



Investment Portfolio Summary

Northwest ISD



For the Month Ended

August 31, 2020

Report Name

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MARKET RECAP - AUGUST 2020:

Economic data released during August revealed the economy weathered July's resurgence of COVID-19 cases with remarkable resilience as the vast majority of data came in better than forecasts. That allowed financial markets to shrug off worries about the inability of Congress to pass additional relief measures or extend supplemental unemployment benefits past their July 31st expiration. Both the NASDAQ and S&P 500 surged to new record highs, propelled by mega-cap technology related firms. *One thing has become clear: COVID-19 has accelerated trends that were already in place, particularly the decline of brick and mortar, and the rise of e-commerce and remote work.*

Kicking off the month, ISM's manufacturing index rose from 52.6 to 54.2, the highest reading in 16 months. Factory optimism was widespread with 13 of 18 industries indicating expansion in July. Both the new orders and current production indexes climbed above the 60 mark, a level consistent with significant growth. The ISM services index also surprised to the upside with a 58.1 reading that was the highest since February 2019. The new orders index for the service sector surged from 61.6 to 67.7, the highest level since record keeping began in 1997. Unfortunately, the employment components of both ISM surveys remain mired in contraction territory with readings of 44.3 and 42.1, respectively, suggesting additional layoffs could be coming. Speaking of jobs, the Bureau of Labor Statistics (BLS) reported 1.76 million jobs were (re)added to company payrolls in July. Although down sharply from the 4.8 million (re)added in June, the increase was well above the median forecast of 1.48 million. Headline unemployment fell from 11.1% to 10.2%, although the broader U6 or "underemployment rate" stands at 16.5% and is probably more representative of the actual jobless rate. Initial jobless claims continue to hover just above one million per week, despite a brief foray below that mark in mid-August. Continuing claims for state benefits continued to fall, dropping to 14.5 million in the latest report. However, when federal programs are included, the total number receiving benefits tops 27 million. On the spending side, retail sales rose +1.2% in July after a revised +8.4% gain in June. Increases over three straight months boosted the total value of retail sales in the U.S. by +2.7% year-over-year and +1.7% higher than February's pre-virus level. Home sales are making up for the lost spring season as both new and existing sales climbed to 13-year highs during July amid record low mortgage rates, lean inventories and strong demand.

Third quarter GDP will stage a remarkable comeback from the -32% contraction registered in Q2. The Atlanta Fed's current estimate points to a +29% rebound. That will stand as testament to the relative strength of the economy heading into the COVID-recession as well as the unprecedented actions taken by the Fed and Congress to address the fallout from the economic shutdown. Still, with unemployment north of 10% and benefits beginning to expire, there is much work to be done. The Fed clearly understands, and in late-August announced a long awaited shift in policy, pledging to focus on employment, and committing to an average inflation target that will let inflation run above 2% for a time. This action suggests the overnight fed funds target will remain near zero for years to come.

For the Month Ended
August 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:

