



TEXAS TECH UNIVERSITY SYSTEM™

# TTUS Investment Performance Update

James Mauldin, *TTUS Vice Chancellor and CFO*

August 10, 2023

# TTUS Investment Programs



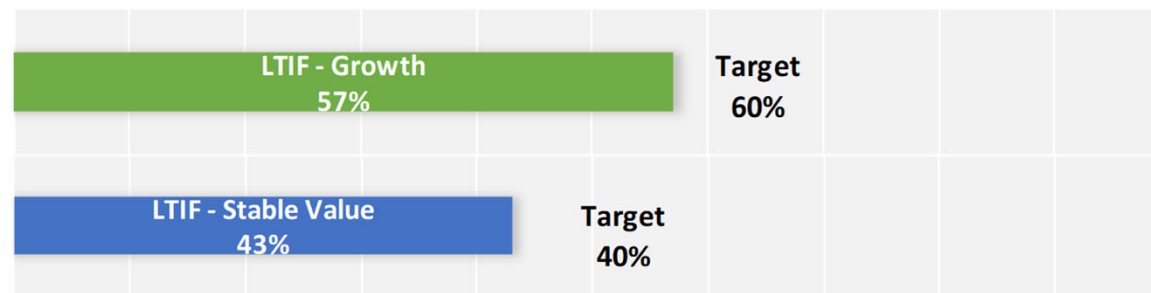
- **LTIF (Endowments):** The Long-Term Investment Fund (LTIF) consists of two sub-portfolios targeting the risk and return profile of the global 60/40 portfolio. The LTIF is managed by the Office of Investments staff under direction of the TTUS CIO with oversight from the TTUS CFO and advised by the Investment Resource Council (IRC).
- **CCIP (Operating & Reserve funds):** The Comprehensive Cash & Investment Pool (CCIP) consists of three sub-portfolios targeting increasing risk and return levels appropriate for the Texas Tech University System operational cash needs. The CCIP is managed by the Treasury staff & a portion of the Office of Investments team under direction of the TTUS CFO and advised by the Pool Advisory Committee (PAC).
- **MDIF:** The Mission Directed Investment Fund (MDIF) will hold all approved mission directed investments, governed by Regent Rules. The day-to-day management and performance reporting will be handled by a portion of the Office of Investments team with oversight from the TTUS CFO.

