



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 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.

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.

Montgomery County Hospital District Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

Asset Type	September 30, 2018			September 30, 2019		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
DDA/MMA/NOW	1.46%	\$ 11,259,900	\$ 11,259,900	0.40%	\$ 2,976,714	\$ 2,976,714
Pools	2.00%	33,011,433	33,011,433	2.22%	22,799,227	22,799,227
CD/Security	1.70%	1,720,000	1,719,357	2.58%	17,654,434	17,655,382
Totals		\$ 45,991,333	\$ 45,990,690		\$ 43,430,375	\$ 43,431,323
Fourth Quarter-End Yield	1.86%			2.24%		

Average Quarter-End Yields (1):

	2018 Fiscal Year	2019 Fiscal Year
Montgomery County Hospital District	NA	2.25%
Rolling Three Month Treasury	1.69%	2.30%
Rolling Six Month Treasury	1.73%	2.37%
TexPool	1.62%	2.31%
Fiscal YTD Interest Earnings	NA	\$ 1,185,532

(1) Average Quarterly Yield calculated using quarter end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2019		September 30, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
DDA	\$ 3,437,796	\$ 3,437,796	\$ 2,976,714	\$ 2,976,714	0.40%
MMA/MMF/LGIP	32,526,749	32,526,749	22,799,227	22,799,227	2.22%
CD/Security	19,828,565	19,829,666	17,654,434	17,655,382	2.58%
Totals	\$ 55,793,109	\$ 55,794,211	\$ 43,430,375	\$ 43,431,323	

Current Quarter Portfolio Performance:

Average Quarterly Yield	2.24%
Rolling Three Month Treasury	2.02%
Rolling Six Month Treasury	2.17%
TexPool	2.16%

Fiscal Year-to-Date Portfolio Performance:

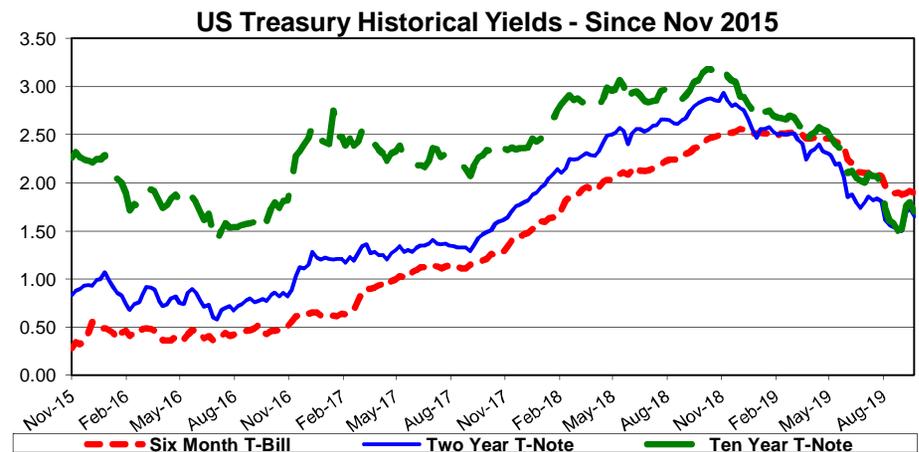
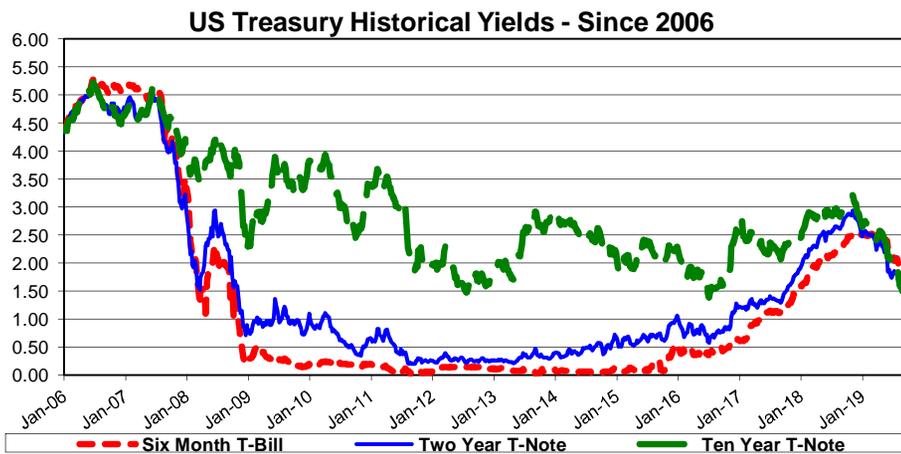
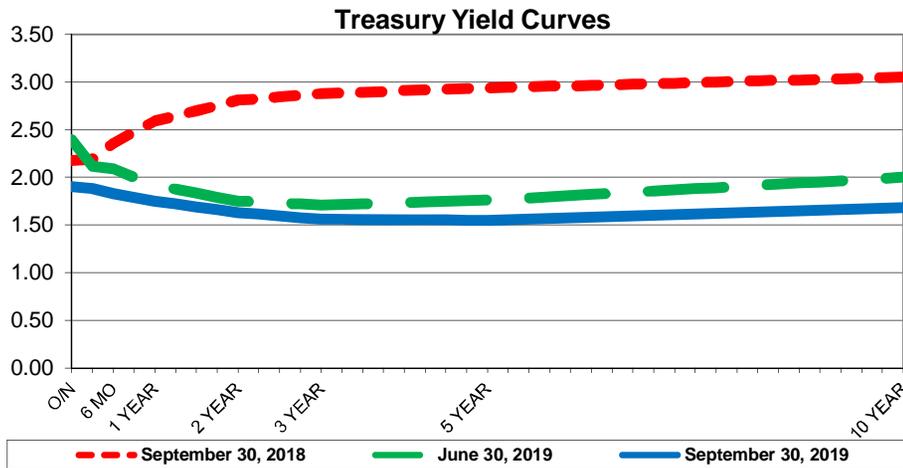
Average Quarter End Yield	2.25%
Rolling Three Month Treasury	2.30%
Rolling Six Month Treasury	2.37%
TexPool	2.31%

