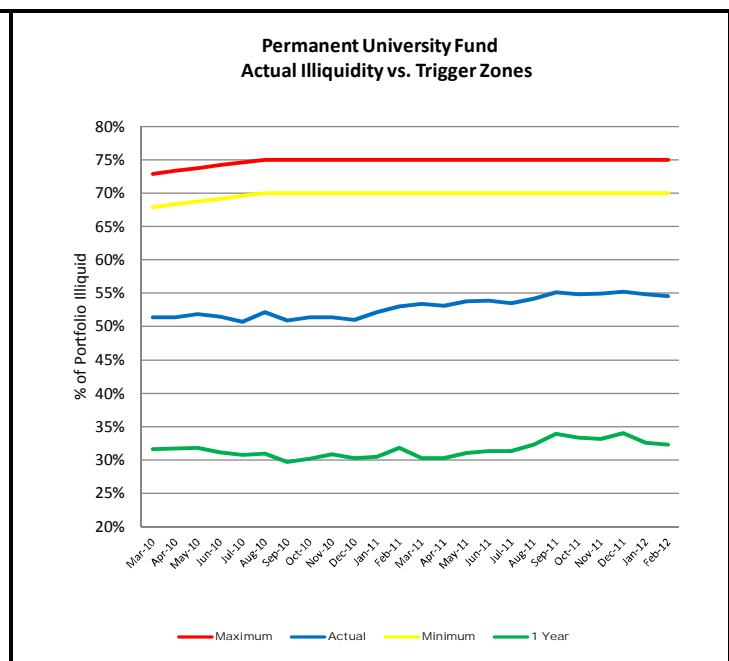
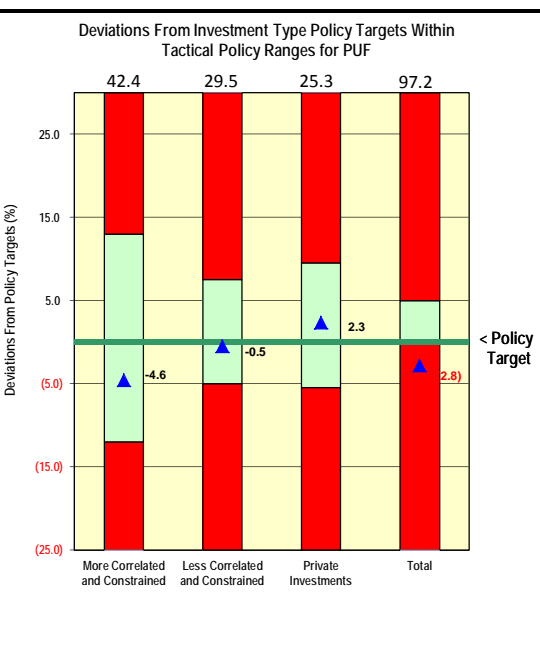
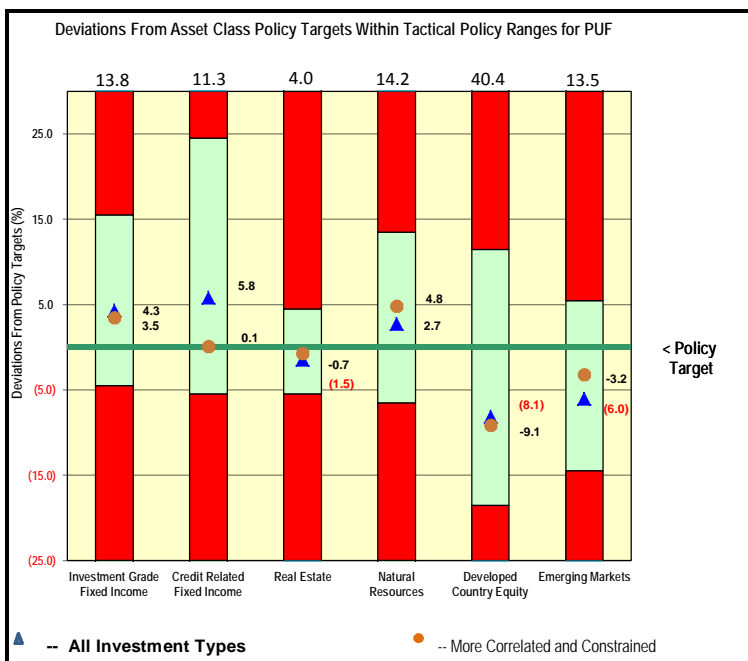


