

I. PERMANENT UNIVERSITY FUND
Investment Reports for Periods Ended August 31, 2018

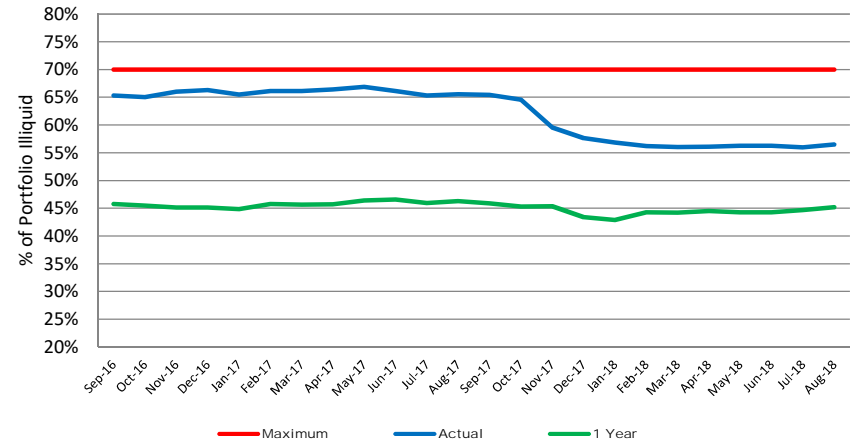
Prepared in accordance with *Texas Education Code Sec. 51.0032*

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
More Correlated and Constrained:							
Investment Grade	9.5%	7.5%	-3.50%	-1.36%	-0.18%	-0.22%	-0.40%
Credit-Related	0.1%	0.0%	-5.42%	-0.41%	0.01%	0.01%	0.02%
Real Estate	0.1%	0.0%	4.48%	5.49%	0.01%	0.01%	0.02%
Natural Resources	3.1%	2.5%	-3.32%	-9.08%	-0.30%	0.24%	-0.06%
Developed Country	19.4%	19.0%	13.01%	13.10%	-0.14%	0.01%	-0.13%
Emerging Markets	<u>10.5%</u>	<u>10.0%</u>	<u>-1.32%</u>	<u>-0.68%</u>	<u>-0.16%</u>	<u>-0.09%</u>	<u>-0.25%</u>
Total More Correlated and Constrained	42.7%	39.0%	3.92%	5.23%	-0.76%	-0.04%	-0.80%
Less Correlated and Constrained	18.0%	21.0%	5.36%	3.97%	0.10%	0.32%	0.42%
Private Investments	<u>39.3%</u>	<u>40.0%</u>	<u>17.55%</u>	<u>13.18%</u>	<u>-0.13%</u>	<u>1.56%</u>	<u>1.43%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>9.16%</u>	<u>8.11%</u>	<u>-0.79%</u>	<u>1.84%</u>	<u>1.05%</u>

Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2017	Quarter Ended August 31, 2018	Fiscal Year Ended August 31, 2018
Beginning Net Assets	\$17,880	\$21,811	\$19,913
PUF Lands Receipts	689	267	1,032
Investment Return (Net of Expenses)	2,183	95	1,820
Distributions to AUF	(839)	(296)	(888)
Ending Net Assets	<u>\$19,913</u>	<u>\$21,877</u>	<u>\$21,877</u>

