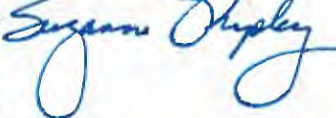




**Office of the President**  
3410 Taft Boulevard Wichita Falls, Texas 76308-2099  
o 940.397.4211 f 940.397.4010

**To:** MSU Board of Regents  
Mr. Shawn Hessing, Chair  
Mr. Michael Bernhardt  
Mr. J. Kenneth Bryant  
Mrs. Tiffany Burks  
Mr. R. Caven Crosnoe  
Dr. Lynwood Givens  
Mr. Jeff Gregg  
Ms. Nancy Marks  
Mr. Samuel M. Sanchez  
Ms. Megan Piehler, Student Regent

**From:** Suzanne Shipley   
President

**Date:** October 21, 2015

**Subject:** Quarterly Investment Reports

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Attached are the Quarterly Investment Reports for the fourth quarter ended August 31, 2015.  
Please feel free to contact me if you have any questions.

enclosures  
SS/rr

C: Debbie Barrow



**Business Affairs and Finance**  
3410 Taft Boulevard Wichita Falls, Texas 76308-2099  
o 940.397.4117 f 940.397.4302

October 19, 2015

TO: The Board of Regents of Midwestern State University, and  
Dr. Suzanne Shipley, President

SUBJECT: Quarterly Investment Reports

Attached are the quarterly investment reports for the fourth quarter ended August 31, 2015, as required by the amended Public Funds Investment Act.

The investment portfolio is in compliance with Midwestern State University's investment policies. The portfolio is in compliance with the provisions of the Public Funds Investment Act as amended by the 82<sup>nd</sup> Legislature. (HB 2226)

Chris Stovall  
Controller

Dr. Marilyn Fowle'  
Vice President, Business Affairs  
and Finance

**Midwestern State University  
Wichita Falls, Texas**

**Quarterly Investment Report  
(Unaudited)  
For the Fourth Quarter Ended August 31, 2015**

Unaudited

**Midwestern State University  
Summary of Investments  
(Pooled Investments)  
At August 31, 2015**

|  | <u>Book<br/>Value</u>      | <u>%</u>              | <u>Market<br/>Value</u>    | <u>%</u>              |
|--|----------------------------|-----------------------|----------------------------|-----------------------|
| <b>Long-term Securities:</b>               |                            |                       |                            |                       |
| <b>Equity Securities:</b>                  |                            |                       |                            |                       |
| U.S. Common Stock                          | <u>\$70,260</u>            | <u>0.19%</u>          | <u>\$175,048</u>           | <u>0.47%</u>          |
| <b>Debt Securities:</b>                    |                            |                       |                            |                       |
| U.S. Government Agencies (Non-Guaranteed): |                            |                       |                            |                       |
| Mortgage-Backed                            | 50                         | 0.00%                 | 51                         | 0.00%                 |
| Other                                      | <u>2,094,509</u>           | <u>5.56%</u>          | <u>2,072,048</u>           | <u>5.53%</u>          |
| Total U.S. Government Agencies             | <u>2,094,559</u>           | <u>5.56%</u>          | <u>2,072,099</u>           | <u>5.53%</u>          |
| <b>Long-term Investment Pools</b>          |                            |                       |                            |                       |
| Texas A&M System Investment Pool           | <u>22,989,453</u>          | <u>61.02%</u>         | <u>22,719,067</u>          | <u>60.61%</u>         |
| <b>Total Long-term Securities</b>          | <u>25,154,271</u>          | <u>66.77%</u>         | <u>24,966,214</u>          | <u>66.60%</u>         |
| <b>Short-term Securities:</b>              |                            |                       |                            |                       |
| TexPool                                    | 501,724                    | 1.33%                 | 501,724                    | 1.34%                 |
| Logic                                      | 505,119                    | 1.34%                 | 505,119                    | 1.35%                 |
| Wells Fargo MM Savings                     | <u>7,003,677</u>           | <u>18.59%</u>         | <u>7,003,677</u>           | <u>18.68%</u>         |
| <b>Total Short-term Securities</b>         | <u>8,010,520</u>           | <u>21.26%</u>         | <u>8,010,520</u>           | <u>21.37%</u>         |
| <b>Total Investment Assets</b>             | <u>33,164,791</u>          | <u>88.03%</u>         | <u>32,976,734</u>          | <u>87.97%</u>         |
| <b>Cash and Cash Equivalents:</b>          |                            |                       |                            |                       |
| Cash Held at State Treasury                | <u>4,509,000</u>           | <u>11.97%</u>         | <u>4,509,000</u>           | <u>12.03%</u>         |
| <b>Total Cash and Cash Equivalents</b>     |                            |                       |                            |                       |
| <b>Total Cash and Investments</b>          | <u><u>\$37,673,791</u></u> | <u><u>100.00%</u></u> | <u><u>\$37,485,733</u></u> | <u><u>100.00%</u></u> |
| <b>Total Rate of Return</b>                | 2.91%                      |                       |                            |                       |

Unaudited

**Midwestern State University**  
**Statement of Changes in Investment Assets**  
**(Pooled Investments)**  
**For the Fourth Quarter Ended August 31, 2015**

|   | <b><u>Book</u></b><br><b><u>Value</u></b> | <b><u>Market</u></b><br><b><u>Value</u></b> |
|---|---|---|
| <b>Investment Assets - 05-31-15</b>                   | \$29,724,530                              | \$31,011,427                                |
| Principal Payments received                           | (6,014,712)                               | (6,014,712)                                 |
| Investment Income                                     | 467,478                                   | 467,478                                     |
| Realized Gain (Loss)                                  |   |   |
| Distributions and Other                               | (12,505)                                  | (12,505)                                    |
| Securities Purchased                                  | 9,000,000                                 | 9,000,000                                   |
| Changes in Net Unrealized Appreciation/(Depreciation) | <u>                    </u>               | <u>(1,474,953)</u>                          |
| <b>Investment Assets - 08-31-15</b>                   | <b><u><u>\$33,164,791</u></u></b>         | <b><u><u>\$32,976,734</u></u></b>           |

Unaudited

**Midwestern State University**  
**Summary of Investments**  
**(MSU Endowments at American Natl. Bank Trust Dept.)**  
**At August 31, 2015**

|  | <u>Book</u><br><u>Value</u> | <u>%</u>       | <u>Market</u><br><u>Value</u> | <u>%</u>       |
|--|-----------------------------|----------------|-------------------------------|----------------|
| <b>Long-term Securities:</b>           |                             |                |                               |                |
| <b>Equity Securities:</b>              |                             |                |                               |                |
| Common Stock, Mutual Funds and ETFs    | \$4,098,712                 | 55.36%         | \$4,747,660                   | 58.33%         |
| <b>Total Equity Securities</b>         | <u>4,098,712</u>            | <u>55.36%</u>  | <u>4,747,660</u>              | <u>58.33%</u>  |
| <b>Other Securities:</b>               |                             |                |                               |                |
| U.S. Government Agencies               | 15,871                      | 0.21%          | 16,556                        | 0.20%          |
| Corporate Bonds & Notes                | 2,473,207                   | 33.40%         | 2,509,823                     | 30.84%         |
| Real Estate Investment Trusts (REIT)   | 247,039                     | 3.34%          | 296,053                       | 3.64%          |
| <b>Total Fixed Income Securities</b>   | <u>2,736,118</u>            | <u>36.95%</u>  | <u>2,822,431</u>              | <u>31.04%</u>  |
| <b>Total Long-term Securities</b>      | <u>6,834,830</u>            | <u>92.31%</u>  | <u>7,570,091</u>              | <u>93.01%</u>  |
| <b>Cash and Cash Equivalents:</b>      |                             |                |                               |                |
| U.S. Dollars                           | 0                           | 0.00%          | 0                             | 0.00%          |
| Goldman Sachs - Cash Equivalent        | 569,336                     | 7.69%          | 569,336                       | 6.99%          |
| <b>Total Cash and Cash Equivalents</b> | <u>569,336</u>              | <u>7.69%</u>   | <u>569,336</u>                | <u>6.99%</u>   |
| <b>Total Cash and Investments</b>      | <u>\$7,404,166</u>          | <u>100.00%</u> | <u>\$8,139,428</u>            | <u>100.00%</u> |

