



Capital Metropolitan Transportation Authority

Finance, Audit & Administration Committee

Economic Update and Portfolio Review
October 11, 2023

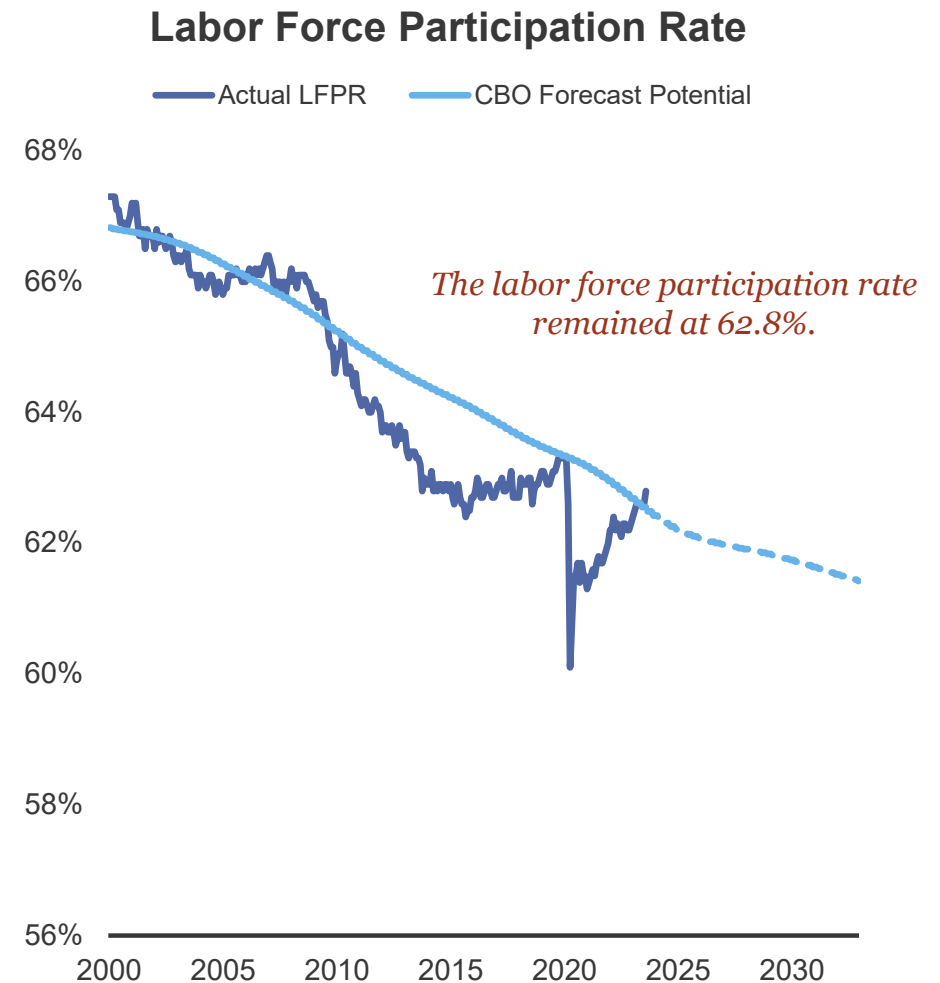
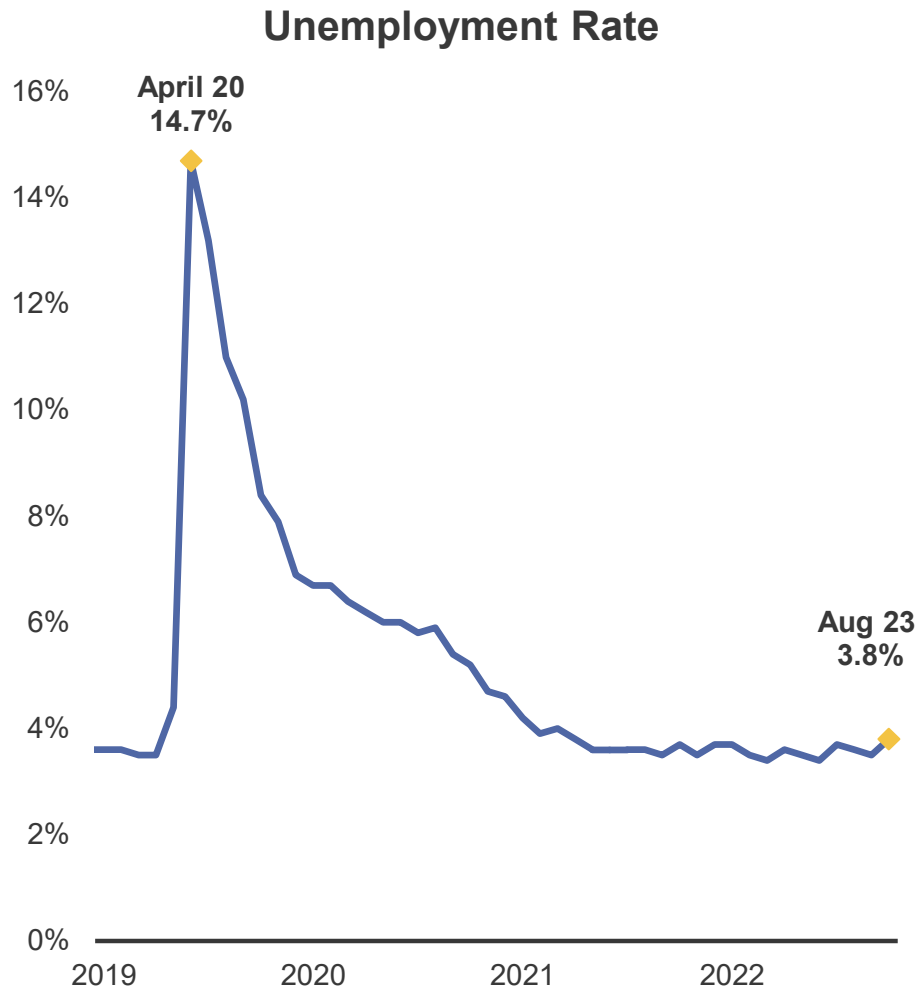
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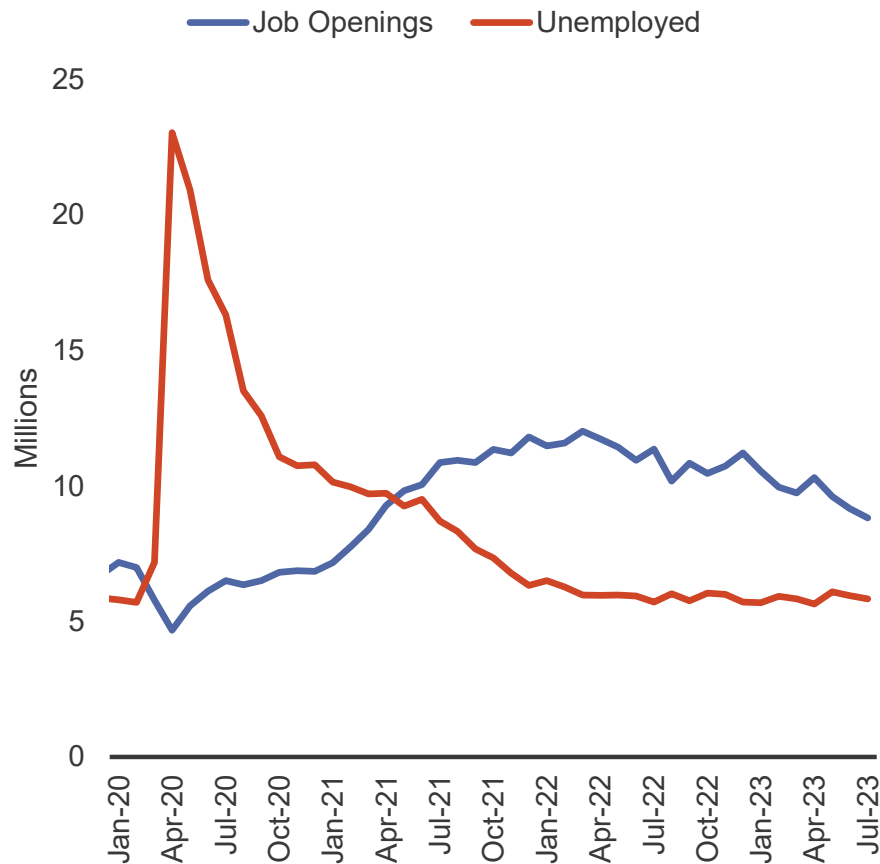
The Unemployment Rate Climbed



