Investment Review
Third Quarter 2025

Management Committee

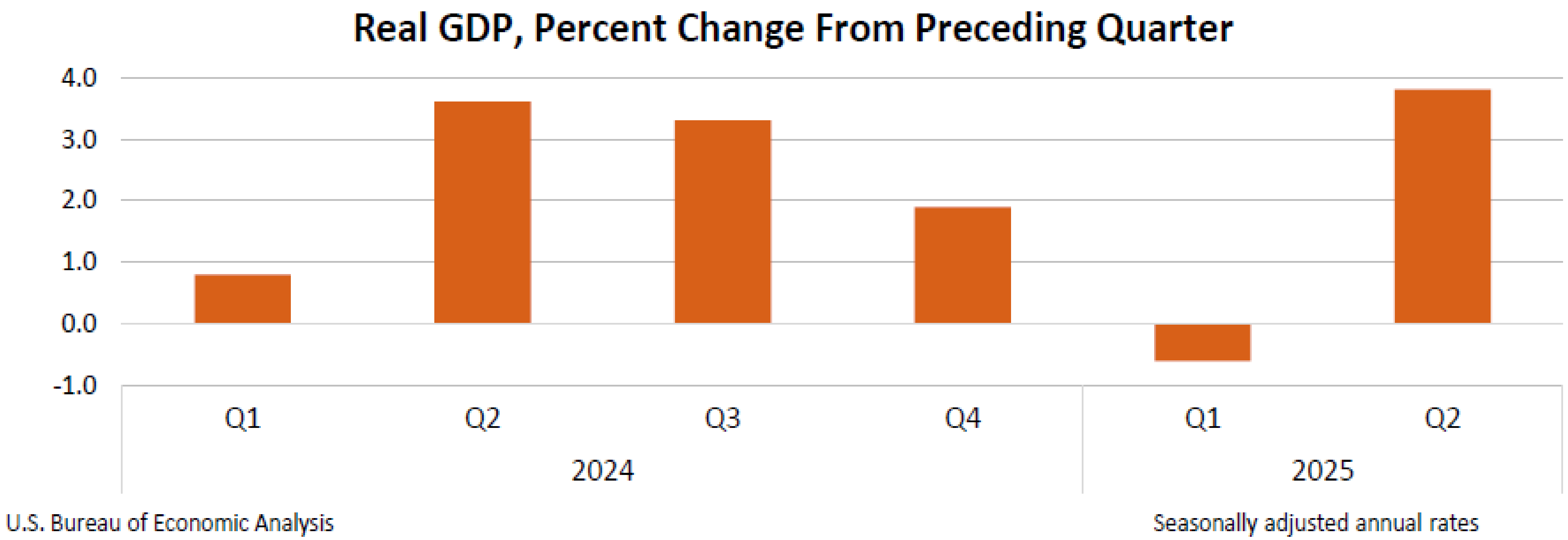
Mark Thompson, Director Treasury

METROPOLITAN COUNCIL

November 12, 2025

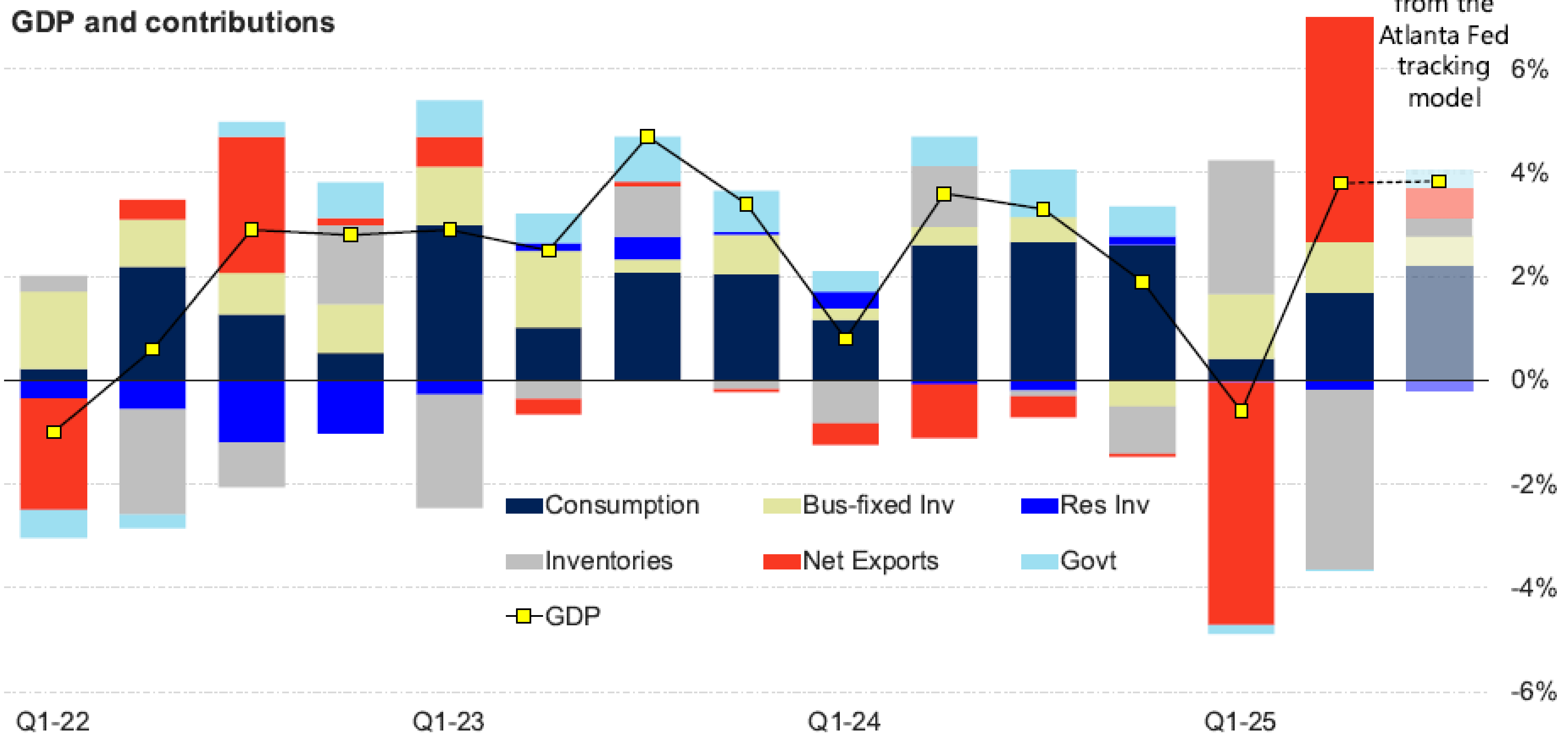
Economic Growth

- **2Q24 3.0%**
- **3Q24 3.1**
- **4Q24 2.3**
