



INVESTMENTS – FINDING CERTAINTY DURING UNCERTAIN TIMES

September 19, 2023

PRESENTED BY

Scott Gruber, CMT – Director, Advisory Services



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Today's Presenter



- Chartered Market Technician
- Otterbein University, BS Finance
- Over 12 years with Meeder

Scott's role at Meeder focuses on working directly with clients to implement and maintain investment objectives, analyze cash flow changes, and provide recommendations to drive investment results.


Along with being a Chartered Market Technician, Scott has background in fixed income trading, portfolio strategy and cash management, along with research analysis for the management of clients' portfolios.

Scott is an active participant within various associations around Ohio and regularly engages in speaking and educational opportunities to local governments. Additionally, I serve on many sub-committees within the firm such as the Diversity, Equity and Inclusion council at Meeder.

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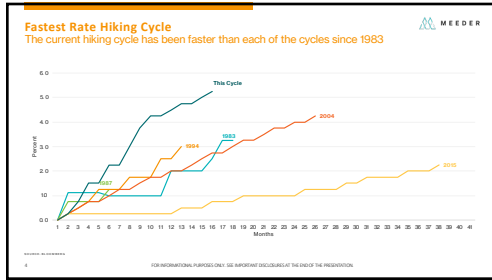


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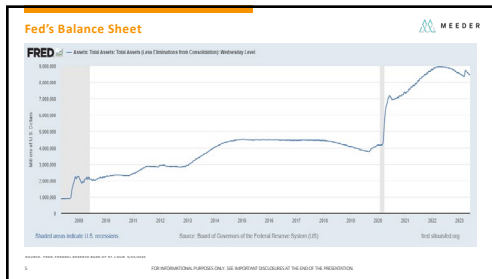


