

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

EXH	MOTION
	SECOND
	ACTION APPROVED BY THE REGENTS
NOTE:	JUN 16 2005
<i>Consent agenda</i>	

ITEM FOR INFORMATION

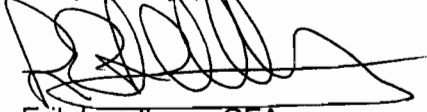
Subject: Monthly Investment Report

Background and Summary:

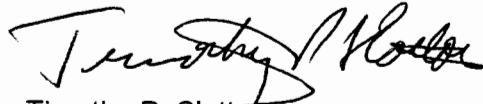
Attached is the Monthly Investment Report for the Long Term Portfolio as of April 30, 2005.

- Page 1 summarizes the assets. Alternative assets values are shown as of December 31, 2004. Alternative assets are valued on a quarterly basis. March 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

June 2005  
attachment

**LONG TERM PORTFOLIO**  
**Asset Allocation**  
**As of April 30, 2005**

<b>MARKETABLE SECURITIES</b>	<b>Market Value in millions</b>	<b>Allocation</b>
U.S. Equities	\$ 900.6	18.4%
Non-U.S. Equities	1,035.1	21.2
Fixed Income	734.3	15.0
Cash	29.5	0.6
Total Traditional Assets	\$ 2,699.5	55.3%
Absolute Return	818.0	16.7
Distressed Debt	225.7	4.6
Total Liquid Alternative Assets	\$ 1,043.7	21.4%
<b>TOTAL MARKETABLE SECURITIES</b>	<b>\$ 3,743.2</b>	<b>76.6%</b>

<b>ALTERNATIVE ASSETS (Illiquid) *</b>	<b>Market Value in millions</b>	<b>Allocation</b>
Venture Capital	\$ 222.2	4.5%
Private Equity	316.0	6.5
Real Estate	365.3	7.5
Energy	237.3	4.9
<b>TOTAL ALTERNATIVE ASSETS (Illiquid)</b>	<b>\$ 1,140.8</b>	<b>23.4%</b>
<b>TOTAL LONG TERM PORTFOLIO</b>	<b>\$ 4,884.0</b>	<b>100.0%</b>

\* Allocations to Alternative Assets (Illiquid) reflect values as of December 31, 2004, the most recent date available, adjusted for contributions and distributions in the March 2005 quarter.

**LONG TERM PORTFOLIO**  
**Performance**  
**Marketable Securities Only \***  
**As of April 30, 2005**

<b>MARKETABLE SECURITIES</b>	<b>Market Value in millions</b>	<b>Return in Percent</b>		
		<b>3 Months</b>	<b>Fiscal YTD</b>	<b>Calendar YTD</b>
<b>TOTAL MARKETABLE SECURITIES *</b>	\$ 3,743.2	-0.30	9.62	-0.81
Custom Benchmark for Marketable Securities		-0.70	7.14	-1.53
Blended Index - 80% S&P 500/20% Lehman Aggregate		-1.22	3.40	-3.03
<b>U.S. Equities</b>	\$ 900.6	-2.96	4.94	-5.18
Russell 3000 Index		-1.71	3.39	-4.33
<b>Non-U.S. Equities</b>	1,035.1	0.73	16.81	-0.53
Citigroup BMI World ex U.S.		-0.30	14.02	-1.65
<b>Fixed Income</b>	734.3	0.75	8.89	2.48
Lehman Aggregate/Long Bond		0.28	8.61	1.88
<b>Cash</b>	29.5	0.64	1.66	0.83
Treasury Bills		0.63	1.65	0.80
<b>Absolute Return</b>	818.0	0.57	7.56	0.71
CA FOF Median benchmark		-0.57	4.67	-0.35
<b>Distressed Debt</b>	225.7	0.40	11.42	0.88
CA Distressed Median benchmark		1.35	11.09	1.54

\* These returns do not include Alternative Assets, which are valued only quarterly. Alternative Asset returns and portfolio returns therefore will be reported quarterly when the data becomes available.