



# Southern Illinois University

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Quarterly Investment Report  
March 31, 2024

# Market Update

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## SUMMARY

- The first quarter of 2024 was characterized by continued economic resilience led by strong consumer spending, inflation that continues to slowly grind lower, and a robust labor market.
- The Federal Reserve (Fed) kept the overnight rate at its current target range of 5.25% to 5.50% at its March 20 meeting, as expected, marking the fifth consecutive pause following the last rate hike in July 2023. The Fed's updated "dot plot" implies three 0.25% rate cuts through 2024 while the number of cuts implied for 2025 was reduced from three to two. Markets entered the year pricing in over six cuts in 2024 but since have now converged to Fed projections. The Fed chair has said they need more confidence that inflation is moving toward its 2% target before the first rate cut. Yields moved higher in the first quarter with the return of the Fed's "higher-for-longer" stance.
- A strong economic backdrop and increasing likelihood for a soft-landing led equity markets to reach new record highs. The S&P 500 Index jumped 10.6% in the first quarter, while yields on U.S. Treasury maturities from one to 30 years were higher by 25 to 40 basis points (bps).

## ECONOMIC SNAPSHOT

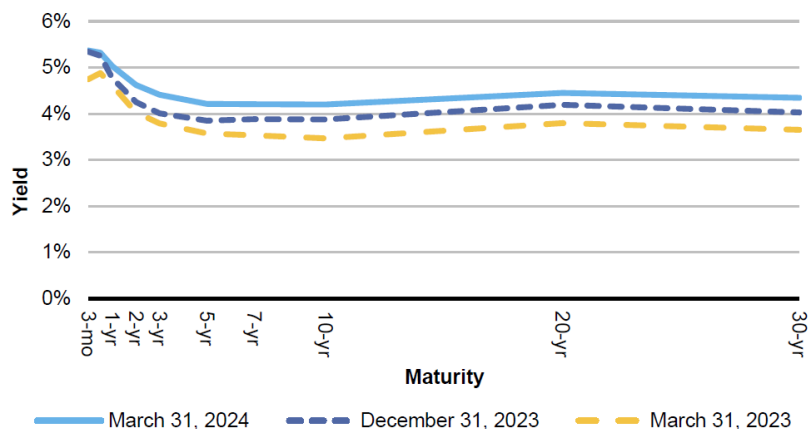
- Although January and February inflation readings came in above expectations, CPI actually trended lower in the first quarter and continued to decline from its mid-2022 peak. Headline and core CPI (which excludes food and energy) registered year-over-year increases of 3.2% and 3.8%, respectively, through February.
- U.S. real gross domestic product (GDP) growth in the fourth quarter came in at an impressive 3.4%, capping a strong year in which GDP grew 3.1%. The economy continues to be bolstered by strong consumer spending, supported by the strength of the labor market. This trend is expected to continue before moderating through the balance of the year.
- The U.S. labor market showed little signs of softening, adding over 800,000 jobs in the first quarter after 637,000 were added in the fourth quarter. In the latest reading, 303,000 jobs were created in March, which is the highest level since May of 2023. The unemployment rate also ticked down to 3.8% and has been below 4% for over two years. Strong wage increases reflect a competitive labor market and further support consumer spending.

# Market Update

## INTEREST RATES

- The market spent the majority of the first quarter adjusting its expectations as strong economic data and Fed commentary pushed back on the notion that a rate cut was imminent. As a result, fed funds futures recalibrated expectations throughout the quarter and are now priced for the first rate cut to occur in July, a four-month delay from expectations at the beginning of the year.
- Reflecting the market adjustment to delayed rate cuts expectations, U.S. Treasury yields increased notably over the quarter. The yield on the 2-, 5-, and 10-year U.S. Treasuries rose 37 bps, 37 bps, and 32 bps, respectively.
- As a result of higher absolute yields, U.S. Treasury indices with longer durations generated negative returns, with the breakeven point around the two-year maturity. For example, the ICE BofA 3-, 5-, and 10-year U.S. Treasury indices returned -0.21%, -0.76%, and -1.61%, respectively. On the flipside, shorter-duration indices posted positive total returns, as higher income was able to more than offset negative price impacts. The ICE BofA 3-month, 1-, and 2-year U.S. Treasury indices returned +1.29%, +0.83%, and +0.21% respectively.

U.S. Treasury Yield Curve



Source: Bloomberg, as of 3/31/2024.

## SECTOR PERFORMANCE

- Yield spreads across most investment-grade (IG) sectors continued to tighten throughout the first quarter, resulting in positive excess returns on corporates and most other non-government fixed income sectors. Diversification across these “spread sectors” helped bolster relative performance given the absolute back-up in yields to start the year.
- Federal agency, municipal, and supranational spreads remained low and range bound throughout the first quarter. These sectors eked out positive excess returns, mostly from their modest incremental income. Callable agencies outperformed bullet agencies as bond market volatility waned from recent multi-year highs.
- IG corporates produced strong excess returns on robust market demand and continued yield spread tightening. IG corporates finished the quarter at their lowest spread in over two years. As a result of historically tight spreads, value in the sector is now more opportunistic.
- Mortgage-backed security (MBS) performance was mixed for the first quarter, with yield spreads widening in longer maturity structures. Volatility was relatively muted compared to the fourth quarter and helped returns in the first quarter, but the overall sector underperformed. On the other hand, agency commercial mortgage-backed security spreads tightened relative to pass-throughs, resulting in strong relative performance.

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# Summary of Operating Investments

## Summary of Operating Investments

### Market Value (\$ in millions)\*

	<b>3/31/2024</b>
Illinois Funds	\$ 128.6
US Bank Investment Sweep	28.2
IntraFi Network Deposits	5.4
Subtotal Cash & Cash Equivalents	<u>\$ 162.1</u>
Short Term Portfolio	21.5
Intermediate Term Portfolio	159.0
LMC Intermediate Term Portfolio	25.8
Total Portfolio	<u><u>\$ 368.4</u></u>

### Book Value (\$ in millions)

\$ 378.0

### Current Yields (Annualized)

Illinois Funds	5.41%
US Bank Investment Sweep	4.93%
IntraFi Network Deposits	5.43%
Benchmark: S&P Rated Government Investment Pool Index	5.26%

### Asset Allocation (\$ in millions)\*

<u>Sector</u>	<u>3/31/2024</u>	
Money Market Mutual Funds	\$ 132.9	36.1%
U.S. Treasury Bonds/Notes	64.2	17.4%
Federal Agency Bonds/Notes	14.6	4.0%
Federal Agency Mortgage Backed Securities	31.4	8.5%
Federal Agency Commercial Mortgage Backed Securities	34.5	9.4%
Federal Agency Collateralized Mortgage Obligations	6.5	1.8%
Supra-National Agency Bonds/Notes	15.1	4.1%
Corporate Notes	13.3	3.6%
Commercial Paper	21.4	5.8%
US Bank Investment Sweep	28.2	7.6%
IntraFi Network Deposits	5.4	1.5%
<b>Subtotal</b>	<b>367.6</b>	<b>99.8%</b>
Accrued Interest	0.9	0.2%
<b>Total</b>	<b>\$ 368.4</b>	<b>100.0%</b>

### Performance Summary (Total Return)\*\*

	<b>Current Quarter</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>	<b>Since Inception</b>
<b>Short Term Portfolio</b>	1.36%	5.93%	2.86%	2.32%	-	2.10%
Benchmark: BofA Merrill Lynch 3-Month Treasury Bill Index	1.29%	5.24%	2.58%	2.02%	-	1.80%
<b>Intermediate Term Portfolio</b>	-0.13%	2.59%	-1.13%	0.96%	-	1.35%
Benchmark: Barclays Intermediate U.S. Govt. Securities	-0.35%	1.65%	-1.37%	0.64%	-	1.11%
<b>LMC Intermediate Term Portfolio</b>	-0.06%	-	-	-	-	-
Benchmark: Barclays Intermediate U.S. Govt. Securities	-0.35%	-	-	-	-	-

\*Detail may not add to total due to rounding

\*\*Returns are gross of fees. Current Quarter total return is presented on a periodic basis. Trailing returns are presented, on an annualized basis.

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# SIU - Intermediate Term Portfolio

## Investment Approach

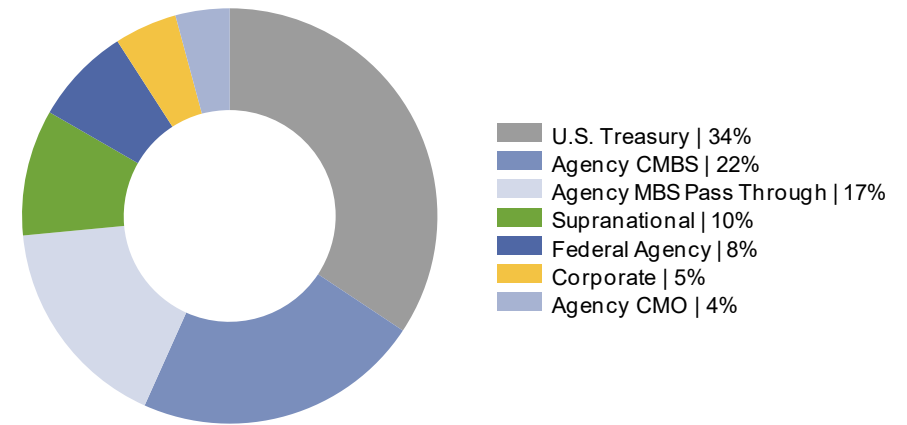
- The University's Intermediate Term portfolio is actively managed by PFM Asset Management, LLC. PFM seeks to add value by strategically buying or selling high-quality, fixed-income securities. Funds in the core portfolio are typically not needed over an intermediate- or long- term horizon and are therefore invested in fixed-income securities with maturity dates up to 10 years. This actively managed portfolio generally consists of all securities types available to the University in accordance with the permitted investments as described in the Illinois Public Funds Investment Act and the University's Investment Policy and Guidelines.