Market Update

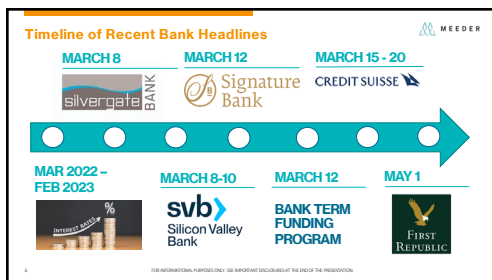
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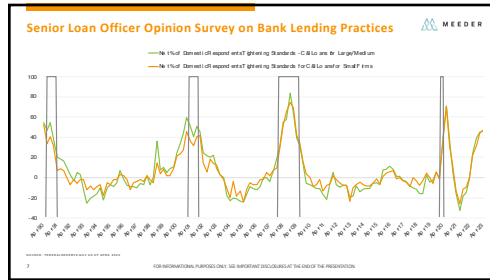
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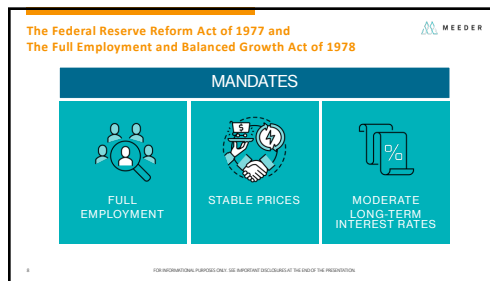
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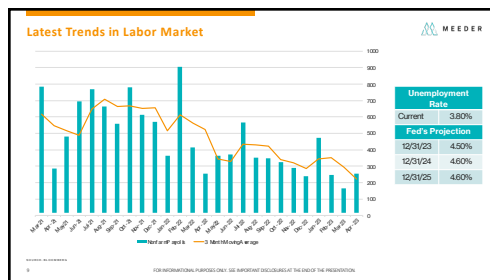
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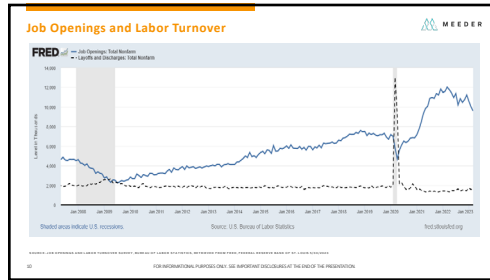
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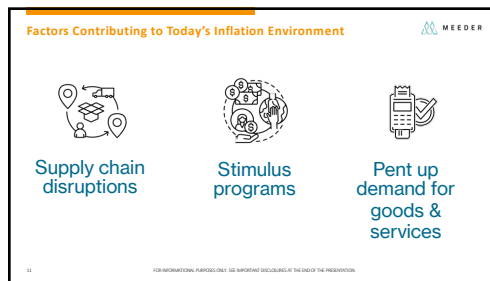
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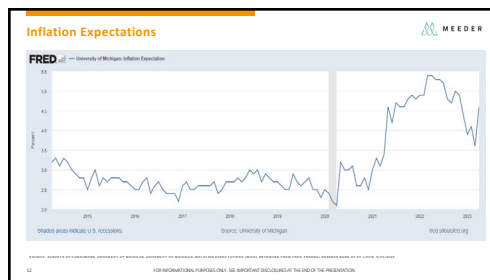
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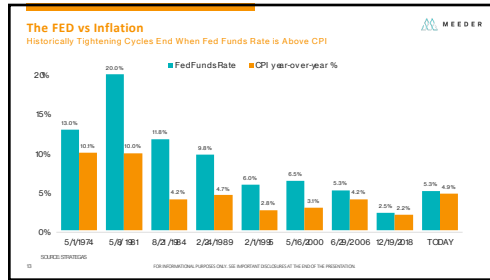
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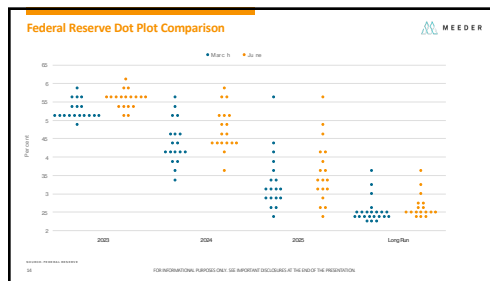
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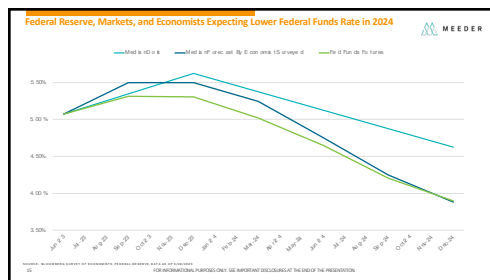
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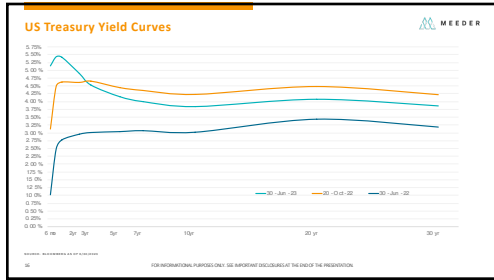
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What to Watch for in 2023

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Lower Inflation

Fed Rate Hikes Ending

Tight Labor Market Providing Cushion for Recession

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Finding Certainty

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How Should I Pay for Banking Services? MEEDER

The choice of the methodology is yours

The two methods hinge on current rates – **You pay either way!**

Compensating Balance Basis

- Traditional for public entities and hides the fees
- You leave money in bank which earns \$\$ at ECR and pays the service bill
- You never see the charge – it looks "free"

Fee Basis

- You pay the fees for the service by debit to the account

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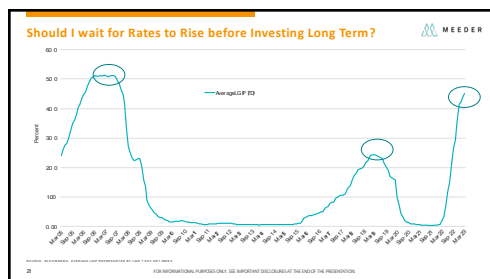
Your Decision **MUST** Hinge on Rates MEEDER

Always compare your ECR to outside investment options

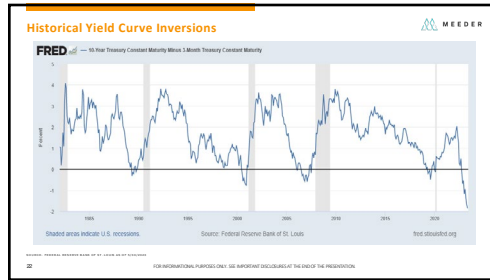
| | | |
|---|---|---|
| <p>A 0.40% ECR on \$5 million balance will generate \$1,667/month</p> | <p>If investment rates give you 3.00% the same balance generates \$12,500/month</p> | <p>Invest the funds, pay \$1,667 directly and keep \$10,833/mo (\$129,996/yr)</p> |
|---|---|---|

