



INVESTMENT PORTFOLIO SUMMARY

For the Quarter Ended

March 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

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	December 31, 2024			March 31, 2025		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW	4.17%	\$ 20,703,668	\$ 20,703,668	4.13%	\$ 29,684,669	\$ 29,684,669
MMF/Pools	4.64%	139,371,183	139,371,183	4.40%	138,727,411	138,727,411
Securities	4.67%	39,990,188	39,918,240	4.57%	19,991,017	19,961,900
Certificates of Deposit	-	-	-	-	-	-
Total	4.60%	\$ 200,065,039	\$ 199,993,091	4.37%	\$ 188,403,097	\$ 188,373,980

Average Yield - Current Quarter (1)		Fiscal Year-to-Date Average Yield (2)	
Total Portfolio	4.37%	Total Portfolio	4.49%
Rolling Three Month Treasury	4.34%	Rolling Three Month Treasury	4.46%
Rolling Six Month Treasury	4.28%	Rolling Six Month Treasury	4.34%
TexPool	4.36%	TexPool	4.55%

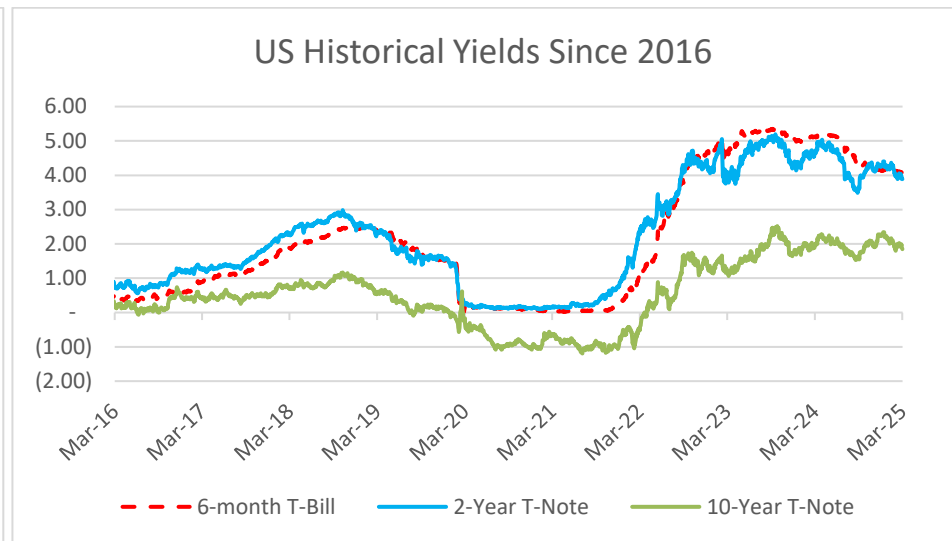
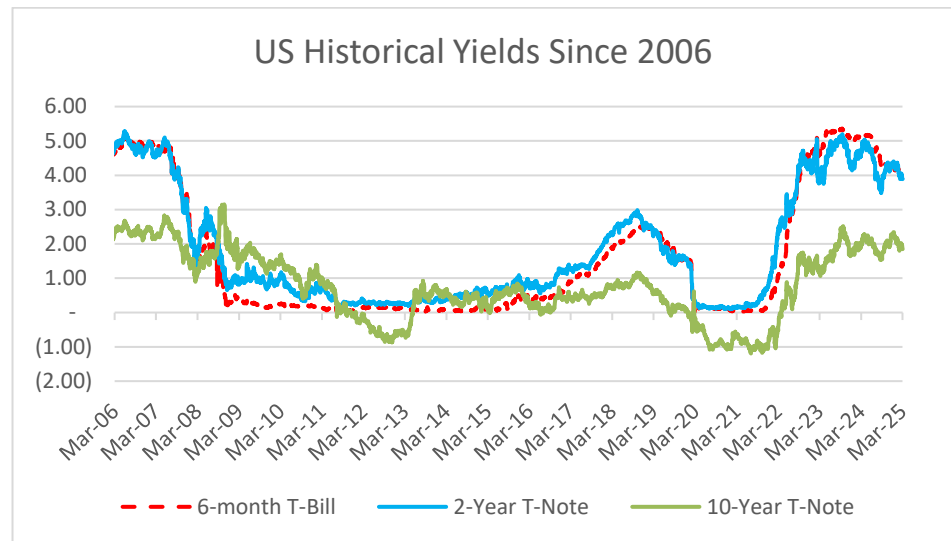
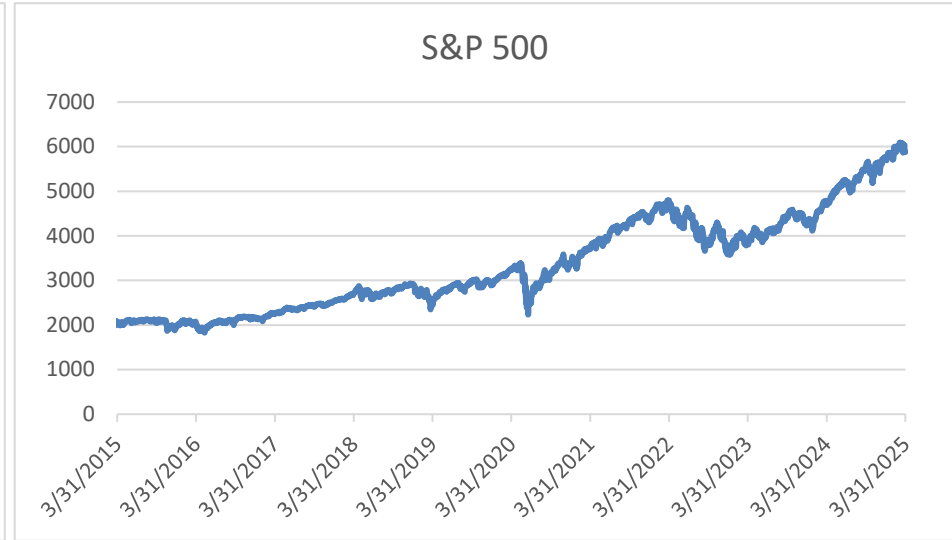
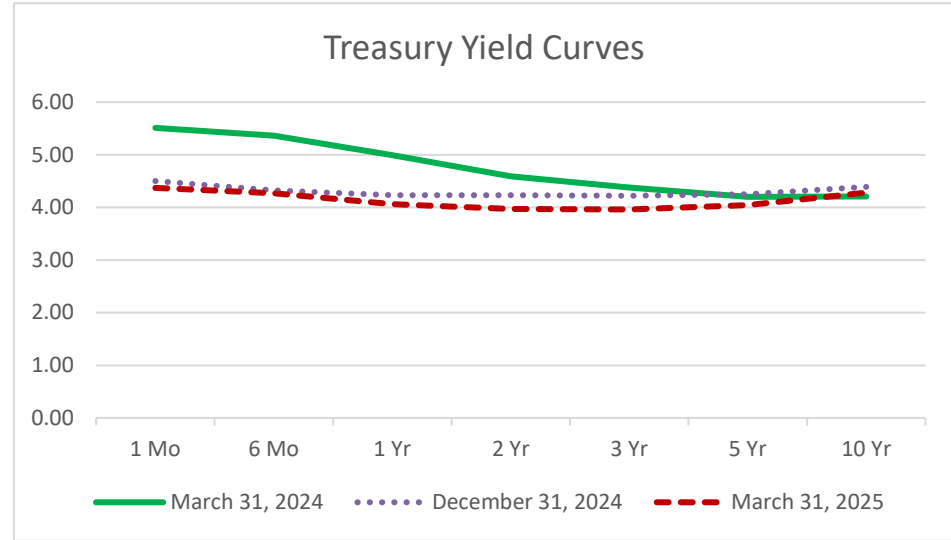
Interest Earnings (Approximate)	
Quarter	\$ 1,831,201
Fiscal Year-to-date	\$ 4,074,960

