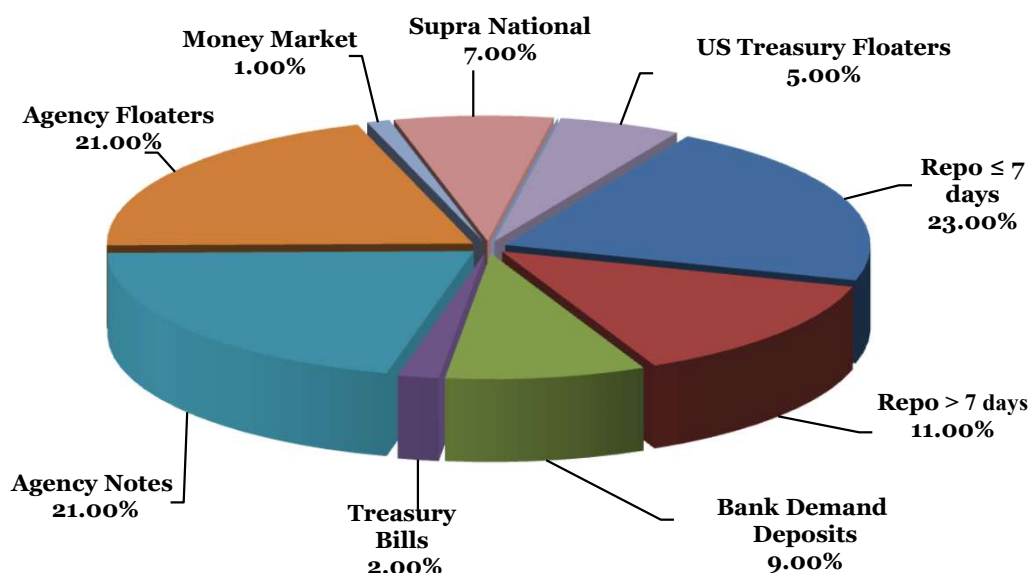


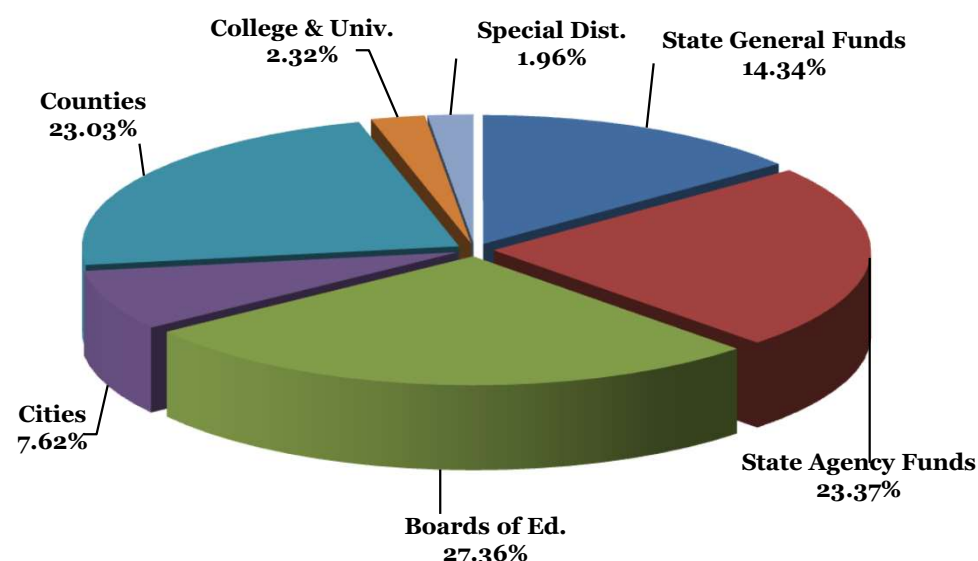
# Georgia Fund 1 (GF1)

- 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 investments to participate in the pool. The resolution and other documents can be found on our website at [www.ost.georgia.gov](http://www.ost.georgia.gov)
- GF1 is managed to maintain a constant net asset value (NAV) of \$1.00.
- Yield is calculated on an actual/365-day basis net of administrative fee<sup>(1)</sup>.
- GF1 is rated AA+ by Fitch.
- For the month of December 2022, GF1 participants earned 3.92%<sup>(2)</sup>.
- As of December 31, 2022, GF1 assets were \$28.6 billion.
- As of December 31, 2022, the weighted average maturity (WAM) was 23 days.

