

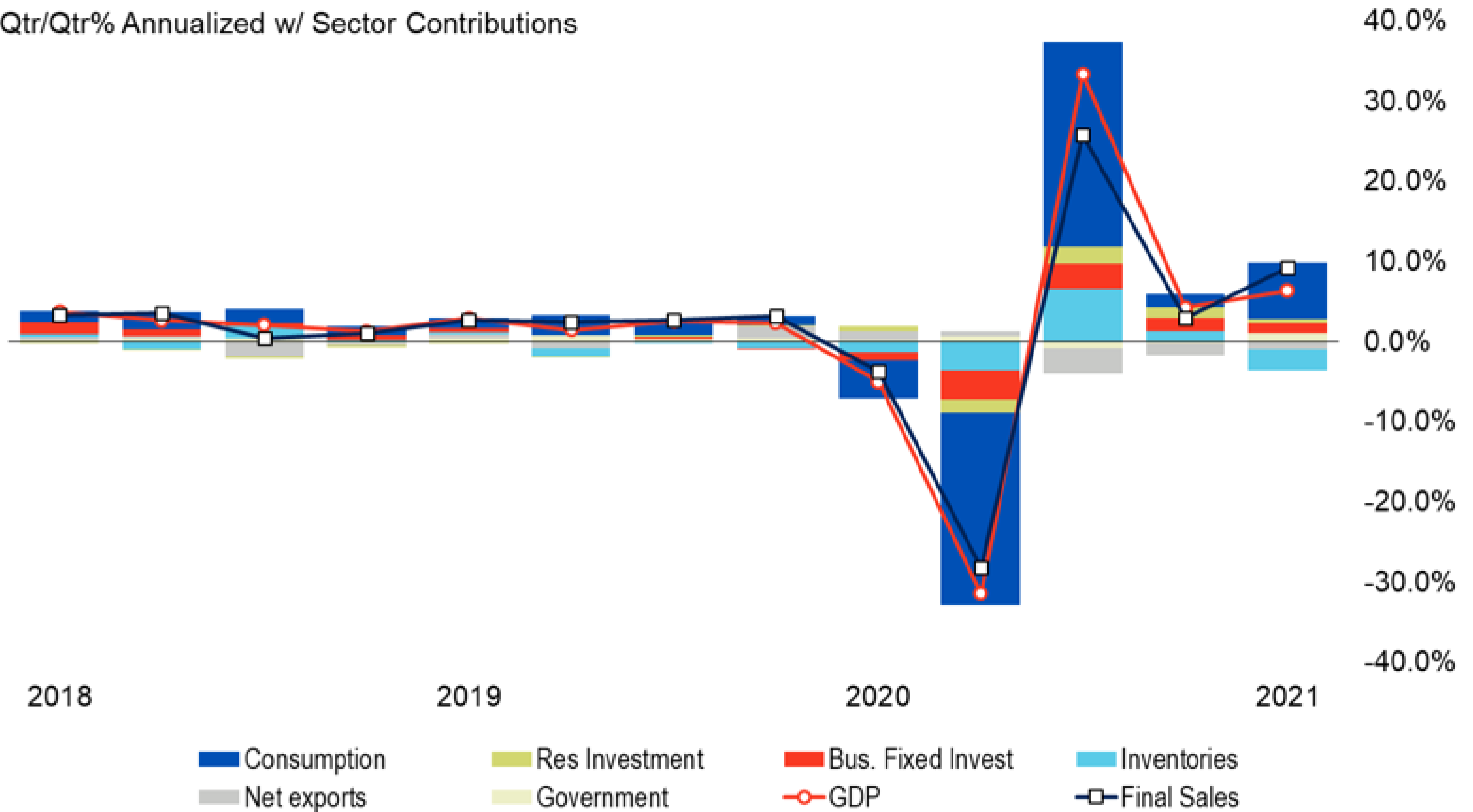
Management Committee

Investment Results First Quarter 2021

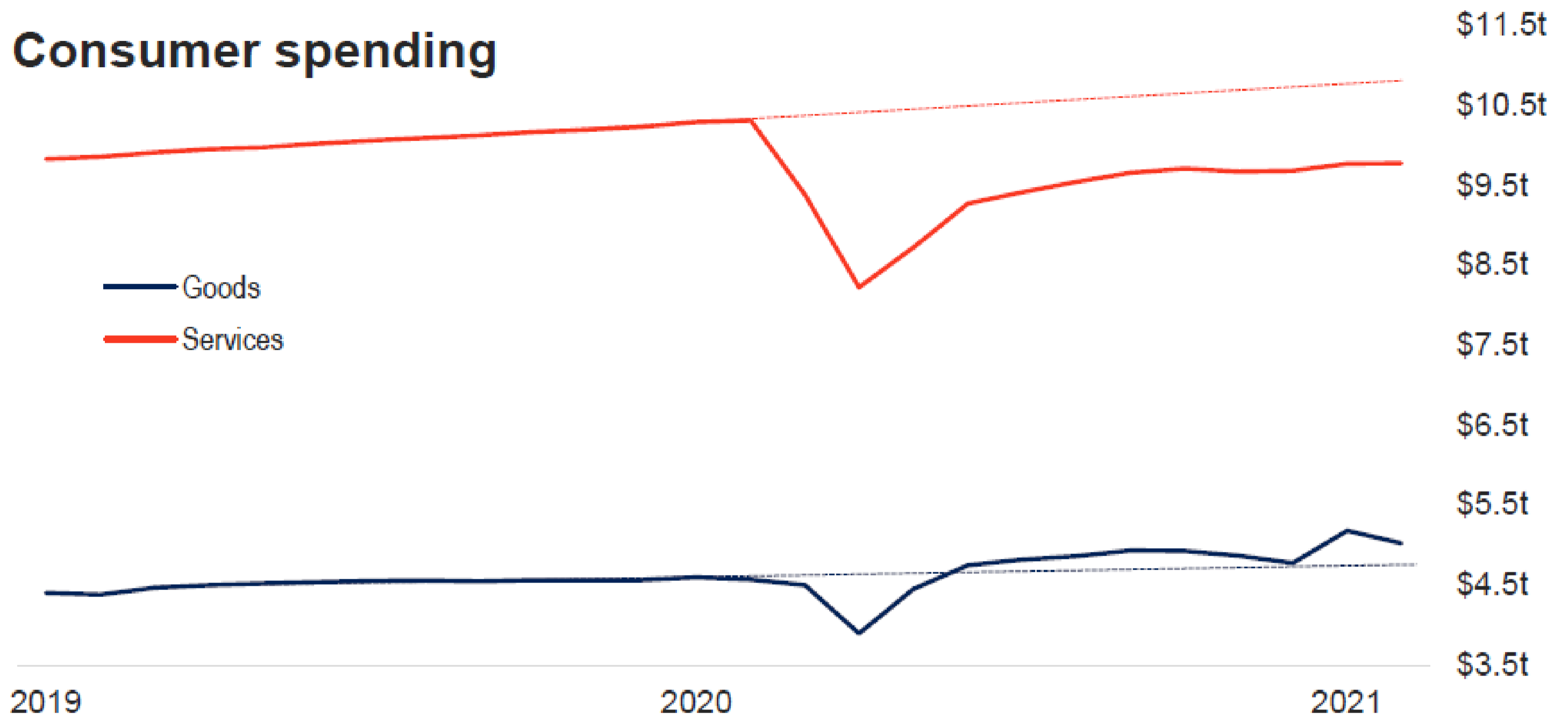
