



## OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

FOR IMMEDIATE RELEASE:

Feb. 5, 2026

CONTACT:

Eric Krol

312.814.1252

### **Illinois Treasurer Michael Frerichs Makes \$1.5 Billion in Investment Earnings for State Portfolio During 2025**

#### *Another \$882 million for cities, school districts through Illinois Funds*

The State Treasurer's Office made \$1.5 billion in investment earnings from the state investment portfolio during 2025, Illinois Treasurer Michael Frerichs announced today.

Treasurer Frerichs is the state's Chief Investment and Banking Officer. He is responsible for investing state revenue in the [state investment portfolio](#).

"We are trying to maximize earnings for our state at a time when President Trump is illegally yanking away federal money from Illinois to give his billionaire cronies another tax cut," Frerichs said. "Every dollar we earn in interest for the people of Illinois is a dollar that lawmakers don't have to raise in taxes or cut in services."

Under state law, the Treasurer's Office is prohibited from directly investing the state's portfolio in the stock market. Treasurer Frerichs convinced the General Assembly to allow his office to invest in secure local government bonds, such as those issued by Illinois school districts to purchase land or erect buildings, and prime money market funds that emphasize security and liquidity.

Under Frerichs, the Treasurer's Office has improved returns by increasing the average weighted maturity of our investments, which was made possible by a healthier fiscal situation in our state, and by working with the governor and General Assembly on innovative ideas.

Also in 2025, the Treasurer's Office made \$882 million in gross investment earnings for cities, villages, school districts, counties and other units of government that take part in the highly rated [Illinois Funds](#) local government investment pool the State Treasurer's Office operates. The Illinois Funds has received the [highest rating](#) of AAA from Fitch, a national credit ratings agency.

"We are working with local government to earn cities and school districts more through smart, safe investing to help out when costs are rising," he said.

Key monthly metrics and more are available in The Vault, the transparency website that allows Illinois residents to see how the State Treasurer's Office is working for them. The site is at [iltreasurervault.com](http://iltreasurervault.com).

**-MORE-**

Also today, the Illinois State Treasurer's Office announced that it has renewed \$15 million in Israel Bonds that were set to expire at the start of February.

"It is my responsibility as Treasurer to get the best returns for Illinois taxpayers with stable and diversified investments as called for by state law. Israel Bonds have consistently generated among the highest returns in the state portfolio for two decades," Frerichs said. "I make our investment decisions transparently and ethically."

The Bonds will mature in five years with an interest rate of 4.86 percent. That outpaces a five-year U.S. Treasury Note by about 114 basis points, a difference of 23 percent.

The total amount invested in Israel Bonds remains \$100 million. That represents one-fourth of 1% of the \$39 billion state portfolio.

The Illinois State Treasurer's Office also has invested in \$15 million in Republic of Poland bonds. A law passed by the Illinois General Assembly sets out parameters on foreign investments. One of the benchmarks is that a nation must meet its bond payment obligations for at least 25 years, which the Republic of Poland and Israel have done. In addition, State Treasurer's Office guidelines require that the bonds must be rated in the three highest classifications of at least two rating services.

### **About the Illinois Treasurer**

The Illinois State Treasurer's Office is a powerful economic engine that invests in people to drive prosperity, development and growth throughout the state. As State Treasurer, Michael Frerichs (FRAIR'iks) is the state's Chief Investment and Banking Officer and actively manages approximately \$60 billion. The investments help families pay for college and trade school; workers save for a dignified retirement; and local governments process bill payments more efficiently so they can pass along the savings to taxpayers. The office provides financial institutions with money to loan to farmers, small business owners, and qualified individuals at below-market rates because better jobs create stronger communities. The office operates the state's largest consumer-protection initiative, the missing money I-Cash program, which has returned a record-breaking \$2.4 billion since Frerichs was elected.

For more news about the State Treasurer's Office, please sign up for our [newsletter](#) and follow Treasurer Frerichs on Instagram at [ILTreasurer](#), Threads [@iltreasurer](#), [LinkedIn](#) and on Facebook at [Invested in You – Treasurer Michael Frerichs](#).

**-END-**