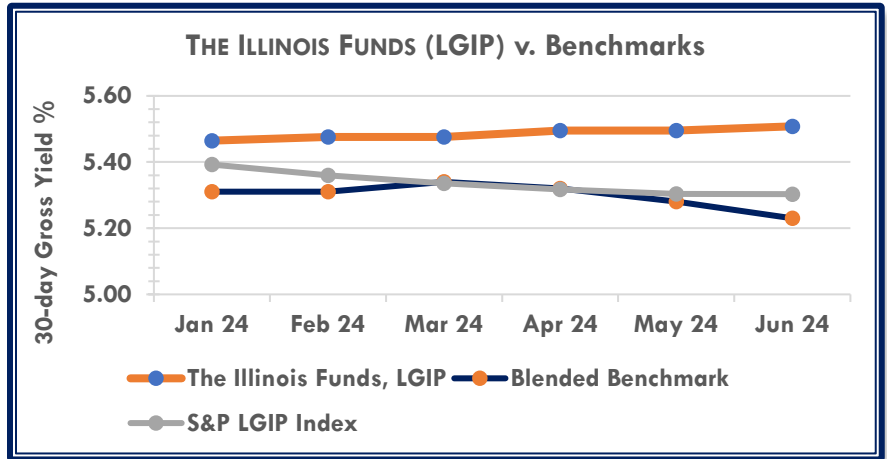




## ILLINOIS FUNDS PORTFOLIO SUMMARY Second Quarter 2024

Net Portfolio Assets	\$ 20,571,108,368
Present Market Value	\$ 20,550,506,956
Weighted Average Maturity	50.2 Days
Weighted Average Life	114.4 Days
30-day Gross Yield	5.499%
30-day Avg. Net Yield	5.426%
Apr-24	5.421%
May-24	5.422%
Jun-24	5.435%
Net Asset Value (NAV)	\$ 1.00
Daily Liquidity Ratio	28.9%
Weekly Liquidity Ratio	36.7%



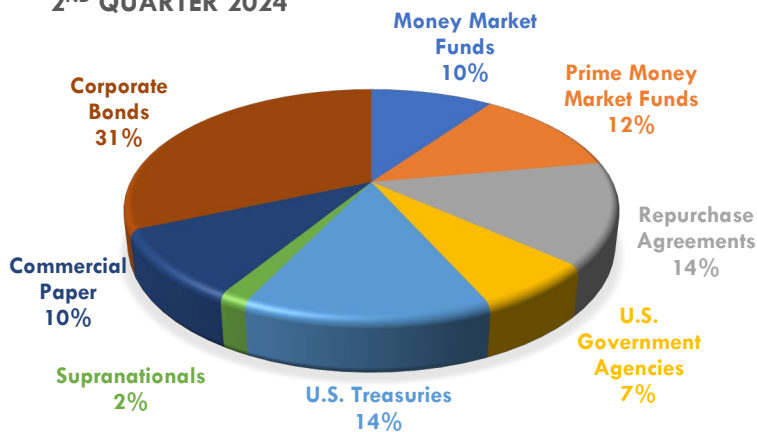
### Analytical Comment

UIUC Institute of Government and Public Affairs noted a small decrease in the overall [U of I Flash Index](#) over the previous three months, noting that Illinois' unemployment rate has risen slightly over the quarter (and nearly one percentage point above the national average). [CoGFA](#) reported that, for the fiscal year, individual income tax revenues were up nearly \$2.25 billion (8.0% growth) from FY 2023, while corporate income tax rates were actually down 10% from the previous year.

Based on current yields, **The Illinois Funds** predicts that allocations across asset classes during the Second Quarter 2024 will hold relatively steady at current levels—except for prime money market funds, which may increase slightly (from 12% to 15%), balancing the technical pressures of limiting US Treasuries in the portfolio. This is done to ensure enough liquidity to meet your needs. **The Illinois Funds** closed the quarter with \$20.5 billion in net assets. The monthly net yield (less expenses) over the previous three months was 5.43%, bringing in \$268 million in quarterly net income to Fund participants, and over \$1 billion in net income over the last twelve months--nearly half of the over \$2.1 billion in net income The Illinois Funds earned participants over the last 10 years.

Thomas Gary  
Director, The Illinois Funds

### AVERAGE ASSET ALLOCATION 2<sup>ND</sup> QUARTER 2024



Quarterly Portfolio Performance			
	2Q 2024	1Q 2024	2Q 2023
Net Interest Income	\$ 267,677,495	\$ 259,137,670	\$ 235,550,849
Average Net Yield	5.43%	5.40%	5.54%

Annual Portfolio Performance			
	YTD 2024	Year-Over-Year	YTD 2023
Net Interest Income	\$ 526,815,165	\$ 1,054,492,905	\$ 441,726,851
Average Net Yield	5.41%	5.440%	4.99%

Asset Class	Gross Yield
Money Market Funds	5.24%
Prime Money Market Funds	5.34%
Repurchase Agreements	5.33%
US Treasuries	5.32%
Government Agencies	5.46%
Supranationals	5.35%
Commercial Paper	5.55%
Corporate Bonds	5.75%
<b>Portfolio</b>	<b>5.43%</b>

## Investment Objective

The primary objective in the investment of **The Illinois Funds** is to ensure the **safety of principal** for Participants. In addition, the Treasurer aims to **manage liquidity** for payment of the State's financial obligations and provide the **highest return on investment**, using authorized instruments, while prudently exercising **sustainable stewardship** in its investment decision-making.

