

Investment Report - Third Quarter 2025



Investment Review

Economic Summary Outlook

- Inflation (Consumer Price Index) reported in August rose to 2.9% (year-over-year), increasing above the Federal Reserve's target (2.0%)
- The national labor market reported 4.3% in August reflects slight weakness between supply and demand
- U.S. Treasury yields continue decreasing from the 1 to 5 year maturities - *inverted* yield curve
- Federal Reserve lowered Federal Funds target and anticipate additional rate cuts in 2025
 - Current Federal Funds Target: 4.00%-4.25%

Investment Results

- Portfolio returns for 3Q 2025 was an average rate of 4.22% (*annualized*).



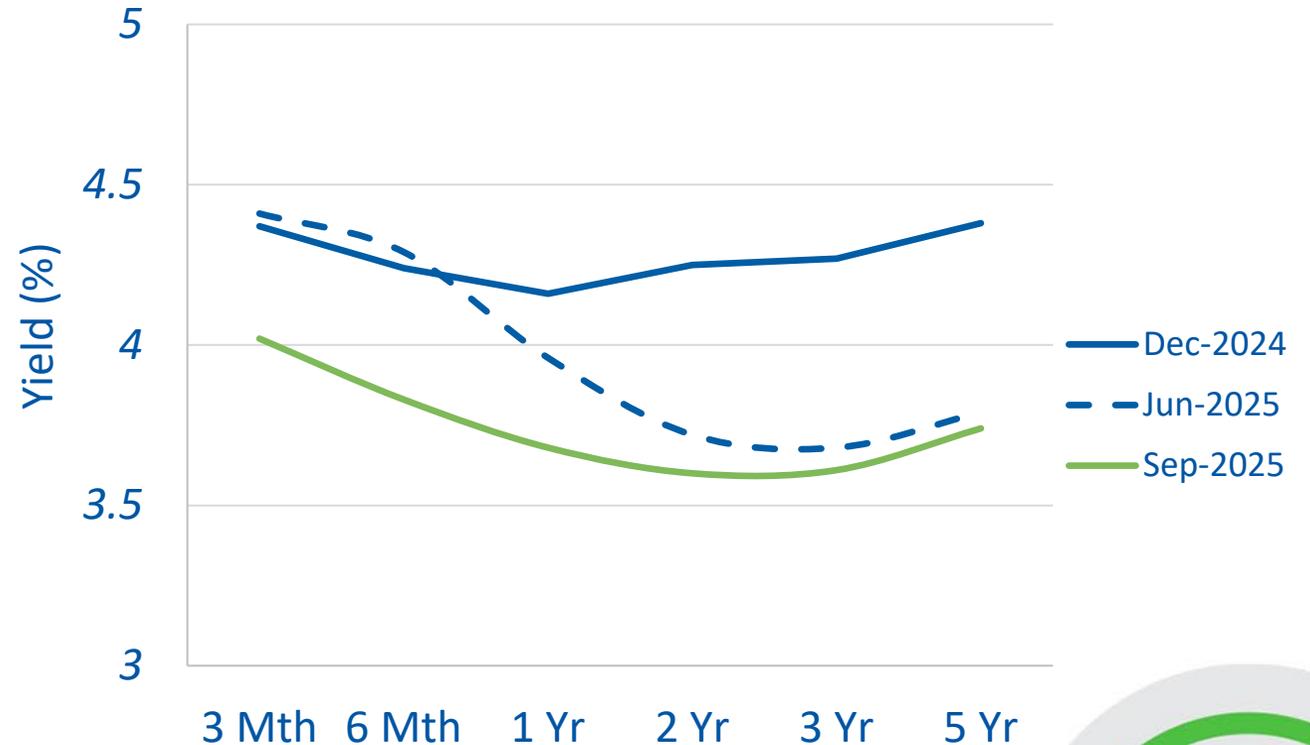
U. S. Treasury Yield Curve

Beginning in **December 2024**, the **U.S. Treasury yield curve flattened** across maturities from 3 months to 5 years, indicating similar returns regardless of short-term investment length.

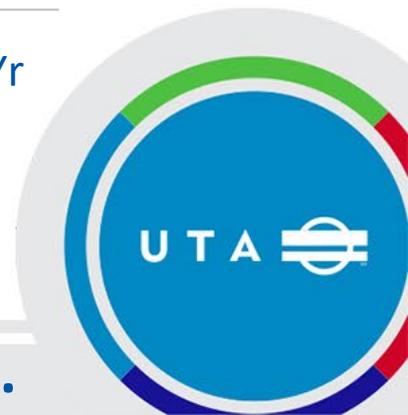
By **June 2025**, the curve had become **inverted**, meaning yields on 1- to 5-year bonds fell below those of shorter-term maturities (less than 1 year).

Following a recent cut in the Federal Funds target rate, **the curve remains inverted but is now moving toward a flatter shape.**

As a result, yields across the 5-year investment horizon are now closely aligned, offering similar returns regardless of maturity.



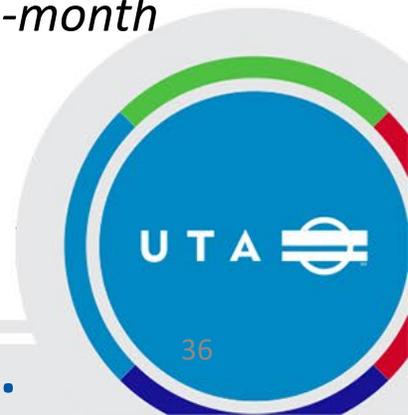
Source: U.S. Federal Reserve Statistics



Investments as of Third Quarter 2025

Institution	Amount	Yield
Chandler Asset Management	\$264,704,766	3.91%
Public Treasurer's Investment Fund	\$186,953,263	4.48%
Zions Bank	\$24,632,975	3.70%
Zions Corporate Trust	\$183,581,552	4.48%
Totals	\$659,872,555	4.22%

Note: Benchmark Return was 4.29%, the greater of the average rate of return of the three-month U.S. Treasury bills or the average rate of return of Federal Funds rate for the same period.



Interest Earned as of Third Quarter 2025

Institution	Q3	YTD
Chandler Asset Management	\$2,329,738	\$6,640,056
Public Treasurer's Investment Fund	\$1,089,578	\$3,515,542
Zions Bank	\$213,224	\$450,053
Zions Corporate Trust	\$560,263	\$2,436,286
Totals	\$4,192,804	\$13,041,936



Benchmark Comparisons Third Quarter 2025

Institution	July	August	September
PTIF/Zions Corporate Trust	4.49%	4.47%	4.48%
Chandler Asset Management	4.09%	3.84%	3.78%
Zions Bank	3.74%	3.73%	3.64%
Benchmark Returns*	4.33%	4.33%	4.22%

* *Benchmark Returns are the greater of the average rate of return of the three-month U.S. Treasury bills or the average rate of return of Federal Funds rate for the same period.*

