

ENDOWMENTS QUARTERLY

A LOOK AT ASSET ALLOCATION AND TOTAL RETURNS FOR US ENDOWMENTS AND FOUNDATIONS

TRAILING ONE-YEAR RESULTS

The median return of the endowment and foundation universe was 0.6% for the trailing one-year period (Figure 1). Returns for the middle half of the universe ranged from 2.3% at the 25th percentile to -0.8% at the 75th percentile. The 5th percentile return at the top end of the universe was 4.9%, while the 95th percentile at the bottom of the universe was -2.6%.

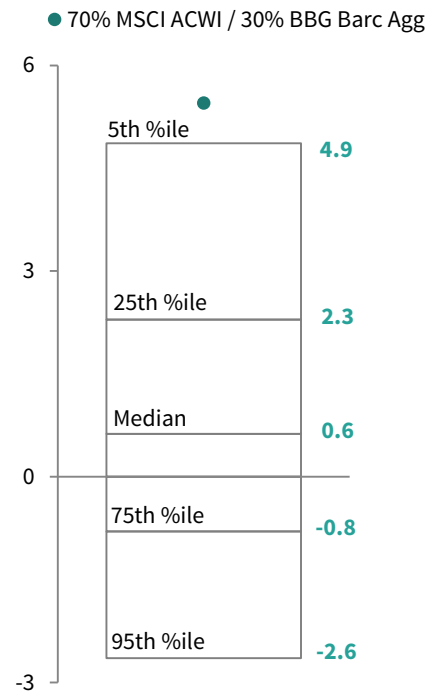
PRIVATE INVESTMENT REPORTING

METHODOLOGIES. The reporting methodologies for private investments are an important factor to consider when comparing peer returns for the trailing one-year period. Most study participants (72%) reported their trailing one-year private investment returns on a partial basis. Under this method, only three quarters of private returns are incorporated for the one-year period. As June 30 valuations become available, second quarter 2020 returns will be restated to reflect actual private performance (Figure 2).

Other institutions incorporate four quarters of private performance into their trailing one-year return, although the exact method and timing can vary. Under the lagged basis, which was cited by 12% of participants, private valuations are perpetually lagged by one quarter so that the one-year return represents private investment performance from April 1, 2019, to March 31, 2020. In contrast, under the current basis, the four quarters of private investment performance reflected are from July 1, 2019, to June 30, 2020. Just 6% of institutions use the current method and they often rely on estimated valuations to reflect private performance for the most recent quarter ended June 30.

FIGURE 1 NOMINAL TRAILING ONE-YEAR RETURNS

Period Ended June 30, 2020 • Percent (%)

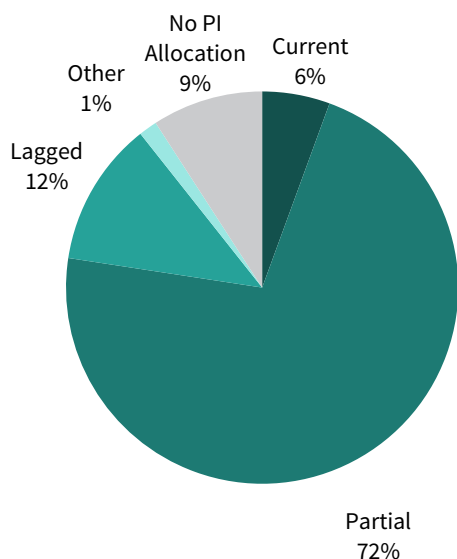


Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

FIGURE 2 PERFORMANCE REPORTING METHODOLOGIES: US ENDOWMENTS AND FOUNDATIONS

As of June 30, 2020

Performance Reporting Methodology



By Asset Size

	Current Basis	Partial Basis	Lagged Basis	Other	No PI Allocation
Less than \$100M	-	72%	-	-	28%
<i>n</i>		54			21
\$100M – \$200M	-	89%	-	-	11%
<i>n</i>		70			9
\$200M – \$500M	-	93%	2%	1%	4%
<i>n</i>		77	2	1	3
\$500M – \$1B	13%	72%	13%	2%	-
<i>n</i>	8	44	8	1	
More than \$1B	15%	40%	39%	4%	4%
<i>n</i>	14	38	37	4	3

Source: Endowment and foundation data as reported to Cambridge Associates LLC.

Performance for second quarter 2019, which is only included under the lagged basis, was positive for most private investment strategies (Figure 3). While private investment index performance is not yet available for second quarter 2020, we do anticipate that private strategies will also earn positive returns during this period. Both the lagged basis and current basis, which have an extra quarter of private investment performance that is positive, will produce a better return relative to the partial basis for the one-year return as of June 30. As those institutions using the partial basis replace the 0% placeholder in second quarter 2020 with actual private investment performance, they should experience a bump up in their trailing one-year returns.

FIGURE 3 CAMBRIDGE ASSOCIATES PRIVATE INVESTMENT INDEX RETURNS

	One Quarter End-to-End Pooled Return (%)				
	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
US Private Equity	4.6	2.2	5.0	-8.1	NA
Global ex US Private Equity	3.9	-0.2	7.0	-9.9	NA
US Venture Capital	6.9	-0.7	5.6	-3.1	NA
Global ex US Venture Capital	4.4	0.8	7.3	-2.2	NA
Real Estate	2.4	1.0	3.6	-6.8	NA
Natural Resources	-2.5	-3.6	-2.1	-22.1	NA

