



# TEXAS TECH UNIVERSITY SYSTEM ENDOWMENT FUND

2nd Quarter—February 28, 2019

Fiscal Year 2019

## Market Overview

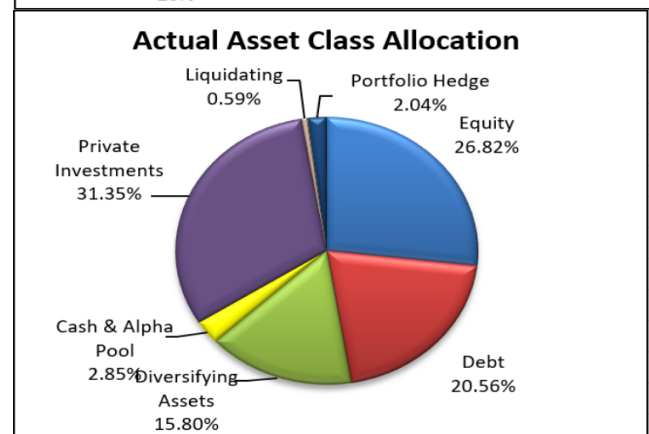
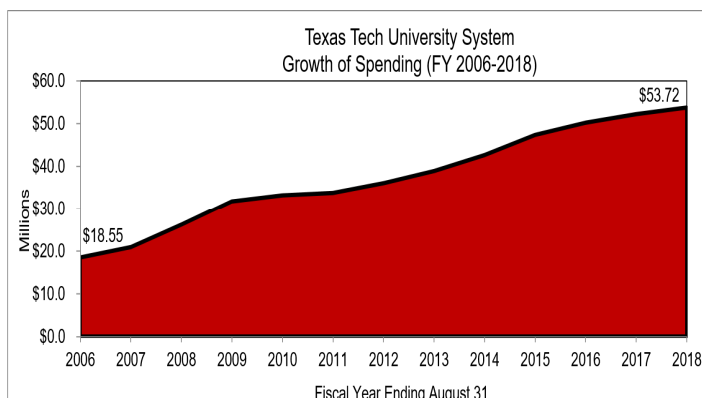
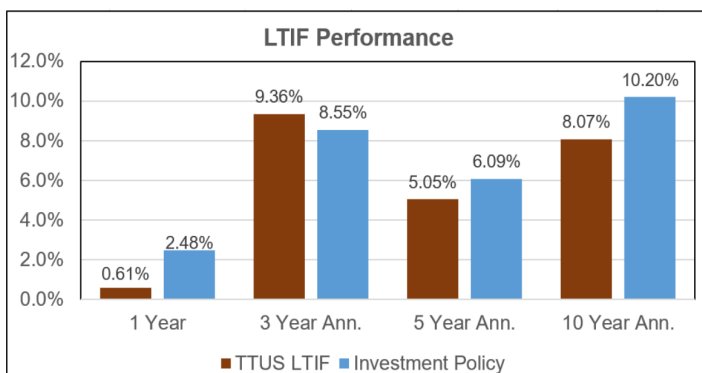
Global equities continued their winning streak in February as concerns surrounding US economic growth faded and the outlook for a US-China trade deal improved. As a result, the S&P 500 Index increased 3.2% during the month. Chinese stocks returned 3.5%, according to the MSCI China Index, relative to broad emerging markets which rose a modest 0.2% as measured by the MSCI Emerging Markets Index.

Despite the renewed popularity of risk assets, a dovish tilt from the Fed caused fixed-income yields to remain relatively stagnant with the 10-year US Treasury yield increasing nine basis points to 2.72%. In credit, US high-yield spreads, as measured by the Bloomberg Barclays US Corporate High Yield Index, continued to decrease relative to the beginning of the year, returning 1.7%.

## Major Index Returns for February:

- S&P 500: 3.21%
- MSCI EAFE Index: 2.55%
- MSCI EM (Emerging Markets): 0.22%
- Barclays US Aggregate Bond Index: (0.06)%
- Barclays High Yield Index: 1.69%
- JP Morgan GBI-EM index: (0.53)%

## Endowment Valuation: \$1.2 billion



## Commentary:

Since inception, the LTIF has met the annual 4.5% spending requirement.

- Each year, there has been a real increase in dollars spent due to growth of the LTIF through investment earnings and donor contributions.
- \$516.2 million distributed over last 15 years.
- \$52.2 million was distributed in Fiscal Year 2017
- \$53.7 million was distributed in Fiscal Year 2018