Unaudited

**Midwestern State University**  
**Statement of Changes in Investment Assets**  
**(MSU Endowments at American Natl. Bank Trust Dept.)**  
**For the Fourth Quarter Ended August 31, 2015**

|   | <b><u>Book</u></b><br><b><u>Value</u></b> | <b><u>Market</u></b><br><b><u>Value</u></b> |
|---|---|---|
| <b>Investment Assets - 05-31-15</b>                   | \$7,375,483                               | \$8,876,178                                 |
| Principal Payments Received                           | (1,626,725)                               | (1,626,725)                                 |
| Investment Income                                     | 58,200                                    | 58,200                                      |
| Realized Gain (Loss)                                  | 232,580                                   | 232,580                                     |
| Management Fees                                       | (10,475)                                  | (10,475)                                    |
| Distributions and Other                               | (251,622)                                 | (251,622)                                   |
| Securities Purchased                                  | 1,626,725                                 | 1,626,725                                   |
| Changes in Net Unrealized Appreciation/(Depreciation) | <u>                    </u>               | <u>(765,433)</u>                            |
| <b>Investment Assets - 08-31-15</b>                   | <u><u>\$7,404,166</u></u>                 | <u><u>\$8,139,428</u></u>                   |

Unaudited

**Midwestern State University**  
**Summary of Investments**  
**(MSU Endowments Invested with the Texas A&M University System)**  
**At August 31, 2015**

|                                    | <u>Book</u><br><u>Value</u> | <u>%</u>           | <u>Market</u><br><u>Value</u> | <u>%</u>           |
|------------------------------------|-----------------------------|--------------------|-------------------------------|--------------------|
| <b>Long-term Investment Pools:</b> |                             |                    |                               |                    |
| Texas A&M System Endowment Pool    | \$389,092                   | 100.00%            | \$381,335                     | 100.00%            |
| <b>Total Long-term Investments</b> | <u>389,092</u>              | <u>100.00%</u>     | <u>381,335</u>                | <u>100.00%</u>     |
| <br><b>Total Investments</b>       | <br><u>\$389,092</u>        | <br><u>100.00%</u> | <br><u>\$381,335</u>          | <br><u>100.00%</u> |

Unaudited

**Midwestern State University**  
**Statement of Changes in Investment Assets**  
**(MSU Endowments Invested with the Texas A&M University System)**  
**For the Fourth Quarter Ended August 31, 2015**

|   | <b><u>Book</u></b><br><b><u>Value</u></b> | <b><u>Market</u></b><br><b><u>Value</u></b> |
|---|---|---|
| <b>Investment Assets - 05-31-15</b>                   | \$389,092                                 | \$395,342                                   |
| Principal Payments Received                           |   |   |
| Investment Income                                     | 4,155                                     | 4,155                                       |
| Realized Gain (Loss)                                  |   |   |
| Management Fees                                       | (133)                                     | (133)                                       |
| Distributions and Other                               | (4,022)                                   | (4,022)                                     |
| Securities Purchased and Funds Transferred            |   | -   |
| Changes in Net Unrealized Appreciation/(Depreciation) | <u>                    </u>               | <u>(14,007)</u>                             |
| <b>Investment Assets - 08-31-15</b>                   | <u><u>\$389,092</u></u>                   | <u><u>\$381,335</u></u>                     |

Unaudited

**Midwestern State University**  
**Summary of Investments**  
**(Redwine Quasi-Endowment Invested with the Texas A&M University System)**  
**At August 31, 2015**

|                                    | <u>Book</u><br><u>Value</u>    | <u>%</u>                  | <u>Market</u><br><u>Value</u>  | <u>%</u>                  |
|------------------------------------|--------------------------------|---------------------------|--------------------------------|---------------------------|
| <b>Long-term Investment Pools:</b> |                                |                           |                                |                           |
| Texas A&M System Endowment Pool    | <u>\$11,516,586</u>            | <u>100.00%</u>            | <u>\$11,318,098</u>            | <u>100.00%</u>            |
| <b>Total Long-term Investments</b> | <u>11,516,586</u>              | <u>100.00%</u>            | <u>11,318,098</u>              | <u>100.00%</u>            |
| <br><b>Total Investments</b>       | <br><u><u>\$11,516,586</u></u> | <br><u><u>100.00%</u></u> | <br><u><u>\$11,318,098</u></u> | <br><u><u>100.00%</u></u> |

Unaudited

**Midwestern State University**  
**Statement of Changes in Investment Assets**  
**(Redwine Quasi-Endowment Invested with the Texas A&M University System)**  
**For the Fourth Quarter Ended August 31, 2015**

|   | <b><u>Book</u></b><br><b><u>Value</u></b> | <b><u>Market</u></b><br><b><u>Value</u></b> |
|---|---|---|
| <b>Investment Assets - 05-31-15</b>                   | \$11,516,586                              | \$11,733,826                                |
| Principal Payments Received                           |   |   |
| Investment Income                                     | 123,326                                   | 123,326                                     |
| Realized Gain (Loss)                                  |   | -   |
| Management Fees                                       | (4,290)                                   | (4,290)                                     |
| Distributions and Other                               | (119,036)                                 | (119,036)                                   |
| Securities Purchased and Funds Transferred            |   |   |
| Changes in Net Unrealized Appreciation/(Depreciation) | <u>                    </u>               | <u>(415,728)</u>                            |
| <b>Investment Assets - 08-31-15</b>                   | <u><u>\$11,516,586</u></u>                | <u><u>\$11,318,098</u></u>                  |

