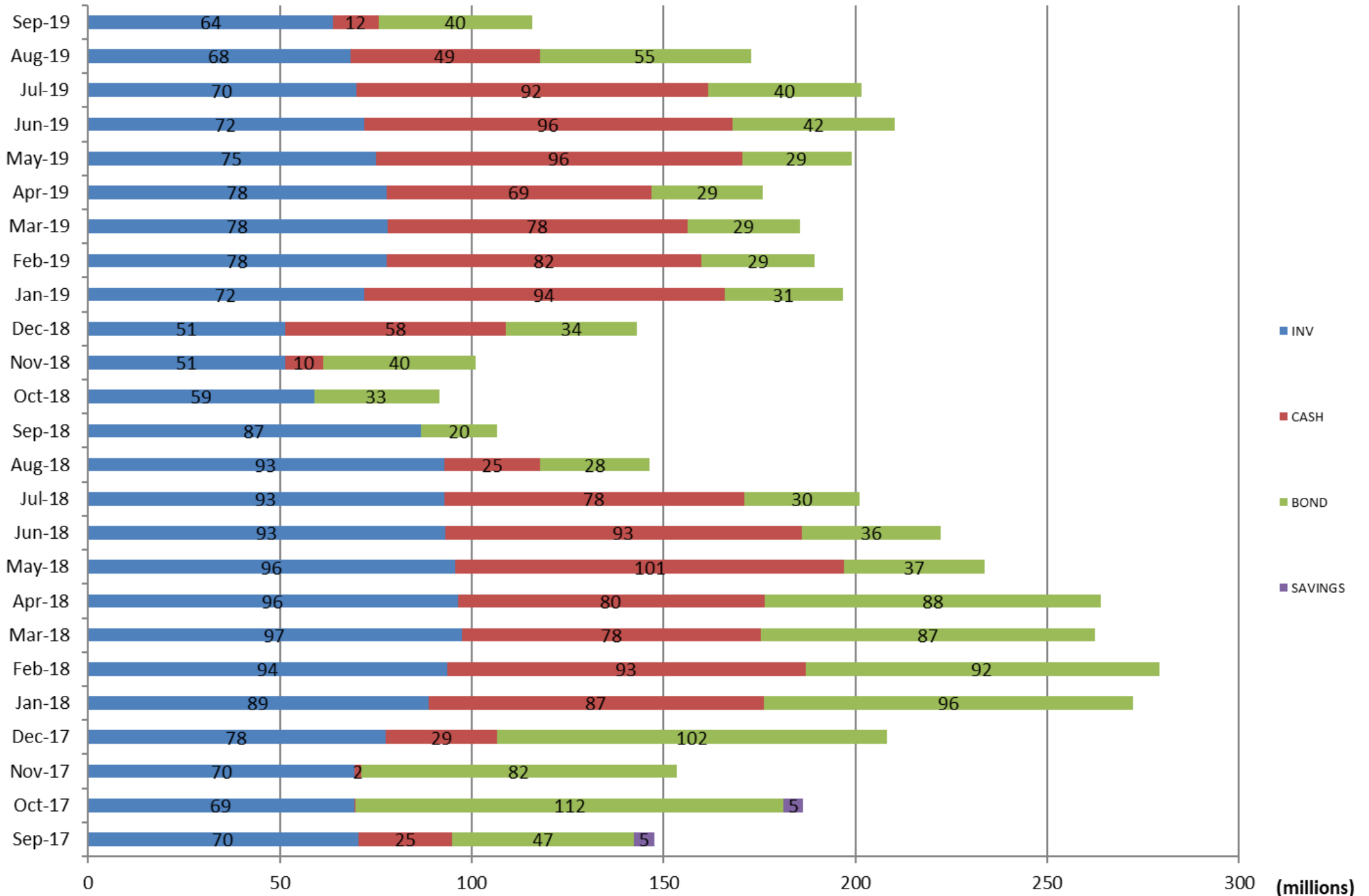


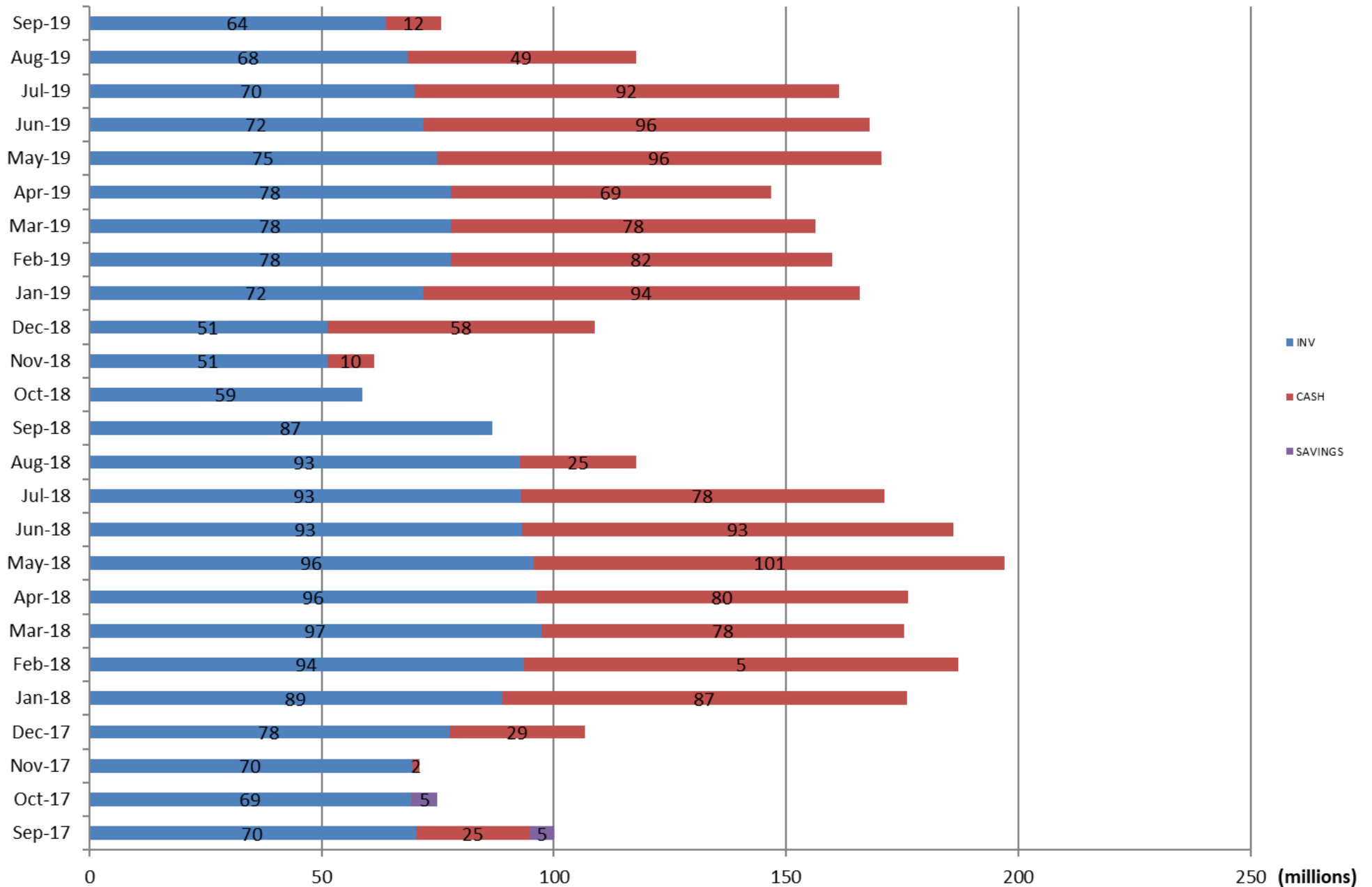
# Louisville Metro Investment Council

# **PORTFOLIO COMPOSITION**

# Metro Total Cash Position as of 9/30/19



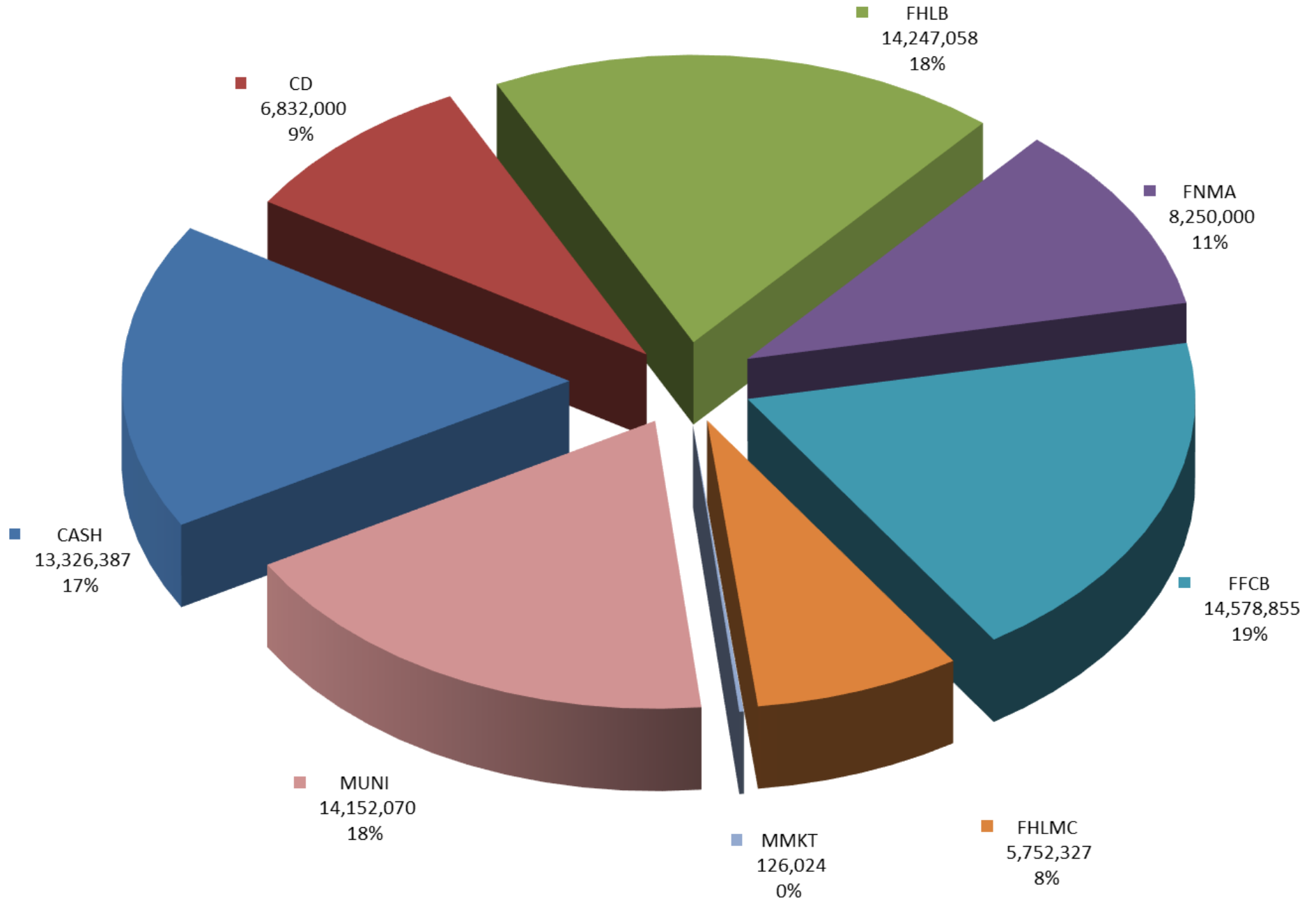
# Metro Cash Position (Excluding Bond Proceeds) as of 9/30/19



**Acc Int / Amort / Mkt Val**  
**Lou / Jeff Cty Metro Finance**  
 Effective Interest - Callable Life  
 Receipts in Period  
 9/30/2019

