

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

EXH	MOTION
	APPROVED BY THE REGENTS
NOTE	DEC 15 2005

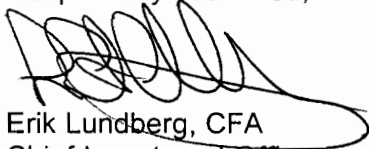
Subject: Monthly Investment Report

Background and Summary:

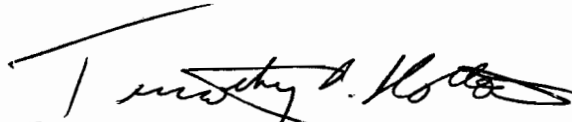
Attached is the Monthly Investment Report for the Long Term Portfolio as of October 31, 2005.

- Page 1 summarizes the assets. Alternative assets values are shown as of June 30, 2005. Alternative assets are valued on a quarterly basis. September 30, 2005, 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. Slottow
Executive Vice President and
Chief Financial Officer

December 2005
attachment

LONG TERM PORTFOLIO
Asset Allocation
As of October 31, 2005

MARKETABLE SECURITIES	Market Value in millions	Allocation
U.S. Equities	\$ 1,059.8	20.2%
Non-U.S. Equities	1,115.7	21.2
Fixed Income	773.2	14.7
Cash	-17.6	-0.3
Total Traditional Assets	\$ 2,931.1	55.8%
Absolute Return ^(a)	1,072.0	20.4
TOTAL MARKETABLE SECURITIES	\$ 4,003.0	76.2%

ALTERNATIVE ASSETS (Illiquid) ^(b)	Market Value in millions	Allocation
Venture Capital	\$ 198.8	3.8%
Private Equity	368.1	7.0
Real Estate	391.1	7.4
Energy	291.2	5.5
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 1,249.2	23.8%
TOTAL LONG TERM PORTFOLIO	\$ 5,252.2	100.0%

(a) Includes distressed debt investments as described in the 2005 Report of Investments.

(b) Allocations to Alternative Assets (Illiquid) reflect market values as of June 30, 2005, the most recent date available, adjusted for contributions and distributions during the September quarter.

LONG TERM PORTFOLIO
Performance
Marketable Securities Only ^(a)
As of October 31, 2005

MARKETABLE SECURITIES	Market Value in millions	3 Months	Return in Percent	
			Fiscal YTD	Calendar YTD
TOTAL MARKETABLE SECURITIES ^(a)	\$ 4,003.0	-0.10	1.96	4.26
Custom Benchmark for Marketable Securities		0.00	0.00	0.00
Blended Index - 80% S&P 500/20% Lehman Aggregate		-1.53	1.23	1.10
U.S. Equities	\$ 1,059.8	-3.25	1.01	0.86
Russell 3000 Index		-1.96	2.06	2.05
Non-U.S. Equities	1,115.7	2.79	6.20	8.04
Citigroup BMI World ex U.S.		4.19	7.90	8.48
Fixed Income	773.2	-1.22	-3.02	2.51
Lehman Aggregate/Long Bond		-1.49	-3.03	1.65
Cash	-17.6	0.91	1.19	2.55
Treasury Bills		0.86	1.09	2.40
Absolute Return ^(b)	1,072.0	1.36	2.68	5.66
CA FOF Median benchmark		1.09	3.29	4.78

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

(b) Includes distressed debt investments as described in the 2005 Report of Investments.