**INVESTMENT PORTFOLIO SUMMARY**  
**"POOLED" INVESTMENTS**  
**FOR THE FOURTH QUARTER ENDED AUGUST 31, 2015**

|  | <u>Coupon</u> | <u>Stated Maturity</u> | <u>Book Value 05-31-15</u> | <u>Market Value 05-31-15</u> | <u>Unrealized Gain (Loss)</u> | <u>Purchases</u>      | <u>Principal Payments Received/ Matured</u> | <u>Realized Gain (Loss)</u> | <u>Interest/ Dividends Earned For the Qtr.</u> | <u>Amortization/ Accretion of Prem./Disc.</u> | <u>Book Value 08-31-15</u> | <u>Market Value 08-31-15</u> | <u>Unrealized Gain (Loss)</u> |
|--|---------------|------------------------|----------------------------|------------------------------|-------------------------------|-----------------------|---|-----------------------------|--|---|----------------------------|------------------------------|-------------------------------|
| <b>U.S. Government Agencies:</b>                   |               |                        |                            |                              |                               |                       |   |                             |  |   |                            |                              |                               |
| FHLM Collateralized Mortgage                       | 4.81          | 08-20-15               | \$14,709.47                | \$14,808.84                  | \$99.37                       |                       | \$14,695.55                                 |                             | \$146.75                                       | (\$13.92)                                     |                            |                              |                               |
| FNMA Fixed Note - callable                         | 1.50          | 11-27-20               | 595,442.18                 | 585,962.40                   | (9,479.78)                    |                       |   |                             | 2,250.00                                       | 194.59  | \$595,636.77               | \$587,538.00                 | (\$8,098.77)                  |
| FNMA Step Up                                       | 2.00          | 07-16-21               | 499,811.93                 | 491,191.00                   | (8,620.93)                    |                       |   |                             | 2,500.00                                       | 7.48  | 499,819.41                 | 498,300.00                   | (1,519.41)                    |
| FNMA   | 2.25-6.5      | 09-27-27               | 499,651.67                 | 476,892.50                   | (22,759.17)                   |                       |   |                             | 2,812.50                                       | 37.50   | 499,689.17                 | 496,607.50                   | (3,081.67)                    |
| FHLMC  | 3.00          | 09-28-27               | 499,352.29                 | 480,024.50                   | (19,327.79)                   |                       |   |                             | 3,750.00                                       | 11.67   | 499,363.96                 | 489,602.00                   | (9,761.96)                    |
| <b>Total Agency Notes</b>                          |               |                        | <u>2,108,967.54</u>        | <u>2,048,879.24</u>          | <u>(60,088.30)</u>            |                       | <u>14,695.55</u>                            |                             | <u>11,459.25</u>                               | <u>237.32</u>                                 | <u>2,094,509.31</u>        | <u>2,072,047.50</u>          | <u>(22,461.81)</u>            |
| <b>U.S. Government Mortgage Backed Securities:</b> |               |                        |                            |                              |                               |                       |   |                             |  |   |                            |                              |                               |
| FHLMC Pool #170177                                 | 9.500         | 07-01-16               | 22.35                      | 23.40                        | 1.05                          |                       | 5.74  |                             | 0.43   | 0.24  | 16.85                      | 17.51                        | 0.66                          |
| FHLMC Pool #170177                                 | 9.500         | 07-01-16               | 43.34                      | 45.28                        | 1.94                          |                       | 11.08                                       |                             | 0.85   | 0.45  | 32.71                      | 33.90                        | 1.19                          |
| <b>Total Mortgage-Backed</b>                       |               |                        | <u>65.69</u>               | <u>68.68</u>                 | <u>2.99</u>                   |                       | <u>16.82</u>                                |                             | <u>1.28</u>                                    | <u>0.69</u>                                   | <u>49.56</u>               | <u>51.41</u>                 | <u>1.85</u>                   |
| <b>U.S. Common Stock: (Donated)</b>                |               |                        |                            |                              |                               |                       |   |                             |  |   |                            |                              |                               |
| 1,000 shares - Chesapeake Utilities (CPK)          |               |                        | 18,200.00                  | 52,350.00                    | 34,150.00                     |                       |   |                             | 431.25   |   | 18,200.00                  | 49,270.00                    | 31,070.00                     |
| 10 shares - Citigroup (C) - reverse split          |               |                        | 1,310.00                   | 540.80                       | (769.20)                      |                       |   |                             |  |   | 1,310.00                   | 534.80                       | (775.20)                      |
| 45 shares Calamos Conv. & High Inc. (CHY)          |               |                        | 619.65                     | 641.25                       | 21.60                         |                       |   |                             | 13.50  |   | 619.65                     | 511.65                       | (108.00)                      |
| 1,200 shares - CSX Corp. (CSX)                     |               |                        | 5,566.00                   | 40,896.00                    | 35,330.00                     |                       |   |                             | 216.00   |   | 5,566.00                   | 32,856.00                    | 27,290.00                     |
| 252 shares - Conoco Phillips - (COP)               |               |                        | 4,957.82                   | 16,047.36                    | 11,089.54                     |                       |   |                             | 183.96   |   | 4,957.82                   | 12,385.80                    | 7,427.98                      |
| 126 shares - Phillips 66 (PSX)                     |               |                        | 2,479.68                   | 9,969.12                     | 7,489.44                      |                       |   |                             | 70.56  |   | 2,479.68                   | 9,962.82                     | 7,483.14                      |
| 125 shares Berkshire (BRK-B)                       |               |                        | 2,631.05                   | 17,875.00                    | 15,243.95                     |                       |   |                             |  |   | 2,631.05                   | 16,755.00                    | 14,123.95                     |
| 856 shares - Wells Fargo (WFC)                     |               |                        | 24,824.00                  | 47,901.76                    | 23,077.76                     |                       |   |                             | 321.00   |   | 24,824.00                  | 45,650.48                    | 20,826.48                     |
| 124 shares Manulife (MFC)                          |               |                        | 4,216.36                   | 2,275.40                     | (1,940.96)                    |                       |   |                             | 12.87  |   | 4,216.36                   | 2,012.52                     | (2,203.84)                    |
| 60 shares - Natl. Oil Well (NOV)                   |               |                        | 4,342.80                   | 2,923.20                     | (1,419.60)                    |                       |   |                             | 27.60  |   | 4,342.80                   | 2,539.80                     | (1,803.00)                    |
| 70 shares - Southwest Airlines (LUV)               |               |                        | 1,112.30                   | 2,587.90                     | 1,475.60                      |                       |   |                             | 5.25   |   | 1,112.30                   | 2,569.00                     | 1,456.70                      |
| <b>Total Common Stock</b>                          |               |                        | <u>70,259.66</u>           | <u>194,007.79</u>            | <u>123,748.13</u>             |                       |   |                             | <u>1,281.99</u>                                |   | <u>70,259.66</u>           | <u>175,047.87</u>            | <u>104,788.21</u>             |
| <b>Sub-Total - Securities</b>                      |               |                        | <u>2,179,292.89</u>        | <u>2,242,955.71</u>          | <u>63,662.82</u>              |                       | <u>14,712.37</u>                            |                             | <u>12,742.52</u>                               | <u>238.01</u>                                 | <u>2,164,818.53</u>        | <u>2,247,146.78</u>          | <u>82,328.25</u>              |
| <b>Investment Pool Cash:</b>                       |               |                        |                            |                              |                               |                       |   |                             |  |   |                            |                              |                               |
| Wells Fargo MM Savings                             | 0.30          |                        | 2,001,349.41               | 2,001,349.41                 |                               | \$9,000,000.00        | 4,000,000.00                                |                             | 2,327.77                                       |   | 7,003,677.18               | 7,003,677.18                 |                               |
| TEXPOOL Investmnt Pool (1)                         | 0.07          | * Daily                | 501,642.90                 | 501,642.90                   |                               |                       |   |                             | 81.01  |   | 501,723.91                 | 501,723.91                   |                               |
| LOGIC Investment Pool (1)                          | 0.14          | * Daily                | 504,954.72                 | 504,954.72                   |                               |                       |   |                             | 164.16   |   | 505,118.88                 | 505,118.88                   |                               |
| TX A&M System Pool                                 | 0.32          | * Variable             | 24,537,290.08              | 25,760,523.78                | 1,223,233.70                  |                       | 2,000,000.00                                |                             | 452,162.48                                     |   | 22,989,452.56              | 22,719,066.89                | (270,385.67)                  |
| <b>Total Investment Pool Cash</b>                  |               |                        | <u>27,545,237.11</u>       | <u>28,768,470.81</u>         | <u>1,223,233.70</u>           | <u>9,000,000.00</u>   | <u>6,000,000.00</u>                         |                             | <u>454,735.42</u>                              |   | <u>30,999,972.53</u>       | <u>30,729,586.86</u>         | <u>(270,385.67)</u>           |
| <b>Total Investments</b>                           |               |                        | <u>\$29,724,530.00</u>     | <u>\$31,011,426.52</u>       | <u>\$1,286,896.52</u>         | <u>\$9,000,000.00</u> | <u>\$6,014,712.37</u>                       |                             | <u>\$467,477.94</u>                            | <u>\$238.01</u>                               | <u>\$33,164,791.06</u>     | <u>\$32,976,733.64</u>       | <u>(\$188,057.42)</u>         |

