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Jerry F. Aldape            Irving Littman  
Bob Donaldson            Richelle A. Sugiyama  
Joseph Forney            Chuck Winder  
Steven C. Harris           Brian Yeargain  
  
Chris J. Anton :: Manager of Investments

## Monthly Report to the Board of Land Commissioners

### Investment performance through February 28, 2023

*Month: -2.1%      Fiscal year: 5.8%*

The rally in January transitioned into a modest sell-off in February as investors became increasingly concerned that the Federal Reserve and other central banks would keep interest rates higher for longer due to strong labor markets, resilient consumer demand and stubborn inflation. The U.S. employment report showed a stunning increase of 517,000 jobs, retail sales remained strong and inflation data was hotter than anticipated. Government bonds sold-off with the yield on the 10-year U.S. Treasury climbing 0.43% to 3.94%. These factors combined with uninspiring Q4 earnings and erosion of future earnings estimates also pushed equities lower.

### Status of endowment fund reserves

Distributions for FY2022 and FY2023 are well secured.

### Significant actions of the Endowment Fund Investment Board

None.

### Compliance/legal issues, areas of concern

*Material deviations from Investment Policy:* None.

*Material legal issues:* None.

*Changes in board membership or agency staffing:* None.

### Upcoming issues/events

Compensation Committee – April 6, 2023

Land Board Audit Committee – April 25, 2023

Board Meeting – May 16, 2023