Interest Revenue (Unaudited)

Quarterly Interest Earnings	\$ 291,248
Fiscal YTD Interest Earnings	\$ 1,185,532

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) reduced the Fed Funds target range to 1.75% - 2.00% (Effective Fed Funds are trading +/-1.83%). The Futures Market continues to project additional decreases. Gradual Federal Reserve Bank portfolio reduction ended. August Non Farm Payroll added 136,000 new jobs, with the rolling three month averaging 157,000. Crude oil settled back and trades +/- \$55. The Stock Markets waffled near the recent highs. Consumer spending continues albeit less robustly. Overall economic activity remains mostly positive with 2nd Quarter GDP recorded at 2.0%. Brexit, Chinese trade concerns, growth outlook, and other factors may weigh on US growth. The inverted Yield Curve persists with yields declining.



Investment Holdings
September 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%	10/01/19	09/30/19	\$ 2,976,714	\$ 2,976,714	1.00	\$ 2,976,714	1	0.40%	
Woodforest Bank - MMA		2.27%	10/01/19	09/30/19	13,784,022	13,784,022	1.00	13,784,022	1	2.27%	
LegacyTexas Bank MMA		2.30%	10/01/19	09/30/19	2,019,296	2,019,296	1.00	2,019,296	1	2.30%	
NexBank ICS MMA		2.10%	10/01/19	09/30/19	5,040,247	5,040,247	1.00	5,040,247	1	2.10%	
JPMorgan U.S. Gov't MMF	AAAm	0.10%	10/01/19	09/30/19	7,961	7,961	1.00	7,961	1	0.10%	
TexPool	AAAm	2.16%	10/01/19	09/30/19	978,603	978,603	1.00	978,603	1	2.16%	
TexSTAR	AAAm	2.11%	10/01/19	09/30/19	969,099	969,099	1.00	969,099	1	2.11%	
Bank of North America CD		2.50%	10/11/19	10/10/18	245,000	245,000	100.02	245,042	11	2.50%	
Synovus Bank CD		2.55%	10/17/19	10/09/18	245,000	245,000	100.03	245,071	17	2.55%	
East West Bank CD		2.55%	10/25/19	04/25/19	2,022,340	2,022,340	100.00	2,022,340	25	2.58%	
East West Bank CD		2.69%	11/05/19	02/05/19	2,035,389	2,035,389	100.00	2,035,389	36	2.73%	
Zions Bancorp, NA CD		2.65%	11/15/19	11/19/18	240,000	240,000	100.09	240,214	46	2.65%	
Morgan Stanley Bank CD		2.65%	11/22/19	11/19/18	240,000	240,000	100.10	240,245	53	2.65%	
Bankunited, NA CD		1.95%	12/02/19	08/30/19	245,000	245,000	100.01	245,015	63	1.95%	
Pinnacle Nat'l Bank CD		2.65%	12/13/19	12/04/18	240,000	240,000	100.15	240,362	74	2.65%	
East West Bank CD		2.61%	12/23/19	03/22/19	2,027,792	2,027,792	100.00	2,027,792	84	2.64%	
