

3RD QUARTER • 2020

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 6.9% for the trailing one-year period (Figure 1). Returns for the middle half of the universe ranged from 8.9% at the 25th percentile to 5.0% at the 75th percentile. The 5th percentile return at the top end of the universe was 12.4%, while the 95th percentile at the bottom of the universe was 2.2%.

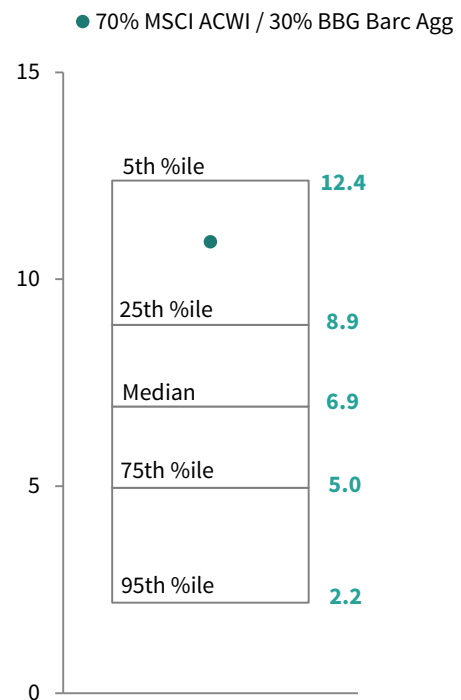
PRIVATE INVESTMENT REPORTING METHODOLOGIES.

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 (69%) 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 September 30 valuations become available, third 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 15% of participants, private valuations are perpetually lagged by one quarter so that the one-year return represents private investment performance from July 1, 2019, to June 30, 2020. In contrast, under the current basis, the four quarters of private investment performance reflected are from October 1, 2019, to September 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, ending September 30.

FIGURE 1 NOMINAL TRAILING ONE-YEAR RETURNS

Period Ended September 30, 2020 • Percent (%) • n = 389

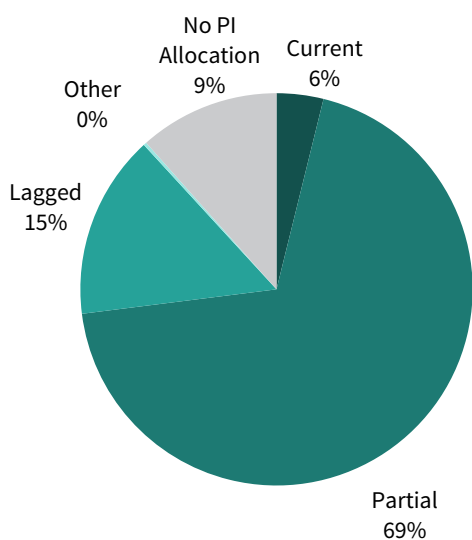


Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

FIGURE 2 PERFORMANCE REPORTING METHODOLOGIES: US ENDOWMENTS AND FOUNDATIONS

As of September 30, 2020

Performance Reporting Methodology



By Asset Size

	Current Basis	Partial Basis	Lagged Basis	Other	No PI Allocation
Less than \$100M	-	61%	-	-	39%
<i>n</i>		46			29
\$100M – \$200M	-	87%	-	-	13%
<i>n</i>		65			10
\$200M – \$500M	-	93%	2%	-	5%
<i>n</i>		77	2		4
\$500M – \$1B	11%	66%	23%	-	-
<i>n</i>	6	35	12		
More than \$1B	9%	45%	44%	1%	2%
<i>n</i>	9	46	45	1	2

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

Performance for third quarter 2019, which is only included under the lagged basis, was mixed with some private investment strategies producing positive returns and others having negative returns (Figure 3). The muted performance for these private strategies during that quarter does not give the lagged basis that much of an advantage over the partial basis in performance calculations. Strong returns for public equities during third quarter 2020 likely foreshadow positive performance for private investments during this period. The current basis, which incorporates private performance from this most recent quarter, will likely produce a better return for a portfolio's trailing one-year return relative to both the partial basis and lagged basis.

FIGURE 3 CAMBRIDGE ASSOCIATES PRIVATE INVESTMENT INDEX RETURNS

	One Quarter End-to-End Pooled Return (%)				
	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
US Private Equity	2.2	5.0	-8.1	10.6	NA
Global ex US Private Equity	-0.2	7.1	-10.0	9.5	NA
US Venture Capital	-0.5	5.8	-2.8	9.3	NA
Global ex US Venture Capital	1.1	7.4	-2.2	17.2	NA
Real Estate	1.0	3.6	-6.9	0.7	NA
Natural Resources	-3.5	-2.2	-22.1	3.7	NA

Lagged Basis
 Partial Basis

Source: Cambridge Associates LLC.

