

**THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA**  
**Executive Committee Meeting - Investment Report**  
**March 18, 2008**

**TOTAL RETURN - January 31, 2008**

	Calendar YTD	Fiscal YTD	One Year	Annualized		
				3 Years	5 Years	10 Years
AIF	-4.2%	-2.3%	5.1%	10.7%	12.9%	8.1%
AIF Composite Index	-3.8%	-0.6%	6.1%	10.7%	12.6%	6.9%
70% R3000 / 30% Lehman GC	-3.7%	-3.1%	0.7%	6.9%	10.7%	6.0%

**SECTOR PERFORMANCE VS. BENCHMARK**

	Fiscal YTD		One Year		3 Years Annualized	
	Penn	B'mark	Penn	B'mark	Penn	B'mark
Global Equity						
Domestic Equity	-8.9%	-7.8%	-2.8%	-3.1%	7.2%	7.6%
International Equity	-7.5%	-8.1%	0.5%	1.7%	11.7%	14.5%
Emerging Market Equity	7.2%	3.8%	23.5%	23.3%	28.3%	29.3%
<i>Total</i>	-6.8%	-6.7%	1.1%	0.8%	10.9%	11.5%
Excess Return Assets						
Real Estate	3.7%	14.9%	19.0%	31.9%	18.4%	31.3%
Private Equity	5.3%	5.3%	18.0%	18.0%	16.7%	16.7%
<i>Total</i>	4.6%	9.3%	18.4%	23.8%	17.7%	23.2%
Diversifying Assets						
Absolute Return	0.2%	2.8%	7.7%	7.1%	12.9%	8.8%
Natural Resources	11.4%	11.4%	30.4%	30.4%	32.2%	320.2%
<i>Total</i>	0.8%	3.2%	8.7%	8.0%	12.9%	9.1%
Invest. Grade Bonds <i>(includes cash)</i>	5.2%	10.0%	7.3%	11.4%	4.4%	5.5%

**ASSET ALLOCATION**

	Market Value (\$ millions)	Actual AIF	Composite Index
Global Equity			
Domestic Equity	\$ 1,338.9	21.9%	30.0%
International Equity	\$ 1,516.4	24.8%	16.9%
Emerging Market Equity	\$ 290.2	4.8%	5.0%
	<u>\$ 3,145.5</u>	<u>51.5%</u>	<u>51.9%</u>
Excess Return Assets			
Real Estate	\$ 266.5	4.4%	4.4%
Private Equity	\$ 333.8	5.5%	5.5%
	<u>\$ 600.4</u>	<u>9.8%</u>	<u>9.8%</u>
Diversifying Assets			
Absolute Return	\$ 1,294.1	21.2%	22.0%
Natural Resources	\$ 79.6	1.3%	1.3%
	<u>\$ 1,373.7</u>	<u>22.5%</u>	<u>23.3%</u>
Invest. Grade Bonds <i>(includes cash)</i>	\$ 984.2	16.1%	15.0%
TOTAL AIF	<u>\$ 6,103.8</u>	<u>100.0%</u>	<u>100.0%</u>

**TOTAL ENDOWMENT**

January 31, 2008 Market Value

\$6.51 Billion