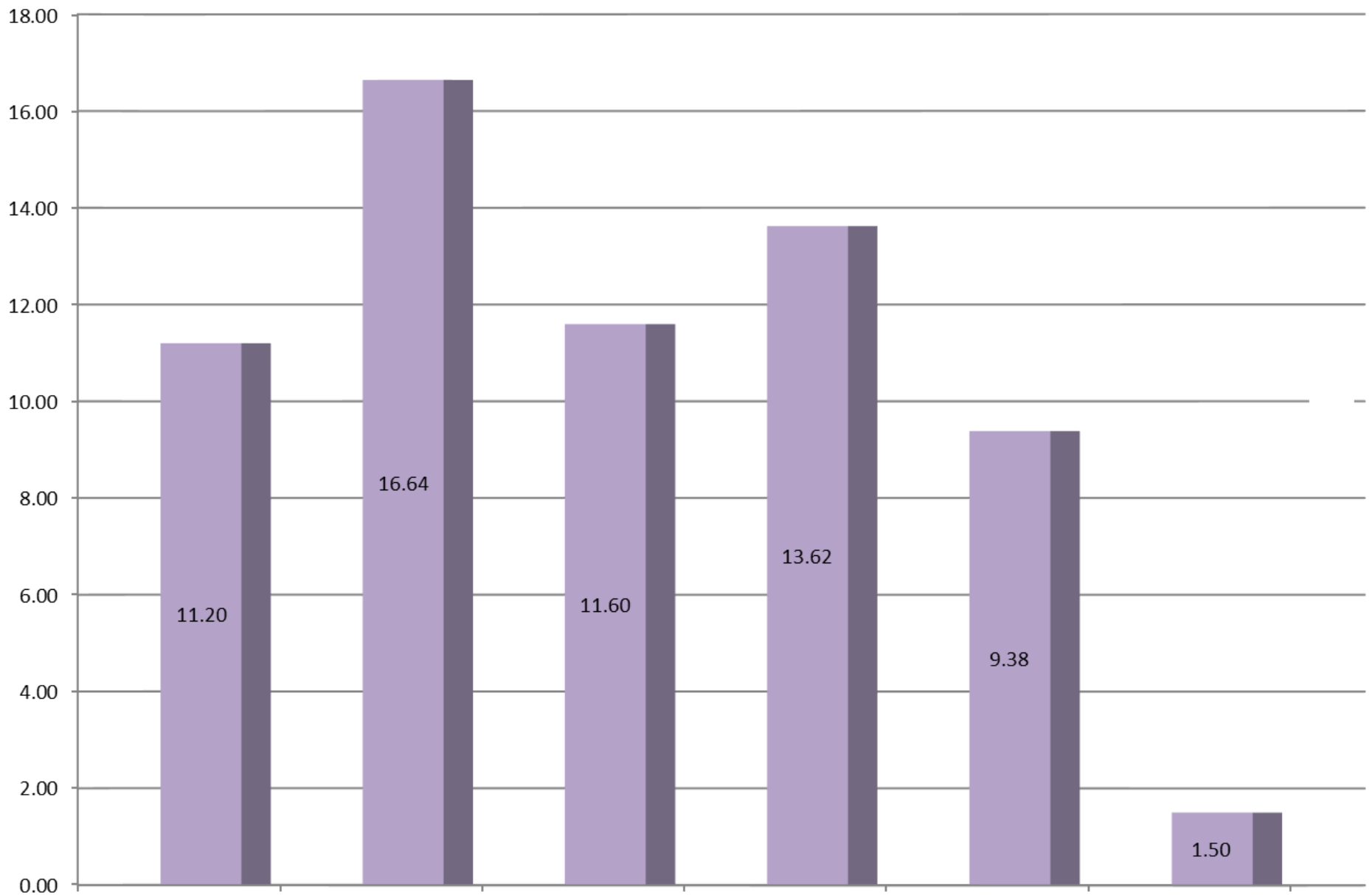
	Invest Number	CUSIP	Security Description	Call Date	Purchase Date	Ending Par Val/Shares	Ending Amor Val/Cost	Ending Market Val	Amortization Purch/Date	PTD Purch Received	Int/Div Rec Purch/Date	Int/Div Accrued Purch/Date	Purch Int + Acc Int
Cash	AR-0046	METRO CONC 53- 714868609	Cash Account	Open	09/22/08	10,121,965.70	10,121,965.70	10,121,965.70	0.00	0.00	2,206,445.82	0.00	0.00
	AR-0054	METRO SAFEKEEPING - 1050996303	Cash Account	Open	12/30/16	3,204,421.56	3,204,421.56	3,204,421.56	0.00	0.00	108,479.62	8,874.07	8,874.07
	<b>Cash Total</b>					<b>13,326,387.26</b>	<b>13,326,387.26</b>	<b>13,326,387.26</b>	<b>0.00</b>	<b>0.00</b>	<b>2,314,925.44</b>	<b>8,874.07</b>	<b>8,874.07</b>
Certificate of Deposit	18-0057	02007GAQ6	ALLY BK UTAH 2.25 01/27/20	Open	01/25/18	250,000.00	250,000.00	250,000.00	0.00	0.00	8,414.38	1,062.50	1,062.50
	18-0058	211163GW4	CONT BANK UTAH 2.10 07/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	7,853.42	977.08	977.08
	18-0059	55266CYB6	MB FINL BK ILL 2.35 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	9,786.30	65.28	65.28
	18-0060	58404DBA8	MEDALLION BK UTAH 2.40 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	9,994.52	66.67	66.67
	18-0061	857894WJ4	STEARNS BK MINN 2.20 01/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	9,161.58	61.11	61.11
	18-0062	27113PCG4	EAST BOSTON SVGS 2.30 07/30/21	Open	01/30/18	250,000.00	250,000.00	250,000.00	0.00	0.00	8,601.37	1,006.25	1,006.25
	18-0065	501798LQ3	LCA BANK CORPORATION 2.60 02/28/22	Open	02/28/18	246,000.00	246,000.00	246,000.00	0.00	0.00	9,567.71	604.07	604.07
	18-0067	856285JS1	ST BK IND NYC 3.00 03/06/23	Open	03/06/18	246,000.00	246,000.00	246,000.00	0.00	0.00	11,100.33	512.50	512.50
	18-0068	254673MW3	DISCOVER BANK 2.65 03/08/21	Open	03/07/18	246,000.00	246,000.00	246,000.00	0.00	0.00	9,805.29	416.49	416.49
	18-0070	75272LAD8	RANDOLPH SAVINGS BANK 2.60 03/09/22	Open	03/09/18	246,000.00	246,000.00	246,000.00	0.00	0.00	9,620.28	390.87	390.87
	19-0003	CD772	METRO 1.50 10/07/19	Open	10/07/18	100,000.00	100,000.00	100,000.00	0.00	0.00	1,376.74	95.83	95.83