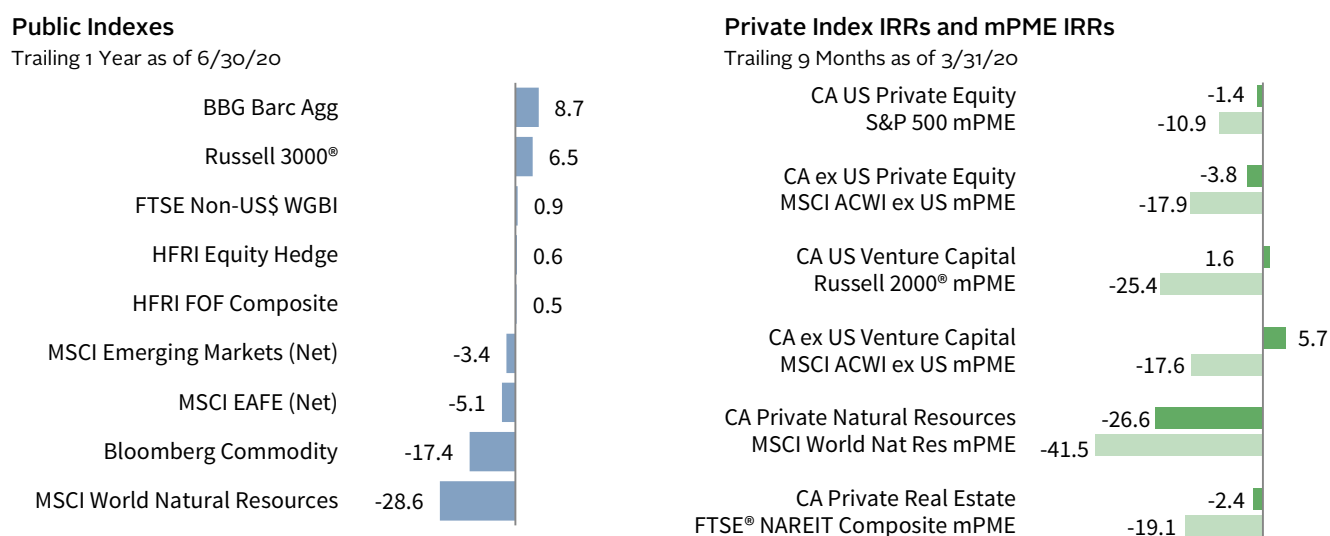
Legend: Lagged Basis Partial Basis

Source: Cambridge Associates LLC.
Note: NA indicates data were not available.

ONE-YEAR ASSET ALLOCATION. Figure 4 explores the relationship between the returns and asset allocations of participating institutions. For this analysis, each institution's asset allocation was averaged across the beginning and ending points for the trailing one-year period. The four quartiles in the heat map table represent the average of the institutions within each quartile.

The index returns in the top half of Figure 4 provide context on the capital market environment for the trailing one-year period. Private investment indexes are pooled horizon internal rates of return (IRRs) net of fees, expenses, and carried interest, and public indexes are time-weighted returns. Included alongside the private benchmark IRRs are public market returns on a modified public market equivalent basis (mPME). The CA mPME replicates private investment performance under public market conditions and allows for an appropriate comparison of private and public market returns. The mPME analysis evaluates what return would have been earned had the dollars

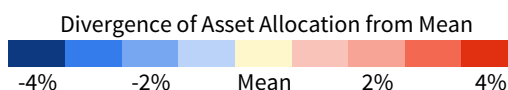
FIGURE 4 1-YR INDEX RETURNS AND ASSET ALLOCATION OF TOP AND BOTTOM PERFORMERS: US ENDOWMENTS AND FOUNDATIONS



Mean Asset Allocation by Performance Quartile: June 30, 2019 to June 30, 2020

n = 388

Quartile	US Equity	DM ex US Eqty	EM Equity	Bonds	Hedge Funds	Dist Sec	PE/VC	Priv RA	Pub RA & ILBs	Cash	Other
Top Quartile	24.3	14.3	7.0	10.4	18.6	2.6	12.3	4.1	1.6	4.2	0.5
2nd Quartile	24.9	15.9	7.5	10.8	16.9	2.5	10.0	4.0	2.3	4.8	0.5
3rd Quartile	25.6	16.7	7.3	12.0	15.8	2.3	9.8	3.3	3.2	3.5	0.3
Bottom Quartile	22.0	15.4	7.4	11.5	14.6	3.1	11.7	4.9	4.1	4.1	1.1
E&F Universe Mean	24.2	15.6	7.3	11.2	16.5	2.6	10.9	4.1	2.8	4.2	0.6



Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited, Cambridge Associates LLC, Frank Russell Company, FTSE International Limited, Hedge Fund Research, Inc., MSCI Inc., the National Association of Real Estate Investment Trusts, Standard & Poor's, and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

invested in private investments been invested in the public market index instead. With data currently unavailable for second quarter 2020, the period evaluated for the private investment and mPME indexes is for the trailing nine months ended March 31, 2020.

The time-weighted returns for the public indexes in Figure 4 are evaluated for the full trailing-one year period. While global equities earned exceptional returns in second quarter 2020, the aforementioned private investment and mPME indexes do not capture that second quarter activity. Hence, there is a stark difference in the index returns between the two charts.

Compared to prior periods for which we have performed this analysis, there is relatively little differential between the average asset allocations of the four quartiles of performers. Within the top quartile alone, there are different types of asset allocation structures among the institutions that are grouped together. The strong performance of bonds and decent returns for US equities helped simpler, less diversified portfolios land in the top quarter of the peer group for the trailing one-year period. On the other hand, portfolios with high private equity and venture capital (PE/VC) allocations that are reflecting a full year's worth of private performance also appear in the top quartile. As those different types of portfolios are combined in the average calculation, the result is a mean asset allocation structure for the top quartile that looks similar to that of the other quartiles.

ONE-YEAR ATTRIBUTION. Although asset allocation is a key driver of absolute performance, it does not fully explain the variation of returns that are reported across different institutions. The execution or implementation of an asset allocation strategy also contributes to the total returns that portfolios earn. Our data allows us to conduct an estimated attribution analysis that can help illuminate the main drivers of performance for the trailing one-year period and how the experiences of top and bottom performers diverge.