Name: Brian Carter

Title: Chief Financial Officer

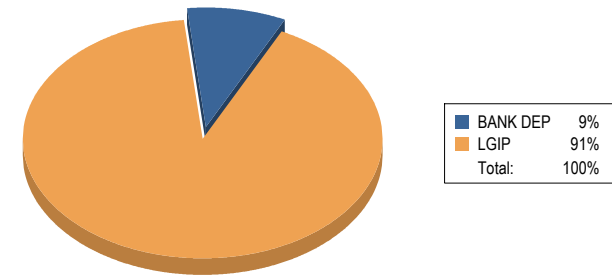
Account Summary

Allocation by Security Type

Beginning Values as of 07/31/20

Ending Values as of 08/31/20

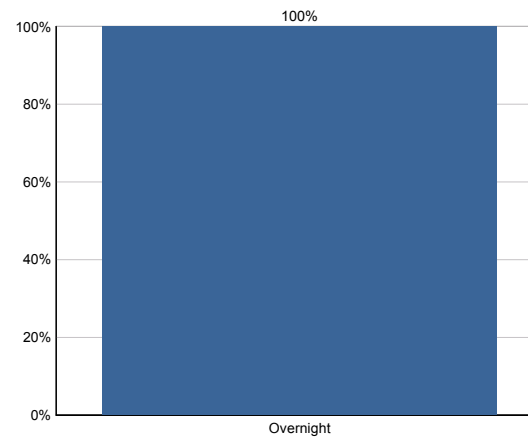
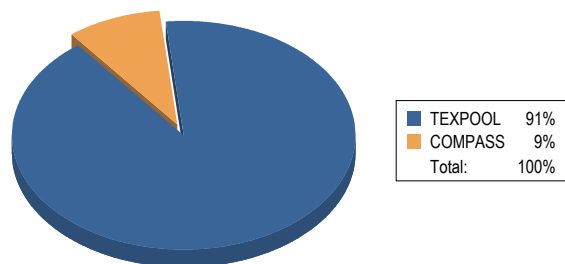
| | | |
|------------------------|----------------|----------------|
| Par Value | 343,393,357.24 | 288,142,849.44 |
| Market Value | 343,393,357.24 | 288,142,849.44 |
| Book Value | 343,393,357.24 | 288,142,849.44 |
| Unrealized Gain/(Loss) | 0.00 | 0.00 |
| Market Value % | 100.00% | 100.00% |
| | | |
| Weighted Avg. YTW | 0.204% | 0.175% |
| Weighted Avg. YTM | 0.204% | 0.175% |



