



Louisiana Asset Management Pool, Inc.

TheECONOMY

Rates Rising Despite Uncertain Geopolitical Landscape

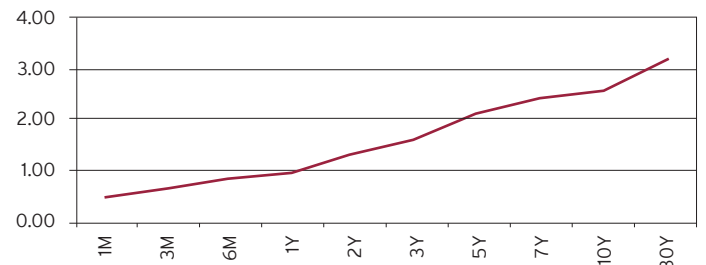
Payrolls in February followed through on the strong recent trend, rising by 235,000 newly created jobs versus market expectations of 200,000 newly created jobs. Once again, the pace of hiring was solid while wage inflation lagged expectations. The unemployment rate fell by 0.2% and the labor force participation rate expanded to 63%. Aside from wages, the jobs profile is strong.

A dynamic shift in market sentiment towards higher rates occurred between the third and fourth week of February. As predicted, the FOMC raised rates another 25-basis points at their recent meeting on March 15. Market participants are now prognosticating one additional hike during the balance of 2017.

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 fell slightly to 2.1% in January but held above the 2% target.

Fourth quarter GDP was reduced to 1.9% on the second revision. Meanwhile, the Federal Reserve Bank of Atlanta currently estimates GDP growth (GDPNow) of 1.2%, down substantially from the prior estimate of 2.7%. Should their estimate prove accurate, growth will have fallen off by roughly two-thirds from the third quarter 2016 print of 3.5%. While current growth estimates are less than stellar, activity in both manufacturing and services appears to be picking up sufficiently to allow the Federal Reserve to continue its plan of gradually raising the Fed Funds target rate.

US Treasury Curve



Source: Bloomberg

Treasury Yields

MATURITY	3/9/17	2/9/17	CHANGE
3 Month	0.718%	0.538%	0.179%
6 Month	0.876%	0.631%	0.245%
1 Year	1.032%	0.785%	0.247%

Source: Bloomberg

Agency Yields

MATURITY	3/9/17	2/9/17	CHANGE
3 Month	0.738%	0.531%	0.207%
6 Month	0.822%	0.604%	0.218%
1 Year	0.993%	0.755%	0.238%

Source: Bloomberg

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

MATURITY	3/9/17	2/9/17	CHANGE
1 Month	0.830%	0.740%	0.090%
3 Month	1.030%	0.970%	0.060%
6 Month	1.280%	1.260%	0.020%
9 Month	1.430%	1.380%	0.050%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q4 '16	1.90%
US Unemployment	Feb '17	4.70%
ISM Manufacturing	Feb '17	57.70%
PPI YoY	Jan '17	3.00%
CPI YoY	Jan '17	2.50%
Fed Funds Target	Mar 10 '17	0.50% - 0.75%

