



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

December 31, 2024

**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

Bob Scott, Deputy Town Manager

Chris Landrum

Chris Landrum, Finance Director

Ryan Patterson

Ryan Patterson, Assistant Finance Director

Summary

Quarter End Results by Investment Category:

Asset Type	September 30, 2024			December 31, 2024		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW	4.49%	\$ 31,509,385	\$ 31,509,385	4.17%	\$ 20,703,668	\$ 20,703,668
MMF/Pools	5.07%	174,433,724	174,433,724	4.64%	139,371,183	139,371,183
Securities	4.65%	13,000,000	12,993,870	4.67%	39,990,188	39,918,240
Certificates of Deposit	-	-	-	-	-	-
Total	4.96%	\$ 218,943,110	\$ 218,936,980	4.60%	\$ 200,065,039	\$ 199,993,091

Average Yield - Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	4.60%	Total Portfolio	4.60%
Rolling Three Month Treasury	4.58%	Rolling Three Month Treasury	4.58%
Rolling Six Month Treasury	4.40%	Rolling Six Month Treasury	4.40%
TexPool	4.73%	TexPool	4.73%

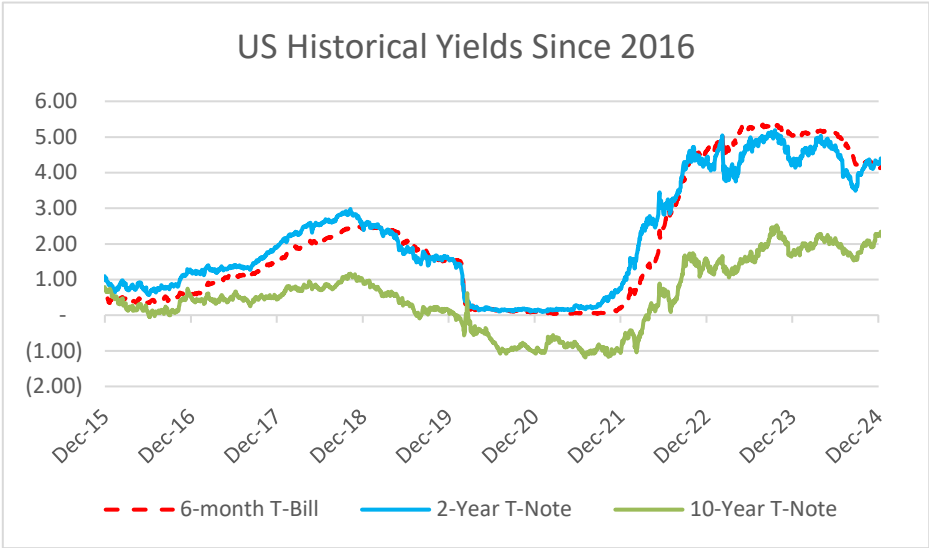
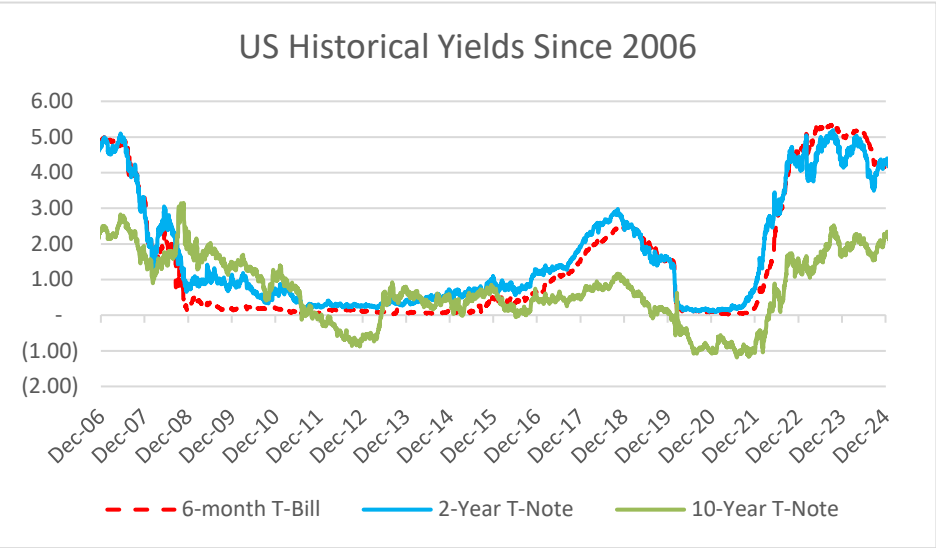
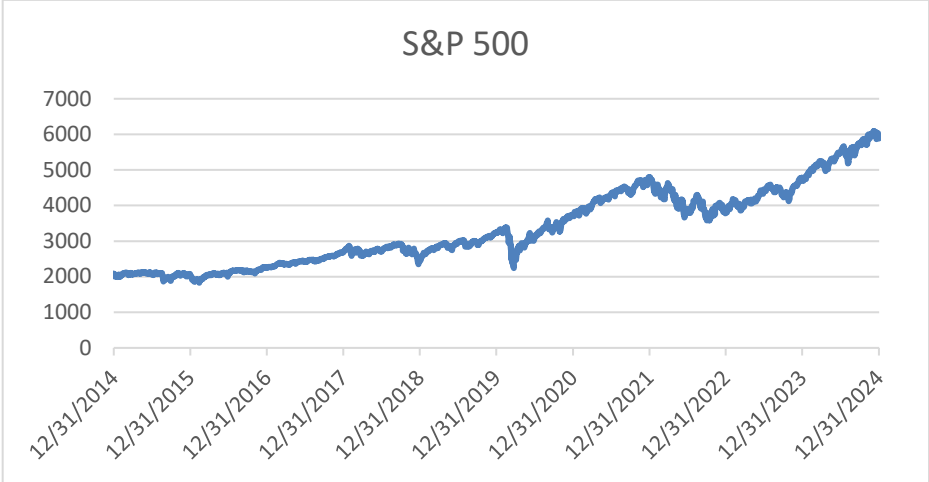
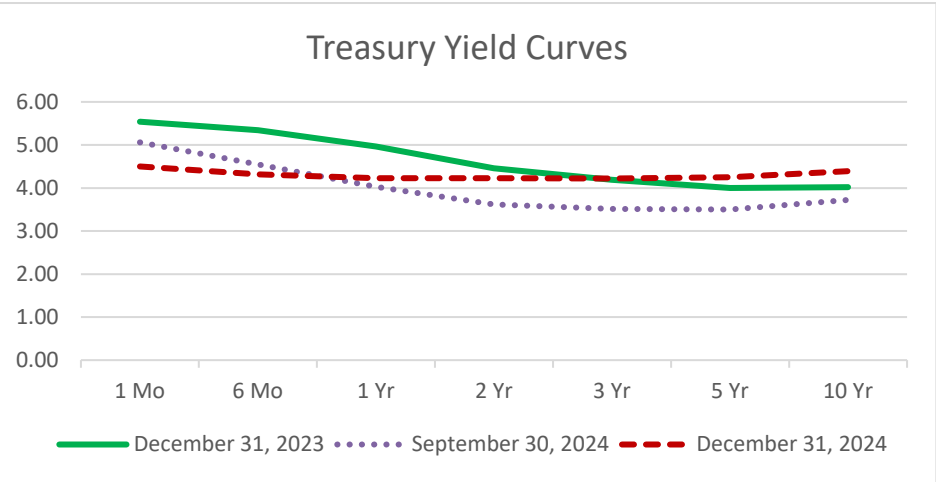
Interest Earnings (Approximate)	
Quarter	\$ 2,243,759
Fiscal Year-to-date	\$ 2,243,759

(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 12/31/2024

The Federal Open Market Committee (FOMC) lowered the Fed Funds target range twice more since September - by 25 basis points in November and another 25 basis points in December, bringing it to 4.25-4.50%. Effective Fed Funds are now trading near the midpoint, around 4.35%-4.40%. Despite progress in reducing inflation, it remains above the 2% target, with Core PCE at approximately 2.7% year-over-year in November 2024 and Core CPI at roughly 3.0%, though Fed materials highlight ongoing disinflation. The FOMC emphasized a cautious stance, expecting just two additional 25 basis points cut in 2025. December added 256k non-farm payrolls, bringing the 2024 average monthly gain to 186k jobs. The three-month payroll average ending December was approximately 206k, slightly softer than mid-year. Q4 real GDP grew at a 2.3-2.4% annualized rate. Full-year 2024 GDP growth was new 2.8%, slightly down from the ~3.0% in 2023. Oil prices cooled late in the quarter amid expectations of supply surplus, with Brent near \$72/bbl. Global OPEC+ production increases are putting pressure on the U.S. crude prices. The yield curve began to uncross in late 2024, ending the long-standing inversion between the 2-year and 10-year treasuries. Global growth is slowing, inflation tapering, and geopolitical tensions remain, all contributing to lingering market volatility.



