

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Received by the Regents
November 19, 2009

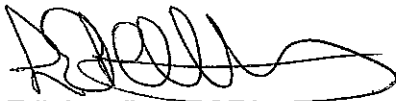
Subject: Monthly Investment Report

Background and Summary:

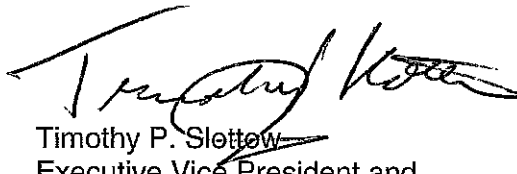
Attached is the Monthly Investment Report for the Long Term Portfolio as of September 30, 2009.

- Page 1 summarizes the assets. Alternative assets values are shown as of June 30, 2009. Alternative assets are valued on a quarterly basis. September 30, 2009, 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. 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. Sletlow
Executive Vice President and
Chief Financial Officer

November 2009
attachment

LONG TERM PORTFOLIO
Asset Allocation
As of September 30, 2009

MARKETABLE SECURITIES	Market Value in millions	Allocation
Equities	\$ 1,684.7	25.8%
Fixed Income	664.5	10.2
Cash	92.7	1.4
Total Traditional Assets	\$ 2,441.8	37.4%
Absolute Return	1,318.8	20.2
TOTAL MARKETABLE SECURITIES	\$ 3,760.6	57.6%

ALTERNATIVE ASSETS (Illiquid) ^(a)	Market Value in millions	Allocation
Venture Capital	\$ 489.9	7.5%
Private Equity	856.4	13.1
Real Estate	784.6	12.0
Energy	637.7	9.8
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 2,768.7	42.4%
TOTAL LONG TERM PORTFOLIO	\$ 6,529.3	100.0%

Note: Subtotals may not add due to rounding.

(a) Allocations to Alternative Assets (Illiquid) reflect market values as of June 30, 2009, the most recent date available, adjusted for contributions and distributions through September.

**LONG TERM PORTFOLIO
Performance
Marketable Securities Only ^(a)
As of September 30, 2009**

MARKETABLE SECURITIES	Market Value in millions	Return in Percent	
		Fiscal YTD	Calendar YTD
TOTAL MARKETABLE SECURITIES ^(a)	\$ 3,760.6	13.01	22.92
Custom Benchmark for Marketable Securities		12.79	21.49
Blended Index - 80% Equities/20% Fixed Income		14.56	21.12
Equities	\$ 1,684.7	18.80	33.22
Russell 3000/Citigroup BMI EX US/IFC-I		18.59	31.20
Fixed Income	664.5	10.45	16.62
Lehman Aggregate/Long Bond		6.12	5.26
Cash	92.7	0.32	1.63
Treasury Bills		0.07	0.17
Absolute Return	1,318.8	8.62	16.12
CA FOF Median benchmark		5.51	11.70

(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.