



Monthly Investment Report

Economic Update September 30, 2024

- After much anticipation, the Fed finally commenced on its rate cutting cycle, with an initial cut of 50 basis points. The market was pricing in a ~50% chance of a 50-basis point cut, so there was uncertainty heading into the decision. But, as inflation has stopped flatlining and started turning down again, the Fed seemed eager to get the rate cutting process started.
- While the short-end of the Treasury yield curve is dictated by the Federal Reserve, the intermediate and long-end of the yield curve are dictated by factors such as inflation, the unemployment rate, and GDP growth. Long-term interest rates are lower now than where they started the year, confirming the steady decline in inflation.
- In the first half of the year, interest rates had risen, primarily driven by positive economic data, despite the continued flatlining/declining pace of inflation. However, since then, the yield curve has shifted dramatically lower, driven by softer economic data in the unemployment rate, ISM manufacturing, and nonfarm payrolls.
- On September 18th, Federal Reserve Chair Jerome Powell initiated a rate-cutting cycle with a 50 basis point reduction, citing increased confidence that inflation is moving towards 2%. He noted that risks to achieving employment and inflation goals are now roughly balanced.
- The Federal Reserve updated its dot plot projections, forecasting a Federal Funds rate of 4.375%, which is roughly 100 basis points of rate cuts by year end.
- Throughout the year, a disconnect persisted between market expectations for rate cuts and the Federal Reserve's outlook on the number of anticipated cuts.
- Initial claims in the week ending September 21 fell to 218k from 222k, and the four-week average edged down to 225 from 228. Initial jobless claims have leveled off lately and are in the middle of a two-and-a-half-year consolidation.
- Continuing claims continue to print near multi-year highs, coming in at 1,834k for the week ending September 14th, up 13k from the prior week's level. Although continuing claims continue to print near multi-year highs, they have started to level off along with initial jobless claims.

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*	\$ 10,785,527.50	2.55%	N/A	1
Florida Prime (SBA)	\$ 345,757,252.25	5.33%	5.44%	40
FLGIT - Short-Term Bond Fund	\$ 542.29	4.19%	7.20%	681
FLGIT - Day to Day Fund	\$ 280,569,870.45	5.30%	5.59%	10
FL-FIT Cash Pool	\$ 572,973,483.22	5.32%	5.50%	183
FL-FIT Cash Pool - Utilities Revenue Improvement Bonds, Series 2023	\$ 30,709,133.36	5.32%	5.50%	183
DBIA LT Managed Portfolio**	\$ 329,827,197.22	4.58%	N/A	453
DBIA CP Ladder Managed Portfolio**	\$ 387,171,356.43	4.23%	N/A	223
	Total	Weighted Average	Weighted Average	Weighted Average
TOTAL	\$ 1,957,794,362.72	4.96%	5.50%	186

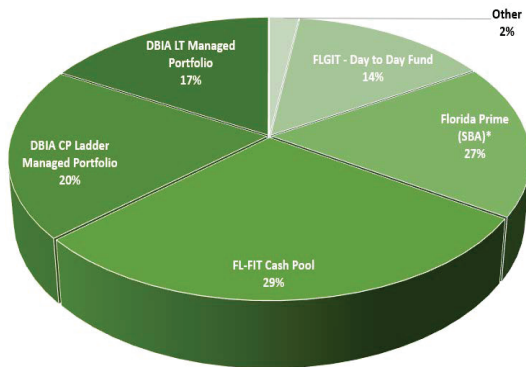
Note: FLGIT - Short-Term Bond Fund is stated as Trailing 12-month Return *not* Average Trailing 12-Month Yield.

*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.

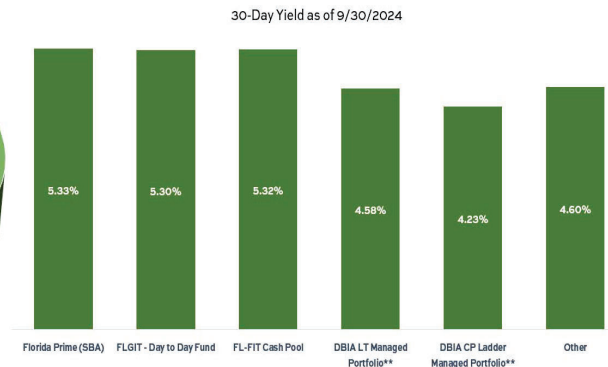
The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Pools may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

Portfolio Allocations



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

Portfolio Yield



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