



Monthly Investment Report

Economic Update October 31, 2024

- The Federal Reserve kicked off its rate-cutting cycle with a 50-basis point cut. However, market participants perceived this to be a "catch-up" rate cut, and going forward the market is pricing in a more gradual pace of rate cuts, including what will likely be a 25-basis point rate cut on November 7th.
- 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 remain lower now than at the start of the year, confirming the steady decline in inflation.
- Despite the continued drop in inflation, intermediate and long-term interest rates have begun to rise since the Federal Reserve's first interest rate cut. While this trend contrasts with the falling CPI backdrop, it is not uncommon for longer-term rates to increase after an initial rate cut. Notably, these rates had previously fallen dramatically from April to September.
- 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%, by year-end, indicating roughly 100 basis points of rate cuts.
- As the year approaches its end, the disconnect that has characterized market expectations of the Federal Funds rate versus the Fed's own projections has largely disappeared, with both forecasts now closely aligned.
- Initial claims in the week ending October 26th fell to 216k from 227k, and the four-week average edged down to 236k from 239k. 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 1,862k for the week ending October 19th, down 35k 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

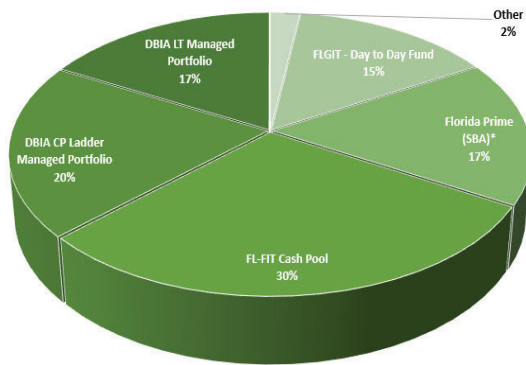
Core Investment	Balance	30 - Day Yield	Average Trailing 12 - Month Yield	Weighted Average Maturity to Reset (Days)
Cash – Bank of America*	\$ 10,808,365.70	2.53%	N/A	1
Florida Prime (SBA)	\$ 324,589,186.34	5.04%	5.40%	50
FLGIT - Day to Day Fund	\$ 281,759,236.07	5.00%	5.40%	10
FL-FIT Cash Pool	\$ 575,413,202.02	5.01%	5.46%	179
FL-FIT Cash Pool - Utilities Revenue Improvement Bonds, Series 2023	\$ 30,839,892.73	5.01%	5.46%	179
DBIA LT Managed Portfolio**	\$ 331,133,076.24	4.52%	N/A	475
DBIA CP Ladder Managed Portfolio**	\$ 388,634,833.48	4.40%	N/A	224
	Total	Weighted Average	Weighted Average	Weighted Average
	TOTAL \$ 1,943,177,792.58	4.79%	5.43%	192

*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.

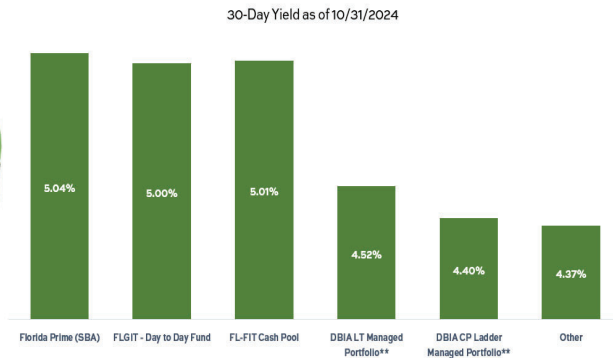
The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Pools may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

Portfolio Allocations



Other: Cash - Bank of America, and FL-FIT Cash Pool - Utilities Revenue Improvement Bonds Series 2023.

Portfolio Yield



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