

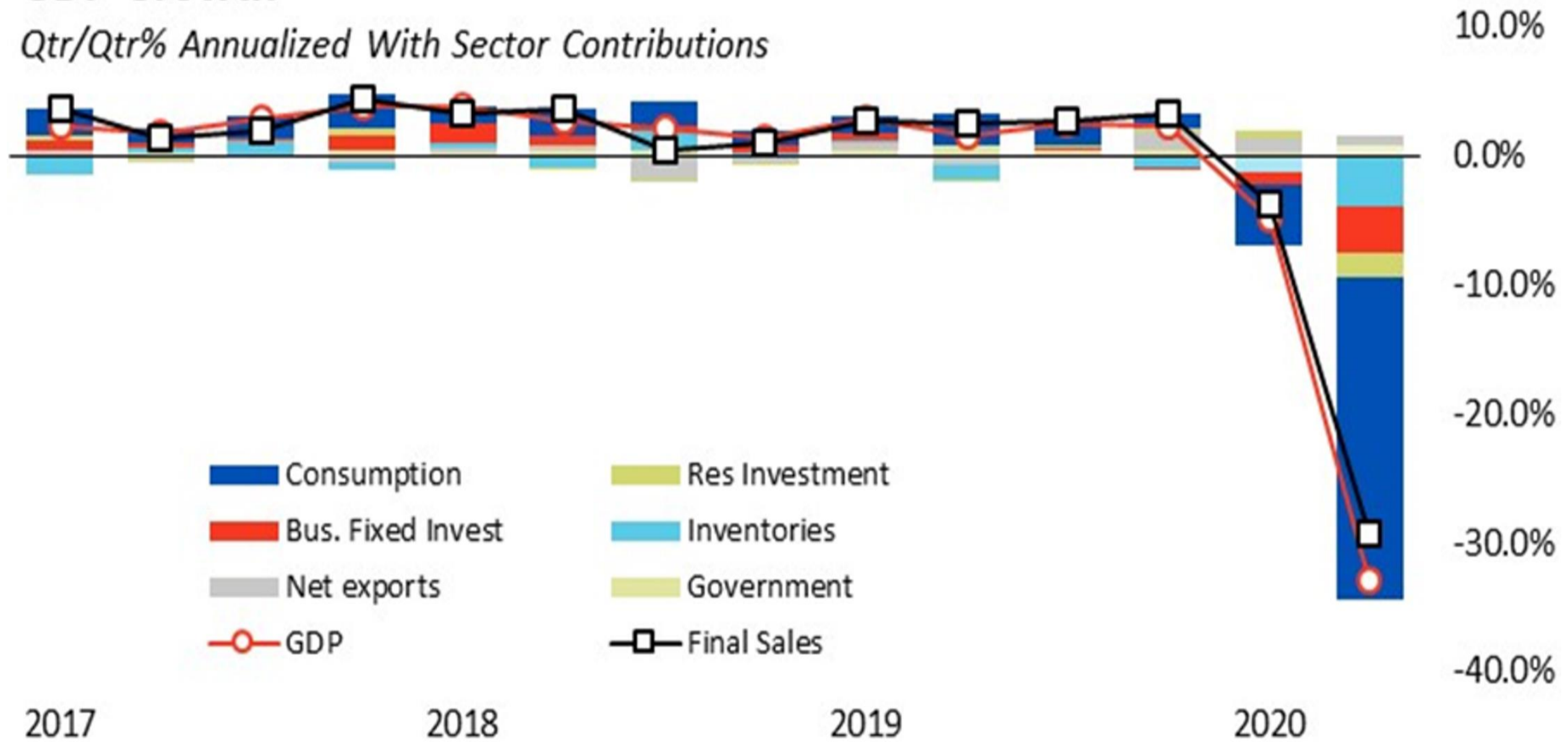
2Q20 Investment Results for the Management Committee

