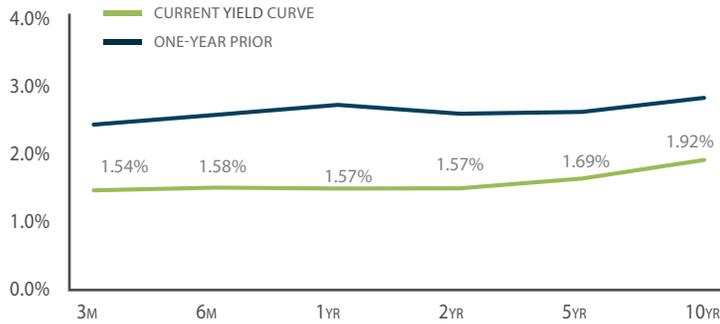




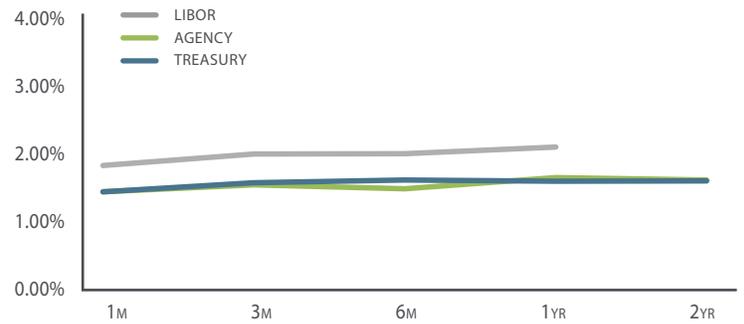
# IPAIT QUARTERLY BULLETIN

## Historical Yield Curve



Source: Bloomberg Finance L.P. 1/31/20

## Indicative Rates



Source: Bloomberg Finance L.P. 1/31/20. Rates do not reflect transaction fees.

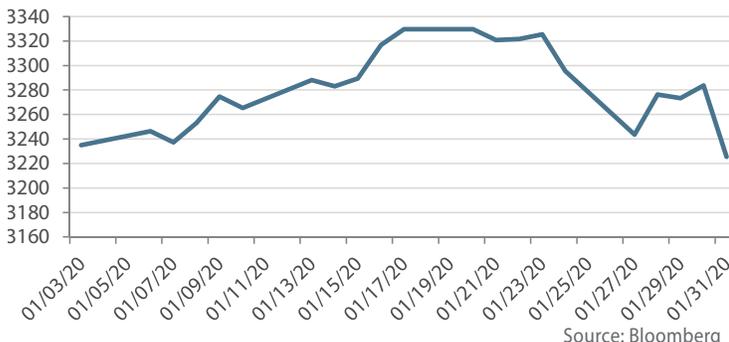
## FEATURED MARKET DATA

### Coronavirus Expected to Slow Global Growth

An announcement in the last week of January that major U.S. airlines will suspend flights to China for an extended period is unprecedented during peacetime. This news comes on top of growing uncertainty over the virus which has disrupted world-wide supply chains, closed thousands of retail outlets in China and reduced economists' expectations for 1st quarter GDP growth in China and other countries. Many are comparing this virus to SARS. When SARS hit in 2003, China was only the sixth biggest economy, whereas today it is number 2 in GDP and number 1 in world trade. Given the size of China's economy and quickly developing news, it is no surprise that as of January 31st the S&P 500 was more than 3% below its high on January 17th.

Source: Wall Street Journal

### S&P 500 INDEX



Source: Bloomberg

## RECENT NEWS

### U.S. GDP Growth of 2% is New Normal

U.S. GDP grew in the 4th quarter at an annualized rate of 2.1% and grew 2.3% for all of 2019. The first, or "advanced," report of the 4th quarter results displayed slower consumer spending of 1.8% compared to 3.2% in the 3rd quarter. This decline was partly offset by larger exports and fewer imports, which reduce GDP. While 2% growth is slower than many would prefer, the good news is that this level has been sufficient to maintain a strong labor market. Furthermore, when compared to the Eurozone's 2019 growth of 1.2%, the U.S. appears relatively strong.

