



Brazos River Authority

Quarterly Investment Report

For the Quarter Ended

August 31, 2021

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the Brazos River Authority is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Chief Financial Officer

Cash and Debt Manager

Accounting Manager

These reports were compiled using information provided by the Brazos River Authority. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Annual Portfolio Performance Summary

Fiscal Year End Results by Investment Category:

Asset Type	August 31, 2020			August 31, 2021		
	Avg. Yield	Book Value	Market Value	Avg. Yield	Book Value	Market Value
Demand/Pool/ MMMF	0.41%	\$ 49,547,941	\$ 49,547,941	0.24%	\$ 87,279,884	\$ 87,279,884
Securities/CDs	1.58%	88,168,418	88,168,418	0.39%	64,160,319	64,160,319
Totals		\$ 137,716,359	\$ 137,716,359		\$ 151,440,203	\$ 151,440,203
Fourth Quarter-End Yield	1.14%			0.29%		

Average Quarter-End Yields (1):

	2020 Fiscal Year	2021 Fiscal Year
BRA	1.76%	0.54%
Rolling Three Month Treasury	0.90%	0.06%
Rolling Six Month Treasury	1.15%	0.08%
Rolling One Year Treasury	1.57%	0.07%
TexPool	0.93%	0.05%
Fiscal YTD Interest Earnings	\$ 2,554,962	\$ 936,183

(1) Average Quarterly Yield calculated using quarter end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	May 31, 2021		August 31, 2021		Ave. Yield
	Book Value	Market Value	Book Value	Market Value	
DDA/MMA/Pools/MMF	\$ 63,706,922	\$ 63,706,922	\$ 87,279,884	\$ 87,279,884	0.24%
Securities/CDs	87,248,676	87,248,676	64,160,319	64,160,319	0.39%
Totals	\$ 150,955,599	\$ 150,955,599	\$ 151,440,203	\$ 151,440,203	0.29%

Average Yield for Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	0.29%	Total Portfolio	0.54%
Average Rolling 6 Month Treasury Bill Yield	0.05%	Average Rolling 6 Month Treasury Bill Yield	0.08%

