

Texas A&M University System Cash Concentration Pool



FISCAL YEAR 2025

1st QUARTER – NOV 30, 2024

Distribution Rates for FY 2025 YTD:

Cash Portfolio:	4.98%
Long-Term Portfolio:	6.86%
Total Pool:	6.52%

Capital Markets Update

In November 2024, markets responded positively to U.S. election results, a 25-basis point Federal Reserve rate cut, and a variety of relatively strong economic data releases. The strong U.S. dollar and geopolitical tensions also played crucial roles in shaping market performance.

Equity markets performed robustly during this period. In November, the S&P 500 surpassed the 6,000 milestone. The S&P 500 Index returned 33.9% for the one-year period ending November 30, 2024. Developed International Equity markets were up 13% for the one-year period, while Emerging Markets returned 11.9% over the same time period. Interest rates in the U.S. experienced volatility through the month of November but ended the period close to where they started (with the 10-Year Treasury yield at 4.13%).

Investors are particularly attentive to the Fed's policy decisions, as recent economic indicators suggest persistent inflation, which might influence the pace of future rate cuts. Despite a mid-month uptick in sentiment around a December rate cut following comments from the Missouri Fed President, many investors retain a higher for longer outlook for 2025. Additionally, the political landscape, with the incoming administration's proposed fiscal policies, could further affect market dynamics and investor sentiment.

CCP Estimated Distribution Rate

FY 2025: 2.00%

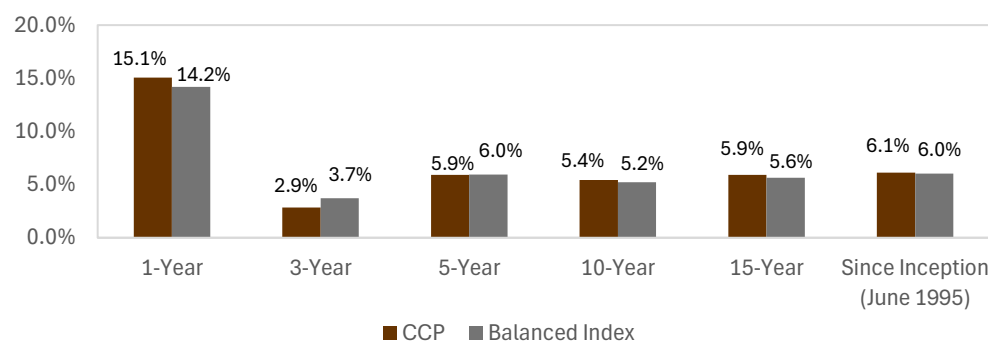
<https://www.tamus.edu/finance/treasury-services/>

Pool Valuation

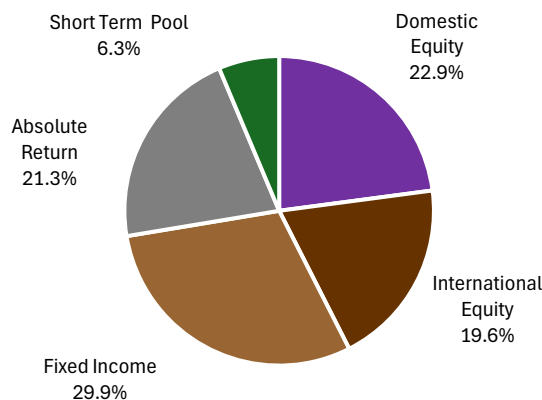
As of November 30, 2024, the Pool had a market value of approximately \$6.4 billion. For the 1st quarter of FY 2025, the Pool positions had \$1,143.2 million in cash inflows and \$1,582.5 million in cash outflows, decreasing the book value of the Pool by \$439.3 million. The Pool earned investment income during this quarter of \$37.3 million and realized net gains on investments of \$53.7 million.

The Cash Portfolio distributes all interest, dividends, and realized gains/(losses), net of external management fees, to the participants based on their average short-term balance for each month. The Long-Term Pool distributes all interest, dividends, and realized gains/(losses), net of external management fees, to the participants based on their ownership of Long-Term Pool units for each month.

Investment Performance



Asset Allocation as of Nov 30, 2024



Asset Allocation (\$M)

Prior to Distribution and New Deposits

Domestic Equities	\$1,376.2
International Equities	\$1,179.2
Fixed Income	\$1,793.9
Absolute Return	\$1,278.6
Short Term Pool	\$381.2

Growth of \$1 (5 Years)

