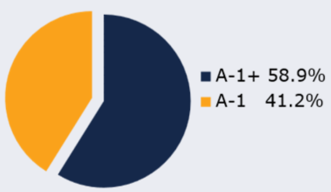
WEST VIRGINIA BOARD OF TREASURY INVESTMENTS

# West Virginia Money Market Pool

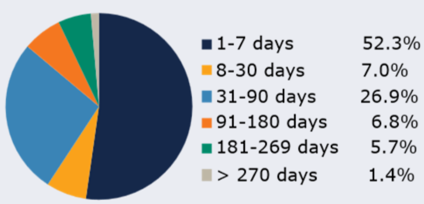
## Portfolio Overview as of 8/31/2026

### Pool Assets
$8.3 billion

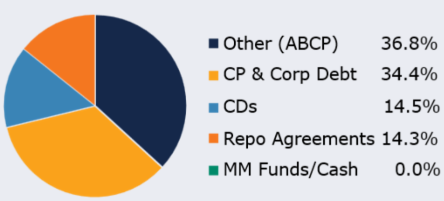
### Credit Quality Composition (%)




### Maturity Schedule (%)




### Portfolio Composition (%)




### Weighted Average Maturity
42 Days

### Top Holdings (%)

| | |
|---|---|
| ABN Amro Bank | 5.4% |
| Bank of America | 5.3% |
| BNP Paribas SA | 4.4% |
| Podium Funding Trust | 3.4% |
| National Bank of Canada | 3.1% |
| Mizuho Bank | 3.0% |
| BNG Bank NV | 2.4% |
| UnitedHealth Group Inc | 2.4% |
| Total Capital SA | 2.4% |
| Liberty Street Funding LLC | 2.3% |
| **Total % of Portfolio** | **34.2%** |

**The West Virginia Money Market Pool is a money market portfolio created to invest the majority of the state and local government operating funds. The objective of the portfolio is to maintain sufficient liquidity to meet the needs of the participants while striving to earn a return above inflation. The risk factor is low and 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 advisors (Federated Hermes and UBS Asset Management (Americas)).

» Rated AAAm by Standard & Poor's.

» Seeks to maintain a net asset value (NAV) of $1 per share.

» Investment yields are competitive with other money market accounts.

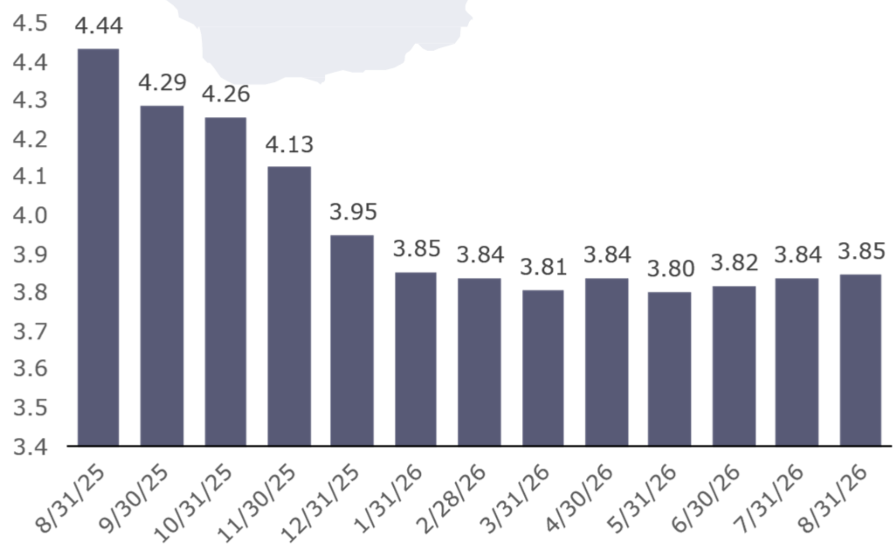
» Easy access is provided through the State Treasurer's Office online system.

» Account can be opened for as little as $100 with no limit on the number of transactions.

» Contributions and withdrawals are allowed daily.

» Income is distributed on a daily basis.

### 7-Day Simple Money Market Yield (%)




**To learn how to make the West Virginia Money Market 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. Although the manager of the Pool seeks to preserve principal, it is possible to lose money by depositing money in the Pool.*
*An AAAm rating by Standard & Poor's is obtained after S&P evaluates a number of factors, including credit quality, market price exposure and management. Ratings are subject to change and do not remove market risk.*

# Commentary

**Chair Warsh talks bond investors off the cliff**

It's well known by now that Federal Reserve Chair Kevin Warsh wants to keep the central bank out of the prediction business. His first step was to reduce the amount of public communication that has served as "forward guidance" of its plans for monetary policy. The idea is, fewer Fed words, fewer market misunderstandings. The last two statements issued by the Federal Open Market Committee after its meetings could be read in one breath.

But from the podium at the Jackson Hole central bank symposium last week, darned if he didn't up and try to hornswoggle us by doing the opposite. (Well, it takes place in Wyoming.) Instead of avoiding the term, Chair Warsh mentioned "hike" three times in the opening of his keynote address. Ostensibly describing trekking trails in the Tetons, it seemed thinly veiled wordplay. Could he have thought that uttering this word, one that the bond markets have lately demanded to curb inflation, would have the same effect as promising raising rates?

It is certainly possible, but the markets did just that regardless. The 30-year yield initially fell from 19-year highs only to climb again as investors quickly saw through the action as a ploy to drive long-term interest rates lower, in keeping with the administration's wishes. Yields reverted to previous levels as the markets remained concerned about high inflation, soaring federal debt, datacenter mega deals, disruption of oil trade and more.

As Chair Warsh remarked in his speech that "The responsibility for 65 months of sustained, elevated inflation sits squarely with the central bank," the yield curve flattened, with the front end rising and the long end falling slightly. Fed futures trading now puts a better than 50% likelihood that policymakers will hike rates when they meet in September. We don't think that will happen (though a 25 basis-point increase might come this year), as Chair Warsh's words seemed to have done the job. Investors have renewed confidence the Warsh Fed is committed to lowering inflation.

**Fed closes the pressure-release valve**

Recall that in the fourth quarter of 2025, after several years of trimming its balance sheet, policymakers became concerned about pressure in the funding markets. As a result, they halted the quantitative-tightening program begun in mid-2022 and bought Treasury bills to the tune of $40 billion per month. The purchases were not a return of quantitative easing, but rather a form of reserve management. It might have been overkill, but the spike in short rates in September of 2019 continues to weigh on Fed staff. Over the course of 2026, the Fed has lowered these purchases to $25 billion per month and then $10 billion. In August, it announced that they would cease, citing better market conditions. While this step is justified by the current balance of supply and demand, it coincides with Chair Warsh's desire to run a smaller balance sheet and reduce the Fed's influence on the markets, similar to curtailing forward guidance.