

Market Indicators

	April	March	February
DOW	24,163.15	24,103.11	25,029.20
Fed Funds Rate	1.75%	1.50%	1.50%

Global Marketing Pricing:

	April	March	February
China (RenMinBi)	\$1=6.333	\$1=6.2755	\$1=6.3297
Japan (Yen)	\$1=109.27¥	\$1=106.28¥	\$1=106.61¥
Europe (Euro)	\$1=0.828€	\$1=0.8114€	\$1=0.8189€

Trustee Portfolio PERFORMANCE:

The Local Government Investment Pool (LGIP) rate came in at 1.64%. The Trustee security earnings rate reported 1.63%, trailing LGIP benchmark by 1 basis points. The Trustee Overall Portfolio rate came in at 1.60% trailing LGIP by 4 basis points.

At the end of the month, (35.27%) of the Trustee portfolio was invested in Commercial Paper, (19.76%) was in Agencies, (18.76%) was at LGIP, (12.99%) was in Liquid CDARs, (7.98%) was in Certificate of Deposits and the remaining (5.24%) was in CDARs.

Interest earnings for the month was \$1,294K. The year to date interest earnings of \$6,395K is 42% higher than last year's total interest.

Shelby County Trustee Market Analysis Report April 2018

The unemployment rate dropped below 4% in April for the first time since 2000. The Labor Department reported that it fell to 3.9% — inching closer to territory not seen in half a century.

Employers added 164,000 jobs, slightly below what economists were expecting but better than a comparatively sluggish March. The economy has added jobs every month for seven and a half years, the longest streak on record.

The Dow had another volatile month as the Trump administration threatened to escalate a confrontation with China over trade. The Dow closed 60 points higher than March's ending.

Several Fed officials have raised concerns in recent weeks about the economy's "overheating" and publicly pondered whether the Fed may need to pour on some cold water with higher interest rates. The concern is that if the Fed does not raise interest rates quickly enough, wages and prices could begin to ratchet upward forcing a sharp rate increase that could push the economy into recession. It is anticipated that the Fed will raise the rate to 2.00 at its June meeting.

Trends for economic indicators:

	April	March	February
ISM Manufacturing	57.30%	59.30%	60.80%
ISM Non-Manufacturing	56.80%	58.80%	59.50%
Durable Goods	2.60%	3.10%	-3.70%
Consumer Confidence	128.7	127.7	130.8
Building Permits	1.319M	1.295M	1.396M
Existing Home Sales	5.600M	5.540M	5.380M
New Home Sales	694K	618K	539K
Leading Indicators	0.30%	0.70%	1.00%
PPI (MOM)	0.30%	0.20%	0.20%
CPI (MOM)	-0.10%	0.20%	0.20%
Real GDP Annualized	+0.5% "advance" est	+0.5% "advance" est	+0.5% "advance" est
Unemployment	3.90%	4.10%	4.10%

**Shelby County Trustee Investments
Portfolio Management
Portfolio Summary
April 30, 2018**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
LGIP	159,135,622.14	159,135,622.14	159,135,622.14	18.76	1	1	1.640
Liquid CDARs	110,140,878.06	110,140,878.06	110,140,878.06	12.99	1	1	1.426
CDARs	44,454,000.00	44,454,000.00	44,454,000.00	5.24	372	118	1.312
Certificate of Deposit	67,670,000.00	67,670,000.00	67,670,000.00	7.98	355	173	1.648
Commercial Paper Disc. -At Cost	300,000,000.00	299,506,291.67	299,132,136.76	35.27	55	27	1.901
Federal Agency Coupon Securities	164,375,000.00	163,452,425.00	164,317,300.00	19.37	728	226	1.227
Pass Through Securities (GNMA/CMO)	3,279,368.24	3,258,970.57	3,304,988.30	0.39	589	214	0.824
	849,054,868.44	847,618,187.44	848,154,925.26	100.00%	211	74	1.604
Investments							
Cash							
	7,009,321.73	7,009,321.73	7,009,321.73		1	1	0.000
(not included in yield calculations)							
Total Cash and Investments	856,064,190.17	854,627,509.17	855,164,246.99		211	74	1.604

Total Earnings	April 30	Month Ending	Fiscal Year To Date
Current Year		1,133,519.25	7,161,732.14
Average Daily Balance		878,870,073.49	642,767,878.84
Effective Rate of Return		1.57%	1.34%

Investment Policy Statement

David C. Lenoir, Shelby County Trustee

APRIL 2018 PORTFOLIO

CDARs CDs Commercial Paper Liquid CDARs LGIP PFDs Agencies

