

Oregon Short Term Fund Board Meeting
Monday, March 10, 2014 at 1:30 pm
OMFOA 2014 Spring Conference
Sunriver Resort

Market Overview and OSTF Update

Garrett Cudahey, Investment Officer

Tom Lofton, Investment Officer

Perrin Lim, Senior Fixed Income Investment Officer

US Government Rates



- 3-Yr Treasuries trending higher in yield (range: 66 bps, high on 9/5/13: 0.96%, low on 5/1/13: 0.29%)
- 2-Yr Treasuries trending higher in yield (range: 20 bps, high on 9/5/13: 0.52%, low on 5/2/13: 0.20%)
- 1-Yr Treasuries in tight range, anchored by FFs (range: 12bps, high on 6/26/13: 0.17%, low on 7/18/13: 0.25%)
- 3-Mo Treasuries also in tight range, anchored by FFs (range: 17bps, high on 10/16/13: 0.16%, low on 9/27/13: -0.01%)
- Slope of 2-yr/3-yr curve steepening (last at +35 bps, high on 1/8/14: +45 bps, low on 5/1/13: +9 bps)
- Slope of 3-mo/3-yr curve steep but off recent wides (last at +62 bps, high on 9/5/13: +93 bps, low on 3/1/13: +23 bps)

Barclays 1-3 Year Credit Spreads



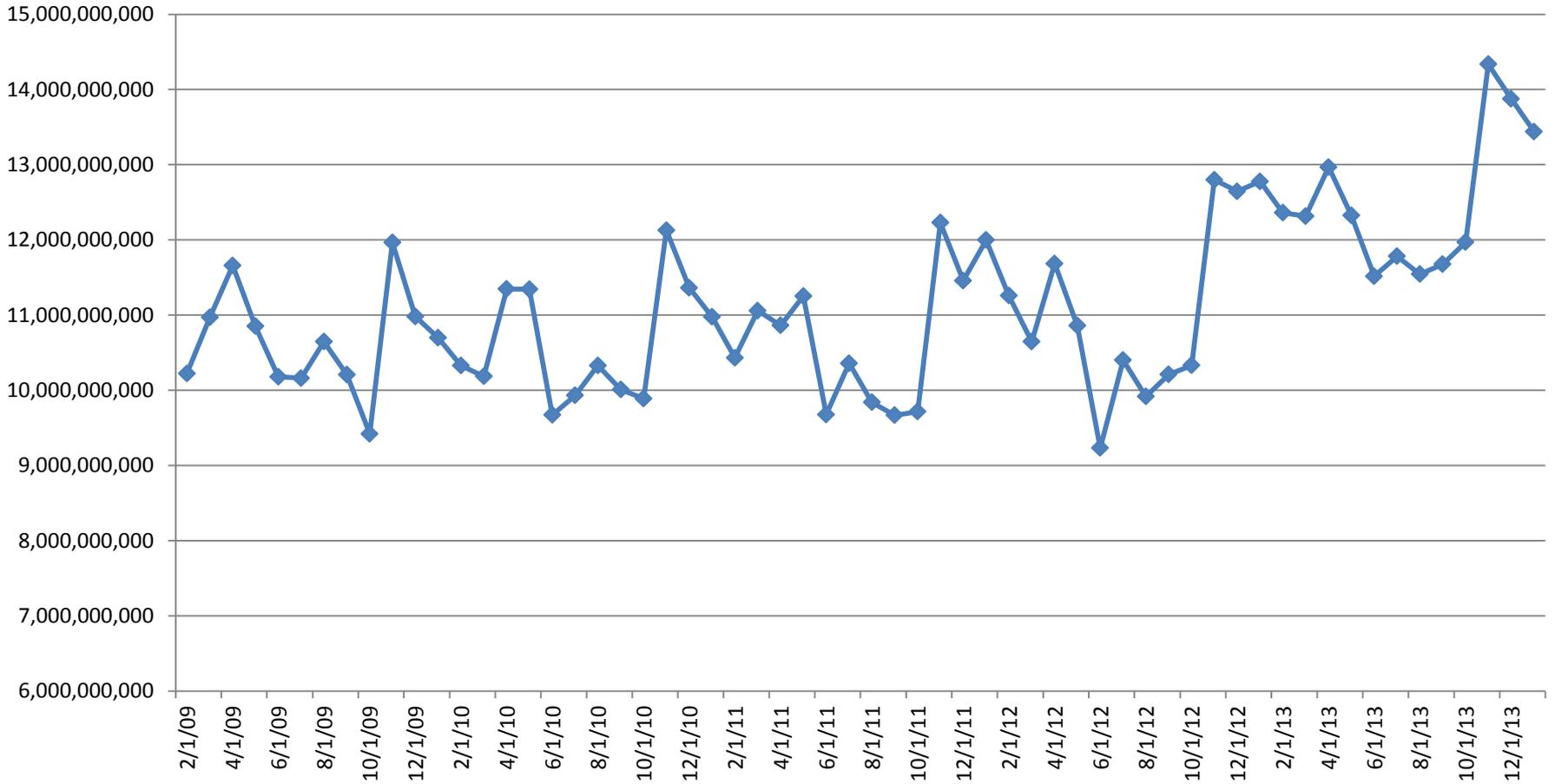
Investment grade corporate bond credit spreads are tight with YTW at 0.92%....WHY?

