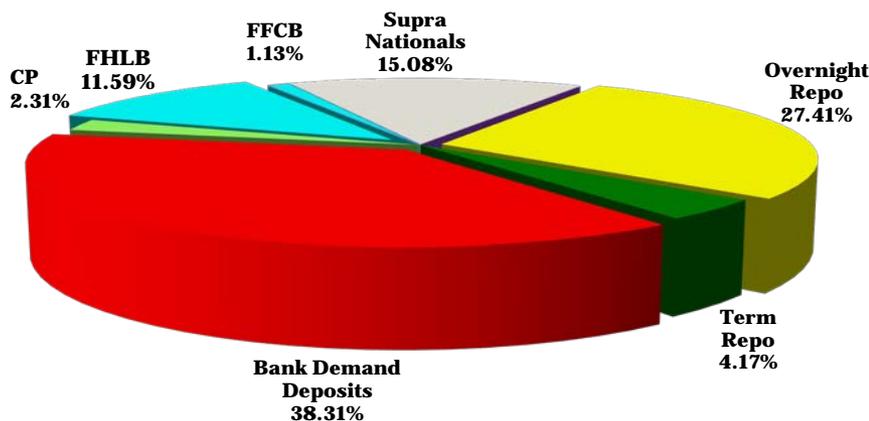


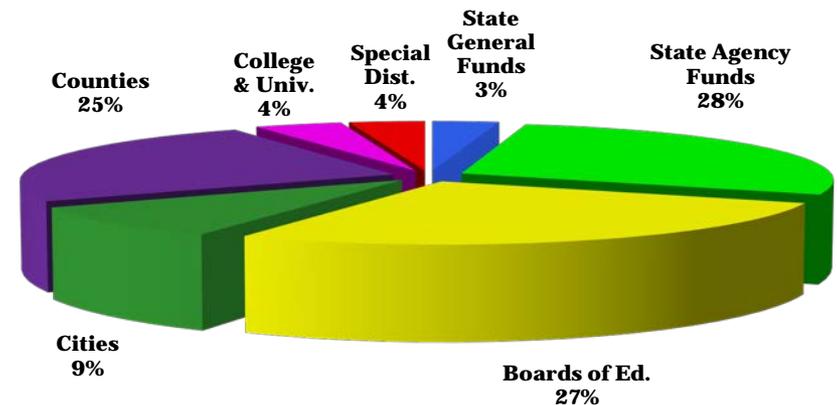
Georgia Fund 1 (GF1)

- 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 October 2018, GF1 participants earned 2.18%*.
- As of October 31, 2018, GF1 assets were \$13.2 billion. The weighted average maturity (WAM) was 13.5 days.

Portfolio Composition

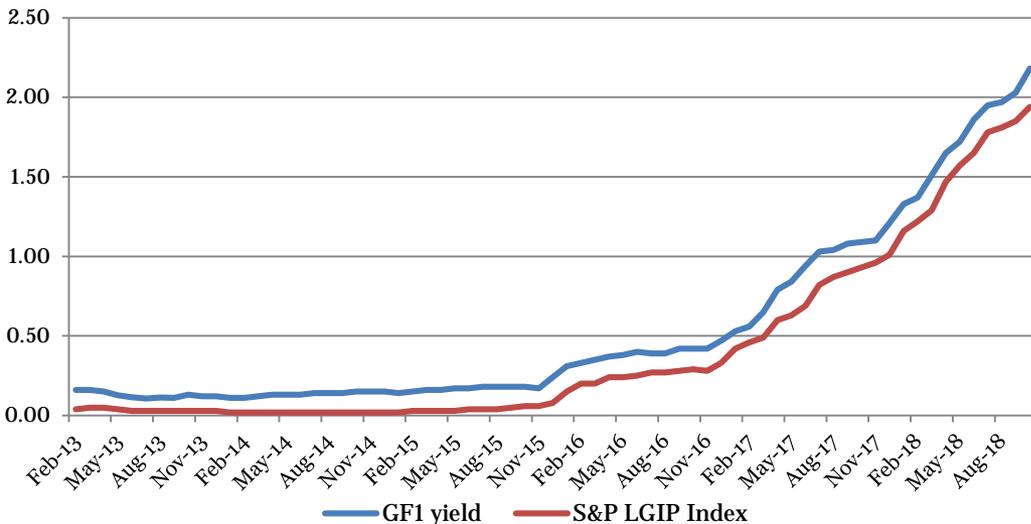


Account Holder Distribution



*Georgia Fund 1 yield is on an annualized basis.

Monthly Yield



Portfolio Strategy:

Trick or Treat? October was the worst month for the S&P 500 since September 2011. The S&P 500 lost \$1.91 trillion in October. However, this decline in stocks did not lead to a flight to quality for U.S. Treasuries. The 10-year Treasury yield rose 10 basis points for the month and the 30-year Treasury yield raised approximately 17 basis points.

The move by the FOMC in late September pushed the net yield paid to participants for the month of October to 2.18%, up 15 basis points from the month of September. The Fed's Summary of Economic Projections forecasts another increase in December, three more 25 basis point rate hikes in 2019 and one in 2020. If the projected rate forecast plays out, the target range for the federal funds rate will be 3.25% - 3.50%.

As we move into the month of November we are reminded of all the things we are thankful for. We would like to say "thanks" to our participants – we enjoy investing on your behalf and partnering with you to provide a safe return on the monies invested. We hope your holidays are filled with joy!

In The News:

Additional information on the Georgia Fund 1 holdings can be found on the website at <https://ost.georgia.gov/gf1-holdings-reports>. The holdings are updated quarterly. Other state portfolio holdings are listed on the website as well.

The primary objective for Georgia Fund 1 since the pool's inception is preservation of principal. OST continues to operate and report monthly to participants on an amortized cost basis. At fiscal year end (June 30th), investments are valued for financial reporting purposes at fair value. The fair valuation factor that enables participants to adjust their statement balances to fair value is provided in the GASB 40 letter on our website at https://ost.georgia.gov/sites/ost.georgia.gov/files/related_files/site_page/GF1_GASB_063018_signature.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

Maturity Distribution

