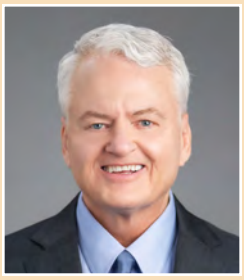
Curtis M. Loftis, Jr., Treasurer

QUARTERLY UPDATE — NOVEMBER 2026

SOUTH CAROLINA
LOCAL GOVERNMENT INVESTMENT POOL

Administered by South Carolina State Treasurer's Office

TREASURER'S MESSAGE



Curtis M. Loftis, Jr.
Treasurer

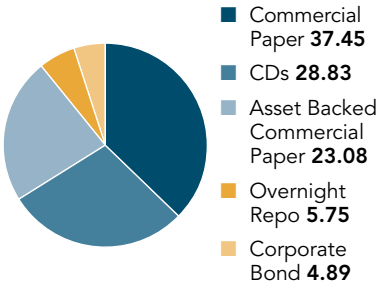
The Federal Open Market Committee (FOMC) raised interest rates by 25 basis points at its September meeting and held rates steady at its most recent meeting in October. As interest rates and market conditions continue to evolve, the South Carolina Local Government Investment Pool (LGIP) remains focused on providing public entities with a dependable investment option that prioritizes stability and consistent income.

Our core investment principles of safety, daily liquidity, and competitive yield remain the foundation of our approach. These guiding values have consistently shaped our investment strategy and will continue to do so, striving to protect your assets from market volatility through a disciplined and resilient framework.

Thank you for trusting us with your investments, and we remain committed to serving you.

LGIP AT A GLANCE

PORTFOLIO COMPOSTION (%)
AS OF 9/30/26



SEPTEMBER 30, 2026

- Pool Balance: $14,326,024,653.88
- LGIP Rate: 3.97%

LGIP PARTICIPANT BREAKDOWN

- 42 Counties
- 127 Municipalities
- 91 School Districts
- 99 Special Purpose Districts
- 19 Disability and Special Needs
- 10 Council of Government

HIGHLIGHTS

- LGIP is an investment mechanism administered by South Carolina's State Treasurer to provide local governments an opportunity to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions.
- LGIP seeks to preserve capital through prudent management and sound investment policies. LGIP offers participants an investment option for operating capital consistent with their investment time horizons.

PORTFOLIO OVERVIEW
AS OF 9/30/26

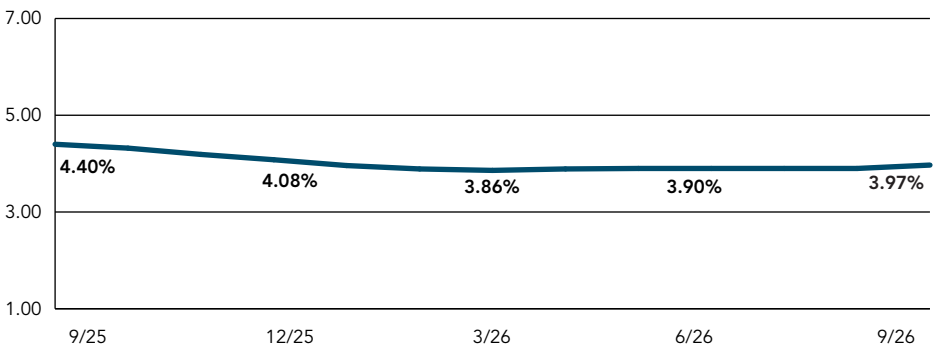
- Weighted Average Maturity: 60 Days
- Weighted Average Life: 112 Days
- iPAS allows participants to stay up to date on account information, including transactions.

Visit the iPAS website here:
https://lgip.sc.gov/iPAS/login.ipas

Visit the LGIP website here:
https://www.treasurer.sc.gov/what-we-do/for-governments/local-government-investment-pool

LGIP MONTHLY RATE (%)

The high fed funds rate is holding the current plateau. The Pool continues to take advantage of these higher rates which is reflected in the monthly yield.



Looking for Merchant Card Services?

Did you know that local governments in South Carolina can choose to participate in the State Treasurer's merchant card contract with First Data Merchant Services, LLC? Participating in the State Treasurer's merchant card contract may help you lower your processing fees plus save you time and resources in procuring a merchant card provider.

For more information, please reach out to Rick Morrison at First Data Merchant Services, LLC at 614-736-1247 or rick.morrison@fiserv.com. You can also access the State Treasurer's merchant card contract, called the Payment Solutions Agreement, on the Treasurer's website.

Commentary

The day that US Federal Reserve Chair Kevin Warsh had hoped to avoid when he took the reins of the central bank arrived in the third quarter when the Federal Open Market Committee (FOMC) raised rates by 25 basis points. He guided the Committee to a unanimous decision to raise the fed funds target range to 3.75-4.00% in its September meeting.

Although inflation treaded water in the reporting period, its stubbornness to decline to the Fed's long-standing target of 2% was the FOMC's professed reason for the hike. But plenty of external volatility also played into the decision. Chief among them was the continuation of conflict in the Middle East and its impact on the price of oil. Iran did not relinquish control of the Strait of Hormuz, and other routes and methods of transporting crude also saw disruptions. The result was considerable variance in the price per barrel and rising cost of gasoline that consumers had to bear.

Opposition to the outcome of no rate action in the July FOMC meeting — three members preferring a hike — and Chair Warsh's hawkish address at the Fed's central bank symposium in Jackson Hole, Wyo., in August created high expectations for a rate hike ahead of the September meeting, which came to pass. In the press conference, the Chair characterized the hike as removing "a dose of accommodation" rather than rendering policy restrictive. While Chair Warsh again refused to provide forward guidance, his description of the move suggested more were coming.

That is what the updated Summary of Economic Projections showed. Its dot plot placed the median year-end fed funds target range estimate at 4.00-4.25%. Only two out of 18 participants indicated that the hike was it for the year, 12 expected another quarter-point increase and four forecast two. At the time, the fed funds futures market reflected a 50% chance of another 25 basis-point tightening in October and a 30% chance of one at both the October and December meetings. But sentiment altered at the end of the third quarter, with traders expecting no hike in October.

Contact Information

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If you have any questions about LGIP please email sto.lgip@sto.sc.gov

Portfolio composition is subject to change.
An investment in LGIP is not insured or guaranteed by any government or government agency.
For more complete information, see the investment policy and information statement at treasurer.sc.gov.