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NORTH TEXAS
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OFFICE OF THE VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

The attached reports represent the investment portfolio of the University of North Texas for the period ending December 31, 2008 and are in compliance with Chapter 2256 of the Public Funds Investment Act and the Investment Strategy expressed in the University's Investment Policy.

A. M. Harris

Andrew M. Harris
Vice President for Finance & Business Affairs

29 JAN 09

Date

Carolyn M. Whitlock

Carolyn M. Whitlock
Manager, Treasury Services

1/29/2009

Date

UNIVERSITY OF NORTH TEXAS INVESTMENT PORTFOLIO SUMMARY For The Period Ending 12/31/08

These reports are prepared in accordance with the Texas Public Funds Investment Act, Government Code 2256. These reports are in full compliance with the Investment Policy and Strategy established for the University of North Texas and the Public Funds Investment Act.

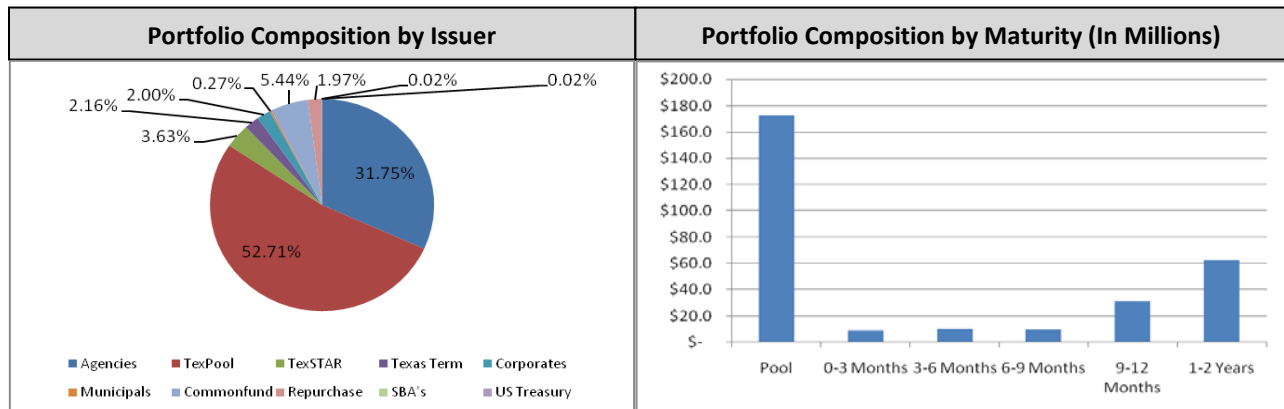
As of December 31, 2008 the University's portfolio had a book value of \$294.7 million and a market value of \$301.0 million. Of this amount, \$172.4 million was held in local government investment pools, with \$155.3 million in TexPool, \$10.7 million in TexSTAR, and \$6.4 million in Texas Term. The Wells Fargo Repurchase Sweep account held \$5.8 million. The remaining \$116.5 million was invested in US Treasury (\$70 thousand), SBA's (\$51 thousand), Corporate Bonds (\$6.0 million), Taxable Municipals Bonds (\$820 thousand), Commonfund (\$16.0 million), and government agency securities (\$93.0 million). The breakdown of the \$93.0 million invested in government agencies is as follows: \$16.0 million in Farm Credit notes; \$32.6 million in Federal Home Loan Bank notes; \$19.0 million in Freddie Mac notes; \$22.4 million in Fannie Mae notes and \$3 million in Farmer Mac notes.

As of December 31, 2008 the portfolio had a weighted average maturity of 575 days and a weighted average yield to maturity of 4.83% excluding liquid funds. On an accrual basis the portfolio earned \$701,386 during this month. The tables below summarize the portfolio as of December 31, 2008.

The University's portfolio average daily balance yield fell slightly from 2.80% to 2.60%, a decrease of 20bps as the decline in general interest rate levels began to take hold. Investment purchases made in prior months continue to benefit the portfolio. This yield will fall as the pool rates continue to fall.

