



**Oregon State**  
University

# OSU Investments Reports

Finance & Administration Committee Meeting  
January 19, 2023

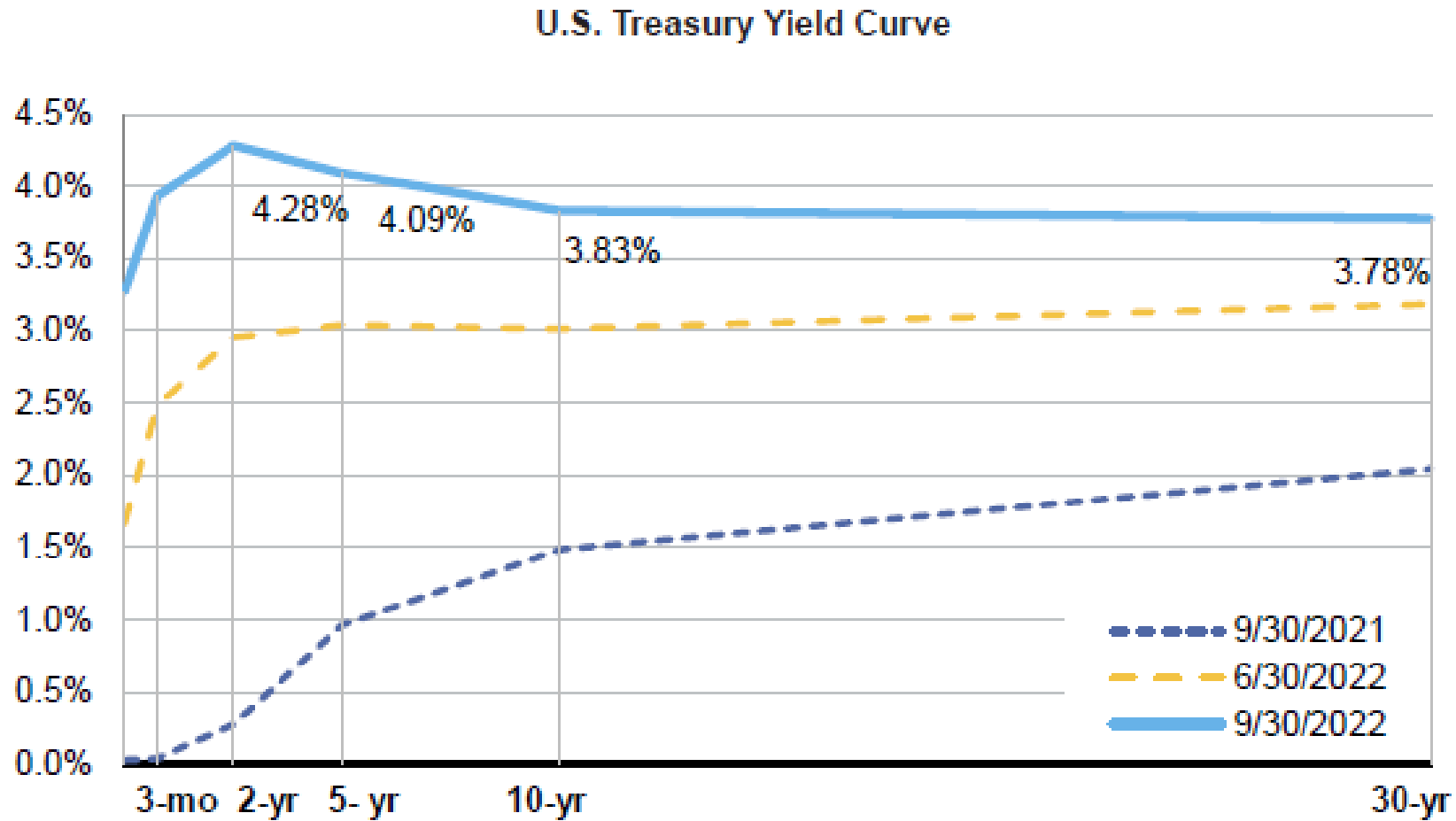


# Market Performance

	Quarter	1-Year	3-Year	5-Year
S&P 500	-4.9%	-15.5%	8.2%	9.2%
MSCI EAFE-ND	-9.4%	-25.1%	-1.8%	-0.8%
MSCI EM-ND	-11.6%	-28.1%	-2.1%	-1.8%
MSCI China-ND	-22.5%	-35.4%	-7.2%	-5.6%
Bloomberg US Aggregate	-4.8%	-14.6%	-3.3%	-0.3%
Bloomberg US TIPS	-5.1%	-11.6%	0.8%	2.0%
Bloomberg US Corporate High Yield	-0.6%	-14.1%	-0.5%	1.6%
ICE BofAML US 3-Month Treasury Bill	0.5%	0.6%	0.6%	1.1%
ICE BofAML 1-3 Year US Treasury	-1.6%	-4.9%	-0.5%	0.6%
ICE BofAML 10+ Year US Treasury	-9.9%	-25.7%	-8.1%	-1.5%

Source: Oregon State Treasury  
Returns as of September 30, 2022

# Interest Rates



Source: Bloomberg.

# OSU Operating Assets

October 1 - September 30	2021-2022	2020-2021	Change
<b>Cash Held at Bank(s)</b>			
Ending Balance Sept 30	\$ 41,663,988	\$ 44,156,506	\$ (2,492,518)
Net Interest Earnings	\$ 45,298	\$ 48,348	\$ (3,050)
Annualized Yield Sept 30	1.1%	0.1%	1.0%
<b>Public University Fund</b>			
Beginning Market Value Oct 1	\$ 259,802,219	\$ 239,427,162	\$ 20,375,057
Ending Market Value Sept 30	\$ 222,515,409	\$ 259,802,219	\$ (37,286,810)
Total Return	-4.5%	1.4%	-
Net Interest Earnings	\$ 3,984,349	\$ 3,057,706	\$ 926,643
Annualized Yield Sept 30	2.2%	1.4%	0.8%
<b>Unspent Bond Proceeds</b>			
Beginning Market Value Oct 1	\$ 316,255,040	\$ 125,820,030	\$ 190,435,010
Ending Market Value Sept 30	\$ 277,190,765	\$ 316,255,040	\$ (39,064,275)
Total Return	-2.1%	-0.5%	-
Net Interest Earnings	\$ 4,339,459	\$ 4,109,774	\$ 229,685
