

West Virginia Board of Treasury Investments

Monthly Flash Report

Period Ending February 29, 2024

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Market Environment – February 2024

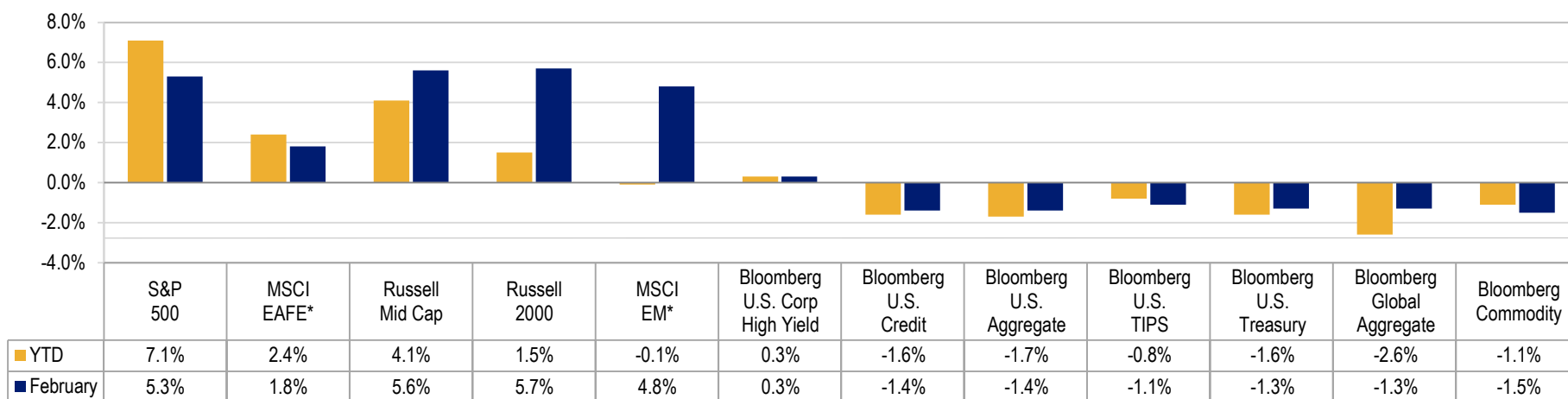
February Highlights

- Unemployment remains near a historic low at 3.7%. Another robust monthly private jobs report from ADP in February added 140,000 jobs to the US economy. The Fed continued to hold rates steady at a targeted range of 5.25%-5.5% with recent comments suggesting interest rate cuts later in the year.
- U.S. stocks of all sizes surged this month with growth-oriented companies leading the way. Consumer discretionary (+8.7%) led all S&P 500 sectors for the month given strong earnings, while utilities (+1.1%) posted the lowest sector return.
- Global stocks were mostly positive with modest positive returns across countries in Europe and the Pacific regions. China (+8.4%) rebounded as the strongest performing emerging market country.
- Bond prices fell again as yields in the medium- to long-term curve increased further. Bond sectors were mixed with T-Bills leading the way (+0.4%), while long duration government/credit (-2.4%) posted the lowest return.
- Commodities were negative as energy and agriculture prices declined.

2024 Highlights

- Global equity market performance continued to surge based on robust earnings and resilient economics data. US mega caps stocks remain in the lead driven by a handful of growth-oriented technology (+10.5%) & communication services (+11.0%) companies.
- Non-U.S. developed market stocks continued their modest rise led by a handful of mega cap stocks. Japan's Nikkei index finally set a new high at a level last reached in 1989. Emerging markets remain constrained by China's continued economic weakness and renewed conflict in the Middle East that risks spreading wider in the region.
- Most fixed income sector returns fell as bond yields increased inversely impacted bond prices. Anticipated interest rate cuts have been pushed further into the future as economic conditions remain strong. High yield (+0.3%) and T-Bills (+0.9%) are the lone positive sectors this year.
- Commodities continue to struggle due to a multitude of factors. Energy and agriculture price declines led returns further downward.