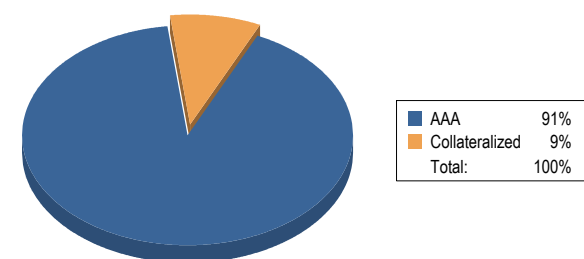
Allocation by Issuer

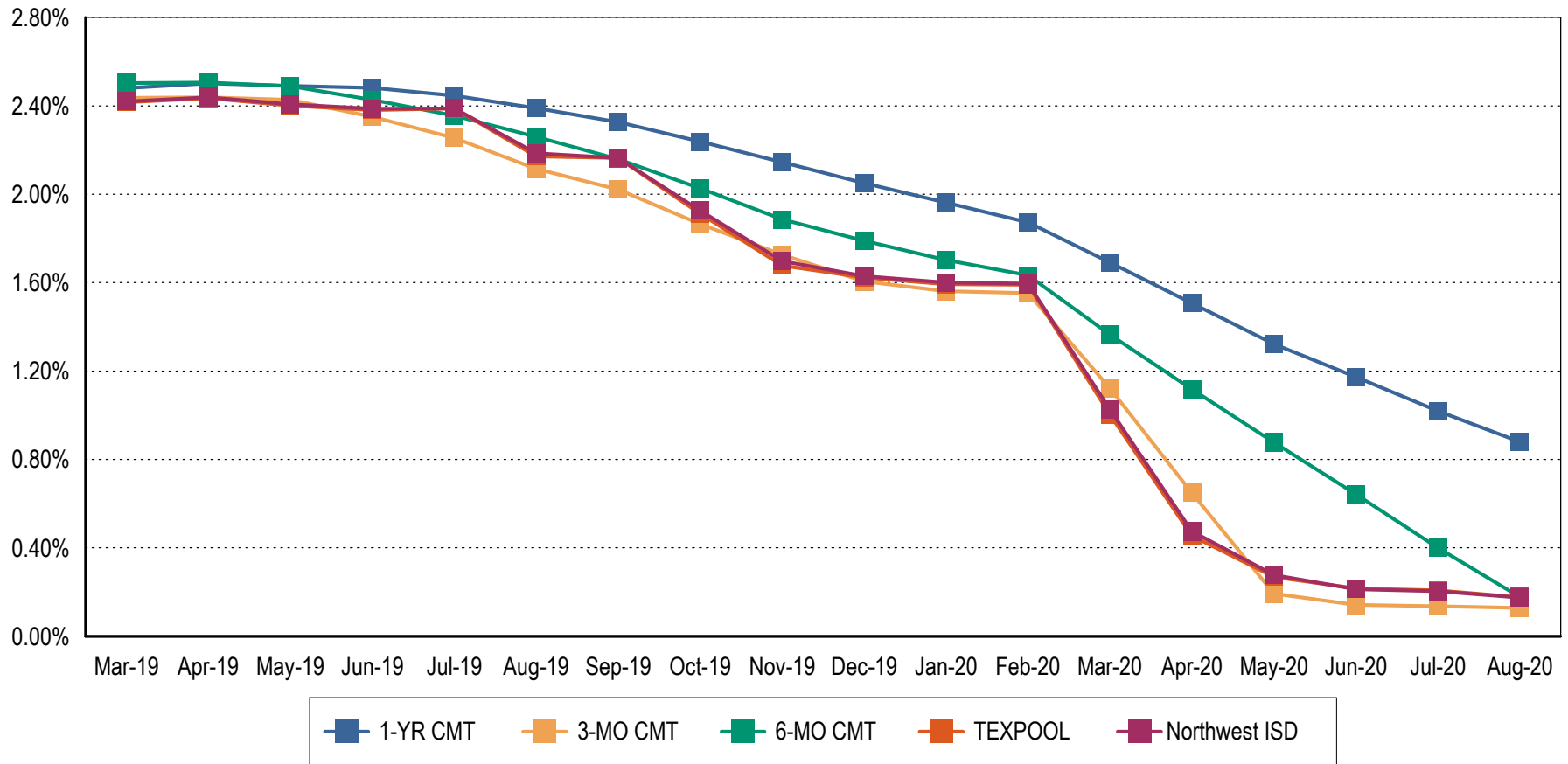
Maturity Distribution %

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 |
|---|-------------|-----------|----------------------|-----|----------|-----------|-----------|-----------------------|----------------|-----------------------|-----------------------|----------------|-----------------------|-------------|--------------|--------------|--------------|
| Activity Account | | | | | | | | | | | | | | | | | |
| TEXPOOL | | LGIP | TexPool | | | | | 172,111.29 | 100.000 | 172,111.29 | 172,111.29 | 100.000 | 172,111.29 | 1 | | 0.177 | 0.177 |
| Total for Activity Account | | | | | | | | 172,111.29 | 100.000 | 172,111.29 | 172,111.29 | 100.000 | 172,111.29 | 1 | | 0.177 | 0.177 |
| Capital Project | | | | | | | | | | | | | | | | | |
| BBVA-NWL | | BANK DEP | BBVA Compass LIBOR | | | | | 6,298,892.05 | 100.000 | 6,298,892.05 | 6,298,892.05 | 100.000 | 6,298,892.05 | 1 | | 0.122 | 0.122 |
| BBVA-NWZ | | BANK DEP | BBVA Compass ZBA Int | | | | | 19,301,620.66 | 100.000 | 19,301,620.66 | 19,301,620.66 | 100.000 | 19,301,620.66 | 1 | | 0.173 | 0.173 |
| TEXPOOL | | LGIP | TexPool | | | | | 142,673,420.40 | 100.000 | 142,673,420.40 | 142,673,420.40 | 100.000 | 142,673,420.40 | 1 | | 0.177 | 0.177 |
| Total for Capital Project | | | | | | | | 168,273,933.11 | 100.000 | 168,273,933.11 | 168,273,933.11 | 100.000 | 168,273,933.11 | 1 | | 0.174 | 0.174 |
| Capital Project AFB | | | | | | | | | | | | | | | | | |
| TEXPOOL | | LGIP | TexPool | | | | | 413,475.38 | 100.000 | 413,475.38 | 413,475.38 | 100.000 | 413,475.38 | 1 | | 0.177 | 0.177 |
| Total for Capital Project AFB | | | | | | | | 413,475.38 | 100.000 | 413,475.38 | 413,475.38 | 100.000 | 413,475.38 | 1 | | 0.177 | 0.177 |
| General Operating Fund | | | | | | | | | | | | | | | | | |
| BBVA-NW | | BANK DEP | BBVA Compass MM | | | | | 84,689.45 | 100.000 | 84,689.45 | 84,689.45 | 100.000 | 84,689.45 | 1 | | 0.222 | 0.222 |
| TEXPOOL | | LGIP | TexPool | | | | | 83,344,137.59 | 100.000 | 83,344,137.59 | 83,344,137.59 | 100.000 | 83,344,137.59 | 1 | | 0.177 | 0.177 |
| Total for General Operating Fund | | | | | | | | 83,428,827.04 | 100.000 | 83,428,827.04 | 83,428,827.04 | 100.000 | 83,428,827.04 | 1 | | 0.177 | 0.177 |
| Interest & Sinking | | | | | | | | | | | | | | | | | |
| TEXPOOL | | LGIP | TexPool | | | | | 35,854,502.62 | 100.000 | 35,854,502.62 | 35,854,502.62 | 100.000 | 35,854,502.62 | 1 | | 0.177 | 0.177 |
| Total for Interest & Sinking | | | | | | | | 35,854,502.62 | 100.000 | 35,854,502.62 | 35,854,502.62 | 100.000 | 35,854,502.62 | 1 | | 0.177 | 0.177 |
| Total for Northwest ISD | | | | | | | | 288,142,849.44 | 100.000 | 288,142,849.44 | 288,142,849.44 | 100.000 | 288,142,849.44 | 1 | | 0.175 | 0.175 |