Note: NA indicates data were not available.

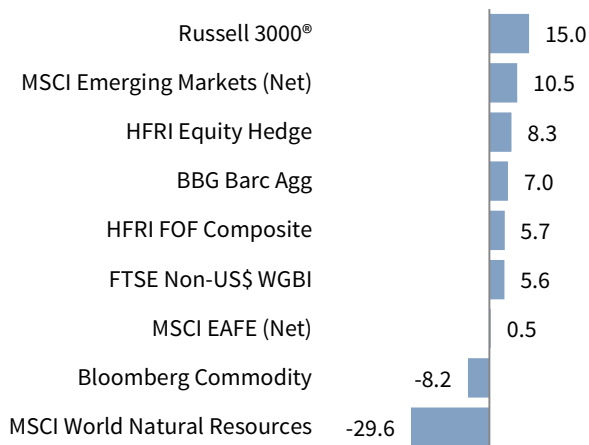
ONE-YEAR ASSET ALLOCATION. Figure 4 explores the relationship between the returns and asset allocations of participating institutions. For this analysis, each institution's asset allocation was averaged across the beginning and ending points for the trailing one-year period. The four quartiles in the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

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

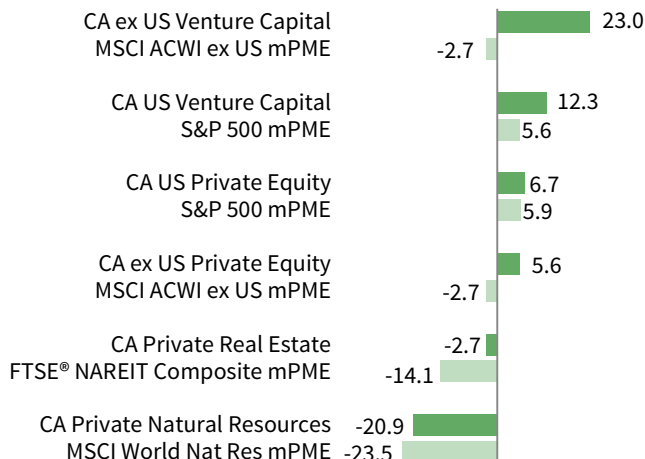
Public Indexes

Trailing 1 Year as of 9/30/20



Private Index IRRs and mPME IRRs

Trailing 9 Months as of 6/30/20



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

n = 380

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	25.3	14.6	7.3	10.0	17.9	2.5	13.2	3.2	1.6	3.8	0.6
2nd Quartile	24.4	15.4	7.2	9.9	18.6	2.5	10.9	4.4	1.9	4.5	0.2
3rd Quartile	26.2	16.6	7.1	12.8	14.1	2.0	10.9	3.6	3.0	3.4	0.4
Bottom Quartile	23.3	14.7	7.1	12.1	14.6	3.2	10.4	4.6	4.2	4.7	1.2
E&F Universe Mean	24.8	15.4	7.2	11.2	16.3	2.6	11.4	3.9	2.7	4.1	0.6

Divergence of Asset Allocation from Mean

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.

The mPME analysis evaluates what return would have been earned had the dollars invested in private investments been invested in the public market index instead. With data currently unavailable for third quarter 2020, the period evaluated for the private investment and mPME indexes is for the trailing nine months ended June 30, 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 strong returns in third quarter 2020, the aforementioned private investment and mPME indexes do not capture that third quarter activity. Hence, there is a noticeable difference in the public equity index returns between the two figures.

The differential between the average asset allocations of the four quartiles of performers was not as stark compared to prior periods for which we have performed this analysis. The greatest difference was within hedge funds where the average allocation of the top performance quartile was 3.3 percentage points (ppts) higher than that of the bottom performance quartile.

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 contribute to the total returns that portfolios earn. Our data allow 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.