## Portfolio Snapshot - SIU- INTERMEDIATE TERM<sup>1</sup>

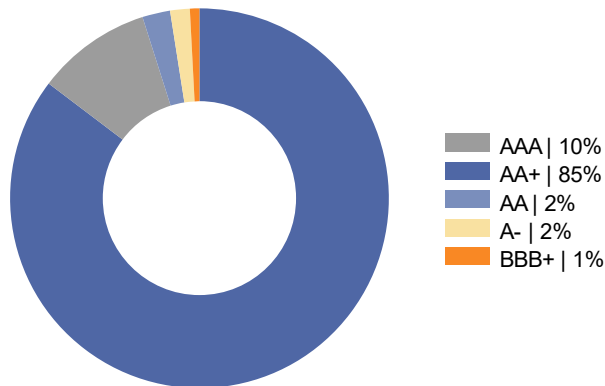
### Portfolio Statistics

<b>Total Market Value</b>	\$158,987,059.22
<i>Securities Sub-Total</i>	\$154,308,690.71
<i>Accrued Interest</i>	\$700,811.30
<i>Cash</i>	\$3,977,557.21
<b>Portfolio Effective Duration</b>	3.55 years
<b>Benchmark Effective Duration</b>	3.65 years
<b>Yield At Cost</b>	2.87%
<b>Yield At Market</b>	4.49%
<b>Portfolio Credit Quality</b>	AA

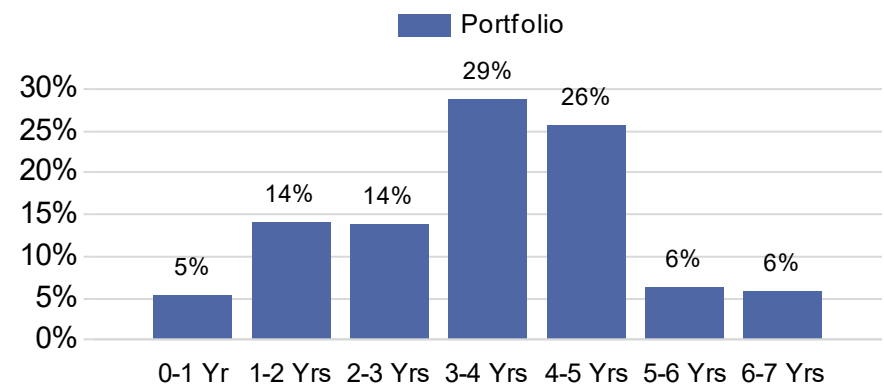
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is Bloomberg Barclays Intermediate U.S. Government Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>U.S. Treasury</b>	<b>34.4%</b>	
UNITED STATES TREASURY	34.4%	AA / Aaa / AA
<b>Federal Agency</b>	<b>7.6%</b>	
FANNIE MAE	4.1%	AA / Aaa / AA
FREDDIE MAC	2.5%	AA / Aaa / AA
TENNESSEE VALLEY AUTHORITY	1.0%	AA / Aaa / AA
<b>Agency CMBS</b>	<b>22.3%</b>	
FREDDIE MAC	22.3%	AA / Aaa / AA
<b>Agency CMO</b>	<b>4.2%</b>	
FANNIE MAE	0.7%	AA / Aaa / AA
FREDDIE MAC	2.2%	AA / Aaa / AA
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	1.3%	AA / Aaa / AA
<b>Agency MBS Pass Through</b>	<b>16.8%</b>	
FANNIE MAE	11.0%	AA / Aaa / AA
FREDDIE MAC	5.7%	AA / Aaa / AA
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	0.1%	AA / Aaa / AA
<b>Supranational</b>	<b>9.8%</b>	
AFRICAN DEVELOPMENT BANK	1.8%	AAA / Aaa / AAA
ASIAN DEVELOPMENT BANK	0.5%	AAA / Aaa / AAA
INTER-AMERICAN DEVELOPMENT BANK	3.8%	AAA / Aaa / AAA
INTERNATIONAL FINANCE CORPORATION	0.9%	AAA / Aaa / NR
INTL BANK OF RECONSTRUCTION AND DEV	2.9%	AAA / Aaa / AAA
<b>Corporate</b>	<b>4.9%</b>	
CITIGROUP INC	0.8%	BBB / A / A
HSBC HOLDINGS PLC	0.8%	A / A / A

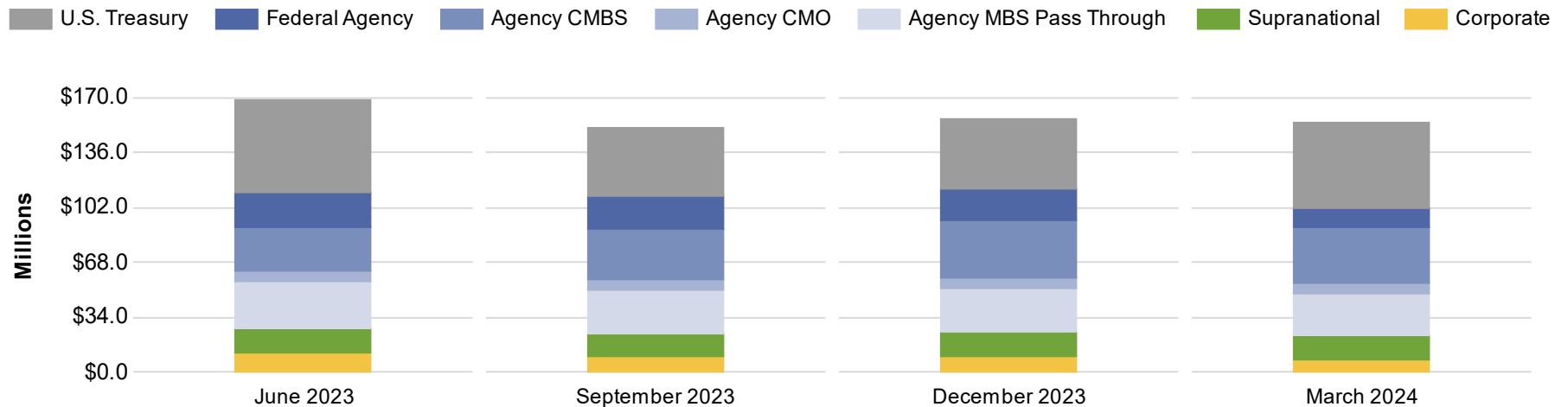
Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>Corporate</b>	<b>4.9%</b>	
MORGAN STANLEY	0.8%	A / A / A
ROCHE HOLDINGS INC	1.6%	AA / Aa / AA
USAA CAPITAL CORP	0.8%	AA / Aa / NR
<b>Total</b>	<b>100.0%</b>	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.



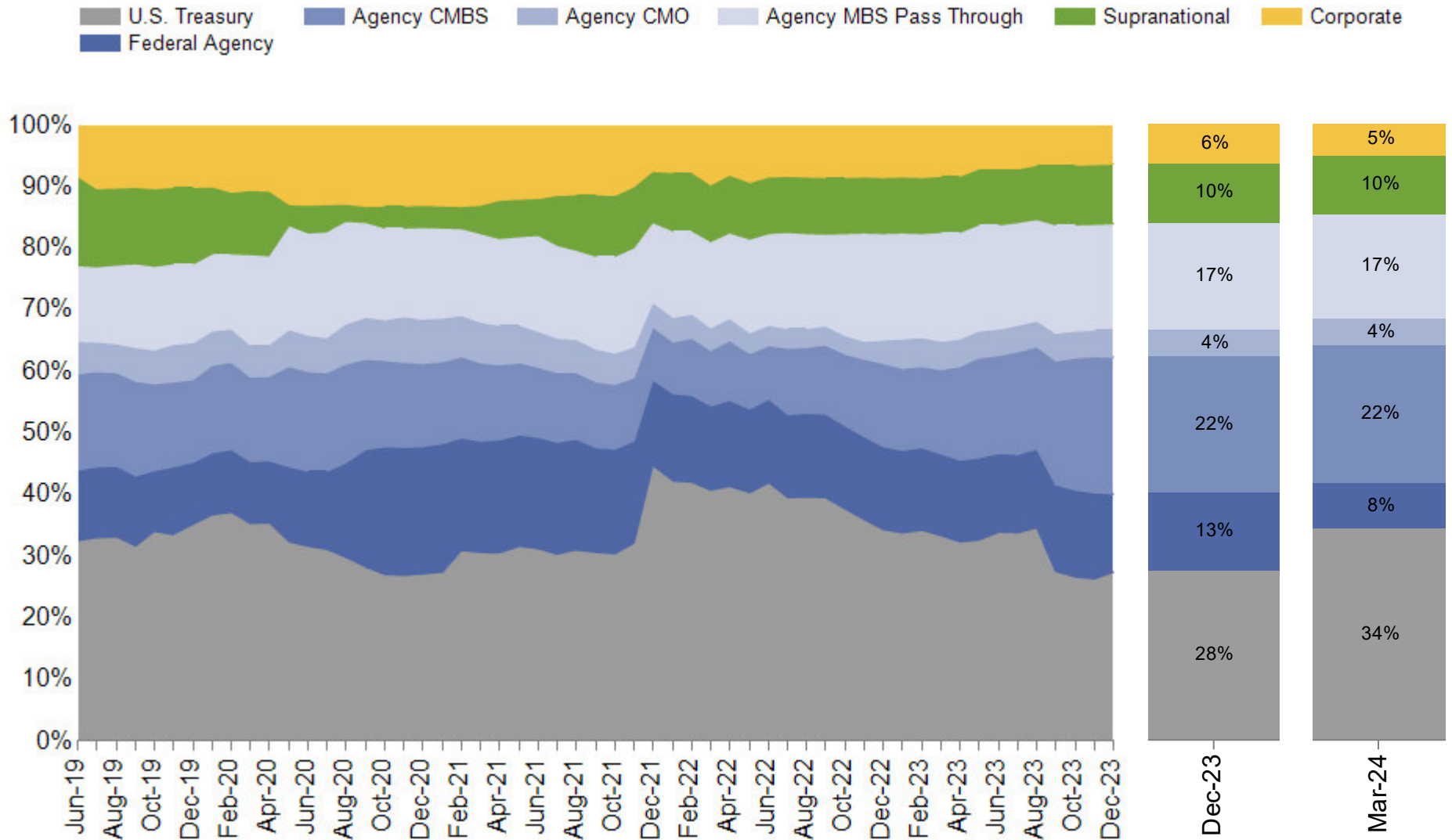
### Sector Allocation Review - SIU- INTERMEDIATE TERM