Permanent University Fund
Actual Illiquidity vs. Trigger Zones



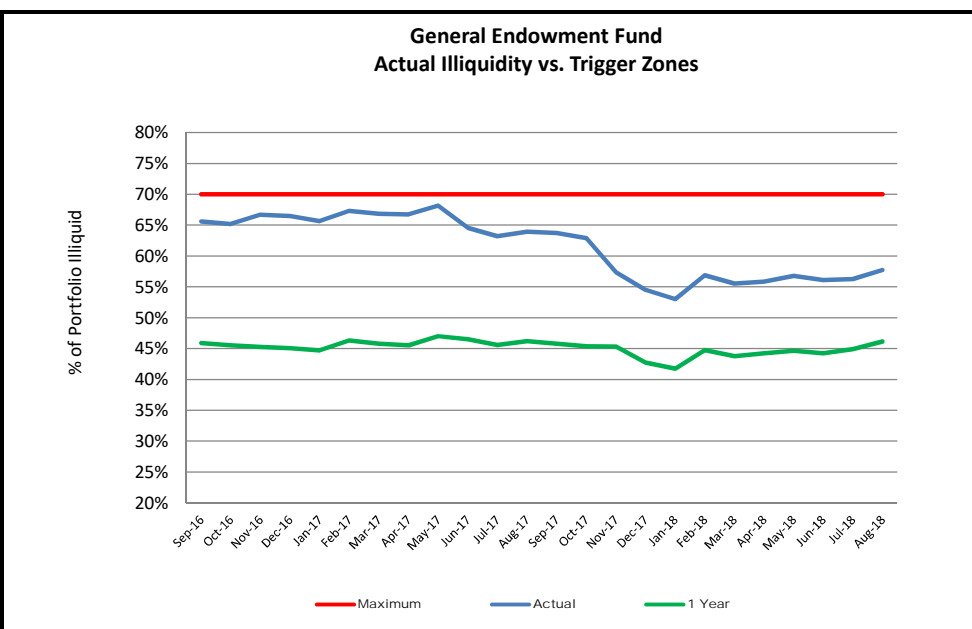
II. GENERAL ENDOWMENT FUND

Investment Reports for Periods Ended August 31, 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
More Correlated and Constrained:							
Investment Grade	7.6%	7.5%	-2.37%	-1.36%	-0.09%	-0.03%	-0.12%
Credit-Related	0.1%	0.0%	-5.42%	-0.41%	0.01%	0.01%	0.02%
Real Estate	0.1%	0.0%	4.48%	5.49%	0.00%	0.01%	0.01%
Natural Resources	3.2%	2.5%	-3.24%	-9.08%	-0.29%	0.23%	-0.06%
Developed Country	19.9%	19.0%	13.10%	13.10%	-0.13%	-0.05%	-0.18%
Emerging Markets	<u>10.5%</u>	<u>10.0%</u>	<u>0.42%</u>	<u>-0.68%</u>	<u>-0.10%</u>	<u>0.14%</u>	<u>0.04%</u>
Total More Correlated and Constrained	41.4%	39.0%	4.93%	5.23%	-0.60%	0.31%	-0.29%
Less Correlated and Constrained	18.5%	21.0%	5.36%	3.97%	0.09%	0.29%	0.38%
Private Investments	<u>40.1%</u>	<u>40.0%</u>	<u>17.55%</u>	<u>13.18%</u>	<u>-0.14%</u>	<u>1.55%</u>	<u>1.41%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>9.61%</u>	<u>8.11%</u>	<u>-0.65%</u>	<u>2.15%</u>	<u>1.50%</u>

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2017	Quarter Ended August 31, 2018	Fiscal Year Ended August 31, 2018
Beginning Net Assets	\$8,500	\$10,193	\$9,369
Contributions	273	296	578
Withdrawals	(33)	(8)	(8)
Distributions	(432)	(116)	(448)
Investment Return (Net of Expenses)	<u>1,061</u>	<u>54</u>	<u>928</u>
Ending Net Assets	<u>\$9,369</u>	<u>\$10,419</u>	<u>\$10,419</u>