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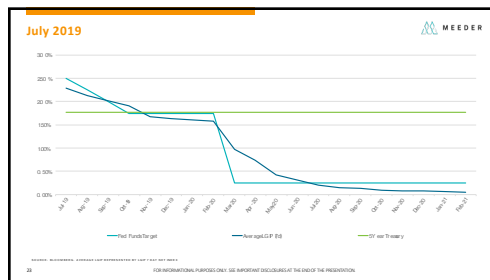
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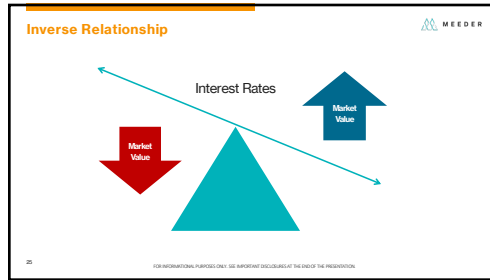


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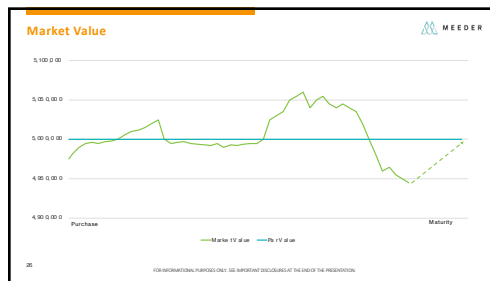
Breakeven Analysis - 5 Year Investment vs 1 Year Investment

| 5 year US Treasury at 3.80% | | | 1 year US Treasury at 5.23% | | |
|-----------------------------|--------------------|------------------|-----------------------------|--------------------|------------------|
| Maturity | Amount | Interest Earned | Maturity | Amount | Interest Earned |
| Year 1 | \$0 | \$190,000 | Year 1 | \$5,000,000 | \$261,500 |
| Year 2 | \$0 | \$190,000 | Year 2 | \$0 | ? |
| Year 3 | \$0 | \$190,000 | Year 3 | \$0 | ? |
| Year 4 | \$0 | \$190,000 | Year 4 | \$0 | ? |
| Year 5 | \$5,000,000 | \$190,000 | Year 5 | \$0 | ? |
| TOTAL | \$5,000,000 | \$950,000 | TOTAL | \$5,000,000 | \$261,500 |

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LOW Yielding Investments

INVESTMENT OPTIONS

| | |
|--|-------------------------------|
| HOLD TO MATURITY | SELL PRIOR TO MATURITY |
| RECEIVE COUPON INCOME and DISCOUNT | REALIZE THE LOSS |
| REINVEST AT UNKNOWN RATES AT MATURITY DATE | REINVEST AT TODAY'S RATES |

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Swap Breakeven Analysis MEEDER

Existing Holding:
\$3 million par value, purchased at a discount, matures in 1 year
Coupon rate 0.30%, unrealized loss \$102,100

| Lost Income & Realized Loss on Sale of Security | | Reinvestment Rate | Potential Earnings on \$3 million for 1 year |
|---|-----------|-------------------|--|
| Coupon | \$9,000 | 3.00% | \$90,000 |
| Discount | \$5,370 | 3.50% | \$105,000 |
| Realized Loss | \$102,100 | 4.00% | \$120,000 |
| TOTAL TO RECOVER | \$116,470 | 4.50% | \$135,000 |
| | | 5.00% | \$150,000 |

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Cycle of Emotions MEEDER

The diagram illustrates a cycle of emotions represented by a circular path with ten points. Starting from the left and moving clockwise, the points are: Optimism, Euphoria, Denial, Anxiety, Fear, Panic, Despair, Hope, Relief, and Optimism. The path rises to Euphoria, falls through Denial and Anxiety to a low point at Despair, and then rises again through Hope and Relief to end at Optimism.

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**“A plan is what, a schedule is when.
It takes BOTH a plan and a
schedule to get things done.”**

— PETER TURLA

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Today's Presenter MEEDER



THANK YOU!

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Disclosure MEEDER


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