(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 3/31/2025

The Federal Open Market Committee (FOMC) maintained the federal funds target range at 4.25-4.50% throughout Q1 2025. 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 2.6% year-over-year as of March, down modestly from Q4. Core CPI remained elevated around 3.2%. The FOMC reiterated its commitment to a data-dependent approach, signaling that further rate cuts are possible later in 2025. March non-farm payrolls rose by 228k, with a Q1 average of approximately 180k jobs/month. The unemployment rate held at 4.2%, while labor force participation dipped slightly. Real GDP contracted at an annualized rate of -0.2% in Q1 2025, following a strong +2.4% growth in Q4 2024. The decline was driven by weaker consumer spending, inventory drawdowns, and export volatility linked to global trade disruptions. Oil prices declined during Q1, averaging \$63-\$65 per barrel, down from \$70 at year-end. This reflected increased global supply and lower demand expectations, easing some inflationary pressure. The treasury yield curve remained inverted, with the 2-year around 4.35% and the 10-year slightly lower, reflecting ongoing recession concerns and investor expectations for future Fed cuts. Global uncertainties and geopolitical risks remain elevated, though market volatility was relatively contained through Q1.



Investment Holdings
March 31, 2025

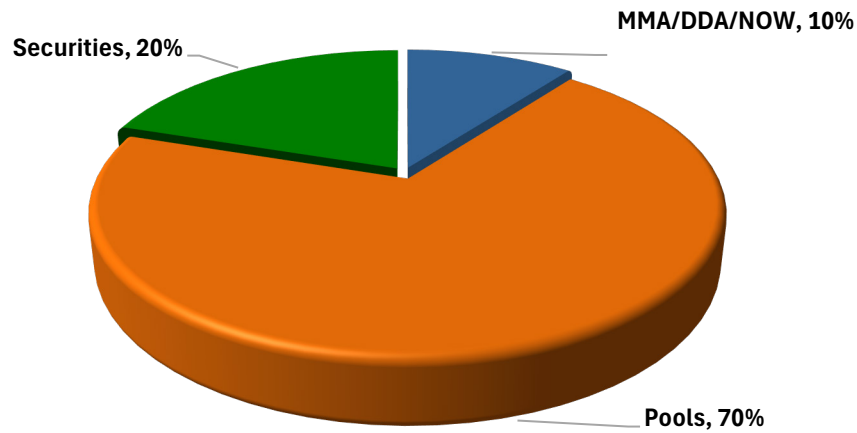
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
Independent DDA		1.76%	04/01/25	03/31/25	4,654,398	4,654,398	100.00	4,654,398	1	1.76%
Independent DDA #2		4.59%	04/01/25	03/31/25	15,002,970	15,002,970	100.00	15,002,970	1	4.59%
Independent DDA #3		4.59%	04/01/25	03/31/25	4,284,326	4,284,326	100.00	4,284,326	1	4.59%
NexBank MMA		4.50%	04/01/25	03/31/25	5,742,975	5,742,975	100.00	5,742,975	1	4.50%
TexSTAR		4.40%	04/01/25	03/31/25	44,431,653	44,431,653	100.00	44,431,653	1	4.40%
TexPool		4.43%	04/01/25	03/31/25	94,295,758	94,295,758	100.00	94,295,758	1	4.43%
FHLMC	NR	4.60%	10/23/27	10/24/24	5,000,000	5,000,000	99.931	4,996,550	571	4.60%
FNMA	S&P-AA+	4.50%	10/15/27	10/22/24	3,000,000	2,998,081	99.722	2,991,660	928	4.53%
FHLB	Moody's-Aaa	4.38%	10/15/27	10/22/24	2,000,000	2,000,000	99.652	1,993,040	928	4.38%
FFCB	S&P-AA+	4.67%	12/15/27	12/18/24	5,000,000	4,992,936	99.618	4,980,900	989	4.73%
FHLMC	NR	4.50%	12/17/27	12/19/24	5,000,000	5,000,000	99.995	4,999,750	991	4.50%
Total Portfolio					\$ 188,412,080	\$ 188,403,097		\$ 188,373,980	93	4.37%

(1) (2)

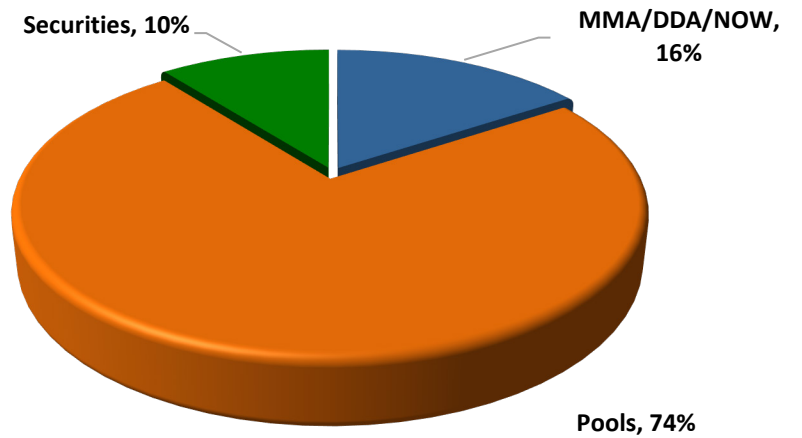
(1) Weighted average life - For purposes of calculating weighted average life, overnight bank and pool balances are assumed to have a one-day maturity.

