



Clark County Treasurer Investment Pool Monthly Report

March 2020

Key Performance Indicators

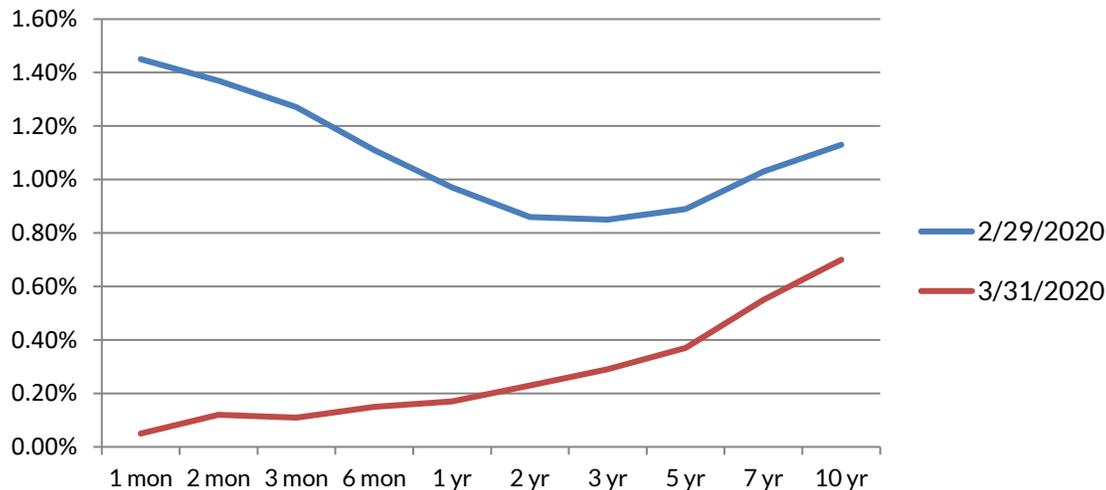
	Mar. 2020	Mar. 2019
County's Book Value Yield	1.91%	2.49%
State LGIP's Book Value Yield	1.30%	2.53%
County's Total Market Return	3.57%	2.41%
Benchmark's Total Market Return	3.78%	2.41%
County's Effective Duration	1.02 yrs.	0.71 yrs.
Benchmark's Duration	0.95 yrs.	0.77 yrs.
Average Maturity	1.33 yrs.	1.20 yrs.
Net Asset Value (N.A.V.)	\$1.009038	\$1.001574
County's Book Value	\$1,008.4 mm	\$886.5 mm

Current Market Yields

Fed Funds Rate (upper)	0.25%	2.50%
2-year Treasury Note	0.23%	2.26%

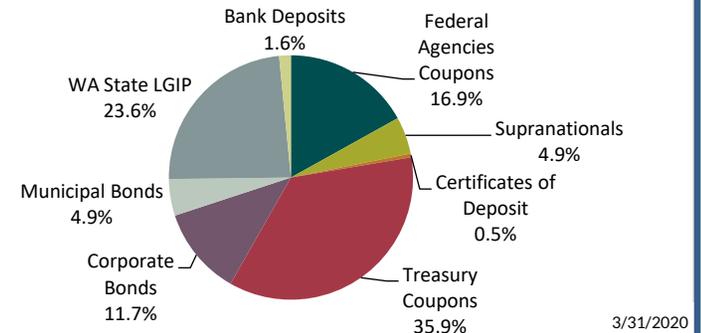
- The Fed made two emergency cuts during the month; one 50 basis point cut on March 3 and another 100 basis point cut on March 15. Fed Funds Rate is now 0.00-0.25%. The Fed also restarted quantitative easing and other various programs it used during the financial crisis to help keep the markets liquid.
- The President declared National Emergency on March 13 due to the Coronavirus. Governors in most states have ordered nonessential businesses to close and people to stay home in order to slow the virus's spread.
- The economic impact will be massive, but hopefully short lived. Most economists are predicting a 5-10% contraction in GDP in Q1, and a 25-30% contraction in Q2 with a positive rebound beginning in the second half of the year.
- 10 million U.S. citizens have filed for unemployment in the last 3 weeks. This number is most likely grossly understated due to the back log in processing claims. To put this into perspective, a total of 8 million jobs were lost during the Great Recession. April's employment report will shed more light on actual job loss due to the stay-at-home orders.
- The U.S is undoubtedly in a recession, but we are in a global recession as well. While recessions in the past have always been centered around the goods producing industry (manufacturing), this recession is the first of its kind hitting the service sector, travel & leisure first and hardest.

U.S. Treasury Yield Curve



March saw a dramatic decline in interest rates across the curve, but especially in the front end due to the Fed cutting its overnight rate 150 basis points during the month. No further interest rate changes are expected for the remainder of the year. The two-year treasury yield, which is the area of the curve the Pool mainly invests in, dropped from 0.91% to 0.25% during the month. This drop in yields will have a significant impact on future pool earnings.

Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$749.8 mm	1.36	1.41	ICE BAML 0-3 yr. UST
Clark County Liquidity Fund	\$258.6 mm	0.04	0.16	ICE BAML 3 mon. UST
TOTAL PORTFOLIO	\$1,008.4 mm	1.02	1.06	ICE BAML 1 year UST