# Asset Class Performance vs Benchmark

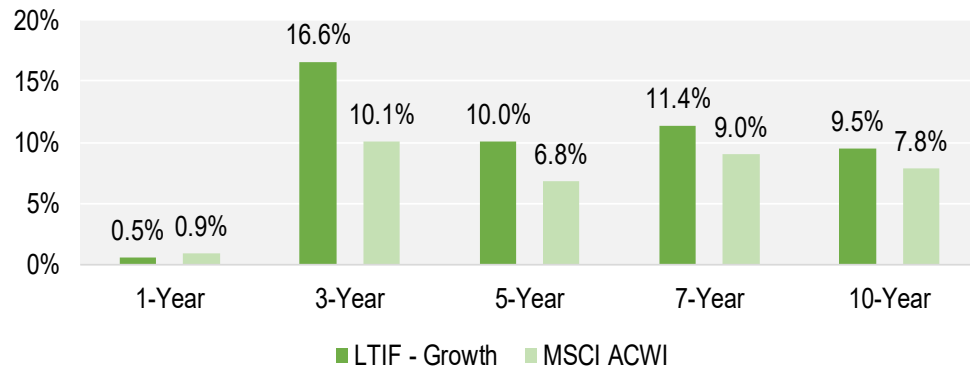
as of May 31, 2023



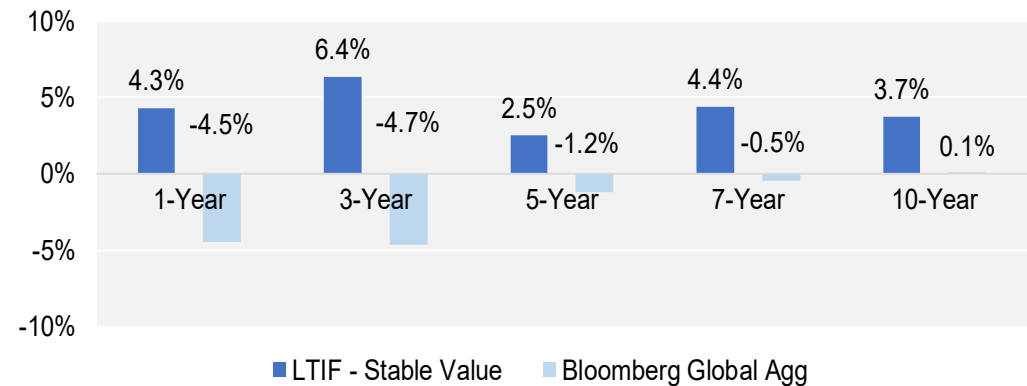
LTIF Weight vs Target



LTIF Growth vs Global Public Equity [A]



LTIF Stable Value vs Global Public Debt [B]



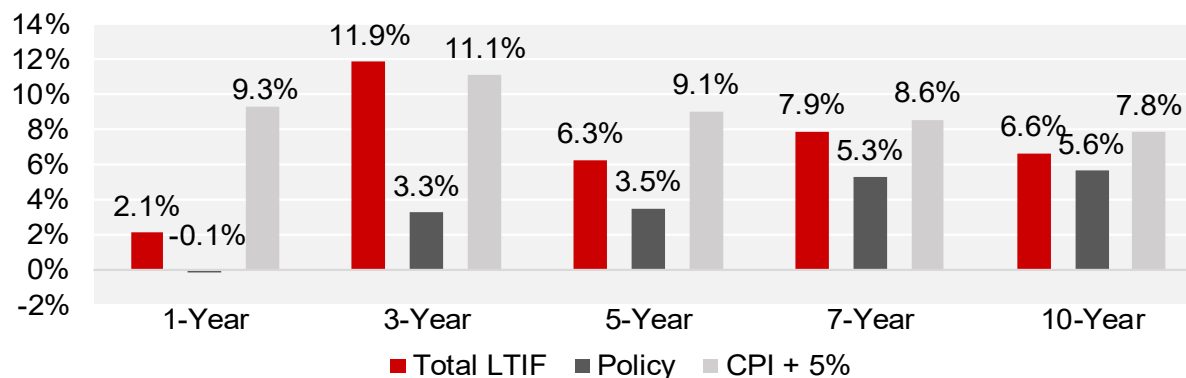
# Long Term Investment Fund (LTIF)

as of May 31, 2023



Portfolio Holdings & Performance Overview – May 2023				Reported NAV: Monthly 94%, Quarterly 0%, Total 60%						
Portfolio Composition	Balance (mm)	LTIF Weight	Target	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
Total LTIF	1,592.38	100%	100%	0.46%	4.33%	2.10%	11.86%	6.26%	7.90%	6.64%
LTIF Policy Composite				-0.23%	5.59%	-0.13%	3.27%	3.52%	5.29%	5.63%
CPI + 5%				1.31%	3.52%	9.32%	11.10%	9.05%	8.58%	7.84%
LTIF - Growth	907.67	57%	60%	0.54%	5.80%	0.52%	16.61%	10.04%	11.36%	9.47%
MSCI ACWI				0.35%	7.68%	0.85%	10.07%	6.77%	8.97%	7.82%
LTIF - Stable Value	684.71	43%	40%	0.34%	2.36%	4.29%	6.38%	2.49%	4.39%	3.73%
Bloomberg Global Agg				-1.52%	1.44%	-4.48%	-4.68%	-1.17%	-0.49%	0.08%

Total LTIF vs LTIF Policy [C] & CPI + 5 [D]



