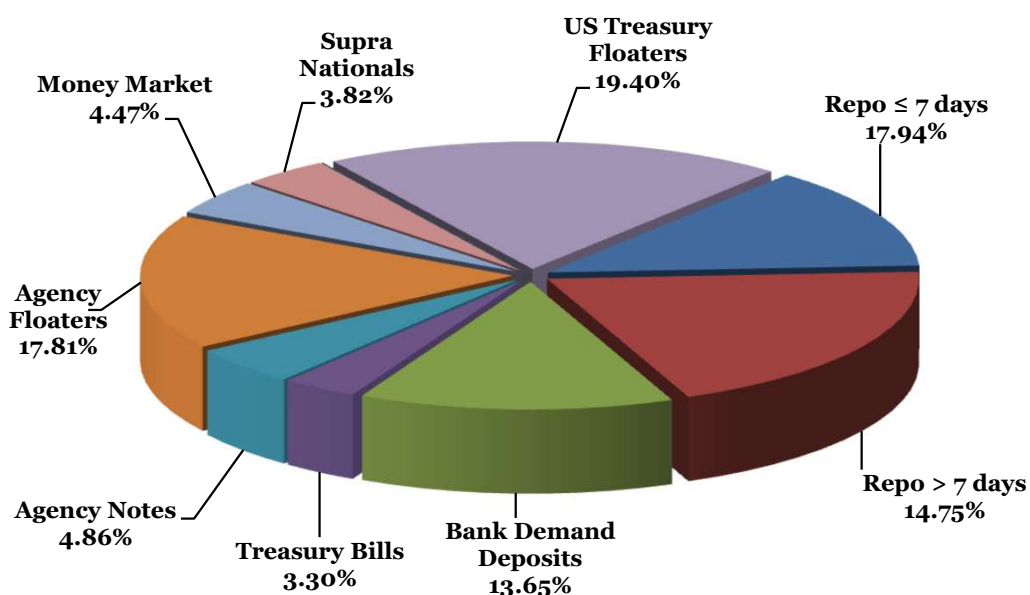


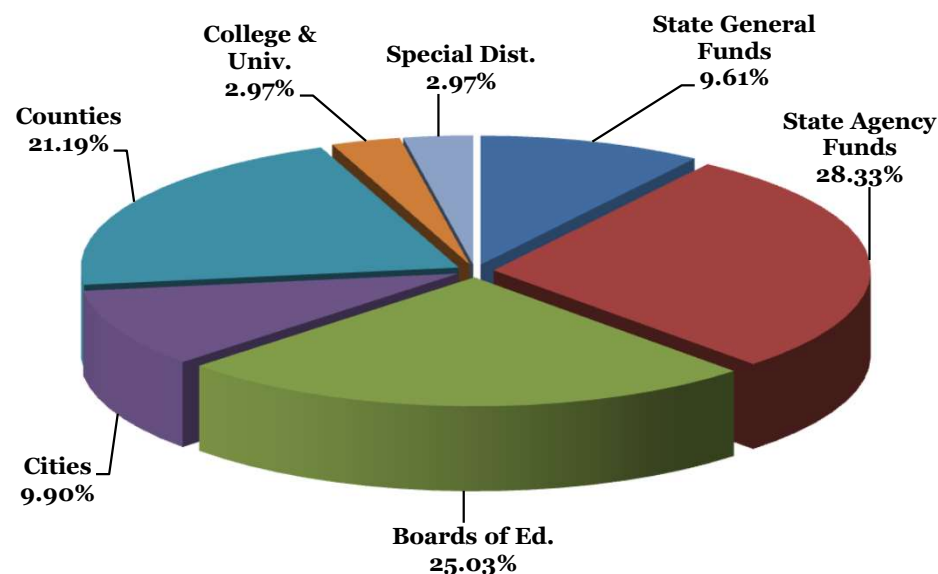
# Georgia Fund 1 (GF1)

- 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 September 30, 2024, GF1 participants earned 5.17%<sup>(2)</sup>.
- As of September 30, 2024, GF1 assets were \$28.8 billion.
- As of September 30, 2024, the weighted average maturity (WAM) was 17 days.