- **1Q25 -0.6**
- **2Q25 3.8**



GDP solid, first half avg = 1.6%, Q3 3.9%

Consumption back in 2024 range



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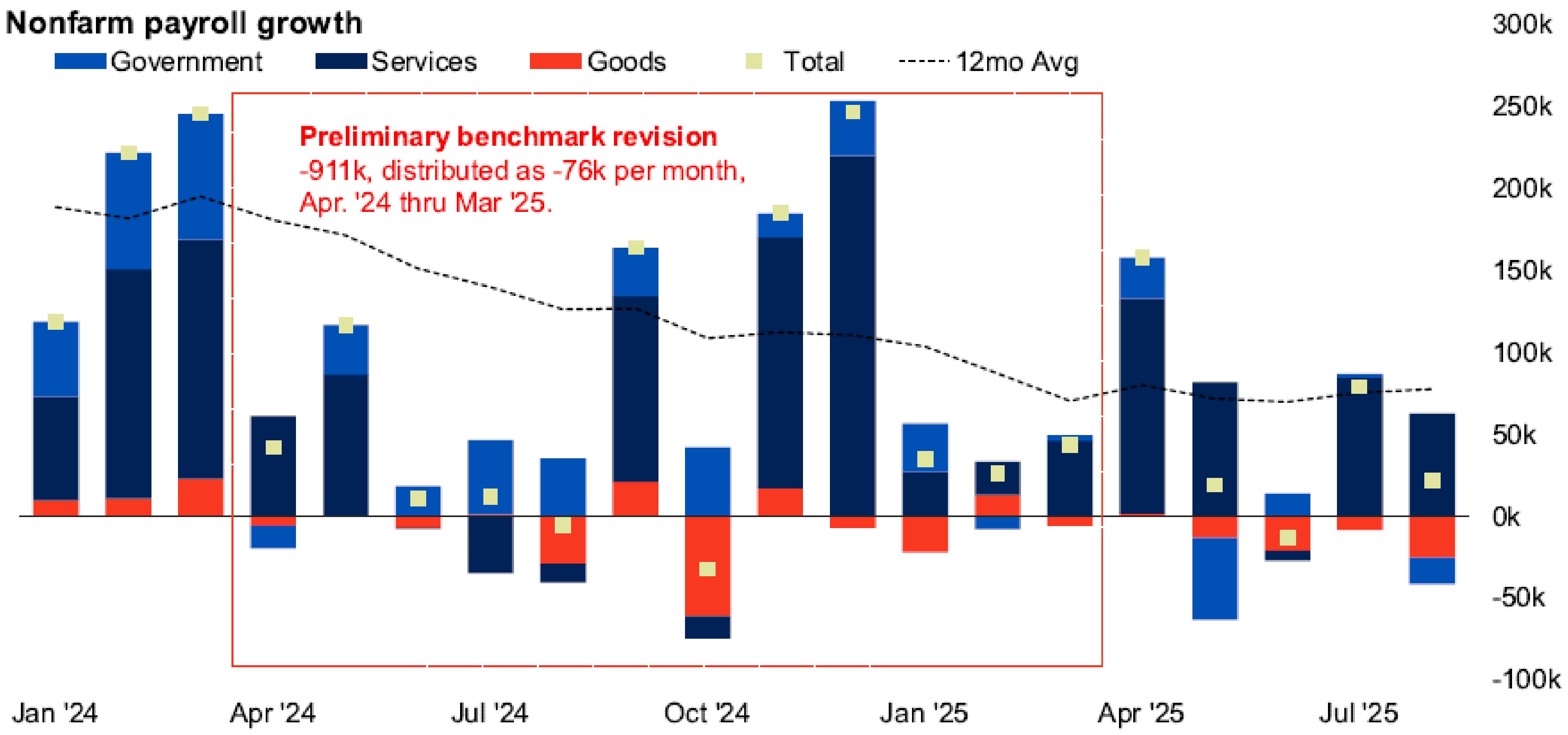
Labor Market

Near-zero job growth

3-mo avg 29k; Q2 avg 55k; 2024 avg 110k (was 168k)