# Long Term Investment Fund (LTIF)

as of May 31, 2023



## Portfolio Composition – May 2023

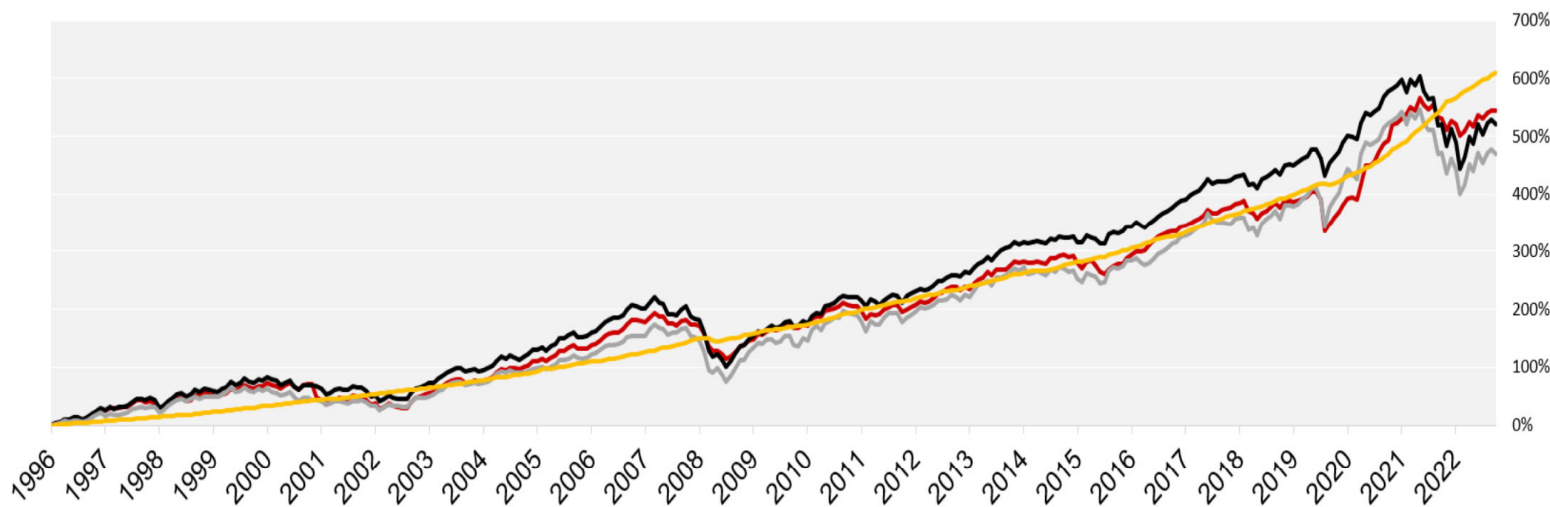
Portfolio Composition	Balance (mm)	Weight	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
<b>Total LTIF</b>	<b>1,592.4</b>	<b>100.00%</b>	<b>0.46%</b>	<b>4.33%</b>	<b>2.10%</b>	<b>11.86%</b>	<b>6.26%</b>	<b>7.90%</b>	<b>6.64%</b>
LTIF Policy Composite			-0.23%	5.59%	-0.13%	3.27%	3.52%	5.29%	5.63%
CPI + 5%			1.31%	3.52%	9.32%	11.10%	9.05%	8.58%	7.84%
<b>LTIF - Growth</b>	<b>907.7</b>	<b>57.00%</b>	<b>0.54%</b>	<b>5.80%</b>	<b>0.52%</b>	<b>16.61%</b>	<b>10.04%</b>	<b>11.36%</b>	<b>9.47%</b>
MSCI ACWI TR Net USD			0.35%	7.68%	0.85%	10.07%	6.77%	8.97%	7.82%
Public Equity	503.3	31.60%	1.14%	10.66%	3.40%	14.06%	9.29%	11.31%	9.39%
Portable Alpha	296.5	18.62%	0.95%	10.88%	4.20%	15.41%	9.66%	11.71%	
Active Equity	169.5	10.64%	1.62%	11.57%	3.42%	8.70%	6.50%	9.49%	8.10%
Passive Equity	37.3	2.34%	0.40%	7.55%	0.40%	10.41%			
Private Equity	340.6	21.39%	-0.17%	-0.28%	-6.33%	22.03%	14.30%	12.24%	10.00%
Private Real Assets	63.8	4.00%	-0.40%	1.99%	12.99%	16.18%	5.61%	8.44%	7.68%
<b>LTIF - Stable Value</b>	<b>684.7</b>	<b>43.00%</b>	<b>0.34%</b>	<b>2.36%</b>	<b>4.29%</b>	<b>6.38%</b>	<b>2.49%</b>	<b>4.39%</b>	<b>3.73%</b>
Bloomberg Global Aggregate USD			-1.52%	1.44%	-4.48%	-4.68%	-1.17%	-0.49%	0.08%
Hedge Funds	220.2	13.83%	-0.12%	1.48%	2.62%	3.21%	2.88%	3.62%	2.44%
Alpha Pool Net	109.2	6.86%	-1.00%	0.64%	0.44%	6.11%	6.15%	6.13%	5.41%
Absolute Return	110.9	6.97%	0.96%	2.85%	4.62%	3.27%	2.56%	2.73%	0.98%
Debt	375.6	23.59%	0.37%	2.76%	5.75%	9.42%	3.03%	5.14%	4.65%
Public Debt	171.1	10.75%	0.42%	2.45%	2.11%	8.22%	0.38%	3.62%	3.73%
Private Debt	204.5	12.84%	0.19%	2.42%	6.41%	8.80%	6.74%	7.48%	6.14%
Total Cash	80.4	5.05%	0.67%	2.13%	2.87%	0.81%	1.12%	0.94%	0.66%
Liquidating Funds	8.6	0.54%	10.12%	10.16%	8.60%	27.33%	0.79%	15.12%	11.68%

