



TrustINDiana

Local Government Investment Pool

## TrustINDiana MYACCESS: Built for Intergovernmental Transfers

### Did You Know?

Local governments depend on intergovernmental transfers of revenue. According to The Tax Policy Center's Briefing Book (2016),\* 36 percent of local government general revenue comes in the form of transfers from other levels of government. We built the TrustINDiana MYACCESS Participant-to-Participant Distribution function to meet this need.

### How Does it Work?

TrustINDiana MYACCESS offers our Participants the unique ability to transfer money from their TrustINDiana account to any number of the other taxing entities that have a TrustINDiana account through the MYACCESS Participant-to-Participant Distribution functionality. Once setup, the distribution of monies (tax payments, state aid) takes minutes.



### Does It Save Time and Money?

Participant-to-participant transfers through TrustINDiana MYACCESS increase efficiency and save money within your office by eliminating the need to move funds via electronic or physical transfers. Any Participant in the state can initiate a transfer to a taxing entity with a TrustINDiana account directly through MYACCESS.

### MYACCESS Participant-to-Participant Distribution Functionality Helps You Get:

- R**eporting: confirmations to all parties
- E**fficiency: minutes to disburse
- S**ecurity: funds never leave TrustINDiana
- U**ser-friendliness: one-time set-up
- L**ower transaction fees
- T**ime savings
- S**avings: never lose a day of interest

### Are Transfers Secure?

With participant-to-participant transfers, the funds never leave TrustINDiana. All participant-to-participant distributions initiated through the TrustINDiana MYACCESS online transaction portal are confirmed to each party; both sides of the transaction will receive confirmations of the date, time, and amount of each transfer initiated, resulting in safer transactions and improved security.

What are you waiting for? Get **RESULTS** today. Contact Cindy Barger at (317) 232-0139 or via email at [cbarger@tos.in.gov](mailto:cbarger@tos.in.gov) to find out how you can implement this effective cash management tool today.

\* Source: The Tax Policy Center's Briefing Book ([www.taxpolicycenter.org](http://www.taxpolicycenter.org)).



# TheECONOMY

## Jobs, Inflation and Growth

Payrolls in September increased by 156,000, this compares to market expectations of 170,000 new jobs. In a repeat of last month, the August number was revised to 167,000, higher from the previously reported 151,000. The unemployment rate increased to 5.0%, as the participation rate also increased to 62.9% from 62.8% in August. The numbers are not weak enough to reverse the market belief that December will be the next Fed rate hike.

Current Fed fund futures indicate a 17.1% chance of an increase in November; these reflect high doubts of a hike before the general election. The odds turn to a 67.6% chance of an increase in December 2016.

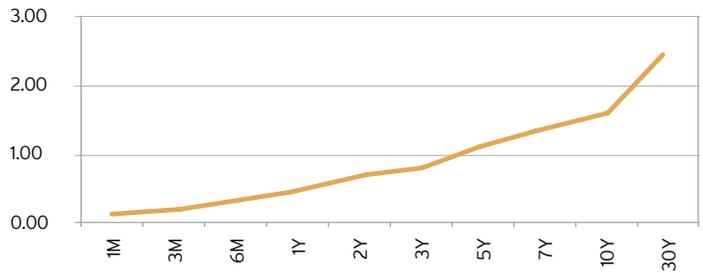
Inflation metrics appear to be moving towards the Federal Reserve's targets. The five-year inflation swap has been trending higher since June and is now above the long-term inflation target of 2%. This swap is a common measure used by central banks and dealers to look at future inflation expectations.

The Atlanta Federal Reserve measure of GDP growth and GDPNow shows an expected third quarter GDP print of 2.1%. This is up from the second quarter growth of 1.4%. The growth numbers are not stellar but appear enough to allow the Federal Reserve room to increase.

## Portfolio Strategy

The Fed released meeting minutes on October 12, which revealed that three governors dissented to the non-movement and wanted to raise rates 25 basis points. October's pending money-market reform has provided higher yielding investment opportunities, and as the December meeting date approaches we will look for continued higher yields.