(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



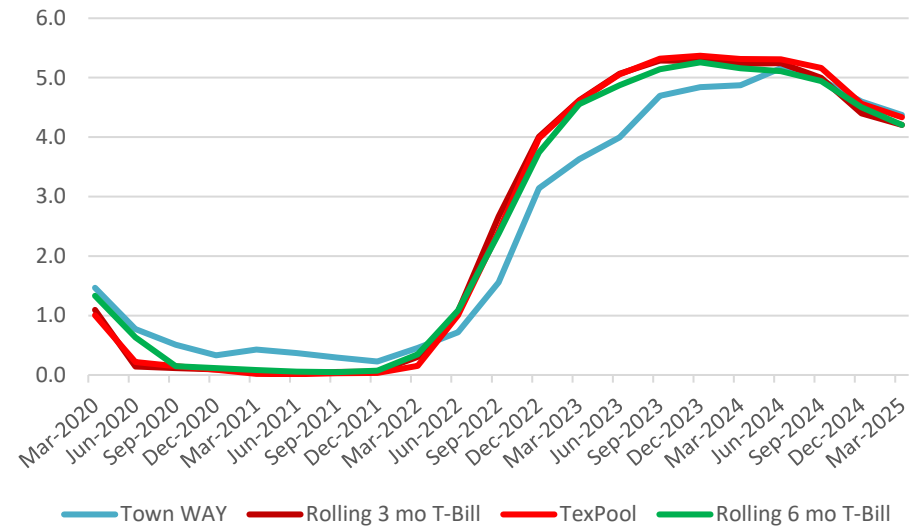
COMPOSITION - CURRENT QUARTER



Total Portfolio



Portfolio Performance



Book and Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/24	Increases	Decreases	Book Value 3/31/25	Market Value 12/31/24	Change in Market Value	Market Value 3/31/25
Independent DDA	1.76%	04/01/25	\$ 4,235,830	\$ 418,568		\$ 4,654,398	\$ 4,235,830	\$ 418,568	\$ 4,654,398
Independent DDA #2	4.59%	04/01/25	4,758,754	10,244,216		15,002,970	4,758,754	10,244,216	15,002,970
Independent DDA #3	4.59%	04/01/25	6,030,013		(1,745,687)	4,284,326	6,030,013	(1,745,687)	4,284,326
NexBank MMA	4.50%	04/01/25	5,679,071	63,904		5,742,975	5,679,071	63,904	5,742,975
TexSTAR	4.40%	04/01/25	53,019,355		(8,587,702)	44,431,653	53,019,355	(8,587,702)	44,431,653
TexPool	4.43%	04/01/25	86,351,829	7,943,929		94,295,758	86,351,829	7,943,929	94,295,758
FHLMC	4.60%	10/23/26	5,000,000			5,000,000	4,989,550	7,000	4,996,550
FNMA	4.53%	10/15/27	2,997,895	186		2,998,081	2,982,270	9,390	2,991,660
FHLB	4.38%	10/15/27	2,000,000			2,000,000	1,983,120	9,920	1,993,040
FFCB	4.73%	12/15/27	4,992,293	643		4,992,936	4,987,350	(6,450)	4,980,900
FHLMC	4.50%	12/17/27	5,000,000			5,000,000	4,993,650	6,100	4,999,750
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)	-
TOTAL / AVERAGE	4.60%		\$ 200,065,040	\$ 18,671,447	\$ (30,333,389)	\$ 188,403,097	\$ 199,993,092	\$ (11,619,111)	\$ 188,373,980

Allocation**March 31, 2025**

Book Value	Yield	Maturity Date	Total	Pooled Funds	Debt Service Fund
Independent DDA	1.76%		\$ 4,654,398	\$ 4,654,398	\$ —
Independent DDA #2	4.59%		15,002,970	15,002,970	—
Independent DDA #3	4.59%		4,284,326	4,284,326	—
NexBank MMA	4.50%		5,742,975	5,742,975	—
TexSTAR	4.40%		44,431,653	44,431,653	—
TexPool	4.43%		94,295,758	89,472,901	4,822,857
FHLMC	4.60%	10/23/26	5,000,000	5,000,000	—
FNMA	4.53%	10/15/27	2,998,081	2,998,081	—
FHLB	4.38%	10/15/27	2,000,000	2,000,000	—
FFCB	4.73%	12/15/27	4,992,936	4,992,936	—
FHLMC	4.50%	12/17/27	5,000,000	5,000,000	—
Totals			\$ 188,403,097	\$ 183,580,240	\$ 4,822,857

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
FHLMC	4.60%	10/23/26	5,000,000	5,000,000	—
FNMA	4.53%	10/15/27	2,997,895	2,997,895	—
FHLB	4.38%	10/15/27	2,000,000	2,000,000	—
FFCB	4.73%	12/15/27	4,992,293	4,992,293	—
FHLMC	4.50%	12/17/27	5,000,000	5,000,000	—
FHLB	4.55%	10/23/25	10,000,000	10,000,000	—
FHLB	5.00%	10/22/27	10,000,000	10,000,000	—
Totals			\$ 200,065,040	\$ 189,082,483	\$ 10,982,557