8-26-20

Economic Review: Real GDP

GDP Growth

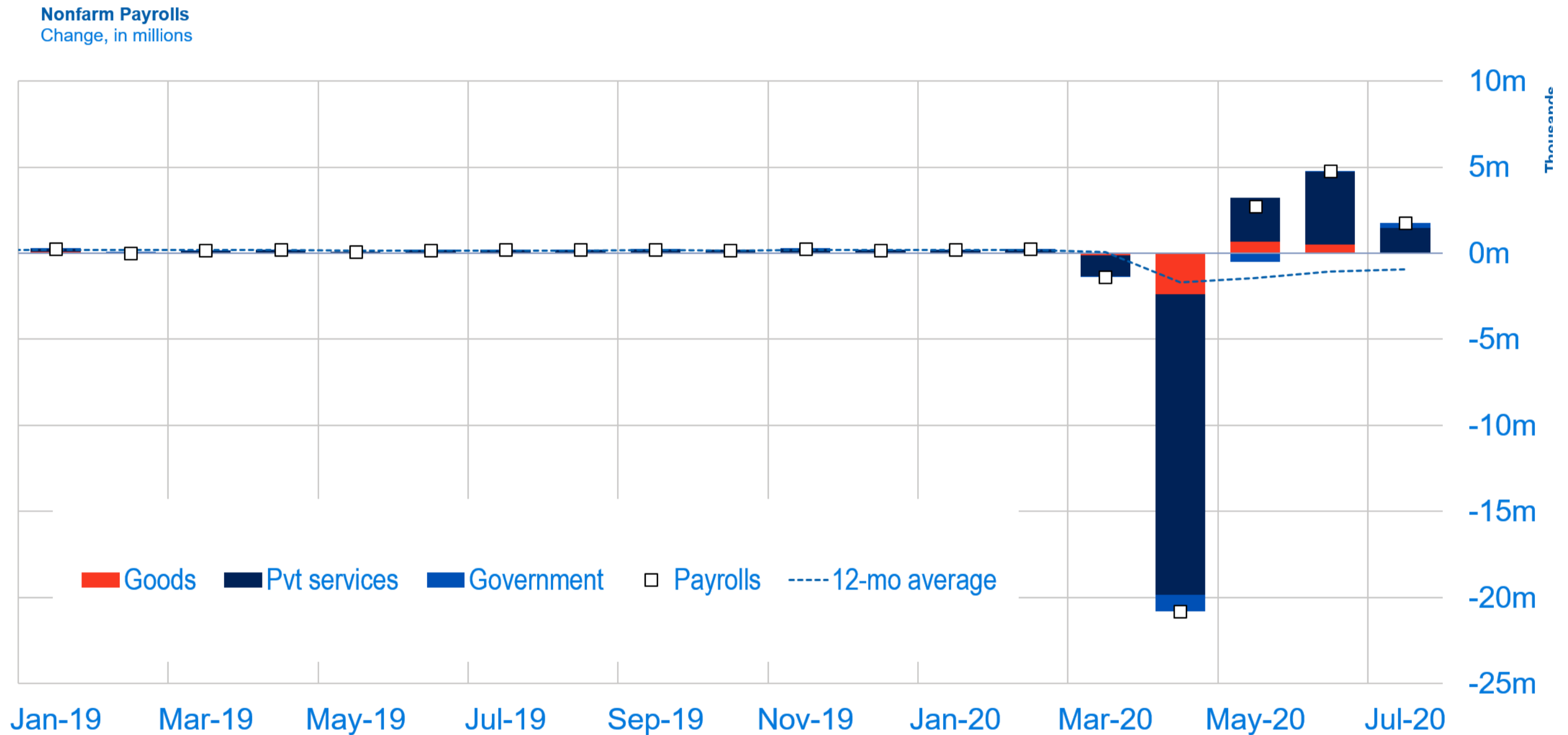
Qtr/Qtr% Annualized With Sector Contributions