## Portfolio Composition

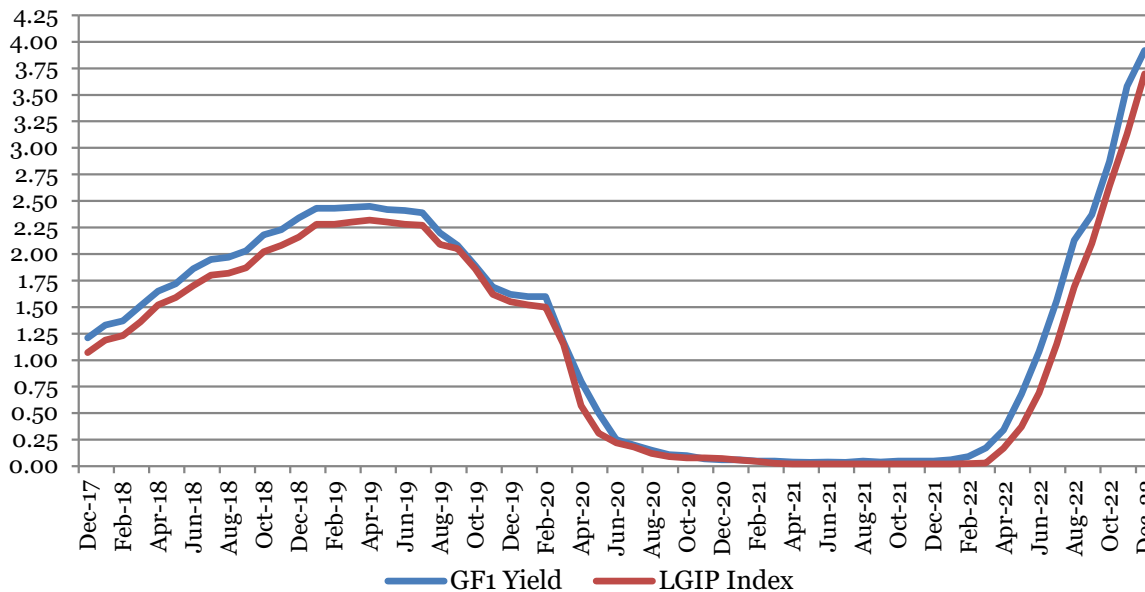


## Account Holder Distribution



(1) Current administration fee is 5.5 basis-points. (2) Georgia Fund 1 Yield is calculated on an annualized basis.

## Monthly Yield



## Portfolio Strategy:

The upward pressure on inflation has begun to subside. Although inflation remains high, we have seen a downward trend in the CPI (Consumer Price Index) data over the past 4 months. This has caused rates in the short end of the curve to stabilize as the market factors in the FOMC winding down its rate hiking cycle. The market is currently pricing in another 75-basis-points of rate hikes, however, it is possible that the FOMC (Federal Open Market Committee) continues raising rates longer due to stronger than expected employment data.

December employment data beat expectations with the headline Nonfarm Payrolls number coming in at +223k versus expectations of +205k. The Unemployment Rate decreased to 3.5%, down from 3.7% in November. December CPI came in at 6.5% (YoY), down from 7.1% (YoY) in November.

Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 4.09% in December. Treasury Bill yields averaged 3.75% for 1-month maturities, 4.33% for 3-month maturities, 4.71% for 6-month maturities and 4.68% for 12-month maturities. The Treasury Bill curve offered 76-basis points of steepness as of 12/31/2022.

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.

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

**Reminder** – The next GF1 Quarterly Update is scheduled for January 17<sup>th</sup> at 1:30 pm. All participants are welcome. Watch your email for an invitation to join the webinar through Microsoft TEAMS.

## Maturity Distribution

