

City of Huntington Beach Quarterly Treasurer's Report



Quarter Ending: December 31, 2017

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Market Overview - At 12/31/17

Economic Indicators

- Core PCE 1.5% (Inflation)
- Unemployment rate 4.1%
- Federal Funds Rate: 1.25-1.50%

Debt/Equity Markets

		<u>% QTRLY CHANGE</u>
• S&P 500:	2,673.61	+6.1%
• DOW:	24,719.22	+10%
• 10 YR Treasury:	2.40%	+3.0%

Portfolio Summary

As of 12/31/17

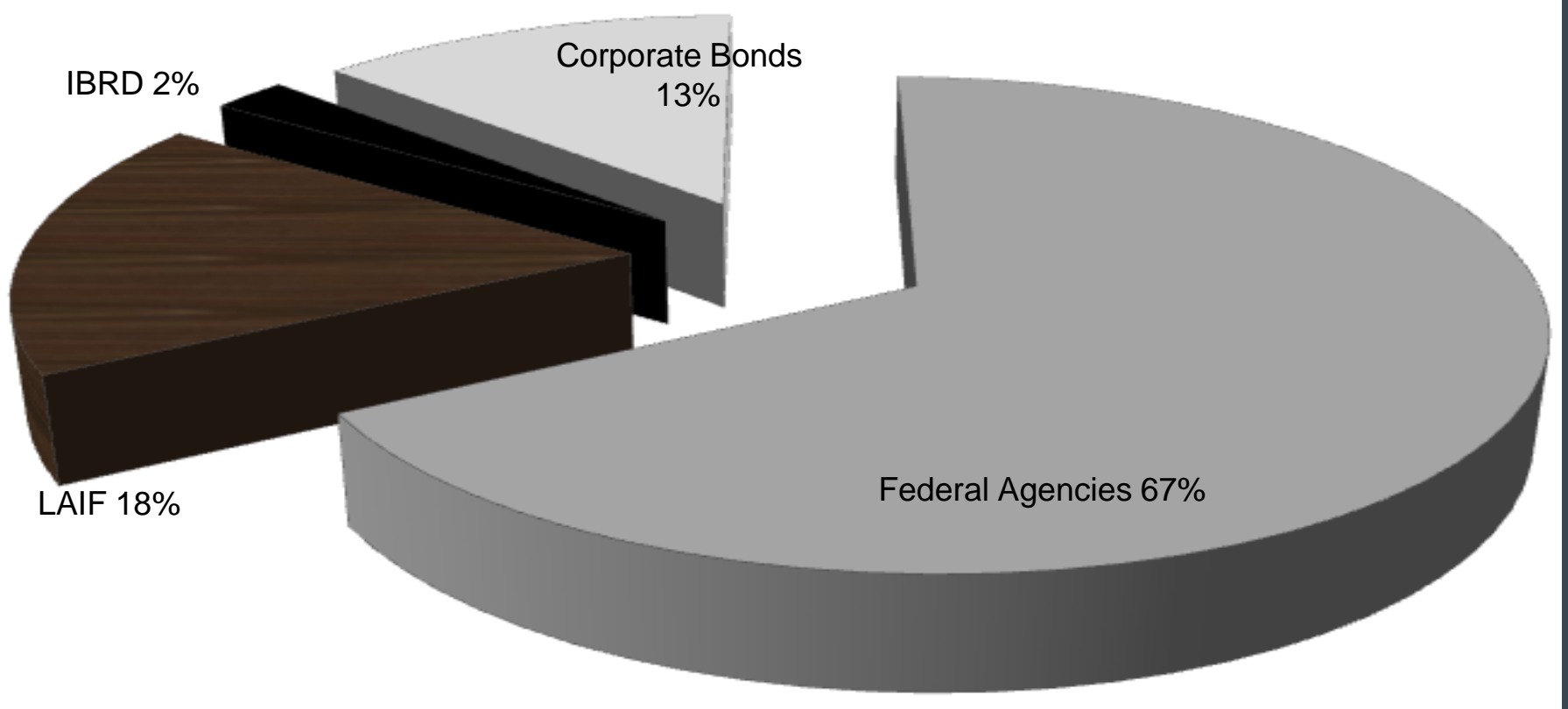
Investment Type / Market Value:

- Federal Agencies - \$141.5MM
- Corporate Bonds - \$28.0MM
- LAIF - \$37.7MM
- IBRD - \$5.0MM