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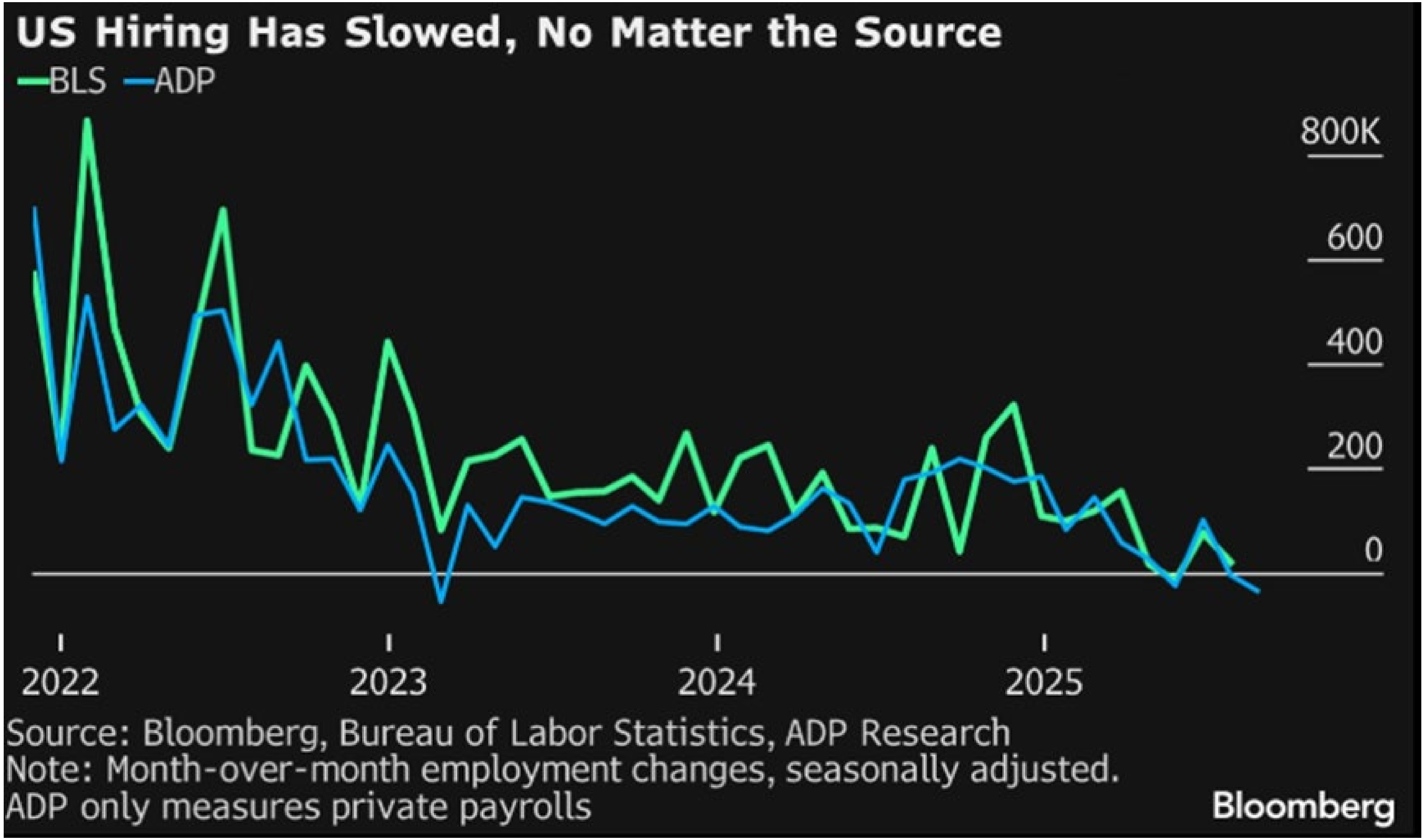