Economy and Interest Rates

GDP Growth

Qtr/Qtr% Annualized w/ Sector Contributions



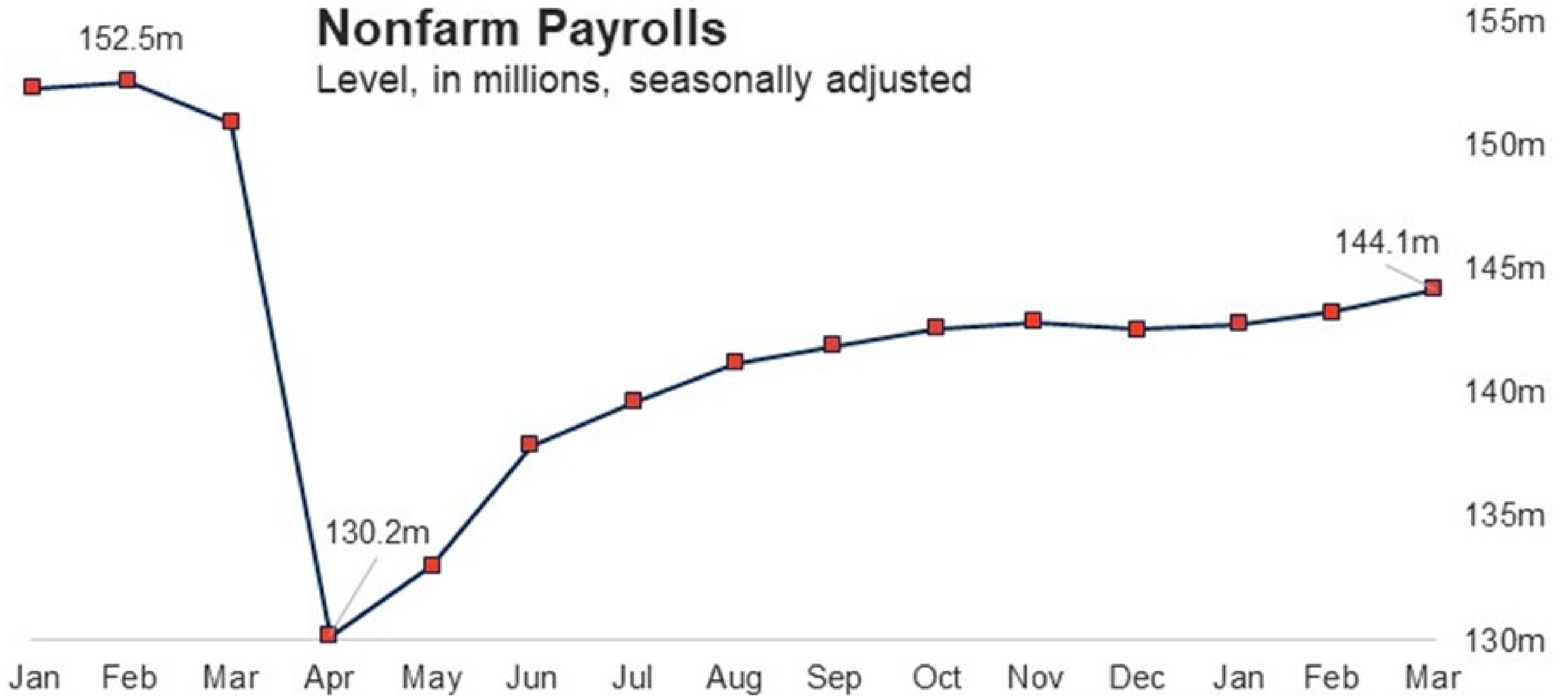