## I. PERMANENT UNIVERSITY FUND Investment Reports for Periods Ended February 29, 2012

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

<u>Summary of Capital Flows</u>				
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended February 29, 2012	Fiscal Year to Date February 29, 2012	
Beginning Net Assets	\$ 10,725	\$ 12,390	\$ 12,688	
PUF Lands Receipts	896	145	589	
Investment Return (Net of Expenses)	1,573	495	153	
Distributions to AUF	(506)	(59)	(459)	
Ending Net Assets	<u>\$ 12,688</u>	<u>\$ 12,971</u>	<u>\$ 12,971</u>	

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	0.34%	-0.51%	-0.08%	0.06%	-0.02%
Credit-Related	7.92%	7.40%	0.00%	0.00%	0.00%
Real Estate	2.77%	4.59%	0.00%	-0.04%	-0.04%
Natural Resources	-4.15%	-2.22%	-0.42%	-0.12%	-0.54%
Developed Country	3.53%	8.27%	-0.07%	-0.93%	-1.00%
Emerging Markets	3.73%	5.27%	-0.11%	-0.26%	-0.37%
<b>Total More Correlated and Constrained</b>	<b>0.83%</b>	<b>4.69%</b>	<b>-0.68%</b>	<b>-1.29%</b>	<b>-1.97%</b>
<b>Less Correlated and Constrained</b>					
	<b>3.11%</b>	<b>1.07%</b>	<b>0.19%</b>	<b>0.45%</b>	<b>0.64%</b>
<b>Private Investments</b>					
	<b>-0.11%</b>	<b>0.70%</b>	<b>-0.30%</b>	<b>-0.10%</b>	<b>-0.40%</b>
<b>Total</b>	<b>1.23%</b>	<b>2.96%</b>	<b>-0.79%</b>	<b>-0.94%</b>	<b>-1.73%</b>