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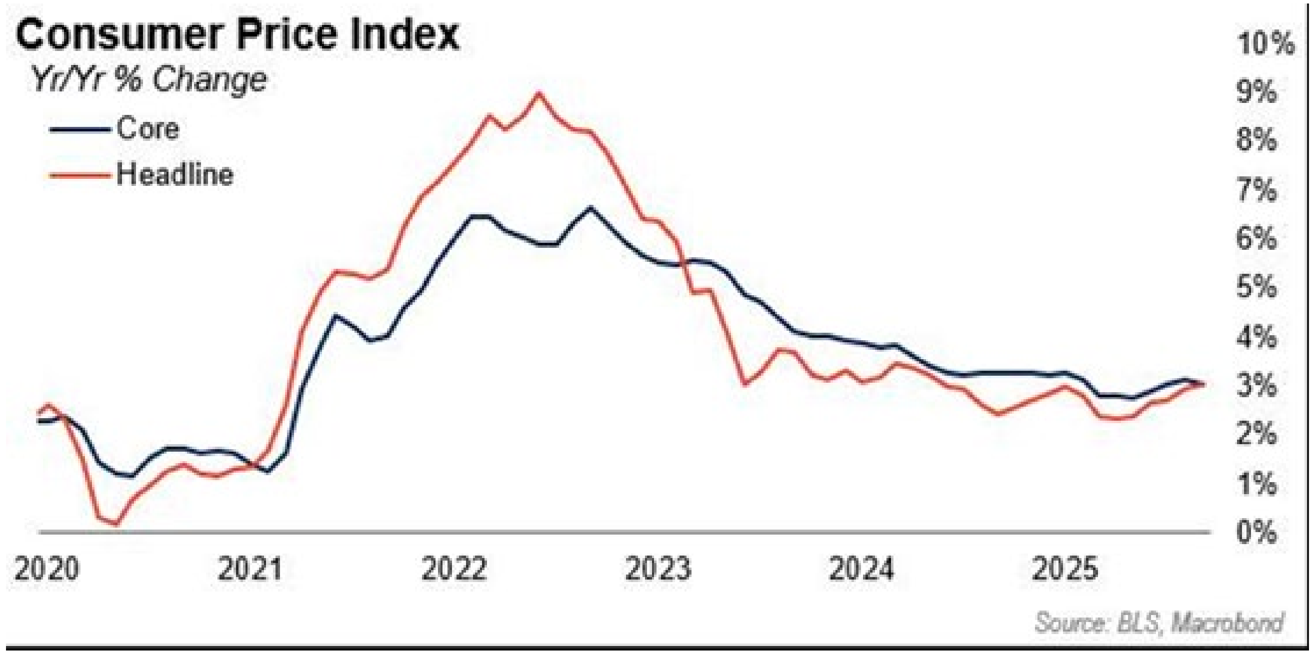
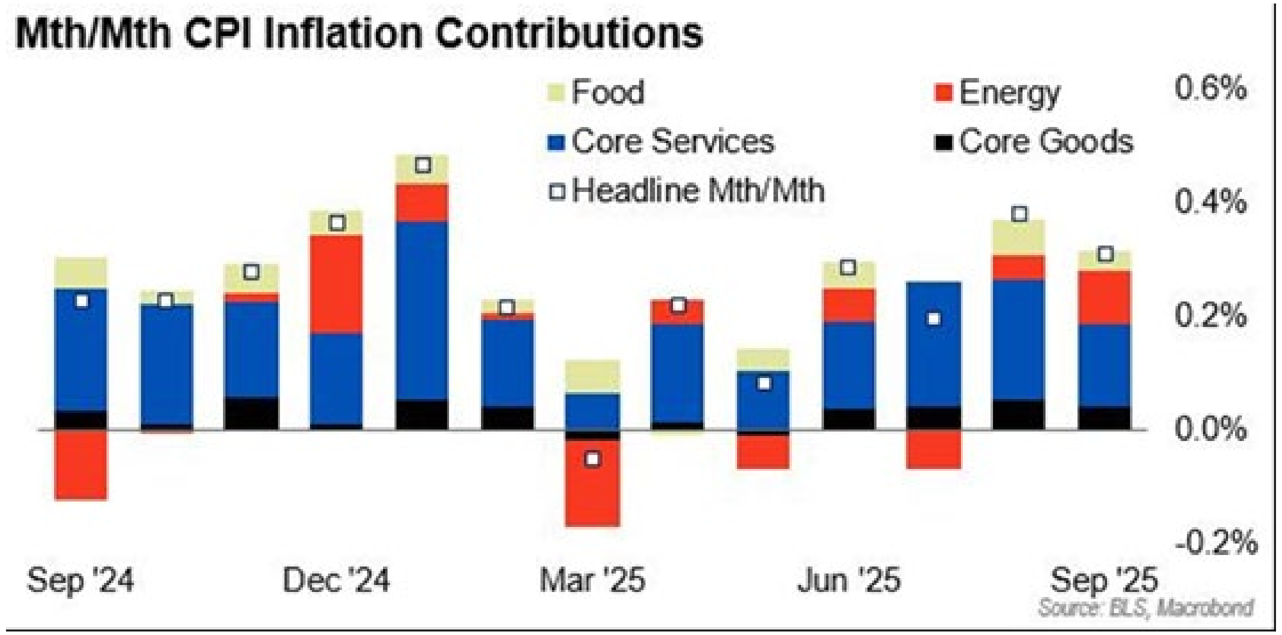
Inflation





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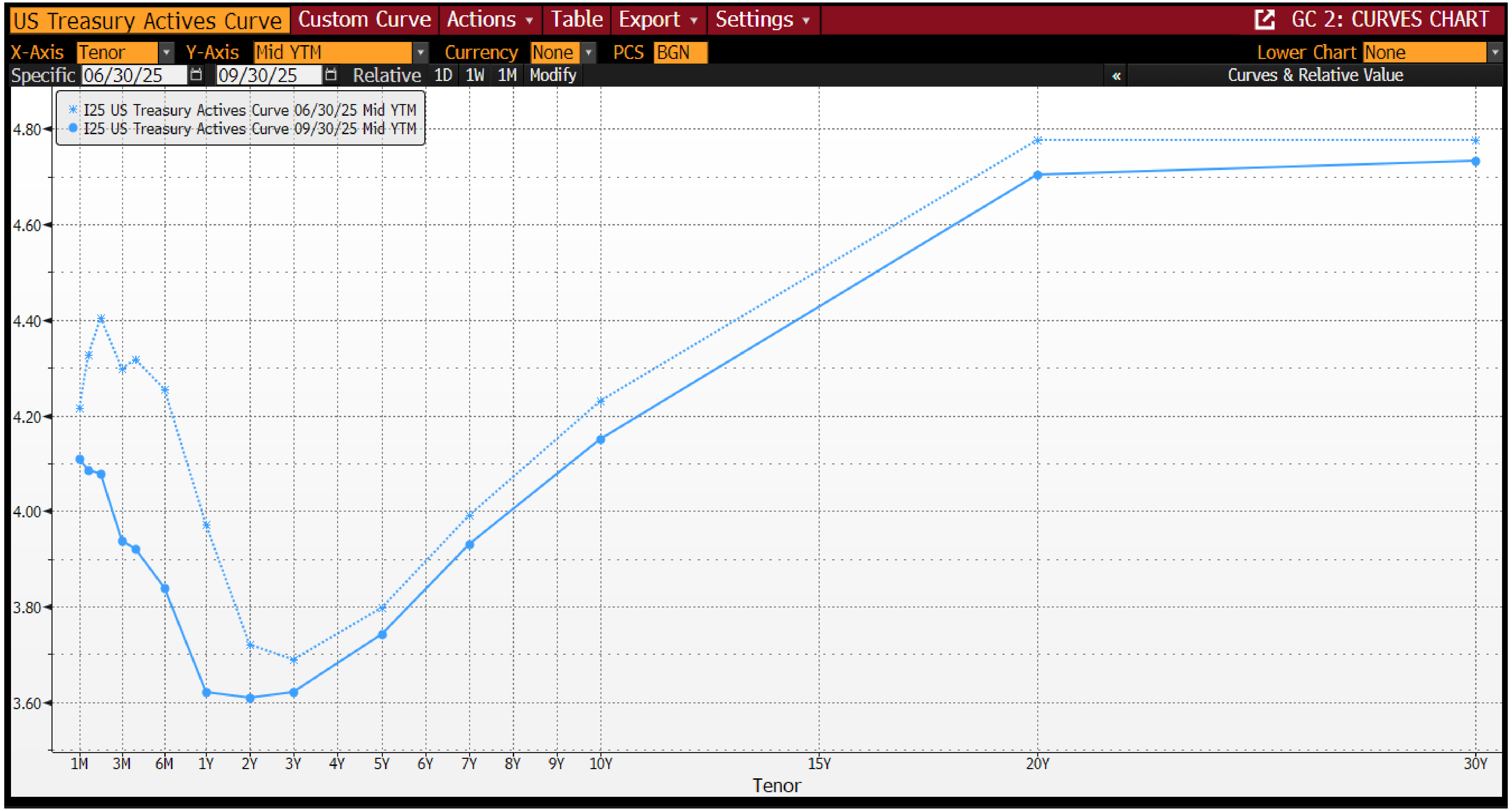
Treasury Yield Curve

