

City of Huntington Beach Quarterly Treasurer's Report



Quarter Ending: September 30, 2018

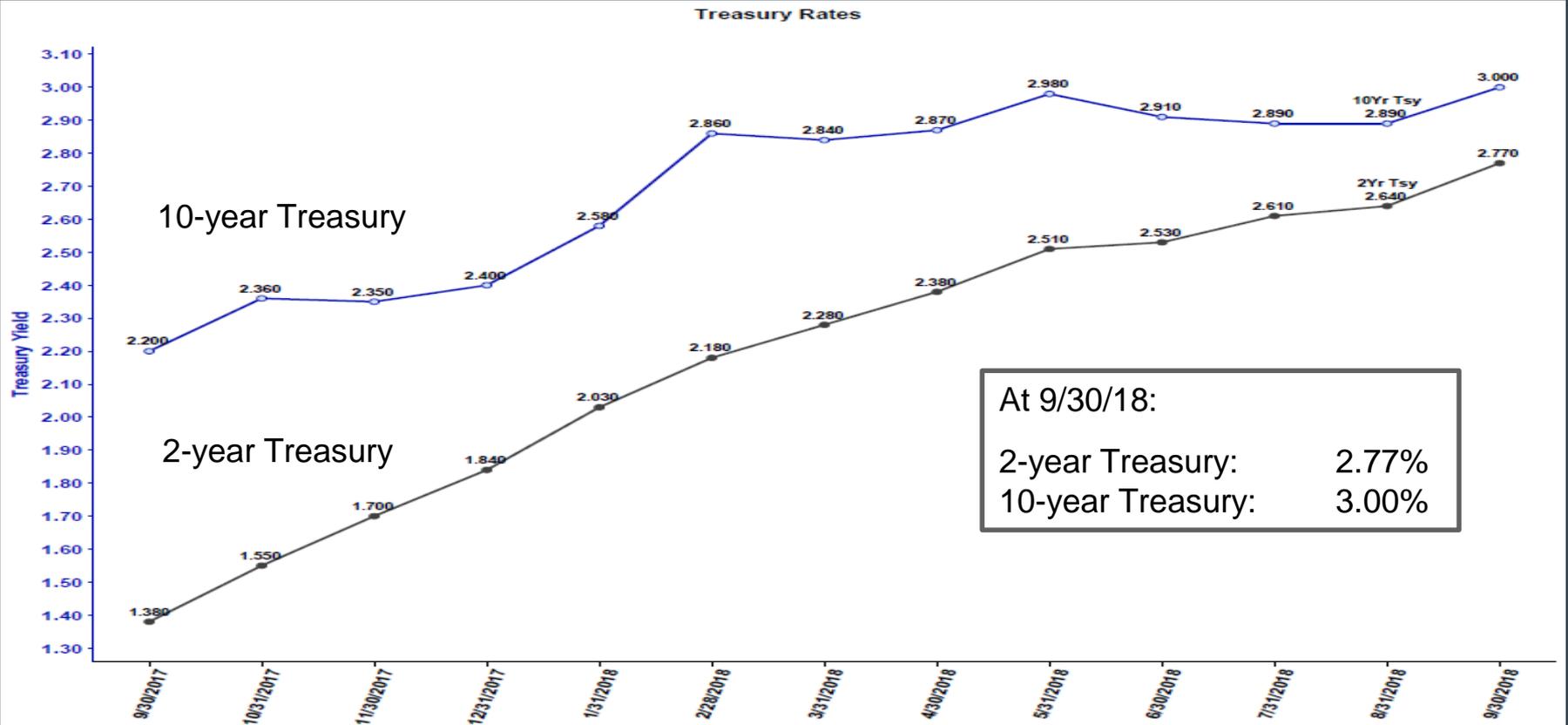
Prepared by: Alisa Cutchen, CCMT, CPFIM, City Treasurer

Economic and Market Overview - At 9/30/18

- ❖ 12-month Inflation Rate (Core PCE Price Index): 2.0%
- ❖ Unemployment stable at 3.7%
- ❖ Federal Reserve raised interest rates: Fed Funds 2.00%-2.25%
- ❖ Equity Market – continued volatility

	<u>06/30/18</u>	<u>09/30/18</u>	<u>% Chg</u>
DJIA:	24,271	26,458	↑ 9.0%
S&P:	2,718	2,914	↑ 7.2%

