



Monthly Investment Report

Economic Update October 31, 2023

- The market is now contending with higher long-term interest rates for the first time in this cycle. These multi-year securities are faced with uncertainty over geopolitical events, stubbornly high inflation above the Fed's 2% target, a solid labor market and concerns that the US government will continue to borrow money, thereby adding to an already large fiscal deficit.
- As longer-term interest rates rose in October, economists adjusted their forecasts for growth and the path forward for interest rates.
- In September, markets saw a 50/50 chance for yet another 25 basis point rate hike before year-end. However, the sharp rise in long-term interest rates caused concern amongst market participants, which then affected the projections for short-term rates.
- As of early November, markets no longer see a rate hike in 2023, and now anticipate the need for cuts beginning in May 2024 (moved up from September 2024). In other words, higher long-term interest rates have a substantial effect on the economy, possibly even more so than their short-term counterparts.
- The US labor market continues to show strength, albeit at a slowing rate of growth. This is a key reason that inflation remains stubbornly high, but also gives credibility to the idea that we're heading for an economic "soft landing".
- The US economy is roughly 70% driven by consumption, so consumers must have earnings to support trade in both goods and services.
- 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 150,000 in October**. Both the unemployment rate, at 3.9 percent, and the number of unemployed persons, at 6.5 million, changed little in October. However, since their recent lows in April, these measures are up by 0.5 percentage point and 849,000, respectively.

Cash and Investment Balances

Core Investment	Balance	30 - Day Yield	Trailing 12-Month Return	Weighted Average Maturity to Reset (Days)
Cash – Bank of America*	\$ 10,526,543.73			
Florida Prime (SBA)	\$ 433,990,793.56	5.60%	4.96%	36
FLGIT - Short-Term Bond Fund	\$ 507.36	4.72%	3.60%	672
FLGIT - Day to Day Fund	\$ 266,934,785.90	5.40%	4.63%	38
FL-FIT Cash Pool	\$ 518,282,294.10	5.51%	4.90%	39
FL-FIT Cash Pool - Utilities Revenue Improvement Bonds, Series 2023	\$ 4,356.43	5.51%	4.90%	39
FL-FIT Choice - Utilities Revenue Improvement Bonds, Series 2023**	\$ 29,182,957.69	5.73%		153
DBIA LT Managed Portfolio**	\$ 315,894,661.80	5.54%		325
DBIA CP Ladder Managed Portfolio**	\$ 152,395,678.76	5.34%		97
	Total	Weighted Average	Weighted Average	Weighted Average
	TOTAL \$ 1,727,212,579.33	5.51%	4.86%	98

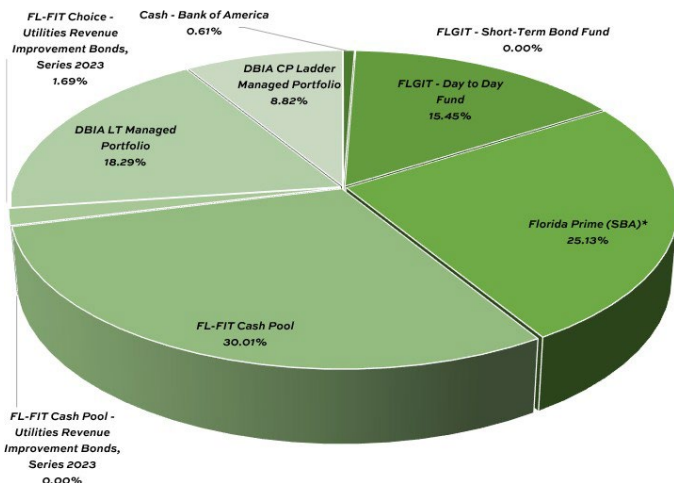
*Cash balances (Bank of America) not included in the weighted average.

**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.

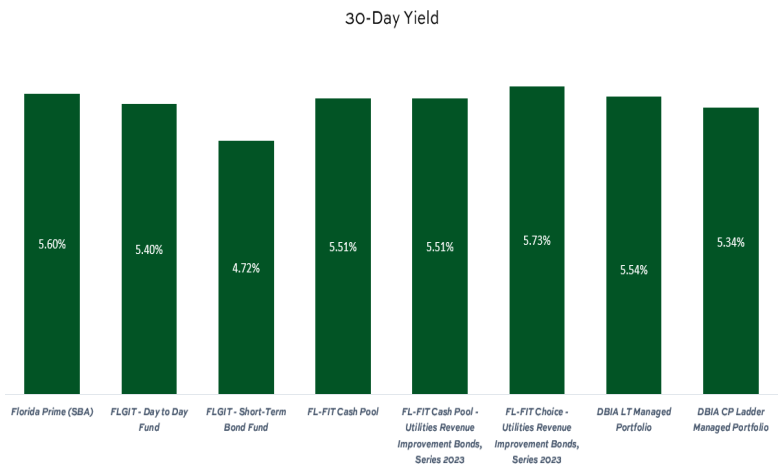
Note: Trailing 12-Month Return rate is not included/used in the weighted average calculation for DBIA Managed Portfolios and FL-FIT Choice - Utilities Revenue Improvement Bonds, Series 2023. Data in Gray for "30 - Day Yield, Trailing 12 - Month Return, and Weighted Average Maturity to Reset (Days)" is from September 2023 as October 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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