

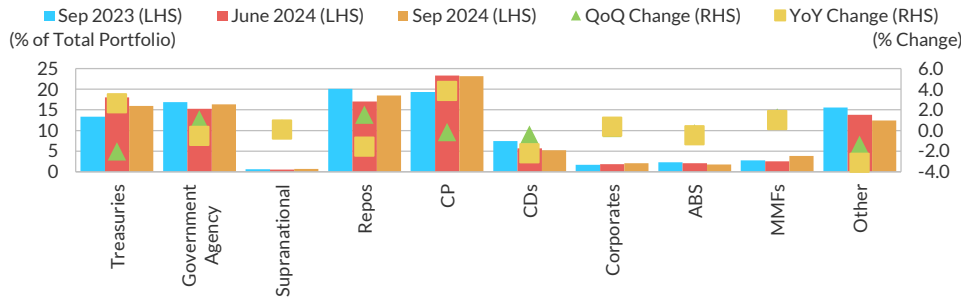
Local Government Investment Pools: 3Q24

Seasonal Drop in LGIP Assets: Fitch Ratings' local government investment pool (LGIP) indices experienced a cumulative drop in the third quarter of 2024 (3Q24), consistent with seasonal trends, but are up yoy. Combined assets for the Fitch Liquidity LGIP Index and the Fitch Short-Term LGIP Index were \$609 billion at the end of 3Q24, representing a decrease of \$18 billion qoq and an increase of \$47 billion yoy. The Fitch Liquidity LGIP Index and the Fitch Short-Term LGIP Index were down 2.5% and 3.6% qoq, respectively, versus average decreases of 2.5% and 4.2% for the same period in the past three years.

Yields Continue to Decrease as Fed Begins Interest Rate Cuts: Weighted average maturities (WAMs) continued to fall in 3Q24, with the Fitch Liquidity LGIP Index WAM decreasing to 33 days, still higher than prime '2a-7' money market funds at 24 days. The Fitch Short-Term LGIP Index ended the quarter with a duration of 1.32 years, up 8.3% since last quarter. Both Fitch indices ended 3Q24 with decreased average yield profiles with average net yields of 5.02% for the Liquidity Index and 4.39% for the Short-Term, as the Fed implemented a 0.50% rate cut in September.

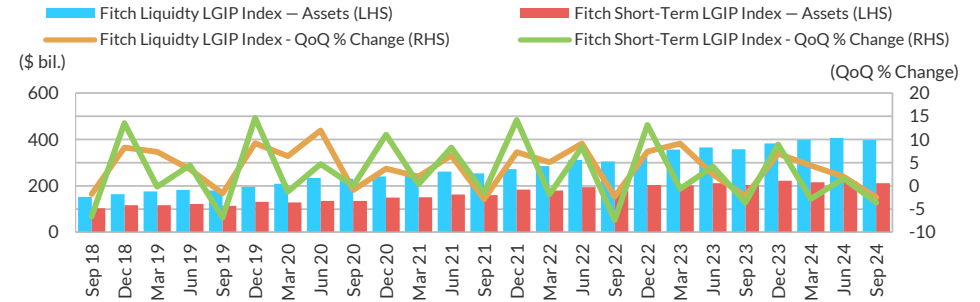
Liquidity LGIPs Move Away from Treasuries and Into Repurchase Agreements: The Fitch Liquidity LGIP Index increased exposure to Repurchase Agreements by 1.51% and decreased exposure to Treasuries by 2.04% qoq. Exposure to Government Agencies, Money Market Funds, and Corporates increased in aggregate by 2.56% qoq.

Fitch Liquidity LGIP Index Weighted Average Sector Allocation



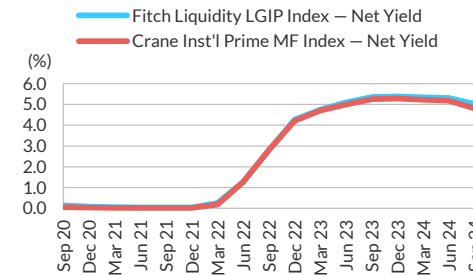
Note: "Other" category includes bank deposits, municipal securities, etc.
Source: Fitch Ratings

