

2ND QUARTER • 2021

ENDOWMENTS QUARTERLY

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

TRAILING ONE-YEAR RESULTS

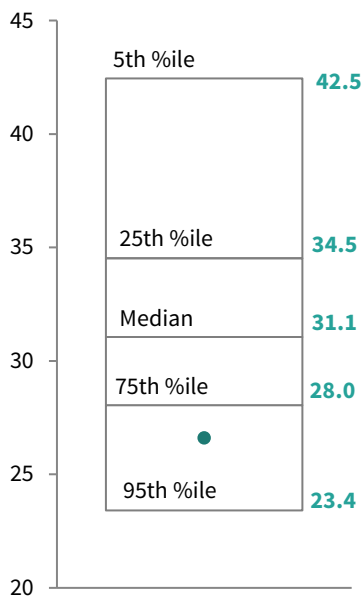
The median return of the endowment and foundation universe was 31.1% for the trailing one-year period (Figure 1). On average, institutions allocated nearly two-thirds of their portfolio to the combination of public equity (47.8%) and private equity/venture capital (PE/VC) (14.7%). The average mix between public and private equities varies across subgroups of the overall universe. Asset size is the key differentiator in allocations across the total participant group. The larger portfolios have the highest average allocation to PE/VC and the smallest portfolios have the highest average allocation to public equities.

FIGURE 1 PERFORMANCE AND ASSET ALLOCATION SNAPSHOT

Period Ended June 30, 2021 • Percent (%)