Investment Holdings
December 31, 2024

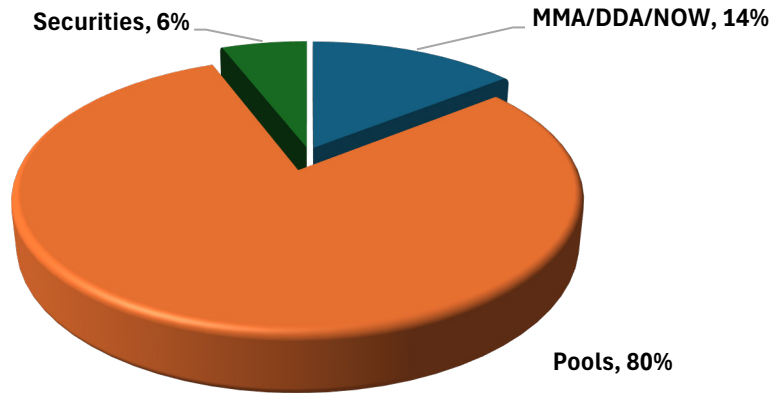
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Independent DDA		1.90%	01/01/25	12/31/24	4,235,830	4,235,830	100.00	4,235,830	1	1.90%
Independent DDA #2		4.73%	01/01/25	12/31/24	4,758,754	4,758,754	100.00	4,758,754	1	4.73%
Independent DDA #3		4.70%	01/01/25	12/31/24	6,030,013	6,030,013	100.00	6,030,013	1	4.70%
NexBank MMA		4.82%	01/01/25	12/31/24	5,679,072	5,679,072	100.00	5,679,072	1	4.82%
TexSTAR		4.56%	01/01/25	12/31/24	53,019,355	53,019,355	100.00	53,019,355	1	4.56%
TexPool		4.69%	01/01/25	12/31/24	86,351,828	86,351,828	100.00	86,351,828	1	4.69%
FFCB	S&P-AA+	4.67%	12/15/27	12/18/24	5,000,000	4,992,293	99.75	4,987,350	1,079	4.73%
FHLB	Moodys-Aaa	4.38%	10/15/27	10/22/24	2,000,000	2,000,000	99.16	1,983,120	1,018	4.38%
FHLB	NR	4.55%	10/23/25	10/23/24	10,000,000	10,000,000	99.94	9,994,300	296	4.55%
FHLB	NR	5.00%	10/22/27	10/24/24	10,000,000	10,000,000	99.88	9,988,000	1,025	5.00%
FHLMC	NR	4.50%	12/17/27	12/19/24	5,000,000	5,000,000	99.87	4,993,650	1,081	4.50%
FHLMC	NR	4.60%	10/23/26	10/24/24	5,000,000	5,000,000	99.79	4,989,550	661	4.60%
FNMA	S&P-AA+	4.50%	10/15/27	10/22/24	3,000,000	2,997,895	99.41	2,982,270	1,018	4.53%
Total Portfolio					\$ 200,074,851	\$ 200,065,040		\$ 199,993,091	163	4.60%

(1) (2)

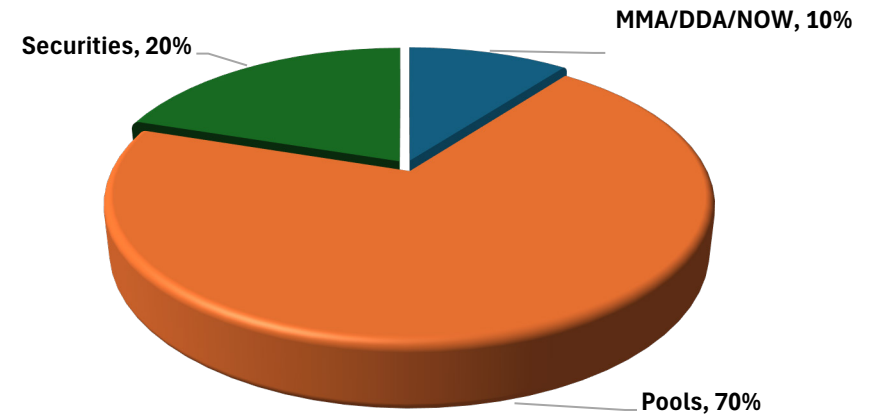
(1) Weighted average life - For purposes of calculating weighted average life, overnight bank and pool balances are assumed to have a one-day maturity.

