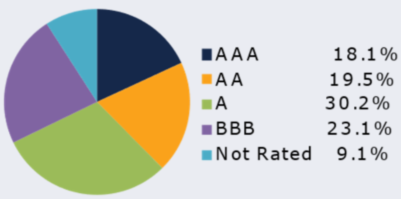
West Virginia Short Term Bond Pool

Portfolio Overview as of 6/30/2024

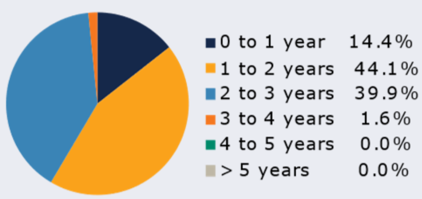
Pool Assets

$682 million

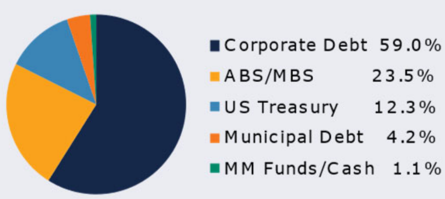
Credit Quality Composition (%)



Maturity Schedule (%)



Portfolio Composition (%)



Effective Duration

645 Days

Top Holdings (%)

United States Treasury	12.3%
Toyota Auto Loan Extended	2.0%
OneMain Direct Auto Receivable	1.7%
American Express	1.5%
Blackstone Private Credit Fund	1.5%
Great American Leasing	1.4%
Hertz Vehicle Financing LLC	1.4%
Discover Card Master Trust	1.4%
Wheels Fleet Lease Funding	1.3%
Schwab Charles Corp	1.3%
Total % of Portfolio	**25.8%**

The West Virginia Short Term Bond Pool was created to invest restricted moneys of participants which have a longer-term investment horizon. The objective of the portfolio is to earn an incremental return over the WV Money Market Pool with an objective of asset growth rather than current income. The risk factor is higher than the WV Money Market Pool and is managed through numerous maturity restrictions, diversification, guidelines, and credit limits.

Pool Features and Benefits:

» Professional management is provided by the West Virginia Board of Treasury investments' staff and professional investment advisor (Sterling Capital Management).

» Floating net asset value (NAV).

» Investment yields are competitive with other short duration fixed income pools.

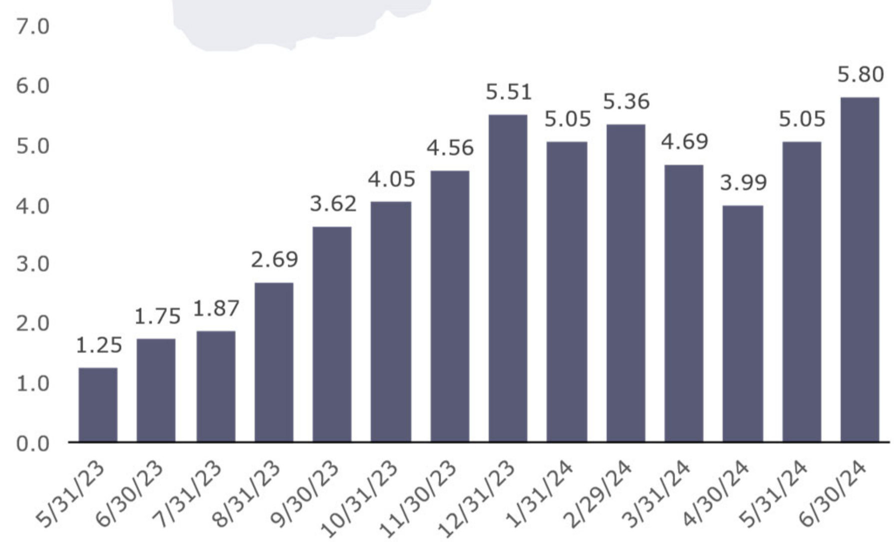
» Easy access is provided through the State Treasurer's Office online system.

» Account can be opened for as little as $100 with no limit on the number of transactions.

» Contributions and withdrawals are allowed monthly.

» Income is distributed on a monthly basis.

Return Summary



To learn how to make the West Virginia Short Term Bond Pool work for your cash investing needs call: 304-340-1564 or visit: wvbti.org

Portfolio holdings and composition are shown as of the date indicated. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

An investment in the Pool is not insured or guaranteed by any government or government agency and it is possible to lose money by depositing money in the Pool.

Commentary

Interest rates fell in June as economic growth in the U.S. showed signs of slowing and inflation cooled. The Bloomberg Economic Surprise Index hit its lowest level in almost two years, as data including the Institute for Supply Management's Manufacturing Index, the University of Michigan's consumer confidence measures, the U.S. Census Bureau's retail sales and core capital goods figures all came in below economists' expectations. Meanwhile, the U.S. Consumer Price Index was unchanged month-over-month and the core index rose only 0.2% month-over-month, both below expectations, continuing recent trends. While the Federal Open Market Committee (FOMC) and Chairman Powell had to be encouraged by signs of progress on inflation, they took no action at their June meeting and signaled patience on potential future rate cuts. Market expectations for additional cuts this year moved a touch higher over the course of the month with close to two cuts now fully priced in. Accordingly, short term Treasury yields fell slightly, with the two-year yield moving 0.12% lower to close at 4.75%.

Corporate bonds underperformed in June following the European Union (EU) elections earlier in the month. French President Macron's decision to call snap parliamentary elections following the strong performance of right-wing parties in the EU spooked market participants who feared a worsening of France's fiscal picture or even a potential exit from the EU for the country. French and European bank risk premia widened and pulled other sectors to widen in sympathy. Investment grade corporate issuance fell from $136B in May to $99B in June but this still represented a 11% increase from June of 2023 and a year-to-date increase of 23% versus this time last year. For the month, the option-adjusted spread on the ICE BofA U.S. 1-3Y Corporate Bond Index widened seven basis points for an excess return of -0.09%. Non-agency securitized assets underperformed Treasuries slightly as well this month as the overall negative sentiment prevailed there as well. Asset-backed securities (ABS) saw an excess return of -0.02% while non-agency commercial mortgage-backed securities (CMBS) underperformed Treasuries by -0.03%. The drop in interest rates buoyed performance for agency mortgage-backed securities (MBS), which outperformed most other asset classes with a monthly excess return of 0.06%.

The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Data is as of 06.30.2024 unless otherwise stated. Source: Bloomberg L.P. Fed = Federal Reserve.