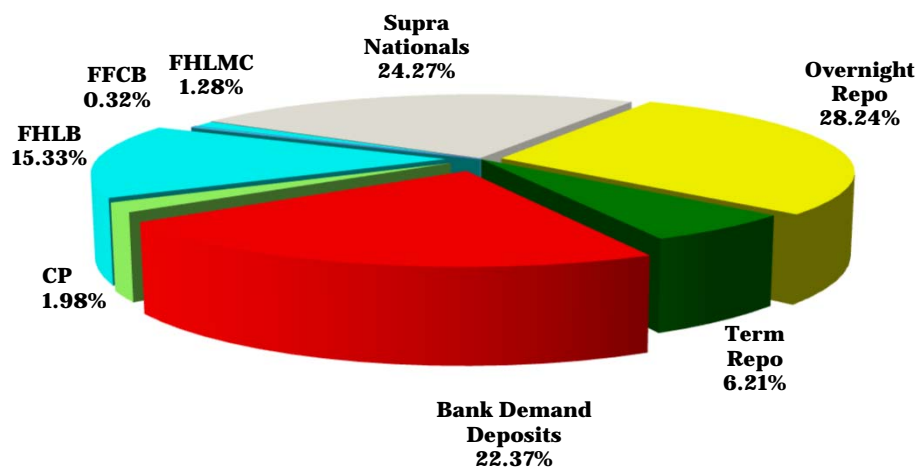


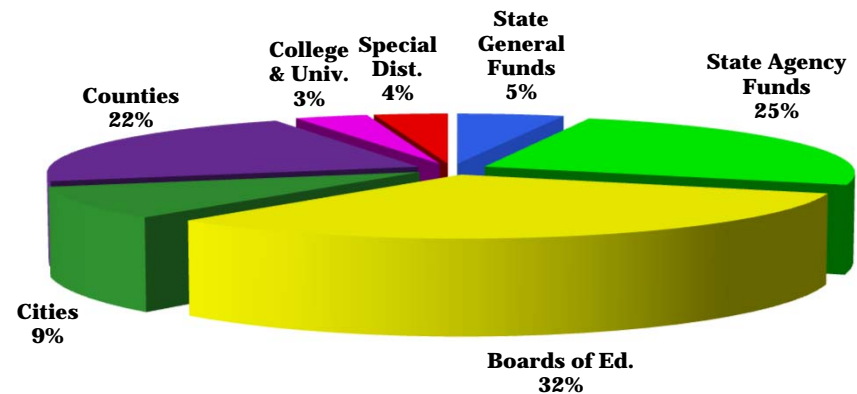
Georgia Fund 1 (GF1)

- 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 January 2019, GF1 participants earned 2.43%*.
- As of January 31 2019, GF1 assets were \$15.6 billion. The weighted average maturity (WAM) was 21 days.

Portfolio Composition

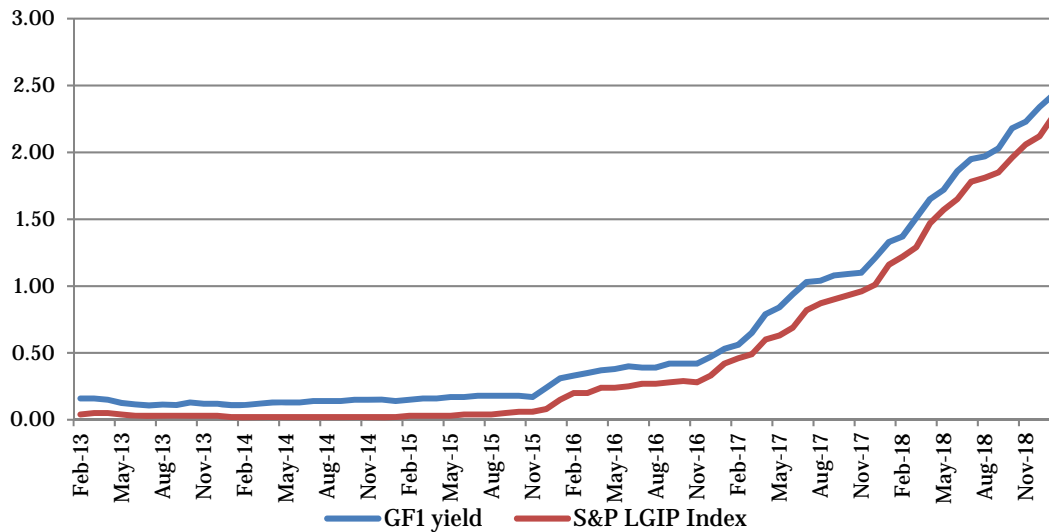


Account Holder Distribution



*Georgia Fund 1 yield is on an annualized basis.

Monthly Yield



Portfolio Strategy:

January was marked by the headline “Government Shutdown”. The shutdown which began on December 21, 2018 lasted 35 days and became the longest shutdown in U.S. history. The shutdown affected economic growth in the U.S. The Congressional Budget Office said the federal government shutdown cost the economy \$11 billion. Meanwhile the U.S. labor market hit its 100th straight month of increased employment in January. Nonfarm payrolls rose a seasonally adjusted 304,000 in January.

The Federal Open Market Committee (FOMC) met January 30th and as expected left the target range for Fed Funds at 2.25% - 2.50%. The Statement released after the meeting stated “In light of global economic and financial developments and muted inflation pressures, the Committee will be patient as it determines what future adjustments to the target range for the federal funds rate may be appropriate to support these outcomes.” In short, let’s play it by ear. The market is now pricing in nearly a zero chance of a Fed rate hike this year and the market expects a cut in rates at the start of 2020. The agency discount note market is essentially flat from mid March out to October with paper trading at a discount of 2.37 to 2.40.

Georgia Fund 1’s WAM remained at 21 days for the month of January and the net yield paid out to participants rose 9 basis points to 2.43%. If the Fed indeed stays on hold in 2019, Georgia Fund 1’s net yield may hold around 2.40%.

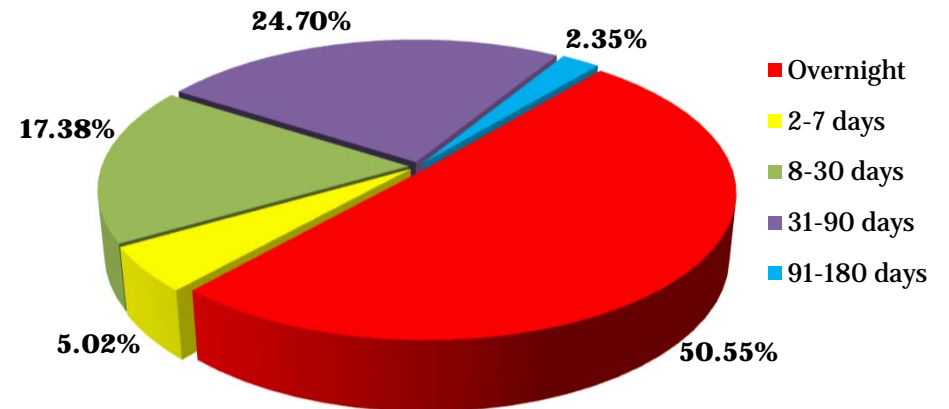
In The News:

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.

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

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.