



# Clark County Treasurer Investment Pool Monthly Report

June 2021

## Key Performance Indicators

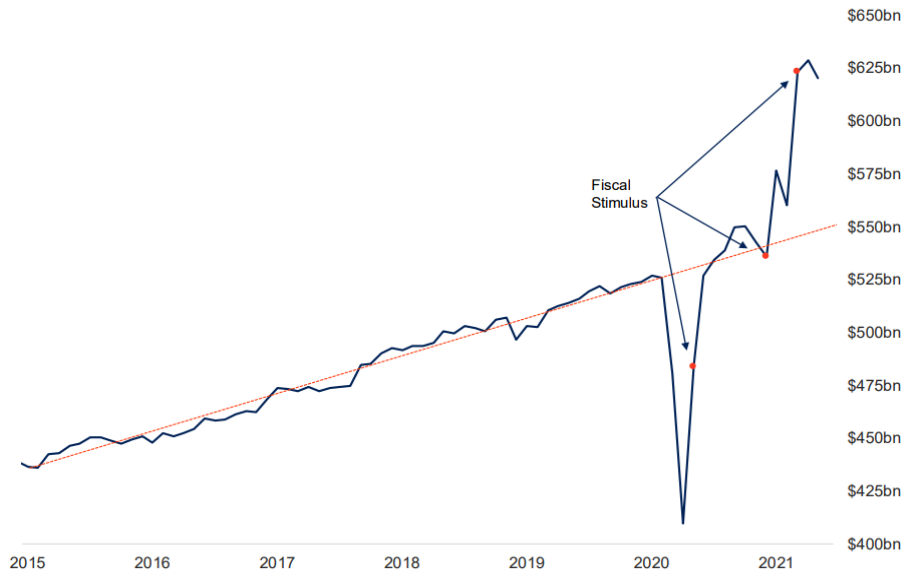
	June 2021	June 2020
County's Book Value Yield	0.64%	1.38%
State LGIP's Book Value Yield	0.08%	0.37%
County's Total Market Return	0.18%	3.08%
Benchmark's Total Market Return	0.28%	2.80%
County's Effective Duration	1.24 yrs.	0.84 yrs.
Benchmark's Duration	0.96 yrs.	0.95 yrs.
Average Maturity	1.47 yrs.	1.15 yrs.
Net Asset Value (N.A.V.)	\$1,003,625	\$1,013,021
County's Book Value	\$1,186.9 mm	\$1,021.0 mm

### Current Market Yields

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

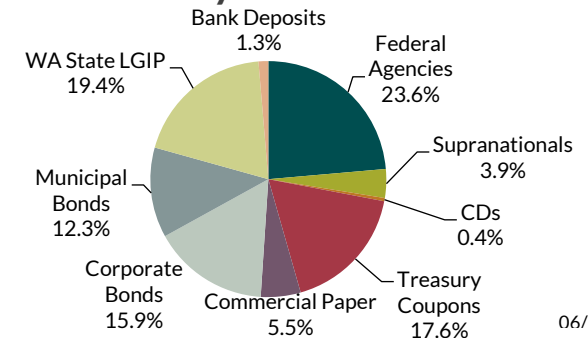
- After the June FOMC meeting, short-term yields increased 5-10 basis points while longer-term (4yrs – 30yrs) decreased. This shift in yields was a result of a more uncertain Fed with several Fed members moving their rate liftoff date forward. Before the June meeting, only 4 members expected to raise rates in 2022 whereas now 7 expect liftoff to start in 2022. The current median consensus is two rate hikes by the end of 2023.
- The Fed continues to increase its balance sheet by \$120 billion per month. They will likely start the taper discussion in July or September with the first reduction to these asset purchases starting in January of 2022.
- The labor recovery is lagging the GDP recovery, which is not usual after any recession, but especially this one given the direct stimulus checks. June added 850k Nonfarm Payrolls and this may be as fast as we can re-hire. The unemployment rate was little changed at 5.9%. The labor participation rate remained at 61.6%, which is nearly 2% less than pre-pandemic (approx. 5 million workers). Employers continue to voice the difficulty in finding workers. The latest job openings of 9.2 million was another record high.
- Input costs in manufacturing reached a 41-year high and these costs are being passed onto consumers. The monthly rise in inflation will come down in the coming months but the year over year numbers will remain high for a while.

## Consumer Confidence is Strong - Retail is booming



Consumer spending is likely to remain strong in the coming summer months. Consumer confidence rose nearly 10 points in June and the spending boost from the March/April stimulus is not completely over. Car sales are affecting headline retail sales, but this decline is not a result of lack of demand but rather lack of supply due to the chip shortage.

## Clark County Investment Pool



06/30/2021

## Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$936.0 mm	1.57	1.48	ICE BAML 0-3 yr. UST
Clark County Liquidity Fund	\$250.9 mm	0.02	0.09	ICE BAML 3 mon. UST
<b>TOTAL PORTFOLIO</b>	<b>\$1,186.9 mm</b>	<b>1.24</b>	<b>0.96</b>	<b>ICE BAML 1-year UST</b>