



RIGHT PLACE. RIGHT TIME. RIGHT NOW.

Participants in **Florida PRIME** do not need to sacrifice stability and liquidity to gain competitive yield. Even in this pervasively low-rate environment, the Pool has continued to provide attractive prime yields that have been outpacing government securities of the same maturity by as much as 30 to 40 basis points.

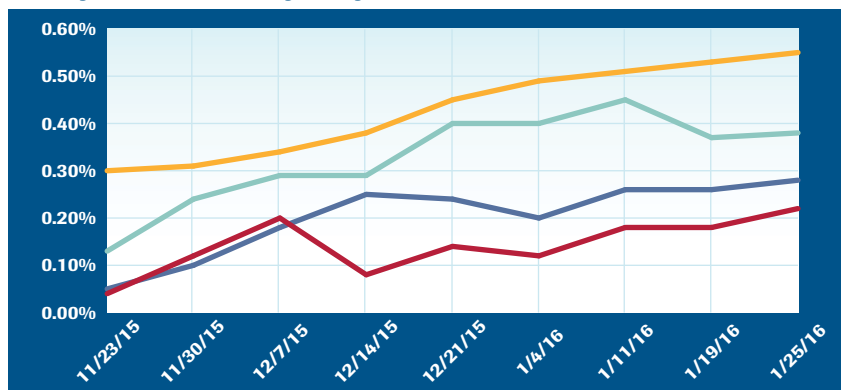
Federated[®]



Right Place

The Florida PRIME portfolio manager Paige Wilhelm of Federated Investors, pays close attention to participants' cashflow needs. Open lines of communication between pool participants and the investment manager help the Pool to stay invested appropriately and **keep securities with the highest yield potential working for the best outcome**. The pool continues to maintain safe investment strategies to manage overall risk. Florida PRIME is the Right Place for its participants today and is positioned to stay that way in a time of rising rates.

Money Market Security Daily Yields



Florida PRIME Daily Yield (Gross) Tier 1 30-Day Corporate Paper 30-Day Agency 30-Day T-Bill

Source: Bloomberg.

The 7-day net yield as of 1/25/16 for Florida PRIME was 0.51%.

Past performance is no guarantee of future results.

Right Time

Now is the time. The Federal Reserve (Fed) recently raised interest rates for the first time in seven years. The market anticipates additional hikes may come in the near future. **A rising-rate environment can be an excellent time to invest in a cash pool.** For participants in a pool, stability of principal, reduction of risk and liquidity are critically important, but yield is also a priority. The London interbank offered rate (Libor) typically moves up in anticipation of a Fed rate increase. As Libor rises, our portfolio managers may have the opportunity to reinvest pool assets at higher levels, potentially resulting in a greater yield. Now is the Right Time to be in Florida PRIME.

"As long as you believe in a rising-rate environment from the Fed, as we do, the floating-rate securities we own should anticipate those Fed moves and potentially increase the yield of the pool."

- Federated's Paige Wilhelm, portfolio manager for Florida PRIME

Right Now

The key to good performance is investing in the early days of a rising-rate cycle. We believe that cycle has begun, and we think now is the time for participants to consider taking advantage of Florida PRIME and moving funds from traditional investments they have been using in their search for additional yield.

How is the portfolio positioned Right Now? When the market started to anticipate the rise in rates from the Fed in the summer of 2015, the Pool began to lower its average maturity target. This allowed the investment manager to **invest new money at higher rates than were anticipated by the market itself**. Additionally, the portfolio manager began to increase the position in floating- or variable-rate instruments. Because floating-rate securities are typically based off Libor rates, and they reset more quickly than investments in the direct market, an increased position in floating-rate instruments has the potential to be advantageous in a rising-rate environment.

New money fund regulations may also positively impact pools like Florida PRIME that may benefit from the lower demand of short- and variable-rate instruments...potentially driving yields higher.

When should you increase your Florida PRIME allocation? **Right Now!**

An investment in the Pool is not insured or guaranteed by any government or government agency. Although the manager of the Pool seeks to preserve principal, it is possible to lose money by depositing money in the Pool.



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