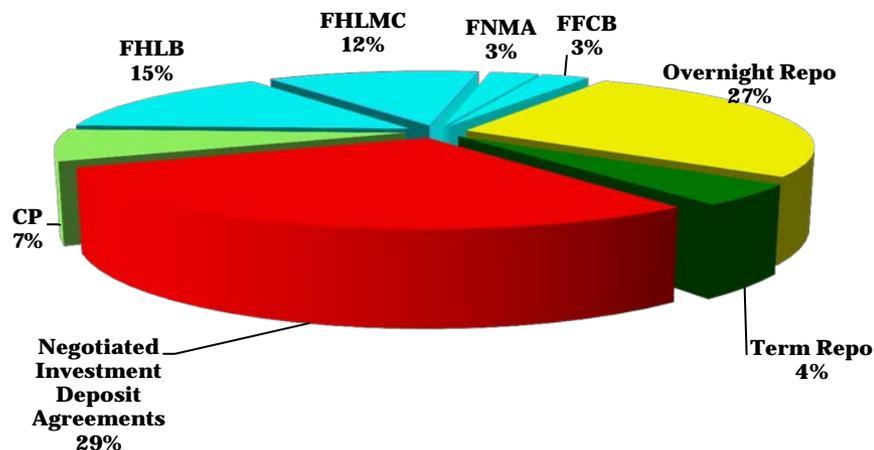


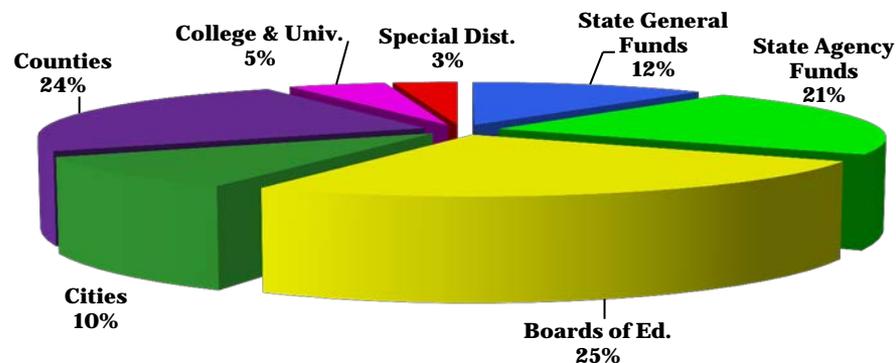
Georgia Fund 1 (GF1)

- Georgia Code annotated 36-83-1 to 36-83-8 authorizes Georgia local governments and other authorized entities to invest funds through the local government investment pool, Georgia Fund 1 (“GF1”). GF1 is managed by the Office of the State Treasurer.
- Eligible participants must complete a resolution authorizing investment to participate in the pool. The resolution and other documents can be found on our website at www.ost.georgia.gov
- GF1 is managed to maintain a constant net asset value (NAV) of \$1.00.
- The yield is calculated on an actual/365 day basis and is net of the 3.3 basis points (bp) administrative fee.
- GF1 is currently rated AA Af by Standard & Poor’s.
- For the month of January 2014, GF1 participants earned .11% (11 bp).
- As of January 31st, GF1 assets were \$11.1 billion.

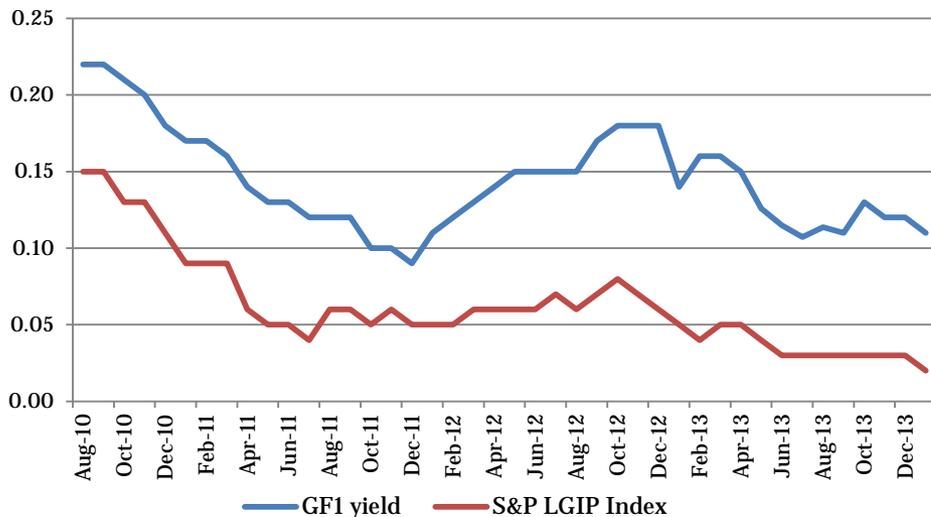
Portfolio Composition



Account Holder Distribution



Monthly Yield



In The News:

The last few years have been challenging for the markets and ultimately for state and local governments. Throughout the market turmoil, Georgia Fund 1 has remained a safe and secure investment. Our primary objective in managing Georgia Fund 1 has been and always will be preservation of principal. Although the Fed funds target remains at 0% to .25% for the fifth straight year, the target and thus short-term interest rates will eventually rise. Georgia Fund 1 is an appealing investment in a rising rate environment. As in the past, we will position the portfolio to take advantage of this move in rates by reducing the portfolio's WAM.

Portfolio Strategy:

GF1 is designed to maximize current income while preserving principal and providing daily liquidity. GF1 is managed to maintain a \$1.00 value and a weighted average maturity of 60 days or less, with the maximum maturity of any investment limited to 397 days. The GF1 weighted average maturity (WAM) was 49 days as of January 31, 2014. Repo rates averaged 2.9 basis points for the month of January, down 2.1 basis points from the month of December. GF1 assets rose \$600 million in January 2014 ending the month at \$11.1 billion. Strong sales tax collections for the month of December increased the state's position in GF1. The target range for the federal funds rate remains at zero to ¼ percent and the market's perception based on fed funds futures is the Fed is on hold through 2014.

Maturity Distribution