East West Bank CD		2.55%	01/27/20	04/25/19	2,022,340	2,022,340	100.00	2,022,340	119	2.58%	
East West Bank CD		2.72%	02/05/20	02/05/19	2,035,787	2,035,787	100.00	2,035,787	128	2.76%	
East West Bank CD		2.62%	03/23/20	03/22/19	2,027,899	2,027,899	100.00	2,027,899	175	2.65%	
East West Bank CD		2.56%	04/27/20	04/25/19	2,022,428	2,022,428	100.00	2,022,428	210	2.59%	
BankOZK CDARS		2.12%	08/13/20	08/15/19	2,005,461	2,005,461	100.00	2,005,461	318	2.14%	
\$ 43,430,375						\$ 43,430,375		\$ 43,431,323		53	2.24%

(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	June 30, 2019				September 30, 2019	
			Original Face\		Purchases/ Adjustments	Sales/Adjust/ Maturities	Original Face\	
			Par Value	Book Value			Par Value	Book Value
Woodforest Bank - DDA	0.40%	10/01/19	\$ 3,437,796	\$ 3,437,796	\$ -	\$ (461,082)	\$ 2,976,714	\$ 2,976,714
Woodforest Bank - MMA	2.27%	10/01/19	12,210,738	12,210,738	1,573,283		13,784,022	13,784,022
LegacyTexas Bank MMA	2.30%	10/01/19	2,007,388	2,007,388	11,908		2,019,296	2,019,296
NexBank ICS MMA	2.10%	10/01/19	5,008,994	5,008,994	31,253		5,040,247	5,040,247
JPMorgan U.S. Gov't MMF	0.10%	10/01/19	580	580	7,381		7,961	7,961
TexPool	2.16%	10/01/19	6,654,135	6,654,135		(5,675,531)	978,603	978,603
TexSTAR	2.11%	10/01/19	6,644,914	6,644,914		(5,675,815)	969,099	969,099
First Foundation Bank CD	2.35%	07/18/19	245,000	245,000		(245,000)	-	-
Origin Bank CD	2.72%	08/06/19	2,013,265	2,013,265		(2,013,265)	-	-
Morgan Stanley Bank CD	2.35%	08/23/19	245,000	245,000		(245,000)	-	-
East West Bank CD	2.62%	09/23/19	2,014,552	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	12,956		2,022,340	2,022,340
East West Bank CD	2.69%	11/05/19	2,021,635	2,021,635	13,753		2,035,389	2,035,389
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
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	240,000
East West Bank CD	2.61%	12/23/19	2,014,496	2,014,496	13,296		2,027,792	2,027,792
East West Bank CD	2.55%	01/27/20	2,009,383	2,009,383	12,956		2,022,340	2,022,340
East West Bank CD	2.72%	02/05/20	2,021,878	2,021,878	13,909		2,035,787	2,035,787
East West Bank CD	2.62%	03/23/20	2,014,552	2,014,552	13,347		2,027,899	2,027,899
East West Bank CD	2.56%	04/27/20	2,009,420	2,009,420	13,007		2,022,428	2,022,428
BankOZK CDARS	2.12%	08/13/20	-	-	2,005,461		2,005,461	2,005,461
TOTAL			\$ 55,793,109	\$ 55,793,109	\$ 3,967,511	\$ (16,330,245)	\$ 43,430,375	\$ 43,430,375

