

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

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ITEM FOR INFORMATION

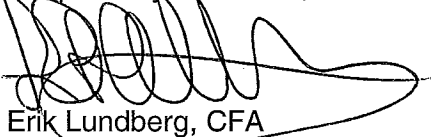
Subject: Monthly Investment Report

Background and Summary:

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

- Page 1 summarizes the assets. Alternative assets values are shown as of September 30, 2007. Alternative assets are valued on a quarterly basis. December 31, 2007, 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 2008  
attachment

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

<b>MARKETABLE SECURITIES</b>	<b>Market Value in millions</b>	<b>Allocation</b>
Equities	\$ 2,193.5	29.6%
Fixed Income	724.1	9.8
Cash	57.9	0.8
Total Traditional Assets	\$ 2,975.5	40.1%
Absolute Return	1,580.0	21.3
<b>TOTAL MARKETABLE SECURITIES</b>	<b>\$ 4,555.5</b>	<b>61.4%</b>

<b>ALTERNATIVE ASSETS (Illiquid) <sup>(a)</sup></b>	<b>Market Value in millions</b>	<b>Allocation</b>
Venture Capital	\$ 461.2	6.2%
Private Equity	957.4	12.9
Real Estate	864.4	11.6
Energy	582.7	7.9
<b>TOTAL ALTERNATIVE ASSETS (Illiquid)</b>	<b>\$ 2,865.6</b>	<b>38.6%</b>
<b>TOTAL LONG TERM PORTFOLIO</b>	<b>\$ 7,421.1</b>	<b>100.0%</b>

Note: Subtotals may not add due to rounding.

(a) Allocations to Alternative Assets (Illiquid) reflect market values as of September 30, 2007, the most recent date available, adjusted for contributions and distributions through January.

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

<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 <sup>(a)</sup></b>	\$ 4,555.5	-4.80	0.27	-3.01
Custom Benchmark for Marketable Securities		-7.85	-2.48	-4.98
Blended Index - 80% Equities/20% Fixed Income		-9.15	-4.82	-5.45
<b>Equities</b>	\$ 2,193.5	-11.78	-4.64	-7.48
Russell 3000/Citigroup BMI EX US/IFC-I		-13.47	-7.17	-8.19
<b>Fixed Income</b>	724.1	2.46	7.49	0.95
Lehman Aggregate/Long Bond		3.55	8.19	1.36
<b>Cash</b>	57.9	1.17	2.96	0.37
Treasury Bills		1.26	2.92	0.50
<b>Absolute Return</b>	1,580.0	3.80	4.99	1.83
CA FOF Median benchmark		-3.55	-0.51	-2.77

(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.