Clark County Treasurer Investment Pool Monthly Report

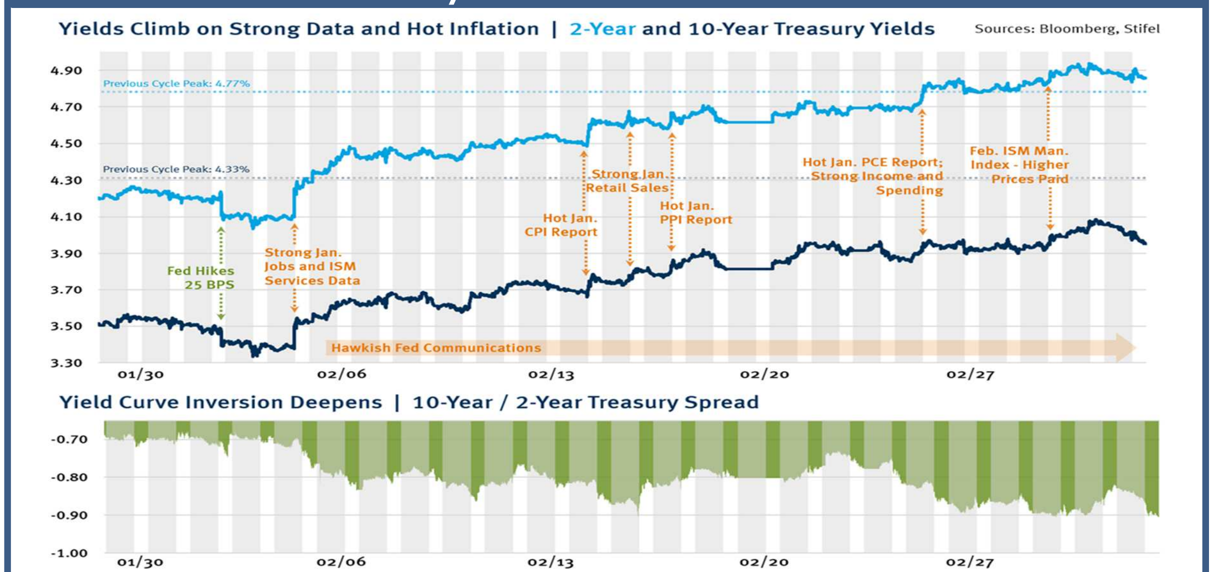
February 2023

Key Performance Indicators

	Feb. 2023	Feb. 2022
County's Book Value Yield	1.79%	0.62%
State LGIP's Book Value Yield	4.61%	0.11%
County's Total Market Return	-0.87%	-1.10%
Benchmark's Total Market Return	-1.09%	-0.71%
County's Effective Duration	1.26 yrs.	1.35 yrs.
Benchmark's Duration	1.39 yrs.	1.42 yrs.
Average Maturity	1.21 yrs.	1.40 yrs.
Net Asset Value (NAV)	$0.967003	$0.989110
County's Book Value	$1,009.8 mm	$1,036.6 mm
Current Market Yields		
Fed Funds Rate (upper)	4.50%	0.25%
2-year Treasury Note	4.81%	1.44%

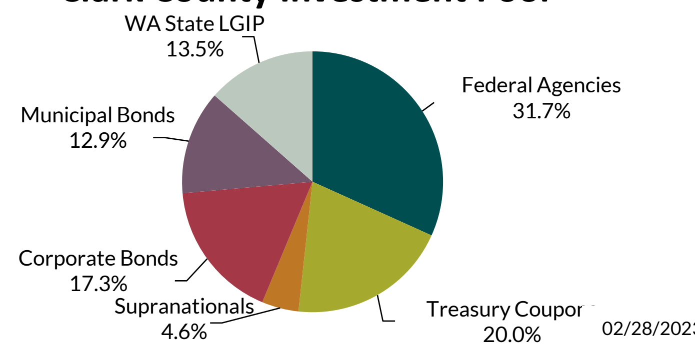
- February yields moved higher after economic data showed a stronger economy and higher inflation than expected. The 2-year gained 62 basis points while the 10-year increased 41 basis points. While we wait for more information the market re-priced expectations, it is now expected that the Fed will continue to hike and move the federal funds rate to approximately 5.50%. This is an increase of 50 basis points compared to pricing in January.
- Inflation, the topic of discussion, came in higher than expected month-over-month at 0.50% and the largest gain in three months. The increased price data, combined with the still very strong labor market comes somewhat of a surprise given the actions of the Federal Reserve and consumption and final sales to domestic purchases indicates the economy operating below trend.
- Consumer confidence unexpectedly fell from 106.0 to 102.9 in February, a three-month low. Confidence was expected to rise to 108.5 in the second month of the year. This is an economic indicator that measures the degree of optimism consumers feel about the overall state of the economy and their personal finances.
- Initial jobless claims fell 3k from 195k to 192kin the week ending February 18. Jobless claims were expected to rise to 200k. Continuous claims, the total number of Americans claiming ongoing unemployment benefits, declined from 1.69M to 1.65M.

2-Year and 10-Year Treasury Yields



The 10-year Treasury yield ended at a high of 3.92% on February 28. Furthermore, the futures market shows investors now predict a rate as high as 5.46%. The 2-year Treasury yield meanwhile ended up at 4.82%, a sixteen year high. The yield curve inversion deepened to a 90-basis points difference where shorter term rates are higher than longer term rates.

Clark County Investment Pool



02/28/2023

Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	$873.5 mm	1.26	1.60	ICE BAML 0-3 yr./3-5 yr UST (90%/10% Blend)
Clark County Liquidity Fund	$136.3mm	0.01	0.09	ICE BAML 1 mon. UST
TOTAL PORTFOLIO	**$1,009.8 mm**	**1.26**	**1.39**	**ICE BAML UST 1 mon./0-3 yr./3-5 yr. (20%/72%/8% Blend)**