

West Virginia Board of Treasury Investments

Monthly Flash Report

Period Ending July 31, 2025

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Market Environment – July 2025

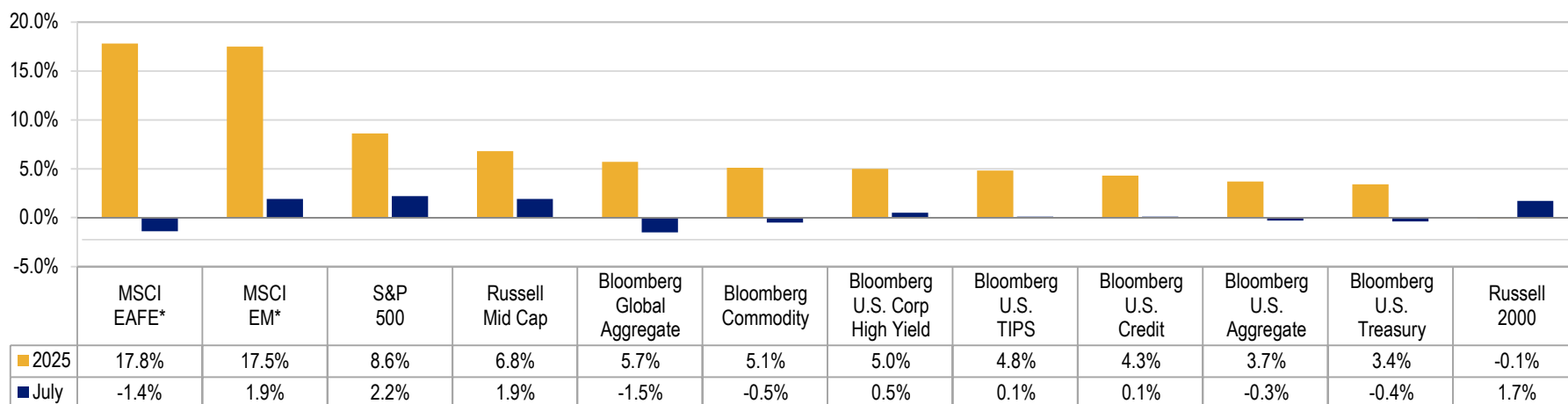
July Highlights

- ❑ The consumer price index (CPI) increased by 0.3% month-over-month in June with annual inflation higher than expected at 2.7%. Unemployment increased to 4.3% as the BLS indicated a modest 73,000 jobs were added in July, along with a revision to prior two months' reports that decreased by 258,000 jobs. The Conference Board Consumer Confidence Index survey rose two points overall in July to 97.2.
- ❑ US stocks increased across the spectrum of size and style with growth ahead of value on a relative basis. Information Technology (+5.2%) was the leading S&P 500 sector this month, while Health Care (-3.2%) was the worst performing.
- ❑ Developed global stocks decreased with the Pacific (-0.5%) ahead of Europe (-1.8%). Emerging market stocks were positive again with Eastern Europe (+3.1%) and Asia (+2.5%) ahead of Latin America (-4.4%).
- ❑ The Bloomberg US Aggregate index was negative as yields increased across much of the curve. The 10-year Treasury yield increased 13 basis points to 4.36%. US bonds were mixed with the Bloomberg High Yield (+0.5%) performing the best and the FTSE 30-Year Treasury (-1.2%) the worst. Investment grade, high yield and mortgage-backed securities all saw slightly tighter spreads contribute to positive results across the riskier spectrum.
- ❑ Commodities were negative with mixed results from Energy (+2.5%), Precious Metals (+0.4%), Agriculture (-1.4%) and Industrial Metals (-6.3%).

2025 Highlights

- ❑ Global capital markets experienced wide dispersion given trade tensions, and the uncertainty of the impact of US tariff policies. Annualized US GDP increased +3.0% in Q2 due to a drop in imports. Weaker YTD US Dollar Index (-9.3%) is a tailwind to international asset returns.
- ❑ US stocks lagged global markets with Industrials (+16.1%) the top performing S&P 500 sector YTD, while Health Care (-4.4%) was the worst. Large capitalization stocks (+8.6%) are the leading Russell size segment, while small cap stocks remain negative (-0.1%).
- ❑ Non-U.S. developed market stocks surged, as Europe (+21.5%) outperformed on a regional basis with outsized returns in Austria (+46.1%). Positive Eastern Europe (+40.7%) and Latin American (+24.1%) emerging market returns also outperformed Asia (+16.7%) on a regional basis.
- ❑ Most fixed income sectors are positive except for Bloomberg Municipal Bonds (-0.5%). Volatile treasury yields declined across the middle of the yield curve. Anticipated interest rate reductions softened in the US amidst economic uncertainty as US Fed holds at 4.25-4.50%, while the ECB cut rates four times this year to bring its lending rate down to 2.0%.
- ❑ Commodities increased with wide performance dispersion across major subsectors, including Precious Metals (+24.5%), Energy (-1.2%), Industrial Metals (+1.3%) and Agriculture (-3.4%).