Security Type	Jun-23	% of Total	Sep-23	% of Total	Dec-23	% of Total	Mar-24	% of Total
U.S. Treasury	\$57.5	34.0%	\$42.1	27.6%	\$43.2	27.5%	\$52.9	34.3%
Federal Agency	\$21.6	12.8%	\$21.4	14.1%	\$20.0	12.7%	\$11.8	7.6%
Agency CMBS	\$27.0	15.9%	\$30.5	20.1%	\$34.8	22.2%	\$34.5	22.4%
Agency CMO	\$7.4	4.3%	\$6.8	4.5%	\$6.8	4.4%	\$6.5	4.2%
Agency MBS Pass Through	\$28.7	16.9%	\$26.7	17.6%	\$27.2	17.3%	\$25.9	16.8%
Supranational	\$15.4	9.1%	\$14.7	9.7%	\$15.2	9.7%	\$15.1	9.8%
Corporate	\$11.8	7.0%	\$9.7	6.4%	\$9.8	6.2%	\$7.5	4.9%
<b>Total</b>	<b>\$169.3</b>	<b>100.0%</b>	<b>\$151.9</b>	<b>100.0%</b>	<b>\$157.0</b>	<b>100.0%</b>	<b>\$154.3</b>	<b>100.0%</b>



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

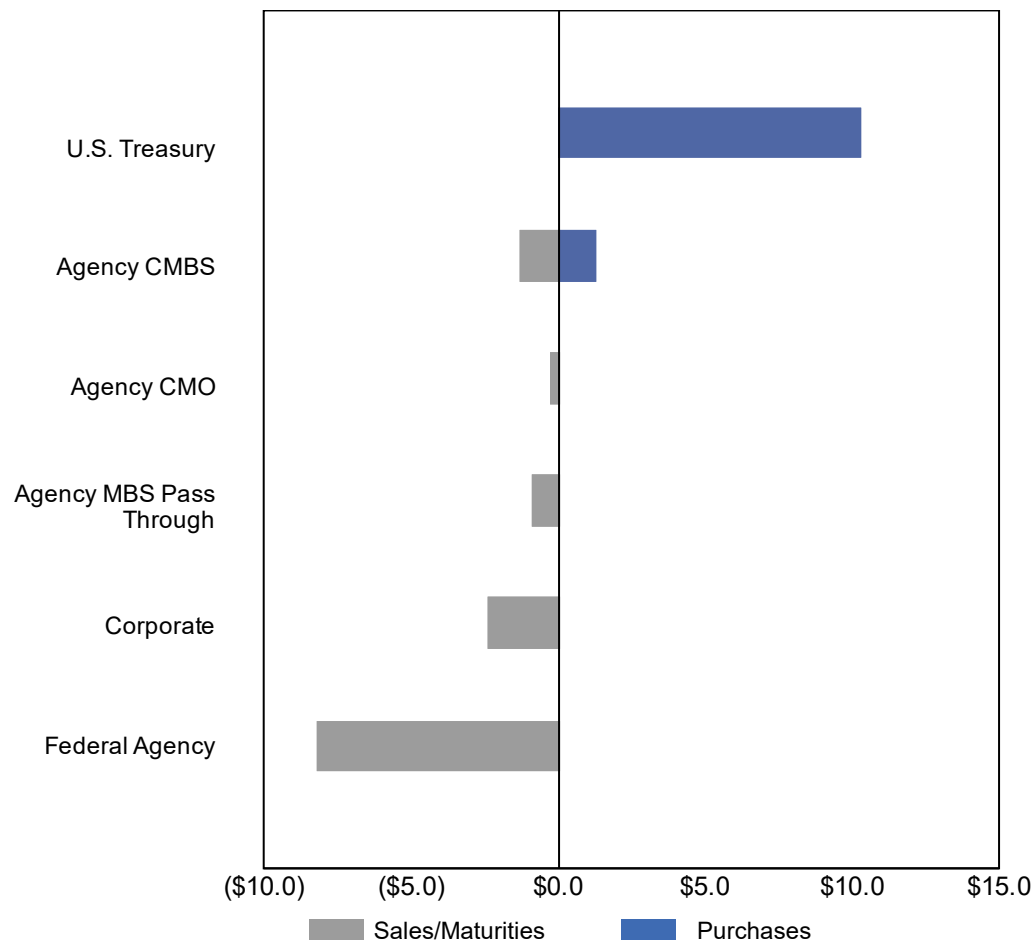
### Historical Sector Allocation - SIU- INTERMEDIATE TERM



Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFAMM.

### Portfolio Activity - SIU- INTERMEDIATE TERM

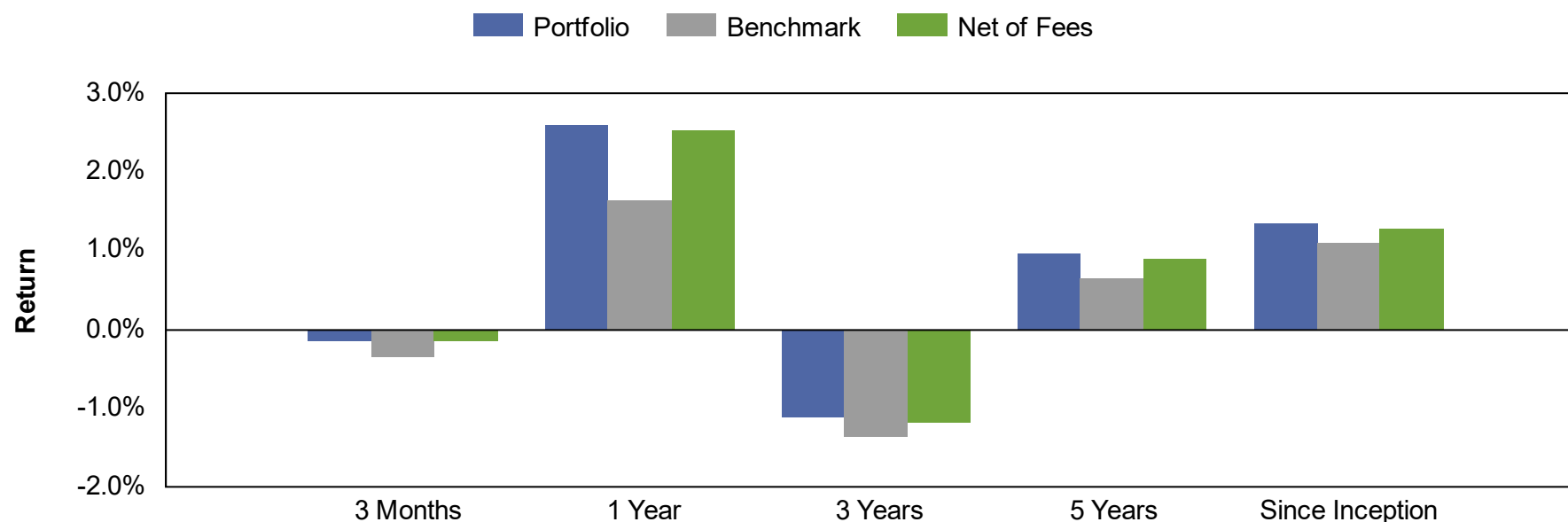
**Net Activity by Sector**  
(\$ millions)



Sector	Net Activity
U.S. Treasury	\$10,299,876
Agency CMBS	(\$29,225)
Agency CMO	(\$253,347)
Agency MBS Pass Through	(\$871,392)
Corporate	(\$2,335,241)
Federal Agency	(\$8,143,063)
<b>Total Net Activity</b>	<b>(\$1,332,391)</b>

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

## Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$1,133,843	\$4,336,620	\$11,535,806	\$19,832,823	\$30,410,580
Change in Market Value	(\$1,345,546)	(\$453,100)	(\$18,075,066)	(\$12,668,392)	(\$12,656,088)
<b>Total Dollar Return</b>	<b>(\$211,703)</b>	<b>\$3,883,520</b>	<b>(\$6,539,260)</b>	<b>\$7,164,431</b>	<b>\$17,754,492</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	-0.13%	2.59%	-1.13%	0.96%	1.35%
Benchmark <sup>4</sup>	-0.35%	1.65%	-1.37%	0.64%	1.11%
<b>Basis Point Fee</b>	<b>0.02%</b>	<b>0.07%</b>	<b>0.07%</b>	<b>0.07%</b>	<b>0.07%</b>
<b>Net of Fee Return</b>	<b>-0.15%</b>	<b>2.52%</b>	<b>-1.20%</b>	<b>0.89%</b>	<b>1.28%</b>

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is September 30, 2014.

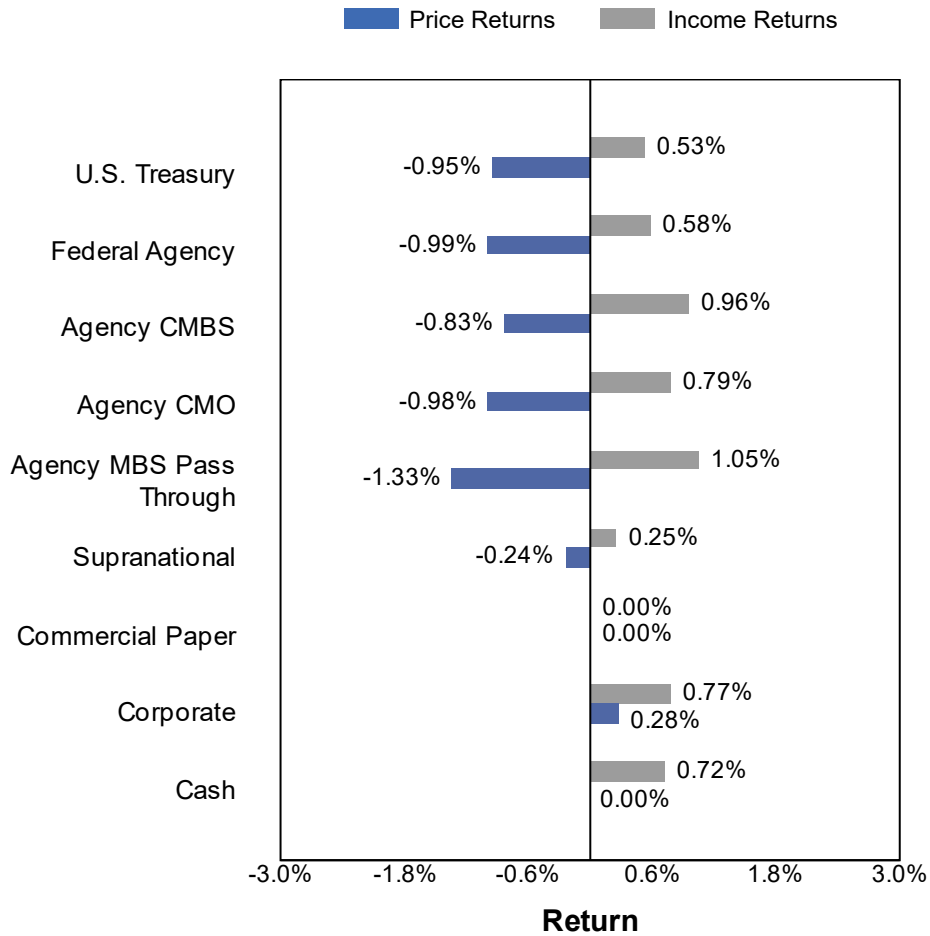
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

