



New Jersey Schools Insurance Group  
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[www.njsig.org](http://www.njsig.org)

**Board of Trustees Meeting of November 16, 2022**  
**Discussion Item**  
**NJSIG Investments**

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The Wilmington Trust team will discuss the current investment market environment and NJSIG's portfolio status. They will provide any new recommendations for NJSIG's investment portfolio and answer any questions.

Michele Carosi  
Chief Financial Officer

# Investment Review and Outlook

September 30, 2022

Prepared for  
New Jersey Schools Ins Group 124277-000

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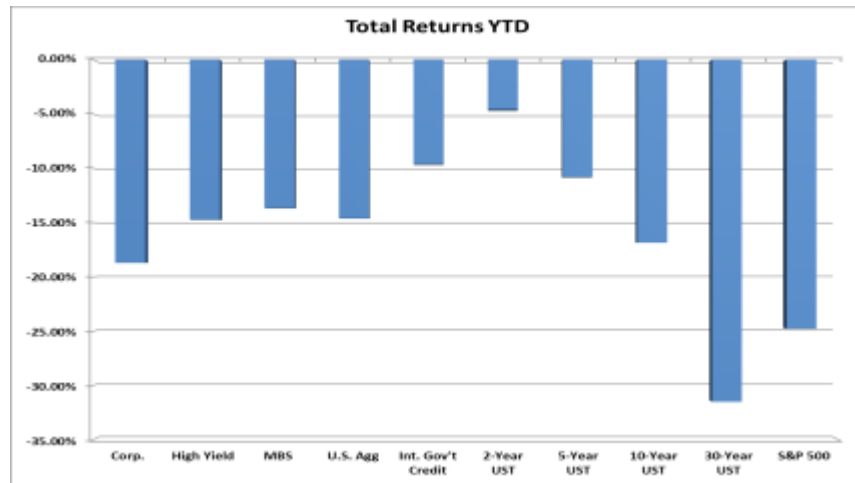
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# New Jersey Schools Ins Group 124277-000

## TAXABLE FIXED INCOME MARKET SECTOR REVIEW FOR THE 3<sup>RD</sup> QUARTER 2022

### Taxable Bond Review

Performance as of September 30, 2022



Bloomberg U.S. Aggregate Index Summary							
Excess Returns vs. Treasuries, in basis points							
	U.S. Aggregate		U.S. Agency			High Yield	
	MBS	ABS	CMBS	Corporate			
Q3 2022	-57	-21	-26	-33	227		
YTD 2022	-186	-72	-110	-357	-624		
2021	32	0	105	161	663		
2020	28	-7	51	49	225		

Excess returns reflect differences between the total returns of the asset classes and U.S. Treasuries of comparable duration.

Source: Bloomberg. Past performance is no guarantee of future results. Additional index information is provided on the "Asset class performance" page.

Interest rates have continued to move higher over the quarter in response to the Fed continuing to aggressively raise interest rates. The Fed has communicated that bringing down inflation is their number 1 priority. The Fed raised interest rates in September by another 75 basis points, their 3<sup>rd</sup> consecutive 75 basis point increase. The Fed Funds target is now 3% to 3.25%, its highest level since 2008. The 2-year treasury note yield ended the quarter at a yield of 4.28% up 132 basis points on the quarter and 355 basis points on the year. At quarter end the 10-year yield was 3.83%, up 82 basis points on the quarter and 232 basis points on the year. The September "Dot Plot" revealed that Fed members were now projecting to raise interest rates by an additional 1.25% by year end to a yield of 4.4%, which is 1% higher than their June projection. The Fed's year end 2023 "Dot Plot" has a median Fed Fund rate of 4.6%. Looking out to 2024 the Fed expects inflation to be down to 2.3% which could allow the Fed to start easing monetary policy and lowering interest rates. The market is concerned that the Fed will over tighten monetary policy leading to a recession and is anticipating the Fed having to cut rates by late 2023. The CPI is up 8.3% over the 12 months ending August 2022. The Core CPI which excludes Food and Energy is up 6.3% over the same period. The Treasury yield curve is inverted as measured between the 2-year Treasury and 10-year Treasury with the 10-year Treasury yielding 45 basis points less than the 2-year Treasury, which tends to foreshadow a recession. Total returns for the 3<sup>rd</sup> quarter were negative all along the Treasury yield curve, except for 3 and 6 month Treasury bills, given the rise in interest rates on the year. The Aggregate Bond index is down 14.61% year to date, its worst performance ever. This index has been in existence since 1982 and its prior worst annual performance was 1994 when the index returned -2.92%. The 10-year TIPs breakeven inflation rate declined during the quarter to 2.16%, on the Fed's aggressive rate hikes and their persistent communication that they will do whatever it takes to lower inflation.