\*As of August 31, 2015

(1) These investment pools are structured to maintain a constant dollar value

| <u>Comparison to U.S. and State Treasuries</u> | <u>Book Accounting Yield</u> | <u>Average Three-Month U.S. Treasury Bill</u> | <u>State Treasury Yield</u> | <u>Basis Point Spread to U.S. Treasury</u> | <u>Basis Point Spread to State Treasury</u> |
|--|------------------------------|---|-----------------------------|--|---|
| June, 2015                                     | 1.43                         | 0.02  | 0.39                        | 1.42                                       | 1.04  |
| July, 2015                                     | 6.87                         | 0.03  | 0.41                        | 6.84                                       | 6.46  |
| August, 2015                                   | 0.43                         | 0.07  | 0.41                        | 0.36                                       | 0.02  |

MIDWESTERN STATE UNIVERSITY  
INVESTMENT PORTFOLIO ACTIVITY  
REVENUE FINANCING SYSTEM REVENUE & REFUNDING BONDS - SERIES 2015A  
FOR THE FOURTH QUARTER ENDED AUGUST 31, 2015

|                             | <u>Coupon</u> | <u>Stated<br/>Maturity</u> | <u>Book<br/>Value<br/>05-31-15</u> | <u>Market<br/>Value<br/>05-31-15</u> | <u>Unrealized<br/>Gain<br/>(Loss)</u> | <u>Purchases</u> | <u>Principal<br/>Payments<br/>Received/<br/>Matured</u> | <u>Realized<br/>Gain<br/>(Loss)</u> | <u>Interest<br/>Earned<br/>For the Qtr.</u> | <u>Amortization/<br/>Accretion of<br/>Prem./Disc.</u> | <u>Book<br/>Value<br/>08-31-15</u> | <u>Market<br/>Value<br/>08-31-15</u> | <u>Unrealized<br/>Gain<br/>(Loss)</u> |
|-----------------------------|---------------|----------------------------|------------------------------------|--------------------------------------|---------------------------------------|------------------|---|-------------------------------------|---|---|------------------------------------|--------------------------------------|---------------------------------------|
| LOGIC Investment Pool       | 0.02*         | Daily                      |                                    |                                      |                                       | \$38,244,500.00  | \$38,248,549.69   |                                     | \$5,401.92                                  |   | \$1,352.23                         | \$1,352.23                           |                                       |
| BLB Flexible Repo Agreement | 0.49          | Monthly                    |                                    |                                      |                                       | 37,877,142.04    |   |                                     | 10,226.82                                   |   | 37,887,368.86                      | 37,887,368.86                        |                                       |
| Total Bond Investments      |               |                            |                                    |                                      |                                       | \$76,121,642.04  | \$38,248,549.69   |                                     | \$15,628.74                                 |   | \$37,888,721.09                    | \$37,888,721.09                      |                                       |

\*As of August 31, 2015

Interest Rate on Bonds issued      3.00% - 5.00%

MIDWESTERN STATE UNIVERSITY  
INVESTMENT PORTFOLIO ACTIVITY  
MSU ENDOWMENT INVESTMENTS - AMERICAN NATL. BANK TRUST DEPT. MANAGERS  
FOR THE FOURTH QUARTER ENDED AUGUST 31, 2015

|  | Book<br>Value<br>05-31-15   | Market<br>Value<br>05-31-15 | Unrealized<br>Gain<br>(Loss) | Purchases      | Principal<br>Payments<br>Received/<br>Matured | Realized<br>Gain<br>(Loss) | Interest/<br>Dividends<br>Received<br>(Fees Paid)<br>In the Qtr. | Amortization/<br>Accretion of<br>Prem./Disc. | Book<br>Value<br>08-31-15 | Market<br>Value<br>08-31-15 | Unrealized<br>Gain<br>(Loss) | Market Value<br>Percentage<br>Of Total |
|--|---|-----------------------------|------------------------------|----------------|---|----------------------------|--|--|---------------------------|-----------------------------|------------------------------|--|
| <b>AMERICAN NATL. BANK TRUST DEPT.</b>                         |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| Cash and Cash Equivalents:                                     |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| Cash   |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| American Natl. Bank Fees                                       |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| U.S. Dollars   |   |                             |                              | \$4.82         | \$4.82  |                            | (\$10,475.01)  |  |                           |                             |                              |  |
| Goldman Sachs  | \$120,196.66  | \$120,196.66                |                              | 1,171,593.09   | \$722,453.29                                  |                            |  |  | \$569,336.46              | \$569,336.46                |                              | 6.99%                                  |
| Total Cash and Cash Equivalents                                | 120,196.66  | 120,196.66                  |                              | 1,171,597.91   | 722,458.11                                    |                            | (10,475.01)  |  | 569,336.46                | 569,336.46                  |                              | 6.99%                                  |
| Purchased Interest Receivable                                  |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| Fixed Income:  |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| U.S. Government Agencies                                       | 16,888.59   | 17,677.19                   | \$788.60                     |                | 1,008.84                                      | (\$17.94)                  | 202.95   | (\$8.46)                                     | 15,871.29                 | 16,555.52                   | \$684.23                     | 0.20%                                  |
| Municipal Bonds  |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| Corporate Bonds & Notes  | 2,478,214.02  | 2,539,056.56                | 60,842.54                    | 1,763.69       |   |                            | 31,498.75  | (6,770.75)                                   | 2,473,206.96              | 2,509,823.31                | 36,616.35                    | 30.84%                                 |
| Devonshire - REIT  | 244,078.92  | 296,052.57                  | 51,973.65                    | 7,401.35       | 4,440.81                                      |                            |  |  | 247,039.46                | 296,052.57                  | 49,013.11                    | 3.64%                                  |
| Total Fixed Income Securities                                  | 2,739,181.53  | 2,852,786.32                | 113,604.79                   | 9,165.04       | 5,449.65                                      | (17.94)                    | 31,701.70  | (6,779.21)                                   | 2,736,117.71              | 2,822,431.40                | 86,313.69                    | 34.68%                                 |
| Common Stock - Equities:                                       |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
| U.S. Equities  | 3,509,101.94  | 4,708,500.16                | 1,199,398.22                 | 456,917.97     | 882,975.88                                    | 213,610.50                 | 26,497.89  |  | 3,083,044.03              | 3,672,474.45                | 589,430.42                   | 45.12%                                 |
| Foreign Equities   | 144,023.48  | 201,061.70                  | 57,038.22                    |                | 15,840.88                                     | 18,987.62                  |  |  | 128,182.60                | 154,531.59                  | 26,348.99                    | 1.90%                                  |
| Equity ETFs  | 685,093.73  | 816,771.61                  | 131,677.88                   | 24,505.89      |   |                            |  |  | 709,599.62                | 757,697.08                  | 48,097.46                    | 9.31%                                  |
| Mutual Funds - Equities  | 177,886.07  | 176,861.85                  | (1,024.22)                   |                |   |                            |  |  | 177,886.07                | 162,956.71                  | (14,929.36)                  | 2.00%                                  |
| Total Equities   | 4,516,105.22  | 5,903,195.32                | 1,387,090.10                 | 481,423.86     | 898,816.76                                    | 232,598.12                 | 26,497.89  |  | 4,098,712.32              | 4,747,659.83                | 648,947.51                   | 58.33%                                 |
| Total Endowment Investments<br>at American National Bank Trust | \$7,375,483.41  | \$8,876,178.30              | \$1,500,694.89               | \$1,662,186.81 | \$1,626,724.52                                | \$232,580.18               | \$47,724.58  | (\$6,779.21)                                 | \$7,404,166.49            | \$8,139,427.69              | \$735,261.20                 | 100.00%                                |
| Jun, Jul, and Aug activity                                     |   |                             |                              |                |   |                            |  |  |                           |                             |                              |  |
|  | Simple yield excluding mkt.value change: (Realized gain + Int.Div.Recvd. + Amort./Accr.) / (Average Book Value) = |                             |                              |                |   |                            | 14.81%   | 273,525.55                                   | Market Value gain =       | 735,261.20                  | =                            | 9.93%                                  |
|  |   |                             |                              |                |   |                            | (Annualized)   | 7,389,824.95                                 |                           | 7,404,166.49                |                              |  |