Source: Bureau of Economic Analysis and FHN Financial

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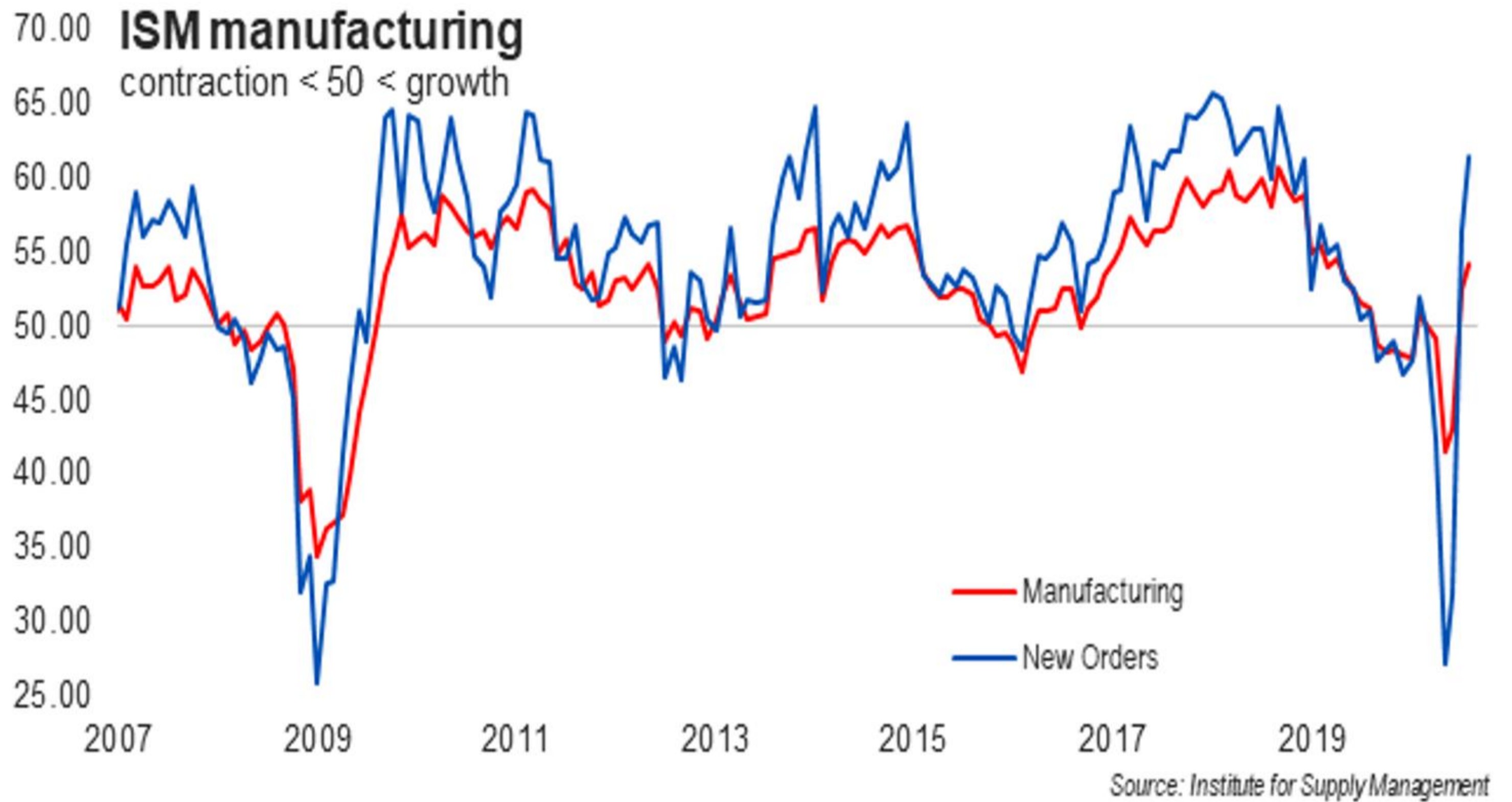
US Nonfarm Payrolls