Trailing 1-Year Return

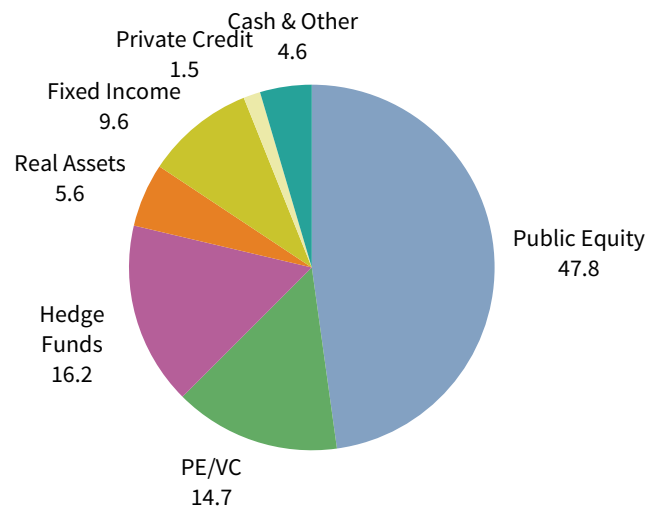
n = 389



● 70% MSCI ACWI / 30% BBG Agg

Mean Average Asset Allocation

n = 389

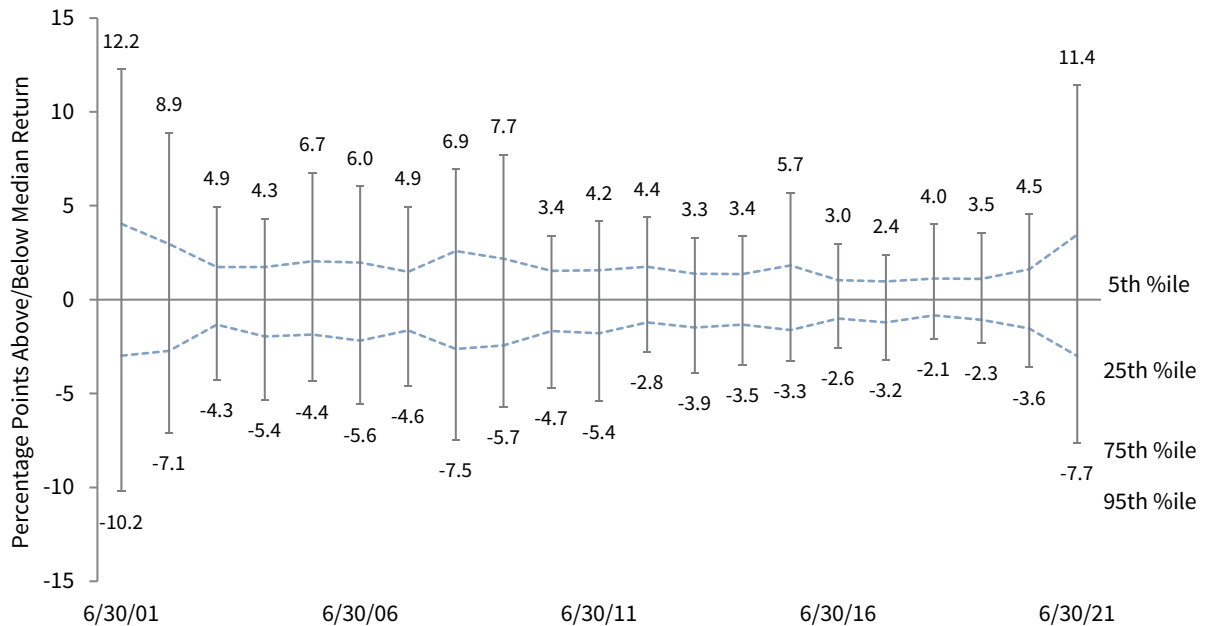


Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

Many endowments, particularly those that support colleges and universities, operate on a June 30 fiscal year. Consequently, the period ending June 30 garners a lot of attention from those interested in comparative performance results. For the total participant group in this report, returns for the middle half of the universe ranged from 34.5% at the 25th percentile to 28.0% at the 75th percentile. The 5th percentile return at the top end of the universe was 42.5%, while the 95th percentile at the bottom of the universe was 23.4%. The dispersion in returns for this most one-year period was the highest calculated in the last 20 fiscal years. This is particularly evident at the top end of the universe, where the 5th percentile return was 11.4 percentage points (ppts) higher than the median return (Figure 2).

FIGURE 2 DISPERSION IN ANNUAL RETURNS RELATIVE TO THE MEDIAN RETURN

Based on Trailing 1-Yr Returns as of June 30

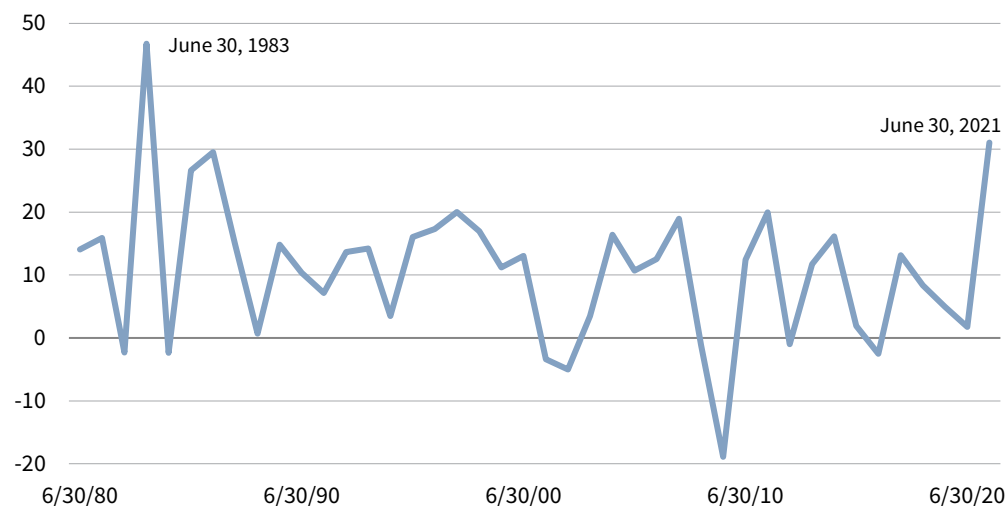


Source: Endowment and foundation data as reported to Cambridge Associates LLC.

