

BOARD OF TREASURY INVESTMENTS

CALENDAR NOTE

Board Meeting
August 19, 2025

OPERATING REPORT

JUNE 2025

Board of Treasury Investments

315 70th Street, SE
Charleston WV
25304
(304) 340-1564
www.wvbt.com

Board of Directors

Larry Pack,
State Treasurer,
Chairman

Patrick Morrissey,
Governor

Mark A. Hunt,
State Auditor

Patrick M. Smith,
CPA
Appointed by the
Governor

Mark A. Mangano,
Esq. Attorney
Appointed by the
Governor

Executive Staff

Executive Director
Kara K. Hughes,
CPA, MBA, CFE,
CGIP

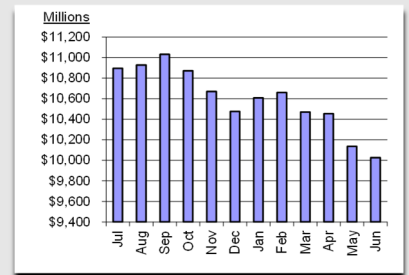
Chief Financial Officer
Karl Shanholtzer,
CFA, CPA, CIA

Total Net Assets Under Management

\$10,025,892,000

Last Month
\$10,135,493,000

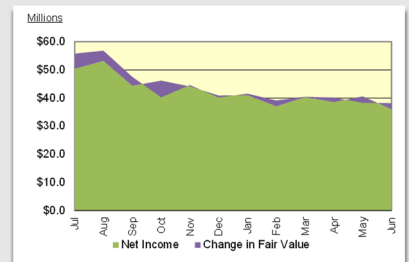
Beginning of Fiscal Year
\$10,866,862,000



Net Assets for the Past 12 Months

Total Net Income & Changes in Fair Value

Fiscal Year
\$522,795,000



Monthly Net Income & Changes in Fair Value for the Past 12 Months

Money Market Pools

As of June 30, 2025

<u>Pool</u>	<u>30-Day Avg. Yield *</u>	<u>W.A.M. **</u>	<u>Net Assets</u>
WV Money Market	4.4440%	41 Days	\$8.6 Billion
WV Gov't Money Market	4.3084%	26 Days	\$567.9 Million

* Yields represent the simple money market yield net of fees.
** W.A.M. is the weighted average maturity.

WEST VIRGINIA BOARD OF TREASURY INVESTMENTS

THE ECONOMIC STATE

JUNE 2025

Another Positive Month in Stocks and Bonds

Global markets climbed higher, led by the continued rally of the S&P 500 that has gained over 20% since April's Liberation Day tariff announcement when it was down -15%. Despite uncertain global economic conditions and intensifying geopolitical tensions, risk assets were mostly positive in the month and year to date.

Macroeconomics

As expected, the Fed held rates steady at 4.25–4.50% in June with two rate cuts expected by year-end according to the dot plot. U.S. GDP decreased at a revised annualized growth rate of -0.5% in the first quarter, driven by a surge in imports, along with a reduction in government spending. May's monthly CPI increase of 0.1% came in lower than expected as annual inflation rose to 2.4%. The Fed's preferred measure of inflation, core PCE increased by 0.1% in May with an annualized inflation rate of 2.3%. The ISM Manufacturing PMI survey results remained steady at 49 (below 50 indicates economic contraction) with improvements in inventories and production. The health of the labor market remains resilient, as the economy added a higher than expected 147,000 new jobs in June with the unemployment rate falling to 4.1% from 4.2%. The Conference Board Consumer Confidence Index survey indicators fell in June given weaker expectations.

Equity Markets

US equities continued to rebound with a 5.1% return, as the S&P 500 reached an all-time high of 6205 on the last day of the month. On a sector basis for the month, Information Technology (+9.8%) and Communication Services (+7.3%) were the top contributors, while Consumer Staples (-1.9%) was the lone negative contributor. On a year to date basis, the only negative portion of US markets remains small capitalization stocks (S&P 600 index at -4.5%).

International equity markets, including both developed (EAFE +2.2%) and emerging regions (EM +6.0%), were positive and year to date have outperformed the U.S. Within developed markets, Pacific (+2.3%) led the way on a regional basis with the highest return from Portugal (+8.1%). Within emerging markets, Eastern Europe (+7.9%) outperformed on a regional with strong results again from Korea (+17.6%).

