

# Texas A&M University System System Endowment Fund



FISCAL YEAR 2021

3<sup>RD</sup> QUARTER – MAY 31, 2021

## Capital Markets Update

As measured by the Russell 3000 Index, the U.S. stock market returned 5.6% over the quarter and 43.9% for the one-year period ending May 31<sup>st</sup>. Small cap stocks represented by the Russell 2000 (up 64.6%) outperformed large cap stocks as measured by the Russell 1000 (up 42.7%) by 21.9% for the one-year period. Value stocks, measured by the Russell 3000 Value (up 46.3%), exceeded the return of their growth counterparts in the Russell 3000 Growth (up 40.5%) by 5.8% over the same time period.

Private Equity fundraising rebounded sharply in Q4 2020, with \$233.7bn raised, reversing the trend of declining fundraising totals in 2020. Buyout funds continued to be the largest private equity sub-strategy category despite a decrease in funds committed from 2019 to 2020. Conversely, Venture Capital, Secondaries, and Fund-of-Funds strategies experienced an increase in committed capital over the 1 year period. North American funds continued to lead in fundraising, followed by European focused funds.

Recent private equity returns remained strong, with all Private Equity generating a 19.5% IRR over the past year, despite decreased returns earlier in the year due to the COVID-19 pandemic. One-year performance of Venture Capital was particularly strong, at 27.9%. In general, performance has been strong in each vintage year since the Global Financial Crisis. Buyout and Venture Capital funds have generally both performed well over the various horizons on an absolute basis, with Venture funds significantly outperforming Buyout funds over the past year.

## Quarterly Spending Rate

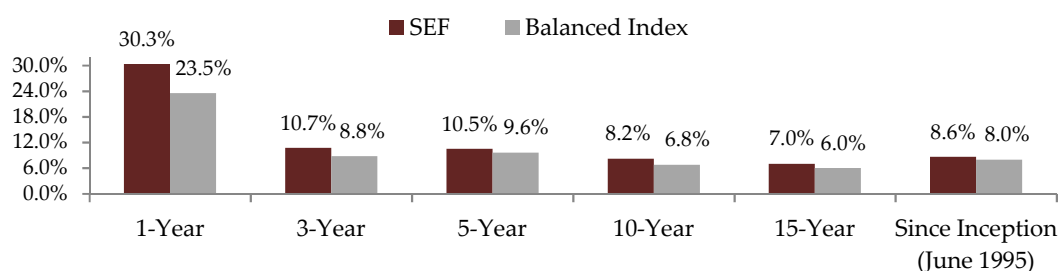
FY 2021: \$0.079585 per unit

FY 2022: \$0.081590 per unit

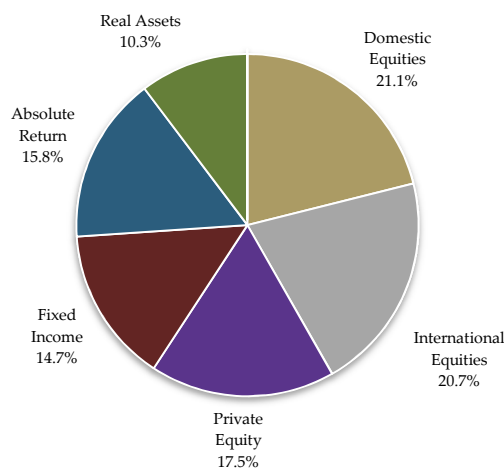
## Endowment Valuation

As of May 31, 2021, the SEF had a market value of approximately \$1.55 billion, including new deposits and net the income distribution for the 3<sup>rd</sup> Quarter. The SEF is accounted for on a unitized basis and the per unit market value as of May 31, 2021 was \$7.86.

## Investment Performance



## Asset Allocation as of May 31, 2021

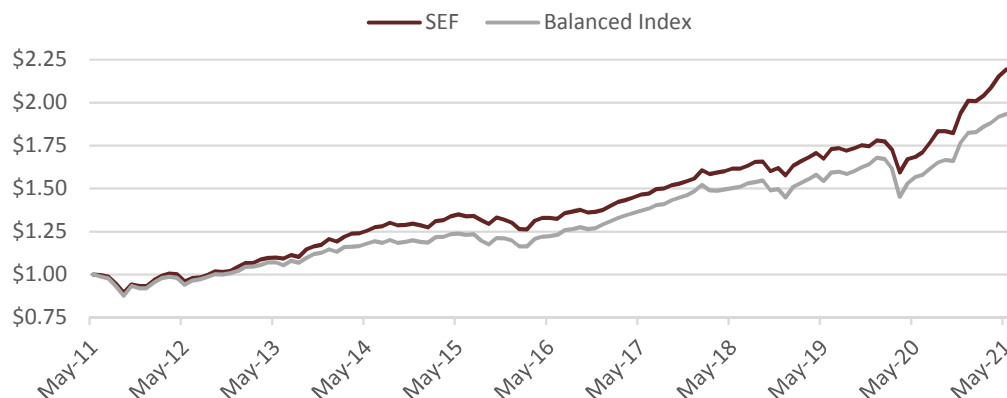


## Asset Allocation (\$M)

Prior to Distribution and New Deposits

Domestic Equities	\$329.9
International Equities	\$323.1
Private Equity	\$274.5
Fixed Income	\$229.2
Absolute Return	\$247.0
Real Assets	\$160.8

## Growth of \$1 (10 Years)



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