- Domestic fundamentals (employment & GDP prospects) remain positive, albeit disappointing compared to past recoveries
- Corporate fundamentals remain positive
- Tremendous competition for short-term yield product from many of fixed income investors

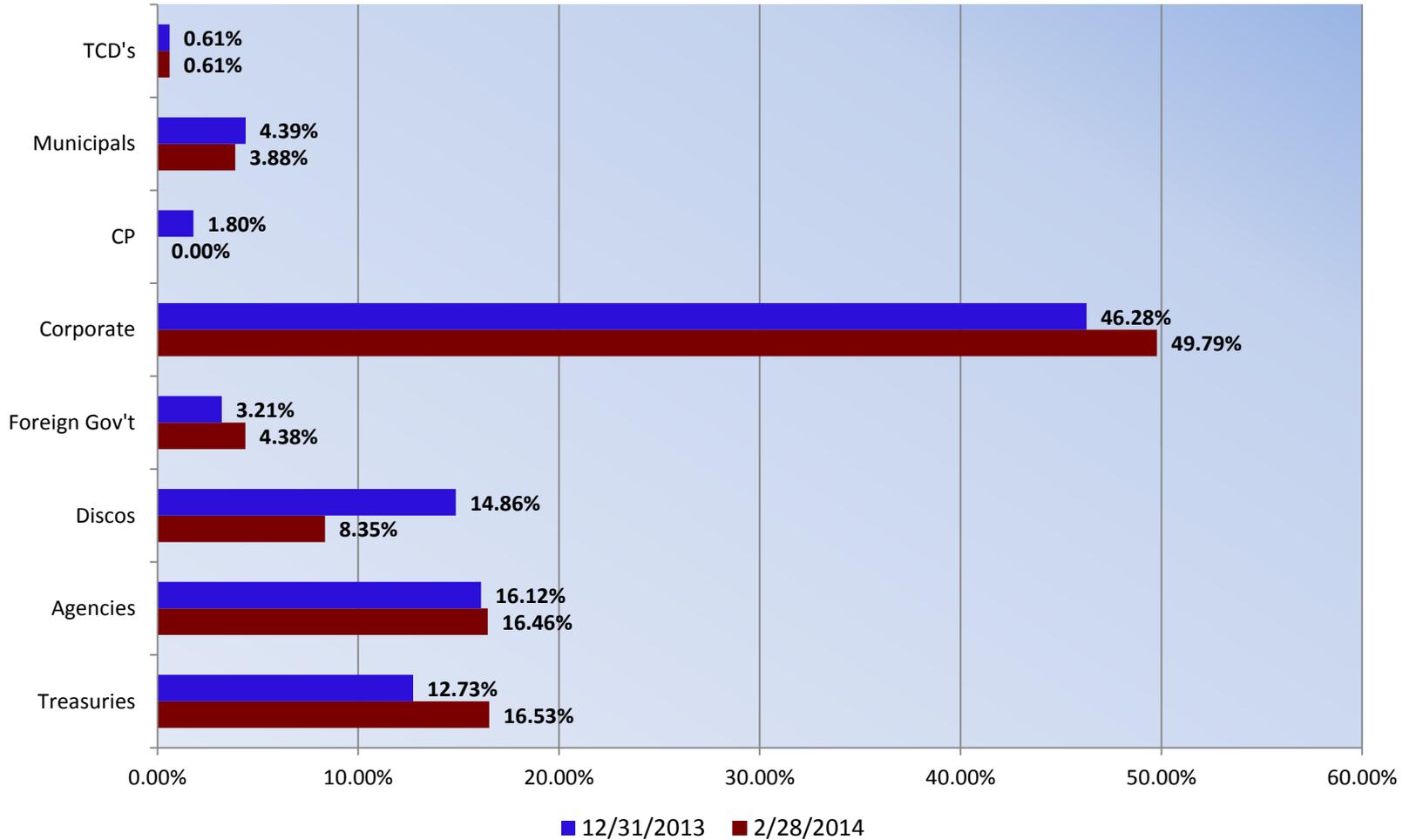
OSTF Portfolio Update

February 28, 2014	
Fund Market Value	\$ 12,912,226,729.50
Unit Value (1/31/14)	1.00315
Weighted Average Credit Quality	AA
Book Yield	0.58%
Weighted Average Days to Maturity	245.44
Rate Paid to Participants	0.54%