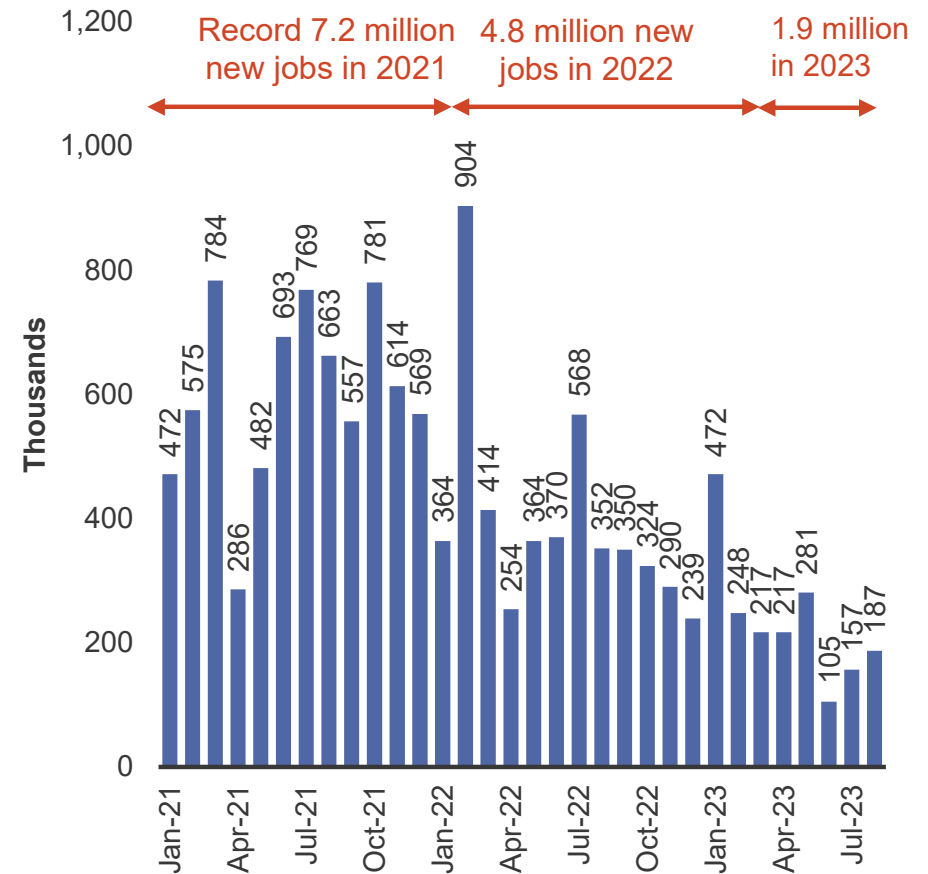
Source: Congressional Budget Office July 2023 economic projections, Bureau of Labor Statistics. Bloomberg, as of August 2023. Data is seasonally adjusted.

Payrolls Came in Higher than Forecast

Job Openings vs. Unemployed Workers



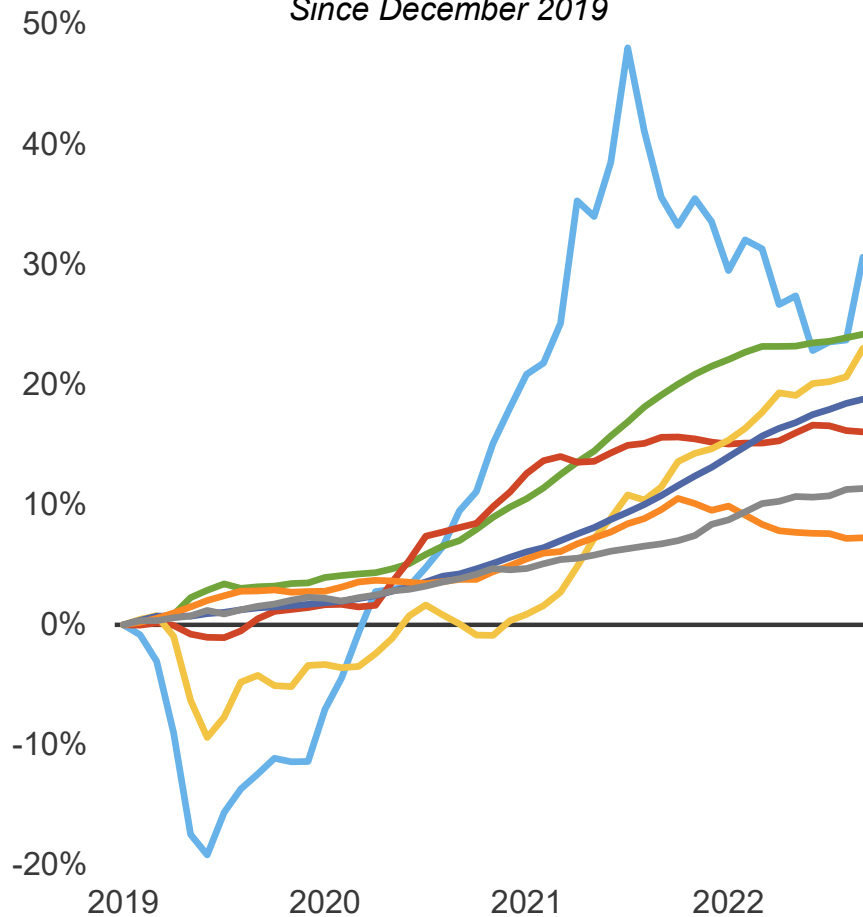
Monthly Change In Nonfarm Payrolls



Source: Bloomberg, as of August 2023. Data is seasonally adjusted.

