

# TESTIF

Texas Economic Stabilization Investment Fund

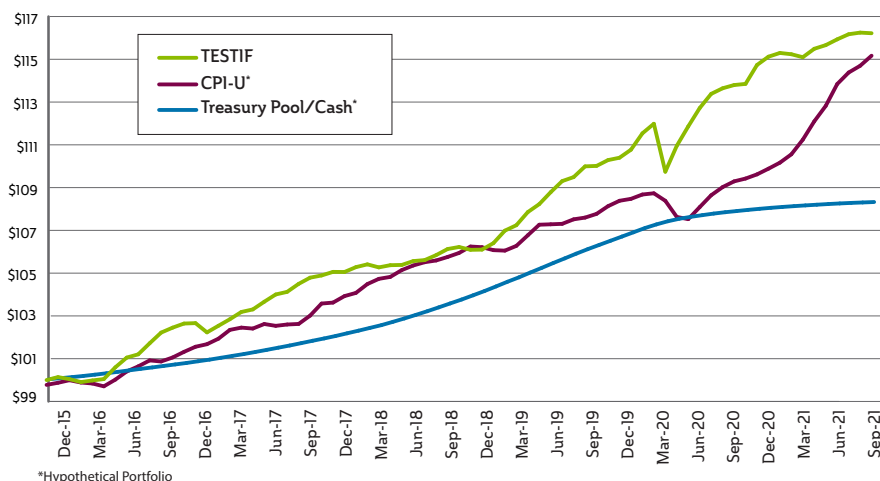
The Texas Economic Stabilization Investment Fund ('the Fund') was created by Section 404.0241 of the Government Code to invest a portion of the Economic Stabilization Fund (ESF) balance for a slightly higher return than the state's operating fund. The Fund has two primary performance objectives: 1) maintaining purchasing power; and 2) delivering returns in excess

of short-term cash equivalents. Maintaining the Fund's purchasing power means achieving net returns over a full market cycle (3-6 years) that exceed inflation. Inflation will be measured using the annualized growth rate of the national Consumer Price Index – Urban (CPI-U) published by the Federal Bureau of Labor Statistics.

## TESTIF Investment Fund

| Strategy           | Target Asset Allocation | 12/31/2015             | 12/31/2016             | 12/31/2017             | 12/31/2018             | 12/31/2019             | 12/31/2020             | 9/30/2021              | %           |
|--------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------|
| Treasury Pool/Cash | 25%                     | \$1,605,554,951        | \$1,225,243,092        | \$1,076,995,987        | \$2,733,236,599        | \$2,745,991,549        | \$4,847,000,017        | \$3,361,580,802        | 39%         |
| Fixed Income       | 65%                     | \$920,414,552          | \$1,704,282,009        | \$1,843,751,481        | \$1,597,347,508        | \$2,773,084,800        | \$3,368,440,160        | \$4,247,136,417        | 50%         |
| Alt. Fixed Income  | 10%                     | \$75,097,642           | \$214,009,452          | \$304,716,125          | \$430,841,868          | \$542,641,370          | \$734,360,553          | \$925,384,012          | 11%         |
| <b>Total</b>       |                         | <b>\$2,601,067,145</b> | <b>\$3,143,534,552</b> | <b>\$3,225,463,594</b> | <b>\$4,761,425,975</b> | <b>\$6,061,717,721</b> | <b>\$8,949,800,730</b> | <b>\$8,534,101,230</b> | <b>100%</b> |

### Hypothetical Growth of \$100 Since Inception (as of 9/30/21)



### ESF Net Inflows/Transfers

|          |                 |
|----------|-----------------|
| 2015     | \$2,600,000,000 |
| 2016     | \$475,000,000   |
| 2017     | N/A             |
| 2018     | \$1,500,000,000 |
| 2019     | \$1,154,000,000 |
| 2020     | \$2,624,610,891 |
| 2021 YTD | \$(500,000,000) |

## Performance Table

|      | Jan   | Feb    | Mar    | Apr   | May   | Jun   | Jul   | Aug   | Sep    | Oct    | Nov    | Dec    | YTD    | Ann. ITD* |
|------|-------|--------|--------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|-----------|
| 2015 |       |        |        |       |       |       |       |       | 0.00%  | 0.14%  | -0.10% | -0.14% | -0.09% |           |
| 2016 | 0.08% | 0.07%  | 0.55%  | 0.46% | 0.15% | 0.51% | 0.49% | 0.23% | 0.19%  | 0.02%  | -0.42% | 0.30%  | 2.64%  |           |
| 2017 | 0.30% | 0.33%  | 0.12%  | 0.35% | 0.33% | 0.12% | 0.36% | 0.28% | 0.10%  | 0.16%  | 0.01%  | 0.22%  | 2.67%  |           |
| 2018 | 0.12% | -0.14% | 0.10%  | 0.01% | 0.17% | 0.04% | 0.22% | 0.27% | 0.09%  | -0.13% | 0.01%  | 0.29%  | 1.07%  |           |
| 2019 | 0.55% | 0.24%  | 0.57%  | 0.35% | 0.52% | 0.48% | 0.17% | 0.46% | 0.02%  | 0.25%  | 0.10%  | 0.34%  | 4.10%  |           |
| 2020 | 0.69% | 0.40%  | -2.0%  | 1.10% | 0.82% | 0.77% | 0.59% | 0.23% | 0.13%  | 0.05%  | 0.78%  | 0.34%  | 3.93%  |           |
| 2021 | 0.15% | -0.05% | -0.12% | 0.34% | 0.16% | 0.23% | 0.21% | 0.07% | -0.03% |        |        |        | 0.96%  | 2.50%     |

\* Annualized Inception-to-Date