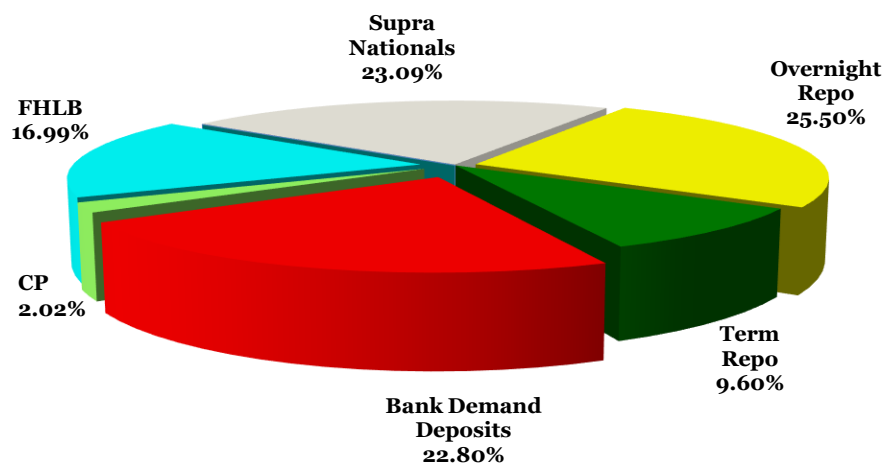


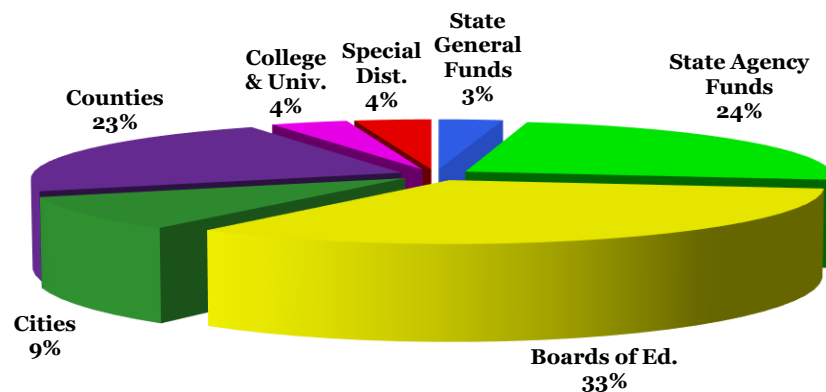
Georgia Fund 1 (GF1)

- O.C.C.G § 36-83-1 to 36-83-8 authorizes Georgia local governments and other authorized 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 calculated on an actual/365 day basis net of 5 basis points (bp) administrative fee.
- GF1 is rated AA Af by Standard & Poor’s.
- For the month of February 2019, GF1 participants earned 2.43%*.
- As of February 28, 2019, GF1 assets were \$15.3 billion. The weighted average maturity (WAM) was 28 days.

