

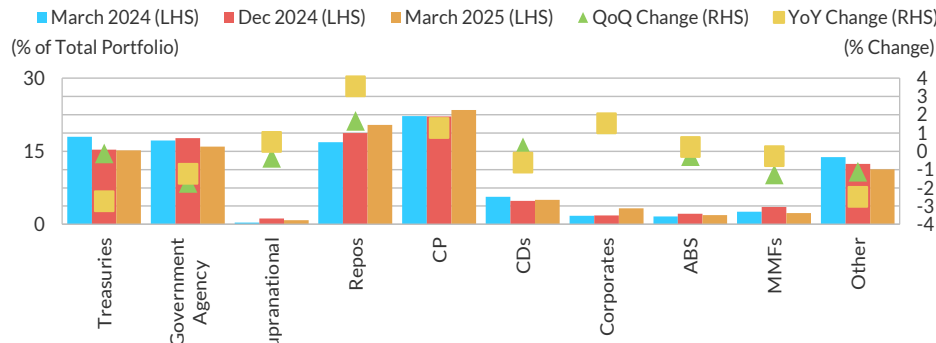
# U.S. Local Government Investment Pools Monitor: 1Q25

**Aggregate LGIP Assets Up on Liquidity LGIP Inflows:** Fitch Ratings' two local government investment pool (LGIP) indices reported an aggregate asset increase in the first quarter of 2025 (1Q25) driven by Liquidity LGIPs, consistent with seasonal flow trends. Total assets for the Fitch Liquidity LGIP Index and the Fitch Short-Term LGIP Index reached \$655.5 billion at quarter end, marking increases of \$9.3 billion qoq and \$40.5 billion yoy. The Fitch Liquidity LGIP Index rose by 2.3% qoq while the Fitch Short-Term LGIP Index fell by 0.2% qoq. These changes contrast with an average increase of 6.2% and average decrease of 1.8%, respectively, during the first quarter over the past three years.

**WAMs Increase and Yields Decline as Fed Holds Rates Steady:** Weighted average maturities (WAMs) in the money market fund (MMF) indices extended in 1Q25, as the Fed held rates steady due to economic uncertainty and inflation expectations. The WAM of the Fitch Liquidity LGIP Index increased to 40 days, still higher than prime '2a-7' MMFs at 31 days. The Fitch Short-Term LGIP Index ended the quarter with a duration of 1.29 years, up 2% since last quarter. Both Fitch indices ended 1Q25 with decreased average yield profiles, with net yields averaging 4.35% for the Liquidity Index and 4.23% for the Short-Term Index.

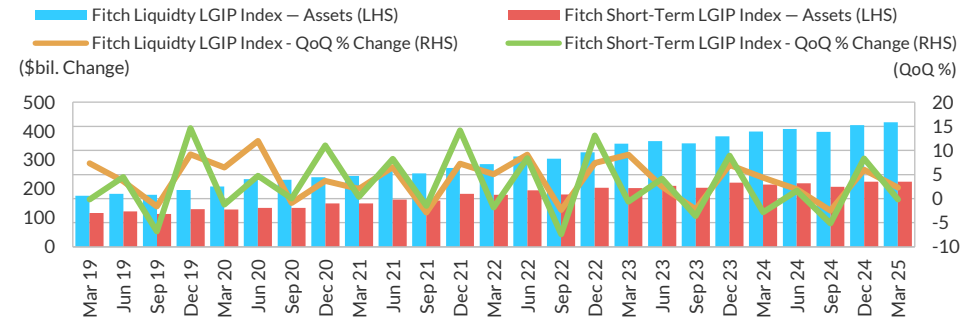
**Liquidity LGIPs Move Away from Government Agencies and Into Repurchase Agreements:** The Fitch Liquidity LGIP Index increased exposure to Repurchase Agreements by 1.67% while reducing exposure to Government Agencies by 1.73% qoq. Managers also added 2.79% exposure to Commercial Paper and Corporates in this quarter.

## Fitch Liquidity LGIP Index Weighted Average Sector Allocation



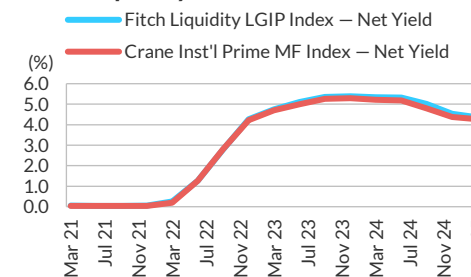
Note: "Other" category includes bank deposits, municipal securities, etc.  
Source: Fitch Ratings.

