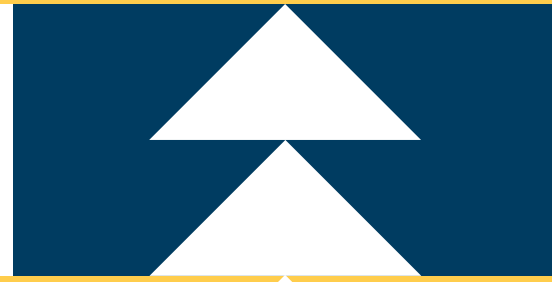




OREGON
STATE
TREASURY



Inside the Vault

Local Government Edition

LGIP: Words to Know

Here are some key terms to know when working with the Local Government Investment Pool:

Connect is PFMAM's proprietary online client portal to view accounts and perform transactions.

Contacts are people who need access (by phone, in writing, and/or through Connect) to pool accounts or pool statements. Contacts may include both staff within your organization and people outside of your organization (such as staff at other local governments who manage funds on behalf of your organization, debt service paying agents, or certain state agencies). Contacts must be registered using the LGIP Contact Registration form and be granted permissions using the LGIP Permissions form. Until permissions are granted, a Contact has *no* access or abilities.

Purchases or deposits are all credits to a pool account, including those initiated by an account's owner and its authorized agents, those initiated by another pool participant and its authorized agents, those initiated by approved third-party entities (*e.g.*, state agencies), and those initiated by Treasury and its authorized agents (*e.g.*, dividends).

(Continued on page 2)



Upcoming Holidays

The pool will be closed on Monday, December 25, for Christmas and Monday, January 1, for New Year's. Connect will be available, but the system will not allow transactions to settle on the holidays.

Interest Rates

Average Annualized Yield	
November	5.00%

Interest Rates	
November 1–30	5.00%

(Continued from page 1)

Redemptions or withdrawals are all debits from a pool account, including those initiated by an account's owner and its authorized agents, and those initiated by Treasury and its authorized agents (*e.g.*, fees).

Transfers are transfers between pool accounts owned by the *same* participant.

Participant to Participant Transfers (P2P) are transfers between pool accounts owned by *different* participants.

Debt Payments are redemptions or withdrawals *from* a pool account to a debt service paying agent via ACH and/or wire.

State Payments are redemptions or withdrawals *from* a pool account to a state agency via ACH.

Dividends represent interest paid on a pool account.

Strong Passwords

Establishing strong passwords is an important safeguard for your data, especially when many data breaches result from weak or stolen passwords. Below are some best practices that can help increase the strength of your login credentials.



- ▲ **The longer, the better.** Longer passwords make it more difficult for hackers to guess login credentials. Make your passwords between eight and 64 characters but not so long that you cannot remember them.
- ▲ **Do not repeat.** Establish a unique password for each of your accounts. If your login credentials ever become compromised, having a unique password for the affected account can help to limit the impact.
- ▲ **Do not use personal information.** High school, street name, pet's name, birthday, etc. are all examples of commonly found information that should be avoided in passwords.
- ▲ **Keep your passwords a secret.** Do not write your passwords down. As passwords become longer and more complex, using a password manager is a secure way to manage all of your passwords (check with your IT department about acceptable tools).
- ▲ **Use a "passphrase."** A passphrase is a sequence of words or text that you can easily remember. For example, mygraydoglikesfrogs. Passphrases can be more challenging for hackers to crack.
- ▲ **Use a mix of upper and lowercase letters, numbers and special characters.** Using a good mix of characters in your passwords makes it more challenging for password-guessing software to figure out your password. Some password managers can automatically generate strong, unique passwords.
- ▲ **Always use multi-factor authentication when available.** Though it is not fool-proof, this extra step greatly decreases the chance of your information being compromised and helps to ensure only authorized individuals are accessing your online accounts.

Market Update

November reversed the steep rise in rates that October saw across the Treasuries curve. After touching 5% on October 19, the 10-year bond ended November at 4.32%. The market has shifted to a thesis of definite rate cuts by the Federal Reserve in 2024. But, economic data continues to surprise to the upside, with resulting volatility in interest rates. Spreads have tightened materially across recent new corporate issuances as well as structured products. New issue volumes have come back to life with all-in-yield materially tighter from October’s levels. Floating rate securities have recently offered higher spreads because the market believes rates will come down soon.

