



Quarterly Investment Report
March 31, 2021

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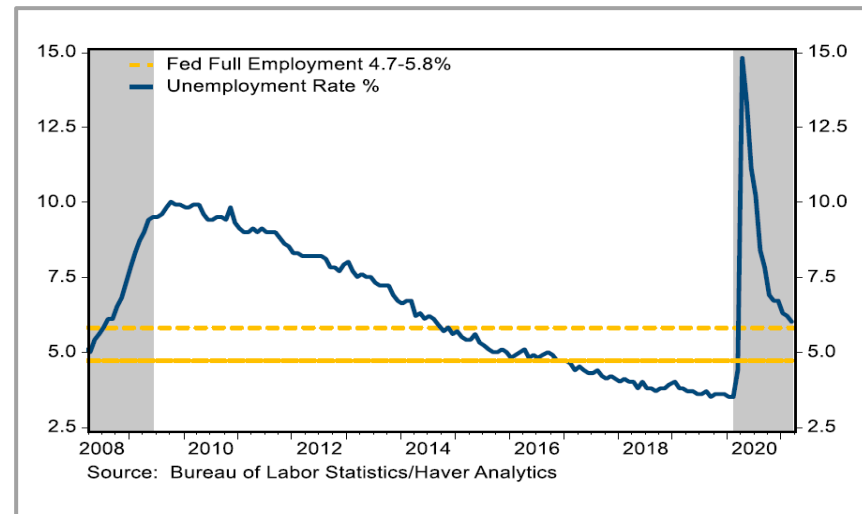
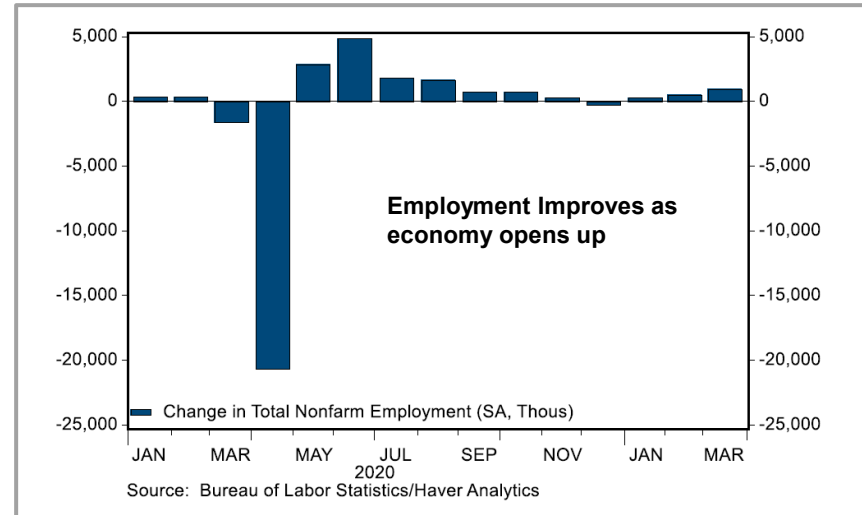
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INVESTMENT PROFESSIONALS

What's Driving Rates? And Where?

- Payrolls in March surged with improvement in most industries – up 916,000 jobs and a lower rate (6%).
- The increase in payrolls is directly tied to vaccinations and a relaxing of regulations.
- Businesses are reopening and gaining momentum with eased restrictions. ISM Services index rose to its highest read since 1997. That means producers are optimistic of an ongoing recovery.
- A stimulus fueled consumer is out to spend those checks.
- Business are encouraged to hire as long as the view improves.
- Housing continues to boom although slowing slightly as inventories decrease.
- The economy is growing at its fastest pace since 1984, which led the IMF to predict it will surpass its pre-pandemic size. Thanks in large part to the \$1.9 trillion virus stimulus package.
- The warning remains the same from the Fed who says we are *far from complete but* they continue to provide extraordinary market support.
- The Fed is supporting the economy through continued buying of securities.
- This drives stock investors into new historic nose bleed heights – the S&P hits 4,000 for the first time.
- This does cause risks - more for stocks than bonds – as regulators target hedge funds (Archegos) and private funds.



