

# Board of Regents State of Iowa

# Market Environment

# Economic Overview

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U.S. GDP 4.1% for 2Q18; 3Q18 Fed forecast of 4.3%

U.S. Unemployment Rate 3.9% as of July 2018

U.S. Core Inflation 2.4% as of July 2018

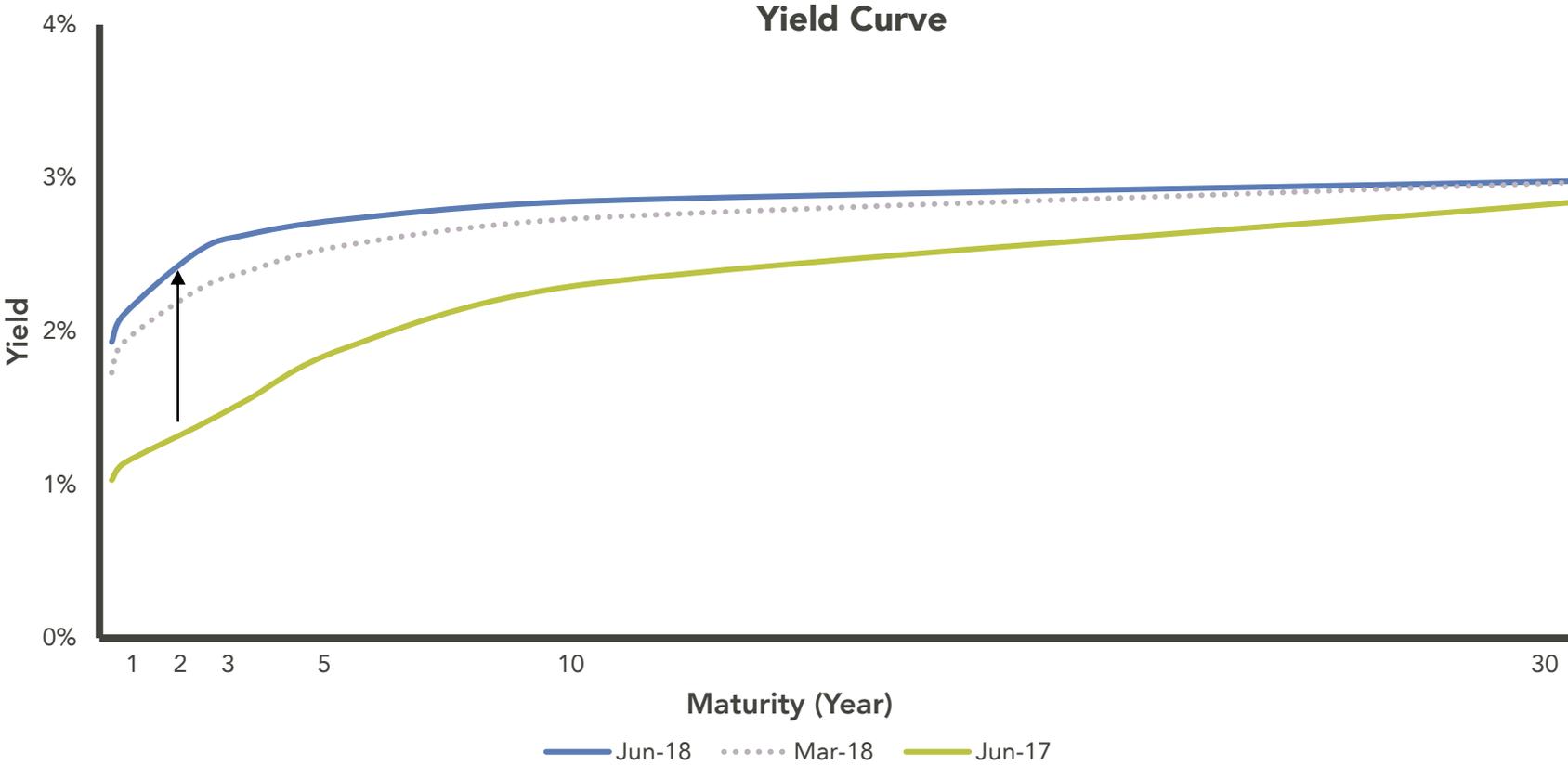
Fed Rate Expectations 62% probability of two additional increases in 2018

Global Growth Expectations IMF forecasting 3.9% for 2018 and 2019

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Source: Federal Reserve Bank of Atlanta (as of 8/16/18), BLS, BEA, CME Group (as of 8/20/18), IMF (as of July 2018)

# The yield curve continues bear flattening



Source: Federal Reserve as of June 30, 2018

# Fixed Income returns

	Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
<b>Broad Market Indices</b>							
Blm BC Aggregate	-0.1	-0.2	-1.6	-0.4	1.7	2.3	3.7
<b>Intermediate Indices</b>							
Blm BC Int. Gov./Credit	-0.1	0.0	-1.0	-0.6	1.2	1.6	3.1
<b>Government Only Indices</b>							
Blm BC Long Gov.	0.2	0.3	-3.0	-0.1	3.4	4.6	6.0
Blm BC Int. Gov.	0.0	0.1	-0.7	-0.7	0.6	1.0	2.4
Blm BC 1-3 Year Gov.	0.0	0.2	0.1	0.0	0.4	0.6	1.3
Blm BC U.S. TIPS	0.4	0.8	0.0	2.1	1.9	1.7	3.0
<b>Credit Indices</b>							
Blm BC U.S. Long Credit	-1.2	-2.7	-6.4	-1.3	5.0	5.5	7.3
Blm BC High Yield	0.4	1.0	0.2	2.6	5.5	5.5	8.2
CS Leveraged Loan Index	0.1	0.8	2.4	4.7	4.3	4.2	5.0
<b>Securitized Bond Indices</b>							
Blm BC MBS	0.0	0.2	-1.0	0.1	1.5	2.3	3.5
Blm BC ABS	0.0	0.4	0.0	0.4	1.3	1.4	3.2
Blm BC CMBS	-0.1	0.0	-1.2	0.0	2.0	2.5	4.9

Source: Bloomberg Barclays, Credit Suisse, JPMorgan as of June 30, 2018

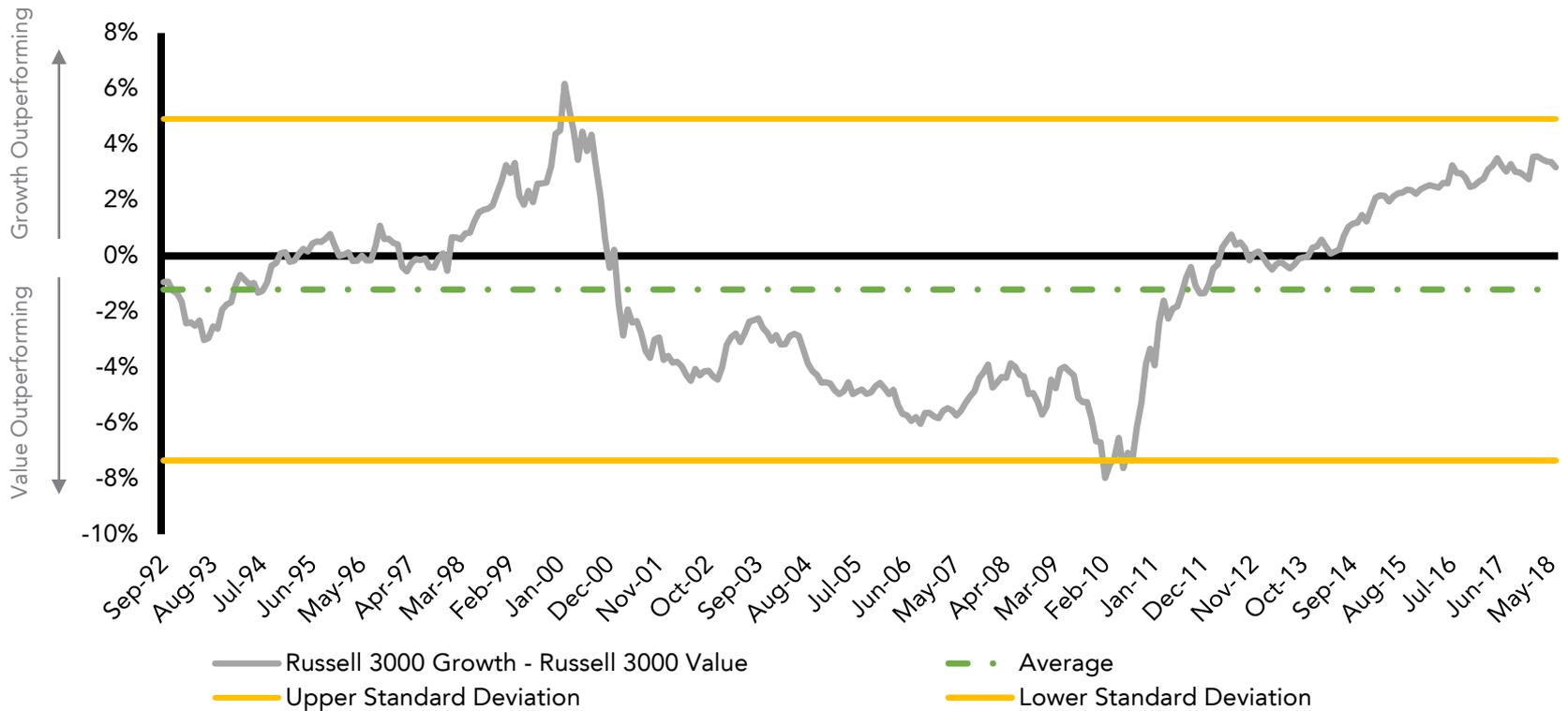
# U.S. Equity returns

	Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
<b>Broad Market Indices</b>							
Dow Jones	-0.5	1.3	-0.7	16.3	14.1	13.0	10.8
Wilshire 5000	0.6	3.8	3.0	14.7	11.9	13.4	10.2
Russell 3000	0.7	3.9	3.2	14.8	11.6	13.3	10.2
<b>Large-Cap Market Indices</b>							
S&P 500	0.6	3.4	2.6	14.4	11.9	13.4	10.2
Russell 1000	0.6	3.6	2.9	14.5	11.6	13.4	10.2
Russell 1000 Value	0.2	1.2	-1.7	6.8	8.3	10.3	8.5
Russell 1000 Growth	1.0	5.8	7.3	22.5	15.0	16.4	11.8
<b>Mid-Cap Market Indices</b>							
Russell MidCap	0.7	2.8	2.3	12.3	9.6	12.2	10.2
Russell MidCap Value	0.8	2.4	-0.2	7.6	8.8	11.3	10.1
Russell MidCap Growth	0.4	3.2	5.4	18.5	10.7	13.4	10.5
<b>Small-Cap Market Indices</b>							
Russell 2000	0.7	7.8	7.7	17.6	11.0	12.5	10.6
Russell 2000 Value	0.6	8.3	5.4	13.1	11.2	11.2	9.9
Russell 2000 Growth	0.8	7.2	9.7	21.9	10.6	13.6	11.2

Source: Morningstar Direct as of June 30, 2018

# Is growth's outperformance peaking?

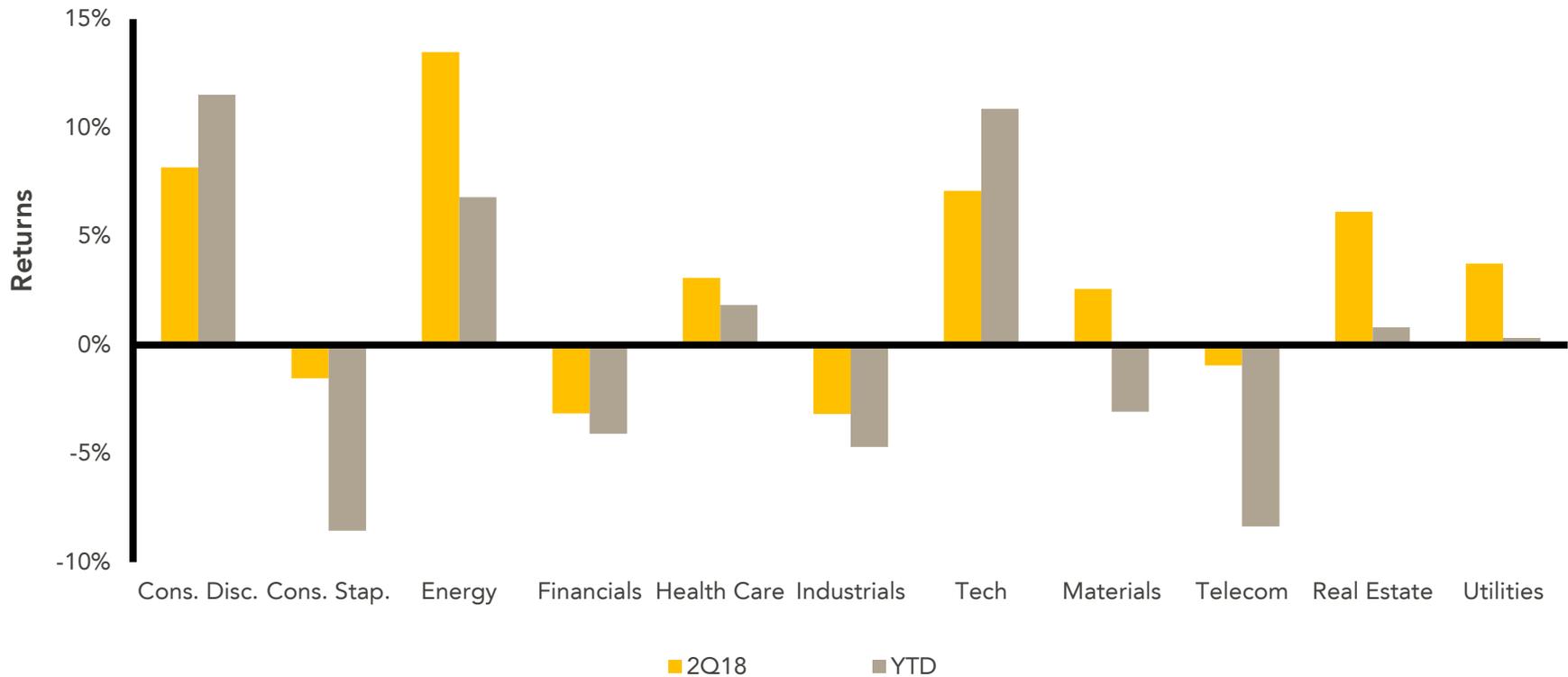
## Rolling 10-year trailing performance of growth minus value



