



## Clark County Treasurer Investment Pool Monthly Report

May 2025

### Key Performance Indicators

	May 2025	May 2024
County's Book Value Yield	4.66%	3.80%
State LGIP's Book Value Yield	4.38%	5.40%
County's Total Market Return	5.64%	4.43%
Benchmark's Total Market Return	5.37%	4.15%
County's Effective Duration	1.19 yrs.	1.27 yrs.
Benchmark's Duration	1.35 yrs.	1.32 yrs.
Average Maturity	1.53 yrs.	1.45 yrs.
Net Asset Value (NAV)	\$1.001628	\$0.989509
County's Book Value	\$1,179.4 mm	\$1,173.6 mm

### Current Market Yields

Fed Funds Rate (upper)	4.50%	5.50%
2-year Treasury Note	3.90%	4.87%

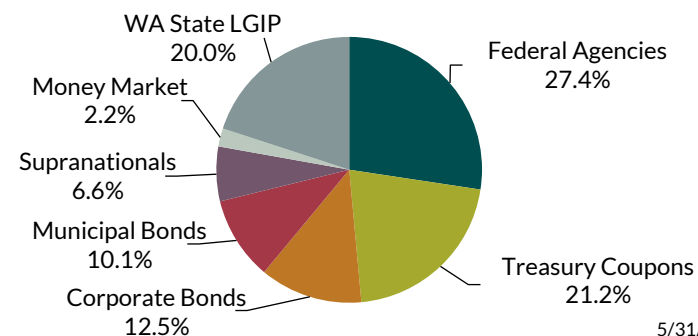
- Volatility continued in May as tariff headlines whipsawed the bond market. Equities advanced during the month as confidence grew that trade deals will be made. U.S. Treasuries yields reversed April's decline with the 2-yr increasing 30 basis points (bps) to 3.90%, while 10-yr increased 24 bps to 4.44%. As of month-end, two (25 bps) cuts were priced into the market, in-line with the Fed's most recent forecast.
- According to Atlanta's Fed GDP forecaster, Q2 is trending well over 4.0% growth. This is due to the calendar mismatch between Q1 exports and inventories which caused Q1 to contract by -0.3%. A better way to look at growth is that it is trending around 1.8% for the first half of 2025, which is a full percentage point slower than 2024's growth rate of 2.8%.
- On the surface, May's job report was another better-than-expected report, adding 139k nonfarm jobs when 126k was expected, but again, there were large revisions to prior months. March and April's figures were revised down by 95k, making the overall change in nonfarm payrolls just 44k. The unemployment rate remained at 4.2%, unfortunately the participation rate decreased from 62.6% to 62.4%. It is clear employment is slowing while remaining positive, much like the overall economy.
- Inflation continues to cool ahead of tariff impacts. May's core CPI rose just 0.13% while the year-over-year remained at 2.8%. The last several inflation reports have been encouraging, but lingering concerns of eventual tariff pass-through will keep the Fed cautious for now.

### Effective Mortgage Rate Rises Above 4%



"Mortgage rates have been elevated since the Fed rate hikes ended in 2022. Despite mortgage rates hovering near 7% for almost three years, the average mortgage rate is just 4.05% because many homeowners are holding onto mortgages taken on when rates were lower." - FHN Financial

### Clark County Investment Pool



### Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$917.7 mm	1.52	1.66	ICE BAML 0-3 yr./3-5 yr UST (90%/10% Blend)
Clark County Liquidity Fund	\$261.7 mm	0.01	0.08	ICE BAML 1 mon. UST
<b>TOTAL PORTFOLIO</b>	<b>\$1,179.4 mm</b>	<b>1.19</b>	<b>1.35</b>	<b>ICE BAML UST 1 mon./0-3 yr./3-5 yr. (20%/72%/8% Blend)</b>