

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

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ITEM FOR INFORMATION

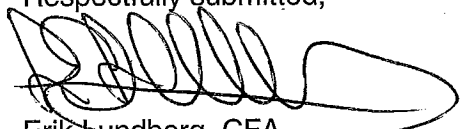
Subject: Monthly Investment Report

Background and Summary:

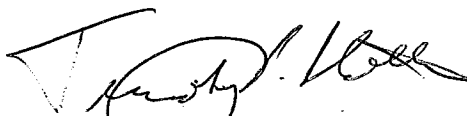
Attached is the Monthly Investment Report for the Long Term Portfolio as of March 31, 2008.

- Page 1 summarizes the assets for March.
- Page 2 reports the performance of Marketable Securities by asset class for March.
- Page 3 reports the performance for the entire portfolio by asset class for December 31, 2007. 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 for December 31, 2007.

Respectfully submitted,



Erik Lundberg, CFA  
Chief Investment Officer



Timothy P. Slotow  
Executive Vice President and  
Chief Financial Officer

May 2008  
attachment

**LONG TERM PORTFOLIO**  
**Asset Allocation**  
**As of March 31, 2008**

<b>MARKETABLE SECURITIES</b>	<b>Market Value in millions</b>	<b>Allocation</b>
Equities	\$ 2,146.4	28.1%
Fixed Income	704.8	9.2
Cash	132.5	1.7
Total Traditional Assets	\$ 2,983.7	39.1%
Absolute Return	1,545.1	20.3
<b>TOTAL MARKETABLE SECURITIES</b>	<b>\$ 4,528.8</b>	<b>59.4%</b>

<b>ALTERNATIVE ASSETS (Illiquid) <sup>(a)</sup></b>	<b>Market Value in millions</b>	<b>Allocation</b>
Venture Capital	\$ 491.2	6.4%
Private Equity	1,024.5	13.4
Real Estate	924.3	12.1
Energy	657.3	8.6
<b>TOTAL ALTERNATIVE ASSETS (Illiquid)</b>	<b>\$ 3,097.3</b>	<b>40.6%</b>

<b>TOTAL LONG TERM PORTFOLIO</b>	<b>\$ 7,626.1</b>	<b>100.0%</b>
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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, 2007, the most recent date available, adjusted for contributions and distributions through March.

**LONG TERM PORTFOLIO  
Performance  
Marketable Securities Only <sup>(a)</sup>  
As of March 31, 2008**

<b>MARKETABLE SECURITIES</b>	<b>Market Value in millions</b>	<b>3 Months</b>	<b>Return in Percent</b>	
			<b>Fiscal YTD</b>	<b>Calendar YTD</b>
<b>TOTAL MARKETABLE SECURITIES <sup>(a)</sup></b>	\$ 4,528.8	-2.56	0.73	-2.56
Custom Benchmark for Marketable Securities		-5.18	-2.69	-5.18
Blended Index - 80% Equities/20% Fixed Income		-6.86	-6.24	-6.86
<b>Equities</b>	\$ 2,146.4	-9.31	-6.52	-9.31
Russell 3000/Citigroup BMI EX US/IFC-I		-9.18	-8.17	-9.18
<b>Fixed Income</b>	704.8	-0.35	6.11	-0.35
Lehman Aggregate/Long Bond		1.47	8.31	1.47
<b>Cash</b>	132.5	0.92	3.52	0.92
Treasury Bills		0.88	3.31	0.88
<b>Absolute Return</b>	1,545.1	6.68	9.99	6.68
CA FOF Median benchmark		-1.03	1.27	-1.03

(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.

**Performance Summary**  
**LONG TERM PORTFOLIO**  
As of December 31, 2007

<b>LONG TERM PORTFOLIO</b>	Market Value	Return in Percent	
	in millions	Fiscal YTD	Calendar YTD
<b>TOTAL LONG TERM PORTFOLIO</b>	\$ 7,732.8	5.64	17.62
Custom Benchmark for Long Term Portfolio		3.84	13.11
80/20 Blended Index		0.67	8.03

<b>MARKETABLE SECURITIES</b>	Market Value	Return in Percent	
	in millions	Fiscal YTD	Calendar YTD
<b>TOTAL MARKETABLE SECURITIES</b>	\$ 4,712.1	3.38	12.99
Custom Benchmark - Marketable Securities		2.63	10.64
<b>Equities</b>	\$ 2,326.7	3.07	15.84
Russell 3000/Citigroup BMI EX US/IFC-I		1.11	11.79
<b>Fixed Income</b>	717.3	6.48	7.12
Lehman Aggregate/Long Bond		6.74	6.79
<b>Cash</b>	95.9	2.58	5.28
Treasury Bills		2.40	5.00
<b>Absolute Return</b>	1,572.3	3.10	12.02
CA FOF Median benchmark		2.33	10.88

<b>ALTERNATIVE ASSETS</b>	Market Value	Return in Percent	
	in millions	Fiscal YTD	Calendar YTD
<b>TOTAL ALTERNATIVE ASSETS (Illiquid)</b>	\$ 3,020.7	9.46	26.28
Custom Benchmark - Alternative Assets (Illiquid)		6.59	18.66
<b>Venture Capital</b>	\$ 477.4	7.35	22.14
CA Venture Capital Index		6.63	16.16
<b>Private Equity</b>	1,005.5	10.62	35.36
CA Private Equity Index		5.45	20.60
<b>Real Estate</b>	884.9	3.53	15.28
NCREIF Property Index		6.88	15.84
<b>Energy</b>	653.0	18.39	32.98
CA Energy Index		7.98	21.80

Performance for all assets is shown as of December 31, 2007, to be consistent with the most recent valuation date for alternative assets.

The benchmarks are preliminary for the total fund benchmark and all of the alternative benchmarks.

**LONG TERM PORTFOLIO**  
**Asset Allocation**  
**As of December 31, 2007**

<b>MARKETABLE SECURITIES</b>	<b>Market Value in millions</b>	<b>Allocation</b>
Equities	\$ 2,326.7	30.1%
Fixed Income	717.3	9.3
Cash	95.9	1.2
Total Traditional Assets	\$ 3,139.9	40.6%
Absolute Return	1,572.3	20.3
<b>TOTAL MARKETABLE SECURITIES</b>	<b>\$ 4,712.1</b>	<b>60.9%</b>

<b>ALTERNATIVE ASSETS (Illiquid)</b>	<b>Market Value in millions</b>	<b>Allocation</b>
Venture Capital	\$ 477.4	6.2%
Private Equity	1,005.5	13.0
Real Estate	884.9	11.4
Energy	653.0	8.4
<b>TOTAL ALTERNATIVE ASSETS (Illiquid)</b>	<b>\$ 3,020.7</b>	<b>39.1%</b>
<b>TOTAL LONG TERM PORTFOLIO</b>	<b>\$ 7,732.8</b>	<b>100.0%</b>