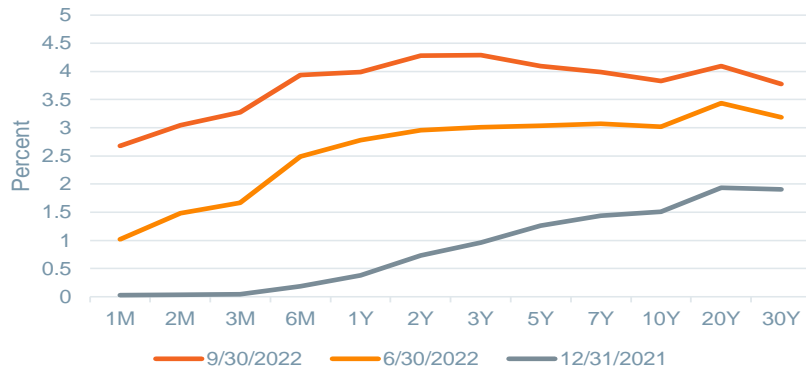
The Corporate sector continued to underperform on the quarter, producing -33 basis points of excess return. Year to date the sector has produced -357 basis points of excess return making it the worst year since the great financial crisis in 2008. The underperformance can be attributed to the uncertainty over economic growth, increased concerns for a recession and lower earnings given the Fed being more aggressive in raising interest rates. Risk premiums widened by 4 basis points on the quarter for the Bloomberg Corporate Bond Index, to an average risk premium of 159 basis points. Year to date risk premiums are 67 basis points wider to the highest level since the pandemic in 2020. The lower rated BBB issuers continued to underperform the higher quality A rated issuers as investors sought the safety of higher quality issuers given the potential negative economic consequences of the Fed potentially over tightening which could lead to a recession. The BBB sector provided -417 basis points of excess return year to date vs. -313 basis points for A rated corporate bonds. Surprisingly, the High Yield index outperformed for the quarter producing 227 basis points of excess return for the quarter as new issuance declined dramatically. The High Yield index has returned -14.74% for the year. The average risk premium for the High Yield index at quarter end was 552 basis points, down from 569 basis points on the quarter. At quarter end the High Yield index yielded 9.68%, up from 8.89% on June 30, 2022.

The Mortgage Backed sector underperformed for the quarter, producing -169 basis points of excess return for the quarter. The underperformance on the quarter can be attributed to concerns of duration extension given higher interest rates and fears of the Fed selling some of their mortgage bonds.

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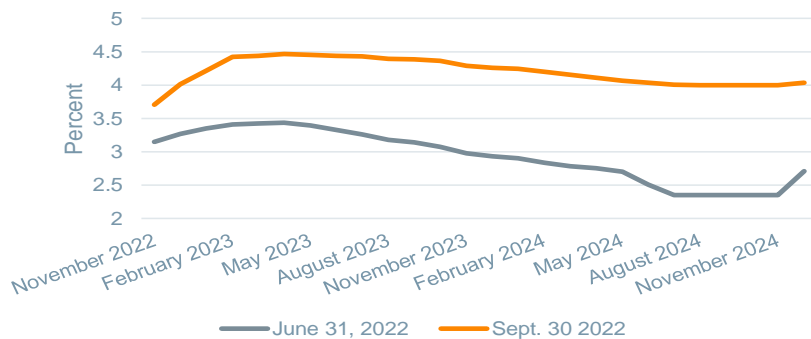
# The Fed Moves Aggressively By Raising Rates By 1.5% During the Quarter and Communicates More Hikes Will Be Forthcoming

U.S. Treasury Yield Curve



- Short term interest rates move to their highest levels since 2007.
- The yield curve inverts with 2-year Treasury yields higher than 10-year Treasury yields. The yield curve inversion is a signal of an impending recession.
- The Fed and the market have raised their expectations for the terminal Fed Funds rate to 4.5% which is 1% higher on the quarter.
- The market is still anticipating the Fed cutting interest rates by late 2023.
- It is not just the Fed tightening monetary policy, central banks around the globe have been raising interest rates.
- The ECB has abandoned its zero-interest rate policy by raising its benchmark lending rate from 0% to 1.25%.
- The Bank of England had to pause its quantitative tightening as their 30-year sovereign bonds experienced a meltdown as its yield moved from 2.5% in mid-August to 5% in late September. The Bank of England had to start buying their long-term bonds to stabilize the market.

30 Day Federal Funds Futures:  
Chicago Board of Trade



Global Sovereign Interest Rates (%)  
as of September 30, 2022

Country	Central Bank Policy Rate	2 Year	10 Year	30 Year
China	4.35	2.08	2.7	3.11
Canada	3.25	3.79	3.17	3.09
United States	3	4.28	3.83	3.78
Germany	1.25	1.73	2.1	2.08
United Kingdom	2.25	4.17	4.08	3.81
Japan	-0.1	-0.05	0.23	1.36

Source: Bloomberg

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# The Fed's Latest Projections Have the Fed Raising Rates Another 1.25% in the 4<sup>th</sup> Quarter

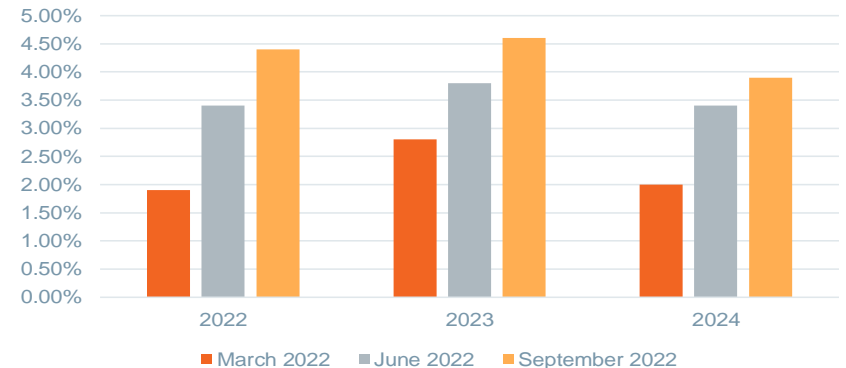
Median Economic Projections of Federal Reserve Members  
September 2022

	2022	2023	2024	Longer run
Percent				
Change in real GDP	0.2	1.2	1.7	1.8
Unemployment rate	3.8	4.4	4.4	4.0
PCE inflation	5.4	2.8	2.3	2.0
Core PCE inflation	4.5	3.1	2.3	NA

- The Fed has been moving their Fed Funds rate projection higher all year in response to the higher and “sticky” inflation.
- Just 6 months ago the Fed thought year-end Fed Funds would be 1.8%, now the Fed is projecting a 4.4% Fed funds rate.
- For year-end 2023 the Fed is now expecting the Fed Funds rate to be 4.6%.
- At year-end 2024 the Fed is projecting the Fed Funds rate to have declined to 3.9% as the Fed then expects to have successfully lowered the inflation rate.

