

TESTIF

Texas Economic Stabilization Investment Fund

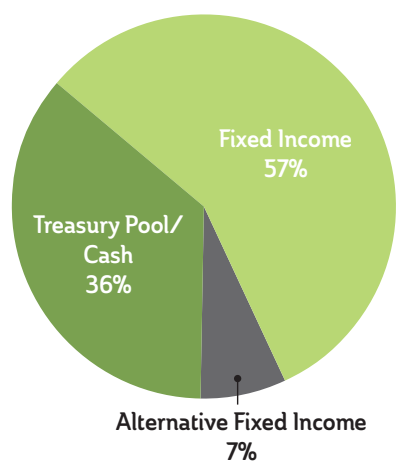
The Texas Economic Stabilization Investment Fund was created by Section 404.0241 of the Government Code to invest a portion of the Economic Stabilization Fund (ESF) balance for a slightly higher return than the state's operating fund. The fund has two primary performance objectives: 1) maintaining purchasing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

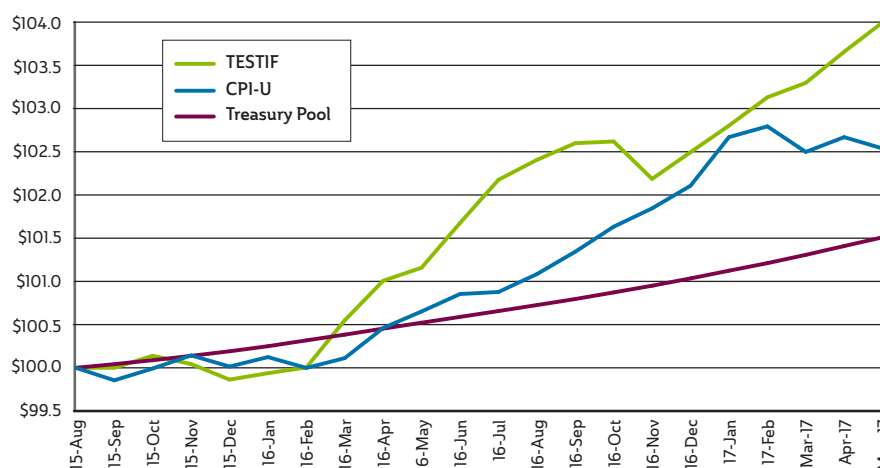
TESTIF Investment Fund

Strategy	Target Asset Allocation	9/30/2015	12/31/2015	12/31/2016	3/31/2017	4/30/2017	5/31/2017
Treasury Pool/Cash	25%	\$1,194,513,946	\$1,605,554,951	\$1,225,243,092	\$1,138,697,106	\$1,135,021,383	\$1,136,357,514
Fixed Income	65%	\$269,569,195	\$920,414,552	\$1,704,282,009	\$1,810,025,332	\$1,817,276,666	\$1,824,954,427
Alt. Fixed Income	10%	0	\$75,097,642	\$214,009,452	\$217,742,560	\$225,032,295	\$226,255,051
ESF Inflows		\$1,464,000,000	\$1,140,000,000	\$475,000,000			
Total		\$1,464,083,141	\$2,601,067,145	\$3,143,534,552	\$3,166,464,998	\$3,177,330,345	\$3,187,566,992

Asset Allocation by Strategy
(as of 5/31/17)



Hypothetical Growth of \$100 Since Inception
(as of 5/31/17)



Performance Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Ann. ITD	Cumulative ITD
2015									0.01%	0.14%	-0.10%	-0.18%	-0.14%		
2016	0.07%	0.07%	0.55%	0.45%	0.15%	0.51%	0.49%	0.23%	0.19%	0.02%	-0.42%	0.30%	2.63%		
2017	0.30%	0.33%	0.11%	0.35%	0.33%								1.43%	2.27%	4.00%