



Louisiana Asset Management Pool, Inc.

## TheECONOMY

### Fed Pause or Conclusion?

Fed Funds have eclipsed 5.00% for the first time since 2007 as Chair Powell and the Federal Open Market Committee (FOMC) raised rates by 25 basis points on May 3. This is the tenth increase in the Federal Funds rate since March of 2022 and potentially the last as Chair Powell has shifted his rhetoric and stated at the press conference that, “looking ahead, we will take a data-dependent approach in determining the extent to which additional policy firming may be appropriate.” Moving forward it will be critical to watch the next few inflation and labor market readings to assess whether the FOMC is truly done, if this is a pause, or if there are further increases in Fed Funds ahead.

Nonfarm payrolls for April continued to remain strong, with the headline number coming in at +253k for the month, easily beating expectations of +185k. The unemployment rate also ticked down during the month, reaching 3.4%, tying a multi-decade low. The labor market continues to defy expectations even as there are some signs that the supply and demand of workers is starting to shift into better balance.

Inflation data continues to remain stubbornly high but has begun to steadily decrease with both the Consumer Price Index (CPI) and Personal Consumption Expenditures (PCE) Index off their multi-decade high readings from the middle of last year. CPI for April came in at +0.4% month-over-month, in line with expectations but still well above the annualized 2.00% target. PCE readings for April will come out on May 26 and will be critical to watch as this is the FOMC’s preferred measure of inflation. The next labor market and inflation readings will be crucial data points ahead of the FOMC’s rate decision on June 14.

The debt ceiling showdown remains in the financial media headlines with Congress and the Biden Administration continuing discussion on a plan to raise the debt ceiling ahead of a potential early June cash crunch. Secretary Yellen has been vocal about the Treasury’s current cash projections, and both sides remain in discussions and optimistic that a resolution can be agreed to ahead of the deadline.

### Treasury Yields

MATURITY	5/16/23	4/17/23	CHANGE
3-Month	5.029%	4.991%	0.038%
6-Month	5.205%	5.017%	0.188%
1-Year	4.880%	4.802%	0.078%
2-Year	4.082%	4.194%	-0.112%
3-Year	3.745%	3.920%	-0.176%
5-Year	3.526%	3.698%	-0.172%
10-Year	3.534%	3.600%	-0.066%
30-Year	3.854%	3.811%	0.043%

Source: Bloomberg

### Agency Yields

MATURITY	5/16/23	4/17/23	CHANGE
3-Month	5.232%	5.144%	0.088%
6-Month	5.111%	5.060%	0.050%
1-Year	4.842%	4.856%	-0.015%
2-Year	4.217%	4.361%	-0.144%
3-Year	3.889%	4.078%	-0.189%
5-Year	3.653%	3.851%	-0.198%

Source: Bloomberg

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

MATURITY	5/16/23	4/17/23	CHANGE
1-Month	5.120%	4.910%	0.210%
3-Month	5.280%	5.160%	0.120%
6-Month	5.360%	5.350%	0.010%
9-Month	5.280%	5.380%	-0.100%

Source: Bloomberg

### Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q1 '23	1.10%
US Unemployment	Apr '23	3.40%
ISM Manufacturing	Apr '23	47.1
PPI YoY	Apr '23	2.30%
CPI YoY	Apr '23	4.90%
Fed Funds Target	May 17, 2023	5.00%-5.25%