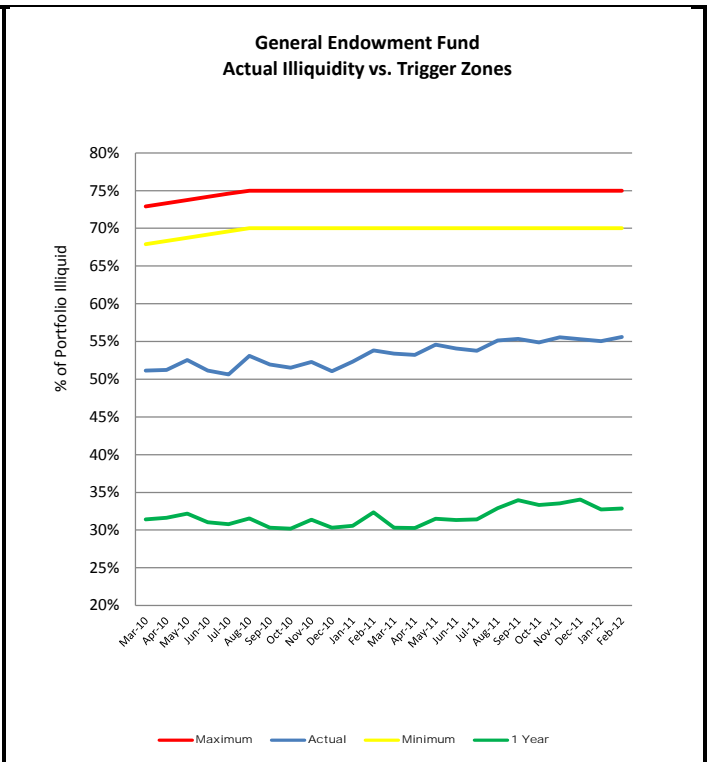
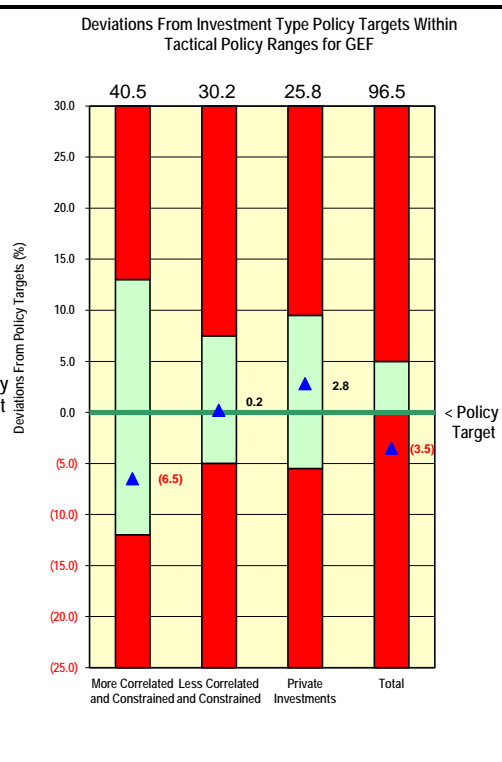
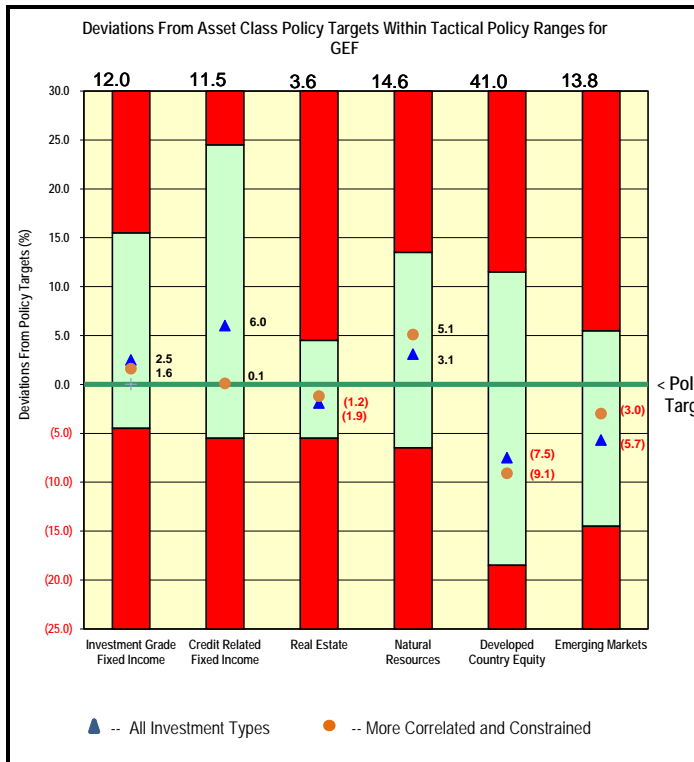
## II. GENERAL ENDOWMENT FUND

### Investment Reports for Periods Ended February 29, 2012

Prepared in accordance with Texas Education Code Sec. 51.0032

<b>Summary of Capital Flows</b>				
(\$ millions)	Fiscal Year Ended		Fiscal Year to Date	
	August 31, 2011	Quarter Ended February 29, 2012	Date February 29, 2012	February 29, 2012
Beginning Net Assets	\$ 6,035	\$ 6,807	\$ 7,049	
Contributions	432	34	70	
Withdrawals	(12)	(1)	(5)	
Distributions	(327)	(85)	(170)	
Investment Return (Net of Expenses)	921	274	85	
Ending Net Assets	<u>\$ 7,049</u>	<u>\$ 7,029</u>	<u>\$ 7,029</u>	

	Fiscal Year to Date				
	Returns		Value Added		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	0.54%	-0.51%	-0.06%	0.06%	0.00%
Credit-Related	7.92%	7.40%	0.00%	0.00%	0.00%
Real Estate	2.59%	4.59%	0.00%	-0.05%	-0.05%
Natural Resources	-4.19%	-2.22%	-0.42%	-0.14%	-0.56%
Developed Country	3.47%	8.27%	-0.04%	-0.91%	-0.95%
Emerging Markets	3.72%	5.27%	-0.11%	-0.26%	-0.37%
<b>Total More Correlated and Constrained</b>	<b>0.79%</b>	<b>4.69%</b>	<b>-0.63%</b>	<b>-1.30%</b>	<b>-1.93%</b>
<b>Less Correlated and Constrained</b>	<b>3.11%</b>	<b>1.07%</b>	<b>0.18%</b>	<b>0.43%</b>	<b>0.61%</b>
<b>Private Investments</b>	<b>-0.11%</b>	<b>0.70%</b>	<b>-0.29%</b>	<b>-0.12%</b>	<b>-0.41%</b>
<b>Total</b>	<b>1.23%</b>	<b>2.96%</b>	<b>-0.74%</b>	<b>-0.99%</b>	<b>-1.73%</b>