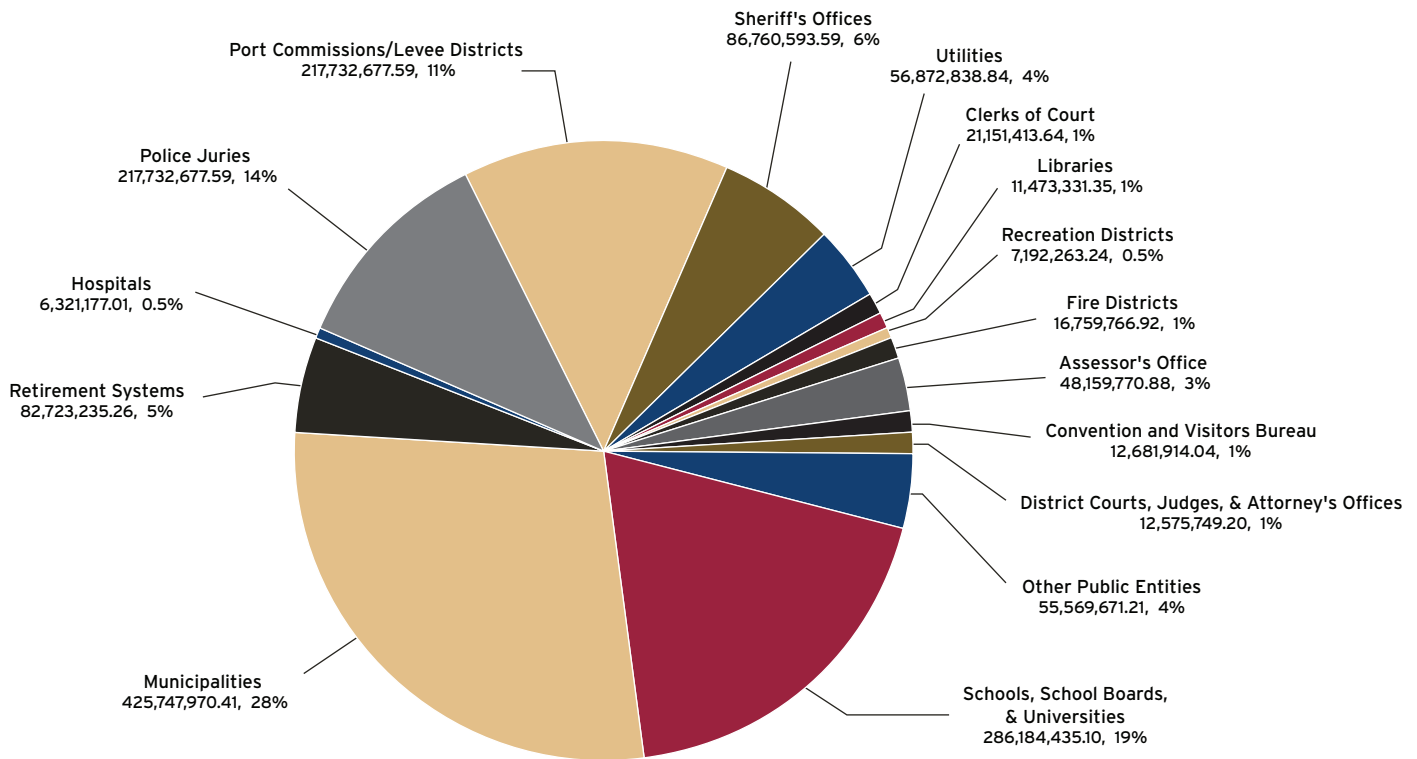
Source: Bloomberg



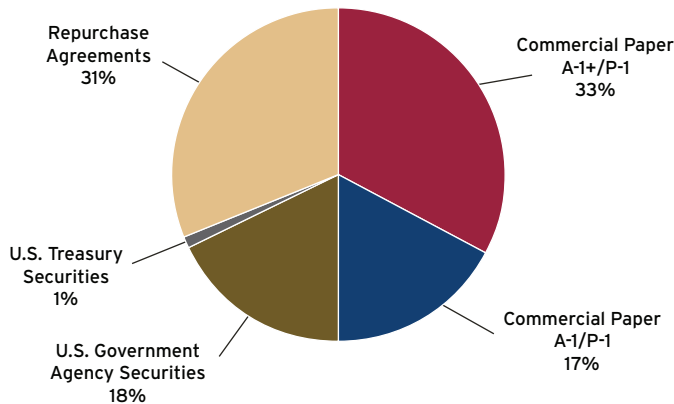
The **FUND**

Fund Highlights as of February 28, 2017 (Unaudited)

Participant Breakdown



Portfolio Breakdown



Month	Avg Yields**	Month Ending Net Assets
Dec-16	0.65%	\$1,210,579,422
Jan-17	0.73%	\$1,389,334,380
Feb-17	0.74%	\$1,521,320,947

** 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.