



Clark County Treasurer Investment Pool Monthly Report

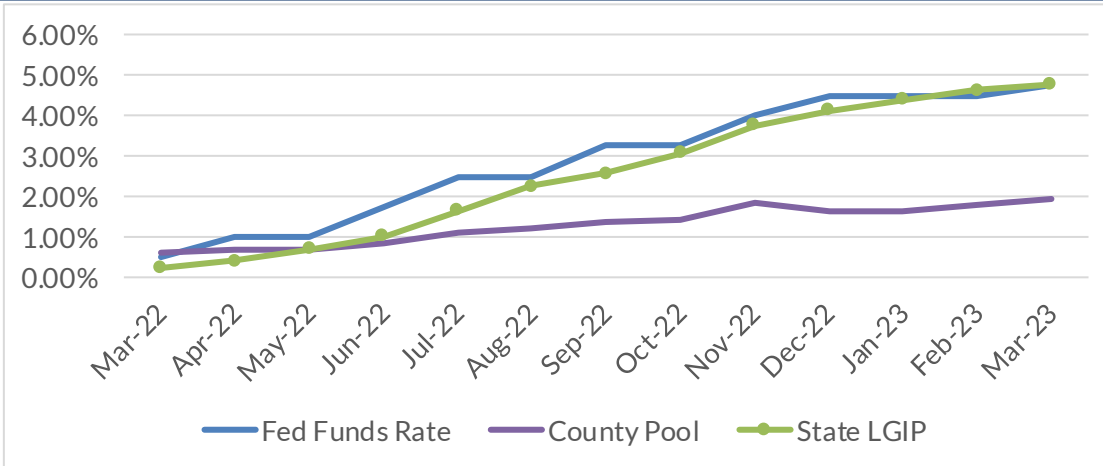
March 2023

Key Performance Indicators

	Mar. 2023	Mar. 2022
County's Book Value Yield	1.94%	0.61%
State LGIP's Book Value Yield	4.76%	0.23%
County's Total Market Return	0.99%	-1.86%
Benchmark's Total Market Return	0.99%	-1.63%
County's Effective Duration	1.23 yrs.	1.33 yrs.
Benchmark's Duration	1.36 yrs.	1.42 yrs.
Average Maturity	1.13 yrs.	1.40 yrs.
Net Asset Value (NAV)	\$0.974896	\$0.980291
County's Book Value	\$1,010.2 mm	\$1,075.9 mm
Current Market Yields		
Fed Funds Rate (upper)	5.00%	0.50%
2-year Treasury Note	4.06%	2.34%

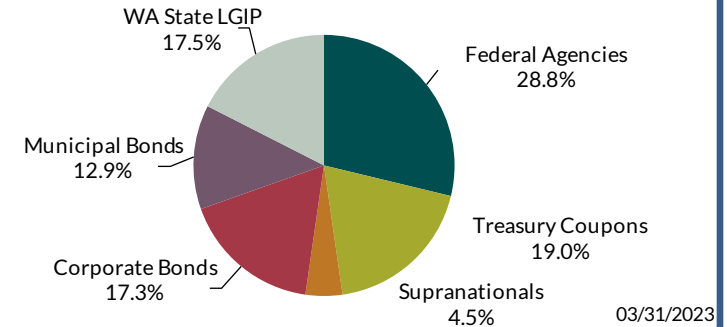
- In March, the Federal Reserve followed through with a widely expected 25 basis point hike in the Fed funds rate, now at an upper bound of 5%. New economic projections are forecasting lower economic growth and a higher Fed funds rate next year. Fed Chair Powell reassured the markets that the financial system remains stable, yet they remain "strongly committed" to achieving their price stability goal of 2%.
- March's banking crisis was the focus of attention this month. So far three banks have shut down and customers began pulling money from their accounts and deposits at small domestic banks have declined. This has had a major impact on financial institutions. It is expected banks will tighten credit making loans more difficult to get.
- Job growth is gradually slowing, job openings declined 1.3M from December to February - the biggest 2 month decline on record excluding the initial wave of the pandemic. However, there is still currently 1.67 job openings per unemployed person.
- Nonfarm payroll growth is slowing but remains surprisingly resilient despite 475bps in rate hikes. Moreover, job growth outpaced declining expectations, up 236k beating expectations of 230k.
- Both ISM Indices for Manufacturing and Services declined in March, pointing to slower growth. ISM Manufacturing for March was 46.3, the lowest since 2020 and ISM Services declined to 51.2, its second lowest level since the pandemic.

County Pool vs State LGIP



The Clark County Investment Pool (CCIP) and the State LGIP differ in investment strategy. The State LGIP closely follows the fed funds rate. With an average maturity of 30 days, it matches closely to the current market. The CCIP has an average maturity of 1.5 yrs., in a rising interest rate environment it will take the CCIP longer to achieve higher yields. However, as we reinvest into higher yields, we will be able to lock in higher earnings for longer and as rates decline the State LGIP will decline much faster than the CCIP. In the last 10 yrs. the CCIP has earned \$13.2M over the State LGIP.

Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$873.9 mm	1.23	1.59	ICE BAML 0-3 yr./3-5 yr. UST (90%/10% Blend)
Clark County Liquidity Fund	\$136.3mm	0.01	0.08	ICE BAML 1 mon. UST
TOTAL PORTFOLIO	\$1,010.2 mm	1.23	1.36	ICE BAML UST 1 mon./0-3 yr./3-5 yr. (20%/72%/8% Blend)