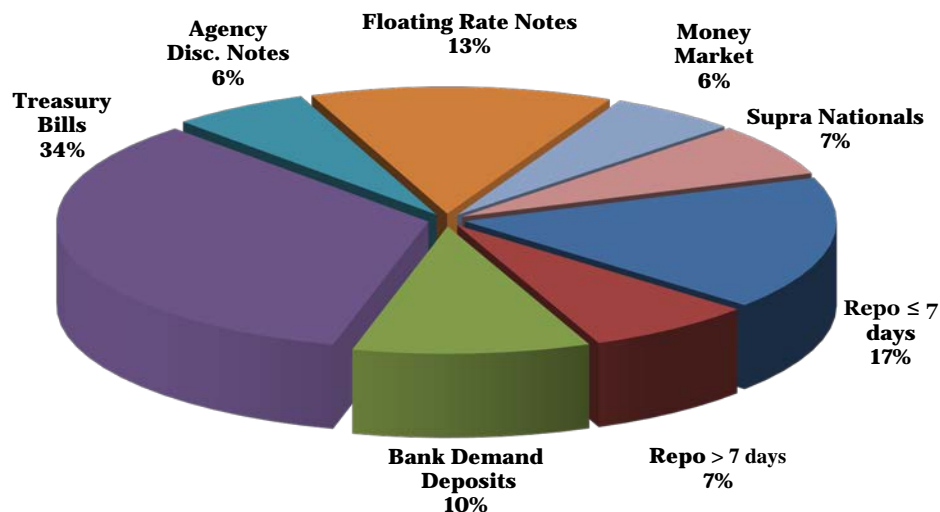


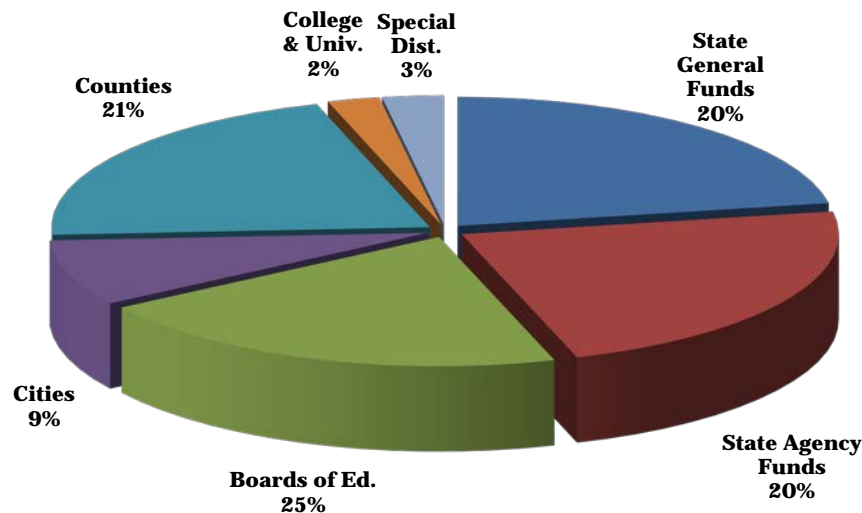
Georgia Fund 1 (GF1)

- 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 (“OST”).
- 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.
- For the month of June 2021, GF1 participants earned 3.5 basis points ⁽¹⁾⁽²⁾.
- As of June 30, 2021, GF1 assets were \$23.4 billion.
- As of June 30, 2021, the weighted average maturity (WAM) was 36 days.
- GF1 is rated AA Af/S1+ by Standard & Poor’s and AA Af/S1 by Fitch. ⁽³⁾

Portfolio Composition



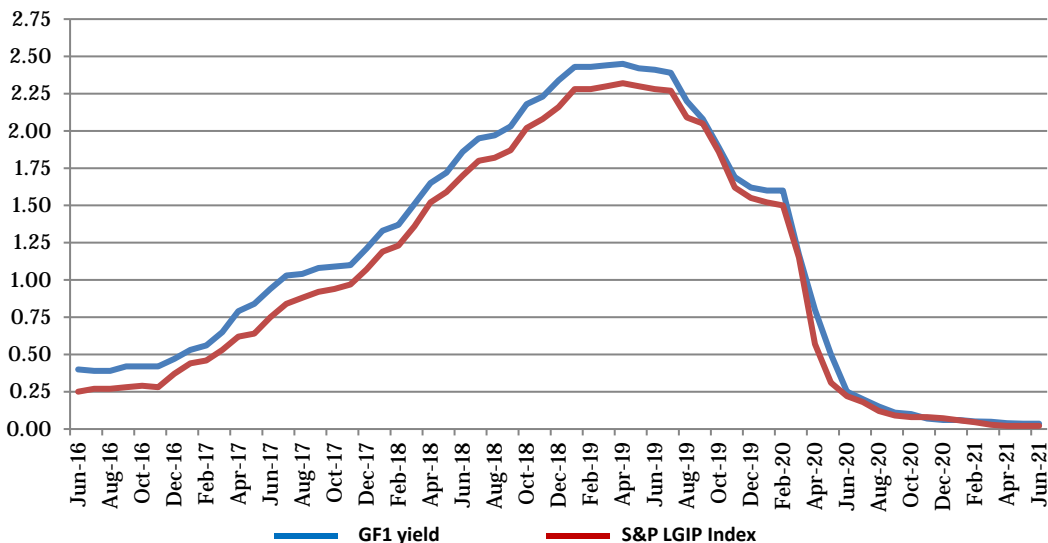
Account Holder Distribution



(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.

(3) See “In The News” for rating change effective July 1, 2021.

Monthly Yield



-Portfolio Strategy:

The Federal Open Market Committee announced during their June 16th meeting that they will make technical adjustments to the Interest Rate on Excess Reserves (IOER) and the Reverse Repo Rate (RRP), increasing both by 5 basis points (bp). This action by the FOMC finally relieved some of the downward pressure on the short end of the curve. The demand for short-term investment grade paper is still elevated but the yields offered for these investment types are a little more palatable. Overall, Treasury Bills gained approximately 3 to 4 bp across the curve during the month.

Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 2.4 bp in June. Treasury Bill yields averaged 1.8 bp for 1-month maturities, 2.6 bp for 3-month maturities, 3.9 bp for 6-month maturities and 5.8 bp for 12-month maturities. The Treasury Bill curve remained flat offering only 3 bp of steepness.

Although the FOMC did make adjustments to IOER and RRP, interest rate hikes are not expected until later in 2022 to early 2023. We will continue to look for signals from the FOMC to determine the timing of additional technical adjustments, if any. We will also be monitoring developments on the inflationary front and the overall impact it has on rates.

Jon Perregaux, Senior Portfolio Manager.

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.

Due to continuance of low interest rates experienced in the short term fixed income market and a desire to reduce costs, OST elected to retain only a rating from Fitch Ratings of AAAf/S1 beginning July 1, 2021

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

Maturity Distribution