Source: eVestment as of June 30, 2018

# Cloud lifts over Energy, Real Estate & Utilities

## S&P 500 sector performance



Source: Morningstar Direct as of June 30, 2018

# Non-U.S. equities: YTD returns turn negative

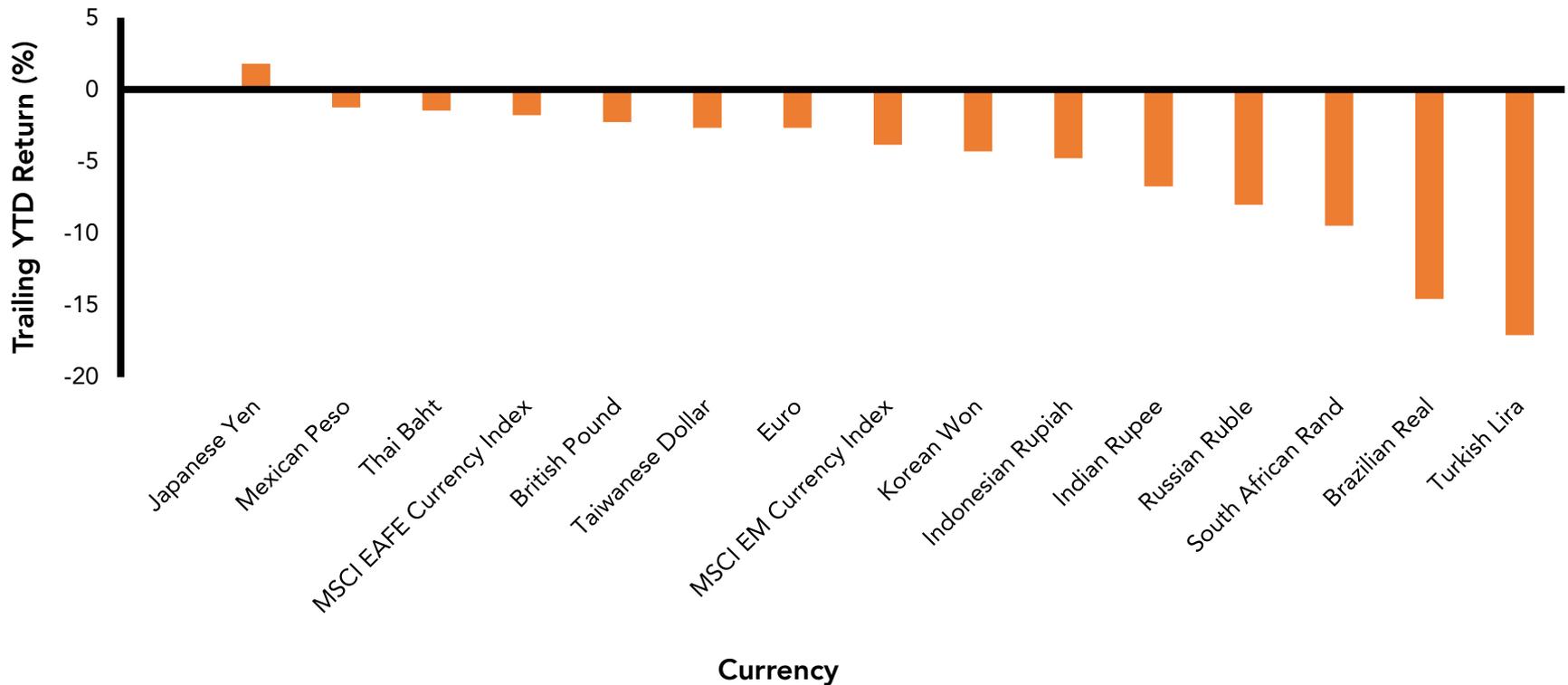
## Developed markets outperform emerging markets

	Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
MSCI ACWI ex. U.S.	-1.9	-2.6	-3.8	7.3	5.1	6.0	2.5
MSCI EAFE	-1.2	-1.2	-2.8	6.8	4.9	6.4	2.8
MSCI EAFE Local	-0.3	3.5	-1.0	6.1	5.2	8.9	5.0
MSCI Emerging Markets	-4.2	-8.0	-6.7	8.2	5.6	5.0	2.3
MSCI EM Local	-2.5	-3.5	-2.8	10.5	7.5	8.5	5.2
MSCI EAFE Small-Cap	-2.0	-1.6	-1.3	12.5	10.0	11.3	6.8
MSCI EM Small-Cap	-6.6	-8.6	-8.5	5.6	2.9	4.3	4.4
MSCI Frontier	-3.5	-15.2	-10.9	1.7	2.2	4.6	-2.5

Source: Bloomberg as of June 30, 2018

# Currencies fall in emerging markets

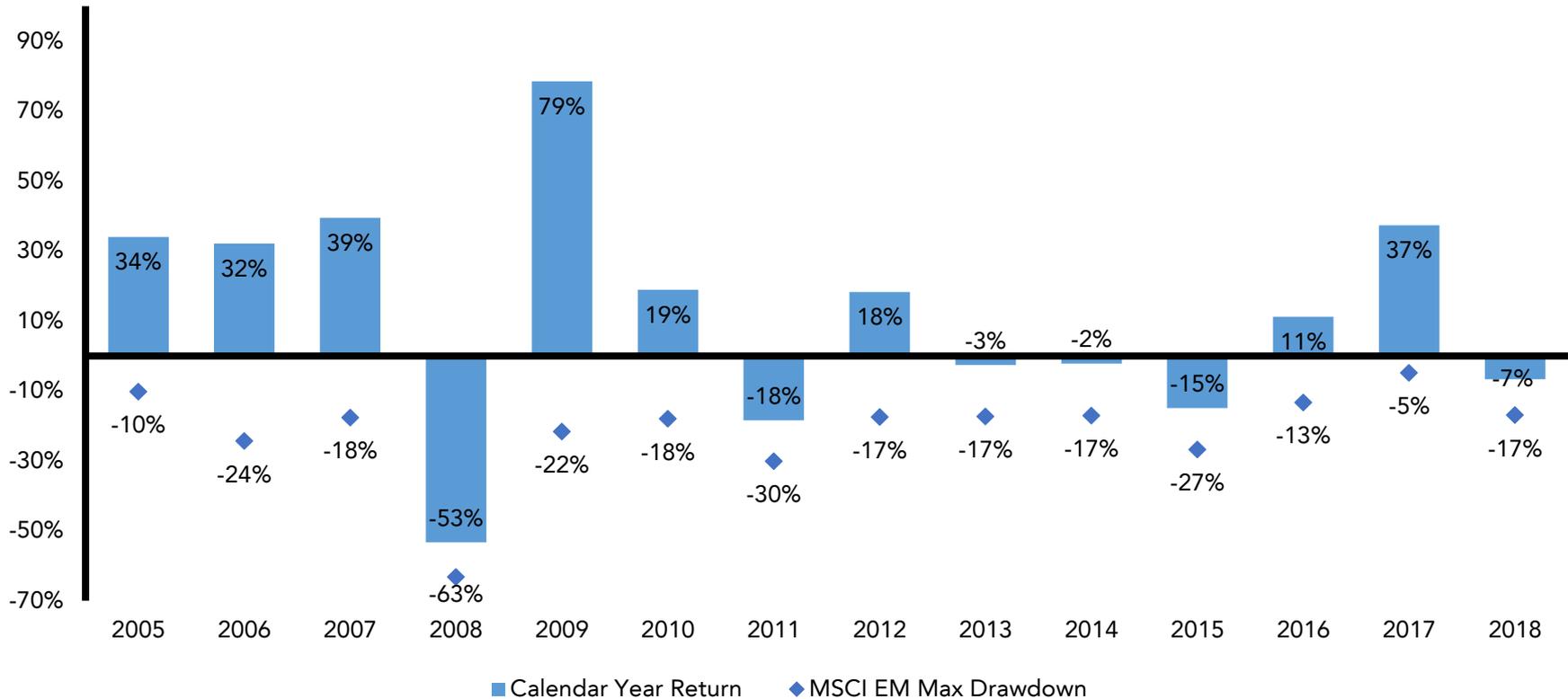
Turkey and Brazil have been hit the hardest



Source: Bloomberg as of June 30, 2018

# EM equity max drawdown and calendar year returns

2017 was the first year without a double digit max drawdown



Source: Bloomberg as of June 2018

# Real Estate returns

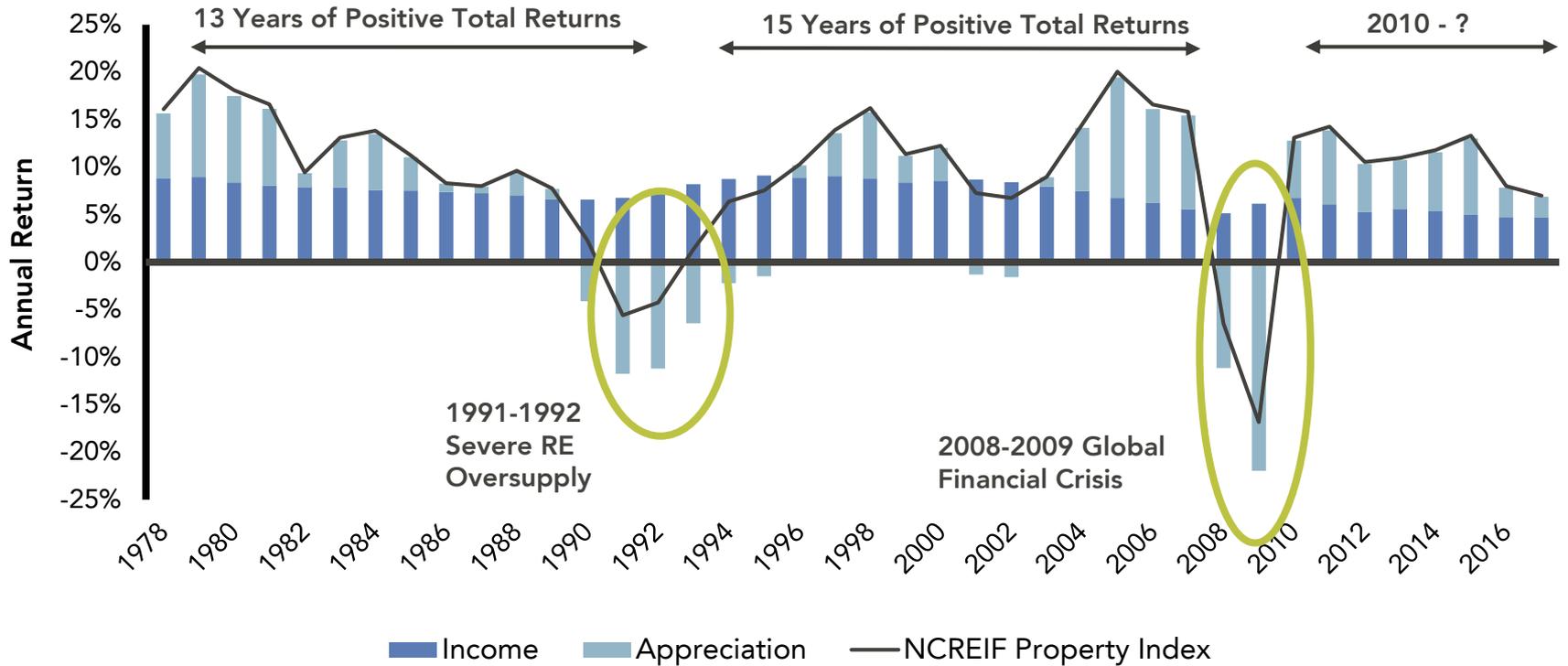
## Another positive quarter for real estate

	2Q18 (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	10 Yr Risk(%)
<b>NPI</b>	<b>1.8</b>	<b>3.5</b>	<b>7.2</b>	<b>8.3</b>	<b>9.8</b>	<b>6.2</b>	<b>5.7</b>
Income	1.1	2.3	4.6	4.7	5.0	5.5	0.3
Appreciation	0.7	1.3	2.5	3.4	4.6	0.7	5.8
<b>NFI-ODCE</b>	<b>2.1</b>	<b>4.3</b>	<b>8.4</b>	<b>9.4</b>	<b>11.0</b>	<b>5.3</b>	<b>8.5</b>
Income	1.1	2.1	4.3	4.4	4.7	5.2	0.4
Appreciation	1.0	2.2	4.0	4.8	6.1	0.1	8.6
<b>FTSE NAREIT All Eq. REITs</b>	<b>8.5</b>	<b>1.3</b>	<b>4.9</b>	<b>9.1</b>	<b>8.9</b>	<b>8.3</b>	<b>24.9</b>
<b>Property Type</b>							
NPI Apartment	1.5	3.1	6.5	7.5	8.8	6.2	6.2
NPI Office	1.5	3.4	6.5	7.1	8.9	5.0	6.1
NPI Industrial	3.6	6.9	14.1	13.3	13.4	7.6	6.0
NPI Retail	1.3	2.0	4.6	7.8	10.1	7.5	4.8
NPI Hotel	2.0	3.0	6.3	6.5	8.2	3.7	6.5
<b>Geographic Sectors</b>							
NPI East	1.3	2.5	5.2	6.4	7.8	5.0	6.1
NPI Midwest	1.7	2.9	5.8	7.0	8.8	5.8	4.7
NPI South	1.9	3.8	7.2	8.1	10.2	6.9	5.1
NPI West	2.2	4.4	9.2	10.3	11.6	7.1	6.2

