



Louisiana Asset Management Pool, Inc.

TheECONOMY

Losing Patience

U.S. Treasury yields collapsed in June as mounting global concerns significantly increased the likelihood of a rate cut from the Federal Reserve in July. The threat of escalating tariffs on U.S. trading partners has placed additional stress on a global economy saddled with plummeting inflation expectations, aging demographics, and weakening productivity. Market indicators project roughly one in three odds that the U.S. economy will enter a recession within the next 12 months.

The Federal Reserve, facing intense scrutiny from President Trump to cut rates in June, dropped its pledge to be “patient” in regard to future rate adjustments in favor of “closely monitoring the implications of incoming information.” While many Fed participants now anticipate 25 to 50 basis points of rate cuts over the next two years, this is markedly less than what markets have started to price in.

The much-anticipated June G20 summit meeting between President Trump and China’s Xi Jinping created many headlines while providing few results. Essentially, both sides agreed to more discussions with a final resolution nowhere in sight. Although the de-escalation in trade tensions temporarily put the market at ease, many realize this could all unravel with one sour tweet. With an unpredictable and wide range of possible outcomes, the trade issue will likely impair business investment and global growth for the foreseeable future.

Given this backdrop, consumer spending is poised to be the predominant driver of growth over the medium-term. The labor market, while admittedly choppy on a month-to-month basis, continues to show no sign of recession. The Fed projects the U.S. to grow roughly 2% for the next few years. Despite this forecast weakness in global growth, trade risks and middling inflation will likely persuade the Fed to cut rates this year.

Treasury Yields

MATURITY	7/1/19	6/1/19	CHANGE
3-Month	2.109%	2.340%	-0.231%
6-Month	2.087%	2.345%	-0.257%
1-Year	1.930%	2.200%	-0.270%
2-Year	1.787%	1.922%	-0.135%
3-Year	1.739%	1.873%	-0.134%
5-Year	1.789%	1.911%	-0.122%
10-Year	2.024%	2.125%	-0.101%
30-Year	2.548%	2.569%	-0.021%

Source: Bloomberg

Agency Yields

MATURITY	7/1/19	6/1/19	CHANGE
3-Month	2.201%	2.351%	-0.150%
6-Month	2.225%	2.390%	-0.165%
1-Year	2.199%	2.395%	-0.196%
2-Year	1.877%	2.022%	-0.145%
3-Year	1.834%	1.964%	-0.130%
5-Year	1.898%	2.028%	-0.130%

Source: Bloomberg

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

MATURITY	7/1/19	6/1/19	CHANGE
1 Month	2.340%	2.420%	-0.080%
3-Month	2.280%	2.480%	-0.200%
6-Month	2.160%	2.470%	-0.310%
9-Month	2.130%	2.480%	-0.350%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q1 '19	3.10%
US Unemployment	Jun '19	3.70%
ISM Manufacturing	Jun '19	51.70
PPI YoY	May '19	1.00%
CPI YoY	May '19	1.80%
Fed Funds Target	July 2, 2019	2.25% - 2.50%

