West Virginia
Short Term Bond Pool

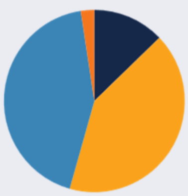
Portfolio Overview as of 6/30/2026

Pool Assets
$738 million

Credit Quality Composition (%)

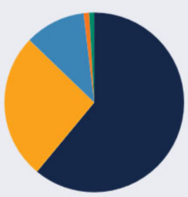
AAA	15.3%
AA	17.8%
A	30.2%
BBB	21.8%
Not Rated	14.9%

Maturity Schedule (%)



0 to 1 year	12.8%
1 to 2 years	41.6%
2 to 3 years	43.2%
3 to 4 years	2.4%
4 to 5 years	0.0%
> 5 years	0.0%

Portfolio Composition (%)



Corporate Debt	61.0%
ABS/MBS	26.2%
US Treasury	10.9%
Municipal Debt	1.0%
MM Funds/Cash	0.9%

Effective Duration
664 Days

Top Holdings (%)

United States Treasury	10.9%
Benchmark Mortgage Trust	2.2%
GM Financial Auto Leasing Trus	1.6%
Blackstone Private Credit Fund	1.4%
Hyundai Auto Receivables Trust	1.2%
Ares Strategic Income Fund	1.1%
T-Mobile US Trust	1.1%
Sprint	1.0%
RGA Global Funding	1.0%
Caterpillar Finl Services	1.0%
Total % of Portfolio	**22.5%**

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.

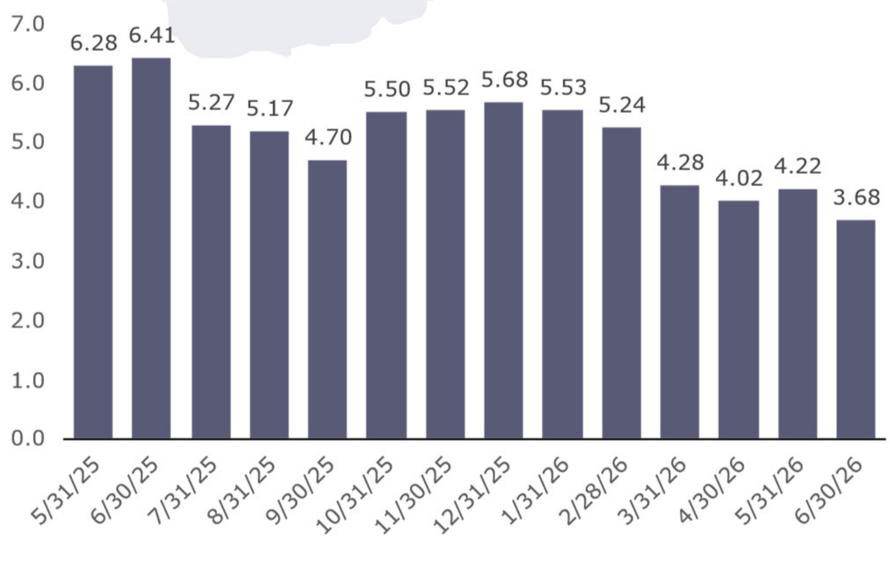
» Easy access is provided through the State Treasurer's Office online system.

» 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

The summer of 2026 got off to an eventful start this month as economic data showed continued strength in the labor market, the U.S. and Iran signed a memorandum of understanding with the goal of ending the recent conflict, and Kevin Warsh signaled some key changes at the Federal Reserve during his inaugural meeting as Fed chair. The job openings and labor turnover survey (JOLTS) data released on June 2 showed a sharp increase in job openings while the nonfarm payroll report showed that employers added 172,000 new jobs in May, nearly doubling the consensus estimate. April's number was also revised up to 179,000 from 115,000 and the unemployment rate remained steady at 4.3%. After averaging 10,000 new jobs per month during 2025, the monthly average for monthly non-farm payroll growth now stands at 114,000 year-to-date. On the inflation front, the progress towards reopening the Strait of Hormuz sent oil prices lower, closing the month within $5-$10 of pre-war levels. However, consumer price index and personal consumption expenditure data showed that even excluding the food and energy categories, inflation remained elevated at 2.9% and 4.1% respectively. Warsh's first meeting as Fed chair was marked by his declaration that the Fed would deliver price stability with little mention of the employment side of the dual mandate while significantly reducing the length of the committee's statement. The summary of economic projections released after the meeting showed that the median participant increased their estimates for inflation and the federal funds rate going forward. Warsh also announced the creation of several task forces that would spend the next few months reviewing several key areas – namely communications, the balance sheet, data, productivity and the inflation framework. The meeting's surprisingly hawkish tone spurred investors to raise the odds of rate hikes in the near term, pushing up short term Treasury yields and flattening the yield curve. As of the end of June, the fed funds futures market priced in just over one full rate hike by the end of this year. For the month, the two-year Treasury yield rose 0.14% to close at 4.15%, its highest monthly close since January of 2025.

Despite the busy macroeconomic news cycle, short duration investors in the corporate and securitized markets focused more on technical factors and continued strong growth and earnings. Investment grade corporate issuance surged to a June record of $203B, nearly doubling the previous three year's average. At the halfway mark of the year, issuance stands at $1.22T, just shy of the record pace of 2020. Two larger deals in the media/technology space from NVIDIA and SpaceX weighed heavily on the longer end of the corporate curve but the flatter yield curve improved the value proposition for 1-3yr maturities, which saw much better demand. For the month, the ICE BofA 1-3yr Corporate Index saw spreads tighten three bps for an excess return of 0.08% while maturities beyond three years underperformed Treasuries. Financials outperformed while the communications sector underperformed. Securitized assets performed well as they saw lighter supply than corporates, with short duration commercial mortgage-backed securities (CMBS) and asset-backed securities (ABS) outperforming Treasuries by 0.06% and 0.03% respectively.