

The NEWS

Know Your Rates

At TrustINDiana, we think it is important that you understand key aspects of the business. In this month's TrustINDiana Investor, we cover the different rates and weighted average maturities that we report to you, the TrustINDiana Participants.

Annual Yield: Dividend factor exponentially raised to the number of days in the year.

Average 30-Day Yield: The sum of the most recent dividend factors for the past 30 days times 365, times 100, divided by 30.

Daily Rate: Dividend factor times the number of days in the year times 100.

Dividend Factor (Daily Dividend): Portfolio investment income earned minus the expenses for the period divided by the total shares outstanding in the portfolio.

Weighted Average Maturity (to reset): The average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount invested in the portfolio. Weighted average maturity (WAM) measures the sensitivity of fixed income portfolios to interest rate changes. The longer the WAM the more sensitive to changes in interest rates because the longer a bond is held, the greater the opportunity for interest rates to move up or down and affect the performance of the bonds in the portfolio. If interest rates move up, the value of a bond decreases because there are bonds in the market that now pay more interest and therefore are more attractive. Weighted Average Maturity (To

The screenshot shows the TrustINDiana website interface. At the top, there is a navigation bar with links for Home, About, Document Center, News & Notices, Rates, FAQs, and Contact Us. Below the navigation bar is a large image of the Indiana State Capitol building. To the right of the image is a 'WELCOME' message with a photo of Kelly Mitchell, Indiana State Treasurer, and a brief description of the TrustINDiana program. Below the welcome message is a table of rates as of 07-13-2015. A yellow box highlights this table, and a larger yellow box below it provides a detailed view of the rates.

Rates as of 07-13-2015	
Daily Rate (%)	0.14
Annual Yield (%)	0.06
Average 30-Day Yield (%)	0.11
Weighted Average Maturity (To Reset)	31 Days
Weighted Average Maturity (To Final)	31 Days
Daily Dividend	0.000003818532

[Rates Disclaimer](#)

Reset) is the WAM of the portfolio taking into account the next reset dates on the floating rate positions rather than the final maturity of the position. The WAM (To Reset) for the TrustINDiana portfolios is kept under 60 days, which helps enhance liquidity and limits market price exposure.

Weighted Average Maturity (to Final): Same as "Weighted Average Maturity (To Reset)" except the WAM calculation goes to the final maturities of all positions regardless if they may have a floating interest rate associated with them.

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The **ECONOMY**

Strong Enough?

The Federal Reserve (Fed) acknowledged a modest upgrade of economic conditions during its June meeting, as recent data appears to have confirmed a rebound from the first quarter malaise. In addition, the Fed continues to project that it will raise interest rates 0.50% by year-end. With the U.S. economy slowly on the mend, the Fed must now determine if the economy is strong enough to withstand higher interest rates. This debate has undoubtedly been complicated by the recent market volatility stemming from events abroad.

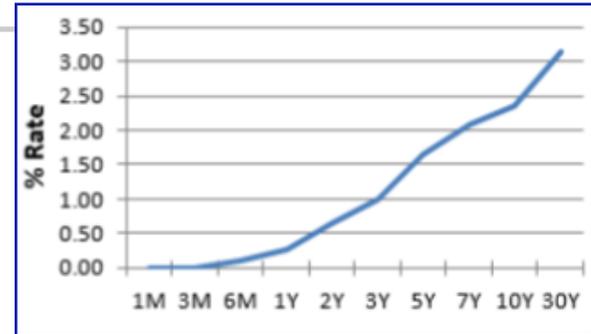
While the debt crisis in Greece has been an issue for over five years, a breakdown in negotiations has left the country closer to a "Grexit" than at any point in recent memory. The Chinese stock market has seen a rapid and volatile drop, having now entered bear market territory. And closer to home, the Puerto Rican government has stated that its debts are "not payable." While these issues may not directly impact the U.S. economy to any great degree, the Fed might view a stumble in the global economy significant enough to warrant caution at home.

Economists are now projecting second quarter growth around 2.50%. If momentum is carried over into the second half this year, the Fed may decide the benefits of raising rates, such as policy flexibility and deterring market imbalances outweigh the risk of stifling the economy. The recent uptrend in hiring appears to have bolstered consumer confidence, which could provide a much needed boost to spending. The Fed remains data dependent and not beholden to any pre-set course of action. The hope is for consumers to power the U.S economy past any global disruptions, allowing the Fed to finally begin the lengthy process of normalizing rates.

Portfolio Strategy

Short-term rates continued to be well anchored by the Fed's zero interest target rate policy. However, we are preparing for the Fed to eventually lift rates in the second half of 2015. As always, we remain focused on safety, liquidity and then yield.