Despite Higher Energy Prices in August, Shelter is Still the Biggest Contributor

Price Change of Major CPI Components
Since December 2019



CPI Component	12-mo. Change	Weight ¹	Contribution to YoY CPI
Energy	-3.7%	7.0%	-0.3%
Food	4.3%	13.4%	0.6%
Transportation	10.4%	5.9%	0.6%
Goods	0.4%	21.2%	0.1%
Shelter	7.2%	34.8%	2.5%
Medical services	-2.1%	6.3%	-0.1%
Other Services ²	4.2%	11.3%	0.5%
Overall	3.7%		

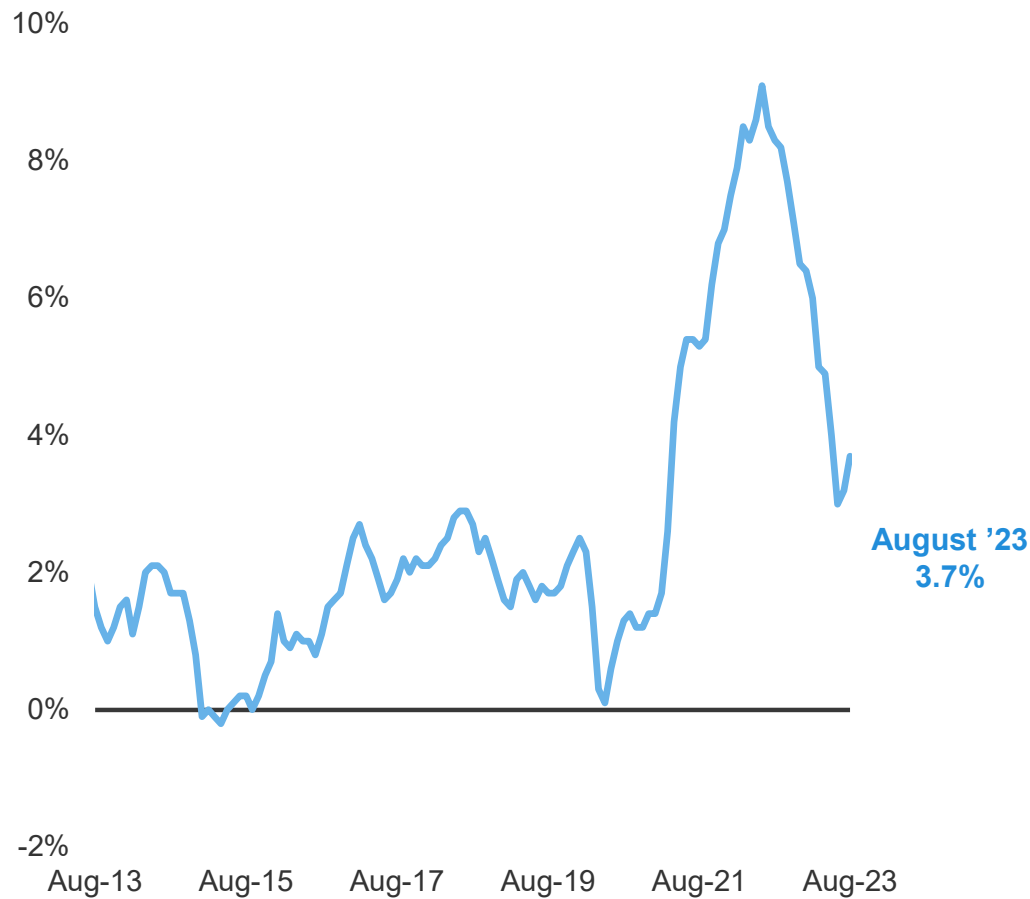
Source: Bloomberg, Bureau of Labor Statistics as of August 2023.

¹Index weights are as of July 2023 as they are published on a one-month lag.

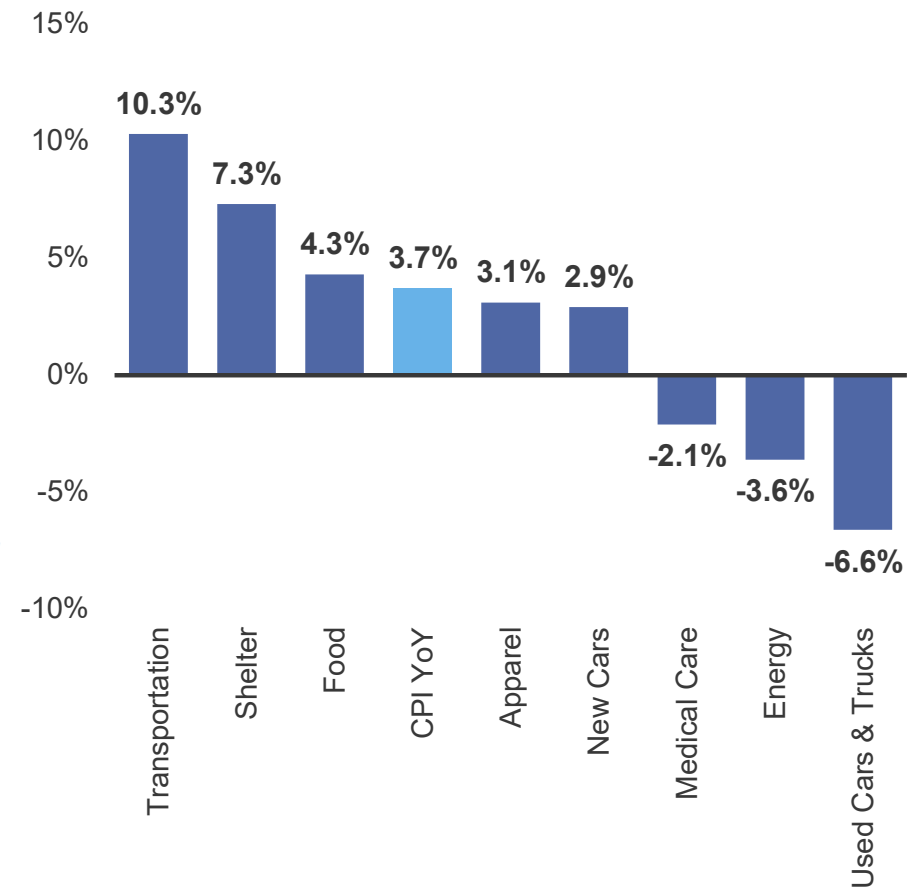
²Other services is a weighted blend of Water/Sewer/Trash, Household Operations, Recreation, and Education and Communication services.

Consumer Inflation

Consumer Price Index
% Change YoY



Key Consumer Price Index Components
% Change YoY



Source: Bloomberg, as of August 2023.

Energy Prices

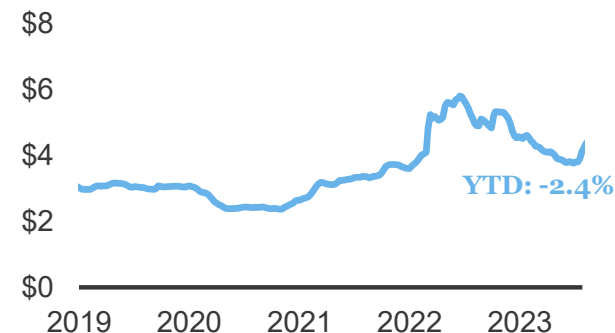
WTI Crude Oil (per barrel)



Retail Gasoline (per gallon)



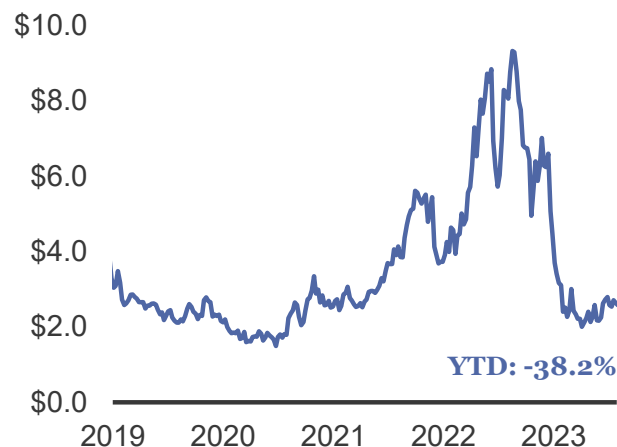
Average Retail Price US Diesel



Heating Oil (per gallon)



