



Monthly Investment Report

Economic Update August 31, 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 September, inflation continues to flatline, but economic data continues to come in mixed.
- 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 had risen, primarily driven by positive economic data and expectations of delayed rate cuts. However, since late July, the yield curve has shifted lower dramatically, driven by softer economic data in jobless claims, ISM manufacturing, nonfarm payrolls, and the unemployment rate.
- On August 23rd, Federal Reserve Chair Jerome Powell made a definitive change in tone by stating that "the time has come" for the Fed to adjust its interest-rate policy. Recent weaker-than-expected economic data such as non-farm payrolls and the unemployment rate likely prompted Powell's change in tone.
- The next Federal Reserve meeting is on September 17-18, during which an updated dot plot will be provided. The market is currently pricing in 4 rate cuts by year end.
- Throughout 2024, market sentiment towards rate cut expectations has been volatile. However, as we near the September Federal Reserve meeting, where at least 1 rate cut is expected, market expectations for total rate cuts by year-end are coming into closer focus.
- Initial claims in the week ending August 31 fell to 227k from 232k, and the four-week average edged down to 230k from 232k. Initial jobless claims have leveled off lately, but the trend is still up since the beginning of the year.
- Continuing claims continue to print near multi-year highs, coming in at 1,838k for the week ending August 24th, down 22k from the prior week's level. This is the first large decline since continuing claims increased back in June this year. Continuing claims, although near multi-year highs, appear to have also flatlined for now.

Cash and Investment Balances

Core Investment	Balance	30 - Day Yield	Average Trailing 12-Month Yield	Weighted Average Maturity to Reset (Days)
Cash – Bank of America*	\$ 10,752,956.01	2.59%	N/A	1
Florida Prime (SBA)	\$ 467,733,380.08	5.48%	5.46%	40
FLGIT - Short-Term Bond Fund	\$ 538.14	4.35%	6.46%	662
FLGIT - Day to Day Fund	\$ 279,352,482.22	5.42%	5.60%	15
FL-FIT Cash Pool	\$ 570,481,734.47	5.50%	5.50%	137
FL-FIT Cash Pool - Utilities Revenue Improvement Bonds, Series 2023	\$ 30,575,585.46	5.50%	5.50%	137
DBIA LT Managed Portfolio**	\$ 328,269,408.42	4.78%	N/A	346
DBIA CP Ladder Managed Portfolio**	\$ 385,926,227.39	4.60%	N/A	224
	Total	Weighted Average	Weighted Average	Weighted Average
	TOTAL \$ 2,073,092,312.19	5.19%	5.51%	148

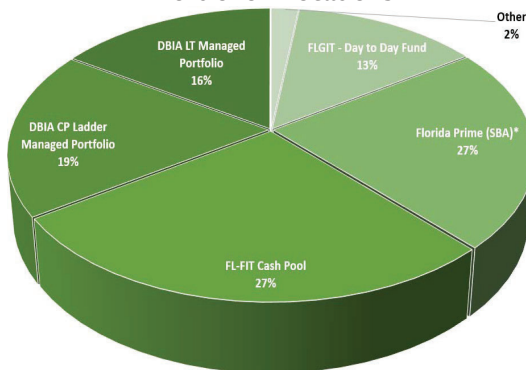
Note: FLGIT - Short-Term Bond Fund is stated as Trailing 12-month Return *not* Average Trailing 12-Month Yield.

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

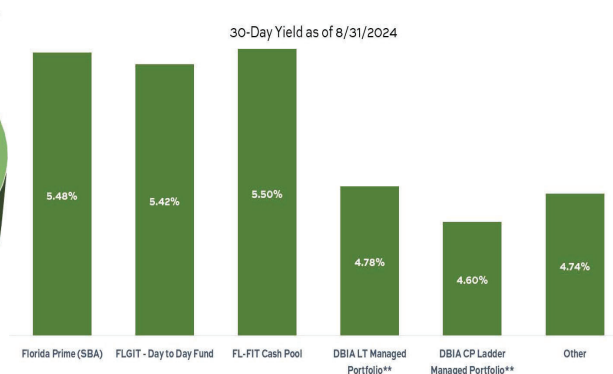
**US Bank account ending in 010 is listed as DBIA LT Managed Portfolio (Inception Date: 3/21/2023). US Bank account ending in 000 is listed as DBIA CP Ladder Managed Portfolio (Inception Date: 8/10/2023). The balances listed are the account Book Value and the Average Trailing 12-Month Yield rate is not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