Clark County Treasurer Investment Pool Monthly Report

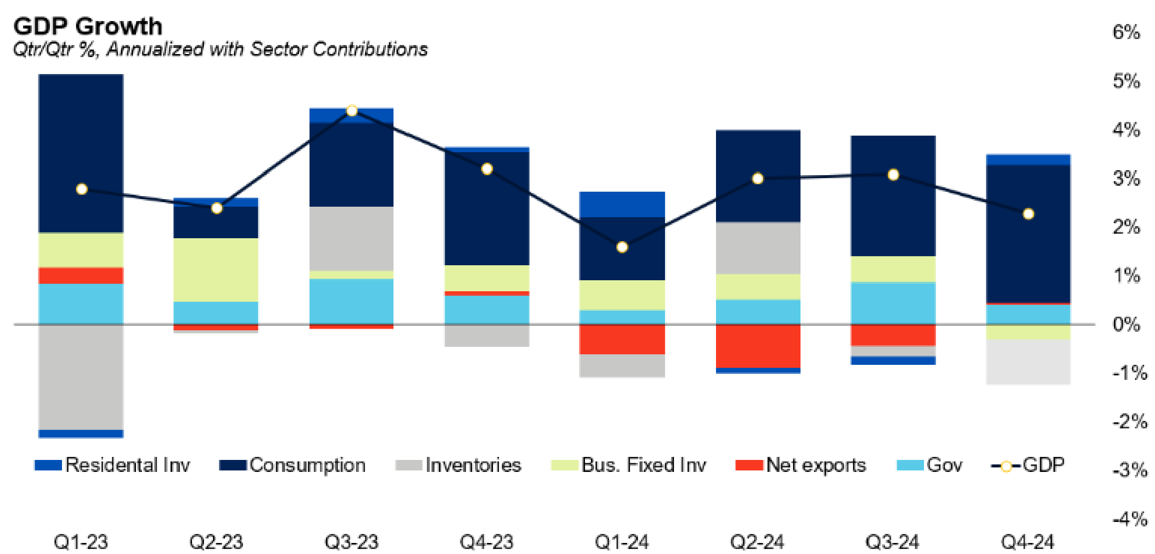
January 2025

Key Performance Indicators

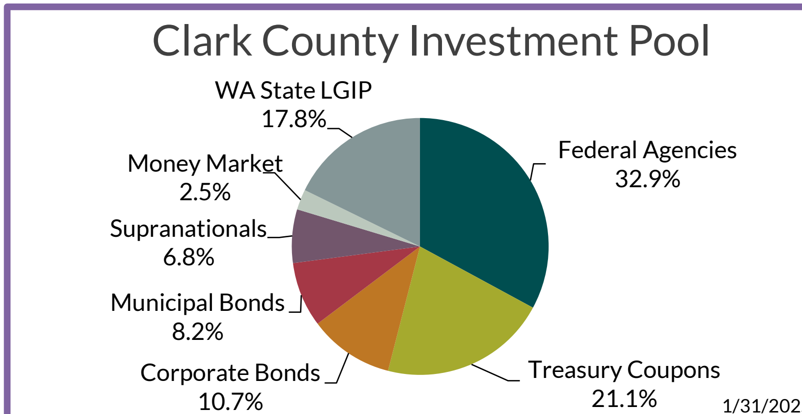
	Jan. 2025	Jan. 2024
County's Book Value Yield	4.14%	2.94%
State LGIP's Book Value Yield	4.46%	5.43%
County's Total Market Return	4.78%	4.68%
Benchmark's Total Market Return	4.47%	4.40%
County's Effective Duration	1.27 yrs.	1.15 yrs.
Benchmark's Duration	1.34 yrs.	1.32 yrs.
Average Maturity	1.47 yrs.	1.34 yrs.
Net Asset Value (NAV)	$0.999516	$0.989964
County's Book Value	$1,012.7 mm	$955.2 mm
Current Market Yields		
Fed Funds Rate (upper)	4.50%	5.50%
2-year Treasury Note	4.20%	4.21%

- January brought a wait-and-see temperament to financial markets, where there was plenty of excitement but little change. The 2-year yield declined four basis points (bps) from 4.24% to 4.20% while the 10-year decreased three bps from 4.57% to 4.54%. Stocks, as measured by the S&P 500, advanced 2.7%, reaching record highs.
- The Fed met in late January and as expected, left the Fed Funds Rate unchanged at 4.25% - 4.50%. The Fed remains focused on restoring price stability. The disinflationary trend has been stuck in a rut, with the Fed-favored core PCE gauge stalling at 2.8% for a third consecutive month in December. By month-end less than two 25 (bps) cuts were priced into the market for the entire year with the first cut of the year not expected until September.
- The January employment report was slightly weaker than expected but stable. Bad weather was partly to blame. According to the BLS, 573k people were unable to work due to weather, the most since the Texas ice storms four years ago. Nonfarm payrolls added 143k jobs when 175k was expected, but November and December's numbers were revised up 100k making the 3-month average job gain an impressive 237k. The unemployment rate dropped from 4.1% to 4.0% and average hourly earnings remained at 4.1%.
- The inflation outlook is still concerning. The Fed has made it clear it needs to see further progress towards 2% before cutting rates again and year-over-year inflation data has been anything but encouraging.

Solid growth in 2024, GDP grew 2.7% lead by the consumer



A recession was widely expected at the start of both 2023 and 2024, and it never came to be. Real GDP grew 2.3% in Q4 slightly less than expected due to a huge inventory drawdown. Personal consumption came in at 4.2% blowing past the consensus estimate of 3.2%. The growth rate for all of 2024 was a solid 2.7%, a slight slowdown from 2023's rate of 2.9%.



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	$806.8 mm	1.58	1.63	ICE BAML 0-3 yr./3-5 yr UST (90%/10% Blend)
Clark County Liquidity Fund	$205.9 mm	0.01	0.08	ICE BAML 1 mon. UST
TOTAL PORTFOLIO	**$1,012.7 mm**	**1.27**	**1.34**	**ICE BAML UST 1 mon./0-3 yr./3-5 yr. (20%/72%/8% Blend)**