Total Assets



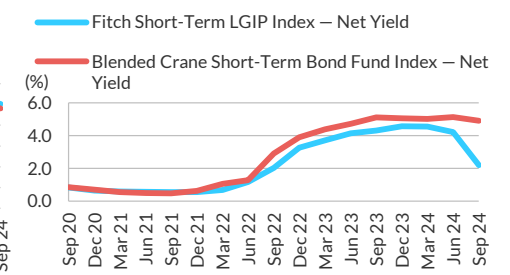
Source: Fitch Ratings

Fitch Liquidity LGIP Index - Net Yield



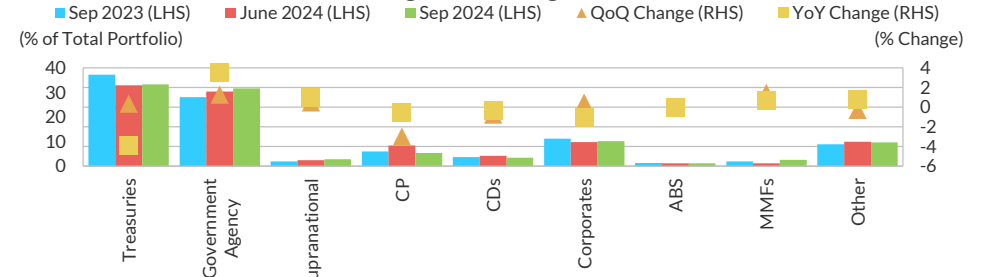
Note: Data reflects average 7-day net yields, or if not available, 30-day yields utilized.
Source: Fitch Ratings, Crane Data

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

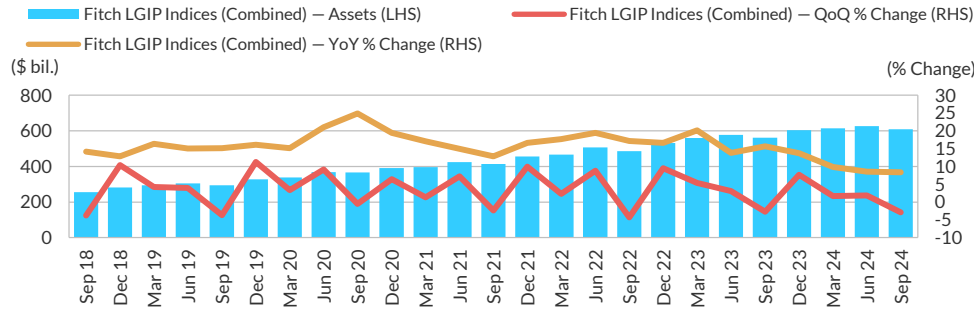


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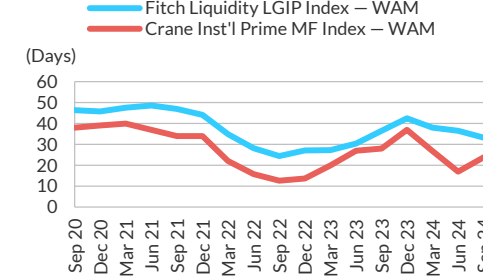
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Total Assets



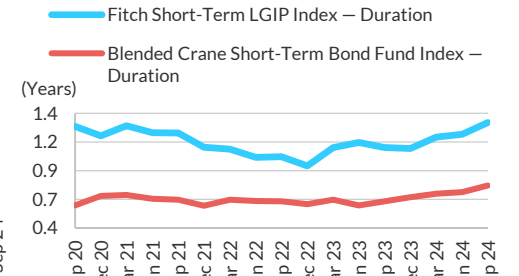
Source: Fitch Ratings

Fitch Liquidity LGIP Index – WAM



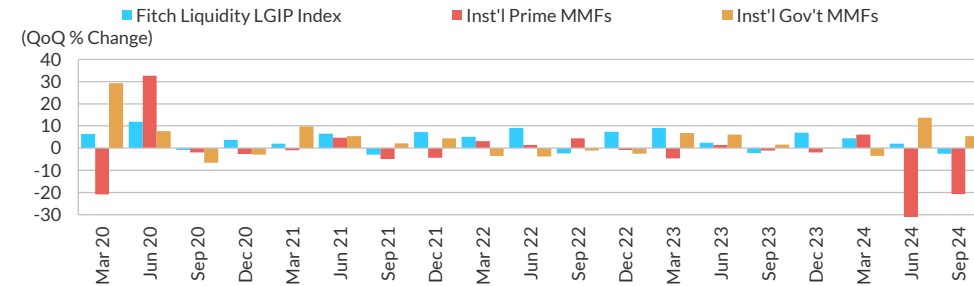
WAM – Weighted average maturity
Source: Fitch Ratings, Crane Data