OSTF NAV History



Holdings by Security Type



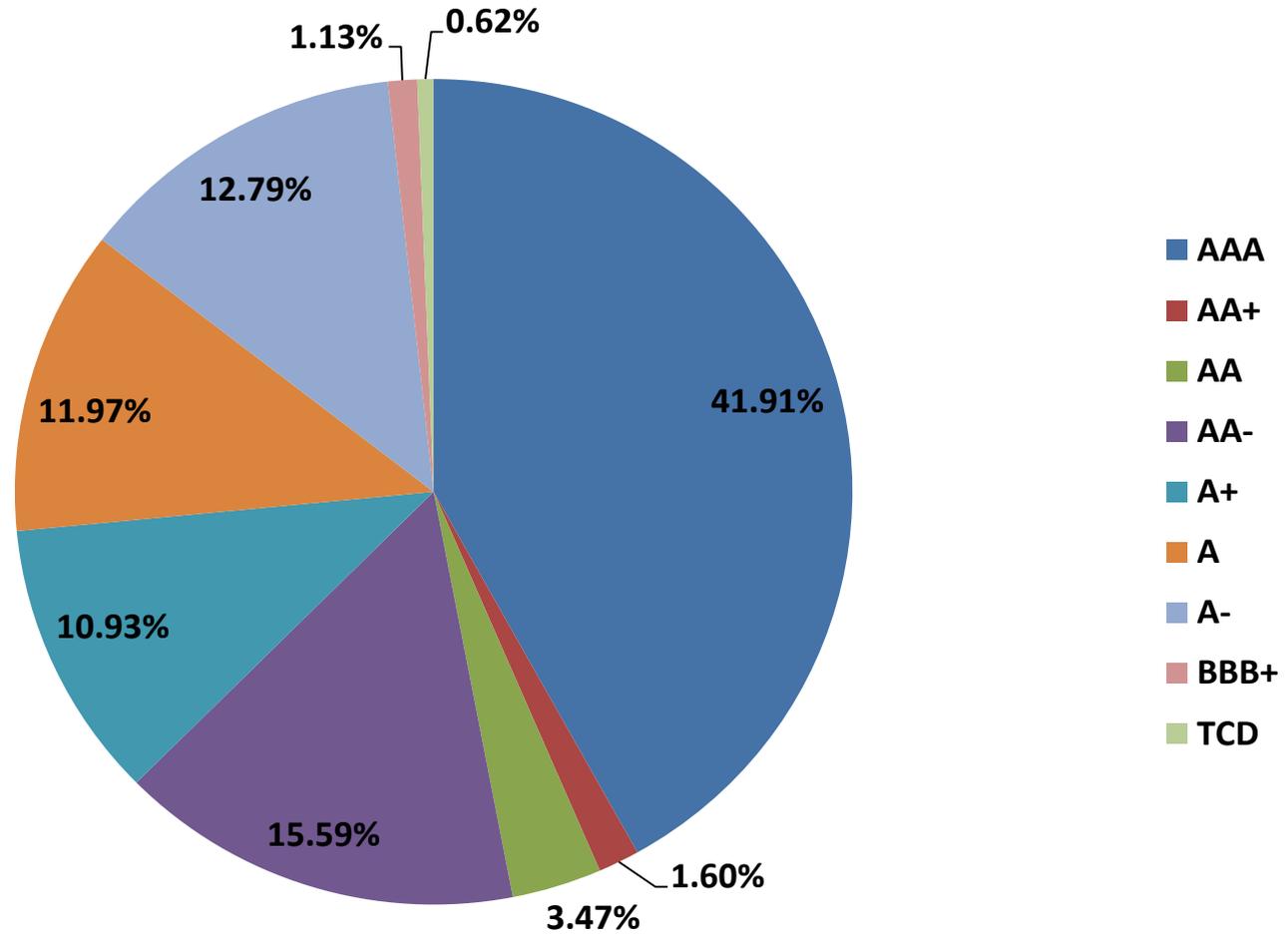
Source: Bloomberg, OST

OSTF Diversification

Issuer Concentration (Par)	
United States Treasury	16.53%
Federal Home Loan Banks	10.77%
Federal Farm Credit Banks	6.01%
Federal Home Loan Mortgage Corp	4.72%
JPMorgan Chase & Co	4.03%
Wells Fargo & Co	3.48%
Federal National Mortgage Association	3.31%
Goldman Sachs Group Inc/The	3.00%
Morgan Stanley	2.89%
Province of Ontario Canada	2.81%
General Electric Co	2.72%
Bank of America Corp	2.72%
Bank of Nova Scotia	1.87%
Barclays PLC	1.40%
Fifth Third Bancorp	1.24%
Australia & New Zealand Bankin	1.21%
National Australia Bank Ltd	1.21%
Toyota Motor Corp	1.21%
Honda Motor Co Ltd	1.18%
Commonwealth Bank of Australia	1.17%

