

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

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ITEM FOR INFORMATION

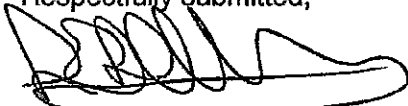
Subject: Monthly Investment Report

Background and Summary:

Attached is the Monthly Investment Report for the Long Term Portfolio as of February 28, 2011.

- Page 1 summarizes the assets as of February 28, 2011. Allocations to alternative assets (Illiquid) reflect market values as of September 30, 2010, the most recent date available, adjusted for contributions and distributions through February 28, 2011. Alternative assets are valued on a quarterly basis. December 31, 2010, data is not available due to the time involved with gathering the requisite information from the partnerships.
- Page 2 reports the performance of the marketable securities by asset class for select periods ending February 28, 2011. Performance for alternative assets is reported only quarterly, as alternative assets are valued on a quarterly basis.

Respectfully submitted,



Erik Lundberg, CFA
Chief Investment Officer



Timothy P. Slotow
Executive Vice President and
Chief Financial Officer

April 2011
Attachment

LONG TERM PORTFOLIO
Asset Allocation
As of February 28, 2011

MARKETABLE SECURITIES	Market Value in millions	Allocation
Equities	\$ 1,859.7	25.2%
Fixed Income	624.7	8.5
Cash	239.9	3.2
Total Traditional Assets	\$ 2,724.4	36.9%
Absolute Return	1,353.6	18.3
TOTAL MARKETABLE SECURITIES	\$ 4,078.0	55.2%

ALTERNATIVE ASSETS (Illiquid) ^(a)	Market Value in millions	Allocation
Venture Capital	\$ 658.5	8.9%
Private Equity	1,090.6	14.8
Real Estate	888.0	12.0
Energy	674.2	9.1
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 3,311.3	44.8%
TOTAL LONG TERM PORTFOLIO	\$ 7,389.3	100.0%

Note: Subtotals may not add due to rounding.

(a) Allocations to Alternative Assets (Illiquid) reflect market values as of September 30, 2010, the most recent date available, adjusted for contributions and distributions through February 28, 2011.

**LONG TERM PORTFOLIO
Performance
Marketable Securities Only ^(a)
As of February 28, 2011**

MARKETABLE SECURITIES	Market Value in millions	Return in Percent		
		3 Months	Fiscal YTD	Calendar YTD
TOTAL MARKETABLE SECURITIES ^(a)	\$ 4,078.0	6.67	17.49	2.85
Custom Benchmark for Marketable Securities		7.22	18.73	2.67
Blended Index - 80% Equities/20% Fixed Income		10.52	24.92	4.55
Equities	\$ 1,859.7	10.78	27.04	3.78
Russell 3000/Citigroup BMI EX US/IFC-I		12.56	31.22	4.58
Fixed Income	624.7	0.26	3.64	0.73
Barclays Aggregate/Long Bond		-1.39	0.78	0.22
Cash	239.9	0.13	0.27	0.07
Treasury Bills		0.04	0.10	0.02
Absolute Return	1,353.6	4.92	13.71	3.03
HFRI Fund of Funds		2.35	6.73	0.37

(a) These returns do not include Alternative Assets (Illiquid), which are valued only quarterly. Alternative Assets (Illiquid) returns and total portfolio returns are reported quarterly as the data becomes available.