Fitch Short-Term LGIP Index – Duration



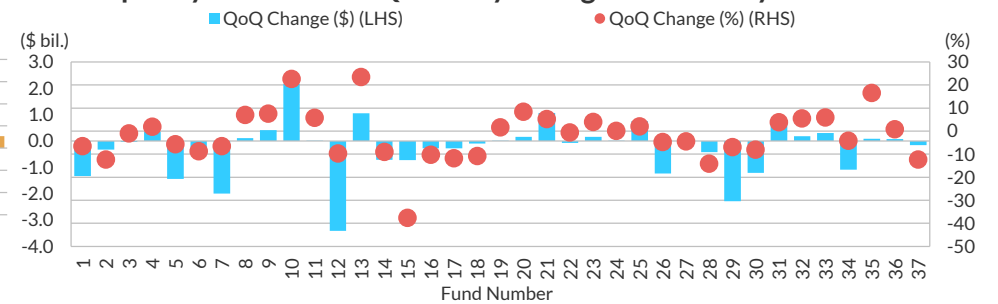
Source: Fitch Ratings, Crane Data

Quarterly Change in Assets - Liquidity Funds



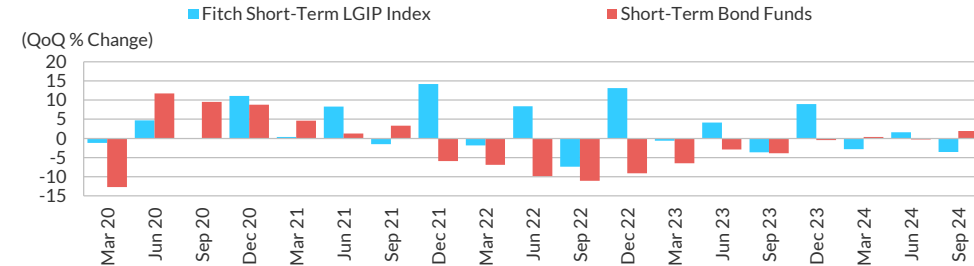
MMFs - Money market funds
Source: Fitch Ratings, CraneData

Fitch Liquidity LGIP Index - Quarterly Change in Assets by Pool



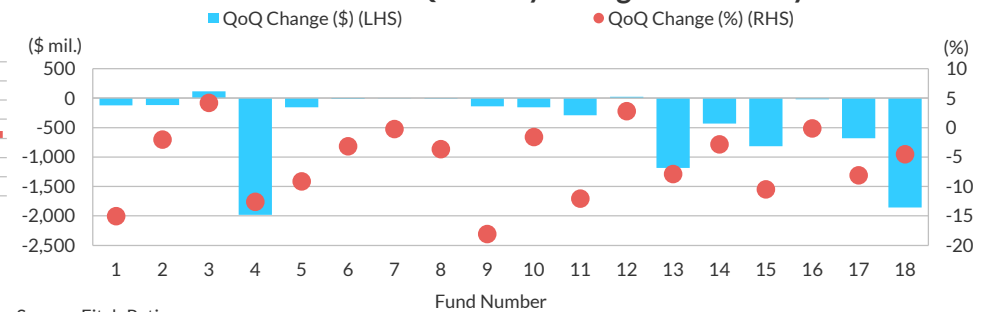
Source: Fitch Ratings

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 Short-Term LGIP Index - Quarterly Change in Assets by Pool



