



NPAIT NEWSLETTER | MARKET UPDATE

JANUARY 2026

Market and Economic Highlights

- The Fed cut rates by 25 basis points in December to a range of 3.50-3.75%
- The Fed's projections showed a median of one rate cut in 2026
- Unemployment rose to 4.6% in November, the highest since September 2021
- Geopolitical tensions remained elevated with U.S. strikes on Venezuela and little progress on a Ukraine peace deal
- The year-end "Santa Claus Rally" has so far failed to materialize for U.S. stocks

Sources: Bloomberg, FactSet

Market Returns

Market Index	1-Month	3-Month	YTD	1-Year
Bloomberg 9-12 Month T-Bill	0.40%	1.06%	4.38%	4.38%
Bloomberg 1-5 Year Government	0.22%	1.15%	5.83%	5.83%
Bloomberg Intermediate U.S. Gov/ Credit A or Better	0.06%	1.18%	6.74%	6.74%
Bloomberg Intermediate U.S. Agg.	0.13%	1.35%	7.45%	7.45%
S&P 500	0.06%	2.65%	17.86%	17.86%
Russell 2000	-0.58%	2.19%	12.79%	12.79%

Source: Bloomberg; As of 12/31/25.

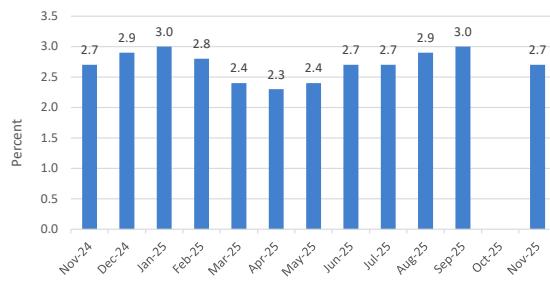
FEATURED MARKET DATA

November CPI Below Forecasts

November CPI came in at 2.7% year-over-year, below a level of 3.0% projected by a Bloomberg survey of economists. A slower rate of growth in food prices contributed to the slower pace of inflation. The cost of services contributed to the improvement as housing, transportation services and medical services all slowed from September. Reactions to the lower-than-expected CPI print have been viewed with caution as markets view the data as noisy. The timing of data collections may have skewed prices lower. Employment and inflation data will remain critical as the Fed assesses the appropriate fed funds rate in 2026.

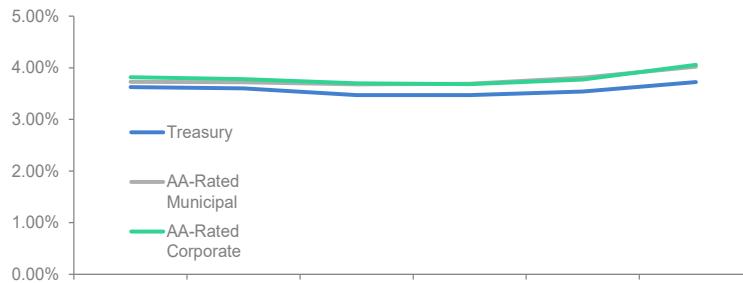
Source: Bloomberg, Wall Street Journal; As of 12/31/25.

CPI Remains Elevated



Source: FactSet; As of: 1/2/26

Market Yields



Source: Bloomberg Finance L.P. As of 12/31/25.

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Retail Sales Ex. Auto (MoM)	12/16/25	OCT	0.2%	0.4%	0.1% (R)
Consumer Price Index (YoY)	12/18/25	NOV	3.1%	2.7%	3.0%
Core CPI (YoY)	12/18/25	NOV	3.0%	2.6%	3.0%
Chicago Fed National Activity Index	12/22/25	SEP	-0.17	-0.21	-0.31 (R)
Consumer Confidence	12/23/25	DEC	91.0	89.1	92.9 (R)
Initial Jobless Claims	12/24/25	DEC 13	224K	214K	224K
S&P Cotality Case Shiller 20-City Home Price Index (YoY)	12/30/25	OCT	1.10%	1.31%	1.39% (R)
Change in Nonfarm Payrolls	01/09/26	DEC	55K	--	64K
Unemployment Rate	01/09/26	DEC	4.5%	--	4.6%

Source: Bloomberg Finance L.P. As of 1/2/26. Glossary terms on following page.

Contact Information

FUND DISTRIBUTOR: PMA SECURITIES, LLC



WALKER ZULKOSKI

Vice President, Investment Services
walker.zulkoski@ptma.com



INVESTMENT RATES

JANUARY 2026

Liquid Investment Rates | Past 6 Months

Rates as of 12/31/25

NPAIT TRUST: 3.725%



Term Series II (TS II)

Noted below are indicative rates as of 1/5/26

Minimum Investment: \$500,000

Rates are subject to change daily

Term	Net Indicative Yield (365 Basis)
3 Month	3.57%
6 Month	3.55%
9 Month	3.40%
12 Month	3.38%

To invest in TS II please contact a member of the Nebraska Team at 800.640.8817 no later than one business day prior to settlement.

Additional terms are available upon request. Please contact the NPAIT team for customized recommendations that are tailored to your individual needs. Rates are subject to change and may be different than those available at the time of execution.



ANNOUNCEMENT

JANUARY 2026



2026-2027 ACADEMIC SCHOLARSHIP APPLICATION - Scholarship Value: \$1,000 -

NPAIT
2026-2027 ACADEMIC
SCHOLARSHIP APPLICATION
Scholarship Value: \$1,000

APPLICATION REQUIREMENTS:

1. Applicant must be the child or grandchild or under legal guardianship of an elected or appointed official or an employee of a Public Agency that is a Participant of the Nebraska Public Agency Investment Trust.
2. Applicant must be a graduating high school senior.
3. Applicant must complete application electronically by using this PDF fillable form online (document will need to be saved to your computer to print/email).
4. Applicant must complete an essay on any subject matter relating to personal experience or local, state, or national government.
 - A. Essay needs to be 250-500 words.
 - B. Essay must be original work.
 - C. Essay needs to include a title.
 - D. Essay must be in electronic form.
5. Applicant must attend a post-secondary institution within Nebraska during the next academic year.

RETURN COMPLETED FORMS BY JANUARY 9, 2026.

1. Application (Section A)
2. Accomplishments (Section B)
3. Personal Essay (Section C)
4. High School Official Attestation (Section D)

Return by email as an attachment to: walker.zulkoski@ptma.com (Must be a PDF file or Microsoft Word document)
or return by mail to: NPAIT Scholarship
721 South 14th Street
Lincoln, NE 68508

Questions? Please call 402-389-5304.

Click Here to Download the PDF

Holiday Calendar 2026

Fund Closed	Holiday Observed
Monday, January 19	Martin Luther King Jr. Day
Monday, February 16	Presidents Day
Friday, April 3	Good Friday
Monday, May 25	Memorial Day
Friday, June 19	Juneteenth
Friday, July 3	Independence Day (observed)