Consumer spending



Source: Bureau of Economic Analysis

Nonfarm Payrolls

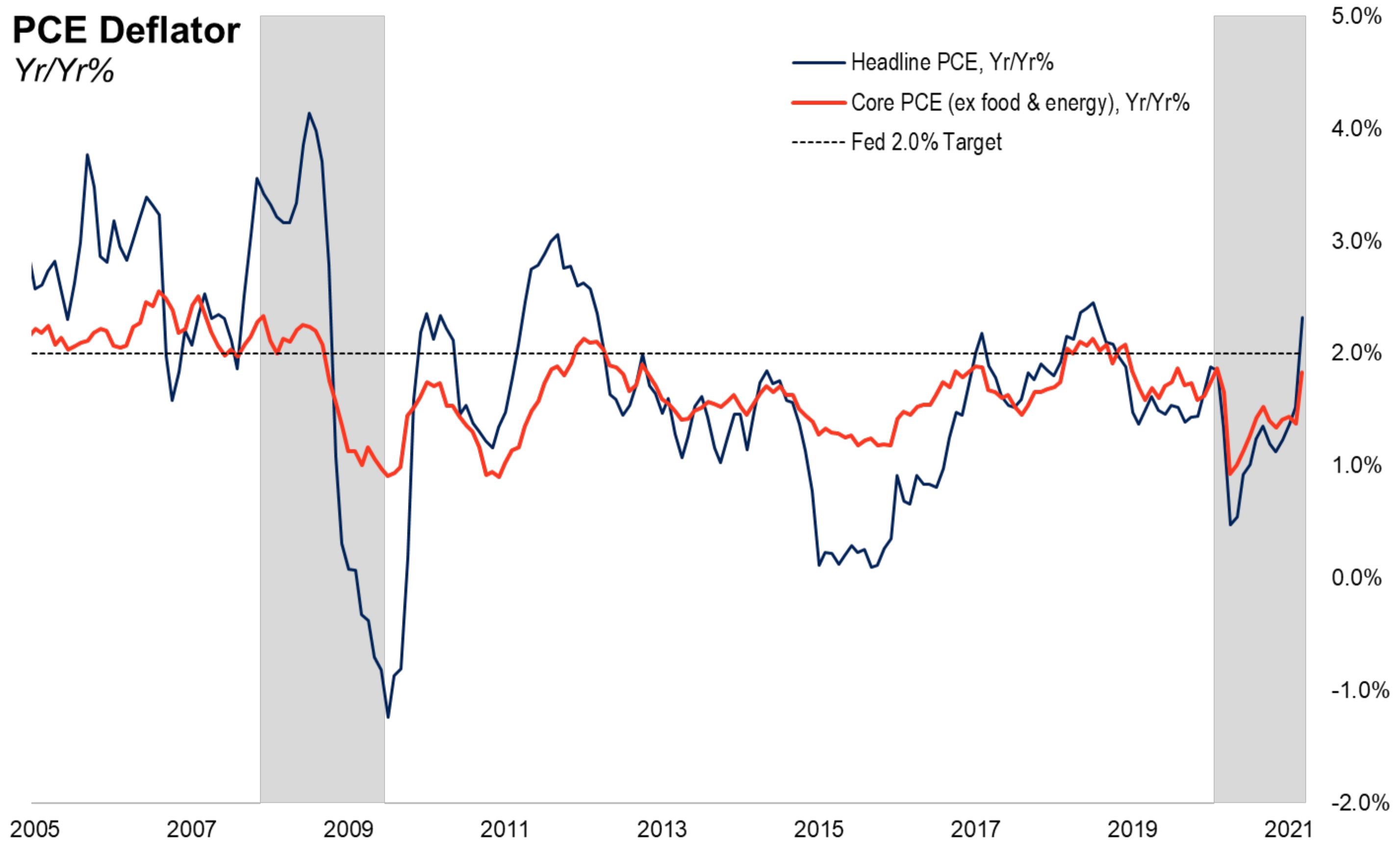
Level, in millions, seasonally