Annualized Yield Sept 30	2.4%	1.5%	0.9%



# OSU Operating Assets – PERS SLGRP

Analysis Assumptions	2020	2021
OSU Contribution	\$10,000,000	
State Match	2,450,000	
Side Account Balance	\$12,450,000	\$12,450,000
Interest Benefit - OSU funds 3%	\$1,975,285	
Interest Benefit - Match funds 3%	483,944	
Period Interest / Earnings Credit	\$2,459,229	\$373,500
Total	\$14,909,229	\$12,823,500
Admin Expense		
Annual Amortization	\$1,490,923	(\$1,490,923)
Annual Benefit	\$293,394	

Actual Activity	2020	2021
wire payment Nov. 24, 2020	\$10,000,000.00	
received in EIF Match	2,225,203.00	
Side Account Balance	\$12,225,203.00	\$12,433,242.98
Amortization (premium offset)		(\$1,515,728.45)
Period Interest / Earnings Credit	\$209,539.98	2,445,527.00
Admin Expense	(1,500.00)	(500.00)
Side Account Balance - Dec. 31	\$12,433,242.98	\$13,362,541.53

# OSU Board Designated & Endowment Assets

OSU Board Designated Assets					
October 1 - September 30	2021-2022		2020-2021		Change
<b>Bond Repayment Investment</b>					
Beginning Market Value Oct 1	\$	39,117,657	\$	-	\$ 39,117,657
Ending Market Value Sept 30	\$	34,121,687	\$	39,117,657	\$ (4,995,970)
Total Return		-22.2%		N/A	-
<b>Long-Term Equity</b>					
Beginning Market Value Oct 1	\$	5,147,744	\$	-	\$ 5,147,744
Ending Market Value Sept 30	\$	10,858,835	\$	5,147,744	\$ 5,711,091
Total Return		-18.7%		N/A	-

OSU Endowment Assets					
October 1 - September 30	2021-2022		2020-2021		Change
<b>Endowment Assets</b>					
Beginning Market Value Oct 1	\$	69,138,551	\$	56,439,205	\$ 12,699,346
Ending Market Value Sept 30	\$	61,964,287	\$	69,138,551	\$ (7,174,264)
Total Return		-8.4%		27.6%	-

