

Texas A&M University System

Cash Concentration Pool



FISCAL YEAR 2025

3rd QUARTER – MAY 31, 2025

Distribution Rates for FY 2025 YTD:

| | |
|----------------------|-------|
| Cash Portfolio: | 4.53% |
| Long-Term Portfolio: | 7.28% |
| Total Pool: | 6.82% |

Capital Markets Update

Global markets navigated a dynamic and often conflicting set of signals during the spring quarter, as investors weighed improving earnings data against persistent policy and geopolitical uncertainties.

Equity performance was uneven but resilient. U.S. large-cap stocks rebounded after a brief pullback in February, buoyed by strong first-quarter corporate earnings and renewed investor confidence in tech and consumer sectors. The S&P 500 delivered a notably strong May, advancing 6.15%, its best May return in over three decades. International equities, particularly in Europe and parts of Asia, also saw renewed inflows as currency stability and fiscal stimulus supported risk assets. Hedge funds posted varied outcomes during the quarter. Macro strategies continued to benefit from shifts in global currency and interest rate expectations. Bond markets remained steady but sensitive to macroeconomic signals throughout the quarter. The U.S. Treasury yield curve stayed inverted, with the 10-year yield rising modestly to around 4.42% by quarter-end. Credit markets held firm, supported by stable corporate fundamentals and investor demand for income-generating assets.

Looking ahead, markets appear cautiously constructive but remain highly data-dependent. Attention is turning to the second half of the year, with investors closely watching labor market trends, central bank commentary, and corporate guidance for signs of either stabilization or renewed volatility.

CCP Estimated Distribution Rate

FY 2025: 2.00%

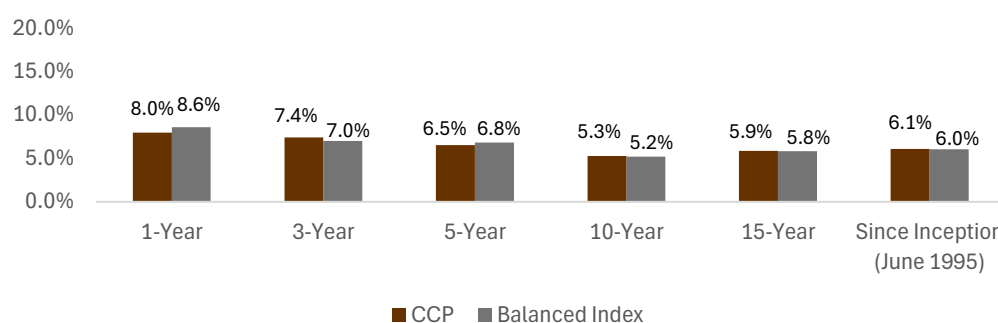
<https://www.tam.us.edu/finance/treasury-services/>

Pool Valuation

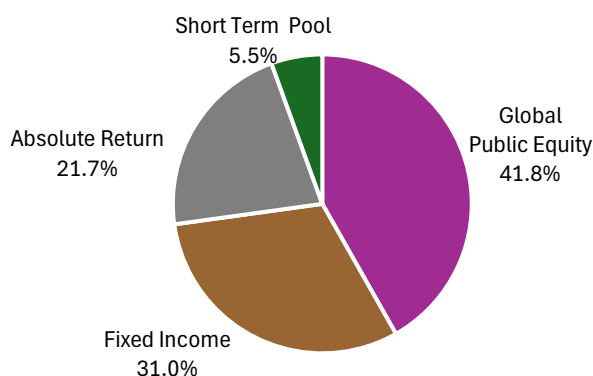
As of May 31, 2025, the Pool had a market value of approximately \$6.4 billion. For the 3rd quarter of FY 2025, the Pool positions had \$1,149.1 million in cash inflows and \$1,570.0 million in cash outflows, decreasing the book value of the Pool by \$420.9 million. The Pool earned investment income during this quarter of \$42.3 million and realized net gains on investments of \$24.9 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 May 31, 2025



Asset Allocation (\$M)

Prior to Distribution and New Deposits

| | |
|----------------------|-----------|
| Global Public Equity | \$2,529.5 |
| Fixed Income | \$1,877.2 |
| Absolute Return | \$1,311.3 |
| Short Term Pool | \$344.6 |

Growth of \$1 (5 Years)