This report is prepared in conformity with Midwestern State University Investment Policy and state statutes and guidelines including the Public Funds Investment Act (Tx Gov't Code, Ch. 2256)

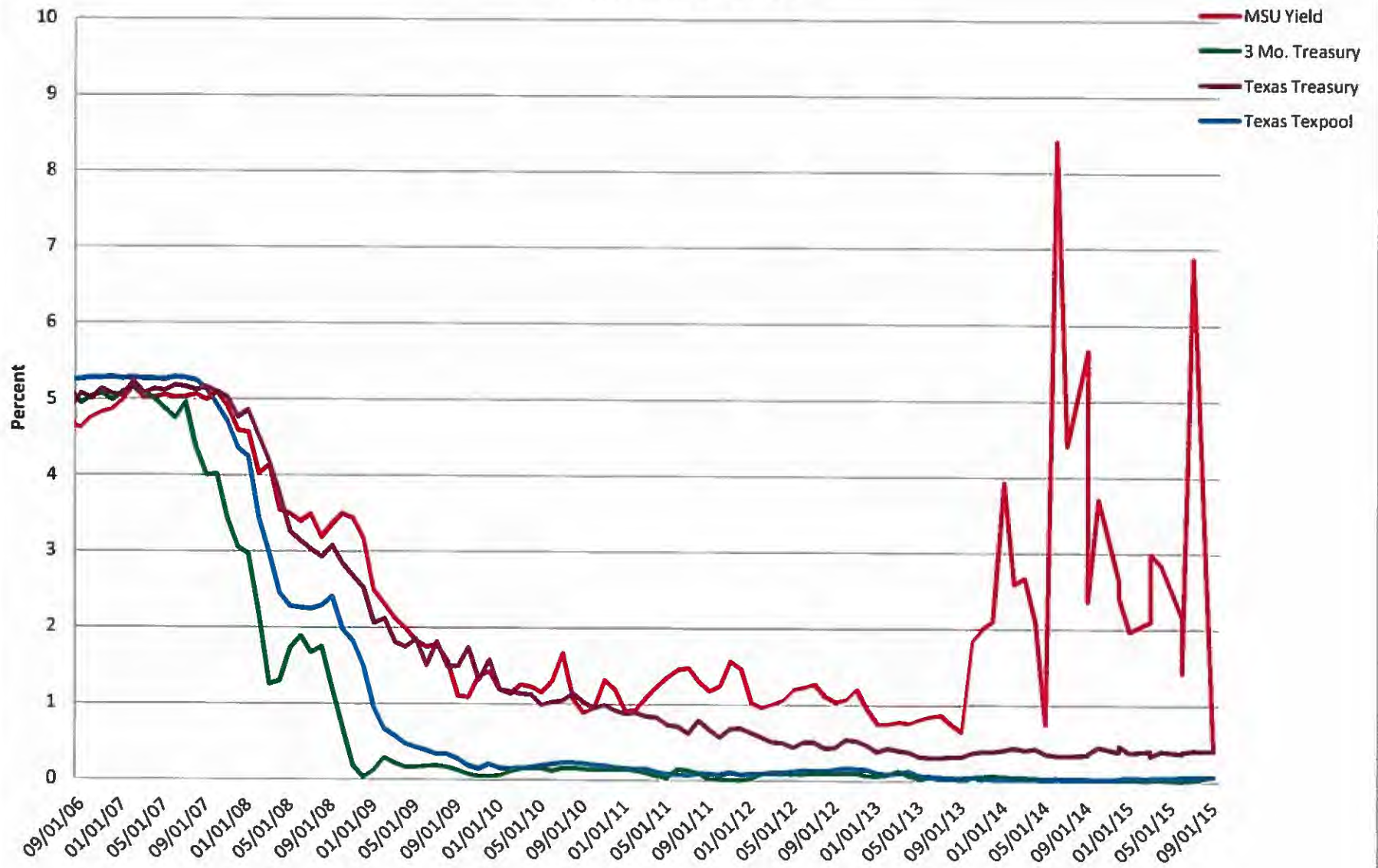
**MSU ENDOWMENT INVESTMENTS - TEXAS A&M UNIVERSITY SYSTEM ENDOWMENT POOL  
FOR THE FOURTH QUARTER ENDED AUGUST 31, 2015**

|  | <u>Book<br/>Value<br/>05-31-15</u>  | <u>Market<br/>Value<br/>05-31-15</u> | <u>Unrealized<br/>Gain<br/>(Loss)</u> | <u>Purchases</u> | <u>Principal<br/>Payments<br/>Received/<br/>Matured</u> | <u>Realized<br/>Gain<br/>(Loss)</u> | <u>Interest/<br/>Dividends<br/>Received<br/>(Fees Paid)<br/>In the Qtr.</u> | <u>Amortization/<br/>Accretion of<br/>Prem./Disc.</u> | <u>Book<br/>Value<br/>08-31-15</u> | <u>Market<br/>Value<br/>08-31-15</u> | <u>Unrealized<br/>Gain<br/>(Loss)</u> | <u>Market Value<br/>Percentage<br/>Of Total</u> |
|--|---|--------------------------------------|---------------------------------------|------------------|---|-------------------------------------|---|---|------------------------------------|--------------------------------------|---------------------------------------|---|
| <b>TEXAS A&amp;M INVESTMENT MGMT FEE</b>                 |   |                                      |                                       |                  |   |                                     | (\$133.48)  |   |                                    |                                      |                                       |   |
| Long-term Investment Pools:                              |   |                                      |                                       |                  |   |                                     |   |   |                                    |                                      |                                       |   |
| Texas A&M System Endowment Pool                          | \$389,091.99  | \$395,342.42                         | \$6,250.43                            |                  |   |                                     | 4,155.15  |   | \$389,091.99                       | \$381,335.48                         | (\$7,756.51)                          | 100.00%   |
| Total Long-term Investments                              | 389,091.99  | 395,342.42                           | 6,250.43                              | 0.00             |   |                                     | 4,021.67  |   | 389,091.99                         | 381,335.48                           | (7,756.51)                            | 100.00%   |
| Total Endowment Assets<br>at Texas A&M University System | \$389,091.99  | \$395,342.42                         | \$6,250.43                            | \$0.00           |   |                                     | \$4,021.67  |   | \$389,091.99                       | \$381,335.48                         | (\$7,756.51)                          | 100.00%   |
| Jun, Jul, Aug and May activity                           | Simple yield excluding mkt.value change: (Realized gain + Int.Div.Recvd. + Amort./Accr.) / (Average Book Value) = |                                      |                                       |                  |   |                                     | 4.13%   | 4,021.67  | Market Value gain =                | (7,756.51)                           | =                                     | -1.99%  |
|  |   |                                      |                                       |                  |   |                                     | (Annualized)  | 389,091.99  |                                    | 389,091.99                           |                                       |   |

