



New Jersey Schools Insurance Group  
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**Board of Trustees Meeting of November 17, 2021**  
**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, 2021

Prepared for  
New Jersey Schools Ins Group 124277-000

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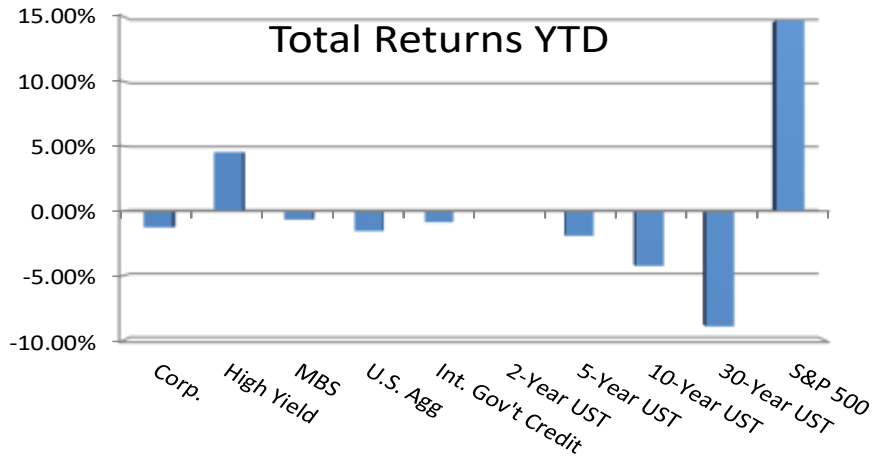
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# New Jersey Schools Ins Group 124277-000

## TAXABLE FIXED INCOME MARKET SECTOR REVIEW FOR THE 3<sup>RD</sup> QUARTER 2021

### Taxable Bond Review

Performance as of September 30, 2021



**Interest rates ended the quarter slightly higher than where they started the quarter.** The 5-year treasury note yield ended the quarter at a yield of 0.97% up 8 basis points on the quarter, its highest yield since the beginning of the pandemic in February 2020. During the quarter the 5-year yield had fallen to 0.65% in early August as Covid cases were moving higher. However, as cases started to move lower as the quarter progressed and the Fed announced their desire to begin tapering their accommodation, interest rates moved higher. The Fed wishes to conclude its tapering prior to deciding whether to raise interest rates. So, if the Fed initiates tapering in November, they can look to have completed the tapering by next summer, thus setting the stage for a potential interest rate increase by year end 2022. The September "Dot Plot" revealed that Fed members were now evenly split between maintaining the zero-interest rate policy throughout 2022 and beginning to raise interest rates by year end 2022. The Fed also stated that "inflation is elevated, largely reflecting transitory factors." The 10-year Treasury yield increased by just 2 basis points to a yield of 1.49% at quarter end, after reaching a low yield of 1.17% in early August. U.S. rates continue to remain relatively attractive to global investors with European sovereign yields remaining negative. Total returns year to date remain negative all along the yield curve given the rise in interest rates on the year. The 30-year Treasury bond has returned -8.9% year to date as its yield has increased by 40 basis points to 2.05%. The 10-year TIPs breakeven inflation rate ended the quarter at 2.38%, an increase of just 5 basis points during the quarter.

**The Corporate sector underperformed on the quarter, producing -15 basis points of excess return.** The underperformance can be attributed to tight risk premiums, continued new issue supply and concerns over the Delta variant. Risk premiums widened by 4 basis points on the quarter for the Bloomberg Corporate Bond Index, to an average risk premium of 84 basis points. Companies continued to take advantage of the low-rate environment to improve their liquidity profile and to retire higher cost debt. The Energy sector continued to outperform providing 8 basis points of excess return for the quarter and 424 basis points of excess return year to date, as energy prices continued to rebound. Oil prices are above pre-pandemic levels at \$75 per barrel. The lower rated BBB sector continued to outperform the higher quality A rated sector as investors continue to prefer the higher yielding sectors of the corporate market. The BBB sector has provided 266 basis points of excess return year to date vs. 105 basis points for A rated corporate bonds. The High Yield index outperformed, producing 86 basis points of excess return for the quarter. The High Yield index returned 0.89% for the quarter. The average risk premium for the High Yield index at quarter end was 289 basis points, up 21 basis points on the quarter. At quarter end the High Yield index yielded 4%.