	19-0020	86789VXR3	SUNTRUST SILC 3.00 08/12/22	Open	02/12/20	248,000.00	248,000.00	248,000.00	0.00	0.00	3,689.42	1,019.18	1,019.18
	19-0021	38148P5B9	GOLDMAN SACHS NYC 3.10 02/13/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	21.23	3,843.15	1,040.41	1,061.64
	19-0022	61690UEH9	MORGAN STANLEY, SALT LK CITY 3.05 02/14/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,781.16	1,002.74	1,002.74
	19-0023	949763XQ4	WELLS FARGO SIOUX FALLS 3.10 02/13/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	20.50	4,501.38	365.97	387.20
	19-0025	06426KBA5	BANK OF NEW ENGLAND SALEM 2.85 02/15/24	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	4,138.36	292.81	292.81
	19-0026	17312Q2V0	CITIBANK SIOUX FALLS 3.00 02/15/24	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,719.18	965.75	965.75
	19-0028	48128HGA0	JPMORGAN CHASE COLUMBUS 3.00 02/15/23	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,719.18	965.75	965.75
	19-0029	87270LBU6	TIAA FSB JACKSONVILLE 3.00 02/22/24	Open	02/22/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,719.18	821.92	821.92
	19-0038	CD423	METRO 2.00 05/07/20	Open	05/07/19	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	6,739.73	1,277.78	1,277.78
	19-0040	CD075	METRO 2.00 06/07/20	Open	06/07/19	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	5,041.10	1,277.78	1,277.78
	20-0001	CD1499	YCB 0.149 08/23/20	Open	09/23/19	250,000.00	250,000.00	250,000.00	0.00	0.00	0.00	8.01	8.01
	<b>Certificate of Deposit Total</b>					<b>6,832,000.00</b>	<b>6,832,000.00</b>	<b>6,832,000.00</b>	<b>0.00</b>	<b>41.73</b>	<b>138,173.76</b>	<b>14,296.75</b>	<b>14,339.21</b>
FFCB	17-0010	3133EGNK7	FFCB 1.32 07/27/20	Open	07/27/17	3,000,000.00	3,000,000.00	2,988,030.00	0.00	0.00	118,800.00	7,040.00	7,040.00
	17-0077	3133EHMG5	FFCB 1.80 03/12/21	Open	09/12/17	2,000,000.00	2,000,000.00	2,000,000.00	1,400.00	5,000.00	81,000.00	1,900.00	2,900.00
	18-0052	3133EHLR4	FFCB 2.15 07/26/21	Open	01/29/18	1,850,000.00	1,850,000.00	1,850,037.00	20,442.50	9,778.02	69,606.25	7,181.60	16,793.89
	18-0053	3133EHLR9	FFCB 2.00 07/19/21	Open	07/19/18	1,769,000.00	1,769,000.00	1,769,053.07	12,383.00	393.11	53,070.00	7,076.00	7,469.11