Oregon Short Term Fund

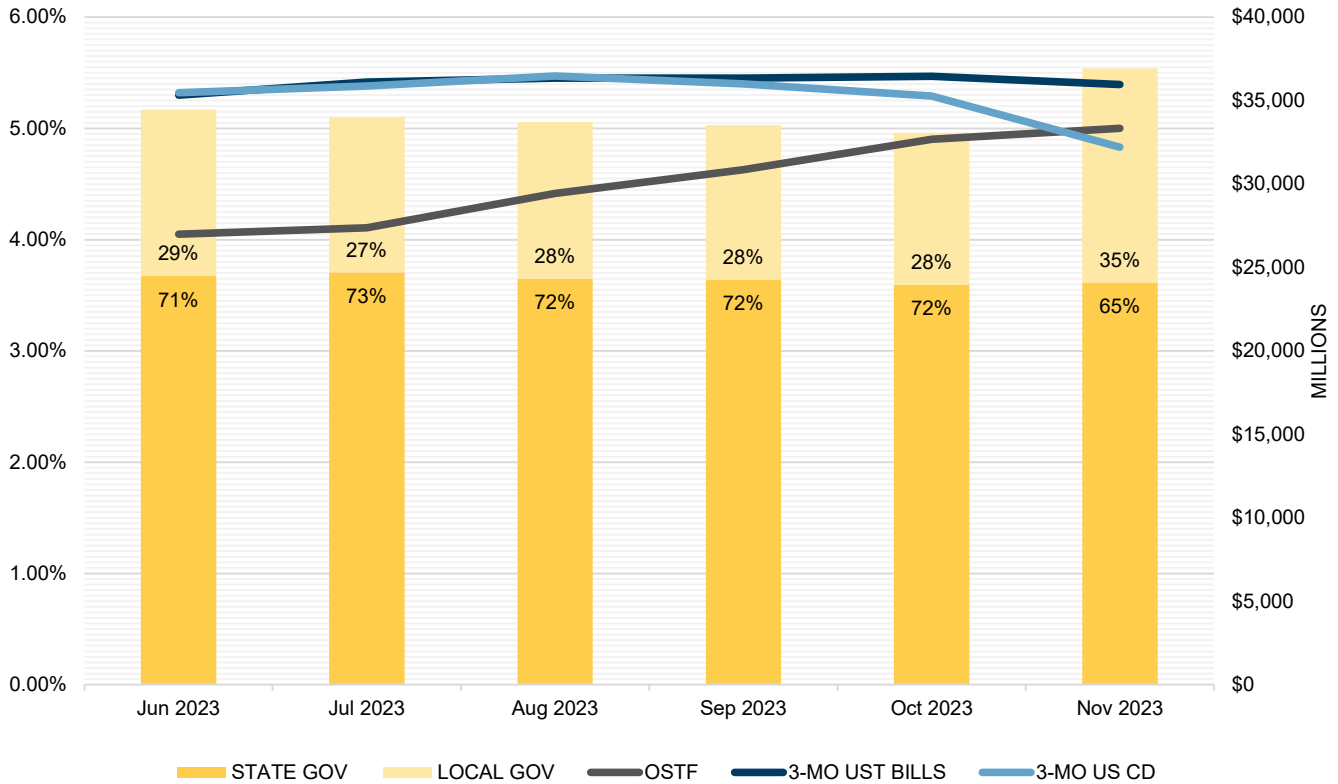
The OSTF’s paid rate remains at 5% as we continue to add securities with attractive yields across both floating and fixed rate securities. Should you have questions, contact members of the Fixed Income Team at 503.431.7900.