# Long Term Investment Fund (LTIF)

*Benchmark Comparisons, as of May 31, 2023*



**LTIF vs Benchmark Cumulative Returns**



The portfolio since inception in 1996 has met the primary objective of covering the spending (Distribution) rate of 4.5%, while simultaneously growing the endowment.

**LTIF Policy Benchmarks:**

- 60% Equity Global (MSCI ACWI with USA net)
- 40% Debt Global Bonds (Barclays Global Agg)

Returns are since inception of the LTIF (9/1/1996)

Fund	Total Return	Annualized Return	Annualized Volatility
LTIF	543.60%	7.21%	9.10%
LTIF Policy Composite	520.44%	7.06%	9.56%
Global 60/40 + 1%	470.17%	6.72%	10.49%
CPI + 5	609.69%	7.60%	1.02%

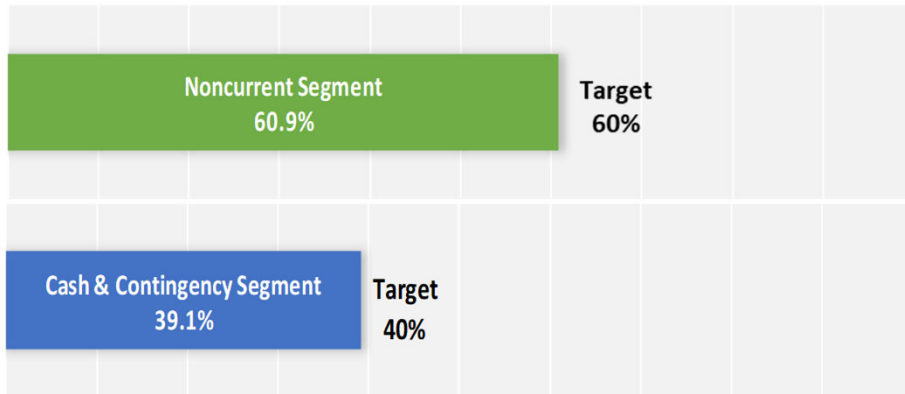
# Comprehensive Cash & Investment Pool (CCIP)