Natural Gas(MMBtu)

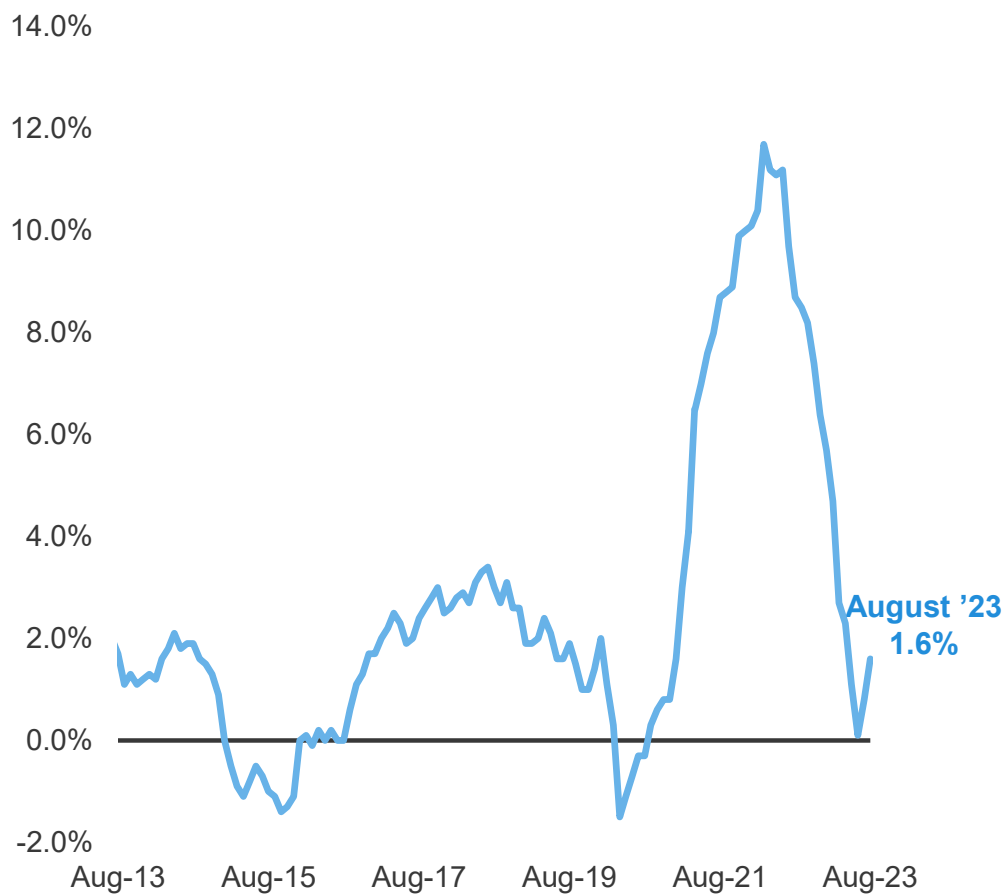


BRENT Crude Oil (per barrel)

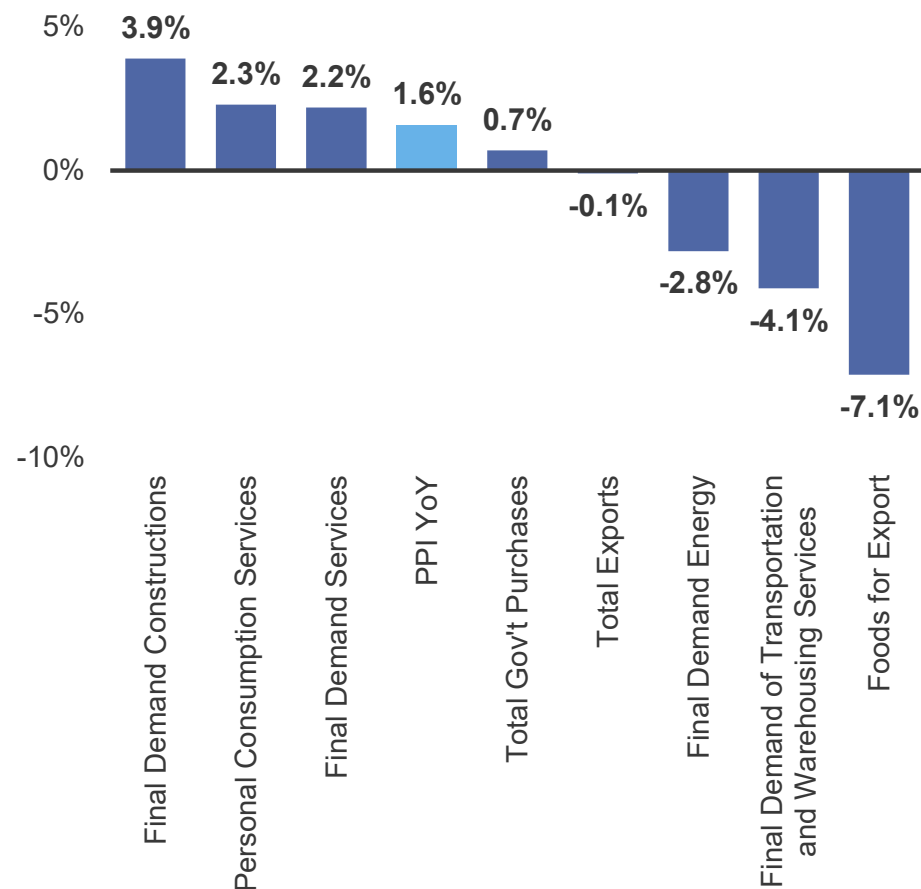


Producer Prices Jump on Rising Energy Costs

Producer Price Index
% Change YoY



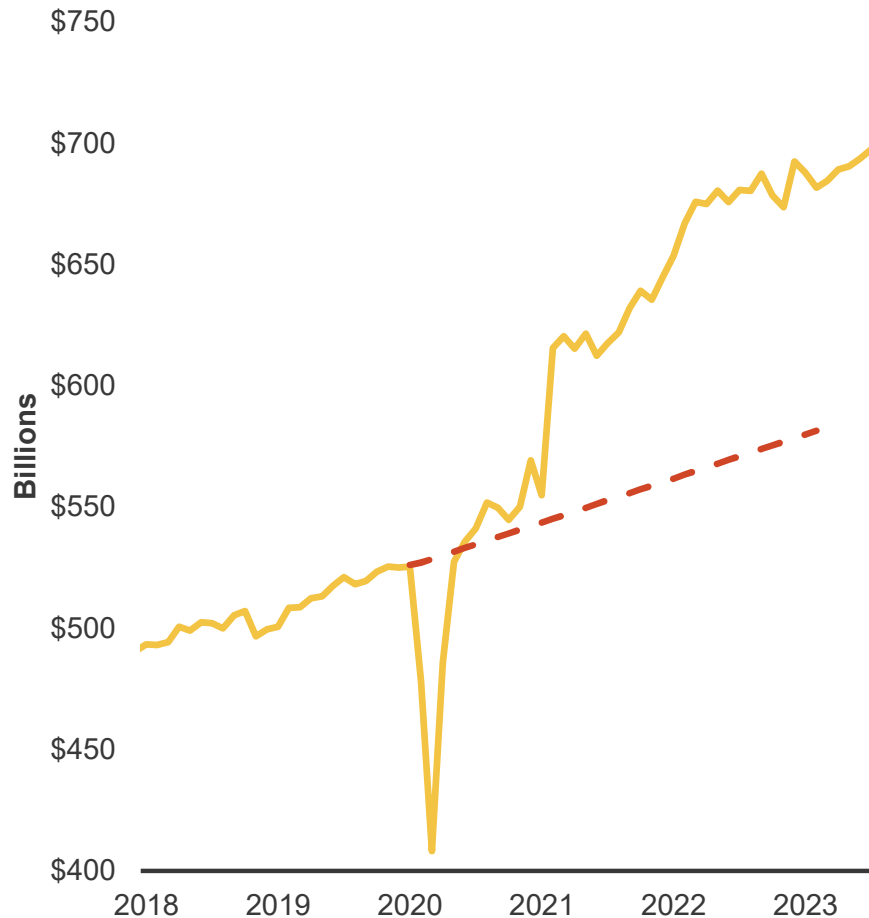
Key Producer Price Index Components
% Change YoY