## Total Assets



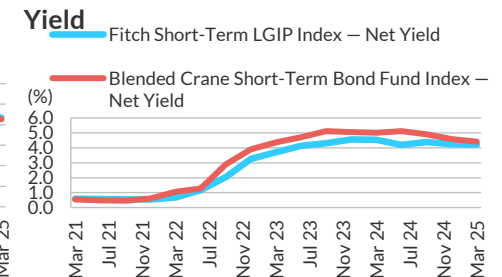
Source: Fitch Ratings.

## Fitch Liquidity LGIP Index - Net Yield



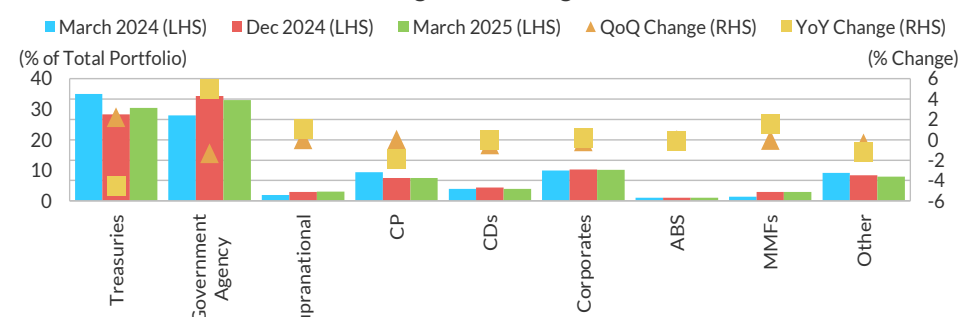
Note: Data reflects average 7-day net yields, or if not available, 30-day yields utilized.  
Source: Fitch Ratings, Crane Data.

## Fitch Short-Term LGIP Index - Net Yield



Note: Data reflects average 30-day net yields, or if not available, 7-day yields utilized.  
Source: Fitch Ratings, Crane Data.

## Fitch Short-Term LGIP Index Weighted Average Sector Allocation



Note: "Other" category includes bank deposits, municipal securities, repos, etc.  
Source: Fitch Ratings.

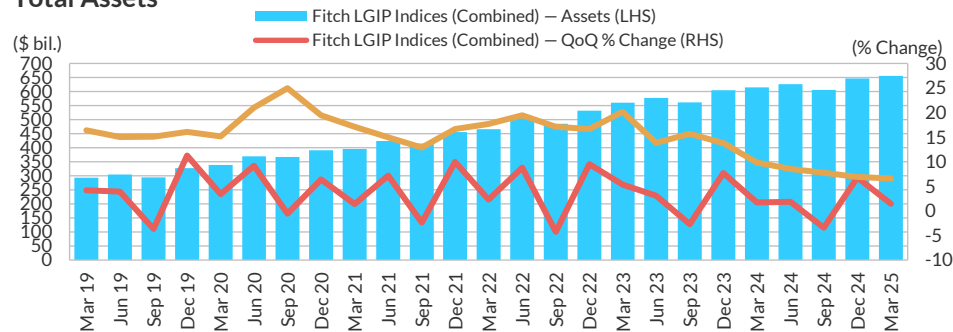


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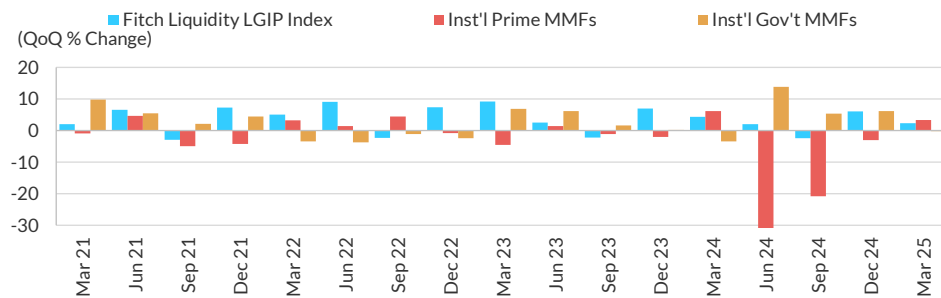
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## Total Assets