Interest Earnings (Approximate)	
Quarter	\$ 121,968
Fiscal YTD	\$ 936,183

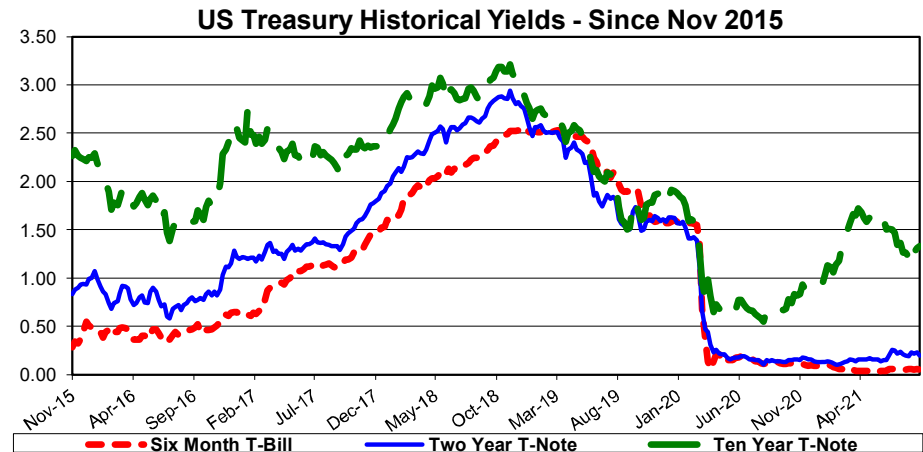
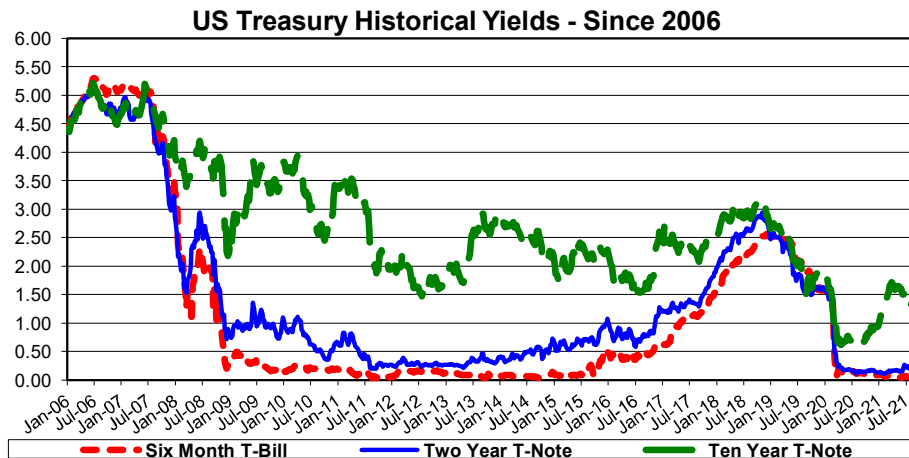
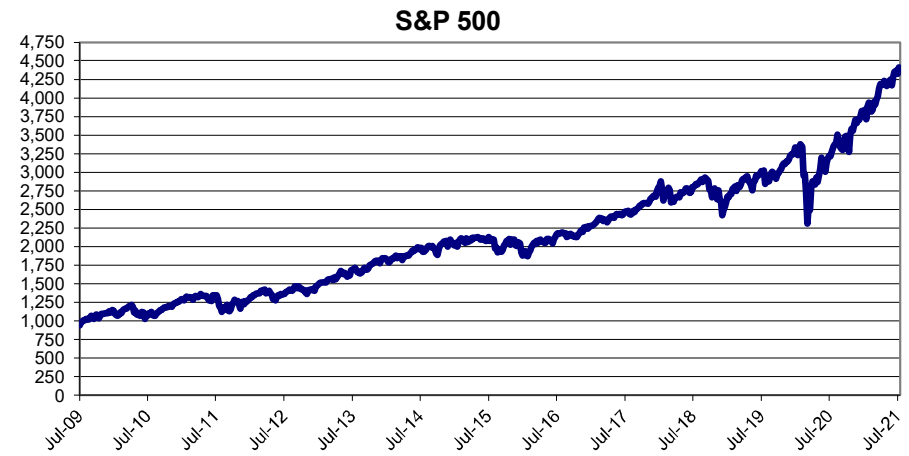
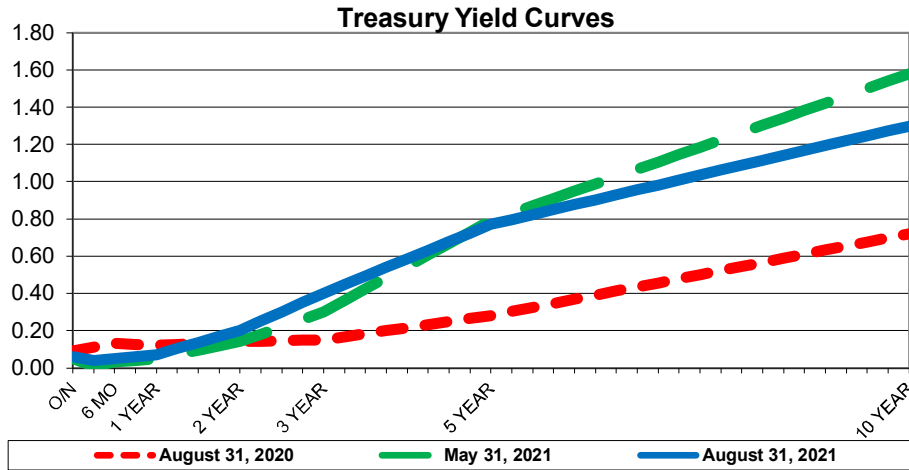
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

8/31/2021

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projects that reduced rates could remain into 2023. They have begun discussing tapering their month security purchases. Second Quarter GDP posted +6.6% (First Revision). In August, Payrolls only added 235k but Unemployment (U2) continued declining to 5.2%. Crude oil drifted lower to +/- \$68 per barrel. The Stock Markets reached new highs. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators moderated showing signs of strain. The Biden administration and Congress continue to negotiate infrastructure and fiscal packages. Inflation remained over the FOMC 2+% target, but is still considered temporary. The Yield Curve rose slightly at two years while the longer maturities fell from last quarter.