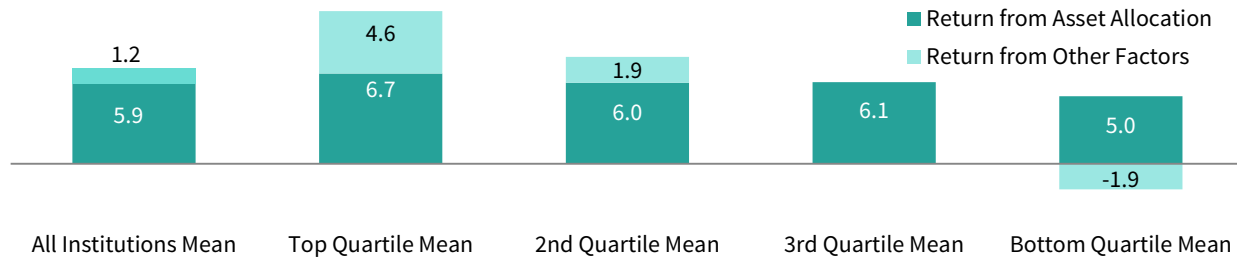
Figure 5 illustrates the results of the attribution analysis for the trailing one-year period based on 380 endowments and foundations that provided sufficient data. For each participating institution, we have calculated a blend of representative asset class indexes that is weighted according to their 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 returns 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 5.9% for the trailing one-year period and a return from other factors of 1.2%.

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, which returned 15.0% and had the largest allocation of all the detailed asset classes, had the greatest positive impact of all the asset class return contributors. The largest negative contributions to performance came from public and private natural resources/energy strategies.

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

As of September 30, 2020 • Percent (%) • n = 380

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	23.8	15.0	3.6
Global ex US Equity: Emerging Mkts	7.4	10.5	0.8
US Bonds	10.7	7.0	0.7
Venture Capital	4.8	12.4	0.6
Long/Short Hedge Funds	6.2	8.3	0.5
Non-Venture Private Equity	4.4	6.7	0.4
Absolute Return (ex Distressed)	10.3	2.2	0.2
Other Private Investments	1.4	8.2	0.1
Global ex US Equity: Developed Mkts	16.1	0.5	0.1
Other	0.6	10.9	0.1
Inflation-Linked Bonds	0.5	10.1	0.0
Cash & Equivalents	3.7	1.1	0.0
Distressed: Hedge Fund Structure	1.4	0.9	0.0
Global ex US Bonds: Developed Mkts	0.2	5.6	0.0
High-Yield Bonds	0.3	3.3	0.0
Global ex US Bonds: Emerging Mkts	0.3	1.3	0.0
Timber	0.1	0.2	0.0
Commodities	0.3	-8.2	0.0
Private Real Estate	1.7	-2.8	0.0
Distressed: Private Equity Structure	1.2	-4.0	0.0
Public Real Estate	0.5	-13.2	-0.1
Private Oil & Gas/Natural Resources	2.4	-21.0	-0.5
Public Energy/Natural Resources	1.8	-29.6	-0.5

* Private investment benchmark returns are for the period of 10/1/19 to 6/30/20.

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

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 6.7%, approximately 170 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 (4.6%) being 650 bps higher than the bottom quartile (-1.9%). The key takeaway from this analysis was that active management, manager selection, and rebalancing decisions explained much more of the dispersion in peer returns than did differences in asset allocation structures for this particular one-year period.

TRAILING TEN-YEAR RESULTS

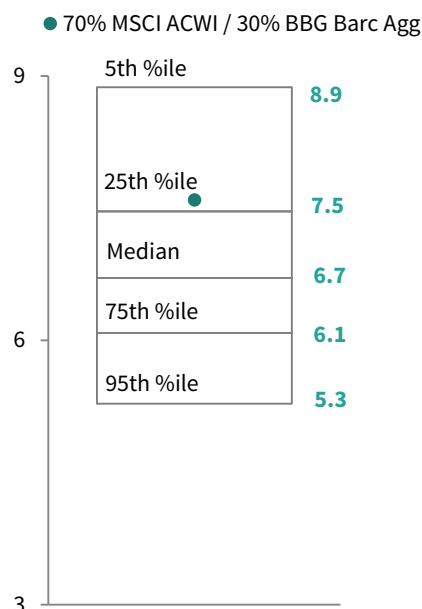
The median trailing ten-year return was 6.7% (Figure 6). Returns ranged from 8.9% at the 5th percentile to 5.3% at the 95th percentile. A blended index return consisting of 70% MSCI ACWI and 30% Bloomberg Barclays Aggregate Bond Index earned 7.6% and would have landed just inside the top quartile of 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 September 30 periods that fell from 2010 to 2020. The four quartiles in the heat map represent the average of the institutions within each quartile.

Each of the private investment indexes 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 private equity/venture capital (PE/VC) and private real assets was 25.0% for the top quartile of performers over this ten-year period and just 6.2% for the bottom quartile of performers.

