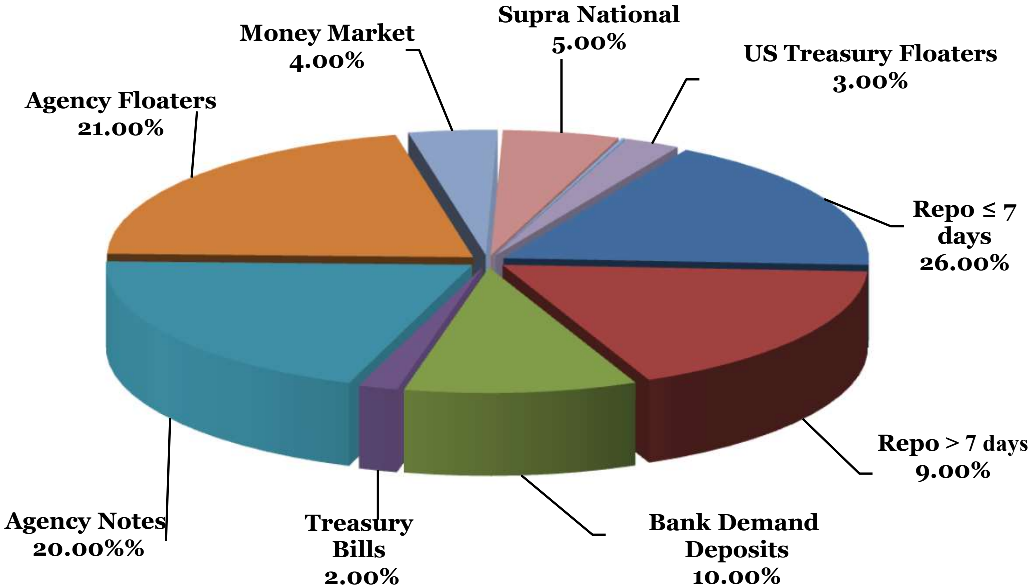
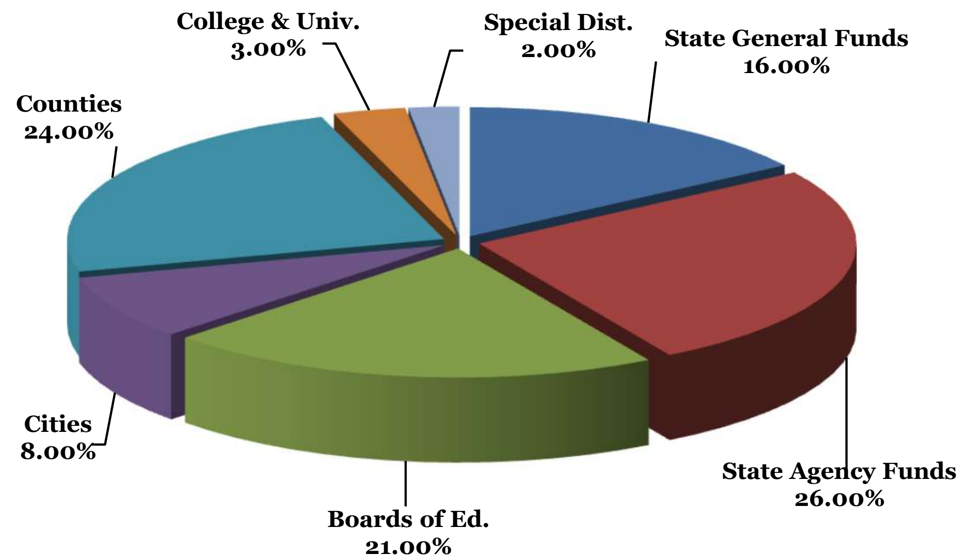
Georgia Fund 1 (GF1)

- 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 is calculated on an actual/365-day basis net of administrative fee(1).
- GF1 is rated AAAf/S1 by Fitch.
- For the month of October 2022, GF1 participants earned 2.87%(2).
- As of October 31, 2022, GF1 assets were $24.3 billion.
- As of October 31, 2022, the weighted average maturity (WAM) was 33 days.

Portfolio Composition



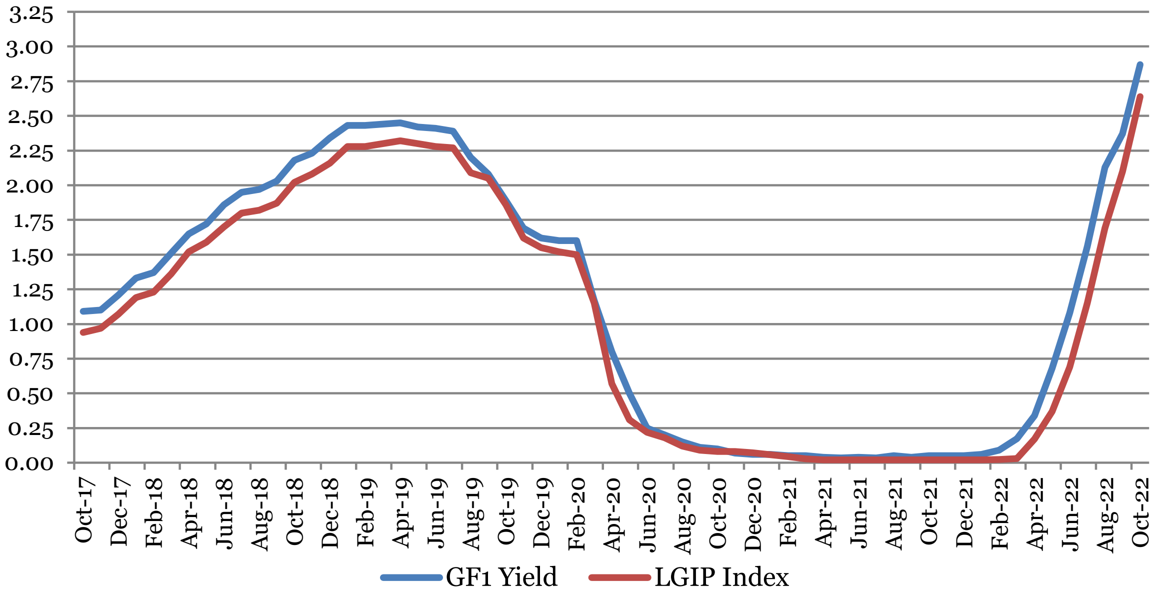
Account Holder Distribution



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

October 6, 2022

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:

The FOMC increased interest rates at the November 2nd meeting by 75-basis-points. This marks the sixth time the Fed has increased interest rates in 2022. The FOMC continues to raise interest rates to slow the economy and bring inflationary pressures down. There is speculation that the Fed will start to decrease the rate at which they are raising interest rates as inflationary data suggests that price pressures are beginning to stabilize. The market is currently pricing in a 50 basis-point rate hike at the next scheduled FOMC meeting on December 14th.

October employment data remained positive with the headline Nonfarm Payrolls number coming in at +261k versus expectations of +193k. The Unemployment Rate increased to 3.7%, up from 3.5% in September. Employment data remains a key metric to watch, any meaningful deterioration in the data will be a signal for the Fed to change monetary policy by slowing the pace or pausing their current interest rate strategy.

Rates in the short end of the curve continue to increase. Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 3.02% in October. Treasury Bill yields averaged 3.15% for 1-month maturities, 3.75% for 3-month maturities, 4.30% for 6-month maturities and 4.41% for 12-month maturities. The Treasury Bill curve offered 133 basis-points of steepness as of 10/31/2022.

Jon Perregaux – Senior Portfolio Manager

Maturity Distribution