This most recent trailing one-year period also stands out because of the absolute performance numbers reported by institutions. Figure 3 incorporates more than 40 years of endowment and foundation performance data collected by Cambridge Associates and fiscal year June 30 median returns dating back to 1980. The median return for the most recent trailing one-year period was the second highest calculated over the entire history. Only the fiscal year period ended June 30, 1983, resulted in a higher median return than what was experienced present day. As detailed in the next section, returns for the most recent fiscal year will be revised even higher for many institutions once all private investment activity has been gathered for second quarter 2021.

FIGURE 3 TRAILING 1-YR MEDIAN RETURNS

1980–2021 • Years Ended June 30



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

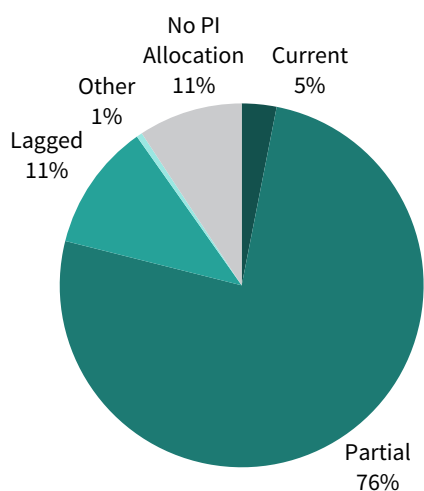
Note: The number of institutions included in the median calculation varies from one period to the next, and is significantly smaller in earlier years compared to the present day.

PRIVATE INVESTMENT REPORTING METHODOLOGIES. The reporting methodologies for private investments are an important factor when comparing peer returns for the trailing one-year period. Most study participants (76%) 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 2021 returns will be restated to reflect actual private performance (Figure 4). Total returns will be revised higher for most institutions as early private investment fund data collected by Cambridge Associates are pointing to strong returns for these strategies for the second quarter.

FIGURE 4 PERFORMANCE REPORTING METHODOLOGIES: US ENDOWMENTS AND FOUNDATIONS

As of June 30, 2021

Performance Reporting Methodology



By Asset Size

	Current Basis	Partial Basis	Lagged Basis	Other	No PI Allocation
Less than \$100M	-	62%	-	-	38%
<i>n</i>		36			22
\$100M – \$200M	-	91%	-	-	9%
<i>n</i>		64			6
\$200M – \$500M	-	91%	1%	-	8%
<i>n</i>		77	1		7
\$500M – \$1B	2%	90%	8%	-	-
<i>n</i>	1	46	4		
More than \$1B	9%	58%	31%	2%	1%
<i>n</i>	11	72	39	2	1

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

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, 2020, to June 30, 2021.

Marketable Assets			
3Q20	4Q20	1Q21	2Q21
Private Investments			

Partial Basis

Total investment pool return for the trailing one-year period includes marketable asset performance for July 1, 2020, to June 30, 2021. Private investment portion of the investment pool reflects actual performance for July 1, 2020, to March 31, 2021, and a flat return (0%) for March 31, 2021, to June 30, 2021.

Marketable Assets			
3Q20	4Q20	1Q21	2Q21
Actual Return			0%
Private Investments			

Lagged Basis

Total investment pool return for the trailing one-year period includes marketable asset performance for July 1, 2020, to June 30, 2021, and private investment performance for April 1, 2020, to March 31, 2021.

Marketable Assets				
2Q20	3Q20	4Q20	1Q21	2Q21
Private Investments				

Some institutions have already incorporated 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 11% of participants, private valuations are perpetually lagged by one quarter so that the one-year return represents private investment performance from April 1, 2020, to March 31, 2021. In contrast, under the current basis, the four quarters of private investment performance are time-matched with other assets in the portfolio and reflect investment activity from July 1, 2020, to June 30, 2021. Just 5% of institutions use the current method, and they often rely on estimated valuations to reflect private performance for the most recent quarter ending June 30.