Figure 5 illustrates the results of the attribution analysis for the trailing one-year period based on 388 endowments and foundations that provided sufficient data. For each participating institution, we have calculated a blend of representative asset class indexes that is weighted according to their beginning year asset allocation. This is the amount of return that can be explained by the institution's asset allocation heading into the one-year period. The portion of return that comes from other factors is calculated by subtracting the asset allocation return from the actual total return that the institution earned. This "other" portion of returns is partially driven by implementation or execution decisions, which can include active management and manager selection. In addition, this other portion of return will account for any decision to modify the asset allocation structure or rebalance the portfolio allocations throughout the course of the one-year period. The attribution analysis estimates the average portfolio generated an asset allocation return of 0.3% for the trailing one-year period and a return from other factors of 0.5%.

**FIGURE 5 1-YR RETURN ATTRIBUTION ANALYSIS BY PERFORMANCE QUARTILE:
US ENDOWMENTS AND FOUNDATIONS**

As of June 30, 2020 • Percent (%) • n = 388

1-Yr Return Attribution Analysis by Quartile



Breakdown of Return from Asset Allocation

Asset Class	Mean Beginning Year Asset Allocation	Asset Class Benchmark Return	Contribution to Asset Class Return
US Equity	23.3	6.5	1.5
US Bonds	10.3	8.7	0.9
Venture Capital	4.6	1.6	0.3
Non-Venture Private Equity	4.3	-1.4	0.1
Cash & Equivalents	3.8	1.6	0.1
Long/Short Hedge Funds	6.4	0.6	0.0
Inflation-Linked Bonds	0.5	8.3	0.0
Other Private Investments	1.4	-0.6	0.0
Other	0.6	1.6	0.0
Global ex US Bonds: Developed Mkts	0.3	0.9	0.0
Global ex US Bonds: Emerging Mkts	0.3	0.5	0.0
Timber	0.1	0.3	0.0
High-Yield Bonds	0.3	0.0	0.0
Private Real Estate	1.8	-2.5	0.0
Absolute Return (ex Distressed)	10.4	-0.3	0.0
Public Real Estate	0.5	-8.1	0.0
Commodities	0.4	-17.4	-0.1
Distressed: Hedge Fund Structure	1.4	-4.5	-0.1
Distressed: Private Equity Structure	1.3	-10.6	-0.1
Global ex US Equity: Emerging Mkts	7.6	-3.4	-0.3
Public Energy/Natural Resources	1.9	-28.6	-0.6
Private Oil & Gas/Natural Resources	2.4	-26.5	-0.6
Global ex US Equity: Developed Mkts	16.2	-5.1	-0.8

* Private investment benchmark returns are for the period of 7/1/19 to 3/31/20.
Sources: Endowment and foundation data as reported to Cambridge Associates LLC.

The table on the bottom part of Figure 5 shows each asset class’s contribution to the average asset allocation return of the universe. Each category’s contribution is a function of its benchmark return for the one-year period as well as the participant group’s average allocation to the category. US equity and US bonds had the greatest positive impact of all the asset class return contributors. The largest negative contributions to performance came from global ex US equity and natural resources/energy strategies.

Figure 5 also provides a breakdown of the attribution data into the four performance quartiles of the overall universe, which highlights the different experiences among institutions. The top performance quartile had a mean asset allocation return of 1.3%, approximately 180 basis points (bps) higher than that of the bottom quartile. The model estimates that the differential in the return from other factors was much greater, with the average of the top quartile of performers (2.8%) being 440 bps higher than the bottom quartile (-1.6%). The key takeaway from this analysis was that active management, manager selection, and rebalancing decisions explained more of the dispersion in peer return than did differences in asset allocation structures for this particular one-year period.

TRAILING TEN-YEAR RESULTS

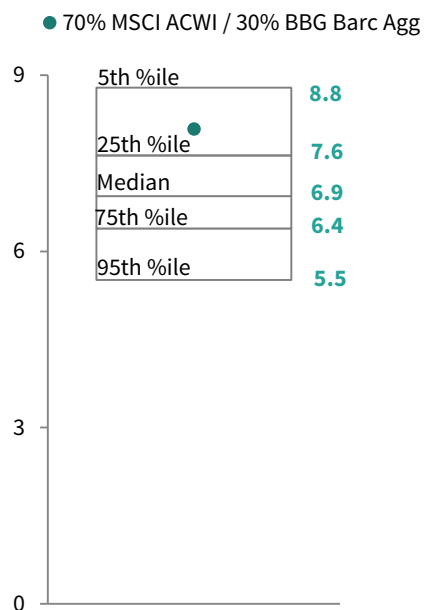
The median trailing ten-year return was 6.9% (Figure 6). Returns ranged from 8.8% at the 5th percentile to 5.5% at the 95th percentile. A blended index return consisting of 70% MSCI ACWI and 30% Bloomberg Barclays Aggregate Bond Index earned 8.1% and would have landed in the top quartile of the respondent group.

TEN-YEAR ASSET ALLOCATION. Figure 7 explores the relationship between peer returns and asset allocations for the trailing ten-year period. In this analysis, the participant group is broken down into four quartiles based on the trailing ten-year investment return. Each institution's asset allocation was averaged across the 11 June 30 periods that fell from 2010 to 2020. The four quartiles in the heat map table represent the average of the institutions within each quartile.

Most private investment indexes

FIGURE 6 NOMINAL TRAILING TEN-YEAR RETURNS

Period Ended June 30, 2020 • Percent (%)



Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

CA US ENDOWMENT & FOUNDATION UNIVERSE AT A GLANCE

The Cambridge Associates US endowment and foundation universe includes colleges and universities, cultural and environmental institutions, health care institutions, independent schools, and other endowed nonprofit institutions as well as foundations.