Source: Fitch Ratings

Summary Statistics

	September 2024	June 2024	QoQ Change	September 2023	YoY Change
Total Assets (combining both indices [59 LGIPs])	608.5	626.3	-17.8	561.4	47.1
Fitch Liquidity LGIP Index (38 LGIPs)					
Total Assets (\$ Bil.)	397.1	407.1	-10.0	357.7	39.4
Average Fund Size (\$ Bil.)	10.7	10.9	-0.3	9.4	1.3
Average WAM (Days)	33	36	-3.2	37	-3.3
Crane Prime Institutional Money Fund Average – WAM (Days)	24	17	6.9	28	-4.2
Average Net Yield (%)	5.02	5.31	-0.30	5.35	-0.34
Crane Prime Institutional Money Fund Average – Net Yield (%)	4.80	5.18	-0.38	5.26	-0.46
Fitch Short-Term LGIP Index (21 LGIPs)					
Total Assets (\$ Bil.)	211.4	219.3	-7.9	203.8	7.6
Average Fund Size (\$ Bil.)	7.7	8.1	-0.4	9.7	-2.0
Average Duration (Years)	1.32	1.22	0.10	1.10	0.22
Blended Crane Short-Term Bond Fund Index – Duration (Years)	0.77	0.71	0.06	0.63	0.14
Average Net Yield (%)	2.20	4.21	-2.01	4.30	-2.10
Blended Crane Short-Term Bond Fund Index – Net Yield (%)	4.91	5.13	-0.22	5.12	-0.21

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
Fitch Liquidity LGIP Index										
September 2024	16.0	16.4	0.7	18.5	23.2	5.2	2.1	1.8	3.8	12.4
June 2024	18.0	15.3	0.5	17.0	23.3	5.6	1.8	2.1	2.5	13.8
QoQ Change	-2.04	1.07	0.2	1.51	-0.17	-0.41	0.2	-0.3	1.3	-1.39
September 2023	13.4	16.9	0.6	20.1	19.4	7.5	1.7	2.3	2.8	15.6
YoY Change	2.6	-0.5	0.1	-1.6	3.8	-2.2	0.3	-0.5	1.0	-3.1
Fitch Short-Term LGIP Index										
September 2024	33.3	31.6	2.8	N/A	5.4	3.4	10.2	1.2	2.6	9.6
June 2024	32.9	30.3	2.3	N/A	8.4	4.1	9.7	1.1	1.1	9.9
QoQ Change	0.4	1.3	0.5		-3.0	-0.8	0.5	0.0	1.5	-0.3
September 2023	37.2	28.0	1.9	N/A	5.9	3.7	11.2	1.2	1.9	8.9
YoY Change	-3.9	3.5	0.9		-0.6	-0.3	-1.0	-0.1	0.6	0.7

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

	September 2024	June 2024	QoQ Change	September 2023	YoY Change
Liquidity LGIPs (40 LGIPs)					
Total Assets (\$ Bil.)					
Prime (31 LGIPs)	300.2	306.9	-6.71	269.6	30.6
Government (7 LGIPs)	96.9	100.2	-3.29	88.1	8.8
Rated (35 LGIPs)	302.8	309.1	-6.24	269.5	33.3
Unrated (3 LGIPs)	94.3	98.0	-3.75	88.1	6.1
Average WAM (Days)					
Prime (31 LGIPs)	35	38	-3	39	-4
Government (7 LGIPs)	27	30	-3	28	-1
Rated (35 LGIPs)	33	37	-4	37	-4
Unrated (3 LGIPs)	37	36	1	29	7
Average Net Yield (%)					
Prime (27 LGIPs)	5.01	5.33	-0.32	5.40	-0.40
Government (5 LGIPs)	5.01	5.27	-0.26	5.27	-0.25
Rated (30 LGIPs)	5.00	5.31	-0.31	5.37	-0.37
Unrated (2 LGIPs)	5.04	5.46	-0.43	5.49	-0.46
Short-Term LGIPs (21 LGIPs)					
Total Assets (\$ Bil.)					
Prime (19 LGIPs)	195.4	201.8	-6.38	187.0	8.4
Rated (14 LGIPs)	81.1	85.5	-4.37	76.1	5.0
Unrated (7 LGIPs)	130.3	133.8	-3.49	127.6	2.7
Average Duration (Years)					
Prime (14 LGIPs)	1.34	1.23	0.11	1.13	0.21
Rated (10 LGIPs)	1.31	1.20	0.12	1.06	0.26
Unrated (5 LGIPs)	1.33	1.26	0.07	1.20	0.14
Average Net Yield (%)					
Prime (10 LGIPs)	4.39	4.53	-0.14	4.28	0.11
Rated (9 LGIPs)	4.56	4.78	-0.22	4.53	0.03
Unrated (3 LGIPs)	3.96	3.98	-0.03	3.47	0.49

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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