

Texas A&M University System System Endowment Fund



FISCAL YEAR 2025

3rd QUARTER – MAY 31, 2025

Capital Markets Update

Global equities posted solid gains over the three-month period, supported by strong corporate earnings, easing inflation pressures, and improving risk appetite. Growth stocks outpaced value, reversing the previous trend: the Russell 1000 Growth Index advanced 8.8% in May while the Russell 1000 Value Index gained 3.5% over the same period.

Private equity markets showed renewed signs of activity after a sluggish 2024. Deal flow increased, particularly among mid-market buyout strategies, though fundraising remained selective as limited partners prioritized existing relationships and liquidity. Venture capital performance remained mixed, with valuations still under pressure in early-stage tech. Secondary market volume continued to rise, driven by LP portfolio rebalancing and an uptick in GP-led continuation vehicles. Strategic buyers also re-entered the market, contributing to a higher proportion of cross-border and take-private transactions.

Real assets performance was mixed but showed further stabilization trends. Private real estate continued to firm, with the NCREIF Property Index extending its recovery into a second consecutive quarter of positive returns. Infrastructure strategies performed well, aided by stable cash flow visibility and ongoing energy transition investments. Oil prices (WTI) traded mostly between \$74–\$79 per barrel, with muted volatility despite geopolitical tensions. U.S. inflation continued to trend downward, with CPI easing to 2.7% year-over-year in May, fueling expectations for potential Fed rate cuts later in the year.

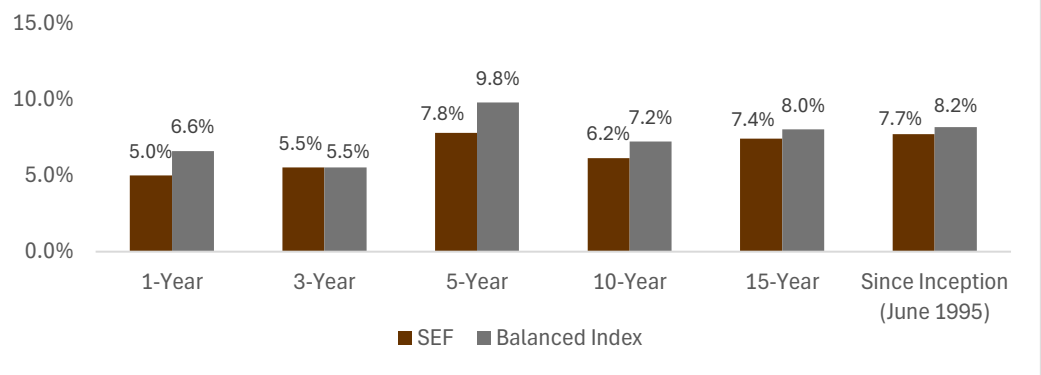
Quarterly Spending Rate

FY 2025: \$0.087905 per unit

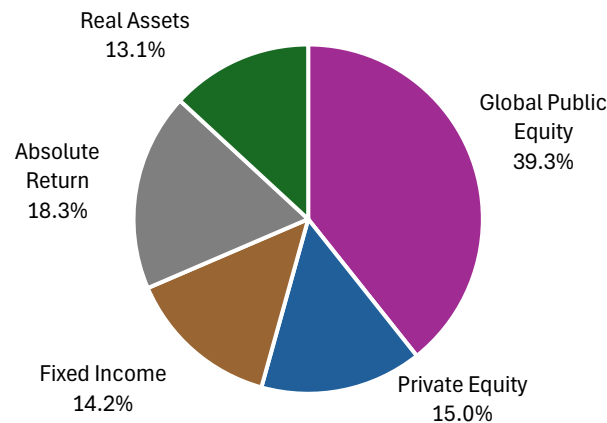
Endowment Valuation

As of May 31, 2025, the SEF had a market value of approximately \$1.6 billion, including new deposits and net the income distribution for the 3rd quarter. The SEF is accounted for on a unitized basis and the per unit market value as of May 31, 2025, was \$7.28.

Investment Performance



Asset Allocation as of May 31, 2025

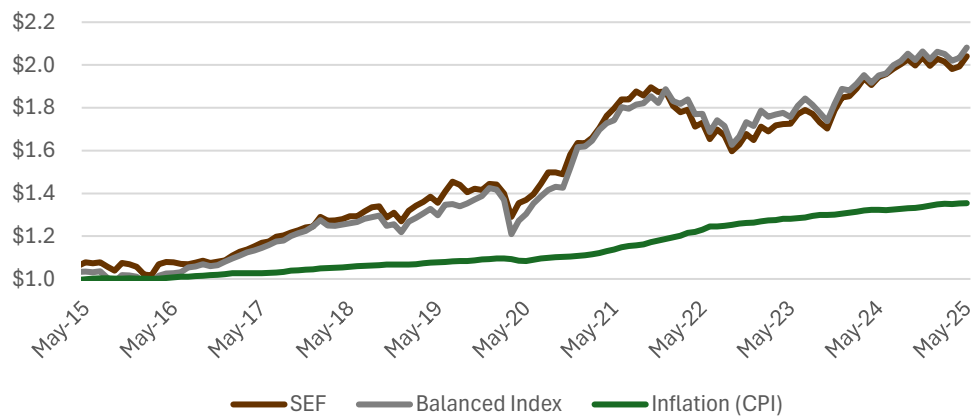


Asset Allocation (\$M)

Prior to Distribution and New Deposits

| | |
|----------------------|---------|
| Global Public Equity | \$584.1 |
| Private Equity | \$234.0 |
| Fixed Income | \$221.9 |
| Absolute Return | \$286.0 |
| Real Assets | \$204.2 |

Growth of \$1 (10 Years)



The units and market value summary are available online for each endowment account at the Treasury web page: <https://www.tamus.edu/finance/treasury-services/system-endowment-fund/>