WEST VIRGINIA
BOARD OF TREASURY INVESTMENTS

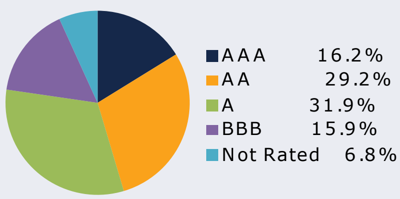
West Virginia Short Term Bond Pool

Portfolio Overview as of 08/31/2023

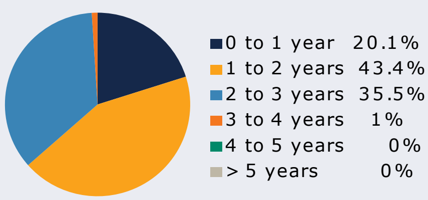
Pool Assets

$709 million

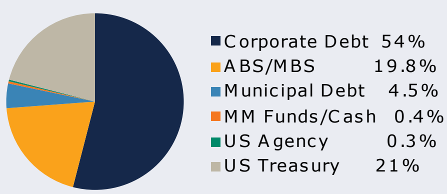
Credit Quality Composition (%)



Maturity Schedule (%)



Portfolio Composition (%)



Effective Duration

616 Days

Top Holdings (%)

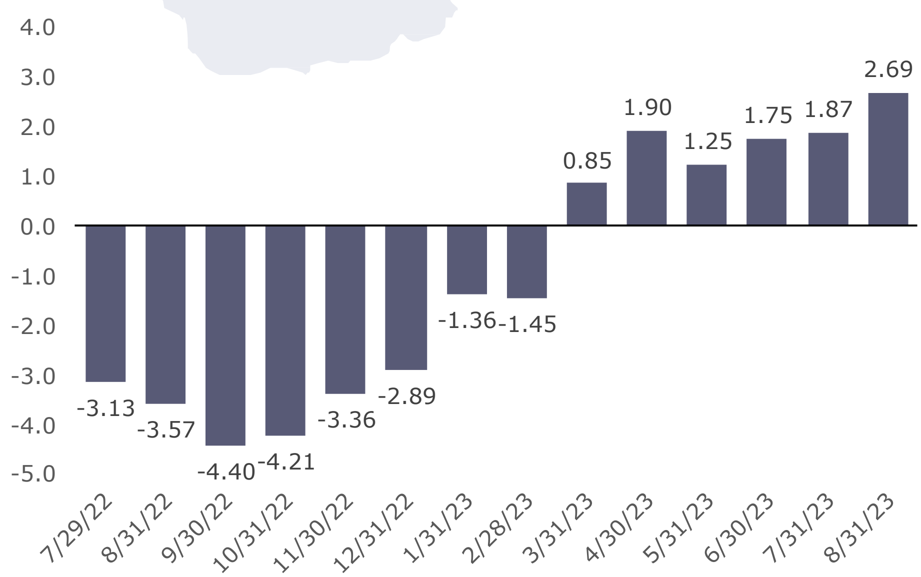
United States Treasury	21.5%
OneMain Direct Auto Receivable	2.3%
Toyota Auto Loan Extended	1.9%
JP Morgan Chase & Co	1.5%
Discover Card Master Trust	1.4%
Hertz Vehicle Financing LLC	1.3%
Charles Schwab Corp	1.3%
Enterprise Fleet Financing	1.2%
Well Fargo Commercial Mortgage	1.1%
Bank of America Corp	1.0%
Total % of Portfolio	**34.5%**

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

Crosscurrents in global growth largely offset each other in August to leave short term interest rates close to unchanged. Growth in the U.S. remained robust with gross domestic product (GDP) growing 2.1% on an annualized basis in the second quarter and estimates from the Atlanta Federal Reserve (Fed) for the third quarter above 5%. Meanwhile, inflation in consumer prices continued to moderate as consumer prices ex-food and energy (core Consumer Price Index) increased 0.2% month-over-month and the year-over-year figure slowed to 4.7%, down from as high as 6.6% in September of 2022. Despite the recent progress, inflation remains well above the Federal Reserve's 2% target and Fed Chair Powell used his annual Jackson Hole speech to emphasize the Fed's commitment to lowering inflation by keeping interest rates at a restrictive level for an extended period while not ruling out further rate hikes. Growth in China emerged as a larger concern this month due to new problems in the over-leveraged Chinese property market. The weakness in China weighed on sentiment in equity markets and put some downward pressure on interest rates. For the month, short-term Treasury yields were little changed, with one-year yields unchanged and three-year yields 0.03% higher.

Corporate bond spreads gave back some of their gains from the prior month early in August as the summer rally ran out of steam. Data derived from second quarter earnings reports for investment grade issuers showed that fundamentals weakened as gross debt growth accelerated and gross leverage ticked up, reflecting changing company attitudes about debt reduction versus growth as concerns about a near-term recession fade. Moody's and S&P both took negative ratings actions on the regional banking sector, downgrading several institutions and placing others on negative outlook or watch for downgrade. These actions, driven by the agencies' negative view on future profitability amidst rising deposit costs, weighed most heavily on banks migrating from single-A to triple-B, particularly in the front end of the yield curve, where banks make up a larger proportion of the universe. The consumer cyclical sub-sector also experienced some weakness as the United Auto Workers (UAW) union threatened to strike as they sought wage increases and a handful of retailers reported poor earnings as compensation costs accelerated faster than goods prices. For the month, the option-adjusted spread on the ICE BofA 1-3-Year Corporate Index widened by seven basis points and bonds in the index underperformed duration-matched Treasuries by 0.05%.

Securitized assets and taxable municipals experienced a relatively quiet month as activity slowed ahead of the Labor Day holiday. Volatility in longer-term interest rates drove some weakness in agency mortgage-backed securities (agency MBS), which underperformed Treasuries by 0.33%, but things were steadier in non-agency products like asset-backed securities (ABS) and commercial mortgage-backed securities (CMBS), which outperformed Treasuries by 0.05% and 0.02%, respectively. Despite the strong U.S. labor market, delinquencies in the subprime ABS space continued to rise as lower income consumers have begun to run out of excess savings built up during the pandemic. However, pandemic-related stimulus drove these figures to unsustainably low levels that are now just returning to more typical historical patterns, allowing the ABS sector to maintain solid performance.

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 08.31.2023 unless otherwise stated. Source: Bloomberg L.P.