

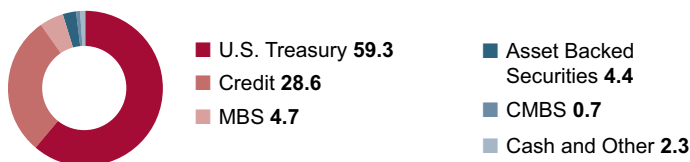
# MMDT Short Term Bond Portfolio

## Highlights

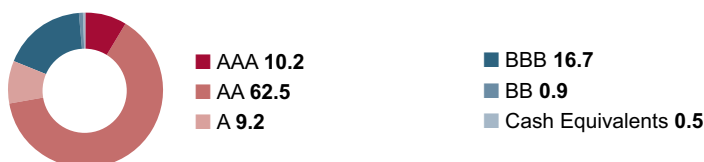
- Offers participation in a diversified portfolio of investment-grade short-term fixed-income securities that seeks to generate long-term performance exceeding the Bloomberg 1-5 Year Government/Credit Bond Index.
- Presents a fixed-income option for assets with a longer time horizon and risk tolerance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

## Portfolio Overview as of 6/30/24

### Portfolio Composition (%)



### Credit Quality Composition\* (%)

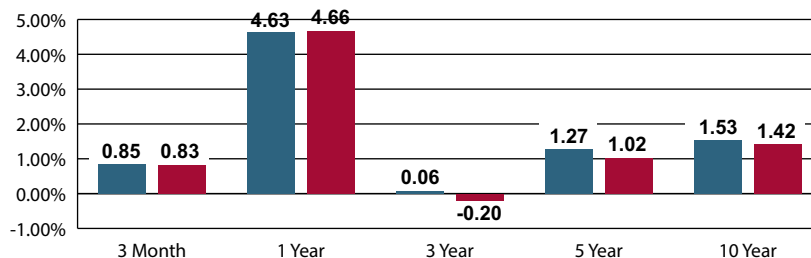


<b>30-Day Distribution Yield</b>	3.39%
<b>Weighted Average Effective Duration</b>	2.56 Yrs.
<b>Weighted Average Effective Maturity</b>	2.93 Yrs
<b>Portfolio Manager</b>	John T. Gentry, CFA
<b>Portfolio Total Assets</b>	\$777.9 million

## Performance as of 6/30/24

### 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

The on-going push-pull of the U.S. economy continued in the second quarter, as economic data accelerated and then softened. While still good, the frothy labor market is showing signs of cooling, possibly nearing an inflection point, according to Federal Reserve Bank of San Francisco President Mary Daly in late June. While still historically low, the unemployment rate rose to 4.0% in June for the first time since January 2022, up from 3.7% at year-end 2023. After rising in the first quarter, consumer inflation data rolled over in May, and core inflation has shown a steady decline year-to-date. Total housing costs continue to increase, but services prices have cooled a bit. The Federal Reserve noted this improvement at its June meeting, citing modest further progress toward its 2% inflation objective. In its June economic projections, the Fed still sees 2.1% growth in 2024 and 2.0% in 2025 and 2026, but it nudged slightly higher its inflation outlook in 2024 and 2025 and unemployment in 2025 and 2026. More important for the markets, the Fed reduced the number of fed

funds cuts it expects in 2024 from 3 to 1, while adding one to next year. All in, the Fed sees economic activity continuing at a solid pace, with strong job gains and a low unemployment rate.

Though ending only modestly higher than March 31 levels, Treasury yields spent most of the second quarter well above these levels. Following economic data, markets continued to reprice Fed rate cut expectations. Treasury yields followed suit: the 10-year Treasury yield traded in a range from 4.20% to 4.70%, ending at 4.40%. According to Bloomberg data, credit posted a very slight negative total return in the quarter, while all other fixed income sectors had modest positive returns, and credit, mortgage-backed securities and the Aggregate index slightly underperformed comparable duration Treasuries. Commodity returns were strong, led by silver and copper, with only crude oil and gasoline lower.

*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.***