Texas A&M University System
Cash Concentration Pool

FISCAL YEAR 2026 | **3rd QUARTER – MAY 31, 2026**

Distribution Rates for FY 2026 YTD:

Cash Portfolio:	3.75%
Long-Term Portfolio:	12.01%
Total Pool:	10.84%

Capital Markets Update

Global markets through May 2026 were shaped primarily by the outbreak of conflict between the United States, Israel, and Iran on February 28 and the subsequent disruption to shipping through the Strait of Hormuz.

U.S. equities produced positive returns across market capitalizations over the quarter, with the S&P 500 returning 10.5%, the Russell 3000 gaining 10.0%, and the Russell 1000 advancing 10.0%. Within the broad market, growth-oriented segments outpaced value, with the Russell 3000 Growth returning 14.0% versus 6.1% for the Russell 3000 Value. International developed market equities declined modestly over the quarter, with the MSCI EAFE returning -0.6%, as energy-import-dependent economies in Europe and parts of Asia faced headwinds from the oil price shock following the Strait of Hormuz disruption.

Hedge fund performance remained broadly positive for the quarter overall, though pockets of difficulty arose from heightened geopolitical tensions and the continued repricing of AI-related assets. Performance over the quarter continued to reflect dispersion across strategies, with macro and commodity-oriented approaches navigating a volatile environment in energy, rates, and currencies as the conflict and ceasefire negotiations evolved.

In fixed income, the Bloomberg U.S. Aggregate Bond Index returned -1.3% for the quarter and 5.1% over the trailing year. Investment-grade credit performed relatively better than duration-sensitive assets, supported by generally strong corporate fundamentals.

CCP Estimated Distribution Rate

FY 2026: 2.00%

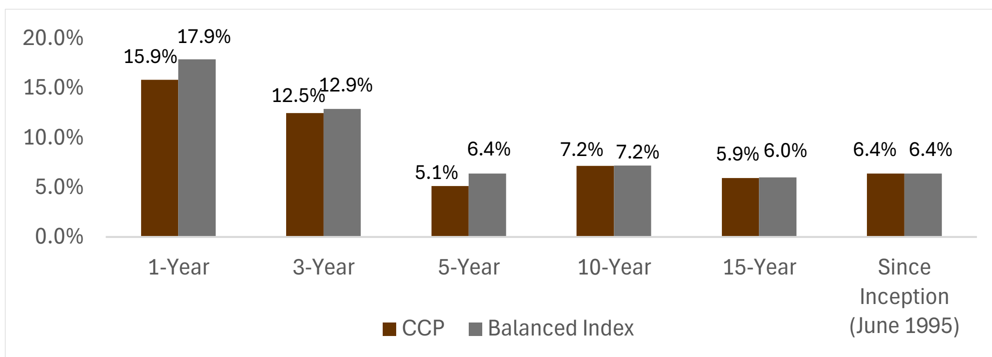
https://www.tamus.edu/finance/treasury-services/

Pool Valuation

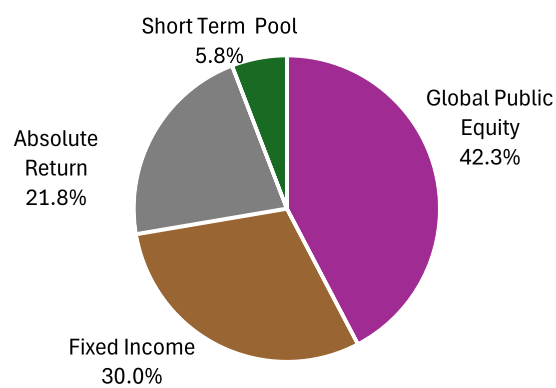
As of May 31, 2026, the Pool had a market value of approximately $7.4 billion. For the 3rd quarter of FY 2026, the Pool positions had $1,327.2 million in cash inflows and $1,782.6 million in cash outflows, decreasing the book value of the Pool by $455.4 million. The Pool earned investment income during this quarter of $42.1 million and realized net gains on investments of $154.7 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 May 31, 2026



Asset Allocation ($M)
Prior to Distribution and New Deposits

Global Public Equity	$2,961.0
Fixed Income	$2,100.2
Absolute Return	$1,528.6
Short Term Pool	$408.0

Growth of $1 (5 Years)