Sources: NCREIF, Bloomberg as of March 31, 2018

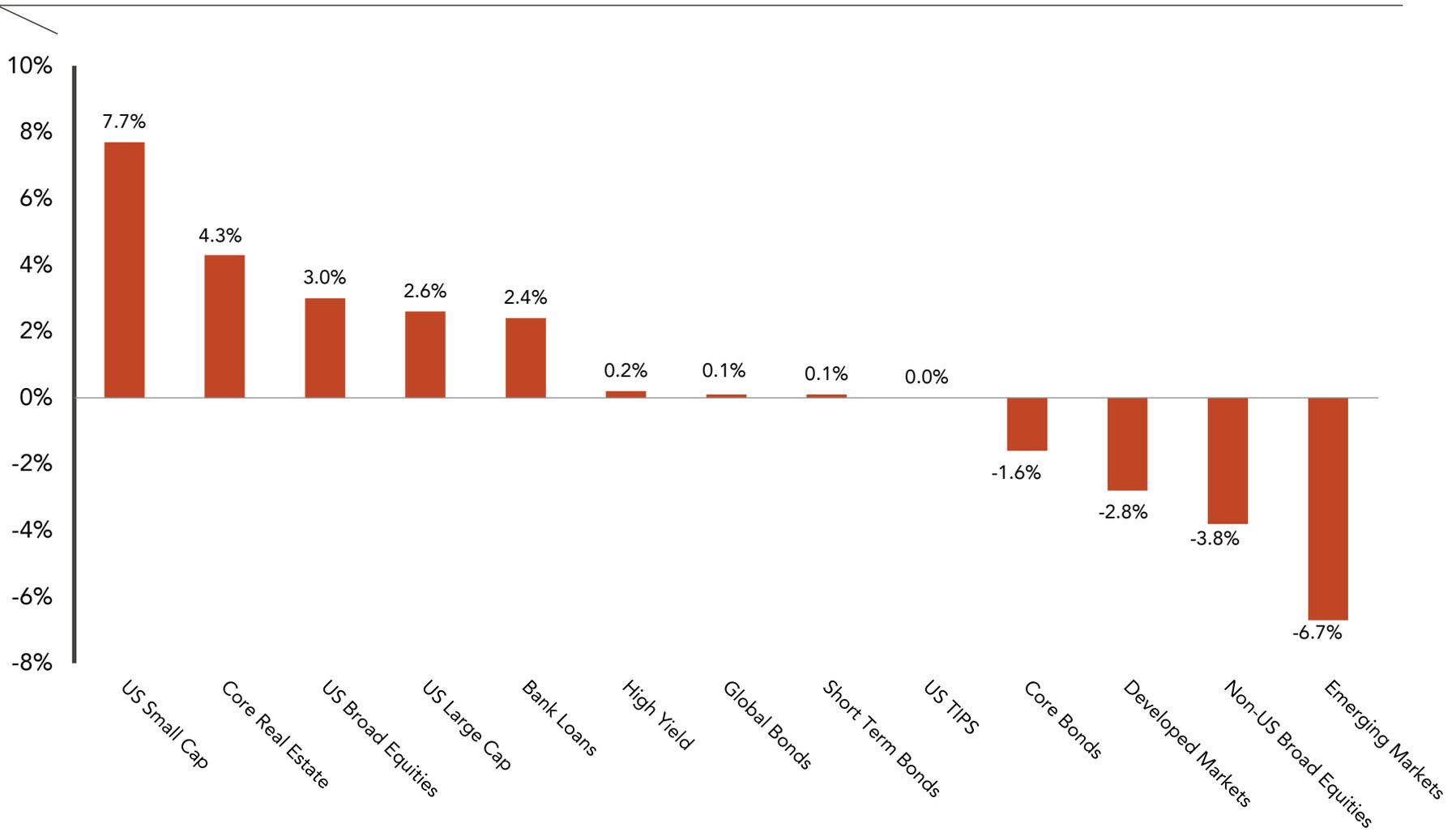
# Real Estate cycle

Real estate returns are reverting to historical norms

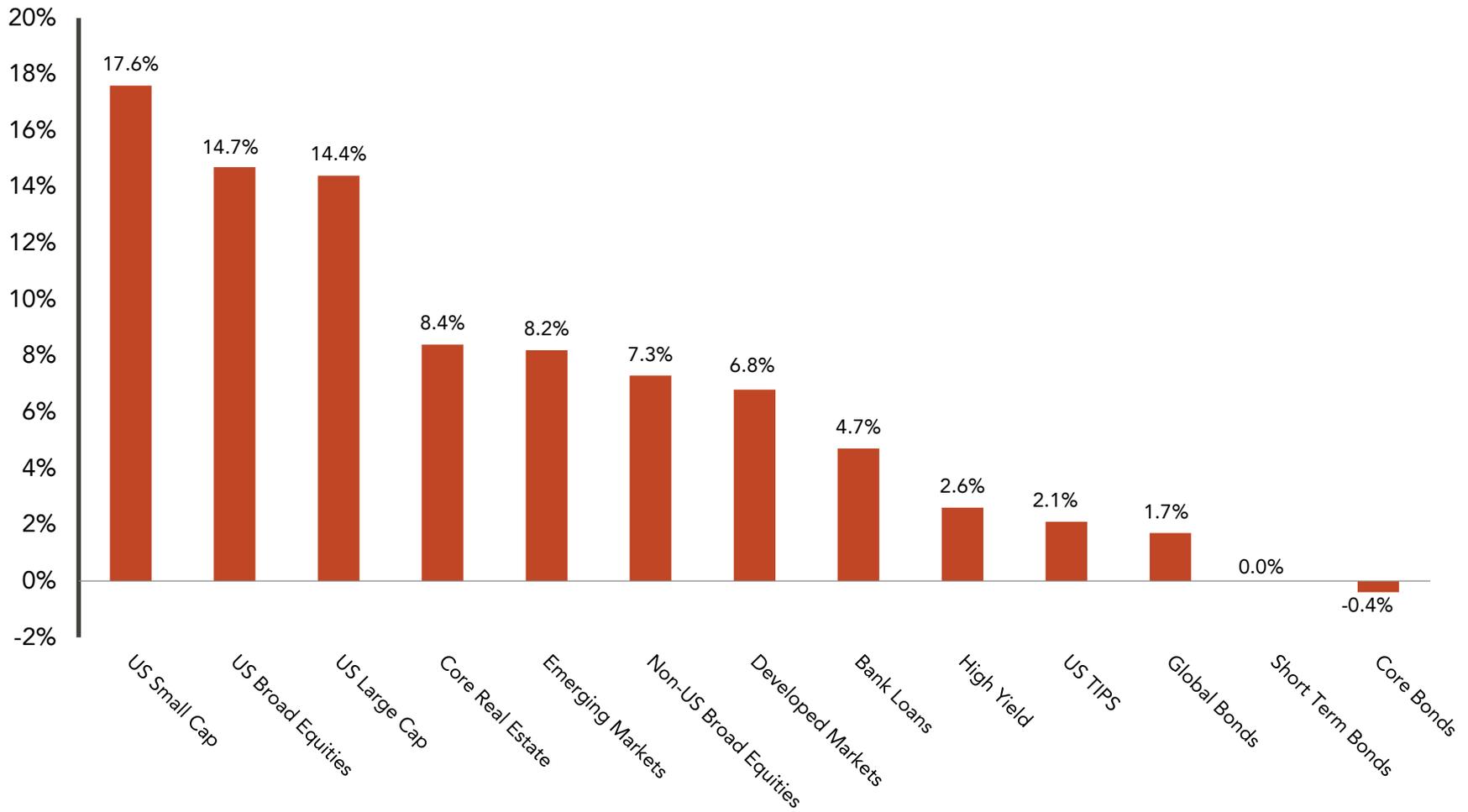


Sources: NCREIF, Bloomberg, Clarion Partners

# YTD asset class returns

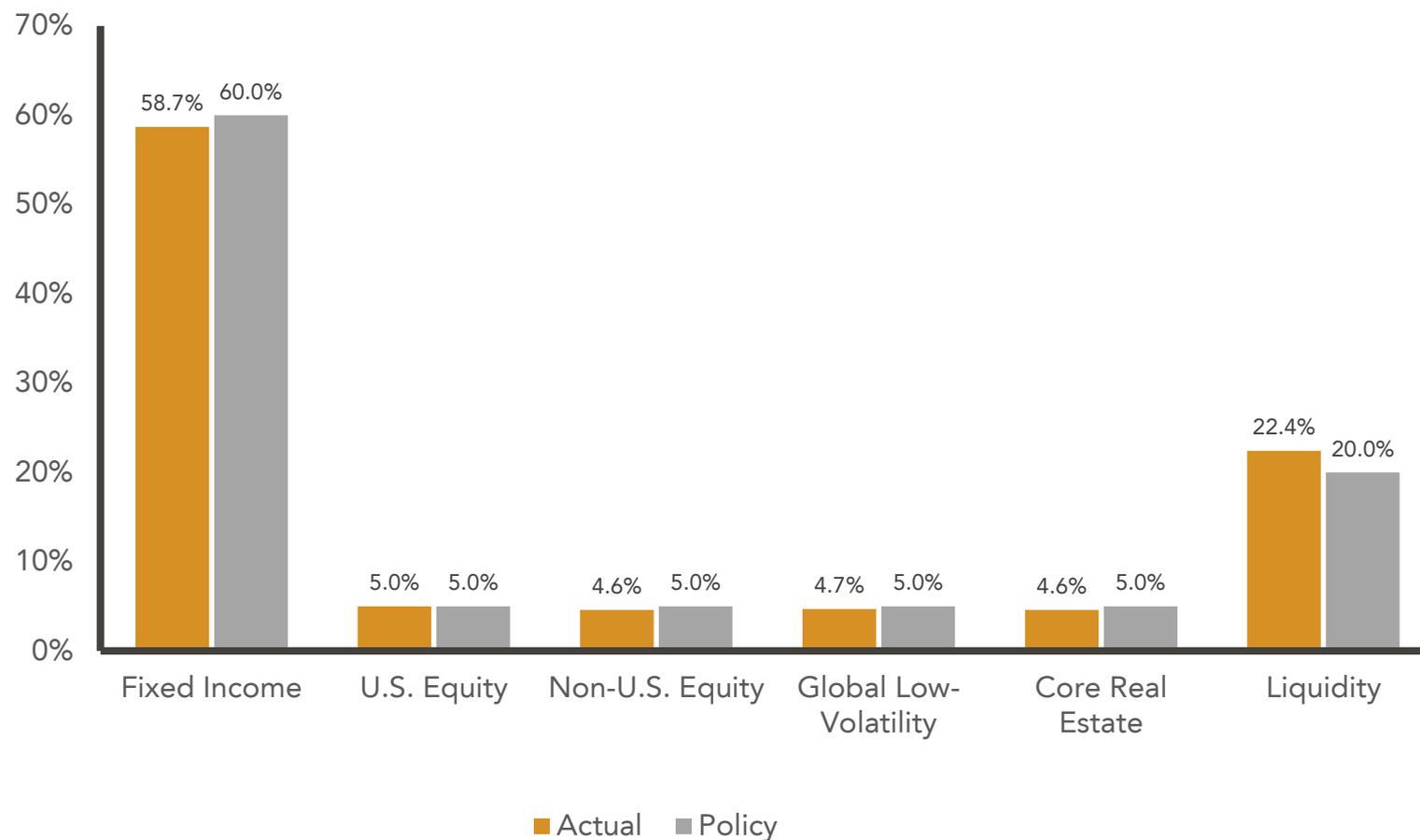


# One-year asset class returns



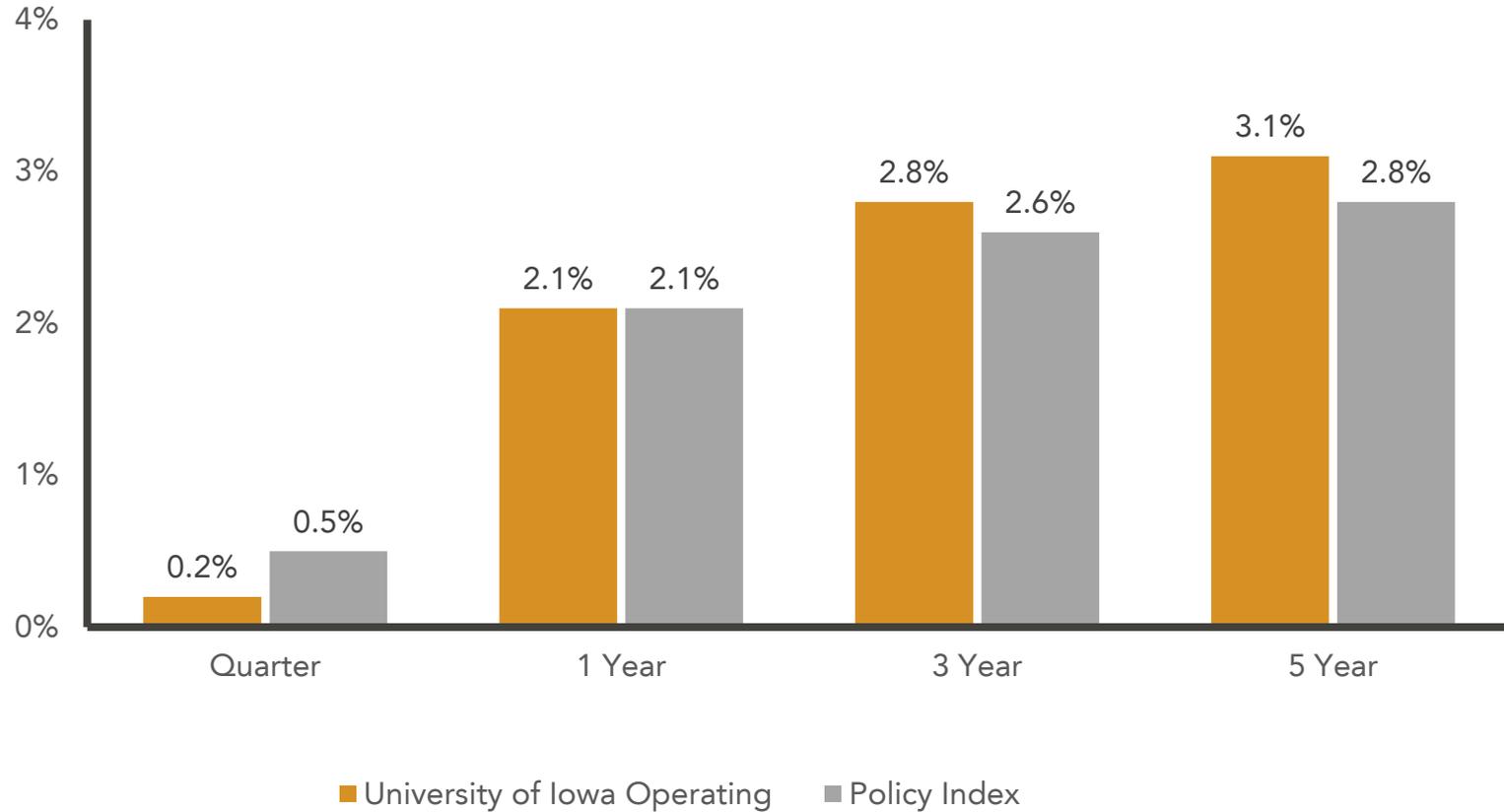
