



Louisiana Asset Management Pool, Inc.

## TheECONOMY

### And Now for the Tricky Part...

The U.S. economy has shown considerable strength since contracting by one-third in the second quarter earlier this year. Consumer spending, accounting for roughly two-thirds of GDP, remains solid following May's record surge in retail sales. Buoyed by low mortgage rates and urban flight, the housing market saw record sales this summer while the labor market also continues to mend, reclaiming nearly half of the 22 million jobs lost in March and April.

Despite these encouraging developments, COVID-19 has left lasting scars on small businesses, restaurants, and the travel industry. Until a vaccine or immunity to the virus develops, it will be difficult to bring many of these jobs back. When temporary layoffs become permanent, years spent learning the necessary skills and earning the trust of an employer are lost. The tricky part will be keeping the unemployed afloat and engaged until the virus is largely eradicated.

While Congress debates the size of and need for another stimulus package, the Federal Reserve continues to fine-tune its message. Monetary policy is likely to remain accommodative for the next few years through large scale asset purchases and forward guidance regarding the Federal Fund Target Rate. Chair Jerome Powell recently outlined the Fed's new inflation framework, allowing its target rate to stay lower for longer even if the labor market heats up once again. The hope is that continued monetary and fiscal support will allow displaced businesses and employees to bridge the gap between changing consumer preferences and the end of the pandemic. Although the U.S. economy has made remarkable strides in the past few months, there is still much work to be done facing this once in a century event.

### Treasury Yields

MATURITY	9/8/20	8/7/20	CHANGE
3-Month	0.113%	0.089%	0.024%
6-Month	0.122%	0.104%	0.018%
1-Year	0.132%	0.124%	0.008%
2-Year	0.141%	0.129%	0.012%
3-Year	0.165%	0.141%	0.024%
5-Year	0.271%	0.231%	0.040%
10-Year	0.684%	0.564%	0.120%
30-Year	1.424%	1.234%	0.190%

Source: Bloomberg

### Agency Yields

MATURITY	9/4/20	8/7/20	CHANGE
3-Month	0.111%	0.089%	0.022%
6-Month	0.137%	0.143%	-0.006%
1-Year	0.141%	0.137%	0.004%
2-Year	0.192%	0.179%	0.013%
3-Year	0.249%	0.235%	0.014%
5-Year	0.449%	0.409%	0.040%

Source: Bloomberg

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

MATURITY	9/8/20	8/7/20	CHANGE
1-Month	0.120%	0.120%	0.000%
3-Month	0.170%	0.160%	0.010%
6-Month	0.200%	0.220%	-0.020%
9-Month	0.270%	0.230%	0.040%

Source: Bloomberg

### Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q2 '20	-31.70%
US Unemployment	Aug '20	8.40%
ISM Manufacturing	Aug '20	56.00
PPI YoY	Jul '20	-1.80%
CPI YoY	Jul '20	1.00%
Fed Funds Target	Sept 08, 2020	0.00% - 0.25%