Rising Interest Rates



Portfolio Summary

As of 9/30/18

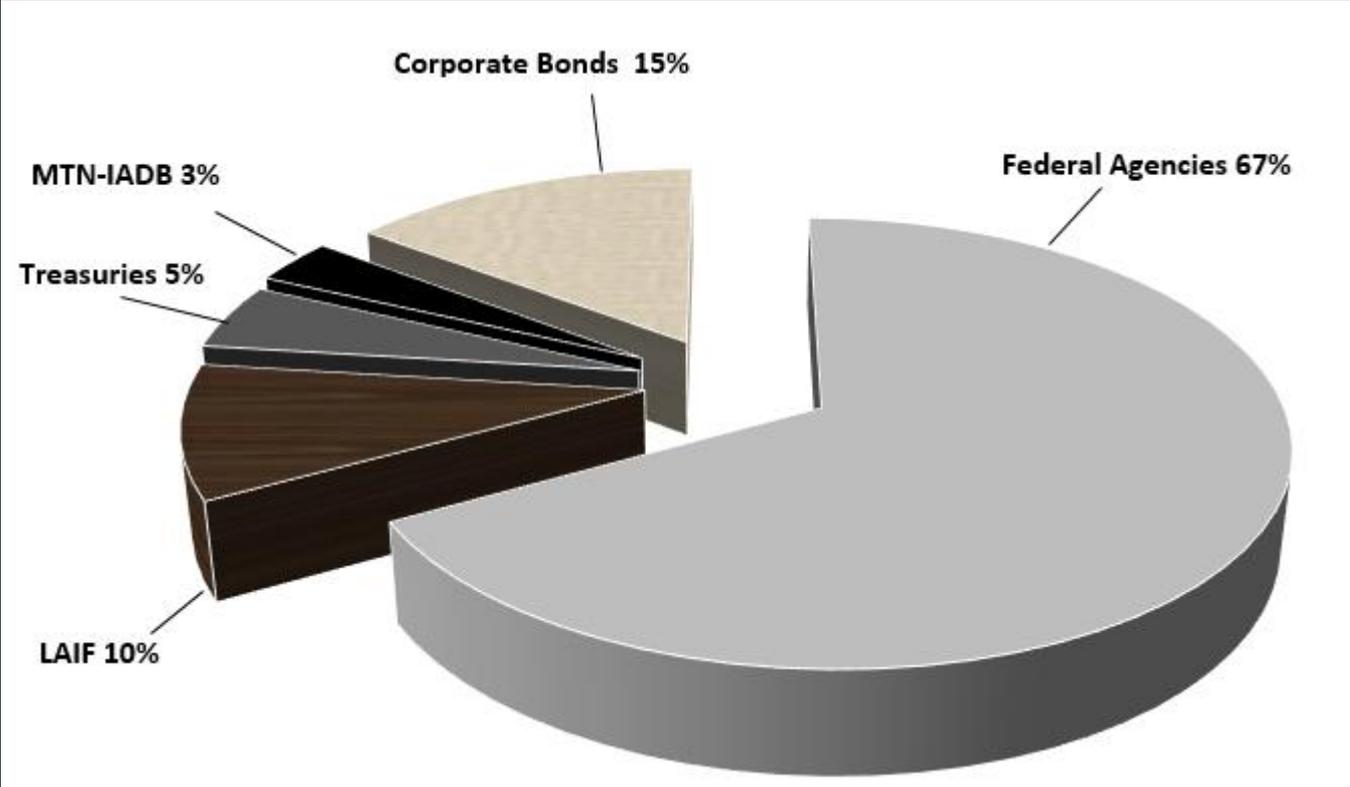
Investment Type / Market Value:

- Federal Agencies - \$132.6MM
- Corporate Bonds - \$29.5MM
- Treasuries - \$10.0MM
- LAIF - \$20.0MM
- Medium Term Note - \$6.9MM

