



Brazos River Authority

Quarterly Investment Report

For the Quarter Ended

February 28, 2023

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.

Summary

Quarter End Results by Investment Category:

Asset Type	November 30, 2022		February 28, 2023		Ave. Yield
	Book Value	Market Value	Book Value	Market Value	
DDA/MMA/Pools/MMF	\$ 57,294,866	\$ 57,294,866	\$ 45,848,634	\$ 45,848,634	4.72%
Securities/CDs	57,600,827	57,600,827	62,142,782	62,142,782	4.17%
Totals	\$ 114,895,693	\$ 114,895,693	\$ 107,991,416	\$ 107,991,416	4.40%

<u>Average Yield for Current Quarter (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	4.40%	Total Portfolio	4.06%
Average Rolling 6 Month Treasury Bill Yield	4.55%	Average Rolling 6 Month Treasury Bill Yield	4.03%

<u>Interest Earnings (Approximate)</u>	
Quarter	\$ 1,127,808
Fiscal YTD	\$ 1,948,036

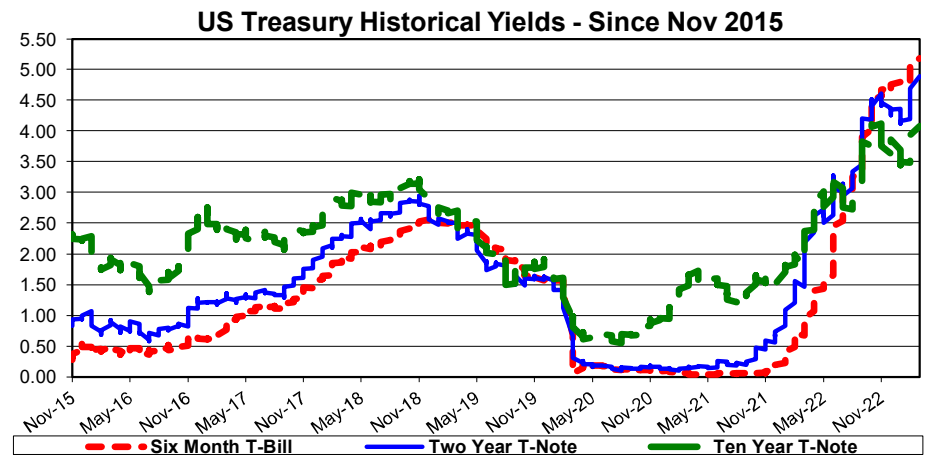
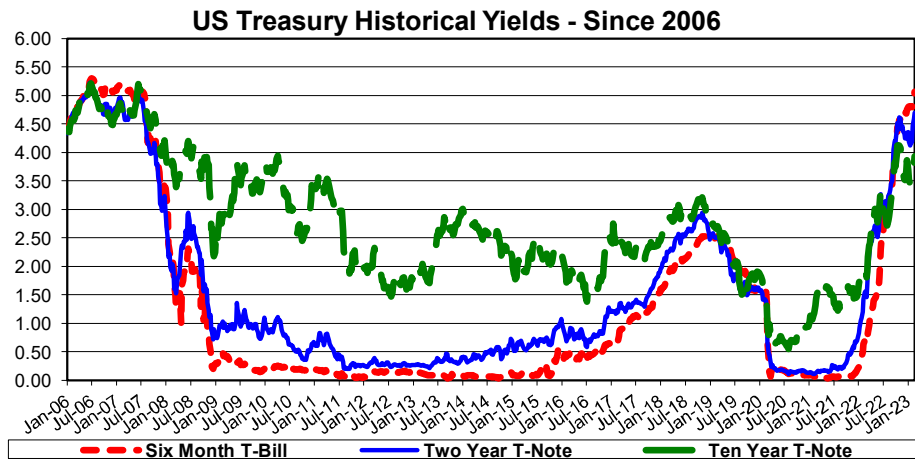
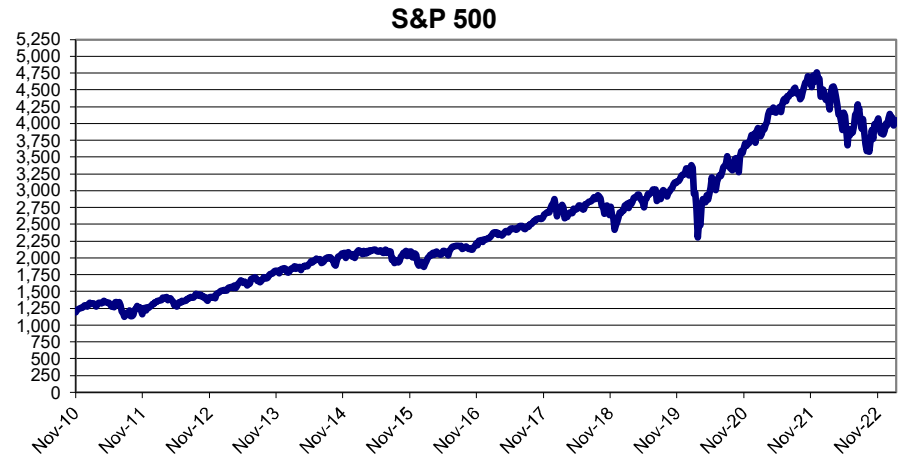
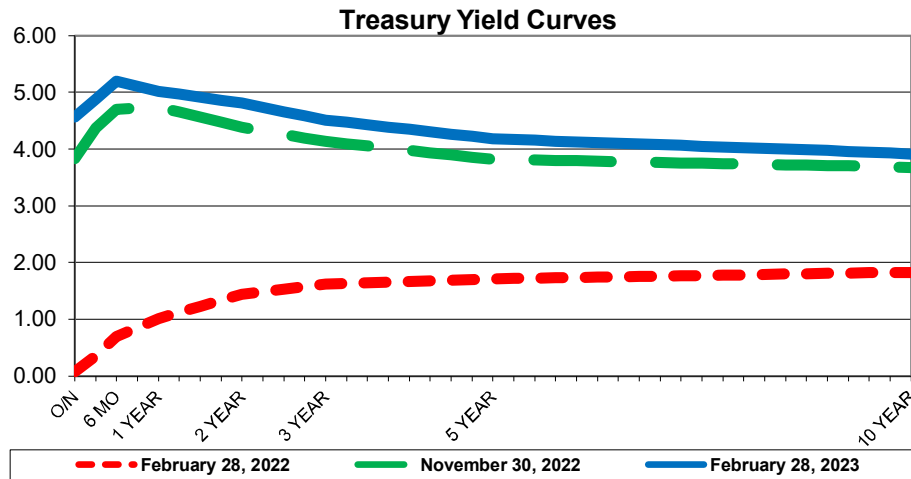
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(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

