

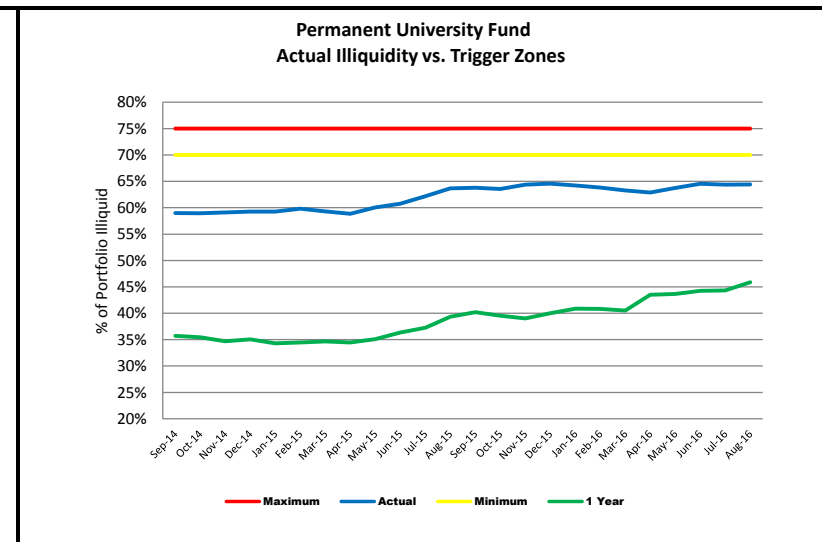
I. PERMANENT UNIVERSITY FUND
Investment Reports for Periods Ended August 31, 2016

Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
More Correlated and Constrained:							
Investment Grade	7.5%	6.5%	4.49%	8.79%	-0.03%	-0.27%	-0.30%
Credit-Related	0.1%	0.0%	17.69%	10.13%	0.00%	0.00%	0.00%
Real Estate	1.6%	2.5%	7.22%	17.33%	-0.04%	-0.23%	-0.27%
Natural Resources	6.3%	7.5%	5.73%	4.61%	-0.12%	0.14%	0.02%
Developed Country	12.4%	14.0%	0.41%	6.68%	-0.04%	-0.85%	-0.89%
Emerging Markets	<u>9.7%</u>	<u>9.5%</u>	<u>12.47%</u>	<u>11.83%</u>	<u>-0.08%</u>	<u>0.01%</u>	<u>-0.07%</u>
Total More Correlated and Constrained	37.6%	40.0%	5.22%	8.82%	-0.31%	-1.20%	-1.51%
Less Correlated and Constrained	26.2%	29.0%	-0.82%	-1.45%	-0.05%	0.30%	0.25%
Private Investments	<u>36.2%</u>	<u>31.0%</u>	<u>6.43%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>3.94%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

n/a - not available

	Summary of Capital Flows		
(\$ millions)	Fiscal Year Ended August 31, 2015	Quarter Ended August 31, 2016	Fiscal Year Ended August 31, 2016
Beginning Net Assets	\$17,365	\$17,432	\$17,490
PUF Lands Receipts	807	150	512
Investment Return (Net of Expenses)	82	685	651
Distributions to AUF	(764)	(387)	(773)
Ending Net Assets	<u>\$17,490</u>	<u>\$17,880</u>	<u>\$17,880</u>