Performance was positive for all private investment indexes for second quarter 2020, with PE/VC strategies near 10% or higher (Figure 5). Institutions using the lagged basis will incorporate this second quarter 2020 private performance in their trailing one-year return calculation. Therefore, institutions using the lagged or current

FIGURE 5 CAMBRIDGE ASSOCIATES PRIVATE INVESTMENT INDEX RETURNS

	One Quarter End-to-End Pooled Return (%)				
	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
US Private Equity	10.5	12.1	12.3	10.4	NA
Global ex US Private Equity	9.5	10.4	18.0	3.6	NA
US Venture Capital	9.8	12.7	26.7	16.7	NA
Global ex US Venture Capital	16.8	8.6	23.0	15.7	NA
Private Credit	4.6	4.3	6.0	4.6	NA
Real Estate	0.8	3.7	4.4	3.0	NA
Natural Resources	3.3	1.4	6.0	7.7	NA

Lagged Basis Partial Basis

Source: Cambridge Associates LLC.

Note: NA indicates data were not available.

basis—both include an extra quarter of positive private investment performance—are reporting a return that is higher than what would have been calculated under the partial basis.

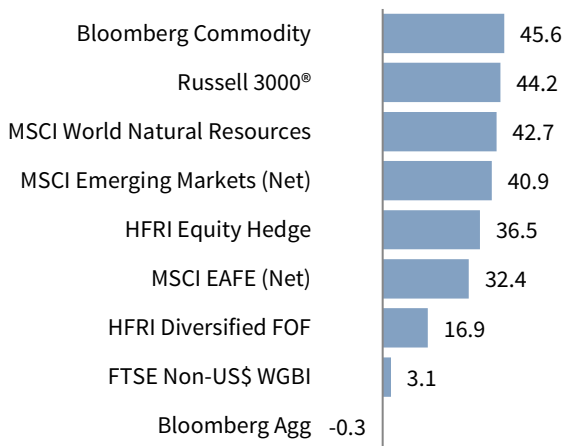
ONE-YEAR ASSET ALLOCATION. Figure 6 explores the relationship between the returns and asset allocations of participating institutions. For this analysis, each institution’s asset allocation was averaged across the beginning and ending points for the trailing one-year period. The four quartiles in the heat map table represent the average of the institutions within each quartile.

The index returns in the top half of Figure 6 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

FIGURE 6 1-YR INDEX RETURNS AND ASSET ALLOCATION OF TOP AND BOTTOM PERFORMERS: US ENDOWMENTS AND FOUNDATIONS

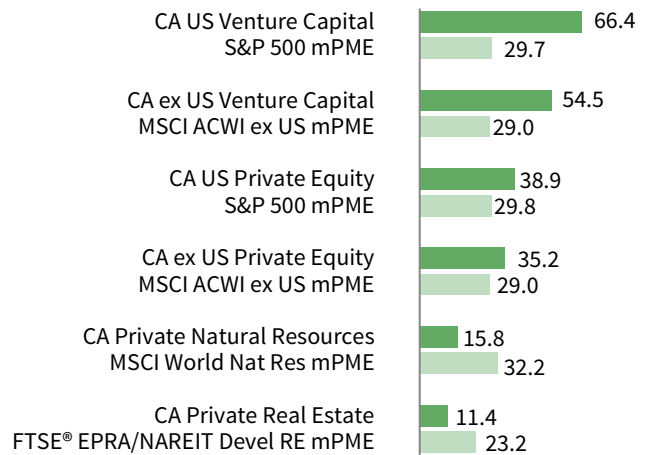
Public Indexes

Trailing 1 Year as of 6/30/21



Private Index IRRs and mPME IRRs

Trailing 9 Months as of 3/31/21



Mean Asset Allocation by Performance Quartile: June 30, 2020 to June 30, 2021

n = 377

Quartile	Public Equity	PE/VC	Hedge Funds	Real Assets	Fixed Income	Private Credit	Cash	Other
Top Quartile	40.2	23.0	17.8	6.8	5.9	1.8	3.9	0.5
2nd Quartile	49.5	13.0	16.7	6.1	9.4	1.4	3.0	1.0
3rd Quartile	52.4	10.1	15.3	5.3	11.3	1.3	4.0	0.3
Bottom Quartile	46.9	7.5	17.9	5.5	14.1	1.3	6.1	0.7
E&F Universe Mean	47.2	13.4	16.9	5.9	10.2	1.5	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.