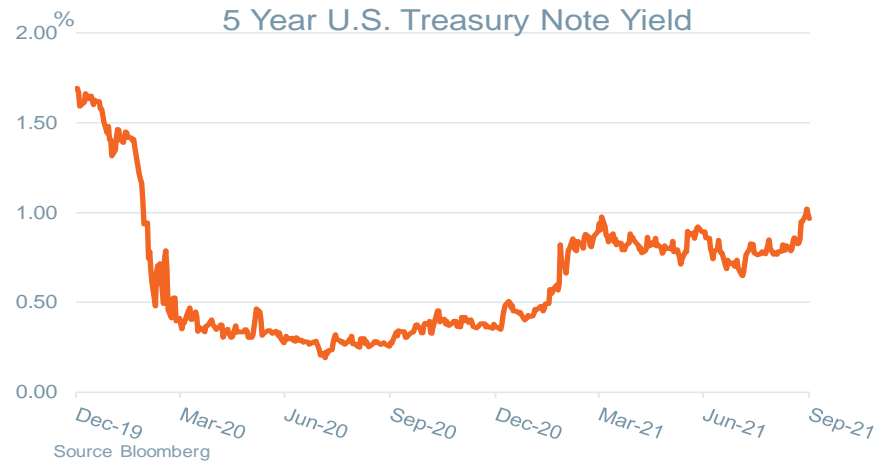
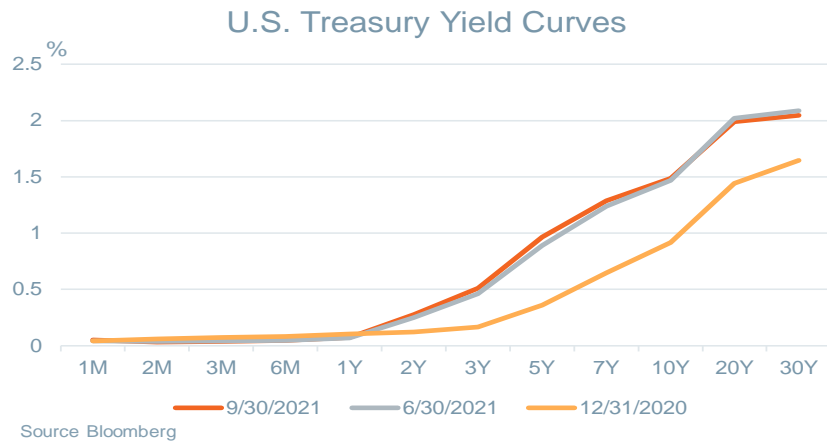
**The Mortgage Backed sector slightly outperformed** for the quarter, producing 3 basis points of excess return. The slight outperformance on the quarter can be attributed to interest rates moving slightly higher thus reducing the fear of refinancing risk. Year to date the sector has underperformed, producing -42 basis points of excess return as valuations started the year at unattractive levels.

Bloomberg U.S. Aggregate Index Summary							
Excess Returns vs. Treasuries, in basis points							
	U.S. Aggregate	MBS	U.S. Agency	ABS	CMBS	Corporate	High Yield
<b>Q3 2021</b>	-5	3	-2	3	-3	-15	86
<b>YTD 2021</b>	46	-42	24	42	123	189	554
<b>2020</b>	28	-17	-7	106	51	49	225
<b>2019</b>	199	61	54	71	181	676	934

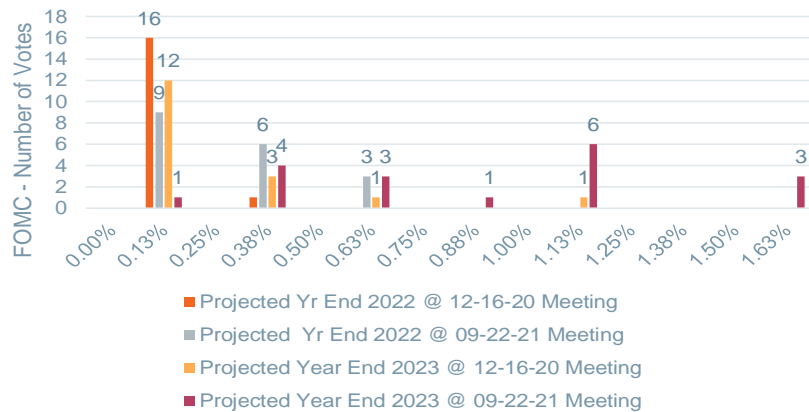
Excess returns reflect differences between the total returns of the asset classes and U.S. Treasuries of comparable duration.

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

# The Fed Signals Tapering May Soon Be Warranted



## FOMC Members Projected Year End Implied Fed Funds Target Rate The Dot Plot



- Interest rates moved slightly higher on the quarter.
- The 5-year Treasury yield reached its highest level since February 2020 as the Fed moves closer to tapering.
- Fed members are moving forward their expectations for raising interest rates.
- 9 Fed members have changed their expectations to raising interest rates in 2022. These members at the start of the year were expecting to maintain rates at zero through 2023.
- Fed members are evenly split on whether to raise rates by year end 2022 or leave rates at zero.
- Fed members still expect the longer run Fed Funds rate to be 2.5%, which is where the rate was in July 2019.

