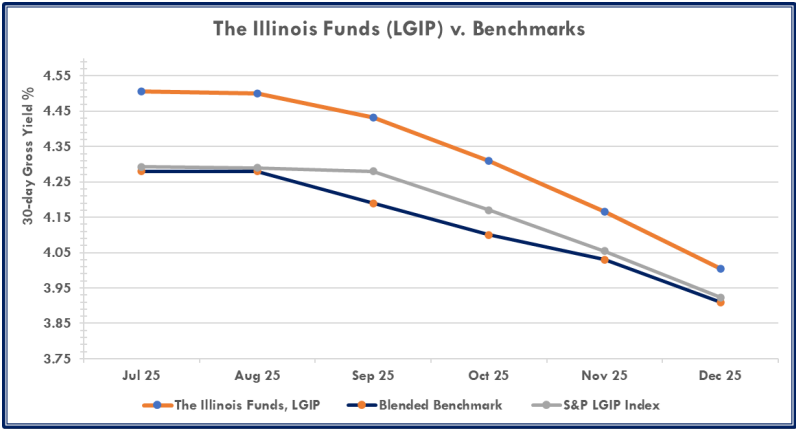




**ILLINOIS FUNDS PORTFOLIO SUMMARY**  
*Fourth Quarter 2025*

Net Portfolio Assets	\$18,382,303,118
Present Market Value	\$18,369,356,904
Weighted Average Maturity	29 Days
Weighted Average Life	112 Days
30-day Gross Yield	4.004%
30-day Avg. Net Yield	3.940%
Octl-25	4.245%
Nov-25	4.102%
Dec-25	3.940%
Net Asset Value (NAV)	\$1.00
Daily Liquidity Ratio	28.8%
Weekly Liquidity Ratio	49.3%



**Portfolio Manager Commentary**

Our yield in Q4 2025 continues to track what has happened with the FOMC rate cuts. Our annual yield at calendar year-end was 4.359% and earnings for participants were \$872 million. The overall asset allocation for 2026 will remain close to 2025 numbers.  
**Jack Weisenborn- Portfolio Manager**

The Illinois Funds closed the quarter with \$18.4 billion in net assets. The monthly net yield (less expenses) over the previous three months was 4.096%, bringing in \$191 million in quarterly net income to Fund participants, and nearly \$900 million in net income over the last twelve months-- nearly a third of the \$3.5 billion in net income The Illinois Funds earned participants over the last 10 years.

**AVERAGE ASSET ALLOCATION  
4TH QUARTER 2025**



Quarterly Portfolio Performance			
	2Q 2025	3Q 2025	4Q 2025
Net Interest Income	\$233,186,808	\$221,990,086	\$191,465,672
Average Net Yield	4.425%	4.416%	4.096%

Annual Portfolio Performance		
	YTD 2025	YTD 2024
Net Interest Income	\$872,316,093	\$1,057,653,111
Average Net Yield	4.359%	5.242%

## Investment Objective

The primary objective in the investment of **The Illinois Funds** is to ensure the **safety of principal** for Participants. In addition, the Treasurer aims to **manage liquidity** for payment of the State's financial obligations and provide the **highest return on investment**, using authorized instruments, while prudently exercising **sustainable stewardship** in its investment decision-making.

## Authorized Investments

The Treasurer's investments are subject to the parameters as set forth in the **Deposit of State Moneys Act (15 ILCS 520/22.5)**, along with measures of fund rating quality and ability to maintain value, as assessed by Nationally Recognized Statistical Ratings Organizations (NRSRO).

### Asset Classes

<b>Certificates of Deposit</b>	Savings account that holds a fixed amount of money for a fixed amount of time that earns interest which is paid along with the amount invested at the time of maturity. (FDIC insured up to \$250,000)
<b>Commercial Paper</b>	Short-term, unsecured promissory note issued by corporations with maturities ranging from 1-270 days, and in some cases up to 397 days for private placement notes.
<b>Corporate Bonds</b>	Debt issued by corporation, promising to pay bondholder stated rate of interest up to maturity date of the bond
<b>Floating Rate Notes</b>	Debt security similar to a bond with a variable interest rate that is typically tied to a benchmark rate such as the U.S. Treasury bill rate or the Secured Overnight Financing Rate
<b>Bank Obligations</b>	Debt instrument (may be commercial paper or corporate bond) issued by entities meeting the definition of a bank under the Illinois Banking Act.
<b>Governmental Agencies</b>	Debt issued by a government-sponsored enterprise or federal government agency (i.e. Federal Home Loan Bank, Fannie Mae, etc.) Implicit guarantee of the U.S. Government with maximum holding period of 762 days.
<b>Money Market Funds</b>	Open-ended, tax-exempt mutual fund regulated by SEC Rule 2a-7. Invest in high-quality, short-term debt security investments, cash, and cash equivalents; pays MM rates of distribution
<b>Prime Money Market Funds</b>	Taxable funds that can achieve higher yields than MMF because of broader portfolio diversity.
<b>Repurchase Agreements</b>	Overnight lending agreement between seller and buyer, where seller buys back collateralized money, with interest.
<b>Supranationals</b>	Debt issued by international agencies (World Bank, EBRD, etc.), for purposes of economic development. Guaranteed by US Govt
<b>US Treasuries</b>	Debt issued by US Treasury Dept. Maximum holding period is 762 days. Guaranteed by full faith and credit of US Government