FIGURE 6 NOMINAL TRAILING TEN-YEAR RETURNS

Period Ended September 30, 2020 • Percent (%) • n = 351



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

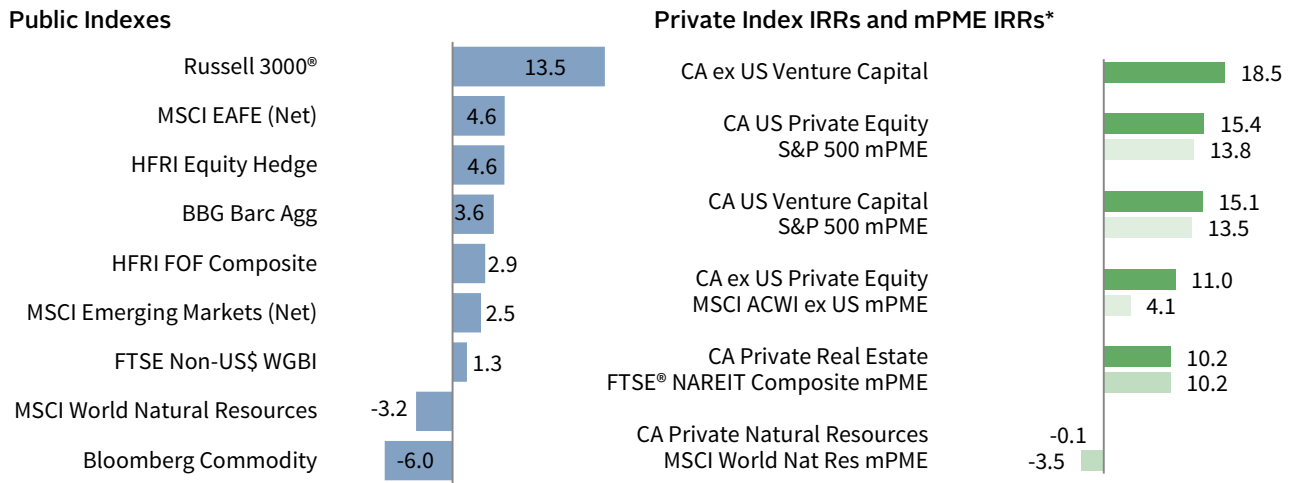
The Cambridge Associates US endowment and foundation universe includes colleges and universities, cultural and environmental institutions, healthcare institutions, independent schools, and other endowed nonprofit institutions, as well as foundations. This report provides asset allocation and return analyses for

- 389** US endowments and foundations participated in our quarterly survey
- \$1.4B** Average market value of participating long-term investment portfolios
- \$308.6M** Median value

Returns are reported net of external manager fees for 387 of 389 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 September 30, 2020 • Percent (%)



Mean Asset Allocation by Performance Quartile: September 30, 2010 to September 30, 2020

n = 254

Quartile	US	DM ex	EM	Hedge				Pub RA			Cash	Other
	Equity	US Eqty	Equity	Bonds	Funds	Dist Sec	PE/VC	Priv RA	& ILBs			
Top Quartile	19.3	11.9	7.3	7.1	19.1	3.2	16.5	8.5	2.7	4.0	0.3	
2nd Quartile	23.3	15.8	7.1	12.1	18.0	3.4	7.9	4.4	4.5	3.3	0.2	
3rd Quartile	21.0	15.1	6.8	12.2	20.3	3.6	7.4	3.8	5.7	3.5	0.5	
Bottom Quartile	21.2	16.5	7.3	14.9	19.3	2.6	4.2	2.0	7.0	4.4	0.6	
E&F Universe Mean	21.2	14.8	7.1	11.6	19.2	3.2	9.0	4.7	5.0	3.8	0.4	

Divergence of Asset Allocation from Mean

* Private investment benchmark IRRs and mPME IRRs are for the period 10/1/2010 to 6/30/2020.

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.

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 8.8%, approximately 270 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 top quartile return for each of the subgroups.

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

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

As of September 30, 2020 • Percent (%)