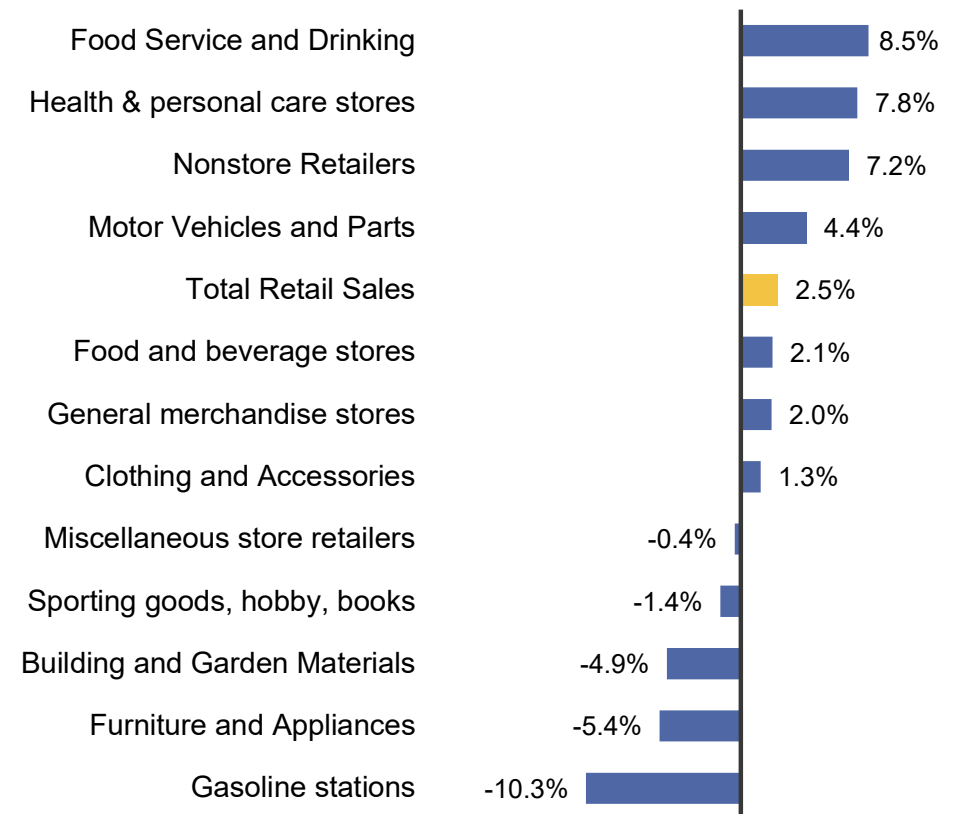
Source: Bloomberg, as of August 2023.

Retail Sales, Which Excludes Services, Jumped on Rising Energy Costs

Retail Sales (Monthly)



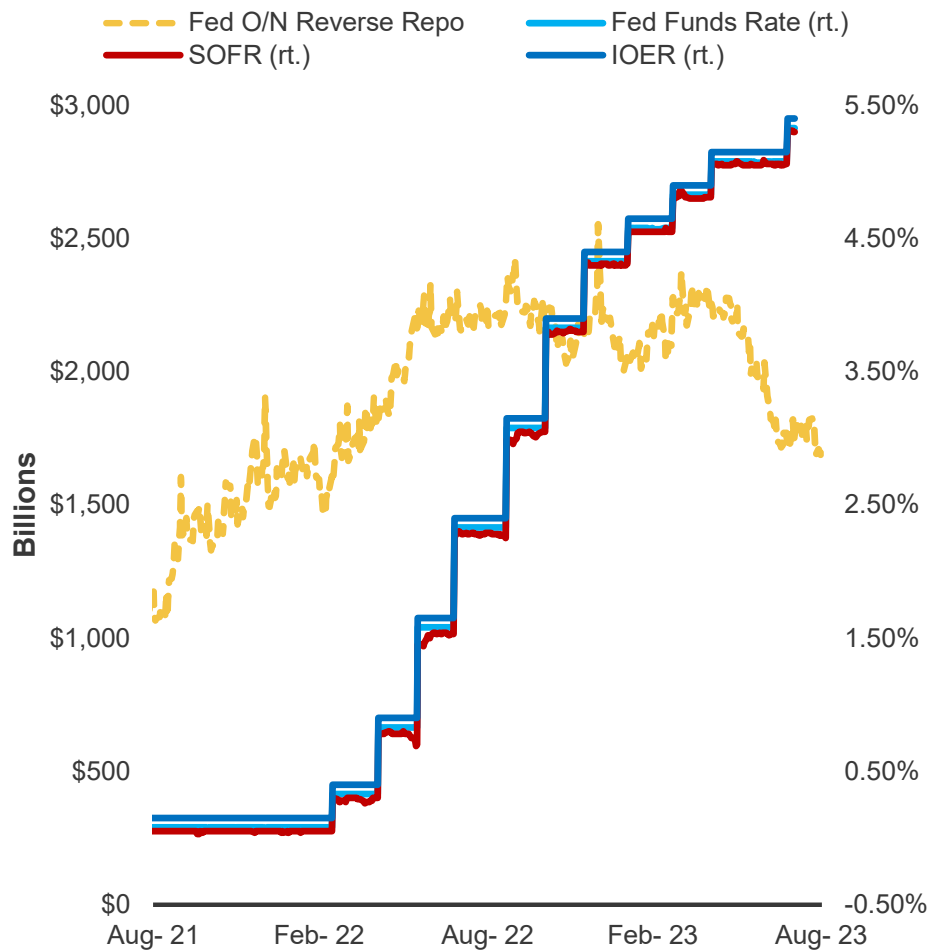
Retail Sales (Year over Year) August 2023