Fixed Income

The bond market shrugged off macro concerns around fiscal deficits, inflation, and tariffs. Amidst this backdrop, fixed income returns were positive, with U.S. Treasury yields falling (inversely prices increased, hence positive returns) across the curve with 2-year U.S. Treasury bonds falling 14 bps to 3.7% and 30-year Treasuries falling by 12 bps to 4.8%. Investment grade, high yield and mortgage-backed securities all saw slightly tighter spreads contribute to positive results across the bond spectrum.

Looking Ahead

Another positive month in stocks and bonds provided a reason for optimism. However, a return of market turbulence would not be surprising given continued political developments such as the pending passage of the "Big Beautiful Bill" and stretched equity valuations. In the face of any ensuing heightened volatility, we continue to advise clients to retain a disciplined approach by focusing on asset allocation, rebalancing as appropriate and maintaining sufficient reserves to pay benefits.

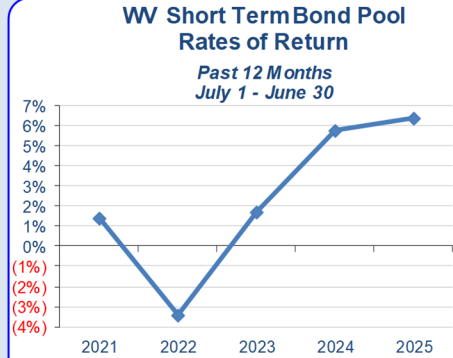
West Virginia Board of Treasury Investments

Financial Highlights as of June 30, 2025

WV Short Term Bond Pool

Rates of Return for the Past 12 Months *Net of All Fees*

<u>Jul 1 - Jun 30</u>	<u>Return</u>	<u>Net Assets At Jun 30 (In Millions)</u>
2025	6.4%	\$ 722.3
2024	5.8%	\$ 682.1
2023	1.7%	\$ 701.5
2022	(3.4%)	\$ 691.8
2021	1.4%	\$ 818.3

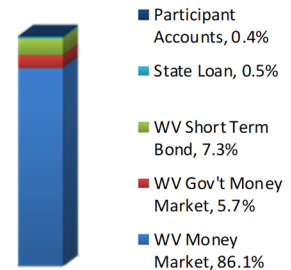


Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool

Summary of Value and Earnings *(In Thousands)*

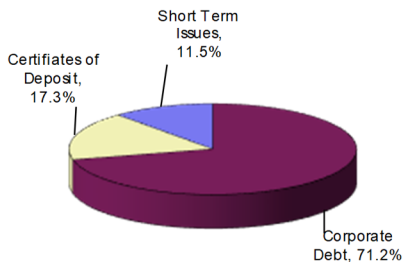
<u>Pool</u>	<u>Net Asset Value</u>	<u>Jun Net Income (Loss)</u>	<u>Fiscal YTD Net Income (Loss)</u>
WV Money Market	\$ 8,641,132	\$ 31,025	\$ 449,509
WV Gov't Money Market	567,946	1,957	26,276
WV Short Term Bond	722,298	4,913	43,879
Loans	53,055	130	1,380
Participant Accounts	41,461	132	1,751
	<u>\$ 10,025,892</u>	<u>\$ 38,157</u>	<u>\$ 522,795</u>

Percent of Total Net Asset Value

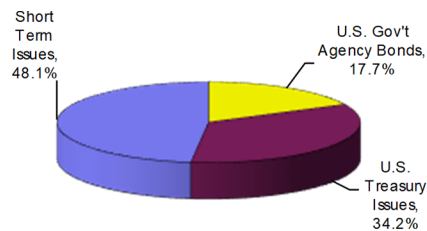


Securities by Type for Operating Pools *(Percentage of Asset Value)*

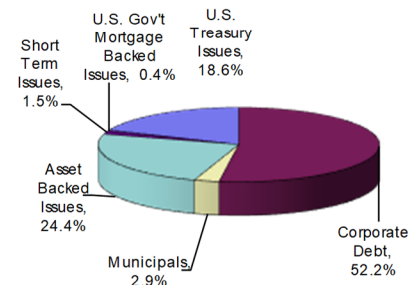
WV Money Market



WV Gov't Money Market



WV Short Term Bond



WEST VIRGINIA BOARD OF TREASURY INVESTMENTS
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – UNAUDITED
JUNE 30, 2025
(In THOUSANDS)