## Portfolio Composition

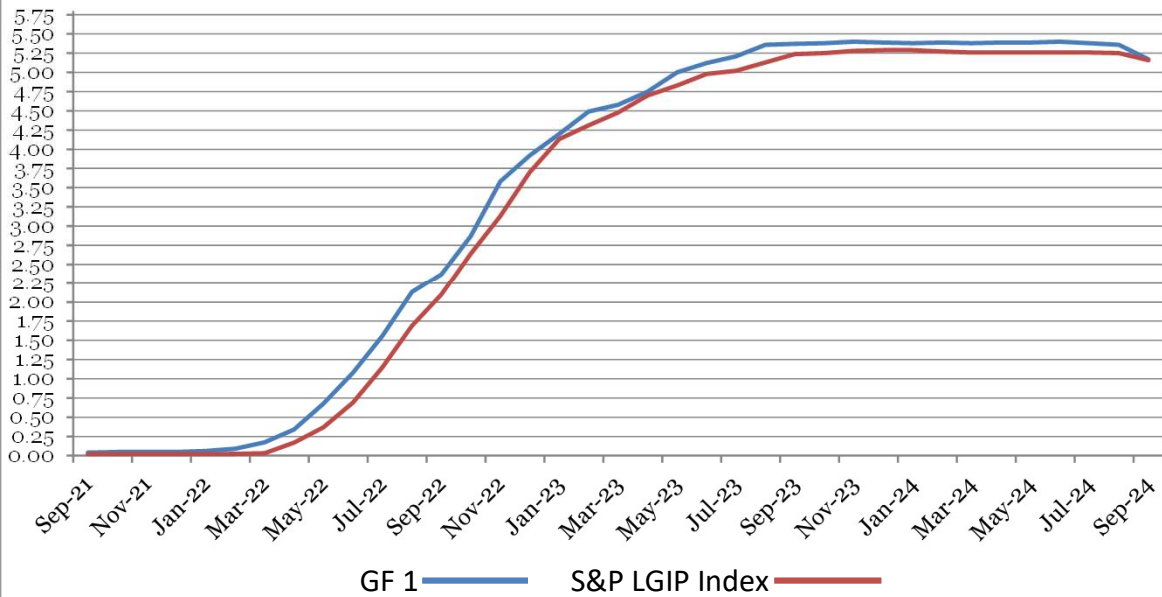


## Account Holder Distribution



(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:

The Federal Open Market Committee (FOMC) surprised investors by cutting the Federal Funds Target Rate by 50 basis-points at the September 18<sup>th</sup> meeting. Historically, 50 basis-point cuts have been reserved for extraordinary occasions (e.g., the COVID Pandemic and the 2008 Financial Crisis). The 50 basis-point cut was received with a fair amount of skepticism but we believe that the FOMC will be more measured and implement 25 basis-point cuts going forward.

Nonfarm payrolls came in higher than expectations at +254k for September versus expectations of +150k. The Unemployment Rate decreased to 4.1% versus 4.2% in August. The Consumer Price Index (CPI) was +2.4% YoY in September versus +2.5% YoY in August. The Producer Price Index (PPI) came in at +1.8% YoY versus +1.7% YoY in August. Due to stronger employment and relatively flat inflation data the market is currently pricing in a total of 50 basis-points in interest rate cuts for the remainder of 2024. The market was pricing in 75 basis-points in cuts prior to the September data being released.

Overnight General Collateral (GC) Repurchase Agreements averaged a yield of 5.12% for September. Treasury Bill yields averaged 4.88% for 1-month maturities, 4.77% for 3-month maturities, 4.52% for 6-month maturities and 4.02% for 12-month maturities.

Jon Perregaux – Senior Portfolio Manager

## Maturity Distribution