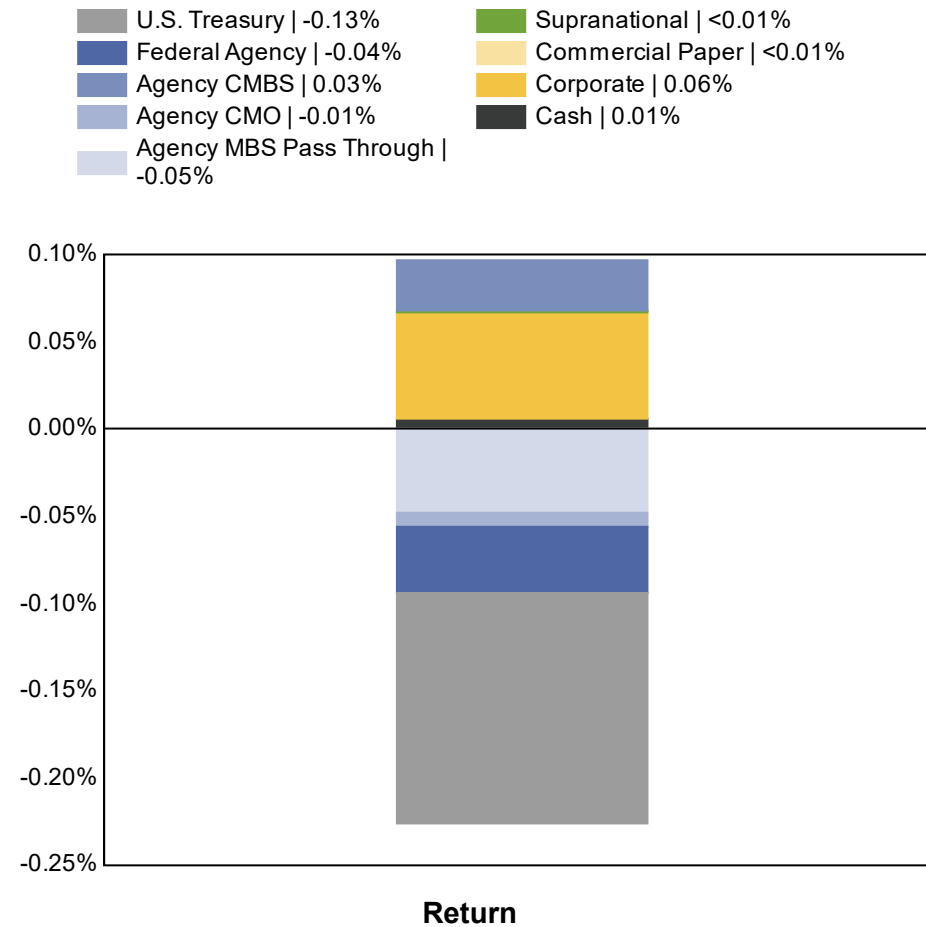
4. The portfolio's benchmark is Bloomberg Barclays Intermediate U.S. Government Index. Source: Bloomberg.

### Quarterly Sector Performance

**Total Return by Sector**

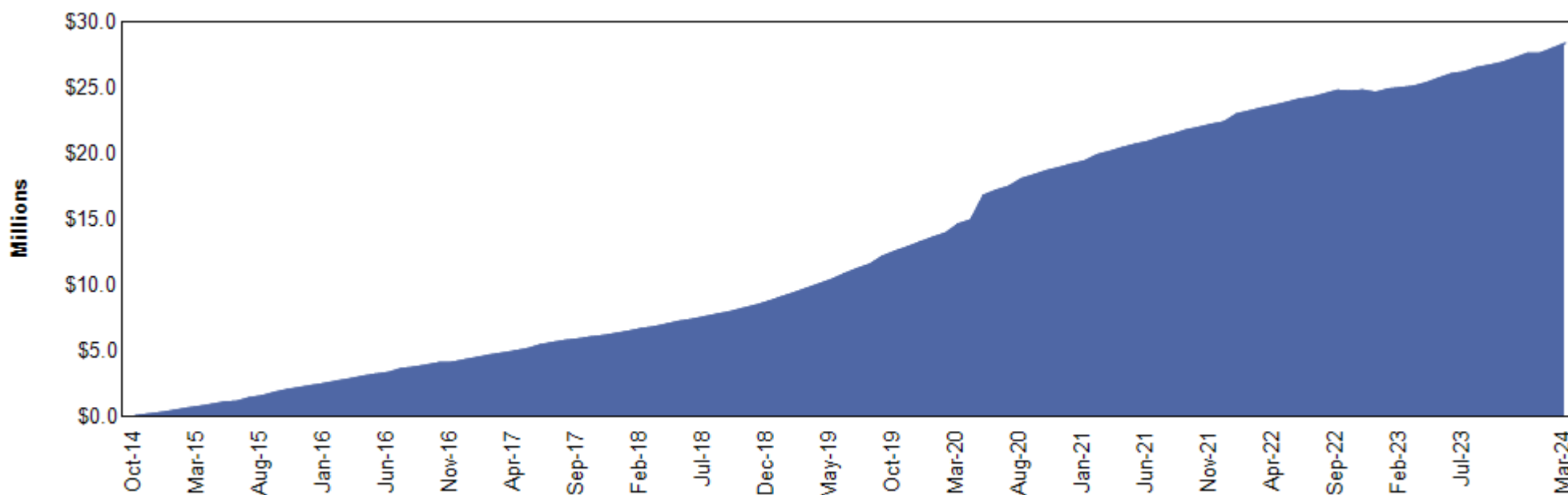


**Contribution to Total Return**



1. Performance on trade-date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
2. Income returns calculated as interest earned on investments during the period.
3. Price returns calculated as the change in market value of each security for the period.
4. Returns are presented on a periodic basis.

## Accrual Basis Earnings - SIU- INTERMEDIATE TERM



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$1,133,843	\$4,336,620	\$11,535,806	\$19,832,823	\$30,410,580
Realized Gains / (Losses) <sup>3</sup>	(\$368,148)	(\$2,522,542)	(\$3,444,491)	(\$169,001)	(\$57,822)
Change in Amortized Cost	\$10,307	\$1,460,072	\$129,879	(\$1,029,558)	(\$1,951,997)
<b>Total Earnings</b>	<b>\$776,002</b>	<b>\$3,274,151</b>	<b>\$8,221,194</b>	<b>\$18,634,264</b>	<b>\$28,400,761</b>

1. The lesser of 10 years or since inception is shown. Performance inception date is September 30, 2014.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Realized gains / (losses) are shown on an amortized cost basis.

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# SIU – LMC Intermediate Term Portfolio

## Investment Approach

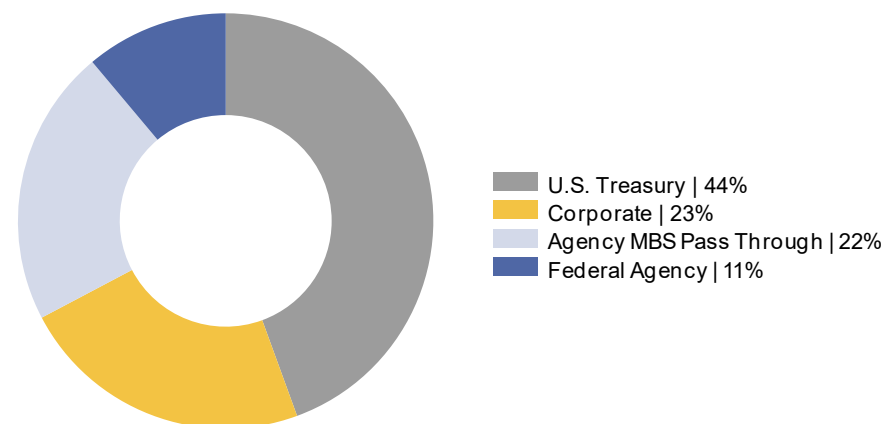
- A portion of the University's Intermediate Term portfolio is managed by LM Capital Group LLC ("LMC"). LMC seeks to add value by strategically buying or selling high-quality, fixed-income securities. Funds in the core portfolio are typically not needed over an intermediate- or long- term horizon and are therefore invested in fixed-income securities with maturity dates up to 10 years. This actively managed portfolio generally consists of all securities types available to the University in accordance with the permitted investments as described in the Illinois Public Funds Investment Act and the University's Investment Policy and Guidelines.

