



Economic Development Corporation

INVESTMENT REPORT

For the Period Ended

June 30, 2017

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of San Benito Economic Development Corporation is in compliance with the Public Funds Investment Act and the City of San Benito Investment Policy.

City Manager

Finance Director

Assistant Finance Director

Disclaimer: These reports were compiled using information provided by the City. 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 advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2017		March 31, 2017	
	Book Value	Market Value	Book Value	Market Value
FCB - EDC	\$ 453,676	\$ 453,676	\$ 662,205	\$ 662,205
FCB - Cultural	1,080	1,080	1,079	1,079
FCB - NADB	46,794	46,794	—	—
SSB - EDC	217,801	217,801	217,300	217,300
Green Bank - EDC	503,359	503,359	502,068	502,068
Totals	\$ 1,222,710	\$ 1,222,710	\$ 1,382,652	\$ 1,382,652

Average Yield for Quarter(1):

Total Portfolio 0.73%

Rolling Three Mo. Treas. Yield 0.91%

Rolling Six Mo. Treas. Yield 0.88%

Quarterly Interest Income \$ 2,936

YTD Interest Income \$ 7,283

Fiscal Year-to-Date Average Yield (2):

Total Portfolio 0.61%

Rolling Three Mo. Treas. Yield 0.65%

Rolling Six Mo. Treas. Yield 0.68%

Quarterly TexPool Yield 0.65%

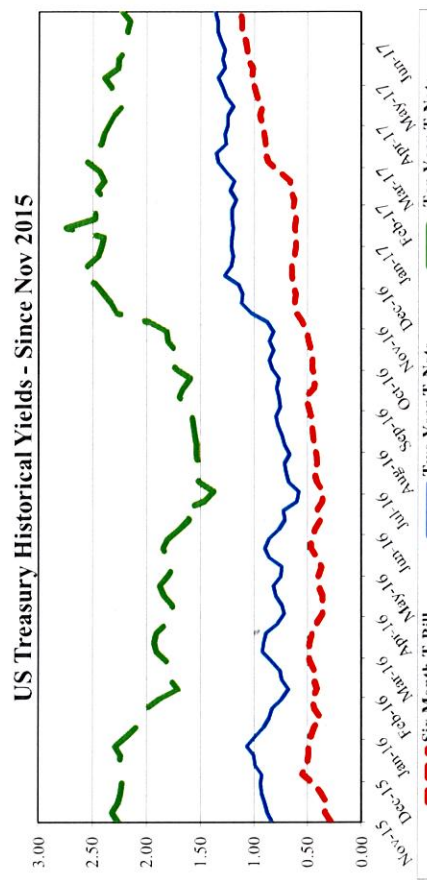
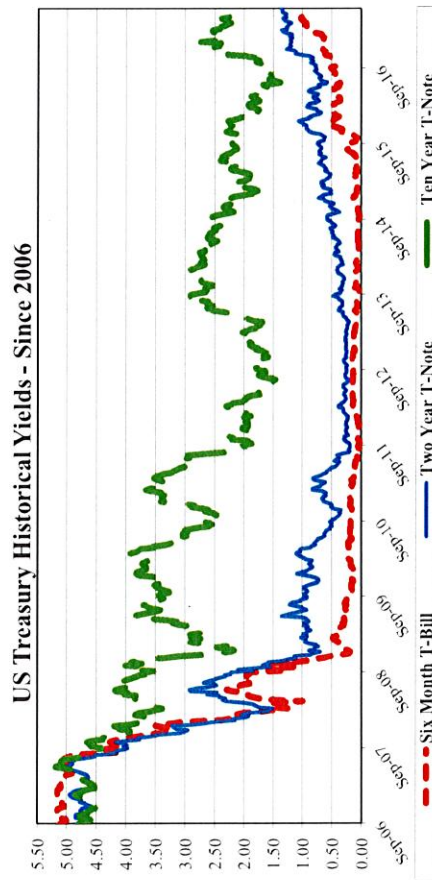
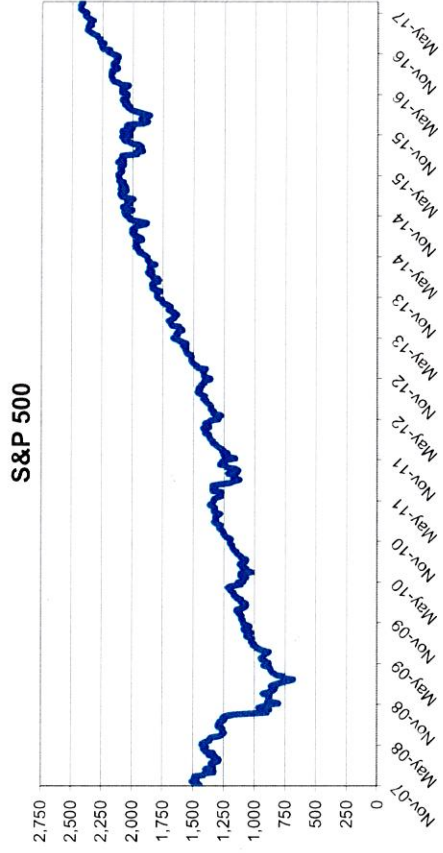
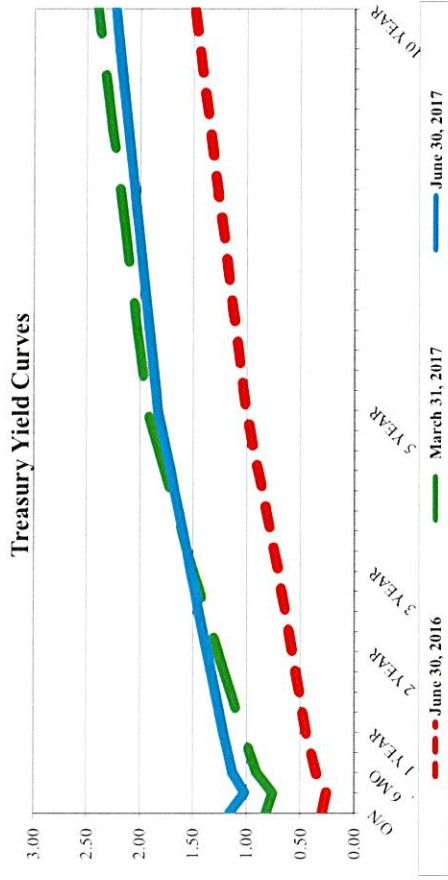
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields 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

