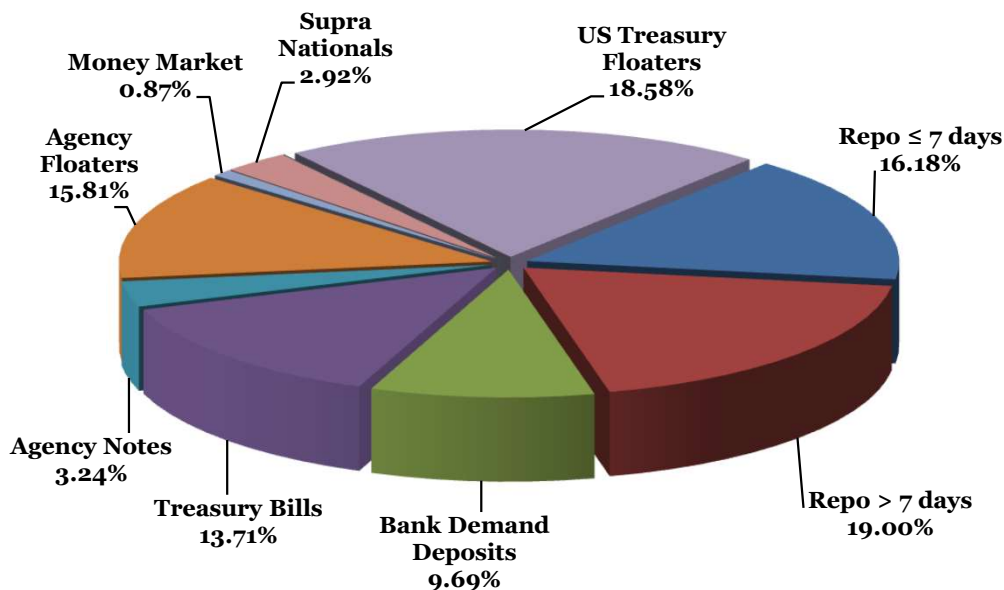


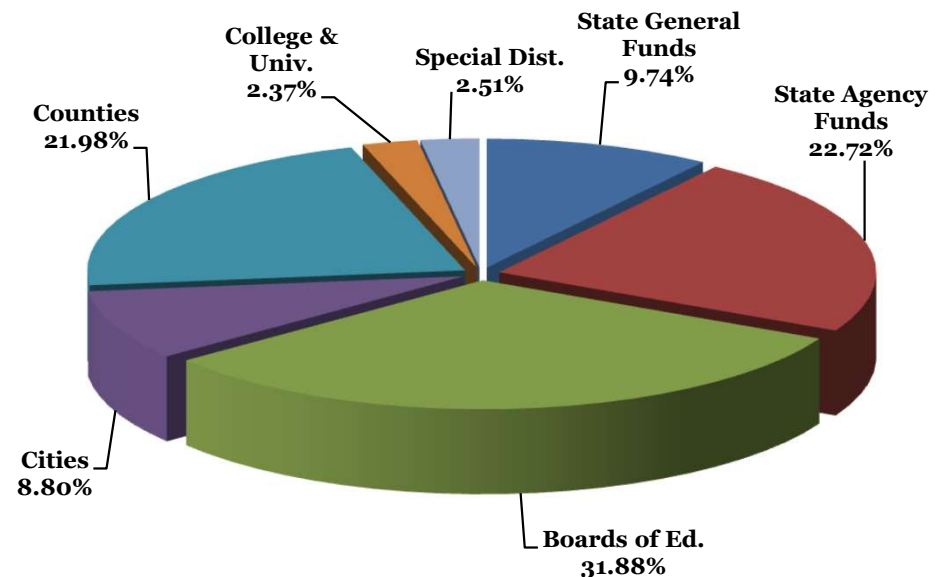
# Georgia Fund 1 (GF1)

- 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 January 31, 2024, GF1 participants earned 5.38%<sup>(2)</sup>.
- As of January 31, 2024, GF1 assets were \$33.6 billion.
- As of January 31, 2024, the weighted average maturity (WAM) was 21 days.

## Portfolio Composition



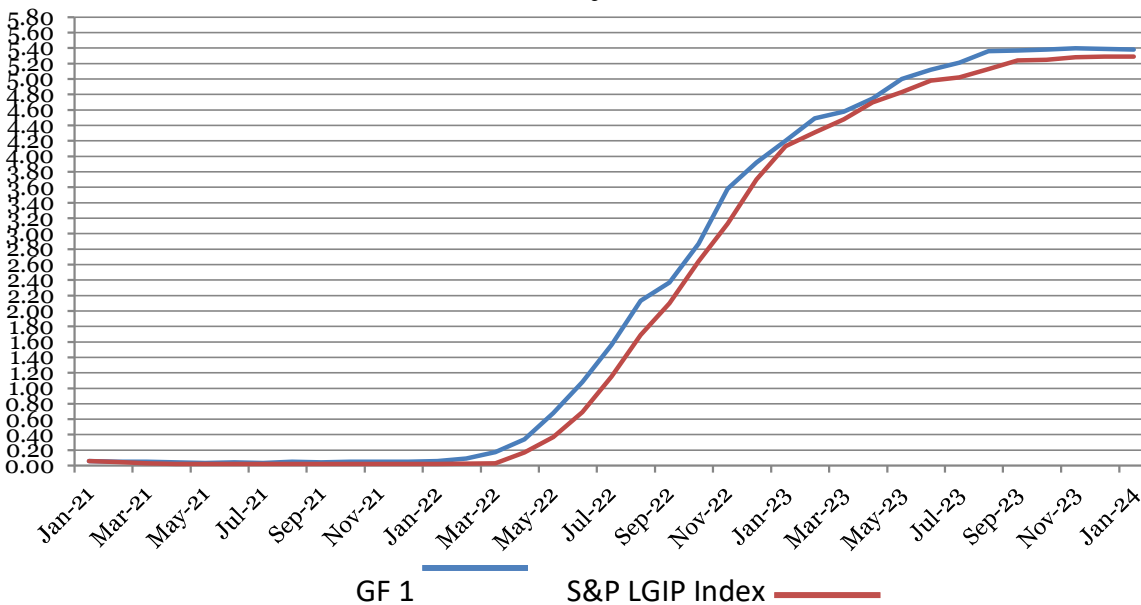
## Account Holder Distribution



February 9, 2024

(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 Federal Open Market Committee (FOMC) opted to leave the Federal Funds Target Rate unchanged at the January 31<sup>st</sup> FOMC meeting. This marks the fourth consecutive meeting that the FOMC has left the Target Range unchanged at 5.25% - 5.50%. There is a growing disconnect between the FOMC and the market as to when the FOMC will begin easing economic conditions by implementing interest rate cuts. Messaging from the FOMC indicates they are comfortable leaving rates higher for longer until their 2% inflation target is met. The market is currently pricing in 100 basis points in interest rate cuts for 2024 with the first 25 basis point cut occurring in June.

Nonfarm Payrolls came in higher for January at +353k versus expectations of +185k. The Unemployment Rate was unchanged at 3.7%. January Consumer Price Index (CPI) data came in higher than expected increasing to +3.1% YoY versus expectations of +2.9% YoY. Strong employment and higher inflation data will give the FOMC reason to extend the pause and collect more data before easing economic conditions.

Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 5.35% for January. Treasury Bill yields averaged 5.37% for 1-month maturities, 5.36% for 3-month maturities, 5.22% for 6-month maturities and 4.79% for 12-month maturities.

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).

## Maturity Distribution