394 US endowments and foundations that participated in our quarterly survey.

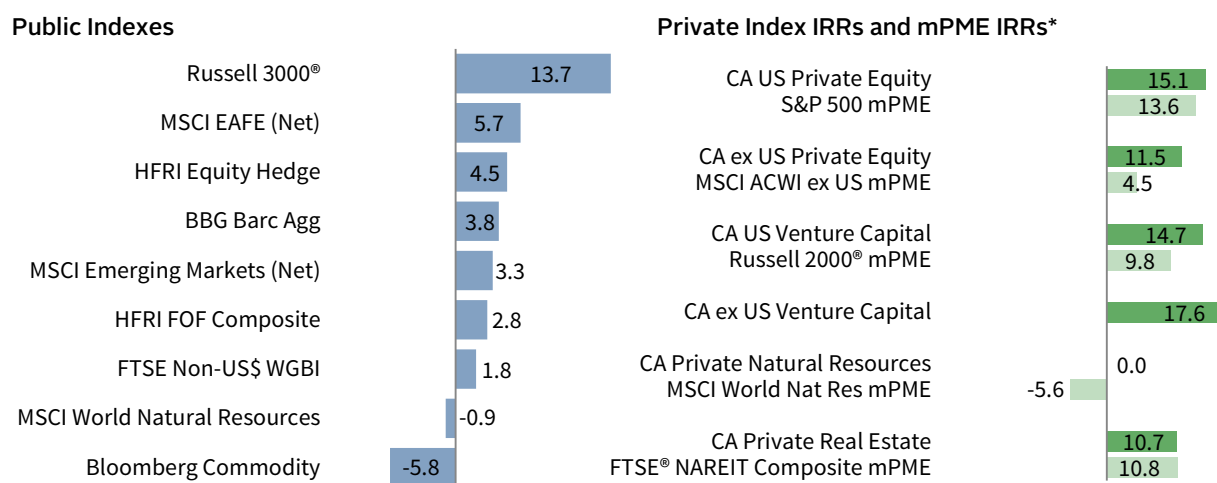
\$1.3B Average market value of participating long-term investment portfolios.

\$311.7M Median value

Returns are reported net of external manager fees for 392 of 394 institutions in this universe. Past Cambridge Associates surveys have shown that approximately 10% to 15% of institutions also deduct investment oversight costs in the net of fee calculation.

**FIGURE 7 10-YR INDEX RETURNS AND ASSET ALLOCATION OF TOP AND BOTTOM PERFORMERS:
US ENDOWMENTS AND FOUNDATIONS**

As of June 30, 2020 • Percent (%)



**Mean Asset Allocation by Performance Quartile: June 30, 2010 to June 30, 2020
n = 267**

Quartile	US Equity	DM ex US Eqty	EM Equity	Bonds	Hedge Funds	Dist Sec	PE/VC	Priv RA	Pub RA & ILBs	Cash	Other
Top Quartile	19.8	12.7	7.5	8.3	18.0	3.5	15.1	8.2	2.9	3.8	0.3
2nd Quartile	22.3	15.4	6.7	11.2	18.2	3.4	9.0	4.9	4.9	3.5	0.4
3rd Quartile	21.1	14.9	6.8	12.5	20.7	3.6	7.0	3.7	5.5	3.7	0.5
Bottom Quartile	20.3	15.8	7.2	14.6	19.9	2.8	5.1	2.7	6.7	4.6	0.5
E&F Universe Mean	20.9	14.7	7.1	11.6	19.2	3.3	9.1	4.9	5.0	3.9	0.4

Divergence of Asset Allocation from Mean

* Private investment benchmark IRRs and mPME IRRs are for the period 7/1/2010 to 3/31/2020.

Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited, Cambridge Associates LLC, Frank Russell Company, FTSE International Limited, Hedge Fund Research, Inc., MSCI Inc., the National Association of Real Estate Investment Trusts, Standard & Poor's, and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

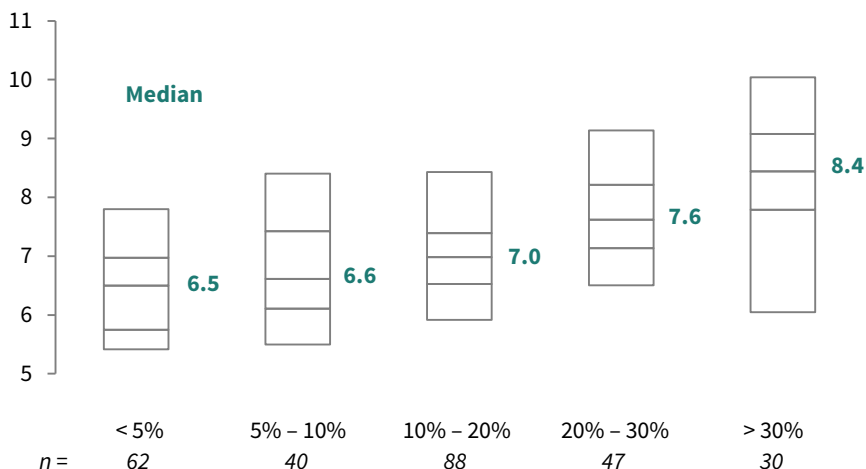
outperformed their mPME benchmarks over the past decade. As would be expected given this market backdrop, the top quartile of performers over this period reported an average allocation to private investments that was considerably higher than the other performance quartiles. The average combined allocation to PE/VC and private real assets was 23.2% for the top quartile of performers over this ten-year period.

Figure 8 organizes participants into five subgroups based on each institution's trailing ten-year average allocation to private investments. The median ten-year return for portfolios with an allocation of more than 30% to private investments was 8.4%, approximately 190 bps higher than the median return reported by portfolios with little to no private investment allocation. In fact, the median return for this group with the highest private allocations outperformed the 5th percentile return for the subgroups with less than 20% allocated to private investments.

The distribution of returns for the five subgroups shows a wide range of results, a

FIGURE 8 RANGE OF 10-YR RETURNS BY PRIVATE INVESTMENT ALLOCATION

As of June 30, 2020 • Percent (%)



Source: Endowment and foundation data as reported to Cambridge Associates LLC.