as of May 31, 2023

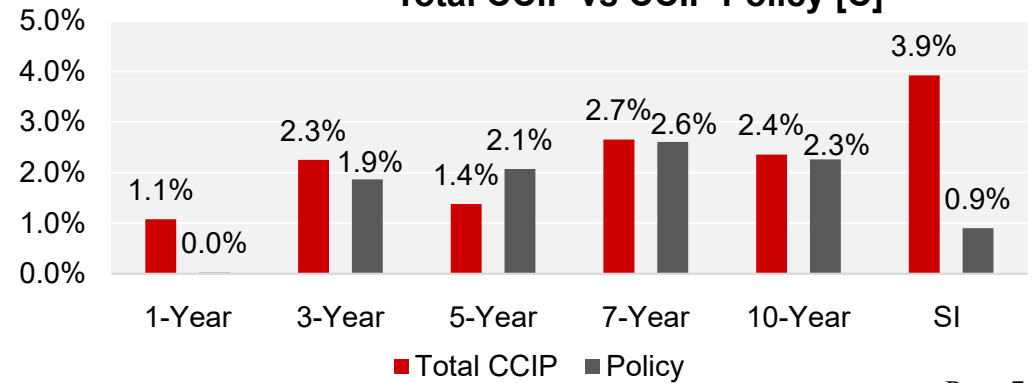


Portfolio Holdings & Performance Overview – May 2023											Reported valuation % of NAV: 89%
Portfolio Composition	Balance (mm)	Weight	Target	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	SI
Total CCIP	1,852.09	100.00%	100.00%	0.08%	3.24%	1.08%	2.25%	1.38%	2.65%	2.35%	3.92%
CCIP Policy Composite				-0.08%	2.04%	0.02%	1.87%	2.07%	2.60%	2.26%	0.90%
Global 60/40				3.07%	8.82%	9.25%	4.53%	4.62%	5.71%	5.46%	6.39%
Noncurrent Segment	1,127.24	60.86%	60.00%	0.25%	4.92%	1.81%	5.50%	2.63%	3.55%	2.98%	4.36%
NCS Composite				-0.33%	2.29%	-1.03%	3.01%	2.50%	3.55%	3.13%	
Cash and Contingency Segment	724.85	39.14%	40.00%	-0.19%	0.95%	0.15%	-0.36%	0.58%	0.56%	0.50%	0.46%
ICE BofA 0-3 Yr				0.13%	1.55%	0.86%	-0.33%	1.19%	0.99%		

CCIP Weight vs Target



Total CCIP vs CCIP Policy [C]