adjusted



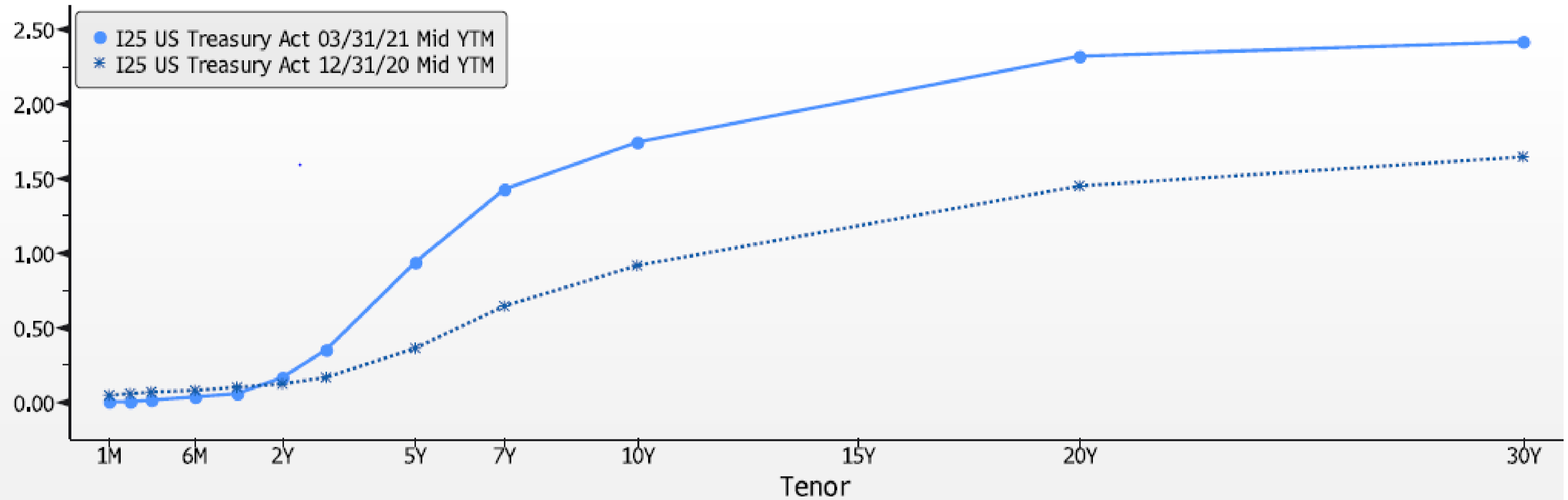
Source: Bureau of Labor Statistics, FHN Financial

Transitory Inflation?