Impact on Markets

	10/31/2023	11/30/2023	Delta	Highlights
S&P 500	4,194	4,568	8.54%	Intraday low: 4,153 on 10/31
30-Year Treasury	5.0950	4.4950	-60.0 bps	Intraday low: 4.436 on 11/29
10-Year Treasury	4.9310	4.3260	-60.5 bps	Intraday low: 4.251 on 11/29
2-Year Treasury	5.0870	4.6800	-40.7 bps	Intraday low: 4.606 on 11/29
3-Month Bills	5.4620	5.3880	-7.4 bps	Intraday low: 5.366 on 11/14



Oregon Short Term Fund Analysis



	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023
TOTAL OSTF AVG DOLLARS INVESTED (MM)	34,465	34,006	33,709	33,531	33,073	36,918
STATE GOV PORTION (MM)	24,492	24,701	24,322	24,270	23,964	24,110
LOCAL GOV PORTION (MM)	9,973	9,305	9,387	9,261	9,109	12,808
OSTF ANNUAL YIELD (ACT/ACT)	4.05	4.11	4.42	4.63	4.90	5.00
3-MO UST BILLS (BOND EQ YLD)	5.298	5.416	5.451	5.451	5.469	5.394
3-MO US CD (ACT/360)*	5.32	5.38	5.47	5.40	5.29	4.83

NOTE: The OSTF ANNUAL YIELD represents the average annualized yield paid to participants during the month. Since interest accrues to accounts on a daily basis and the rate paid changes during the month, this average rate is not the exact rate earned by each account.

3-MO UST BILLS yield is the yield for the Treasury Bill Issue maturing closest to 3 months from month end. 3-MO US CD rates are obtained from Bloomberg and represent a composite of broker dealer quotes on highly rated (A1+/P1/F1+ from Standard & Poor's Ratings Services, Moody's Investors Service and Fitch Ratings respectively) bank certificates of deposit and are quoted on a CD equivalent yield basis.

Market Data Table

	11/30/2023	1 Month	3 Months	12 Months		11/30/2023	1 Month	3 Months	12 Months
7-Day Agency Discount Note**	5.26	5.27	5.20	3.56	Bloomberg Barclays 1-3 Year Corporate YTW*	5.45	5.99	5.58	5.02
30-Day Agy Nt Disc**	5.28	5.30	5.23	3.91	Bloomberg Barclays 1-3 Year Corporate OAS*	0.75	0.96	0.75	0.72
90-Day Agy Nt Disc**	5.25	5.32	5.30	4.30	Bloomberg Barclays 1-3 Year Corporate Modified Duration*	1.81	1.82	1.82	1.88
180-Day Agy Nt Disc**	5.23	5.30	5.30	4.49	7-Day Muni VRDN Yield**	3.30	4.09	4.06	1.85
360-Day Agy Nt Disc**	866.22	5.16	5.12	4.87	O/N GGC Repo Yield**	5.44	5.39	5.38	3.82
30-Day Treasury Bill**	5.28	5.28	5.25	3.71	Secured Overnight Funding Rate (SOFR)**	5.33	5.35	5.31	3.82
60-Day Treasury Bill**	5.29	5.33	5.30	3.94	US 10 Year Inflation Break-Even**	2.25	2.42	2.24	2.37
90-Day Treasury Bill**	5.30	5.36	5.33	4.14	1-Day CP (A1/P1)**	5.26	5.29	5.28	3.77
6-Month Treasury Yield**	5.40	5.57	5.51	4.68	7-Day CP (A1/P1)**	5.27	5.27	5.29	3.79
1-Year Treasury Yield**	5.13	5.46	5.39	4.71	30-Day CP (A1/P1)**	5.38	5.35	5.33	4.02
2-Year Treasury Yield**	4.68	5.09	4.87	4.31	1-Month SOFR**	5.34	5.32	5.33	4.13
3-Year Treasury Yield**	4.44	4.93	4.56	4.05	3-Month SOFR**	5.37	5.38	5.40	4.41
					6-Month SOFR**	5.33	5.44	5.45	4.70
					12-Month SOFR**	5.11	5.37	5.37	4.90
					Sources: *Bloomberg Index Services, **Bloomberg				
					1-Year CD (A1/P1)**	5.80	5.07	5.80	5.38
					30-Day CD (A1/P1)**	5.51	5.38	5.32	4.04
					90-Day CD (A1/P1)**	5.72	5.52	5.59	4.62
					6-Month CD (A1/P1)**	5.71	5.93	5.79	5.10

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Local-Gov-News Mailing List

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Local Government Investment Pool

oregon.gov/lqip

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- ▲ Transactions
- ▲ Reporting
- ▲ Account/User Maintenance
- ▲ Eligibility

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- ▲ Statutory Requirements
- ▲ Service Provider Issues
- ▲ General Program Inquiries

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