SWIFT

State Water Implementation Fund for Texas

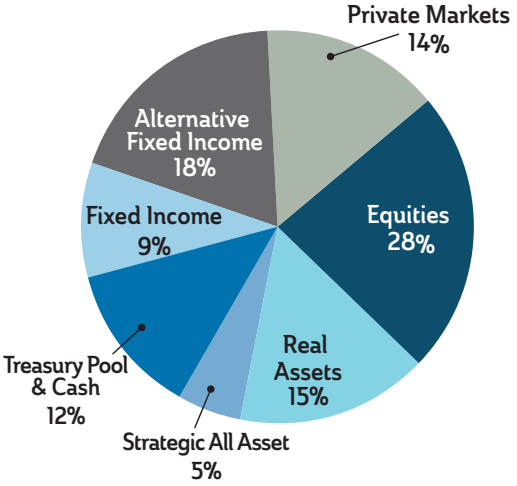
TEXAS TRUST
TEXAS TREASURY SAFEKEEPING TRUST COMPANY
COMPTROLLER GLENN HEGAR, CHAIRMAN

The State Water Implementation Fund for Texas ("SWIFT") was created by the 83rd Texas Legislature, Regular Session, and became effective once voters approved the constitutional amendment to fund the SWIFT with $2 billion from the Economic Stabilization Fund. The creation of the SWIFT and its requirements are set forth in Chapter 15 of the Texas Water Code. Funds in the SWIFT are used to subsidize financing costs for projects included in the State Water Plan developed and implemented by the Texas Water Development Board (TWDB). The balance of the SWIFT is expected to be drawn down over time; however, funds used for financing subsidies will ultimately be repaid to the SWIFT. The investment objective of the SWIFT is to preserve its purchasing power while maintaining sufficient liquidity to meet the needs of the TWDB.

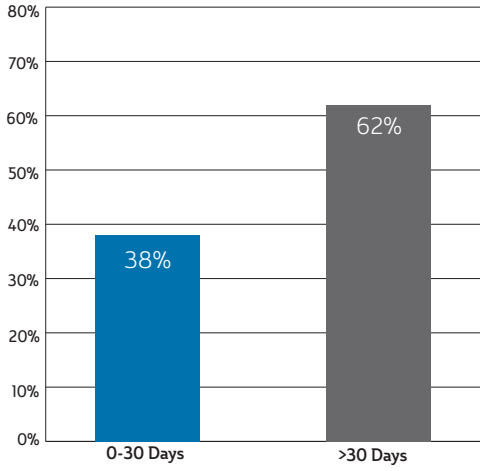
SWIFT Investment Fund

Strategy	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	6/30/18
Treasury Pool/Cash	$2,000,192,549	$265,436,671	$190,640,742	$159,401,583	$237,248,769	$229,733,789
Fixed Income		$1,425,910,734	$755,790,782	$416,141,290	$194,038,602	$164,627,009
Alt. Fixed Income		$211,138,050	$271,749,668	$327,283,036	$332,748,828	$332,348,244
Private Markets		$12,783,070	$91,749,379	$220,374,386	$242,407,900	$252,499,291
Equities		$60,877,850	$475,594,633	$512,915,465	$535,528,782	$509,863,500
Real Assets		$29,512,131	$68,083,054	$209,660,449	$279,900,789	$284,881,839
Strategic All Asset				$51,762,876	$90,668,574	$93,480,326
TOTAL	$2,000,192,549	$2,005,658,506	$1,853,608,258	$1,897,539,084	$1,912,542,245	$1,867,433,997

Asset Allocation by Strategy
(as of 6/30/18)



Liquidity
(as of 6/30/18)



SWIFT Distributions

- 10/2015 – $108MM
- 10/2016 – $75MM
- 10/2017 – $133MM
- 05/2018 – $89 MM

Performance Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013												0.0%	**0.0%**
2014	0.0%	0.1%	0.2%	0.1%	0.4%	0.3%	-0.1%	0.3%	-0.5%	0.0%	0.1%	-0.6%	**0.3%**
2015	0.3%	0.9%	-0.1%	0.4%	0.2%	-0.7%	-0.1%	-1.3%	-1.3%	1.0%	-0.4%	-1.1%	**-2.2%**
2016	-1.3%	-0.4%	1.8%	1.2%	0.8%	0.1%	1.5%	0.8%	0.5%	0.0%	0.4%	1.1%	**6.6%**
2017	0.8%	1.0%	0.6%	0.8%	0.9%	0.1%	0.7%	0.6%	0.7%	0.8%	0.5%	0.4%	**8.1%**
2018	1.2%	-0.3%	0.1%	0.6%	0.5%	0.4%							**2.4%**