2/28/2023

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.25% to 4.50% - 4.75% February 1st (Effective Fed Funds are trading +/-4.56). An additional 0.25% increase is projected March 22nd. Estimated Fourth Quarter 2022 GDP was revised downward to 2.7%. February Non-Farm Payroll is due out 3/10/2023. Crude oil moved up slightly to +/- \$78 per barrel. The S&P Stock Index oscillated on either side of 4,000. The yield curve shifted higher on the expectation of additional FOMC rate increases, but is still negatively sloped (3 months to 10 years). The Market continues to project lower future interest rates (late 2023 to mid 2024). Inflation is still over the FOMC 2% target (Core PCE +/-4.5% and CPI +/-5.5%). International challenges add to economic uncertainty.



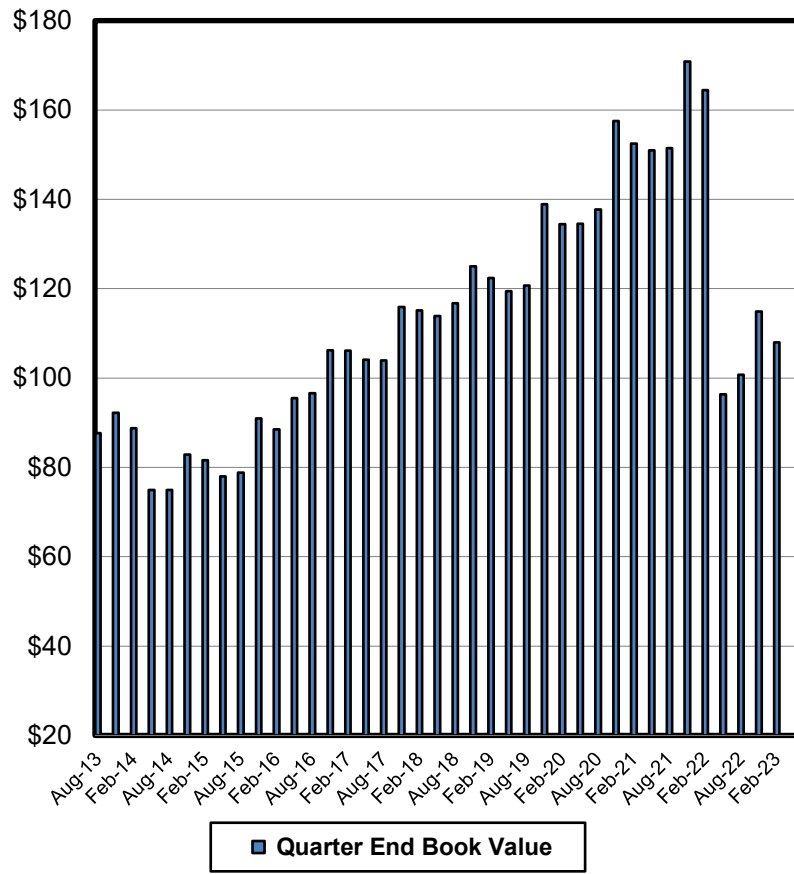
Investment Holdings
February 28, 2023

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo Disbursement		0.00%	03/01/23	02/28/23	\$ (354,726)	\$ (354,726)	1.000	\$ (354,726)	1	0.00%
Graham Savings		0.20%	03/01/23	02/28/23	107,850	107,850	1.000	107,850	1	0.20%
Southside Bank MMA		4.61%	03/01/23	02/28/23	7,039,016	7,039,016	1.000	7,039,016	1	4.61%
Veritex Comm Bank MMA		4.58%	03/01/23	02/28/23	2,408,872	2,408,872	1.000	2,408,872	1	4.58%
NexBank MMA		4.75%	03/01/23	02/28/23	33,150,554	33,150,554	1.000	33,150,554	1	4.75%
Alliance Bank MMA		3.50%	03/01/23	02/28/23	87,141	87,141	1.000	87,141	1	3.50%
Wells Fargo MMF		4.36%	03/01/23	02/28/23	2,971,472	2,971,472	1.000	2,971,472	1	4.36%
TexPool	AAAm	4.50%	03/01/23	02/28/23	438,455	438,455	1.000	438,455	1	4.50%
East West Bank CD		4.20%	04/18/23	10/18/22	5,092,903	5,092,903	100.000	5,092,903	49	4.29%
East West Bank CD		4.47%	04/25/23	10/25/22	5,078,369	5,078,369	100.000	5,078,369	56	4.57%
Alliance Bank CD		3.25%	05/17/23	08/17/22	5,082,253	5,082,253	100.000	5,082,253	78	3.29%
East West Bank CD		4.55%	07/25/23	10/25/22	6,118,120	6,118,120	100.000	6,118,120	147	4.65%
Alliance Bank CD		3.45%	08/17/23	08/17/22	5,087,337	5,087,337	100.000	5,087,337	170	3.49%
East West Bank CD		3.94%	09/18/23	09/16/22	10,180,794	10,180,794	100.000	10,180,794	202	3.94%
Alliance Bank CD		3.43%	11/24/23	08/25/22	5,085,755	5,085,755	100.000	5,085,755	269	3.47%
East West Bank CD		4.80%	12/01/23	12/02/22	5,058,860	5,058,860	100.000	5,058,860	276	4.92%
Alliance Bank CD		5.15%	01/10/24	01/10/23	5,000,000	5,000,000	100.000	5,000,000	316	5.25%
Alliance Bank CD		3.50%	02/16/24	08/17/22	5,088,608	5,088,608	100.000	5,088,608	353	3.55%
Alliance Bank CD		4.50%	04/12/24	10/13/22	5,269,782	5,269,782	100.000	5,269,782	409	4.58%
TOTAL / AVERAGE					\$ 107,991,416	\$ 107,991,416		\$ 107,991,416	121	4.40%
									(1)	(2)