Source: Bureau of Labor Statistics and FHN Financial

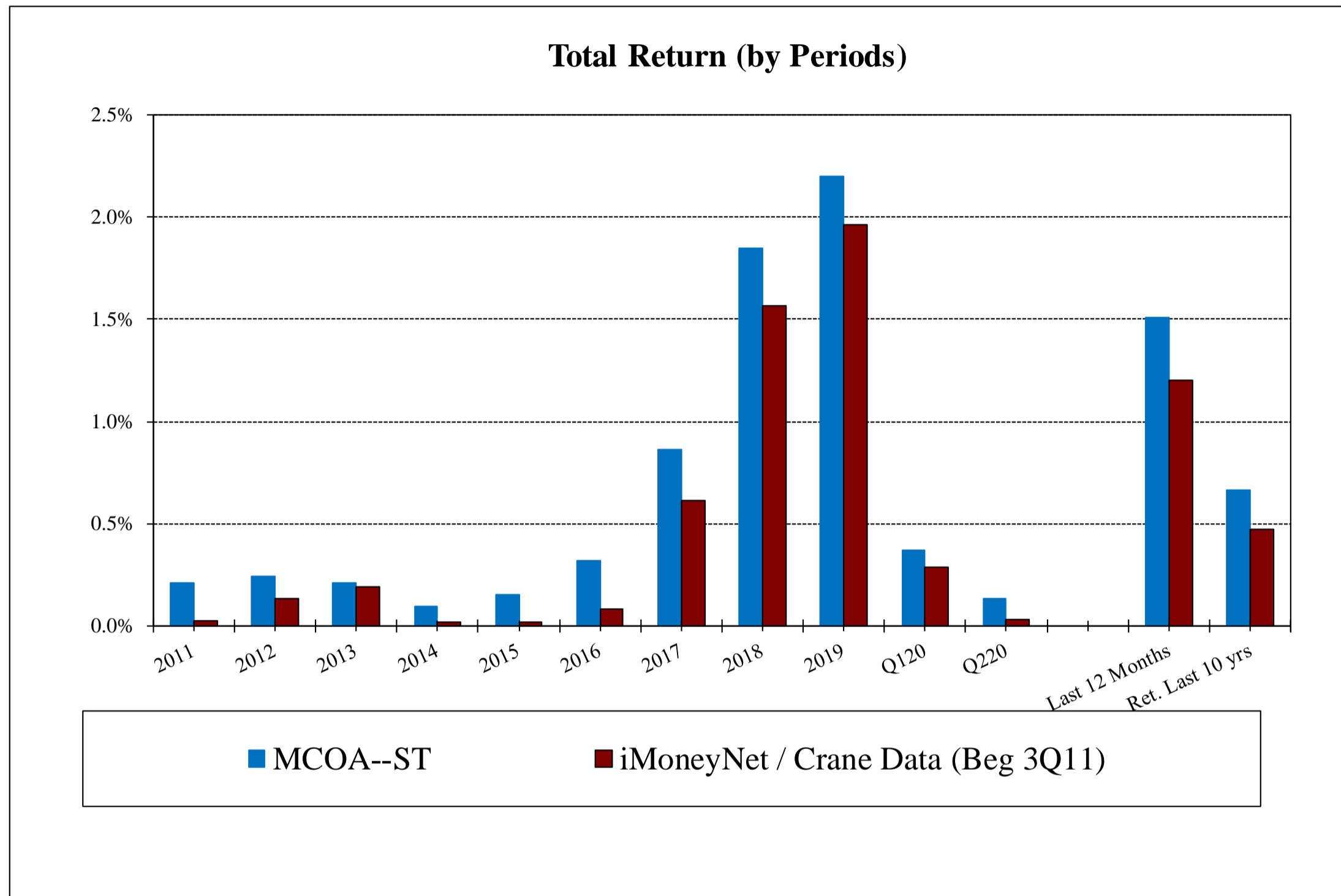
Source: Bureau of Labor Statistics and FHN Financial