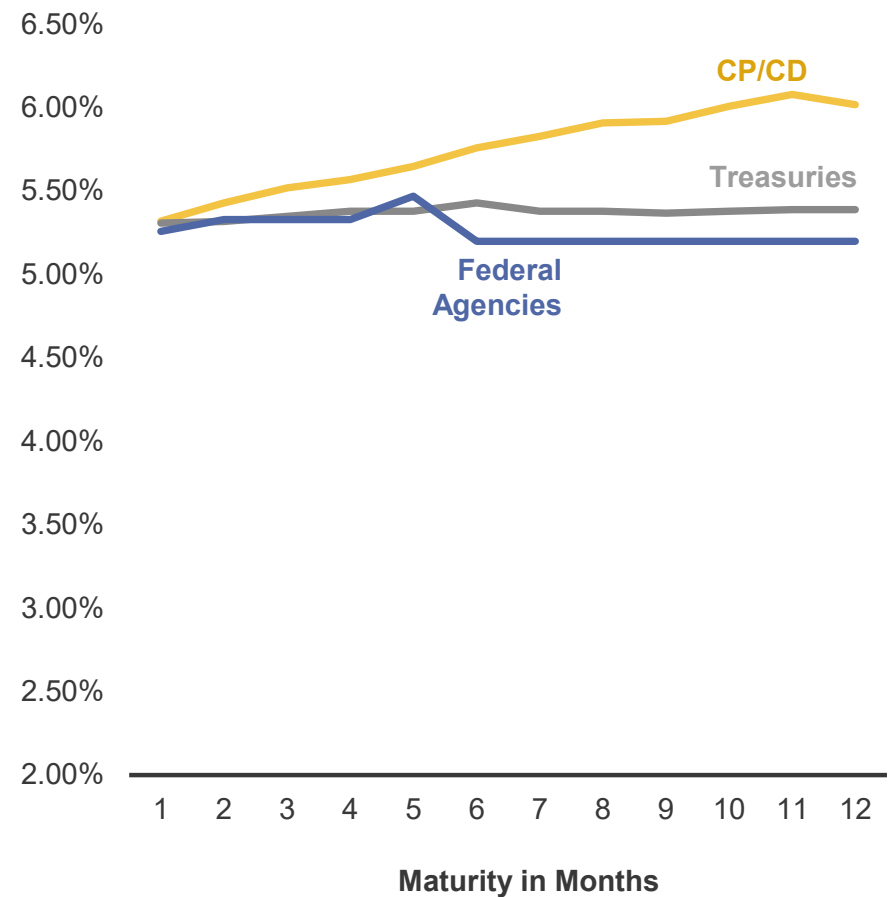
Source: Bloomberg, as of August 2023.

Fed Reverse Facility and Money Market Yield Curve

Federal Reserve Reverse Repo Facility



Money Market Yield Curves

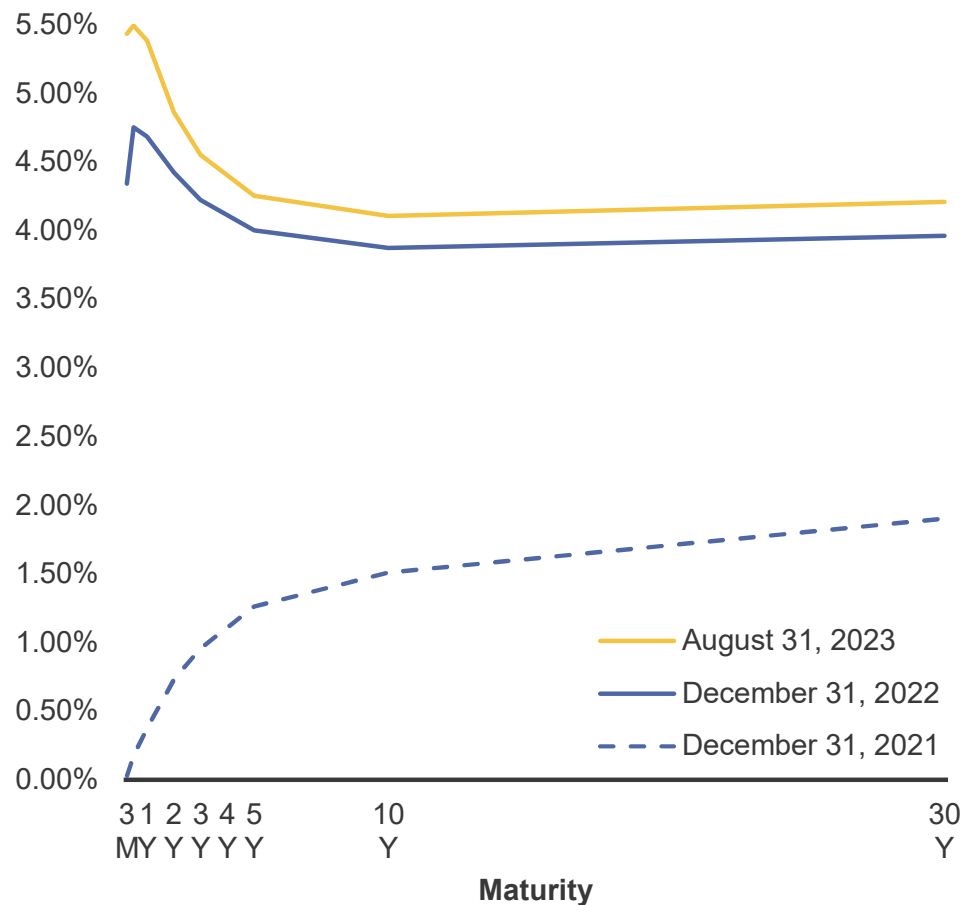


Source: Bloomberg, as of 08/31/2023.

Treasury Yield Curve

Tenor	08/31/2023	12/31/2022	12/31/21
3 month	5.44%	4.34%	0.03%
1 year	5.38%	4.69%	0.38%
2 year	4.86%	4.43%	0.73%
3 year	4.55%	4.22%	0.96%
5 year	4.25%	4.00%	1.26%
10 year	4.11%	3.87%	1.51%
30 year	4.21%	3.96%	1.90%

U.S. Treasury Yield Curve



Source: Bloomberg, as of 08/31/2023.

Summary of Capital Metro Portfolios

Account	Market Value as of 8/31/23	Strategy
Capital Metro Transportation Authority	\$317,051,797	Diversified portfolio with a strategy designed to provide liquidity for forecasted capital expenditures
Capital Metro Statutory Operating Reserve Account	\$41,406,503	Diversified portfolio with a 0-3 year investment strategy and able to provide liquidity if needed
Capital Metro City Of Austin Mobility Portfolio	\$8,049,529	Diversified portfolio with a strategy designed to provide liquidity for forecast capital expenditures
Capital Metro Budget Stabilization Reserve	\$22,822,831	Diversified portfolio with a 0-3 year investment strategy and able to provide liquidity if needed
Total	\$389,330,660	

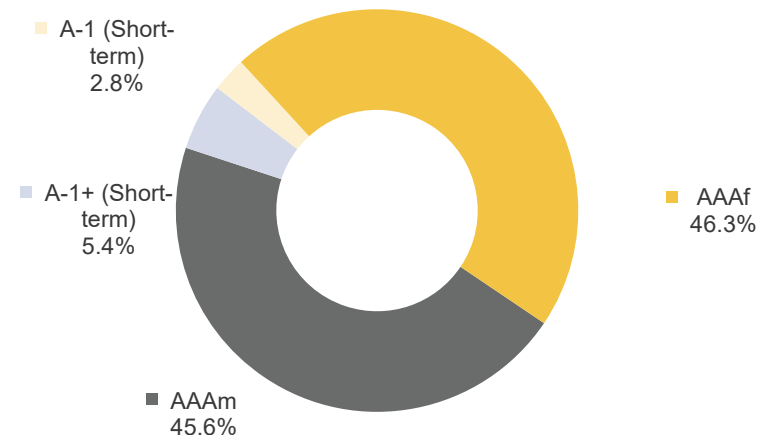
Source: PFMAM, as of August 31, 2023. Market Values include securities, accrued interest, TexasDAILY, Texas TERM and TexasDAILY Select Market values and it's produced cash dividends and income.