US Treasury Curve



Source: Bloomberg

Current Economic Releases

Data	Period	Value
GDP QoQ	Q1'15	-0.20%
US Unemployment	May '14	5.50%
ISM Manufacturing	June '14	53.5
PPI YoY	May '14	-3.00%
CPI YoY	May '14	0.00%
Fed Funds Target	June 17 '15	0- 0.25%

Source: Bloomberg

Treasury Yields

Maturity	7/1/15	6/1/15	CHANGE
3 Month	0.000%	0.000%	0.000%
6 Month	0.060%	0.050%	0.010%
1-Year	0.260%	0.240%	0.020%

Source: Bloomberg

Commercial Paper Yields (A1/P1)

Maturity	7/1/15	6/1/15	CHANGE
1 Month	0.150%	0.150%	0.000%
3 Month	0.240%	0.240%	0.000%
6 Month	0.390%	0.370%	0.020%
9 Month	0.560%	0.510%	0.050%

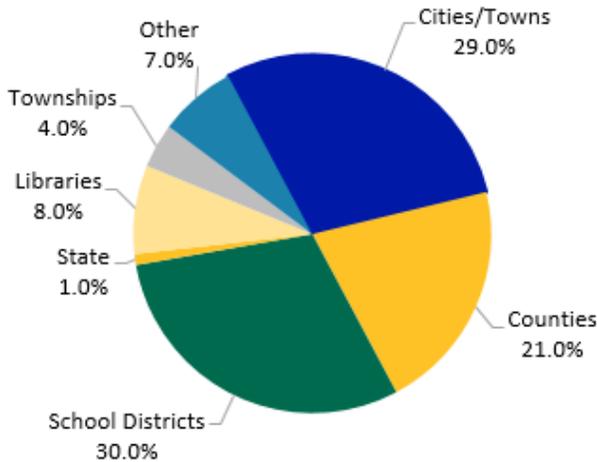
Source: Bloomberg



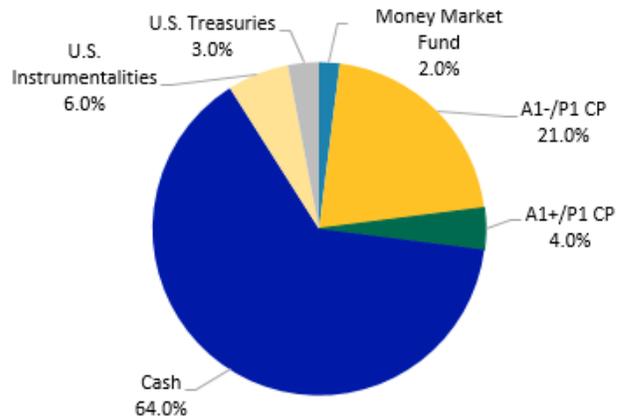
The FUND

Fund Highlights as of June 30, 2015 (Unaudited)

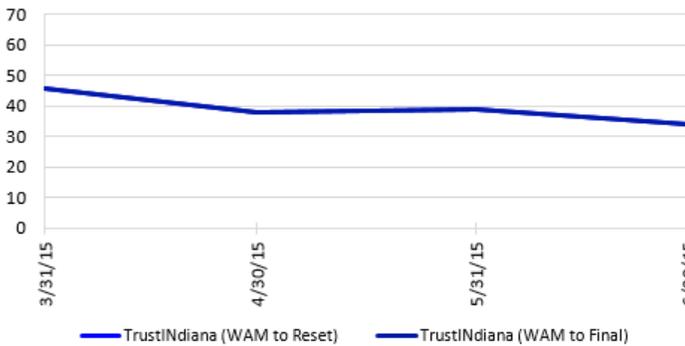
Participant Breakdown



Portfolio Distribution

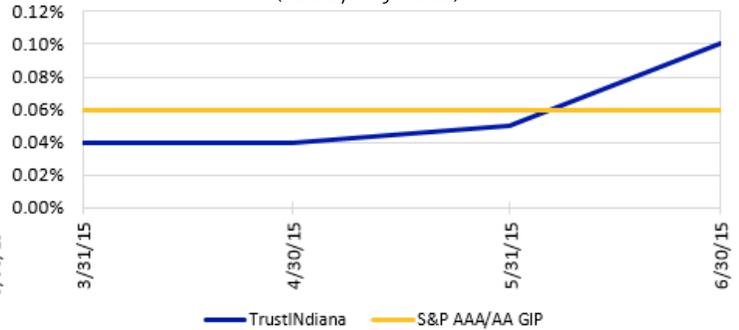


Weighted Average Maturity



TrustIndiana vs S&P AAA/AA GIP*

(30 Day Avg Yields)



Month	Avg Daily Yields**	WAM (to Reset) ***	NAV	Month Ending Net Assets
April 2015	0.04%	38	1.00	\$419,935,630.61
May 2015	0.05%	39	1.00	\$472,991,012.53
June 2015	0.10%	34	1.00	\$519,487,629.84

***As of the end of the last day of the month ** 30 day yield as of the last day of the month.

Data Unaudited. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. The information above is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Additionally, past performance is not an indication of future performance. Any financial and/or investment decision may incur losses. Public Trust Advisors, LLC took over the management and advisory services effective May 1, 2015. All data prior to this date is from the previous Investment Advisor. As both Investment Advisors adhered to the investment policy there may be variances in yield, weighted average maturities and portfolio composition due to differing investment styles.

*** The benchmark, the S&P US AAA & AA Rated GIP All 30 Day Net Yield (LGIP30D) is a performance indicator of rated GIPs that maintain a stable net asset value of \$1.00 per share and is an unmanaged market index representative of the LGIP universe. The S&P benchmark utilized in this comparison is a composite of all rated stable net asset value pools. GIPs in the index include only those rated based on Standard & Poor's money market criteria. Pools rated 'AAAm' provide excellent safety and a superior capacity to maintain principal value while those rated 'AAm' offer very good safety and a strong capacity to maintain principal value (Source: Standard & Poor's website). The comparison between this index and the portfolio may differ in holdings, duration and percentage composition of each holding. Such differences may account for variances in yield.