



TEXAS TECH UNIVERSITY SYSTEM ENDOWMENT FUND

3rd Quarter—May 31, 2020

Fiscal Year 2020

Market Overview

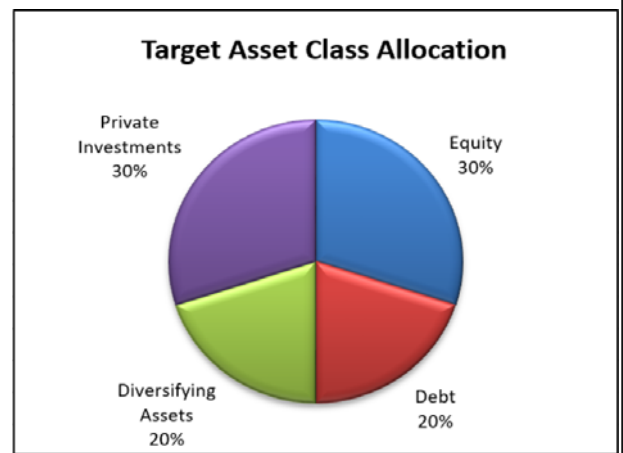
Risk assets pushed higher in May as economies around the world began reopening and relaxing restrictions. While COVID-19 remains a dominant headline, news of progress in developing a vaccine and signs of a rebound in economic activity bolstered market sentiment.

Over the past month, the US has been hit by a slew of weak economic data: the unemployment rate hit 14.7%, corporate earnings contracted significantly, and the CPI increased 0.3% year-over-year. Despite the bleak data, domestic equities pushed higher – extending their recent rally. The S&P 500 Index increased 4.8% for the month.

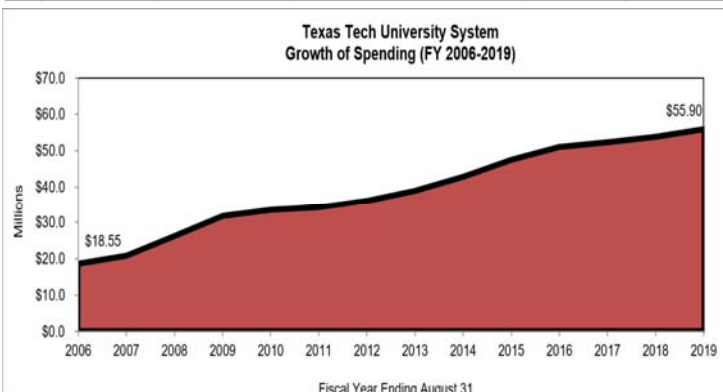
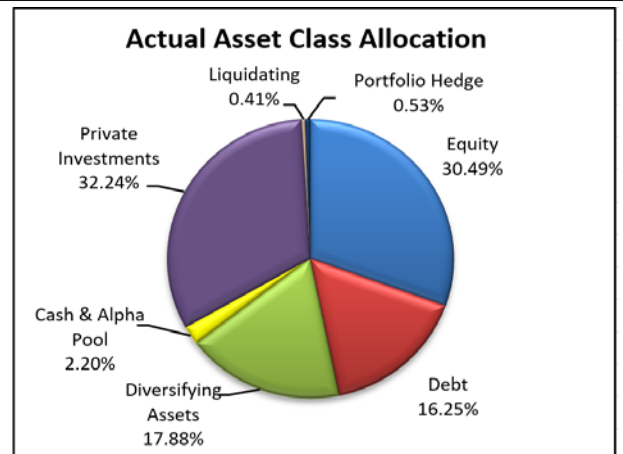
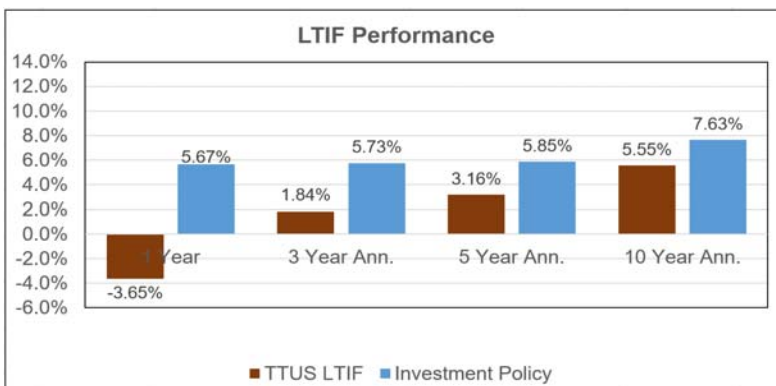
International and emerging market equities also increased last month, with the MSCI EAFE and MSCI EM indexes up 4.4% and 0.8%, respectively. International developed markets experienced a currency tailwind as the dollar weakened relative to local currencies.

Major Index Returns for May:

- S&P 500: 4.8%
- MSCI EAFE Index: 4.4%
- MSCI EM (Emerging Markets): 0.77%
- Barclays US Aggregate Bond Index: 0.44%
- JP Morgan EM Bond Index: 5.74%



Endowment Valuation: \$1.1 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.
- \$559.03 million distributed over last 15 years
- \$55.9 million was distributed in Fiscal Year 2019