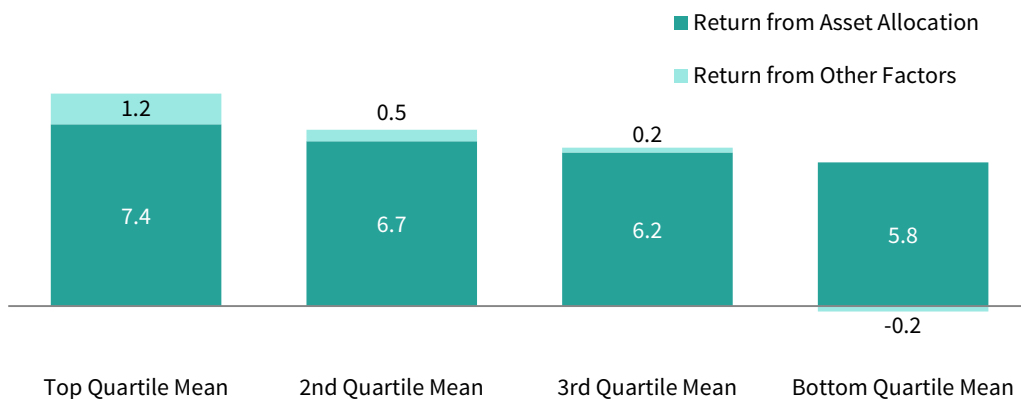
Source: Endowment and foundation data as reported to Cambridge Associates LLC.

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

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 7.4% for the trailing ten-year period, approximately 160 bps higher than the bottom performance quartile. The top performance quartile also added another 1.2% on average from other factors, while the bottom performance quartile lost an average of 0.2%.

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

As of September 30, 2020 • Percent (%) • n = 254



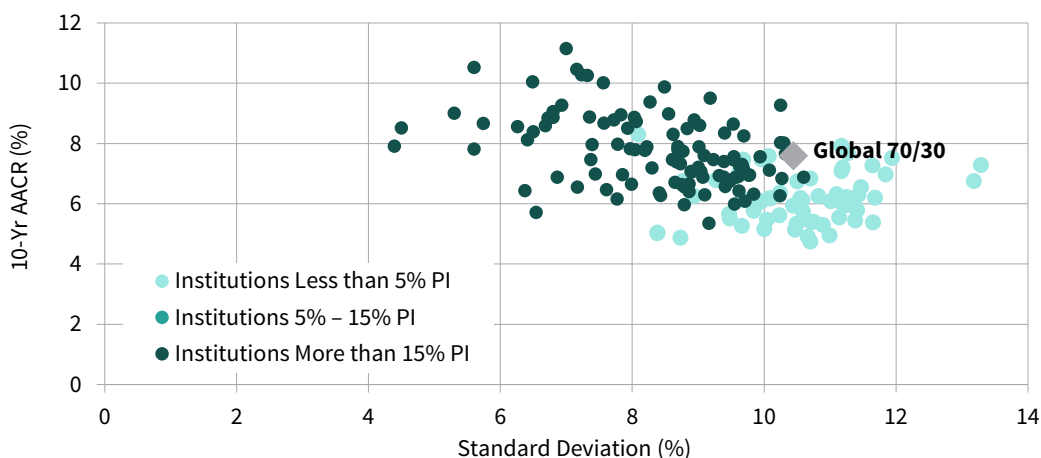
Source: Endowment and foundation data as reported to Cambridge Associates LLC.

SHARPE RATIO. Risk-adjusted performance is important to evaluate, as it measures 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 September 30, 2020



	All Institutions	Mean by PI Allocation			70/30 Global
	Mean	Less than 5%	5% - 15%	More than 15%	Benchmark
10-Yr AACR	7.0	6.2	6.5	7.8	7.6
Standard Deviation	9.4	10.5	9.9	8.4	10.4
Sharpe Ratio	0.73	0.57	0.63	0.90	0.70
<i>n</i>	254	62	84	108	

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 0.90, 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 September 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 October 1, 2019, to September 30, 2020.

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

Partial Basis

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

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

Lagged Basis

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

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

Appendix: Figures A–D

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

As of September 30, 2020 • Percent (%)

