

University of Washington Investment Committee Update



MARCH 20, 2008

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INVESTMENT OUTLOOK

Capital Markets

- Low returns environment
- Increased volatility
- Inflationary pressures
- U.S. Dollar uncertainty

Consolidated Endowment Fund

- Defensive posture
- Emphasis on global markets
- Long term investment perspective

*Asset Allocation**

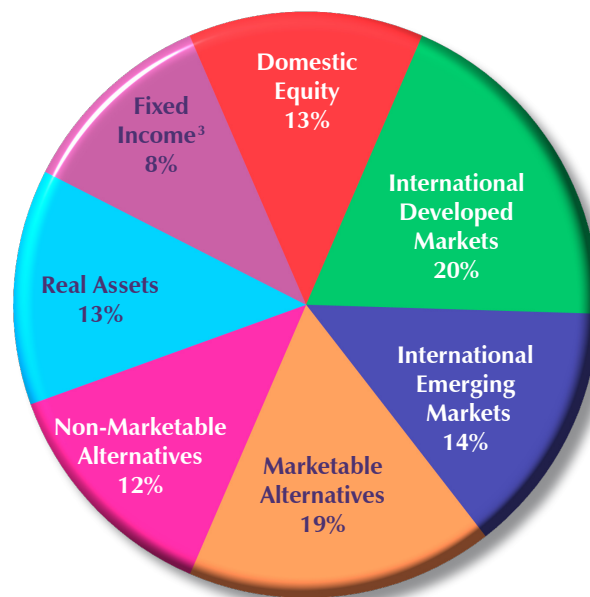
- Minor adjustments to long-term targets
- Wider policy ranges
- Greater diversification and flexibility

** Formal policy review in May 2008*

ASSET ALLOCATION

As of January 31, 2008

Consolidated Endowment Fund¹—\$2,120 MM



	Dollars in Millions		Long-Term Target	Policy Range
	Current	Allocation		
Domestic Equity	\$278	13% ²	18%	10%–40%
International Developed Markets	\$410	19%	20%	10%–35%
International Emerging Markets	\$300	14%	10%	5%–15% ⁴
Marketable Alternatives	\$352	17%	16%	5%–25%
Non-Marketable Alternatives	\$268	13%	12%	5%–20%
Equity Fund	\$1,6079	76%	76%	60%–90%
Real Assets Fund	\$278	13%	12%	5%–20%
Fixed Income Fund ³	\$235	11%	12%	5%–35%
Total Consolidated Endowment Fund	\$2,120	100%		

¹ Total international exposure: 47%; estimated net foreign currency exposure: 44%

² 12% without notional exposure to S&P500 Futures

³ Includes allocation to cash

⁴ On November 14, 2007, the Board of Regents approved expansion of the International Emerging Markets policy range to 5%–25% through June 30, 2008