Big, Bold and Expensive

The new administration is ready to launch its new package to “Build Back Better.” The estimated \$2 trillion plan will start with jobs and tackle infrastructure, climate and emissions. A package this size – from homes to high speed rail - could lift productivity and GDP with 69% spent in the first year. But it could squeeze out private and state/local investments also.

At least some in Congress have to be questioning whether this size of an additional stimulus is needed at this point right after passing \$2T, the impact of which has yet to be felt.

Additionally, some do question the sheer size with debt already at alarming levels. With the combined Trump/Biden \$5.7T in stimulus spending, the US debt to GDP ratio is already over 100%. With intra-governmental debt that rises it to 128%.

Sometimes more is just more.

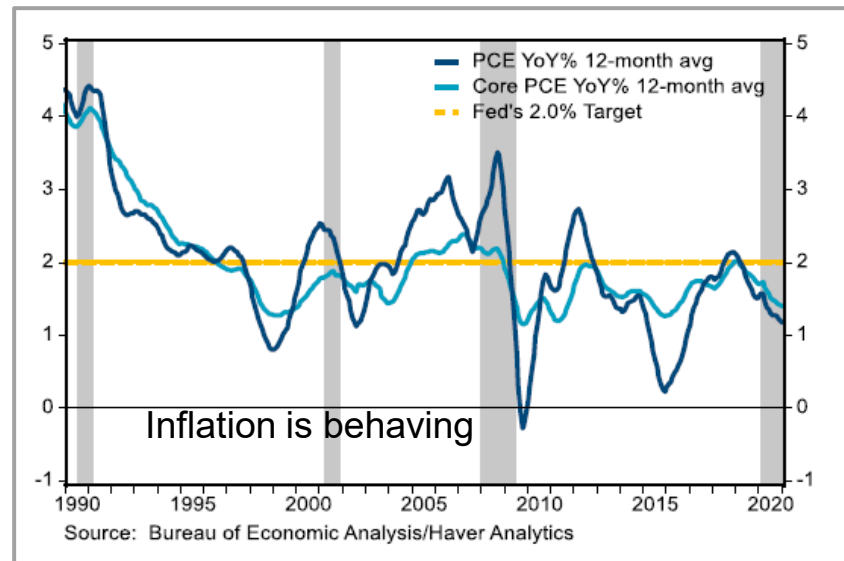
The Fed is remaining on hold despite their optimistic outlook which includes a 6.5% growth rate in 2021, a 2.4% inflation rate, and a decline in the unemployment rate to 4.5%. Chair Powell has indicated that future adjustments will be made on *realized* improvements *not anticipation* of that improvement. Not all Fed Presidents agree. Dallas Fed President Kaplan has forecast a rate hike next year in order to wean off the Fed’s extraordinary efforts in supporting the economy and the markets.

Meanwhile, of course, geopolitics continue apace. China has been flexing its muscles in military *exercises* surrounding Taiwan. Some of that bravado could come from their hesitancy to add to debt to fight the pandemic. They really want to be the world’s reserve currency.

The major moves in the stock market have helped to entice investors out of bonds rising longer rates, but risk can be dangerous as we saw with the Robinhood debacle and the Achegos *hedge fund implosion*.

