



Louisiana Asset Management Pool, Inc.

TheECONOMY

Golden Goose at Home, Cold Turkey Abroad

The U.S. economy remains solid with second quarter GDP growth of 4.1%, the highest level since 2014. Real GDP growth benefited from a surge in exports as trading partners expedited their orders before tariffs from China take effect. The unemployment rate fell to 3.9% in July, and the U-6 unemployment rate (which includes people working part-time for economic reasons and those willing and able to work but have stopped looking) reached its lowest level since 2001 at 7.5%.

Nonfarm payrolls rose by 157k in July (below the average monthly gain of 203k for the past twelve months), and consumers continue to remain optimistic about the current economic conditions. The Federal Open Market Committee's (FOMC) target range for its benchmark policy rate remains unchanged at 1.75% - 2.00%. On August 1, 2018, the FOMC expressed that household and business fixed investment spending have "grown strongly." Inflation remains close to the Fed's target of 2.00%, and the market largely expects two additional rate hikes this year in September and December.

All these positive developments are somewhat clouded by the escalation of the trade war with China. So far, the U.S. imposed a 25% tariff on \$50 billion worth of imports from China, and the Trump administration is now considering adding \$200 billion more to the list as early as September. China recently threatened retaliation on \$60 billion of American imports, potentially bringing the total to \$110 billion worth of American goods subject to a 25% tariff.

A full-blown trade war with Europe has been averted, but the US tariffs on steel and aluminum will remain. However, more recent geopolitical relations between the US and Turkey have deteriorated sharply, and the Trump administration plans on doubling its tariffs on Turkish steel and aluminum. Due to multiple factors, Turkey seems to be on the brink of a financial crisis, causing the lira to plummet and analysts to raise concerns of a wider global contagion due to the country's sizable foreign currency-denominated debt.

Treasury Yields

MATURITY	8/10/18	7/10/18	CHANGE
3 Month	2.008%	1.969%	0.038%
6 Month	2.216%	2.139%	0.077%
1-Year	2.394%	2.319%	0.075%
2-Year	2.604%	2.569%	0.035%
3-Year	2.679%	2.661%	0.018%
5-Year	2.745%	2.747%	-0.002%
10-Year	2.873%	2.849%	0.024%
30-Year	3.030%	2.956%	0.075%

Source: Bloomberg

Agency Yields

MATURITY	8/10/18	7/10/18	CHANGE
3 Month	2.022%	1.983%	0.039%
6 Month	2.148%	2.060%	0.088%
1-Year	2.322%	2.211%	0.111%
2-Year	2.659%	2.654%	0.005%
3-Year	2.738%	2.758%	-0.020%
5-Year	2.859%	2.886%	-0.027%

Source: Bloomberg

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

MATURITY	8/10/18	7/10/18	CHANGE
1 Month	2.050%	2.040%	0.010%
3 Month	2.250%	2.260%	-0.010%
6 Month	2.460%	2.440%	0.020%
9 Month	2.600%	2.590%	0.010%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q2 '18	4.10%
US Unemployment	Jul '18	3.90%
ISM Manufacturing	Jul '18	58.1
PPI YoY	Jul '18	4.20%
CPI YoY	Jul '18	2.90%
Fed Funds Target	Aug 2018	1.75%- 2.00%