ISM Manufacturing Index



Source: Institute for Supply Management

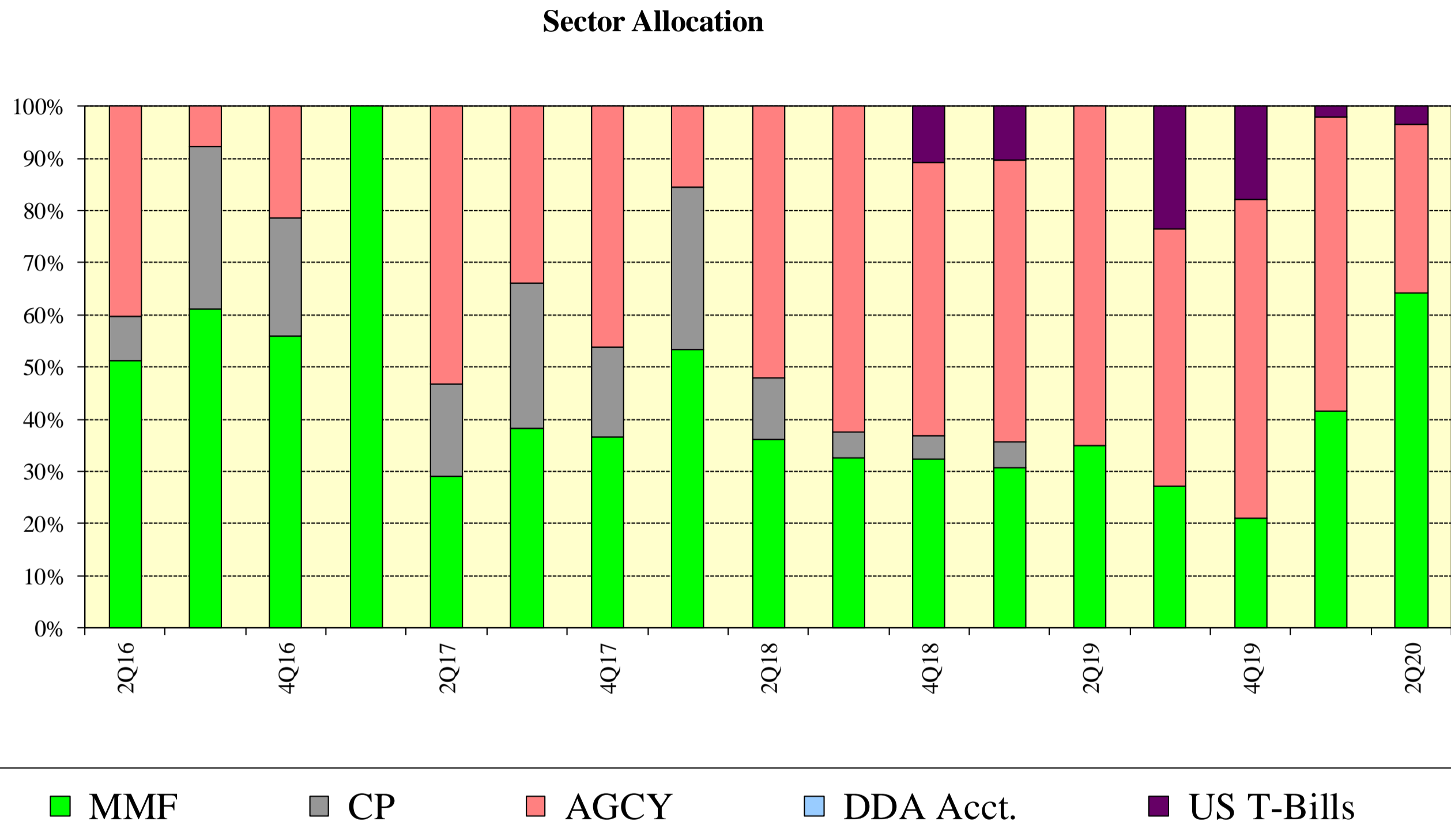
Total Return, ST Portfolio



- +11 bps (above) Index in Q220
- +19 bps/year ave. over the last 10 years

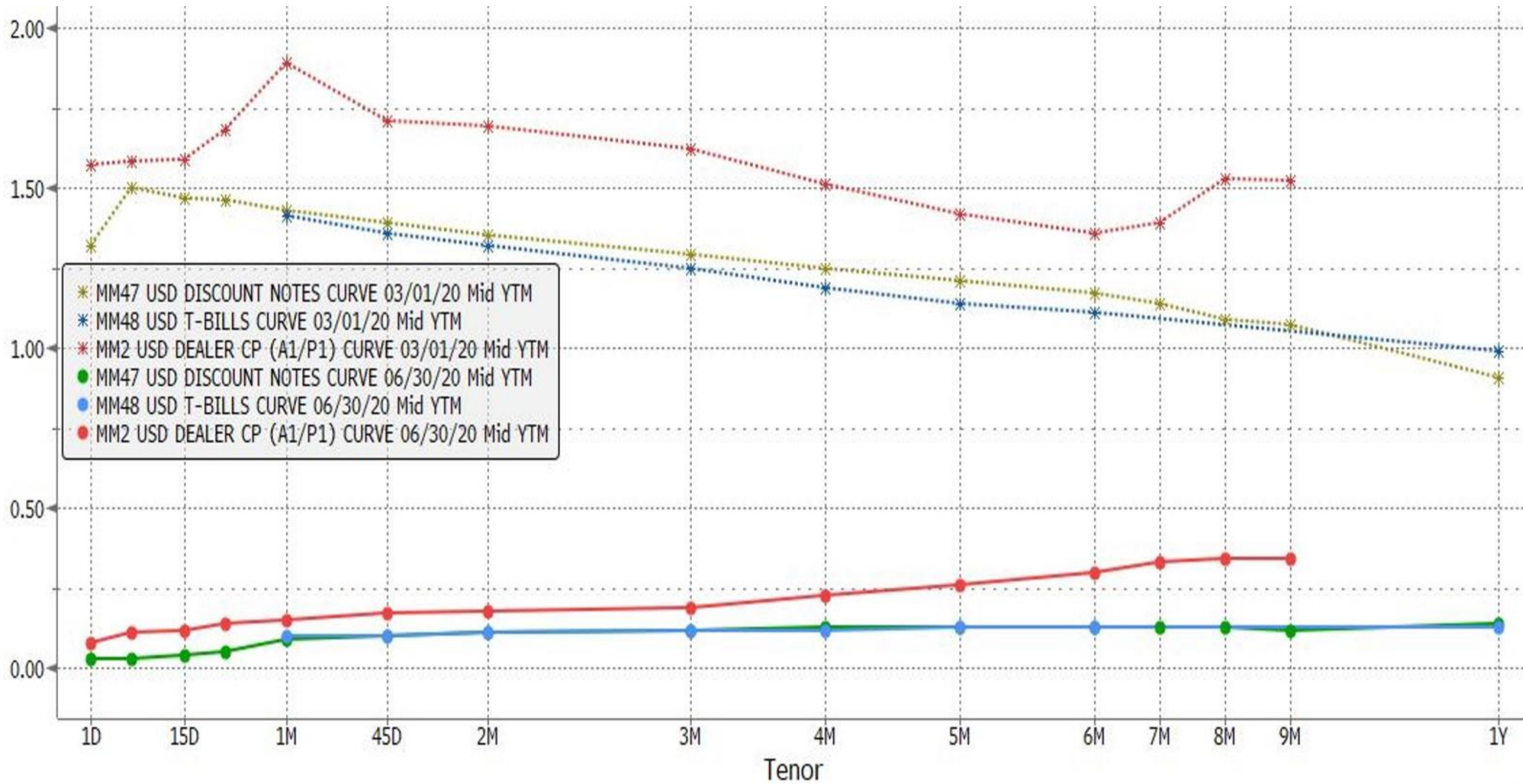
Source: Metropolitan Council, Bloomberg