## US Treasury Curve



Source: Bloomberg

## Treasury Yields

MATURITY	10/7/16	9/7/16	CHANGE
3 Month	0.333%	0.336%	-0.003%
6 Month	0.452%	0.473%	-0.020%
1-Year	0.631%	0.550%	0.082%

Source: Bloomberg

## Agency Yields

MATURITY	10/7/16	9/7/16	CHANGE
3 Month	0.353%	0.359%	-0.006%
6 Month	0.379%	0.421%	-0.042%
1-Year	0.437%	0.547%	-0.110%

Source: Bloomberg

## Commercial Paper Yields (A-1/P-1)

MATURITY	10/7/16	9/7/16	CHANGE
1 Month	0.530%	0.490%	-0.030%
3 Month	0.840%	0.800%	-0.030%
6 Month	1.200%	1.150%	0.010%
9 Month	1.330%	1.200%	0.040%

Source: Bloomberg

## Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q2 '16	1.40%
US Unemployment	Sep '16	5.00%
ISM Manufacturing	Sep '16	51.50%
PPI YoY	Aug '16	-2.10%
CPI YoY	Aug '16	1.10%
Fed Funds Target	Oct 12 '16	0.25% - 0.50%

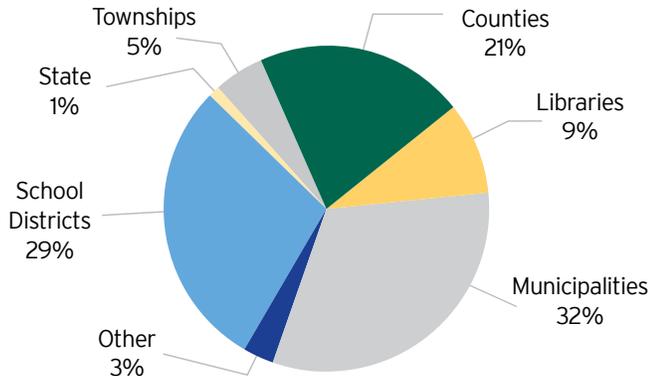
Source: Bloomberg



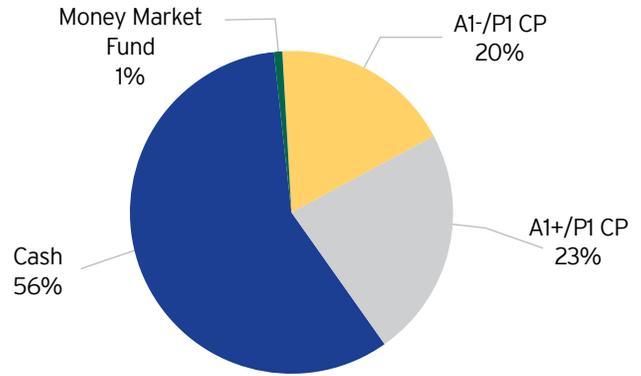
# TheFUND

## Fund Highlights as of September 30, 2016 (Unaudited)

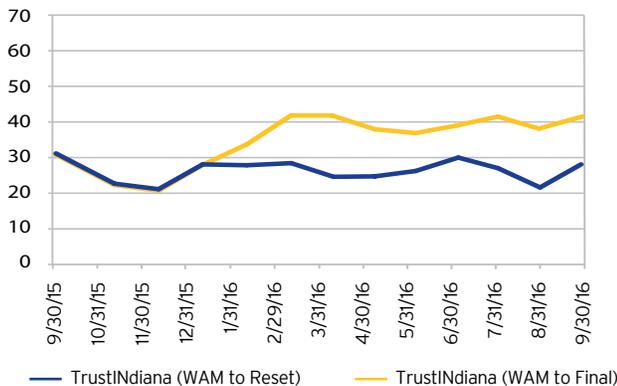
### Participant Breakdown



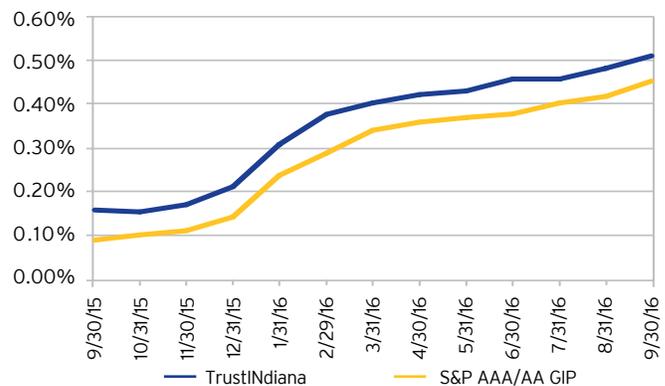
### Portfolio Distribution



### 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
Jul-16	0.46%	27	1.00	\$577,058,297.21
Aug-16	0.48%	22	1.00	\$579,765,839.89
Sep-16	0.51%	28	1.00	\$596,222,778.51

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

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 style.

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.

\*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.