- The Fed has reduced their economic growth forecast for 2022, 2023 and 2024 as they tighten monetary policy to combat inflation.
- The Fed is now projecting that the unemployment rate will rise from its current 3.7% to 4.4% next year.
- The Fed is forecasting that the Core Personal Consumption Expenditure Deflator (PCE) Inflation rate will decline next year to 3.1% from its current 4.9%. However, this forecast is still above the Fed's target of 2%.
- This higher projection for the PCE has resulted in the Fed now expecting to raise rates by more than they expected.

FOMC Federal Funds Rate Projection



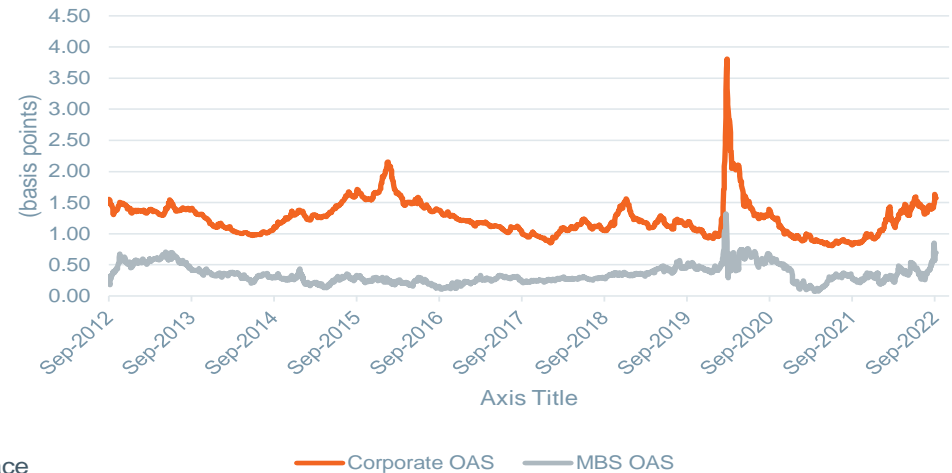
Source: Federal Reserve

## New Jersey Schools Ins Group 124277-000

# Risk Assets Retreat As Fed Turns More Hawkish

Index Name	Month to Date Excess Return	3 Month Excess Return	Year to Date Excess Return
US Credit	-1.32	-0.33	-3.28
Corporate	-1.42	-0.33	-3.57
Industrial	-1.42	-0.29	-3.53
Capital Goods	-1.02	0.38	-3.19
Communications	-1.92	-1.25	-4.83
Consumer Cyclical	-1.21	-0.18	-3.36
Cons. Non-Cycl	-1.28	-0.06	-3.35
Energy	-1.58	-0.03	-2.88
Transportation	-1.97	-0.26	-3.42
Utility	-1.61	-0.33	-3.46
Financial Institutions	-1.38	-0.41	-3.66

Corporate and Mortgage Option Adjusted Spread (OAS)



- The corporate Index widened 18 basis points in September as the market assessed higher than expected inflation and a more hawkish Federal Reserve, the 2<sup>nd</sup> worst monthly performance for the year.
- The capital goods sector outperformed over the quarter led by the aerospace and defense sub-sectors.
- Over the quarter consumer cyclical and non-cyclical sectors outperformed as US personal consumption remained robust.
- The energy sector also continued to outperform as energy prices remain somewhat elevated.
- Tougher operating environment and added corporate supply led to the communications sector to underperform on the quarter.
- Over the quarter economically sensitive sectors such as, banks and transportation, underperformed while more defensive sectors, consumer products and diversified manufacturing, outperformed.
- Corporate bonds with long maturities underperformed registering -96 basis points of excess returns over the quarter while corporate bonds with short and intermediate maturities provided 22 and 20 basis points of excess returns respectively.

- Year to date higher interest rates extended the effective maturities on existing MBS securities contributing to the sector's worst ever underperformance.
- As Quantitative tightening on the part of the Federal Reserve kicked into high gear, the Federal Reserve continued to reduce its \$2.7 trillion in MBS, reducing demand for MBS and contributing to their relative underperformance.
- Although the Federal Reserve has recently stated that they intend to let their holdings of MBS to decline naturally by having bonds paydown or mature, the market is sensitive to the possibility of an outright sale of MBS by the Fed.
- New issue corporate supply started September on a strong note but quickly deteriorated as market volatility increased over the month.
- September new issue supply was the lowest since 2011 as the appetite for risk declined.

Source: Bloomberg

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## Disclosures

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Indexes are not available for direct investment. Investment in a security or strategy designed to replicate the performance of an index will incur expenses such as management fees and transaction costs which would reduce returns.

