Investment Review
First Quarter 2024

Management Committee
Mark Thompson, Director Treasury

May 8, 2024
Economic Growth

- 4Q22: 2.6%
- 1Q23: 2.0%
- 2Q23: 2.1%
- 3Q23: 4.9%
- 4Q23: 3.3%
Inflation

- Fed’s Goal 2.00%
- March 2024 CPI 3.5%
- March 2024 PCE 2.7%
Labor Market

U.S. Nonfarm Employment Change

Unemployment rate

Average Hourly Earnings

Source: U.S. Department of Labor and Wells Fargo Economics

Source: Bureau of Labor Statistics
Treasury Yield Curve

Source: Bloomberg
S&P 500 Index

- Started 1Q at 4742
- Finished 1Q at 5254
- 1Q total return 10.5%
- 66% of OPEB Trust

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<th>Monthly S&amp;P 500 Total Return</th>
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<td>Apr</td>
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<td>1.6%</td>
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Short-term Portfolio

- $1.24 Billion
- U.S. Treasury Bills - $494 million, 40%
- Government Discount Notes - $444 million, 36%
- Money Market Funds - $299 million, 24%

1Q total return 1.32% vs. benchmark 1.27%
Average yield 5.32 1Q, 5.45% 4Q, 5.35% 3Q, 5.14% 2Q
Interest income $16.8 million 1Q, $17.6m 4Q, $15.2m 3Q, $11.9m 2Q
Long-term Portfolio

- $466 million
- U.S. Government Agency - $266 million, 57%
- U.S. Treasury Notes - $110 million, 24%
- Municipal Bonds - $48 million, 10%
- Money Market Fund - $19 million, 4%
- Certificates of Deposit - $22 million, 5%

Total Return

- Total Return .60% vs benchmark .09%
- Average Yield 1.90% vs 1.79% in 4Q
- Duration 1.32 years vs benchmark 3.32 years
- Interest income $2.3m 1Q, $1.9m 4Q, $1.5m 3Q, $1.5m 2Q
OPEB Trust

- 1Q24 Total Return: 6.89%
- Average Returns:
  - 5 years: 10.47%
  - 10 years: 10.11%
- Trust Value:
  - 3-31-23: $308.5 million
  - 6-30-23: 324.9
  - 9-30-23: 318.8
  - 12-31-23: 330.9
  - 3-31-24: 353.7
- Equity: $233 million, 66%
- Fixed Income: $120 million, 34%
- Cash Pool: $125K, 0%
- Projected OPEB Liabilities Remain Fully Funded
Thank you

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