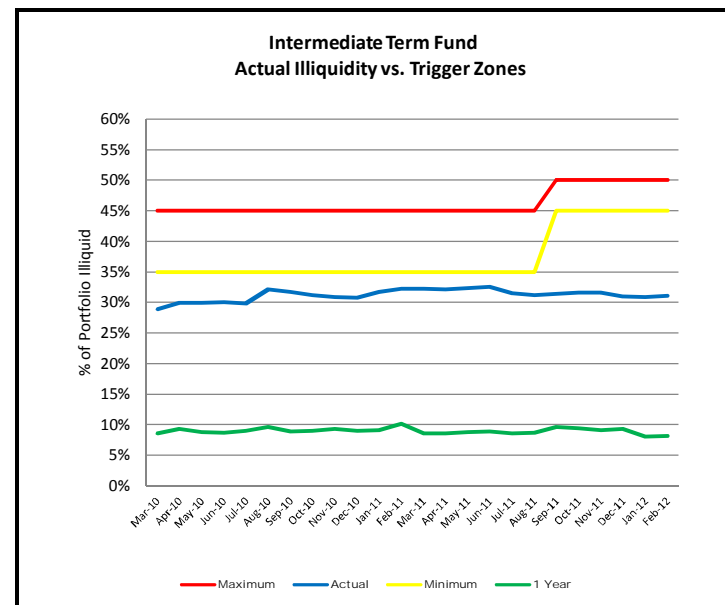
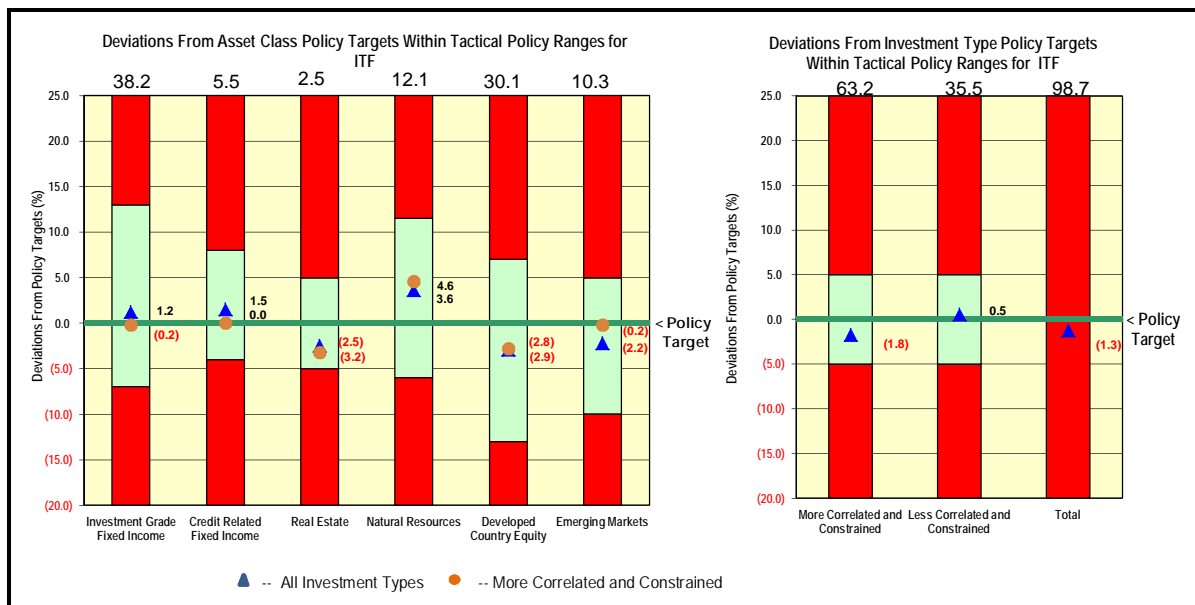
### III. INTERMEDIATE TERM FUND

