



## Investment Portfolio Summary

### Northwest ISD



For the Month Ended

May 31, 2020

**Report Name**

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- Benchmark Comparison
- Detail of Security Holdings
- Change in Value
- Earned Income
- Investment Transactions
- Amortization and Accretion
- Projected Fixed Income Cash Flows

**MARKET RECAP - MAY 2020:**

The month of May brought with it the first round of hard data reflecting the detrimental effects from a full month of the COVID-19 economic shutdown. And while we all understood the data would be horrible, the depth of the plunge is hard to fathom. Phrases such as the “steepest decline ever” and the “worst in history” will apply to almost every piece of April economic data. Employment data is the most obvious indicator of trouble. Since the shutdowns began, more than 40 million American have filed for unemployment benefits. Nonfarm payrolls fell by a stunning 20.5 million in April while the unemployment rate more than quadrupled from the 50-year low of 3.5% in February to 14.7%. The Bureau of Labor Statistics cautioned that the rate would have been nearly five percentage points higher if many workers had not erroneously classified themselves as “employed, but absent from work.” The number of Americans working part-time but preferring to work full-time nearly doubled to 10.9 million in April, driving the so-called underemployment rate up from 8.7% to 22.8%. Also known as the U6, this broader measure includes those part-timers preferring full-time work, as well as discouraged workers who are not currently looking but would accept a suitable job if available. Other key indicators paint a similar picture. The ISM manufacturing index slipped into mild contraction in March before plunging to a recessionary 41.5 reading in April. The ISM non-manufacturing (service sector) index collapsed from a 14-month high of 57.3 in February to 52.5 in March and to 41.8 in April. Headline retail sales dropped another -16.4% in April; the -23% collapse in just two months is almost double the drop in sales experienced during the entire Great Recession. First quarter GDP was revised lower from -4.8% to -5.0% while forecasts for second quarter GDP suggest economic growth could contract at a jaw-dropping -40% annualized rate. A rebound is expected in the third quarter but much will depend on the progression of the coronavirus and it will likely take several years for the economy to fully recover.

There was no major news from the Federal Reserve as they work to implement previously announced programs; however, Chair Powell did appear on CBS’s 60-Minutes where he encouraged Congress to “do more,” saying the Fed still has ample tools at its disposal, and doesn’t expect to take interest rates negative. He also said the Fed was not likely to raise rates until the virus threat has passed, inflation is nearing 2%, and the U.S. returns to “full employment.” Those are very high hurdles, likely years away.

Despite the abysmal economic statistics, financial markets stabilized as Fed actions to shore up liquidity and fiscal stimulus worked their magic. Equity markets rallied significantly during May with the DJIA and S&P 500 up better than +4% while the NASDAQ gained +6.7%, closing the month just 3% below its all-time high. Bond market volatility subsided and yields generally drifted lower. The two-year Treasury note opened the month at 0.20%, traded as low as 0.14%, and closed the month at 0.16%. The five-year T-note closed the month at an all-time low of 0.30% while the 10-year settled at 0.65%.

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**For the Month Ended**  
**May 31, 2020**

This report is prepared for the **Northwest ISD** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