On December 16th, the Federal Reserve lowered the target fed funds rate to a range from 0% to 0.25%, effectively establishing a zero-percent interest rate policy. These actions have combined with a very weak economic environment to send market yields plummeting in recent weeks. Short-term U.S. T-bills yield next to nothing as the three-month T-bill is less than 0.05% and short-term agency securities are not far behind. Yields on agency securities maturing in less than one-year are now well below 1% and likely to stay there for some time. New investment purchases will be made at yields much lower than the existing portfolio. At the same time, pool yields will continue their decline. Both of these factors will pull the portfolio yield down as we move into 2009.

Total Portfolio Summary			
	Current Month 12/31/2008	Prior Month 11/30/2008	Change From Prior
Book Value	\$294,655,302	\$291,050,422	\$3,604,880
Market Value	\$300,928,050	\$295,798,992	\$5,129,058
Market Value %	102.13%	101.63%	0.50%
Earned Income	\$701,387	\$670,096	



University of North Texas
Investments as of December 31, 2008

INVESTMENT TYPE	SECURITY DESCRIPTION	BOOK VALUE	MARKET VALUE	UNREALIZED GAIN/LOSS	UNREALIZED % GAIN/LOSS	YEARS TO MATURITY	MONTHLY ADJ. INTEREST	CURRENT YIELD
US Treasury - for non unitized endowments								
	UST NOTE, due 11/30/11	70,211	77,142	6,931	9.9%	3.0	256.35	4.38%
	TOTAL	70,211	77,142	6,931	9.9%	3.0	256.35	4.38%
AGENCIES:								
	FFCB, due 2/2/09	2,999,506	3,011,520	12,014	0.4%	0.2	12,338.71	4.94%
	FHLB, due 3/13/09	3,000,272	3,027,300	27,028	0.9%	0.3	13,007.96	5.20%
	FHLMC, due 4/6/09	3,984,461	4,034,880	50,419	1.3%	0.4	16,684.34	5.02%
	FNMA, due 5/4/09	2,993,121	3,040,140	47,019	1.6%	0.4	12,219.87	4.90%
	FFCB, due 7/20/09	3,008,843	3,080,910	72,067	2.4%	0.6	12,073.72	4.82%
	FNMA, due 8/13/09	3,370,243	3,462,911	92,668	2.7%	0.7	14,019.29	4.99%
	FNMA, due 9/29/09	3,005,886	3,101,310	95,424	3.2%	0.8	12,141.71	4.85%
	FNMA, due 10/21/09	2,978,159	3,082,110	103,951	3.5%	0.9	12,327.96	4.97%
	FHLB, due 12/11/09	2,998,218	3,122,100	123,882	4.1%	1.0	12,660.10	5.07%
	FNMA, due 1/19/10	2,979,210	3,111,720	132,510	4.4%	1.2	12,428.39	5.01%
	FNMA, due 2/17/10	993,803	1,039,320	45,517	4.6%	1.2	4,048.46	4.89%
	FHLB, due 3/12/10	2,989,996	3,143,790	153,794	5.1%	1.3	12,898.82	5.18%
	FHLB, due 4/5/10	2,572,291	2,700,969	128,678	5.0%	1.4	10,482.53	4.89%
	FFCB, due 5/11/10	3,001,078	3,176,250	175,172	5.8%	1.5	13,232.65	5.29%
	FHLB, due 6/9/10	2,987,644	3,148,620	160,976	5.4%	1.5	11,979.60	4.81%
	FHLMC, due 7/12/10	2,956,539	3,131,400	174,861	5.9%	1.6	12,727.02	5.17%
	FHLMC, due 9/15/10	3,062,479	3,280,500	218,021	7.1%	1.8	14,078.57	5.52%
	FNMA, due 11/15/10	3,055,981	3,295,200	239,219	7.8%	2.0	14,025.34	5.51%
