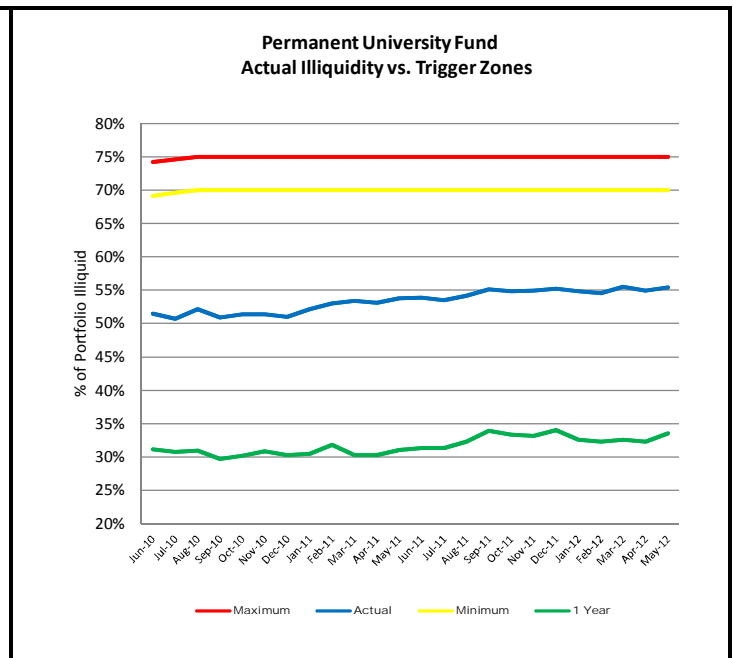
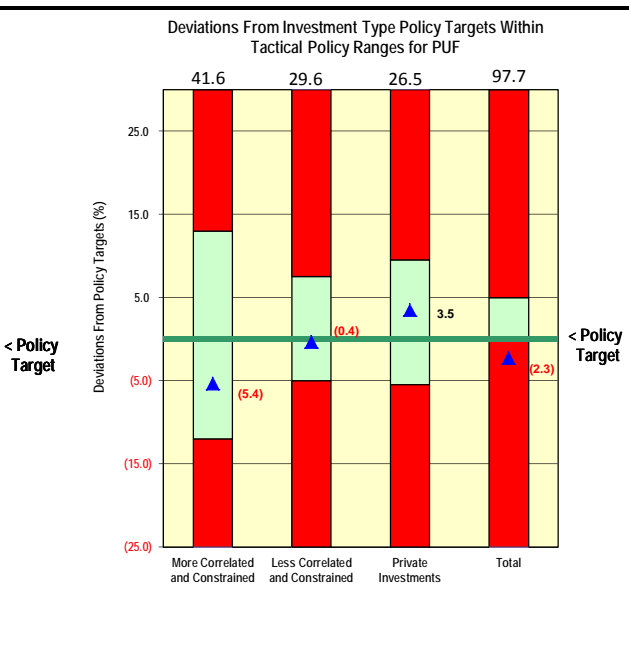
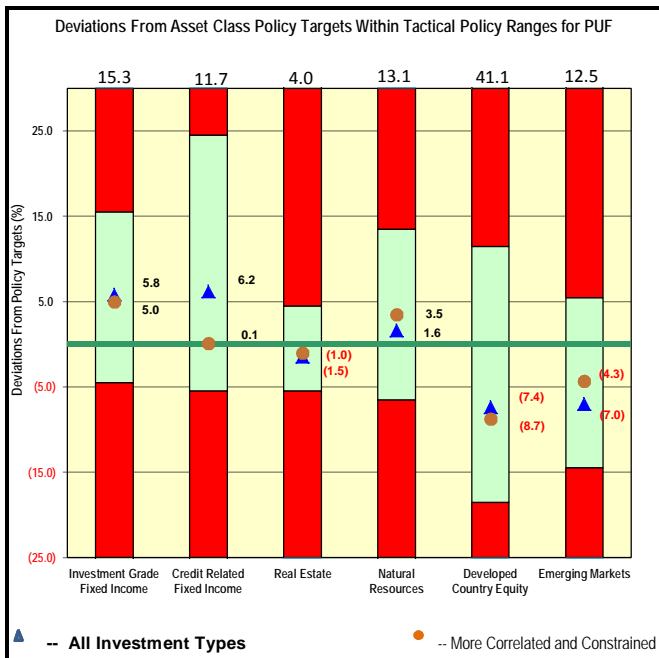


