



## Monthly Investment Report

### Economic Update July 31, 2023

- The Federal Open Market Committee, raised their benchmark lending rate to 5.50% and seemingly left the door open for additional hikes. Fed Chair Jerome Powell indicated that the committee would continue to take a data-dependent approach to future hikes.
- Interestingly, the Fed no longer is forecasting a recession in 2023 or 2024, a substantial upgrade from prior meetings.
- The federal funds rate, the rate at which banks can borrow and lend excess reserves to one another, now sits at ~5.50% (upper bound), the highest level in 22 years.
- After the last rate hike, markets are now “on board” with the Fed that there will not be any cuts in 2023. Additionally, markets are also seeing the need for few, if any, cuts in early 2024 as calls for an economic recession wane.
- The central bank has remained committed to its stance that it will keep its policy rate “higher for longer” fueling speculation of whether this will be needed given recent cooling inflation.
- While rates are now expected to stay higher, it appears that the consensus is for no further hikes in 2023. Of course, economic data will be the catalyst for any further movement from the Fed.
- The GDP report topped expectations, signaling robust economic growth in the second quarter.
  - From the Bureau of Economic Analysis:
  - Real gross domestic product (GDP) increased at an annual rate of 2.4 percent in the second quarter of 2023 (expected 1.8 percent), according to the "advance" estimate. In the first quarter, real GDP increased 2.0 percent. The increase in the second quarter primarily reflected increases in consumer spending and business investment that were partly offset by a decrease in exports. Imports, which are a subtraction in the calculation of GDP, decreased.

### Cash and Investment Balances

Core Investment	Balance	30 - Day Yield	Trailing 12-Month Return	Weighted Average Maturity to Reset (Days)
Cash - Bank of America*	\$10,459,214.38			
Florida Prime (SBA)	\$612,487,830.24	5.39%	4.25%	37
FLGIT - Short-Term Bond Fund	\$503.21	4.31%	1.30%	686
FLGIT - Day to Day Fund	\$263,363,694.97	5.14%	3.93%	40
FL-FIT Cash Pool	\$511,198,207.98	5.24%	4.16%	14
DBIA LT Managed Portfolio**	\$311,883,885.79	5.64%		238
DBIA CP Ladder Managed Portfolio**	\$150,019,645.04	5.88%		188
	<b>Total</b>	<b>Weighted Average</b>	<b>Weighted Average</b>	<b>Weighted Average</b>
<b>TOTAL</b>	<b>\$ 1,859,412,981.61</b>	<b>5.39%</b>	<b>4.16%</b>	<b>77</b>

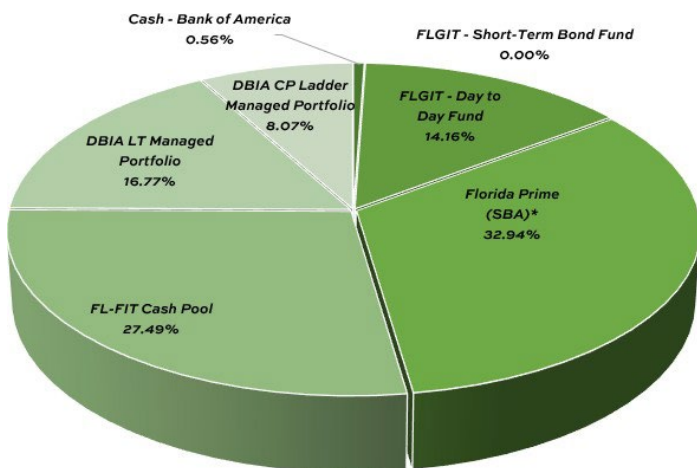
\*Cash balances (Bank of America) not included in the weighted average.

\*\*US Bank account ending in 010 is listed as DBIA LT Managed Portfolio. US Bank account ending in 000 is listed as DBIA CP Ladder Managed Portfolio.

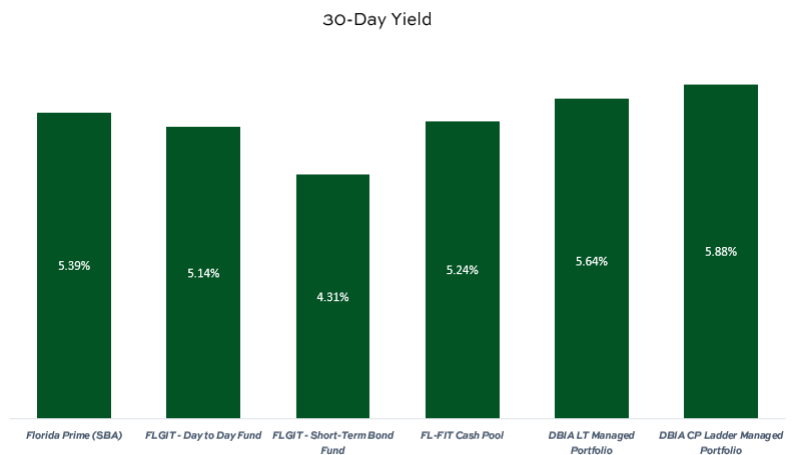
Note: Trailing 12-Month Return rate is not included/used in the weighted average calculation for DBIA LT Managed Portfolio and US Bank. Data in Gray for “30 - Day Yield, Trailing 12 - Month Return, and Weighted Average Maturity to Reset (Days)” is from June 2023 as July 2023 is not yet available.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Pools may be lower or higher than the performance quoted.

### Portfolio Allocations



### Portfolio Yield



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