The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

The Bloomberg Barclays US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

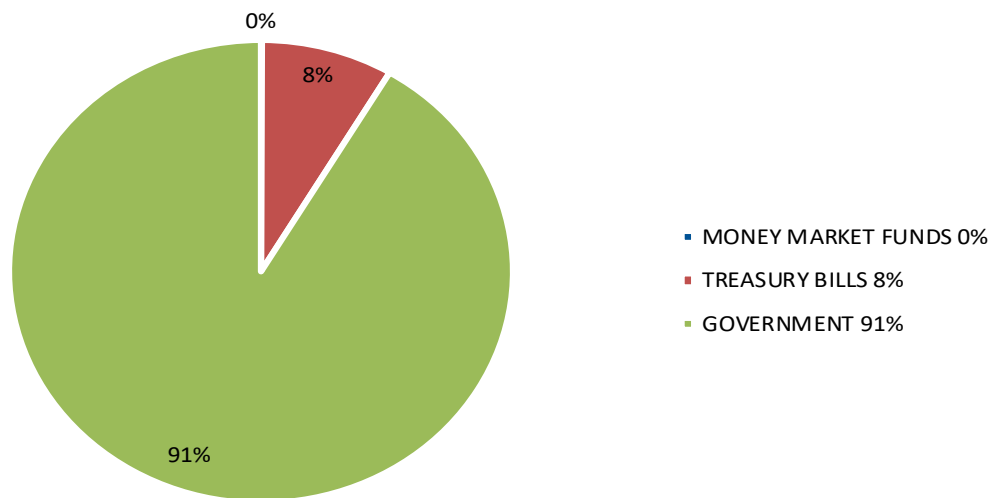
A risk premium is the investment return an asset is expected to yield in excess of the risk-free rate of return. An asset's risk premium is a form of compensation for investors. It represents payment to investors for tolerating the extra risk in a given investment over that of a risk-free asset.

Investing involves risks and you may incur a profit or a loss.

**Investment products are not insured by the FDIC or any other governmental agency, are not deposits of or other obligations of or guaranteed by Wilmington Trust, M&T, or any other bank or entity, and are subject to risks, including a possible loss of the principal amount invested.**

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**Asset Allocation**  
**New Jersey Schools Ins Group 124277-000**  
**September 30<sup>th</sup>, 2022**



**September 30, 2022**

Asset Class	Allocation	Value*	Est Annual Income
MONEY MARKET FUNDS	0.1%	\$106,082.14	\$844.36
TREASURY BILLS	8.4%	\$15,755,432.18	\$174,142.47
GOVERNMENT	91.6%	\$171,894,492.41	\$938,268.75
<b>Total</b>	<b>100.0%</b>	<b>\$187,756,006.73</b>	<b>\$1,113,255.58</b>

**June 30, 2022**

Allocation	Value*	Est Annual Income
0.0%	\$30,178.59	\$273.11
20.2%	\$37,971,645.36	\$308,064.22
79.8%	\$149,855,577.59	\$239,243.75
<b>100.0%</b>	<b>\$187,857,401.54</b>	<b>\$547,581.08</b>

\*Includes accrued income

Allocation percentages may not sum to 100% due to rounding

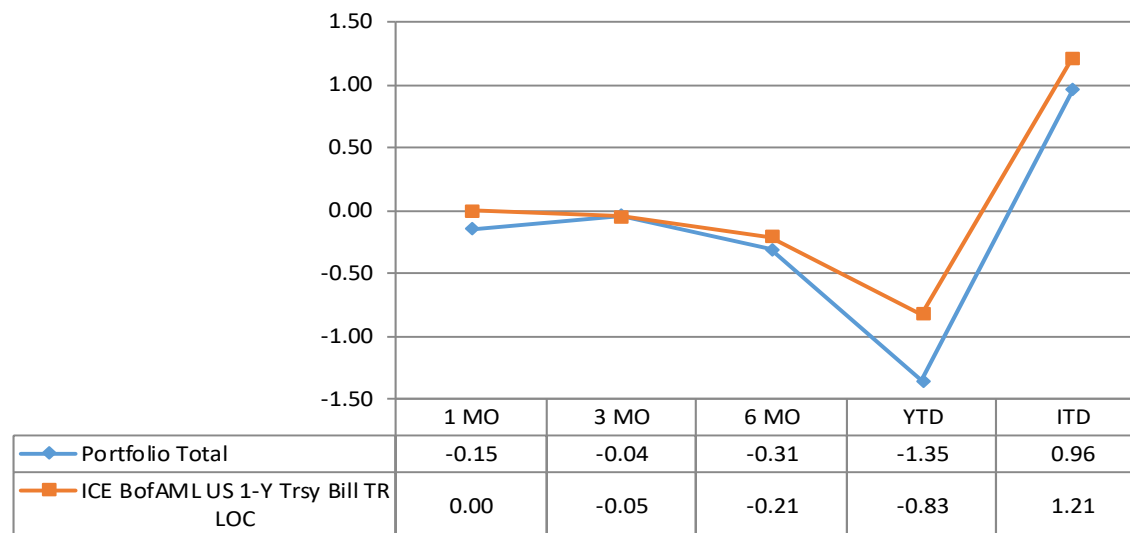
Values for Asset Allocation, Results of Investment Vehicles and Portfolio Holdings are reported on a trade date basis, Portfolio Activity is reported on a settlement date basis



**Results of Investment Vehicles**  
**New Jersey Schools Ins Group 124277-000**  
**September 30<sup>th</sup>, 2022**

Class/Security	Inception	Ending Market Value	End Weight	1Month	3Month	6 Month	Since Inception	
	Date						YTD	February-18
<b>New Jersey Schools Insurance - 51124277</b>	<b>02/01/2018</b>	<b>187,756,006.73</b>	<b>100.00</b>	<b>-0.15</b>	<b>-0.04</b>	<b>-0.31</b>	<b>-1.35</b>	<b>0.96</b>
ICE BofAML US 1-Y Trsy Bill TR LOC				0.00	-0.05	-0.21	-0.83	1.21

Returns for periods over one year are annualized. Performance assumes the reinvestment of dividends, interest and other income. Unless otherwise noted, calculations do not reflect the deduction of Wilmington Trust advisory fees, which would reduce the results shown at a compounded rate over time. Please see the Disclosures for additional, important information.



