

Texas A&M University System System Endowment Fund



FISCAL YEAR 2025

4th QUARTER – AUG 31, 2025

Capital Markets Update

Global equities posted broadly positive returns for the quarter ending August 2025, supported by strong corporate earnings, resilient macroeconomic data across many regions, moderating inflation, and rising expectations for rate cuts. Growth-oriented stocks outperformed value, with the Russell 1000 Growth Index gaining 11.6%, compared to a 7.3% return for the Russell 1000 Value Index.

In private equity, cautious optimism prevailed. Activity picked up in the mid-market buyout space, particularly in sectors characterized by resilient revenues and recurring cash flows. However, elevated interest rates and valuation mismatches continued to weigh on broader deal momentum. Notably, continuation vehicles and secondary transactions gained traction, providing flexible exit options and interim liquidity for LPs.

Real assets showed signs of resilience this quarter. Private real estate began a gradual recovery, with transaction activity reviving in properties demonstrating high occupancy and stable cash flows. Meanwhile, oil markets experienced a sharp rally—WTI crude briefly touched \$78–\$79/barrel in August—driven by tightening supply, geopolitical risk, and inventory drawdowns. Inflation remains both a tailwind and a risk: headline numbers have eased modestly, but persistent core cost pressures have kept expectations for rate cuts in check.

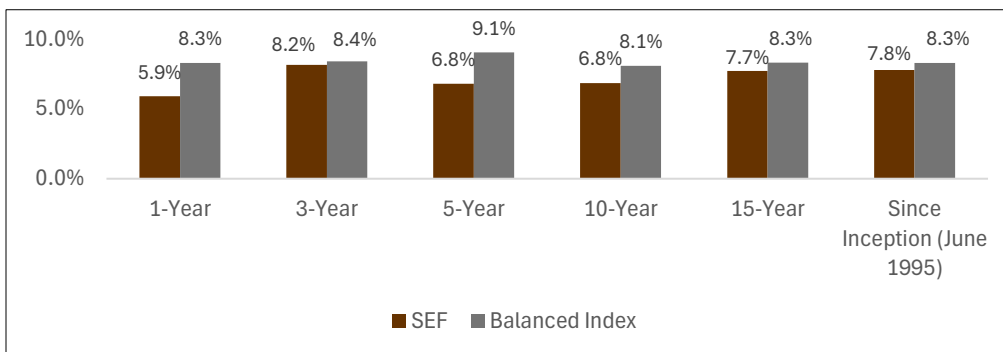
Quarterly Spending Rate

FY 2025: \$0.087905 per unit

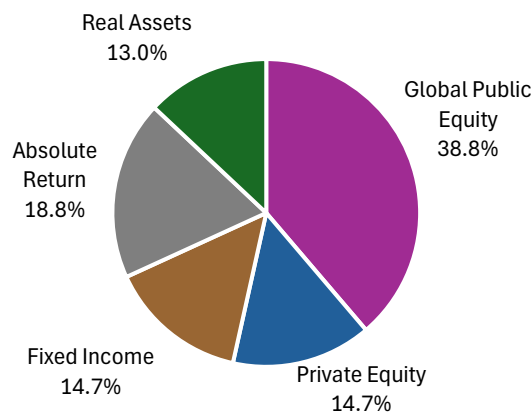
Endowment Valuation

As of August 31, 2025, the SEF had a market value of approximately \$1.6 billion, including new deposits and net the income distribution for the 4th quarter. The SEF is accounted for on a unitized basis and the per unit market value as of August 31, 2025, was \$7.45.

Investment Performance



Asset Allocation as of Aug 31, 2025

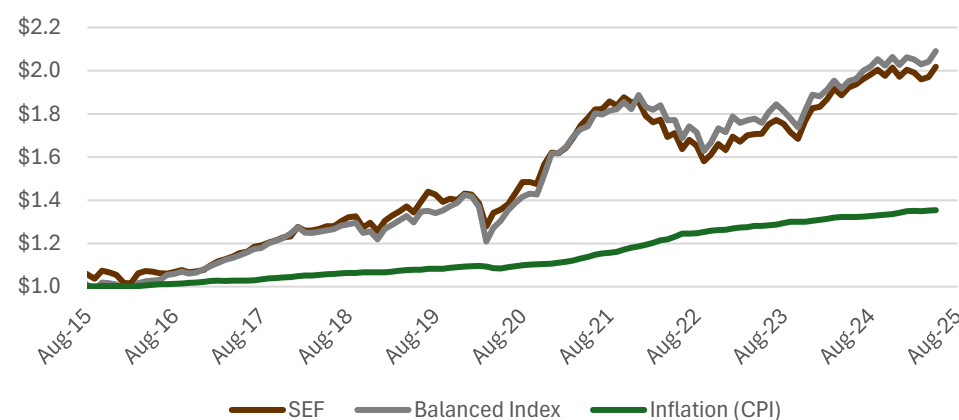


Asset Allocation (\$M)

Prior to Distribution and New Deposits

Global Public Equity	\$621.9
Private Equity	\$236.1
Fixed Income	\$235.6
Absolute Return	\$302.3
Real Assets	\$208.4

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/>