

City of Huntington Beach City Treasurer's Report



Quarter ending: June 2016

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City Treasurer**

Economic and Market Overview

April – June 2016

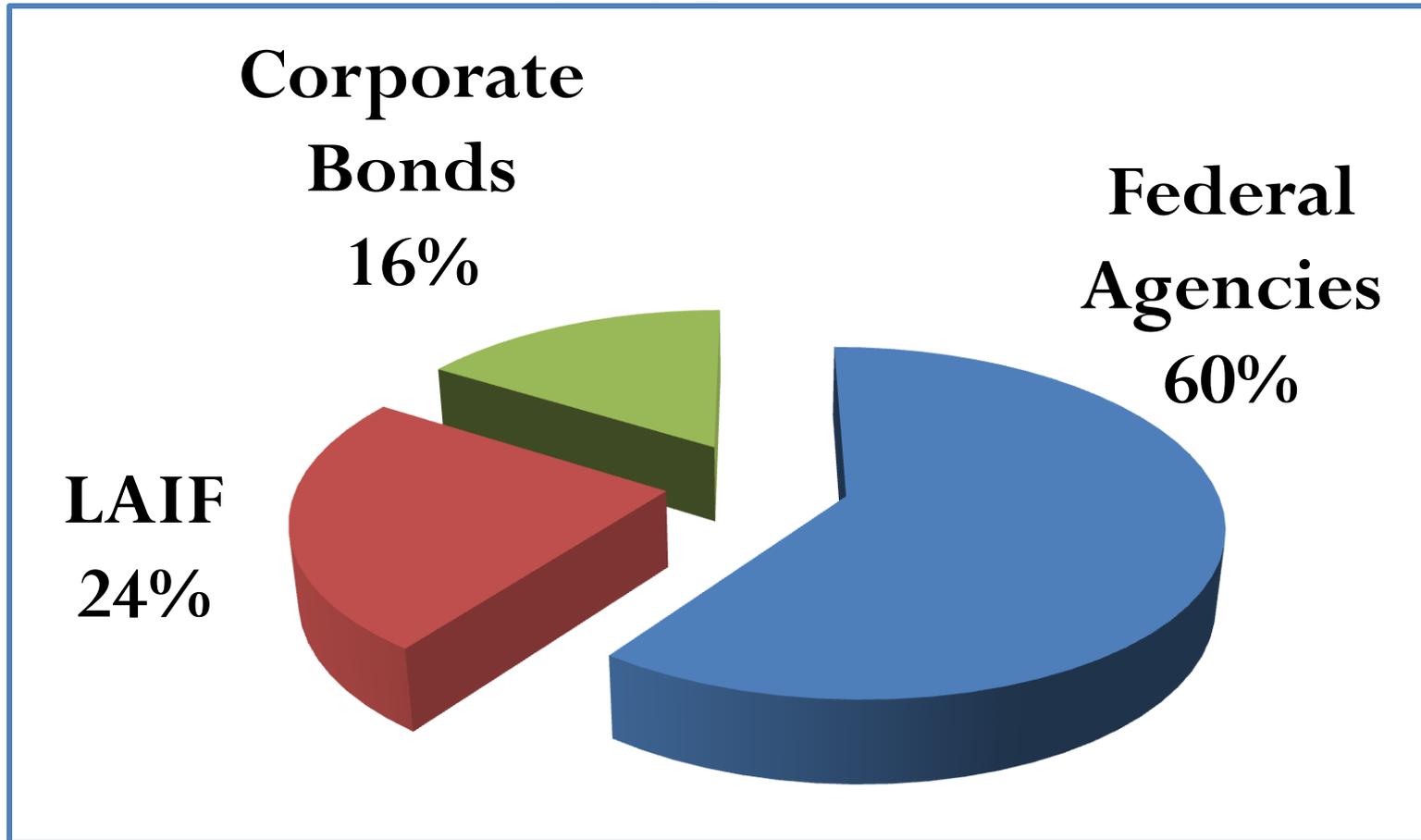
- ❖ **Federal Reserve maintains interest rates**
- ❖ **2-year Treasury ↓ from 0.77% to 0.58%**
- ❖ **June. Unemployment Rate: 4.90%**
- ❖ **DOW/S&P ↑ 2-3% from Dec. 2015**

Portfolio Overview 06/30/16

❖ Market Value:	\$235.3 million
❖ Book Value:	\$235.0 million
❖ 365-Day Yield:	1.17%