## Authorized Investments

The Treasurer's investments are subject to the parameters as set forth in the **Deposit of State Moneys Act (15 ILCS 520/22.5)**, along with measures of fund rating quality and ability to maintain value, as assessed by Nationally Recognized Statistical Ratings Organizations (NRSRO).

### Asset Classes

<b>Certificates of Deposit</b>	Federally insured savings account that has a fixed interest rate and fixed date of withdrawal. FDIC insured
<b>Commercial Paper</b>	Bonds issued by Fortune 500 and AAA-rated companies; maturities range from 2-270 days. Backed by issuing bank line of credit.
<b>Corporate Bonds</b>	Debt issued by corporation, promising to pay bondholder stated rate of interest up to maturity date (can extend past 270 days)
<b>Floating Rate Notes</b>	Debt (note) with a variable interest rate; adjustments usually happened every six months.
<b>Governmental Agencies</b>	Debt issued by US Government agencies. No US government guarantee
<b>Money Market Funds</b>	Open-ended mutual fund regulated by SEC Rule 2a-7. Invest in high-quality, short-term investments; pays MM rates of distributions
<b>Prime Money Market Funds</b>	Can sometimes achieve higher yields than MMF because of broader portfolio diversity.
<b>Repurchase Agreements</b>	Overnight lending agreement between seller and buyer, where seller buys back collateralized money, with interest.
<b>Supranationals</b>	Debt issued by International agencies (World Bank, EBRD, etc.), for purposes of economic development. Guaranteed by US Govt
<b>US Treasuries</b>	Debt issued by US Treasury Dept. Maximum holding period is 365 days. Guaranteed by full faith and credit of US Government

## Fund Glossary

Net Asset Value (NAV)	
Net Portfolio Assets	
Present Market Value	
Weighted Average Maturity (WAM)	
Weighted Average Life (WAL)	
<b>10 Year</b>	
<b>\$ 2,136,095,022</b>	
<b>1.56%</b>	30-day Net Yield
<b>7/14-6/24</b>	30-day Gross Yield
	Daily Liquidity
	Weekly Liquidity
	Net Interest Income

## Contact Details

Toll-Free: +1 800 9-IPTIP-9 (800-947-8479)

Email: [IllinoisFunds@illinoistreasurer.gov](mailto:IllinoisFunds@illinoistreasurer.gov)

Web: [www.illinoisfunds.com](http://www.illinoisfunds.com)

**Fund Rating Criteria for AAAMmf** ("Extremely strong capacity to achieve Fund's investment objective of preserving principal and providing shareholder liquidity through limiting credit, market, and liquidity risk.")

Portfolio Interest Rate and Spread Risks		
WAM	Max Days	60
WAL	Max Days	120
Asset Maturity		
All Securities (except below)	Max Days	397
Floating-Rate Securities (Highly-rated Sovereigns or Govt Agencies)	Max Days	762
Portfolio Liquidity Baseline		
Overnight Maturities and other eligible assets	Min %	10
7-Day Maturities and other eligible assets	Min %	30

## Asset and Counterparty Credit Quality

Rated F1+ / F1	Min %	100
Repo Counterparty	Min Ratings	BBB+/F2
Portfolio Credit Factor (PCF)	Max Level	1.50
Direct Issuer Exposure		
F1+ or F1 Total for Single Issuer	Max %	10
...of which > 7 Days	Max %	5
Indirect and Collateralized Exposures		
Total Combined Exposure to an Entity (Direct + Indirect)	Max %	15
Total Per Repo Counterparty Rated F1 or Higher (Government Collateral)	Max %	25
Total Per Repo Counterparty Rated F2 (Government Collateral)	Max %	10

\*This document is not intended to provide disclosure of the terms and conditions of an investment in the Illinois Funds program ("Illinois Funds"). Please contact the Office of the Illinois State Treasurer ("Treasurer") to obtain important information that you should review before opening an account in the Illinois Funds, including information about the benefits and risks of investing in Illinois Funds.

This document is for general informational purposes only and should not be construed as investment advice. It does not constitute an offer, solicitation, or recommendation to purchase any security. Neither the funds contributed to an Illinois Funds account, nor earnings thereon, are guaranteed or insured by the United States, the State of Illinois, the Treasurer, any other state, any agency or instrumentality thereof, the Federal Deposit Insurance Corporation, or any other entity. Participating entities in Illinois Funds assume all investment risk, including the potential loss of principal. The Illinois Funds and its associated persons make no representation regarding the suitability of the Illinois Funds investment portfolio for any particular investor. Other types of investments may be more appropriate depending on the investor's particular circumstances. Any financial or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Past performance is not an indication of future performance. Additional information can be found at [www.illinoisfunds.com](http://www.illinoisfunds.com).