| CUSIP | Security Type | Security Description | 07/31/20 Book Value | Cost of Purchases | Maturities / Calls / Sales | Amortization / Accretion | Realized Gain/(Loss) | 08/31/20 Book Value | 07/31/20 Market Value | 08/31/20 Market Value | Change in Mkt Value |
|---|---------------|----------------------|------------------------|----------------------|-------------------------------|-----------------------------|-------------------------|------------------------|--------------------------|--------------------------|------------------------|
| Activity Account | | | | | | | | | | | |
| TEXPOOL | LGIP | TexPool | 172,085.42 | 25.87 | 0.00 | 0.00 | 0.00 | 172,111.29 | 172,085.42 | 172,111.29 | 25.87 |
| Total for Activity Account | | | 172,085.42 | 25.87 | 0.00 | 0.00 | 0.00 | 172,111.29 | 172,085.42 | 172,111.29 | 25.87 |
| Capital Project | | | | | | | | | | | |
| BBVA-NWL | BANK DEP | BBVA Compass LIBOR | 12,297,308.44 | 0.00 | (5,998,416.39) | 0.00 | 0.00 | 6,298,892.05 | 12,297,308.44 | 6,298,892.05 | (5,998,416.39) |
| BBVA-NWZ | BANK DEP | BBVA Compass ZBA Int | 19,298,616.46 | 3,004.20 | 0.00 | 0.00 | 0.00 | 19,301,620.66 | 19,298,616.46 | 19,301,620.66 | 3,004.20 |
| TEXPOOL | LGIP | TexPool | 147,606,289.41 | 0.00 | (4,932,869.01) | 0.00 | 0.00 | 142,673,420.40 | 147,606,289.41 | 142,673,420.40 | (4,932,869.01) |
| Total for Capital Project | | | 179,202,214.31 | 3,004.20 | (10,931,285.40) | 0.00 | 0.00 | 168,273,933.11 | 179,202,214.31 | 168,273,933.11 | (10,928,281.20) |
| Capital Project AFB | | | | | | | | | | | |
| TEXPOOL | LGIP | TexPool | 413,413.31 | 62.07 | 0.00 | 0.00 | 0.00 | 413,475.38 | 413,413.31 | 413,475.38 | 62.07 |
| Total for Capital Project AFB | | | 413,413.31 | 62.07 | 0.00 | 0.00 | 0.00 | 413,475.38 | 413,413.31 | 413,475.38 | 62.07 |
| General Operating Fund | | | | | | | | | | | |
| BBVA-NW | BANK DEP | BBVA Compass MM | 2,484,197.53 | 0.00 | (2,399,508.08) | 0.00 | 0.00 | 84,689.45 | 2,484,197.53 | 84,689.45 | (2,399,508.08) |
| TEXPOOL | LGIP | TexPool | 102,110,777.28 | 0.00 | (18,766,639.69) | 0.00 | 0.00 | 83,344,137.59 | 102,110,777.28 | 83,344,137.59 | (18,766,639.69) |
| Total for General Operating Fund | | | 104,594,974.81 | 0.00 | (21,166,147.77) | 0.00 | 0.00 | 83,428,827.04 | 104,594,974.81 | 83,428,827.04 | (21,166,147.77) |
| Interest & Sinking | | | | | | | | | | | |
| TEXPOOL | LGIP | TexPool | 59,010,669.39 | 0.00 | (23,156,166.77) | 0.00 | 0.00 | 35,854,502.62 | 59,010,669.39 | 35,854,502.62 | (23,156,166.77) |
| Total for Interest & Sinking | | | 59,010,669.39 | 0.00 | (23,156,166.77) | 0.00 | 0.00 | 35,854,502.62 | 59,010,669.39 | 35,854,502.62 | (23,156,166.77) |
| Total for Northwest ISD | | | 343,393,357.24 | 3,092.14 | (55,253,599.94) | 0.00 | 0.00 | 288,142,849.44 | 343,393,357.24 | 288,142,849.44 | (55,250,507.80) |