Returns



Source: Investment Metrics *Net dividends reinvested

West Virginia Board of Treasury Investments

Comparative Performance - Gross of Fees

As of July 31, 2025

	Allocation		Performance (%)				
	Market Value (\$)	% of Portfolio	1 Month	FYTD	1 Year	3 Years	5 Years
Total Composite	9,826,253,991	100.0					
Money Market Pool*	8,465,851,371	86.2	0.375	0.375	4.869	5.022	3.102
<i>Custom Money Market Pool Index**</i>			0.325	0.325	4.232	4.339	2.628
Federated Hermes - Money Market	4,231,328,123	43.1	0.376	0.376	4.865	5.030	3.107
UBS - Money Market	4,234,523,248	43.1	0.374	0.374	4.873	5.013	3.098
Government Money Market Pool	633,214,777	6.4	0.366	0.366	4.717	4.820	2.945
<i>Custom Government Money Market Pool Index***</i>			0.312	0.312	4.296	4.375	2.654
UBS - Government	633,214,777	6.4	0.366	0.366	4.717	4.820	2.945
Short-Term Bond Pool	727,187,844	7.4	0.115	0.115	5.345	4.594	2.354
<i>Short-Term Bond Pool Index****</i>			0.008	0.008	4.810	3.724	1.662
Sterling - Short-Term Bond	727,187,844	7.4	0.115	0.115	5.345	4.594	2.354

*The West Virginia Money Market Pool is a multi manager investment pool, which is managed by Federated Hermes and UBS Global Asset Management.

** Benchmark is iMoneyNet First Tier Retail Average as of 8/1/2021.

*** Benchmark is iMoneyNet Government & Agency Institutional Average as of 8/1/2021.

**** Benchmark is BofA Merrill Lynch 1-3 Year Government/Credit Index + 10 bps.

West Virginia Board of Treasury Investments

Comparative Performance - Net of Fees

As of July 31, 2025

	Allocation		Performance (%)				
	Market Value (\$)	% of Portfolio	1 Month	FYTD	1 Year	3 Years	5 Years
Total Composite	9,826,253,991	100.0					
Money Market Pool*	8,465,851,371	86.2	0.372	0.372	4.836	4.990	3.072
<i>Custom Money Market Pool Index**</i>			0.325	0.325	4.232	4.339	2.628
Federated Hermes - Money Market	4,231,328,123	43.1	0.374	0.374	4.832	5.001	3.078
UBS - Money Market	4,234,523,248	43.1	0.371	0.371	4.840	4.980	3.065
Government Money Market Pool	633,214,777	6.4	0.364	0.364	4.686	4.789	2.913
<i>Custom Government Money Market Pool Index***</i>			0.312	0.312	4.296	4.375	2.654
UBS - Government	633,214,777	6.4	0.364	0.364	4.686	4.789	2.913
Short-Term Bond Pool	727,187,844	7.4	0.110	0.110	5.282	4.531	2.293
<i>Short-Term Bond Pool Index****</i>			0.008	0.008	4.810	3.724	1.662
Sterling - Short-Term Bond	727,187,844	7.4	0.110	0.110	5.282	4.531	2.293

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West Virginia Board of Treasury Investments

Investment Managers Cash Flow

1 Month Ending July 31, 2025

	Beginning Market Value (\$)	Net Cash Flows (\$)	Net Investment Change (\$)	Ending Market Value (\$)
Total Composite	9,936,172,620	-145,278,074	35,359,445	9,826,253,991
Money Market Pool	8,642,632,788	-209,112,174	32,330,757	8,465,851,371
Federated Hermes - Money Market	4,319,681,498	-104,556,087	16,202,712	4,231,328,123
UBS - Money Market	4,322,951,290	-104,556,087	16,128,045	4,234,523,248
Government Money Market Pool - UBS	568,084,752	62,934,100	2,195,926	633,214,777
Short-Term Bond Pool - Sterling Capital	725,455,081	900,000	832,763	727,187,844