Source: Bloomberg

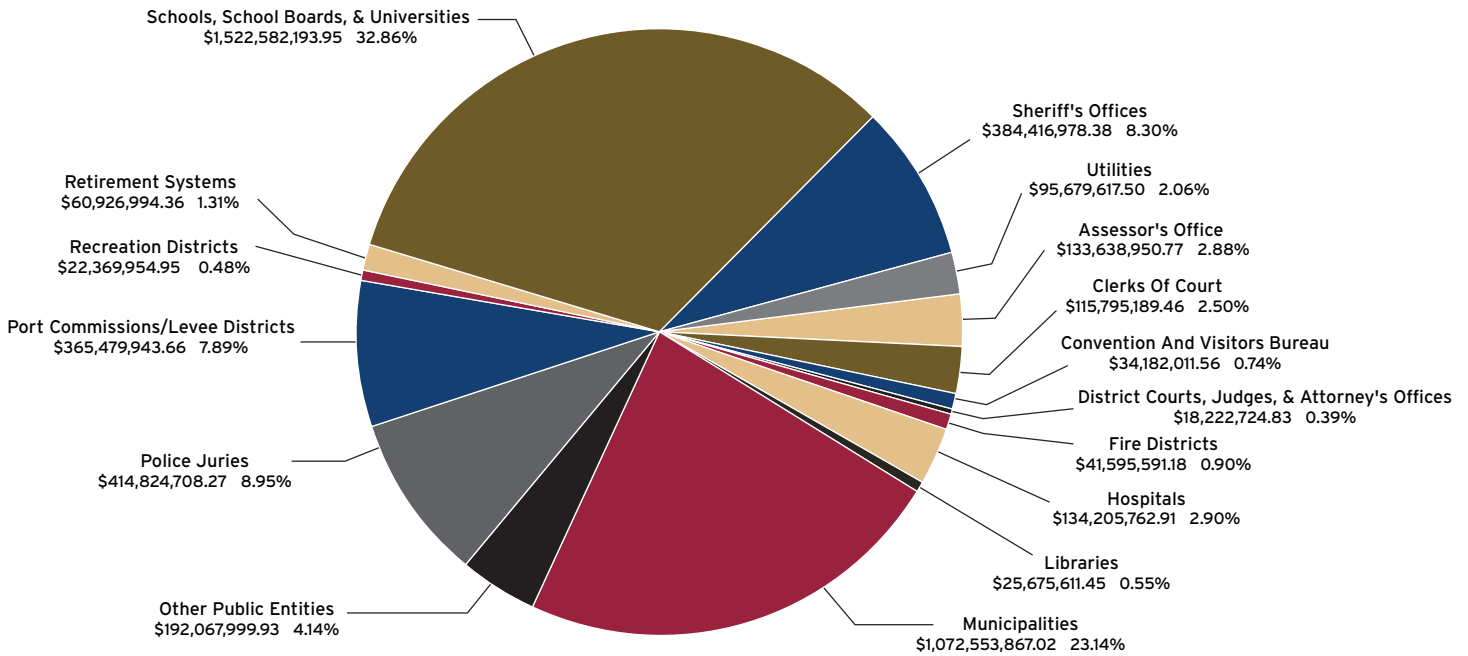
Data as of May 17, 2023. Data unaudited. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. LAMP is not a bank. An investment in LAMP is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although LAMP seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. 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.



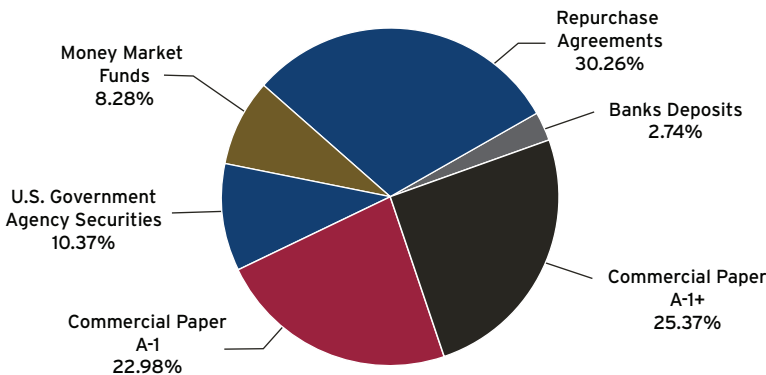
# TheFUND

## Fund Highlights as of April 30, 2023 (Unaudited)

### Participant Breakdown



### Portfolio Breakdown



Month	Avg Monthly Yields	Month Ending Net Assets
Feb-23	4.57%	\$4,335,484,606
Mar-23	4.66%	\$4,443,905,767
Apr-23	4.82%	\$4,631,831,361

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.