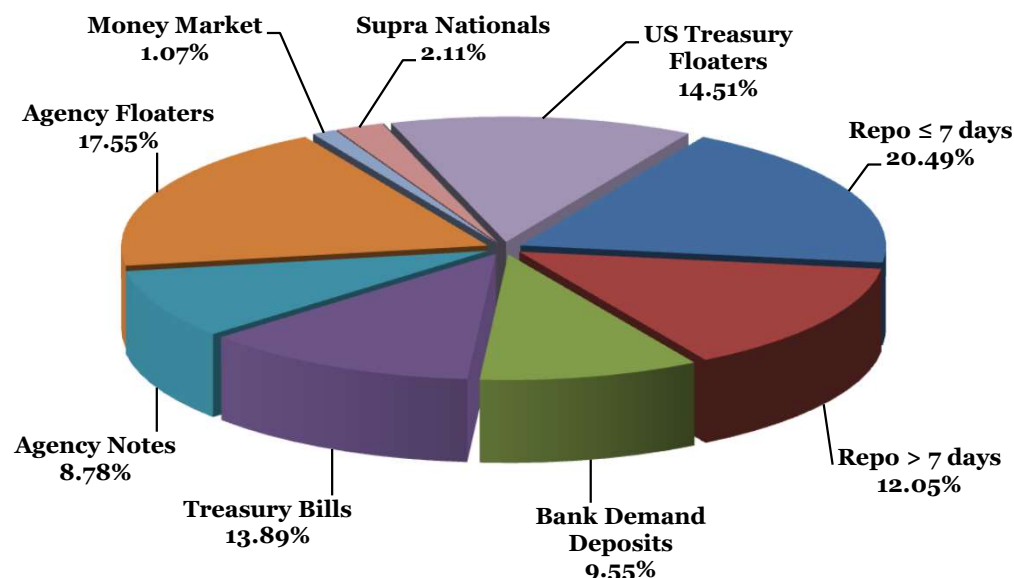


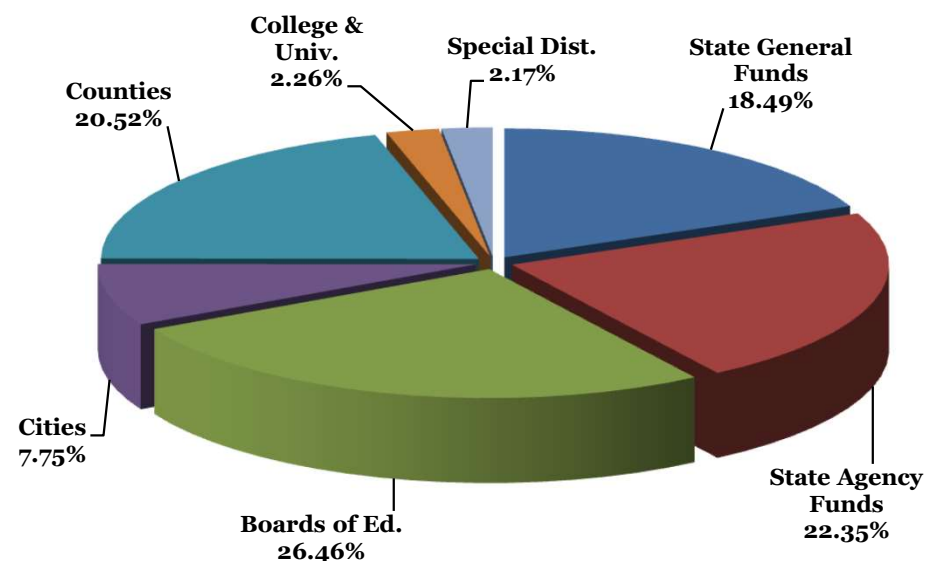
# Georgia Fund 1 (GF1)

- 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 May 2023, GF1 participants earned 5.00%<sup>(2)</sup>.
- As of May 31, 2023, GF1 assets were \$30.9 billion.
- As of May 31, 2023, the weighted average maturity (WAM) was 16 days.

