



Investment Portfolio Summary

Northwest ISD



For the Month Ended

June 30, 2021

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MARKET RECAP - JUNE 2021:

At this point, nearly everyone who wants a vaccine has been able to receive one, and while new strains continue to pop up it seems that vaccines by and large provide a high level of protection. Covid restrictions are becoming more and more relaxed with most of the United States “open” or at least partially open. As the country returns to normalcy this summer, we should continue to see the economy improve.

The ISM manufacturing index rose from 60.7 to a two-month high of 61.2 in May. The ISM non-manufacturing (service sector) index rose from 62.7 in April to 64.0 in May, the highest reading since the survey started in 1997. Nonfarm payrolls missed the mark for the second month in a row, increasing by +559k, which in a pre-pandemic world would be huge, but the median forecast was +675k and we’re still 7.6 million jobs below last year’s pre-pandemic peak. The unemployment rate dropped from 6.1% to 5.8% in May, but the drop was the result of 166k Americans exiting the labor force during the month as the labor force participation rate slipped to 61.6%. Average hourly earnings climbed +0.5% in May after a +0.7% jump in April. These are significant single month increases as employers must pay more to find and retain workers. Retail sales took a breather in May, declining -1.3%, but upward revisions boosted April’s previously reported unchanged reading to +0.9% and March’s already lofty +9.8% gain was increased to +11.3%. Recall that March and April sales were boosted by the last round of government stimulus, so a pullback in May was expected. May’s decline doesn’t change the fact that consumer spending has been on a torrid pace. The total value of retail sales was \$620.2 billion in May, an +18% increase over February 2020’s pre-pandemic level. On the inflation front, the headline consumer price index rose +0.6% in May while core CPI climbed +0.7%. On a year-over-year basis, headline CPI was advancing at a +5.0% pace, *the biggest annual increase in almost 13 years*. Core CPI rose +3.8% year-over-year, the most since 1992. Much of the year-over-year gains can be attributed to the “base effect” as prices were severely depressed 12 months ago while many U.S. businesses were shuttered. The base effect will dissipate going forward, but shortages of materials and labor promise to keep prices high for much of the year. Estimates for second quarter GDP growth center around +10%. Fiscal and monetary stimulus, combined with pent up demand and consumers eagerly returning to pre-pandemic habits, mean the summer should see substantial growth.

The Fed made no official change to policy at its June FOMC meeting, holding rates steady and maintaining the monthly addition of \$120 billion to its balance sheet. However, the FOMC did signal they will discuss tapering these QE purchases soon. The updated “dot plot” showed Fed officials expect initial rate hikes earlier than previously indicated with 13 of 18 Fed officials now envisioning at least one hike in 2023. The FOMC also made two technical adjustments, increasing the interest on excess reserves (IOER) rate from 0.10% to 0.15%, and the overnight reverse repo rate from 0% to 0.05%. The IOER hike incentivizes banks to hold higher balances with the Fed while the reverse repo facility allows eligible financial firms and money market mutual funds to place cash at the Fed and earn 0.05%. Both should help to ease overall demand for short-term securities and nudge yields higher. The Fed’s action had an immediate effect on yields with the two-year treasury yield climbing from 0.15% to 0.26%. Treasury bills inside of 3 months, which had been trading near 0% were up a few basis points. Longer-term yields have fallen as inflation expectations moderate.