	Announcement Date	Time	Rate (%)
1)	January 29	13:00	4.25 - 4.50
2)	March 19	13:00	4.25 - 4.50
3)	May 7	13:00	4.25 - 4.50
4)	June 18	13:00	4.25 - 4.50
5)	July 30	13:00	4.25 - 4.50
6)	September 17	13:00	4.00 - 4.25
7)	October 29	13:00	3.75 - 4.00
8)	December 10	13:00	--



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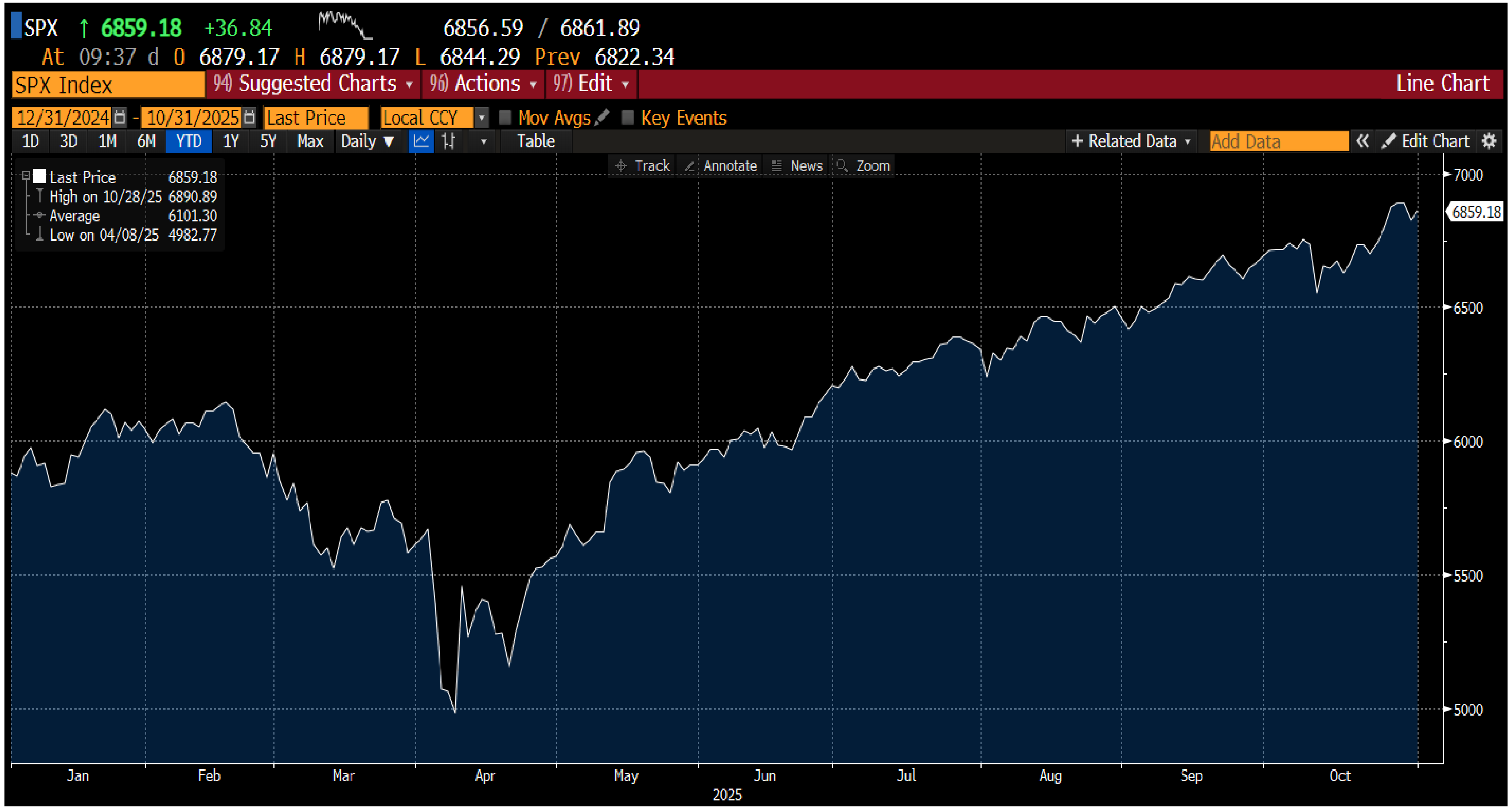
Source : Bloomberg

