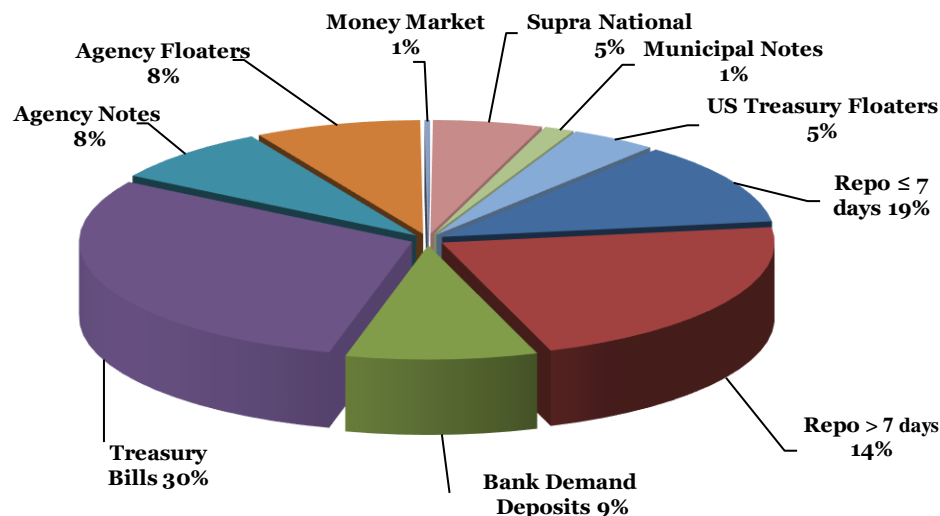


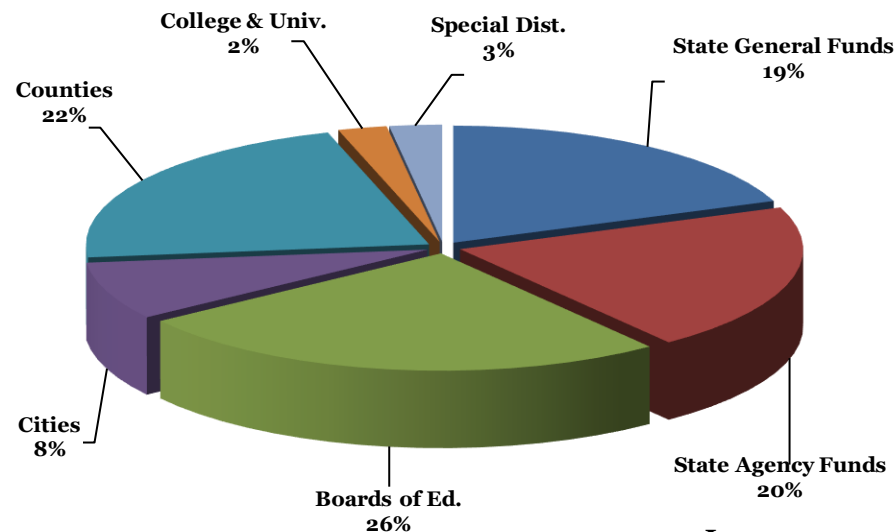
Georgia Fund 1 (GF1)

- O.C.G.A. § 36-83-1 to § 36-83-8 authorizes Georgia local governments and other eligible entities to invest funds in Georgia Fund 1 (“GF1”). GF1 is managed in trust 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.
- Yield calculated on an actual/365-day basis net of administrative fee.
- GF1 is rated AA+ by Fitch.
- For the month of December 2021, GF1 participants earned 5 bps⁽¹⁾⁽²⁾.
- As of December 31, 2021, GF1 assets were \$25.3 billion.
- As of December 31, 2021, the weighted average maturity (WAM) was 46 days.

Portfolio Composition



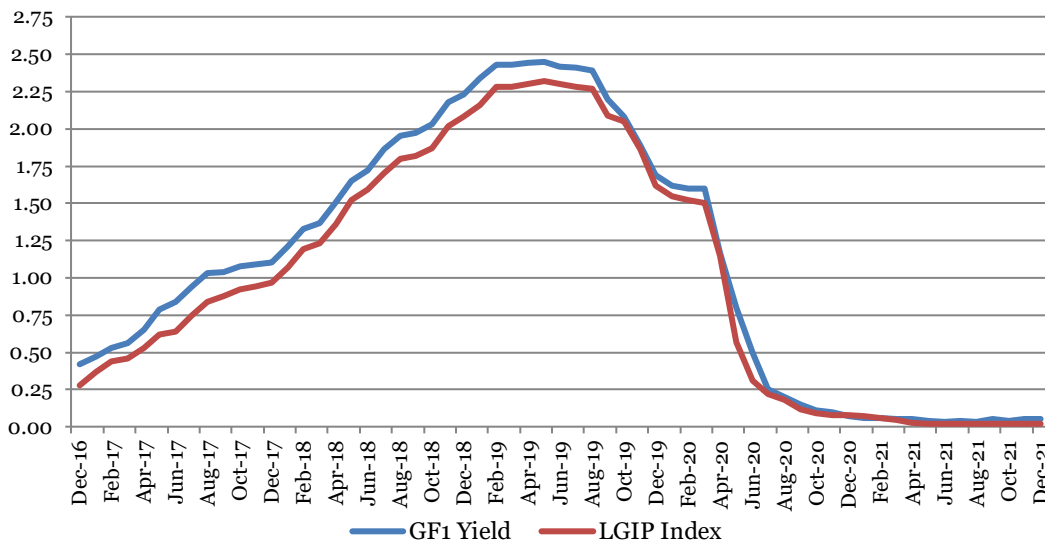
Account Holder Distribution



Jan. 10, 2022

(1) A voluntary reduction in fees is currently in effect. Without the reduction, returns would have been lower. (2) Georgia Fund 1 Yield is calculated on an annualized basis.

Monthly Yield



In The News:

Additional information on the Georgia Fund 1 (GF1) holdings can be found on the website at <https://ost.georgia.gov/gf1-holdings-reports>. Holdings are updated quarterly. Other state portfolio holdings are listed on the website, as well.

In order to initiate a deposit or withdrawal from a GF1 account, an authorized user must call our office or log on to the secure Internet Participant Access System (IPAS) before 2:00pm on the business day preceding the day you want funds transferred to or from your account.

For GF1 investment related questions, please direct inquiries to Jon Perregaux, Senior Portfolio Manager, at **404-232-1498** or Jon.Perregaux@treasury.ga.gov.

Portfolio Strategy:

The Fed has continued to express a more hawkish tone citing inflation as their main concern. Key inflation indicators such as the Consumer Price Index (CPI) and the Personal Consumption Expenditures Price Index (PCE) have made considerable increases in recent months. CPI climbed to 7% in 2021, an increase of this magnitude has not been seen since the early 1980's. To curb the increase of inflation we expect the Fed to start taking action by raising interest rates as soon as March of this year.

The market has started to price in the potential for higher interest rates which has given us the opportunity to add some higher yielding positions in the GA Fund 1 portfolio. Given the current shape of the Bill Curve and timing of potential rate hikes we feel the 3-month to 6-month area of the curve is most opportune. Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 0.05% in December. Treasury Bill yields averaged 0.0185% for 1-month maturities, 0.0431% for 3-month maturities, 0.1342% for 6-month maturities and 0.2712% for 12-month maturities. The Treasury Bill curve continues to take shape and offered 30 basis points of steepness as of 12/31/2021.

Jon Perregaux, Senior Portfolio Manager.

Maturity Distribution