# OSU Board Designated Assets

	<b>Market Value 9/30/2022</b>	<b>Actual Asset Allocation</b>	<b><u>Policy Maximum</u></b>
<b>OSU Board Designated Assets</b>			
<b>Bond Repayment Investment</b>			
Neuberger Berman Genesis	\$ 4,956,000	14.5%	13%
<b>Long-Term Equity</b>			
Neuberger Berman Genesis	\$ 1,544,000	14.2%	

# Recommendation: FY2023 Q1 Report

Staff recommend that the Finance & Administration Committee accept the FY2023 Q1 Investment Reports.



# Supplemental Information

# Operating Assets Performance

	Quarter Ended 9/30/2022	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation
<b>OSU Operating Assets</b>								
<b>Assets Invested in the Public University Fund</b>								
Oregon Short - Term Fund	0.4%	0.4%	0.1%	1.1%	1.6%	1.1%	\$ 92,307,979	41.5%
Benchmark - 91 day T-Bill	0.5%	0.5%	0.0%	0.6%	1.1%	0.7%		
PUF Core Bond Fund	-2.7%	-2.7%	0.5%	-0.6%	0.9%	N/A	130,207,430	58.5%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index	-3.1%	-3.1%	0.0%	-1.6%	0.3%	1.0%		
Total Public University Fund	-1.5%	-1.5%	0.4%	0.2%	1.3%	N/A	222,515,409	100.0%
Public University Fund Investment Yield	0.6%	0.6%	0.4%	2.0%	2.2%	N/A		
<b>OSU Unspent Bond Proceeds</b>								
Oregon Short - Term Fund	0.4%	0.4%	0.1%	N/A	N/A	N/A	50,707,853	18.3%
Benchmark - 91 day T-Bill	0.5%	0.5%	0.0%	0.6%	1.1%	0.7%		
RBC Liquidity Portfolio	0.0%	0.0%	0.1%	N/A	N/A	N/A	44,385,277	16.0%
Benchmark - 91 day T-Bill	0.5%	0.5%	0.0%	0.6%	1.1%	0.7%		
RBC Short-Duration Fixed Income Portfolio	-0.8%	-0.8%	0.1%	N/A	N/A	N/A	182,097,635	65.7%
Benchmark - ICE BofA 1-3 Year US Corporate & Government Index	-1.5%	-1.5%	0.1%	-0.4%	0.7%	0.6%		
Total Unspent Bond Proceeds							277,190,765	100.0%
<b>OSU Other Cash</b>							41,663,988	
<b>Total OSU Operating Assets</b>							<b>\$ 541,370,162</b>	

# Board Designated Assets Performance

	Quarter Ended 9/30/2022	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation
<b>OSU Board Designated Assets</b>								
<b>Bond Repayment Investment</b>								
Calvert US Large Cap Core Responsible Index Fund	-4.4%	-4.4%	0.1%	N/A	N/A	N/A	\$ 19,103,819	56.0%
Benchmark - Russell 1000 Index	-4.6%	-4.6%	0.2%	8.0%	9.0%	11.6%		
Calvert International Responsible Index Fund	-10.9%	-10.9%	-3.6%	N/A	N/A	N/A	10,061,868	29.5%
Benchmark - MSCI World ex USA Index	-9.2%	-9.2%	-0.7%	-1.2%	-0.4%	3.6%		
Neuberger Berman Genesis	0.0%	0.0%	N/A	N/A	N/A	N/A	4,956,000	14.5%
Benchmark - Russell 2000 Index	-2.2%	-2.2%	-23.5%	4.3%	3.6%	8.6%		
Total Bond Repayment Investment	-6.6%	-6.6%	-0.3%	N/A	N/A	N/A	34,121,687	100.0%
<b>Long-Term Equity</b>								
Calvert US Large Cap Core Responsible Index Fund	-4.4%	-4.4%	0.6%	N/A	N/A	N/A	6,040,676	55.6%
Benchmark - Russell 1000 Index	-4.6%	-4.6%	0.2%	8.0%	9.0%	11.6%		
Calvert International Responsible Index Fund	-9.7%	-9.7%	-1.5%	N/A	N/A	N/A	3,274,159	30.2%
Benchmark - MSCI World ex USA Index	-9.2%	-9.2%	-0.7%	-1.2%	-0.4%	3.6%		
Neuberger Berman Genesis	0.0%	0.0%	N/A	N/A	N/A	N/A	1,544,000	14.2%
Benchmark - Russell 2000 Index	-2.2%	-2.2%	-23.5%	4.3%	3.6%	7.5%		
Total Long-Term Equity	-3.3%	-3.3%	0.4%	N/A	N/A	N/A	10,858,835	100.0%
<b>Total OSU Board Designated Assets</b>	<b>-5.8%</b>	<b>-5.8%</b>	<b>-0.2%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 44,980,522</b>	

