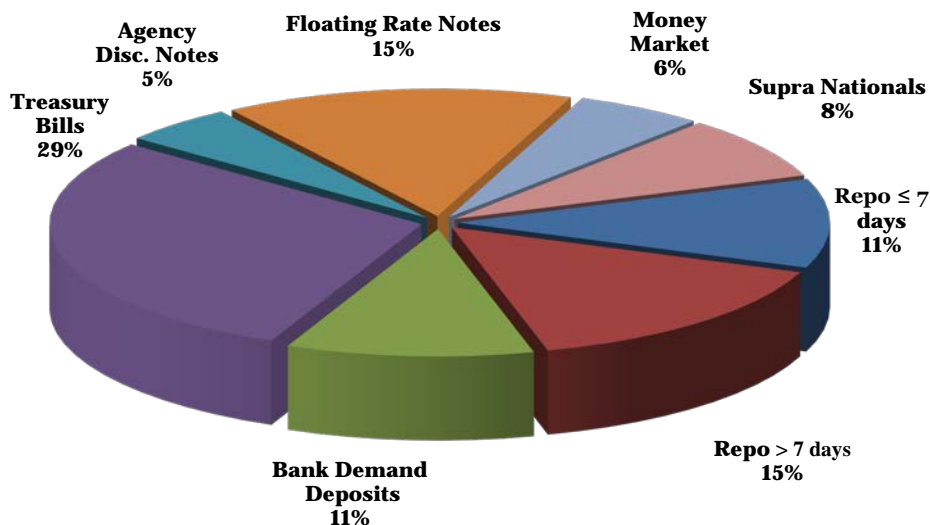


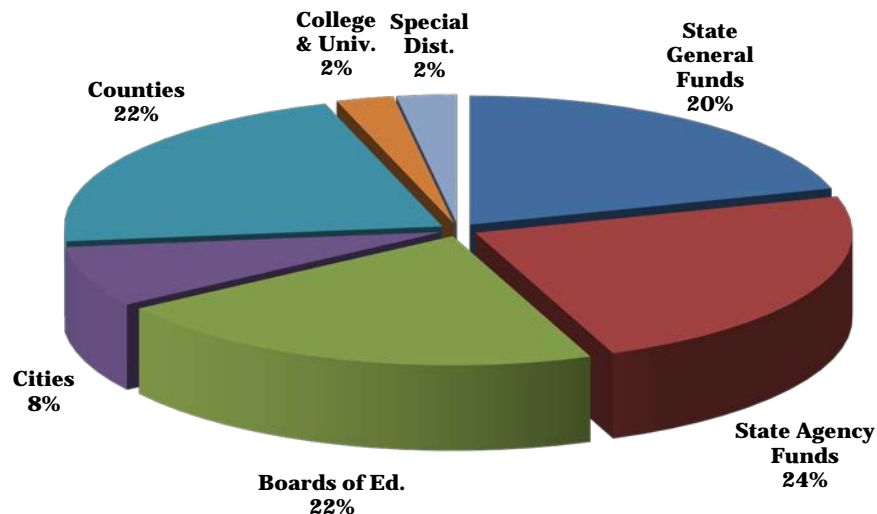
Georgia Fund 1 (GF1)

- 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 AAAsf/S1+ by Standard & Poor’s and AAAsf/S1 by Fitch.
- For the month of May 2021, GF1 participants earned 3.5 bps or 0.035% ⁽¹⁾⁽²⁾.
- As of May 31, 2021, GF1 assets were \$23.2 billion.
- As of May 31, 2021, the weighted average maturity (WAM) was 44 days.