# Performance Review

# University of Iowa Operating Portfolio – Asset Allocation\*



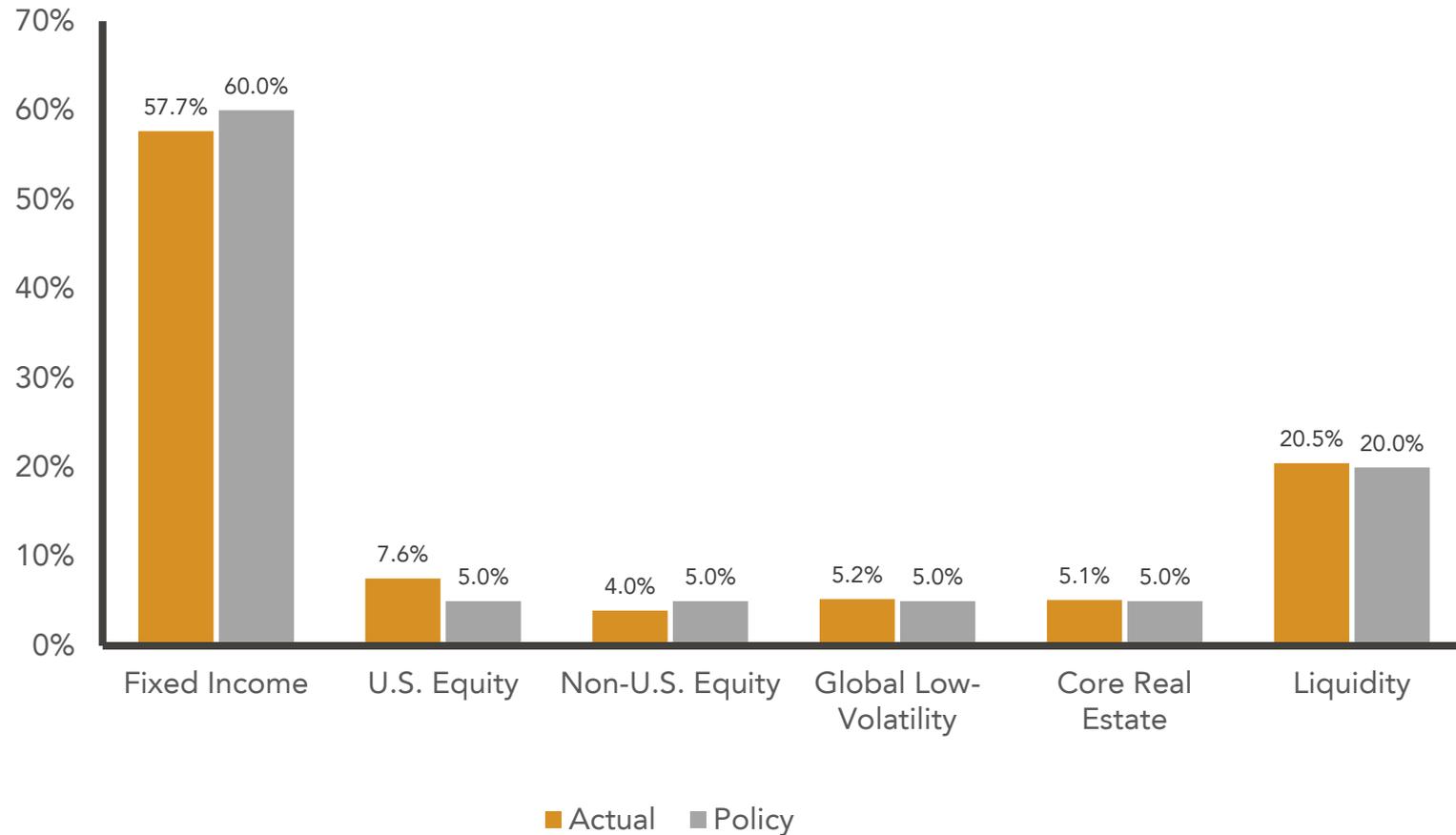
\*Includes University of Northern Iowa

# University of Iowa Operating Portfolio – Return Summary\*

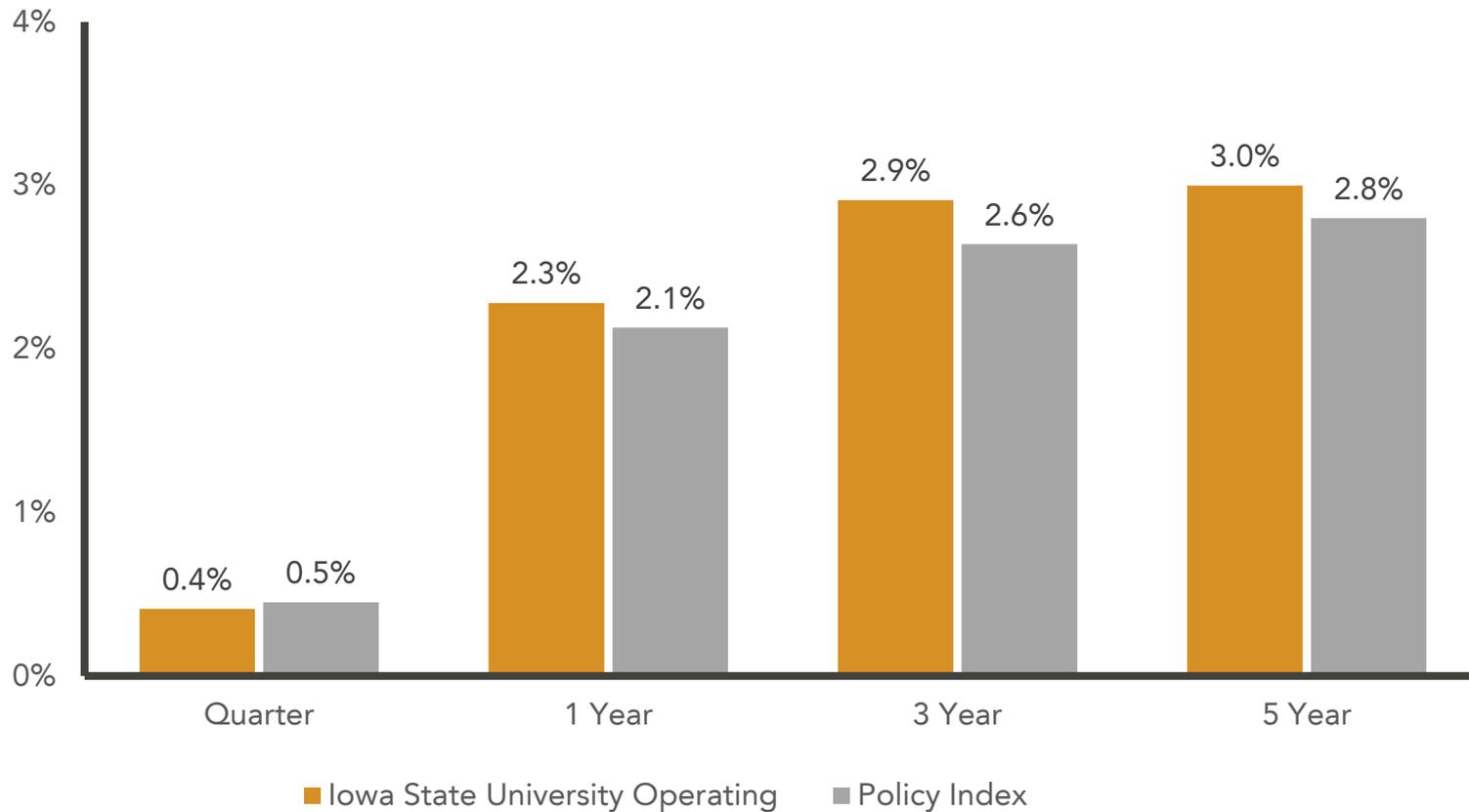


\*Includes University of Northern Iowa. Note: See appendix for Policy Index definition.