I. PERMANENT UNIVERSITY FUND Investment Reports for Periods Ended May 31, 2012

Prepared in accordance with Texas Education Code Sec. 51.0032

<u>Summary of Capital Flows</u>				
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended May 31, 2012	Fiscal Year to Date May 31, 2012	
Beginning Net Assets	\$ 10,725	\$ 12,971	\$ 12,688	
PUF Lands Receipts	896	214	803	
Investment Return (Net of Expenses)	1,573	(225)	(72)	
Distributions to AUF	(506)	(117)	(576)	
Ending Net Assets	<u>\$ 12,688</u>	<u>\$ 12,843</u>	<u>\$ 12,843</u>	

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
More Correlated and Constrained:					
Investment Grade	-1.38%	-1.09%	0.06%	-0.04%	0.02%
Credit-Related	5.11%	4.93%	0.00%	0.00%	0.00%
Real Estate	-1.84%	1.22%	-0.01%	-0.08%	-0.09%
Natural Resources	-16.40%	-17.69%	-0.79%	0.10%	-0.69%
Developed Country	-0.28%	-0.94%	-0.12%	0.01%	-0.11%
Emerging Markets	-8.92%	-10.74%	0.20%	0.13%	0.33%
Total More Correlated and Constrained	-6.23%	-5.50%	-0.66%	0.12%	-0.54%
Less Correlated and Constrained					
	3.61%	-1.64%	0.18%	1.35%	1.53%
Private Investments					
	5.42%	5.03%	-0.17%	0.33%	0.16%
Total	-0.48%	-1.63%	-0.65%	1.80%	1.15%