	<u>WV Money Market Pool</u>	<u>WV Government Money Market Pool</u>	<u>WV Short Term Bond Pool</u>	<u>Other Pools</u>	<u>Participant Directed Accounts</u>	<u>Total</u>
Assets						
Investments:						
At amortized cost	\$ 8,626,410	\$ 572,557	\$ -	\$ 52,666	\$ 40,295	\$ 9,291,928
At fair value	-	-	718,983	-	1,030	720,013
Other assets	15,741	1,343	6,472	390	137	24,083
Total assets	<u>8,642,151</u>	<u>573,900</u>	<u>725,455</u>	<u>53,056</u>	<u>41,462</u>	<u>10,036,024</u>
Liabilities						
Accrued expenses, dividends payable & payables for investments purchased	1,019	5,954	3,157	1	1	10,132
Total liabilities	<u>1,019</u>	<u>5,954</u>	<u>3,157</u>	<u>1</u>	<u>1</u>	<u>10,132</u>
Net Position						
Held in trust for investment pool participants	8,641,132	567,946	722,298	-	-	9,931,376
Held in trust for individual investment account holders	-	-	-	53,055	41,461	94,516
Total net position	<u>\$ 8,641,132</u>	<u>\$ 567,946</u>	<u>\$ 722,298</u>	<u>\$ 53,055</u>	<u>\$ 41,461</u>	<u>\$ 10,025,892</u>
Additions						
Investment income:						
Interest and dividends	\$ 13,557	\$ 1,453	\$ 2,589	\$ 131	\$ 132	\$ 17,862
Net (amortization) accretion	17,780	526	186	-	-	18,492
Provision for uncollectible loans	-	-	-	-	-	-
Total investment income	<u>31,337</u>	<u>1,979</u>	<u>2,775</u>	<u>131</u>	<u>132</u>	<u>36,354</u>
Investment expenses:						
Investment advisor, custodian bank & administrative fees	312	22	44	1	-	379
Total investment expenses	<u>312</u>	<u>22</u>	<u>44</u>	<u>1</u>	<u>-</u>	<u>379</u>
Net investment income	31,025	1,957	2,731	130	132	35,975
Net realized gain (loss) from investments	-	-	294	-	-	294
Net increase (decrease) in fair value of investments	-	-	1,888	-	-	1,888
Net increase (decrease) in net position from operations	31,025	1,957	4,913	130	132	38,157
Participant transaction additions:						
Purchase of pool units by participants	1,041,280	18,670	-	-	-	1,059,950
Reinvestment of pool distributions	31,025	1,957	3,091	-	-	36,073
Contributions to individual investment accounts	-	-	-	5,145	142	5,287
Total participant transaction additions	<u>1,072,305</u>	<u>20,627</u>	<u>3,091</u>	<u>5,145</u>	<u>142</u>	<u>1,101,310</u>
Total additions	1,103,330	22,584	8,004	5,275	274	1,139,467
Deductions						
Distributions to pool participants:						
Net investment income	31,025	1,957	2,731	-	-	35,713
Net realized gain (loss) from investments	-	-	294	-	-	294
Total distributions to pool participants	<u>31,025</u>	<u>1,957</u>	<u>3,025</u>	<u>-</u>	<u>-</u>	<u>36,007</u>
Participant transaction deductions:						
Redemption of pool units by participants	1,192,169	17,835	2,499	-	-	1,212,503
Withdrawals from individual investment accounts	-	-	-	137	421	558
Total participant transaction deductions	<u>1,192,169</u>	<u>17,835</u>	<u>2,499</u>	<u>137</u>	<u>421</u>	<u>1,213,061</u>
Total deductions	<u>1,223,194</u>	<u>19,792</u>	<u>5,524</u>	<u>137</u>	<u>421</u>	<u>1,249,068</u>
Net increase (decrease) in net position from operations	(119,864)	2,792	2,480	5,138	(147)	(109,601)
Inter-pool transfers in	-	-	-	-	-	-
Inter-pool transfers out	-	-	-	-	-	-
Net inter-pool transfers in (out)	-	-	-	-	-	-
Change in net position	(119,864)	2,792	2,480	5,138	(147)	(109,601)
Net position at beginning of period	8,760,996	565,154	719,818	47,917	41,608	10,135,493
Net position at end of period	<u>\$ 8,641,132</u>	<u>\$ 567,946</u>	<u>\$ 722,298</u>	<u>\$ 53,055</u>	<u>\$ 41,461</u>	<u>\$ 10,025,892</u>