# Iowa State University Operating Portfolio – Asset Allocation

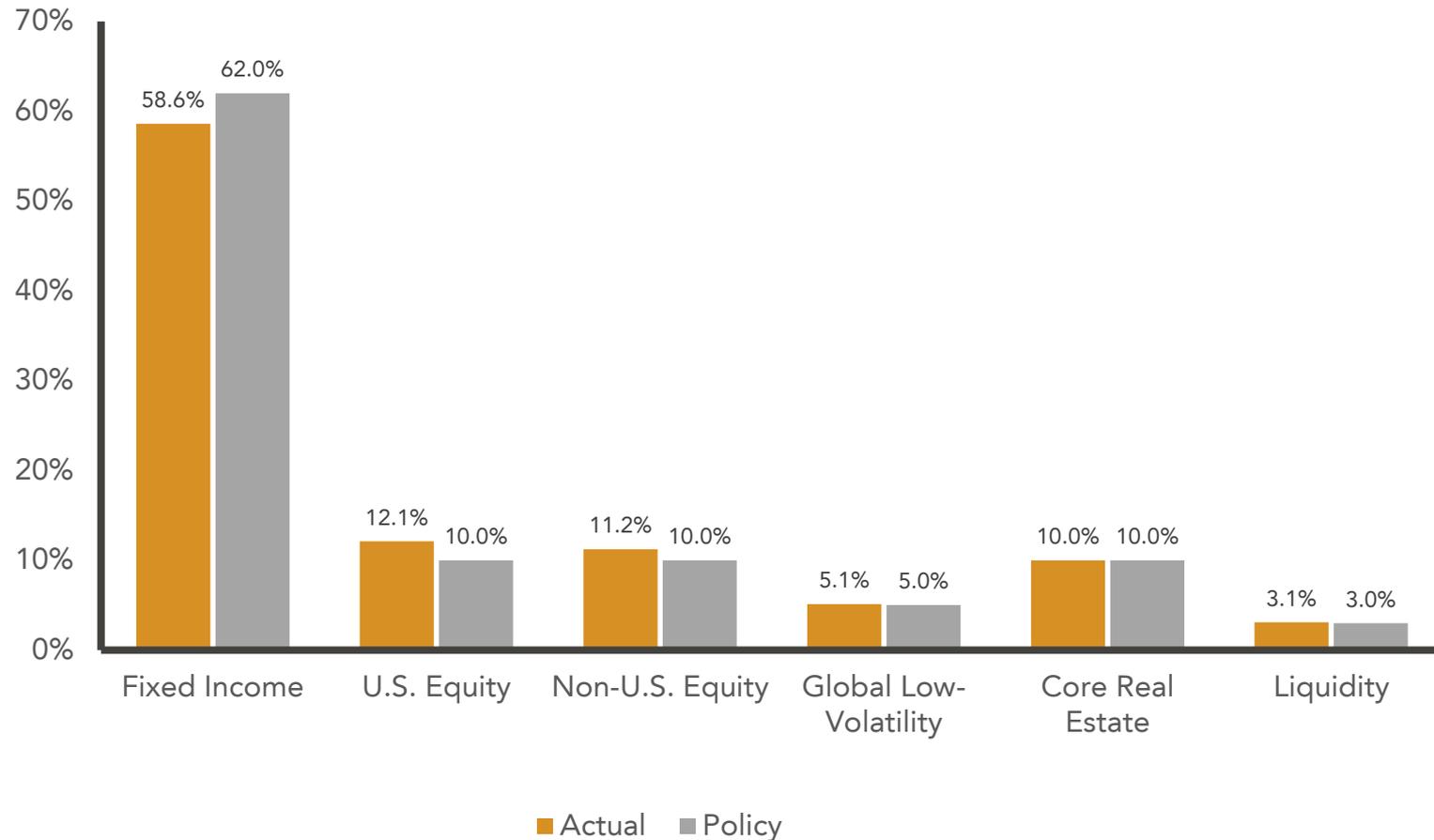


# Iowa State University Operating Portfolio – Return Summary

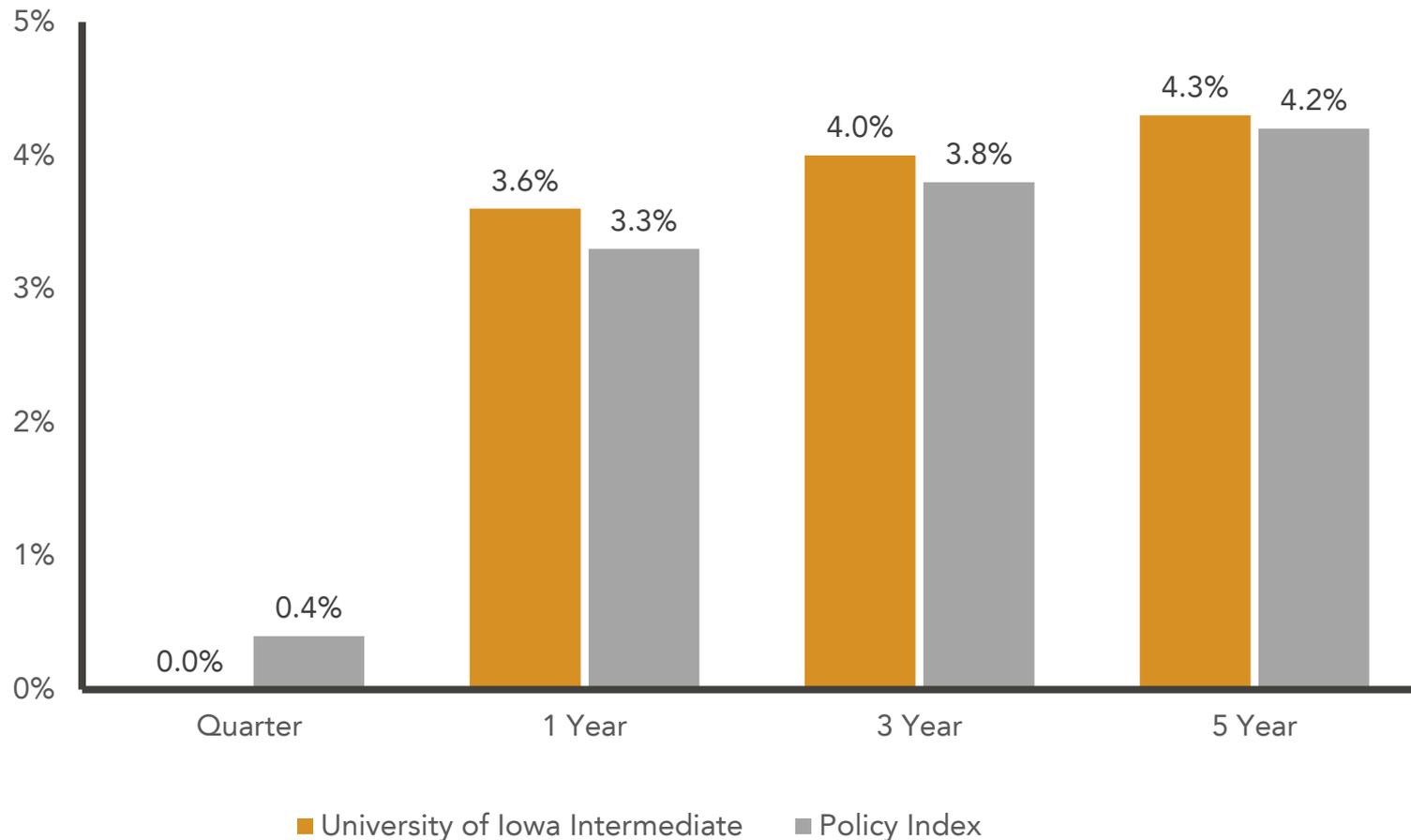


Note: See appendix for Policy Index definition.

# University of Iowa Diversified Intermediate Term Portfolio – Asset Allocation

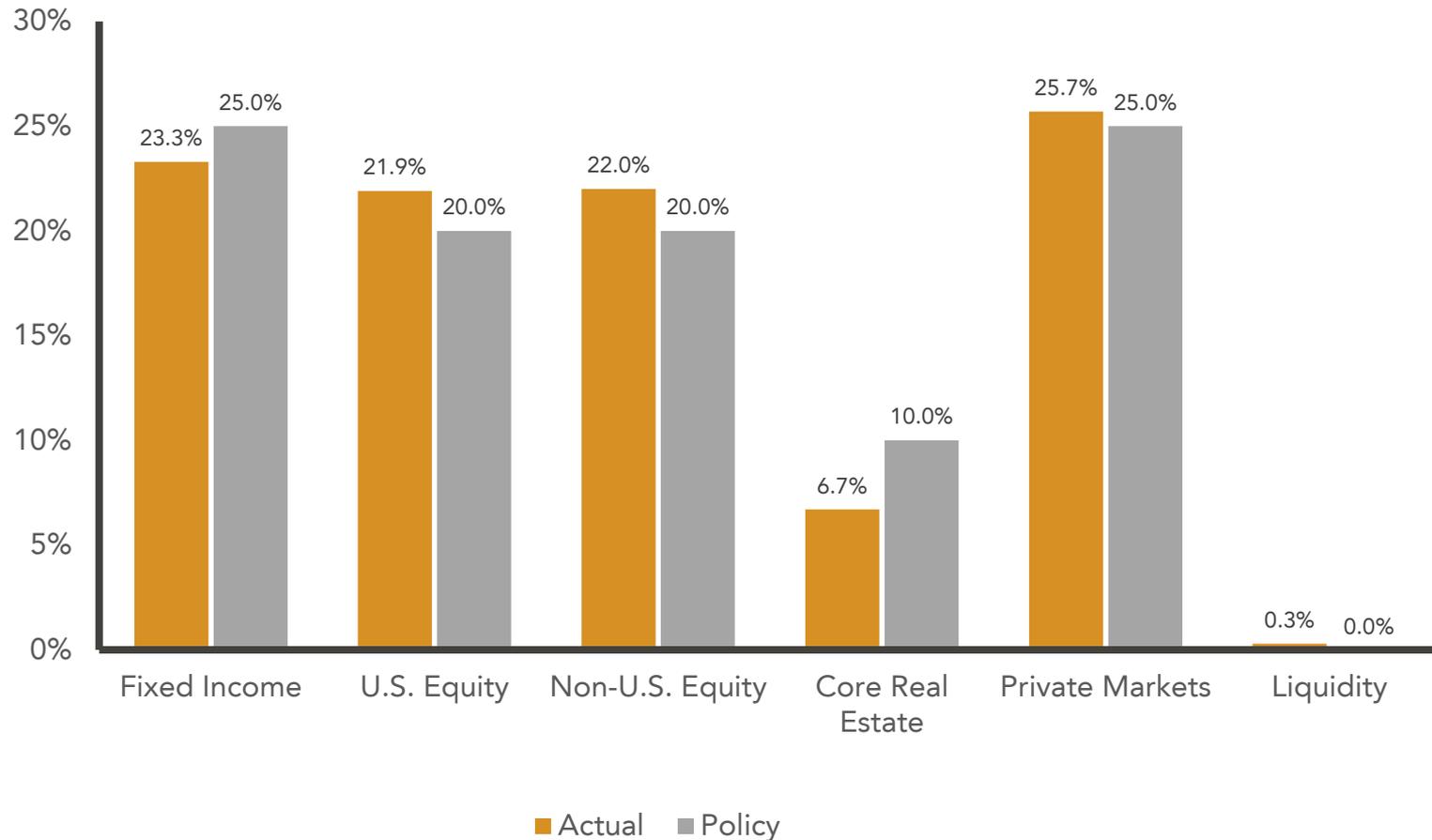


# University of Iowa Diversified Intermediate Term Portfolio – Return Summary



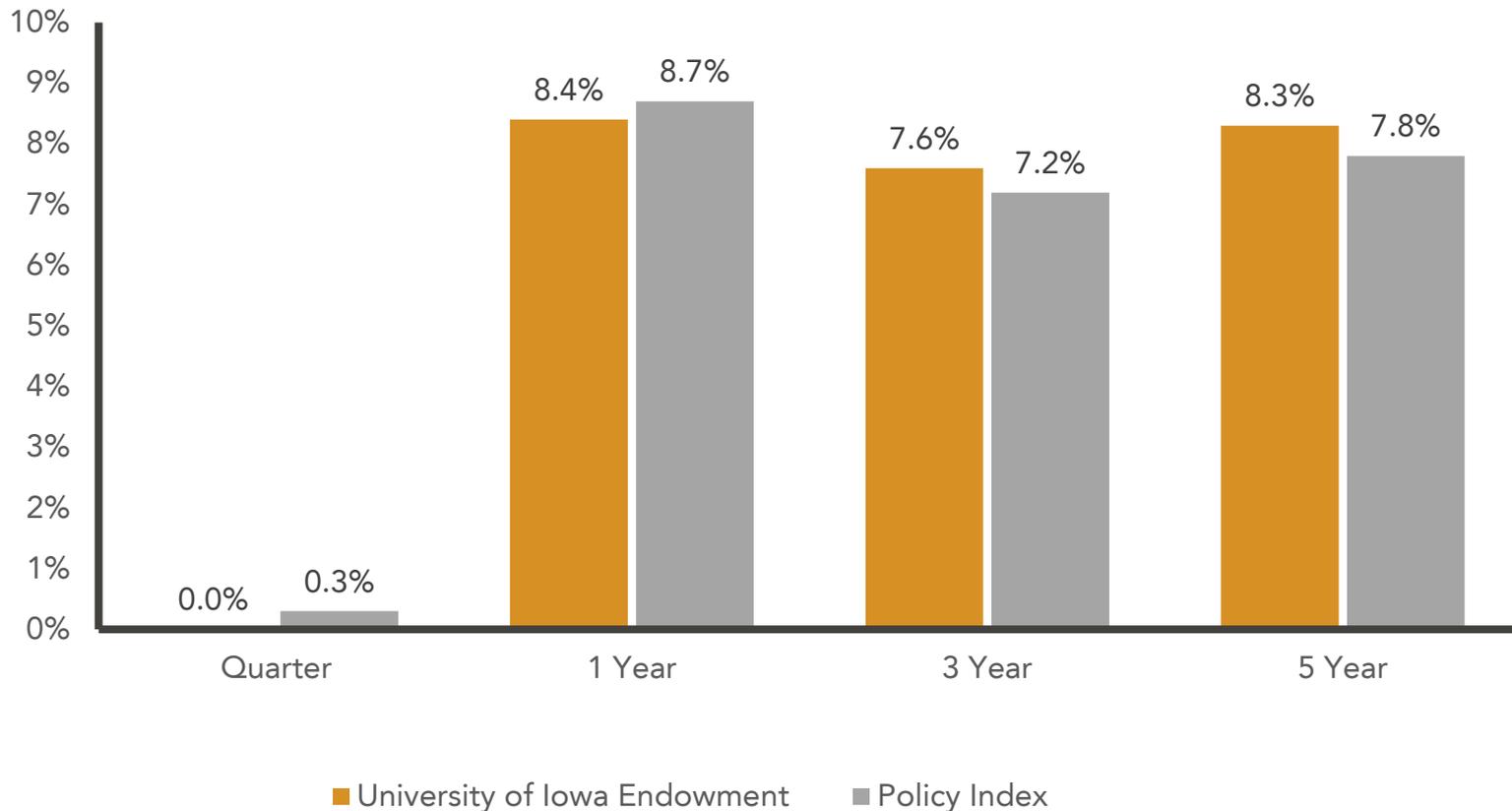
Note: See appendix for Policy Index definition.

