



Angelina "Angel" Colonnese
 Clerk of the Circuit Court & Comptroller
 Manatee County

Monthly Investment Report

Economic Update September 30, 2023

- The Federal Open Market Committee is expected to increase their benchmark lending rate from 5.50% to 5.75% (target rate) at either their early November, or mid-December meeting. Fed Chair Jerome Powell surprised markets in September by indicating that rates would likely stay "higher for longer" as inflation remains stubbornly above their targeted 2.00% rate.
- The cluster of "dots", which are individual Fed members' estimates. Grey (prior, as of June) have moved to the right (yellow) indicating an extension of the rate-hike cycle.
- Interestingly, the Fed no longer is forecasting a recession in 2023 or 2024, a substantial upgrade from prior meetings. Furthermore, the committee also upgraded their forecast for the US economy (which they revisit quarterly), while simultaneously reducing their forecast for any rate cuts in 2024. As a result, markets are repricing for this new scenario of higher interest rates well into next year.
- As of early October, markets are now "on board" with the Fed that there will not be any cuts in 2023 OR into mid-year 2024. This comes on the heels of the latest projections from the Fed that indicated stronger than anticipated growth, paired with higher interest rates.
- It is likely that the Fed will raise rates by another 25 basis points (0.25%) in November or December. Typically, the Fed does not move rates in mid-December, as that is very close to market holidays near year-end.
- The US labor market continues to show strength, albeit at a slowing rate of growth. This implies that the Fed is correct, for now, that the US economy could be headed for a "soft landing". This means a slowing economy, but without a full-blown recession. The unemployment rate moved up slightly in August, indicating more individuals participating in the labor market.
- Economists estimate that the U.S. economy needs to add 100,000 new jobs per month to maintain employment levels. In effect, we are creating more jobs than we can fill with our existing population...
- From the US Bureau of Labor Statistics: Total nonfarm payroll employment increased by 187,000 in August, and the unemployment rate rose to 3.8 percent, the U.S. Bureau of Labor Statistics reported.

Cash and Investment Balances

Core Investment	Balance	30 - Day Yield	Trailing 12-Month Return	Weighted Average Maturity to Reset (Days)
Cash - Bank of America*	\$10,503,750.59			
Florida Prime (SBA)	\$507,252,030.92	5.59%	4.76%	33
FLGIT - Short-Term Bond Fund	\$505.85	4.77%	2.69%	657
FLGIT - Day to Day Fund	\$265,716,351.81	5.35%	4.48%	41
FL-FIT Cash Pool	\$515,866,812.47	5.46%	4.69%	23
DBIA LT Managed Portfolio**	\$314,578,321.78	5.40%		286
DBIA CP Ladder Managed Portfolio**	\$151,673,917.62	5.37%		127
	Total	Weighted Average	Weighted Average	Weighted Average
	\$1,765,591,691.04	5.46%	4.67%	85

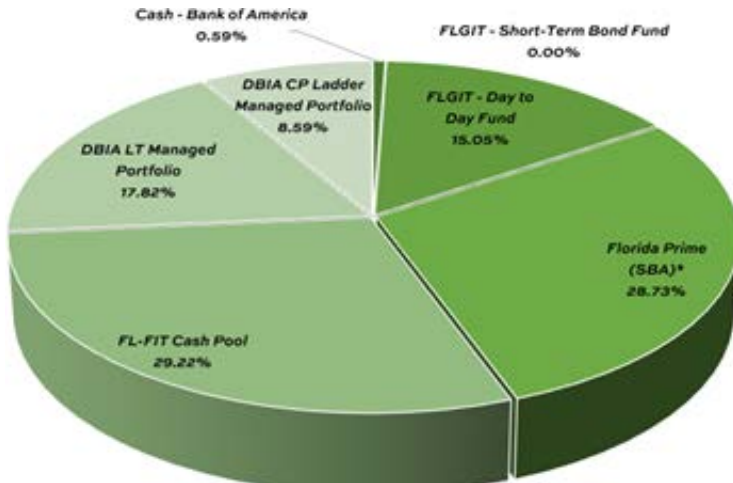
*Cash balances (Bank of America) not included in the weighted average.

**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.

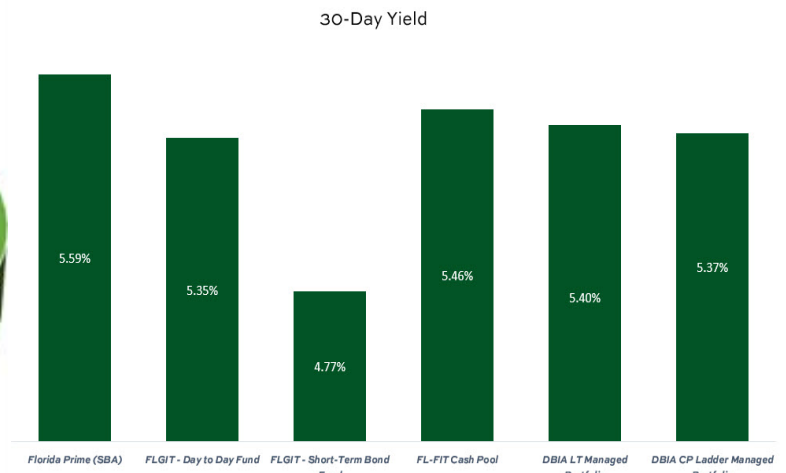
Note: Trailing 12-Month Return rate is not included/used in the weighted average calculation for DBIA LT Managed Portfolio and US Bank. Data in Gray for "30 - Day Yield, Trailing 12 - Month Return, and Weighted Average Maturity to Reset (Days)" is from August 2023 as September 2023 is not yet available.

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



The Monthly Investment Report is for informational purposes only. This report is prepared by Deep Blue Investment Advisors ("Deep Blue"). Deep Blue makes no representation or warranty, expressed or implied, regarding the accuracy or completeness of the information contained herein. The report is not meant as a solicitation of any investment offered by Deep Blue or its affiliates. To the extent permitted by applicable law, no member of the Deep Blue Team and/or Florida Fixed Income Trust or any officer, employee, or associate accepts any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents, including for negligence. The views expressed within this report constitute Deep Blue's perspective at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, and economic trends are based upon current opinion as of the date of issue and are also subject to change. FL-FIT investments are not available for sale to the general public and only to certain qualified entities.