6/30/2017

The Federal Open Market Committee (FOMC) raised the Fed Funds target range to 1.00% - 1.25% (Effective Fed Funds are trading +/-1.16%) at the June FOMC meeting. The market is not confident additional increases will occur during 2017. The Fed anticipates gradually reducing its government bond holdings. Third revision 1st Quarter 2017 GDP was a increased to 1.4%. June Non-Farm Payroll increased 222k, with +47k adjustment to Apr/May. Other US data remained volatile with some negative numbers. The Stock Markets remain high. Monitoring estimated balances and needs will determine laddering opportunities.



Investment Holdings
June 30, 2017

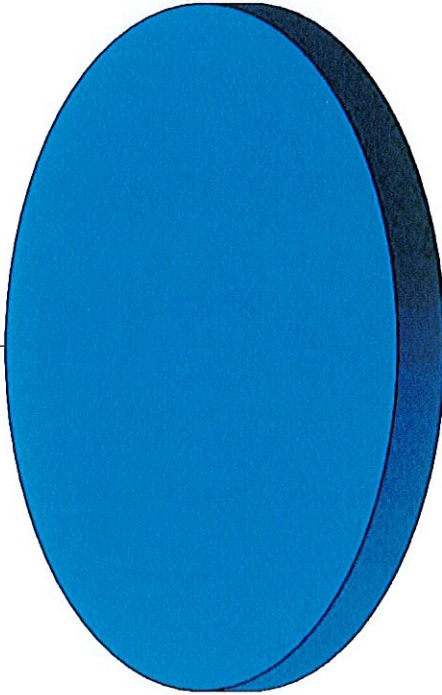
Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
FCB Account		0.25%	07/01/17	06/30/17	\$ 501,550	\$ 501,550	1.00	\$ 501,550	1	0.25%
Southside Bank MMA		1.02%	07/01/17	06/30/17	217,801	217,801	1.00	217,801	1	1.02%
Green Bank MMA		1.09%	07/01/17	06/30/17	503,359	503,359	1.00	503,359	1	1.09%
					<u>\$ 1,222,710</u>	<u>\$ 1,222,710</u>		<u>\$ 1,222,710</u>	<u>1</u>	<u>0.73%</u>
									(1)	(2)