# University of Iowa Endowment – Asset Allocation\*



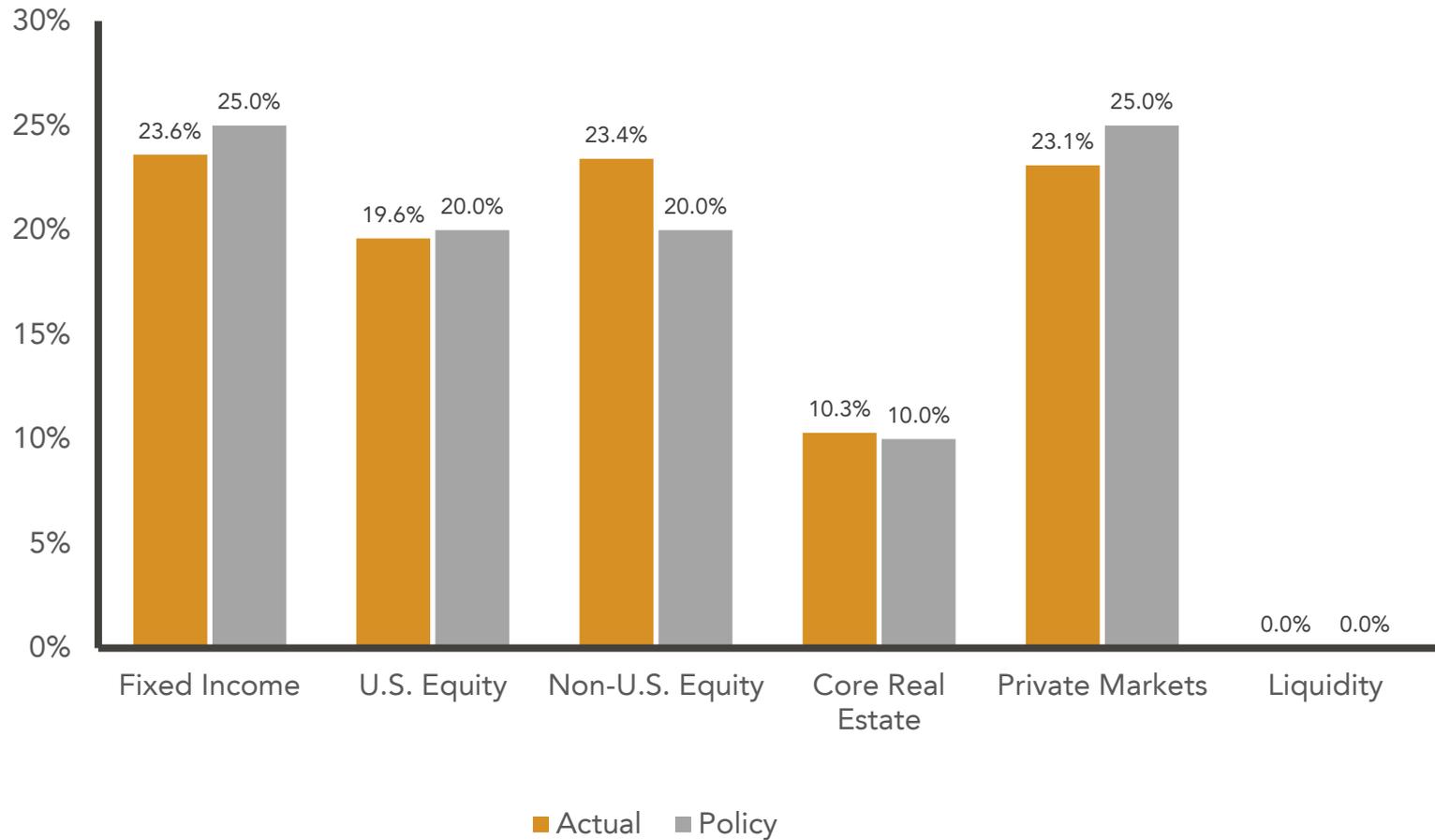
\*Includes University of Northern Iowa

# University of Iowa Endowment – Return Summary\*

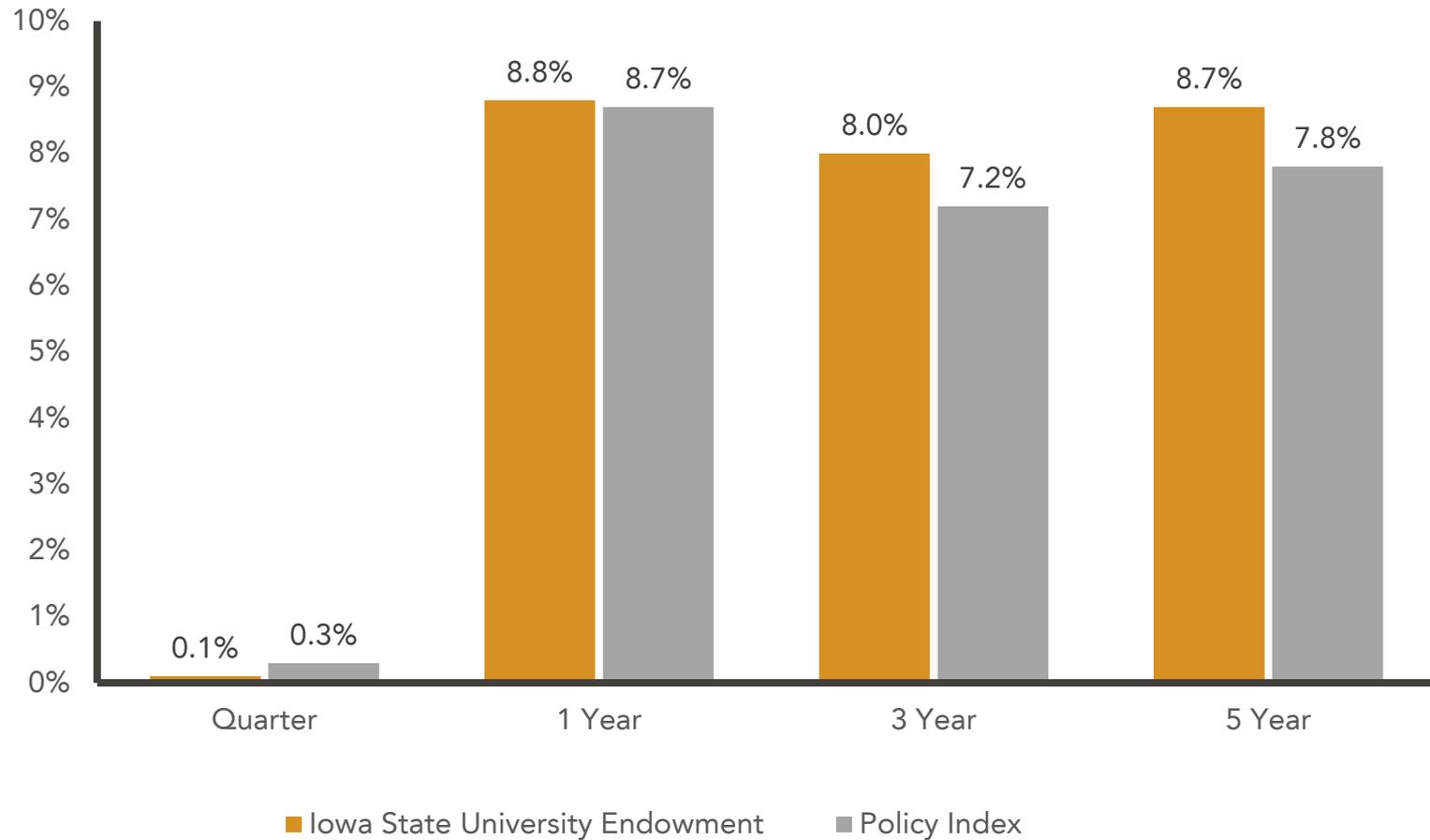


\*Includes University of Northern Iowa. Note: See appendix for Policy Index definition.

# Iowa State University Endowment – Asset Allocation



# Iowa State University Endowment – Return Summary



Note: See appendix for Policy Index definition.

# Appendix

# University of Iowa Operating Portfolio – Market Values\*

	Asset Class	Market Value	% of Portfolio	Policy %
<b>University of Iowa Operating Pool</b>		<b>\$997,553,460</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Total Fixed Income Composite</b>		<b>\$585,168,219</b>	<b>58.7%</b>	<b>60.0%</b>
AllianceBernstein Global Bond Fund	Global Fixed Income	\$48,761,689	4.9%	5.0%
<b>U.S. Fixed Income Composite</b>		<b>\$536,406,530</b>	<b>53.8%</b>	<b>55.0%</b>
Vanguard Total Bond Market Index Fund	Core Fixed Income	\$246,366,872	24.7%	25.0%
MacKay Shields Intermediate Bond Fund	Int. Fixed Income	\$195,071,576	19.6%	20.0%
Vanguard High-Yield Corporate Fund	High Yield Fixed Income	\$24,960,984	2.5%	2.5%
Neuberger Berman High Income	High Yield Fixed Income	\$23,436,905	2.3%	2.5%
Voya Senior Loan	Senior Secured Loans	\$23,790,842	2.4%	2.5%
Symphony BayCity Senior Loan Fund	Senior Secured Loans	\$22,779,351	2.3%	2.5%
<b>U.S. Equity Composite</b>		<b>\$49,537,096</b>	<b>5.0%</b>	<b>5.0%</b>
Vanguard Total Stock Market Index	All-Cap Core	\$49,537,096	5.0%	5.0%
<b>Non-U.S. Equity Composite</b>		<b>\$46,079,318</b>	<b>4.6%</b>	<b>5.0%</b>
Vanguard FTSE All-World ex US	Non-U.S. Large-Cap Core	\$46,079,318	4.6%	5.0%
<b>Global Low Volatility Composite</b>		<b>\$47,330,703</b>	<b>4.7%</b>	<b>5.0%</b>
Acadian Global Low Volatility	Global Low-Volatility	\$47,330,703	4.7%	5.0%
<b>Real Estate Composite</b>		<b>\$46,328,446</b>	<b>4.6%</b>	<b>5.0%</b>
UBS Trumbull Property Fund	Core Real Estate	\$23,726,291	2.4%	2.5%
Morgan Stanley PRIME Property Fund	Core Real Estate	\$22,602,155	2.3%	2.5%
<b>Liquidity Composite</b>		<b>\$223,109,677</b>	<b>22.4%</b>	<b>20.0%</b>

\*Includes University of Northern Iowa

# Iowa State University Operating Portfolio – Market Values

	Asset Class	Market Value	% of Portfolio	Policy %
<b>Iowa State University Operating Pool</b>		<b>\$280,810,360</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Total Fixed Income Composite</b>		<b>\$161,933,415</b>	<b>57.7%</b>	<b>60.0%</b>
AllianceBernstein Global Bond Fund	Global Fixed Income	\$14,247,928	5.1%	5.0%
<b>U.S. Fixed Income Composite</b>		<b>\$147,685,487</b>	<b>52.6%</b>	<b>55.0%</b>
Vanguard Total Bond Market Index Fund	Core Fixed Income	\$64,299,149	22.9%	25.0%
MacKay Shields Intermediate Bond Fund	Int. Fixed Income	\$54,117,141	19.3%	20.0%
Vanguard High-Yield Corporate Fund	High Yield Fixed Income	\$8,946,035	3.2%	2.5%
Neuberger Berman High Income	High Yield Fixed Income	\$5,827,212	2.1%	2.5%
Symphony BayCity Senior Loan Fund	Senior Secured Loans	\$14,495,950	5.2%	5.0%
<b>U.S. Equity Composite</b>		<b>\$21,194,723</b>	<b>7.5%</b>	<b>5.0%</b>
Vanguard Total Stock Market Index	All-Cap Core	\$21,194,723	7.5%	5.0%
<b>Non-U.S. Equity Composite</b>		<b>\$11,088,345</b>	<b>3.9%</b>	<b>5.0%</b>
Vanguard FTSE All-World ex US	Non-U.S. Large-Cap Core	\$11,088,345	3.9%	5.0%
<b>Global Low Volatility Composite</b>		<b>\$14,725,105</b>	<b>5.2%</b>	<b>5.0%</b>
Acadian Global Low Volatility	Global Low-Volatility	\$14,725,105	5.2%	5.0%
<b>Real Estate Composite</b>		<b>\$14,411,291</b>	<b>5.1%</b>	<b>5.0%</b>
UBS Trumbull Property Fund	Core Real Estate	\$7,379,511	2.6%	2.5%
Morgan Stanley PRIME Property Fund	Core Real Estate	\$7,031,780	2.5%	2.5%
<b>Liquidity Composite</b>		<b>\$57,457,480</b>	<b>20.5%</b>	<b>20.0%</b>

# University of Iowa Diversified Intermediate Term Portfolio – Market Values

	Asset Class	Market Value	% of Portfolio	Policy %
<b>University of Iowa Diversified Intermediate Term Portfolio</b>		<b>\$434,364,418</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Fixed Income Composite</b>		<b>\$254,454,187</b>	<b>58.6%</b>	<b>62.0%</b>
SSgA U.S. Aggregate Bond Index	Core Fixed Income	\$50,114,266	11.5%	14.0%
Dodge & Cox Core Fixed Income	Core Fixed Income	\$56,286,776	13.0%	14.0%
MacKay Shields Intermediate Bond Fund	Int. Fixed Income	\$70,844,258	16.3%	17.0%
SSgA US High Yield Bond	High Yield Fixed Income	\$15,684,695	3.6%	2.5%
Neuberger Berman High Income	High Yield Fixed Income	\$11,488,425	2.6%	2.5%
Voya Senior Loan	Senior Secured Loans	\$11,028,105	2.5%	2.5%
Symphony BayCity Senior Loan Fund	Senior Secured Loans	\$10,871,963	2.5%	2.5%
Brandywine Global Opportunistic	Global Fixed Income	\$28,135,699	6.5%	7.0%
<b>U.S. Equity Composite</b>		<b>\$52,467,810</b>	<b>12.1%</b>	<b>10.0%</b>
SSgA U.S. Total Market Index	All-Cap Core	\$52,467,810	12.1%	10.0%
<b>Non-U.S. Equity Composite</b>		<b>\$48,540,939</b>	<b>11.2%</b>	<b>10.0%</b>
SSgA MSCI ACWI ex US	Non-U.S. Large-Cap Core	\$48,540,939	11.2%	10.0%
<b>Global Low Volatility Composite</b>		<b>\$22,087,661</b>	<b>5.1%</b>	<b>5.0%</b>
Acadian Global Low Volatility	Global Low-Volatility	\$22,087,661	5.1%	5.0%
<b>Real Estate Composite</b>		<b>\$43,239,898</b>	<b>10.0%</b>	<b>10.0%</b>
UBS Trumbull Property Fund	Core Real Estate	\$22,144,539	5.1%	5.0%
Morgan Stanley PRIME Property Fund	Core Real Estate	\$21,095,359	4.9%	5.0%
<b>Liquidity Composite</b>		<b>\$13,573,923</b>	<b>3.1%</b>	<b>3.0%</b>

# University of Iowa Endowment – Market Values\*

	Asset Class	Market Value	% of Portfolio	Policy %
<b>University of Iowa Endowment</b>		<b>\$415,226,149</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Fixed Income Composite</b>		<b>\$96,830,697</b>	<b>23.3%</b>	<b>25.0%</b>
MacKay Shields Core Fund	Core Fixed Income	\$39,666,756	9.6%	10.0%
Neuberger Berman High Income	High Yield Fixed Income	\$17,676,563	4.3%	5.0%
Voya Senior Loan	Senior Secured Loans	\$10,576,573	2.5%	2.5%
Symphony BayCity Senior Loan Fund	Senior Secured Loans	\$10,147,165	2.4%	2.5%
Brandywine Global Opportunistic	Global Fixed Income	\$18,763,639	4.5%	5.0%
<b>U.S. Equity Composite</b>		<b>\$90,859,975</b>	<b>21.9%</b>	<b>20.0%</b>
Vanguard Institutional Index	Large-Cap Core	\$63,587,997	15.3%	14.0%
Vanguard Mid Cap Index	Mid-Cap Core	\$13,024,014	3.1%	3.0%
Macquarie Small Cap Core	Small-Cap Core	\$14,247,964	3.4%	3.0%
<b>Non-U.S. Equity Composite</b>		<b>\$91,330,797</b>	<b>22.0%</b>	<b>20.0%</b>
SSgA MSCI ACWI ex US IMI Index	Non-U.S. Large-Cap Core	\$26,577,513	6.4%	6.7%
Arrowstreet International Equity	Non-U.S. Large-Cap Core	\$33,051,864	8.0%	6.7%
Earnest Partners International Large Cap	Non-U.S. Large-Cap Core	\$31,701,419	7.6%	6.7%
<b>Core Real Estate Composite</b>		<b>\$27,951,565</b>	<b>6.7%</b>	<b>10.0%</b>
Principal Enhanced Property	Core Plus Real Estate	\$22,859,083	5.5%	5.0%
UBS Trumbull Property Fund	Core Real Estate	\$2,581,126	0.6%	2.5%
Morgan Stanley PRIME Property Fund	Core Real Estate	\$2,511,357	0.6%	2.5%
<b>Private Markets Composite</b>		<b>\$106,863,654</b>	<b>25.7%</b>	<b>25.0%</b>
<b>Liquidity Composite</b>		<b>\$1,389,462</b>	<b>0.3%</b>	<b>0.0%</b>