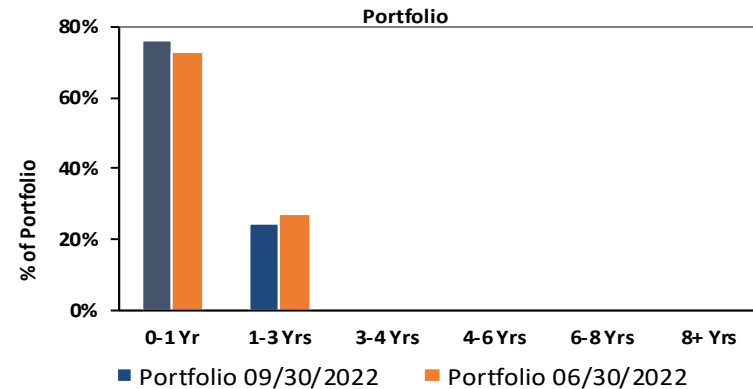
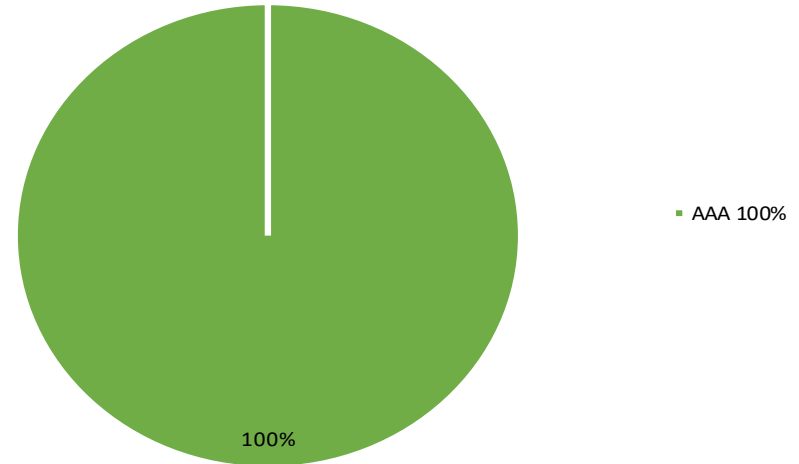
**Fixed Income Analysis**  
**New Jersey Schools Ins Group 124277-000**  
**September 30<sup>th</sup>, 2022**

	Portfolio 9/30/2022	Portfolio 6/30/2022
<b>Average Quality</b>	Aaa	Aaa
<b>Average Coupon</b>	0.49%	0.13%
<b>Average Yield</b>	0.81%	0.36%
<b>Average Maturity (Years)</b>	0.72	0.72
<b>Effective Duration</b>	0.70	0.70

<b>MATURITY DISTRIBUTION</b>	Portfolio 9/30/22	Portfolio 6/30/22
0-1 Year	75.9%	73.0%
1-3 Years	24.1%	27.0%
3-4 Years	0.0%	0.0%
4-6 Years	0.0%	0.0%
6-8 Years	0.0%	0.0%
8+ Years	0.0%	0.0%

<b>EFFECTIVE DURATION</b>	Portfolio 9/30/2022	Portfolio 6/30/2022
<b>0-1 Year</b>	75.9%	72.9%
<b>1-3 Years</b>	24.1%	27.1%
<b>3-4 Years</b>	0.0%	0.0%
<b>4-6 Years</b>	0.0%	0.0%
<b>6-8 Years</b>	0.0%	0.0%
<b>8+ Years</b>	0.0%	0.0%

