MANAGER REPORT — FEBRUARY 28, 2018

STATE OF CONNECTICUT SHORT-TERM INVESTMENT FUND

FUND FACTS

Fund Inception: 1972

Objective: As high a level of current income as is consistent with first, the safety of principal and, second, the provision of liquidity.

Primary Benchmark: iMoneyNet's Index ("MFR")

Dividends: Accrued Daily/Distributed Monthly

Standard & Poor's Rating: AAAm

Assets: $7.3 Billion

Reserve Balance: $58.9 Million

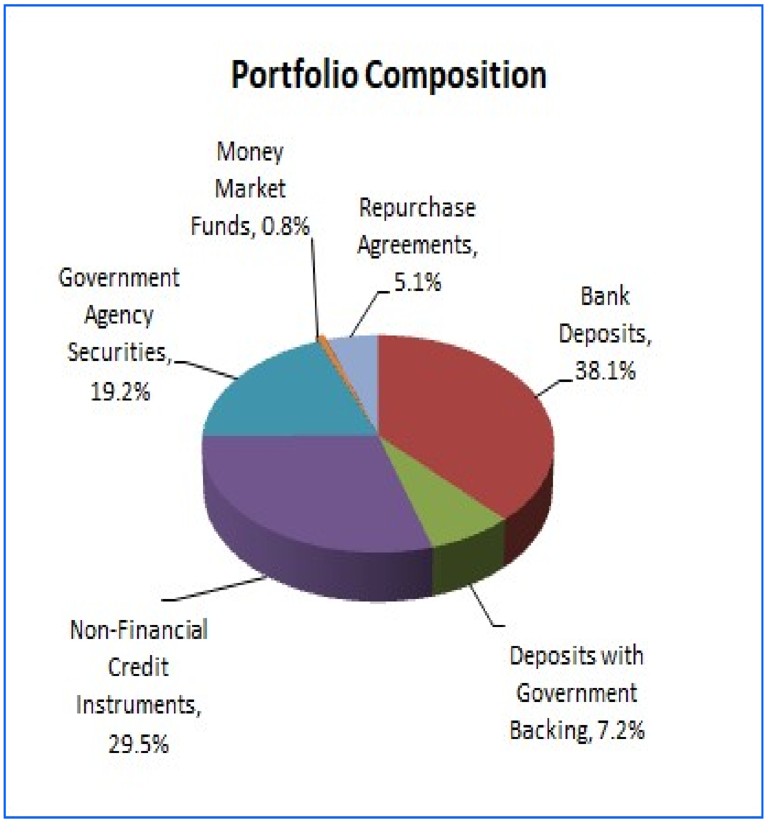
Weighted Average Maturity: 37 Days

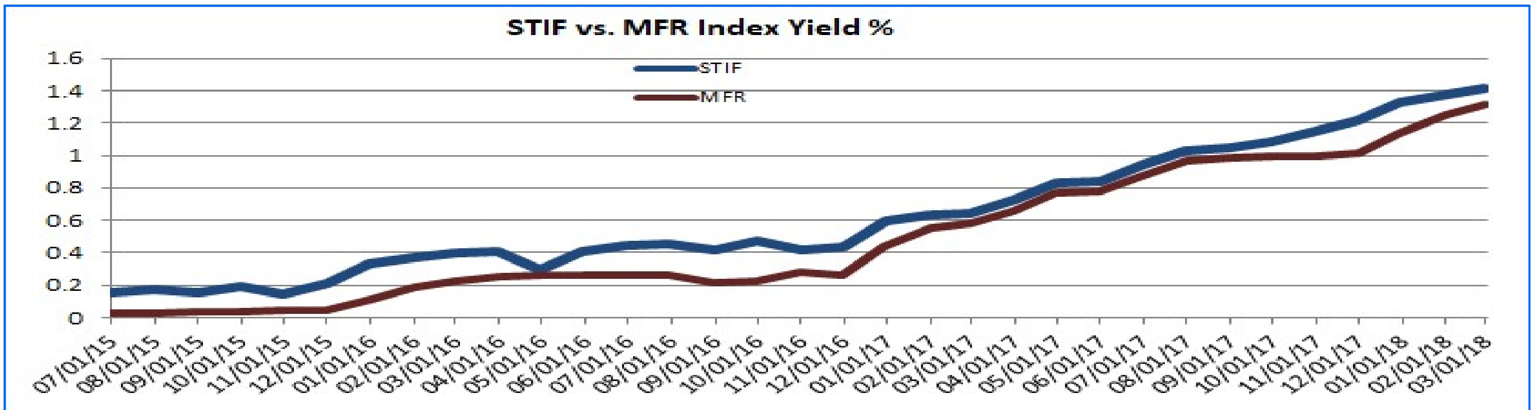
One Month Annualized Return: 1.41%

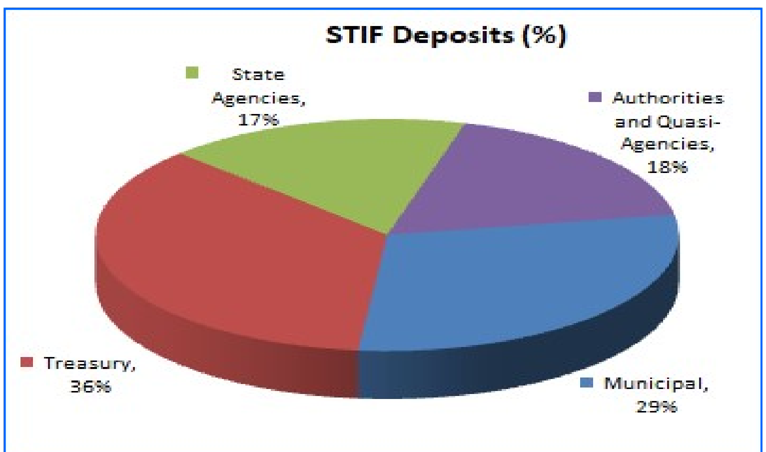
Approximately 32.4 percent of STIF's assets were invested in securities issued, insured or guaranteed by the U.S. government (including those backed by FHLB letter of credit).

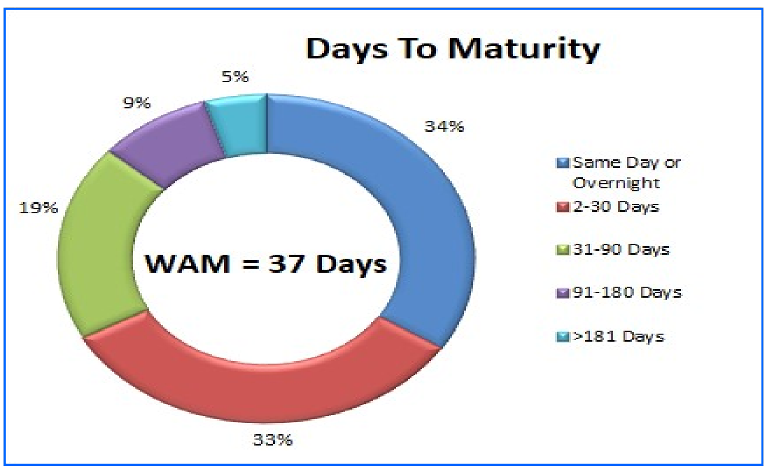
SUMMARY OF CASH FLOWS

Participant Deposits	**1,840,977,608**
Participant Withdrawals	**(1,286,705,450)**
Gross Income Earned	**8,539,743**
Reserves for Loss	**558,799**
Fund Expenses	**(140,927)**
Dividends Paid	**7,840,017**









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Monthly Economic Releases				
Event	**Reporting Period**	**Survey Estimate**	**Actual**	**Prior**
GDP Annualized QoQ	4QS	2.5%	2.5%	2.5%
Personal Consumption	4QS	3.6%	3.8%	3.8%
Personal Income	Jan	0.3%	0.4%	0.4%
Personal Spending	Jan	0.2%	0.2%	0.4%
Unemployment Rate	Feb	4.0%	-	4.1%
Retail Sales Ex Auto & Gas	Jan	0.3%	-0.2%	0.4%
