Texas Permanent School Fund
Asset Allocation Mix
May 31, 2012

Asset Class	Book Value	Mix	Fair Value	Mix
Equity				
Domestic Small-Mid Cap	$ 1,570,326,884	7.214%	$ 1,950,383,312	7.993%
Domestic Large Cap	5,526,735,540	25.389%	7,185,193,663	29.446%
Total Domestic Equity	7,097,062,424	32.603%	9,135,576,975	37.439%
International Equity	3,812,610,645	17.515%	3,791,374,460	15.538%
Total Public Market Equity	10,909,673,069	50.118%	12,926,951,435	52.977%
Fixed Income				
Domestic Fixed Income	5,040,736,664	23.157%	5,336,369,218	21.870%
Total Fixed Income	5,040,736,664	23.157%	5,336,369,218	21.870%
Alternative Investments				
Absolute Return				
Raven 1	800,000,000	3.675%	795,176,470	3.259%
Raven 2	318,000,000	1.461%	330,195,684	1.353%
Raven 3	400,000,000	1.838%	392,208,193	1.607%
Raven 4	600,000,000	2.756%	666,748,876	2.732%
Raven 5	341,852,904	1.570%	326,907,231	1.340%
Total Absolute Return	2,459,852,904	11.300%	2,511,236,454	10.291%
Private Equity				
Columbia NB Crossroads Fund L.P.	201,235,794	0.924%	227,519,069	0.932%
Columbia CS Fund, L.P.	152,026,719	0.698%	155,636,355	0.638%
Total Private Equity	353,262,513	1.622%	383,155,424	1.570%
Real Estate				
Summary of RE Investments	543,120,526	2.495%	578,684,421	2.372%
Total Real Estate	543,120,526	2.495%	578,684,421	2.372%
Risk Parity				
AQR Capital Management	900,000,000	4.135%	919,122,468	3.767%
Bridgewater	807,540,104	3.710%	953,564,996	3.908%
Total Risk Parity Strategies	1,707,540,104	7.845%	1,872,687,464	7.675%
Real Return				
Real Return - TIPS	711,607,481	3.269%	749,555,049	3.072%
Total Real Return	711,607,481	3.269%	749,555,049	3.072%
Total Alternative Assets	5,775,383,528	26.531%	6,095,318,812	24.980%
Total Unallocated Cash	42,227,646	0.194%	42,227,646	0.173%
Fund Total	21,768,020,907	100.000%	24,400,867,111	100.000%

Notes: The asset classes include cash that has been allocated to the investment portfolios.

On July 23, 2010, the State Board of Education re-approved a revised long-term asset allocation which will be Implemented over several years. The asset allocation was adjusted to remove the charter school allocation by the SBOE on September 16, 2011.

Domestic Large Cap Equity	21.000%
Domestic Small/Mid Cap Equity	7.000%
Developed and Emerging Market Large Cap Equity	18.000%
International Small/Mid Cap Equity	4.000%
Core Fixed Income	15.000%
Real Estate	6.000%
Risk Parity	7.000%
Real Return	6.000%
Absolute Return	10.000%
Private Equity	6.000%
	100.000%