## Portfolio Snapshot - SIU- LMC INTERMEDIATE TERM<sup>1</sup>

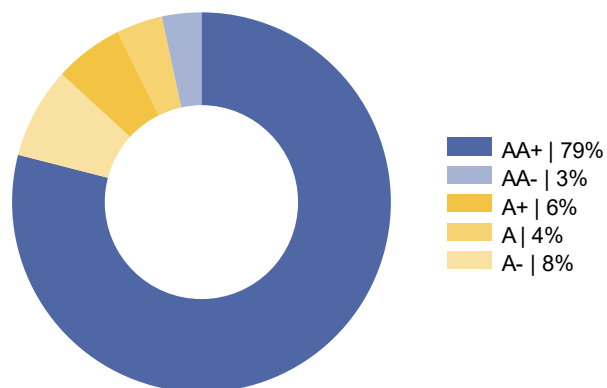
### Portfolio Statistics

<b>Total Market Value</b>	\$25,832,340.94
<i>Securities Sub-Total</i>	\$25,398,411.91
<i>Accrued Interest</i>	\$174,296.60
<i>Cash</i>	\$259,632.43
<b>Portfolio Effective Duration</b>	3.43 years
<b>Benchmark Effective Duration</b>	3.65 years
<b>Yield At Cost</b>	4.94%
<b>Yield At Market</b>	4.77%
<b>Portfolio Credit Quality</b>	AA

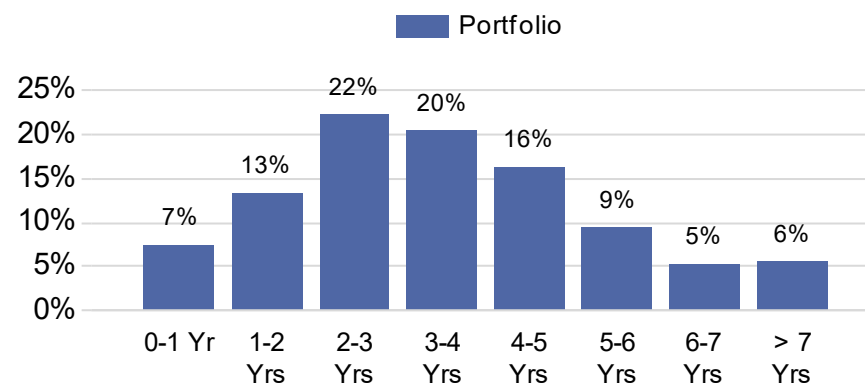
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is Bloomberg Barclays Intermediate U.S. Government Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.



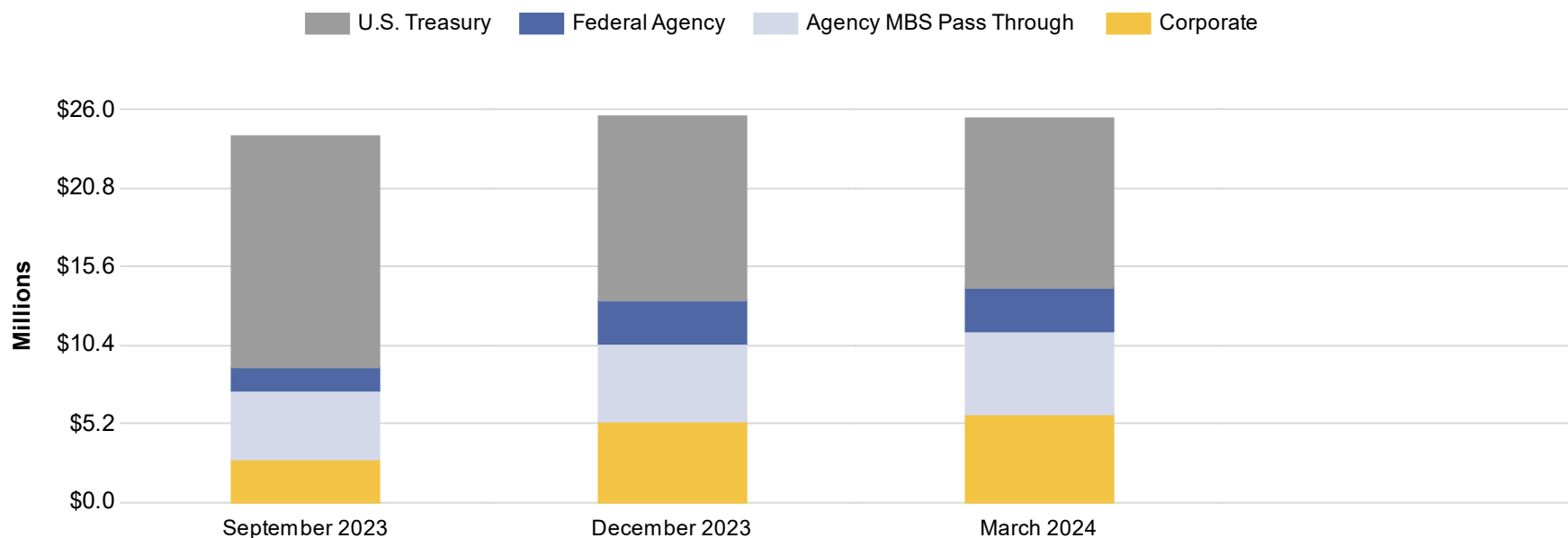
## Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>U.S. Treasury</b>	<b>44.3%</b>	
UNITED STATES TREASURY	44.3%	AA / Aaa / AA
<b>Federal Agency</b>	<b>11.1%</b>	
FANNIE MAE	3.2%	AA / Aaa / AA
FEDERAL FARM CREDIT BANKS	6.0%	AA / Aaa / AA
FEDERAL HOME LOAN BANKS	2.0%	AA / Aaa / NR
<b>Agency MBS Pass Through</b>	<b>21.6%</b>	
FANNIE MAE	8.1%	AA / Aaa / AA
FREDDIE MAC	10.8%	AA / Aaa / AA
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	2.7%	AA / Aaa / AA
<b>Corporate</b>	<b>23.0%</b>	
AMERICAN HONDA FINANCE	2.0%	A / A / NR
APPLE INC	2.0%	AA / Aaa / NR
BANK OF AMERICA CO	2.0%	A / Aa / AA
CITIGROUP INC	2.0%	A / Aa / A
COMCAST CORP	2.0%	A / A / A
JP MORGAN CHASE & CO	2.0%	A / Aa / AA
Mercedes-Benz Group AG	2.0%	A / A / A
METLIFE INC	1.4%	AA / Aa / AA
MORGAN STANLEY	1.9%	A / A / A
PFIZER INC	2.0%	A / A / A
UNION PACIFIC CORP	1.9%	A / A / A
VISA INC	1.9%	AA / Aa / NR
<b>Total</b>	<b>100.0%</b>	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

### Sector Allocation Review - SIU- LMC INTERMEDIATE TERM

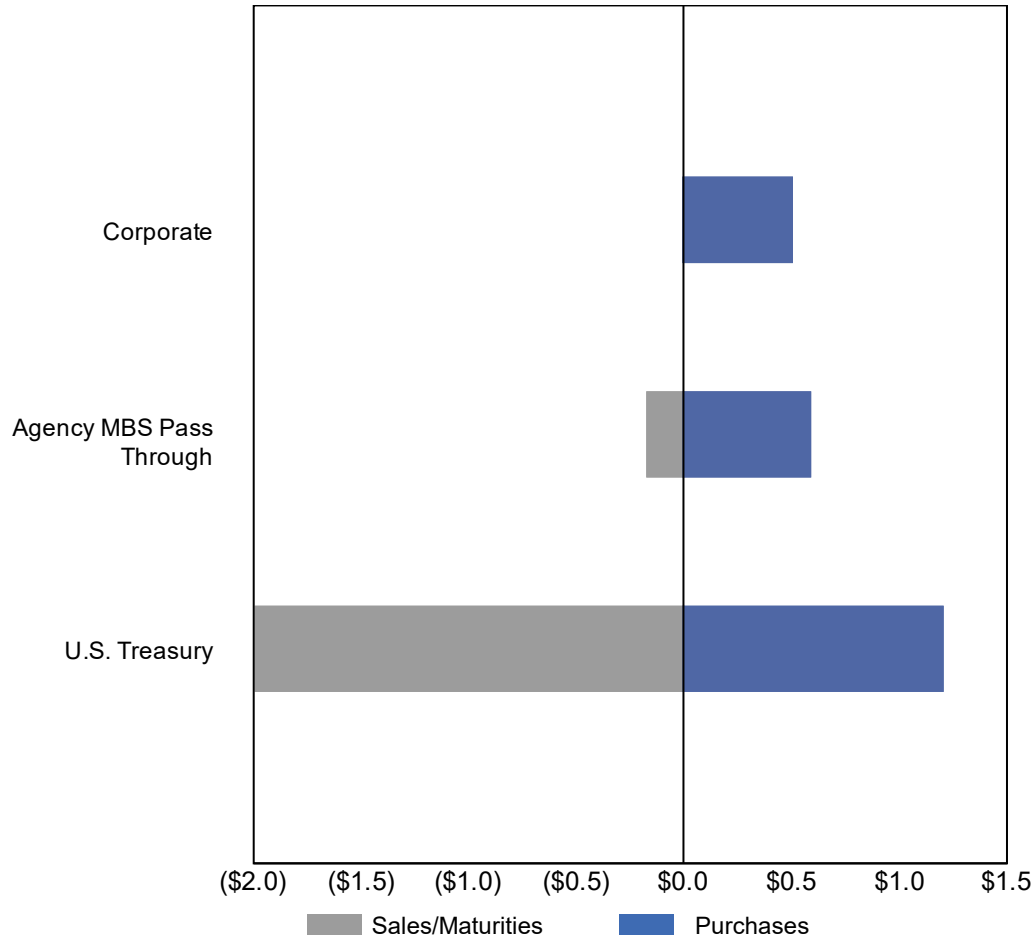
Security Type	Sep-23	% of Total	Dec-23	% of Total	Mar-24	% of Total	% of Total	
U.S. Treasury	\$15.3	63.2%	\$12.2	47.8%	\$11.3	44.4%	\$0.0	0.0%
Federal Agency	\$1.5	6.2%	\$2.8	11.1%	\$2.8	11.1%	\$0.0	0.0%
Agency MBS Pass Through	\$4.6	19.0%	\$5.1	20.1%	\$5.5	21.6%	\$0.0	0.0%
Corporate	\$2.8	11.6%	\$5.4	21.0%	\$5.8	22.9%	\$0.0	0.0%
<b>Total</b>	<b>\$24.2</b>	<b>100.0%</b>	<b>\$25.5</b>	<b>100.0%</b>	<b>\$25.4</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