**Credit Quality**



**Portfolio Holdings**  
**New Jersey Schools Ins Group 124277-000**  
**September 30<sup>th</sup>, 2022**

Shares or Par Value	Issuer / Description	Total Cost	Market Price	% Of Value	Market Value	Amortized Book Value	Unrealized G/L	Annual Income	Yield @ Market	Accrued Interest	S&P	Moody
<b>MONEY MARKET FUNDS</b>												
106,042.61	BLACKROCK LIQUIDITY TREAS CL ADM	106,042.61	100.00	0.06	106,042.61	106,042.61	0.00	844.36	2.37	39.53	AAA	AAA
<b>106,042.61</b>		<b>106,042.61</b>		<b>0.06</b>	<b>106,042.61</b>	<b>106,042.61</b>	<b>0.00</b>	<b>844.36</b>		<b>39.53</b>		
<b>TREASURY BILLS</b>												
6,250,000.00	UNITED STATES TREAS T-BILL OCT 04 22	6,223,620.49	99.99	3.33	6,249,581.38	6,248,836.20	745.18	139,066.79	2.23	0.00	AA+	AAA
9,580,000.00	UNITED STATES TREAS T-BILL DEC 29 22	9,544,402.32	99.23	5.07	9,505,850.80	9,571,296.17	-65,445.37	35,075.68	0.37	0.00	AA+	AAA
<b>15,830,000.00</b>		<b>15,768,022.81</b>		<b>8.40</b>	<b>15,755,432.18</b>	<b>15,820,132.37</b>	<b>-64,700.19</b>	<b>174,142.47</b>		<b>0.00</b>		
<b>GOVERNMENT</b>												
9,700,000.00	UNITED STATES TREAS 0.125 OCT 31 22	9,691,281.25	99.80	5.16	9,680,503.00	9,699,615.88	-19,112.88	12,125.00	0.17	5,074.05	AA+	AAA
9,400,000.00	UNITED STATES TREAS 0.125 NOV 30 22	9,396,328.13	99.52	4.99	9,354,504.00	9,399,682.11	-45,178.11	11,750.00	0.14	3,948.77	AA+	AAA
9,315,000.00	UNITED STATES TREAS 0.125 DEC 31 22	9,318,274.81	99.19	4.93	9,239,225.92	9,315,407.57	-76,181.65	11,643.75	0.11	2,942.58	AA+	AAA
12,725,000.00	UNITED STATES TREAS 0.125 JAN 31 23	12,723,145.51	98.84	6.71	12,577,644.50	12,724,623.58	-146,979.08	15,906.25	0.13	2,679.86	AA+	AAA
12,750,000.00	UNITED STATES TREAS 0.125 FEB 28 23	12,747,779.30	98.50	6.70	12,559,260.00	12,749,583.80	-190,323.80	15,937.50	0.13	1,364.81	AA+	AAA
12,520,000.00	UNITED STATES TREAS 0.125 MAR 31 23	12,515,724.22	98.16	6.55	12,290,132.80	12,518,954.27	-228,821.47	15,650.00	0.14	42.99	AA+	AAA
9,400,000.00	UNITED STATES TREAS 0.125 APR 30 23	9,392,656.25	97.76	4.90	9,189,628.00	9,397,851.92	-208,223.92	11,750.00	0.16	4,917.12	AA+	AAA
9,650,000.00	UNITED STATES TREAS 0.125 MAY 31 23	9,646,607.43	97.41	5.01	9,399,679.00	9,648,864.50	-249,185.50	12,062.50	0.14	4,053.79	AA+	AAA
10,345,000.00	UNITED STATES TREAS 0.125 JUN 30 23	10,319,137.50	97.09	5.36	10,044,374.30	10,335,285.38	-290,911.08	12,931.25	0.25	3,267.95	AA+	AAA
9,780,000.00	UNITED STATES TREAS 0.125 JUL 31 23	9,771,213.29	96.66	5.04	9,452,956.80	9,776,315.71	-323,358.91	12,225.00	0.17	2,059.65	AA+	AAA
5,050,000.00	UNITED STATES TREAS 0.125 AUG 15 23	5,042,306.64	96.48	2.60	4,872,442.00	5,046,511.84	-174,069.84	6,312.50	0.20	806.22	AA+	AAA
9,350,000.00	UNITED STATES TREAS 0.125 AUG 31 23	9,335,025.40	96.29	4.80	9,003,395.50	9,343,125.15	-339,729.65	11,687.50	0.21	1,000.86	AA+	AAA
9,265,000.00	UNITED STATES TREAS 0.250 SEP 30 23	9,258,123.64	96.05	4.74	8,898,754.55	9,261,566.21	-362,811.66	23,162.50	0.29	63.63	AA+	AAA
9,800,000.00	UNITED STATES TREAS 0.375 OCT 31 23	9,772,437.50	95.85	5.01	9,393,496.00	9,784,998.67	-391,502.67	36,750.00	0.52	15,379.08	AA+	AAA
9,340,000.00	UNITED STATES TREAS 0.250 NOV 15 23	9,298,042.97	95.59	4.76	8,927,732.40	9,315,849.63	-388,117.23	23,350.00	0.48	8,819.70	AA+	AAA
6,400,000.00	UNITED STATES TREAS 2.250 JAN 31 24	6,224,750.00	97.34	3.32	6,229,504.00	6,225,778.39	3,725.61	144,000.00	4.37	24,260.87	AA+	AAA
6,550,000.00	UNITED STATES TREAS 2.250 MAR 31 24	6,355,035.16	97.02	3.39	6,354,523.44	6,355,382.69	-859.25	147,375.00	4.32	404.88	AA+	AAA
4,900,000.00	UNITED STATES TREAS 2.500 MAY 15 24	4,765,058.60	97.16	2.54	4,760,656.25	4,765,058.60	-4,402.35	122,500.00	4.27	46,270.38	AA+	AAA
9,705,000.00	UNITED STATES TREAS 3.000 JUL 31 24	9,694,764.26	97.78	5.06	9,489,670.31	9,695,316.65	-205,646.34	291,150.00	3.05	49,052.45	AA+	AAA
<b>175,945,000.00</b>		<b>175,267,691.86</b>		<b>91.54</b>	<b>171,718,082.77</b>	<b>175,359,772.52</b>	<b>-3,641,689.75</b>	<b>938,268.75</b>		<b>176,409.64</b>		
<b>Grand Total</b>		<b>191,141,757.28</b>		<b>100.00</b>	<b>187,579,557.56</b>	<b>191,285,947.50</b>	<b>-3,706,389.94</b>	<b>1,113,255.58</b>		<b>176,449.17</b>		
<b>TOTAL PORTFOLIO VALUE WITH ACCRUED INCOME</b>					<b>187,756,006.73</b>							

