WEST VIRGINIA BOARD OF TREASURY INVESTMENTS

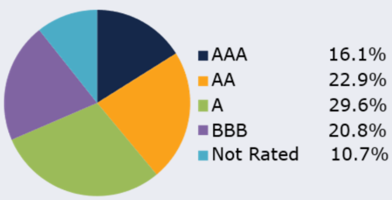
West Virginia Short Term Bond Pool

Portfolio Overview as of 07/31/2025

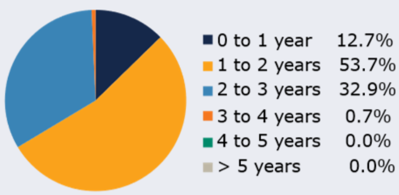
Pool Assets

$724 million

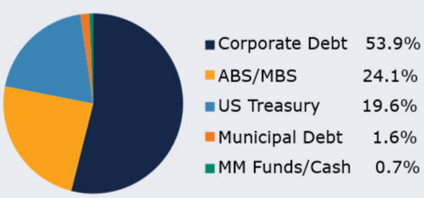
Credit Quality Composition (%)



Maturity Schedule (%)



Portfolio Composition (%)



Effective Duration

637 Days

Top Holdings (%)

United States Treasury	19.6%
Toyota Auto Loan Extended	1.5%
Blackstone Private Credit Fund	1.4%
T-Mobile US Trust	1.1%
Bank of NY Mellon Corp	1.1%
Sierra Timeshare Rec Funding	1.1%
Discover Card Master Trust	1.0%
Delta Air Lines	1.0%
Bank of America Corp	1.0%
PFS Financing Corp	1.0%
Total % of Portfolio	**29.8%**

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.

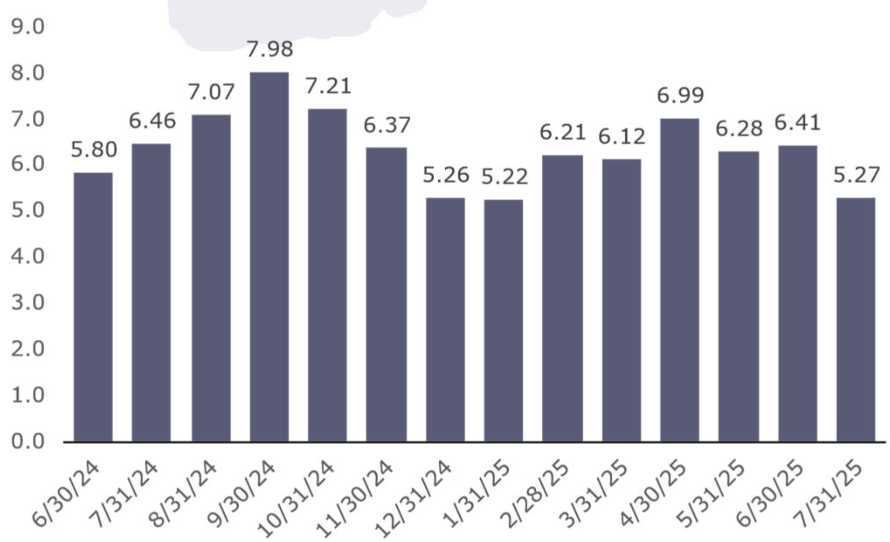
» Easy access is provided through the State Treasurer's Office online system.

» 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: wvbti.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

A whirlwind of economic data, corporate earnings, tariff headlines and threats to the independence of the Fed kept bond market investors on their toes during July. The Trump administration announced several new trade deals ahead of various deadlines this month, most of which included tariffs on goods imported into the U.S. of at least 15%, adding to the near universal 10% tariffs enacted in April and various sectoral tariffs on specific strategic industries. However, economic data released this month continued to show relatively little impact from tariffs on overall growth. Labor market releases showed that while job growth slowed recently, layoffs remain extremely low and the unemployment rate steady at 4.1%. Inflation ticked up slightly but remained in the 2.5-3% range of the last few quarters. Other indicators like retail sales, purchasing managers indices and consumer sentiment also showed relatively healthy conditions for the U.S. economy. The FOMC kept the fed funds rate unchanged at 4.25-4.5% at their July meeting despite calls from President Trump to lower rates drastically and a threat to fire Chair Jerome Powell. Markets reacted to the better-than-expected data by lowering expectations for 2025 rate cuts and pushing up short-term Treasury yields. For the month, two-year Treasury yields rose 0.24% to 3.96%.

Driven by negligible net supply figures and strong corporate earnings, risk premia for short duration corporate bonds continued to narrow in July. Investment grade companies issued just $83B in new bonds during the month, the lowest non-December monthly total since October of 2023. Investment grade maturities and coupon payments totaled $119B over the same period, creating a negative net supply of -$37B for the month and worsening the recent shortage of corporate bonds. Meanwhile, 82% of S&P 500® companies reporting earnings for Q2 reported better than expected results while estimates for Q3 inched up slightly. Year-over-year, earnings for reporting companies advanced 10.3%, the third consecutive quarter of double-digit earnings growth for the index. The technical and fundamental tailwinds for corporates helped the OAS on the ICE BofA 1-3Y U.S. Corporate Index tighten 5 bps for an excess return of 0.15% for the month. Cyclical sectors including autos, energy and finance companies outperformed relative to other corporate sectors.

Securitized assets generally performed well in July as well. ABS saw a rather active issuance calendar for the month, but spreads tightened anyway thanks to continued strong demand. The ICE BofA 0-3Y AAA U.S. Fixed Rate ABS Index delivered an excess return versus Treasuries of 0.07% for the month. AAA-rated CMBS did even better, generating 0.09% of excess returns. Agency MBS started the month off well, but performance faded into month-end and the sector finished basically flat to Treasuries.

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 07.31.2025 unless otherwise stated. Source: Bloomberg L.P. Fed = Federal Reserve; bps = basis points; FOMC = Federal Open Market Committee; OAS = option-adjusted spread; ABS = asset-backed securities; MBS = mortgage-backed securities; CMBS = commercial mortgage-backed securities. 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 **S&P 500® Index** is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization. The **ICE BofA 1-3Y U.S. Corporate Index** tracks the performance of publicly-issued, USD-denominated, investment-grade rated corporate debt. Each security must have a fixed coupon schedule, a minimum amount outstanding of $250MM, and one to three years remaining till final maturity. The **ICE BofA 0-3Y U.S. Fixed Rate ABS Index** tracks the performance of USD-denominated ABS backed by fixed-rate consumer and commercial assets, such as credit cards, auto loans, student loans, and equipment loans.