Note: Each institution's private investment allocation represents the mean for the 11 June 30 periods from 2010 to 2020.

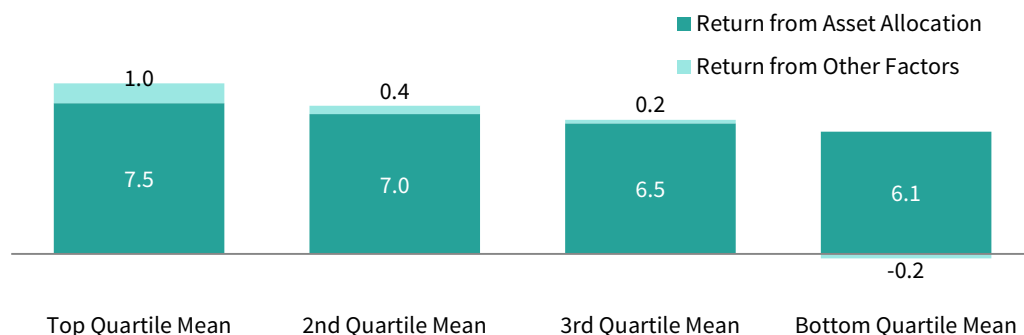
disclaimer that not all portfolios with the highest allocations to private investments earn the best performance. However, these ten-year analyses show that allocations to private investments generally are a key factor in a portfolio's relative performance within the overall participant group over the long term. Institutions that benchmark peer performance should consider the subgroup median that aligns with their own private investment allocation as an alternative or complement to the peer medians that they already use.

TEN-YEAR ATTRIBUTION. The attribution model also points to an outperforming asset allocation structure for the top performance quartile over the last decade. Figure 9 shows that the top performance quartile had a mean asset class return of 7.5% for the trailing ten-year period, approximately 1.4 percentage points higher than the bottom performance quartile. The top performance quartile also added another 1.0% on average from other factors while the bottom performance quartile lost an average 0.2%.

SHARPE RATIO. Risk-adjusted performance is important to evaluate, as it measures

FIGURE 9 10-YR ATTRIBUTION ANALYSIS BY PERFORMANCE QUARTILE: US ENDOWMENTS AND FOUNDATIONS

As of June 30, 2020 • Percent (%) • n = 267



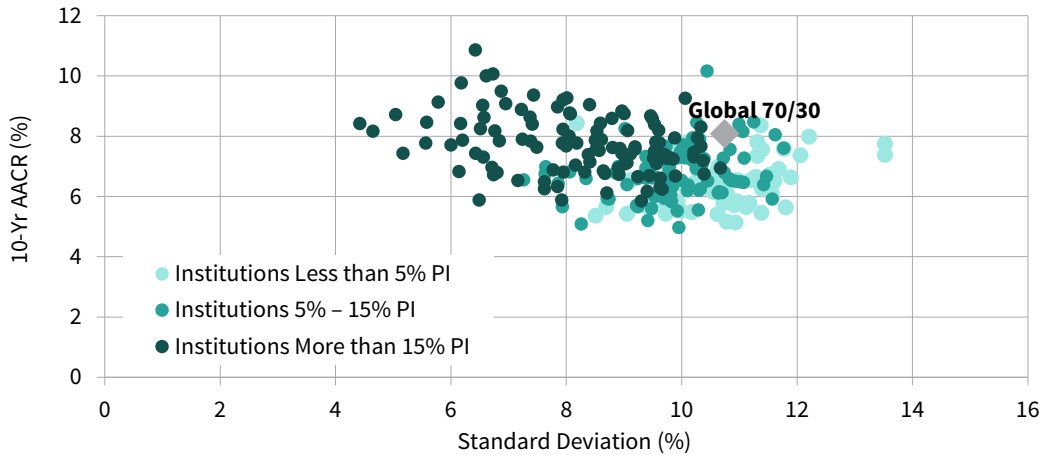
Source: Endowment and foundation data as reported to Cambridge Associates LLC.

the total return relative to the total amount of risk taken by the portfolio. The most common approach to measuring risk-adjusted performance is by the Sharpe ratio, which shows how much return above the risk-free rate (T-bills) the investor has earned per unit of risk (defined as the standard deviation of returns). The higher the Sharpe ratio, the more the investor has been compensated for each unit of risk taken.

Risk-adjusted performance comparisons can be impacted when portfolios have significant allocations to private investments. The frequency and timing of private investment valuations can lead to a lower standard deviation of returns for these assets. Thus, a portfolio with high allocations to private investments can yield a lower volatility statistic relative to portfolios that have higher public equity allocations. For this reason, we have split institutions out into subcategories in Figure 10 based on their allocations to private investments.

**FIGURE 10 STANDARD DEVIATION AND SHARPE RATIO:
US ENDOWMENTS AND FOUNDATIONS**

10 Years Ended June 30, 2020



	All Institutions	Mean by PI Allocation			70/30 Global Benchmark
	Mean	Less than 5%	5% - 15%	More than 15%	
10-Yr AACR	7.1	6.5	6.8	7.7	8.1
Standard Deviation	9.4	10.7	9.9	8.2	10.7
Sharpe Ratio	0.75	0.59	0.66	0.92	0.72
<i>n</i>	267	62	90	115	

Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

Institutions that had an allocation of more than 15% to private investments over the last ten years reported an average Sharpe ratio of 0.92, significantly higher than that of the other subgroups with smaller private allocations. While the magnitude of the differences in average Sharpe ratios is partly a function of this group's higher average ten-year return, it is also attributable to its lower average standard deviation. ■

Notes on the Data

Returns for periods greater than one-year are annualized.

The 70/30 simple portfolio benchmarks are calculated assuming rebalancing occurs on the final day of each quarter.

The MSCI Indexes contained in this report are net of dividend taxes for global ex US securities.

Figure 2: Institutions with no significant private investment allocations (less than 1% of the total portfolio) are reflected in the No PI Allocation category in the pie graph and table by asset size.