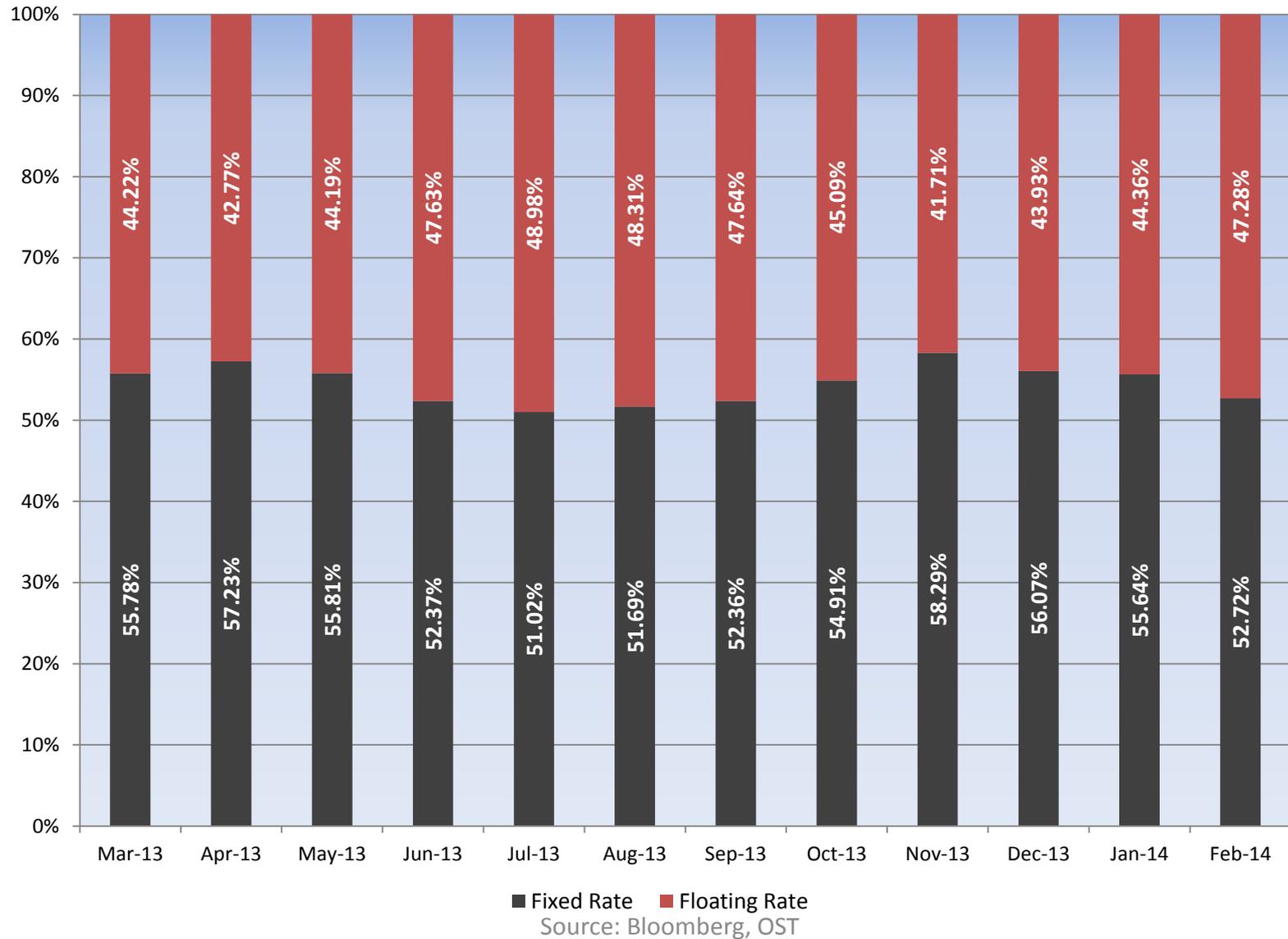
Country of Risk (Par)	
United States	77.45%
Canada	7.53%
Australia	4.94%
Great Britain	2.73%
Japan	2.70%
Germany	1.20%
Netherlands	1.05%
Mexico	0.62%
France	0.54%
Sweden	0.39%
Belgium	0.23%
Supranational	0.19%
China	0.16%
Korea	0.13%
Israel	0.13%

