



Louisiana Asset Management Pool, Inc.

TheECONOMY

Optimism Remains While Uncertainty Grows

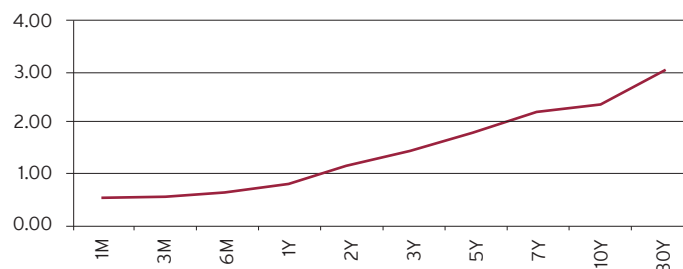
Payrolls in January increased by 227,000 newly created jobs versus market expectations of 180,000 newly created jobs. For comparison, over the same period in 2016 payrolls only increased by 151,000 newly created jobs. While the pace of hiring was solid, wage inflation lacked sustained momentum as average hourly earnings rose only 0.1% month-over-month and 2.5% year-over-year. These results were disappointing after the prior report posted the strongest pace since 2009. The unemployment rate ticked up by 0.1%, for the second month in a row, to 4.8% in January as the labor force participation rate rose to 62.9%.

In December 2016, The Federal Reserve raised the Fed Funds target rate for the second time in this cycle to 0.50%-0.75%. Now the focus turns to the timing of the third hike. Per Fed Fund futures, odds for another rate hike are increasing with almost 50/50 odds in May and greater than 70% in June of this year.

Inflation metrics appear to be moving towards the Federal Reserve's target. The most recent reading for Core Personal Consumption Expenditures (PCE) was 1.7%. This is Chair Yellen's preferred metric for measuring inflation. The Consumer Price Index (CPI) less food and energy rose 2.2% in December and held above the 2% target for all of 2016.

The Federal Reserve Bank of Atlanta currently estimates 4th quarter GDP growth (GDPNow) of 2.70%, revised down from 2.9%. This would also be a decrease from the 3.5% growth reported in the third quarter. The growth numbers are not stellar but appear to be solid enough to allow the Federal Reserve to gradually raise the Fed Funds target rate.

US Treasury Curve



Source: Bloomberg

Treasury Yields

MATURITY	2/9/17	1/9/17	CHANGE
3 Month	0.533%	0.497%	0.035%
6 Month	0.631%	0.574%	0.056%
1 Year	0.785%	0.806%	-0.021%

Source: Bloomberg

Agency Yields

MATURITY	2/9/17	1/9/17	CHANGE
3 Month	0.531%	0.528%	0.003%
6 Month	0.604%	0.585%	0.019%
1 Year	0.755%	0.701%	0.054%

Source: Bloomberg

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

MATURITY	2/9/17	1/9/17	CHANGE
1 Month	0.740%	0.780%	-0.040%
3 Month	0.970%	0.980%	-0.010%
6 Month	1.260%	1.270%	-0.010%
9 Month	1.380%	1.390%	-0.010%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q4 '16	1.90%
US Unemployment	Jan '17	4.80%
ISM Manufacturing	Jan '17	56.00%
PPI YoY	Dec '16	1.90%
CPI YoY	Dec '16	2.10%
Fed Funds Target	Feb 10, 2017	0.50% - 0.75%

