



Clark County Treasurer Investment Pool Monthly Report

August 2024

Key Performance Indicators

	August 2024	August 2023
County's Book Value Yield	3.74%	2.74%
State LGIP's Book Value Yield	5.40%	5.35%
County's Total Market Return	5.93%	2.83%
Benchmark's Total Market Return	5.79%	2.39%
County's Effective Duration	1.10 yrs.	1.11 yrs.
Benchmark's Duration	1.34 yrs.	1.32 yrs.
Average Maturity	1.32 yrs.	1.20 yrs.
Net Asset Value (NAV)	\$1,000,621	\$0,976,879
County's Book Value	\$1,055.3 mm	\$1,061.8 mm

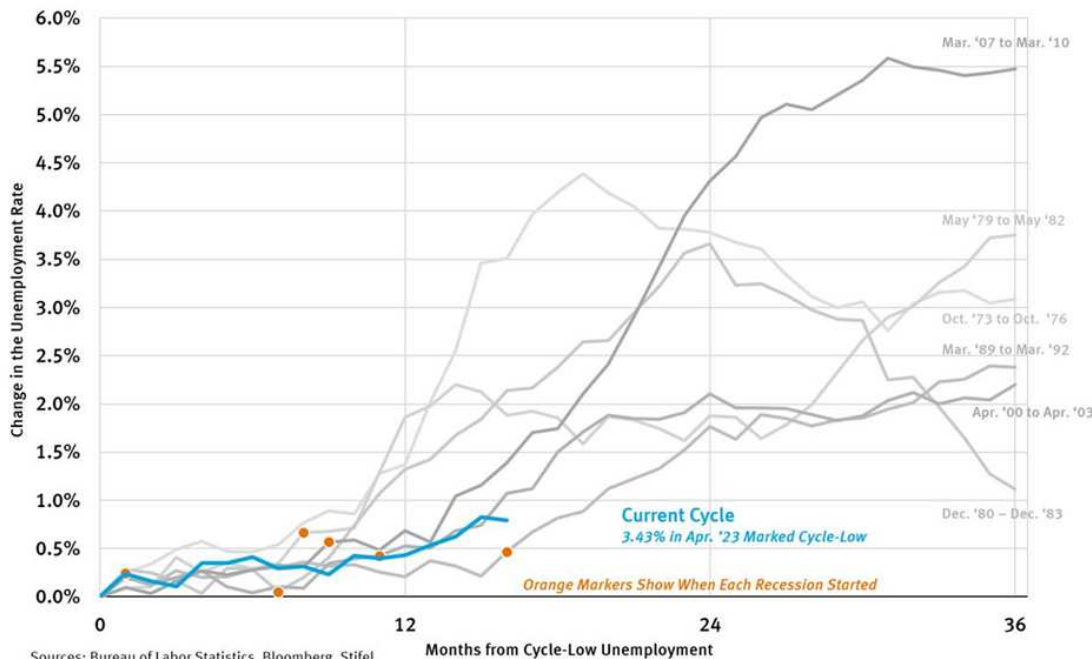
Current Market Yields

Fed Funds Rate (upper)	5.50%	5.50%
2-year Treasury Note	3.92%	4.86%

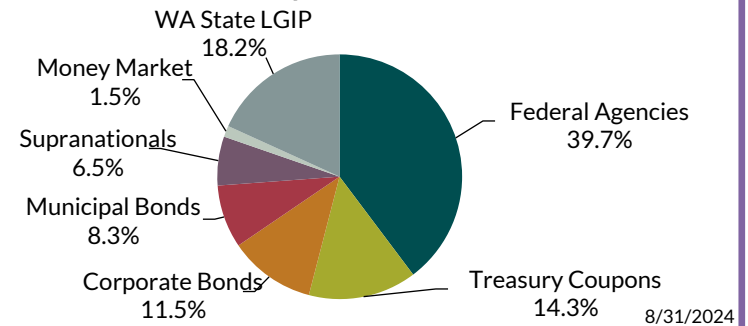
- August started the month with off the charts volatility as markets reacted to July's weak labor report. Fortunately, the panic was short lived, and fears were calmed after the release of a better-than-expected jobless claims number as well as ISM services index.
- Yields continued their descent in August as the curve steepened with the policy sensitive 2-year Treasury note decreasing by 34 basis points to 3.92% while the 10-year Treasury note fell by 13 basis points to end the month at 3.90%. The 2/10 yield curve is nearly uninverted! Equities as measured by the S&P 500 eked out a 2.3% gain notching a fifth consecutive winning month and bringing the year-to-date price gains to an impressive 18.4%.
- At the Kansas City Fed's annual Jackson Hole Symposium, Fed Chair Jay Powell confirmed "the time has come" for the Fed to start cutting rates, citing lower inflation and a weakening labor market. Powell implied the Fed will kick off a series of cuts in September, with the pace determined by incoming data.
- The Fed has become increasingly more sensitive to the trajectory of the labor market and the August employment report was weak. Headline nonfarm payrolls increased by 142k, with big downward revisions to June and July -86k. The unemployment rate ticked down from 4.3% to 4.2% with the 3-month average at 4.2%. Even with the small retreat in August, the magnitude of this year's unemployment increase is concerning.

Unemployment Rate

History Shows Unemployment Rate Typically Does Not Stop Rising Once Trend Turns Higher



Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$847.7 mm	1.36	1.64	ICE BAML 0-3 yr./3-5 yr. UST (90%/10% Blend)
Clark County Liquidity Fund	\$207.6 mm	0.01	0.09	ICE BAML 1 mon. UST
TOTAL PORTFOLIO	\$1,055.3 mm	1.10	1.34	ICE BAML UST 1 mon./0-3 yr./3-5 yr. (20%/72%/8% Blend)