



Investment Portfolio Summary

Northwest ISD



For the Month Ended

September 30, 2020

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MARKET RECAP - SEPTEMBER 2020:

The U.S. economy continued to recover with some areas, housing in particular, doing exceptionally well. On the whole, economic data reporting during September was better than expected. The economy contracted at an annualized -31.4% rate during the second quarter, but the Atlanta Fed's GDPNow model is projecting a remarkable +34.6% rebound in the third quarter. The government clearly succeeded in keeping consumption afloat with stimulus including \$1200 checks for individuals, \$600 weekly unemployment supplements, and the Paycheck Protection Program. With those measures having expired, the question now is whether Americans can keep up the pace of spending into the fourth quarter.

There are still areas of concern, most notably on the employment front. Nonfarm payrolls added back another 1.4 million jobs during August and at this point, 10.5 million jobs have returned, which is still less than half of the 22 million jobs lost in March and April. The headline unemployment rate dropped from 10.2% to 8.4%, well below the 9.8% median forecast, but the broader U6 measure, the so called "under-employment rate" which is arguably a more accurate indicator, remains quite high 14.2%. Weekly initial claims for unemployment benefits remain elevated with the four-week moving average ending September at 867k, roughly four times higher than pre-pandemic levels. On the brighter side, the ISM manufacturing index for August showed another month of improving optimism with the factory index climbing from 54.2 to 56.0, while the services index slipped from 58.1 to 56.9, indicating a more moderate pace of expansion. Retail sales for August came in below the +1.0% forecast at +0.6% but were still up +2.6% year-over-year. This seems remarkable considering around 20 million Americans were still jobless. Housing data has been nothing short of stunning. Existing home sales, which represent about 85% of the market, rose +14.6% in June, a record +24.7% in July and another +2.5% in August to climb above the 6 million annualized unit pace for the first time since late 2006. New home sales, making up a smaller (but very important) portion of the market rose a record +22.5% in May, +20.5% in June, +14.7% in July and another +4.8% in August to reach the 1 million annualized unit pace, also for the first time in almost 14 years. Americans with the financial means, no longer tethered to their office buildings, are apparently taking advantage of record low mortgage rates to exit big cities in search of the tranquil suburbs.

At the annual Jackson Hole Economic Policy Symposium in late-August, Fed Chairman Jay Powell announced a major shift in the Fed's inflation policy: a new pledge to focus on *maximum* employment and a commitment to an *average* inflation target that will let inflation run above 2% for a time. This suggests the overnight fed funds target will remain near zero for years to come. Treasury yields rose modestly in September, but we don't expect any significant changes in the near-term. Treasuries out to three years are trading below 0.16%, and it's not until five years that a modest upward slope can be observed, with the 5-year Treasury at 0.28% and the 10-year at 0.68%. Bloomberg's September survey of economists continues to forecast a zero-rate environment until at least 2023.

For the Month Ended
September 30, 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