OSTF Credit Profile

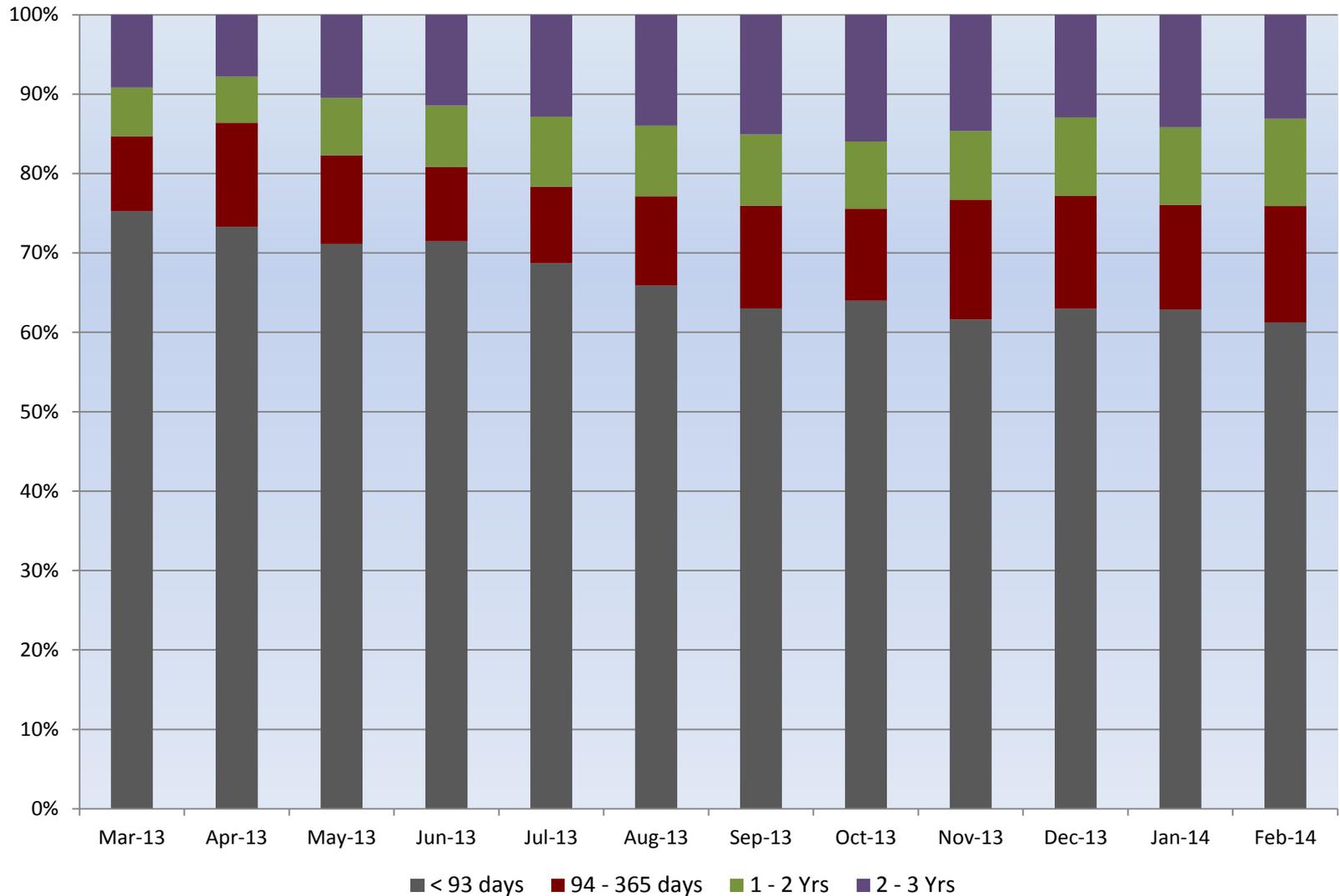


As of 2/28/14, calculated per OSTF guidelines Source: Bloomberg, OST

OSTF Fixed/Floating Rate Allocation