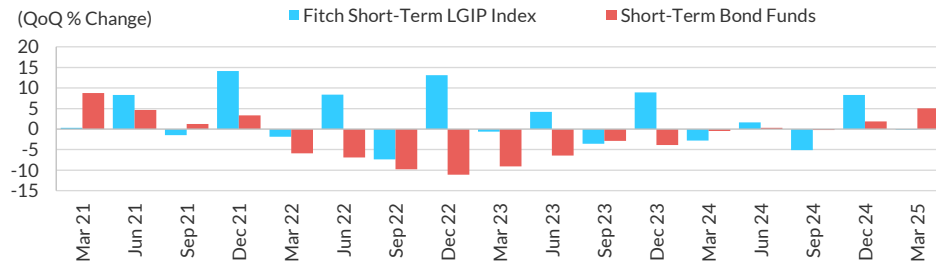
Source: Fitch Ratings.

## Quarterly Change in Assets - Liquidity Funds



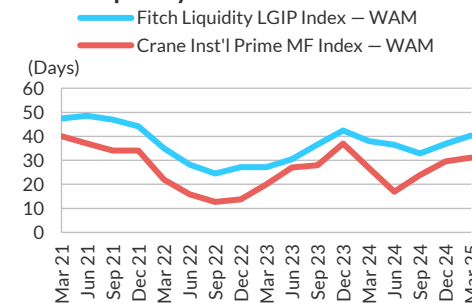
MMFs - Money market funds.  
Source: Fitch Ratings, CraneData.

## Quarterly Change in Assets - ST Bond Funds



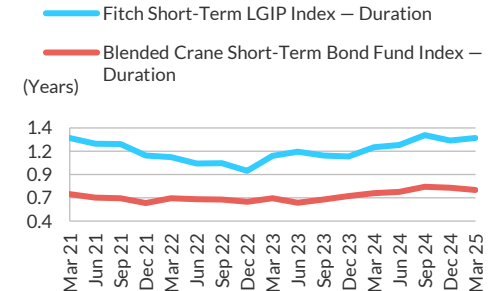
Note: Short-term bond fund assets are derived from a weighted average of the Crane BFI Ultra-Short Index and the Crane BFI Conservative Ultra-Short Index  
Source: Fitch Ratings, CraneData.

## Fitch Liquidity LGIP Index - WAM



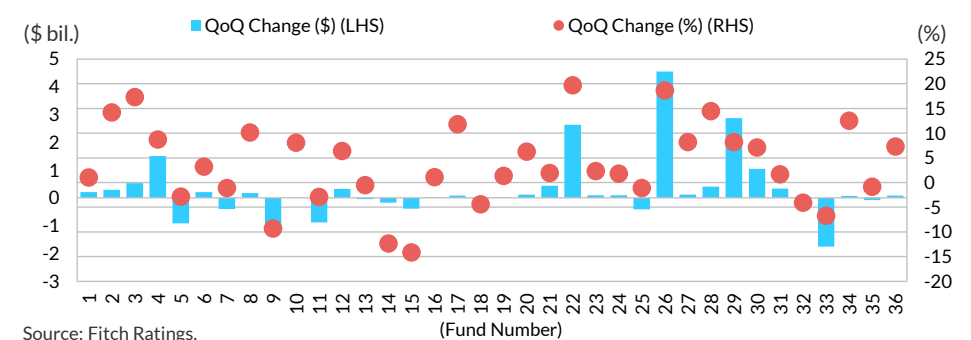
WAM - Weighted Average Maturity.  
Source: Fitch Ratings, Crane Data.

## Fitch Short-Term LGIP Index - Duration



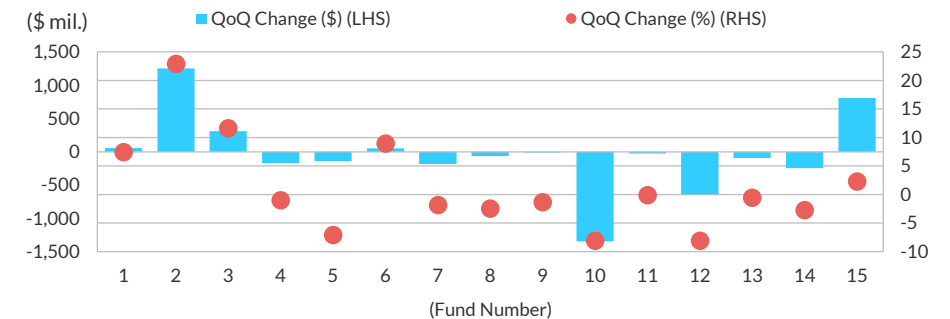
Source: Fitch Ratings, Crane Data.