Figure 5: To be consistent with the methodology in which private investment returns are incorporated into the total portfolio composite calculation, private investment benchmark data represent quarterly end-to-end returns that have been compounded.

Figure 10: Analysis includes only institutions that provided underlying quarterly returns and asset allocation for the ten years. Each institution's private investment allocation represents the mean for the 11 June 30 periods from 2010 to 2020. The Global 70/30 benchmark is composed of 70% MSCI ACWI / 30% Bloomberg Barclays Aggregate Bond Index.

PERFORMANCE METHODOLOGY DESCRIPTIONS

Current Basis

Total investment pool return for the trailing one-year period includes marketable asset performance and private investment performance for July 1, 2019, to June 30, 2020.

Marketable Assets			
3Q19	4Q19	1Q20	2Q20
Private Investments			

Partial Basis

Total investment pool return for the trailing one-year period includes marketable asset performance for July 1, 2019, to June 30, 2020. Private investment portion of the investment pool reflects actual performance for July 1, 2019, to March 31, 2020, and a flat return (0%) for March 31, 2020, to June 30, 2020.

Marketable Assets			
3Q19	4Q19	1Q20	2Q20
Actual Return		0%	
Private Investments			

Lagged Basis

Total investment pool return for the trailing one-year period includes marketable asset performance for July 1, 2019, to June 30, 2020, and private investment performance for April 1, 2019, to March 31, 2020.

Marketable Assets				
2Q19	3Q19	4Q19	1Q20	2Q20
Private Investments				

Appendix: Figures A-D

FIGURE A DETAILED ASSET ALLOCATION BY PEER GROUP: US ENDOWMENTS AND FOUNDATIONS

As of June 30, 2020 • Percent (%)

	Colleges & Universities <i>n = 134</i>		Cultural & Environmental <i>50</i>		Foundations <i>111</i>		Healthcare <i>29</i>		Independent Schools <i>30</i>		Other Nonprofits <i>40</i>	
	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med
US Equity	24.0	23.9	25.1	25.9	25.0	24.5	23.2	23.8	27.8	28.5	28.5	29.2
Global ex US Equity	20.9	20.7	21.8	22.1	22.2	22.1	21.2	20.0	22.2	22.0	24.7	24.7
Developed Markets	14.2	13.4	14.7	15.6	14.9	14.6	14.9	15.0	15.6	15.8	17.2	17.6
Emerging Markets	6.7	6.6	7.1	7.2	7.2	7.2	6.3	6.6	6.6	5.8	7.5	7.1
Bonds	9.0	9.0	9.6	9.6	12.6	12.1	15.0	15.2	8.7	8.9	14.3	14.0
US Bonds	8.4	8.1	9.0	9.1	11.9	11.2	14.2	13.1	8.5	8.9	13.4	12.5
Global ex US Bonds (DM)	0.3	0.0	0.1	0.0	0.2	0.0	0.3	0.0	0.0	0.0	0.4	0.0
Global ex US Bonds (EM)	0.1	0.0	0.3	0.0	0.1	0.0	0.2	0.0	0.1	0.0	0.5	0.0
High-Yield Bonds	0.3	0.0	0.2	0.0	0.4	0.0	0.3	0.0	0.1	0.0	0.1	0.0
Hedge Funds	15.7	15.3	20.4	17.3	13.6	13.8	19.3	19.2	19.8	19.1	16.2	15.0
Long/Short Hedge Funds	6.0	5.2	7.9	6.6	5.1	4.6	7.6	6.7	9.5	7.4	5.9	4.6
Absolute Return (ex Distressed)	9.7	9.3	12.4	10.9	8.5	8.6	11.6	10.8	10.3	10.6	10.3	10.6
Distressed Securities	3.1	2.5	2.8	1.8	2.3	1.5	2.7	1.9	2.5	1.6	1.6	0.3
Hedge Fund Structure	1.5	0.9	1.7	0.5	0.9	0.0	1.5	1.1	0.8	0.0	0.9	0.0
Private Equity Structure	1.6	1.1	1.1	0.6	1.4	0.4	1.2	0.5	1.8	0.9	0.6	0.0
PE/VC	14.9	14.9	8.9	7.2	13.2	12.4	8.1	7.3	7.6	6.6	4.7	2.5
Non-Venture Private Equity	6.8	6.5	3.7	3.3	4.9	4.2	3.8	2.3	4.0	2.2	2.0	1.1
Venture Capital	6.2	4.9	4.3	2.4	6.3	3.6	3.3	2.0	2.3	1.6	1.8	0.2
Other Private Investments	1.9	0.7	1.0	0.5	2.0	0.5	1.0	0.1	1.3	0.7	0.8	0.3
Real Assets & ILBs	7.6	6.9	4.7	4.6	6.5	6.0	5.7	4.9	5.7	4.8	4.8	3.9
Private Real Estate	2.6	1.8	1.4	0.3	2.2	1.0	1.3	0.3	1.6	0.1	0.9	0.0
Public Real Estate	0.6	0.0	0.1	0.0	0.4	0.0	0.5	0.0	0.1	0.0	0.4	0.0
Commodities	0.3	0.0	0.2	0.0	0.4	0.0	0.3	0.0	0.4	0.0	0.2	0.0
ILBs	0.4	0.0	0.6	0.0	0.6	0.0	1.1	0.0	0.5	0.0	0.5	0.0
Private O&G/Nat Resources	2.5	2.3	1.6	0.7	1.7	1.4	1.1	0.3	2.0	1.4	1.2	0.5
Timber	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0
Public Energy/Nat Resources	1.1	0.2	0.8	0.0	1.1	0.0	1.2	0.0	1.0	0.0	1.6	1.1
Cash & Equivalents	3.9	3.3	6.6	6.0	3.9	3.1	4.2	3.0	5.4	4.4	4.9	3.3
Other Assets	0.9	0.0	0.0	0.0	0.8	0.0	0.6	0.0	0.4	0.0	0.3	0.0

Source: Endowment and foundation data as reported to Cambridge Associates LLC.

