



## **INVESTMENT PORTFOLIO SUMMARY**

**For the Quarter Ended**

**December 31, 2025**

**Prepared by  
Prosper Finance Department**

The investment portfolio of the Town of Prosper is in compliance with the Public Funds Investment Act and the Town of Prosper Investment Policy and Strategies.

*Robert B. Scott*

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Bob Scott, Deputy Town Manager

*Chris Landrum*

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Chris Landrum, Finance Director

*Ryan Patterson*

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Ryan Patterson, Assistant Finance Director

## Summary

### Quarter End Results by Investment Category:

Asset Type	September 30, 2025			December 31, 2025		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW	4.01%	\$ 33,821,133	\$ 33,821,133	3.86%	\$ 27,661,948	\$ 27,661,948
MMF/Pools	4.28%	137,356,993	137,356,993	3.88%	111,882,943	111,882,943
Securities	4.25%	29,749,735	29,810,264	3.89%	50,067,542	50,118,597
Certificates of Deposit	-	-	-	-	-	-
<b>Total</b>	<b>4.23%</b>	<b>\$ 200,927,862</b>	<b>\$ 200,988,390</b>	<b>3.88%</b>	<b>\$ 189,612,433</b>	<b>\$ 189,663,487</b>

Average Yield - Current Quarter <sup>(1)</sup>		Fiscal Year-to-Date Average Yield <sup>(2)</sup>	
Total Portfolio	3.88%	Total Portfolio	3.88%
Rolling Three Month Treasury	3.87%	Rolling Three Month Treasury	3.87%
Rolling Six Month Treasury	3.73%	Rolling Six Month Treasury	3.73%
TexPool	3.99%	TexPool	3.99%

#### Interest Earnings (Approximate)

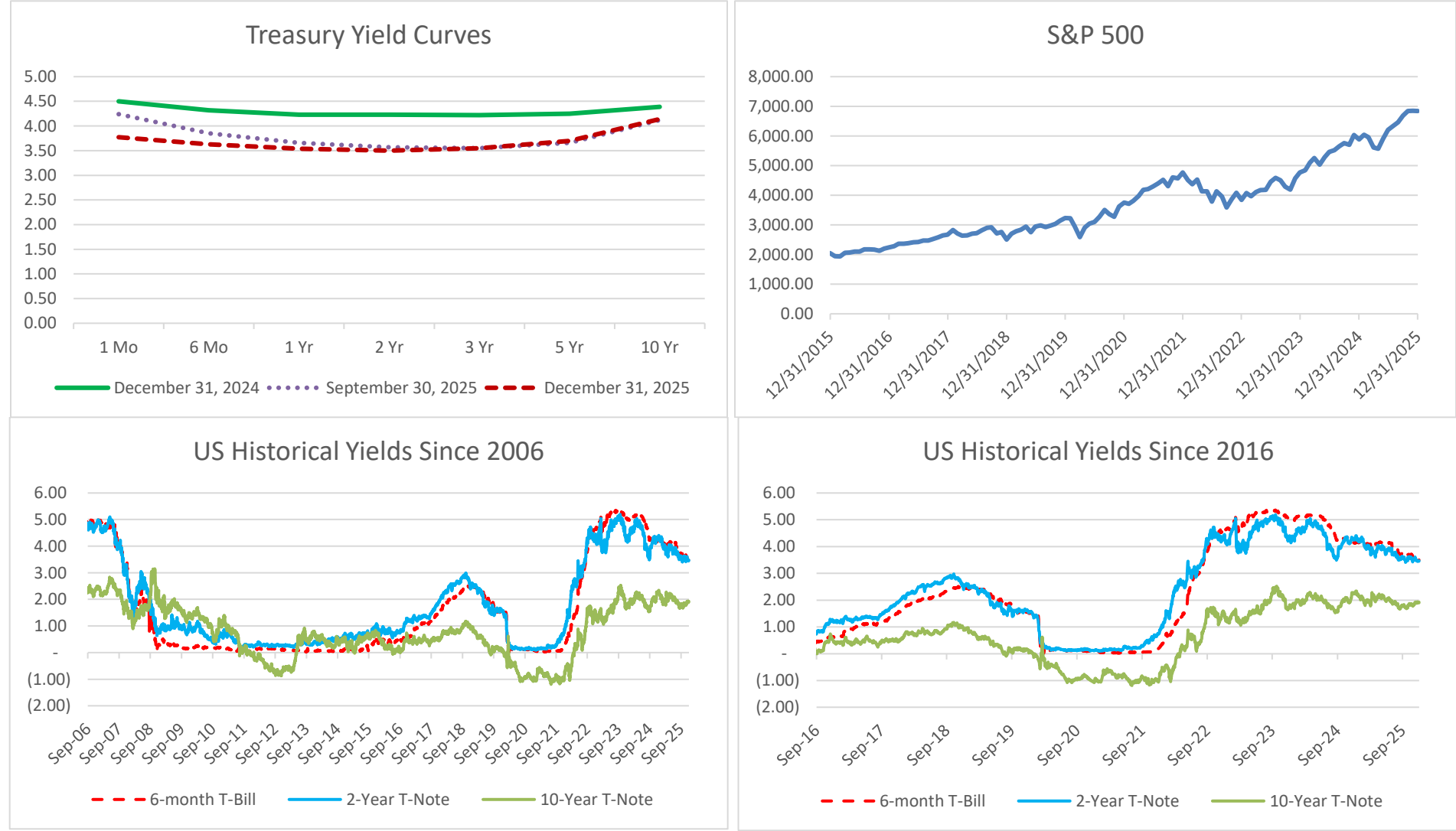
Quarter	\$ 2,100,176
Fiscal Year-to-date	\$ 2,100,176