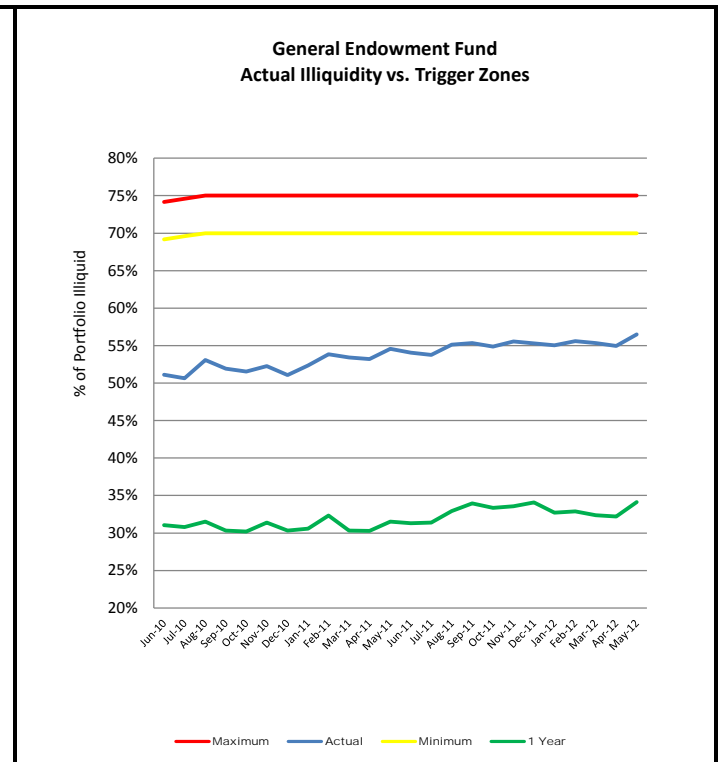
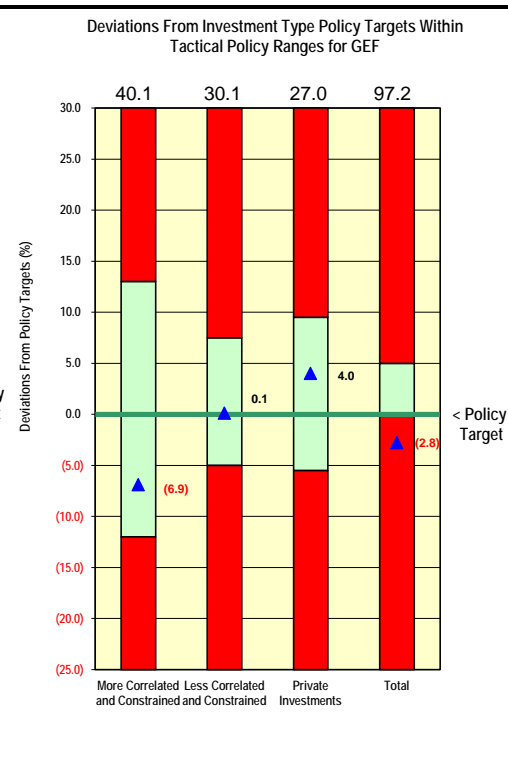
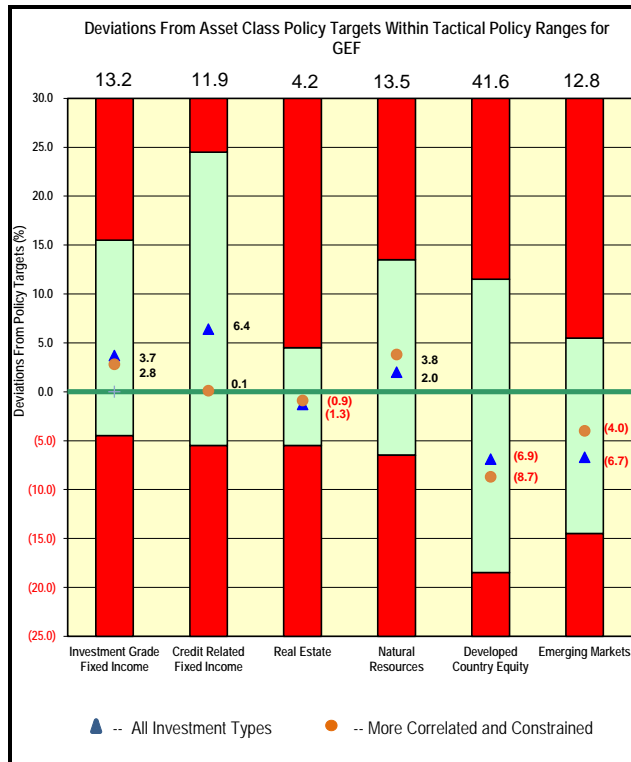
II. GENERAL ENDOWMENT FUND

Investment Reports for Periods Ended May 31, 2012

Prepared in accordance with Texas Education Code Sec. 51.0032

<u>Summary of Capital Flows</u>			
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended May 31, 2012	Fiscal Year to Date May 31, 2012
Beginning Net Assets	\$ 6,035	\$ 7,029	\$ 7,049
Contributions	432	64	134
Withdrawals	(12)	(1)	(5)
Distributions	(327)	(86)	(257)
Investment Return (Net of Expenses)	921	(122)	(37)
Ending Net Assets	<u>\$ 7,049</u>	<u>\$ 6,884</u>	<u>\$ 6,884</u>

	Fiscal Year to Date				
	Returns		Value Added		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
More Correlated and Constrained:					
Investment Grade	-1.15%	-1.09%	0.07%	-0.03%	0.04%
Credit-Related	5.11%	4.93%	0.00%	0.00%	0.00%
Real Estate	-1.83%	1.22%	0.00%	-0.09%	-0.09%
Natural Resources	-16.43%	-17.69%	-0.82%	0.06%	-0.76%
Developed Country	-0.13%	-0.94%	-0.11%	0.07%	-0.04%
Emerging Markets	-8.92%	-10.74%	0.18%	0.14%	0.32%
Total More Correlated and Constrained	-6.32%	-5.50%	-0.68%	0.15%	-0.53%
Less Correlated and Constrained	3.61%	-1.64%	0.17%	1.34%	1.51%
Private Investments	5.42%	5.03%	-0.17%	0.31%	0.14%
Total	-0.51%	-1.63%	-0.68%	1.80%	1.12%