FIGURE B DETAILED ASSET ALLOCATION BY ASSET SIZE: US ENDOWMENTS AND FOUNDATIONS

As of June 30, 2020 • Percent (%)

	All Endow & Fdn <i>n</i> = 394		Less than \$100M 75		\$100M – \$200M 79		\$200M – \$500M 83		\$500M – \$1B 61		More than \$1B 96	
	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med
US Equity	25.1	25.6	30.1	29.9	28.0	27.7	26.5	26.2	21.5	23.3	20.0	18.7
Global ex US Equity	21.9	21.9	25.5	25.3	23.6	24.2	21.6	21.7	19.6	20.2	19.3	19.1
Developed Markets	14.9	14.9	18.8	19.0	16.2	17.3	14.6	14.5	13.2	13.3	12.2	11.1
Emerging Markets	6.9	6.8	6.7	6.6	7.3	7.1	7.0	7.2	6.4	6.3	7.1	6.8
Bonds	11.0	10.5	14.7	14.0	13.0	12.5	11.8	11.7	9.2	8.4	7.2	6.3
US Bonds	10.4	10.0	13.9	13.4	12.4	12.5	11.4	11.2	8.8	8.2	6.1	5.9
Global ex US Bonds (DM)	0.2	0.0	0.2	0.0	0.2	0.0	0.1	0.0	0.0	0.0	0.4	0.0
Global ex US Bonds (EM)	0.2	0.0	0.2	0.0	0.3	0.0	0.1	0.0	0.1	0.0	0.2	0.0
High-Yield Bonds	0.3	0.0	0.4	0.0	0.2	0.0	0.2	0.0	0.2	0.0	0.4	0.0
Hedge Funds	16.3	15.4	15.1	14.8	15.6	14.9	16.1	14.4	16.5	12.8	18.0	18.1
Long/Short Hedge Funds	6.4	5.2	5.4	2.7	5.3	4.3	6.5	5.3	6.7	5.1	7.8	7.6
Absolute Return (ex Distressed)	10.0	9.7	9.8	9.7	10.4	9.7	9.6	9.8	9.8	7.9	10.2	9.8
Distressed Securities	2.6	1.9	1.2	0.0	2.0	1.2	2.6	2.5	3.7	2.9	3.5	2.8
Hedge Fund Structure	1.3	0.0	0.4	0.0	0.9	0.0	1.2	0.8	1.9	1.2	1.8	1.2
Private Equity Structure	1.4	0.7	0.7	0.0	1.2	0.3	1.4	1.1	1.8	1.4	1.7	1.1
PE/VC	11.6	10.7	5.0	2.0	7.7	6.7	10.3	9.3	16.8	15.4	17.7	18.1
Non-Venture Private Equity	5.0	4.3	1.5	0.0	2.5	1.7	4.3	4.3	7.2	6.9	8.8	9.4
Venture Capital	5.0	3.2	1.8	0.0	3.0	1.9	4.1	3.1	8.3	6.2	7.9	6.5
Other Private Investments	1.6	0.5	1.7	0.0	2.2	1.5	1.9	1.1	1.2	0.5	1.0	0.0
Real Assets & ILBs	6.3	5.6	4.3	3.9	4.6	4.7	5.4	5.2	8.1	7.8	9.0	8.3
Private Real Estate	2.0	0.8	0.5	0.0	0.5	0.0	1.2	0.5	3.1	1.9	4.3	3.0
Public Real Estate	0.4	0.0	0.4	0.0	0.3	0.0	0.4	0.0	0.7	0.0	0.4	0.0
Commodities	0.3	0.0	0.4	0.0	0.4	0.0	0.3	0.0	0.1	0.0	0.2	0.0
ILBs	0.5	0.0	0.8	0.0	0.8	0.0	0.3	0.0	0.4	0.0	0.4	0.0
Private O&G/Nat Resources	1.9	1.4	0.6	0.0	1.4	0.6	1.6	1.6	2.8	2.4	3.0	2.7
Timber	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.2	0.0	0.1	0.0
Public Energy/Nat Resources	1.1	0.0	1.5	0.0	1.3	0.0	1.5	1.2	0.7	0.0	0.5	0.0
Cash & Equivalents	4.5	3.5	3.9	3.5	5.2	3.4	4.5	3.3	4.0	3.2	4.7	3.7
Other Assets	0.6	0.0	0.3	0.0	0.2	0.0	1.2	0.0	0.7	0.0	0.6	0.0

Source: Endowment and foundation data as reported to Cambridge Associates LLC.

FIGURE C NOMINAL TOTAL RETURN SUMMARY BY ASSET SIZE: US ENDOWMENTS AND FOUNDATIONS

Periods Ended June 30, 2020 • Percent (%)