## Fitch Liquidity LGIP Index - Quarterly Change in Assets By Pool



Source: Fitch Ratings.

## Fitch Short-Term LGIP Index - Quarterly Change in Assets By Pool



Source: Fitch Ratings.

## Summary Statistics

	March 2025	December 2024	QoQ Change	March 2024	YoY Change
<b>Total Assets (combining both indices [59 LGIPs])</b>	655.5	646.2	9.3	615.0	40.5
<b>Fitch Liquidity LGIP Index (38 LGIPs)</b>					
Total Assets (\$ Bil.)	430.7	420.9	9.8	399.2	31.5
Average Fund Size (\$ Bil.)	11.7	11.4	0.3	10.1	1.6
Average WAM (Days)	40	37	3.5	38	2.2
Crane Prime Institutional Money Fund Average – WAM (Days)	31	29	1.6	27	4.3
Average Net Yield (%)	4.35	4.53	-0.17	5.34	-0.98
Crane Prime Institutional Money Fund Average – Net Yield (%)	4.26	4.38	-0.11	5.22	-0.96
<b>Fitch Short-Term LGIP Index (21 LGIPs)</b>					
Total Assets (\$ Bil.)	224.8	225.2	-0.4	215.7	9.0
Average Fund Size (\$ Bil.)	9.4	9.5	-0.03	10.6	-1.1
Average Duration (Years)	1.29	1.27	0.03	1.19	0.10
Blended Crane Short-Term Bond Fund Index – Duration (Years)	0.73	0.76	-0.03	0.70	0.03
Average Net Yield (%)	4.23	4.26	-0.03	4.55	-0.33
Blended Crane Short-Term Bond Fund Index – Net Yield (%)	4.42	4.59	-0.17	5.01	-0.59

Note: The Blended Crane Short-Term Bond Fund Index is a weighted average of the Crane Ultra-Short Index and the Crane Conservative Ultra-Short Index.

Source: Fitch Ratings, Crane Data.

## Weighted Average Sector Allocation

(% of Portfolio)	Treasuries	Government Agency	Supranational	Repurchase Agreements	CP	CDs	Corporates	ABS	MMFs	Other
<b>Fitch Liquidity LGIP Index</b>										
March 2025	15.2	16.0	0.9	20.4	23.5	5.0	3.3	1.9	2.3	11.3
December 2024	15.3	17.7	1.2	18.7	22.2	4.8	1.8	2.2	3.6	12.4
QoQ Change	-0.12	-1.73	-0.4	1.67	1.31	0.22	1.5	-0.3	-1.3	-1.11
March 2024	17.9	17.2	0.3	16.8	22.2	5.7	1.8	1.7	2.6	13.8
YoY Change	-2.7	-1.2	0.5	3.6	1.3	-0.6	1.5	0.2	-0.3	-2.5
<b>Fitch Short-Term LGIP Index</b>										
March 2025	30.5	33.0	3.0	N/A	7.5	3.9	10.2	1.0	2.9	8.0
December 2024	28.2	34.3	3.0	N/A	7.5	4.4	10.3	1.0	3.0	8.3
QoQ Change	2.2	-1.3	0.1		0.01	-0.4	-0.1	-0.01	-0.02	-0.3
March 2024	35.0	28.0	2.0	N/A	9.4	4.0	9.9	1.1	1.4	9.1
YoY Change	-4.6	5.0	1.0		-1.9	-0.02	0.2	-0.1	1.6	-1.2

ABS – Asset-backed securities. MMFs – Money market funds. N.A. – Not available.

Note: Not all LGIPs disclose the same data on a consistent basis. Fitch uses data available at the time to construct the indices.

Source: Fitch Ratings.