	Colleges & Universities <i>n</i> = 130		Cultural & Environmental <i>n</i> = 48		Foundations <i>n</i> = 111		Healthcare <i>n</i> = 29		Independent Schools <i>n</i> = 30		Other Nonprofits <i>n</i> = 41	
	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med
US Equity	24.3	24.3	25.6	26.4	25.3	25.1	23.8	23.3	28.3	27.6	29.3	30.1
Global ex US Equity	20.7	20.8	21.7	22.4	21.9	21.6	20.4	20.8	21.2	20.8	24.2	25.1
Developed Markets	13.9	13.3	14.4	15.5	14.6	15.1	14.2	15.0	14.9	15.3	16.7	17.9
Emerging Markets	6.8	6.7	7.2	7.5	7.2	7.1	6.2	6.0	6.3	5.7	7.5	7.1
Bonds	8.9	8.9	10.2	10.8	12.5	11.9	13.9	14.7	8.5	8.6	13.3	12.5
US Bonds	8.5	8.3	9.6	10.0	11.9	11.3	13.2	12.2	8.3	8.5	12.7	11.8
Global ex US Bonds (DM)	0.1	0.0	0.1	0.0	0.1	0.0	0.3	0.0	0.0	0.0	0.2	0.0
Global ex US Bonds (EM)	0.1	0.0	0.3	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.3	0.0
High-Yield Bonds	0.3	0.0	0.2	0.0	0.4	0.0	0.4	0.0	0.1	0.0	0.1	0.0
Hedge Funds	15.6	15.5	20.3	18.1	13.5	13.8	18.4	18.4	20.2	18.5	15.6	14.9
Long/Short Hedge Funds	6.2	5.2	8.1	6.2	5.1	4.5	7.7	7.8	10.2	6.8	5.6	4.2
Absolute Return (ex Distressed)	9.4	8.7	12.2	11.3	8.4	8.4	10.8	10.5	10.0	9.3	10.0	10.3
Distressed Securities	2.9	2.4	2.6	1.5	2.2	1.4	2.8	2.2	2.5	1.7	1.7	0.4
Hedge Fund Structure	1.4	0.7	1.5	0.1	0.8	0.0	1.6	1.0	0.7	0.0	1.0	0.0
Private Equity Structure	1.5	1.2	1.2	0.7	1.4	0.5	1.2	0.6	1.8	0.9	0.7	0.0
PE/VC	15.5	15.4	9.1	7.1	13.8	12.8	10.0	9.3	8.3	8.3	5.0	2.6
Non-Venture Private Equity	7.4	7.3	3.6	3.4	5.2	4.2	4.7	2.8	4.4	2.9	2.2	0.9
Venture Capital	6.5	5.1	4.5	2.3	6.7	3.9	4.1	2.2	2.7	1.8	2.0	0.1
Other Private Investments	1.7	0.6	1.0	0.5	2.0	0.5	1.2	0.3	1.2	0.8	0.8	0.3
Real Assets & ILBs	7.2	6.3	4.1	4.2	6.2	5.8	5.6	5.0	5.5	4.4	4.4	3.9
Private Real Estate	2.5	1.7	1.0	0.2	2.2	1.0	1.6	0.5	1.6	0.1	0.8	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	0.2	0.0	0.2	0.0	0.4	0.0	0.5	0.0	0.4	0.0	0.3	0.0
ILBs	0.4	0.0	0.6	0.0	0.6	0.0	1.1	0.0	0.4	0.0	0.5	0.0
Private O&G/Nat Resources	2.4	2.2	1.4	0.7	1.7	1.2	1.0	0.2	2.0	1.5	1.2	0.6
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	0.9	0.0	0.7	0.0	0.9	0.0	0.9	0.0	0.9	0.0	1.2	0.0
Cash & Equivalents	4.0	3.0	6.3	4.5	3.7	2.7	4.3	3.4	5.2	3.5	6.2	3.9
Other Assets	0.8	0.0	0.0	0.0	0.8	0.0	0.7	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 September 30, 2020 • Percent (%)