Capital Metro Transportation Authority

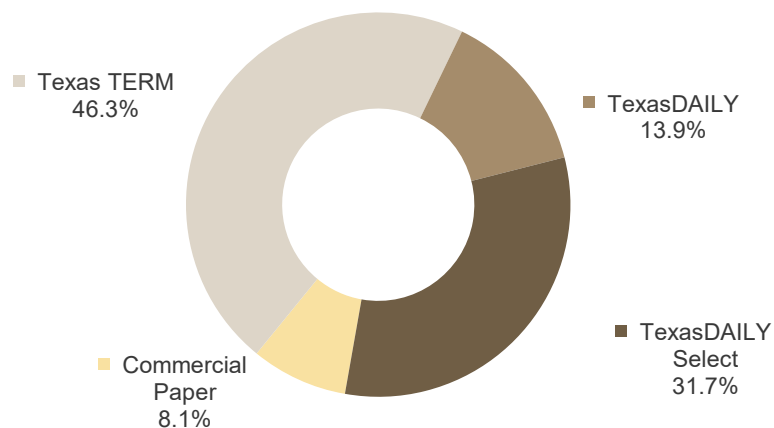
Portfolio Statistics

Portfolio Market Value	\$317,051,797
Weighted Average Maturity	41 days

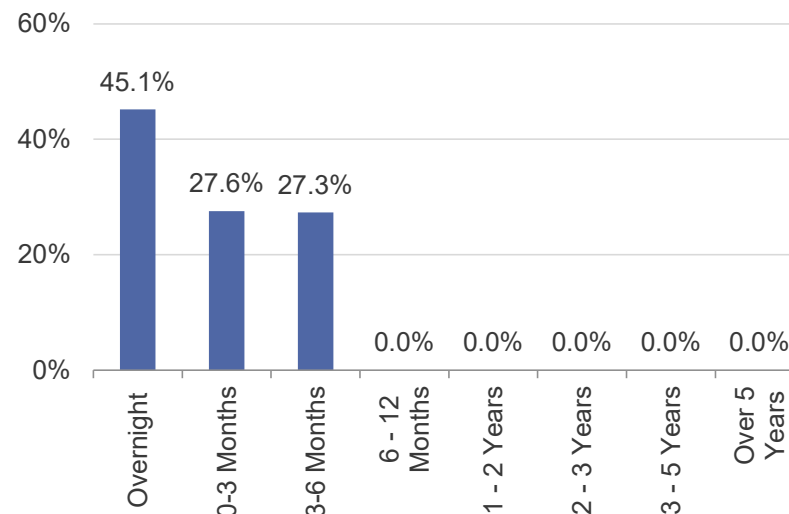
Credit Quality



Sector Allocation



Duration Distribution

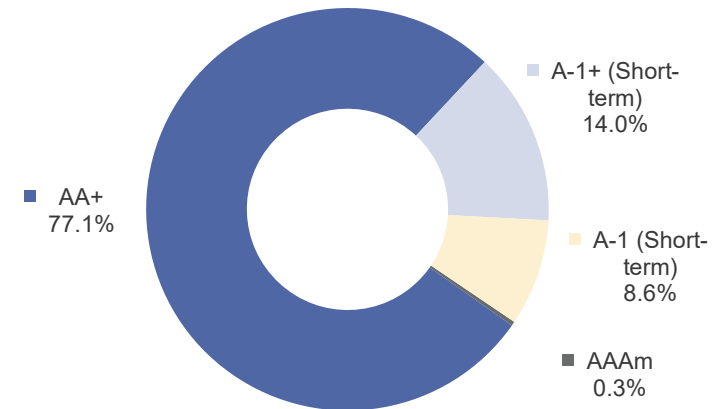


Market Value includes accrued interest, Weighted Average Maturity is for PFM accounts only.
Credit Quality is based on highest rating available between S&P and Moody's
Data as of August 31, 2023

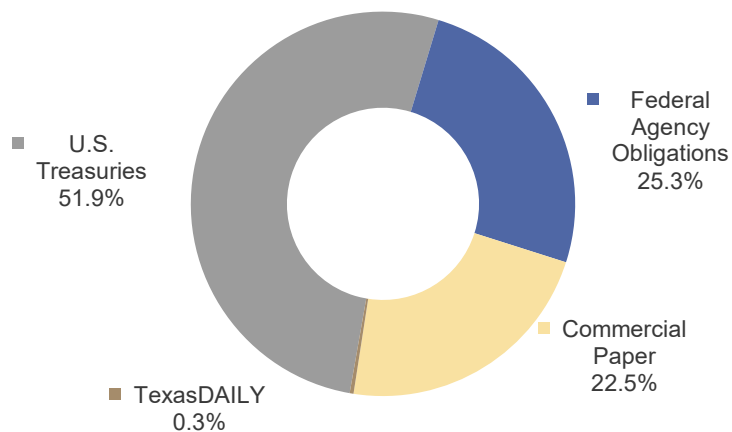
Capital Metro Statutory Operating Reserve Account

Portfolio Statistics	
Portfolio Market Value	\$41,406,503
Weighted Average Maturity	462 days

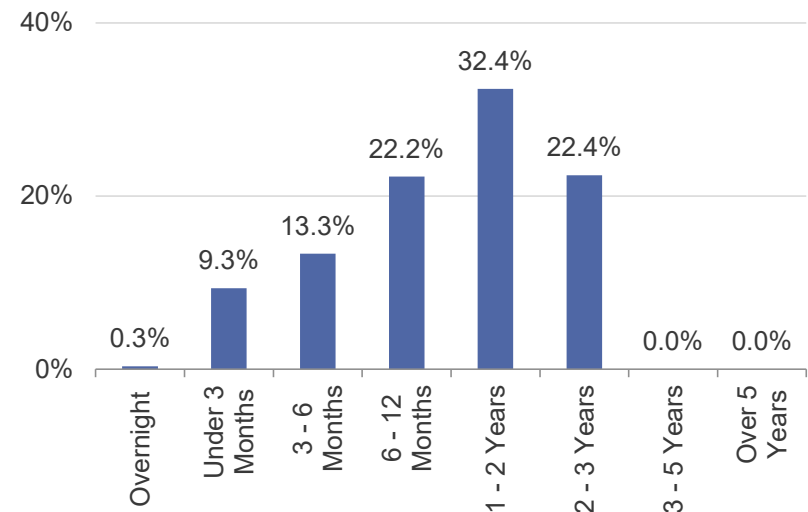
Credit Quality



Sector Allocation



Duration Distribution



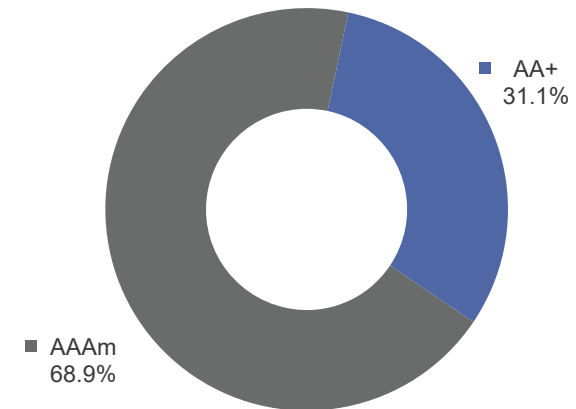
Market Value includes accrued interest, Weighted Average Maturity is for PFM accounts only.
Credit Quality is based on highest rating available between S&P and Moody's
Data as of August 31, 2023

