

# TESTIF

Texas Economic Stabilization Investment Fund

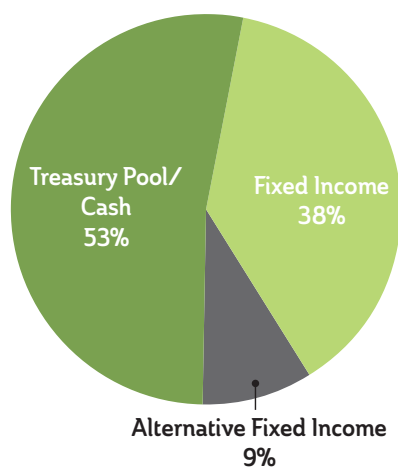
The Texas Economic Stabilization Investment Fund ('the Fund') was created by Section 404.0241 of the Government Code to invest a portion of the Economic Stabilization Fund (ESF) balance for a slightly higher return than the state's operating fund. The Fund has two primary performance objectives: 1) maintaining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

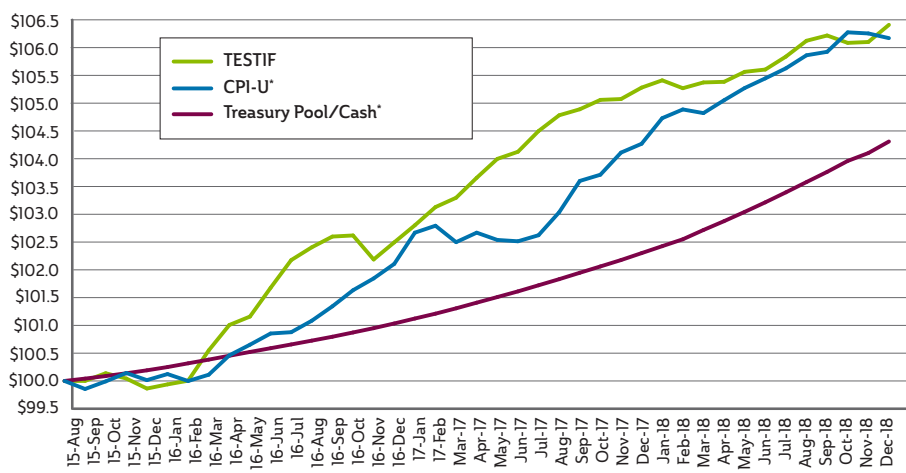
## TESTIF Investment Fund

Strategy	Target Asset Allocation	9/30/2015	12/31/2015	12/31/2016	12/31/2017	3/31/2018	6/30/2018	9/30/2018	12/31/2018
Treasury Pool/Cash	25%	\$1,194,513,946	\$1,605,554,951	\$1,225,243,092	\$1,076,995,987	\$1,062,089,684	\$997,648,762	\$1,274,787,028	\$2,500,746,053
Fixed Income	65%	\$269,569,195	\$920,414,552	\$1,704,282,009	\$1,843,751,481	\$1,856,249,768	\$1,866,822,327	\$1,542,492,755	\$1,829,838,054
Alt. Fixed Income	10%	0	\$75,097,642	\$214,009,452	\$304,716,125	\$309,363,580	\$369,994,557	\$435,346,814	\$430,841,868
ESF Inflows		\$1,464,000,000	\$1,140,000,000	\$475,000,000					\$1,500,000,000
<b>Total</b>		<b>\$1,464,083,141</b>	<b>\$2,601,067,145</b>	<b>\$3,143,534,552</b>	<b>\$3,225,463,594</b>	<b>\$3,227,703,033</b>	<b>\$3,234,465,647</b>	<b>\$3,252,626,597</b>	<b>\$4,761,425,975</b>

Asset Allocation by Strategy  
(as of 12/31/18)



Hypothetical Growth of \$100 Since Inception  
(as of 12/31/18)



\*Hypothetical Portfolio

## Performance Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Ann. ITD	Cumulative ITD
<b>2015</b>									0.00%	0.14%	-0.10%	-0.14%	-0.09%		
<b>2016</b>	0.07%	0.07%	0.55%	0.45%	0.15%	0.51%	0.49%	0.23%	0.19%	0.02%	-0.42%	0.30%	2.61%		
<b>2017</b>	0.30%	0.33%	0.11%	0.35%	0.33%	0.12%	0.36%	0.28%	0.10%	0.16%	0.00%	0.22%	2.64%		
<b>2018</b>	0.12%	-0.13%	0.10%	0.01%	0.17%	0.04%	0.22%	0.27%	0.09%	-0.13%	0.01%	0.29%	1.07%	1.88%	6.40%