	All Endow & Fdn <i>n</i> = 389		Less than \$100M 75		\$100M – \$200M 75		\$200M – \$500M 83		\$500M – \$1B 53		More than \$1B 103	
	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med
US Equity	25.6	25.8	30.5	31.1	28.1	27.6	27.7	26.9	21.1	22.7	20.7	19.5
Global ex US Equity	21.5	21.6	25.0	25.8	22.8	23.9	21.8	22.2	19.4	19.8	19.1	19.0
Developed Markets	14.6	14.6	18.3	18.9	15.5	16.4	14.8	15.4	13.0	12.8	11.8	11.4
Emerging Markets	7.0	6.9	6.7	6.4	7.3	7.2	7.1	7.1	6.3	6.1	7.2	6.8
Bonds	10.9	10.4	14.3	14.0	12.9	12.5	12.0	11.7	8.9	8.9	7.1	6.5
US Bonds	10.4	10.1	13.6	13.3	12.3	12.3	11.8	11.4	8.6	8.6	6.4	6.1
Global ex US Bonds (DM)	0.1	0.0	0.1	0.0	0.2	0.0	0.1	0.0	0.0	0.0	0.2	0.0
Global ex US Bonds (EM)	0.1	0.0	0.2	0.0	0.2	0.0	0.0	0.0	0.1	0.0	0.1	0.0
High-Yield Bonds	0.3	0.0	0.4	0.0	0.2	0.0	0.1	0.0	0.2	0.0	0.4	0.0
Hedge Funds	16.1	15.4	15.0	14.7	15.4	14.5	14.8	14.1	17.7	13.5	17.8	17.6
Long/Short Hedge Funds	6.5	5.2	5.6	2.2	5.3	4.3	5.8	4.7	7.2	5.8	8.1	7.6
Absolute Return (ex Distressed)	9.7	9.2	9.4	9.5	10.1	9.2	8.9	9.0	10.4	8.3	9.7	9.2
Distressed Securities	2.5	1.8	1.1	0.0	2.0	1.2	2.5	2.7	3.7	3.0	3.2	2.2
Hedge Fund Structure	1.2	0.0	0.4	0.0	0.8	0.0	1.1	0.4	1.9	1.3	1.7	1.0
Private Equity Structure	1.4	0.7	0.7	0.0	1.3	0.4	1.5	1.0	1.8	1.5	1.6	1.0
PE/VC	12.2	11.3	5.1	1.7	8.4	7.4	10.4	9.7	17.2	15.7	18.9	19.2
Non-Venture Private Equity	5.3	4.5	1.5	0.0	2.8	2.2	4.4	4.1	7.7	8.1	9.4	9.7
Venture Capital	5.3	3.5	2.0	0.0	3.3	2.3	4.4	3.2	8.3	6.2	8.6	6.5
Other Private Investments	1.5	0.5	1.6	0.0	2.4	1.7	1.6	1.2	1.2	0.4	0.9	0.0
Real Assets & ILBs	6.0	5.3	4.1	3.8	4.5	4.3	5.2	5.0	7.4	6.5	8.4	6.7
Private Real Estate	1.9	0.8	0.6	0.0	0.5	0.0	1.2	0.5	3.0	1.8	4.0	2.7
Public Real Estate	0.4	0.0	0.5	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	0.3	0.0	0.4	0.0	0.1	0.0	0.3	0.0
ILBs	0.5	0.0	0.7	0.0	0.8	0.0	0.4	0.0	0.5	0.0	0.3	0.0
Private O&G/Nat Resources	1.8	1.4	0.6	0.0	1.5	0.7	1.5	1.5	2.5	2.3	2.9	2.6
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	0.9	0.0	1.4	0.0	1.1	0.0	1.3	0.9	0.5	0.0	0.5	0.0
Cash & Equivalents	4.5	3.2	4.5	3.5	5.6	2.9	4.2	3.5	3.9	2.9	4.3	3.5
Other Assets	0.6	0.0	0.4	0.0	0.3	0.0	1.3	0.0	0.6	0.0	0.5	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 September 30, 2020 • Percent (%)

	Latest Qtr	Calendar YTD	Average Annual Compound Return			
			1 Yr	3 Yrs	5 Yrs	10 Yrs
All Endowments & Foundations						
5th %ile	7.4	6.7	12.4	8.9	9.2	8.9
25th %ile	6.0	3.1	8.9	6.4	7.9	7.5
75th %ile	4.3	-0.7	5.0	4.4	6.6	6.1
95th %ile	2.9	-2.8	2.2	3.2	5.6	5.3
Mean	5.1	1.5	7.1	5.6	7.3	6.9
Median	5.1	1.2	6.9	5.3	7.2	6.7
<i>n</i>	389	389	389	382	378	351
Less than \$100M						
5th %ile	7.6	4.8	11.8	6.6	8.1	7.3
25th %ile	6.2	2.7	8.5	5.5	7.5	6.7
75th %ile	4.6	-1.2	4.1	4.1	6.4	5.4
95th %ile	3.4	-3.5	1.5	2.7	5.3	5.0
Mean	5.5	1.0	6.8	4.7	6.8	6.1
Median	5.5	0.3	6.2	4.6	6.8	6.0
<i>n</i>	75	75	75	71	68	57
\$100M – \$200M						
5th %ile	6.6	4.3	10.4	7.1	8.5	7.5
25th %ile	5.8	2.8	8.7	5.9	7.6	6.8
75th %ile	4.4	-0.6	5.0	4.3	6.6	5.8
95th %ile	3.4	-1.9	3.7	3.6	5.9	5.4
Mean	5.1	1.1	6.9	5.2	7.2	6.3
Median	5.1	0.9	6.8	5.0	7.1	6.2
<i>n</i>	75	75	75	75	75	70
\$200M – \$500M						
5th %ile	6.6	4.7	10.8	7.4	8.9	7.8
25th %ile	5.5	2.1	8.8	6.2	7.8	7.1
75th %ile	4.1	-1.0	4.9	4.4	6.7	6.2
95th %ile	3.0	-3.1	1.5	3.4	5.6	5.1
Mean	4.9	0.8	6.7	5.3	7.2	6.6
Median	4.9	0.7	6.4	5.1	7.2	6.6
<i>n</i>	83	83	83	82	82	80
\$500M – \$1B						
5th %ile	6.3	6.8	13.0	9.6	9.9	8.6
25th %ile	5.2	3.4	9.5	6.6	8.0	7.5
75th %ile	4.1	-0.7	4.5	4.5	6.5	6.4
95th %ile	2.6	-3.4	1.0	3.3	5.6	5.9
Mean	4.5	1.4	6.9	5.8	7.3	7.0
Median	4.5	1.0	6.6	5.3	7.0	6.7
<i>n</i>	53	53	53	53	53	49
More than \$1B						
5th %ile	8.2	7.7	14.1	9.8	9.9	10.1
25th %ile	6.5	4.3	9.2	7.6	8.7	8.7
75th %ile	4.3	0.7	6.0	5.4	7.1	6.9
95th %ile	2.9	-2.2	2.4	3.7	5.7	6.2
Mean	5.5	2.6	7.7	6.6	7.8	7.9
Median	5.4	2.2	7.5	6.3	7.7	7.8
<i>n</i>	103	103	103	101	100	95