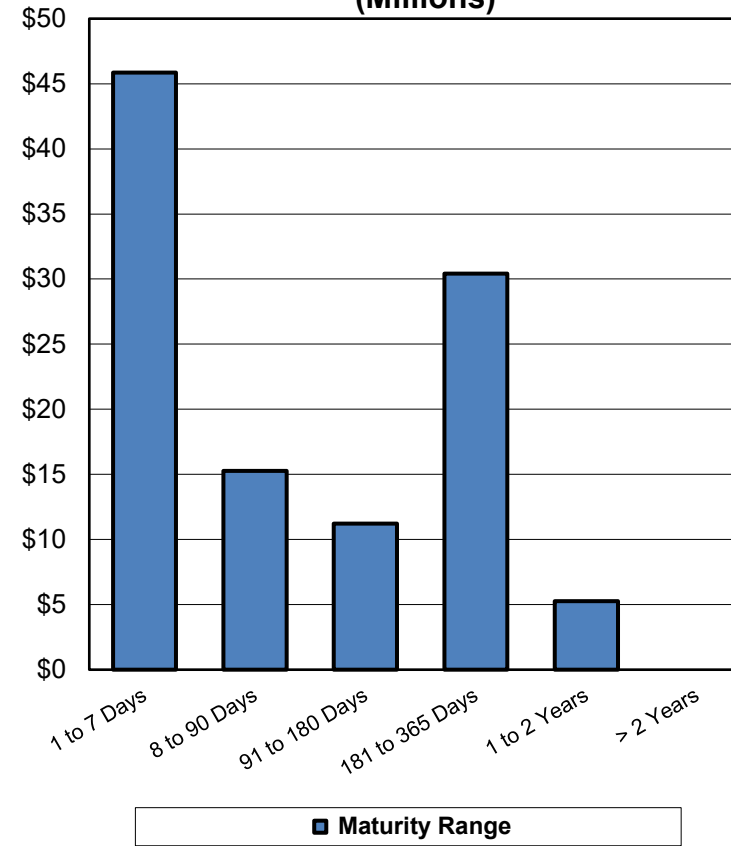
(1) Weighted average life - For purposes of calculating weighted average life bank, pool, and money market investments are assumed to mature the next business day.

(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.

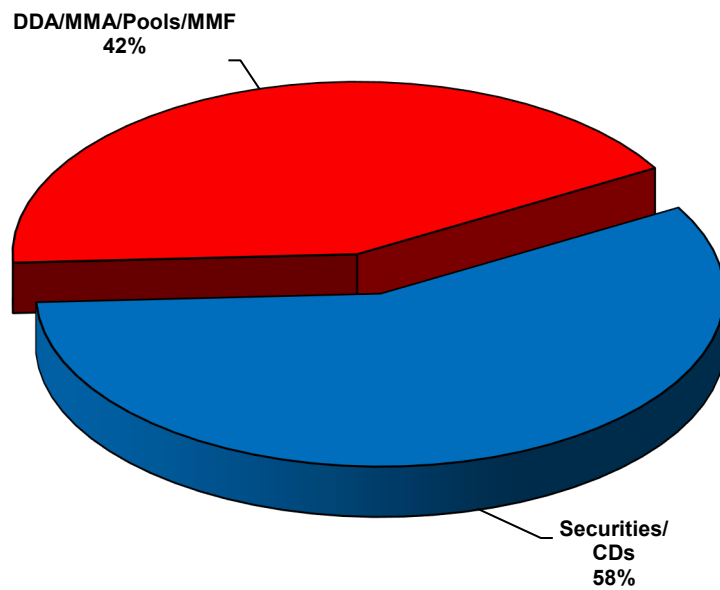
Total Portfolio (Millions)