Portfolio Composition

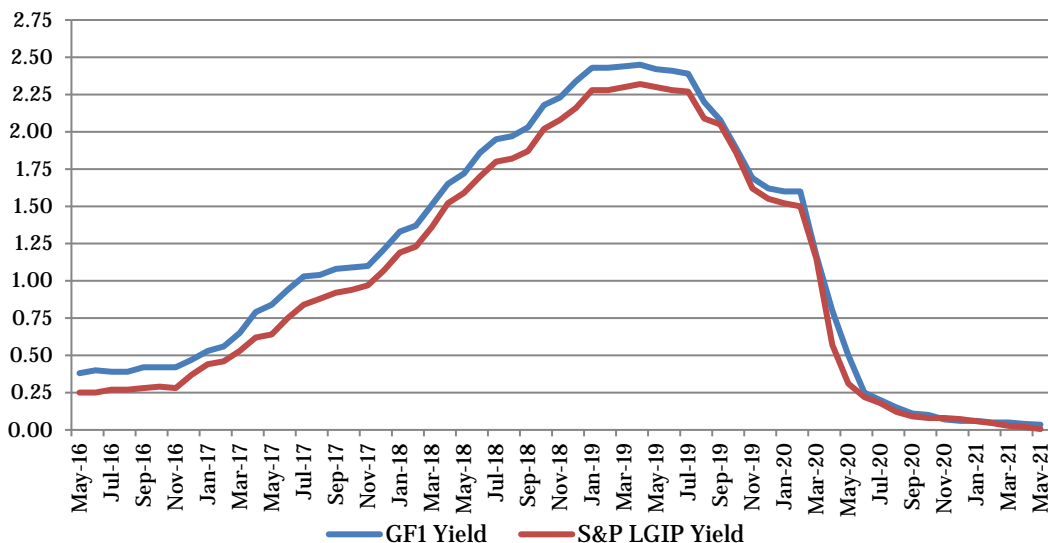


Account Holder Distribution



(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.

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.

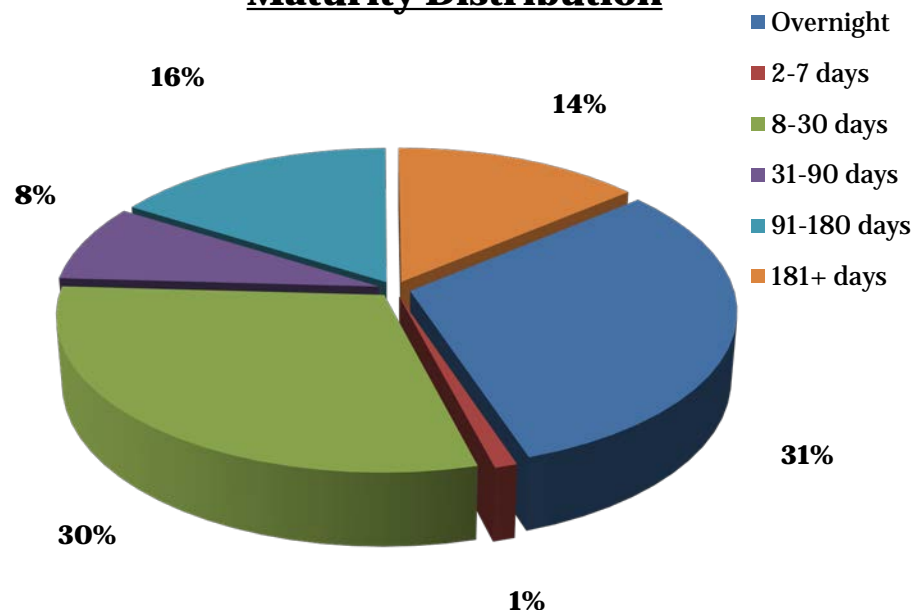
Market Commentary:

Rates continued to feel downward pressure in May as the demand for short-term investment grade paper outweighed supply. Overall, Treasury Bills lost approximately 0.0075% or 0.75 Bps across the curve during the month. Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 0.005% in May. Treasury Bill yields averaged 0.00% for 1-month maturities, 0.01% for 3-month maturities, 0.03% for 6-month maturities and 0.04% for 12-month maturities. The Treasury Bill curve remained flat offering only 4 bps of steepness.

As yields continue to hit new lows in the short end of the curve, conversations are growing as to what action(s) the Federal Open Market Committee (FOMC) may take to lift rates higher. There has been an increasing consensus that the FOMC will alter monetary policy by increasing the Interest Rate on Excess Reserves (IOER) and/or increasing the Reverse Repo Rate (RRP). The FOMC is likely to increase IOER and/or RRP if they believe the Effective Federal Funds Rate (EFFR) is in danger of falling below their target. The EFFR currently stands at 0.06% which is on the lower end of their target range of 0.00% - 0.25%. Market participants are eager to hear if the FOMC will make a technical adjustment to IOER and/or RRP at the June 16 Open Market Committee meeting.

Jon Perregaux, Senior Portfolio Manager.

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.