## Portfolio Activity - SIU- LMC INTERMEDIATE TERM

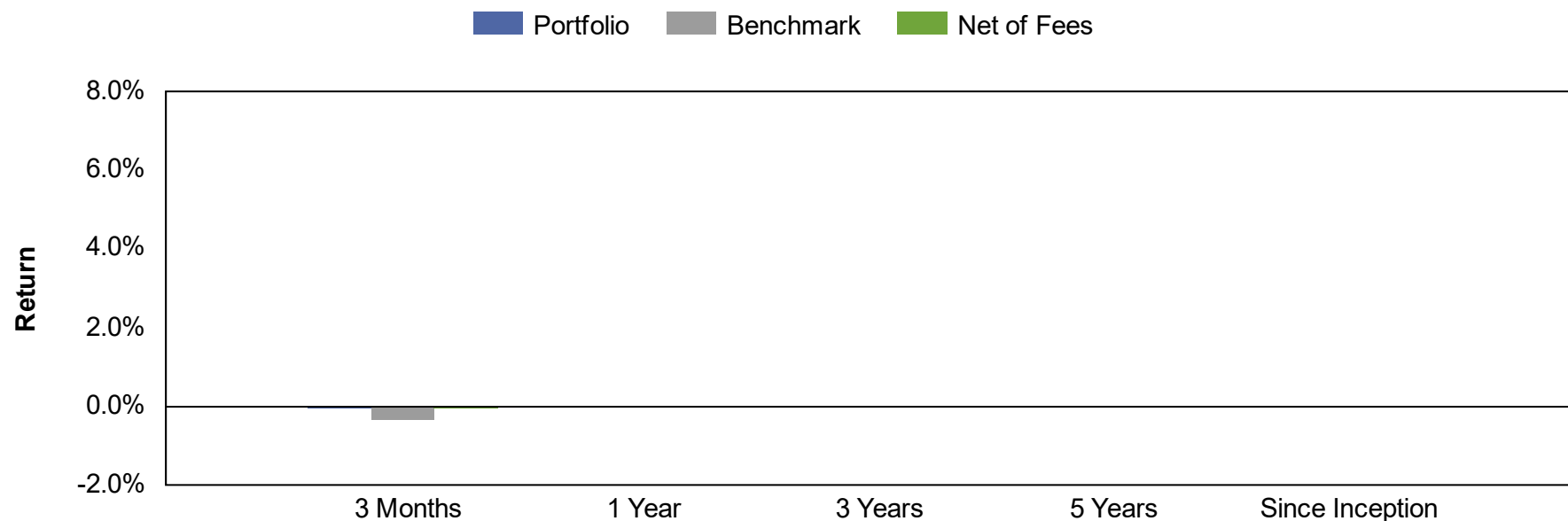
**Net Activity by Sector**  
(\$ millions)



Sector	Net Activity
Corporate	\$500,211
Agency MBS Pass Through	\$423,562
U.S. Treasury	(\$782,634)
<b>Total Net Activity</b>	<b>\$141,139</b>

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

## Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$240,315	-	-	-	-
Change in Market Value	(\$256,330)	-	-	-	-
<b>Total Dollar Return</b>	<b>(\$16,015)</b>	-	-	-	-
<b>Total Return<sup>3</sup></b>					
Portfolio	-0.06%	-	-	-	-
Benchmark <sup>4</sup>	-0.35%	-	-	-	-
<b>Basis Point Fee</b>	<b>0.02%</b>	-	-	-	-
<b>Net of Fee Return</b>	<b>-0.08%</b>	-	-	-	-

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is September 30, 2023.

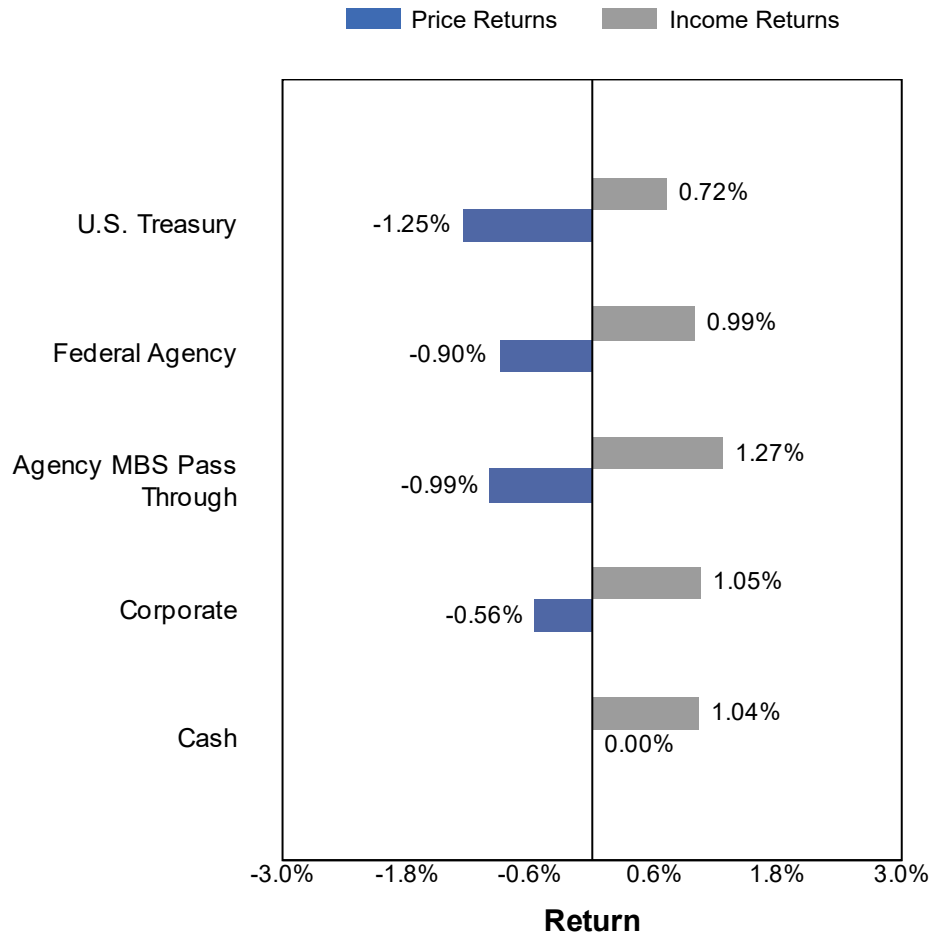
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

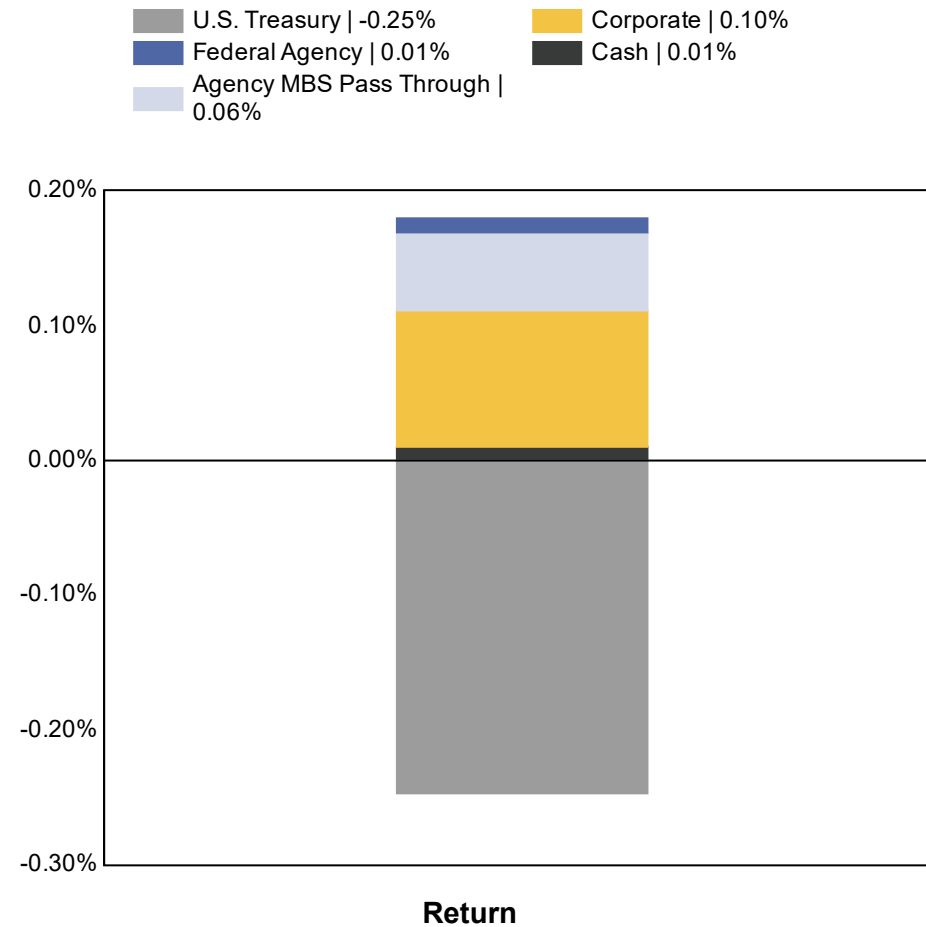
4. The portfolio's benchmark is Bloomberg Barclays Intermediate U.S. Government Index. Source: Bloomberg.

### Quarterly Sector Performance

**Total Return by Sector**



**Contribution to Total Return**



1. Performance on trade-date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
2. Income returns calculated as interest earned on investments during the period.
3. Price returns calculated as the change in market value of each security for the period.
4. Returns are presented on a periodic basis.