S&P 500 Index

- 8.1% 3Q return
- 14.81% YTD
- Start 6204 – End 6688
- Exposure 66% OPEB Trust



Monthly S&P 500 Total Return											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
-0.9%	5.9%	-2.4%	2.8%	-1.3%	-5.6%	-0.7%	6.3%	5.1%	2.2%	2.0%	3.6%

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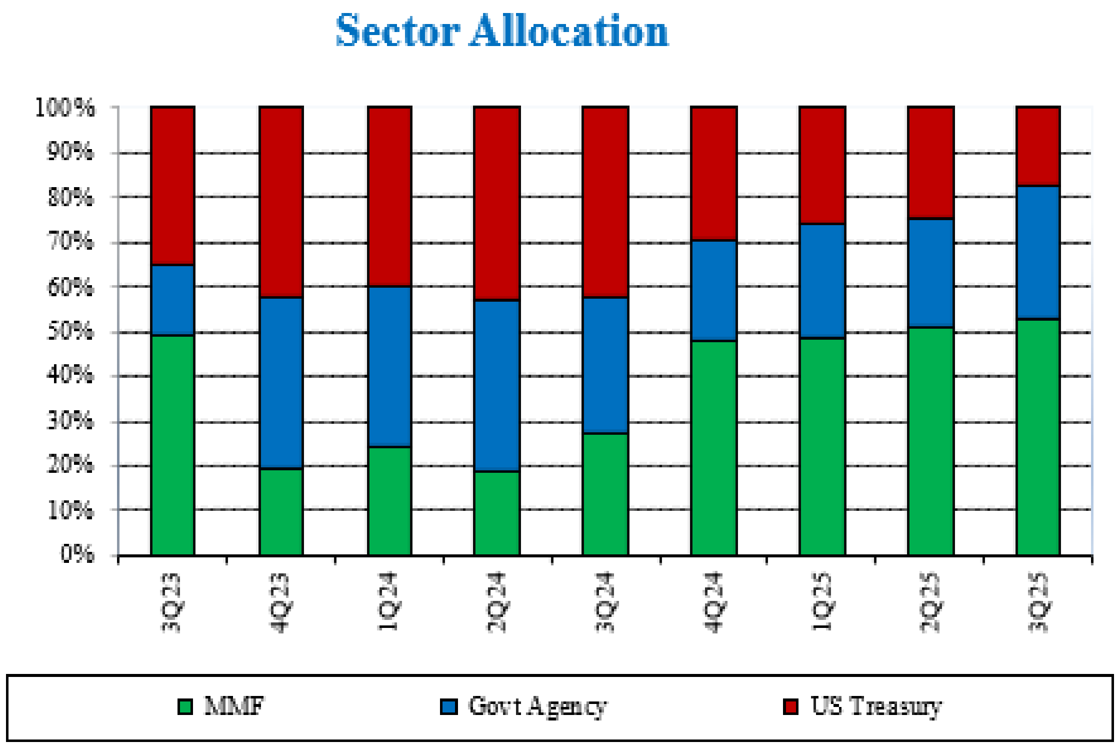
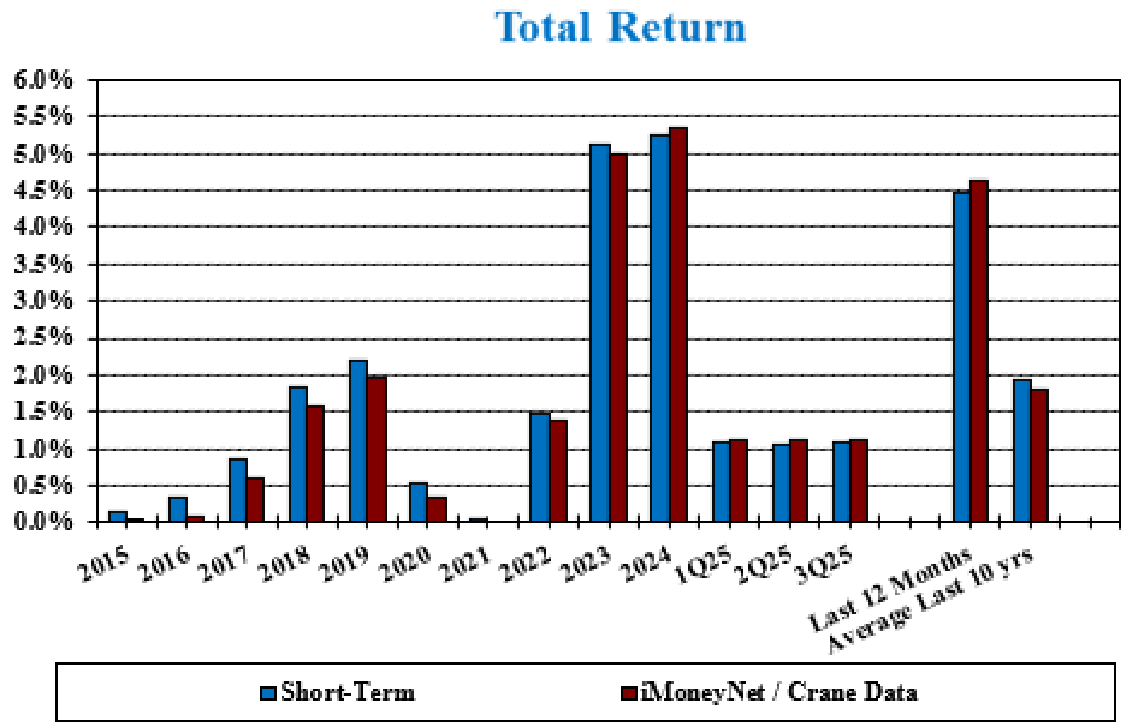
Short-term Portfolio

