

Recent Market Volatility and WGIF's Commitment to Safety of Public Fund Investments

March 16, 2020

The equity and bond markets have made headlines recently with extraordinary volatility. Most impactful for public fund investors is the emergency announcement Sunday, March 15th by the Federal Reserve that it was reducing the target overnight rate by 1.00% to a range of 0.00% to 0.25%. This followed an earlier rate reduction of 0.50% on March 3. Yields for Treasury bonds and similar securities have fallen dramatically, and those lower yields will ripple through bank offerings and investment portfolios like WGIF.

PFM, as investment advisor and administrator to WGIF, is actively working to ensure that WGIF's investments continue to be aligned with the Fund's goals of safety of principal, liquidity to invest and redeem shares, and a market rate of return. We have process and systems focused on trading, review, and compliance for safeguarding public assets and will continue to rely on them during this time. These include:

1. Frequently reviewing WGIF's investments valuation to ensure market changes do not adversely affect current investments. WGIF's goal for its portfolio is to maintain a stable net asset value of one dollar in securities (by market value) for every dollar of investment. The Fund's permitted investments are limited to only high quality, short maturity investments, which alleviates much of the risks involved when interest rates move quickly. With the heightened market volatility PFM has added more frequent pricing checks to ensure the stable net asset value is maintained.
2. Updating model scenarios to stress test the portfolio. We routinely look at "what if" scenarios for the WGIF portfolio seeking to anticipate impacts to quick changes in liquidity or interest rates. Our natural bias toward safety and liquidity has benefited WGIF's portfolio thus far and our stress testing has not shown reason for concern.
3. Managing the portfolio to ensure adequate liquidity. Pursuant to board policy and consistent with the S&P AAAM rating criteria, a substantial portion of the WGIF portfolio is included in cash, daily and weekly liquidity buckets calculated pursuant to Securities and Exchange Commission criteria also utilized for registered money market mutual funds. The diversity of our investor community is one of our strengths and we are confident in the balance of invested funds for liquidity needs.

We anticipate no interruption in working with WGIF investors. During this time we have asked our employees to limit their travel and conference participation, and where possible, hold client meetings virtually or by phone. PFM has a liberal leave policy for all employees and we encourage its use, especially for those who do not feel well or have increased family responsibilities on account of the coronavirus. Many of our

employees have been working from home in recent weeks. We have confirmed our capabilities to support remote workers through our systems as one area of our robust business continuity plan and expect to implement a Work from Home plan for most employees shortly.

We appreciate the continued trust you have in investing with WGIF. Please contact your WGIF marketing representative or Client Services at 866-249-9443 if we can help answer any questions about your investments.

*This information is for institutional investor use only and not for further distribution to retail investors and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Wyoming Government Investment Fund's ("WGIF") investment objectives, risks, charges and expenses before investing in the WGIF. This and other information about WGIF is available in the WGIF's current Information Statement, which should be read carefully before investing. A copy of the WGIF's current Information Statement may be obtained by calling 1-866-249-9443; and is available on the WGIF website (www.wgif.org). While the WGIF Liquid Asset Series seeks to maintain a stable net asset value of \$1.00 per share and each WGIF Fixed Term Series seeks to achieve a net asset value of \$1.00 per share at its stated maturity, it is possible to lose money investing in WGIF. An investment in WGIF is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of WGIF are distributed by **PFM Fund Distributors, Inc.**, member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and member Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.*