



MARTIN COUNTY, FLORIDA MONTHLY INVESTMENT REPORT

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

August
2017
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Investment	Average Daily Investment	Interest Earned/ Gains Realized	Average Yield
State Board of Administration (LGIP)	103,836,606	116,231	1.32%
Vally National Bank	5,161,475	5,733	1.31%
FL Local Govt Investment Trust *	38,720,815	73,206	2.23%
FLGIT Day to Day Fund *	10,712,592	10,342	1.14%
U.S. Treasury Notes	9,676,315	7,491	0.91%
U.S. Agency Bonds	26,999,528	19,210	0.84%
August 2017 Total	\$195,107,331	\$232,213	1.40%
Fiscal Year-To-Date	\$212,106,773	\$2,072,240	1.06%

*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 08/31/17.

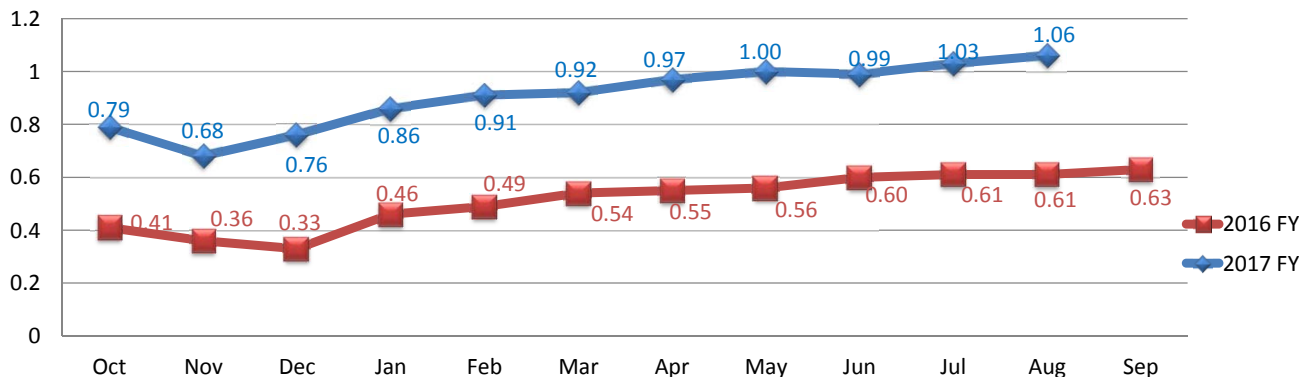
PERFORMANCE MEASURE

Reported quarterly in March, June, September & December.

ECONOMIC COMMENTARY FROM OUTSIDE SOURCES

- ✦ **Unemployment Rate** - The median forecast for Q3 2017 unemployment is 4.4%. The Bloomberg survey is still indicating that the U.S. is at or near full employment. A tight labor market typically suggests an increase in wage inflation. Historically, the Fed seeks to slow economic growth, and by extension inflation, by raising interest rates.
- ✦ **Real GDP (annualized economic growth)** - The median GDP growth forecast for Q3 2017 is +2.6%. The initial reading of Q2 GDP showed revised annualized growth of +3.0%, a nice increase from +1.4% in Q1. The third quarter may slow a bit, but overall growth should remain solid despite the hurricane strikes.
- ✦ **Consumer Prices** - The median annualized personal consumption expenditure (PCE) core forecast for Q3 2017 is +1.8%. Fed officials have targeted a +2.0% inflation rate, but most measures are well below that. The core CPI year-over-year rate was +1.7% in August, while the core PCE year-over-year rate was +1.4%. By continuing to increase interest rates, Fed officials are likely to push inflation lower. Several Fed officials have recently weighed in on the problem with Minneapolis Fed President suggesting last week that the Fed may have harmed the economy with unwarranted rate hikes.

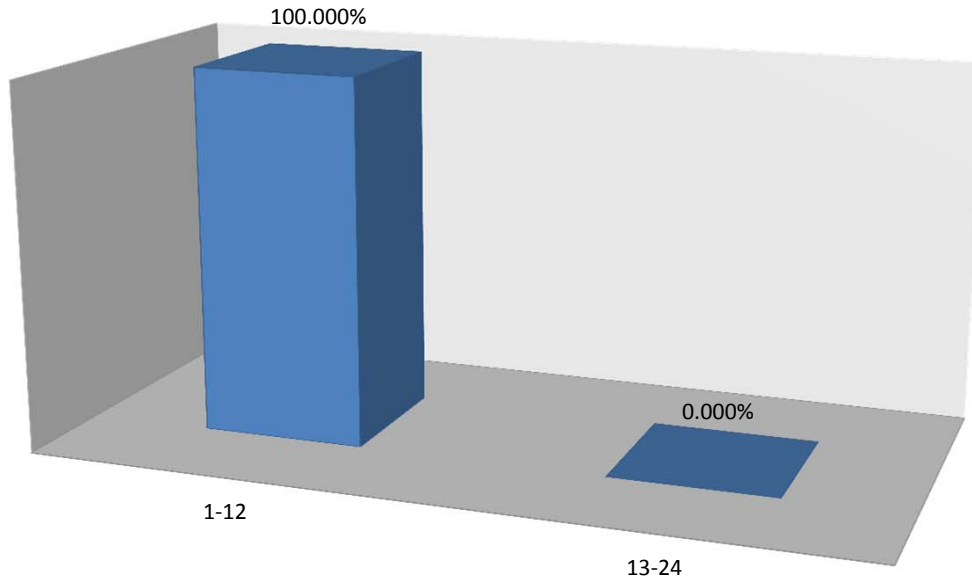
YEAR-TO-DATE YIELD COMPARISON





MONTHS TO MATURITY

Treasury Notes and Bonds



PORTFOLIO COMPOSITION