Investment Holdings

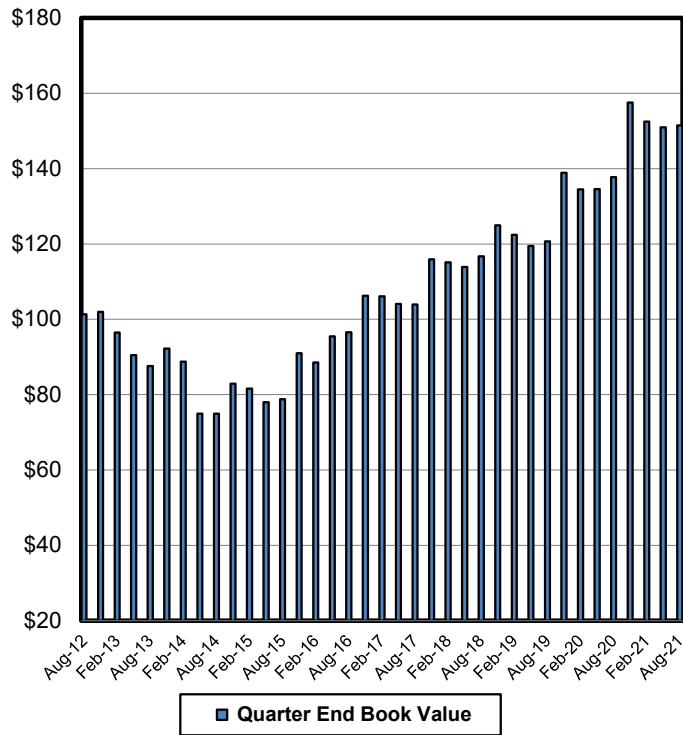
August 31, 2021

Description	Ratings	Coupon/ YTM	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Disbursement		0.00%	09/01/21	08/31/21	\$ 8,066,215	\$ 8,066,215	1.000	\$ 8,066,215	1	0.00%
Graham Savings		0.15%	09/01/21	08/31/21	100,148	100,148	1.000	100,148	1	0.15%
Southside Bank MMA		0.07%	09/01/21	08/31/21	7,344,824	7,344,824	1.000	7,344,824	1	0.07%
Veritex Comm Bank MMA		0.08%	09/01/21	08/31/21	24,402,666	24,402,666	1.000	24,402,666	1	0.08%
NexBank MMA		0.40%	09/01/21	08/31/21	28,795,544	28,795,544	1.000	28,795,544	1	0.40%
Alliance Bank MMA		0.25%	09/01/21	08/31/21	18,565,603	18,565,603	1.000	18,565,603	1	0.25%
TexPool	AAAm	0.02%	09/01/21	08/31/21	4,883	4,883	1.000	4,883	1	0.02%
East West Bank CD		0.39%	09/14/21	09/14/20	5,018,841	5,018,841	100.000	5,018,841	14	0.39%
Bank OZK CD		0.30%	10/07/21	10/07/20	5,012,549	5,012,549	100.000	5,012,549	37	0.30%
Allegiance Bank CD		0.73%	10/12/21	04/09/20	5,045,767	5,045,767	100.000	5,045,767	42	0.73%
Alliance Bank CD		0.45%	10/13/21	10/13/20	5,181,420	5,181,420	100.000	5,181,420	43	0.45%
Alliance Bank CD		0.32%	11/15/21	11/13/20	3,249,209	3,249,209	100.000	3,249,209	76	0.32%
East West Bank CD		0.26%	12/03/21	12/03/20	1,001,939	1,001,939	100.000	1,001,939	94	0.26%
Bank OZK CD		0.30%	01/07/22	10/07/20	5,012,549	5,012,549	100.000	5,012,549	129	0.30%
Bank OZK CD		0.40%	01/13/22	07/13/20	5,021,742	5,021,742	100.000	5,021,742	135	0.40%
Independent Bank CD		0.40%	01/25/22	01/25/21	6,011,907	6,011,907	100.000	6,011,907	147	0.40%
Alliance Bank CD		0.33%	02/25/22	02/25/21	12,019,645	12,019,645	100.000	12,019,645	178	0.33%
Alliance Bank CD		0.30%	04/05/22	4/5/2021	8,561,768	8,561,768	100.000	8,561,768	217	0.30%
Bank OZK CD		0.65%	06/13/22	06/11/20	3,022,982	3,022,982	100.000	3,022,982	286	0.65%
TOTAL / AVERAGE					\$ 151,440,203	\$ 151,440,203		\$ 151,440,203	54	0.29%
								(1)	(2)	

