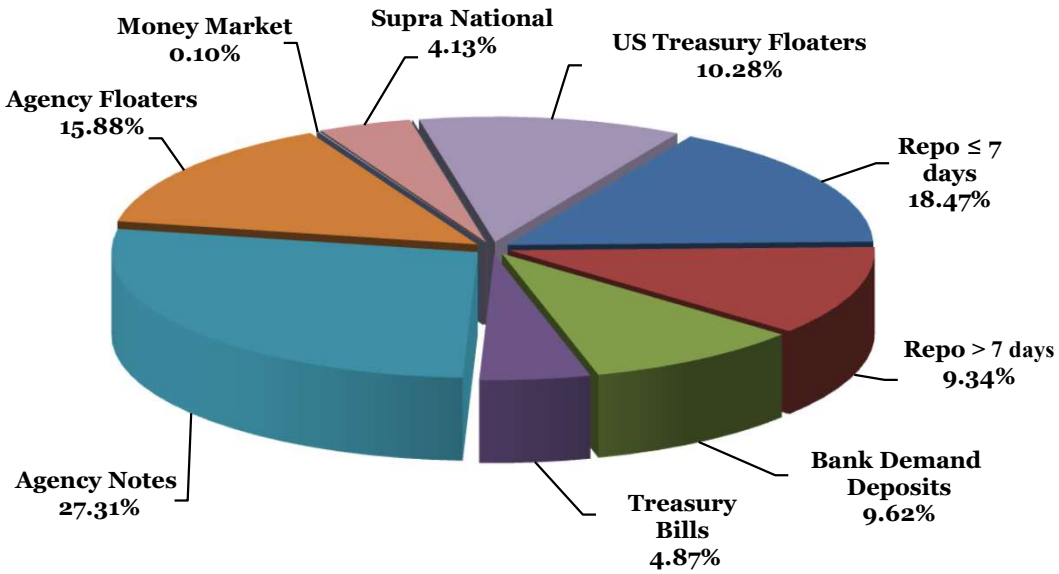
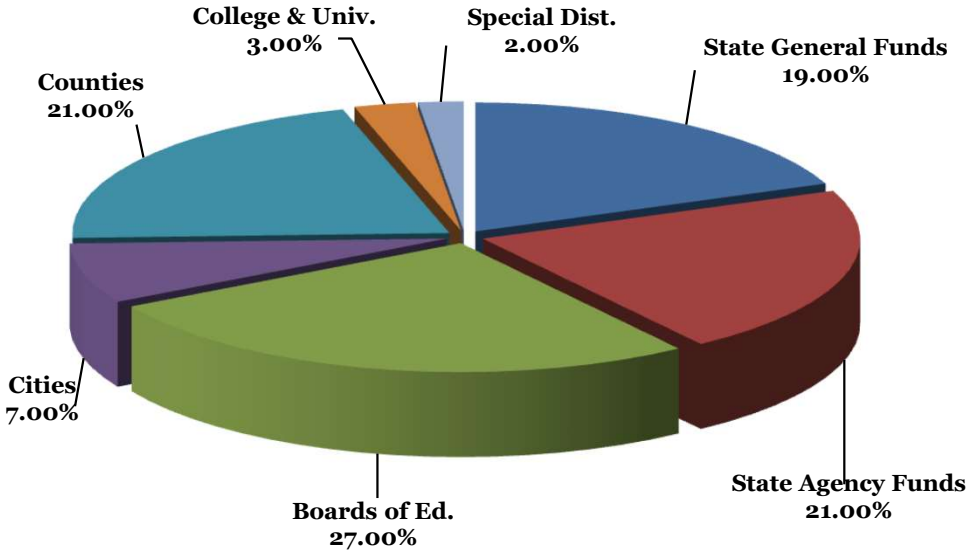
Georgia Fund 1 (GF1)

- 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
- 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(1).
- GF1 is rated AAAf/S1 by Fitch.
- For the month of March 2023, GF1 participants earned 4.58%(2).
- As of March 31, 2023, GF1 assets were $30.6 billion.
- As of March 31, 2023, the weighted average maturity (WAM) was 22 days.

