022,340	2,022,340		(2,022,340)	-	-	
East West Bank CD	2.69%	11/05/19	2,035,389	2,035,389		(2,035,389)	-	-	
Zions Bancorp, NA CD	2.65%	11/15/19	240,000	240,000		(240,000)	-	-	
Morgan Stanley Bank CD	2.65%	11/22/19	240,000	240,000		(240,000)	-	-	
Bankunited, NA CD	1.95%	12/02/19	245,000	245,000		(245,000)	-	-	
Pinnacle Nat'l Bank CD	2.65%	12/13/19	240,000	240,000		(240,000)	-	-	
East West Bank CD	2.61%	12/23/19	2,027,792	2,027,792		(2,027,792)	-	-	
East West Bank CD	2.55%	01/27/20	2,022,340	2,022,340	13,040		2,035,379	2,035,379	
East West Bank CD	2.72%	02/05/20	2,035,787	2,035,787	14,005		2,049,791	2,049,791	
East West Bank CD	2.62%	03/23/20	2,027,899	2,027,899	13,436		2,041,335	2,041,335	
East West Bank CD	1.80%	04/25/20	-	-	2,032,537		2,032,537	2,032,537	
East West Bank CD	2.56%	04/27/20	2,022,428	2,022,428	13,092		2,035,519	2,035,519	
East West Bank CD	1.78%	07/29/20	-	-	2,006,252		2,006,252	2,006,252	
BankOZK CDARS	2.12%	08/13/20	2,005,461	2,005,461	10,732		2,016,193	2,016,193	
TOTAL			\$ 43,430,375	\$ 43,430,375	\$ 16,531,113	\$ (12,887,470)	\$ 47,074,018	\$ 47,074,018	

Market Value Comparison

Description	Maturity Date	September 30, 2019				December 31, 2019			
		Original Face\ Par Value	Market Price	Market Value	Qtr to Qtr Change	Original Face\ Par Value	Market Price	Market Value	
Woodforest Bank - DDA	01/01/20	\$ 2,976,714	1.00	\$ 2,976,714	\$ 956,099	\$ 3,932,813	1.00	\$ 3,932,813	
Raymond James Bank Dep Program	01/01/20	7,961	1.00	7,961	232,555	240,516	1.00	240,516	
Woodforest Bank - MMA	01/01/20	13,784,022	1.00	13,784,022	(5,346,950)	8,437,072	1.00	8,437,072	
LegacyTexas Bank MMA	01/01/20	2,019,296	1.00	2,019,296	9,414	2,028,710	1.00	2,028,710	
NexBank ICS MMA	01/01/20	5,040,247	1.00	5,040,247	24,321	5,064,568	1.00	5,064,568	
TexPool	01/01/20	978,603	1.00	978,603	5,602,884	6,581,488	1.00	6,581,488	
TexSTAR	01/01/20	969,099	1.00	969,099	5,602,746	6,571,845	1.00	6,571,845	
Bank of North America CD	10/11/19	245,000	100.02	245,042	(245,042)	—	—	—	
Synovus Bank CD	10/17/19	245,000	100.03	245,071	(245,071)	—	—	—	
East West Bank CD	10/25/19	2,022,340	100.00	2,022,340	(2,022,340)	—	—	—	
East West Bank CD	11/05/19	2,035,389	100.00	2,035,389	(2,035,389)	—	—	—	
Zions Bancorp, NA CD	11/15/19	240,000	100.09	240,214	(240,214)	—	—	—	
Morgan Stanley Bank CD	11/22/19	240,000	100.10	240,245	(240,245)	—	—	—	
Bankunited, NA CD	12/02/19	245,000	100.01	245,015	(245,015)	—	—	—	
Pinnacle Nat'l Bank CD	12/13/19	240,000	100.15	240,362	(240,362)	—	—	—	
East West Bank CD	12/23/19	2,027,792	100.00	2,027,792	(2,027,792)	—	—	—	
East West Bank CD	01/27/20	2,022,340	100.00	2,022,340	13,040	2,035,379	100.00	2,035,379	
East West Bank CD	02/05/20	2,035,787	100.00	2,035,787	14,005	2,049,791	100.00	2,049,791	
East West Bank CD	03/23/20	2,027,899	100.00	2,027,899	13,436	2,041,335	100.00	2,041,335	
East West Bank CD	04/25/20	—	—	—	2,032,537	2,032,537	100.00	2,032,537	
East West Bank CD	04/27/20	2,022,428	100.00	2,022,428	13,092	2,035,519	100.00	2,035,519	
East West Bank CD	07/29/20	—	—	—	2,006,252	2,006,252	100.00	2,006,252	
BankOZK CDARS	08/13/20	2,005,461	100.00	2,005,461	10,732	2,016,193	100.00	2,016,193	
TOTAL		\$ 43,430,375		\$ 43,431,323	\$ 3,642,695	\$ 47,074,018		\$ 47,074,018	