

**Texas Permanent School Fund  
Asset Allocation Mix - SBOE  
November 30, 2015**

<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	\$ 1,197,572,397	4.94%	\$ 1,863,289,998	6.39%
	Domestic Large Cap	3,491,090,401	14.40%	6,593,520,927	22.61%
	Total Domestic Equity	4,688,662,798	19.34%	8,456,810,925	29.00%
	International Equity - Blackrock	4,009,436,799	16.54%	4,602,289,711	15.78%
	QMA Emerging Market Equity	450,000,000	1.86%	380,360,892	1.30%
	Total Emerging Market Equity	450,000,000	1.86%	380,360,892	1.30%
Total Public Market Equity		9,148,099,597	37.74%	13,439,461,528	46.08%
Fixed Income	Domestic Fixed Income	3,872,721,598	15.97%	3,851,809,667	13.21%
	Investec Emerging Market Debt	747,651,003	3.08%	612,598,188	2.10%
	Ashmore Emerging Market Debt	714,123,038	2.95%	560,589,958	1.92%
	Stone Harbor Emerging Market Debt	735,063,635	3.03%	567,489,263	1.95%
	Total Emerging Market Debt	2,196,837,676	9.06%	1,740,677,409	5.97%
Total Fixed Income		6,069,559,274	25.03%	5,592,487,076	19.18%
Absolute Return	Raven 1	800,000,000	3.30%	964,938,180	3.31%
	Raven 2	318,000,000	1.31%	384,366,968	1.32%
	Raven 4	600,000,000	2.47%	861,499,032	2.95%
	Raven 6	354,634,155	1.46%	415,829,039	1.43%
	Raven 7	411,961,614	1.70%	470,550,091	1.61%
Total Absolute Return		2,484,595,769	10.24%	3,097,183,310	10.62%
Private Equity	Columbia NB Crossroads Fund L.P.	398,748,511	1.64%	541,893,842	1.86%
	Columbia NB Crossroads Fund II L.P.	271,814,745	1.12%	294,773,238	1.01%
	TPSF NB PE Program	156,829,690	0.65%	179,818,771	0.62%
	Columbia CS Fund, L.P.	408,980,929	1.69%	524,239,224	1.80%
Total Private Equity		1,236,373,875	5.10%	1,540,725,075	5.29%
Real Estate	Direct Real Estate Investments	1,589,223,409	6.56%	1,909,760,565	6.55%
Total Real Estate		1,589,223,409	6.56%	1,909,760,565	6.55%
Risk Parity	AQR Capital Management	821,664,411	3.39%	932,168,122	3.20%
	Bridgewater	739,790,629	3.05%	936,514,199	3.21%
	Total Risk Parity Strategies	1,561,455,040	6.44%	1,868,682,321	6.41%
Real Return	Real Return - TIPS	904,543,301	3.73%	883,171,251	3.03%
	Real Return Commodities - Terlingua 1	535,000,000	2.21%	329,568,479	1.13%
	Real Return Commodities - Terlingua 2	557,500,000	2.30%	340,183,843	1.17%
	Total Real Return	1,997,043,301	8.24%	1,552,923,573	5.33%
Total Unallocated Cash		157,635,439	0.65%	157,635,439	0.54%
Fund Total		24,243,985,704	100.00%	29,158,858,887	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 2,585,054,623 8.87%  
Total Real Estate Exposure and Percentage of Fund Total Fair Value 2,743,906,509 9.41%

Current State Board of Education approved Strategic Asset Allocation Mix (approved July 18, 2014)

Large Cap U.S. Equity	16.00%	Real Estate	8.00%
Small/Mid Cap U.S. Equity	5.00%	Risk Parity	7.00%
Developed and Emerging Market International Lar	16.00%	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	10.00%
			<u>100.00%</u>