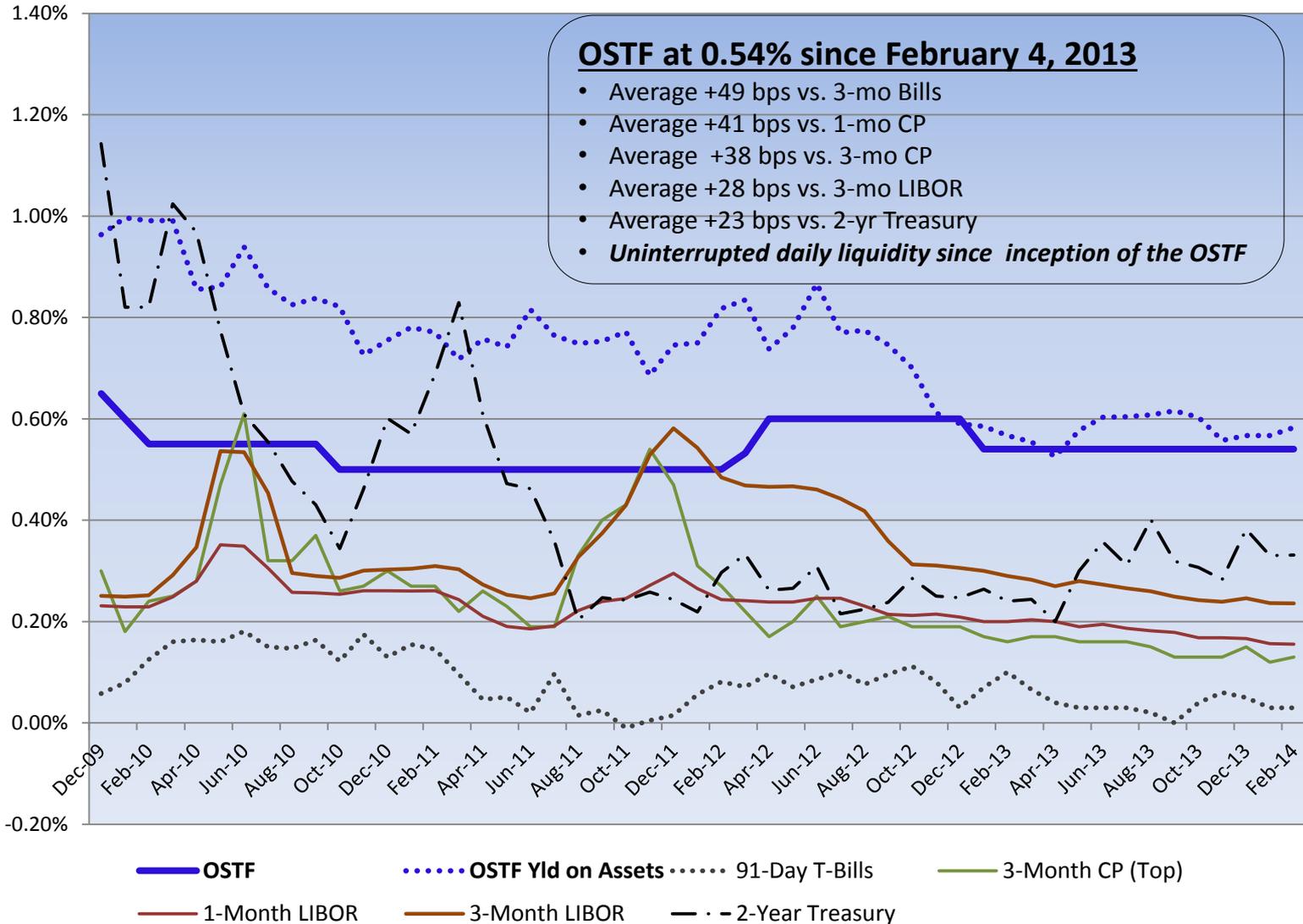


OSTF Maturity Profile



Calculated per OSTF guidelines Source:
Bloomberg, OST

OSTF Rates Comparison



Source: Bloomberg, OST

OSTF Performance