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# SIU - Short Term Portfolio

## Investment Approach

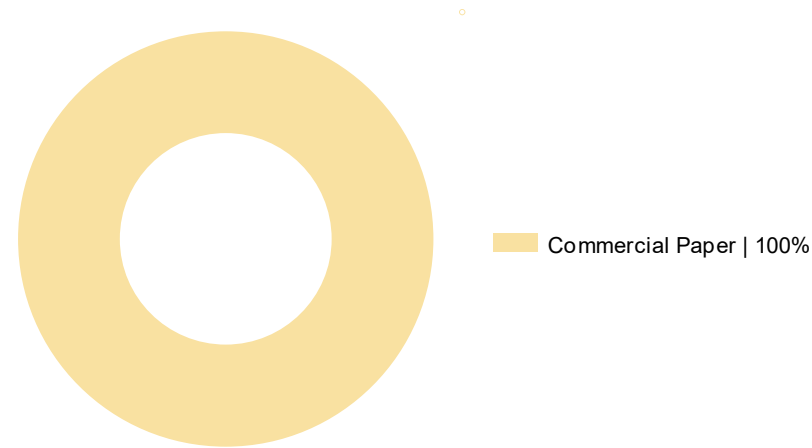
- The University's Short-Term portfolio is actively managed by PFM Asset Management, LLC. The short-term portfolio is structured to match the University's anticipated liquidity needs. The portfolio's duration typically ranges from 0 – 12 months, but is limited to a maximum maturity of 3 years. These funds are designed to be used for specific, predictable cash flows (i.e. payroll, debt service) as well as a liquidity cushion of cash available for any unforeseen expenses. Typical investments include, short-term U.S. Treasuries, short-term Federal Agencies, and commercial paper. Permitted investments are limited to those as described in the Illinois Public Funds Investment Act and the University's Investment Policy and Guidelines.

## Portfolio Snapshot - SIU- SHORT TERM FUND<sup>1</sup>

### Portfolio Statistics

<b>Total Market Value</b>	\$21,464,866.05
<i>Securities Sub-Total</i>	\$21,393,967.44
<i>Accrued Interest</i>	\$0.00
<i>Cash</i>	\$70,898.61
<b>Portfolio Effective Duration</b>	0.18 years
<b>Benchmark Effective Duration</b>	0.16 years
<b>Yield At Cost</b>	5.92%
<b>Yield At Market</b>	5.70%
<b>Portfolio Credit Quality</b>	A

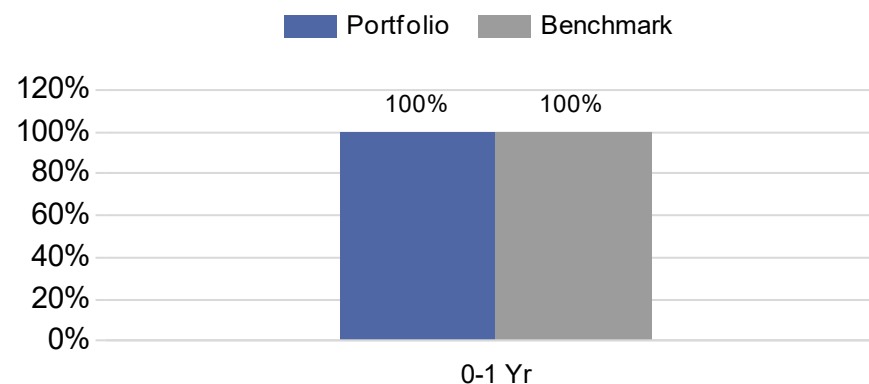
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 3 Month U.S. Treasury Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Issuer Diversification

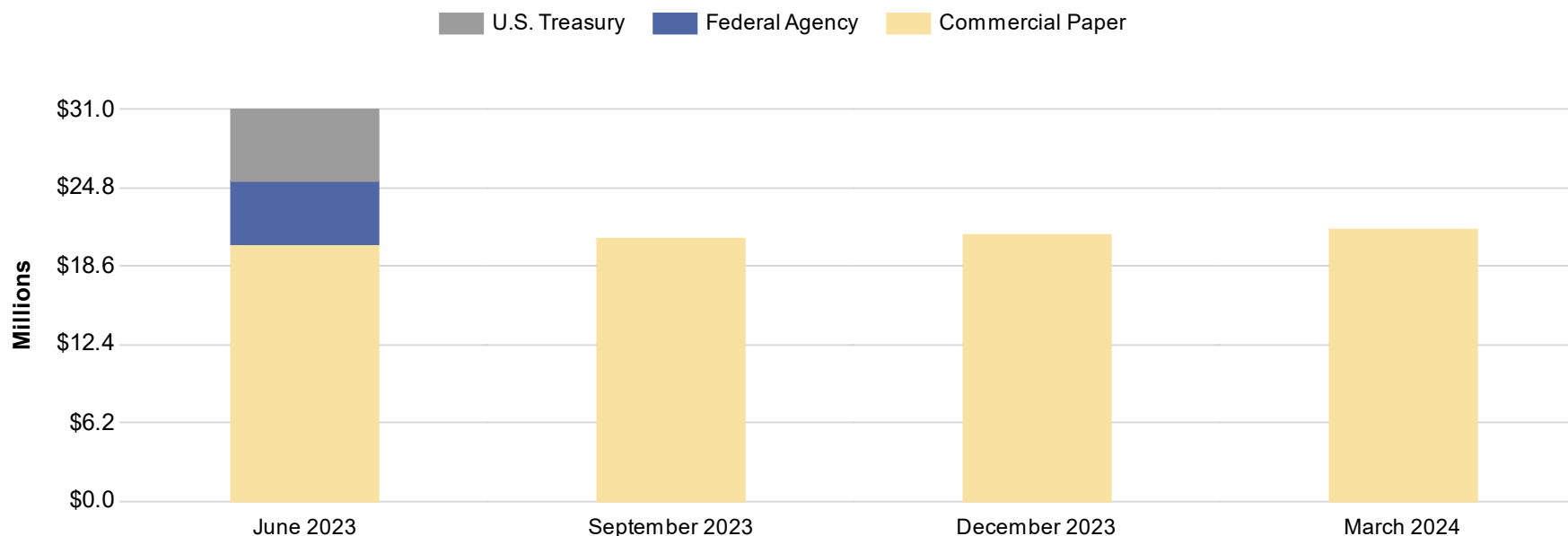
Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>Commercial Paper</b>	<b>100.0%</b>	
BARCLAYS PLC	23.3%	A / NR / A
BNP PARIBAS	25.6%	A / Aa / AA
MITSUBISHI UFJ FINANCIAL GROUP INC	25.6%	A / Aa / A
NATIXIS NY BRANCH	25.6%	A / Aa / A
<b>Total</b>	<b>100.0%</b>	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.



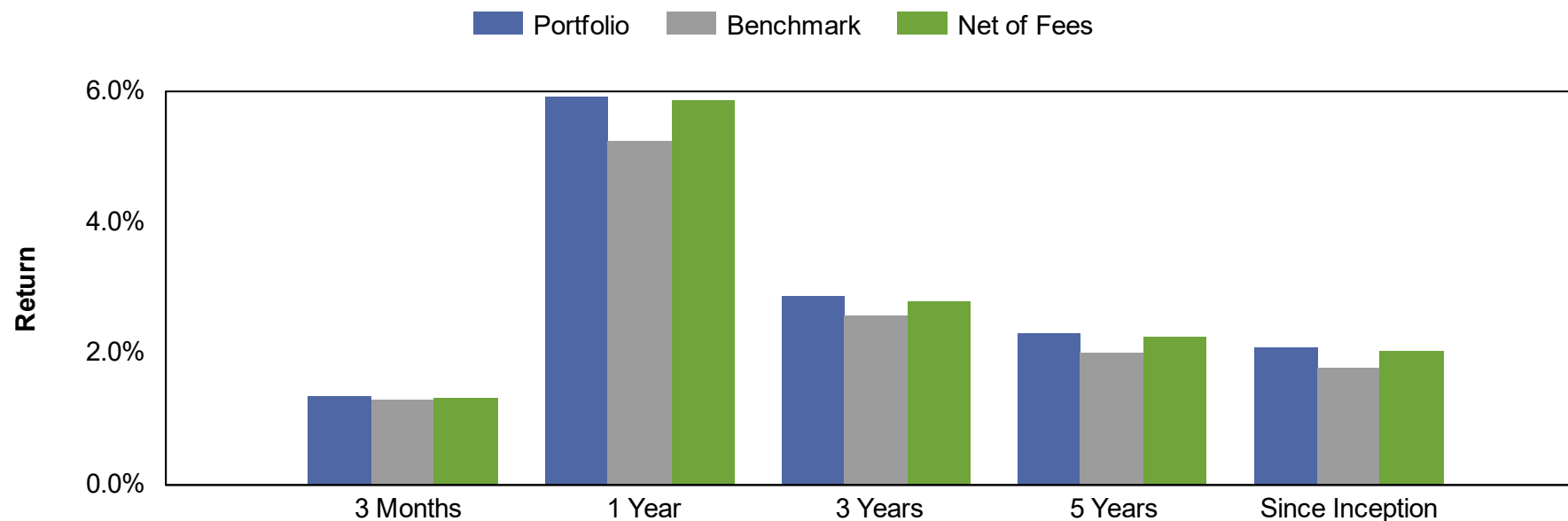
### Sector Allocation Review - SIU- SHORT TERM FUND

Security Type	Jun-23	% of Total	Sep-23	% of Total	Dec-23	% of Total	Mar-24	% of Total
U.S. Treasury	\$5.6	18.2%	\$0.0	0.0%	\$0.0	0.0%	\$0.0	0.0%
Federal Agency	\$5.0	16.0%	\$0.0	0.0%	\$0.0	0.0%	\$0.0	0.0%
Commercial Paper	\$20.4	65.8%	\$20.8	100.0%	\$21.1	100.0%	\$21.4	100.0%
<b>Total</b>	<b>\$31.0</b>	<b>100.0%</b>	<b>\$20.8</b>	<b>100.0%</b>	<b>\$21.1</b>	<b>100.0%</b>	<b>\$21.4</b>	<b>100.0%</b>



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

## Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$916	\$155,951	\$357,393	\$430,145	\$773,033
Change in Market Value	\$286,708	\$1,962,918	\$3,887,156	\$4,672,934	\$6,592,898
<b>Total Dollar Return</b>	<b>\$287,624</b>	<b>\$2,118,869</b>	<b>\$4,244,549</b>	<b>\$5,103,079</b>	<b>\$7,365,931</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	1.36%	5.93%	2.86%	2.32%	2.10%
Benchmark <sup>4</sup>	1.29%	5.24%	2.58%	2.02%	1.80%
<b>Basis Point Fee</b>	<b>0.02%</b>	<b>0.07%</b>	<b>0.07%</b>	<b>0.07%</b>	<b>0.07%</b>
<b>Net of Fee Return</b>	<b>1.34%</b>	<b>5.86%</b>	<b>2.80%</b>	<b>2.25%</b>	<b>2.03%</b>