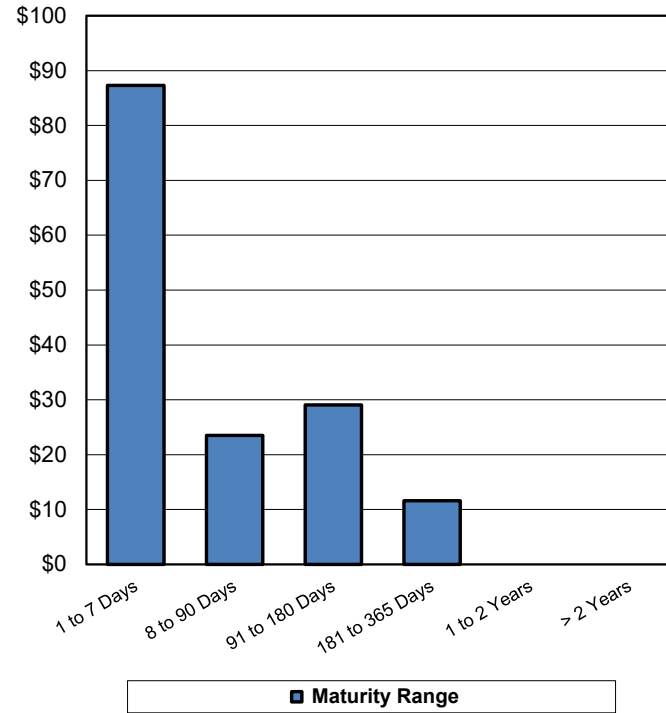
(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market investments.

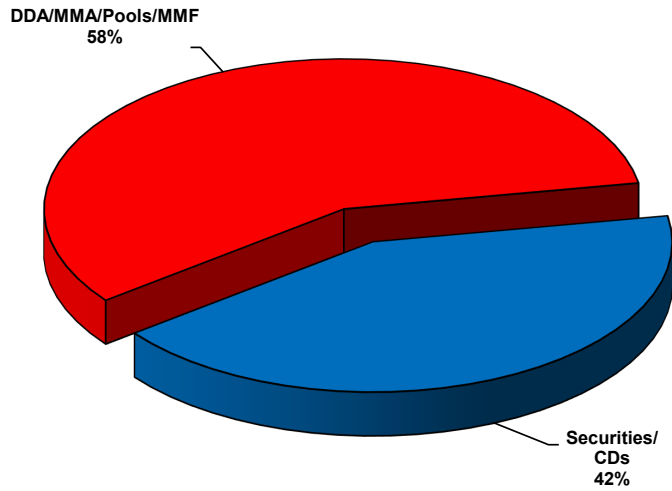
Total Portfolio (Millions)



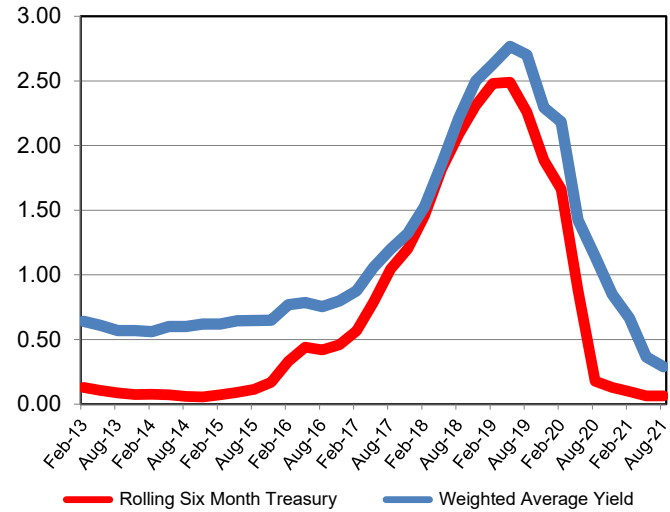
Book Value Maturity Distribution (Millions)