Portfolio Composition 06/30/16

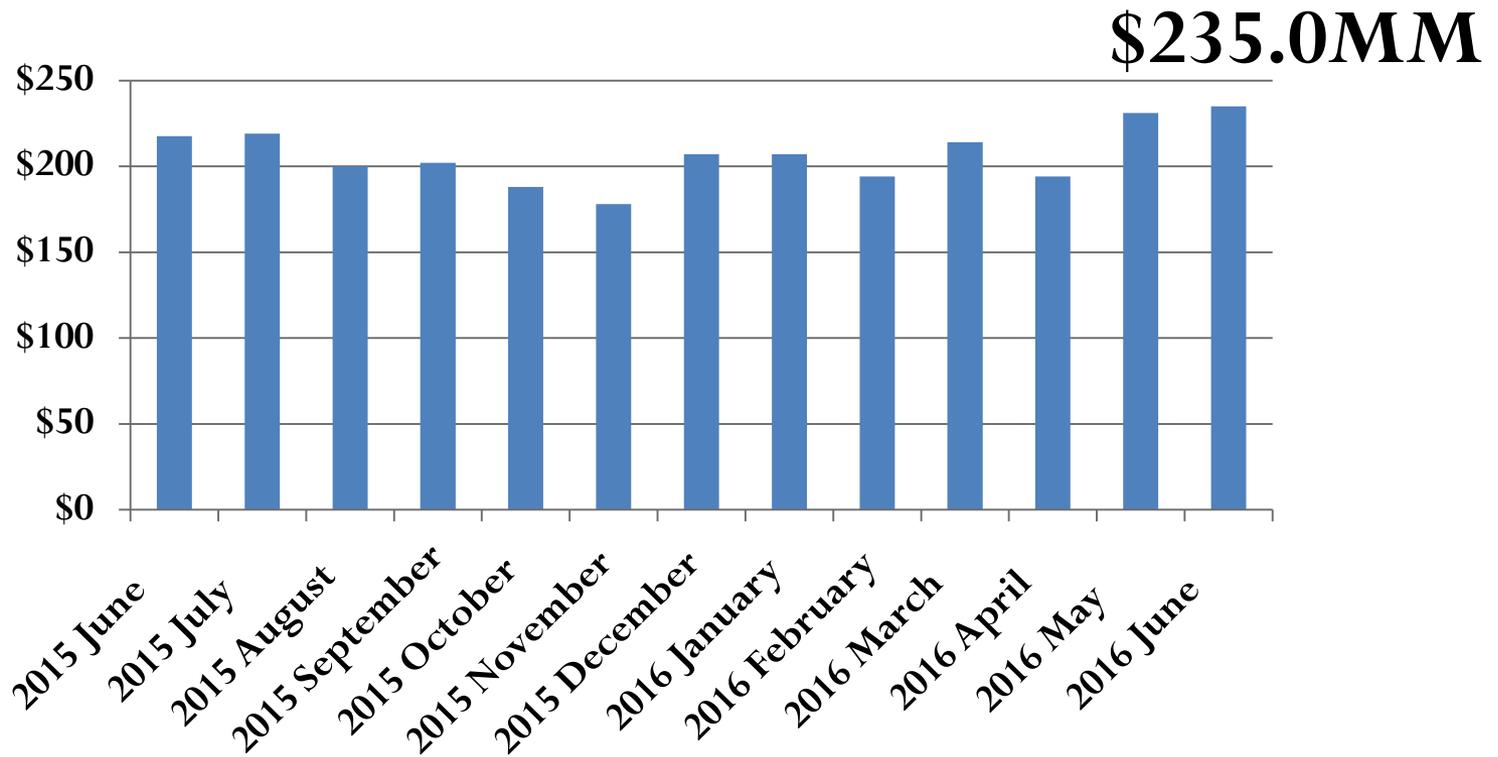
Investments By Type:



Book Value by Month 06/30/16

Historical Book Value:

\$ in millions



Current Agency Holdings 06/30/16

❖ **Federal Agency Holdings:**

- **Federal Home Loan Bank**
- **Federal National Mortgage Association (Fannie Mae)**
- **Federal Farm Credit Bank**
- **Federal Home Loan Mortgage Corp. (Freddie Mac)**

Agency Structure 06/30/16

❖ **Federal Agency Structures:**

(As a % of Total Portfolio/Book Value)

- **Bullet** 11%
- **Callable** 36%
- **Step Up** 13%

Corporate Holdings 06/30/16

❖ **Select Corporate Bond Issuers:**

- **Apple Inc.**
- **Caterpillar Financial Corp.**
- **GE Capital Corp.**
- **Coca Cola Co.**
- **Merck & Co Inc.**
- **Oracle Corp.**

Portfolio Earnings

Quarter ending 06/30/16:

<u>Total Earnings:</u>	<u>Month End 6/30/16:</u>	<u>FYTD 15/16:</u>
Current Year	\$207.4	\$1,693.9
Current Budget	\$110.0	\$990.0
Last Year Actual	\$180.1	\$1,443.9
<i>Effective Rate of Return</i>	1.10%	1.12%
<i>versus benchmark:</i>	0.58%	

Conclusion

- ❖ **City Portfolio remains within compliance with all governmental regulations and the City's Investment Policy**

QUESTIONS?

Thank you