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 invested in private investments been invested in the public market index instead. With data currently unavailable for second quarter 2021, the period evaluated for the private investment and mPME indexes is for the trailing nine months ended March 31, 2021.

Given the enormous spread in returns between equities and bonds over the past year, institutions with higher bond allocations tended to have the lowest performance for the trailing one-year period. The bottom quartile of performers reported the highest average allocation to fixed income (14.1%) and cash (6.1%). In addition, the average combined allocation to public and private equities (54.4%) was considerably lower than that of the other three quartiles.

The average combined allocation to public and private equities was nearly identical for the remaining three performance quartiles, at approximately 63%. However, there was a clear distinction in the allocation mix between public equities and PE/VC. The returns for the CA Venture Capital indexes trounced the mPME indexes over the nine-month period for both the US and global ex US regions. The CA indexes that represent non-venture PE strategies also outperformed the mPME indexes. When considering this context, it is no surprise to learn that the top quartile of performers reported the highest average allocation to PE/VC (23.0%).

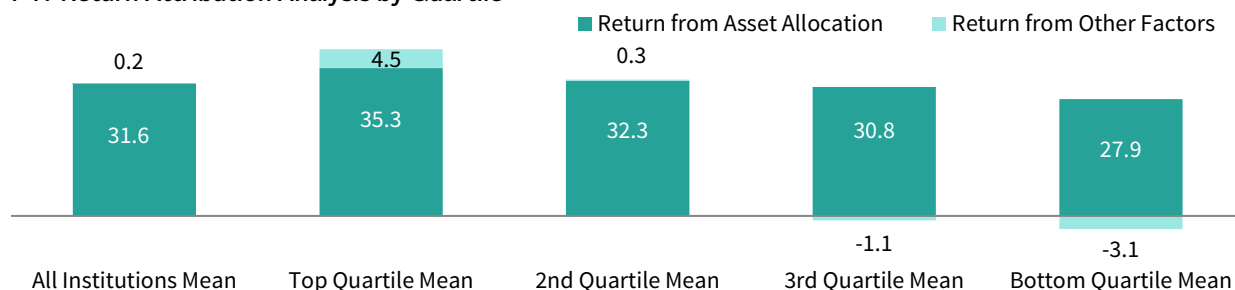
ONE-YEAR ATTRIBUTION. Although asset allocation is a key driver of absolute performance, it does not fully explain the variation of returns that are reported across different institutions. The execution or implementation of an asset allocation strategy also contribute to the total returns that portfolios 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 7 illustrates the results of the attribution analysis for the trailing one-year period based on 377 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 31.6% for the trailing one-year period and a return from other factors of just 0.2%.

