

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 March 31, 2010.

- Page 1 summarizes the assets as of March 31, 2010.
- Page 2 reports the performance of Marketable Securities by asset class for select periods ending March 31, 2010.
- Page 3 reports the performance for the entire portfolio by asset class as of December 31, 2009. The investment performance of Alternative Assets is reported with this one quarter lag in order to gather the requisite information from the limited partnerships.
- Page 4 summarizes the assets as of December 31, 2009.

Respectfully submitted,



Erik Lundberg, CFA
Chief Investment Officer



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

May 2010
attachment

LONG TERM PORTFOLIO
Asset Allocation
As of March 31, 2010

MARKETABLE SECURITIES	Market Value in millions	Allocation
Equities	\$ 1,822.4	26.7%
Fixed Income	625.4	9.2
Cash	100.4	1.5
Total Traditional Assets	\$ 2,548.2	37.3%
Absolute Return	1,260.0	18.5
TOTAL MARKETABLE SECURITIES	\$ 3,808.2	55.8%

ALTERNATIVE ASSETS (Illiquid)^(a)	Market Value in millions	Allocation
Venture Capital	\$ 560.4	8.2%
Private Equity	994.2	14.6
Real Estate	791.1	11.6
Energy	670.9	9.8
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 3,016.6	44.2%

TOTAL LONG TERM PORTFOLIO	\$ 6,824.8	100.0%
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Note: Subtotals may not add due to rounding.

(a) Allocations to Alternative Assets (Illiquid) reflect market values as of December 31, 2009, the most recent date available, adjusted for contributions and distributions through March.

**LONG TERM PORTFOLIO
Performance
Marketable Securities Only ^(a)
As of March 31, 2010**

MARKETABLE SECURITIES	Market Value in millions	Return in Percent	
		Fiscal YTD	Calendar YTD
TOTAL MARKETABLE SECURITIES ^(a)	\$ 3,808.2	20.85	3.71
Custom Benchmark for Marketable Securities		19.03	2.78
Blended Index - 80% Equities/20% Fixed Income		23.25	3.68
Equities	\$ 1,822.4	28.72	4.51
Russell 3000/Citigroup BMI EX US/IFC-I		28.73	3.81
Fixed Income	625.4	13.32	2.33
Barclays Aggregate/Long Bond		6.57	1.67
Cash	100.4	0.79	0.12
Treasury Bills		0.12	0.01
Absolute Return	1,260.0	16.54	3.52
Custom Absolute Return Benchmark ^(b)		8.22	1.10

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

(b) CA FOF Median Benchmark prior to 10/1/2009 and HFRI FOF Composite Index thereafter.

Performance Summary
LONG TERM PORTFOLIO
As of December 31, 2009

LONG TERM PORTFOLIO	Market Value	Return in Percent	
	in millions	Fiscal YTD	Calendar YTD
TOTAL LONG TERM PORTFOLIO	\$ 6,718.9	11.18	14.70
Custom Benchmark for Long Term Portfolio		11.76	15.73
80/20 Blended Index		18.87	25.68

MARKETABLE SECURITIES	Market Value	Return in Percent	
	in millions	Fiscal YTD	Calendar YTD
TOTAL MARKETABLE SECURITIES	\$ 3,767.8	16.52	26.74
Custom Benchmark - Marketable Securities		15.81	24.74
Equities	\$ 1,750.7	23.16	38.27
Russell 3000/Citigroup BMI EX US/IFC-I		24.01	37.19
Fixed Income	611.1	10.74	16.92
Barclays Aggregate/Long Bond		4.82	3.97
Cash	111.3	0.67	1.98
Treasury Bills		0.11	0.21
Absolute Return	1,294.6	12.58	20.09
Custom Absolute Return Benchmark		7.05	13.33

ALTERNATIVE ASSETS	Market Value	Return in Percent	
	in millions	Fiscal YTD	Calendar YTD
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 2,951.1	4.61	1.11
Custom Benchmark - Alternative Assets (Illiquid)		4.91	0.75
Venture Capital	\$ 542.1	8.09	6.42
CA Venture Capital Index		5.45	2.65
Private Equity	988.6	14.13	17.56
CA Private Equity Index		12.83	13.96
Real Estate	736.0	-9.94	-21.59
NCREIF Property Index		-5.36	-16.86
Energy	684.3	7.21	7.12
CA Energy Index		9.10	10.10

Performance for all assets is shown as of December 31, 2009, to be consistent with the most recent valuation date for alternative assets.

LONG TERM PORTFOLIO
Asset Allocation
As of December 31, 2009

MARKETABLE SECURITIES	Market Value in millions	Allocation
Equities	\$ 1,750.7	26.1%
Fixed Income	611.1	9.1
Cash	111.3	1.7
Total Traditional Assets	\$ 2,473.2	36.8%
Absolute Return	1,294.6	19.3
TOTAL MARKETABLE SECURITIES	\$ 3,767.8	56.1%

ALTERNATIVE ASSETS (Illiquid)	Market Value in millions	Allocation
Venture Capital	\$ 542.1	8.1%
Private Equity	988.6	14.7
Real Estate	736.0	11.0
Energy	684.3	10.2
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 2,951.1	43.9%

TOTAL LONG TERM PORTFOLIO	\$ 6,718.9	100.0%
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