	19-0012	3133EFM38	FFCB 2.23 03/14/23	Open	02/04/19	2,000,000.00	2,000,000.00	2,000,120.00	42,000.00	16,725.00	44,600.00	2,106.11	18,831.11
	19-0014	3133EJP60	FFCB 3.00 05/02/23	Open	01/29/19	2,000,000.00	2,022,297.76	2,096,520.00	-3,902.24	14,500.00	30,000.00	24,833.33	39,333.33
	19-0017	3133EGJ22	FFCB 2.00 11/16/23	Open	01/29/19	2,000,000.00	1,937,557.00	2,000,000.00	9,557.00	8,111.11	20,000.00	15,000.00	23,111.11
	<b>FFCB Total</b>					<b>14,619,000.00</b>	<b>14,578,854.76</b>	<b>14,703,760.07</b>	<b>81,880.26</b>	<b>54,507.24</b>	<b>417,076.25</b>	<b>65,137.04</b>	<b>115,478.55</b>
FHLB	16-0071	3130A8JZ7	FHLB 1.22 12/30/19	Open	06/30/17	2,900,000.00	2,900,000.00	2,894,722.00	0.00	0.00	106,140.00	8,943.28	8,943.28
	17-0046	3130AAQV3	FHLB 1.67 04/30/20	Open	01/30/18	2,400,000.00	2,400,000.00	2,397,696.00	0.00	6,828.44	100,200.00	6,791.33	7,014.00
	17-0066	3130AAQB7	FHLB 2.00 08/16/21	Open	02/16/18	2,000,000.00	2,000,000.00	2,000,320.00	0.00	0.00	100,000.00	5,000.00	5,000.00
	19-0006	3130AFE78	FHLB 3.00 12/09/22	Open	01/29/19	2,000,000.00	2,020,856.78	2,080,580.00	-4,143.22	9,861.11	35,500.00	18,666.67	32,500.00
	19-0008	3130A0JR2	FHLB 2.375 12/13/19	Open	01/29/19	1,000,000.00	999,636.99	1,000,900.00	1,226.99	3,034.72	11,875.00	7,125.00	10,159.72
	19-0009	3130A0JR2	FHLB 2.375 12/13/19	Open	01/29/19	1,000,000.00	999,625.48	1,000,900.00	1,265.48	3,034.72	11,875.00	7,125.00	10,159.72
	19-0015	3130AFAP2	FHLB 3.50 10/30/23	Open	10/30/19	1,000,000.00	1,000,647.36	1,001,440.00	-5,352.64	8,652.78	17,500.00	14,680.56	23,333.34
	19-0018	3130A9BK6	FHLB 1.80 09/01/23	Open	01/29/19	2,000,000.00	1,926,291.40	1,993,200.00	11,891.40	14,800.00	36,000.00	3,000.00	17,800.00
	<b>FHLB Total</b>					<b>14,300,000.00</b>	<b>14,247,058.01</b>	<b>14,369,758.00</b>	<b>4,888.01</b>	<b>46,211.77</b>	<b>419,090.00</b>	<b>71,331.84</b>	<b>114,910.06</b>
FHLMC	16-0051	3134G9JT5	FHLMC 1.35 11/26/19	Open	08/26/16	1,500,000.00	1,500,000.00	1,498,665.00	525.00	0.00	60,750.00	7,031.25	7,031.25
	17-0016	3134G9W37	FHLMC 1.45 08/10/20	Open	11/10/16	1,500,000.00	1,500,000.00	1,494,975.00	0.00	0.00	65,250.00	3,081.25	3,081.25