Source: Wall Street Journal

## U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
CPI (YoY)	01/14/20	DEC	2.4%	2.3%	2.1%
Core CPI (YoY)	01/14/20	DEC	2.3%	2.3%	2.3%
Retail Sales Ex. Auto (MoM)	01/16/20	DEC	0.5%	0.7%	0.0% (R)
Chicago Fed National Activity Index	01/22/20	DEC	0.13	-0.35	0.41 (R)
Durable Goods Orders Ex. Transportation (MoM)	01/28/20	DEC	0.3%	-0.1%	-0.4% (R)
Consumer Confidence	01/28/20	JAN	128.0	131.6	128.2 (R)
Core PCE (YoY)	01/31/20	DEC	1.6%	1.6%	1.5% (R)
Change in Nonfarm Payrolls	02/07/20	JAN	165K	225K	147K (R)
Unemployment Rate	02/07/20	JAN	3.5%	3.6%	3.5%

Source: Bloomberg Finance L.P. 2/4/20

## Investment Yield Summary as of 2/13/20

Daily Yield	1.32%
7-Day Average	1.32%

For current rates, a 12-month history of our daily rates, or investment assistance, please visit our website or call us toll free. The above daily rate is calculated based on a 365-day annualized factor. Past performance does not guarantee future results.

## FEATURED ARTICLE

### It's Almost Tax Time –Get Your Incoming Cash to Work as Hard as You!

We've made it through the holidays and have not only started a new year, but also a new decade! When the calendar resets, many view it as a good time for a fresh start. That's why we see various gym memberships, weight loss or 'quit smoking' advertisements right after the New Year. It's not just a great opportunity to make some changes on an individual level, but it's also a great time to get your organization's fiscal house in order.

One of the most overlooked areas where value can be added is increasing the amount of earnings you receive on your idle cash. I'm not referring to anything crazy, like going to a casino or becoming a day trader, because neither would come under 12B 10 in the Iowa code. I'm simply talking about safely maximizing the interest rate you receive in your liquid accounts— checking, savings or money markets. For every \$1,000,000 where you earn an extra 1 percent, you can easily yield an extra \$10,000 in earnings within a year. If you have your options set up, it's typically just a couple clicks of the mouse to change the parking spot for your cash to receive these earnings.

Heading into tax season, it's simple:

1. Find the rate you are currently receiving in your liquid accounts
2. Know your options locally and at IPAIT
3. Make sure your paperwork is complete so you have the authority to easily move money to different accounts if the interest rate warrants. If you have yet to pass the IPAIT resolution, go for it. There is no cost and you will receive rates, even if only using them as a lever to get better rates locally.

For reference, as of this writing, the IPAIT Daily Fund rate is 1.30% (1/28/2020), which has no minimum balance or transactions fees. Another IPAIT option is the Fixed Term program. We contact Iowa banks on your behalf and get CD rates (minimum \$250,000). Because the Fixed Term program is under the "IPAIT umbrella," you don't need to add them to your approved depository list. Now is the time to compare this to what you are getting locally to learn where your funds can work the hardest for you and your taxpayers. Contact IPAIT for more information.

Dan Zomermaand | IPAIT Marketing Consultant | 800.890.9757

## UPCOMING EVENTS

March 12-13 ISAC Spring Conference  
April 15-17 IMFOA Conference

## UPCOMING HOLIDAYS

Fund closed to transactions and participant inquiries:

Monday, February 17 Presidents' Day  
Friday, April 10 Good Friday  
Monday, May 25 Memorial Day

## About IPAIT

Established in 1987, IPAIT offers a unique online proprietary reporting system with real-time account inquiry and transaction capabilities via the internet. Participants may invest, withdraw funds, check balances and transaction history, and make vendor payments through this system. There is no limit to the number of individual accounts, no minimum balance requirement, and no limit to the number of transactions per month.

Participants enjoy toll-free access to experienced administrators for personalized service regarding their IPAIT account. Contact IPAIT today to learn more about the additional benefits IPAIT offers.

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