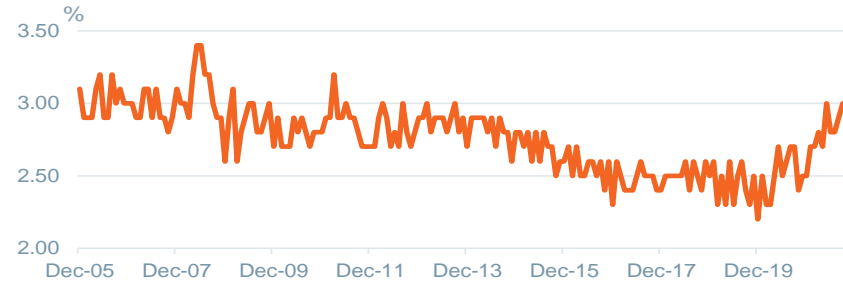
## Fed Chair Powell: Rise In Inflation Is “Transitory”

CPI YOY



Source Bloomberg

U of Mich Expected Change in Prices Next 5-10 Years



Source Bloomberg

- At 5.3% in September inflation remains elevated as supply bottlenecks, such as semiconductors, persist.
- Used car prices are up over 30% in 2021.
- Transportation costs are also up significantly globally amidst gridlocked ports, a scarcity of truckers and a surge in tanker and container costs.
- CPI is the highest since July 2008 when oil hit a record high price of \$158/barrel. As of quarter end West Texas crude was priced at \$75/barrel up from \$47/barrel at the start of the year.
- In addition to commodities, pricing pressures are visible in airline tickets, insurance rates, rents, medical care, and other service sector services as the economy continues to reopen.
- Labor costs have been moving higher in several sectors of the US economy as minimum wages have risen and employers scramble to fill job openings.

30 Year Bond Yield



Source Bloomberg

- Market expectations for higher inflationary levels into the future remain modest.
- At quarter end the breakeven on the 10 year US Treasury Inflation Protection note (TIP) was 2.38%.
- The term premia (the amount of additional yield to buy longer maturing bonds versus investing in a series of shorter maturing bonds) in the US Treasury market remains very low.
- After having fallen to -1.15% in March 2020 and then rising to .67% in March 2021 the 10 Year US Treasury term premium has fallen to a mere .07% at quarter end (10 Year Term Premium has averaged 1.55% since 1961).
- On the other hand consumer surveys reveal a higher level of expected future inflation.
- University of Michigan Expected Change in Prices in the next 5 to 10 years hit 3% (highest since 2013).

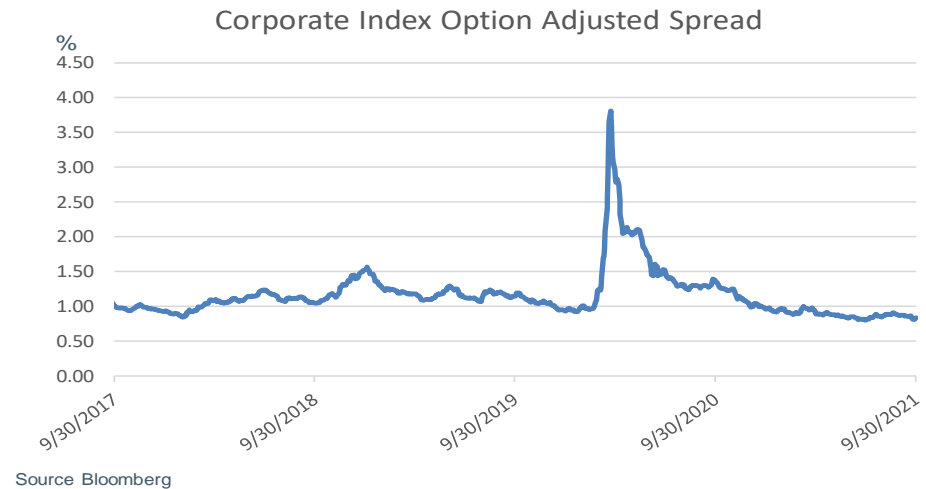
# New Jersey Schools Ins Group 124277-000

## Corporates Take a Pause Amidst the Delta Variant

Corporate Index	3M Excess Return	Year to Date Excess Return
<b>Corporate</b>	<b>-0.15</b>	<b>1.89</b>
Industrial	-0.26	2.14
<b>Metals &amp; Mining</b>	<b>-0.62</b>	<b>1.61</b>
Aerospace & Defense	-0.23	2.55
Communications	-0.45	2.35
Consumer Cyclical	-0.24	1.41
Automotive	-0.1	1.84
Retailers	-0.31	1.1
Restaurants	-0.37	1.61
Consumer Non-Cyclical	-0.22	1.8
Healthcare	-0.12	2.61
<b>Energy</b>	<b>0.08</b>	<b>4.24</b>
Technology	-0.44	0.89
Utility	-0.05	1.8
Financial Institutions	0.02	1.41
Crossover (including Fitch)	1.06	6.11

