

Texas A&M University System Cash Concentration Pool



FISCAL YEAR 2024

2ND QUARTER – FEBRUARY 29, 2024

Distribution Rates for FY 2024 YTD:

Cash Portfolio:	5.27%
Long-Term Portfolio:	5.07%
Total Pool:	5.10%

Capital Markets Update

The yield on 2-year Treasuries decreased from 4.7% at the end of November to 4.6% at the end of February, and the yield on 10-year Treasuries remained unchanged from the end of November and finished February at 4.3%. Markets were mixed in February. Resilient economic data drove global equities higher and pushed out the timing of the expected first rate cut, weighing on bonds. Major central banks have largely paused interest rate hikes with expectations that many will cut rates this year.

Spreads in Investment Grade Corporates were unchanged from the end of November and finished February at 100 bps. Fixed income returns, as measured by the Bloomberg Barclays US Aggregate, increased 2.1% for the quarter and are up 3.3% for the one-year period. Inflation expectations, as measured by the 10-year breakeven, rose from 2.2% at the end of November to 2.3% at the end of February.

The S&P 500 Index returned 12.0% for the quarter and was up 30.5% for the one-year period ending February 29, 2024. Developed International Equity markets rose by 7.9% (in US dollars) for the quarter and were up 14.4% for the one-year period. Emerging markets returned 3.8% (in US dollars) for the quarter and were up 8.7% for the one-year period.

Looking to the rest of the year, the paths of inflation and monetary policy, China's slowing economic growth, the many upcoming elections, and the wars in Ukraine and Israel, will be key.

CCP Estimated Distribution Rate

FY 2024: 2.00%

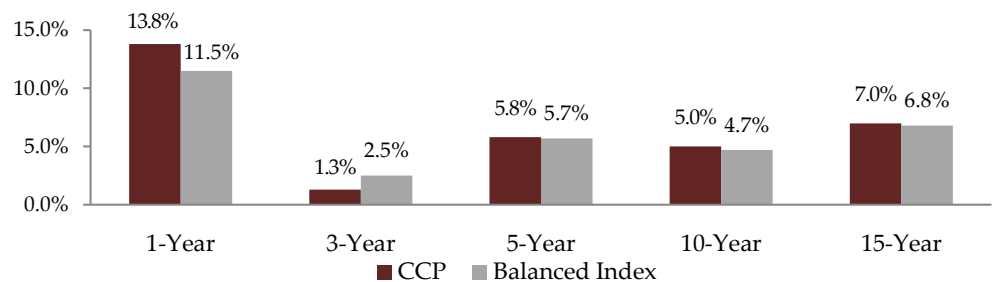
<https://www.tamus.edu/finance/treasury-services/>

Pool Valuation

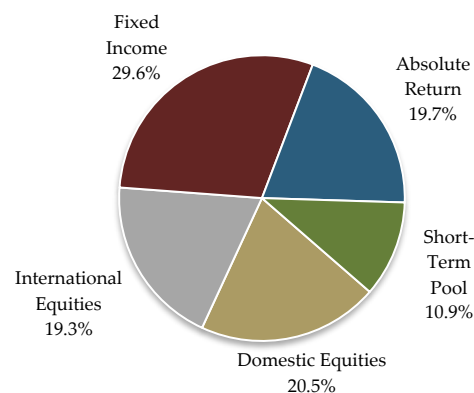
As of February 29, 2024, the Pool had a market value of approximately \$6.0 billion. For the 2nd quarter of FY 2024, the Pool positions had \$1,486.5 million in cash inflows and \$1,265.6 million in cash outflows, increasing the book value of the Pool by \$220.9 million. The Pool earned investment income during this quarter of \$47.4 million and realized net gains on investments of \$49.3 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 February 29, 2024



Asset Allocation (\$M) Excluding Debt Proceeds and SEF Deposits

Domestic Equities	\$1,203.2
International Equities	\$1,132.7
Fixed Income	\$1,734.4
Absolute Return	\$1,158.0
Short-Term Pool	\$638.2

Growth of \$1 (5 Years)

