

**I. PERMANENT UNIVERSITY FUND**  
**Investment Reports for Periods Ended February 28, 2018**

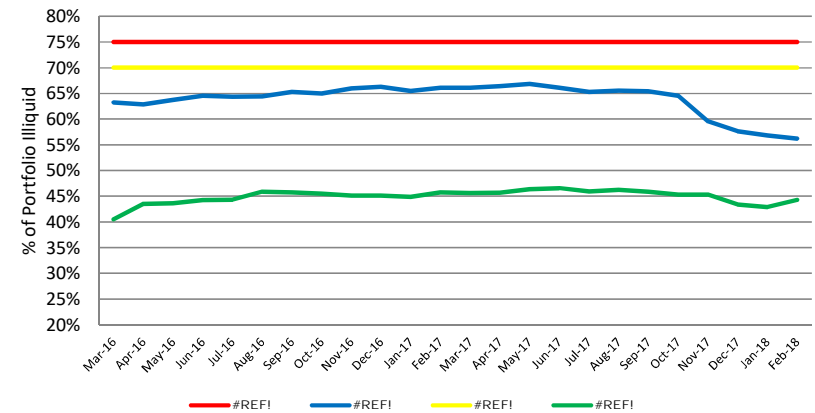
Prepared in accordance with *Texas Education Code Sec. 51.0032*

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
<b>More Correlated and Constrained:</b>							
Investment Grade	9.4%	7.5%	0.00%	0.46%	-0.13%	-0.06%	-0.19%
Credit-Related	0.1%	0.0%	-0.71%	1.34%	0.00%	0.00%	0.00%
Real Estate	0.1%	0.0%	9.40%	-3.68%	0.01%	0.01%	0.02%
Natural Resources	3.7%	2.5%	1.32%	-0.23%	-0.10%	0.07%	-0.03%
Developed Country	17.1%	19.0%	7.23%	8.86%	-0.13%	-0.28%	-0.41%
Emerging Markets	<u>11.8%</u>	<u>10.0%</u>	<u>11.09%</u>	<u>10.58%</u>	<u>0.04%</u>	<u>0.02%</u>	<u>0.06%</u>
<b>Total More Correlated and Constrained</b>	<b>42.2%</b>	<b>39.0%</b>	<b>6.03%</b>	<b>7.10%</b>	<b>-0.31%</b>	<b>-0.24%</b>	<b>-0.55%</b>
<b>Less Correlated and Constrained</b>	<b>19.2%</b>	<b>21.0%</b>	<b>3.65%</b>	<b>3.49%</b>	<b>0.09%</b>	<b>0.04%</b>	<b>0.13%</b>
<b>Private Investments</b>	<b><u>38.6%</u></b>	<b><u>40.0%</u></b>	<b><u>8.77%</u></b>	<b><u>8.31%</u></b>	<b><u>-0.03%</u></b>	<b><u>0.16%</u></b>	<b><u>0.13%</u></b>
<b>Total</b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>6.54%</u></b>	<b><u>6.83%</u></b>	<b><u>-0.25%</u></b>	<b><u>-0.04%</u></b>	<b><u>-0.29%</u></b>

**Summary of Capital Flows**

(\$ millions)	Fiscal Year Ended August 31, 2017	Quarter Ended February 28, 2018	Fiscal Year Ended February 28, 2018
Beginning Net Assets	\$17,880	\$20,719	\$19,913
PUF Lands Receipts	689	226	521
Investment Return (Net of Expenses)	2,183	799	1,310
Distributions to AUF	(839)	(296)	(296)
Ending Net Assets	<u>\$19,913</u>	<u>\$21,448</u>	<u>\$21,448</u>