Portfolio Composition



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Rating	Yield	Maturity Date	Book Value 05/31/21	Increases	Decreases	Book Value 08/31/21	Market Value 05/31/21	Change in Market Value	Market Value 08/31/21
Wells Fargo Disbursement		0.00%	09/01/21	\$ 3,089,578	\$ 4,976,638	\$ -	\$ 8,066,215	\$ 3,089,578	\$ 4,976,638	\$ 8,066,215
Graham Savings		0.15%	09/01/21	71,214	28,934	-	100,148	71,214	28,934	100,148
Southside Bank MMA		0.07%	09/01/21	7,343,574	1,250	-	7,344,824	7,343,574	1,250	7,344,824
Veritex Comm Bank MMA		0.08%	09/01/21	9,341,791	15,060,875	-	24,402,666	9,341,791	15,060,875	24,402,666
NexBank MMA		0.40%	09/01/21	28,765,347	30,198	-	28,795,544	28,765,347	30,198	28,795,544
Alliance Bank MMA		0.25%	09/01/21	15,090,536	3,475,067	-	18,565,603	15,090,536	3,475,067	18,565,603
TexPool	AAAm	0.02%	09/01/21	4,883	-	-	4,883	4,883	-	4,883
Independent Bank CD		0.60%	06/11/21	6,026,966	-	(6,026,966)	-	6,026,966	(6,026,966)	-
Independent Bank CD		0.55%	06/22/21	3,514,418	-	(3,514,418)	-	3,514,418	(3,514,418)	-
Alliance Bank CD		0.27%	07/21/21	3,461,999	-	(3,461,999)	-	3,461,999	(3,461,999)	-
Allegiance Bank CD		0.76%	07/23/21	6,045,730	-	(6,045,730)	-	6,045,730	(6,045,730)	-
East West Bank CD		0.24%	08/23/21	4,102,418	-	(4,102,418)	-	4,102,418	(4,102,418)	-
East West Bank CD		0.39%	09/14/21	5,013,910	4,931	-	5,018,841	5,013,910	4,931	5,018,841
Bank OZK CD		0.30%	10/07/21	5,008,748	3,801	-	5,012,549	5,008,748	3,801	5,012,549
Allegiance Bank CD		0.73%	10/12/21	5,036,600	9,167	-	5,045,767	5,036,600	9,167	5,045,767
Alliance Bank CD		0.45%	10/13/21	5,175,614	5,807	-	5,181,420	5,175,614	5,807	5,181,420
Alliance Bank CD		0.32%	11/15/21	3,246,591	2,619	-	3,249,209	3,246,591	2,619	3,249,209
East West Bank CD		0.26%	12/03/21	1,001,283	656	-	1,001,939	1,001,283	656	1,001,939
Bank OZK CD		0.30%	01/07/22	5,008,748	3,801	-	5,012,549	5,008,748	3,801	5,012,549
Bank OZK CD		0.40%	01/13/22	5,016,683	5,060	-	5,021,742	5,016,683	5,060	5,021,742
Independent Bank CD		0.40%	01/25/22	6,005,918	5,989	-	6,011,907	6,005,918	5,989	6,011,907
Alliance Bank CD		0.33%	02/25/22	12,009,656	9,989	-	12,019,645	12,009,656	9,989	12,019,645
Alliance Bank CD		0.30%	04/05/22	8,555,369	6,399	-	8,561,768	8,555,369	6,399	8,561,768
Bank OZK CD		0.65%	06/13/22	3,018,027	4,955	-	3,022,982	3,018,027	4,955	3,022,982
TOTAL / AVERAGE		0.29%		\$ 150,955,599	\$ 23,636,136	\$ (23,151,531)	\$ 151,440,203	\$ 150,955,599	\$ 484,605	\$ 151,440,203