Source Bloomberg

- The Option Adjusted Spread on the Corporate Index moved slightly higher over the quarter to .84 after hitting a 16 year low of .80 on June 30<sup>th</sup>.
- The search for yield took a breather in the 3<sup>rd</sup> quarter as the corporate sector registered -15 basis points in excess returns.
- “A” rated bonds fared the worst registering -25 basis points of excess returns while “BBB” rated bonds posted -12 basis points in excess returns.
- Corporate bonds with maturities greater than 10 years underperformed shorter maturities for the first time since the onset of COVID-19, registering -54 basis points in excess returns.
- The month of September was the 2<sup>nd</sup> highest September on record for new issue corporate supply.



Monthly Issuance (\$ in Billions)							
	5-Yr Average	Record (Yr)	2021	2020	2019	2018	2017
January	\$136	\$172 ('17)	\$135	\$140	\$109	\$132	\$171
February	\$97	\$120 ('21)	\$120	\$90	\$102	\$95	\$92
March	\$150	\$261 ('20)	\$200	\$260	\$117	\$118	\$129
April	\$132	\$292 ('20)	\$114	\$292	\$92	\$109	\$80
May	\$162	\$250 ('20)	\$138	\$250	\$106	\$116	\$163
June	\$107	\$174 ('20)	\$126	\$174	\$80	\$111	\$87
July	\$87	\$128 ('15)	\$90	\$66	\$94	\$62	\$120
August	\$104	\$138 ('20)	\$91	\$138	\$79	\$87	\$101
September	\$147	\$166 ('20)	\$164	\$166	\$161	\$132	\$130
October	\$91	\$118 ('17)	-	\$79	\$71	\$89	\$118
November	\$96	\$125 ('12)	-	\$99	\$99	\$89	\$117
December	\$27	\$57 ('14)	-	\$41	\$19	\$8	\$26
<b>Total</b>	<b>\$1,336</b>	<b>\$1.8T ('20)</b>	<b>\$1,178</b>	<b>\$1,796</b>	<b>\$1,128</b>	<b>\$1,149</b>	<b>\$1,334</b>

Source Wells Fargo

- Corporate supply weighed on the communications and technology sectors of the corporate bond market causing those sectors to underperform in the 3<sup>rd</sup> quarter.
- Elevated energy prices resulted in the energy sector to be one of the best performing corporate sectors.
- Falling iron ore and volatile gold prices contributed to the metal and mining sector's -62 basis points in excess returns in the 3<sup>rd</sup> quarter, the worst performing corporate sector.
- While not as active as 2020 newly issued corporate bonds have been brought to market at a brisk pace in 2021..
- The persistent flow of elevated new issue corporates into the market has increased the credit sector to a 30% weighting in the Aggregate Index versus 25% ten years ago.

# New Jersey Schools Ins Group 124277-000

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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.

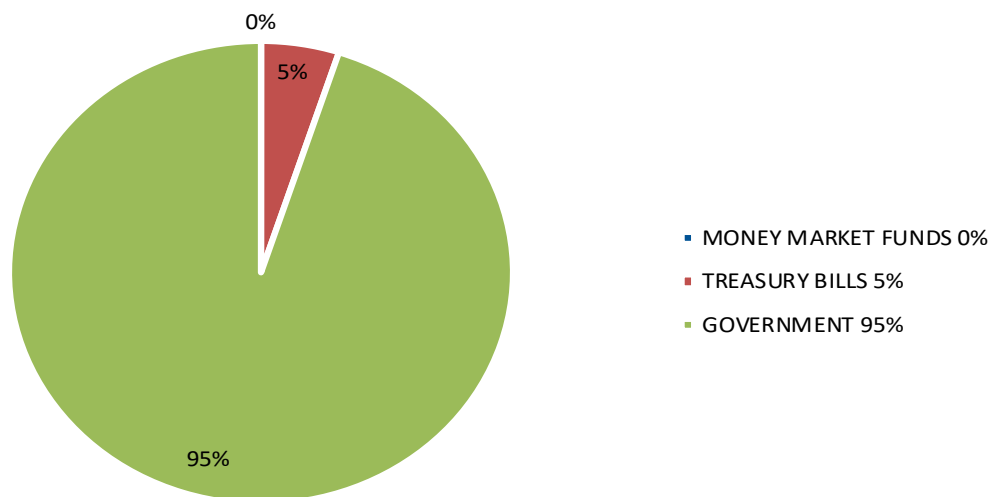
A risk premium is the investment return an asset is expected to yield in excess of the risk-free rate of return. An asset's risk premium is a form of compensation for investors. It represents payment to investors for tolerating the extra risk in a given investment over that of a risk-free asset.