TOTAL PORTFOLIO: \$212.2MM

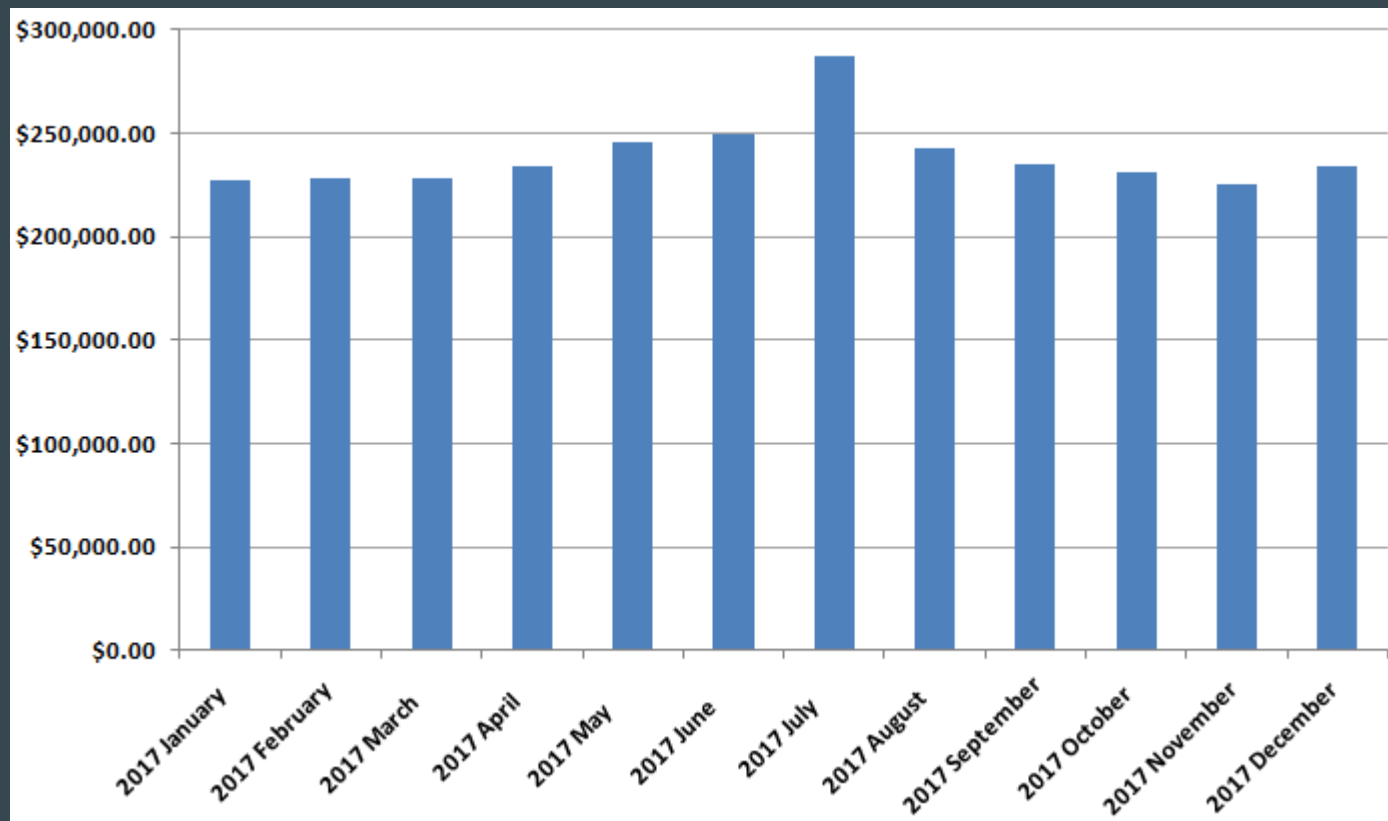
Investments by Type

As of December 31, 2017



Monthly Earnings — January to December 2017

\$ in thousands



Portfolio Earnings - As of December 30, 2017

Current Year - Month

- ❑ December, 2017: \$234,677
- ❑ vs. last year: \$199,557

Current Year - Fiscal YTD

- ❑ Through 12/31/17: \$690,677
- ❑ vs. last year: \$572,233

Effective Rate of Return

- ❑ December, 2017: 1.40% *Benchmark: 1.32%
- ❑ Fiscal YTD: 1.42% *12mo. moving avg. 1.5YR CMT

Portfolio Earnings used for:

- ❑ City operations, capital expenditures, debt repayment, pension obligations
- ❑ Offset taxpayer \$

Compliance

Selected Investment Policy Requirements:

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

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