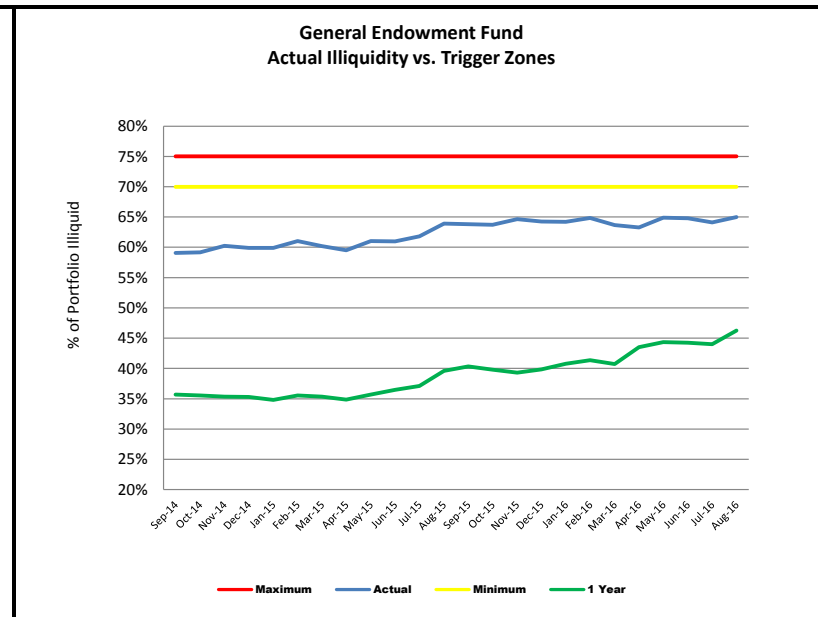


II. GENERAL ENDOWMENT FUND
Investment Reports for Periods Ended August 31, 2016

Prepared in accordance with *Texas Education Code Sec. 51.0032*

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
More Correlated and Constrained:							
Investment Grade	6.7%	6.5%	5.85%	8.79%	-0.01%	-0.18%	-0.19%
Credit-Related	0.1%	0.0%	17.69%	10.13%	0.00%	0.00%	0.00%
Real Estate	1.6%	2.5%	7.27%	17.33%	-0.02%	-0.23%	-0.25%
Natural Resources	6.3%	7.5%	5.78%	4.61%	-0.14%	0.14%	0.00%
Developed Country	12.5%	14.0%	0.61%	6.68%	-0.07%	-0.79%	-0.86%
Emerging Markets	<u>9.8%</u>	<u>9.5%</u>	<u>12.39%</u>	<u>11.83%</u>	<u>-0.05%</u>	<u>0.00%</u>	<u>-0.05%</u>
Total More Correlated and Constrained	37.0%	40.0%	5.56%	8.82%	-0.29%	-1.06%	-1.35%
Less Correlated and Constrained	26.4%	29.0%	-0.82%	-1.45%	-0.06%	0.27%	0.21%
Private Investments	36.6%	31.0%	6.41%	n/a	n/a	n/a	n/a
Total	<u>100.0%</u>	<u>100.0%</u>	<u>4.03%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

	Summary of Capital Flows		
	Fiscal Year Ended August 31, 2015	Quarter Ended August 31, 2016	Fiscal Year Ended August 31, 2016
(\$ millions)			
Beginning Net Assets	\$8,325	\$8,192	\$8,237
Contributions	230	86	361
Withdrawals	(43)	(12)	(21)
Distributions	(366)	(105)	(411)
Investment Return (Net of Expenses)	<u>91</u>	<u>339</u>	<u>334</u>
Ending Net Assets	<u>\$8,237</u>	<u>\$8,500</u>	<u>\$8,500</u>