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>, 2021**



**September 30, 2021**

Asset Class	Allocation	Value*	Est Annual Income
MONEY MARKET FUNDS	0.0%	\$15,921.30	\$0.81
TREASURY BILLS	5.0%	\$9,534,046.50	\$9,639.87
GOVERNMENT	95.0%	\$181,421,933.19	\$731,487.50
<b>Total</b>	<b>100.0%</b>	<b>\$190,971,900.99</b>	<b>\$741,128.18</b>

**June 30, 2021**

Allocation	Value*	Est Annual Income
0.0%	\$8,917.73	\$0.46
7.6%	\$14,556,973.30	\$16,289.07
92.4%	\$176,352,459.71	\$994,225.00
<b>100.0%</b>	<b>\$190,918,350.74</b>	<b>\$1,010,514.53</b>

\*Includes accrued income

Allocation percentages may not sum to 100% due to rounding

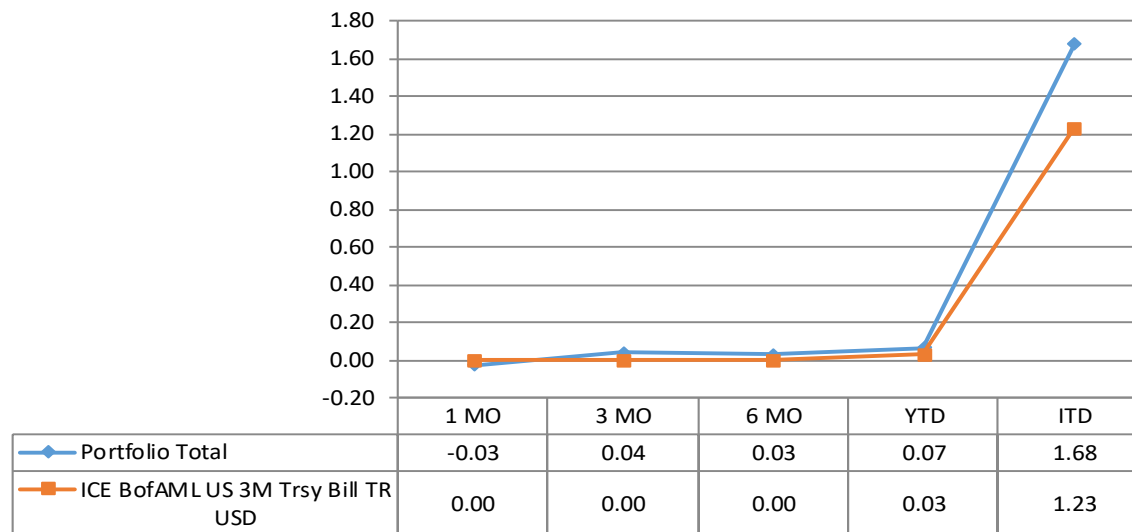
Values for Asset Allocation, Results of Investment Vehicles and Portfolio Holdings are reported on a trade date basis, Portfolio Activity is reported on a settlement date basis



**Results of Investment Vehicles**  
**New Jersey Schools Ins Group 124277-000**  
**September 30<sup>th</sup>, 2021**

Class/Security	Inception	Ending Market Value	End Weight	1Month	3Month	6 Month	Since Inception	
	Date						YTD	February-18
New Jersey Schools Insurance - 51124277	02/01/2018	190,971,900.99	100.00	-0.03	0.04	0.03	0.07	1.68
ICE BofAML US 3M Trsy Bill TR USD				0.00	0.00	0.00	0.03	1.23

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.



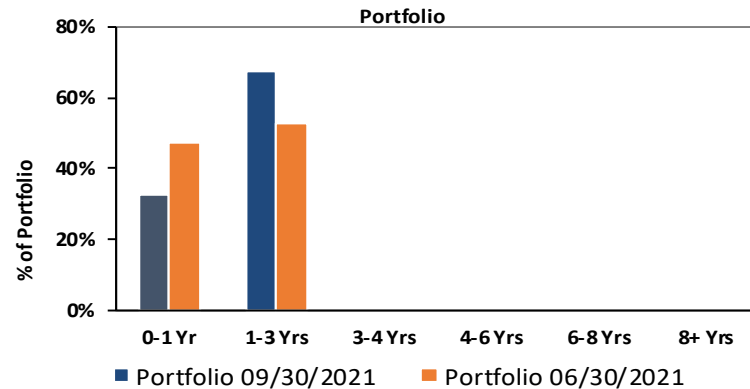
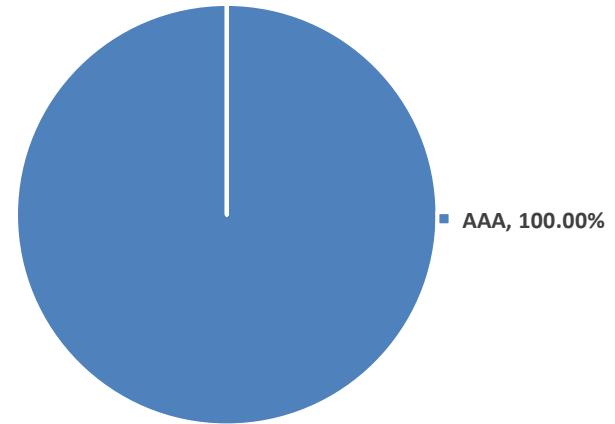
**Fixed Income Analysis**  
**New Jersey Schools Ins Group 124277-000**  
**September 30<sup>th</sup>, 2021**