**Portfolio Activity 06/30 - 09/30/2022**  
**New Jersey Schools Ins Group 124277-000**

Trade Date	Shares or Par Value	Issue Description	Price	Gross Amount	Commiss/ Accr Int	Exch Rate	Net Debits	Net Credits	
<b>Opening Cash Balance</b>			<b>0.00</b>						
<b>Purchases</b>									
05/Jul/22	B	2,958.80	BLACKROCK LIQUIDITY TREAS CL ADM	100.007	2,958.80	0.00	1.00000	2,958.80	0.00
26/Jul/22	B	6,250,000.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,250,000.00	0.00	1.00000	6,250,000.00	0.00
28/Jul/22	B	6,300,000.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,300,000.00	0.00	1.00000	6,300,000.00	0.00
28/Jul/22	B	6,250,000.00	UNITED STATES TREAS T-BILL SEP 27 22	99.633	6,227,072.05	0.00	1.00000	6,227,072.05	0.00
28/Jul/22	B	6,250,000.00	UNITED STATES TREAS T-BILL OCT 04 22	99.578	6,223,620.49	0.00	1.00000	6,223,620.49	0.00
01/Aug/22	B	14,065.63	BLACKROCK LIQUIDITY TREAS CL ADM	100.003	14,065.63	0.00	1.00000	14,065.63	0.00
02/Aug/22	B	6,285,513.76	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,285,513.76	0.00	1.00000	6,285,513.76	0.00
02/Aug/22	B	6,425,000.00	UNITED STATES TREAS T-BILL SEP 29 22	99.656	6,402,895.64	0.00	1.00000	6,402,895.64	0.00
04/Aug/22	B	9,700,000.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,700,000.00	0.00	1.00000	9,700,000.00	0.00
04/Aug/22	B	9,705,000.00	UNITED STATES TREAS 3.000 JUL 31 24	99.895	9,694,764.26	3,164.67	1.00000	9,697,928.93	0.00
15/Aug/22	B	3,156.25	BLACKROCK LIQUIDITY TREAS CL ADM	99.992	3,156.25	0.00	1.00000	3,156.25	0.00
31/Aug/22	B	13,812.50	BLACKROCK LIQUIDITY TREAS CL ADM	100.004	13,812.50	0.00	1.00000	13,812.50	0.00
02/Sep/22	B	14.58	BLACKROCK LIQUIDITY TREAS CL ADM	102.881	14.58	0.00	1.00000	14.58	0.00
27/Sep/22	B	6,250,000.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,250,000.00	0.00	1.00000	6,250,000.00	0.00
27/Sep/22	B	6,400,000.00	UNITED STATES TREAS 2.250 JAN 31 24	97.262	6,224,750.00	22,695.65	1.00000	6,247,445.65	0.00
29/Sep/22	B	6,425,000.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,425,000.00	0.00	1.00000	6,425,000.00	0.00
29/Sep/22	B	6,550,000.00	UNITED STATES TREAS 2.250 MAR 31 24	97.023	6,355,035.16	73,284.84	1.00000	6,428,320.00	0.00
30/Sep/22	B	4,896,093.75	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	4,896,093.75	0.00	1.00000	4,896,093.75	0.00
30/Sep/22	B	4,900,000.00	UNITED STATES TREAS 2.500 MAY 15 24	97.246	4,765,058.60	45,937.50	1.00000	4,810,996.10	0.00
					<b>92,033,811.47</b>	<b>145,082.66</b>		<b>92,178,894.13</b>	<b>0.00</b>
<b>Sales</b>									
11/Jul/22	S	23,513.61	BLACKROCK LIQUIDITY TREAS CL ADM	100.002	23,513.61	0.00	1.00000	0.00	23,513.61
26/Jul/22	S	6,250,000.00	UNITED STATES TREAS T-BILL JUL 26 22	99.912	6,244,512.15	5,487.85	1.00000	0.00	6,250,000.00
28/Jul/22	S	12,450,692.54	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	12,450,692.54	0.00	1.00000	0.00	12,450,692.54
28/Jul/22	S	6,300,000.00	UNITED STATES TREAS T-BILL JUL 28 22	99.785	6,286,449.75	13,550.25	1.00000	0.00	6,300,000.00
02/Aug/22	S	6,402,895.64	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,402,895.64	0.00	1.00000	0.00	6,402,895.64
02/Aug/22	S	6,285,000.00	UNITED STATES TREAS T-BILL AUG 02 22	99.890	6,278,086.50	6,913.50	1.00000	0.00	6,285,000.00
04/Aug/22	S	9,697,928.93	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,697,928.93	0.00	1.00000	0.00	9,697,928.93
04/Aug/22	S	9,700,000.00	UNITED STATES TREAS T-BILL AUG 04 22	99.888	9,689,136.00	10,864.00	1.00000	0.00	9,700,000.00
27/Sep/22	S	6,247,445.65	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,247,445.65	0.00	1.00000	0.00	6,247,445.65
27/Sep/22	S	6,250,000.00	UNITED STATES TREAS T-BILL SEP 27 22	99.633	6,227,072.05	22,927.95	1.00000	0.00	6,250,000.00
29/Sep/22	S	6,428,320.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	6,428,320.00	0.00	1.00000	0.00	6,428,320.00
29/Sep/22	S	6,425,000.00	UNITED STATES TREAS T-BILL SEP 29 22	99.656	6,402,895.64	22,104.36	1.00000	0.00	6,425,000.00
30/Sep/22	S	4,810,996.09	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	4,810,996.09	0.00	1.00000	0.00	4,810,996.09
30/Sep/22	S	4,800,000.00	UNITED STATES TREAS 0.125 SEP 30 22	100.000	4,800,000.00	0.00	1.00000	0.00	4,800,000.00
					<b>91,989,944.55</b>	<b>81,847.91</b>		<b>0.00</b>	<b>92,071,792.46</b>
<b>Interest from Domestic Sources</b>									
31/Jul/22	IN	12,725,000.00	UNITED STATES TREAS 0.125 JAN 31 23	0.062	7,953.13	0.00	1.00000	0.00	7,953.13
31/Jul/22	IN	9,780,000.00	UNITED STATES TREAS 0.125 JUL 31 23	0.063	6,112.50	0.00	1.00000	0.00	6,112.50
15/Aug/22	IN	5,050,000.00	UNITED STATES TREAS 0.125 AUG 15 23	0.062	3,156.25	0.00	1.00000	0.00	3,156.25

