



Monthly Investment Report

Economic Update June 30, 2024

- When will the Fed begin cutting rates, and by how much? Is inflation headed back to the target level of 2%, or is there some work still to be done? These are the two major questions to be answered in 2024. As of early July, it appears inflation has continued to flatline as economic growth provides mixed signals.
- Longer-term rates not only reflect current economics but need to factor in additional uncertainty surrounding geopolitical events, inflation, employment, consumer spending, and concerns that the US government will continue to borrow money, thereby adding to an already large fiscal deficit.
- Since the start of the year, interest rates have risen, primarily driven by positive economic data and expectations of delayed rate cuts. The Fed acknowledges the next move is unlikely to be a rate hike, but remains committed to its data dependency, aka "wait and see". Market expectations have adjusted accordingly.
- On June 12th, 2024, Federal Reserve policymakers opted to keep rates unchanged, maintaining the target rate at 5.25%-5.50%. Per the Labor Department, the U.S. economy added 272,000 jobs in May, and wages were up 4.1%, making the Fed's job more difficult to bring the CPI rate back to its 2% target.
- While the Federal Reserve has signaled that rate hikes are still likely off the table, they have shifted their expectations to just 1 rate cut in 2024, vs. their previously expected 3 rate cuts from March, according to their dot plot.
- Market sentiment has experienced a significant shift in rate cut expectations. In January, investors were pricing in over five 25-basis point cuts. However, current market consensus suggests only one to two rate cuts by December, marking a notable departure from the initial expectation of five cuts at the year's outset.
- Initial jobless claims continue to remain very low, coming in at 233k for the week ending June 22nd, down 6k from the prior week's revised level of 239k. Initial jobless claims have remained low for quite some time now, not exceeding ~260k since early 2022.
- Continuing claims barely made new highs for the week ending June 15th, coming in at 1,839k, up 14k from the prior week's revised level. However, continuing claims have generally been moving sideways since August of 2023.

Cash and Investment Balances

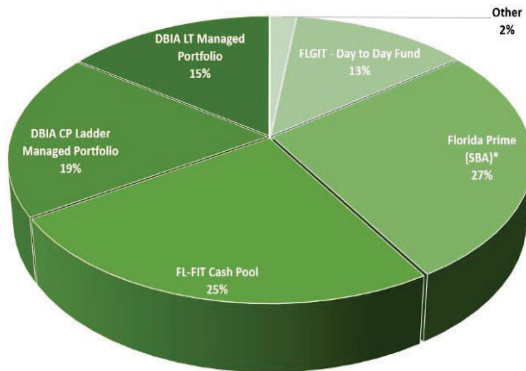
Core Investment	Balance	30 - Day Yield	Trailing 12-Month Return	Weighted Average Maturity to Reset (Days)
Cash – Bank of America*	\$ 10,706,566.35	2.59%	N/A	1
Florida Prime (SBA)	\$ 578,683,660.01	5.49%	5.44%	46
FLGIT - Short-Term Bond Fund	\$ 528.32	4.67%	5.59%	655
FLGIT - Day to Day Fund	\$ 276,797,794.17	5.44%	5.53%	24
FL-FIT Cash Pool	\$ 537,584,943.84	5.44%	5.48%	65
FL-FIT Cash Pool - Utilities Revenue Improvement Bonds, Series 2023	\$ 30,291,609.56	5.44%	5.48%	65
DBIA LT Managed Portfolio**	\$ 326,480,155.18	5.42%	N/A	382
DBIA CP Ladder Managed Portfolio**	\$ 410,373,407.04	5.10%	N/A	238
TOTAL	\$ 2,170,918,664.47	5.37%	5.47%	135

*Cash balances (Bank of America) not included in the Trailing 12-Month Return and Weighted Average Maturity to Reset (Days) weighted average.

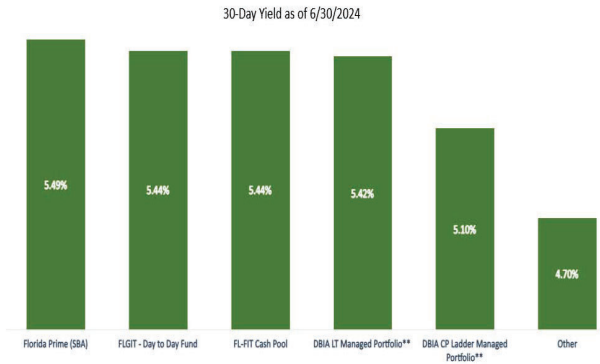
**US Bank account ending in 010 is listed as DBIA LT Managed Portfolio (Inception Date: 3/21/2023). US Bank account ending in 000 is listed as DBIA CP Ladder Managed Portfolio (Inception Date: 8/10/2023). The balances listed are the account Book Value and the Trailing 12-Month Return rate is not included/used in the weighted average calculation for DBIA Managed Portfolios.

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



Other: Cash - Bank of America, FL-FIT Cash Pool - Utilities Revenue Improvement Bonds Series 2023, and FLGIT - Short-Term Bond Fund.

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