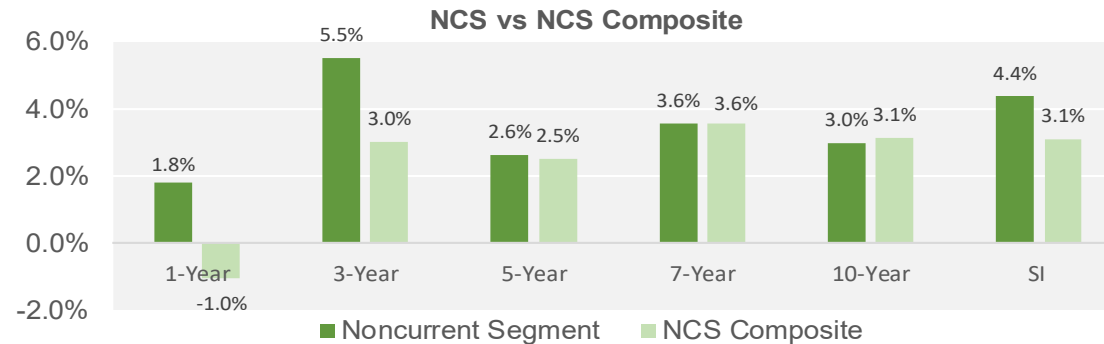
# CCIP Noncurrent Segment

## as of May 31, 2023



### NCS Segment Summary – May 2023

Portfolio Composition	Balance (mm)	Weight	Target	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	SI
<b>Noncurrent Segment</b>	<b>1,127.24</b>	<b>100%</b>	<b>100%</b>								
NCS Composite				-0.33%	2.29%	-1.03%	3.01%	2.50%	3.55%	3.13%	3.09%
<b>Public Equity</b>	<b>592.35</b>	<b>53%</b>	<b>25%</b>	<b>0.51%</b>	<b>7.91%</b>	<b>1.14%</b>					<b>-2.94%</b>
MSCI ACWI TR Net USD				0.35%	7.68%	0.85%					5.52%
<b>Public Debt</b>	<b>272.72</b>	<b>24%</b>	<b>25%</b>	<b>-0.81%</b>	<b>1.19%</b>	<b>0.07%</b>	<b>3.83%</b>	<b>-0.67%</b>	<b>1.36%</b>	<b>2.29%</b>	<b>4.29%</b>
Bloomberg Global Agg				-1.53%	1.43%	-1.32%	-4.96%	-1.09%	-0.90%	0.20%	4.66%
Public Debt - Passive	208.93			-0.70%	2.51%	-2.78%					-3.91%
ITIF - Public Debt	63.79			-0.14%	0.54%	-2.23%	6.25%	0.00%	0.00%	0.00%	-0.93%
<b>Diversifying Assets</b>	<b>59.12</b>	<b>5%</b>	<b>30%</b>	<b>1.19%</b>	<b>3.44%</b>	<b>4.99%</b>	<b>3.72%</b>	<b>1.63%</b>	<b>3.19%</b>	<b>2.55%</b>	<b>3.10%</b>
HFRX GLOBAL HEDGE FUND US				-0.13%	-0.13%	-1.26%	2.83%	1.52%	2.34%	1.30%	3.85%
<b>Private Debt</b>	<b>170.74</b>	<b>15%</b>	<b>20%</b>	<b>0.25%</b>	<b>2.42%</b>	<b>5.69%</b>	<b>8.34%</b>				<b>5.85%</b>
Private Credit Composite				0.00%	0.15%	-0.38%	3.51%				3.26%
<b>Cash</b>	<b>32.31</b>	<b>3%</b>	<b>0%</b>	<b>0.68%</b>	<b>1.57%</b>	<b>2.50%</b>	<b>0.84%</b>	<b>1.32%</b>	<b>1.27%</b>	<b>0.94%</b>	<b>0.87%</b>





# CCIP Cash Segment

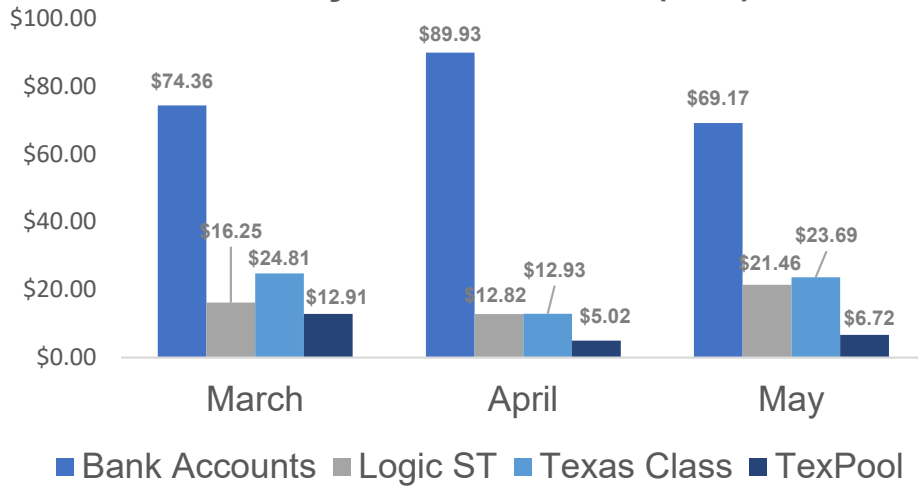
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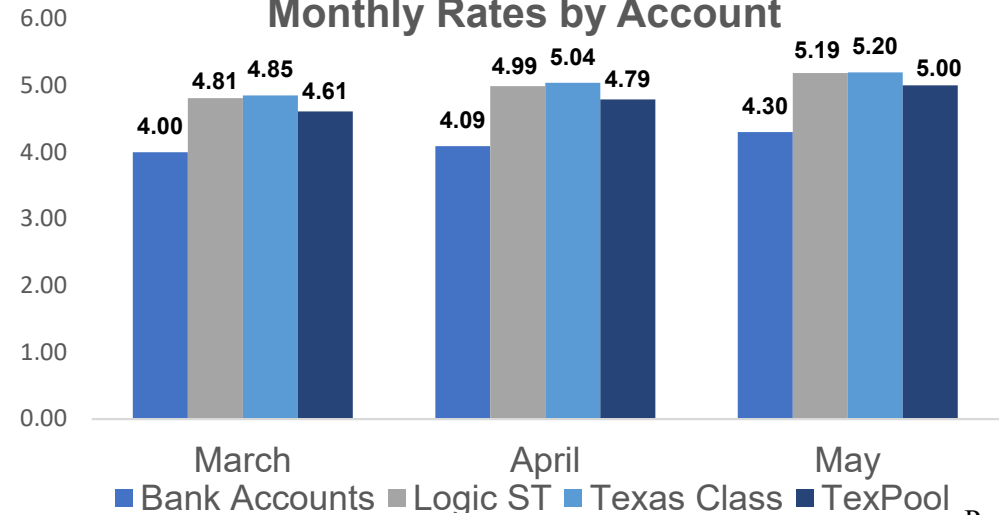
## Cash Segment Summary – May 2023