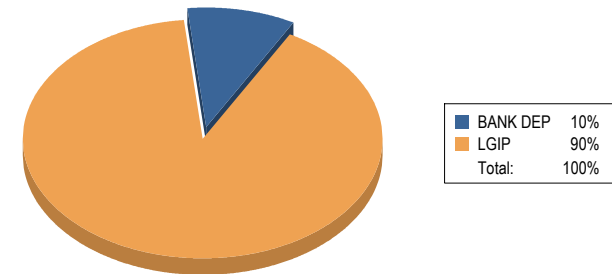
Account Summary

Allocation by Security Type

Beginning Values as of 08/31/20

Ending Values as of 09/30/20

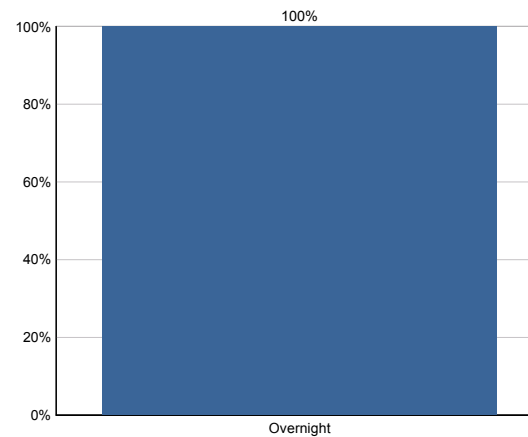
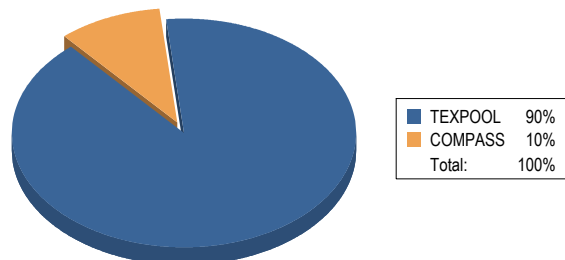
Par Value	288,142,849.44	264,840,151.45
Market Value	288,142,849.44	264,840,151.45
Book Value	288,142,849.44	264,840,151.45
Unrealized Gain/(Loss)	0.00	0.00
Market Value %	100.00%	100.00%
Weighted Avg. YTW	0.175%	0.148%
Weighted Avg. YTM	0.175%	0.148%