Short-Term Portfolio Sector Allocation



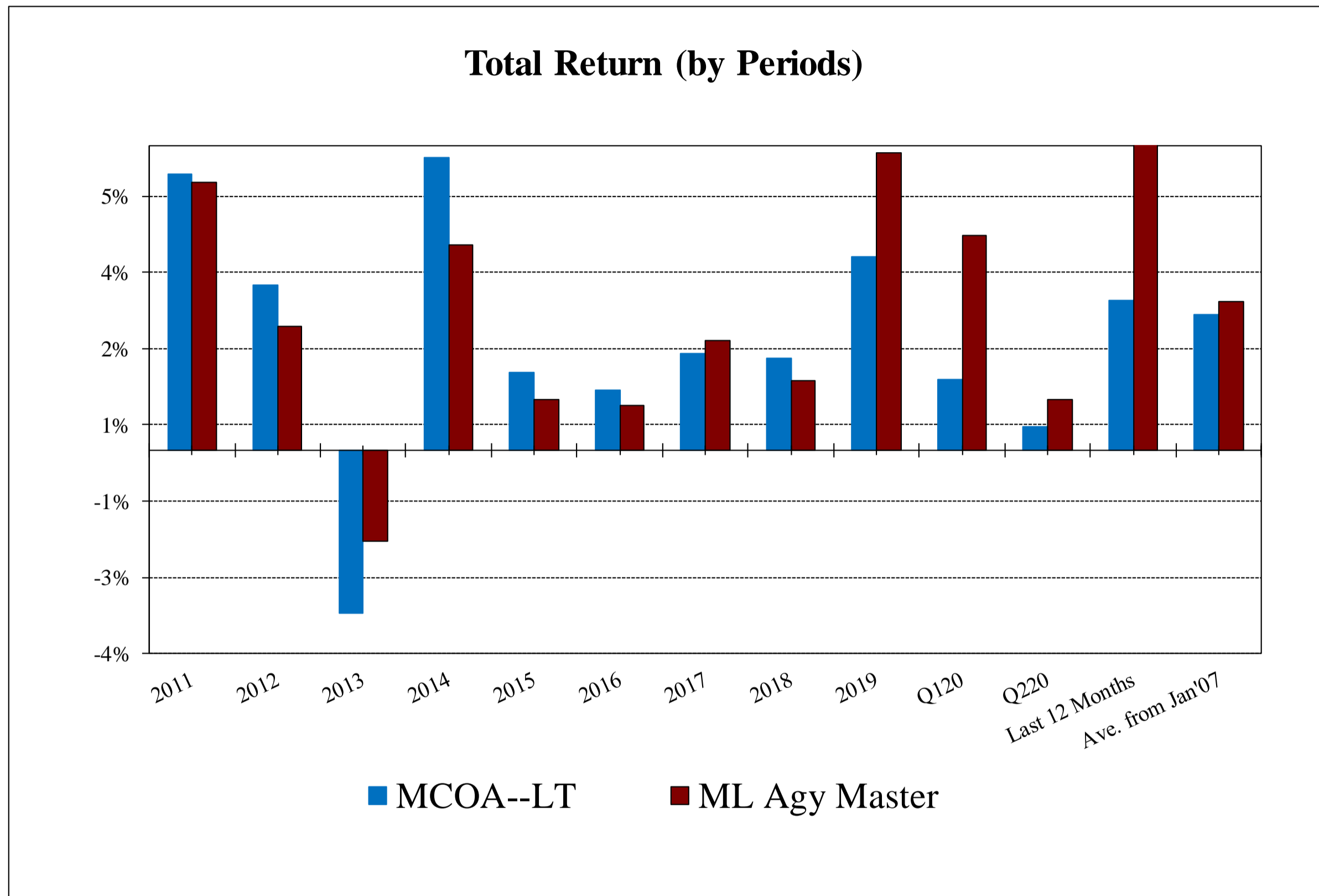
Source: Metropolitan Council

US Short Rates



Source: Bloomberg

Total Return, LT Portfolio



- (56) bps (below) Index in Q220
- (27) bps/year ave. over the last 10 years

Source: Metropolitan Council, Bloomberg

Investment Plans for Long-term Portfolio

- Use cash balances to maintain effective duration within a range of 2 - 6.
- Cash can be utilized to purchase high yielding securities should rates rise in the near future.
- With yields rising, expect duration to increase and experience unrealized losses.