Market Value Comparison

Description	Maturity Date	June 30, 2019			Qtr to Qtr Change	September 30, 2019		
		Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
Woodforest Bank - DDA	10/01/19	\$ 3,437,796	1.00	\$ 3,437,796	\$ (461,082)	\$ 2,976,714	1.00	\$ 2,976,714
Woodforest Bank - MMA	10/01/19	12,210,738	1.00	12,210,738	1,573,283	13,784,022	1.00	13,784,022
LegacyTexas Bank MMA	10/01/19	2,007,388	1.00	2,007,388	11,908	2,019,296	1.00	2,019,296
NexBank ICS MMA	10/01/19	5,008,994	1.00	5,008,994	31,253	5,040,247	1.00	5,040,247
JPMorgan U.S. Gov't MMF	10/01/19	580	1.00	580	7,381	7,961	1.00	7,961
TexPool	10/01/19	6,654,135	1.00	6,654,135	(5,675,531)	978,603	1.00	978,603
TexSTAR	10/01/19	6,644,914	1.00	6,644,914	(5,675,815)	969,099	1.00	969,099
First Foundation Bank CD	07/18/19	245,000	99.98	244,961	(244,961)	—	—	—
Origin Bank CD	08/06/19	2,013,265	100.00	2,013,265	(2,013,265)	—	—	—
Morgan Stanley Bank CD	08/23/19	245,000	99.97	244,934	(244,934)	—	—	—
East West Bank CD	09/23/19	2,014,552	100.00	2,014,552	(2,014,552)	—	—	—
Bank of North America CD	10/11/19	245,000	100.03	245,083	(42)	245,000	100.02	245,042
Synovus Bank CD	10/17/19	245,000	100.06	245,152	(81)	245,000	100.03	245,071
East West Bank CD	10/25/19	2,009,383	100.00	2,009,383	12,956	2,022,340	100.00	2,022,340
East West Bank CD	11/05/19	2,021,635	100.00	2,021,635	13,753	2,035,389	100.00	2,035,389
Zions Bancorp, NA CD	11/15/19	240,000	100.13	240,305	(91)	240,000	100.09	240,214
Morgan Stanley Bank CD	11/22/19	240,000	100.13	240,312	(67)	240,000	100.10	240,245
Bankunited, NA CD	12/02/19	—	—	—	245,015	245,000	100.01	245,015
Pinnacle Nat'l Bank CD	12/13/19	240,000	100.15	240,355	7	240,000	100.15	240,362
East West Bank CD	12/23/19	2,014,496	100.00	2,014,496	13,296	2,027,792	100.00	2,027,792
East West Bank CD	01/27/20	2,009,383	100.00	2,009,383	12,956	2,022,340	100.00	2,022,340
East West Bank CD	02/05/20	2,021,878	100.00	2,021,878	13,909	2,035,787	100.00	2,035,787
East West Bank CD	03/23/20	2,014,552	100.00	2,014,552	13,347	2,027,899	100.00	2,027,899
East West Bank CD	04/27/20	2,009,420	100.00	2,009,420	13,007	2,022,428	100.00	2,022,428
BankOZK CDARS	08/13/20	—	—	—	2,005,461	2,005,461	100.00	2,005,461
TOTAL		\$ 55,793,109		\$ 55,794,211	\$ (12,362,887)	\$ 43,430,375		\$ 43,431,323