

TEXAS TECH UNIVERSITY SYSTEM ENDOWMENT FUND



4th Quarter — August 31, 2023

Fiscal Year 2023

Market Overview:

Global equities and bonds ended August in the red as concerns around economic growth in China and upward pressure on interest rates weighed on returns. The month started off on uncertain footing as Fitch Ratings downgraded the U.S. to AA+ from AAA, and the Bank of Japan unexpectedly adjusted its policy on how it manages the yield curve. Negative investor sentiment from these developments was counterbalanced with better-than-expected data in the U.S., underscoring a still-resilient labor market and moderating inflation pressures.

However, markets were unable to look past a string of weaker-than-anticipated economic data in China, pulling global benchmarks lower for the month. The S&P 500 Index fell 1.6% in August; during the same period, non-U.S. markets were further challenged by a stronger U.S. dollar with the MSCI EAFE Index and MSCI Emerging Markets Index losing 3.8% and 6.2%, respectively.

Higher interest rates also dampened investor sentiment, with U.S. rates trending higher last month: the 10- and 30-year Treasury yields added 14 and 19 basis points, respectively, weighing down longer-duration indexes.

Meanwhile, in real assets, energy markets rallied with spot WTI Crude Oil adding 2.2%.

Major Index Returns	MTD	Fiscal Qtr
S&P 500 Composite TR	-1.59%	8.28%
MSCI ACWI TR Net USD	-2.79%	6.61%
MSCI EM TR Net USD	-6.16%	3.47%
Bloomberg Global Aggregate USD	-1.37%	-0.69%
Global 60/40	-2.22%	3.68%

LTIF Valuation: \$1.60 billion

