

Texas A&M University System

Cash Concentration Pool



FISCAL YEAR 2025

4th QUARTER – AUG 31, 2025

Distribution Rates for FY 2025 YTD:

Cash Portfolio:	4.42%
Long-Term Portfolio:	7.53%
Total Pool:	7.05%

Capital Markets Update

Global markets were influenced by a mix of encouraging data and lingering risks. Strong U.S. corporate earnings, easing inflation, and soft labor market reports raised expectations for future rate cuts. However, ongoing geopolitical tensions and trade-policy uncertainty limited broader market upside.

U.S. large-cap equities rose approximately +1.9%, with the S&P 500 reaching record highs before experiencing late-month profit-taking. Developed international markets—especially Europe—outperformed U.S. peers, with the MSCI EAFE Index and similar benchmarks rising +2–4%. Emerging markets posted more muted gains amid mixed investor sentiment and concerns around global trade.

Hedge funds delivered modest gains for the quarter, with notable strategy dispersion. Macro, trend-following (CTA), and some directional quant strategies led performance, while statistical arbitrage and other neutral strategies lagged.

In fixed income, 10-year U.S. Treasury yields remained stable around 4.25%, with little movement since early summer. Credit markets—especially investment grade—benefited from tighter spreads and robust corporate earnings. Looking ahead, market sentiment remains cautiously optimistic, with attention focused on inflation surprises, labor market data, central bank guidance, and geopolitical developments. The outlook suggests more modest returns and elevated volatility.

CCP Estimated Distribution Rate

FY 2025: 2.00%

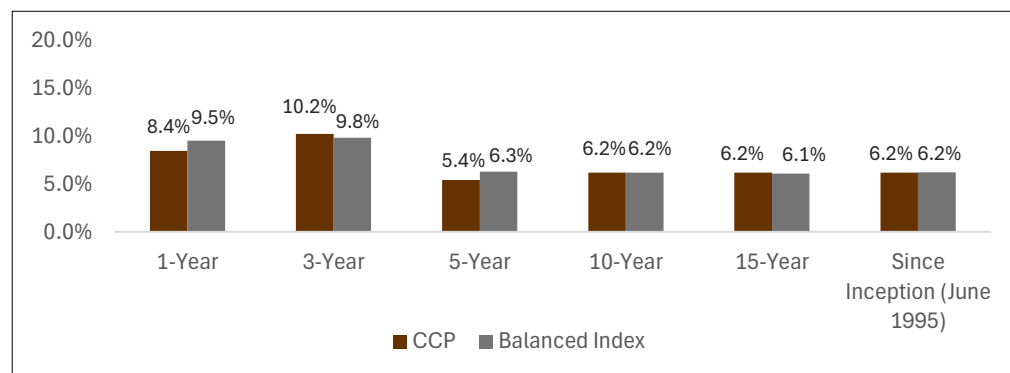
<https://www.tamus.edu/finance/treasury-services/>

Pool Valuation

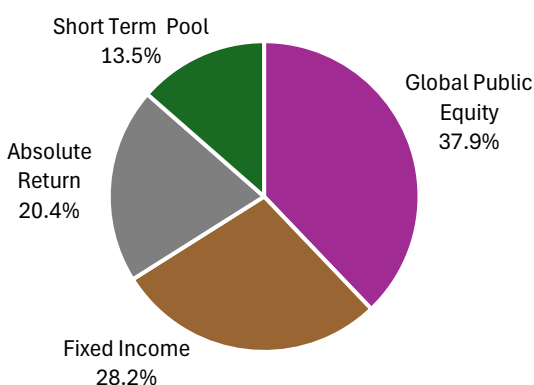
As of August 31, 2025, the Pool had a market value of approximately \$6.8 billion. For the 4th quarter of FY 2025, the Pool positions had \$1,598.4 million in cash inflows and \$1,398.9 million in cash outflows, increasing the book value of the Pool by \$199.5 million. The Pool earned investment income during this quarter of \$37.3 million and realized net gains on investments of \$66.2 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 Aug 31, 2025



Asset Allocation (\$M)

Prior to Distribution and New Deposits

Global Public Equity	\$2,571.7
Fixed Income	\$1,912.9
Absolute Return	\$1,385.4
Short Term Pool	\$919.9

Growth of \$1 (5 Years)