	19-0010	3134GSNT5	FHLMC 3.00 08/17/22	Open	08/17/20	1,250,000.00	1,252,326.98	1,260,912.50	-1,735.52	16,875.00	37,500.00	4,583.33	21,458.33
	19-0031	3134GSW43	FHLMC 2.25 02/28/22	Open	02/28/20	1,500,000.00	1,500,000.00	1,501,485.00	0.00	0.00	20,250.00	3,506.98	3,506.98
	<b>FHLMC Total</b>					<b>5,750,000.00</b>	<b>5,752,326.98</b>	<b>5,756,037.50</b>	<b>-1,210.52</b>	<b>16,875.00</b>	<b>183,750.00</b>	<b>18,202.81</b>	<b>35,077.81</b>
FNMA	17-0011	3136G3L37	FNMA 1.275 10/28/19	Open	07/28/17	2,000,000.00	2,000,000.00	1,998,760.00	0.00	0.00	67,500.00	3,937.50	3,937.50
	17-0048	3136G4KD4	FNMA 1.75 06/29/20	Open	06/29/17	2,000,000.00	2,000,000.00	1,995,300.00	0.00	3,305.56	87,500.00	8,944.44	12,250.00
	18-0054	3134G9SP8	FNMA STEP 1.625 08/25/21	Open	02/25/18	2,000,000.00	2,000,000.00	1,998,120.00	15,000.00	13,631.94	72,500.00	4,250.00	17,611.11
	18-0056	3136G4QE6	FNMA 2.20 10/26/22	Open	10/26/18	2,250,000.00	2,250,000.00	2,250,540.00	30,143.48	11,962.50	74,250.00	21,312.50	33,275.00
	<b>FNMA Total</b>					<b>8,250,000.00</b>	<b>8,250,000.00</b>	<b>8,242,720.00</b>	<b>45,143.48</b>	<b>28,900.00</b>	<b>301,750.00</b>	<b>38,444.44</b>	<b>67,073.61</b>
Money Market	AR-0001	MMKT FED - 5000638	Money Market	Open	07/01/99	164.43	164.43	164.43	0.00	0.00	1,652,558.77	0.00	0.00
	AR-0058	JPMORGAN MMKT - 00005017334	Money Market	Open	12/19/17	23,948.97	23,948.97	23,948.97	0.00	0.00	23,948.97	0.00	0.00
	AR-0059	GOLDMAN SACHS MMKT - 0188506760	Money Market	Open	12/19/17	39,801.04	39,801.04	39,801.04	0.00	0.00	39,801.06	0.00	0.00
	AR-0060	FEDERATED MMKT - 06090498885	Money Market	Open	12/19/17	24,066.36	24,066.36	24,066.36	0.00	0.00	24,066.34	0.00	0.00
	AR-0061	DREYFUS MMKT - 0616753258	Money Market	Open	12/19/17	38,042.80	38,042.80	38,042.80	0.00	0.00	38,042.79	0.00	0.00
	<b>Money Market Total</b>					<b>126,023.60</b>	<b>126,023.60</b>	<b>126,023.60</b>	<b>0.00</b>	<b>0.00</b>	<b>1,778,417.93</b>	<b>0.00</b>	<b>0.00</b>
Municipal Bond	15-0045	613357AF9	MONTG CO 2.44 11/01/19	Open	06/25/15	500,000.00	500,262.81	500,300.00	-12,987.19	1,830.00	48,800.00	5,083.33	6,913.33
	16-0065	64971WF39	NYC TRAN FIN AUTH-SUB 1.69 02/01/21	Open	06/23/16	1,350,000.00	1,352,482.06	1,346,787.00	-5,874.44	4,999.58	74,7		