**Officer Names and Titles:**

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Name: Brian Carter

Title: Chief Financial Officer

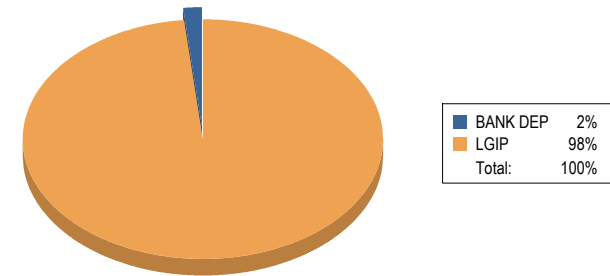
**Account Summary**

**Allocation by Security Type**

Beginning Values as of 04/30/20

Ending Values as of 05/31/20

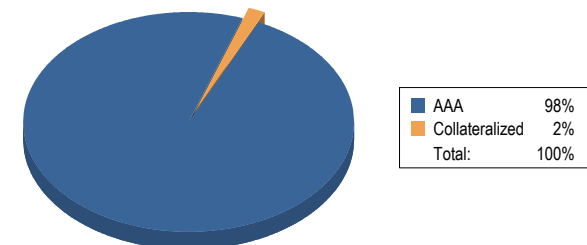
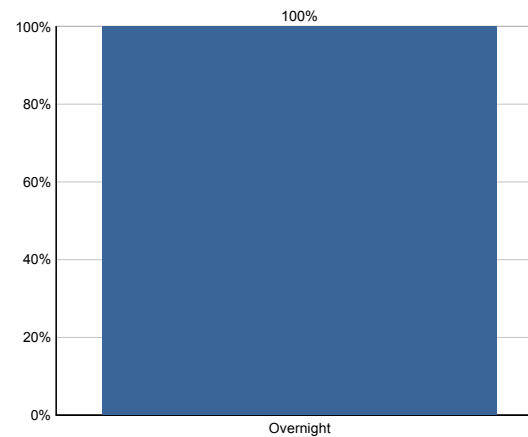
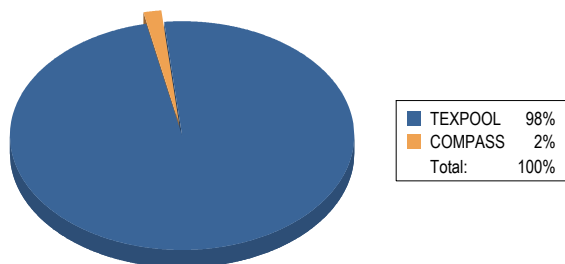
Par Value	224,061,331.05	394,381,021.51
Market Value	224,061,331.05	394,381,021.51
Book Value	224,061,331.05	394,381,021.51
Unrealized Gain/(Loss)	0.00	0.00
<b>Market Value %</b>	<b>100.00%</b>	<b>100.00%</b>
Weighted Avg. YTW	0.475%	0.277%
Weighted Avg. YTM	0.475%	0.277%



