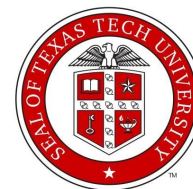


# Texas Tech University System

Long Term Investment Fund (LTIF)

Quarterly Newsletter – February 29th, 2024 (FY24Q2)

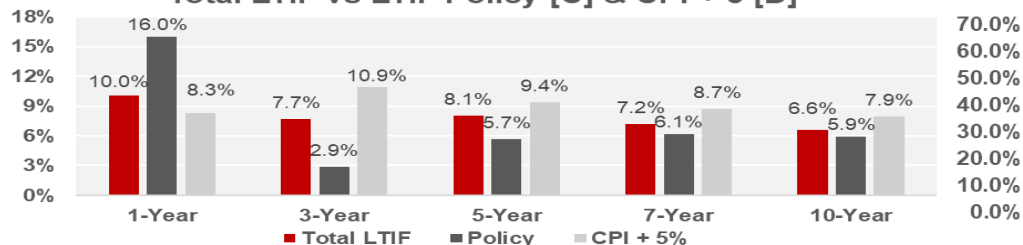
LTIF Valuation: \$1.7 Billion



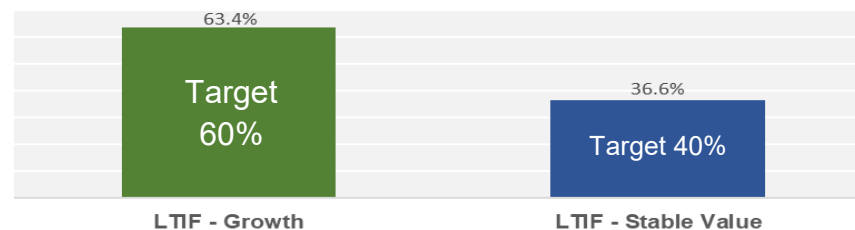
## Performance Overview:

Portfolio Composition	Balance	Weight	Target	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
Total LTIF	1,679,387,303	100%	100%	3.48%	3.48%	10.03%	7.71%	8.06%	7.22%	6.57%
LTIF Policy Composite				2.04%	2.04%	15.97%	2.87%	5.68%	6.15%	5.88%
CPI + 5%				1.57%	1.57%	8.31%	10.93%	9.38%	8.69%	7.95%
LTIF - Growth	1,065,562,411	63.4%	60.0%	5.08%	5.08%	13.44%	9.50%	11.95%	10.77%	9.32%
MSCI ACWI				4.90%	4.90%	23.15%	6.79%	10.51%	9.94%	8.37%
LTIF - Stable Value	613,824,892	36.6%	40.0%	0.81%	0.81%	4.54%	4.75%	3.50%	3.58%	4.09%
Bloomberg Global Agg				-2.62%	-2.62%	3.10%	-5.52%	-1.03%	0.01%	-0.13%

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



LTIF Weight vs Target



## Market Overview:

A slew of stronger-than-expected economic and corporate earnings data bolstered global stocks in February. The S&P 500 Index hit multiple milestones during the month: it surpassed 5000 and Nvidia set a record for the largest single-day market capitalization gain of \$277 billion; the S&P 500 gained 5.3% last month, pushing year-to-date returns to 7.1%.

Outside the U.S., the MSCI Emerging Markets Index added 4.8% in February. The rally was fueled by supportive policy announcements from China, including a surprise 25 basis points cut to its five-year loan prime rate. In response, the MSCI China Index added 8.4% in February, even as the index remains in the red year-to-date. Meanwhile, the MSCI EAFE Index lagged, adding 1.8% as economic weakness in Europe weighed on returns, while Japanese equities hit a 30-year high.

Economic resilience caused markets to reprice expectations for interest rate cuts by the Federal Reserve later this year. Fixed-income returns were pressured by rising yields: the 10- and 30-year Treasury yields added 29 and 17 basis points, respectively, resulting in a 1.3% monthly decline in the Bloomberg U.S. Treasury Index. Despite rising rates, lower-quality credit rallied, underscoring the robust economic backdrop. The option-adjusted spread on the Bloomberg U.S. High Yield Corporate Index tightened 32 basis points; the index eked out a 0.3% monthly gain. U.S. dollar-denominated emerging market debt also rallied 1% as the option-adjusted spread on the JPM EMBI Global Diversified Index declined 28 basis points in February.

Within real assets, the Bloomberg Commodity Index fell 1.5%. Despite spot WTI crude oil adding 2.6% for the month, other energy and agriculture commodities weighed on index returns. Notably, spot natural gas prices declined 14.9%, reflecting the oversupply along with a warmer-than-average winter weighing on demand.

Major Index Returns - Feb 2024	MTD	Trl 1-Year
S&P 500 Composite TR	5.34%	12.43%
MSCI ACWI TR Net USD	4.29%	10.32%
MSCI EM TR Net USD	4.76%	4.23%
Bloomberg Global Aggregate		
USD	-1.26%	0.99%
Global 60/40	2.07%	6.54%