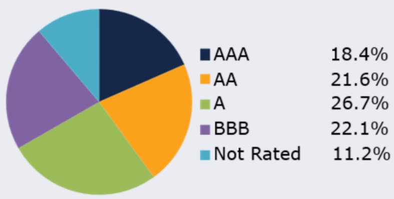
West Virginia
Short Term Bond Pool

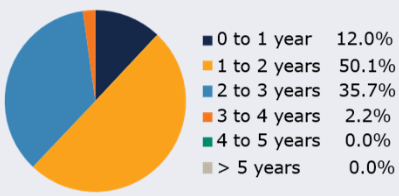
Portfolio Overview as of 08/31/2025

Pool Assets
$730 million

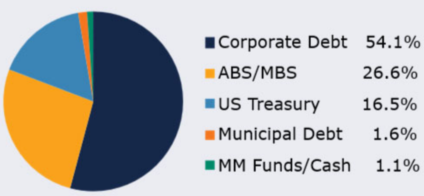
Credit Quality Composition (%)



Maturity Schedule (%)



Portfolio Composition (%)



Effective Duration
653 Days

Top Holdings (%)

United States Treasury	16.5%
Benchmark Mortgage Trust	2.3%
Toyota Auto Loan Extended	1.5%
Blackstone Private Credit Fund	1.4%
Sprint	1.2%
Invesco Government & Agency	1.1%
T-Mobile US Trust	1.1%
RGA Global Funding	1.0%
Discover Card Master Trust	1.0%
Sierra Timeshare Rec Funding	1.0%
Total % of Portfolio	**28.1%**

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.

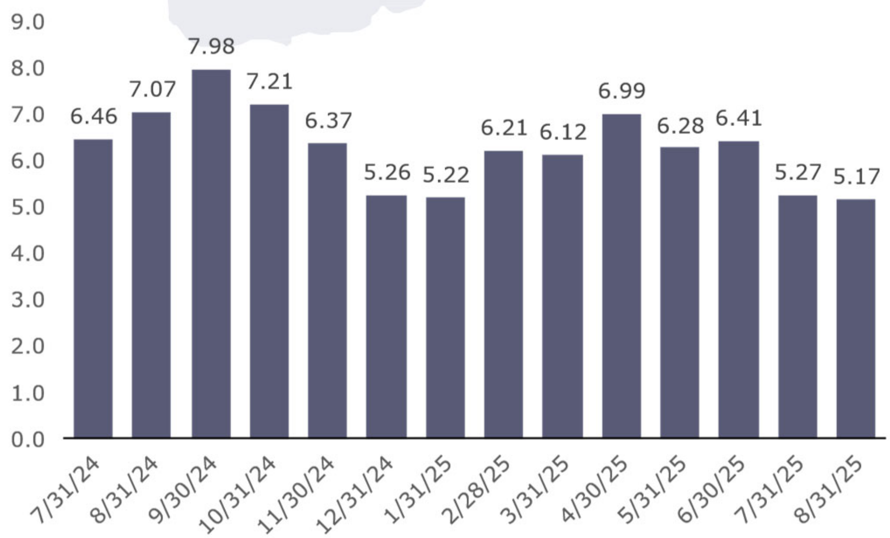
» Easy access is provided through the State Treasurer's Office online system.

» 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

Short-term interest rates fell sharply early in August as the Nonfarm Payrolls report delivered a jolt to markets on the first day of the month. The report showed that U.S. employers added 73,000 jobs during the previous month, below expectations. However, more importantly, the figures for May and June were revised down sharply. After the revisions, employers added just 19,000 new jobs in May and 14,000 in June, a full 258,000 below the previously reported figures. The unemployment rate remained fairly steady at 4.2% due to diminished labor supply, but the slowdown in hiring challenged beliefs that rising tariff rates were not significantly impacting the U.S. economy. During his speech at the Fed's Jackson Hole Symposium later in the month, Fed Chair Jerome Powell noted this by saying the labor market has reached a "curious kind of balance that results from a marked slowing in both the supply of and demand for workers. This unusual situation suggests that downside risks to employment are rising." He also seemingly opened the door for a potential reduction in the federal funds rate at the Fed's September meeting, stating "the baseline outlook and the shifting balance of risks may warrant adjusting our policy stance." Shortly after the Jackson Hole event, President Trump moved to remove Fed Governor Lisa Cook from her position, citing accusations of mortgage fraud. While Cook immediately challenged the move in court, it further signaled Trump's desire to influence monetary policy after he previously threatened to fire Powell. The combination of weaker economic data, Powell's speech and the potential for more dovish Trump-nominated voters on the rate-setting FOMC pushed short term rates lower. For the month, the yield on the two-year U.S. Treasury fell 0.34% to 3.62%.

Corporate bonds shrugged off both the volatility in the interest rate markets and elevated supply early in the month before performance weakened heading into the Labor Day holiday. Investment-grade issuance topped $25B each of the first three weeks of the month but the higher new issue volume was easily absorbed by a market supported by consistent institutional demand and an average of $8B of weekly retail inflows. The OAS on the Bloomberg U.S. Corporate 1-3Y Index moved 2bps tighter by mid-month. However, performance subsequently faded as investors and dealers lightened up on risk ahead of the usual surge of bond supply in September. For the month, performance for short duration corporates matched Treasuries with finance companies, insurance and REITs outperforming other sub-sectors.

While short-term rates rallied substantially, longer-term rates remained mostly rangebound, supporting demand for agency MBS, which outperformed Treasuries by 0.44% on an excess return basis during August. CMBS also performed well, playing catch-up with corporate bonds after trailing year-to-date. ABS saw heavier-than-normal issuance that put the sector ahead of last year's record pace but still saw solid performance, although it could not keep pace with agency MBS and CMBS.