Capital Metro City Of Austin Mobility Portfolio

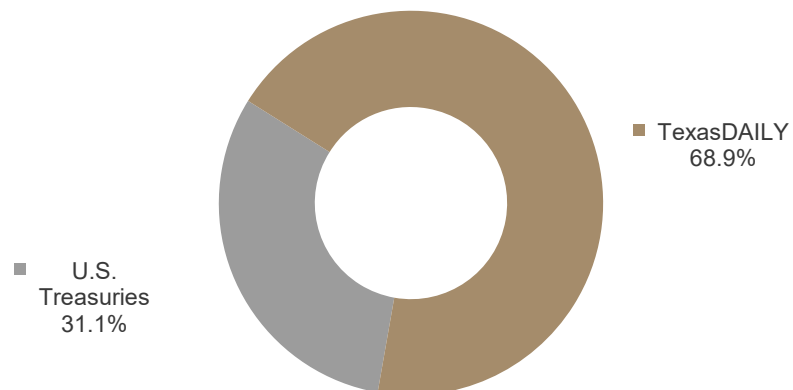
Portfolio Statistics

Portfolio Market Value	\$8,049,529
Weighted Average Maturity	30 days

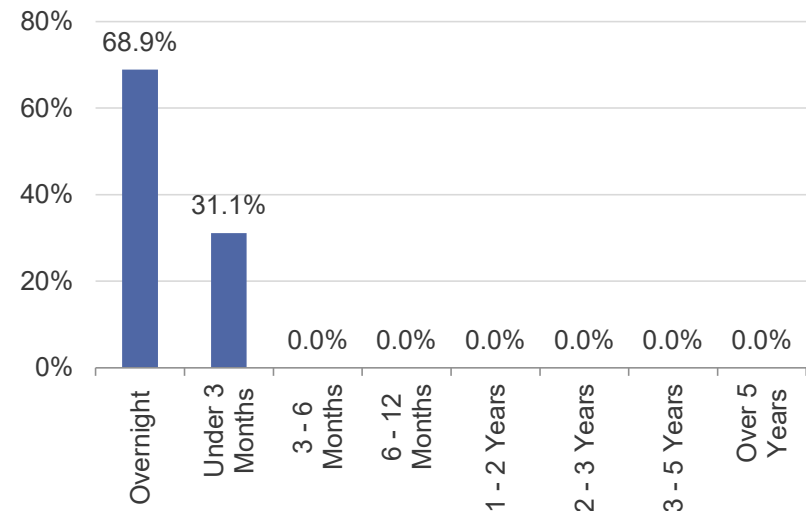
Credit Quality



Sector Allocation



Duration Distribution



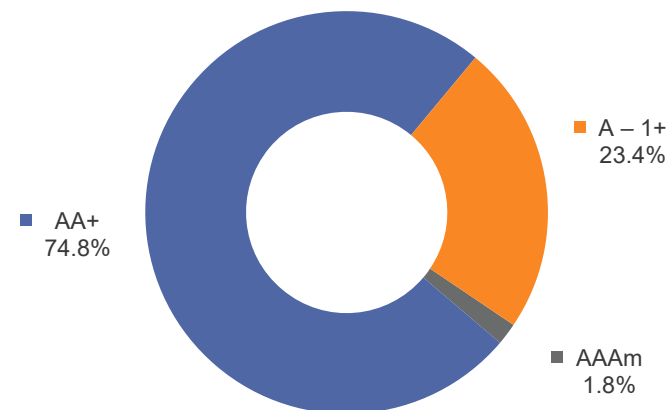
Market Value includes accrued interest, Weighted Average Maturity is for PFM accounts only.
Credit Quality is based on highest rating available between S&P and Moody's
Data as of August 31, 2023

Capital Metro Budget Stabilization Reserve

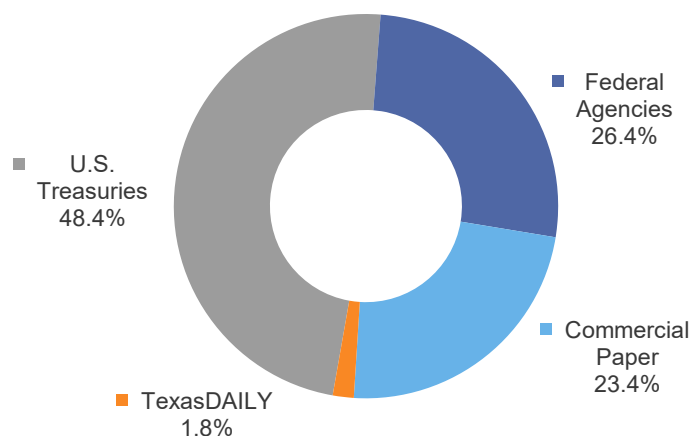
Portfolio Statistics

Portfolio Market Value	\$22,822,831
Weighted Average Maturity	460 days

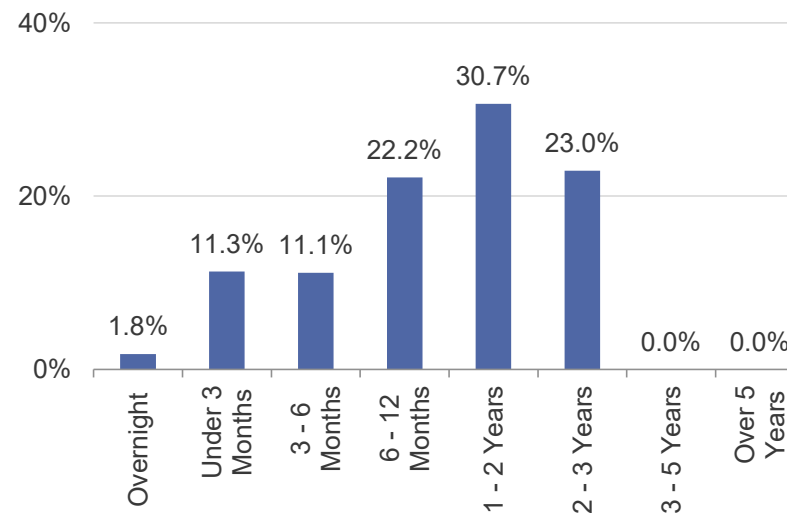
Credit Quality



Sector Allocation



Duration Distribution



Market Value includes accrued interest, Weighted Average Maturity is for PFM accounts only.
Credit Quality is based on highest rating available between S&P and Moody's
Data as of August 31, 2023

Statutory Operating Reserve Account and Budget Stabilization Reserve Total Return

Capital Metro Statutory Operating Reserve	1 Year	3 Years	5 Years	Since Inception ¹
Portfolio	2.51%	0.31%	1.51%	1.31%
Benchmark ⁴	2.17%	-0.42%	1.09%	0.96%

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 2015.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofA 0-3 Year U.S. Treasury Index. Source: Bloomberg.

5. Values as of August 31, 2023.

Capital Metro Budget Stabilization Reserve	1 Year	3 Years	5 Years	Since Inception ¹
Portfolio	2.49%	0.28%	1.52%	1.38%
Benchmark ⁴	2.17%	-0.42%	1.09%	1.00%

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is June 30, 2017.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofA 0-3 Year U.S. Treasury Index. Source: Bloomberg.

5. Values as of August 31, 2023.



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