**Permanent University Fund  
Actual Illiquidity vs. Trigger Zones**

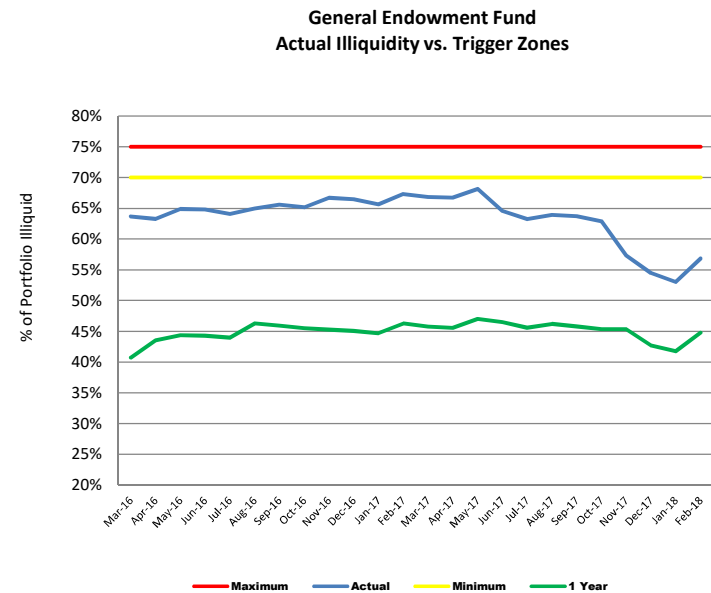


**II. GENERAL ENDOWMENT FUND**  
**Investment Reports for Periods Ended February 28, 2018**

Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
<b>More Correlated and Constrained:</b>							
Investment Grade	8.4%	7.5%	0.35%	0.46%	-0.06%	0.02%	-0.04%
Credit-Related	0.1%	0.0%	-0.71%	1.34%	0.00%	0.00%	0.00%
Real Estate	0.1%	0.0%	9.40%	-3.68%	0.00%	0.01%	0.01%
Natural Resources	3.8%	2.5%	1.35%	-0.23%	-0.10%	0.06%	-0.04%
Developed Country	17.0%	19.0%	7.30%	8.86%	-0.11%	-0.32%	-0.43%
Emerging Markets	<u>12.2%</u>	<u>10.0%</u>	<u>13.05%</u>	<u>10.58%</u>	<u>0.08%</u>	<u>0.25%</u>	<u>0.33%</u>
<b>Total More Correlated and Constrained</b>	<b>41.6%</b>	<b>39.0%</b>	<b>6.88%</b>	<b>7.10%</b>	<b>-0.19%</b>	<b>0.02%</b>	<b>-0.17%</b>
<b>Less Correlated and Constrained</b>	<b>19.3%</b>	<b>21.0%</b>	<b>3.65%</b>	<b>3.49%</b>	<b>0.09%</b>	<b>0.03%</b>	<b>0.12%</b>
<b>Private Investments</b>	<b><u>39.1%</u></b>	<b><u>40.0%</u></b>	<b><u>8.77%</u></b>	<b><u>8.31%</u></b>	<b><u>-0.04%</u></b>	<b><u>0.15%</u></b>	<b><u>0.11%</u></b>
<b>Total</b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>6.89%</u></b>	<b><u>6.83%</u></b>	<b><u>-0.14%</u></b>	<b><u>0.20%</u></b>	<b><u>0.06%</u></b>

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2017	Quarter Ended February 28, 2018	Fiscal Year Ended February 28, 2018
Beginning Net Assets	\$8,500	\$9,548	\$9,369
Contributions	273	145	170
Withdrawals	(33)	-	1
Distributions	(432)	(111)	(220)
Investment Return (Net of Expenses)	<u>1,061</u>	<u>399</u>	<u>661</u>
Ending Net Assets	<u>\$9,369</u>	<u>\$9,981</u>	<u>\$9,981</u>