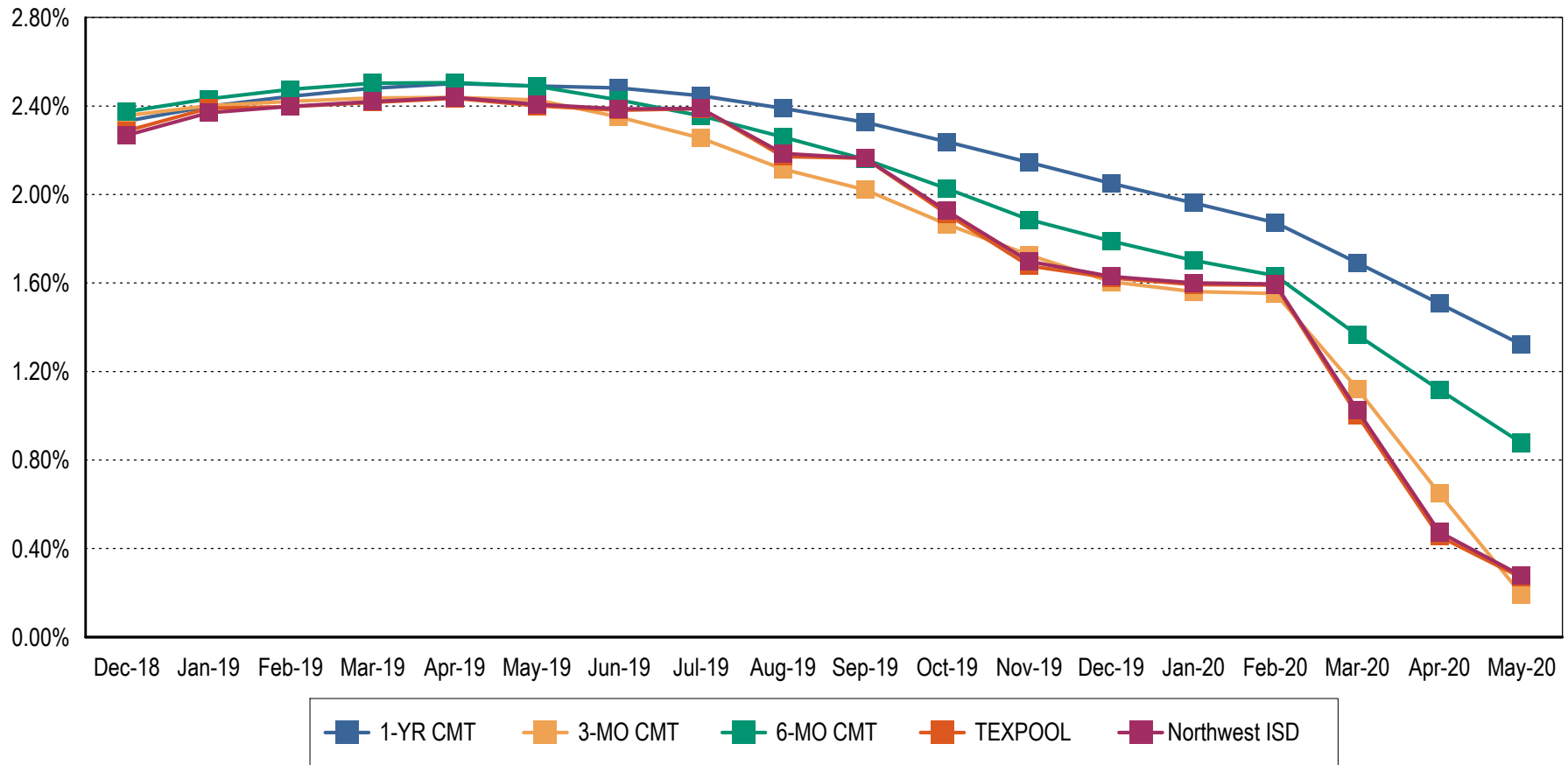
**Allocation by Issuer**

**Maturity Distribution %**

**Credit Quality**



**Weighted Average Days to Maturity: 1**



**Note 1:** CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

**Note 2:** Benchmark data for TexPool is the monthly average yield.

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
<b>Activity Account</b>																	
TEXPOOL		LGIP	TexPool					172,024.41	100.000	172,024.41	172,024.41	100.000	172,024.41	1		0.269	0.269
<b>Total for Activity Account</b>								<b>172,024.41</b>	<b>100.000</b>	<b>172,024.41</b>	<b>172,024.41</b>	<b>100.000</b>	<b>172,024.41</b>	<b>1</b>		<b>0.269</b>	<b>0.269</b>
<b>Capital Project</b>																	
BBVA-NWL		BANK DEP	BBVA Compass LIBOR					296,712.22	100.000	296,712.22	296,712.22	100.000	296,712.22	1		0.654	0.654
BBVA-NWZ		BANK DEP	BBVA Compass ZBA Int					4,294,044.51	100.000	4,294,044.51	4,294,044.51	100.000	4,294,044.51	1		0.704	0.704
TEXPOOL		LGIP	TexPool					196,119,308.33	100.000	196,119,308.33	196,119,308.33	100.000	196,119,308.33	1		0.269	0.269
<b>Total for Capital Project</b>								<b>200,710,065.06</b>	<b>100.000</b>	<b>200,710,065.06</b>	<b>200,710,065.06</b>	<b>100.000</b>	<b>200,710,065.06</b>	<b>1</b>		<b>0.278</b>	<b>0.278</b>
<b>Capital Project AFB</b>																	
TEXPOOL		LGIP	TexPool					413,266.67	100.000	413,266.67	413,266.67	100.000	413,266.67	1		0.269	0.269
<b>Total for Capital Project AFB</b>								<b>413,266.67</b>	<b>100.000</b>	<b>413,266.67</b>	<b>413,266.67</b>	<b>100.000</b>	<b>413,266.67</b>	<b>1</b>		<b>0.269</b>	<b>0.269</b>
<b>General Operating Fund</b>																	
BBVA-NW		BANK DEP	BBVA Compass MM					2,482,107.07	100.000	2,482,107.07	2,482,107.07	100.000	2,482,107.07	1		0.754	0.754
TEXPOOL		LGIP	TexPool					132,221,472.93	100.000	132,221,472.93	132,221,472.93	100.000	132,221,472.93	1		0.269	0.269
<b>Total for General Operating Fund</b>								<b>134,703,580.00</b>	<b>100.000</b>	<b>134,703,580.00</b>	<b>134,703,580.00</b>	<b>100.000</b>	<b>134,703,580.00</b>	<b>1</b>		<b>0.277</b>	<b>0.277</b>
<b>Interest &amp; Sinking</b>																	
TEXPOOL		LGIP	TexPool					58,382,085.37	100.000	58,382,085.37	58,382,085.37	100.000	58,382,085.37	1		0.269	0.269
<b>Total for Interest &amp; Sinking</b>								<b>58,382,085.37</b>	<b>100.000</b>	<b>58,382,085.37</b>	<b>58,382,085.37</b>	<b>100.000</b>	<b>58,382,085.37</b>	<b>1</b>		<b>0.269</b>	<b>0.269</b>
<b>Total for Northwest ISD</b>								<b>394,381,021.51</b>	<b>100.000</b>	<b>394,381,021.51</b>	<b>394,381,021.51</b>	<b>100.000</b>	<b>394,381,021.51</b>	<b>1</b>		<b>0.277</b>	<b>0.277</b>

