PSDLAF NEWSLETTER | MARKET UPDATE

JUNE 2025

Market and Economic Highlights

- **The S&P 500 and NASDAQ posted their best month since November 2023**
- **A de-escalation on tariffs between the U.S. and China aided stocks**
- **Bonds were mostly lower on a backup in rates**
- **Markets are now pricing in fewer than 50bps of Fed rate cuts in 2025**
- **Consumer confidence rebounded in May**

Sources: Bloomberg, FactSet

Market Returns

Market Index	1-Month	3-Month	YTD	1-Year
Bloomberg 9-12 Month T-Bill	0.13%	0.91%	1.64%	5.09%
Bloomberg 1-5 Year Government	-0.38%	1.16%	2.68%	6.06%
Bloomberg Intermediate U.S. Gov/ Credit A or Better	-0.45%	1.05%	3.02%	6.31%
Bloomberg Intermediate U.S. Agg.	-0.50%	0.53%	2.85%	6.31%
S&P 500	6.29%	-0.37%	1.06%	13.50%
Russell 2000	5.34%	-4.10%	-6.85%	1.17%

Source: Bloomberg; As of 5/31/25

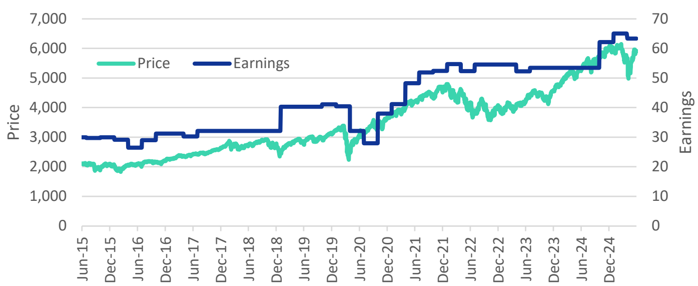
FEATURED MARKET DATA

Strong Quarterly Earnings Growth

With first quarter earnings season nearly complete, S&P 500 companies reported 12.9% earnings growth. This was the second straight quarter of double-digit growth. Earnings growth breadth was strong with 8 of 11 sectors growing. However, the Magnificent 7 continued to lead including strong growth from Nvidia. For the remaining 493 companies, quarterly earnings growth was a somewhat lighter 9.4%. Earnings exceeded forecasts at the beginning of the quarter as 78% of companies reported positive earnings surprises. A somewhat above average number of companies reported negative EPS guidance and companies such as Walmart indicated they plan to increase prices due to tariffs to meet earnings guidance.

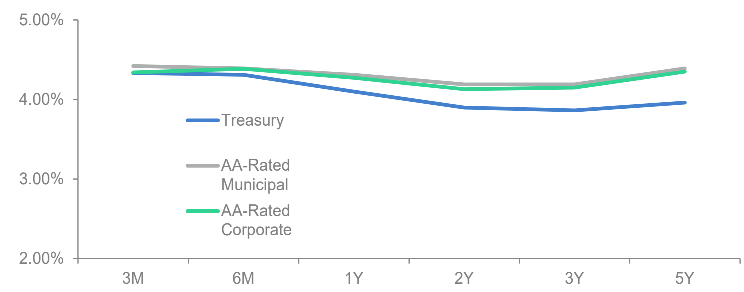
Source: Bloomberg, FactSet

S&P 500 Price and Earnings



Source: Bloomberg

Market Yields



Source: Bloomberg; As of 5/31/25

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Leading Index	05/19/25	APR	-1.0%	-1.0%	-0.8% (R)
Existing Home Sales	05/22/25	APR	4.10M	4.00M	4.02M
New Home Sales	05/23/25	APR	695K	743K	670K (R)
Consumer Confidence	05/27/25	MAY	87.1	98.0	85.7 (R)
Personal Income	05/30/25	APR	0.3%	0.8%	0.7% (R)
Personal Spending	05/30/25	APR	0.2%	0.2%	0.7%
Core PCE (YoY)	05/30/25	APR	2.5%	2.5%	2.7% (R)
Change in Nonfarm Payrolls	06/06/25	MAY	128K	--	177K
Unemployment Rate	06/06/25	MAY	4.2%	--	4.2%

Source: Bloomberg; As of 6/2/25. Glossary terms on following page.

Contact Information

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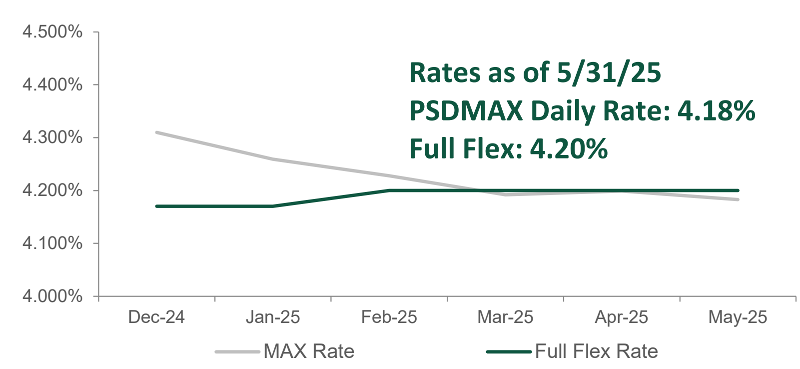
PSDMAX INVESTMENT RATE