#### Investment Reports for Periods Ended February 29, 2012

Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended February 29, 2012	Fiscal Year to Date February 29, 2012
Beginning Net Assets	\$ 4,156	\$ 4,631	\$ 4,662
Contributions	328	100	266
Withdrawals	(168)	(64)	(113)
Distributions	(139)	(35)	(70)
Investment Return (Net of Expenses)	485	194	81
Ending Net Assets	<u>\$ 4,662</u>	<u>\$ 4,826</u>	<u>\$ 4,826</u>

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	1.53%	-0.51%	-0.02%	0.71%	0.69%
Credit-Related	0.00%	7.40%	0.00%	0.00%	0.00%
Real Estate	2.27%	4.59%	-0.03%	-0.13%	-0.16%
Natural Resources	-4.82%	-2.22%	-0.42%	-0.19%	-0.61%
Developed Country	4.52%	8.27%	-0.07%	-0.39%	-0.46%
Emerging Markets	3.62%	5.27%	-0.06%	-0.16%	-0.22%
<b>Total More Correlated and Constrained</b>	<b>0.89%</b>	<b>2.02%</b>	<b>-0.60%</b>	<b>-0.16%</b>	<b>-0.76%</b>
<b>Less Correlated and Constrained</b>	<b>3.14%</b>	<b>1.07%</b>	<b>0.14%</b>	<b>0.53%</b>	<b>0.67%</b>
<b>Private Investments</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total</b>	<b>1.66%</b>	<b>1.75%</b>	<b>-0.46%</b>	<b>0.37%</b>	<b>-0.09%</b>



**IV. SEPARATELY INVESTED ASSETS**  
**Summary Investment Report at February 29, 2012**  
 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 11/30/11	-	-	4,358	4,358	37,426	37,426	1,025	1,025	1,304	1,304	44,113	44,113	1,868,293	1,868,293	1,912,406	1,912,406
Increase/(Decrease)	-	-	(2,170)	(2,170)	28,271	28,271	(77)	(77)	3,022	3,022	29,046	29,046	393,243	393,243	422,289	422,289
Ending value 02/29/12	-	-	2,188	2,188	65,697	65,697	948	948	4,326	4,326	73,159	73,159	2,261,536	2,261,536	2,334,695	2,334,695
<b>Debt Securities:</b>																
Beginning value 11/30/11	-	-	101	101	11,418	12,330	11,850	12,198	-	-	23,369	24,629	49,841	49,704	73,210	74,333
Increase/(Decrease)	-	-	-	-	313	529	(106)	210	-	-	207	739	-	(97)	207	642
Ending value 02/29/12	-	-	101	101	11,731	12,859	11,744	12,408	-	-	23,576	25,368	49,841	49,607	73,417	74,975
<b>Equity Securities:</b>																
Beginning value 11/30/11	460	2,741	1,617	1,606	29,813	30,986	12,817	11,789	-	-	44,707	47,122	-	-	44,707	47,122
Increase/(Decrease)	-	201	(111)	(149)	314	3,107	6	927	-	-	209	4,086	-	-	209	4,086
Ending value 02/29/12	460	2,942	1,506	1,457	30,127	34,093	12,823	12,716	-	-	44,916	51,208	-	-	44,916	51,208
<b>Other:</b>																
Beginning value 11/30/11	-	-	81	81	7	7	419	139	3,420	3,420	3,927	3,647	-	-	3,927	3,647
Increase/(Decrease)	-	-	74	74	5	5	19	3	(3,013)	(3,013)	(2,915)	(2,931)	-	-	(2,915)	(2,931)
Ending value 02/29/12	-	-	155	155	12	12	438	142	407	407	1,012	716	-	-	1,012	716
<b>Total Assets:</b>																
Beginning value 11/30/11	460	2,741	6,157	6,146	78,664	80,749	26,111	25,151	4,724	4,724	116,116	119,511	1,918,134	1,917,997	2,034,250	2,037,508
Increase/(Decrease)	-	201	(2,207)	(2,245)	28,903	31,912	(158)	1,063	9	9	26,547	30,940	393,243	393,146	419,790	424,086
Ending value 02/29/12	460	2,942	3,950	3,901	107,567	112,661	25,953	26,214	4,733	4,733	142,663	150,451	2,311,377	2,311,143	2,454,040	2,461,594

Details of individual assets by account furnished upon request.