PCE Core YoY	Jan	1.5%	1.5%	1.5%
CPI Ex Food and Energy YoY	Feb	1.8%	-	1.8%
PPI Ex Food and Energy YoY	Feb	2.6%	-	2.2%
Industrial Production MoM	Jan	0.2%	-0.1%	0.9%
Wholesale Inventories MoM	Jan F	0.7%	-	0.7%
Existing Home Sales MoM	Jan	0.5%	-3.2%	-3.6%

Economic Release at Glance: Personal Spending

Consumer spending is the amount of money spent by households in an economy. The spending includes durables such as washing machines, and nondurables, such as food. It is also known as consumption, and is measured monthly. Personal spending is often considered to be the most important determinant of short-term demand in an economy.

The Fund Management monitors and evaluates the portfolio to ensure compliance with its Investment Policy and adherence to rating agency guidelines. Below table summarizes some of the key metrics.

Rating Requirements

Weighted Average Maturity (WAM) - maximum 60 days

Weighted Average Life (WAL) - maximum 120 days

Weekly S&P reporting

Portfolio Credit Quality and Diversification*

At least 75% of the overall portfolio's assets shall be invested in securities rated A-1+ or in overnight repurchase agreements rated A-1

No more than 5% of the portfolio may be invested in individual security and no more than 10% may be invested in individual issuer

Floating / Variable rate securities with maturity up to 730 days should not exceed 25% of the overall portfolio

** at the time of purchase*

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