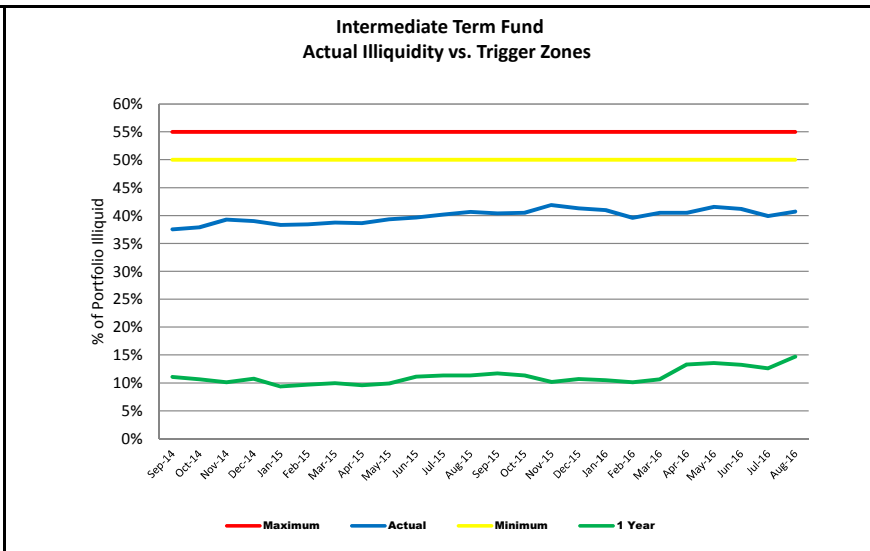


III. INTERMEDIATE TERM FUND
Investment Reports for Periods Ended August 31, 2016

Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date							
	Asset Allocation		Returns		Value Added			Total
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management		
More Correlated and Constrained:								
Investment Grade	30.2%	30.0%	7.38%	8.79%	0.05%	-0.42%	-0.37%	
Credit-Related	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%	
Real Estate	2.6%	3.0%	7.63%	17.33%	-0.02%	-0.25%	-0.27%	
Natural Resources	5.7%	7.0%	5.77%	4.61%	-0.17%	0.11%	-0.06%	
Developed Country	9.2%	9.0%	0.54%	6.68%	0.01%	-0.54%	-0.53%	
Emerging Markets	<u>6.6%</u>	<u>6.0%</u>	<u>12.56%</u>	<u>11.83%</u>	<u>0.03%</u>	<u>0.01%</u>	<u>0.04%</u>	
Total More Correlated and Constrained	54.3%	55.0%	6.79%	9.01%	-0.10%	-1.09%	-1.19%	
Less Correlated and Constrained	45.7%	45.0%	-0.85%	-1.45%	-0.29%	0.51%	0.22%	
Private Investments	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total	<u>100.0%</u>	<u>100.0%</u>	<u>3.27%</u>	<u>4.24%</u>	<u>-0.39%</u>	<u>-0.58%</u>	<u>-0.97%</u>	

(\$ millions)	Summary of Capital Flows		
	Fiscal Year Ended August 31, 2015	Quarter Ended August 31, 2016	Fiscal Year Ended August 31, 2016
Beginning Net Assets	\$6,665	\$7,504	\$7,037
Contributions	1,448	176	1,009
Withdrawals	(627)	(17)	(248)
Distributions	(210)	(57)	(220)
Investment Return (Net of Expenses)	<u>(239)</u>	<u>230</u>	<u>258</u>
Ending Net Assets	<u>\$7,037</u>	<u>\$7,836</u>	<u>\$7,836</u>



IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at August 31, 2016
Report prepared in accordance with *Texas Education Code Sec. 51.0032*

ASSET TYPES	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (DEBT PROCEEDS AND SHORT TERM FUND)		TOTAL	
BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	
Cash & Equivalents:																
Beginning value 05/31/16	1	1	12,181	12,181	63,084	63,084	1,428	1,428	1,091	1,091	77,785	77,785	2,201,424	2,201,424	2,279,209	2,279,209
Increase/(Decrease)	(1)	(1)	(7,505)	(7,504)	(2,750)	(2,750)	1,404	1,404	861	861	(7,991)	(7,990)	246,426	246,426	238,435	238,436
Ending value 08/31/16	-	-	4,676	4,677	60,334	60,334	2,832	2,832	1,952	1,952	69,794	69,795	2,447,850	2,447,850	2,517,644	2,517,645
Debt Securities:																
Beginning value 05/31/16	-	-	7	6	11,441	11,686	9,150	8,737	-	-	20,598	20,429	-	-	20,598	20,429
Increase/(Decrease)	-	-	-	-	(558)	(469)	(100)	27	-	-	(658)	(442)	-	-	(658)	(442)
Ending value 08/31/16	-	-	7	6	10,883	11,217	9,050	8,764	-	-	19,940	19,987	-	-	19,940	19,987
Equity Securities:																
Beginning value 05/31/16	4,175	14,577	609	614	41,875	50,244	12,519	12,329	-	-	59,178	77,764	-	-	59,178	77,764
Increase/(Decrease)	(4,175)	(14,577)	(448)	1,707	7,953	9,392	(387)	114	-	-	2,943	(3,364)	-	-	2,943	(3,364)
Ending value 08/31/16	-	-	161	2,321	49,828	59,636	12,132	12,443	-	-	62,121	74,400	-	-	62,121	74,400
Other:																
Beginning value 05/31/16	-	-	4,895	4,897	-	-	5	5	376	376	5,276	5,278	-	-	5,276	5,278
Increase/(Decrease)	-	-	1,367	1,365	2	2	(2)	(2)	5,040	5,040	6,407	6,405	-	-	6,407	6,405
Ending value 08/31/16	-	-	6,262	6,262	2	2	3	3	5,416	5,416	11,683	11,683	-	-	11,683	11,683
Total Assets:																
Beginning value 05/31/16	4,176	14,578	17,692	17,698	116,400	125,014	23,102	22,499	1,467	1,467	162,837	181,256	2,201,424	2,201,424	2,364,261	2,382,680
Increase/(Decrease)	(4,176)	(14,578)	(6,586)	(4,432)	4,647	6,175	915	1,543	5,901	5,901	701	(5,391)	246,426	246,426	247,127	241,035
Ending value 08/31/16	-	-	11,106	13,266	121,047	131,189	24,017	24,042	7,368	7,368	163,538	175,865	2,447,850	2,447,850	2,611,388	2,623,715

Details of individual assets by account furnished upon request.