For the Month Ended
June 30, 2021

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

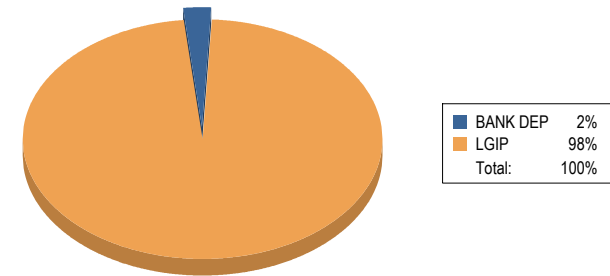
Account Summary

Allocation by Security Type

Beginning Values as of 05/31/21

Ending Values as of 06/30/21

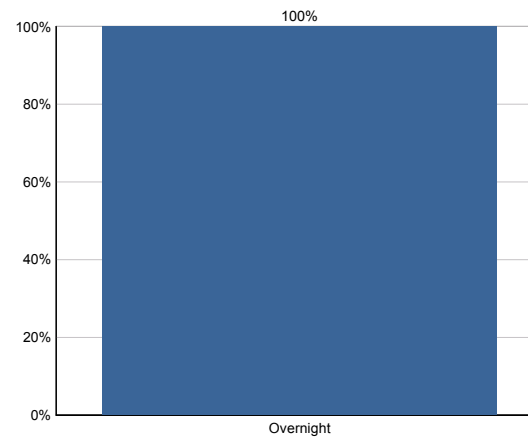
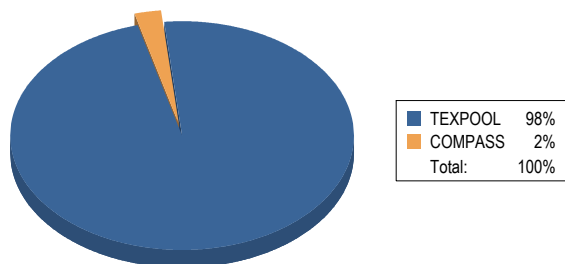
Par Value	306,492,122.91	279,571,966.63
Market Value	306,492,122.91	279,571,966.63
Book Value	306,492,122.91	279,571,966.63
Unrealized Gain/(Loss)	0.00	0.00
Market Value %	100.00%	100.00%
Weighted Avg. YTW	0.011%	0.014%
Weighted Avg. YTM	0.011%	0.014%