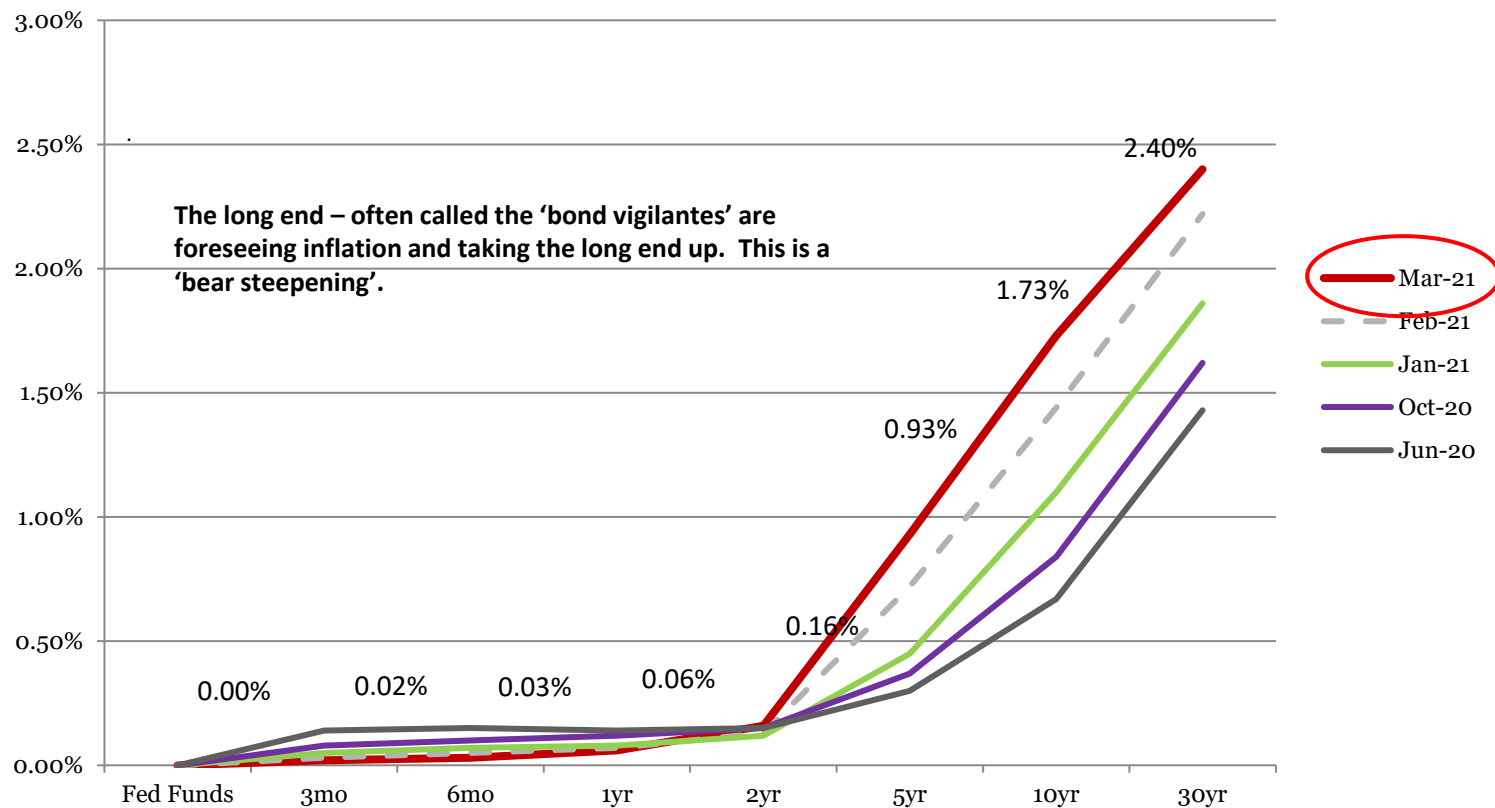
Makes you glad you are in the bond market even with low rates!

The Fed remains on hold...



A Different Look

- The curve is reacting to an improving economy and feeding off the stimulus trough that promises even more funds thrown into the economy.
- The bond market is foreseeing inflation.
- The market will fight the Fed and their asset purchases on the long end. Usually the market wins. The rates are going up.
- The various Covid vaccines have been a major boost to confidence. A more robust economic recovery may require several more months.
- The Fed has stated its intention to stay at 0.0% Fed Funds through 2023. Looks like the curve will do its job for it.