(1) Quarter End 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 12/31/2025

During the fourth quarter of 2025, the Federal Open Market Committee (FOMC) held the federal funds target range steady at 4.00%–4.25% following the September rate cut, signaling a pause as policymakers assessed incoming data. Fed Funds continued to trade near the upper end of the range through year-end, reflecting persistent market caution and expectations that further easing would be gradual. Inflation continued to trend lower but remained above the Fed’s 2% objective, with Core PCE easing to approximately 2.7% year over year by December, while Core CPI hovered near 2.8% YoY. The FOMC maintained its data-dependent posture, emphasizing balanced risks amid slowing but still positive economic momentum. Labor-market conditions softened further during the quarter: the unemployment rate drifted higher toward the mid-4% range, and monthly job gains remained subdued, with the three-month average well below levels observed earlier in the year, indicating increasing labor-market slack. Economic activity showed resilience but continued to decelerate; preliminary GDP data for Q4 pointed to modest growth, reinforcing the slowdown evident since mid-2025. Forward-looking projections continued to reflect below-trend growth expectations into 2026. Average spot prices for WTI crude oil ranged roughly between \$60 and \$65 per barrel during the quarter, reflecting balanced supply conditions and tempered global demand. Global uncertainty, including geopolitical tensions and trade-related volatility, remained elevated through year-end. The yield curve stayed inverted, reinforcing recession concerns and contributing to a cautious investment and financial market environment as 2025 concluded.



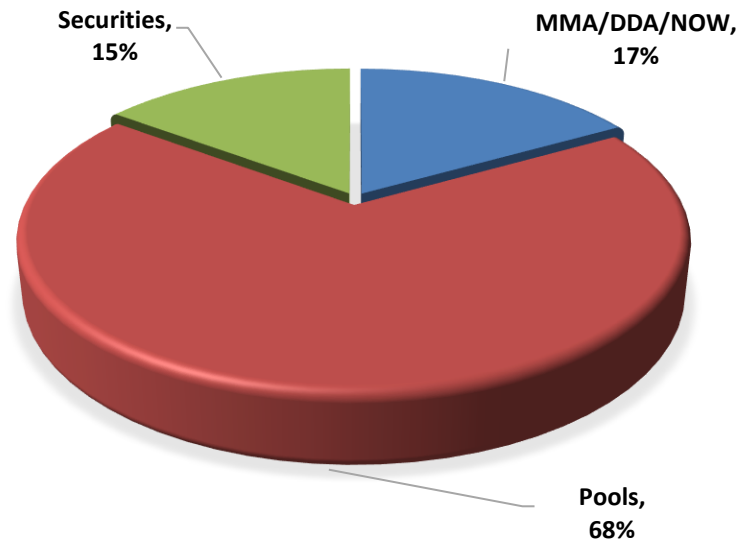
**Investment Holdings**  
**December 31, 2025**