| CUSIP | Security Type | Security Description | Beg. Accrued | Interest Earned | Interest Rec'd / Sold / Matured | Interest Purchased | Ending Accrued | Disc Accr / Prem Amort | Net Income |
|---|---------------|----------------------|--------------|------------------|---------------------------------|--------------------|----------------|------------------------|------------------|
| Activity Account | | | | | | | | | |
| TEXPOOL | LGIP | TexPool | 0.00 | 25.87 | 25.87 | 0.00 | 0.00 | 0.00 | 25.87 |
| Total for Activity Account | | | 0.00 | 25.87 | 25.87 | 0.00 | 0.00 | 0.00 | 25.87 |
| Capital Project | | | | | | | | | |
| BBVA-NWL | BANK DEP | BBVA Compass LIBOR | 0.00 | 860.88 | 860.88 | 0.00 | 0.00 | 0.00 | 860.88 |
| BBVA-NWZ | BANK DEP | BBVA Compass ZBA Int | 0.00 | 2,829.37 | 2,829.37 | 0.00 | 0.00 | 0.00 | 2,829.37 |
| TEXPOOL | LGIP | TexPool | 0.00 | 21,730.40 | 21,730.40 | 0.00 | 0.00 | 0.00 | 21,730.40 |
| Total for Capital Project | | | 0.00 | 25,420.65 | 25,420.65 | 0.00 | 0.00 | 0.00 | 25,420.65 |
| Capital Project AFB | | | | | | | | | |
| TEXPOOL | LGIP | TexPool | 0.00 | 62.07 | 62.07 | 0.00 | 0.00 | 0.00 | 62.07 |
| Total for Capital Project AFB | | | 0.00 | 62.07 | 62.07 | 0.00 | 0.00 | 0.00 | 62.07 |
| General Operating Fund | | | | | | | | | |
| BBVA-NW | BANK DEP | BBVA Compass MM | 0.00 | 294.50 | 294.50 | 0.00 | 0.00 | 0.00 | 294.50 |
| TEXPOOL | LGIP | TexPool | 0.00 | 14,619.61 | 14,619.61 | 0.00 | 0.00 | 0.00 | 14,619.61 |
| Total for General Operating Fund | | | 0.00 | 14,914.11 | 14,914.11 | 0.00 | 0.00 | 0.00 | 14,914.11 |
| Interest & Sinking | | | | | | | | | |
| TEXPOOL | LGIP | TexPool | 0.00 | 6,899.42 | 6,899.42 | 0.00 | 0.00 | 0.00 | 6,899.42 |
| Total for Interest & Sinking | | | 0.00 | 6,899.42 | 6,899.42 | 0.00 | 0.00 | 0.00 | 6,899.42 |
| Total for Northwest ISD | | | 0.00 | 47,322.12 | 47,322.12 | 0.00 | 0.00 | 0.00 | 47,322.12 |