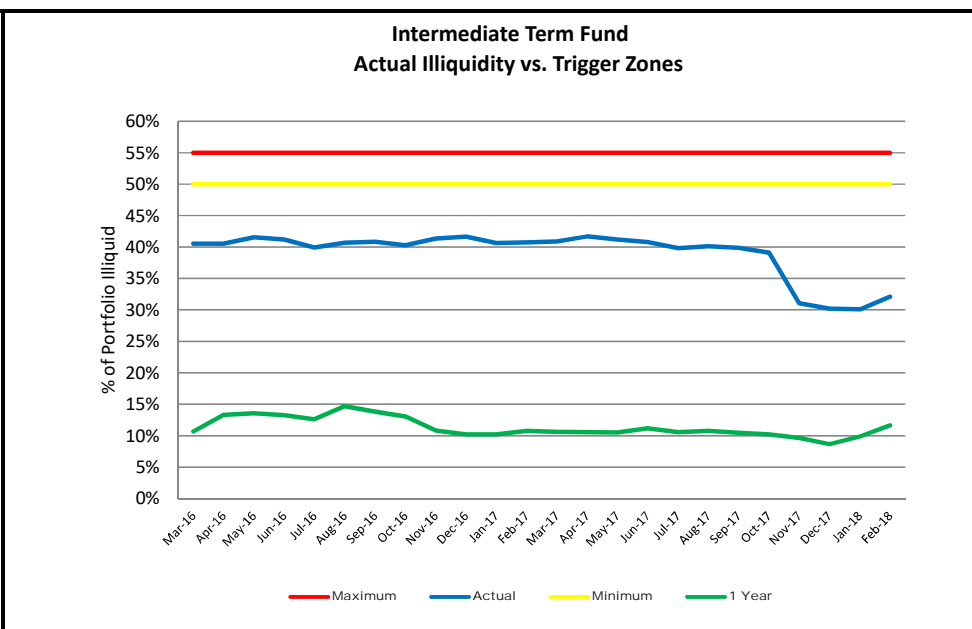
### III. INTERMEDIATE TERM FUND

#### Investment Reports for Periods Ended February 28, 2018

Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
<b>More Correlated and Constrained:</b>							
Investment Grade	31.8%	30.0%	0.68%	0.46%	-0.11%	0.05%	-0.06%
Credit-Related	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
Real Estate	0.1%	0.0%	9.40%	-3.68%	0.00%	0.01%	0.01%
Natural Resources	3.6%	2.5%	1.25%	-0.23%	-0.03%	0.06%	0.03%
Developed Country	15.7%	15.0%	7.22%	8.86%	-0.09%	-0.23%	-0.32%
Emerging Markets	<u>7.6%</u>	<u>7.5%</u>	<u>13.02%</u>	<u>10.58%</u>	<u>0.00%</u>	<u>0.17%</u>	<u>0.17%</u>
<b>Total More Correlated and Constrained</b>	<b>58.8%</b>	<b>55.0%</b>	<b>3.69%</b>	<b>4.09%</b>	<b>-0.23%</b>	<b>0.06%</b>	<b>-0.17%</b>
<b>Less Correlated and Constrained</b>	<b>41.2%</b>	<b>45.0%</b>	<b>3.65%</b>	<b>3.49%</b>	<b>-0.04%</b>	<b>0.06%</b>	<b>0.02%</b>
<b>Private Investments</b>	<b><u>0.0%</u></b>	<b><u>0.0%</u></b>	<b><u>0.00%</u></b>	<b><u>0.00%</u></b>	<b><u>0.00%</u></b>	<b><u>0.00%</u></b>	<b><u>0.00%</u></b>
<b>Total</b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>3.67%</u></b>	<b><u>3.82%</u></b>	<b><u>-0.27%</u></b>	<b><u>0.12%</u></b>	<b><u>-0.15%</u></b>

<u>Summary of Capital Flows</u>			
(\$ millions)	Fiscal Year Ended August 31, 2017	Quarter Ended February 28, 2018	Fiscal Year Ended February 28, 2018
Beginning Net Assets	\$7,836	\$9,424	\$9,075
Contributions	1,235	529	906
Withdrawals	(412)	(245)	(310)
Distributions	(248)	(73)	(143)
Investment Return (Net of Expenses)	<u>664</u>	<u>240</u>	<u>347</u>
Ending Net Assets	<u>\$9,075</u>	<u>\$9,875</u>	<u>\$9,875</u>



**IV. SEPARATELY INVESTED ASSETS**  
**Summary Investment Report at February 28, 2018**  
Report prepared in accordance with *Texas Education Code Sec. 51.0032*

ASSET TYPES	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (DEBT PROCEEDS AND SHORT TERM FUND)		TOTAL	
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
<b>Cash &amp; Equivalents:</b>																
Beginning value 11/30/17	-	-	5,425	5,425	49,030	49,030	1,445	1,445	1,135	1,135	57,035	57,035	2,833,081	2,833,210	2,890,116	2,890,245
Increase/(Decrease)	-	-	(150)	(150)	21,344	21,344	(59)	(59)	(737)	(737)	20,398	20,398	91,606	91,515	112,004	111,913
Ending value 02/28/18	-	-	5,275	5,275	70,374	70,374	1,386	1,386	398	398	77,433	77,433	2,924,687	2,924,725	3,002,120	3,002,158
<b>Debt Securities:</b>																
Beginning value 11/30/17	-	-	2	2	13,048	13,025	8,043	7,730	-	-	21,093	20,757	-	-	21,093	20,757
Increase/(Decrease)	-	-	-	-	929	627	(251)	(360)	-	-	678	267	-	-	678	267
Ending value 02/28/18	-	-	2	2	13,977	13,652	7,792	7,370	-	-	21,771	21,024	-	-	21,771	21,024
<b>Equity Securities:</b>																
Beginning value 11/30/17	-	-	517	2,452	41,662	60,161	9,096	10,768	-	-	51,275	73,381	-	-	51,275	73,381
Increase/(Decrease)	-	-	104	97	101	(10)	(328)	(349)	-	-	(123)	(262)	-	-	(123)	(262)
Ending value 02/28/18	-	-	621	2,549	41,763	60,151	8,768	10,419	-	-	51,152	73,119	-	-	51,152	73,119
<b>Other:</b>																
Beginning value 11/30/17	-	-	565	565	2	2	5	5	59	59	631	631	-	-	631	631
Increase/(Decrease)	-	-	(498)	(498)	5	5	1	1	414	414	(78)	(78)	-	-	(78)	(78)
Ending value 02/28/18	-	-	67	67	7	7	6	6	473	473	553	553	-	-	553	553
<b>Total Assets:</b>																
Beginning value 11/30/17	-	-	6,509	8,444	103,742	122,218	18,589	19,948	1,194	1,194	130,034	151,804	2,833,081	2,833,210	2,963,115	2,985,014
Increase/(Decrease)	-	-	(544)	(551)	22,379	21,966	(637)	(767)	(323)	(323)	20,875	20,325	91,606	91,515	112,481	111,840
Ending value 02/28/18	-	-	5,965	7,893	126,121	144,184	17,952	19,181	871	871	150,909	172,129	2,924,687	2,924,725	3,075,596	3,096,854

Details of individual assets by account furnished upon request.