Source: Bloomberg

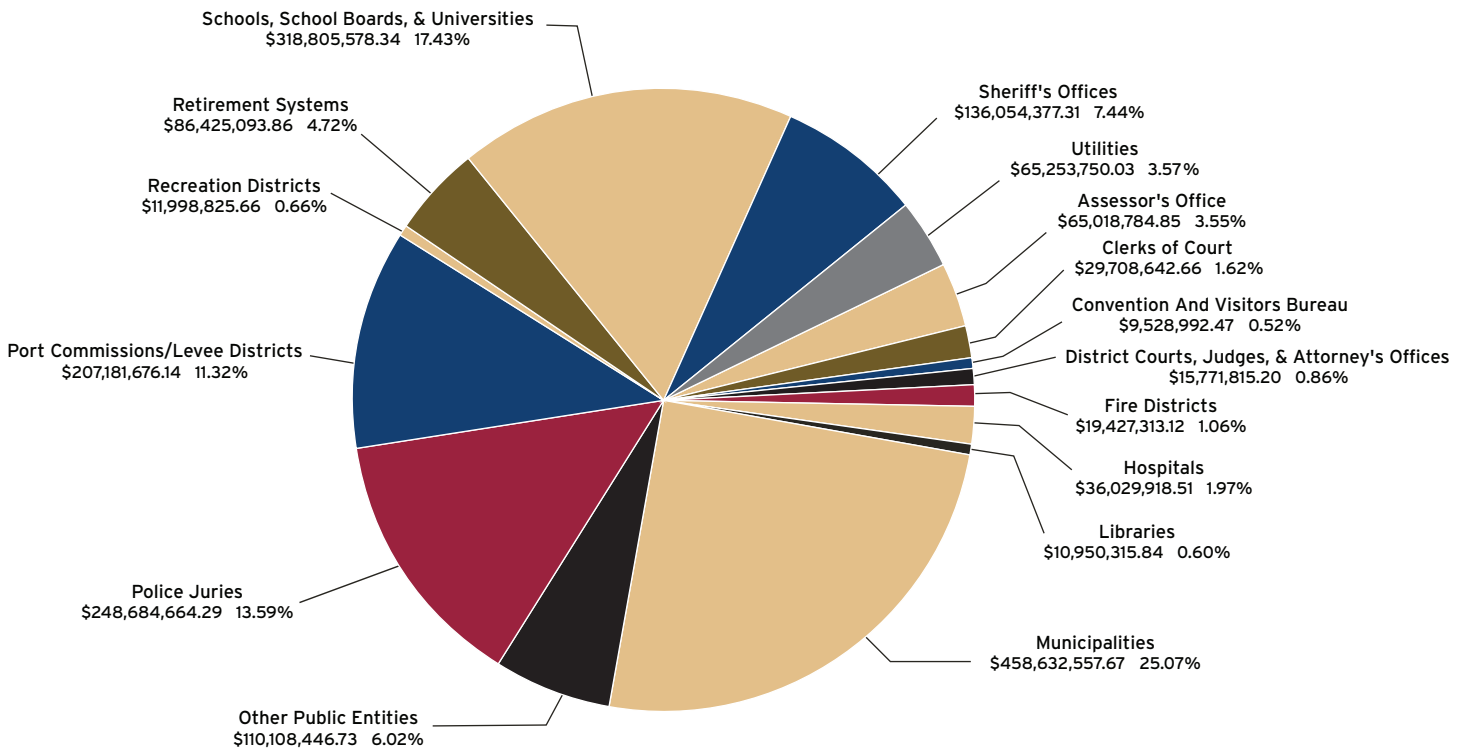
Data unaudited. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. All comments and discussions presented are purely based on opinion and assumptions, not fact. 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. Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.



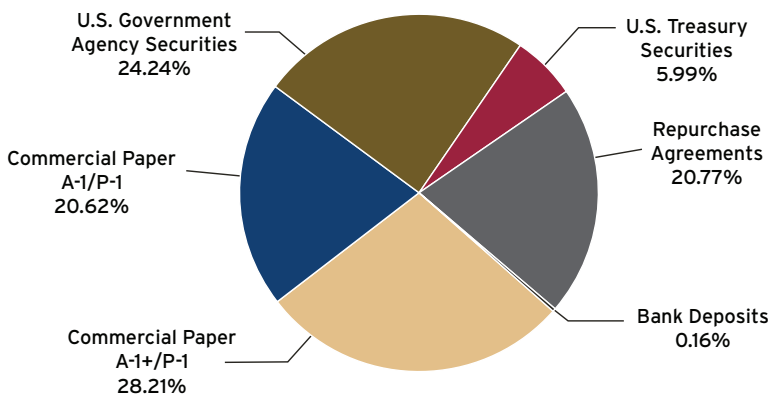
The **FUND**

Fund Highlights as of July 31, 2018 (Unaudited)

Participant Breakdown



Portfolio Breakdown



Month	Avg Monthly Yields**	Month Ending Net Assets
May-18	1.88%	\$1,905,123,592
Jun-18	1.96%	\$1,823,175,486
Jul-18	2.01%	\$1,829,338,484

** Yields as of the last day of the month

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Data Unaudited. All comments and discussion presented are purely based on opinion and assumptions, not fact. 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. **Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.** Charts may not equal 100% due to rounding.