## Portfolio Composition

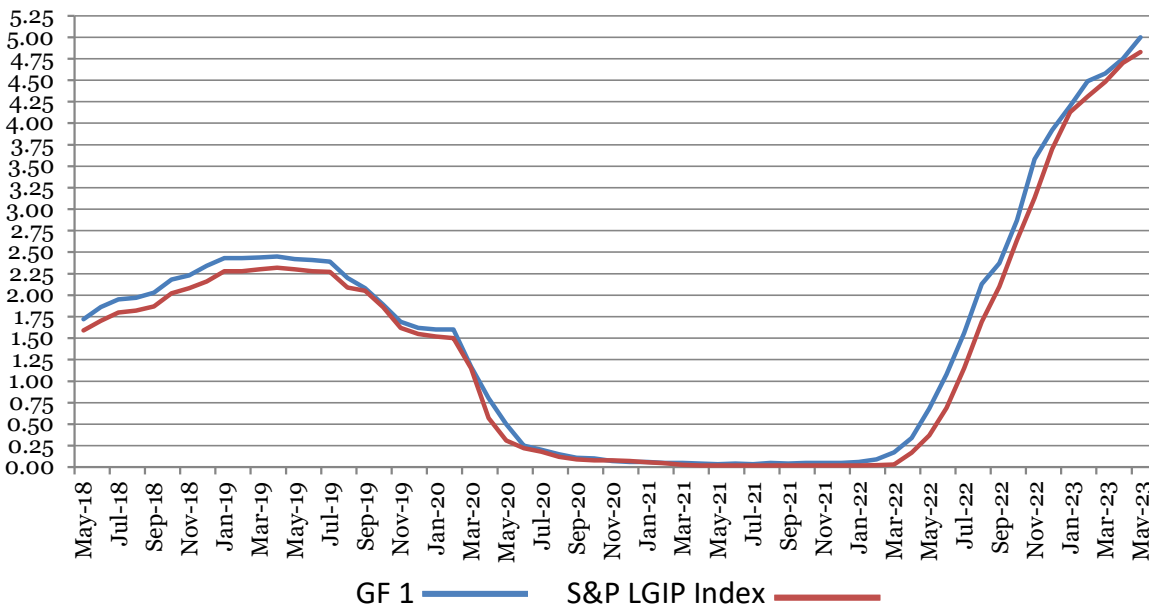


## Account Holder Distribution



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

## Monthly Yield



## 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).

## Portfolio Strategy:

U.S. lawmakers finally agreed on terms to raise the debt ceiling and signed it into law on June 3<sup>rd</sup>, averting a default of U.S. debt. The FOMC raised interest rates by 25 basis points on May 3<sup>rd</sup> and opted to pause hiking interest rates at the June 14<sup>th</sup> meeting. It is undetermined if the FOMC will opt for additional rate hikes in the future. Chair Powell stated during his press conference on June 14<sup>th</sup> that future interest rate decisions are data dependent. We may see another one or two 25 basis point hikes if inflation data remains above the FOMC's 2.00% target and the labor markets remain strong.

May employment data beat expectations with the headline Nonfarm Payrolls number coming in at +339k versus expectations of +195k. The Unemployment Rate rose to 3.7%, up from 3.4%. Headline CPI data trended lower in May coming in at +4.0% (YoY) down from +4.9% (YoY) posted for April. Inflation data continues to trend lower but remains above the FOMC's 2.0% target.

Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 5.06% in May. Treasury Bill yields averaged 5.22% for 1-month maturities, 5.20% for 3-month maturities, 5.20% for 6-month maturities and 4.91% for 12-month maturities. The Treasury Bill curve offered 29-basis points of steepness as of 5/31/2023.

Jon Perregaux – Senior Portfolio Manager

## Maturity Distribution