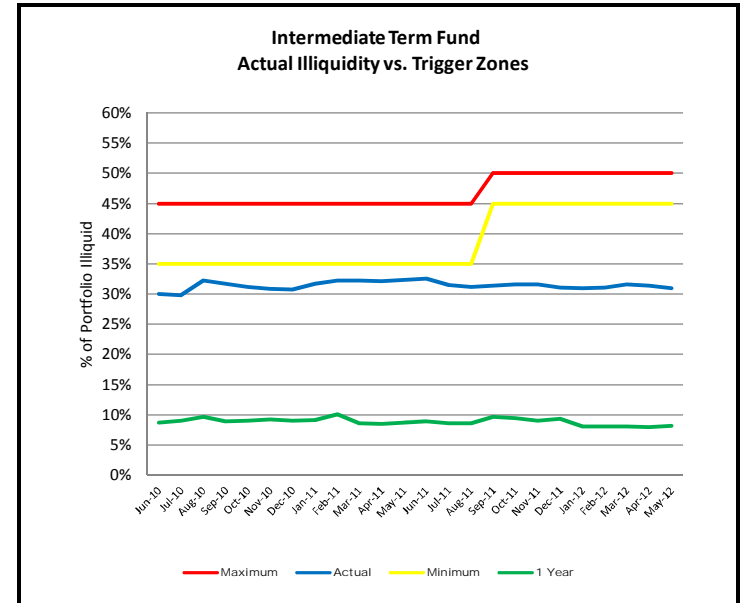
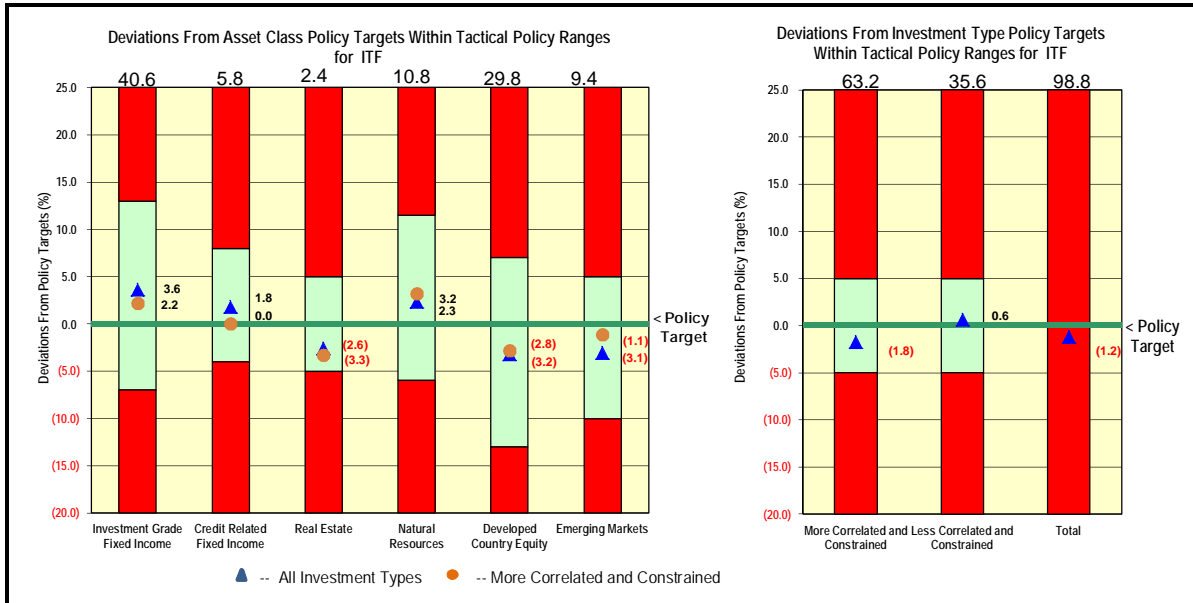