	Portfolio 9/30/2021	Portfolio 6/30/2021
<b>Average Quality</b>	Aaa	Aaa
<b>Average Coupon</b>	0.38%	0.52%
<b>Average Yield</b>	0.45%	0.61%
<b>Average Maturity (Years)</b>	1.16	1.06
<b>Effective Duration</b>	1.16	1.06

<b>MATURITY DISTRIBUTION</b>	Portfolio 9/30/21	Portfolio 6/30/21
0-1 Year	32.4%	47.4%
1-3 Years	67.6%	52.6%
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 9/30/2021	Portfolio 6/30/2021
<b>0-1 Year</b>	32.4%	47.4%
<b>1-3 Years</b>	67.6%	52.6%
<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>, 2021**

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>													
15,921.23	BLACKROCK LIQUIDITY TREAS CL ADM	09248U452	15,921.23	100.00	0.01	15,921.23	15,921.23	0.00	0.81	0.01	0.07	AAA	AAA
<b>15,921.23</b>			<b>15,921.23</b>		<b>0.01</b>	<b>15,921.23</b>	<b>15,921.23</b>	<b>0.00</b>	<b>0.81</b>		<b>0.07</b>		
<b>TREASURY BILLS</b>													
9,535,000.00	UNITED STATES TREAS T-BILL DEC 30 21	912796A90	9,525,565.01	99.99	5.00	9,534,046.50	9,532,587.65	1,458.85	9,639.87	0.10	0.00	AA+	AAA
<b>9,535,000.00</b>			<b>9,525,565.01</b>		<b>5.00</b>	<b>9,534,046.50</b>	<b>9,532,587.65</b>	<b>1,458.85</b>	<b>9,639.87</b>		<b>0.00</b>		
<b>GOVERNMENT</b>													
9,725,000.00	UNITED STATES TREAS 1.500 OCT 31 21	912828YP9	9,698,408.20	100.12	5.10	9,736,475.50	9,723,663.93	12,811.57	145,875.00	1.66	61,045.52	AA+	AAA
9,200,000.00	UNITED STATES TREAS 1.500 NOV 30 21	912828YT1	9,175,921.88	100.24	4.83	9,221,712.00	9,197,758.96	23,953.04	138,000.00	1.63	46,377.05	AA+	AAA
18,650,000.00	UNITED STATES TREAS 1.375 JAN 31 22	912828Z60	18,640,529.30	100.44	9.82	18,732,060.00	18,647,470.84	84,589.16	256,437.50	1.40	43,204.14	AA+	AAA
9,625,000.00	UNITED STATES TREAS 0.125 APR 30 22	912828ZM5	9,623,496.09	100.03	5.05	9,628,287.71	9,624,439.05	3,848.66	12,031.25	0.13	5,034.82	AA+	AAA
4,800,000.00	UNITED STATES TREAS 0.125 SEP 30 22	91282CAN1	4,795,687.50	100.03	2.52	4,801,488.00	4,797,736.45	3,751.55	6,000.00	0.17	16.48	AA+	AAA
9,700,000.00	UNITED STATES TREAS 0.125 OCT 31 22	91282CAR2	9,691,281.25	100.03	5.09	9,703,031.25	9,695,218.17	7,813.08	12,125.00	0.17	5,074.05	AA+	AAA
9,400,000.00	UNITED STATES TREAS 0.125 NOV 30 22	91282CAX9	9,396,328.13	99.98	4.93	9,398,496.00	9,397,826.57	669.43	11,750.00	0.14	3,948.77	AA+	AAA
9,315,000.00	UNITED STATES TREAS 0.125 DEC 31 22	91282CBD2	9,318,274.81	99.99	4.88	9,313,908.38	9,317,141.92	-3,233.54	11,643.75	0.11	2,942.58	AA+	AAA
12,725,000.00	UNITED STATES TREAS 0.125 JAN 31 23	91282CBG5	12,723,145.51	99.95	6.67	12,718,510.25	12,723,687.66	-5,177.41	15,906.25	0.13	2,679.86	AA+	AAA
12,750,000.00	UNITED STATES TREAS 0.125 FEB 28 23	91282CBN0	12,747,779.30	99.93	6.68	12,740,565.00	12,748,390.57	-7,825.57	15,937.50	0.13	1,364.81	AA+	AAA
12,520,000.00	UNITED STATES TREAS 0.125 MAR 31 23	91282CBU4	12,515,724.22	99.90	6.56	12,507,730.40	12,516,792.02	-9,061.62	15,650.00	0.14	42.99	AA+	AAA
9,400,000.00	UNITED STATES TREAS 0.125 APR 30 23	91282CBX8	9,392,656.25	99.87	4.92	9,387,498.00	9,394,180.55	-6,682.55	11,750.00	0.16	4,917.12	AA+	AAA
9,650,000.00	UNITED STATES TREAS 0.125 MAY 31 23	91282CCD1	9,646,607.43	99.84	5.05	9,634,560.00	9,647,163.99	-12,603.99	12,062.50	0.14	4,053.79	AA+	AAA
10,345,000.00	UNITED STATES TREAS 0.125 JUN 30 23	91282CCK5	10,319,137.50	99.83	5.41	10,327,206.60	10,322,362.23	4,844.37	12,931.25	0.25	3,267.95	AA+	AAA
9,780,000.00	UNITED STATES TREAS 0.125 JUL 31 23	91282CCN9	9,771,213.29	99.80	5.12	9,759,943.37	9,771,906.93	-11,963.56	12,225.00	0.17	2,059.65	AA+	AAA
5,050,000.00	UNITED STATES TREAS 0.125 AUG 15 23	91282CAF8	5,042,306.64	99.77	2.64	5,038,361.32	5,042,533.32	-4,172.00	6,312.50	0.20	806.22	AA+	AAA
9,350,000.00	UNITED STATES TREAS 0.125 AUG 31 23	91282CCU3	9,335,025.40	99.74	4.89	9,325,894.58	9,335,644.26	-9,749.68	11,687.50	0.21	1,000.86	AA+	AAA
9,265,000.00	UNITED STATES TREAS 0.250 SEP 30 23	91282CDA6	9,258,123.64	99.93	4.85	9,258,304.56	9,258,123.64	180.92	23,162.50	0.29	63.63	AA+	AAA
<b>181,250,000.00</b>			<b>181,091,646.34</b>		<b>94.99</b>	<b>181,234,032.92</b>	<b>181,162,041.04</b>	<b>71,991.88</b>	<b>731,487.50</b>		<b>187,900.29</b>		
<b>Grand Total</b>			<b>190,633,132.58</b>		<b>100.00</b>	<b>190,784,000.65</b>	<b>190,710,549.92</b>	<b>73,450.73</b>	<b>741,128.18</b>		<b>187,900.36</b>		
<b>TOTAL PORTFOLIO VALUE WITH ACCRUED INCOME</b>						<b>190,971,901.01</b>							