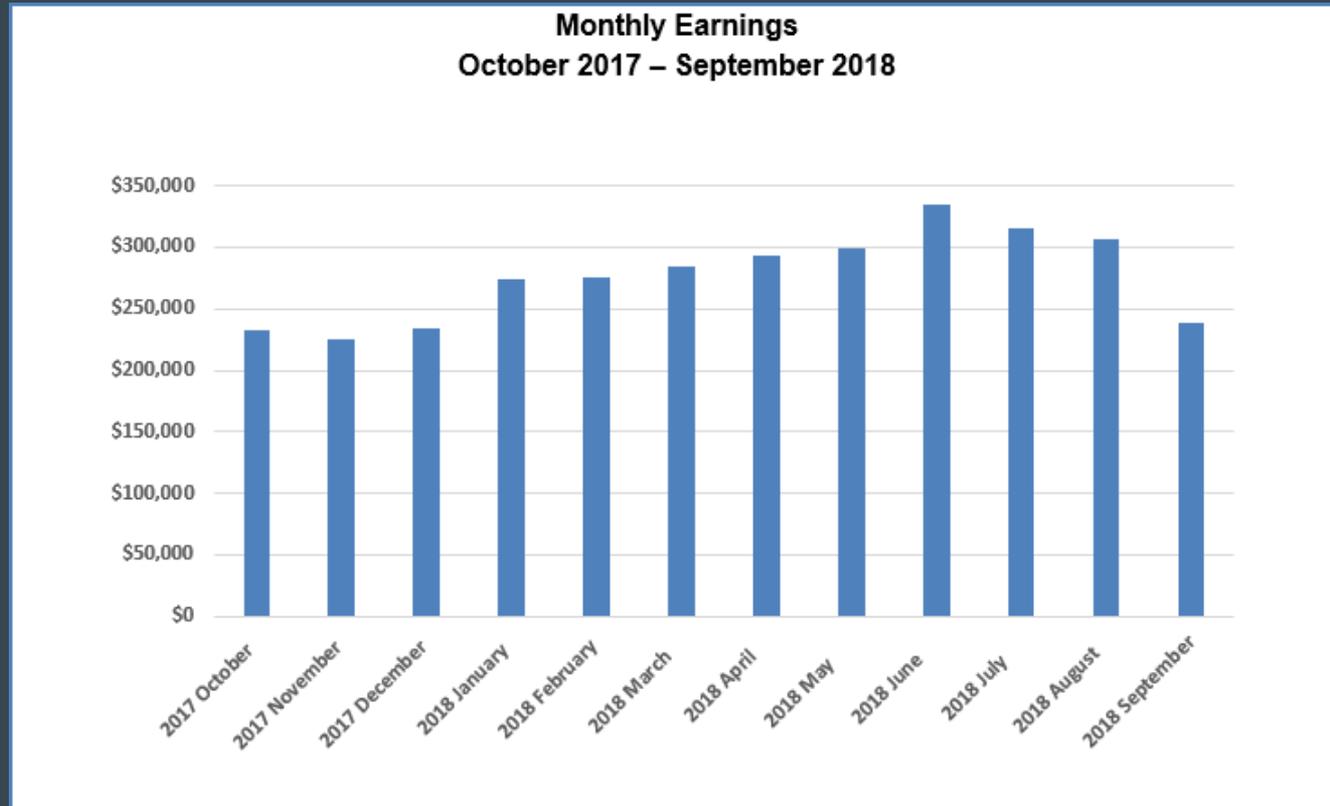
TOTAL PORTFOLIO: \$199.0MM

Investments by Type

As of September 30, 2018



Monthly Portfolio Earnings – October 2017 to September 2018



Portfolio Earnings - As of September 30, 2018

Current Year - Month

❑ Sept., 2018:	\$238,763	2%	↑
❑ vs. last year:	\$234,383		

Current Year - Fiscal YTD

❑ Through 9/30/18:	\$860,682	13%	↑
❑ vs. last year:	\$764,094		

Return/Yield at 9/30/18

❑ FYTD Effective RofR:	1.63%
❑ Yield to Maturity:	1.83%

Solid Return & Liquidity:

❑ Benchmark:	2.16%
❑ \$25 million for CalPERS UAL pmt in July	

Compliance

Selected Investment Policy Requirements:

Investment Type	Max. Maturity	Max. % of Portfolio	Ratings
Federal Agencies	5 yrs	none	AAA/Aa
IADB	5 yrs	10%	AAA/Aaa
Corporate Bonds	5 yrs	30%	A or above
U.S. Treasuries	5 yrs	none	n/a
LAIF	n/a	\$65MM per account	n/a

The portfolio is in compliance with all relevant State regulations and the City's Investment Policy