



MARTIN COUNTY, FLORIDA MONTHLY INVESTMENT REPORT

Presented by Carolyn Timmann, Clerk of the Circuit Court and County Comptroller

January
2017
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Investment	Average Daily Investment	Interest Earned/ Gains Realized	Average Yield
State Board of Administration (LGIP)	174,321,930	147,069	0.99%
FL Local Govt Investment Trust *	34,340,699	54,185	1.86%
FLGIT Day to Day Fund *	10,654,642	6,737	0.74%
U.S. Treasury Notes	9,981,293	7,491	0.88%
U.S. Agency Bonds	27,007,954	19,210	0.84%
January 2017 Total	\$256,306,518	\$234,692	1.08%
Fiscal Year-To-Date	\$194,356,490	\$565,809	0.86%

*Note: Florida Local Government Investment Trust, and FLGIT Day to Day Fund gain(loss) is unrealized and is based on the net asset value as of 01/31/17.

PERFORMANCE MEASURE

Reported quarterly in March, June, September & December.

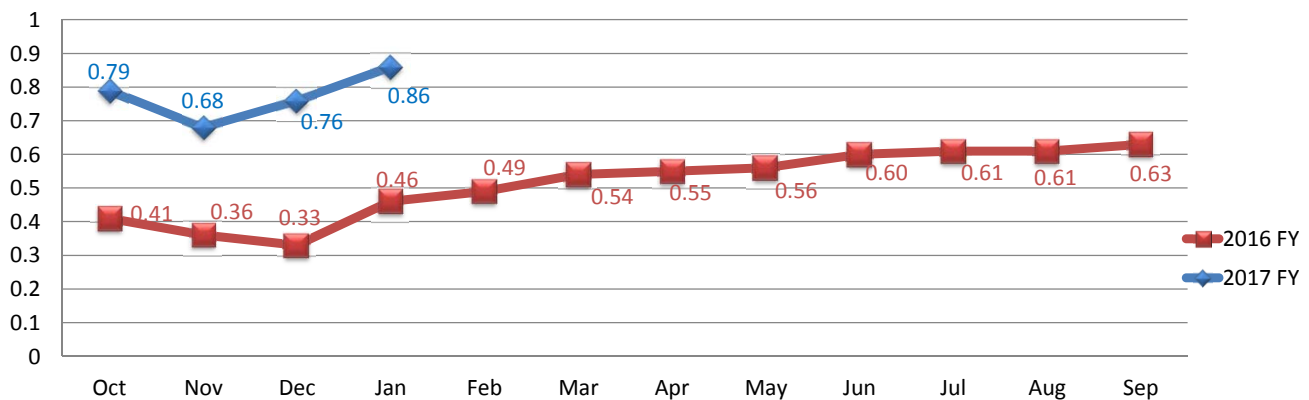
ECONOMIC COMMENTARY

✦ On February 3rd, the non-farm payrolls increased by +227k, topping the +180k median forecast, but falling short of “whisper numbers” above 250k that made the rounds after a significantly stronger ADP employment report earlier in the week. After a series of revisions to previous months’ data, the threemonth average was +183k, compared to +187k for all of 2016.

✦ The Fed wrapped up the first of eight scheduled FOMC meetings for 2017 with committee members voting 10-0 to maintain the overnight fed funds target at a range of 0.50% to 0.75%. This was hardly a surprise as the Fed had just hiked 25 bps in mid-December. In its official statement, the committee acknowledged recent improvement in business and consumer sentiment, and softened its inflation outlook, believing that inflation “will” reach the 2% target instead of “expecting to.”

✦ Spreads on callable bonds have improved recently, but we generally still favor bullets. Eighteen-month agency bullets yield 1.00%, compared to a callable at 1.09%. Two-year bullets are just below 1.25% while a comparable callable is just above 1.30%. With call spreads of less than 10 basis points, we’ll lean towards bullets. Having said that, those bullet yields are about 10 basis points lower than two weeks ago and at the bottom of recent ranges, so we don’t mind holding out for a better entry point.

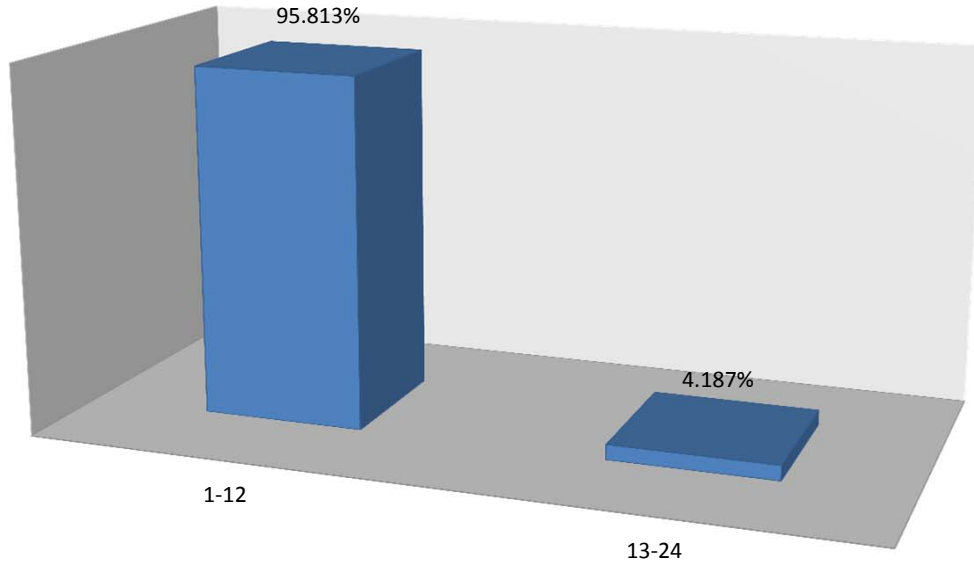
YEAR-TO-DATE YIELD COMPARISON





MONTHS TO MATURITY

Treasury Notes and Bonds



PORTFOLIO COMPOSITION

