

Consolidated Endowment Fund (CEF) as of November 30, 2006

Asset Allocation—\$1.8 Billion



Performance (%)

	'06 Calendar Year-to-Date	5-Year	10-Year
Total CEF Return	14.1	10.6	11.1
Policy Benchmark	14.8	8.8	10.7
Equity Fund	15.6	10.8	11.6
Policy Benchmark	17.2	9.0	11.2
Real Assets Fund	11.7	—	—
Policy Benchmark	10.5	—	—
Fixed Income Fund	5.6	5.3	6.5
Policy Benchmark	4.2	4.6	6.0

Market Perspective

Global equity markets posted solid returns in November. Emerging markets far outpaced developed markets with risk aversion remaining low, despite the potential for economic and geopolitical instability.

While value bested growth and small cap outperformed large cap, performance gaps were generally fairly small. Energy and utilities were among the better performing global sectors year-to-date while information technology and health care were the lowest returning sectors.

Performance was strong in November with the CEF returning 2.5%, a continuation of a surprisingly strong year in capital markets. The CEF returned 14.1% year-to-date through November 2006 with all equity strategies producing double digit returns. International developed and emerging markets continue to provide the strongest absolute returns in the portfolio with investments in China topping the chart year-to-date.

Investment staff continues to focus its efforts on international exposure. The CEF is neutral weight to domestic equities and underweight to fixed income.