### FUND GLOSSARY

<b>Net Asset Value (NAV)</b>	Determines the per-share value of the fund. Value remains constant at appx. \$1.00 per share
<b>Net Portfolio Assets</b>	Market value of all securities held by fund, reduced by any accrued expenses of the fund
<b>Present Market Value</b>	Price at which portfolio assets can be sold in the current market
<b>Weighted Average Maturity (WAM)</b>	Measure of exposure to interest-rate and market risk by weighting securities within the portfolio based on how quickly the principal of a security will be repaid (Recommended <60 days)
<b>Weighted Average Life (WAL)</b>	A measure of credit-spread risk by weighting the timing of when each security's par value is returned to the portfolio
<b>30-day Net Yield</b>	Return on investment over 30-day period, adjusted for fees, as expressed in percentage
<b>30-day Gross Yield</b>	Return on investment over 30-day period, as expressed in percentage
<b>Daily Liquidity</b>	Percentage of funds that can be converted into cash within one business day (Ratings Agencies recommend >10%)
<b>Weekly Liquidity</b>	Percentage of funds that can be converted into cash within 5 business days (Ratings Agencies recommend > 30%)
<b>Net Interest Income</b>	Return on investment over a period, adjusted for fees, as expressed in dollars
<b>Average Net Yield</b>	Return on investment over a period, adjusted for fees, as expressed in percentage

### Contact Details

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**Web: [www.illinoisfunds.com](http://www.illinoisfunds.com)**

### Fund Rating Criteria for AAAMmf

("Extremely strong capacity to achieve Fund's investment objective of preserving principal and providing shareholder liquidity through limiting credit, market, and liquidity risk.")

Portfolio Interest Rate and Spread Risks		
WAM	<b>Max Days</b>	60
WAL	<b>Max Days</b>	120
Asset Maturity		
All Securities (except below)	<b>Max Days</b>	397
Floating-Rate Securities (Highly-rated Sovereigns or Govt Agencies)	<b>Max Days</b>	762
Portfolio Liquidity Baseline		
Overnight Maturities and other eligible assets	<b>Min %</b>	10
7-Day Maturities and other eligible assets	<b>Min %</b>	30

Asset and Counterparty Credit Quality			
Rated F1+ / F1	<b>Min</b>		100
Repo Counterparty	<b>Min Ratings</b>		BBB+/F2
Portfolio Credit Factor (PCF)	<b>Max Level</b>		1.50
Direct Issuer Exposure			
F1+ or F1 Total for Single Issuer	<b>Max %</b>		10
...of which > 7 Days	<b>Max %</b>		5
Indirect and Collateralized Exposures			
Total Combined Exposure to an Entity (Direct + Indirect)	<b>Max %</b>		15
Total Per Repo Counterparty Rated F1 or Higher (Government Collateral)	<b>Max %</b>		25
Total Per Repo Counterparty Rated F2 (Government Collateral)	<b>Max %</b>		10

\*This document is not intended to provide disclosure of the terms and conditions of an investment in the Illinois Funds program ("Illinois Funds"). Please contact the Office of the Illinois State Treasurer ("Treasurer") to obtain important information that you should review before opening an account in the Illinois Funds, including information about the benefits and risks of investing in Illinois Funds.

This document is for general informational purposes only and should not be construed as investment advice. It does not constitute an offer, solicitation, or recommendation to purchase any security. Neither the funds contributed to an Illinois Funds account, nor earnings thereon, are guaranteed or insured by the United States, the State of Illinois, the Treasurer, any other state, any agency or instrumentality thereof, the Federal Deposit Insurance Corporation, or any other entity. Participating entities in Illinois Funds assume all investment risk, including the potential loss of principal. The Illinois Funds and its associated persons make no representation regarding the suitability of the Illinois Funds investment portfolio for any particular investor. Other types of investments may be more appropriate depending on the investor's particular circumstances. Any financial or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Past performance is not an indication of future performance. Additional information can be found at [www.illinoisfunds.com](http://www.illinoisfunds.com).