**Portfolio Activity 06/30 - 09/30/2021**  
**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>									
02/Jul/21	B	1.35	BLACKROCK LIQUIDITY TREAS CL ADM	74.074	1.35	0.00	1.00000	1.35	0.00
12/Jul/21	B	173.54	BLACKROCK LIQUIDITY TREAS CL ADM	100.265	173.54	0.00	1.00000	173.54	0.00
02/Aug/21	B	9,775,087.51	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,775,087.51	0.00	1.00000	9,775,087.51	0.00
03/Aug/21	B	9,780,000.00	UNITED STATES TREAS 0.125 JUL 31 23	99.910	9,771,213.29	99.66	1.00000	9,771,312.95	0.00
31/Aug/21	B	9,360,281.25	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,360,281.25	0.00	1.00000	9,360,281.25	0.00
31/Aug/21	B	9,350,000.00	UNITED STATES TREAS 0.125 AUG 31 23	99.840	9,335,025.40	0.00	1.00000	9,335,025.40	0.00
02/Sep/21	B	1.37	BLACKROCK LIQUIDITY TREAS CL ADM	72.993	1.37	0.00	1.00000	1.37	0.00
09/Sep/21	B	5,025,000.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	5,025,000.00	0.00	1.00000	5,025,000.00	0.00
09/Sep/21	B	5,050,000.00	UNITED STATES TREAS 0.125 AUG 15 23	99.848	5,042,306.64	428.84	1.00000	5,042,735.48	0.00
30/Sep/21	B	9,262,575.00	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,262,575.00	0.00	1.00000	9,262,575.00	0.00
30/Sep/21	B	9,265,000.00	UNITED STATES TREAS 0.250 SEP 30 23	99.926	9,258,123.64	0.00	1.00000	9,258,123.64	0.00
				<b>66,829,788.99</b>	<b>528.50</b>			<b>66,830,317.49</b>	<b>0.00</b>
<b>Sales</b>									
09/Jul/21	S	8,917.65	BLACKROCK LIQUIDITY TREAS CL ADM	100.004	8,917.65	0.00	1.00000	0.00	8,917.65
12/Jul/21	S	15,000.00	UNITED STATES TREAS 1.125 JUL 31 21	100.060	15,008.79	75.52	1.00000	0.00	15,084.31
31/Jul/21	S	9,585,000.00	UNITED STATES TREAS 1.125 JUL 31 21	100.000	9,585,000.00	0.00	1.00000	0.00	9,585,000.00
03/Aug/21	S	9,771,312.94	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,771,312.94	0.00	1.00000	0.00	9,771,312.94
31/Aug/21	S	9,335,025.39	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,335,025.39	0.00	1.00000	0.00	9,335,025.39
31/Aug/21	S	9,300,000.00	UNITED STATES TREAS 1.125 AUG 31 21	100.000	9,300,000.00	0.00	1.00000	0.00	9,300,000.00
09/Sep/21	S	5,042,735.48	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	5,042,735.48	0.00	1.00000	0.00	5,042,735.48
09/Sep/21	S	5,025,000.00	UNITED STATES TREAS T-BILL SEP 09 21	99.866	5,018,267.90	6,732.10	1.00000	0.00	5,025,000.00
30/Sep/21	S	9,258,123.63	BLACKROCK LIQUIDITY TREAS CL ADM	100.000	9,258,123.63	0.00	1.00000	0.00	9,258,123.63
30/Sep/21	S	9,200,000.00	UNITED STATES TREAS 1.125 SEP 30 21	100.000	9,200,000.00	0.00	1.00000	0.00	9,200,000.00
				<b>66,534,391.78</b>	<b>6,807.62</b>			<b>0.00</b>	<b>66,541,199.40</b>
<b>Interest from Domestic Sources</b>									
31/Jul/21	IN	9,585,000.00	UNITED STATES TREAS 1.125 JUL 31 21	0.563	53,915.63	0.00	1.00000	0.00	53,915.63
31/Jul/21	IN	18,650,000.00	UNITED STATES TREAS 1.375 JAN 31 22	0.688	128,218.75	0.00	1.00000	0.00	128,218.75
31/Jul/21	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/Aug/21	IN	9,300,000.00	UNITED STATES TREAS 1.125 AUG 31 21	0.563	52,312.50	0.00	1.00000	0.00	52,312.50
31/Aug/21	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
30/Sep/21	IN	9,200,000.00	UNITED STATES TREAS 1.125 SEP 30 21	0.563	51,750.00	0.00	1.00000	0.00	51,750.00
30/Sep/21	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/21	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
				<b>312,943.76</b>	<b>0.00</b>			<b>0.00</b>	<b>312,943.76</b>
<b>Cash Contributions</b>									
03/Aug/21	CD	0.01	Cash Transaction	1.000	0.01	0.00	1.00000	0.00	0.01
31/Aug/21	CD	0.01	Cash Transaction	1.000	0.01	0.00	1.00000	0.00	0.01
30/Sep/21	CD	0.01	Cash Transaction	1.000	0.01	0.00	1.00000	0.00	0.01
				<b>0.03</b>	<b>0.00</b>			<b>0.00</b>	<b>0.03</b>
<b>Cash Withdrawals</b>									