III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended May 31, 2012

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

<u>Summary of Capital Flows</u>			
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended May 31, 2012	Fiscal Year to Date May 31, 2012
Beginning Net Assets	\$ 4,156	\$ 4,826	\$ 4,662
Contributions	328	130	396
Withdrawals	(168)	(26)	(138)
Distributions	(139)	(37)	(106)
Investment Return (Net of Expenses)	485	(148)	(69)
Ending Net Assets	<u>\$ 4,662</u>	<u>\$ 4,745</u>	<u>\$ 4,745</u>

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
More Correlated and Constrained:					
Investment Grade	0.77%	-1.09%	0.03%	0.62%	0.65%
Credit-Related	0.00%	4.93%	0.00%	0.00%	0.00%
Real Estate	-3.31%	1.22%	-0.02%	-0.25%	-0.27%
Natural Resources	-16.99%	-17.69%	-0.75%	0.07%	-0.68%
Developed Country	-0.35%	-0.94%	-0.06%	0.02%	-0.04%
Emerging Markets	-9.18%	-10.74%	-0.01%	0.08%	0.07%
Total More Correlated and Constrained	-3.99%	-3.59%	-0.81%	0.54%	-0.27%
Less Correlated and Constrained	3.60%	-1.64%	0.16%	1.56%	1.72%
Private Investments	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-1.41%	-2.86%	-0.65%	2.10%	1.45%



IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at May 31, 2012
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 02/29/12	-	-	2,188	2,188	65,697	65,697	948	948	4,326	4,326	73,159	73,159	2,261,536	2,261,536	2,334,695	2,334,695
Increase/(Decrease)	-	-	64	64	(4,940)	(4,940)	1,516	1,516	(1,247)	(1,247)	(4,607)	(4,607)	20,799	20,799	16,192	16,192
Ending value 05/31/12	-	-	2,252	2,252	60,757	60,757	2,464	2,464	3,079	3,079	68,552	68,552	2,282,335	2,282,335	2,350,887	2,350,887
Debt Securities:																
Beginning value 02/29/12	-	-	101	101	11,731	12,859	11,744	12,408	-	-	23,576	25,368	49,841	49,607	73,417	74,975
Increase/(Decrease)	-	-	(56)	(56)	(63)	(38)	(3,134)	(3,229)	-	-	(3,253)	(3,323)	-	(100)	(3,253)	(3,423)
Ending value 05/31/12	-	-	45	45	11,668	12,821	8,610	9,179	-	-	20,323	22,045	49,841	49,507	70,164	71,552
Equity Securities:																
Beginning value 02/29/12	460	2,942	1,506	1,457	30,127	34,093	12,823	12,716	-	-	44,916	51,208	-	-	44,916	51,208
Increase/(Decrease)	-	144	(1,309)	(1,265)	(330)	(2,014)	811	403	-	-	(828)	(2,732)	-	-	(828)	(2,732)
Ending value 05/31/12	460	3,086	197	192	29,797	32,079	13,634	13,119	-	-	44,088	48,476	-	-	44,088	48,476
Other:																
Beginning value 02/29/12	-	-	155	155	12	12	438	142	407	407	1,012	716	-	-	1,012	716
Increase/(Decrease)	-	-	107	107	(3)	(3)	13	2	(207)	(207)	(90)	(101)	-	-	(90)	(101)
Ending value 05/31/12	-	-	262	262	9	9	451	144	200	200	922	615	-	-	922	615
Total Assets:																
Beginning value 02/29/12	460	2,942	3,950	3,901	107,567	112,661	25,953	26,214	4,733	4,733	142,663	150,451	2,311,377	2,311,143	2,454,040	2,461,594
Increase/(Decrease)	-	144	(1,194)	(1,150)	(5,336)	(6,995)	(794)	(1,308)	(1,454)	(1,454)	(8,778)	(10,763)	20,799	20,699	12,021	9,936
Ending value 05/31/12	460	3,086	2,756	2,751	102,231	105,666	25,159	24,906	3,279	3,279	133,885	139,688	2,332,176	2,331,842	2,466,061	2,471,530

Details of individual assets by account furnished upon request.