



Clark County Treasurer Investment Pool Monthly Report

October 2021

Key Performance Indicators

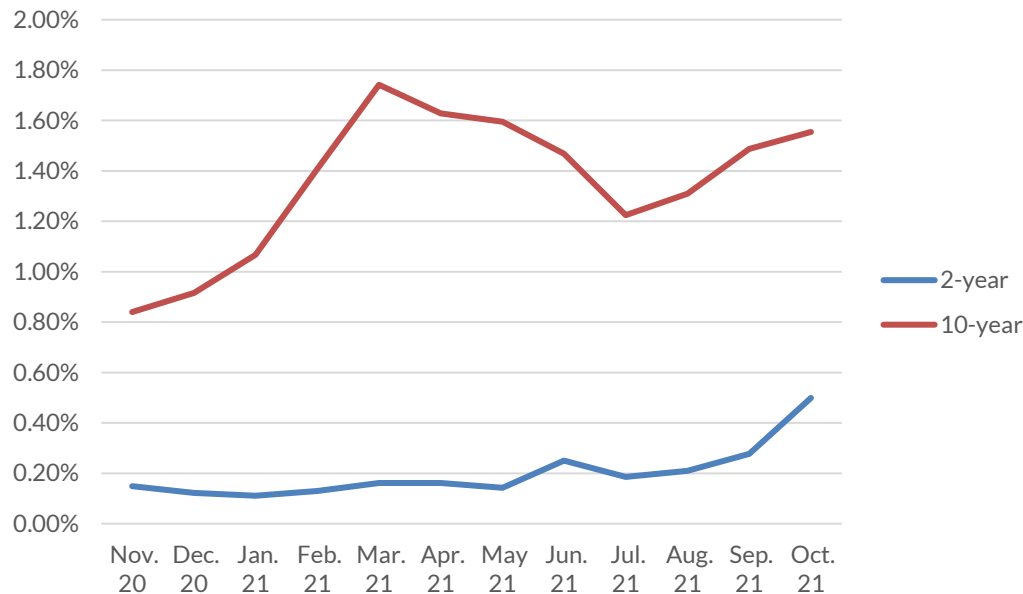
	Oct. 2021	Oct. 2020
County's Book Value Yield	0.53%	1.29%
State LGIP's Book Value Yield	0.10%	0.19%
County's Total Market Return	-.056%	2.22%
Benchmark's Total Market Return	0.15%	1.93%
County's Effective Duration	1.10 yrs.	1.07 yrs.
Benchmark's Duration	0.94 yrs.	0.93 yrs.
Average Maturity	1.25 yrs.	1.31 yrs.
Net Asset Value (N.A.V.)	\$1,000,770	\$1,008,573
County's Book Value	\$1,272.1 mm	\$1,150.3 mm

Current Market Yields

Fed Funds Rate (upper)	0.25%	0.25%
2-year Treasury Note	0.50%	0.13%

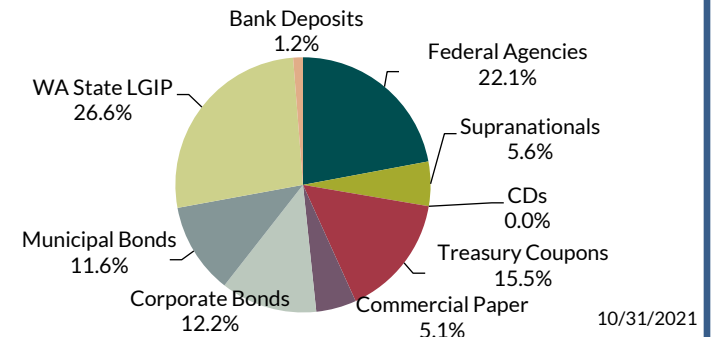
- Inflation continued to capture headlines in October. We are currently experiencing the fastest rise in inflation since the 1980s thanks to both supply shortages and excess demand. The supply bottlenecks and labor shortages from the pandemic are taking longer than previously expected to improve and are now expected to persist through most of 2022.
- October's job report was promising. Nonfarm payrolls increased 531k and September's was revised higher by 118k. Average hourly earnings increased 4.9% year-over-year. The unemployment rate ticked down to 4.6% from 4.8%.
- The labor participation rate continues to lag pre-pandemic levels, currently 61.6% vs. 63.4%, or 3.1 million smaller than February 2020. It has grown by 1.2 million since its pandemic low in January 2021. Women under 30 and early retirees are the two main groups that have not rejoined the labor force.
- Consumer sentiment has been affected by the Delta variant as it was with the initial wave of COVID, but inflation expectations are also weighing it down. In October, the number of Covid cases dropped considerably from Delta's peak at the beginning of September, while inflation expectations continue to ramp up. As inflation takes a bigger bite out of wages, consumer consumption as well as GDP growth will start to cool as a result.

2-year and 10-year Treasury Yields:



The 2-year treasury rose 22 basis points during October. The market is currently pricing in 2 rate hikes by the end of 2022. The 10-year treasury rose only 7 basis points suggesting that if the Fed raises rates sooner rather than later, they will not have as far to go.

Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$917.3 mm	1.52	1.48	ICE BAML 0-3 yr. UST
Clark County Liquidity Fund	\$354.8 mm	0.01	0.08	ICE BAML 3 mon. UST
TOTAL PORTFOLIO	\$1,272.1 mm	1.10	0.94	ICE BAML 1-year UST