CUSIP	Security Type	Security Description	04/30/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	05/31/20 Book Value	04/30/20 Market Value	05/31/20 Market Value	Change in Mkt Value
<b>Activity Account</b>											
TEXPOOL	LGIP	TexPool	171,985.19	39.22	0.00	0.00	0.00	172,024.41	171,985.19	172,024.41	39.22
<b>Total for Activity Account</b>			<b>171,985.19</b>	<b>39.22</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>172,024.41</b>	<b>171,985.19</b>	<b>172,024.41</b>	<b>39.22</b>
<b>Capital Project</b>											
BBVA-NWL	BANK DEP	BBVA Compass LIBOR	296,498.15	214.07	0.00	0.00	0.00	296,712.22	296,498.15	296,712.22	214.07
BBVA-NWZ	BANK DEP	BBVA Compass ZBA Int	6,289,245.97	0.00	(1,995,201.46)	0.00	0.00	4,294,044.51	6,289,245.97	4,294,044.51	(1,995,201.46)
TEXPOOL	LGIP	TexPool	4,869,980.58	191,249,327.75	0.00	0.00	0.00	196,119,308.33	4,869,980.58	196,119,308.33	191,249,327.75
<b>Total for Capital Project</b>			<b>11,455,724.70</b>	<b>191,249,541.82</b>	<b>(1,995,201.46)</b>	<b>0.00</b>	<b>0.00</b>	<b>200,710,065.06</b>	<b>11,455,724.70</b>	<b>200,710,065.06</b>	<b>189,254,340.36</b>
<b>Capital Project AFB</b>											
TEXPOOL	LGIP	TexPool	413,172.48	94.19	0.00	0.00	0.00	413,266.67	413,172.48	413,266.67	94.19
<b>Total for Capital Project AFB</b>			<b>413,172.48</b>	<b>94.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>413,266.67</b>	<b>413,172.48</b>	<b>413,266.67</b>	<b>94.19</b>
<b>General Operating Fund</b>											
BBVA-NW	BANK DEP	BBVA Compass MM	2,480,113.16	1,993.91	0.00	0.00	0.00	2,482,107.07	2,480,113.16	2,482,107.07	1,993.91
TEXPOOL	LGIP	TexPool	151,160,809.04	0.00	(18,939,336.11)	0.00	0.00	132,221,472.93	151,160,809.04	132,221,472.93	(18,939,336.11)
<b>Total for General Operating Fund</b>			<b>153,640,922.20</b>	<b>1,993.91</b>	<b>(18,939,336.11)</b>	<b>0.00</b>	<b>0.00</b>	<b>134,703,580.00</b>	<b>153,640,922.20</b>	<b>134,703,580.00</b>	<b>(18,937,342.20)</b>
<b>Interest &amp; Sinking</b>											
TEXPOOL	LGIP	TexPool	58,379,526.48	2,558.89	0.00	0.00	0.00	58,382,085.37	58,379,526.48	58,382,085.37	2,558.89
<b>Total for Interest &amp; Sinking</b>			<b>58,379,526.48</b>	<b>2,558.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>58,382,085.37</b>	<b>58,379,526.48</b>	<b>58,382,085.37</b>	<b>2,558.89</b>
<b>Total for Northwest ISD</b>			<b>224,061,331.05</b>	<b>191,254,228.03</b>	<b>(20,934,537.57)</b>	<b>0.00</b>	<b>0.00</b>	<b>394,381,021.51</b>	<b>224,061,331.05</b>	<b>394,381,021.51</b>	<b>170,319,690.46</b>