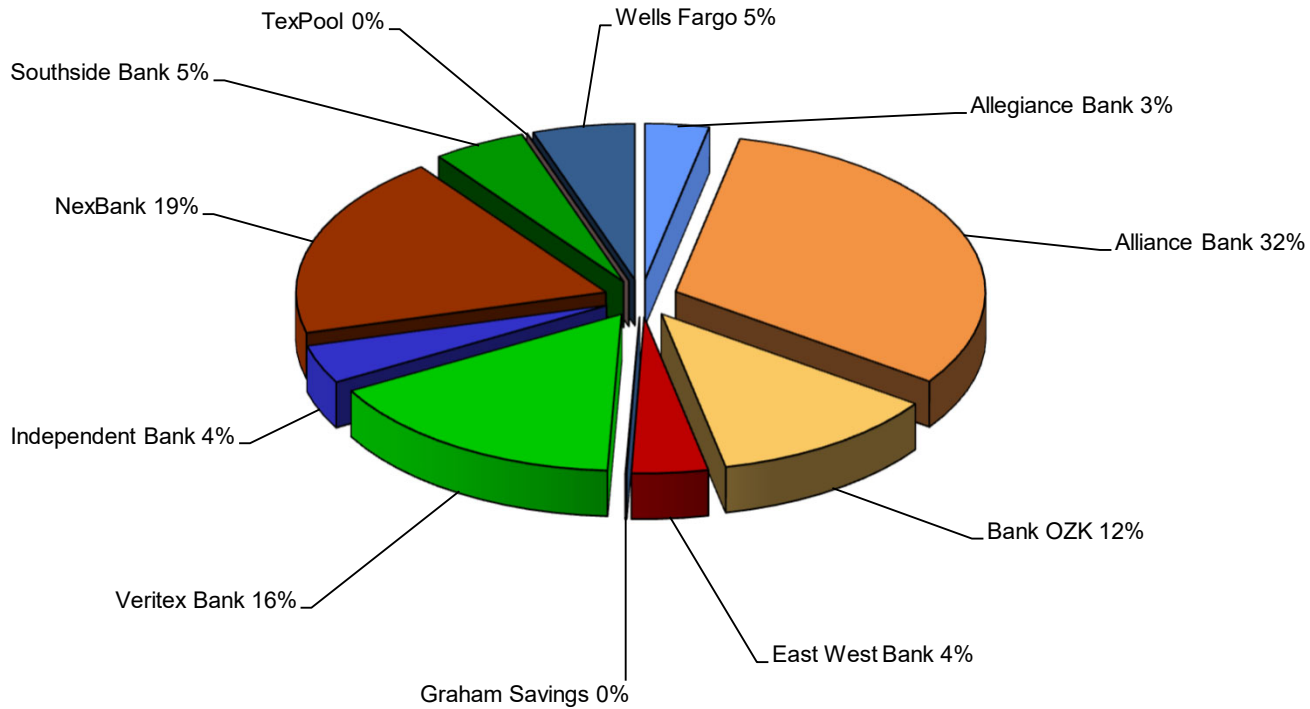
**Allocation - Book Value & Market Value
August 31, 2021**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ 8,066,215	\$ 8,066,215	\$ -	\$ -	\$ -	\$ -	\$ -
Graham Savings	100,148	100,148	-	-	-	-	-
Southside Bank MMA	7,344,824	4,673	1,116,225	2,100,677	454,124	3,669,126	-
Veritex Comm Bank MMA	24,402,666	183,719	22,170,326	-	-	-	2,048,621
NexBank MMA	28,795,544	-	28,795,544	-	-	-	-
Alliance Bank MMA	18,565,603	-	18,565,603	-	-	-	-
TexPool	4,883	4,883	-	-	-	-	-
09/14/21-East West Bank CD	5,018,841	-	2,559,609	-	1,405,275	-	1,053,957
10/07/21-Bank OZK CD	5,012,549	-	5,012,549	-	-	-	-
10/12/21-Allegiance Bank CD	5,045,767	-	5,045,767	-	-	-	-
10/13/21-Alliance Bank CD	5,181,420	3,797,380	982,692	-	-	-	401,348
11/15/21-Alliance Bank CD	3,249,209	-	2,859,277	-	389,932	-	-
12/03/21-East West Bank CD	1,001,939	-	-	-	-	-	1,001,939
01/07/22-Bank OZK CD	5,012,549	-	5,012,549	-	-	-	-
01/13/22-Bank OZK CD	5,021,742	-	5,021,742	-	-	-	-
01/25/22-Independent Bank CD	6,011,907	386,107	4,623,815	-	-	-	1,001,985
02/25/22-Alliance Bank CD	12,019,645	-	12,019,645	-	-	-	-
04/05/22-Alliance Bank CD	8,561,768	-	8,561,768	-	-	-	-
06/13/22-Bank OZK CD	3,022,982	-	3,022,982	-	-	-	-
Totals	\$ 151,440,203	\$ 12,543,126	\$ 125,370,094	\$ 2,100,677	\$ 2,249,331	\$ 3,669,126	\$ 5,507,849