PCE Deflator Yr/Yr%

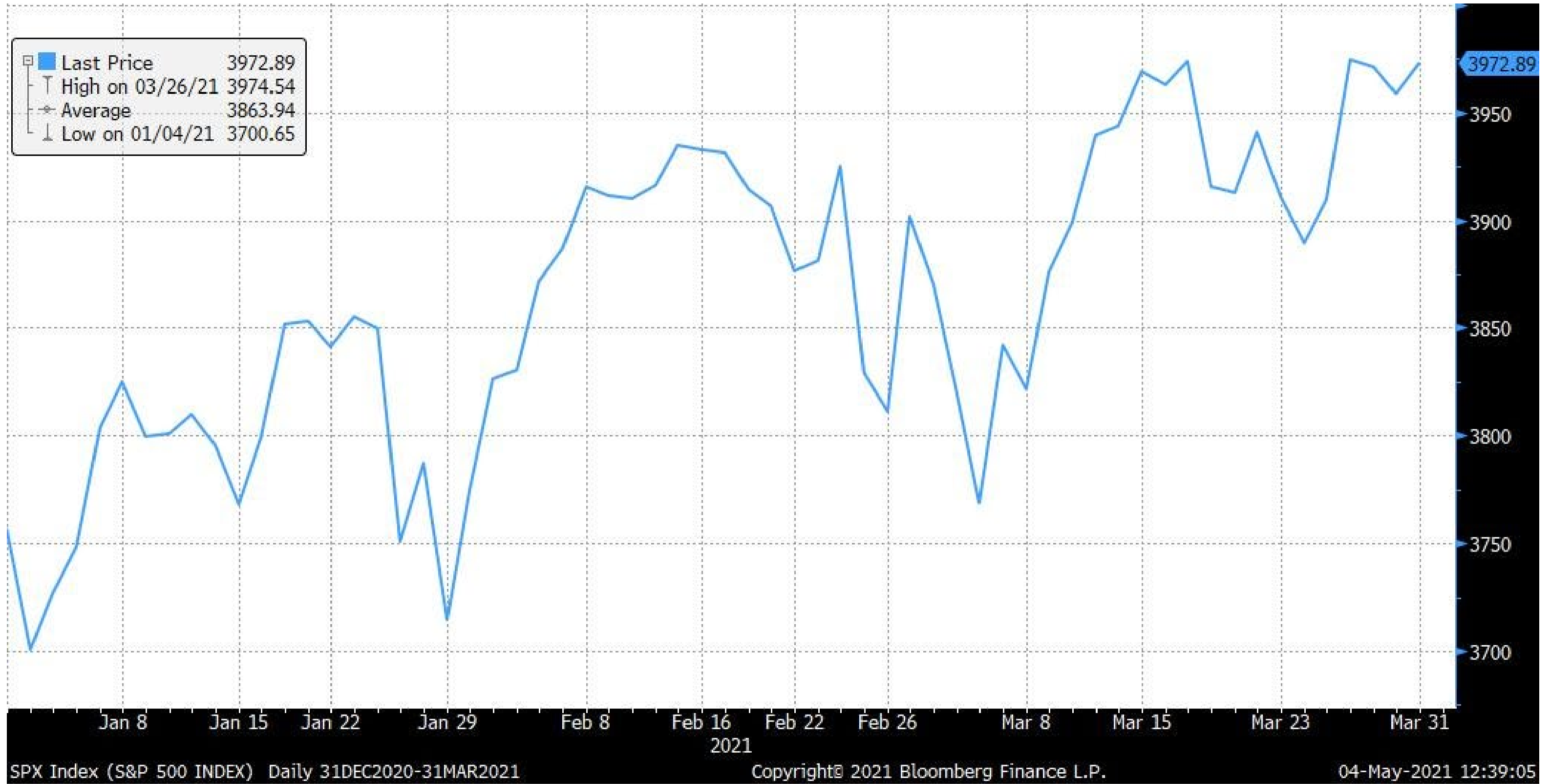


Treasury Curve



Source: Bloomberg

S&P 500 Index



Source: Bloomberg



**Bloomberg Monthly Survey
Median Economic Indicator Summary**

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	2022	2023
Unemployment	6.2%	5.6%	5.2%	4.8%	5.5%	4.2%	3.8%
Consumer Spending	7.1%	8.0%	6.6%	4.8%	6.8%	4.3%	2.5%
CPI (YOY)	1.8%	3.2%	2.7%	2.6%	2.5%	2.1%	2.2%
PCE (YOY)	1.7%	2.6%	2.2%	2.3%	2.2%	2.0%	2.0%
Core PCE (YOY)	1.5%	2.2%	1.8%	2.0%	1.9%	2.0%	2.0%
GDP	5.4%	8.1%	7.0%	4.7%	6.2%	4.0%	2.4%
Budget	-15.7%	-15.2%	-9.9%	-8.7%	-14.5%	-6.8%	-5.2%