**Portfolio Activity 06/30 - 09/30/2021**  
**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	
09/Jul/21	CW	23,828.42	Cash Transaction	1.000	<u>23,828.42</u>	<u>0.00</u>	1.00000	<u>23,828.42</u>	<u>0.00</u>
					<b>23,828.42</b>	<b>0.00</b>		<b>23,828.42</b>	<b>0.00</b>
<b>DV</b>									
01/Jul/21	DV	100.00	BLACKROCK LIQUIDITY TREAS CL ADM	1.000	1.35	0.00	1.00000	0.00	1.35
01/Sep/21	DV	100.00	BLACKROCK LIQUIDITY TREAS CL ADM	1.000	<u>1.37</u>	<u>0.00</u>	1.00000	<u>0.00</u>	<u>1.37</u>
					<b>2.72</b>	<b>0.00</b>		<b>0.00</b>	<b>2.72</b>
<b>Opening Cash Balance</b>									0.00
<b>Plus:</b>									
	<b>Net Sales</b>								66,534,391.78
	<b>Accrued Interest on Sales</b>								6,807.62
	<b>Interest Income</b>								312,943.76
	<b>Cash Contributions</b>								0.03
	<b>Dividend Income</b>								2.72
<b>Less:</b>									
	<b>Net Purchases</b>								66,829,788.99
	<b>Accrued Interest on Purchases</b>								528.50
	<b>Cash Withdrawals</b>								23,828.42
<b>Closing Cash Balance</b>									<b>0.00</b>

## 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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