End of Month Rates - Full Yield Curve – Fed Funds to 30yr

San Antonio River Authority

Quarterly Investment Report

January – March 2021

Portfolio Summary Management Report

This quarterly report is prepared in compliance with the Investment Policy and Strategy of the Authority and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

<u>Portfolio as of December 31, 2020</u>		<u>Portfolio as of March 31, 2021</u>	
Beginning Book Value	\$ 106,845,505	Ending Book Value	\$ 121,257,672
Beginning Market Value	\$ 106,852,498	Ending Market Value	\$ 121,259,938
Unrealized Gain/Loss	\$ 6,993	Investment Income for the period	\$ 51,818
WAM at Beginning Period Date ¹	198 days	Unrealized Gain/Loss	\$ 2,266
		Change in Unrealized Gain/Loss	\$ (4,727)
		WAM at Ending Period Date ¹	148 days
		Change in Market Value ²	\$ 14,407,440
	Average Yield to Maturity for the period		0.160%
	Average Yield 3 month Treasury Bill for period		0.050%

Authorized by:

Rick Trefzer, CMA, Director of Support Services
San Antonio River Authority



Linda Patterson, President
Patterson & Associates

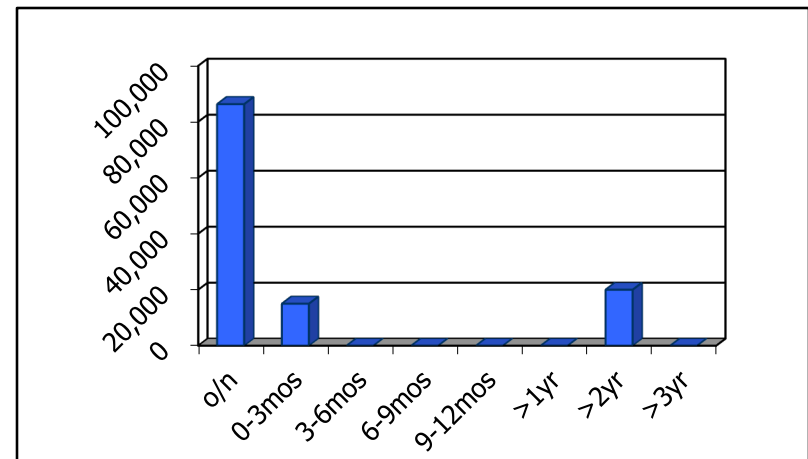
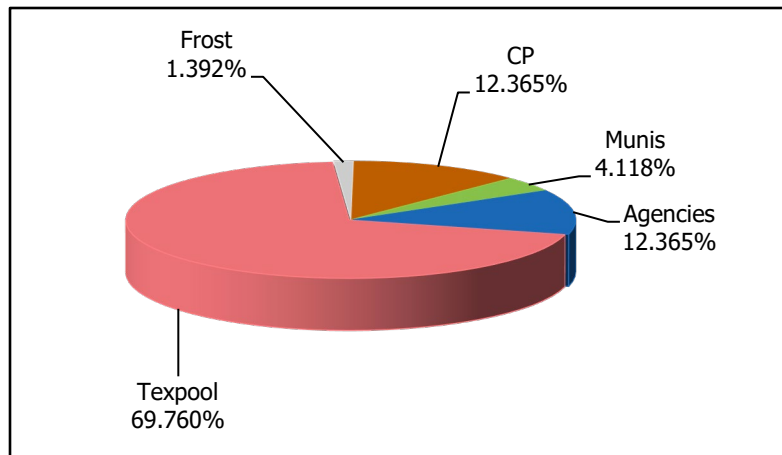
¹ WAM, represents weighted average maturity.

² *Change in Market Value* is required data, but will primarily reflect the receipt and expenditure of the Authority's funds from quarter to quarter.

Your Portfolio

As of March 31, 2021

- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions. These are unusual times and where extensions can be made it is important to make them to find any available safe value in the markets.
- The graphs below show asset allocations by market sector and by maturity in your portfolio. Liquidity has been reduced to little or no value but with a flat short curve it may be the only sector available out to twelve months without the use of CP. Our expectation is of continuing dismally low rates but we look for value in your authorized sectors to capture the yield available as markets change.
- The non-cash portion of your portfolio is yielding 0.35%.