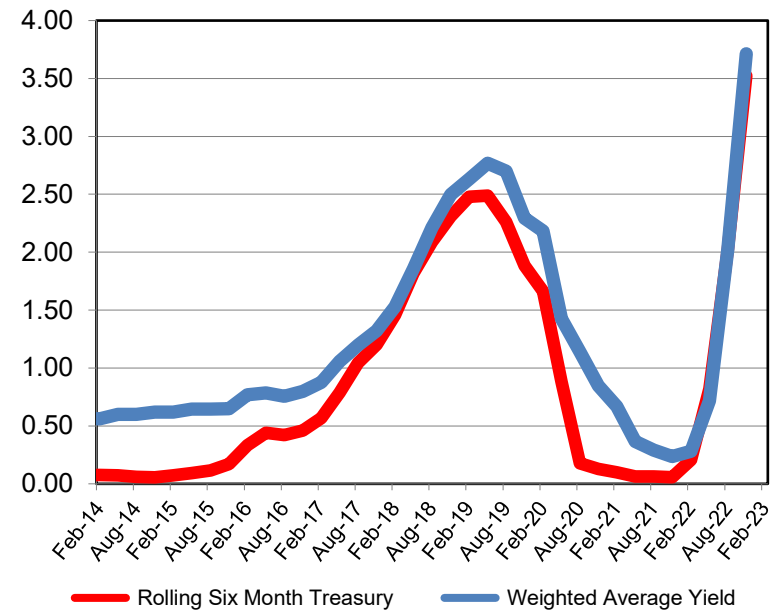
Book Value Maturity Distribution (Millions)



Portfolio Composition



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Rating	Yield	Maturity Date	Book Value 11/30/22	Increases	Decreases	Book Value 02/28/23	Market Value 11/30/22	Change in Market Value	Market Value 02/28/23
Wells Fargo Disbursement		0.00%	03/01/23	\$ (281,009)	\$ –	\$ (73,718)	\$ (354,726)	\$ (281,009)	\$ (73,718)	\$ (354,726)
Graham Savings		0.20%	03/01/23	107,802	48	–	107,850	107,802	48	107,850
Southside Bank MMA		4.61%	03/01/23	6,965,834	73,182	–	7,039,016	6,965,834	73,182	7,039,016
Veritex Comm Bank MMA		4.58%	03/01/23	11,834,507	–	(9,425,635)	2,408,872	11,834,507	(9,425,635)	2,408,872
NexBank MMA		4.75%	03/01/23	32,790,795	359,759	–	33,150,554	32,790,795	359,759	33,150,554
Alliance Bank MMA		3.50%	03/01/23	86,495	646	–	87,141	86,495	646	87,141
Wells Fargo MMF		4.36%	03/01/23	5,406,061	–	(2,434,589)	2,971,472	5,406,061	(2,434,589)	2,971,472
TexPool	AAAm	4.50%	03/01/23	384,380	54,075	–	438,455	384,380	54,075	438,455
East West Bank CD		0.29%	12/02/22	1,005,260	–	(1,005,260)	–	1,005,260	(1,005,260)	–
East West Bank CD		0.42%	01/10/23	5,018,733	–	(5,018,733)	–	5,018,733	(5,018,733)	–
East West Bank CD		4.29%	04/18/23	5,040,435	52,468	–	5,092,903	5,040,435	52,468	5,092,903
East West Bank CD		4.57%	04/25/23	5,022,706	55,663	–	5,078,369	5,022,706	55,663	5,078,369
Alliance Bank CD		3.29%	05/17/23	5,040,959	41,294	–	5,082,253	5,040,959	41,294	5,082,253
East West Bank CD		4.65%	07/25/23	6,049,868	68,252	–	6,118,120	6,049,868	68,252	6,118,120
Alliance Bank CD		3.49%	08/17/23	5,043,479	43,858	–	5,087,337	5,043,479	43,858	5,087,337
East West Bank CD		3.94%	09/18/23	10,082,371	98,423	–	10,180,794	10,082,371	98,423	10,180,794
Alliance Bank CD		3.47%	11/24/23	5,042,226	43,529	–	5,085,755	5,042,226	43,529	5,085,755
East West Bank CD		4.92%	12/01/23	–	5,058,860	–	5,058,860	–	5,058,860	5,058,860
Alliance Bank CD		5.25%	01/10/24	–	5,000,000	–	5,000,000	–	5,000,000	5,000,000
Alliance Bank CD		3.55%	02/16/24	5,044,110	44,499	–	5,088,608	5,044,110	44,499	5,088,608
Alliance Bank CD		4.58%	04/12/24	5,210,680	59,102	–	5,269,782	5,210,680	59,102	5,269,782
TOTAL / AVERAGE		4.40%		\$ 114,895,693	\$ 11,053,659	\$ (17,957,935)	\$ 107,991,416	\$ 114,895,693	\$ (6,904,277)	\$ 107,991,416

