



Clark County Treasurer Investment Pool Monthly Report

July 2020

Key Performance Indicators

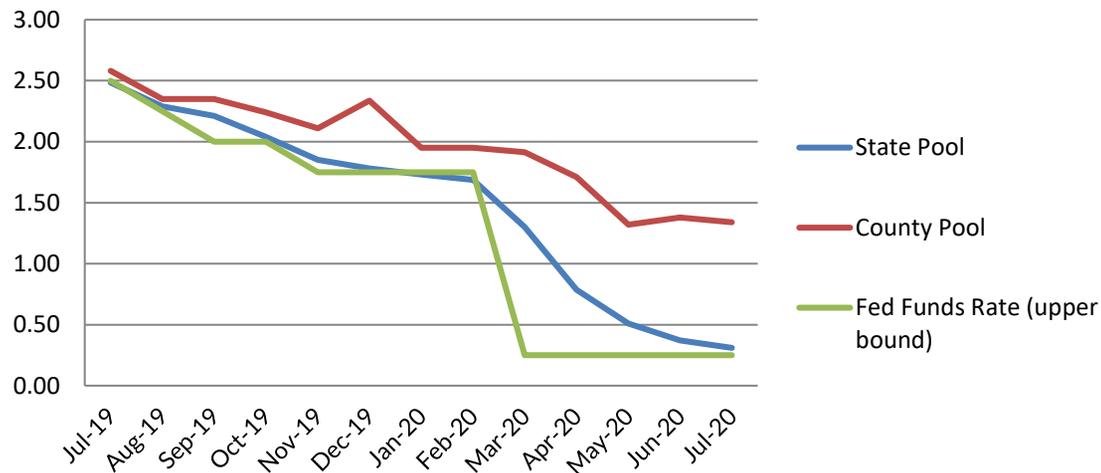
	July 2020	July 2019
County's Book Value Yield	1.34%	2.58%
State LGIP's Book Value Yield	0.31%	2.49%
County's Total Market Return	3.03%	3.06%
Benchmark's Total Market Return	2.73%	2.91%
County's Effective Duration	0.80 yrs.	0.76 yrs.
Benchmark's Duration	0.95 yrs.	0.80 yrs.
Average Maturity	1.18 yrs.	1.32 yrs.
Net Asset Value (N.A.V.)	\$1,013,143	\$1,003,664
County's Book Value	\$1,019.2 mm	\$841.5 mm

Current Market Yields

Fed Funds Rate (upper)	0.25%	2.00%
2-year Treasury Note	0.11%	2.67%

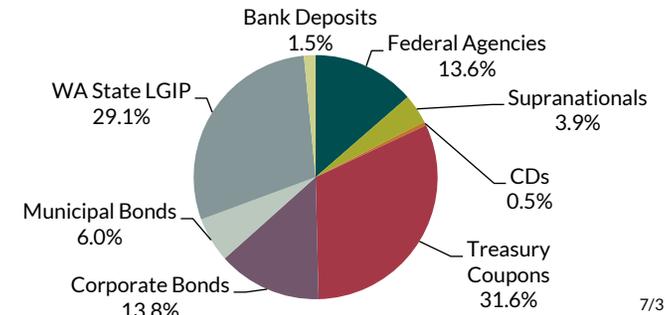
- The first estimate of Q2's GDP came in at -32.9% on an annualized basis, the largest quarterly drop since 1947. The good news is that economic activity picked up towards the end of June. Economists predict Q3's rebound to be around +20.0%.
- July's employment report was another surprise to the upside, adding 1.8 million jobs when 1.5 million was expected. The unemployment rate dropped from 11.1% to 10.2%. Unfortunately, the 10.2% headline figure only represents 16 million unemployed, which is very different than the 31 million receiving unemployment compensation. It also doesn't include the 5.4 million who have dropped out of the labor force since February.
- The good news on the virus front is the rate of infection peaked in mid-July. This may be due to some additional lock downs, but also because people become more cautious as the number of new cases increases. Hopefully, the recent trend down in new cases continues.
- There are currently 42 vaccine development projects worldwide. Three companies have completed Phase 2 and are in Phase 3 trials. Even once a vaccine is approved, the big question that will remain is its effectiveness.
- Inflation expectations are rising. The Fed for the first time ever, has said it will not tighten policy if inflation goes above 2%. July's CPI's monthly increase was 0.6% vs. the 0.3% that was expected.

Interest Rate Comparison:



The county pool's interest rate has fallen from 2.58% to 1.34% in the last 12 months. The state pool's rate has fallen from 2.49% to 0.31%. The state pool closely tracks the Fed Funds Rate so will likely bottom out around 0.10%. Historically, in a low interest rate environment the County Pool has held a spread of about 30 basis points over the state pool and will likely bottom out around .40% by the end of 2021.

Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$712.4 mm	1.13	1.46	ICE BAML 0-3 yr. UST
Clark County Liquidity Fund	\$306.8 mm	0.03	0.09	ICE BAML 3 mon. UST
TOTAL PORTFOLIO	\$1,019.2 mm	0.80	0.95	ICE BAML 1-year UST