**San Antonio River Authority
Portfolio Management
Portfolio Summary
March 31, 2021**

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Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Commercial Paper Disc. -Amortizing	15,000,000.00	14,992,712.51	14,992,712.51	12.36	180	65	0.274
Federal Agency Coupon Securities	15,000,000.00	14,988,547.90	14,993,939.66	12.37	1,094	885	0.379
Municipal Bonds	5,000,000.00	5,001,150.00	4,993,493.07	4.12	913	730	0.480
Texpool/Texpool Prime	84,589,604.52	84,589,604.52	84,589,604.52	69.76	1	1	0.078
Frost Bank	1,687,922.66	1,687,922.66	1,687,922.66	1.39	1	1	0.010
	121,277,527.18	121,259,937.59	121,257,672.42	100.00%	196	148	0.155
Investments							
Cash and Accrued Interest							
Accrued Interest at Purchase		155.56	155.56				
Subtotal		155.56	155.56				
Total Cash and Investments	121,277,527.18	121,260,093.15	121,257,827.98		196	148	0.155

Total Earnings	March 31 Month Ending	Fiscal Year To Date
Current Year	17,016.72	216,193.55

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the San Antonio River Authority of the position and activity within the Authority's portfolio of investment. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

Jennifer Skiver, Acct & Budget Services Manager

**San Antonio River Authority
Summary by Type
March 31, 2021
Grouped by Fund**

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Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: General Fund						
Commercial Paper Disc. -Amortizing	3	15,000,000.00	14,992,712.51	12.36	0.274	65
Frost Bank	1	1,687,922.66	1,687,922.66	1.39	0.010	1
Federal Agency Coupon Securities	2	15,000,000.00	14,993,939.66	12.37	0.379	885
Municipal Bonds	1	5,000,000.00	4,993,493.07	4.12	0.480	730
Subtotal	7	36,687,922.66	36,668,067.90	30.24	0.333	488
Fund: Pooled Fund						
Texpool/Texpool Prime	2	84,589,604.52	84,589,604.52	69.76	0.078	1
Subtotal	2	84,589,604.52	84,589,604.52	69.76	0.078	1
Total and Average	9	121,277,527.18	121,257,672.42	100.00	0.155	148

**San Antonio River Authority
Fund GEN - General Fund
Investments by Fund
March 31, 2021**

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Commercial Paper Disc. -Amortizing											
05970RT13	10166	Banco Santander CP	12/03/2020	4,997,543.06	5,000,000.00	4,997,543.06		0.290	0.294	06/01/2021	61
06742VR86	10170	Barclays Bank CP	12/11/2020	4,997,125.00	5,000,000.00	4,997,125.00		0.300	0.304	06/09/2021	69
78009AT46	10167	Royal Bank of Canada CP	12/07/2020	4,998,044.45	5,000,000.00	4,998,044.45		0.220	0.223	06/04/2021	64
Subtotal and Average				14,992,712.51	15,000,000.00	14,992,712.51		0.270	0.274		64
Federal Agency Coupon Securities											
3133EMCQ3	10165	FFCB Call Note	10/15/2020	9,993,939.66	10,000,000.00	9,984,904.30	0.280	0.313	0.317	10/13/2023	925
3134GVR67	10162	FHLMC Call Note	06/16/2020	5,000,000.00	5,000,000.00	5,003,643.60	0.500	0.493	0.500	06/16/2023	806
Subtotal and Average				14,993,939.66	15,000,000.00	14,988,547.90		0.373	0.379		885
Municipal Bonds											
59333NN90	10164	Miami-Dade County FL	09/30/2020	4,993,493.07	5,000,000.00	5,001,150.00	0.375	0.473	0.480	04/01/2023	730
Subtotal and Average				4,993,493.07	5,000,000.00	5,001,150.00		0.473	0.480		730
Frost Bank											
92313	10120	Frost Bk Public Fund Checking	10/01/2017	1,687,922.66	1,687,922.66	1,687,922.66	0.010	0.009	0.010		1
Subtotal and Average				1,687,922.66	1,687,922.66	1,687,922.66		0.010	0.010		1
Total Investments and Average				36,668,067.90	36,687,922.66	36,670,333.07		0.328	0.333		487

