

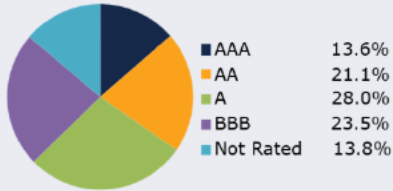
West Virginia Short Term Bond Pool

Portfolio Overview as of 3/31/2026

Pool Assets

\$743 million

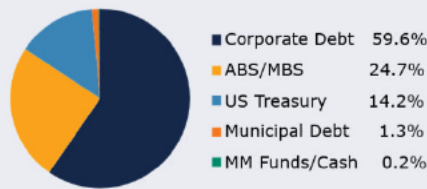
Credit Quality Composition (%)



Maturity Schedule (%)



Portfolio Composition (%)



Effective Duration

678 Days

Top Holdings (%)

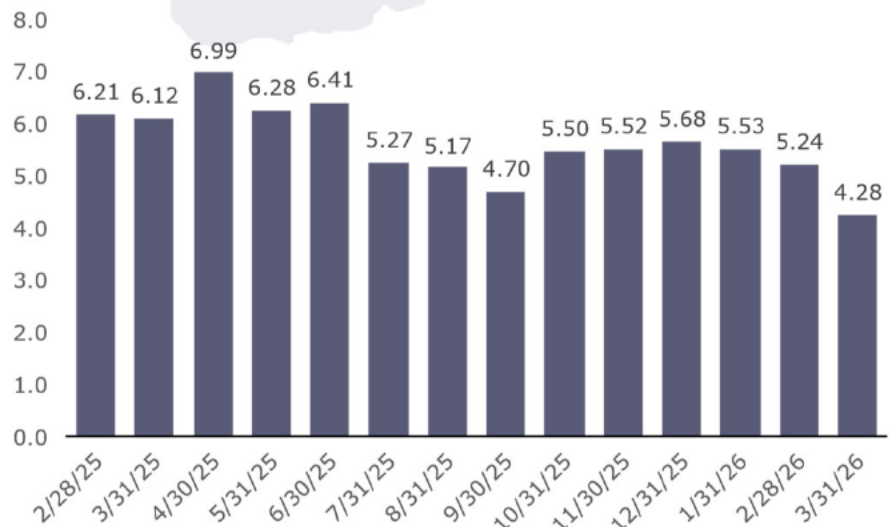
United States Treasury	14.2%
Benchmark Mortgage Trust	2.3%
GM Financial Auto Leasing Trus	1.6%
Blackstone Private Credit Fund	1.4%
Ares Strategic Income Fund	1.1%
T-Mobile US Trust	1.1%
Sprint	1.1%
RGA Global Funding	1.0%
World Omni Auto Rec	1.0%
Caterpillar Finl Services	1.0%
Total % of Portfolio	25.8%

The West Virginia Short Term Bond Pool was created to invest restricted moneys of participants which have a longer-term investment horizon. The objective of the portfolio is to earn an incremental return over the WV Money Market Pool with an objective of asset growth rather than current income. The risk factor is higher than the WV Money Market Pool and is managed through numerous maturity restrictions, diversification, guidelines, and credit limits.

Pool Features and Benefits:

- » Professional management is provided by the West Virginia Board of Treasury investments' staff and professional investment advisor (Sterling Capital Management).
- » Floating net asset value (NAV).
- » Investment yields are competitive with other short duration fixed income pools.
- » Easy access is provided through the State Treasurer's Office online system.
- » Account can be opened for as little as \$100 with no limit on the number of transactions.
- » Contributions and withdrawals are allowed monthly.
- » Income is distributed on a monthly basis.

Return Summary



To learn how to make the West Virginia Short Term Bond Pool work for your cash investing needs call: 304-340-1564 or visit: wvbt.org

Portfolio holdings and composition are shown as of the date indicated. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

An investment in the Pool is not insured or guaranteed by any government or government agency and it is possible to lose money by depositing money in the Pool.

