



Texas Tech University System

SHORT/INTERMEDIATE TERM INVESTMENT FUND

QUARTERLY REPORT - MAY 31, 2018

FUND PERFORMANCE	3-month	Fiscal YTD	1-year	Inception (Feb 2012)
Short/Intermediate Term Investment Fund Return	0.1 %	1.3 %	2.3 %	1.9 %
Index: SITIF Allocation	0.3	0.9	2.1	1.8

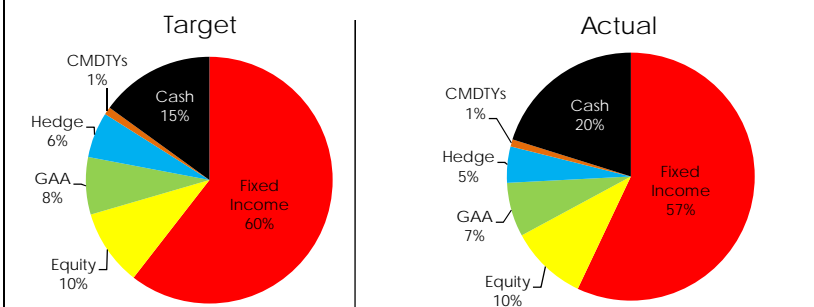
MARKET OVERVIEW

Volatility jumped up in the markets, as the potential trade war between the U.S. and China became the center of attention. Domestic stocks were almost flat for the quarter, at 0.2%, but trade tensions and a stronger dollar pushed MSCI EAFE down (1.8%) and MSCI EM down (5.8%).

The Fed raised rates 25 bps in March, but the yield curve remains flat. Inflation data pushed the 10-year Treasury to 3% in April, but it has since mediated downward slightly. Barclays Aggregate returned 0.6% for the quarter, with emerging markets down (2.2%) due to the stronger dollar. Credit spreads also widened slightly - the high yield index was down slightly at (0.1%).

Commodities were boosted during the quarter by liquid real assets. Oil hit \$80/barrel for the first time since 2014, resulting from strong global demand, OPEC production cuts, and geopolitical instability.

ASSET ALLOCATION FUND ADMINISTRATION



As of May 31, 2018, the balance of the SITIF for Texas Tech University System was \$1.34 billion. During the 3rd fiscal quarter, it had net outflows of \$39 million.

All System non-endowment funds comprise the SITIF. It is invested according to its Board-approved Investment Policy, found [here](#).

Payout is distributed back to member institutions on a monthly basis. For the current quarter, those distributions totaled **\$5.9 million**. For the 12 months ended as of this report, the payout was **1.7%**.

POOL PERFORMANCE

	Market Value	Quarter	Fiscal YTD	1-year	Inception
Cash Pool	\$ 209,276,673	0.3 %	0.7 %	0.9 %	0.2 %
Index: Barclays 1-3 Month T-Bill		0.4	1.0	1.2	0.3
Depository Accounts	\$ 123,744,849				
Government Investment Pools	75,241,448				
Money Market Funds	10,290,376				
Short Term Pool	\$ 522,574,872	0.5 %	0.2 %	0.5 %	0.5 %
Index: BoAML 0-3 yr US Treasury & Agency		0.4	0.1	0.4	0.5
Agencies	\$ 337,405,272				
Treasuries	158,289,281				
Money Market Funds	26,880,319				
Intermediate Term Pool	\$ 606,792,808	(0.4) %	2.1 %	3.9 %	4.1 %
Index: Intermediate Allocation		0.2	1.8	3.9	3.7
Government Investment Pools	\$ 60,569,922				
Fixed Income	241,092,569				
Equity	134,971,635				
Global Asset Allocation (GAA)	94,434,075				
Hedge Fund/Alternatives	63,231,735				
Commodities (CMDTYs)	12,492,872				
Total	\$ 1,338,644,353	0.1 %	1.3 %	2.3 %	1.9 %