Source: Bloomberg

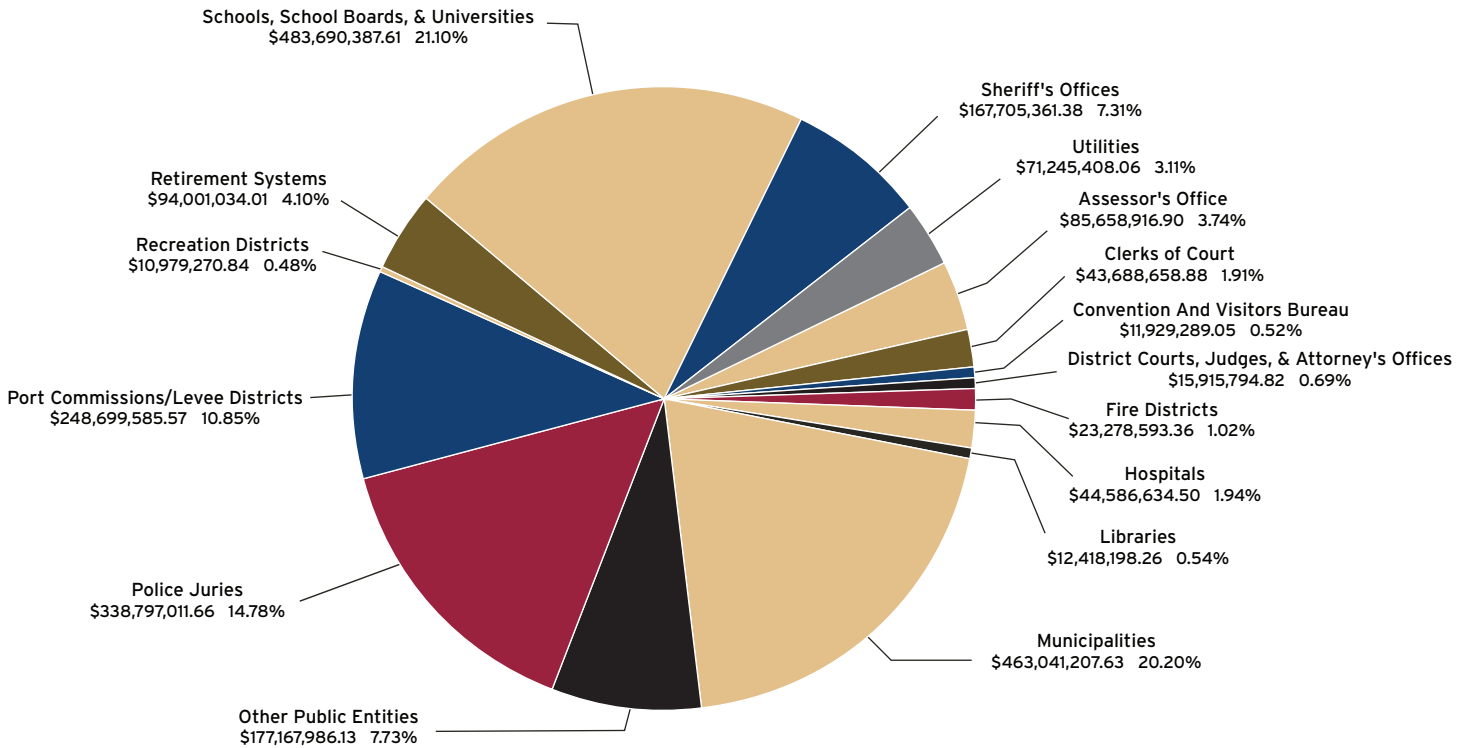
Data unaudited. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives 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.



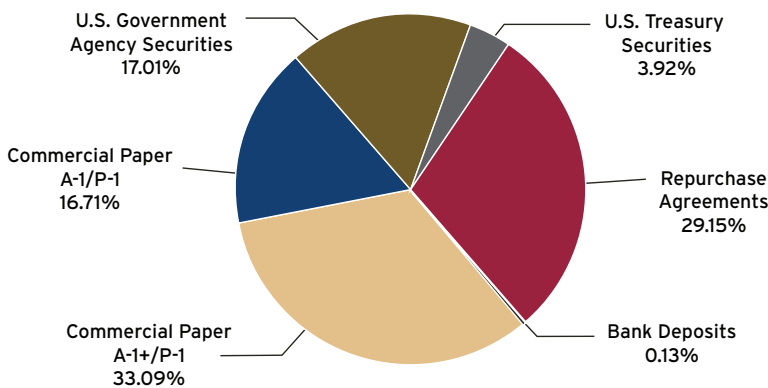
The **FUND**

Fund Highlights as of June 30, 2019 (Unaudited)

Participant Breakdown



Portfolio Breakdown



Month	Avg Monthly Yields	Month Ending Net Assets
Apr-19	2.48%	\$2,369,624,050
May-19	2.45%	\$2,383,062,355
Jun-19	2.42%	\$2,291,745,126

Data may not equal 100% due to rounding. 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.**