



Clark County Treasurer Investment Pool Monthly Report

July 2024

Key Performance Indicators

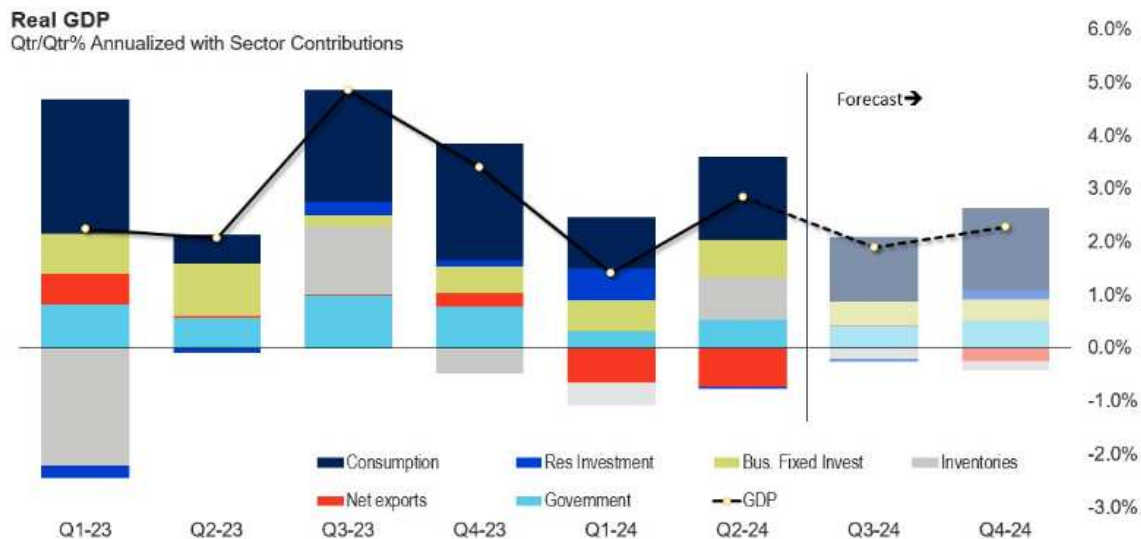
	July 2024	July 2023
County's Book Value Yield	3.75%	2.52%
State LGIP's Book Value Yield	5.41%	5.24%
County's Total Market Return	5.49%	1.99%
Benchmark's Total Market Return	5.40%	1.52%
County's Effective Duration	1.18 yrs.	1.09 yrs.
Benchmark's Duration	1.33 yrs.	1.32 yrs.
Average Maturity	1.38 yrs.	1.23 yrs.
Net Asset Value (NAV)	\$0.996489	\$0.975677
County's Book Value	\$1,062.1 mm	\$1,071.7 mm

Current Market Yields

	July 2024	July 2023
Fed Funds Rate (upper)	5.50%	5.50%
2-year Treasury Note	4.26%	4.88%

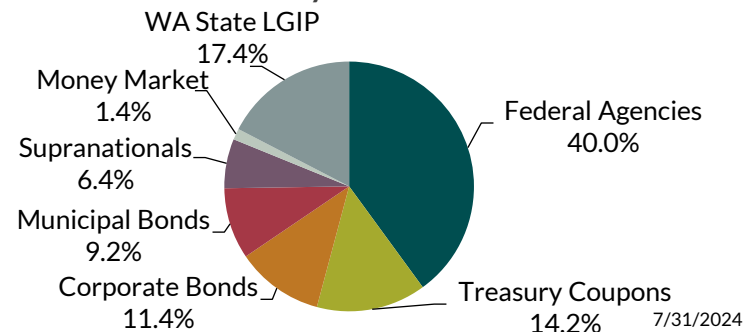
- Yields dropped substantially in July, led by the 2-year Treasury Note which dropped 50 basis points (bps) to finish the month at 4.26%. The 10-year Treasury dropped 37 bps finishing the month at 4.03%, a six-month low. The yield curve remains inverted and has now been inverted for over two years but is getting closer to normalizing.
- As expected, the Fed opted to hold rates steady at its July meeting but opened the door to a potential reduction in September. Powell stated more than once that "if we do get the data that we hope we get, then a reduction in our policy rate could be on the table at the September meeting."
- June's inflation data (released in July) behaved as expected giving the Fed one more measure of confidence that inflation is trending back to its 2% target. Core PCE rose 0.2%, up from a 0.1% gain in May. Over the past 12 months, core inflation has increased 2.6% for the second consecutive month.
- July's employment report was surprisingly cool and may be the inflection point for the US economy. Headline nonfarm payrolls increased by only 114K, when 175k was expected, and there were 29k in negative revisions to May and June. The household survey was even weaker. The labor force increased 420k causing the unemployment rate to jump from 4.1% to 4.3% marking the 4th straight month of rising unemployment. The unemployment rate is now higher than the level the Fed considers consistent with full employment.

Economy surprisingly strong in Q2



Q2 growth was stronger than expected. Real GDP rose at an annualized rate of 2.8%, beating the 2.0% expectation. Negative foreign trade, dominated by a surge in imports, was offset with higher-than-expected inventories, leaving final sales to domestic purchases up a solid 2.7% closely following Q1's 2.8% rate. Q3 growth is expected to slow and is currently tracking around 2.0%.

Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$862.2 mm	1.45	1.62	ICE BAML 0-3 yr./3-5 yr. UST (90%/10% Blend)
Clark County Liquidity Fund	\$199.9 mm	0.01	0.09	ICE BAML 1 mon. UST
TOTAL PORTFOLIO	\$1,062.1 mm	1.18	1.33	ICE BAML UST 1 mon./0-3 yr./3-5 yr. (20%/72%/8% Blend)