**Fund POOL - Pooled Fund
Investments by Fund
March 31, 2021**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Texpool/Texpool Prime										
44979502	10104	Texpool	05/03/2017	15,663,049.95	15,663,049.95	15,663,049.95	0.019	0.018	0.018	1
59079502	10105	Texpool Prime	05/17/2017	68,926,554.57	68,926,554.57	68,926,554.57	0.092	0.090	0.091	1
Subtotal and Average				84,589,604.52	84,589,604.52	84,589,604.52	0.077	0.078	0.078	1
Total Investments and Average				84,589,604.52	84,589,604.52	84,589,604.52	0.077	0.078	0.078	1

**San Antonio River Authority
Interest Earnings
Sorted by Fund - Fund
January 1, 2021 - March 31, 2021
Yield on Average Book Value**

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CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: General Fund												
3133EMCQ3	10165	GEN	FAC	10,000,000.00	9,991,098.88	9,992,536.11	10/13/2023	0.280	0.399	7,000.00	2,840.78	9,840.78
3134GVR67	10162	GEN	FAC	5,000,000.00	5,000,000.00	5,000,000.00	06/16/2023	0.500	0.507	6,250.00	0.00	6,250.00
92313	10120	GEN	RR4	1,687,922.66	2,472,446.65	3,558,788.52		0.010	0.009	76.30	0.00	76.30
06742VR86	10170	GEN	ACP	5,000,000.00	4,993,375.00	4,995,270.83	06/09/2021		0.304	0.00	3,750.00	3,750.00
05970RT13	10166	GEN	ACP	5,000,000.00	4,993,918.06	4,995,750.69	06/01/2021		0.294	0.00	3,625.00	3,625.00
59333NN90	10164	GEN	MC1	5,000,000.00	4,990,239.61	4,991,885.62	04/01/2023	0.375	0.645	4,687.50	3,253.46	7,940.96
78009AT46	10167	GEN	ACP	5,000,000.00	4,995,294.45	4,996,684.72	06/04/2021		0.223	0.00	2,750.00	2,750.00
Subtotal				36,687,922.66	37,436,372.65	38,530,916.51			0.360	18,013.80	16,219.24	34,233.04
Fund: Pooled Fund												
44979502	10104	POOL	RR3	15,663,049.95	10,498,129.29	19,153,802.07		0.019	0.043	2,033.38	0.00	2,033.38
59079502	10105	POOL	RR3	68,926,554.57	58,911,003.07	61,583,498.46		0.092	0.102	15,551.50	0.00	15,551.50
Subtotal				84,589,604.52	69,409,132.36	80,737,300.54			0.088	17,584.88	0.00	17,584.88
Total				121,277,527.18	106,845,505.01	119,268,217.04			0.176	35,598.68	16,219.24	51,817.92

**San Antonio River Authority
Amortization Schedule
January 1, 2021 - March 31, 2021
Sorted By Fund - Fund**

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Investment #	Maturity Date	Beginning Par Value				Amounts Amortized				
Issuer	Fund	Amort. Date	Current Rate	Purchase Principal	Original Premium or Discount	Ending Book Value	And Unamortized As of 01/01/2021	Amount Amortized This Period	Amt Amortized Through 03/31/2021	Amount Unamortized Through 03/31/2021
General Fund										
10166	GEN	06/01/2021	5,000,000.00	4,992,750.00	-7,250.00	4,997,543.06	1,168.06	3,625.00	4,793.06	-2,456.94
Banco Santander CP							-6,081.94			
10170	GEN	06/09/2021	5,000,000.00	4,992,500.00	-7,500.00	4,997,125.00	875.00	3,750.00	4,625.00	-2,875.00
Barclays Bank CP							-6,625.00			
10165	GEN	10/13/2023	10,000,000.00	9,988,700.00	-11,300.00	9,993,939.66	2,398.88	2,840.78	5,239.66	-6,060.34
FFCB Call Note		10/13/2021	0.280				-8,901.12			
10164	GEN	04/01/2023	5,000,000.00	4,986,950.00	-13,050.00	4,993,493.07	3,289.61	3,253.46	6,543.07	-6,506.93
Miami-Dade County FL		10/01/2021	0.375				-9,760.39			
10167	GEN	06/04/2021	5,000,000.00	4,994,530.56	-5,469.44	4,998,044.45	763.89	2,750.00	3,513.89	-1,955.55
Royal Bank of Canada CP							-4,705.55			
Subtotal				29,955,430.56	-44,569.44	29,980,145.24	8,495.44	16,219.24	24,714.68	-19,854.76
Total				29,955,430.56	-44,569.44	29,980,145.24	8,495.44	16,219.24	24,714.68	-19,854.76