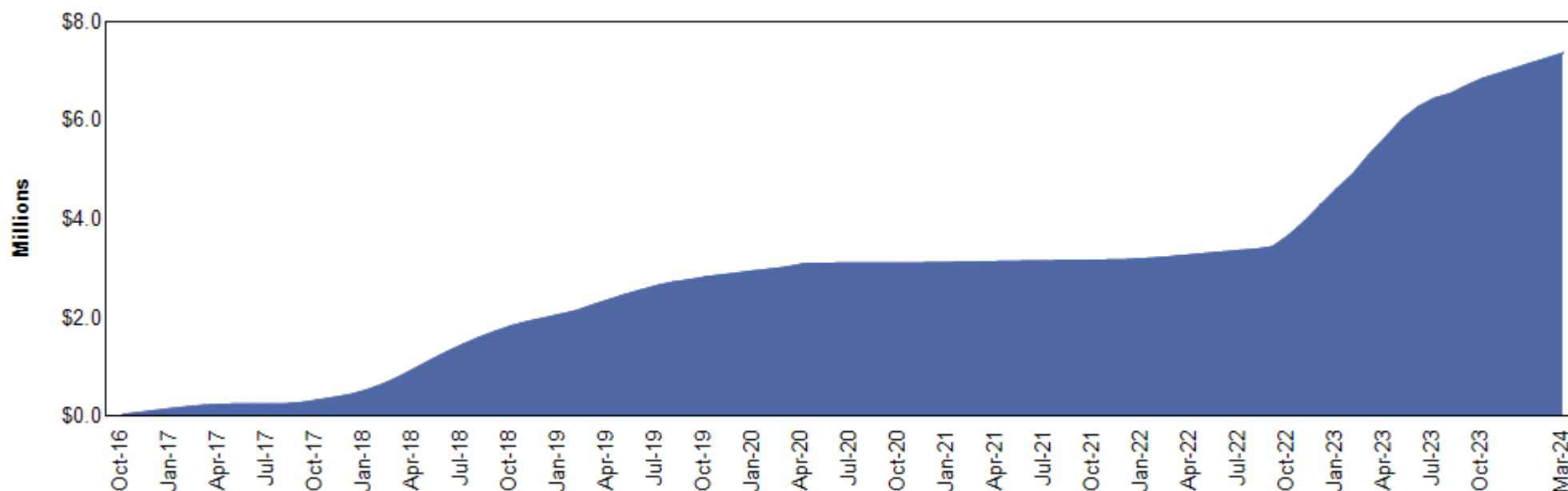
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is September 30, 2016.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofA 3 Month U.S. Treasury Index. Source: Bloomberg.

## Accrual Basis Earnings - SIU- SHORT TERM FUND



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$916	\$155,951	\$357,393	\$430,145	\$773,033
Realized Gains / (Losses) <sup>3</sup>	-	-	-	\$36,577	\$36,637
Change in Amortized Cost	\$310,552	\$1,892,528	\$3,884,239	\$4,650,970	\$6,565,416
<b>Total Earnings</b>	<b>\$311,468</b>	<b>\$2,048,479</b>	<b>\$4,241,631</b>	<b>\$5,117,691</b>	<b>\$7,375,086</b>

1. The lesser of 10 years or since inception is shown. Performance inception date is September 30, 2016.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Realized gains / (losses) are shown on an amortized cost basis.

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# Illinois Funds

## Investment Approach

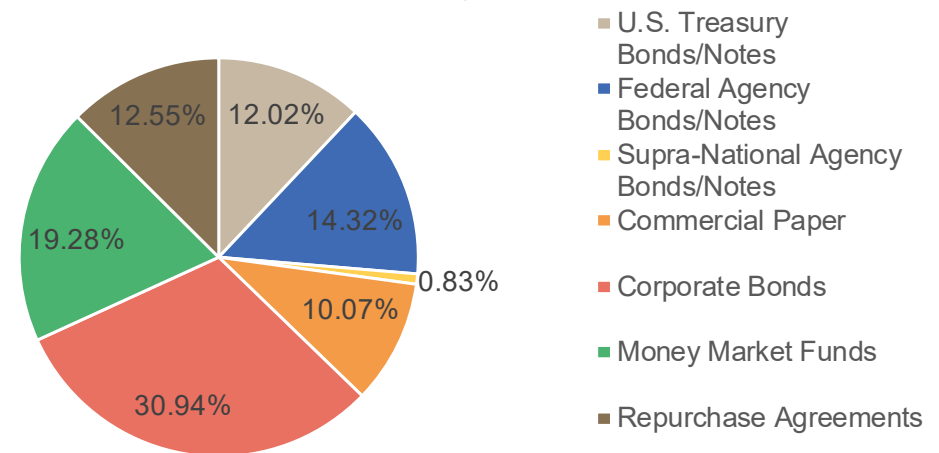
- The Illinois Funds is a Local Government Investment Pool (LGIP) operated by the Illinois State Treasurer's Office. The Illinois Funds strives to provide an inexpensive investment vehicle that features safety, daily liquidity and yield for Illinois public funds programs. The fund is managed by the Office of the State Treasurer in Springfield, Illinois, and contained a combined \$19.5 billion in total assets as of March 31, 2024. The fund is currently rated AAAmf by Fitch.

## Illinois Funds Account Overview

Illinois Funds	
Beginning Value (12/31/2023)	\$126,122,313.23
Net Deposits (Withdrawals)	\$306,721.25
Interest Earned	\$2,144,834.70
Ending Value (3/31/24)	\$128,573,869.18

	Current Yield as of 3/31/24
Illinois Funds	5.41%
Benchmark: S&P Rated Government Investment Pool Index	5.26%

**Illinois Funds  
Sector Allocation  
as of March 31, 2024**



<b>Weighted Average Maturity</b>	49 Days
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# U.S. Bank Investment Sweep

## Investment Approach

- The U.S. Bank First American Funds Treasury Obligations Money Market Fund (MMF) sweep is utilized for purposes of investing daily operating liquidity funds. The Treasury Obligations MMF purchases U.S. Treasury securities and repurchase agreements collateralized by such obligations. The fund carries a AAAM rating by Standard & Poor's and a Aaa-mf rating by Moody's.

## U.S. Bank Investment Sweep Account Overview

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<b>U.S. Bank Investment Sweep</b>	
Beginning Value (12/31/2023)	\$49,144,382.44
Net Deposits (Withdrawals)	(\$21,370,737.95)
Interest Earned	\$377,768.50
Ending Value (3/31/24)	\$28,151,412.99

	<b>Current Yield as of 3/31/24</b>
U.S. Bank Treasury Obligations MMF Sweep	4.93%
Benchmark: S&P Rated Government Investment Pool Index	5.26%

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# IntraFi Network Deposits

## Investment Approach

- IntraFi Network Deposits allows for the placement of funds in deposit accounts at multiple financial institutions, in increments below the \$250,000 FDIC insurance limit. The process is facilitated by utilizing one bank that is an ICS provider.
- SIU utilizes Banterra Bank as the provider for placement of funds. The interest rate provided is an indexed rate and is reset monthly.



## IntraFi Network Deposits Account Overview

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IntraFi Network Deposits	
Beginning Value (12/31/2023)	\$5,346,358.67
Net Deposits (Withdrawals)	\$0.00
Interest Earned	\$72,857.76
Ending Value (3/31/24)	\$5,419,216.43

	Current Yield as of 3/31/24
IntraFi Network Deposits	5.43%
Benchmark: S&P Rated Government Investment Pool Index	5.26%

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# Capital Investments

## Investment Approach

- PFM Asset Management LLC actively manages the Interest Sinking Fund accounts. The Interest Sinking Fund accounts are managed to follow a cash flow driven strategy that is based on the University's debt service collection schedule and bondholder payment dates.
- PFM Asset Management LLC actively manages the Debt Service Reserve Fund. The Debt Service Reserve Fund is generally managed to a duration of between 1 and 3 years depending on prevailing market conditions. Breakeven and sensitivity analyses are used to determine duration targets in an attempt to minimize downside and replenishment risk.
- Construction proceeds are invested in accordance with the anticipated drawdown schedule of the project(s) being financed and in accordance with debt financing documents.

## Capital Investments Position

<b>Investment Balance Market Value (\$ in millions)</b>	<b>3/31/2023</b>	<b>6/30/2023</b>	<b>9/30/2023</b>	<b>12/31/2023</b>	<b>3/31/2024</b>
<b>Housing &amp; Auxiliary Facilities System</b>					
Construction Proceeds	15.2	14.1	8.4	5.4	4.8
Interest Sinking Fund	19.2	1.0	3.0	0.6	19.0
Debt Service Reserve	6.1	6.1	6.2	6.3	6.4
Total HAFS	40.4	21.1	17.6	12.3	30.1
<b>Medical Facilities System</b>					
<b>NOTE: The Medical Facilities System was dissolved effective 6/30/23.</b>					
Construction Proceeds	-	-	-	-	-
Interest Sinking Fund	1.9	-	-	-	-
Debt Service Reserve	-	-	-	-	-
Total MFS	1.9	-	-	-	-
<b>Certificates of Participation</b>					
Construction Proceeds	-	-	-	-	-
Interest Sinking Fund	-	-	-	-	-
Debt Service Reserve	-	-	-	-	-
Total COPS	-	-	-	-	-
Total Market Value of Portfolio	\$ 42.3	\$ 21.1	\$ 17.6	\$ 12.3	\$ 30.1
<b>Investment Balance Book Value (\$ in millions)</b>	\$ 42.6	\$ 21.4	\$ 17.7	\$ 12.4	\$ 30.1

*\*Capital Investments are managed internally and are invested in high quality, low risk government securities. The investment maturity, rate of return and type are limited by covenants in the debt financing documents.*

## Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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## Important Disclosures

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.
- Any information contained in this report pertaining to Illinois Funds, U.S. Bank Investment Sweep, IntraFi Network Deposits and the Capital Investments Position were sourced from their respective month end statements. Information for the Intermediate and Short-Term Portfolios was sourced from their respective quarter-end statements provided by PFMAM.

## Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

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## Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.