

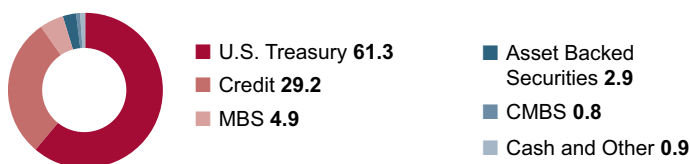
# MMDT Short Term Bond Portfolio

## Highlights

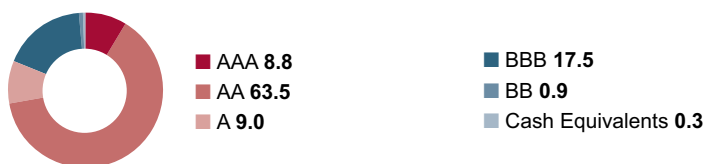
- Offers participation in a diversified portfolio of investment-grade short-term fixed-income securities that seeks to generate long-term performance exceeding the Bloomberg 1-5 Year Government/Credit Bond Index.
- Presents a fixed-income option for assets with a longer time horizon and risk tolerance than the cash portfolio.
- Offers participants an investment option for operating capital and bond proceeds consistent with their time horizons.

## Portfolio Overview as of 3/31/24

### Portfolio Composition (%)



### Credit Quality Composition\* (%)

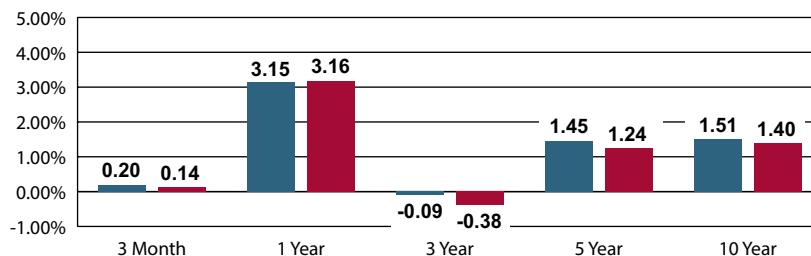


<b>30-Day Distribution Yield</b>	3.26%
<b>Weighted Average Effective Duration</b>	2.55 Yrs.
<b>Weighted Average Effective Maturity</b>	2.90 Yrs.
<b>Portfolio Manager</b>	John T. Gentry, CFA
<b>Portfolio Total Assets</b>	\$775.0 million

## Performance as of 3/31/24

### Average Annual Total Returns at NAV (%)

■ MMDT Short Term Bond Portfolio ■ Bloomberg 1-5 Government/Credit Index



*Performance data quoted represents past performance which is no guarantee of future results. Current performance may be lower or higher than what is stated. Investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost.*

## Portfolio Manager Commentary

Calming and consistent words from the Federal Reserve helped markets overcome their tendency to overreact, bringing them back in sync with Fed projections. Excessive optimism in late December and into January had markets pricing in more than six Fed rate cuts by the end of 2024, well above the Fed's three-cut projection from September. Progress on reducing inflation slowed in the early part of the quarter, to the point that markets saw fewer than three cuts in 2024, with the start date easing later in the year. The Fed's meeting on March 20 affirmed its commitment to its 2% inflation target and its desire to cut rates, even with higher projected growth in 2024, slightly lower unemployment rate and higher core inflation. Fed Chair Powell reiterated that inflation's path is going to be bumpy, and that is why the Fed is moving carefully to get inflation down sustainably. Early in the quarter, the disconnect between the Fed and markets had the December 2024 fed funds futures implied rate nearly

0.50% below the yield on the 2-year Treasury, the one most closely linked to Fed policy, given its short maturity; by quarter-end, these were virtually the same.

Treasury yields rose across the curve during the quarter, primarily in February. While all fixed income sectors except MBS outperformed comparable duration Treasuries in the first quarter, according to Bloomberg data, only emerging markets, high yield, CMBS, ABS, and agency sectors posted positive total returns, while TIPS, credit, Treasury, MBS, and the Aggregate index posted negative total returns. Commodity returns were mostly higher, with crude oil up over 16%, copper and nickel with small gains, but iron ore and natural gas lower. Gold, Bitcoin and cocoa all hit record high prices during the quarter. The 10-year Treasury yield started the quarter at 3.88%, rose to 4.32% in mid-February and again in mid-March, before ending the quarter at 4.20%.

*Portfolio composition is subject to change.*

*\*Quality breakdown does not apply to Cash/Cash Equivalents.*

*Bond prices are sensitive to changes in interest rates and a rise in interest rates can cause a decline in their prices.*

*The 30-day distribution yield is calculated by taking an average of the past 30 days' daily yields at NAV.*

*Weighted average effective maturity is the average time to maturity of debt securities held in the fund.*

*Weighted average effective duration is a measure of security's price sensitivity to changes in interest rates. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.*

*An investment in the Short Term Bond Portfolio is not a deposit of a bank and is neither insured nor guaranteed by the Commonwealth of Massachusetts or the U.S. government, the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The Portfolio's yield will vary from day to day based on changes in interest rates and market changes.*

*The rating agencies that provided the ratings are S&P Global Ratings, Moody's, and Fitch. When ratings vary, the highest rating is used. Credit ratings of A or better are considered to be high credit quality; credit ratings of BBB are good credit quality and the lowest category of investment grade; credit ratings BB and below are lower-rated securities ("junk bonds"); and credit ratings of CCC or below have high default risk.*

***For more complete information, visit [mymmdt.com](http://mymmdt.com). You should consider the investment's objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the Investment Circular, which you should read carefully before investing.***