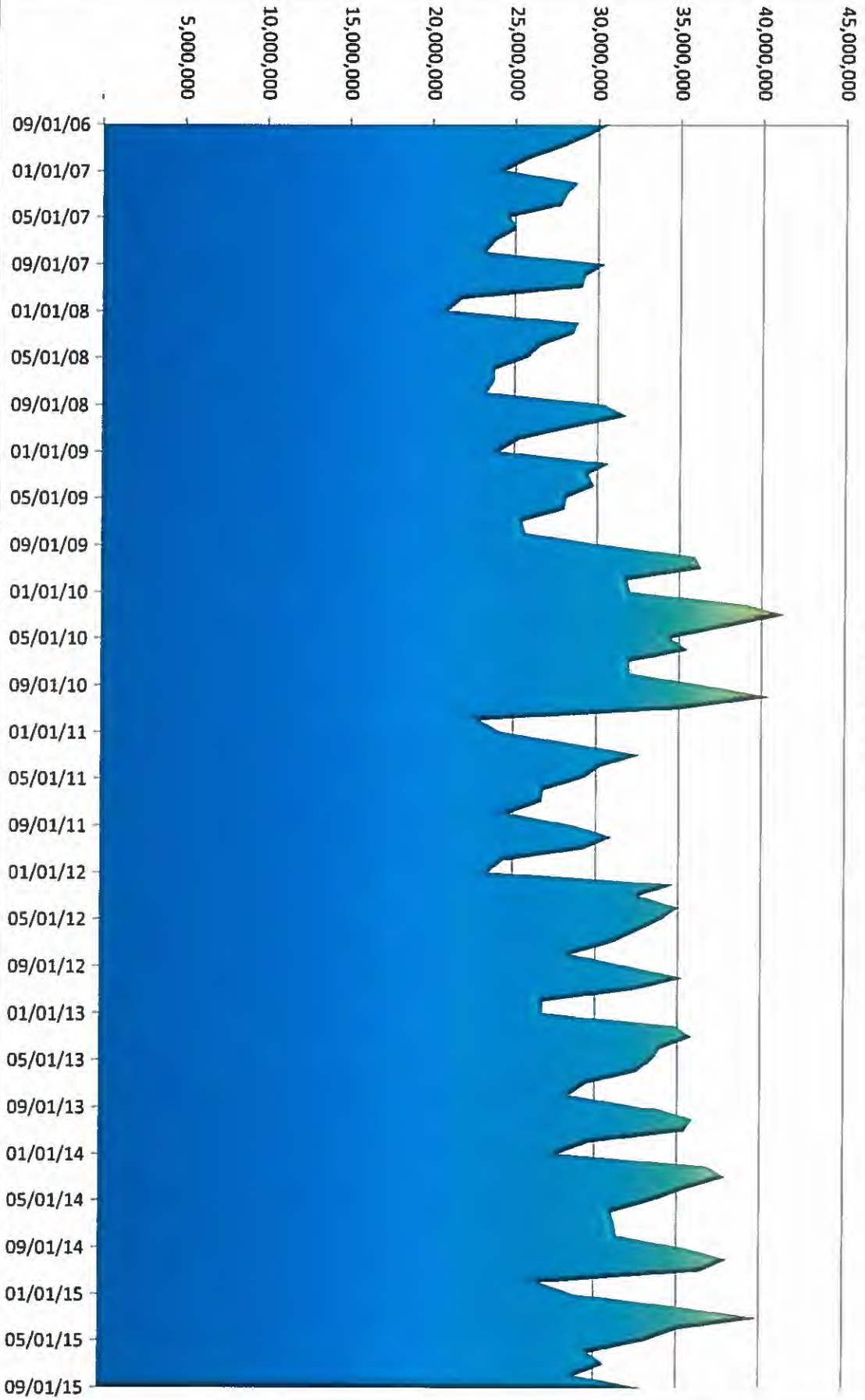
**REDWINE QUASI ENDOWMENT INVESTMENTS - TEXAS A&M UNIVERSITY SYSTEM ENDOWMENT POOL  
FOR THE FOURTH QUARTER ENDED AUGUST 31, 2015**

|  | <u>Book<br/>Value<br/>05-31-15</u>  | <u>Market<br/>Value<br/>05-31-15</u> | <u>Unrealized<br/>Gain<br/>(Loss)</u> | <u>Purchases</u> | <u>Principal<br/>Payments<br/>Received/<br/>Matured</u> | <u>Realized<br/>Gain<br/>(Loss)</u> | <u>Interest/<br/>Dividends<br/>Received<br/>(Fees Paid)<br/>In the Qtr.</u> | <u>Amortization/<br/>Accretion of<br/>Prem./Disc.</u> | <u>Book<br/>Value<br/>08-31-15</u> | <u>Market<br/>Value<br/>08-31-15</u> | <u>Unrealized<br/>Gain<br/>(Loss)</u> | <u>Market Value<br/>Percentage<br/>Of Total</u> |
|--|---|--------------------------------------|---------------------------------------|------------------|---|-------------------------------------|---|---|------------------------------------|--------------------------------------|---------------------------------------|---|
| <b>TEXAS A&amp;M INVESTMENT MGMT FEE</b>                 |   |                                      |                                       |                  |   |                                     | (\$4,289.87)  |   |                                    |                                      |                                       |   |
| Long-term Investment Pools:                              |   |                                      |                                       |                  |   |                                     |   |   |                                    |                                      |                                       |   |
| U.S. Dollars   |   |                                      |                                       |                  |   |                                     |   |   |                                    |                                      |                                       |   |
| Texas A&M System Endowment Pool                          | \$11,516,585.66   | \$11,733,826.30                      | 217,240.64                            |                  |   |                                     | \$123,325.68  |   | \$11,516,585.66                    | \$11,318,098.33                      | (\$198,487.33)                        | 100.00%   |
| Total Long-term Investments                              | 11,516,585.66   | 11,733,826.30                        | 217,240.64                            | 0.00             | \$0.00  |                                     | 119,035.81  |   | 11,516,585.66                      | 11,318,098.33                        | (198,487.33)                          | 100.00%   |
| Total Endowment Assets<br>at Texas A&M University System | \$11,516,585.66   | \$11,733,826.30                      | \$217,240.64                          | \$0.00           | \$0.00  |                                     | \$119,035.81  |   | \$11,516,585.66                    | \$11,318,098.33                      | (\$198,487.33)                        | 100.00%   |
| Jun, Jul, Aug and May activity                           | Simple yield excluding mkt.value change: (Realized gain + Int.Div.Recvd. + Amort./Accr.) / (Average Book Value) = |                                      |                                       |                  |   |                                     | 4.13%   | 119,035.81  | Market Value gain =                | (198,487.33)                         | =                                     | -1.72%  |
|  |   |                                      |                                       |                  |   |                                     | (Annualized)  | 11,516,585.66   |                                    | 11,516,585.66                        |                                       |   |

## Midwestern State University Historical Yields



**Midwestern State University  
Pooled Investments  
Total Invested**



# Texas A&M University System Cash Concentration Pool



FISCAL YEAR 2015

4<sup>TH</sup> QUARTER – AUGUST 31, 2015

## Effective Rates for FY 2015 YTD:

Cash Portfolio: 0.12%

Long-Term  
Portfolio: 5.80%

Total Pool: 4.77%

## Capital Markets & Rates

The yield on 2-year Treasuries rose to 0.74% in August from 0.61% at the end of May. The yield on 10-year Treasuries increased to 2.21% at the end of August, up from 2.12% in May. The S&P 500 Index returned -5.9% during the quarter and 0.5% for the one-year ending August 31, 2015.