Source: Bloomberg

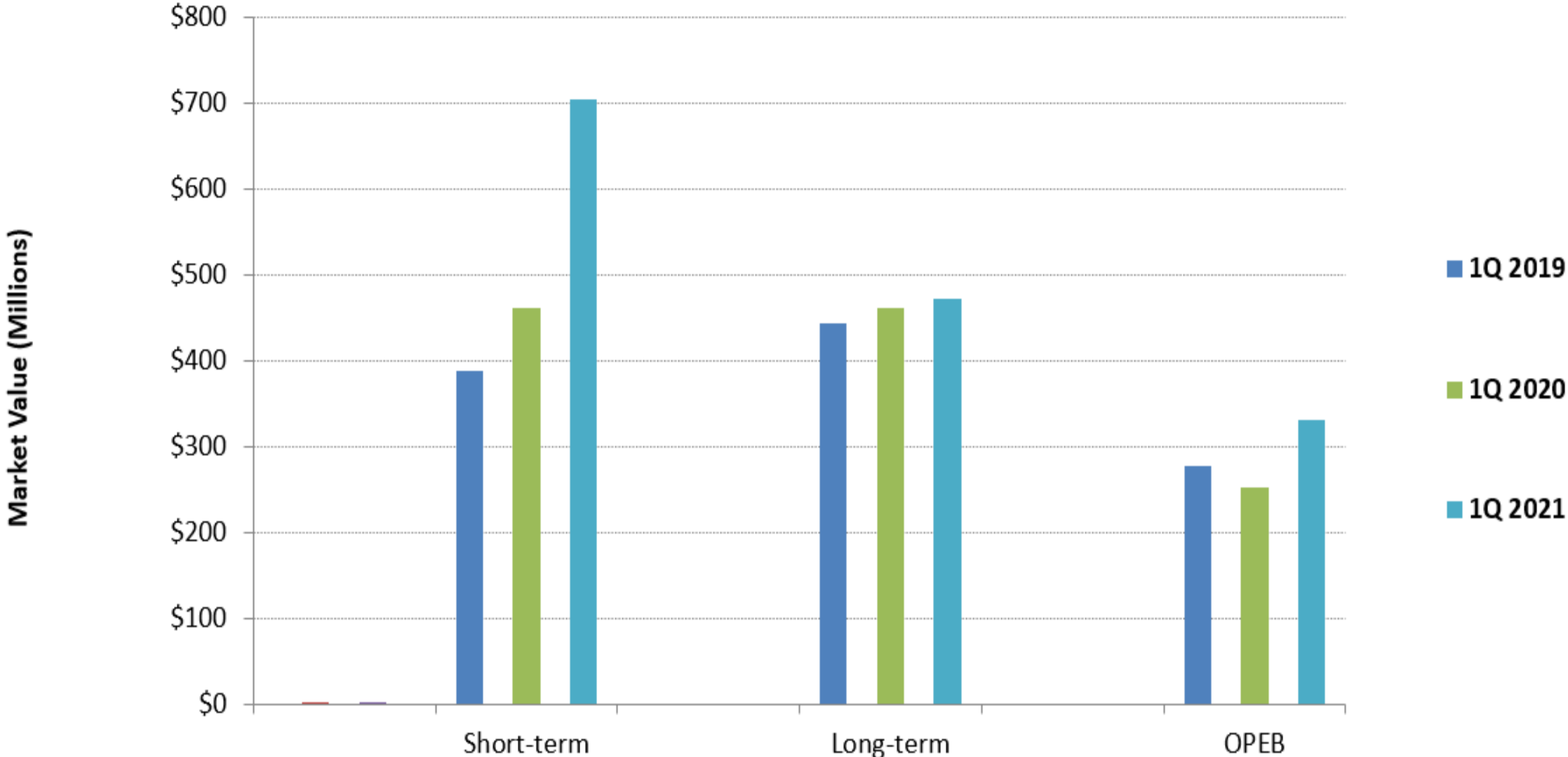
**Bloomberg Monthly Survey
Median Rate Summary**