Portfolio Composition

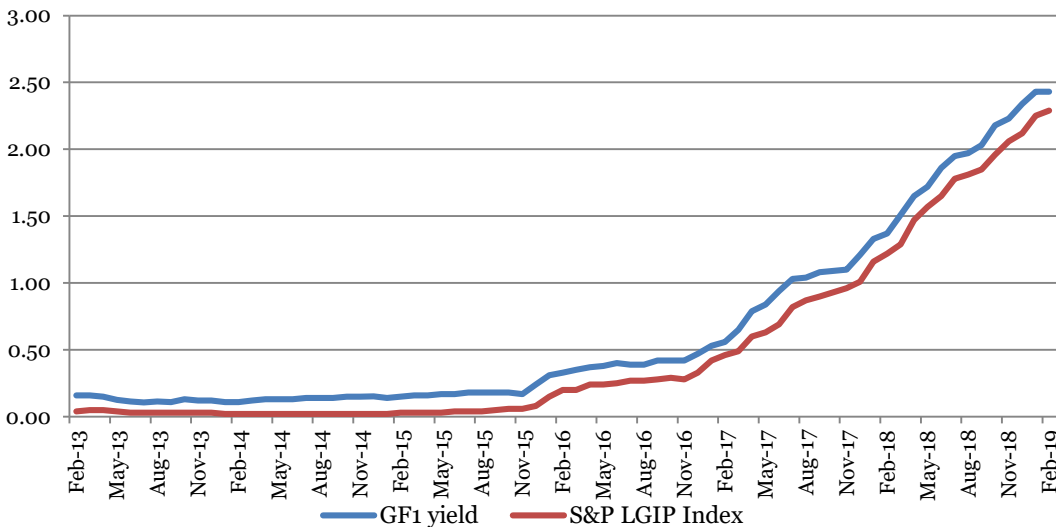


Account Holder Distribution



*Georgia Fund 1 yield is on an annualized basis.

Monthly Yield



In The News:

Additional information on the Georgia Fund 1 holdings can be found on the website at <https://ost.georgia.gov/gfi-holdings-reports>. The holdings are updated quarterly. Other state portfolio holdings are listed on the website as well.

Want to know more about the Office of the State Treasurer (OST)? Treasury Notes is a publication produced quarterly to provide insight to the primary functions and responsibilities of the OST as well as detailed information on cash flows and investment management. The latest publication is as of December 31, 2018 and can be found at the following link- https://ost.georgia.gov/sites/ost.georgia.gov/files/related_files/document/Treasury%20Notes_12.31.18.pdf

For Georgia Fund 1 investment related questions, please direct inquiries to **Laura Glenn** at **(404) 656-2995** or by email at laura.glenn@treasury.ga.gov

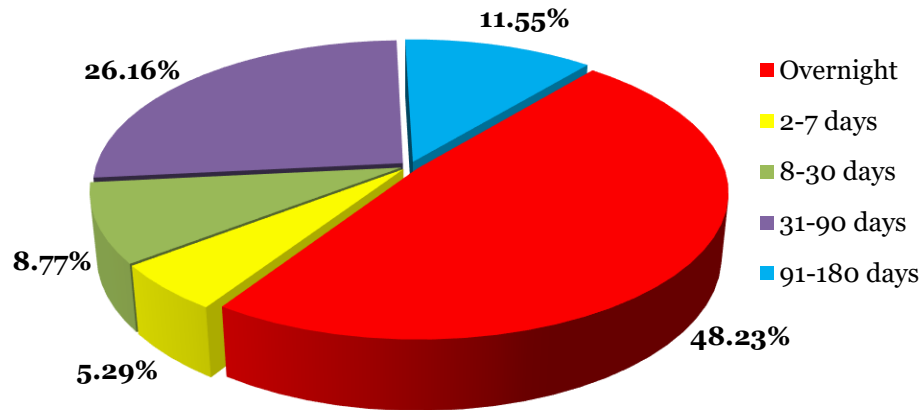
Portfolio Strategy:

The month of February is marked by Groundhog Day. Apparently our famous groundhog in Pennsylvania did not see his shadow so we're in for an early spring. Hard to believe as snowstorms crushed parts of California, Colorado and the Midwest and continue to do so. Perhaps we just need to be patient with the winter and allow spring to arrive in its own due time. Patience. A word that Federal Reserve Chair Jerome Powell has used quite a bit lately.

Powell, standing before the Senate Banking Committee told lawmakers "When I say we're going to be patient, what that really means is we're in no rush to make a judgment about changes in policy. We're going to allow...the data to come in." He went on to say "Right now, the predominant risks to our economy are slowing global growth." Slower growth in China and Europe, trade war talks with China and the U.K.'s decision to leave the European Union continue to impact investor uncertainty.

All this "patience" has led to an extremely flat yield curve in the front end. We continue to run a tremendous amount of money in overnight repo as any chance of a Fed hike is now priced out of the market. Georgia Fund 1's WAM rose to 28 days for the month of February, up from 21 days in January and the net yield paid out to participants remained at 2.43%. If the Fed keeps the target range for fed funds at 2.25% - 2.50% for 2019, the net yield for Georgia Fund 1 participants should average around the midpoint of the fed funds range.

Maturity Distribution



Georgia Fund 1 deposits are not guaranteed or insured by any bank, the FDIC, the Federal Reserve Board, the State of Georgia or any other agency.