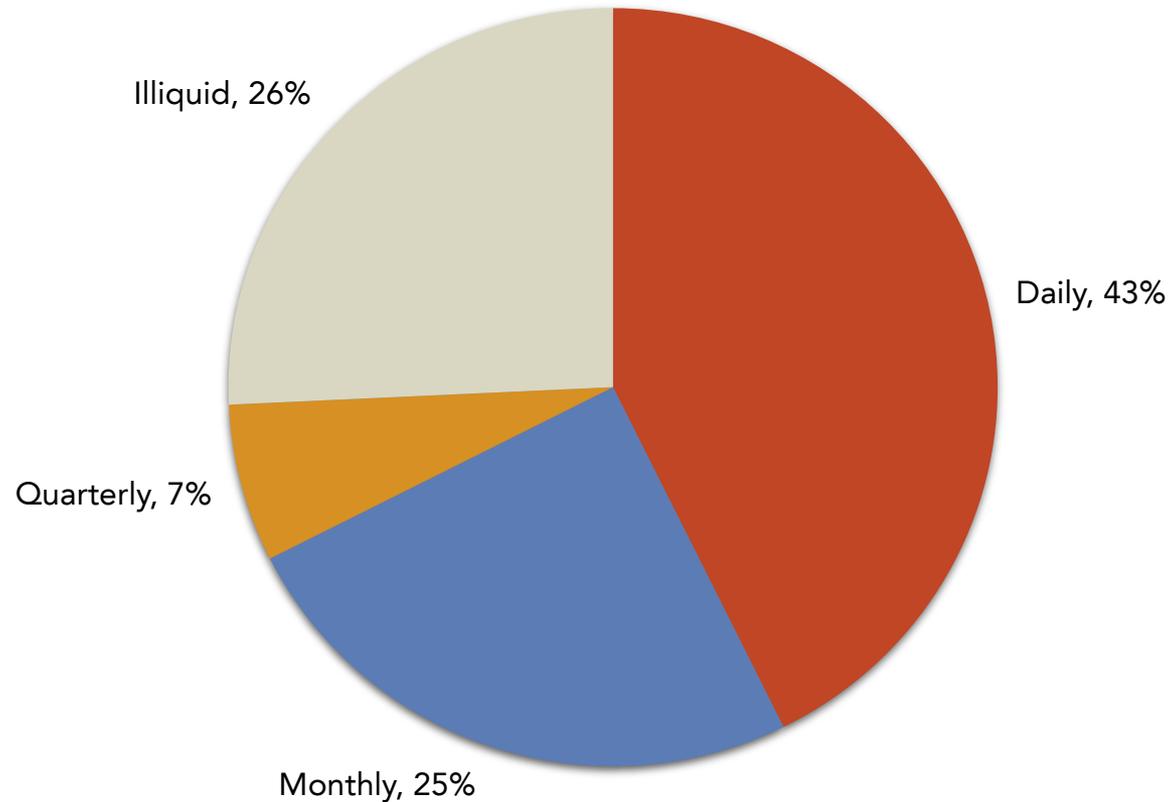
\*Includes University of Northern Iowa

# Iowa State University Endowment – Market Values

	Asset Class	Market Value	% of Portfolio	Policy %
<b>Iowa State University Endowment</b>		<b>\$179,854,956</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Fixed Income Composite</b>		<b>\$42,436,962</b>	<b>23.6%</b>	<b>25.0%</b>
MacKay Shields Core Fund	Core Fixed Income	\$17,190,291	9.6%	10.0%
Neuberger Berman High Income	High Yield Fixed Income	\$7,942,566	4.4%	5.0%
Symphony BayCity Senior Loan Fund	Senior Secured Loans	\$9,215,283	5.1%	5.0%
Brandywine Global Opportunistic	Global Fixed Income	\$8,088,822	4.5%	5.0%
<b>U.S. Equity Composite</b>		<b>\$35,205,078</b>	<b>19.6%</b>	<b>20.0%</b>
Vanguard Institutional Index	Large-Cap Core	\$21,654,768	12.0%	14.0%
Vanguard Mid Cap Index	Mid-Cap Core	\$5,298,450	2.9%	3.0%
Macquarie Small Cap Core	Small-Cap Core	\$8,251,860	4.6%	3.0%
<b>Non-U.S. Equity Composite</b>		<b>\$42,148,067</b>	<b>23.4%</b>	<b>20.0%</b>
SSgA MSCI ACWI ex US IMI Index	Non-U.S. Large-Cap Core	\$12,488,672	6.9%	6.7%
Arrowstreet International Equity	Non-U.S. Large-Cap Core	\$14,985,628	8.3%	6.7%
Earnest Partners International Large Cap	Non-U.S. Large-Cap Core	\$14,673,766	8.2%	6.7%
<b>Core Real Estate Composite</b>		<b>\$18,509,591</b>	<b>10.3%</b>	<b>10.0%</b>
Principal Enhanced Property	Core Plus Real Estate	\$12,194,913	6.8%	5.0%
UBS Trumbull Property Fund	Core Real Estate	\$3,200,596	1.8%	2.5%
Morgan Stanley PRIME Property Fund	Core Real Estate	\$3,114,082	1.7%	2.5%
<b>Private Markets Composite</b>		<b>\$41,555,070</b>	<b>23.1%</b>	<b>25.0%</b>
<b>Liquidity Composite</b>		<b>\$188</b>	<b>0.0%</b>	<b>0.0%</b>

# University of Iowa Endowment – Liquidity by Percent of Assets\*

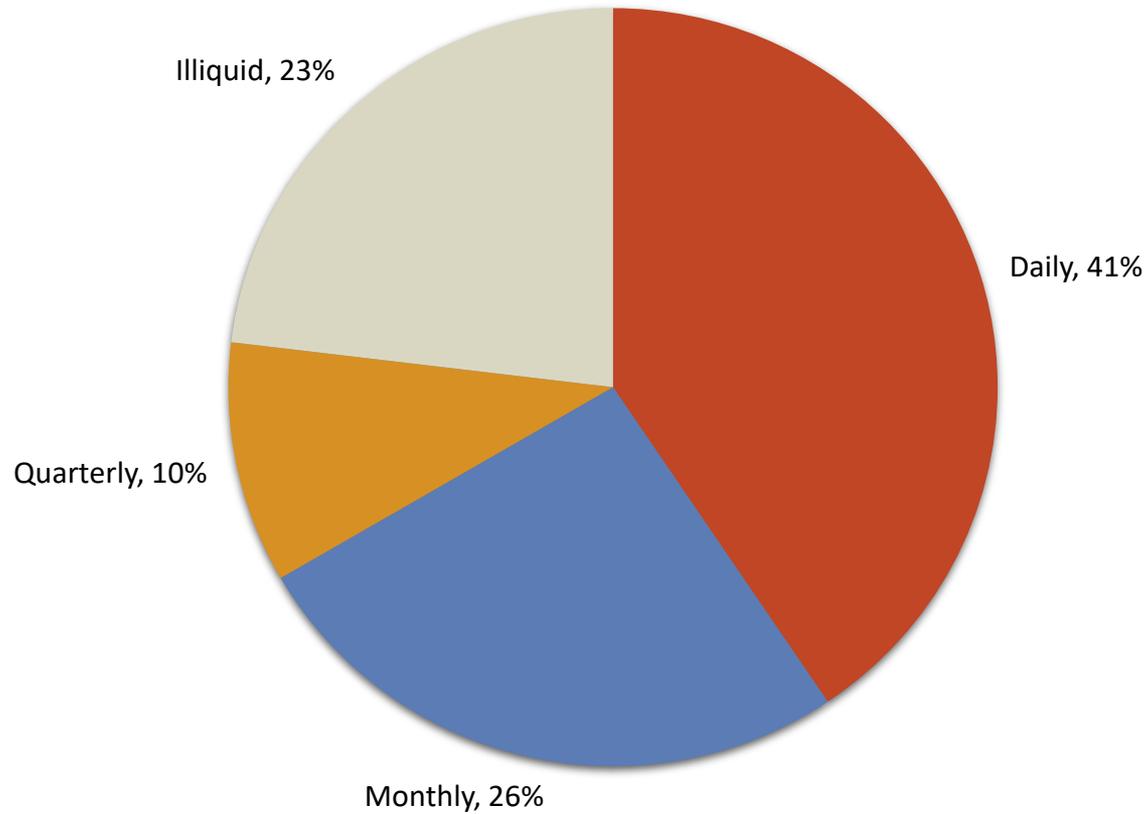
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\*Includes University of Northern Iowa

# Iowa State University Endowment – Liquidity by Percent of Assets

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# University of Iowa Endowment – Private Markets

## Since Inception Cash Flows Data as of March 31, 2018

Asset Class	Fund Company	Commitment	Capital Calls	Distributions	Ending Value	<sup>1</sup> Cash Multiple
Global Fund of Funds	Neuberger Berman Crossroads Fund XVIII	\$6,000,000	\$4,980,000	\$6,098,290	\$1,709,420	1.6
Fund of Funds	Commonfund Capital Venture Partners VIII	\$1,000,000	\$957,500	\$825,062	\$1,011,019	1.9
International Fund of Funds	Commonfund Capital International Partners VI	\$1,200,000	\$1,089,000	\$1,201,886	\$506,795	1.6
Venture Fund of Funds	Commonfund Private Equity Partners VII	\$2,400,000	\$2,179,200	\$2,314,671	\$1,727,945	1.9
Value Added	Commonfund NR Partners VIII	\$6,000,000	\$5,664,000	\$2,338,646	\$3,765,255	1.1
International Fund of Funds	Adams Street Non-US Developed 2010	\$1,470,000	\$1,286,985	\$752,669	\$1,080,150	1.4
Fund of Funds	Adams Street US Partnership 2010	\$2,440,000	\$2,149,640	\$1,236,985	\$2,174,830	1.6
International Fund of Funds	Adams Street Non-US Emerging 2010	\$490,000	\$425,320	\$106,220	\$538,888	1.5
Secondary Fund of Funds	Landmark Equity Partners XIV	\$4,400,000	\$4,234,440	\$4,337,397	\$1,214,958	1.3
Opportunistic	MREP Global III	\$5,000,000	\$4,517,460	\$4,241,187	\$2,056,544	1.4
International Fund of Funds	Adams Street Non-US Developed 2012	\$4,240,000	\$2,804,760	\$903,355	\$2,989,070	1.4
International Fund of Funds	Adams Street Non-US Emerging 2012	\$1,410,000	\$1,027,890	\$85,805	\$1,429,106	1.5
Fund of Funds	Adams Street US Partnership 2012	\$7,050,000	\$5,308,650	\$777,657	\$5,146,659	1.1
Opportunistic	Commonfund NR Partners IX	\$11,000,000	\$8,580,001	\$853,049	\$9,769,876	1.2
Value Added	MREP Global VI	\$9,000,000	\$7,847,859	\$5,397,787	\$4,852,774	1.3
International Fund of Funds	Adams Street Non-US Developed 2013	\$2,800,000	\$1,716,400	\$417,432	\$1,830,947	1.3
International Fund of Funds	Adams Street Non-US Emerging 2013	\$1,700,000	\$1,305,600	\$68,797	\$1,765,860	1.4
Fund of Funds	Adams Street US Partnership 2013	\$5,500,000	\$3,924,250	\$472,280	\$4,297,204	1.2
Secondary Fund of Funds	Landmark Equity Partners XV	\$5,000,000	\$3,224,597	\$1,772,201	\$2,240,894	1.2
Global Fund of Funds	Neuberger Berman Crossroads Fund XX	\$12,500,000	\$8,000,000	\$0	\$10,373,090	1.3
Value Added	Aberdeen Energy & Resources Partners III*	\$9,000,000	\$7,290,000	\$1,804,716	\$7,315,803	1.3
Secondary Fund of Funds	Landmark Real Estate Fund VII	\$9,000,000	\$7,835,925	\$3,473,457	\$6,090,530	1.2
Separate Account	Neuberger Berman IPU Feeder	\$93,000,000	\$28,350,014	\$0	\$32,475,450	1.1
<b>Total Private Markets</b>		<b>\$201,600,000</b>	<b>\$114,699,491</b>	<b>\$39,479,549</b>	<b>\$106,363,067</b>	<b>1.3</b>

<sup>1</sup> Calculated as the sum of the distributions and ending value divided by the amount of all capital calls.

# University of Iowa Endowment – Private Markets

## Annualized Performance

Asset Class	Fund Company	Vintage Yr.	Perf. as of:	Net IRR	Rank as of:	Preqin Rank
Global Fund of Funds	Neuberger Berman Crossroads Fund XVIII	2006	3/31/2018	6.6%	12/31/2017	2nd
Fund of Funds	Commonfund Capital Venture Partners VIII	2007	3/31/2018	11.8%	9/30/2017	2nd
International Fund of Funds	Commonfund Capital International Partners VI	2007	3/31/2018	9.2%	9/30/2017	3rd
Venture Fund of Funds	Commonfund Private Equity Partners VII	2007	3/31/2018	13.4%	9/30/2017	2nd
Value Added	Commonfund NR Partners VIII	2008	3/31/2018	1.8%	9/30/2017	4th
International Fund of Funds	Adams Street Non-US Developed 2010	2010	3/31/2018	11.5%	3/31/2018	3rd
Fund of Funds	Adams Street US Partnership 2010	2010	3/31/2018	14.2%	3/31/2018	2nd
International Fund of Funds	Adams Street Non-US Emerging 2010	2010	3/31/2018	11.9%	3/31/2018	2nd
Secondary Fund of Funds	Landmark Equity Partners XIV	2010	4/1/2018	10.6%	12/31/2017	4th
Opportunistic	MREP Global III	2010	4/2/2018	9.8%	---	---
International Fund of Funds	Adams Street Non-US Developed 2012	2012	4/3/2018	12.6%	3/31/2018	2nd
International Fund of Funds	Adams Street Non-US Emerging 2012	2012	4/4/2018	14.1%	3/31/2018	1st
Fund of Funds	Adams Street US Partnership 2012	2012	4/5/2018	9.4%	3/31/2018	3rd
Opportunistic	Commonfund NR Partners IX	2012	4/6/2018	8.7%	9/30/2017	3rd
Value Added	MREP Global VI	2012	4/7/2018	11.2%	---	---
International Fund of Funds	Adams Street Non-US Developed 2013	2013	3/31/2018	12.1%	3/31/2018	2nd
International Fund of Funds	Adams Street Non-US Emerging 2013	2013	3/31/2018	17.0%	3/31/2018	1st
Fund of Funds	Adams Street US Partnership 2013	2013	3/31/2018	8.6%	3/31/2018	3rd
Secondary Fund of Funds	Landmark Equity Partners XV	2013	3/31/2018	14.1%	3/31/2018	2nd
Global Fund of Funds	Neuberger Berman Crossroads Fund XX	2013	3/31/2018	10.4%	12/31/2017	4th
Value Added	Aberdeen Energy & Resources Partners III	2014	3/31/2018	9.6%	---	---
Secondary Fund of Funds	Landmark Real Estate Fund VII	2014	3/31/2018	16.9%	3/31/2018	2nd
Separate Account	Neuberger Berman IPU Feeder	2015	3/31/2018	11.4%	---	---
<b>Total Private Markets</b>			<b>3/31/2018</b>	<b>9.6%</b>		