Source: Bloomberg

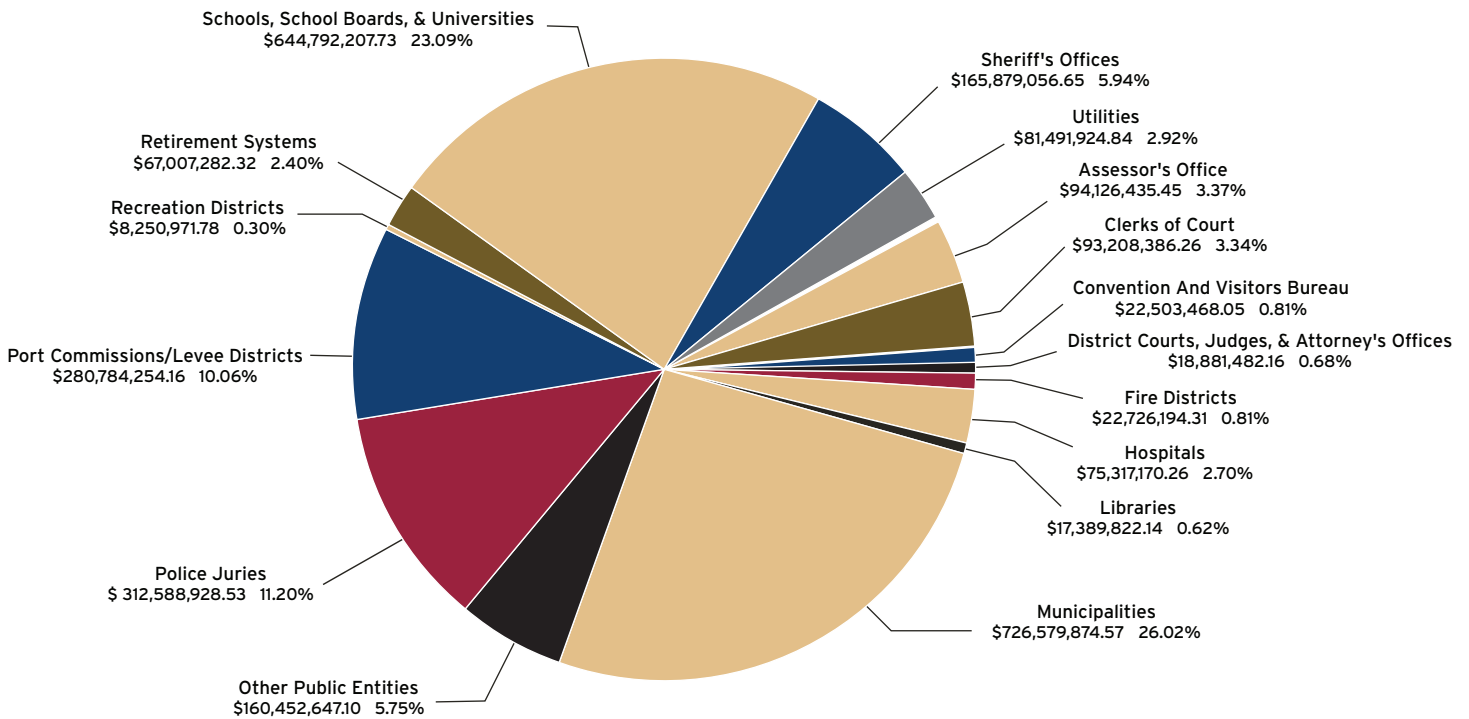
Data unaudited. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives 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 presented should not be used in making any investment decisions. This material 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.



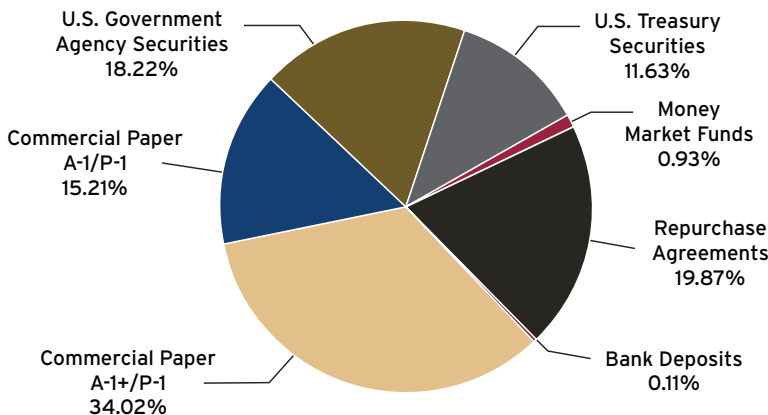
# The **FUND**

## Fund Highlights as of August 31, 2020 (Unaudited)

### Participant Breakdown



### Portfolio Breakdown



Month	Avg Monthly Yields	Month Ending Net Assets
Jun-20	0.52%	\$2,847,418,152
Jul-20	0.31%	\$2,903,313,223
Aug-20	0.16%	\$2,792,296,951

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.**