	FHLMC, due 1/18/11	3,007,117	3,201,900	194,783	6.5%	2.2	11,580.05	4.62%
	FHLB, due 2/4/11	2,986,175	3,187,350	201,175	6.7%	2.2	12,685.25	5.10%
	FFCB, due 3/21/11	3,027,359	3,237,540	210,181	6.9%	2.3	11,777.93	4.67%
	FHLMC, due 4/18/11	3,020,044	3,243,300	223,256	7.4%	2.4	12,071.01	4.80%
	FNMA, due 5/15/11	3,111,064	3,309,300	198,236	6.4%	2.5	11,019.66	4.25%
	FHLB, due 6/10/11	3,038,940	3,253,680	214,740	7.1%	2.6	12,082.69	4.77%
	FAMCA, due 7/15/11	3,169,048	3,218,640	49,592	1.6%	2.7	8,090.74	3.06%
	FHLMC, due 7/18/11	3,065,154	3,268,800	203,646	6.6%	2.7	10,950.87	4.29%
	FHLB, due 8/19/11	3,042,434	3,287,100	244,666	8.0%	2.8	12,068.65	4.76%
	FFCB, due 9/6/11	4,036,978	4,328,920	291,942	7.2%	2.8	14,662.42	4.36%
	FHLB, due 10/13/11	3,144,100	3,261,000	116,900	3.7%	2.9	8,103.25	3.09%
	FHLB, due 12/09/11	5,980,633	6,528,840	548,207	9.2%	3.1	24,309.54	4.88%
	TOTAL	93,566,775	98,317,320	4,750,546	5.1%	1.7	372,777.08	4.78%
CORPORATE BONDS:								
	General Electric, due 6/15/09	2,983,171	3,013,500	30,329	1.0%	0.5	13,142.79	5.29%
	New York Life Insurance, due 8/16/10	2,966,575	3,010,950	44,375	1.5%	1.7	13,309.86	5.38%
	TOTAL	5,949,746	6,024,450	74,704	1.3%	1.1	26,452.65	5.34%
TAXABLE MUNICIPAL BONDS:								
	Univ of Kansas (AAA, AAA, Aaa, due 2/1/10)	394,674	398,843	4,169	1.1%	1.2	1,684.43	5.12%
	Univ of Miami (AAA, AAA, Aaa, due 4/1/10)	418,771	430,729	11,958	2.9%	1.4	1,765.73	5.06%
	TOTAL	813,446	829,572	16,127	2.0%	1.3	3,450.15	5.09%
SBA'S:								
	TOTAL	51,404	51,476	72	0.1%	3.19	187.26	4.32%
REPURCHASE AGREEMENT TOTAL								
	TOTAL	5,796,615	5,796,615	-	-	N/A	3,045.26	0.33%
TEXAS TERM DAILY:								
	TOTAL	6,366,883	6,366,883	-	0.0%	N/A	6,873.59	1.77%
TEXSTAR:								
	TOTAL	10,702,905	10,702,905	-	0.0%	N/A	6,837.18	1.31%
TEXPOOL:								
	TOTAL	155,314,804	155,314,804	-	-	N/A	201,674.16	1.49%
ENDOWMENTS:								
COMMONFUND								
	EQUITIES	10,511,153	12,449,899	1,938,745	18.4%	N/A	29,936.38	1.13%
	BONDS	5,511,360	5,340,642	(170,718)	-3.1%	N/A	49,896.60	3.60%
	TOTAL	16,022,513	17,790,540	1,768,027			79,832.98	
GRAND TOTALS								
	TOTAL	294,655,302	301,271,709	6,616,407	2.2%	1.68	701,386.67	

University of North Texas
Investments as of December 31, 2008

<u>INVESTMENT TYPE</u>	<u>SECURITY DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>UNREALIZED % GAIN/LOSS</u>	<u>YEARS TO MATURITY</u>	<u>MONTHLY ADJ. INTEREST</u>	<u>CURRENT YIELD</u>
Student Managed Investment								
Fidelity Investments		247,944.24	247,944.24	-	0.0%	N/A	556.63	0.00%
USAA Life Insurance	Life Insurance	-	-	-	-	N/A	-	0.00%
	Annuity	20,311.91	20,311.91	-	0.0%	N/A	67.35	0.00%
UNX Brokerage Account		-	-	-	-	-	-	-
	TOTAL	268,256.15	268,256.15	-	0.0%	-	623.98	-