The unemployment rate declined to 5.1% in August. The economy added 663,000 jobs during the three month period.

Economic data was positively revised, as the economy grew at a 3.7% annual rate during the quarter ending June 30, 2015. This comes after a 0.6% growth rate during the previous quarter. Due to the strengthening economy and employment picture, the majority of the Federal Open Market Committee participants expect an initial interest rate hike later in 2015.

## CCP Estimated Distribution Rate for FY 2015

Total Pool: 2.75%

<http://www.tamug.edu/offices/treasury/>

## Pool Valuation

As of August 31, 2015, the Pool had a market value of approximately \$3.2 billion. For the 4<sup>th</sup> quarter of FY 2015, the Pool experienced \$784 million in cash inflows and \$822 million in cash outflows, decreasing the book value of the Pool by \$38 million. The Pool earned investment income during this quarter of \$9 million and realized gains on investments of \$50 million.

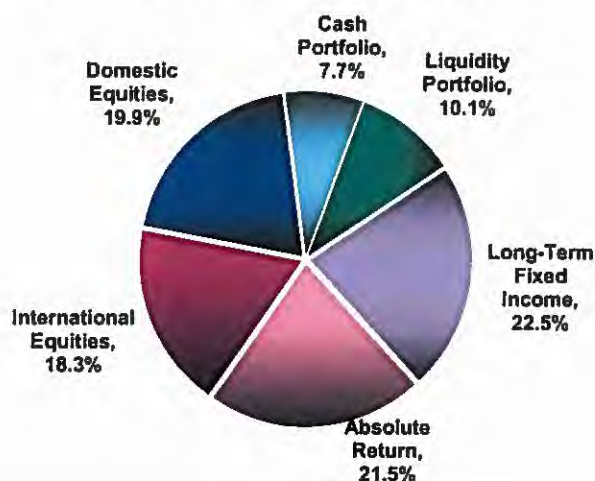
The Cash Portfolio distributes all interest, dividends, and realized gains/(losses), net of external management fees, to the participants based on their average short-term balance for each month. The Long-Term Pool distributes all interest, dividends, and realized gains/(losses), net of external management fees, to the participants based on their ownership of Long-Term Pool units for each month.

## Investment Allocation and Performance

As of August 31, 2015, the Cash Concentration Pool had a market value of approximately \$2.8 billion (excluding debt proceeds and pending transfers) with 7.7% of the Pool's assets invested in the Cash Portfolio and 92.3% of the assets invested in the Long-Term Portfolio. The Cash Portfolio and the Long-Term Portfolio are managed by external investment managers. The comparative returns for the Pool for the one-, three-, five-, ten- and fifteen-year periods ending August 31, 2015 are as follows:

|                   | <u>1-Year</u> | <u>3-Year</u> | <u>5-Year</u> | <u>10-Year</u> | <u>15-Year</u> |
|-------------------|---------------|---------------|---------------|----------------|----------------|
| <b>Total Pool</b> | <b>-1.1%</b>  | <b>5.7%</b>   | <b>6.1%</b>   | <b>4.6%</b>    | <b>4.8%</b>    |
| Balanced Index    | -1.0%         | 5.6%          | 6.1%          | 4.4%           | 4.5%           |

## Asset Allocation as of August 31, 2015:



# Texas A&M University System System Endowment Fund



FISCAL YEAR 2015

4<sup>TH</sup> QUARTER – AUGUST 31, 2015

## Capital Market Update

As measured by the Russell 3000 Index, the US stock market returned -6.1% over the quarter and 0.4% during the one-year period. Large cap stocks outperformed small cap stocks by 0.7% for the quarter and 0.4% for the one-year period. Growth stocks outperformed value stocks by 2.8% during the quarter and 7.8% for the year.

Developed international equity markets returned -8.1% (in US dollars) during the quarter and -7.5% for the one-year period. Emerging markets experienced significant equity market volatility, declining 17.5% (in US dollars) during the quarter and 22.9% for the one-year period. Much of the decline was driven by economic and capital market fears in China.

Fixed income markets generated marginally negative returns during the quarter, returning -0.5%. For the one-year period, Fixed Income markets appreciated 1.6%.

Absolute Return generally delivered competitive relative returns given the volatile environment. Absolute Return, on an aggregate basis, returned -2.5% and 1.9% for the quarter and one-year period respectively.

## Endowment Valuation

As of August 31, 2015, the SEF had a market value of approximately \$1.0 billion, including new deposits and net the income distribution for the 4<sup>th</sup> Quarter. The SEF is accounted for on a unitized basis and the per unit market value as of August 31, 2015 was \$6.15.

## Investment Allocation and Performance

As of August 31, 2015, the SEF asset allocation consisted of 37.3% equities, 15.8% absolute return, 16.0% fixed income, 12.7% real assets (timber, real estate and energy), 17.9% private equity and 0.3% cash. The comparative returns for the SEF for the one-, three-, five-, ten- and fifteen-year periods ending August 31, 2015 are as follows:

|                    | <u>1-Year</u> | <u>3-Year</u> | <u>5-Year</u> | <u>10-Year</u> | <u>15-Year</u> |
|--------------------|---------------|---------------|---------------|----------------|----------------|
| <b>SEF - Total</b> | <b>1.1%</b>   | <b>9.7%</b>   | <b>9.5%</b>   | <b>6.0%</b>    | <b>5.3%</b>    |
| Balanced Index     | -0.9%         | 6.5%          | 7.0%          | 4.7%           | 4.4%           |

## Asset Allocation as of August 31, 2015



### Asset Allocation (\$M) Prior to Distribution and New Deposits

|                        |         |
|------------------------|---------|
| Domestic Equities      | \$198.8 |
| International Equities | \$185.8 |
| Fixed Income           | \$164.5 |
| Absolute Return        | \$162.5 |
| Private Equity         | \$184.8 |
| Real Assets            | \$130.4 |
| Cash Portfolio         | \$ 2.9  |

The units and market value summary is available online for each endowment account at the Treasury web page:

<http://www.tamus.edu/offices/treasury/investment/endowment/>

## Quarterly Endowment Spending Rate

**FY 2015:** \$0.066970 per unit

**FY 2016:** \$0.070265 per unit

## U.S. Output Growth Moderately Strong Amid Slower Global Growth

September 18, 2015

Economic data released in the past six weeks suggest that the U.S. economic growth was moderately strong at the beginning of the third quarter. A large upward revision to second-quarter real gross domestic product (GDP) coupled with several reports on July economic activity implied that the economy started the third quarter with a good deal of momentum. As a result, the U.S. economy seems strong enough to sustain an economic expansion despite drags from recent Chinese economic developments, softness in global economic growth and year-to-date strength in the dollar.

## Output Growth Revised Upward

After growing a lackluster 0.6 percent in the first quarter, real gross domestic product (GDP) expanded a brisk 3.7 percent in the second quarter (*Chart 1*). The second estimate of GDP growth marked a substantial upward revision from the original estimate of 2.3 percent. The acceleration of GDP growth in the second quarter partly reflected unwinding of temporary effects of a harsh winter and the West Coast port strike. The 1.4 percentage point revision exceeded market expectations amid widespread upward revisions to each component's contribution to GDP growth. Contribution from nonresidential fixed investment was substantially revised upwards by 0.5 percentage points to a positive 0.4 percentage points, while contribution from inventories and government were upwardly revised by 0.3 percentage points each. Other components' contributions were slightly revised upward by 0.1 percentage points.

