

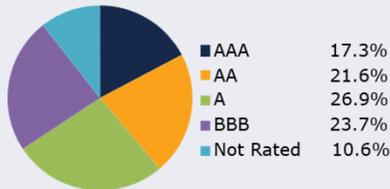
West Virginia Short Term Bond Pool

Portfolio Overview as of 1/31/2026

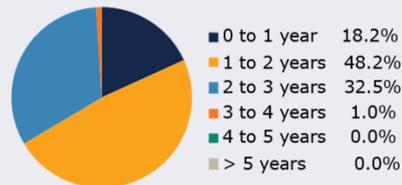
Pool Assets

\$744 million

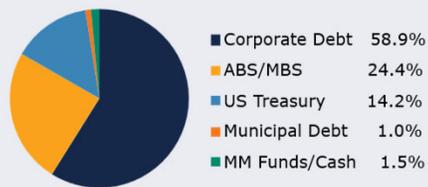
Credit Quality Composition (%)



Maturity Schedule (%)



Portfolio Composition (%)



Effective Duration

622 Days

Top Holdings (%)

United States Treasury	14.2%
Benchmark Mortgage Trust	2.3%
Invesco Government & Agency	1.5%
Blackstone Private Credit Fund	1.4%
Ares Strategic Income FU	1.1%
Sprint	1.1%
T-Mobile US Trust	1.1%
World Omni Auto Rec	1.1%
Toyota Auto Loan Extended	1.0%
RGA Global Funding	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

Financial market participants generally shrugged off a spate of geopolitical headlines as better economic data provided hope that the U.S. economy was poised for a strong 2026. The Citi Economic Surprise Index reached its highest level in almost two years as data came in better than expected, including the Consumer Price Index, which showed that price pressures continued to moderate, as well as the University of Michigan Consumer Sentiment Survey, durable goods orders, retail sales, and nonfarm productivity. The non-farm payroll report showed that employers added 50,000 new jobs in December, which was below expectations, but the unemployment rate ticked down to 4.4% from a recent high of 4.6%. The Federal Reserve's Open Market Committee (FOMC) voted to leave interest rates unchanged at their January meeting following a series of rate cuts late last year. At his press conference, Fed Chair Powell stated that it was "hard to look at the data and say policy is significantly restrictive right now," reinforcing a cautious stance toward further easing and suggesting that rate decisions would remain meeting by meeting as more data arrives. Short dated Treasury yields drifted higher as investors recalibrated expectations for near term cuts; the 2 year Treasury rose about 5 bps during January, influenced both by the Fed's pause and by global factors such as rising Japanese yields and spillover from an unwind in the yen carry trade.

Corporate bonds performed well during the month despite record supply. Investment grade companies, particularly financials, were extremely busy during January and issued \$222 billion of new bonds, an all-time high for the first month of the year. The strong technical dynamics that underpinned performance of corporate bonds over the back half of 2025 carried over and even improved slightly as investors poured cash into retail mutual funds and ETFs and overseas investors increased their purchases. Risk premia for short duration corporates compressed by 6 bps to equal the tightest levels seen since early 2022, outperforming duration-matched Treasuries by 0.19%. Lower-quality bonds outperformed, with sector performance led by energy, autos, and insurance.

Short duration securitized products posted strong relative performance, with agency mortgage-backed securities (MBS) as a standout beneficiary of the newly announced \$200 billion GSE purchase program, driving spreads significantly tighter and producing outperformance of 0.52% versus like duration Treasuries. Non-agency securitized products benefited from the compression in MBS as investors sought higher yielding alternatives. Commercial mortgage-backed securities (CMBS) saw significant spread compression, outperforming Treasuries by 0.38%. Asset-backed securities (ABS) performance didn't keep pace with MBS or CMBS but still outperformed Treasuries by 14 bps as strong investor demand absorbed \$35 billion of new issuance and tightened both primary and secondary spreads through the month.

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 01.31.2026 unless otherwise stated. Sources: Bloomberg L.P. Fed = Federal Reserve; bps = basis points; ETF = exchange-traded fund; GSE = government-sponsored entity. 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 **Citi U.S. Economic Surprise Index** measures how recent economic data compares to consensus expectations. 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 **Michigan Consumer Sentiment Index (MCSI)** is a monthly survey of consumer confidence levels in the U.S. conducted by the University of Michigan, based on telephone interviews that gather information on consumer expectations for the economy. **Non-farm payroll** refers to the number of jobs in the private sector and government agencies. It excludes farm workers, private household employees, proprietors, non-profit employees, and actively serving military.