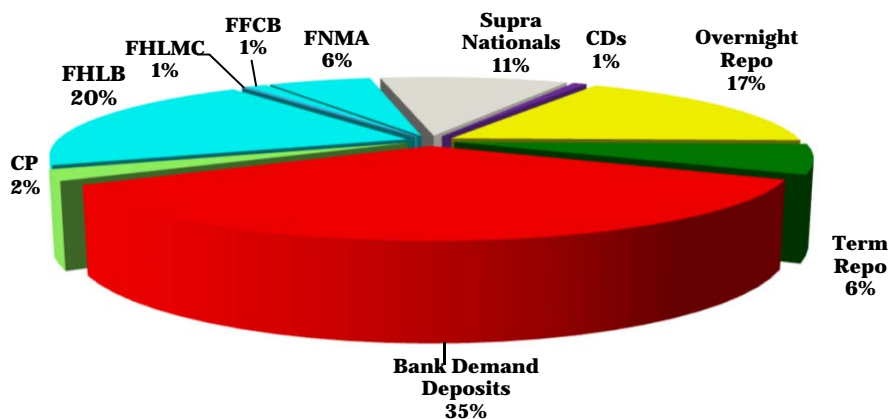


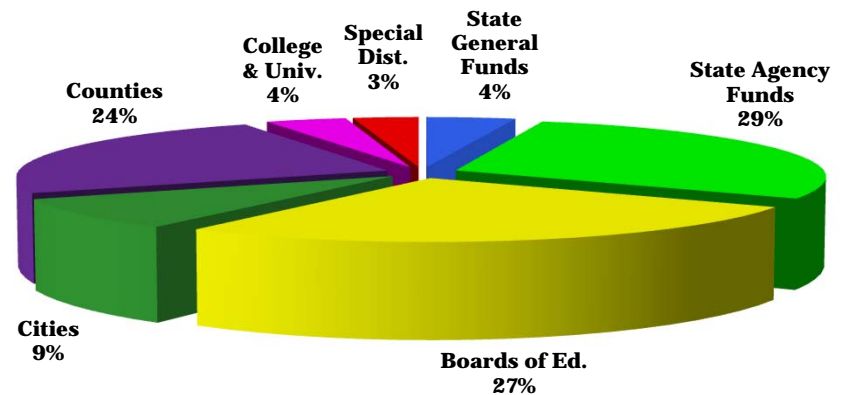
# Georgia Fund 1 (GF1)

- 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](http://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 March 2018, GF1 participants earned 1.51%\*.
- As of March 31, 2018, GF1 assets were \$13 billion. The weighted average maturity (WAM) was 15 days.

**Portfolio Composition**

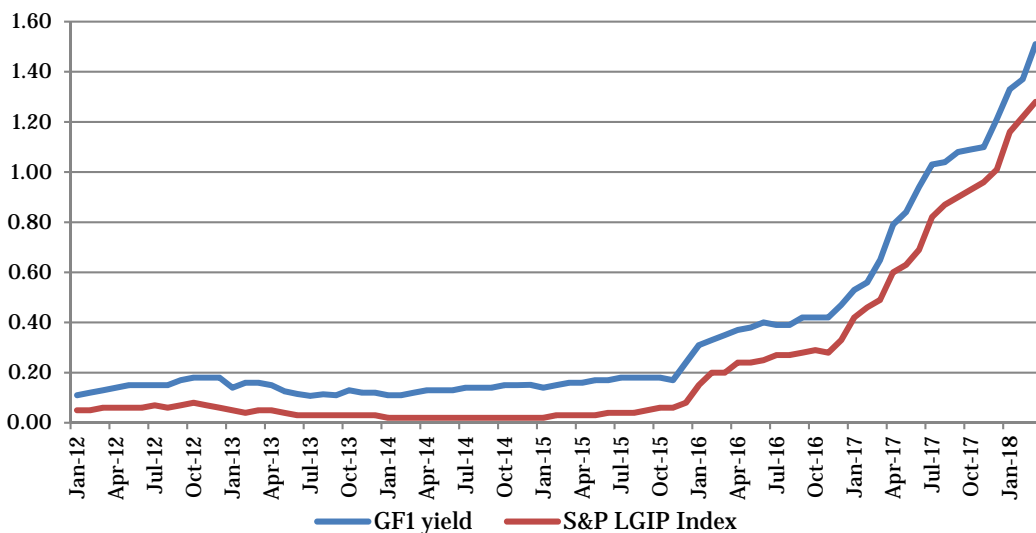


**Account Holder Distribution**



\*Georgia Fund 1 yield is on an annualized basis.

## Monthly Yield



## In The News:

If you have questions in regards to opening up a new account for Georgia Fund 1 or updating a resolution on file for a current account, please contact **Mary Ballard** by phone at **(404) 656-2993** or by email at [mballard@treasury.ga.gov](mailto:mballard@treasury.ga.gov)

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

In addition, we are here to serve as a resource if you have questions in regards to eligible investments for municipalities in the State of Georgia or for any other investment related questions.

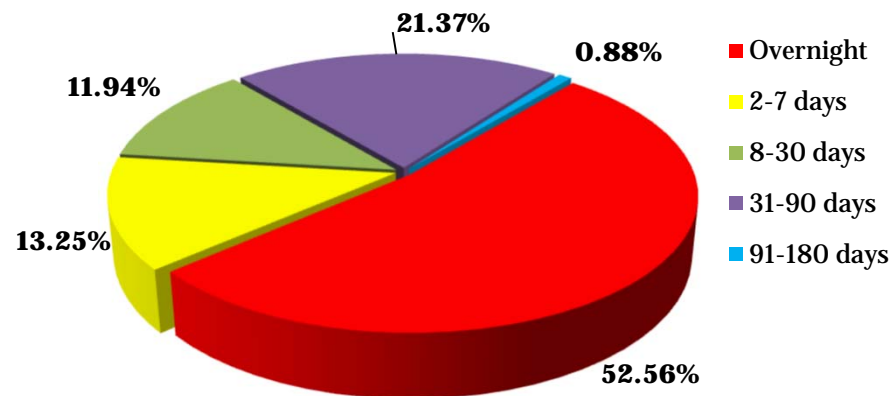
## Portfolio Strategy:

March Madness is how you could sum up the past month in the financial markets. Rising interest rates, fears of inflation, the prospect of a trade war and a rout in technology stocks dragged U.S. stocks lower and led to a sustained bout of market volatility. The CBOE Volatility Index is up 72% since the start of the year. LIBOR, or the London Interbank Offered Rate which measures the interest rate at which global banks lend to one another, hit 2.30% at the end of March, up from 2.00% at the end of February and 1.70% at the end of 2017. On top of all the market turmoil, the Federal Open Market Committee met on March 21<sup>st</sup> and raised the target range for the federal funds rate to 1.50% – 1.75%.

What does this all mean for an investor in Georgia Fund 1? With over 52% of the fund in overnight investments, a move in the fed funds target range pushed overnight repo from an average of 1.30% for the month of February to 1.49% for the month of March. In addition, the move in LIBOR has pushed the yield on term repos higher as well as the yields offered on agency discount notes. The net yield paid out to participants for the month of March was 1.51%, up 14 basis points from the month of February.

The odds of a hike at the June meeting now stands at 80% based on fed funds futures. Rates are still on the rise – great news for Georgia Fund 1 participants!

## 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.**