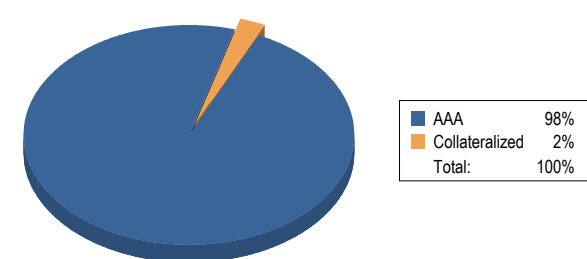
Allocation by Issuer

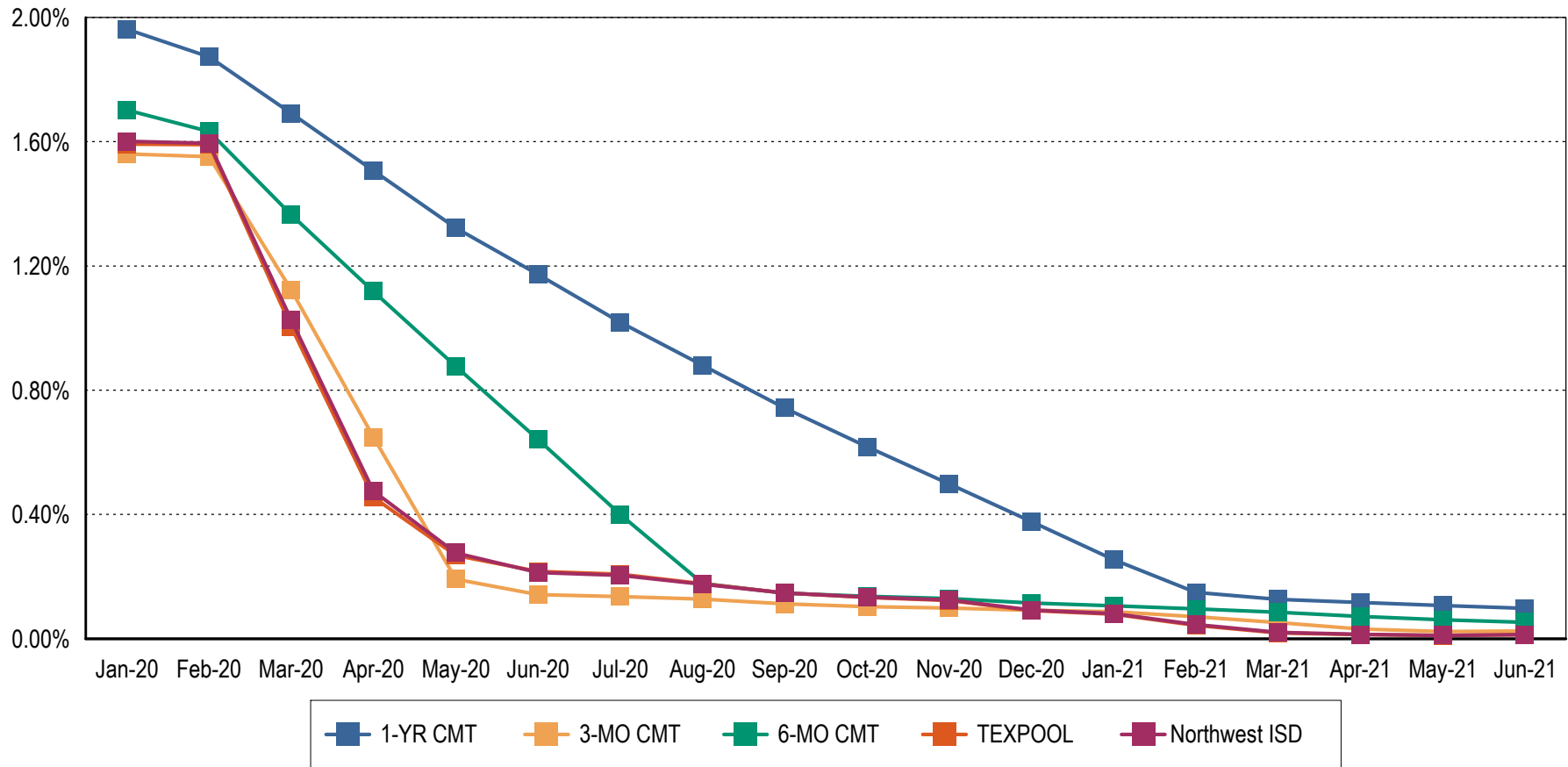
Maturity Distribution %

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					172,207.78	100.000	172,207.78	172,207.78	100.000	172,207.78	1		0.013	0.013
Total for Activity Account								172,207.78	100.000	172,207.78	172,207.78	100.000	172,207.78	1		0.013	0.013
Capital Project																	
BBVA-NWL		BANK DEP	BBVA Compass LIBOR					1,301,619.50	100.000	1,301,619.50	1,301,619.50	100.000	1,301,619.50	1		0.030	0.030
BBVA-NWZ		BANK DEP	BBVA Compass ZBA Int					5,315,911.26	100.000	5,315,911.26	5,315,911.26	100.000	5,315,911.26	1		0.030	0.030
TEXPOOL		LGIP	TexPool					85,308,666.49	100.000	85,308,666.49	85,308,666.49	100.000	85,308,666.49	1		0.013	0.013
Total for Capital Project								91,926,197.25	100.000	91,926,197.25	91,926,197.25	100.000	91,926,197.25	1		0.014	0.014
Capital Project AFB																	
TEXPOOL		LGIP	TexPool					413,706.65	100.000	413,706.65	413,706.65	100.000	413,706.65	1		0.013	0.013
Total for Capital Project AFB								413,706.65	100.000	413,706.65	413,706.65	100.000	413,706.65	1		0.013	0.013
General Operating Fund																	
BBVA-NW		BANK DEP	BBVA Compass MM					85,091.20	100.000	85,091.20	85,091.20	100.000	85,091.20	1		0.030	0.030
TEXPOOL		LGIP	TexPool					119,896,955.46	100.000	119,896,955.46	119,896,955.46	100.000	119,896,955.46	1		0.013	0.013
Total for General Operating Fund								119,982,046.66	100.000	119,982,046.66	119,982,046.66	100.000	119,982,046.66	1		0.013	0.013
Interest & Sinking																	
TEXPOOL		LGIP	TexPool					67,077,808.29	100.000	67,077,808.29	67,077,808.29	100.000	67,077,808.29	1		0.013	0.013
Total for Interest & Sinking								67,077,808.29	100.000	67,077,808.29	67,077,808.29	100.000	67,077,808.29	1		0.013	0.013
Total for Northwest ISD								279,571,966.63	100.000	279,571,966.63	279,571,966.63	100.000	279,571,966.63	1		0.014	0.014