Account	Market Value	Monthly Interest Rates Annualized		
		March	April	May
Bank Accounts	\$133.6	4.00	4.09	4.30
Logic ST	\$6.2	4.81	4.99	5.19
Texas Class	\$5.8	4.85	5.04	5.20
TexPool	\$3.1	4.61	4.79	5.00
<b>Total</b>	<b>\$148.6</b>			

### Monthly DAA Balances (mm)



### Monthly Rates by Account



# CCIP Contingency Segment

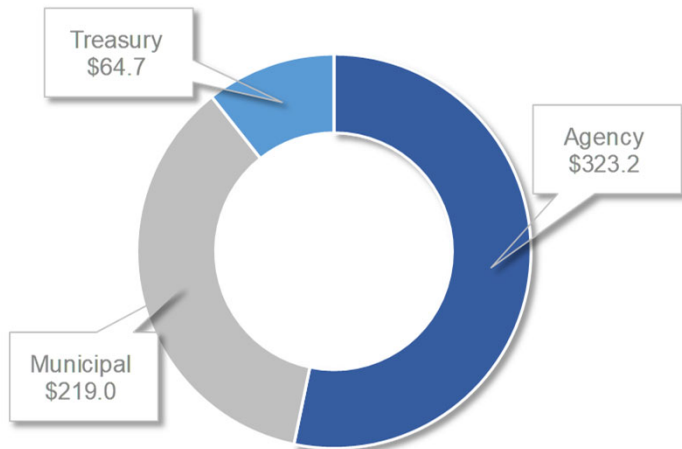
as of May 31, 2023



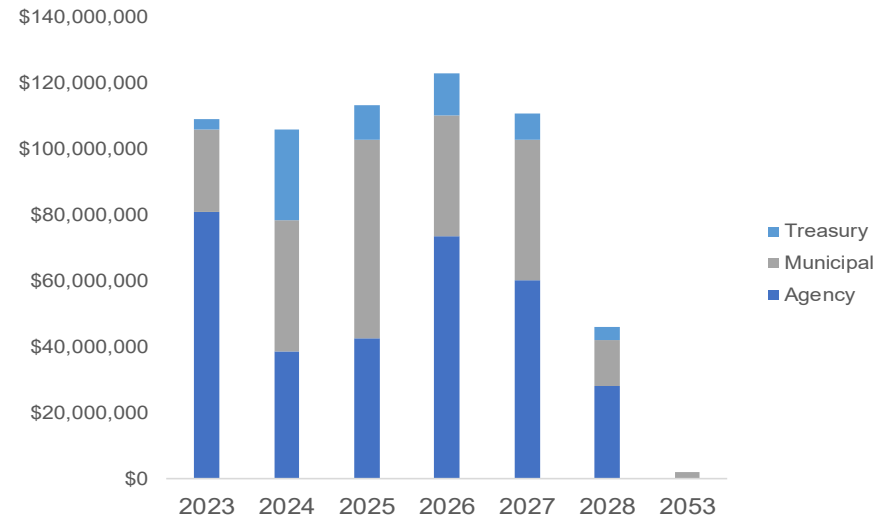
## Contingency Segment Summary – May 2023

Asset Type	N	Par Value (mm)	Book Value (mm)	Unrealized Gain/Loss (mm)	Avg Duration	Yield To Maturity	Coupon Yield
Agency	171	\$324	\$323	-\$17	2.33	4.97%	1.43%
Municipal	222	\$219	\$219	-\$12	2.69	4.77%	2.28%
Treasury	29	\$66	\$65	-\$3	2.10	4.61%	1.04%
<b>Total</b>	<b>422</b>	<b>\$609</b>	<b>\$607</b>	<b>(\$31)</b>	<b>2.44</b>	<b>4.88%</b>	<b>1.70%</b>

Book Value by Asset Type (millions)



Par Value by Maturity Date





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