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Independent DDA		3.78%	01/01/26	12/31/25	3,252,292	3,252,290	100.00	3,252,290	1	3.78%
Independent DDA #2		3.86%	01/01/26	12/31/25	15,875,389	15,875,389	100.00	15,875,389	1	3.86%
Independent DDA #3		3.86%	01/01/26	12/31/25	2,600,700	2,600,700	100.00	2,600,700	1	3.86%
NexBank MMA		3.90%	01/01/26	12/31/25	5,933,569	5,933,569	100.00	5,933,569	1	3.90%
TexSTAR		3.83%	01/01/26	12/31/25	70,749,398	70,749,398	100.00	70,749,398	1	3.83%
TexPool		3.98%	01/01/26	12/31/25	41,133,545	41,133,545	100.00	41,133,545	1	3.98%
FFCB	S&P-AA+	3.62%	12/22/2028	12/30/2025	5,000,000	4,996,250	99.83	4,991,500	1,087	3.65%
FFCB	S&P-AA+	3.80%	12/18/2028	12/18/2025	5,000,000	5,000,000	99.91	4,995,500	1,083	3.80%
FFCB	S&P-AA+	3.87%	11/24/2028	12/12/2025	10,000,000	10,001,000	100.05	10,005,000	1,059	3.87%
FFCB	S&P-AA+	4.22%	05/23/2028	06/30/2025	5,000,000	5,000,000	100.48	5,025,000	874	4.22%
FHLB	S&P-AA+	3.88%	06/04/2027	06/30/2025	5,000,000	5,009,130	100.53	5,026,500	520	3.75%
FHLM	S&P-AA+	3.85%	12/11/2028	12/12/2025	10,325,000	10,321,386	99.97	10,321,903	1,076	3.86%
FHLM	S&P-AA+	3.88%	11/24/2028	12/12/2025	5,000,000	5,000,250	99.99	4,999,500	1,059	3.87%
FNMA	S&P-AA+	4.20%	07/10/2028	06/30/2025	4,740,000	7,739,526	100.31	4,754,694	922	4.20%
<b>Total Portfolio</b>					<b>\$ 189,609,891</b>	<b>\$ 189,612,433</b>		<b>\$ 189,663,487</b>	<b>260</b>	<b>3.88%</b>
									<b>(1)</b>	<b>(2)</b>

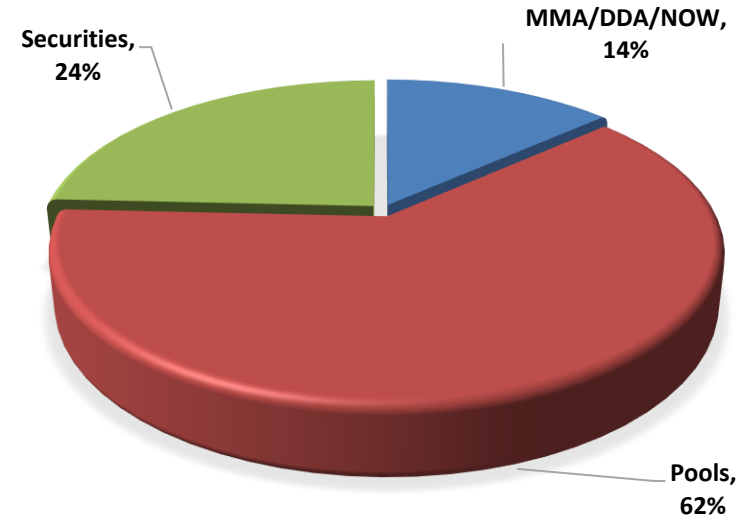
**(1) Weighted average life** - For purposes of calculating weighted average life, overnight bank and pool balances are assumed to have a one-day maturity.

**(2) Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, realized and unrealized gains/losses and investment advisory fees are not included. The yield for the reporting month is used for overnight bank and pool balances.