(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.

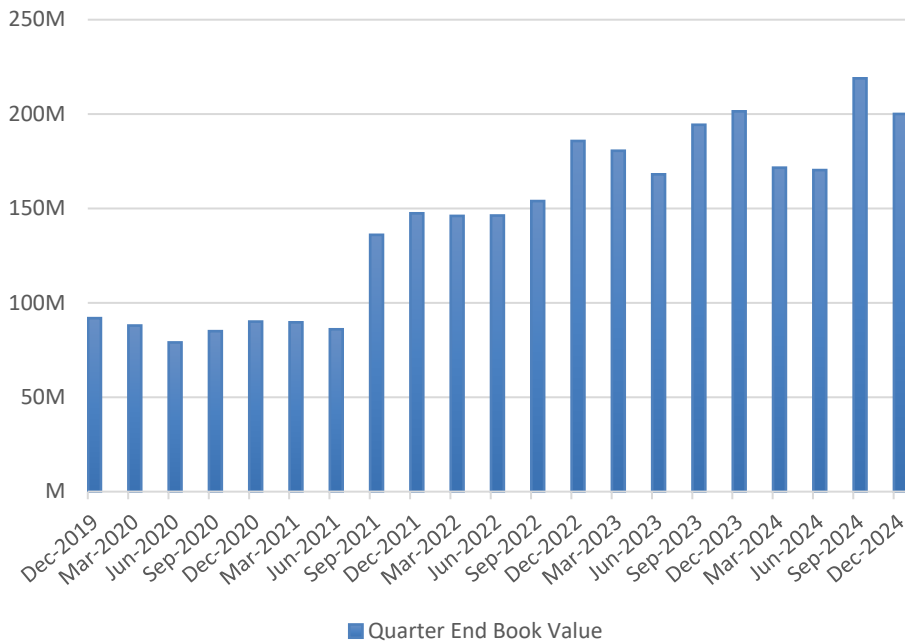
COMPOSITION - PRIOR QUARTER



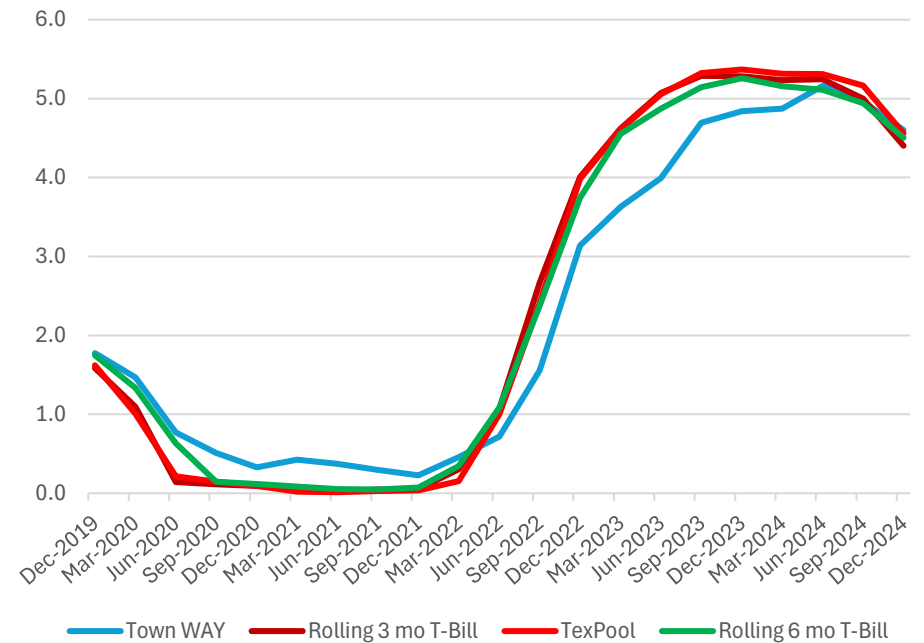
COMPOSITION - CURRENT QUARTER



Total Portfolio



Portfolio Performance



Book and Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 09/30/24	Increases	Decreases	Book Value 12/31/24	Market Value 09/30/24	Change in Market Value	Market Value 12/31/24
Independent DDA	1.90%	01/01/25	\$ 10,149,306		\$ 5,913,476)	\$ 4,235,830	\$ 10,149,306	\$ (5,913,476)	\$ 4,235,830
Independent DDA #2	4.73%	01/01/25	6,413,373		(1,654,619)	4,758,754	6,413,373	(1,654,619)	4,758,754
Independent DDA #3	4.70%	01/01/25	9,336,632		(3,306,619)	6,030,013	9,336,632	(3,306,619)	6,030,013
NexBank MMA	4.82%	01/01/25	5,610,074	68,997		5,679,071	5,610,074	68,997	5,679,071
TexSTAR	4.56%	01/01/25	90,567,830		(37,548,475)	53,019,355	90,567,830	(37,548,475)	53,019,355
TexPool	4.69%	01/01/25	83,865,895	2,485,934		86,351,829	83,865,895	2,485,934	86,351,829
FFCB	4.73%	12/15/27	-	4,992,293		4,992,293	-	4,987,350	4,987,350
FHLB	4.38%	10/15/27	-	2,000,000		2,000,000	-	1,983,120	1,983,120
FHLB	4.48%	10/03/24	10,000,000		(10,000,000)	-	9,998,400	(9,998,400)	-
FHLB	4.55%	10/23/25	-	10,000,000		10,000,000	-	9,994,300	9,994,300
FHLB	5.00%	10/22/27	-	10,000,000		10,000,000	-	9,988,000	9,988,000
FHLB	5.25%	02/10/26	3,000,000		(3,000,000)	-	2,995,470	(2,995,470)	-
FHLMC	4.50%	12/17/27	-	5,000,000		5,000,000	-	4,993,650	4,993,650
FHLMC	4.60%	10/23/26	-	5,000,000		5,000,000	-	4,989,550	4,989,550