CUSIP	Security Type	Security Description	05/31/21 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	06/30/21 Book Value	05/31/21 Market Value	06/30/21 Market Value	Change in Mkt Value
Activity Account											
TEXPOOL	LGIP	TexPool	172,205.89	1.89	0.00	0.00	0.00	172,207.78	172,205.89	172,207.78	1.89
Total for Activity Account			172,205.89	1.89	0.00	0.00	0.00	172,207.78	172,205.89	172,207.78	1.89
Capital Project											
BBVA-NWL	BANK DEP	BBVA Compass LIBOR	1,301,586.34	33.16	0.00	0.00	0.00	1,301,619.50	1,301,586.34	1,301,619.50	33.16
BBVA-NWZ	BANK DEP	BBVA Compass ZBA Int	8,315,699.38	0.00	(2,999,788.12)	0.00	0.00	5,315,911.26	8,315,699.38	5,315,911.26	(2,999,788.12)
TEXPOOL	LGIP	TexPool	89,846,188.00	0.00	(4,537,521.51)	0.00	0.00	85,308,666.49	89,846,188.00	85,308,666.49	(4,537,521.51)
Total for Capital Project			99,463,473.72	33.16	(7,537,309.63)	0.00	0.00	91,926,197.25	99,463,473.72	91,926,197.25	(7,537,276.47)
Capital Project AFB											
TEXPOOL	LGIP	TexPool	413,702.26	4.39	0.00	0.00	0.00	413,706.65	413,702.26	413,706.65	4.39
Total for Capital Project AFB			413,702.26	4.39	0.00	0.00	0.00	413,706.65	413,702.26	413,706.65	4.39
General Operating Fund											
BBVA-NW	BANK DEP	BBVA Compass MM	85,089.03	2.17	0.00	0.00	0.00	85,091.20	85,089.03	85,091.20	2.17
TEXPOOL	LGIP	TexPool	139,803,556.73	0.00	(19,906,601.27)	0.00	0.00	119,896,955.46	139,803,556.73	119,896,955.46	(19,906,601.27)
Total for General Operating Fund			139,888,645.76	2.17	(19,906,601.27)	0.00	0.00	119,982,046.66	139,888,645.76	119,982,046.66	(19,906,599.10)
Interest & Sinking											
TEXPOOL	LGIP	TexPool	66,554,095.28	523,713.01	0.00	0.00	0.00	67,077,808.29	66,554,095.28	67,077,808.29	523,713.01
Total for Interest & Sinking			66,554,095.28	523,713.01	0.00	0.00	0.00	67,077,808.29	66,554,095.28	67,077,808.29	523,713.01
Total for Northwest ISD			306,492,122.91	523,754.62	(27,443,910.90)	0.00	0.00	279,571,966.63	306,492,122.91	279,571,966.63	(26,920,156.28)

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	1.89	1.89	0.00	0.00	0.00	1.89
Total for Activity Account			0.00	1.89	1.89	0.00	0.00	0.00	1.89
Capital Project									
BBVA-NWL	BANK DEP	BBVA Compass LIBOR	0.00	33.16	33.16	0.00	0.00	0.00	33.16
BBVA-NWZ	BANK DEP	BBVA Compass ZBA Int	0.00	211.88	211.88	0.00	0.00	0.00	211.88
TEXPOOL	LGIP	TexPool	0.00	936.27	936.27	0.00	0.00	0.00	936.27
Total for Capital Project			0.00	1,181.31	1,181.31	0.00	0.00	0.00	1,181.31
Capital Project AFB									
TEXPOOL	LGIP	TexPool	0.00	4.39	4.39	0.00	0.00	0.00	4.39
Total for Capital Project AFB			0.00	4.39	4.39	0.00	0.00	0.00	4.39
General Operating Fund									
BBVA-NW	BANK DEP	BBVA Compass MM	0.00	2.17	2.17	0.00	0.00	0.00	2.17
TEXPOOL	LGIP	TexPool	0.00	1,435.23	1,435.23	0.00	0.00	0.00	1,435.23
Total for General Operating Fund			0.00	1,437.40	1,437.40	0.00	0.00	0.00	1,437.40
Interest & Sinking									
TEXPOOL	LGIP	TexPool	0.00	718.57	718.57	0.00	0.00	0.00	718.57
Total for Interest & Sinking			0.00	718.57	718.57	0.00	0.00	0.00	718.57
Total for Northwest ISD			0.00	3,343.56	3,343.56	0.00	0.00	0.00	3,343.56