

Market and Economic Highlights

- **Federal Reserve Holds Rates Steady as Inflation Moderates and Labor Market Rebalances**
- **Yield Curve Steepens Amid Heightened Market Volatility**
- **Consumer Spending Softens and Confidence Slumps as Retail Sales Stall in December**
- **Labor Market Shows Early Signs of Stability Despite Uneven Job Gains Across Sectors**

Market Returns

Market Index	1-Month	3-Month	YTD	1-Year
Bloomberg 9-12 Month T-Bill	0.26%	1.03%	0.26%	4.30%
Bloomberg 1-5 Year Government	0.12%	0.90%	0.12%	5.44%
Bloomberg Intermediate U.S. Gov/ Credit A or Better	0.04%	0.78%	0.04%	6.20%
Bloomberg Intermediate U.S. Agg	0.18%	0.97%	0.18%	7.05%
S&P 500	1.45%	1.76%	1.45%	16.35%
Russell 2000	5.35%	5.75%	5.35%	15.81%

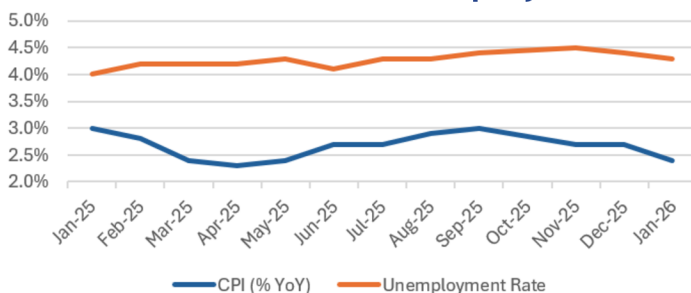
Source: Bloomberg

Featured Market Commentary

Recent economic data point to moderating inflation and a continued rebalancing in labor market conditions. Although price pressures remain modestly above the Federal Reserve's longer-run target, the unemployment rate has declined to 4.3%. As the data flow stabilizes, the Chandler team expects further yield curve steepening as the Federal Reserve gradually guides the policy rate toward a more neutral range. One additional 25-basis-point rate cut may occur in the first half of 2026, while U.S. trade and fiscal policy remain key sources of elevated market uncertainty.

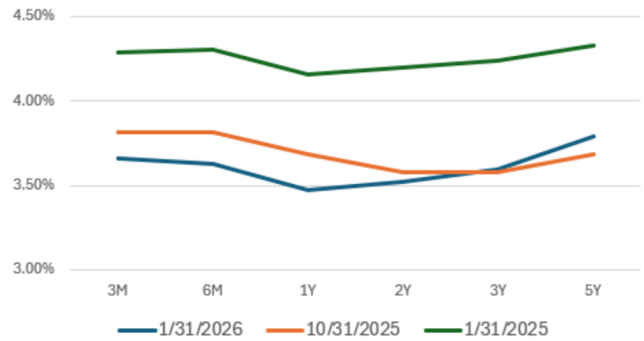
The Federal Reserve's January Federal Open Market Committee meeting concluded with policymakers maintaining the target range at 3.50%-3.75%, following three consecutive 25-basis-point cuts at the end of 2025. However, officials remained divided on the policy outlook, as Governors Christopher Waller and Stephen Miran dissented in favor of an additional rate reduction. Meanwhile, the future policy regime began to take shape with President Trump's announcement of Kevin Warsh as his nominee for the next Federal Reserve Chair.

U.S. Inflation and Unemployment



Source: Bloomberg

U.S. Treasury Yields



Source: Bloomberg

U.S. Economic Indicators

Indicator	Period	Survey	Actual	Prior/ Revised (R)
Nonfarm Payrolls (monthly change)	JAN	65K	130K	48K
Unemployment Rate (%)	JAN	4.4%	4.3%	4.4%
Consumer Price Index (YoY %)	JAN	2.5%	2.4%	2.7%
Core PCE (YoY %)	DEC	2.9%	3.0%	2.8%
Consumer Confidence	JAN	91.0	84.5	94.2

Source: Bloomberg

Florida State Economic Indicators

Indicator	Period	Actual	Prior	Year Ago
Nonfarm Payrolls (monthly change in 000s)	NOV	(3.0)	2.8	51.2
Unemployment Rate (%)	NOV	4.2%	3.9%	3.5%
Consumer Sentiment (1966=100)	DEC	74.9	72.5	68.3
Personal Financial Situation	DEC	68.7	64.8	86.4

Sources: Federal Reserve Bank of St. Louis

University of Florida, Bureau of Economic and Business Research

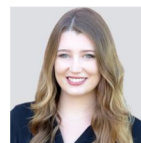
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**Upcoming
 Holiday Closures**

May 25
Memorial Day

June 19
Juneteenth

July 3
Independence Day

Daily Liquidity Fund 7-Day Yield



Source: Florida Surplus Asset Fund Trust Fact Sheet, January 2026

FL SAFE Offers Same-Day Credit for Wire Transfers

For incoming wire transfers, Participants must initiate the wire transfer directly with their financial institution and **notify the Fund of the deposit** by 1:00 PM ET to receive same-day credit.

There are two options available to notify the Fund:

1. Secure online platform
2. Speak directly with a team member

IMPORTANT: A FL SAFE team member **must confirm the request and provide a confirmation number prior to 1:00 PM EST** for the Participant to receive same-day credit.

If there is a failure to transfer funds to FL SAFE on the date indicated, the Participant may be assessed a fee. This fee is assessed by the Custodian of the Fund based on the number of days the wire failure is outstanding. If you need additional information, please contact flsafe@chandlerasset.com.

*While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.

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