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

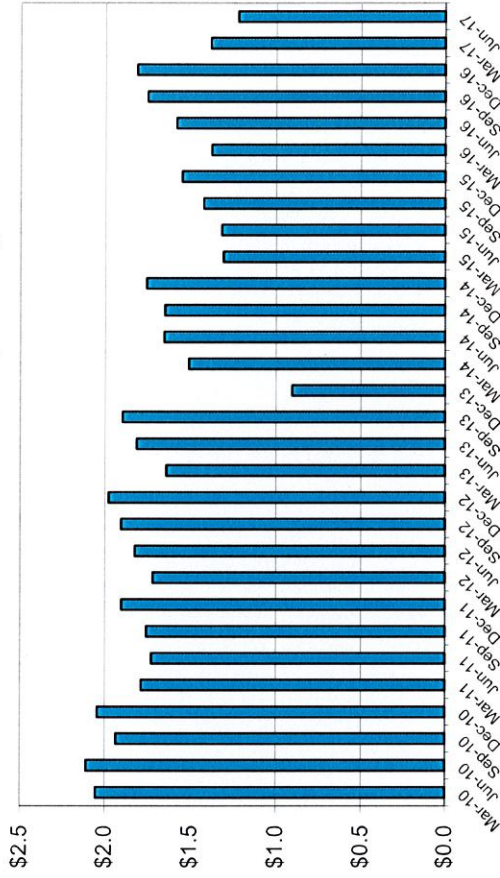
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

Portfolio Composition

Bank Accounts
100%



Total Portfolio (Millions)



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	Settlement Date	March 31, 2017			June 30, 2017		
				Original Face\	Purchases	Sales/ Maturities	Original Face\		
				Par Value	at Cost		Par Value	Par Value	Book Value
FCB Account	0.25%	07/01/17	06/30/17	\$ 663,284	\$ -	\$ (161,734)	\$ 501,550	\$ 501,550	
Southside Bank MMA	1.02%	07/01/17	06/30/17	217,300	501		217,801	217,801	
Green Bank MMA	1.09%	07/01/17	06/30/17	502,068	1,291		503,359	503,359	
TOTAL				\$ 1,382,652	\$ 1,792	\$ (161,734)	\$ 1,222,710	\$ 1,222,710	

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	Original Face\	March 31, 2017			June 30, 2017		
				Market	Qtr-to-Qtr	Original Face\	Market		
				Price	Change	Par Value	Price	Par Value	Market Value
FCB Account	0.25%	07/01/17	\$ 663,284	\$ (161,734)	\$ 501,550	1.00	\$ 501,550		
Southside Bank MMA	1.02%	07/01/17	217,300	501	217,801	1.00	217,801		
Green Bank MMA	1.09%	07/01/17	502,068	1,291	503,359	1.00	503,359		
TOTAL			\$ 1,382,652	\$ (159,942)	\$ 1,222,710		\$ 1,222,710		

**Fund Allocation
Book & Market Value
June 30, 2017**

	Fund Total	FCB Account	Southside Bank MMA	Green Bank MMA
EDC	\$ 1,174,836	\$ 453,676	\$ 217,801	\$ 503,359
EDC-SB Cultural Heritage Tourism	1,080	1,080	-	-
EDC NADB CAIP Grant	46,794	46,794	-	-
Totals	\$ 1,222,710	\$ 501,550	\$ 217,801	\$ 503,359

**Fund Allocation
Book & Market Value
March 31, 2017**

	Fund Total	FCB Account	Southside Bank MMA	Green Bank MMA
EDC	\$ 1,381,573	\$ 662,205	\$ 217,300	\$ 502,068
EDC-SB Cultural Heritage Tourism	1,079	1,079	-	-
Totals	\$ 1,382,652	\$ 663,284	\$ 217,300	\$ 502,068