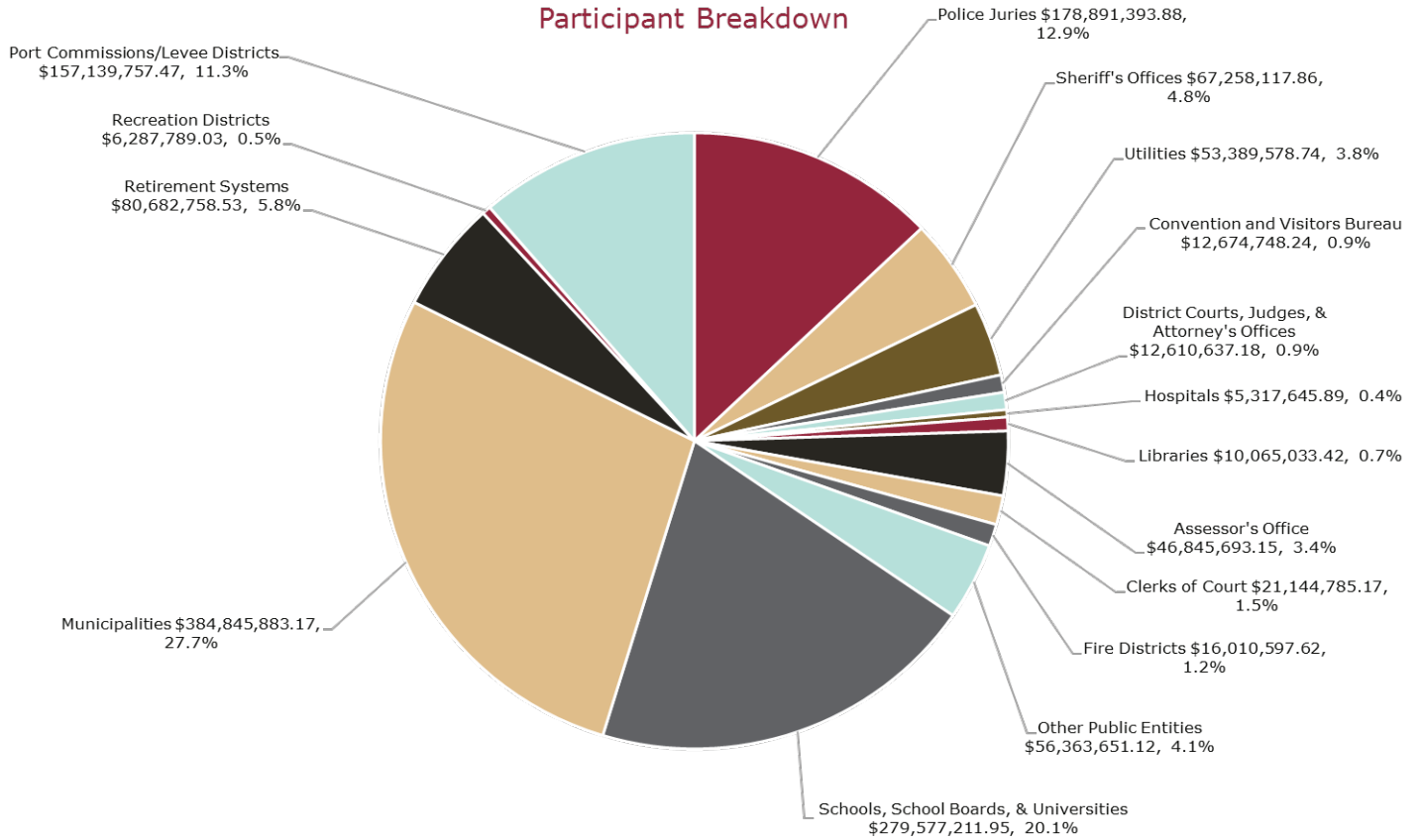
Source: Bloomberg



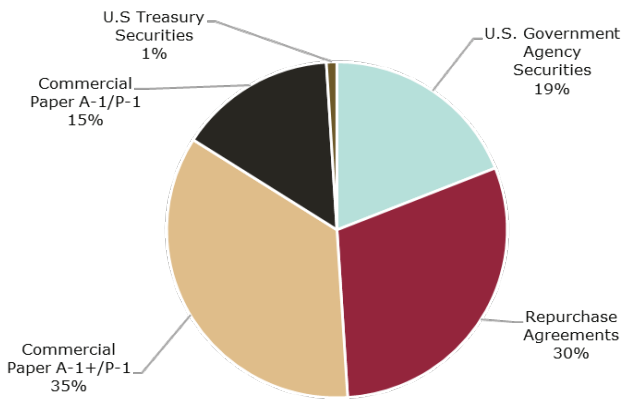
The **FUND**

Fund Highlights as of January 31, 2017 (Unaudited)

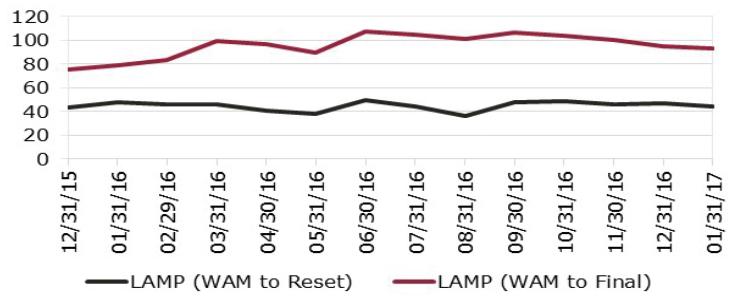
Participant Breakdown



Portfolio Distribution



Weighted Average Maturity (In Days)



Month	Avg Yields**	Month Ending Net Assets
Nov-16	0.58%	\$1,218,070,123
Dec-16	0.65%	\$1,210,579,422
Jan-17	0.73%	\$1,389,334,380

** 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.