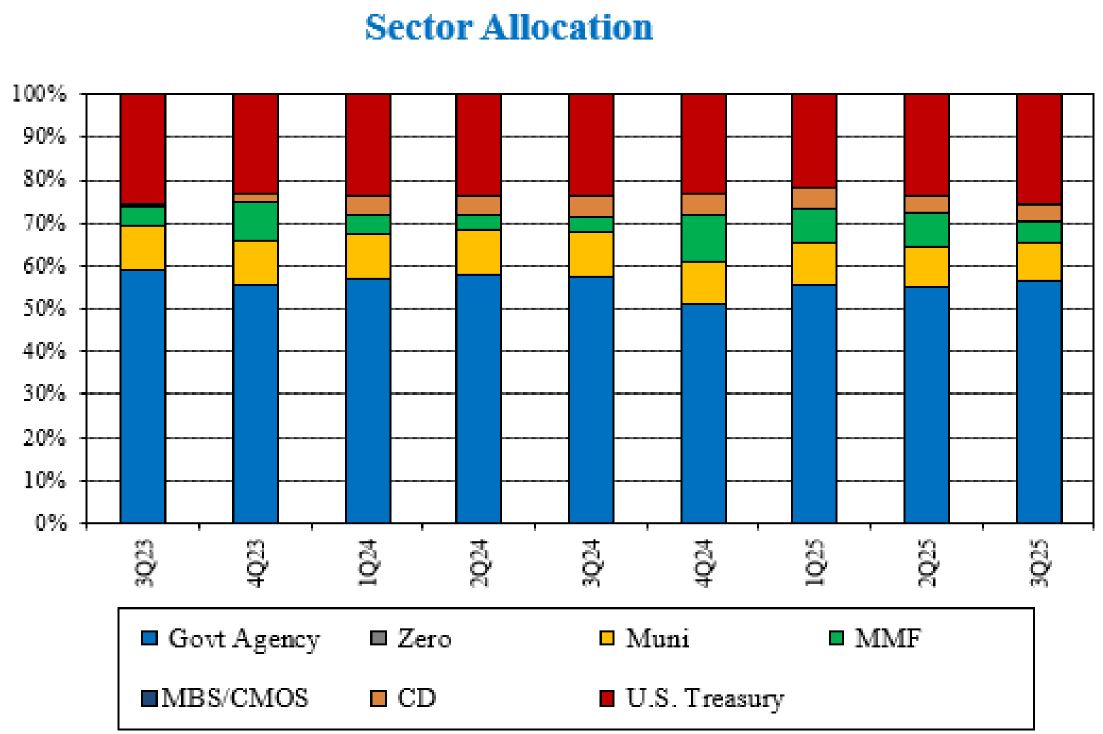


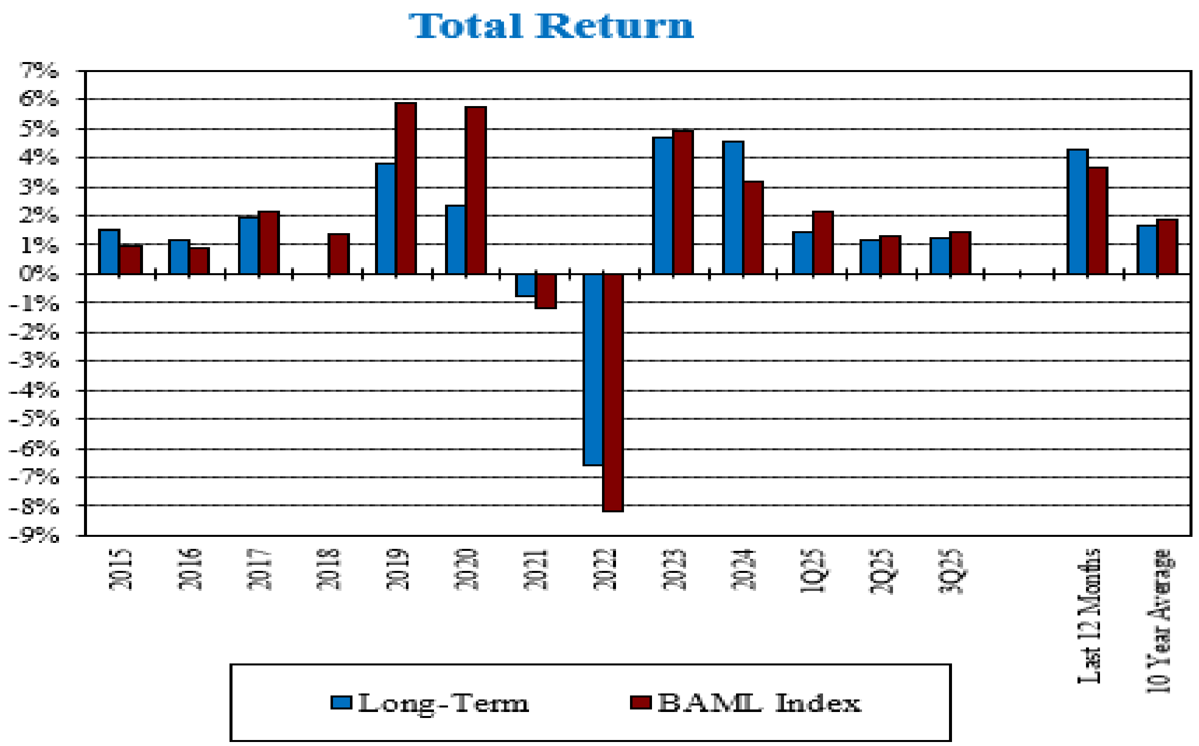


- $1.6 billion
- U.S. Treasury Bills - $278m, 17%
- Government Discount Notes - $488m, 30%
- Money Market Funds - $865m, 53%