# Total Portfolio Asset Allocation as of 9/30/2019



# Investment Portfolio by Maturity as of 9/30/19

Millions



2019

2020

2021

2022

2023

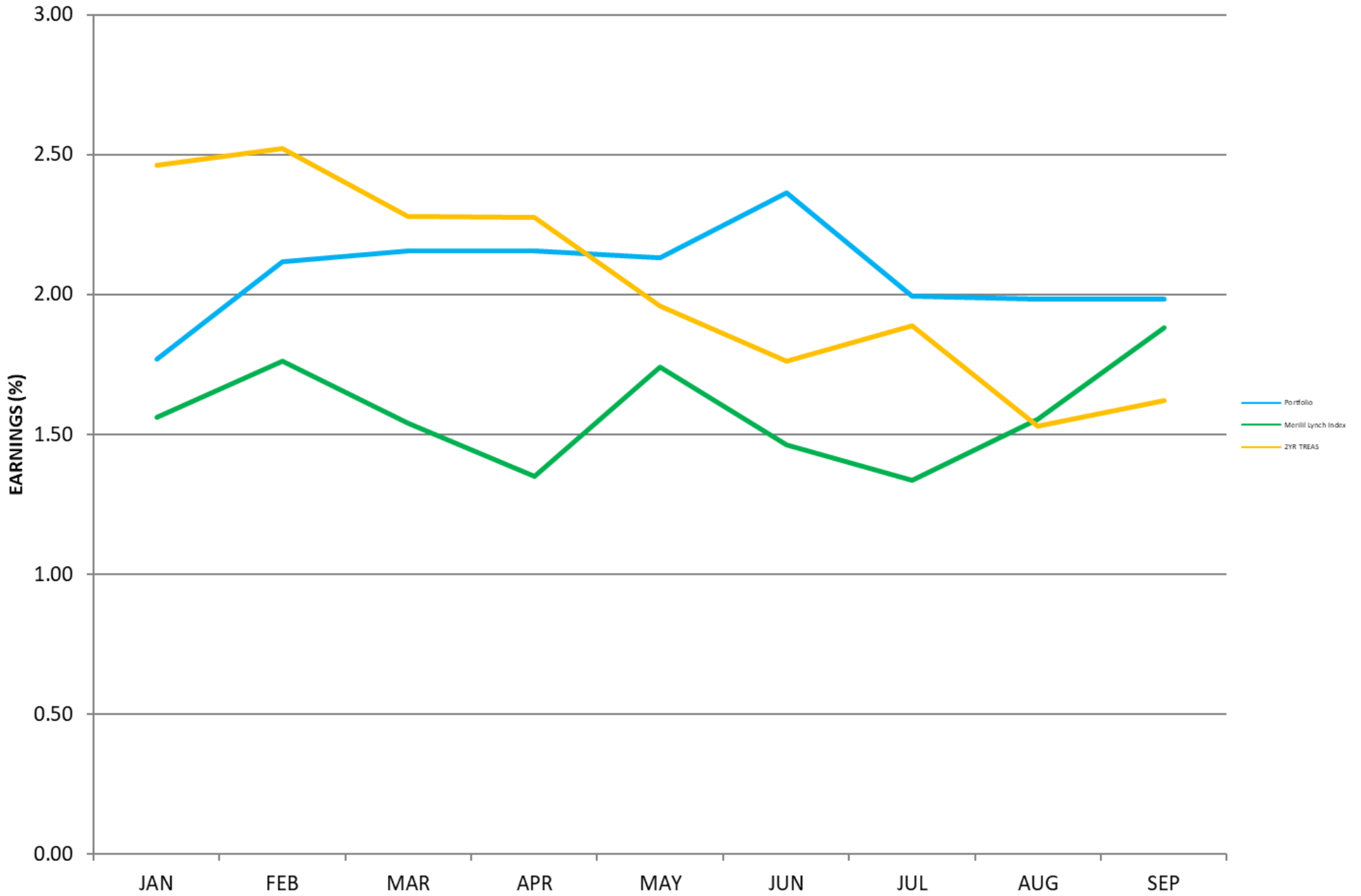
2024

Maturity Year

# **PORTFOLIO PERFORMANCE**



# Portfolio Performance as of 9/30/19



## DATA ANALYSIS

### **Metro Cash Position**

Cash levels fell again this month but it's important to note that year-over-year, cash levels for September are stronger. The overall cash position reported may be less looking at year-over-year totals but the portfolio being smaller is the reason for that. Metro has decided to hold all matured and called investments in the past months to build the cash balance in an effort to offset the lack of funds received from the Revenue Commission as a result of debt service payments. Metro has been successful with this strategy and is in a solid position moving towards the end of 2019.