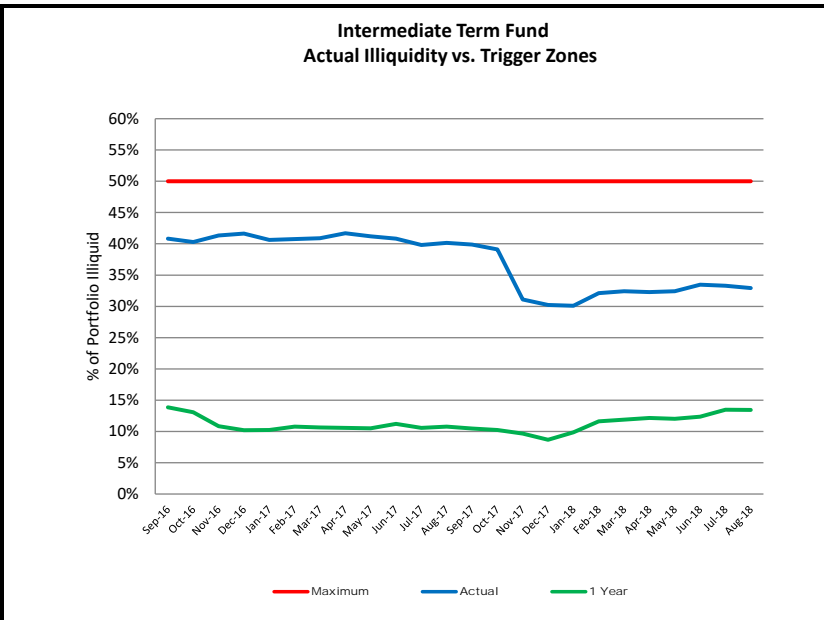


III. INTERMEDIATE TERM FUND
Investment Reports for Periods Ended August 31, 2018

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
More Correlated and Constrained:							
Investment Grade	31.7%	30.0%	-2.43%	-1.36%	-0.16%	-0.42%	-0.58%
Credit-Related	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
Real Estate	0.1%	0.0%	4.48%	5.49%	0.00%	0.01%	0.01%
Natural Resources	3.9%	2.5%	-3.74%	-9.08%	-0.15%	0.21%	0.06%
Developed Country	15.1%	15.0%	13.02%	13.10%	-0.11%	0.00%	-0.11%
Emerging Markets	<u>6.8%</u>	<u>7.5%</u>	<u>0.42%</u>	<u>-0.68%</u>	<u>0.02%</u>	<u>0.11%</u>	<u>0.13%</u>
Total More Correlated and Constrained	57.6%	55.0%	1.36%	2.25%	-0.40%	-0.09%	-0.49%
Less Correlated and Constrained	42.4%	45.0%	5.36%	3.97%	-0.15%	0.62%	0.47%
Private Investments	<u>0.0%</u>	<u>0.0%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>3.01%</u>	<u>3.03%</u>	<u>-0.55%</u>	<u>0.53%</u>	<u>-0.02%</u>

	Summary of Capital Flows		
	Fiscal Year Ended August 31, 2017	Quarter Ended August 31, 2018	Fiscal Year Ended August 31, 2018
(\$ millions)			
Beginning Net Assets	\$7,836	\$10,114	\$9,075
Contributions	1,235	79	1,323
Withdrawals	(412)	(130)	(458)
Distributions	(248)	(75)	(293)
Investment Return (Net of Expenses)	<u>664</u>	<u>(53)</u>	<u>288</u>
Ending Net Assets	<u>\$9,075</u>	<u>\$9,935</u>	<u>\$9,935</u>



IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at August 31, 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
Cash & Equivalents:																
Beginning value 05/31/18	-	-	1,779	1,779	189,898	189,898	1,592	1,592	64	64	193,333	193,333	2,669,752	2,669,979	2,863,085	2,863,312
Increase/(Decrease)	-	-	847	847	(78,389)	(78,389)	(18)	(18)	351,002	351,002	273,442	273,442	(437,773)	(437,837)	(164,331)	(164,395)
Ending value 08/31/18	-	-	2,626	2,626	111,509	111,509	1,574	1,574	351,066	351,066	466,775	466,775	2,231,979	2,232,142	2,698,754	2,698,917
Debt Securities:																
Beginning value 05/31/18	-	-	2	2	13,546	13,167	8,155	7,718	-	-	21,703	20,887	-	-	21,703	20,887
Increase/(Decrease)	-	-	-	-	92	57	339	340	-	-	431	397	-	-	431	397
Ending value 08/31/18	-	-	2	2	13,638	13,224	8,494	8,058	-	-	22,134	21,284	-	-	22,134	21,284
Equity Securities:																
Beginning value 05/31/18	-	-	153	2,091	42,018	60,340	9,254	10,939	-	-	51,425	73,370	-	-	51,425	73,370
Increase/(Decrease)	-	-	72	137	1,122	2,747	(264)	(285)	-	-	930	2,599	-	-	930	2,599
Ending value 08/31/18	-	-	225	2,228	43,140	63,087	8,990	10,654	-	-	52,355	75,969	-	-	52,355	75,969
Other:																
Beginning value 05/31/18	-	-	801	801	5	5	6	6	358	358	1,170	1,170	-	-	1,170	1,170
Increase/(Decrease)	-	-	7,225	7,225	(5)	(5)	(6)	23,860	(303)	(303)	6,911	30,777	-	-	6,911	30,777
Ending value 08/31/18	-	-	8,026	8,026	-	-	-	23,866	55	55	8,081	31,947	-	-	8,081	31,947
Total Assets:																
Beginning value 05/31/18	-	-	2,735	4,673	245,467	263,410	19,007	20,255	422	422	267,631	288,760	2,669,752	2,669,979	2,937,383	2,958,739
Increase/(Decrease)	-	-	8,144	8,209	(77,180)	(75,590)	51	23,897	350,699	350,699	281,714	307,215	(437,773)	(437,837)	(156,059)	(130,622)
Ending value 08/31/18	-	-	10,879	12,882	168,287	187,820	19,058	44,152	351,121	351,121	549,345	595,975	2,231,979	2,232,142	2,781,324	2,828,117

Details of individual assets by account furnished upon request.