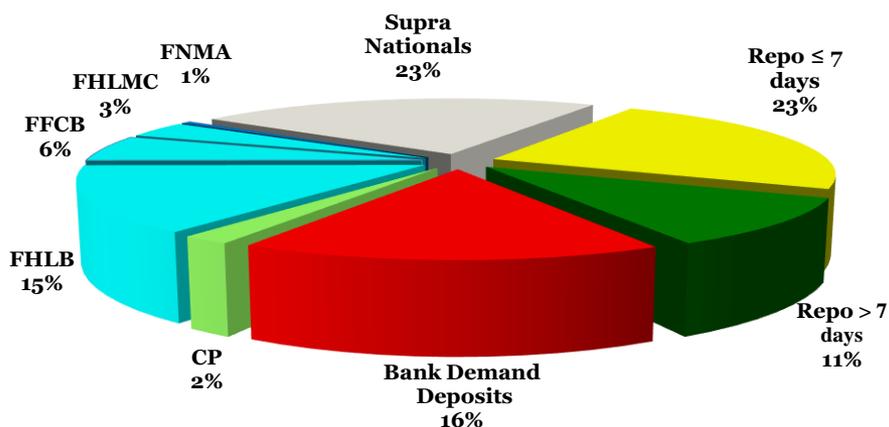


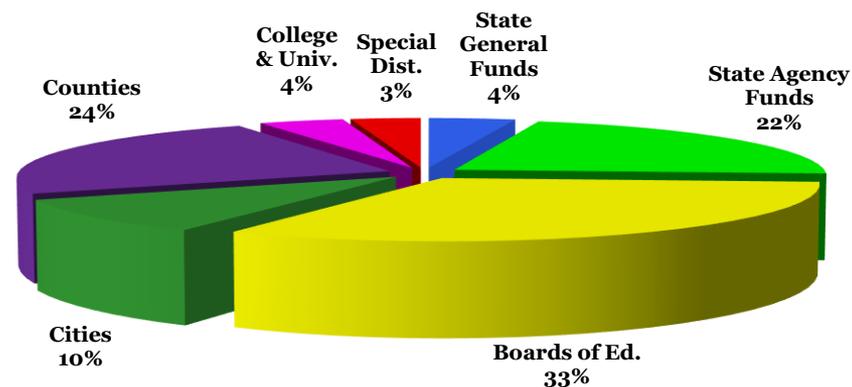
Georgia Fund 1 (GF1)

- O.C.G.A. § 36-83-1 to § 36-83-8 authorizes Georgia local governments and other authorized 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 5 basis points (bps) administrative fee.
- GF1 is rated AA Af by Standard & Poor’s.
- For the month of February 2020, GF1 participants earned 1.60%*.
- As of February 29, 2020, GF1 assets were \$16.4 billion. The weighted average maturity (WAM) was 52 days.