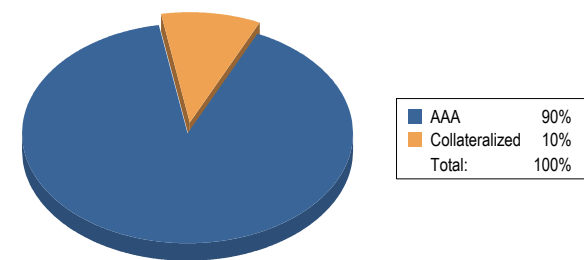
Allocation by Issuer

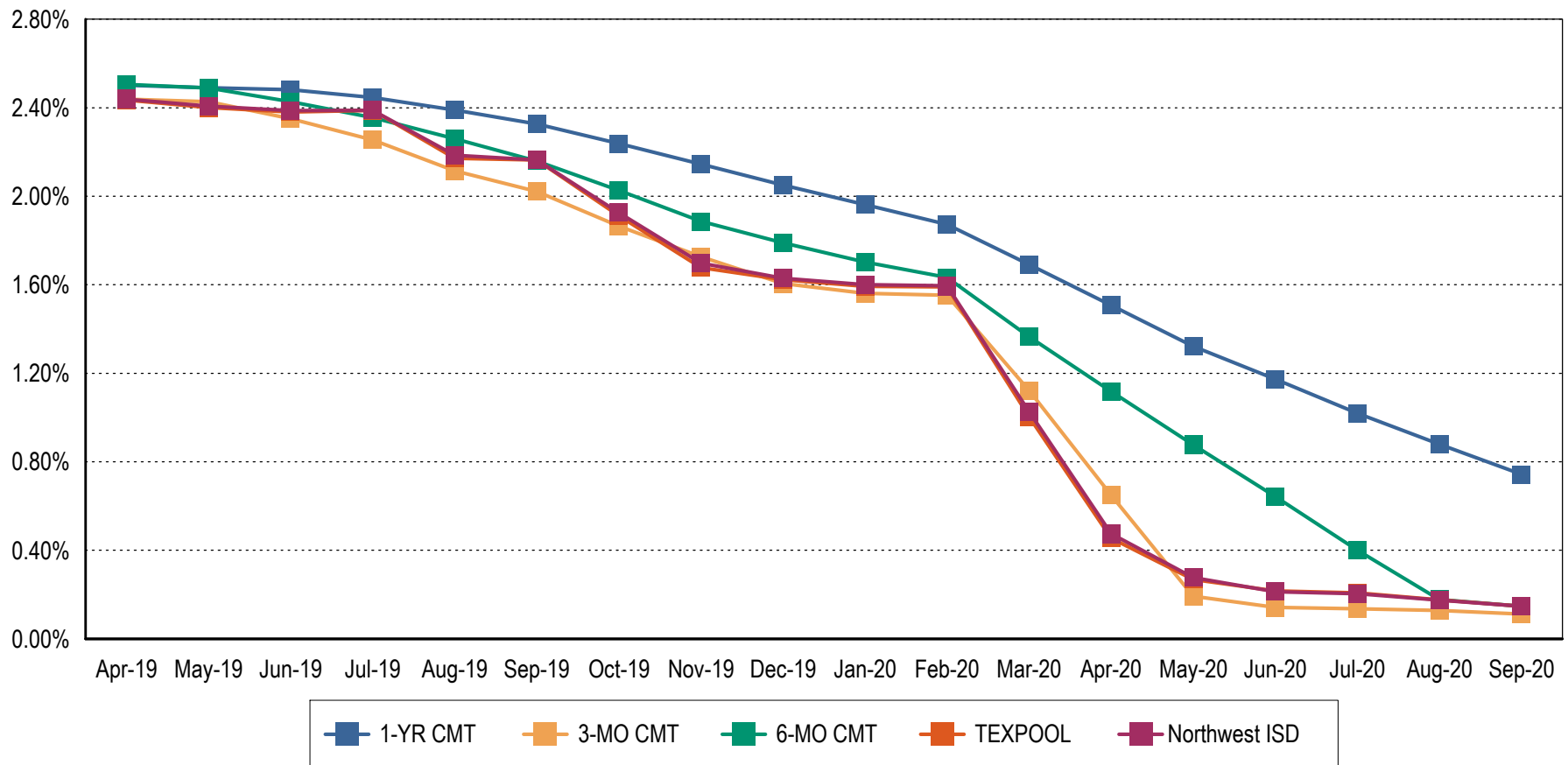
Maturity Distribution %

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					172,132.13	100.000	172,132.13	172,132.13	100.000	172,132.13	1		0.147	0.147
Total for Activity Account								172,132.13	100.000	172,132.13	172,132.13	100.000	172,132.13	1		0.147	0.147
Capital Project																	
BBVA-NWL		BANK DEP	BBVA Compass LIBOR					6,299,752.93	100.000	6,299,752.93	6,299,752.93	100.000	6,299,752.93	1		0.111	0.111
BBVA-NWZ		BANK DEP	BBVA Compass ZBA Int					19,304,450.03	100.000	19,304,450.03	19,304,450.03	100.000	19,304,450.03	1		0.161	0.161
TEXPOOL		LGIP	TexPool					134,024,655.74	100.000	134,024,655.74	134,024,655.74	100.000	134,024,655.74	1		0.147	0.147
Total for Capital Project								159,628,858.70	100.000	159,628,858.70	159,628,858.70	100.000	159,628,858.70	1		0.148	0.148
Capital Project AFB																	
TEXPOOL		LGIP	TexPool					413,525.48	100.000	413,525.48	413,525.48	100.000	413,525.48	1		0.147	0.147
Total for Capital Project AFB								413,525.48	100.000	413,525.48	413,525.48	100.000	413,525.48	1		0.147	0.147
General Operating Fund																	
BBVA-NW		BANK DEP	BBVA Compass MM					84,983.95	100.000	84,983.95	84,983.95	100.000	84,983.95	1		0.211	0.211
TEXPOOL		LGIP	TexPool					68,582,240.62	100.000	68,582,240.62	68,582,240.62	100.000	68,582,240.62	1		0.147	0.147
Total for General Operating Fund								68,667,224.57	100.000	68,667,224.57	68,667,224.57	100.000	68,667,224.57	1		0.147	0.147
Interest & Sinking																	
TEXPOOL		LGIP	TexPool					35,958,410.57	100.000	35,958,410.57	35,958,410.57	100.000	35,958,410.57	1		0.147	0.147
Total for Interest & Sinking								35,958,410.57	100.000	35,958,410.57	35,958,410.57	100.000	35,958,410.57	1		0.147	0.147
Total for Northwest ISD								264,840,151.45	100.000	264,840,151.45	264,840,151.45	100.000	264,840,151.45	1		0.148	0.148