For School and Municipal Entities

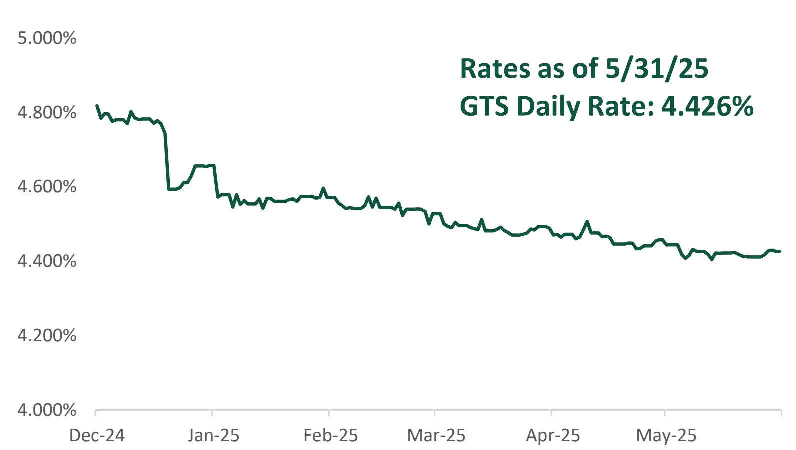
Liquid Investment Rates | Past 6 Months



GTS INVESTMENT RATE

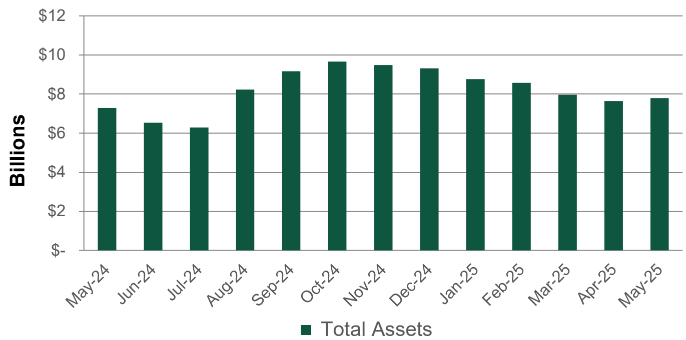
For Municipal Entities Only

Liquid Investment Rates | Past 6 Months



Series Includes Act 10 of 2016 Investments.

Total Fund Assets | Year over Year



As of 5/31/25: $7,788,884,019.89
(Total Assets)

Holiday Calendar 2025

Fund Closed	Holiday Observed
Thursday, June 19	Juneteenth Day
Friday, July 4	Independence Day
Monday, September 1	Labor Day

PSDLAF does not offer Act 10 securities to Pennsylvania Schools due to the **Legal Alert that was issued by PSBA** on Negotiable Certificates of Deposits (2016). Excerpt from the legal alert: *"Thus, to the extent the amount of a negotiable CD of the uncollateralized kind currently available in the market exceeds $250,000 (the limit of FDIC deposit protection),* ***it would be an impermissible investment in violation of the School Code****, notwithstanding Act 10."* Additionally, per PSBA's recommended investment guidelines, **all Act 10 securities are excluded for Intermediate Units and Vocational Technical Schools**. The **GTS program for Municipal Entities Only** does include Act 10 securities. For more information on GTS, please **click here**.

PSDLAF Offers Same-Day Credit for Wire Transfers
For incoming wire transfers, Settlors must initiate the wire transfer directly with their financial institution and **notify the Fund of the deposit by 12:00 P.M. Eastern Time** to receive same-day credit.

There are three options available to notify the Fund:
1. Secure online platform
2. Speak directly with a PSDLAF team member at 866-548-8634
3. Email the team at **psdlaf@pmanetwork.com**

IMPORTANT INFORMATION:
A PSDLAF team member must confirm the request and provide a confirmation number prior to 12:00 P.M. Eastern Time for the Settlor to receive the same-day credit.

If there is a failure to transfer the Funds to PSDLAF on the date indicated, the Settlor 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 a PSDLAF team member.

Protecting Your Information: A Friendly Reminder

At PSDLAF, your security is our top priority.

As part of our ongoing commitment to protecting your financial information, we kindly ask that you **avoid sending sensitive details—such as routing numbers, account numbers, or transfer instructions—via unsecured email.**

Instead, we encourage you to use PSDLAF GPS, our secure online portal. It features enhanced multifactor authentication and is specifically designed to safely handle transactions and communications. All transactions follow pre-approved wire and ACH instructions, and free-form transfers are not permitted—helping minimize risk and improve efficiency.

An added benefit? You'll receive **instant confirmation of your request**—no waiting, no uncertainty.

If you have any questions or need help getting started, our team is always happy to assist. Please don't hesitate to reach out at psdlaf@pmanetwork.com.

Thank you for partnering with us to keep your information safe.