**Portfolio Activity 06/30 - 09/30/2022**  
**New Jersey Schools Ins Group 124277-000**

Trade Date	Shares or Par Value	Issue Description	Price	Gross Amount	Commiss/Accr Int	Exch Rate	Net Debits	Net Credits
31/Aug/22	IN 12,750,000.00	UNITED STATES TREAS 0.125 FEB 28 23	0.063	7,968.75	0.00	1.00000	0.00	7,968.75
31/Aug/22	IN 9,350,000.00	UNITED STATES TREAS 0.125 AUG 31 23	0.063	5,843.75	0.00	1.00000	0.00	5,843.75
30/Sep/22	IN 4,800,000.00	UNITED STATES TREAS 0.125 SEP 30 22	0.063	3,000.00	0.00	1.00000	0.00	3,000.00
30/Sep/22	IN 12,520,000.00	UNITED STATES TREAS 0.125 MAR 31 23	0.063	7,825.00	0.00	1.00000	0.00	7,825.00
30/Sep/22	IN 9,265,000.00	UNITED STATES TREAS 0.250 SEP 30 23	0.125	11,581.25	0.00	1.00000	0.00	11,581.25
30/Sep/22	IN 6,550,000.00	UNITED STATES TREAS 2.250 MAR 31 24	1.125	73,687.50	0.00	1.00000	0.00	73,687.50
				<b>127,128.13</b>	<b>0.00</b>		<b>0.00</b>	<b>127,128.13</b>
<b>Cash Contributions</b>								
30/Sep/22	CD 0.01	Cash Transaction	1.000	0.01	0.00	1.00000	0.00	0.01
				<b>0.01</b>	<b>0.00</b>		<b>0.00</b>	<b>0.01</b>
<b>Cash Withdrawals</b>								
11/Jul/22	CW 23,513.61	Cash Transaction	1.000	23,513.61	0.00	1.00000	23,513.61	0.00
				<b>23,513.61</b>	<b>0.00</b>		<b>23,513.61</b>	<b>0.00</b>
<b>DV</b>								
01/Jul/22	DV 100.00	BLACKROCK LIQUIDITY TREAS CL ADM	2,959.000	2,958.80	0.00	1.00000	0.00	2,958.80
01/Aug/22	DV 100.00	BLACKROCK LIQUIDITY TREAS CL ADM	514.000	513.76	0.00	1.00000	0.00	513.76
01/Sep/22	DV 100.00	BLACKROCK LIQUIDITY TREAS CL ADM	15.000	14.58	0.00	1.00000	0.00	14.58
				<b>3,487.14</b>	<b>0.00</b>		<b>0.00</b>	<b>3,487.14</b>
<b>Opening Cash Balance</b> 0.00								
<b>Plus:</b>								
		<b>Net Sales</b>		91,989,944.55				
		<b>Accrued Interest on Sales</b>		81,847.91				
		<b>Interest Income</b>		127,128.13				
		<b>Cash Contributions</b>		0.01				
		<b>Dividend Income</b>		3,487.14				
<b>Less:</b>								
		<b>Net Purchases</b>		92,033,811.47				
		<b>Accrued Interest on Purchases</b>		145,082.66				
		<b>Cash Withdrawals</b>		23,513.61				
<b>Closing Cash Balance</b> 0.00								

## Disclosures

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This material is provided as a supplement to your custodial statement, providing current insights and/or additional reporting. The custodial statement should be relied upon for reconciliation purposes.

**Investment products are not insured by the FDIC or any other governmental agency, are not deposits of or other obligations of or guaranteed by M&T Bank, Wilmington Trust or any other bank or entity, and are subject to risks, including a possible loss of the principal amount invested.**

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### Performance

All performance reflects the reinvestment of dividends, interest and other income and is annualized for periods greater than one year.

Account level performance is presented both gross and net of fees; however, individual separate account strategy performance is presented gross of fees. Investment vehicle performance is presented at net asset value, reflects the performance of the fund itself and may not reflect the results in the account, for example, where the fund or ETF was not held for the full period shown.

The application of advisory and, where applicable, management fees to the investments described would reduce the returns shown. Past performance is no guarantee of future results. Investing involves risk and you may incur a profit or a loss.

**Impact of Fees:** The following is a hypothetical example of the impact over time of fees charged to a client's account. It is not meant to suggest actual fees, which may vary, and does not reflect actual returns. Assuming an initial investment of \$1,000,000 account value and an average annual return of 10%, an annual fee of 100 basis points (i.e., 1%) would result in account level fees of \$10,641 the first year, \$35,351 over three years, and \$65,458 over five years.

### Risk

All investments carry some degree of risk. Return volatility, as measured by **standard deviation**, is used as a proxy for risk. Volatility serves as a collective, quantitative estimate of risks present to varying degrees in the respective asset classes (e.g., liquidity, credit, and default risks). Certain types of risk may be underrepresented by this measure.

### Quality Ratings

Quality ratings are used to evaluate the likelihood of default by a bond issuer. Independent rating agencies, such as Standard & Poor's and Moody's Investors Service, analyze the financial strength of each bond's issuer. Moody's ratings range from Aaa (highest quality) to C (lowest quality). Bonds rated Baa3 and better are considered "investment grade." Bonds rated Ba1 and below are "below investment grade" (also "high yield" or "speculative"). Similarly, Standard & Poor's ratings range from AAA to D. Bonds rated BBB- and better are considered "investment grade" and bonds rated BB+ and below are "below investment grade."

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