### **Asset Allocation**

There was activity to report for the month of August:

Matured:       \$3,000,000     FFCB   1.16    9/26/19

Calls:         \$1,500,000     FFCB   2.30    08/23/23 – Called on 9/11/19

It is likely that if rates continue to fall, more calls will follow.

### **Maturity Distribution**

There has been no significant changes to maturity distribution in any one month. The cumulative effect, however, is one that has impacted the back half of the portfolio. Future purchases should be concentrated to these areas in an effort to build a more evenly distributed laddered portfolio.

### **Portfolio Performance**

Portfolio yield remained constant this month. With rates decreasing this month and projected to be cut later in the year, it is likely that more calls could follow and drive portfolio yield lower as Metro would be forced to reinvest in lower yielding securities. Metro should focus on investing these idle funds as soon as possible as more rate cuts are predicted in the coming months.

# **ECONOMIC UPDATE**

## ECONOMIC UPDATE

An expected slowing economy. That's the name that forecasters are using to describe the US economy while also making it clear that they are not forecasting an economic recession. Recent numbers certainly haven't been anything to write home about and it doesn't appear that they will get better anytime soon with the economy expected to slow even more during the coming months. The frustrating part is that there really are no new reasons to point to. The Fed continues to cite slowing global growth, reduced levels of business investment (which is related to trade uncertainty), and global market uncertainty associated with Brexit.

The good news is that Brexit is due to wrap up by the end of this month with PM Johnson vowing to end the issue by the October 31st deadline. While nothing has been agreed upon, Johnson does appear to be making headway as he and the Irish Prime Minister "see a pathway to a deal." This promising news as recent talks between the UK and EU have been heated to say the least leaving many to speculate that a no-deal outcome was likely. The two sides have since reconvened and agreed to intensify discussions as the deadline nears. Of course, any agreement between the UK and EU would still need to be passed by Parliament where former PM May attempted three times to pass her deal. Johnson's battle will likely be uphill but there does appear to be hope given the recent surges in UK's market and the strengthening of the pound.

Despite the potential of eliminating some global market uncertainty with a Brexit deal, the specter of impeachment proceedings is causing other issues to go largely unattended. As impeachment gains momentum and occupies much of the administration's attention, trade talks with China have seen little progress. These talks are expected to continue to no significant progress is expected to be made, at least not this year. Most analysts expect a deal to be reached sometime in 2020 as elections draw near but note that even this is no guarantee.

Considering these various factors, the Fed remains constant in their approach. They will continue to cut rates by at least 25 bps with a 91% likelihood that rates will be cut at their December meeting. In addition to that, Fed Chair Powell indicated that they will begin to regrow their balance sheet and resume purchases of Treasury securities. Consensus is that these moves will help the 2s-10s curve to remain near current levels and prevent an inversion which is why forecasters aren't quite ready to call this a recession.

**Total Portfolio Shock Table**  
**Lou / Jeff Cty Metro Finance**  
 Effective Interest - Actual Life  
 Receipts in Period  
 9/30/2019

<i>Data Category</i>	<i>Down 300</i>	<i>Down 200</i>	<i>Down 100</i>	<i>Current</i>	<i>Up 100</i>	<i>Up 200</i>	<i>Up 300</i>
Current Par	63,972,023.60	63,972,023.60	63,972,023.60	63,972,023.60	63,972,023.60	63,972,023.60	63,972,023.60
Amor. Cost	63,860,472.53	63,860,472.53	63,860,472.53	63,860,472.53	63,860,472.53	63,860,472.53	63,860,472.53
Market Value	64,016,298.67	64,080,144.67	64,143,990.67	64,207,836.67	64,271,682.67	64,335,528.67	64,399,374.67
% Change	-0.30 (0.10)	-0.20 (0.10)	-0.10 (0.10)	0.00 (0.10)	0.10 (0.10)	0.20 (0.10)	0.30 (0.10)
Market Price	100.07	100.17	100.27	100.37	100.47	100.57	100.67
Market Yield	2.5226	2.3625	2.2028	2.0433	1.8841	1.7253	1.5667
Gain / Loss	155,826.14	219,672.14	283,518.14	347,364.14	411,210.14	475,056.14	538,902.14

The table above represents the interest rate risk of the investment portfolio of individual fixed incomescurities. By adjusting current market rates and by using the matrix pricing technique, the portfolio wassubjected to an immediate interest rate shock of plus or minus 300 basis points. The results in weightedaverage total is presented above which details the projected market value, market price, total unrealizedgain (loss) and percentage market value change from the current interest rate environment.