# Iowa State University Endowment – Private Markets

## Since Inception Cash Flows Data as of March 31, 2018

Asset Class	Fund Company	Commitment	Capital Calls	Distributions	Ending Value	<sup>1</sup> Cash Multiple
Global Fund of Funds	Neuberger Berman Crossroads Fund XVIII	\$3,750,000	\$3,112,500	\$3,811,431	\$1,068,386	1.6
Fund of Funds	Commonfund Capital Venture Partners VIII	\$600,000	\$574,500	\$495,037	\$606,608	1.9
International Fund of Funds	Commonfund Capital International Partners VI	\$800,000	\$726,000	\$801,257	\$337,873	1.6
Venture Fund of Funds	Commonfund Private Equity Partners VII	\$1,600,000	\$1,452,800	\$1,543,116	\$1,151,957	1.9
Value Added	Commonfund NR Partners VIII	\$4,000,000	\$3,776,000	\$1,559,097	\$2,510,170	1.1
International Fund of Funds	Adams Street Non-US Developed 2010	\$869,000	\$760,813	\$444,947	\$638,539	1.4
Fund of Funds	Adams Street US Partnership 2010	\$1,442,000	\$1,270,402	\$731,038	\$1,285,290	1.6
International Fund of Funds	Adams Street Non-US Emerging 2010	\$289,000	\$250,852	\$62,649	\$317,833	1.5
Secondary Fund of Funds	Landmark Equity Partners XIV	\$2,600,000	\$2,502,175	\$2,563,036	\$717,920	1.3
Opportunistic	MREP Global III	\$3,000,000	\$2,710,476	\$2,544,712	\$1,233,926	1.4
International Fund of Funds	Adams Street Non-US Developed 2012	\$1,870,000	\$1,237,005	\$398,413	\$1,318,293	1.4
International Fund of Funds	Adams Street Non-US Emerging 2012	\$630,000	\$459,270	\$38,338	\$638,537	1.5
Fund of Funds	Adams Street US Partnership 2012	\$3,100,000	\$2,334,300	\$341,948	\$2,654,719	1.3
Opportunistic	Commonfund NR Partners IX	\$4,000,000	\$3,120,000	\$310,200	\$3,552,686	1.2
Value Added	MREP Global VI	\$4,000,000	\$3,487,937	\$2,399,016	\$2,156,788	1.3
International Fund of Funds	Adams Street Non-US Developed 2013	\$1,040,000	\$637,520	\$155,046	\$680,064	1.3
International Fund of Funds	Adams Street Non-US Emerging 2013	\$630,000	\$483,840	\$25,496	\$654,408	1.4
Fund of Funds	Adams Street US Partnership 2013	\$2,080,000	\$1,484,080	\$178,608	\$1,625,123	1.2
Secondary Fund of Funds	Landmark Equity Partners XV	\$1,875,000	\$1,209,227	\$664,571	\$840,328	1.2
Global Fund of Funds	Neuberger Berman Crossroads Fund XX	\$1,875,000	\$1,200,000	\$0	\$156,137	0.1
Value Added	Aberdeen Energy & Resources Partners III	\$3,000,000	\$2,430,000	\$610,573	\$2,428,432	1.3
Secondary Fund of Funds	Landmark Real Estate Fund VII	\$3,000,000	\$2,611,975	\$1,157,918	\$2,030,173	1.2
Separate Account	Neuberger Berman IPU Feeder	\$38,000,000	\$10,509,987	\$0	\$11,938,950	1.1
<b>Total Private Markets</b>		<b>\$84,050,000</b>	<b>\$48,341,659</b>	<b>\$20,836,448</b>	<b>\$40,543,140</b>	<b>1.3</b>

<sup>1</sup> Calculated as the sum of the distributions and ending value divided by the amount of all capital calls.

# Iowa State University Endowment – Private Markets

## Annualized Performance

Asset Class	Fund Company	Vintage Yr.	Perf. as of:	Net IRR	Rank as of:	Preqin Rank
Global Fund of Funds	Neuberger Berman Crossroads Fund XVIII	2006	3/31/2018	6.6%	12/31/2017	2nd
Fund of Funds	Commonfund Capital Venture Partners VIII	2007	3/31/2018	11.8%	9/30/2017	2nd
International Fund of Funds	Commonfund Capital International Partners VI	2007	3/31/2018	9.2%	9/30/2017	3rd
Venture Fund of Funds	Commonfund Private Equity Partners VII	2007	3/31/2018	13.4%	9/30/2017	2nd
Value Added	Commonfund NR Partners VIII	2008	3/31/2018	1.8%	9/30/2017	4th
International Fund of Funds	Adams Street Non-US Developed 2010	2010	3/31/2018	11.5%	3/31/2018	3rd
Fund of Funds	Adams Street US Partnership 2010	2010	3/31/2018	14.2%	3/31/2018	2nd
International Fund of Funds	Adams Street Non-US Emerging 2010	2010	3/31/2018	11.9%	3/31/2018	2nd
Secondary Fund of Funds	Landmark Equity Partners XIV	2010	3/31/2018	10.2%	12/31/2017	4th
Opportunistic	MREP Global III	2010	3/31/2018	9.8%	---	---
International Fund of Funds	Adams Street Non-US Developed 2012	2012	3/31/2018	12.6%	3/31/2018	2nd
International Fund of Funds	Adams Street Non-US Emerging 2012	2012	3/31/2018	14.1%	3/31/2018	1st
Fund of Funds	Adams Street US Partnership 2012	2012	3/31/2018	9.4%	3/31/2018	3rd
Opportunistic	Commonfund NR Partners IX	2012	3/31/2018	8.7%	9/30/2017	3rd
Value Added	MREP Global VI	2012	3/31/2018	11.2%	---	---
International Fund of Funds	Adams Street Non-US Developed 2013	2013	3/31/2018	12.1%	3/31/2018	2nd
International Fund of Funds	Adams Street Non-US Emerging 2013	2013	3/31/2018	17.0%	3/31/2018	1st
Fund of Funds	Adams Street US Partnership 2013	2013	3/31/2018	8.6%	3/31/2018	3rd
Secondary Fund of Funds	Landmark Equity Partners XV	2013	3/31/2018	13.1%	3/31/2018	2nd
Global Fund of Funds	Neuberger Berman Crossroads Fund XX	2013	3/31/2018	10.4%	12/31/2017	4th
Value Added	Aberdeen Energy & Resources Partners III	2014	3/31/2018	10.4%	---	---
Secondary Fund of Funds	Landmark Real Estate Fund VII	2014	3/31/2018	13.9%	3/31/2018	2nd
Separate Account	Neuberger Berman IPU Feeder	2015	3/31/2018	10.3%	---	---
<b>Total Private Markets</b>			<b>3/31/2018</b>	<b>9.7%</b>		

# Policy Index Definitions

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The **University of Iowa Operating Portfolio Policy Index** is currently 5% BBgBarc Global Aggregate (Hedged), 25% BBgBarc Aggregate, 20% BBgBarc Intermediate Gov't/Credit, 5% BBgBarc High Yield, 5% Credit Suisse Leveraged Loans, 5% Wilshire 5000, 5% MSCI ACWI ex USA, 5% MSCI ACWI Min Vol Index, 2.5% NFI, 2.5% FTSE Developed Property, 20% 91 Day T-Bill. Prior to October 1, 2017, 25% BBgBarc Aggregate, 5% BBgBarc High Yield, 5% S&P/LSTA Leveraged Loan, 7.5% BBgBarc US TIPS, 5% MSCI US Broad Market, 5% FTSE All World ex US, 7.5% FTSE Developed Property, 40% 91 Day T-Bill. Prior to January 1, 2014, 30% BBgBarc Aggregate, 5% BBgBarc High Yield, 10% BBgBarc US TIPS, 8% MSCI US Broad Market, 2% FTSE All World ex US, 5% MSCI US REIT, 40% 91 Day T-Bill.

The **Iowa State University Operating Portfolio Policy Index** is currently 5% BBgBarc Global Aggregate (Hedged), 25% BBgBarc Aggregate, 20% BBgBarc Intermediate Gov't/Credit, 5% BBgBarc High Yield, 5% Credit Suisse Leveraged Loans, 5% Wilshire 5000, 5 MSCI ACWI ex USA, 5% MSCI ACWI Min Vol Index, 2.5% NFI, 2.5% FTSE Developed Property, 20% 91 Day T-Bill. Prior to October 1, 2017, 25% BBgBarc Aggregate, 5% BBgBarc High Yield, 5% S&P/LSTA Leveraged Loan, 7.5% BBgBarc US TIPS, 5% MSCI US Broad Market, 5% FTSE All World ex US, 7.5% FTSE Developed Property, 40% 91 Day T-Bill. Prior to January 1, 2014, 30% BBgBarc Aggregate, 5% BBgBarc High Yield, 10% BBgBarc US TIPS, 8% MSCI US Broad Market, 2% FTSE All World ex US, 5% MSCI US REIT, 40% 91 Day T-Bill.

The **University of Iowa Diversified Intermediate Term Portfolio Policy Index** is currently 7% CITI WGBI, 28% BBgBarc Aggregate, 17% BBgBarc Intermediate Gov't/Credit, 5% BBgBarc High Yield, 5% Credit Suisse Leveraged Loans, 10% Wilshire 5000, 10% MSCI ACWI ex US, 5% MSCI ACWI Min Vol Index, 5% NFI, 5% FTSE Developed Property, 3% 91 Day T-Bill. Prior to October 1, 2017, 35% BBgBarc Aggregate, 10% BBgBarc US TIPS, 5% BBgBarc High Yield 2% Capped, 5% S&P/LSTA Leveraged Loan, 10% Wilshire 5000, 10% MSCI ACWI ex US, 10% FTSE Developed Property, 15% 91 Day T-Bill. Prior to January 1, 2014, 40% BBgBarc Aggregate, 10% BBgBarc US TIPS, 5% BBgBarc High Yield 2% Capped, 10% Wilshire 5000, 10% Wilshire REIT, and 15% 91 Day T-Bill. Prior to July 1, 2011, 100% BBgBarc Aggregate. Prior to July 1, 2001, BBgBarc Government Credit.

The **University of Iowa Endowment Policy Index** is currently 5% CITI WGBI, 10% BBgBarc Aggregate, 5% BBgBarc High Yield, 5% Credit Suisse Leveraged Loans, 20% Wilshire 5000, 20% MSCI ACWI ex US, 10% NFI, 25% Cambridge All PE. Prior to October 1, 2017, 15% Merrill Lynch US Corp & Gov 1-3 Years, 5% Merrill Lynch High Yield Master II Constrained, 5% S&P/LSTA Leveraged Loan, 35% Wilshire 5000, 25% MSCI ACWI ex US, 15% CPI+5%. Prior to January 1, 2014, 25% Merrill Lynch US Corp & Gov 1-3 Years, 5% Merrill Lynch High Yield Master II Constrained, 35% Wilshire 5000, 25% MSCI ACWI ex US, 10% CPI+5%. Prior to July 1, 2013, 25% BBgBarc Aggregate, 5% Merrill Lynch High Yield Master II Constrained, 35% Wilshire 5000, 25% MSCI EAFE, 10% CPI+5%. Prior to July 1, 2009, 30% BBgBarc Aggregate, 50% Wilshire 5000, 15% MSCI EAFE, 5% NCREIF. Prior to April 1, 2006, 30% BBgBarc Aggregate, 63% Wilshire 5000, 7% MSCI EAFE. Prior to April 1, 2002, 30% BBgBarc Aggregate, 63% S&P 500, 7% MSCI EAFE. Prior to July 1, 2001, 30% BBgBarc Govt/Credit, 63% S&P 500, 7% MSCI EAFE. Prior to July 1, 1999, 30% BBgBarc Govt/Credit, 60% S&P 500, 10% MSCI EAFE.

The **Iowa State University Endowment Policy Index** is currently 5% CITI WGBI, 10% BBgBarc Aggregate, 5% BBgBarc High Yield, 5% Credit Suisse Leveraged Loans, 20% Wilshire 5000, 20% MSCI ACWI ex US, 10% NFI, 25% Cambridge All PE. Prior to October 1, 2017, 15% Merrill Lynch US Corp & Gov 1-3 Years, 5% Merrill Lynch High Yield Master II Constrained, 5% S&P/LSTA Leveraged Loan, 35% Wilshire 5000, 25% MSCI ACWI ex US, 15% CPI+5%. Prior to January 1, 2014, 25% Merrill Lynch US Corp & Gov 1-3 Years, 5% Merrill Lynch High Yield Master II Constrained, 35% Wilshire 5000, 25% MSCI ACWI ex US, 10% CPI+5%. Prior to July 1, 2013, 25% BBgBarc Aggregate, 5% Merrill Lynch High Yield Master II Constrained, 35% Wilshire 5000, 25% MSCI EAFE, 10% CPI+5%. Prior to July 1, 2009, 30% BBgBarc Aggregate, 50% Wilshire 5000, 15% MSCI EAFE, 5% NCREIF. Prior to April 1, 2006, 30% BBgBarc Aggregate, 63% Wilshire 5000, 7% MSCI EAFE. Prior to April 1, 2002, 30% BBgBarc Aggregate, 63% S&P 500, 7% MSCI EAFE. Prior to July 1, 2001, 30% BBgBarc Govt/Credit, 63% S&P 500, 7% MSCI EAFE. Prior to July 1, 1999, 30% BBgBarc Govt/Credit, 60% S&P 500, 10% MSCI EAFE.

Purpose:

# Guide institutional investment programs

## **Mission**

Enable institutions to become more effective investment stewards

## **Vision**

Leading investment consultant of risk-adjusted returns & client services

## **Principles**

- ✓ Real-world pragmatism
- ✓ Independent expertise
- ✓ Focused client service
- ✓ Careful research

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