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 September 30, 2020 • Percent (%)

	Latest Qtr	Calendar YTD	Average Annual Compound Return			
			1 Yr	3 Yrs	5 Yrs	10 Yrs
Colleges & Universities						
5th %ile	7.2	7.0	12.8	9.4	9.4	9.3
25th %ile	5.9	3.1	9.0	6.9	8.2	7.7
75th %ile	4.1	-0.9	4.9	4.7	6.7	6.4
95th %ile	3.0	-3.5	1.6	3.3	5.6	5.8
Mean	5.0	1.4	7.0	5.9	7.5	7.2
Median	4.9	1.2	6.9	5.6	7.4	7.0
<i>n</i>	130	130	130	130	130	122
Cultural & Environmental						
5th %ile	7.6	7.1	12.3	7.9	9.2	8.4
25th %ile	6.0	3.0	8.8	6.2	7.9	7.5
75th %ile	4.7	-0.3	5.5	4.6	6.7	6.2
95th %ile	3.0	-2.1	3.0	3.8	5.9	5.4
Mean	5.2	1.6	7.4	5.5	7.4	6.8
Median	5.2	1.5	7.3	5.3	7.4	6.7
<i>n</i>	48	48	48	48	48	47
Foundations						
5th %ile	7.8	6.7	12.9	9.0	9.5	9.0
25th %ile	6.0	3.6	9.0	6.6	8.0	7.6
75th %ile	4.3	-0.5	5.4	4.6	6.8	6.1
95th %ile	2.9	-2.0	2.9	3.2	5.8	5.4
Mean	5.2	2.0	7.5	5.8	7.5	7.0
Median	5.1	1.6	7.0	5.6	7.4	6.7
<i>n</i>	111	111	111	107	104	96
Healthcare						
5th %ile	6.9	4.7	10.5	7.7	8.3	8.5
25th %ile	5.5	2.3	8.2	6.0	7.6	6.8
75th %ile	4.4	0.3	5.2	4.5	6.4	6.0
95th %ile	3.5	-1.8	2.8	3.4	5.6	5.1
Mean	5.1	1.3	6.7	5.4	7.0	6.5
Median	5.1	1.0	6.8	5.2	6.8	6.4
<i>n</i>	29	29	29	28	28	26
Independent Schools						
5th %ile	7.3	4.4	10.0	7.4	7.7	7.9
25th %ile	6.6	3.3	8.8	6.1	7.3	7.2
75th %ile	4.6	0.5	5.3	4.5	6.7	5.7
95th %ile	3.2	-2.4	1.5	3.9	5.6	5.3
Mean	5.4	1.7	7.1	5.2	6.9	6.5
Median	5.6	2.0	8.2	5.1	6.9	6.5
<i>n</i>	30	30	30	29	29	28
Other Nonprofits						
5th %ile	6.4	3.8	10.1	5.9	8.0	7.7
25th %ile	5.9	1.5	7.2	4.9	7.2	6.7
75th %ile	4.6	-1.4	4.5	3.8	6.3	5.5
95th %ile	2.8	-2.7	3.1	3.2	5.5	4.9
Mean	5.0	0.2	6.0	4.4	6.7	6.1
Median	5.4	-0.2	5.6	4.2	6.6	6.0
<i>n</i>	41	41	41	40	39	32

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

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