# Endowment Performance

	Quarter Ended 9/30/2022	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation
<b>OSU Endowment Assets</b>								
<b>OSU Foundation Endowment Pool</b>								
Total Global Equity	-6.6%	-6.6%	-2.0%	3.4%	4.4%	N/A	\$ 24,358,289	47.2%
Benchmark - MSCI All Country World Index	-6.8%	-6.8%	-1.1%	3.7%	4.4%	N/A		
Total Global Fixed Income	-5.9%	-5.9%	0.0%	-4.4%	-1.3%	N/A	2,078,863	4.0%
Benchmark - Bloomberg Barclays Global Agg. Bond Index	-6.9%	-6.9%	-0.9%	-5.7%	-2.3%	N/A		
Total Absolute Return	0.3%	0.3%	1.0%	8.9%	5.5%	N/A	5,798,119	11.3%
Benchmark - HFRI Fund of Funds Index	-0.7%	-0.7%	0.8%	4.0%	3.0%	N/A		
Total Real Assets	-1.5%	-1.5%	4.0%	4.9%	3.5%	N/A	5,643,365	10.9%
Benchmark - Real Assets Custom	-6.9%	-6.9%	2.5%	3.5%	3.6%	N/A		
Total Private Capital	-3.2%	-3.2%	12.7%	22.7%	21.7%	N/A	12,395,800	24.0%
Benchmark - No benchmark provided								
Total Cash	0.0%	0.0%	0.0%	0.0%	0.0%	N/A	1,310,251	2.6%
Total OSU Endowment Assets Invested in OSUF Endow. Pool	-4.5%	-4.5%	1.4%	6.8%	6.3%	N/A	51,584,687	100.0%
Benchmark-80% MSCI ACWI/20% BBG Barclays Global Agg.	-6.8%	-6.8%	-1.0%	2.0%	3.2%	5.4%		
<b>Other OSU Endowment Assets</b>								
Land Held as Separately Invested Endowment Funds	0.0%	0.0%	0.0%	16.1%	17.4%	N/A	10,067,666	97.0%
Other Endowment Assets Invested in the PUF	-1.5%	-1.5%	0.4%	0.2%	1.1%	N/A	311,934	3.0%
Total Other OSU Endowment Assets							10,379,600	100.0%
<b>Total OSU Endowment Assets</b>	<b>-3.8%</b>	<b>-3.8%</b>	<b>1.2%</b>	<b>7.9%</b>	<b>7.6%</b>	<b>N/A</b>	<b>\$ 61,964,287</b>	

# OSU Operating Assets

Investment Strategy	Portfolio Strategy	Investment Pool/Fund	Investment Objective	Investment Allocation Range	Weighted Average Credit Quality	Weighted Average Maturity	1 Year Return
Cash	Liquidity	JP Morgan and US Bank operating accounts	Cash for operations	N/A	N/A	N/A	N/A
Public University Fund	Liquidity	Oregon Short-Term Fund	Daily liquidity; preservation of capital	40-50%	AA	0.46 years	0.8%
	Intermediate-Term	Core Bond Fund	Monthly liquidity; assets in excess of liquidity needs invested into quality fixed income securities for intermediate time horizon	50-60%	AA	4.41 years	-9.6%
Unspent Bond Proceeds	Liquidity	Oregon Short-Term Fund	Daily liquidity; preservation of capital	0-20%	AA	0.46 years	0.8%
	Liquidity	RBC Liquidity Portfolio	Asset - Liability Match (1 year or less)	10-20%	AA-	0.68 years	-0.8%
	Short-Term	RBC Short-Duration Portfolio	Asset-Liability Match (1 - 4 years)	40-100%	AA-	1.75 years	-4.3%