	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022
Fed Funds Lower	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fed Funds Higher	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
2-Year Note	0.19%	0.23%	0.27%	0.31%	0.36%	0.45%
10-Year Note	1.75%	1.80%	1.86%	1.95%	2.00%	2.08%
30-Year Note	2.42%	2.47%	2.53%	2.59%	2.63%	2.68%
3-Month Libor	0.21%	0.23%	0.25%	0.25%	0.25%	0.25%

Source: Bloomberg

1Q21 Investment Results

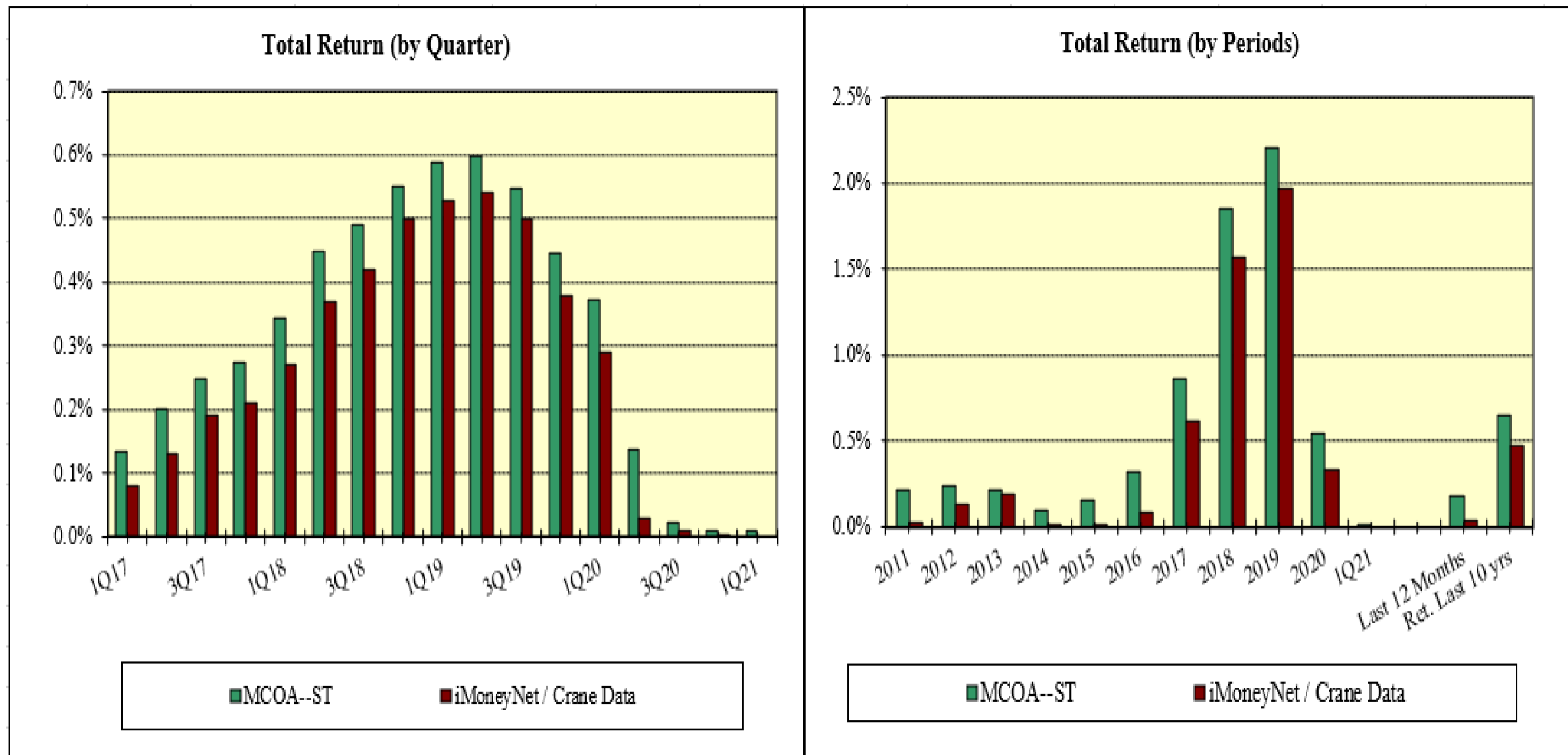
Investment Portfolio Balances



Source: Metropolitan Council



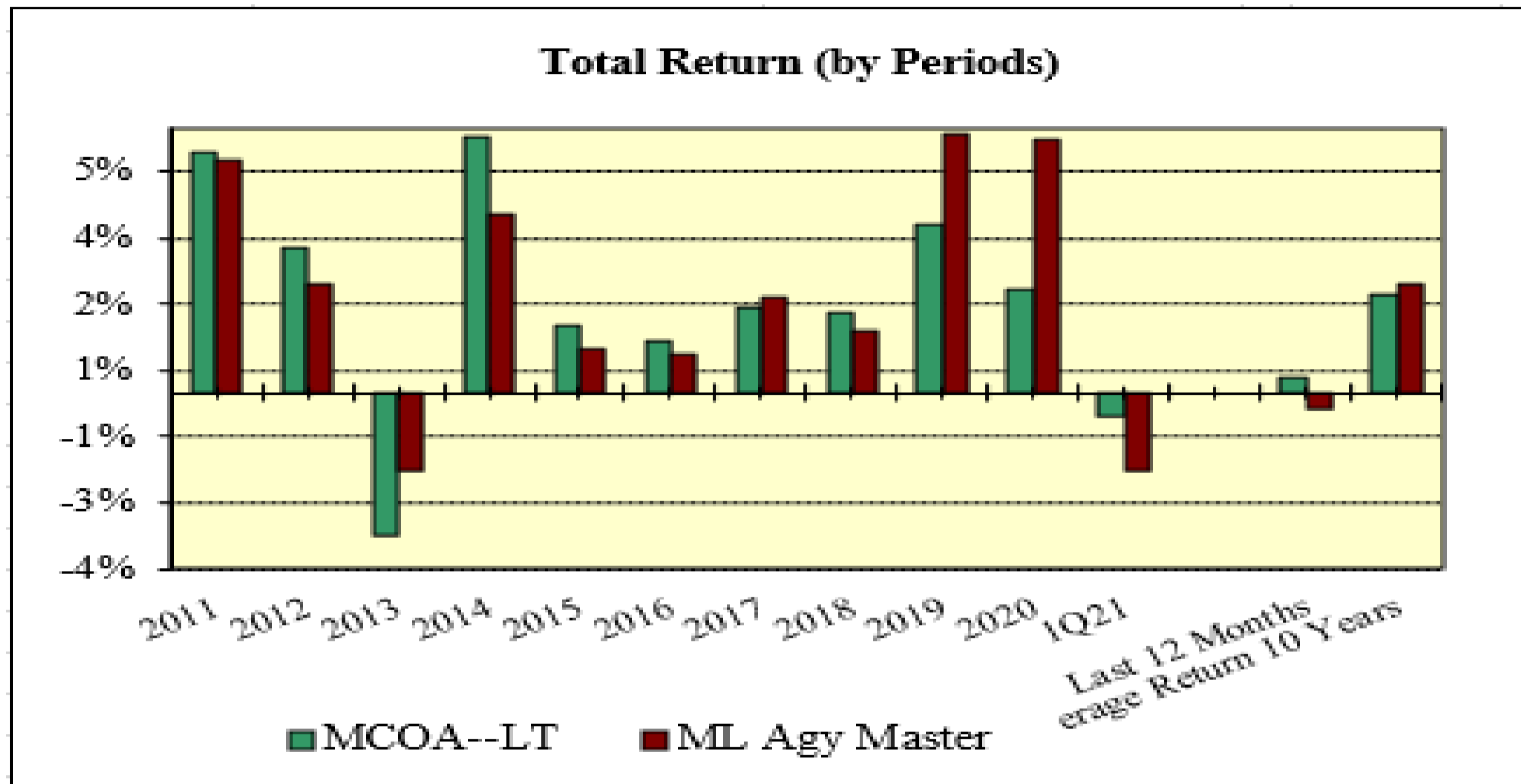
Total Return Short-Term Portfolio



- Total Return +.013% vs. Index .005%
- +17 bps/year average over the last 10 years

Source: Metropolitan Council

Total Return Long-term Portfolio



- +122 bps to Index in 1Q21
- -18 bps/year average over the last 10 years

Source: Metropolitan Council

Strategy Long-term Portfolio

- Add high grade General Obligation taxable municipal bonds, locally when possible
- Take advantage of steeper yield curve
- Continue to add to CD program.

OPEB Trust 1Q21 Results

- 1Q return of 4.62%; Blended Index @ 2.35%
- Average annual return of 13.17% last 5 years
- Current Allocation – 63% equity, 33% fixed, 4% cash

• Value:	03-31-20	253.1 MM
	06-30-20	287.9 MM
	09-30-20	289.1 MM
	12-31-20	315.8 MM
	03-31-21	330.4 MM

Questions



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