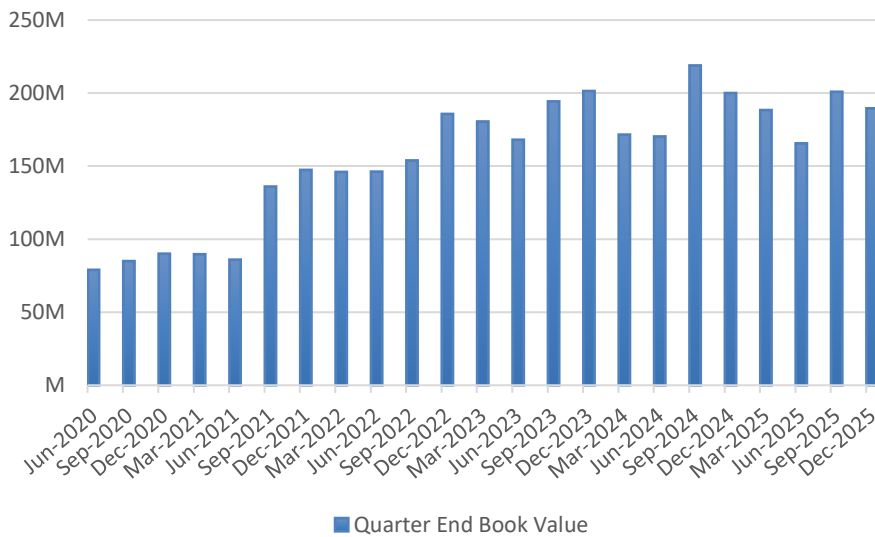
## COMPOSITION - PRIOR QUARTER



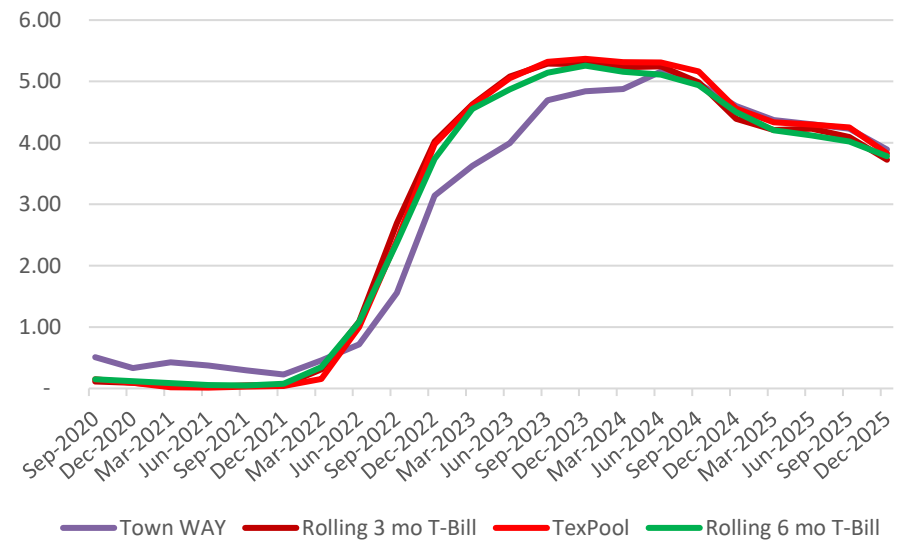
## COMPOSITION - CURRENT QUARTER



## Total Portfolio



## Portfolio Performance



## Book and Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 9/30/25	Increases	Decreases	Book Value 12/31/25	Market Value 9/30/25	Change in Market Value	Market Value 12/31/25
Independent DDA	3.78%	01/01/26	\$ 5,900,643		\$ (2,648,353)	\$ 3,252,290	\$ 5,900,643	\$ (2,648,353)	\$ 3,252,290
Independent DDA #2	3.86%	01/01/26	15,507,701	367,688		15,875,389	15,507,701	367,688	15,875,389
Independent DDA #3	3.86%	01/01/26	6,540,300		(3,939,600)	2,600,700	6,540,300	(3,939,600)	2,600,700
NexBank MMA	3.90%	01/01/26	5,872,489	61,080		5,933,569	5,872,489	61,080	5,933,569
TexSTAR	3.83%	01/01/26	74,981,980		(4,232,582)	70,749,398	74,981,980	(4,232,582)	70,749,398
TexPool	3.98%	01/01/26	62,375,013		(21,241,468)	41,133,545	62,375,013	(21,241,468)	41,133,545
FFCB	3.65%	12/22/28	-	4,996,250		4,996,250	-	4,991,500	4,991,500
FFCB	3.80%	12/18/28	-	5,000,000		5,000,000	-	4,995,500	4,995,500
FFCB	3.87%	11/24/28	-	10,001,000		10,001,000	-	10,005,000	10,005,000
FFCB	4.22%	05/23/28	5,000,000			5,000,000	5,023,500	500	5,024,000
FHLB	3.75%	06/04/27	5,011,750		(2,620)	5,009,130	5,021,500	5,000	5,026,500
FHLB	4.38%	10/15/27	2,000,000		(2,000,000)	-	2,000,400	(2,000,400)	-
FHLB	4.38%	06/23/28	5,000,000		(5,000,000)	-	5,004,000	(5,004,000)	-
FHLM	3.86%	12/11/28	-	10,321,386		10,321,386	-	10,321,903	10,321,903
FHLM	3.87%	11/24/28	-	5,000,250		5,000,250	-	4,999,500	4,999,500
FHLM	4.50%	12/17/27	5,000,000		(5,000,000)	-	5,003,500	(5,003,500)	-
FNMA	4.20%	07/10/28	4,739,526			4,739,526	4,757,064	(2,370)	4,754,694
FNMA	4.53%	10/15/27	2,998,269		(2,998,269)	-	3,000,300	(3,000,300)	-