**San Antonio River Authority
Projected Cashflow Report
Sorted by Monthly
For the Period April 1, 2021 - October 31, 2021**

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Projected Trans. Date	Investment #	Fund	Security ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
April 2021										
04/01/2021	10164	GEN	59333NN90	Interest	Miami-Dade County FL	0.00	0.00	0.00	9,427.08	9,427.08
04/05/2021	10168	GEN	3133EMVD1	Purchase	FFCB Call Note	0.00	0.00	-4,993,750.00	0.00	-4,993,750.00
04/13/2021	10165	GEN	3133EMCQ3	Interest	FFCB Call Note	0.00	0.00	0.00	14,000.00	14,000.00
04/15/2021	10169	GEN	3130ALVY7	Purchase	FHLB Call Note	0.00	0.00	-5,000,000.00	0.00	-5,000,000.00
Total for April 2021						0.00	0.00	-9,993,750.00	23,427.08	-9,970,322.92
June 2021										
06/01/2021	10166	GEN	05970RT13	Maturity	Banco Santander CP	5,000,000.00	4,992,750.00	5,000,000.00	0.00	5,000,000.00
06/04/2021	10167	GEN	78009AT46	Maturity	Royal Bank of Canada CP	5,000,000.00	4,994,530.56	5,000,000.00	0.00	5,000,000.00
06/09/2021	10170	GEN	06742VR86	Maturity	Barclays Bank CP	5,000,000.00	4,992,500.00	5,000,000.00	0.00	5,000,000.00
06/16/2021	10162	GEN	3134GVR67	Interest	FHLMC Call Note	0.00	0.00	0.00	12,500.00	12,500.00
06/16/2021	10162	GEN	3134GVR67	Call	FHLMC Call Note	5,000,000.00	5,000,000.00	5,000,000.00	0.00	5,000,000.00
06/28/2021	10171	GEN	3130AMT85	Purchase	FHLB Call Note	0.00	0.00	-5,000,000.00	0.00	-5,000,000.00
Total for June 2021						20,000,000.00	19,979,780.56	15,000,000.00	12,500.00	15,012,500.00
October 2021										
10/01/2021	10164	GEN	59333NN90	Interest	Miami-Dade County FL	0.00	0.00	0.00	9,375.00	9,375.00
10/01/2021	10164	GEN	59333NN90	Call	Miami-Dade County FL	5,000,000.00	4,986,950.00	5,000,000.00	0.00	5,000,000.00
10/05/2021	10168	GEN	3133EMVD1	Interest	FFCB Call Note	0.00	0.00	0.00	8,250.00	8,250.00
10/13/2021	10165	GEN	3133EMCQ3	Interest	FFCB Call Note	0.00	0.00	0.00	14,000.00	14,000.00
10/13/2021	10165	GEN	3133EMCQ3	Call	FFCB Call Note	10,000,000.00	9,988,700.00	10,000,000.00	0.00	10,000,000.00
10/15/2021	10169	GEN	3130ALVY7	Interest	FHLB Call Note	0.00	0.00	0.00	10,000.00	10,000.00
10/15/2021	10169	GEN	3130ALVY7	Call	FHLB Call Note	5,000,000.00	5,000,000.00	5,000,000.00	0.00	5,000,000.00
Total for October 2021						20,000,000.00	19,975,650.00	20,000,000.00	41,625.00	20,041,625.00
GRAND TOTALS:						40,000,000.00	39,955,430.56	25,006,250.00	77,552.08	25,083,802.08