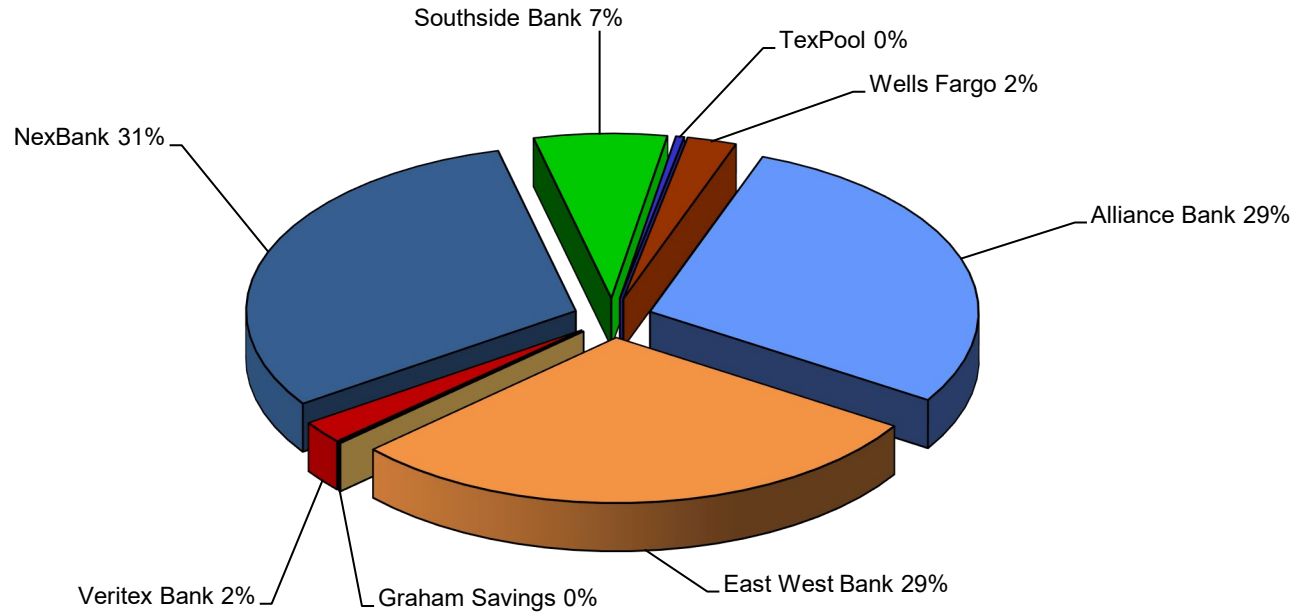
**Allocation - Book Value & Market Value
February 28, 2023**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ (354,726)	\$ (354,726)	\$ -	\$ -	\$ -	\$ -	\$ -
Graham Savings	107,850	107,850	-	-	-	-	-
Southside Bank MMA	7,039,016	-	3,374,298	1,940,457	852,166	762,142	109,953
Veritex Comm Bank MMA	2,408,872	-	2,408,872	-	-	-	-
NexBank MMA	33,150,554	-	33,150,554	-	-	-	-
Alliance Bank MMA	87,141	-	87,141	-	-	-	-
Wells Fargo MMF	2,971,472	2,971,472	-	-	-	-	-
TexPool	438,455	438,455	-	-	-	-	-
04/18/23–East West Bank CD	5,092,903	-	5,092,903	-	-	-	-
04/25/23–East West Bank CD	5,078,369	-	5,078,369	-	-	-	-
05/17/23–Alliance Bank CD	5,082,253	-	5,082,253	-	-	-	-
07/25/23–East West Bank CD	6,118,120	41,302	5,060,862	-	-	-	1,015,956
08/17/23–Alliance Bank CD	5,087,337	-	5,087,337	-	-	-	-
09/18/23–East West Bank CD	10,180,794	-	10,180,794	-	-	-	-
11/24/23–Alliance Bank CD	5,085,755	4,522,156	563,599	-	-	-	-
12/01/23–East West Bank CD	5,058,860	-	4,036,971	-	-	-	1,021,890
01/10/24–Alliance Bank CD	5,000,000	-	1,598,000	-	1,402,000	-	2,000,000
02/16/24–Alliance Bank CD	5,088,608	-	5,088,608	-	-	-	-
04/12/24–Alliance Bank CD	5,269,782	-	3,867,050	-	-	-	1,402,732
Totals	\$ 107,991,416	\$ 7,726,509	\$ 89,757,611	\$ 1,940,457	\$ 2,254,166	\$ 762,142	\$ 5,550,531

