



Clark County Treasurer Investment Pool Monthly Report

June 2020

Key Performance Indicators

	June 2020	June 2019
County's Book Value Yield	1.38%	2.51%
State LGIP's Book Value Yield	0.37%	2.51%
County's Total Market Return	3.08%	3.06%
Benchmark's Total Market Return	2.80%	2.91%
County's Effective Duration	0.84 yrs.	0.76 yrs.
Benchmark's Duration	0.95 yrs.	0.80 yrs.
Average Maturity	1.15 yrs.	1.07 yrs.
Net Asset Value (N.A.V.)	\$1.013021	\$1.004480
County's Book Value	\$1,021.0 mm	\$839.8 mm

Current Market Yields

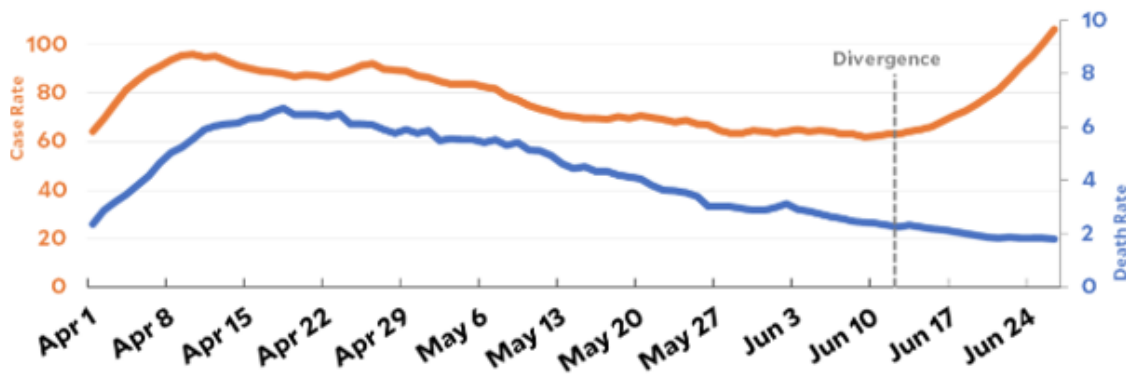
Fed Funds Rate (upper)	0.25%	2.50%
2-year Treasury Note	0.15%	1.76%

- The number of daily Covid cases started to increase mid-June, while the hospitalization and death rate continue to decline. With testing more widespread, it'll be important to monitor the hospitalization rate going forward. See chart below.
- June's employment report surprised to the upside again, adding 4.8 million jobs. The unemployment rate dropped from 13.3% to 11.1%. Unfortunately, based on the weekly unemployment insurance data, it appears the easiest job gains are behind us while 19.3 million continue to apply for unemployment.
- Q1's GDP was -5.0%. Q2's is expected to come in around -33.0% with a rebound of around 20.0% in Q3 (assuming the virus outbreak remains manageable and businesses do not have to close again).
- For the first time since February, the ISM manufacturing index crossed over the 50 threshold indicating that manufacturing activity moved back into expansionary territory after hitting the lowest point in more than 20 years. June's non-manufacturing index (the "service" sector which has been hit especially hard in this recession), also surprised economists coming in at 57.1 when 50.2 was expected.
- Consumer confidence will be key. If the uptick in Covid cases causes consumers to be more cautious and cancel vacation plans, etc. the recovery will take longer.
- The Fed is comfortable with keeping rates at lower bound well into 2022 based on its June meeting minutes.

Covid-19 in the US:

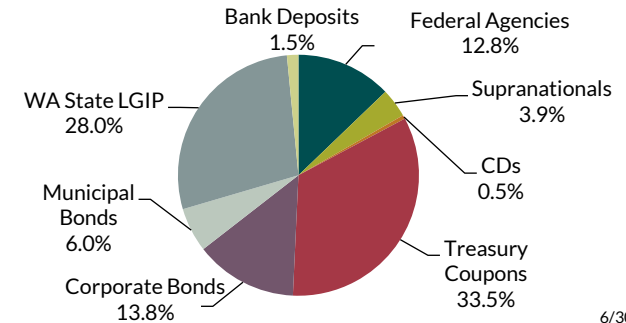
Daily Case Rate vs. Death Rate

Rolling 7-Day Average, Per Million



Source: Johns Hopkins

Clark County Investment Pool



6/30/2020

Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$719.4 mm	1.18	1.46	ICE BAML 0-3 yr. UST
Clark County Liquidity Fund	\$301.6 mm	0.02	0.09	ICE BAML 3 mon. UST
TOTAL PORTFOLIO	\$1,021.0 mm	0.84	0.95	ICE BAML 1-year UST