- 3Q total return 1.07% vs. benchmark 1.10%
- Average yield 3.87% 3Q vs. 4.02% 2Q
- Interest income $17.9m 3Q vs. $16.6m 2Q

Long-term Portfolio





- $500 million
- U.S. Government Agency - $284m, 57%
- U.S. Treasury Notes - $128m, 25%
- Municipal Bonds - $44m, 9%
- Certificates of Deposit - $20m, 4%
- Money Market Funds - $24m, 5%

- Quarterly total return 1.27% vs benchmark 1.45%
- Average book yield 2.93% 3Q vs 2.75% in 2Q
- Interest income $3.5m 3Q vs. $3.3m 2Q
- Duration 1.34 years vs benchmark 3.38 years

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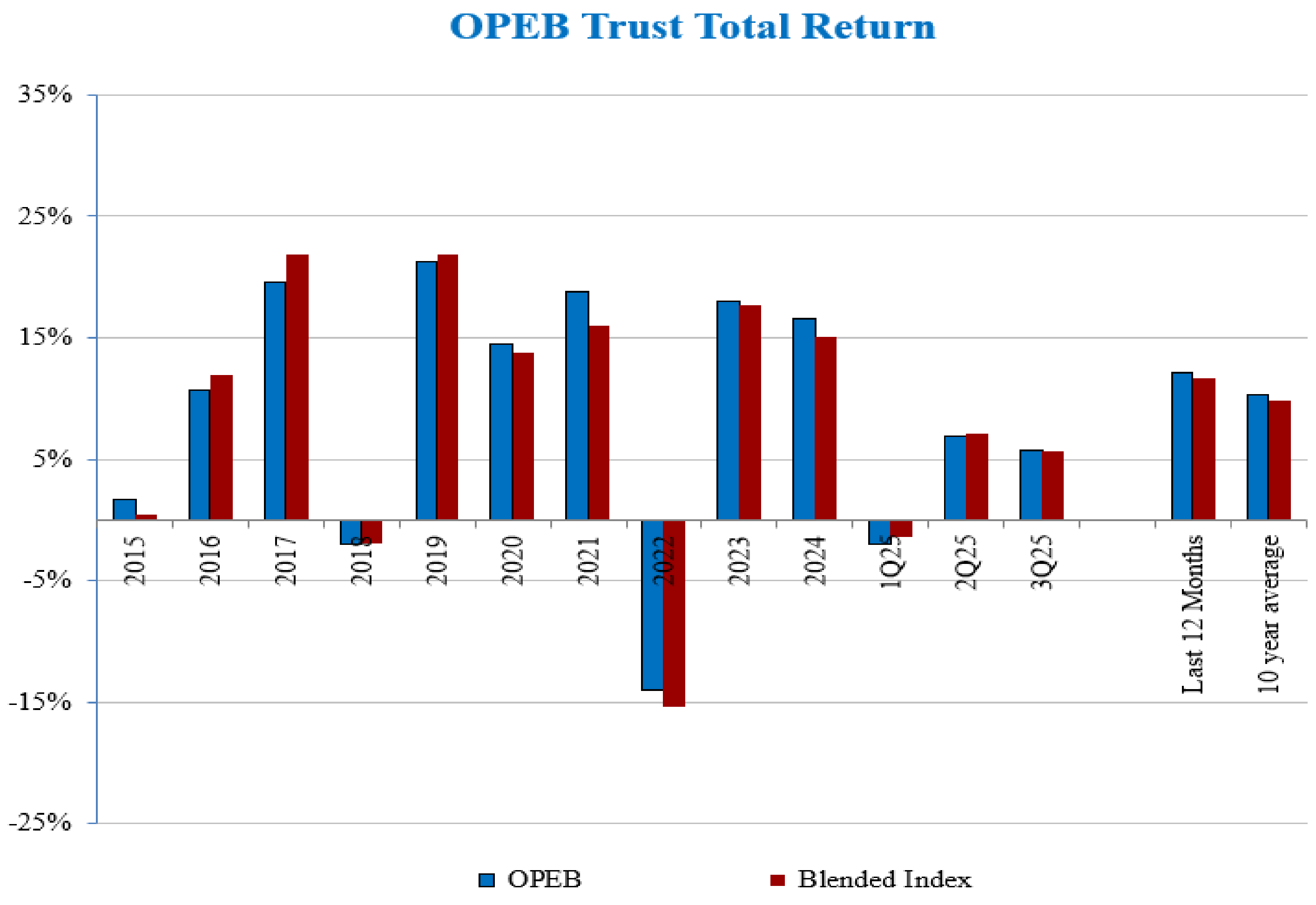
OPEB Trust

- 3Q Total Return 5.68%
- YTD Total return 11.10%
- Historical average returns: 11.28% 5 years
  10.24% 10 years
- Trust Value:
  - 3Q 2024 $380.9 million
  - 4Q 2024 373.4
  - 1Q 2025 365.7
  - 2Q 2025 392.5
  - 3Q 2025 414.8
- Equity - $274 million, 66%
  Fixed Income - $130 million, 31%
  Cash Pool - $11 million, 3%
- Projected OPEB Liabilities Remain Fully Funded



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Thank you

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