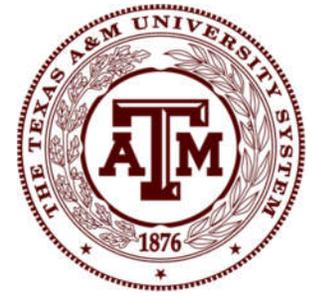


Texas A&M University System Cash Concentration Pool



FISCAL YEAR 2022

1ST QUARTER – NOVEMBER 30, 2021

Distribution Rates for FY 2022 YTD:

Cash Portfolio:	0.01%
Long-Term Portfolio:	7.29%
Total Pool:	6.28%

Capital Markets Update

The yield on 2-year Treasuries rose to 0.52% at the end of November from 0.20% in August; the yield on 10-year Treasuries increased to 1.43% in November from 1.30% at the end of August. Shorter dated rates have begun to noticeably increase as the FOMC has signaled that policy rates may need to be tightened more aggressively than previously anticipated while long-term rates have stayed relatively flat given the expectation of tighter monetary policy and potentially peaking inflation.

Spreads in Investment Grade Corporates widened slightly in November, increasing 18 basis points (bps) to end the month at 99 bps. Fixed income returns remained flat through November, with the Barclay's US Aggregate returning -0.6% for the quarter. Inflation expectations as measured by the 10-year breakeven ended November at 2.5%, a small increase from August. Expectations have remained largely the same, as investors wait to see if changes in Fed policy regarding an average inflation target play a role in market dynamics.

The S&P 500 Index returned 1.3% during the quarter and 27.9% for the one-year period ending November 30, 2021. Developed international equity markets returned -5.1% (in U.S. dollars) during the quarter and 10.8% for the one-year period. Emerging markets returned -7.0% (in US dollars) during the quarter and 2.7% for the twelve-month period.

Equity markets had muted results over the quarter. The US posted the strongest results, with international developed and emerging markets lagging due to an increase in COVID-19 cases and potential new restrictions. Very high natural gas prices remain a threat to the economic recovery in Europe, while weak results in China continue to weigh on broader emerging markets.

CCP Estimated Distribution Rate

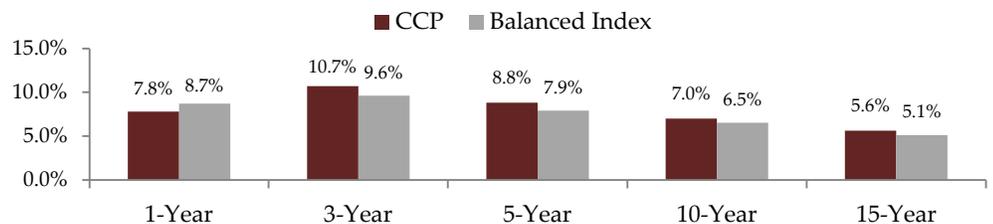
FY 2022: 3.00%

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

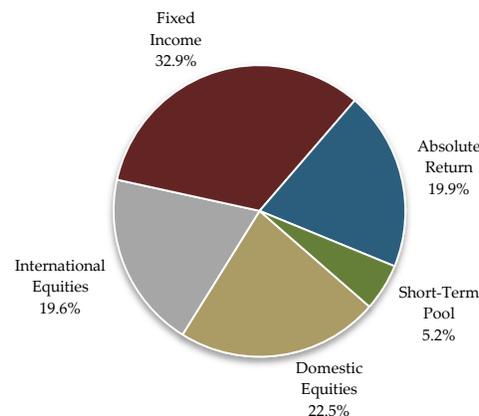
Pool Valuation

As of November 30, 2021, the Pool had a market value of approximately \$5.6 billion. For the 1st quarter of FY 2022, the Pool positions had \$877.0 million in cash inflows and \$1,018.4 million in cash outflows, decreasing the book value of the Pool by \$141.4 million. The Pool earned investment income during this quarter of \$12.0 million and realized net gains on investments of \$63.5 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 November 30, 2021



Asset Allocation (\$M)

Excluding Debt Proceeds and SEF Deposits

Domestic Equities	\$1,209.1
International Equities	\$1,055.2
Fixed Income	\$1,770.9
Absolute Return	\$1,068.2
Short-Term Pool	\$277.9

Growth of \$1 (5 Years)