S&P 500 Index



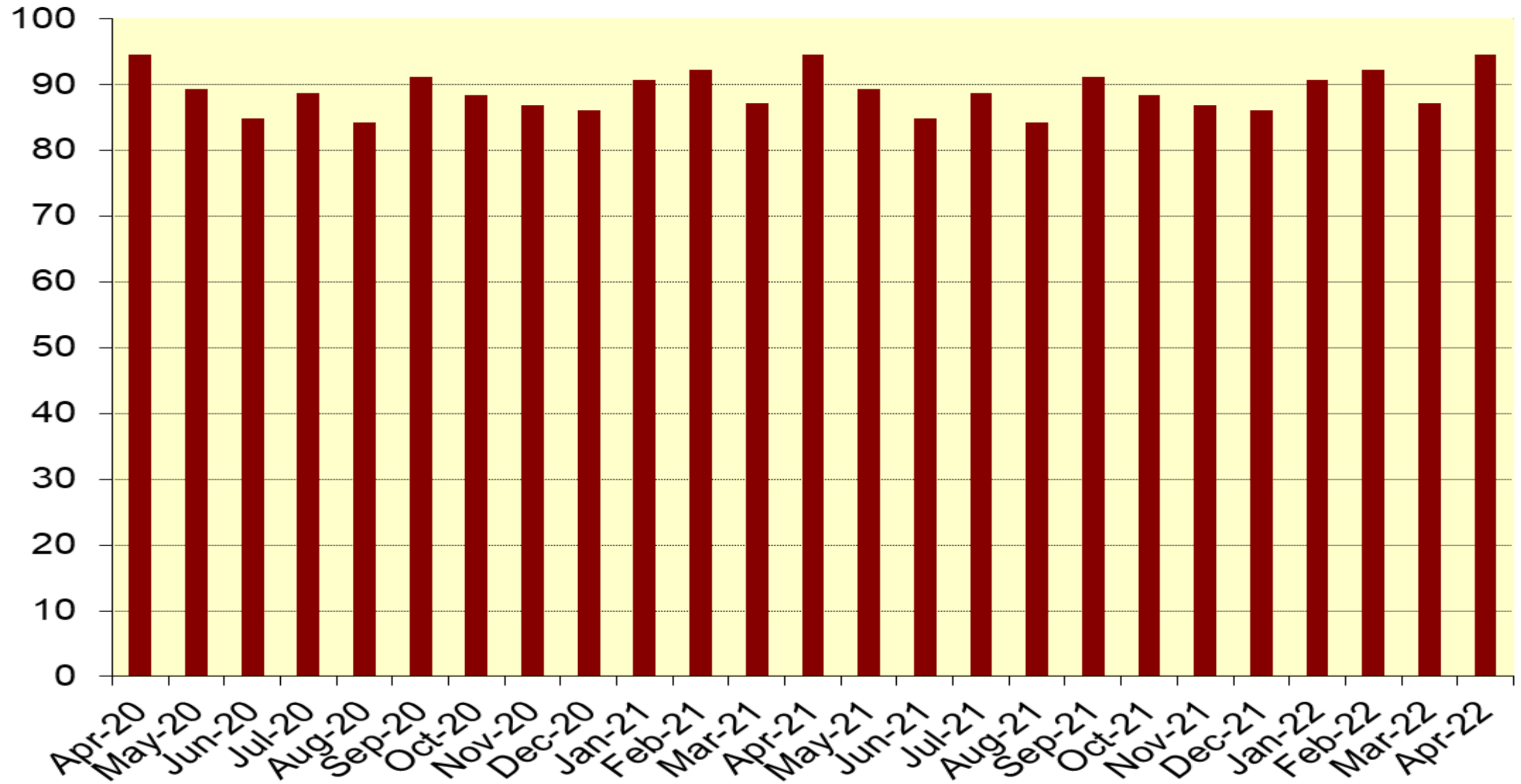
Source: Bloomberg

OPEB 2Q20 Results

- OPEB @ 13.71%; Blended Index @ 13.13%
- 2Q20 unrealized gain is \$ 34.8M

			<u>Total</u>
• Value:		09-30-19:	\$274.6 MM
	Internal	09-30-19:	\$ 3.4 MM
		12-31-19:	\$292.2 MM
	Internal	12-31-19:	\$.8 MM
		03-30-20:	\$253.1 MM
	Internal	03-30-20:	\$ 1.0 MM
		06-30-20:	\$287.9 MM
	Internal	06-30-20:	\$ (6.2 MM)
			\$281.7 MM

Diesel Hedging Program



Source: Metropolitan Council

Crude Oil: What's Happening



Source: Bloomberg

Questions