Commentary

March economic data unfolded against a backdrop of heightened geopolitical uncertainty, as the escalation of military conflict involving Iran and instability in the Middle East weighed on risk assets and complicated the inflation outlook. Energy prices rose sharply early in the month amid concerns over potential disruptions to global oil supply and shipping through the Strait of Hormuz, pushing near-term inflation expectations higher even as underlying price pressures continued to stabilize. Headline CPI held near 2.4% YoY, while core PCE inflation remained around 2.7%, reinforcing the Fed's view that inflation progress has stalled but not reversed. At the March FOMC meeting, the Committee voted 11-1 to hold the federal funds rate at 3.5%-3.75%, explicitly citing uncertainty related to geopolitical developments and higher energy prices as a risk to both growth and inflation. Chair Powell noted that it was "too soon to know" the economic impact of the war, while the updated Summary of Economic Projections modestly raised both growth and inflation forecasts for 2026. Treasury markets reflected these cross currents: front end yields initially moved higher on inflation and commodity concerns before rallying late in the month as geopolitical tensions eased and rate cut expectations firmed. By month end, the 3-year Treasury yield closed at 3.82%, 0.45% higher on the month but down meaningfully from the intra month highs of 3.99%.

Short-dated investment grade corporate bonds performed poorly during March as investors used the sector as a funding source for longer dated new issuance. Corporate spreads drifted wider amid heavy supply (particularly from Technology, Communications, and AI infrastructure-related issuers) at a time when geopolitical uncertainty dampened risk appetite and heightened sensitivity to leverage and funding needs. Sector dispersion increased: defensive issuers, including Financials and Utilities, were relatively resilient amid flight to quality flows, while more growth-oriented Technology and Media names underperformed on supply pressure and valuation concerns. For the month, the option-adjusted spread on the ICE BofA 1-3Y U.S. Corporate Index widened 11 bps, and the index underperformed duration-matched Treasuries by 0.15%, its worst performance since April 2025. Despite the cautious tone, credit fundamentals remained sound, evidenced by strong Q4 company earnings that showed revenue and EBITDA grew 5.8% and 7.8x, respectively, year-over-year.

Performance across short duration securitized markets reflected greater differentiation as geopolitical risk and rate volatility reintroduced credit selectivity. Non-agency commercial mortgage-backed securities (CMBS) performed well despite delinquency rates rising slightly to 7.7%, driven primarily by new stress in multifamily and industrial loans, even as office fundamentals showed signs of stabilization through loan modifications and workouts. CMBS spreads tightened two bps for the month. Short duration agency mortgage-backed securities (MBS) traded largely range bound during the month, as strong real money and bank demand helped offset elevated supply and uncertainty surrounding energy driven inflation; spreads remained stable but failed to retrace January's tightening amid renewed interest rate volatility. Asset-backed securities (ABS) spreads held in relatively well, widening just two bps, as investors sought structured exposure with shorter duration, structural protections, and limited direct vulnerability to geopolitical shocks. Overall, while geopolitical risk introduced bouts of volatility across securitized credit, short duration structures continued to benefit from strong demand, improving underlying consumer performance, and relative insulation from geopolitics and AI disruption.

The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Data is as of 03.31.2026 unless otherwise stated. Sources: Bloomberg L.P. Fed = Federal Reserve; FOMC = Federal Open Market Committee; bps = basis points. Yields are subject to market conditions and are therefore expected to fluctuate. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The **Core Personal Consumption Expenditure (PCE)** Index is a measure of prices that people living in the U.S., or those buying on their behalf, pay for goods and services. The **Consumer Price Index (CPI)**, calculated by the Bureau of Labor Statistics (BLS), measures the monthly change in price for a figurative basket of goods and services. The **Bloomberg U.S. Corporate 1-3 Year Index** measures the investment grade, fixed-rate, taxable corporate bond market with 1-3 year maturities. It includes USD-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.