Portfolio Composition

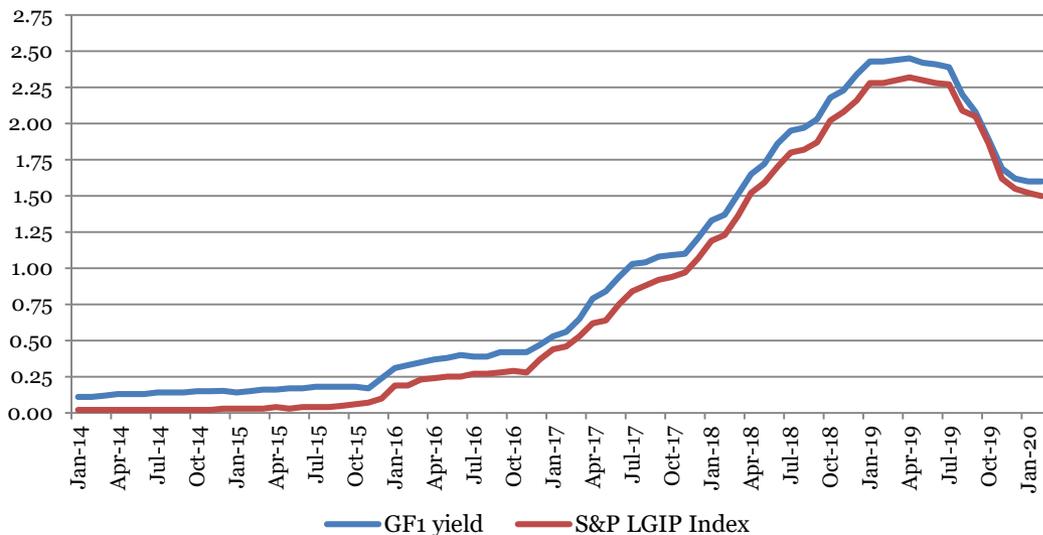


Account Holder Distribution



*Georgia Fund 1 yield is on an annualized basis.

Monthly Yield



In The News:

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

Looking for an opportunity to network with your peers and to gain a greater understanding of investments? Consider the Government Investment Officers Association (GIOA) webinars and annual conference held each March. For more information, visit the GIOA website at <https://www.gioa.us/>

For Georgia Fund 1 investment related questions, please direct inquiries to **Laura Glenn** at **(404) 656-2995** or by email at laura.glenn@treasury.ga.gov

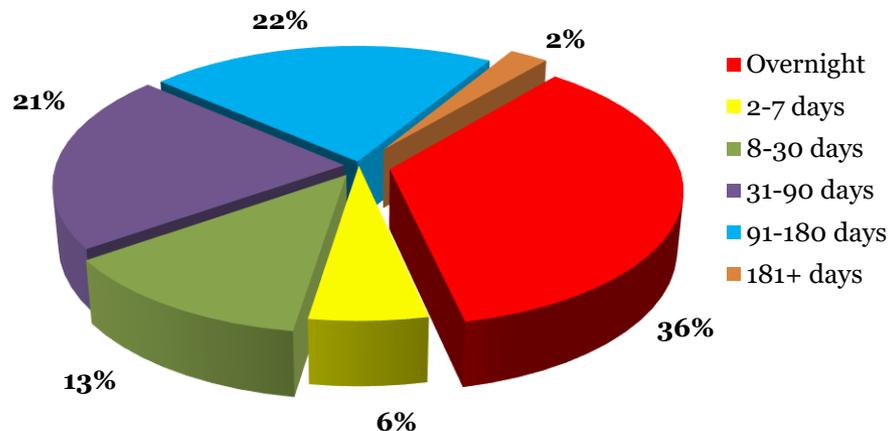
Portfolio Strategy:

What a difference a month makes. At the end of January the outlook for 2020 was for the Fed to cut rates at least one time, maybe two. At that time, the 3-month treasury bill yielded 1.55%. Flash forward to the end of February and the yield dropped to 1.28%. The Fed made an emergency rate cut on March 3rd, moving the fed funds target to 1.00% - 1.25%. Then the Coronavirus scare led to panic and the yield on the 3-month treasury bill dropped to 0.36% at the close of business on March 9th.

During the month of February before the market completely melted down, we bought \$2.3 billion of agency and supranational discount notes at a weighted average yield of 1.44%. These purchases pushed the weighted average maturity (WAM) to 52 days at the end of February. Purchases settling in March extended the WAM to 57 days. As you can see in the pie chart to the right, over 40% of the fund is invested in securities maturing in 31 to 180 days.

As the market turmoil continues – stocks are down 5700 points from the Dow’s high on February 12th and the 30-year bond has dropped from a yield of 2.09% to a historic closing low of 0.997% - the Fed is ready to act when needed. The market is now projecting another 75 basis point drop in rates at the March 18th meeting. Hold on tight.

Maturity Distribution



Georgia Fund 1 deposits are not guaranteed or insured by any bank, the FDIC, the Federal Reserve Board, the State of Georgia or any other agency.