<b>TOTAL / AVERAGE</b>	<b>3.88%</b>		<b>\$200,927,861</b>	<b>\$35,747,654</b>	<b>\$ (47,063,083)</b>	<b>\$ 189,612,433</b>	<b>\$200,988,391</b>	<b>\$ (11,324,903)</b>	<b>\$ 189,663,487</b>

**Allocation****December 31, 2025**

<b>Book Value</b>	<b>Yield</b>	<b>Maturity Date</b>	<b>Total</b>	<b>Pooled Funds</b>	<b>Debt Service Fund</b>
Independent DDA	3.78%		\$ 3,252,290	\$ 3,252,290	\$ —
Independent DDA #2	3.86%		15,875,389	15,875,389	—
Independent DDA #3	3.86%		2,600,700	2,600,700	—
NexBank MMA	3.90%		5,933,569	5,933,569	—
TexSTAR	3.83%		70,749,398	70,749,398	—
TexPool	3.98%		41,133,545	36,0995,223	5,038,322
FFCB	3.62%	12/22/2028	4,996,250	4,996,250	—
FFCB	3.80%	12/18/2028	5,000,000	5,000,000	—
FFCB	3.87%	11/24/2028	10,001,000	10,001,000	—
FFCB	4.22%	05/23/2028	5,000,000	5,000,000	—
FHLB	3.88%	06/04/2027	5,009,130	5,009,130	—
FHLM	3.85%	12/11/2028	10,321,386	10,321,386	—
FHLM	3.88%	11/24/2028	5,000,250	5,000,250	—
FNMA	4.20%	07/10/2028	7,739,526	7,739,526	—
<b>Totals</b>			<b>\$ 189,612,433</b>	<b>\$ 184,574,111</b>	<b>\$ 5,038,322</b>

**Allocation****September 30, 2025**

<b>Book Value</b>	<b>Yield</b>	<b>Maturity Date</b>	<b>Total</b>	<b>Pooled Funds</b>	<b>Debt Service Fund</b>
Independent DDA	1.76%		\$ 5,900,643	\$ 5,900,643	\$ —
Independent DDA #2	4.50%		15,507,701	15,507,701	—
Independent DDA #3	4.50%		6,540,300	6,540,300	—
NexBank MMA	4.45%		5,872,489	5,872,489	—
TexSTAR	4.21%		74,981,980	74,981,980	—
TexPool	4.36%		62,375,013	61,039,629	1,335,384
FFCB	4.22%	05/23/28	5,000,000	5,000,000	—
FHLB	3.75%	06/04/27	5,011,750	5,011,750	—
FHLB	4.38%	10/15/27	2,000,000	2,000,000	—
FHLB	4.38%	06/23/28	5,000,000	5,000,000	—
FHLMC	4.50%	12/17/27	5,000,000	5,000,000	—
FNMA	4.20%	07/10/28	4,739,526	4,739,526	—
FNMA	4.53%	10/15/27	2,998,459	2,998,459	—
<b>Totals</b>			<b>\$ 200,927,862</b>	<b>\$ 199,592,478</b>	<b>\$ 1,335,384</b>