**Allocation - Book Value & Market Value
November 30, 2022**

Description	Portfolio Total	Current Operating	Operating Reserve	Bond Proceeds	Bond Reserve	Debt Service	Repair and Replacement
Wells Fargo Disbursement	\$ (281,009)	\$ (281,009)	\$ -	\$ -	\$ -	\$ -	\$ -
Graham Savings	107,802	107,802	-	-	-	-	-
Southside Bank MMA	6,965,834	-	2,181,215	1,928,303	839,431	2,008,943	7,942
Veritex Comm Bank MMA	11,834,507	-	11,834,507	-	-	-	-
NexBank MMA	32,790,795	-	32,790,795	-	-	-	-
Alliance Bank MMA	86,495	-	86,495	-	-	-	-
Wells Fargo MMF	5,406,061	5,406,061	-	-	-	-	-
TexPool	384,380	384,380	-	-	-	-	-
12/02/22–East West Bank CD	1,005,260	-	-	-	-	-	1,005,260
01/10/23–East West Bank CD	5,018,733	-	1,508,631	-	1,405,245	-	2,104,857
04/18/23–East West Bank CD	5,040,435	-	5,040,435	-	-	-	-
04/25/23–East West Bank CD	5,022,706	-	5,022,706	-	-	-	-
05/17/23–Alliance Bank CD	5,040,959	-	5,040,959	-	-	-	-
07/25/23–East West Bank CD	6,049,868	40,841	5,004,404	-	-	-	1,004,623
08/17/23–Alliance Bank CD	5,043,479	-	5,043,479	-	-	-	-
09/18/23–East West Bank CD	10,082,371	-	10,082,371	-	-	-	-
11/24/23–Alliance Bank CD	5,042,226	4,483,451	558,775	-	-	-	-
02/16/24–Alliance Bank CD	5,044,110	-	5,044,110	-	-	-	-
04/12/24–Alliance Bank CD	5,210,680	-	3,823,680	-	-	-	1,387,000
Totals	\$ 114,895,693	\$ 10,141,527	\$ 93,062,562	\$ 1,928,303	\$ 2,244,676	\$ 2,008,943	\$ 5,509,681

Financial Institution Allocation



Financial Institution	Book Value	YTM @ Cost	Days To Maturity	% of Portfolio
Alliance Bank	30,700,876	3.94%	266	28%
East West Bank	31,529,047	4.39%	155	29%
Graham Savings	107,850	0.20%	1	0%
Veritex Bank	2,408,872	4.58%	1	2%
NexBank	33,150,554	4.75%	1	31%
Southside Bank	7,039,016	4.61%	1	7%
TexPool	438,455	4.50%	1	0%
Wells Fargo	2,616,745	4.95%	1	2%
Totals	\$ 107,991,416	4.40%	121	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