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
<b>Activity Account</b>									
TEXPOOL	LGIP	TexPool	0.00	39.22	39.22	0.00	0.00	0.00	39.22
<b>Total for Activity Account</b>			<b>0.00</b>	<b>39.22</b>	<b>39.22</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>39.22</b>
<b>Capital Project</b>									
BBVA-NWL	BANK DEP	BBVA Compass LIBOR	0.00	214.07	214.07	0.00	0.00	0.00	214.07
BBVA-NWZ	BANK DEP	BBVA Compass ZBA Int	0.00	4,798.54	4,798.54	0.00	0.00	0.00	4,798.54
TEXPOOL	LGIP	TexPool	0.00	35,082.82	35,082.82	0.00	0.00	0.00	35,082.82
<b>Total for Capital Project</b>			<b>0.00</b>	<b>40,095.43</b>	<b>40,095.43</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>40,095.43</b>
<b>Capital Project AFB</b>									
TEXPOOL	LGIP	TexPool	0.00	94.19	94.19	0.00	0.00	0.00	94.19
<b>Total for Capital Project AFB</b>			<b>0.00</b>	<b>94.19</b>	<b>94.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>94.19</b>
<b>General Operating Fund</b>									
BBVA-NW	BANK DEP	BBVA Compass MM	0.00	1,993.91	1,993.91	0.00	0.00	0.00	1,993.91
TEXPOOL	LGIP	TexPool	0.00	33,059.15	33,059.15	0.00	0.00	0.00	33,059.15
<b>Total for General Operating Fund</b>			<b>0.00</b>	<b>35,053.06</b>	<b>35,053.06</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>35,053.06</b>
<b>Interest &amp; Sinking</b>									
TEXPOOL	LGIP	TexPool	0.00	13,309.70	13,309.70	0.00	0.00	0.00	13,309.70
<b>Total for Interest &amp; Sinking</b>			<b>0.00</b>	<b>13,309.70</b>	<b>13,309.70</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13,309.70</b>
<b>Total for Northwest ISD</b>			<b>0.00</b>	<b>88,591.60</b>	<b>88,591.60</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>88,591.60</b>