**FIGURE 7 1-YR RETURN ATTRIBUTION ANALYSIS BY PERFORMANCE QUARTILE:
US ENDOWMENTS AND FOUNDATIONS**

As of June 30, 2021 • Percent (%) • n = 377

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	25.0	44.2	11.1
Global ex US Equity-Developed Mkts	14.8	32.4	4.8
Venture Capital	5.2	66.5	3.6
Global ex US Equity-Emerging Mkts	7.0	40.9	2.9
Long/Short Hedge Funds	6.5	36.5	2.4
Non-Venture Private Equity	5.3	38.9	2.2
Absolute Return (ex Distressed)	9.8	16.9	1.7
Other Private Investments	1.6	46.1	0.7
Public Energy/Natural Resources	1.0	42.7	0.4
Distressed-Hedge Fund Structure	1.2	32.3	0.4
Distressed-Private Equity Structure	1.4	23.5	0.3
Private Oil & Gas / Natural Resources	2.0	15.9	0.3
Private Real Estate	2.0	11.4	0.3
Other	0.6	27.0	0.2
Commodities	0.3	45.6	0.2
Public Real Estate	0.4	34.8	0.2
High-Yield Bonds	0.3	15.4	0.0
Inflation-Linked Bonds	0.6	6.5	0.0
Global ex US Bonds	0.3	3.1	0.0
Cash & Equivalents	4.5	0.1	0.0
US Bonds	10.3	-0.3	0.0

* Private investment benchmark returns are for the period of 7/1/20 to 3/31/21.

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

The table on the bottom of Figure 7 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 returned more than 40% for the trailing one-year period and accounted for approximately one-quarter of the average portfolio. Therefore, it is no surprise to see this category, by a wide margin, had the greatest positive impact of all the asset class return contributors. The other public equity strategies, PE/VC, and equity-oriented hedge funds also made significant contributions to portfolio performance for the trailing one-year period.

Figure 7 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 35.3%, approximately 740 basis points (bps) higher than that of the bottom quartile. The model estimates that the differential in the return from other factors was about the same, with the average of the top quartile of performers (4.5%) being 760 bps higher than the bottom quartile (-3.1%).

TRAILING TEN-YEAR RESULTS

The median trailing ten-year return was 8.0% (Figure 8). Returns ranged from 10.8% at the 5th percentile to 6.3% at the 95th percentile. A blended index return consisting of 70% MSCI ACWI and 30% Bloomberg Aggregate Bond Index earned 8.5% and would have landed within the second performance quartile of the respondent group.

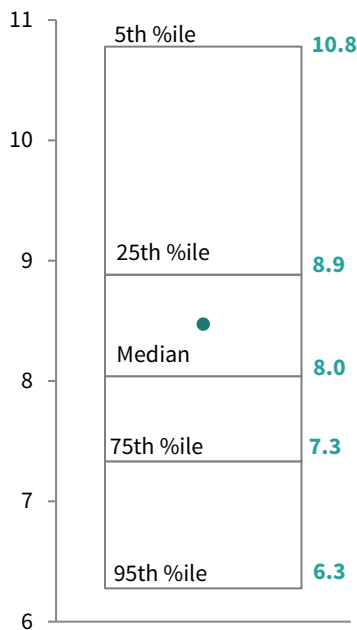
There have been several meaningful changes to the average asset allocation mix for participants over the past decade. In general, average allocations have increased to growth assets and declined for other strategies in the portfolio. Most of the increases in growth allocations have been a result of intentional changes within portfolios. Our annual studies on comparative asset allocation over the past decade have shown that more institutions have raised their target allocations to equities compared to the number that have lowered targets. However, there is also the effect of recent strong performance for PE/VC relative to other asset classes that has led to these strategies consuming a larger piece of the pie in terms of portfolio allocations.

FIGURE 8 10-YR PERFORMANCE AND ASSET ALLOCATION SNAPSHOT

Percent (%)