Even with the revision, nonresidential fixed investment in the first half of 2015 contributed less to GDP growth than in 2014. One factor behind the slowing was a collapse in energy-related investment that directly lowered GDP growth by 0.4 and 0.6 percentage points in the first and second quarters, respectively (*Chart 2*). Although oil prices continued their downward trend since the previous update, the bulk of the downshift in energy-related investment contribution to GDP growth in the third quarter seems behind us.

The rebound in second-quarter GDP also reflected the impact of the West Coast port strike, which held down first-quarter GDP by boosting inventories and depressing net exports. The second quarter unwound this effect. Both the second-quarter uptick and the large first-quarter plunge in net exports are anomalous. We are likely to see, on average, negative net contributions from net exports in the coming quarters from the slowdown in global growth, a strong dollar and the latest developments in China.

## Labor Market Reports Suggest Solid Growth Ahead

Nonfarm payroll employment gains registered at 173,000 in August, lower than the gains seen in earlier months and short of market expectations (*Chart 3*). However, the shortfall roughly equaled the 44,000 combined upward revisions to June and July data. In the past, the August figure tends to be revised upward, and this seems likely for the initial 2015 reading as well. From 2000–14, estimates of August nonfarm payroll employment were revised upward by an average of

Chart 1  
Second-Quarter Real GDP Growth Revised Substantially Upward

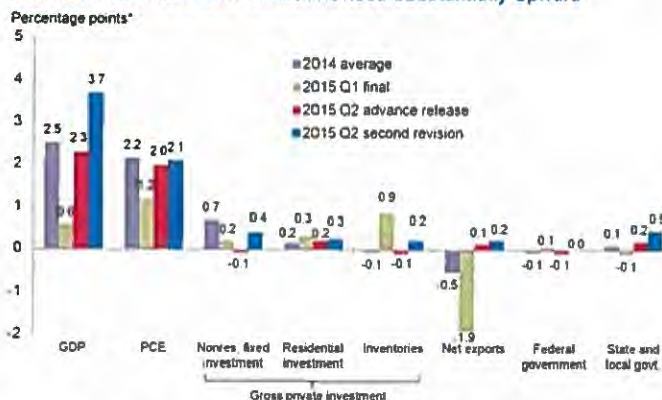


Chart 2  
Oil-Related Investment Linked to Rig Count



62,000 between the initial and final estimates, reflecting the addition of more complete responses after the end of the summer vacation season. According to the household survey, the headline unemployment rate decreased 0.2 percentage points from July to 5.1 percent in August—its lowest level since April 2008.

Though mining employment continued to decline in August, state-level data through July suggest that much of the direct impact of the prior oil price declines on employment of energy-intensive states (North Dakota, New Mexico, Oklahoma, Texas and Wyoming) had waned by the start of the third quarter. After outpacing payroll growth rate in nonenergy intensive states from 2013 to early 2015, aggregate payroll growth of the five energy-intensive states fell for several months before rebounding toward the pace of the nonenergy states in July. Recent energy developments may impart some renewed drag on employment in energy-oriented states in coming months, depending on how energy markets evolve.

The July Job Openings and Labor Turnover Survey (JOLTS) release shows that the labor market had strong momentum when it entered the third quarter. The number of job openings jumped by 430,000, reflecting widespread increases across sectors, exceeding the market consensus of a 51,000 increase. The job opening rate jumped to 3.9 percent, the highest since the survey began in 2000. As the job opening rate seems to have a six-month lead on private payroll growth, the July report bodes well for the labor market for the remainder of 2015 (Chart 4).

### Inflation Firming Before Chinese Developments

In contrast to the employment data, there have been more mixed readings on progress toward the Federal Reserve's inflation objective of 2 percent. The 12-month core and trimmed mean measures of Personal Consumption Expenditure (PCE) inflation rose 1.2 percent and 1.6 percent in July, respectively, and have shown little progress toward the 2 percent target through July (Chart 5). Headline PCE inflation remained near zero, influenced by oil price declines and the strengthening dollar. However, when measuring inflation on a six-month annualized basis, the trimmed mean PCE—which is less affected by possible seasonal adjustment problems than other PCE inflation measures—converged toward 2 percent. However, these inflation rates do not reflect recent oil prices declines, slow global economic growth, earlier strength in the dollar and August developments in China, which drove down commodity prices. These factors will likely restrain headline inflation rates in the near term.

### Impact from Chinese Developments Moderate

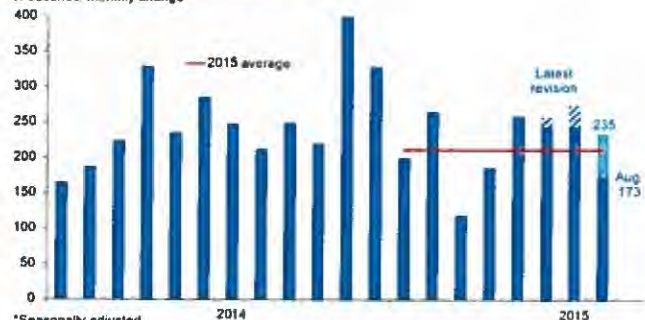
The sudden U.S. stock market correction in late August reflected concerns of downside risks emanating from the slowing Chinese economy. Thus far, its impact on the U.S. economy seems moderate at this point. In contrast to the euro crisis, U.S. typically exports less to China (7.5 percent of U.S. exports versus 13 percent for the euro zone), U.S. banks have less direct and indirect exposures in China, and the shocks to U.S. stock and bond markets seem smaller. The Shanghai Composite fell nearly 19 percent from June to mid-August with no noticeable spillover impact on the U.S. equity market until late August (Chart 6). Thus far, the effect seems likely to shave off a fourth to a half percentage points from U.S. GDP growth via possibly sustained stock market wealth effects on consumption and lower U.S. exports to China. Unless Chinese stock price declines signal a deeper economic slowdown in China and/or broader weakness in other emerging economies, Chinese developments currently pose only a modest headwind to the U.S. with a downside tail risk of morphing into a broader slowdown in emerging market economies.

—Daniel Lin

### About the Author

Lin is a research analyst in the Research Department at the Federal Reserve Bank of Dallas.

**Chart 3**  
Nonfarm Job Growth Slows in August  
Thousands, monthly change\*



\*Seasonally adjusted.  
NOTES: Dark blue striped region reflects the September revision on June and July employment. Light blue region reflects the anticipated upward revision for the month of August based on the average August revision from 2000-14.  
SOURCES: Bureau of Labor Statistics; author's calculations.

**Chart 4**  
JOLTS Job Opening Rate Above Precession Peak



\*Seasonally adjusted.  
NOTES: Shaded areas indicate recession. Private nonfarm payroll share is a percentage of working age population (ages 18-64) excluding full-time college students (2014, 15 internal projections).  
SOURCES: Bureau of Labor Statistics; Census Bureau; NBER; author's calculations.

**Chart 5**  
PCE Inflation Measures Show Little Progress Toward 2 Percent Objective



\*12-month percent change, seasonally adjusted.  
SOURCES: Bureau of Economic Analysis; Federal Reserve Bank of Dallas.

**Chart 6**  
Chinese Stock Prices Gives Up First-Half Gains; U.S. Less Volatile



\*Dec. 31, 2014 = 100, weekly average.  
NOTE: The plus signs indicate the index value as of Sept. 17, 2015.  
SOURCES: Wall Street Journal; author's calculations.