### Additional Statistics: Subcategories

	March 2025	December 2024	QoQ Change	March 2024	YoY Change
<b>Liquidity LGIPs (40 LGIPs)</b>					
<b>Total Assets (\$ Bil.)</b>					
Prime (31 LGIPs)	313.1	309.2	3.91	293.9	19.2
Government (7 LGIPs)	117.6	111.8	5.86	105.4	12.3
Rated (35 LGIPs)	340.4	327.6	12.80	312.2	28.2
Unrated (3 LGIPs)	90.3	93.3	-3.03	87.1	3.2
<b>Average WAM (Days)</b>					
Prime (31 LGIPs)	42	39	3	40	2
Government (7 LGIPs)	33	29	4	30	4
Rated (35 LGIPs)	40	37	3	38	2
Unrated (3 LGIPs)	41	38	3	39	3
<b>Average Net Yield (%)</b>					
Prime (27 LGIPs)	4.37	4.53	-0.17	5.37	-1.00
Government (5 LGIPs)	4.26	4.44	-0.18	5.27	-1.02
Rated (30 LGIPs)	4.34	4.52	-0.17	5.34	-1.00
Unrated (2 LGIPs)	4.45	4.53	-0.08	5.49	-1.04
<b>Short-Term LGIPs (21 LGIPs)</b>					
<b>Total Assets (\$ Bil.)</b>					
Prime (19 LGIPs)	207.0	206.1	0.97	197.5	9.6
Rated (14 LGIPs)	91.1	91.3	-0.16	86.7	4.5
Unrated (7 LGIPs)	133.7	133.9	-0.27	135.3	-1.7
<b>Average Duration (Years)</b>					
Prime (14 LGIPs)	1.33	1.30	0.03	1.21	0.12
Rated (10 LGIPs)	1.23	1.22	0.01	1.16	0.07
Unrated (5 LGIPs)	1.41	1.36	0.06	1.25	0.16
<b>Average Net Yield (%)</b>					
Prime (10 LGIPs)	4.20	4.22	-0.03	4.51	-0.31
Rated (9 LGIPs)	4.32	4.38	-0.07	4.74	-0.42
Unrated (3 LGIPs)	3.93	3.89	0.04	3.91	0.02

Note: The subcategories above were established by further segmenting the broader population of LGIPs used to create the Fitch Liquidity LGIP and the Fitch Short-Term LGIP indices. Government LGIPs invest in U.S. Treasuries, agencies or repos backed by such collateral. Prime LGIPs invest in additional assets beyond government securities, such as corporate CP, bank deposits or ABS.

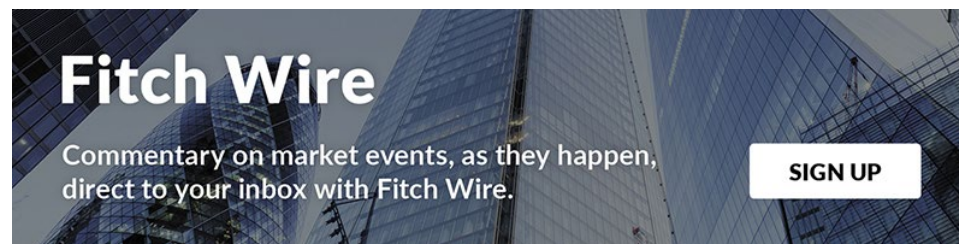
Source: Fitch Ratings.

## Index Construction Methodology

**Fitch Liquidity Local Government Investment Pool (LGIP) Index:** The LGIPs comprising the Fitch Liquidity LGIP Index resemble MMFs that adhere to Rule 2a-7 of the Investment Company Act of 1940. These LGIPs seek to operate with stable NAVs and follow most, although not all, of the SEC regulations applicable to MMFs (such as maturity restrictions). The LGIPs included in this index invest in high credit quality securities and aim to maintain a WAM of less than 60 days and a WA life (WAL) of less than 120 days. Fitch constructed the index using information made available through LGIP public reporting.

**Fitch Short-Term LGIP Index:** The LGIPs comprising the Fitch Short-Term LGIP Index are comparable to SEC-regulated short-term bond funds. These strategies will typically have longer maturities, higher yields and sometimes lower credit quality than the liquidity LGIPs,

although this differs by pool. The LGIPs included in the Fitch Short-Term LGIP Index operate with variable NAVs and maintain durations in the range of approximately one to three years. Fitch constructed the index using information made available through LGIP public reporting.



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