



TheNEWS

Four Ways to Update Your VIP Account

It is always a great idea to take a moment to ensure that your VIP Participant Portal account information is correct and up to date. Below is a check list of important items to review:

1. Ensure that all contact information is accurate.

Throughout the year, you may have new staff members and elected officials join your entity. Please verify that the correct Authorized Signers are listed and that old signers have been removed. All contacts (signers and non-signers) can be updated via the Signatory Amendment Form which is available in the online portal Help Center.

2. Verify that the correct and current bank information has been provided.

All bank information should be up to date including routing (ABA) numbers and bank account numbers. Does a bank account need to be removed or added? If so, please complete a Bank Amendment Form and return to Client Services. As an added layer of security, dual signatures are required on all bank additions. If necessary, please complete the Bank Amendment Form for our records; you can contact Client Services to receive a copy of the form or visit the Help Center in the Participant Portal.

3. Confirm that all email addresses are current.

We need accurate email addresses to communicate with you; it is how you receive important VIP updates!

You can now update your email address directly within the VIP Participant Portal.

4. Subaccounts should be reviewed and up to date.

We recommend closing any subaccounts where the projects have been completed or expired. An organized list of active subaccounts will help with efficiency and organization. You can now create your own subaccounts directly through the VIP Participant Portal! When logged into the portal, you'll find a button in the upper-right corner of your dashboard to open a new subaccount. Simply fill out the required information (fund and desired name) and submit. Your new subaccount number will be displayed on the page and is ready for immediate use.

As always, the VIP Participant Portal strives to provide the highest level of security for not only processing transactions but also retrieving important account information such as monthly statements and transaction confirmations. We no longer distribute monthly statements and confirmations via email, so please make sure you have access to the VIP Participant Portal to view your account activities and access reporting. To request online access, please contact VIP Client Services at (855) 249-8588 or clientservices@virginiainvestmentpool.org.



The **ECONOMY**

Debt Debate

Democrats and Republicans recently reached a deal to expand the U.S. government's borrowing limit by \$480 billion, supporting the Treasury Department's cash needs until early December. While the market eventually found some relief after this latest round of last-minute Congressional brinkmanship, the short-term reprieve sets the stage for another heated debate in November.

In 2011, S&P Global Ratings famously downgraded the long-term credit of the U.S. government from 'AAA' to 'AA+' based on similar circumstances; due to the current standoff, Fitch Ratings has indicated it may follow suit. Longer-term implications aside, it would be best for all parties involved and overall financial conditions to have the debt ceiling issue resolved sooner than later.

Despite strong labor demand, the weaker-than-forecast September jobs report may indicate that COVID-19 concerns, as well as generous government transfer payments, are restricting a return to the workforce. Nonfarm payrolls increased 194k in September, materially short of the market's forecast of 500k. The unemployment rate fell to 4.8%, partly reflecting a decline in the labor force participation rate.

A softening of the labor market, as implied by the nonfarm payrolls miss, complicates the potential decision by the Federal Reserve to begin tapering its bond purchases before year-end. Surging energy prices and robust wage gains, however, have many investors doubting that inflation will prove to be short-term in nature. Additionally, the Fed's primary gauge of inflation rose in August by the most in three decades on an annual basis. The Fed may ultimately decide to press forward with tapering in November, providing the cover to raise rates next year if needed.

Treasury Yields

MATURITY	10/8/21	9/10/21	CHANGE
3-Month	0.060%	0.038%	0.022%
6-Month	0.056%	0.046%	0.010%
1-Year	0.089%	0.066%	0.023%
2-Year	0.318%	0.213%	0.105%
3-Year	0.580%	0.443%	0.137%
5-Year	1.060%	0.816%	0.244%
10-Year	1.612%	1.341%	0.271%
30-Year	2.164%	1.934%	0.230%

Source: Bloomberg

Agency Yields

MATURITY	10/8/21	9/10/21	CHANGE
3-Month	0.044%	0.050%	-0.006%
6-Month	0.055%	0.058%	-0.003%
1-Year	0.088%	0.084%	0.004%
2-Year	0.316%	0.220%	0.096%
3-Year	0.601%	0.443%	0.158%
5-Year	1.061%	0.825%	0.236%

Source: Bloomberg

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

MATURITY	10/8/21	9/10/21	CHANGE
1-Month	0.080%	0.080%	0.000%
3-Month	0.100%	0.090%	0.010%
6-Month	0.140%	0.130%	0.010%
9-Month	0.160%	0.150%	0.010%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q2 '21	6.70%
US Unemployment	Sept '21	4.80%
ISM Manufacturing	Sept '21	61.10
PPI YoY	Aug '21	10.50%
CPI YoY	Aug '21	5.30%
Fed Funds Target	Oct 12, 2021	0.00% - 0.25%

Source: Bloomberg