Returns



*Net dividends reinvested

West Virginia Board of Treasury Investments

Comparative Performance - Gross of Fees

As of February 29, 2024

	Allocation		Performance (%)				
	Market Value (\$)	% of Portfolio	1 Month	FYTD	1 Year	3 Years	5 Years
Total Composite	11,047,088,760	100.0					
Money Market Pool*	9,881,372,159	89.4	0.428	3.811	5.583	2.736	2.190
<i>Custom Money Market Pool Index**</i>			0.408	3.317	4.866	2.289	1.800
Federated Hermes - Money Market	4,938,952,331	44.7	0.426	3.848	5.613	2.744	2.202
UBS - Money Market	4,942,419,828	44.7	0.429	3.774	5.554	2.729	2.179
Government Money Market Pool	490,520,994	4.4	0.420	3.628	5.366	2.558	2.015
<i>Custom Government Money Market Pool Index***</i>			0.412	3.332	4.898	2.303	1.754
UBS - Government	490,520,994	4.4	0.420	3.628	5.366	2.558	2.015
Short-Term Bond Pool****	675,195,607	6.1	-0.222	4.177	5.445	0.908	2.192
<i>Short-Term Bond Pool Index*****</i>			-0.337	3.587	4.734	0.215	1.519
Sterling - Short-Term Bond	675,195,607	6.1	-0.222	4.177	5.445	0.908	2.192

*The West Virginia Money Market Pool is a multi manager investment pool, which is managed by Federated Hermes and UBS Global Asset Management.

** Benchmark is iMoneyNet First Tier Retail Average as of 8/1/2021.

*** Benchmark is iMoneyNet Government & Agency Institutional Average as of 8/1/2021.

**** The West Virginia Short Term Bond Pool is managed by Sterling Capital Advisors. Prior to November 1, 2018, the Pool was managed by Federated Hermes.

***** Benchmark is BofA Merrill Lynch 1-3 Year Government/Credit Index + 10 bps; prior to November 1, 2018 BofA Merrill Lynch 1-3 Year Government/Credit Index A or Better + 10bps

West Virginia Board of Treasury Investments

Comparative Performance - Net of Fees

As of February 29, 2024

	Allocation		Performance (%)				
	Market Value (\$)	% of Portfolio	1 Month	FYTD	1 Year	3 Years	5 Years
Total Composite	11,047,088,760	100.0					
Money Market Pool*	9,881,372,159	89.4	0.425	3.791	5.553	2.707	2.160
<i>Custom Money Market Pool Index**</i>			0.408	3.317	4.866	2.289	1.800
Federated Hermes - Money Market	4,938,952,331	44.7	0.424	3.830	5.585	2.716	2.175
UBS - Money Market	4,942,419,828	44.7	0.427	3.752	5.521	2.697	2.146
Government Money Market Pool	490,520,994	4.4	0.418	3.608	5.334	2.527	1.983
<i>Custom Government Money Market Pool Index***</i>			0.412	3.332	4.898	2.303	1.754
UBS - Government	490,520,994	4.4	0.418	3.608	5.334	2.527	1.983
Short-Term Bond Pool****	675,195,607	6.1	-0.227	4.134	5.381	0.848	2.132
<i>Short-Term Bond Pool Index*****</i>			-0.337	3.587	4.734	0.215	1.519
Sterling - Short-Term Bond	675,195,607	6.1	-0.227	4.134	5.381	0.848	2.132

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Investment Managers Cash Flow

1 Month Ending February 29, 2024

	Beginning Market Value (\$)	Net Cash Flows (\$)	Net Investment Change (\$)	Ending Market Value (\$)
Total Composite	11,171,061,648	-167,194,360	43,221,472	11,047,088,760
Money Market Pool	10,002,800,637	-164,017,631	42,589,153	9,881,372,159
Federated Hermes - Money Market	4,999,707,862	-81,976,713	21,221,183	4,938,952,331
UBS - Money Market	5,003,092,776	-82,040,918	21,367,970	4,942,419,828
Government Money Market Pool - UBS	491,277,401	-2,893,213	2,136,806	490,520,994
Short-Term Bond Pool - Sterling Capital	676,983,610	-283,516	-1,504,488	675,195,607