

**Texas Permanent School Fund
Asset Allocation Mix - SBOE
January 31, 2019**

<u>Asset Class</u>	<u>Portfolio</u>	<u>Book Value</u>	<u>Mix</u>	<u>Fair Value</u>	<u>Mix</u>	
Equity	Domestic Small-Mid Cap	\$ 1,151,456,898	4.31%	\$ 1,638,481,016	4.94%	
	Domestic Large Cap	2,063,314,609	7.72%	4,510,308,147	13.60%	
	Total Domestic Equity	<u>3,214,771,507</u>	<u>12.03%</u>	<u>6,148,789,163</u>	<u>18.54%</u>	
	International Equity - Blackrock	4,019,884,346	15.05%	4,994,414,637	15.06%	
	QMA Emerging Market Equity	404,099,888	1.51%	456,474,538	1.38%	
	Navarro Emerging Market Equity	330,737,541	1.24%	469,010,972	1.41%	
	Total Emerging Market Equity	<u>734,837,429</u>	<u>2.75%</u>	<u>925,485,510</u>	<u>2.79%</u>	
	Total Public Market Equity	<u>7,969,493,282</u>	<u>29.83%</u>	<u>12,068,689,310</u>	<u>36.39%</u>	
	Fixed Income	Domestic Fixed Income	4,689,313,756	17.56%	4,591,744,260	13.84%
		Investec Emerging Market Debt	802,006,020	3.00%	797,163,521	2.40%
Ashmore Emerging Market Debt		851,299,178	3.19%	853,832,785	2.57%	
Stone Harbor Emerging Market Debt		802,333,530	3.00%	729,184,084	2.20%	
Total Emerging Market Debt		<u>2,455,638,728</u>	<u>9.19%</u>	<u>2,380,180,390</u>	<u>7.17%</u>	
Total Fixed Income	<u>7,144,952,484</u>	<u>26.75%</u>	<u>6,971,924,650</u>	<u>21.01%</u>		
Absolute Return	Raven 1	800,000,000	3.00%	1,068,603,050	3.22%	
	Raven 2	-	0.00%	-	0.00%	
	Raven 4	600,000,000	2.25%	985,312,276	2.97%	
	Raven 6	353,884,155	1.32%	450,169,961	1.36%	
	Raven 7	412,711,614	1.55%	548,786,151	1.65%	
	Raven 8	398,586,838	1.49%	446,078,146	1.34%	
Total Absolute Return	<u>2,565,182,607</u>	<u>9.61%</u>	<u>3,498,949,584</u>	<u>10.54%</u>		
Private Equity	Columbia NB Crossroads Fund L.P.	262,692,811	0.98%	361,144,485	1.09%	
	Columbia NB Crossroads Fund II L.P.	402,507,334	1.51%	651,038,020	1.96%	
	Columbia NB Crossroads Fund II Tranche C	596,318,866	2.23%	694,595,430	2.09%	
	TPSF NB PE Program	721,125,284	2.70%	918,661,834	2.77%	
	Private Equity Direct	382,411,189	1.43%	399,626,196	1.20%	
	Columbia CS Fund, L.P.	301,713,606	1.13%	417,634,998	1.26%	
Total Private Equity	<u>2,666,769,090</u>	<u>9.98%</u>	<u>3,442,700,963</u>	<u>10.37%</u>		
Real Estate	Direct Real Estate Investments	2,271,028,675	8.50%	2,782,258,813	8.39%	
Total Real Estate	<u>2,271,028,675</u>	<u>8.50%</u>	<u>2,782,258,813</u>	<u>8.39%</u>		
Risk Parity	AQR Capital Management	846,664,411	3.17%	1,177,431,292	3.55%	
	Bridgewater	764,790,629	2.86%	1,144,458,127	3.45%	
	Total Risk Parity Strategies	<u>1,611,455,040</u>	<u>6.03%</u>	<u>2,321,889,419</u>	<u>7.00%</u>	
Real Return	Real Return - TIPS	1,056,323,241	3.95%	1,048,365,539	3.16%	
	Real Return Commodities - Terlingua 1	587,500,000	2.20%	398,671,717	1.20%	
	Real Return Commodities - Terlingua 2	575,000,000	2.15%	381,681,830	1.15%	
	Real Return Commodities - Terlingua 3	165,903,350	0.62%	161,983,081	0.49%	
Total Real Return	<u>2,384,726,591</u>	<u>8.92%</u>	<u>1,990,702,167</u>	<u>6.00%</u>		
Total Unallocated Cash	96,387,563	0.38%	96,387,563	0.30%		
Fund Total	<u>26,709,995,332</u>	<u>100.00%</u>	<u>33,173,502,469</u>	<u>100.00%</u>		

Notes: The asset classes include cash that has been allocated to the investment portfolios.
Exposure includes fair value of funded investments plus unfunded commitments.

Exposure: Total Private Equity Exposure and Percentage of Fund Total Fair Value 5,536,179,481 16.69%
Total Real Estate Exposure and Percentage of Fund Total Fair Value 4,440,296,329 13.39%

Current State Board of Education approved Strategic Asset Allocation Mix (approved June 15, 2018)

Large Cap U.S. Equity	13.00%	Real Estate	10.00%
Small/Mid Cap U.S. Equity	5.00%	Risk Parity	7.00%
Developed and Emerging Market International Large Cap Equity	14.00%	Real Return-Commodities	3.00%
Emerging Market Equity	3.00%	Real Return-TIPS	3.00%
Domestic Investment Grade Fixed Income	12.00%	Absolute Return	10.00%
Emerging Market Debt (LC)	7.00%	Private Equity	13.00%
			<u>100.00%</u>