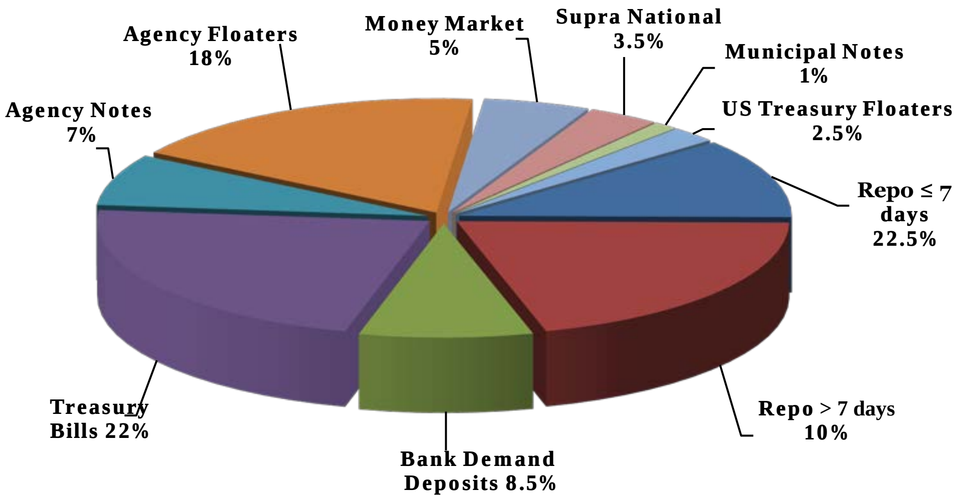
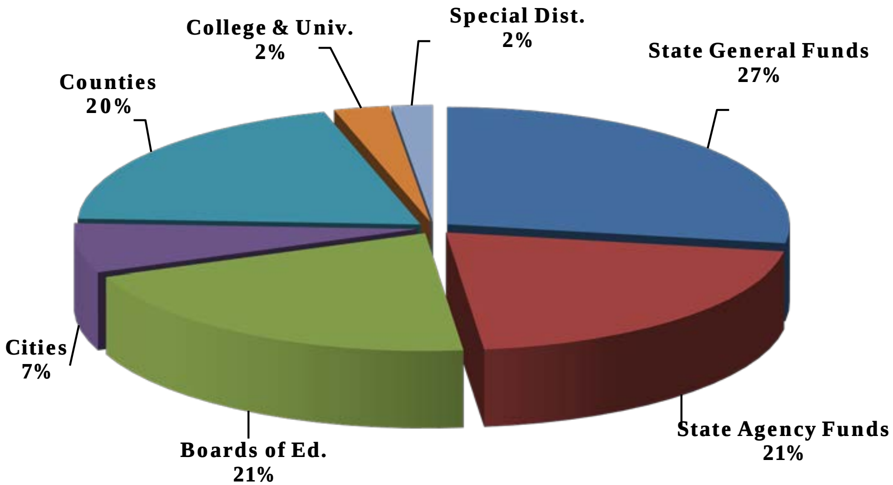
Georgia Fund 1 (GF1)

- 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 AAAf/S1 by Fitch.
- For the month of May 2022, GF1 participants earned 68 bps[(1)].
- As of May 31, 2022, GF1 assets were $27.9 billion.
- As of May 31, 2022, the weighted average maturity (WAM) was 34 days.

Portfolio Composition

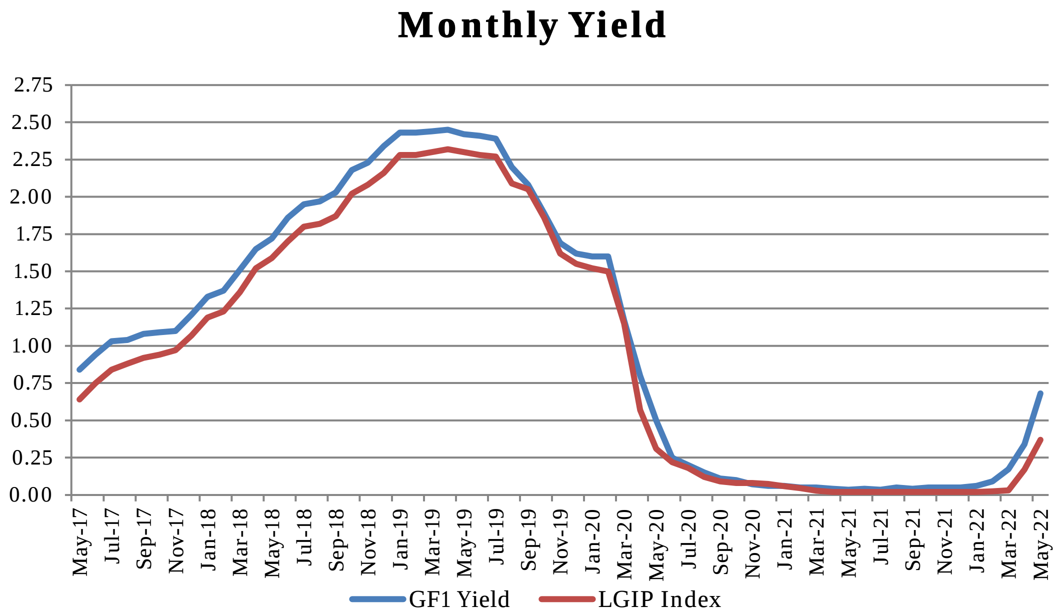


Account Holder Distribution



(1) Georgia Fund 1 Yield is calculated on an annualized basis.

June 6, 2022



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 May 4th FOMC meeting concluded with the Fed raising interest rates by 50 basis points. Higher inflation brought on by a combination of excessive federal stimulus spending, supply chain disruptions and the invasion of Ukraine by Russia are the key drivers behind the Feds decision to raise rates. In addition to raising interest rates, the Fed decided to begin reducing the size of the Federal Reserve's balance sheet. By reducing their balance sheet, they hope to increase supply in the market which will (in theory) put further upward pressure on interest rates. The intent of higher interest rates is to slow down the economy, in return, decrease inflation.

Employment data for May was stronger than expected with the headline Nonfarm Payrolls number coming in at +390k. The Unemployment Rate rose slightly to 3.6%.

Rates in the short end of the curve continue to increase. Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 0.70% in May. Treasury Bill yields averaged 0.56% for 1-month maturities, 0.99% for 3-month maturities, 1.47% for 6-month maturities and 2.02% for 12-month maturities. The Treasury Bill curve offered 138 basis points of steepness as of 5/31/2022.

Jon Perregaux, Senior Portfolio Manager

Maturity Distribution