**Allocation - Book Value & Market Value
May 31, 2021**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ 3,089,578	\$ 3,089,578	\$ —	\$ —	\$ —	\$ —	\$ —
Graham Savings	71,214	71,214	—	—	—	—	—
Southside Bank MMA	7,343,574	4,672	1,293,413	2,155,145	454,046	3,361,951	74,347
Veritex Comm Bank MMA	9,341,791	297,120	9,044,671	—	—	—	—
NexBank MMA	28,765,347	—	28,765,347	—	—	—	—
Alliance Bank MMA	15,090,536	—	15,090,536	—	—	—	—
TexPool	4,883	4,883	—	—	—	—	—
06/11/21–Independent Bank CD	6,026,966	—	6,026,966	—	—	—	—
06/22/21–Independent Bank CD	3,514,418	—	2,008,239	—	—	—	1,506,179
07/21/21–Alliance Bank CD	3,461,999	—	3,461,999	—	—	—	—
07/23/21–Allegiance Bank CD	6,045,730	—	5,541,919	—	—	—	503,811
08/23/21–East West Bank CD	4,102,418	—	4,102,418	—	—	—	—
09/14/21–East West Bank CD	5,013,910	—	2,557,094	—	1,403,895	—	1,052,921
10/07/21–Bank OZK CD	5,008,748	—	5,008,748	—	—	—	—
10/12/21–Allegiance Bank CD	5,036,600	—	5,036,600	—	—	—	—
10/13/21–Alliance Bank CD	5,175,614	3,793,125	981,591	—	—	—	400,898
11/15/21–Alliance Bank CD	3,246,591	—	2,856,973	—	389,618	—	—
12/03/21–East West Bank CD	1,001,283	—	—	—	—	—	1,001,283
01/07/22–Bank OZK CD	5,008,748	—	5,008,748	—	—	—	—
01/13/22–Bank OZK CD	5,016,683	—	5,016,683	—	—	—	—
01/25/22–Independent Bank CD	6,005,918	385,723	4,619,209	—	—	—	1,000,986
02/25/22–Alliance Bank CD	12,009,656	—	12,009,656	—	—	—	—
04/05/22–Alliance Bank CD	8,555,369	—	8,555,369	—	—	—	—
06/13/22–Bank OZK CD	3,018,027	—	3,018,027	—	—	—	—
Totals	\$ 150,955,599	\$ 7,646,314	\$ 130,004,205	\$ 2,155,145	\$ 2,247,559	\$ 3,361,951	\$ 5,540,425

Financial Institution Allocation



Financial Institution	Book Value	YTM @ Cost	Days To Maturity	% of Portfolio
Allegiance Bank	\$ 5,045,767	0.73%	42	3%
Alliance Bank	47,577,646	0.31%	94	31%
Bank OZK	18,069,822	0.39%	131	12%
East West Bank	6,020,780	0.37%	27	4%
Graham Savings	100,148	0.15%	1	0%
Veritex Bank	24,402,666	0.08%	1	16%
Independent Bank	6,011,907	0.40%	147	4%
NexBank	28,795,544	0.40%	1	19%
Southside Bank	7,344,824	0.07%	1	5%
TexPool	4,883	0.02%	1	0%
Wells Fargo	8,066,215	0.00%	1	5%
Totals	\$ 151,440,203	0.29%	54	100%

Report Abbreviations

DDA	Demand Deposit Bank Accounts
CD	Certificate of Deposit
CDARS	Certificate of Deposit Account Registry Service
FFCB	Federal Farm Credit Bank
FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation
FNMA	Federal National Mortgage Association
FRMAC	Farmer Agricultural Mortgage Corporation
FCDN	Federal Farm Credit Bank - Discount Note
FHDN	Federal Home Loan Bank - Discount Note
FMCDN	Federal Home Loan Mortgage Corporation - Discount Note
FNDN	Federal National Mortgage Association - Discount Note
FRMDN	Farmer Agricultural Mortgage Corporation - Discount Note
FNMA MBS	Federal National Mortgage Association - Mortgage Backed Security
ICS	Insured Cash Sweep
MMA	Money Market Account
MMF	Money Market Fund
NOW	Negotiable Order of Withdrawal Account