

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Received by the Regents
March 17, 2006

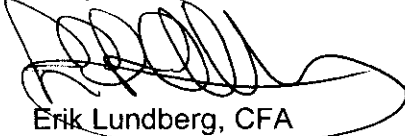
Subject: Monthly Investment Report

Background and Summary:

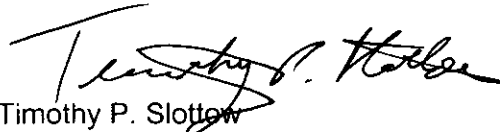
Attached is the Monthly Investment Report for the Long Term Portfolio as of January 31, 2006.

- Page 1 summarizes the assets. Alternative assets values are shown as of September 30, 2005. Alternative assets are valued on a quarterly basis. December 31, 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

March 2006
attachment

**LONG TERM PORTFOLIO
Performance
Marketable Securities Only ^(a)
As of January 31, 2006**

MARKETABLE SECURITIES	Market Value in millions	3 Months	Return in Percent	
			Fiscal YTD	Calendar YTD
TOTAL MARKETABLE SECURITIES ^(a)	\$ 4,277.4	8.69	10.83	3.95
Custom Benchmark for Marketable Securities		7.33	9.82	2.93
Blended Index - 80% S&P 500/20% Lehman Aggregate		5.53	6.82	2.12
U.S. Equities	\$ 1,034.1	8.60	9.70	4.52
Russell 3000 Index		7.46	9.68	3.34
Non-U.S. Equities	1,309.9	17.21	24.47	7.82
Citigroup BMI World ex U.S.		15.26	24.37	6.46
Fixed Income	788.3	1.94	-1.14	-0.28
Lehman Aggregate/Long Bond		1.79	-1.29	-0.41
Cash	27.8	1.05	2.25	0.36
Treasury Bills		0.97	2.07	0.31
Absolute Return ^(b)	1,117.4	5.25	8.07	2.34
CA FOF Median benchmark		5.49	8.97	2.40

(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.

LONG TERM PORTFOLIO
Asset Allocation
As of January 31, 2006

MARKETABLE SECURITIES	Market Value in millions	Allocation
U.S. Equities	\$ 1,034.1	18.3%
Non-U.S. Equities	1,309.9	23.2
Fixed Income	788.3	14.0
Cash	27.8	0.5
Total Traditional Assets	\$ 3,160.0	56.0%
Absolute Return ^(a)	1,117.4	19.8
TOTAL MARKETABLE SECURITIES	\$ 4,277.4	75.8%

ALTERNATIVE ASSETS (Illiquid) ^(b)	Market Value in millions	Allocation
Venture Capital	\$ 227.5	4.0%
Private Equity	386.6	6.8
Real Estate	434.3	7.7
Energy	320.4	5.7
TOTAL ALTERNATIVE ASSETS (Illiquid)	\$ 1,368.8	24.2%
TOTAL LONG TERM PORTFOLIO	\$ 5,646.2	100.0%

Note: Subtotals may not add due to rounding.

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

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