	Latest Qtr	Calendar YTD	Average Annual Compound Return			
			1 Yr	3 Yrs	5 Yrs	10 Yrs
All Endowments & Foundations						
5th %ile	15.6	-0.8	4.9	7.5	6.7	8.8
25th %ile	13.4	-3.1	2.3	5.4	5.4	7.6
75th %ile	9.5	-5.8	-0.8	3.7	4.1	6.4
95th %ile	5.1	-7.3	-2.6	2.7	3.4	5.5
Mean	11.2	-4.3	0.8	4.7	4.8	7.0
Median	11.6	-4.5	0.6	4.5	4.7	6.9
<i>n</i>	394	394	394	388	381	355
Less than \$100M						
5th %ile	16.0	-1.7	4.2	5.6	5.4	7.5
25th %ile	14.5	-3.5	1.9	4.7	4.8	7.0
75th %ile	11.7	-6.2	-1.0	3.0	3.7	5.8
95th %ile	8.3	-7.7	-2.5	2.5	3.1	5.3
Mean	13.0	-4.7	0.5	3.9	4.2	6.4
Median	13.1	-5.3	0.1	3.9	4.2	6.4
<i>n</i>	75	75	75	71	66	58
\$100M – \$200M						
5th %ile	15.7	-1.9	3.8	6.1	5.6	7.6
25th %ile	13.8	-3.4	2.1	5.0	5.0	7.0
75th %ile	11.1	-5.7	-0.3	3.6	3.9	6.1
95th %ile	9.0	-7.2	-2.2	2.8	3.4	5.6
Mean	12.5	-4.5	0.8	4.4	4.5	6.6
Median	12.4	-4.3	0.7	4.4	4.4	6.5
<i>n</i>	79	79	79	79	79	73
\$200M – \$500M						
5th %ile	15.5	-1.4	4.6	6.6	6.0	8.1
25th %ile	13.5	-3.5	2.1	5.3	5.1	7.4
75th %ile	10.2	-6.0	-0.8	3.7	4.0	6.4
95th %ile	8.6	-7.3	-3.0	2.9	3.4	5.4
Mean	11.9	-4.7	0.5	4.5	4.6	6.8
Median	11.7	-4.8	0.3	4.3	4.6	6.8
<i>n</i>	83	83	83	82	81	79
\$500M – \$1B						
5th %ile	14.0	-0.1	6.3	8.4	7.2	9.0
25th %ile	12.1	-2.7	2.4	5.7	5.4	7.6
75th %ile	9.2	-5.4	-0.6	3.7	4.3	6.6
95th %ile	4.9	-7.0	-3.3	3.0	3.3	5.9
Mean	10.1	-4.1	1.0	5.0	4.9	7.2
Median	10.6	-4.6	0.6	4.6	4.7	7.0
<i>n</i>	61	61	61	60	60	53
More than \$1B						
5th %ile	14.3	-0.2	5.3	7.8	6.9	9.5
25th %ile	10.9	-2.2	2.9	6.2	6.2	8.6
75th %ile	6.4	-5.1	-0.5	4.5	4.7	7.0
95th %ile	3.5	-6.8	-2.4	3.1	3.7	6.5
Mean	8.8	-3.7	1.3	5.4	5.5	7.9
Median	8.9	-3.8	1.4	5.4	5.5	7.9
<i>n</i>	96	96	96	96	95	92

Source: Endowment and foundation data as reported to Cambridge Associates LLC.

FIGURE D NOMINAL TOTAL RETURN SUMMARY BY PEER GROUP: US ENDOWMENTS AND FOUNDATIONS

Periods Ended June 30, 2020 • Percent (%)

	Latest Qtr	Calendar YTD	Average Annual Compound Return			
			1 Yr	3 Yrs	5 Yrs	10 Yrs
Colleges & Universities						
5th %ile	15.1	-0.5	5.0	7.8	6.7	9.0
25th %ile	12.6	-3.3	2.0	5.7	5.6	7.8
75th %ile	9.0	-6.0	-1.1	3.9	4.2	6.6
95th %ile	5.2	-7.3	-3.1	2.8	3.4	5.9
Mean	10.6	-4.4	0.7	4.9	4.9	7.3
Median	10.8	-4.6	0.6	4.7	4.8	7.3
<i>n</i>	134	134	134	134	133	124
Cultural & Environmental						
5th %ile	15.9	-0.2	5.5	6.7	7.0	8.6
25th %ile	13.7	-3.0	2.6	5.3	5.3	7.7
75th %ile	10.5	-5.5	-0.3	4.0	4.3	6.5
95th %ile	5.5	-6.6	-2.5	3.0	3.7	5.7
Mean	11.8	-4.1	1.2	4.7	4.9	7.1
Median	11.9	-4.4	0.8	4.6	4.8	7.0
<i>n</i>	50	50	50	50	50	47
Foundations						
5th %ile	16.0	-0.5	5.1	7.3	6.9	9.2
25th %ile	12.8	-2.8	2.4	5.7	5.6	7.8
75th %ile	9.0	-5.7	-0.6	3.9	4.2	6.5
95th %ile	5.1	-7.0	-2.3	2.8	3.5	5.7
Mean	11.0	-3.9	1.2	4.9	5.0	7.2
Median	11.2	-4.2	0.8	4.7	4.9	7.0
<i>n</i>	111	111	111	107	103	96
Healthcare						
5th %ile	15.2	-2.3	3.2	6.1	5.8	8.4
25th %ile	13.8	-3.2	2.4	5.1	5.0	6.9
75th %ile	9.0	-5.1	0.0	3.7	3.9	5.9
95th %ile	5.9	-6.2	-1.9	2.8	3.5	5.5
Mean	11.1	-4.2	1.0	4.5	4.5	6.6
Median	11.5	-4.2	1.1	4.5	4.3	6.7
<i>n</i>	29	29	29	28	27	26
Independent Schools						
5th %ile	15.3	-1.6	3.2	6.3	5.3	8.0
25th %ile	14.1	-3.0	2.1	4.8	4.8	7.2
75th %ile	10.9	-5.9	-0.2	3.6	4.0	5.8
95th %ile	6.1	-7.7	-1.5	2.9	2.9	5.3
Mean	12.1	-4.3	0.8	4.2	4.4	6.6
Median	12.9	-3.8	1.1	4.2	4.3	6.5
<i>n</i>	30	30	30	29	29	28
Other Nonprofits						
5th %ile	15.6	-1.8	3.8	5.2	5.2	7.7
25th %ile	14.0	-3.6	1.3	4.4	4.4	7.0
75th %ile	11.3	-6.6	-1.1	3.1	3.6	5.7
95th %ile	8.6	-7.6	-3.1	2.5	3.0	5.1
Mean	12.3	-5.1	0.0	3.8	4.1	6.3
Median	12.8	-5.0	-0.4	3.5	4.1	6.2
<i>n</i>	40	40	40	40	39	34

Source: Endowment and foundation data as reported to Cambridge Associates LLC.

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