CUSIP	Security Type	Security Description	08/31/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	09/30/20 Book Value	08/31/20 Market Value	09/30/20 Market Value	Change in Mkt Value
Activity Account											
TEXPOOL	LGIP	TexPool	172,111.29	20.84	0.00	0.00	0.00	172,132.13	172,111.29	172,132.13	20.84
Total for Activity Account			172,111.29	20.84	0.00	0.00	0.00	172,132.13	172,111.29	172,132.13	20.84
Capital Project											
BBVA-NWL	BANK DEP	BBVA Compass LIBOR	6,298,892.05	860.88	0.00	0.00	0.00	6,299,752.93	6,298,892.05	6,299,752.93	860.88
BBVA-NWZ	BANK DEP	BBVA Compass ZBA Int	19,301,620.66	2,829.37	0.00	0.00	0.00	19,304,450.03	19,301,620.66	19,304,450.03	2,829.37
TEXPOOL	LGIP	TexPool	142,673,420.40	0.00	(8,648,764.66)	0.00	0.00	134,024,655.74	142,673,420.40	134,024,655.74	(8,648,764.66)
Total for Capital Project			168,273,933.11	3,690.25	(8,648,764.66)	0.00	0.00	159,628,858.70	168,273,933.11	159,628,858.70	(8,645,074.41)
Capital Project AFB											
TEXPOOL	LGIP	TexPool	413,475.38	50.10	0.00	0.00	0.00	413,525.48	413,475.38	413,525.48	50.10
Total for Capital Project AFB			413,475.38	50.10	0.00	0.00	0.00	413,525.48	413,475.38	413,525.48	50.10
General Operating Fund											
BBVA-NW	BANK DEP	BBVA Compass MM	84,689.45	294.50	0.00	0.00	0.00	84,983.95	84,689.45	84,983.95	294.50
TEXPOOL	LGIP	TexPool	83,344,137.59	0.00	(14,761,896.97)	0.00	0.00	68,582,240.62	83,344,137.59	68,582,240.62	(14,761,896.97)
Total for General Operating Fund			83,428,827.04	294.50	(14,761,896.97)	0.00	0.00	68,667,224.57	83,428,827.04	68,667,224.57	(14,761,602.47)
Interest & Sinking											
TEXPOOL	LGIP	TexPool	35,854,502.62	103,907.95	0.00	0.00	0.00	35,958,410.57	35,854,502.62	35,958,410.57	103,907.95
Total for Interest & Sinking			35,854,502.62	103,907.95	0.00	0.00	0.00	35,958,410.57	35,854,502.62	35,958,410.57	103,907.95
Total for Northwest ISD			288,142,849.44	107,963.64	(23,410,661.63)	0.00	0.00	264,840,151.45	288,142,849.44	264,840,151.45	(23,302,697.99)

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	20.84	20.84	0.00	0.00	0.00	20.84
Total for Activity Account			0.00	20.84	20.84	0.00	0.00	0.00	20.84
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	16,843.41	16,843.41	0.00	0.00	0.00	16,843.41
Total for Capital Project			0.00	20,533.66	20,533.66	0.00	0.00	0.00	20,533.66
Capital Project AFB									
TEXPOOL	LGIP	TexPool	0.00	50.10	50.10	0.00	0.00	0.00	50.10
Total for Capital Project AFB			0.00	50.10	50.10	0.00	0.00	0.00	50.10
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	9,662.37	9,662.37	0.00	0.00	0.00	9,662.37
Total for General Operating Fund			0.00	9,956.87	9,956.87	0.00	0.00	0.00	9,956.87
Interest & Sinking									
TEXPOOL	LGIP	TexPool	0.00	4,347.91	4,347.91	0.00	0.00	0.00	4,347.91
Total for Interest & Sinking			0.00	4,347.91	4,347.91	0.00	0.00	0.00	4,347.91
Total for Northwest ISD			0.00	34,909.38	34,909.38	0.00	0.00	0.00	34,909.38