FNMA	4.53%	10/15/27	-	2,997,895		2,997,895	-	2,982,270	2,982,270
TOTAL / AVERAGE	4.60%		\$ 218,943,110	\$ 42,545,119	\$ (61,423,189)	\$ 200,065,040	\$ 218,936,980	\$ (18,943,888)	\$ 199,993,092

Allocation**December 31, 2024**

Book Value	Yield	Maturity Date	Total	Pooled Funds	Debt Service Fund
Independent Financial DDA	1.90%		\$ 4,235,830	\$ 4,235,830	\$ —
Independent Financial DDA #2	4.73%		4,758,754	4,758,754	—
Independent Financial DDA #3	4.70%		6,030,013	6,030,013	—
NexBank MMA	4.82%		5,679,071	5,679,071	—
TexSTAR	4.56%		53,019,355	53,019,355	—
TexPool	4.69%		86,351,829	75,369,272	10,982,557
FFCB	4.73%	12/15/27	4,992,293	4,992,293	—
FHLB	4.38%	10/15/27	2,000,000	2,000,000	—
FHLB	4.55%	10/23/25	10,000,000	10,000,000	—
FHLB	5.00%	10/22/27	10,000,000	10,000,000	—
FHLMC	4.50%	12/17/27	5,000,000	5,000,000	—
FHLMC	4.60%	10/23/26	5,000,000	5,000,000	—
FNMA	4.53%	10/15/27	2,997,895	2,997,895	—
Totals			\$ 200,065,040	\$ 189,082,483	\$ 10,982,557

Allocation**September 30, 2024**

Book Value	Yield	Maturity Date	Total	Pooled Funds	Debt Service Fund
Independent Financial DDA	2.52%		\$ 7,068,406	\$ 7,068,406	\$ —
Independent Financial DDA #2	5.41%		6,413,373	6,413,373	—
Independent Financial DDA #3	5.41%		9,336,632	9,336,632	—
NexBank MMA	5.46%		5,610,074	5,610,074	—
TexSTAR	5.13%		90,567,830	90,567,830	—
TexPool	5.01%		83,865,895	82,620,618	\$ 1,245,277
FHLB	4.48%	10/03/2024	10,000,000	10,000,000	—
FHLB	5.25%	2/10/2026	3,000,000	3,000,000	—
Totals			\$ 215,862,210	\$ 214,616,933	\$ 1,245,277