**San Antonio River Authority
Texas Compliance Change in Val Report
Sorted by Fund
January 1, 2021 - March 31, 2021**

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Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Fund: General Fund									
10120	FBPFC	GEN	10/01/2017	76.30	2,472,446.65	43,788,258.02	44,572,782.01	-784,523.99	1,687,922.66
92313	1,687,922.66	0.010	/ /	76.30	2,472,446.65	43,788,258.02	44,572,782.01	-784,523.99	1,687,922.66
10162	FHLMCC	GEN	06/16/2020	6,250.00	5,000,000.00	0.00	0.00	0.00	5,000,000.00
3134GVR67	5,000,000.00	0.500	06/16/2023	0.00	5,002,108.00	0.00	0.00	1,535.60	5,003,643.60
10164	MIAMI	GEN	09/30/2020	4,687.50	4,990,239.61	0.00	0.00	3,253.46	4,993,493.07
59333NN90	5,000,000.00	0.480	04/01/2023	0.00	4,984,500.00	0.00	0.00	16,650.00	5,001,150.00
10165	FFCBC	GEN	10/15/2020	7,000.00	9,991,098.88	0.00	0.00	2,840.78	9,993,939.66
3133EMCQ3	10,000,000.00	0.317	10/13/2023	0.00	10,001,723.90	0.00	0.00	-16,819.60	9,984,904.30
10166	BANSAN	GEN	12/03/2020	0.00	4,993,918.06	0.00	0.00	3,625.00	4,997,543.06
05970RT13	5,000,000.00	0.290	06/01/2021	0.00	4,993,918.06	0.00	0.00	3,625.00	4,997,543.06
10167	RBCCP	GEN	12/07/2020	0.00	4,995,294.45	0.00	0.00	2,750.00	4,998,044.45
78009AT46	5,000,000.00	0.220	06/04/2021	0.00	4,995,294.45	0.00	0.00	2,750.00	4,998,044.45
10170	BARCBK	GEN	12/11/2020	0.00	4,993,375.00	0.00	0.00	3,750.00	4,997,125.00
06742VR86	5,000,000.00	0.300	06/09/2021	0.00	4,993,375.00	0.00	0.00	3,750.00	4,997,125.00
Sub Totals For: Fund: General Fund				18,013.80	37,436,372.65	43,788,258.02	44,572,782.01	-768,304.75	36,668,067.90
				76.30	37,443,366.06	43,788,258.02	44,572,782.01	-773,032.99	36,670,333.07
Fund: Pooled Fund									
10104	TXPOOL	POOL	05/03/2017	2,033.38	10,498,129.29	24,664,920.66	19,500,000.00	5,164,920.66	15,663,049.95
44979502	15,663,049.95	0.018	/ /	2,033.38	10,498,129.29	24,664,920.66	19,500,000.00	5,164,920.66	15,663,049.95
10105	TXPRIM	POOL	05/17/2017	15,551.50	58,911,003.07	10,015,551.50	0.00	10,015,551.50	68,926,554.57
59079502	68,926,554.57	0.091	/ /	15,551.50	58,911,003.07	10,015,551.50	0.00	10,015,551.50	68,926,554.57

Portfolio SARA

**San Antonio River Authority
Texas Compliance Change in Val Report
January 1, 2021 - March 31, 2021**

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Sub Totals For: Fund: Pooled Fund				17,584.88	69,409,132.36	34,680,472.16	19,500,000.00	15,180,472.16	84,589,604.52
				17,584.88	69,409,132.36	34,680,472.16	19,500,000.00	15,180,472.16	84,589,604.52
Report Grand Totals:				35,598.68	106,845,505.01	78,468,730.18	64,072,782.01	14,412,167.41	121,257,672.42
				17,661.18	106,852,498.42	78,468,730.18	64,072,782.01	14,407,439.17	121,259,937.59