

**Texas Permanent School Fund
Asset Allocation Mix - SBOE
July 31, 2018**

<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	\$ 1,026,024,894	3.90%	\$ 1,710,192,786	5.04%
	Domestic Large Cap	2,425,743,273	9.23%	5,699,303,464	16.79%
	Total Domestic Equity	3,451,768,167	13.13%	7,409,496,250	21.83%
	International Equity - Blackrock	4,018,853,382	15.29%	5,364,045,934	15.80%
	QMA Emerging Market Equity	404,099,888	1.54%	474,356,660	1.40%
	Navarro Emerging Market Equity	330,737,541	1.26%	476,453,127	1.40%
	Total Emerging Market Equity	734,837,429	2.80%	950,809,787	2.80%
Total Public Market Equity		8,205,458,978	31.22%	13,724,351,971	40.43%
Fixed Income	Domestic Fixed Income	4,621,417,990	17.58%	4,471,419,680	13.17%
	Investec Emerging Market Debt	784,028,723	2.98%	759,193,071	2.24%
	Ashmore Emerging Market Debt	829,550,141	3.16%	798,473,206	2.35%
	Stone Harbor Emerging Market Debt	801,476,798	3.05%	717,166,407	2.11%
	Total Emerging Market Debt	2,415,055,662	9.19%	2,274,832,684	6.70%
Total Fixed Income		7,036,473,652	26.77%	6,746,252,364	19.87%
Absolute Return	Raven 1	800,000,000	3.04%	1,091,311,565	3.22%
	Raven 2	37,362,180	0.14%	49,563,936	0.15%
	Raven 4	600,000,000	2.28%	968,662,254	2.85%
	Raven 6	353,884,155	1.35%	458,052,291	1.35%
	Raven 7	412,711,614	1.57%	540,705,963	1.59%
	Raven 8	350,502,604	1.33%	401,732,573	1.18%
	Total Absolute Return		2,554,460,553	9.71%	3,510,028,582
Private Equity	Columbia NB Crossroads Fund L.P.	288,165,774	1.10%	404,003,736	1.19%
	Columbia NB Crossroads Fund II L.P.	401,860,711	1.53%	639,087,942	1.88%
	Columbia NB Crossroads Fund II Tranche C	428,685,837	1.63%	453,705,553	1.34%
	TPSF NB PE Program	629,917,308	2.40%	796,476,968	2.35%
	Private Equity Direct	204,030,616	0.78%	203,615,962	0.60%
	Columbia CS Fund, L.P.	339,838,842	1.29%	455,448,574	1.34%
Total Private Equity		2,292,499,088	8.73%	2,952,338,735	8.70%
Real Estate	Direct Real Estate Investments	2,051,991,939	7.80%	2,511,044,236	7.40%
Total Real Estate		2,051,991,939	7.80%	2,511,044,236	7.40%
Risk Parity	AQR Capital Management	846,664,411	3.22%	1,170,732,213	3.45%
	Bridgewater	764,790,629	2.91%	1,149,398,995	3.39%
	Total Risk Parity Strategies	1,611,455,040	6.13%	2,320,131,208	6.84%
Real Return	Real Return - TIPS	1,058,857,961	4.03%	1,041,519,223	3.07%
	Real Return Commodities - Terlingua 1	587,500,000	2.23%	419,527,251	1.24%
	Real Return Commodities - Terlingua 2	575,000,000	2.19%	403,268,135	1.19%
	Real Return Commodities - Terlingua 3	174,790,851	0.66%	169,211,439	0.50%
	Total Real Return	2,396,148,813	9.11%	2,033,526,047	6.00%
Total Unallocated Cash		143,126,300	0.53%	143,126,300	0.42%
Fund Total		26,291,614,362	100.00%	33,940,799,443	100.00%

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 4,672,246,832 13.77%
Total Real Estate Exposure and Percentage of Fund Total Fair Value 3,995,626,843 11.77%

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>