



# Clark County Treasurer Investment Pool Monthly Report

April 2022

## Key Performance Indicators

	Apr. 2022	Apr. 2021
County's Book Value Yield	0.68%	0.69%
State LGIP's Book Value Yield	0.42%	0.11%
County's Total Market Return	-2.31%	0.42%
Benchmark's Total Market Return	-2.00%	0.30%
County's Effective Duration	1.10 yrs.	1.07 yrs.
Benchmark's Duration	1.42 yrs.	0.95 yrs.
Average Maturity	1.15 yrs.	1.29 yrs.
Net Asset Value (N.A.V.)	\$0.980167	\$1.004085
County's Book Value	\$1,306.1 mm	\$1,338.0 mm

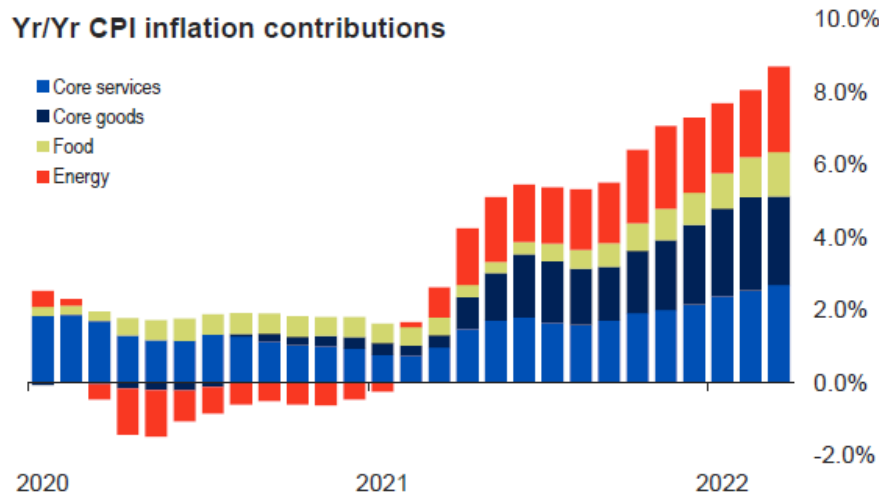
### Current Market Yields

Fed Funds Rate (upper)	1.00%	0.25%
2-year Treasury Note	2.72%	0.16%

- Yields continued to march higher in April. The two-year yield jumped 38 basis points from 2.34% to 2.72%, and has increased nine months in a row, which is the longest stretch of increases in Bloomberg data going back to 1976! The 10-year yield increased 60 basis points in April from 2.34% to 2.94%. This bond market is making history that will be talked about for years to come!
- The bond market was responding to the continued hawkish rhetoric out of the Federal Reserve (Fed). A 50-basis point rate increase for the May's FOMC meeting was priced in at near 100% certainty by April 19 and came to fruition May 4. The market expects the Fed to continue to be aggressive with its tightening plan. Another 50-basis point hike or more is currently priced in for the June meeting.
- The first estimate of first quarter's GDP came in at -1.4%, well below market forecasts of 1.0%. The contraction was mainly due to a record trade deficit and a declining rate of inventory investment which is why the markets reacted very little to the report. Consumer consumption came in slightly better at 2.7%, up from last quarter's 2.5%, but well below the 3.5% that was expected.
- The job market continues to be very tight. Workers are extraordinarily hard to find. In Q1, business increased spending on equipment and software by 15.3% in response to the lack of laborers. April added 428k nonfarm jobs, when +100-150k is consider sustainable. The unemployment rate remained at 3.6%.

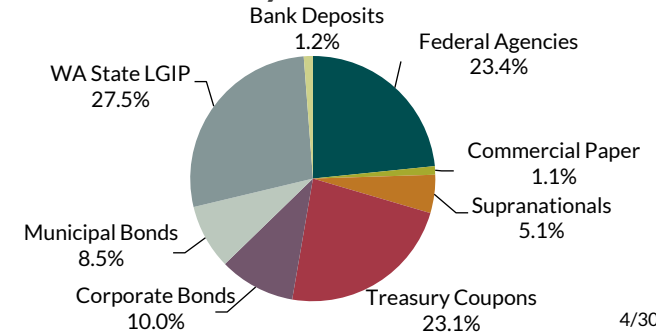
## Inflation continues to climb:

Yr/Yr CPI inflation contributions



Inflation continues to run hot and is the main economic data point driving the markets and the Fed. Right now, the Fed is more focused on inflation than employment and will continue to be until the inflation rate starts to slow. Inflation has repeatedly surprised to the upside over the last year and may continue to do so. However, the Fed is determined to restore price stability. Hence, we have one of the most aggressive rate hiking and monetary tightening campaigns since the 1990's.

## Clark County Investment Pool



## Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$930.7 mm	1.55	1.71	ICE BAML 0-3 yr./3-5 yr UST (90%/10% Blend)
Clark County Liquidity Fund	\$375.4 mm	0.01	0.08	ICE BAML 1 mon. UST
<b>TOTAL PORTFOLIO</b>	<b>\$1,306.1 mm</b>	<b>1.10</b>	<b>1.42</b>	<b>ICE BAML UST 1 mon/0-3 yr./3-5 yr. (20%/72%/8% Blend)</b>