Portfolio Composition



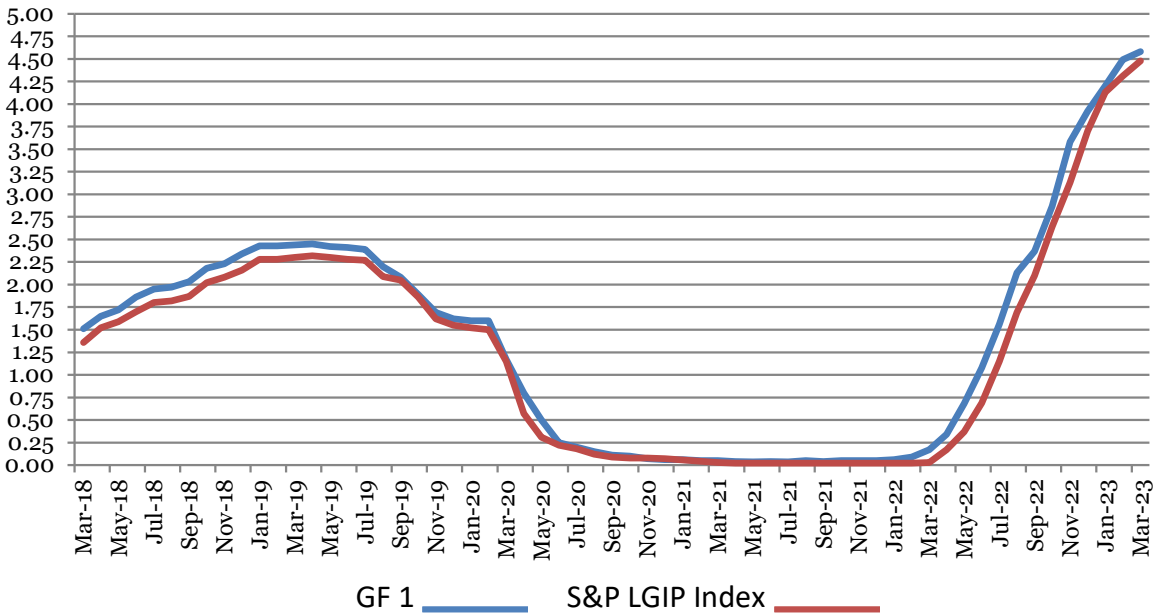
Account Holder Distribution



April 5, 2023

(1) Current administration fee is 5.5 basis-points. (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.

Portfolio Strategy:

There was a lot of activity in the market during the month of March. We started the month with upward pressure on rates and the market expecting a 50 basis-point rate hike at the March 22nd FOMC meeting. Those dynamics quickly changed on March 10th when news broke that the Federal Deposit Insurance Corporation (FDIC) was taking control of Silicon Valley and Signature Bank. Rates fell considerably on the news as investors pulled money out of riskier sectors seeking the safety of U.S. Treasuries. Ultimately, the FOMC raised interest rates by 25 basis-points and reassured the market that the banking system is strong and systemic disruptions should not occur due to additional rate hikes.

March employment data beat expectations with the headline Nonfarm Payrolls number coming in at +236k versus expectations of +230k. The Unemployment Rate fell to 3.5%, down from 3.6%. Headline CPI data trended lower in March coming in at +5.0% (YoY) down from +6.0% (YoY) posted for February.

Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 4.63% in March. Treasury Bill yields averaged 4.25% for 1-month maturities, 4.72% for 3-month maturities, 4.90% for 6-month maturities and 4.61% for 12-month maturities. The Treasury Bill curve offered 29-basis points of steepness as of 3/31/2023.

Jon Perregaux – Senior Portfolio Manager

Maturity Distribution