Trailing 10-Year Return

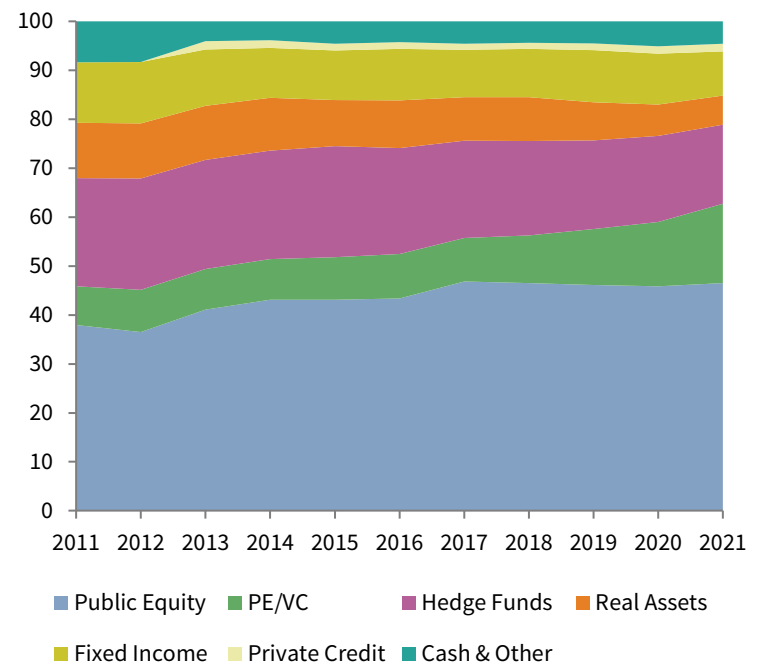
n = 351 • Period Ended June 30, 2021



● 70% MSCI ACWI / 30% BBG Agg

Trend in Mean Average Asset Allocation

n = 259 • Periods Ended June 30

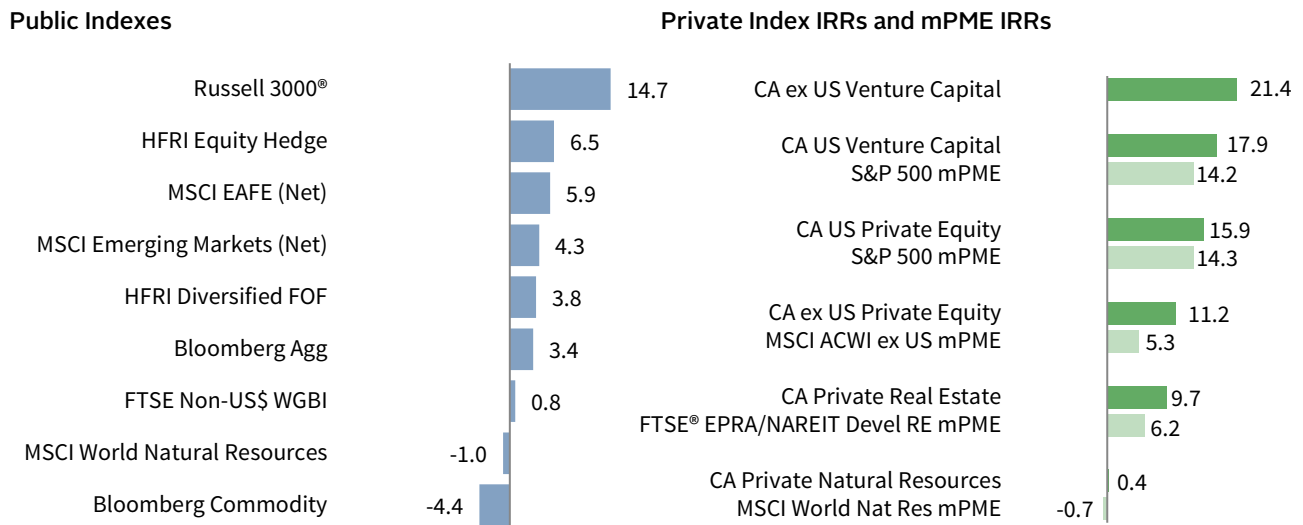


Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

As of June 30, 2011, the average combined allocation to public equity and PE/VC was just 45.9%. That figure spiked to 62.7% for the most recent June 30, with the increases for public equity (8.6%) and PE/VC (8.3%) being almost the same. In contrast, the average allocations to hedge funds (-6.0 pts), real assets (-5.4 pts), cash and other (-3.8%), and fixed income (-3.3 pts) have all declined substantially over the last decade.

TEN-YEAR ASSET ALLOCATION. Figure 9 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 2011 to 2021. The four quartiles in the heat map represent the average of the institutions within each quartile.

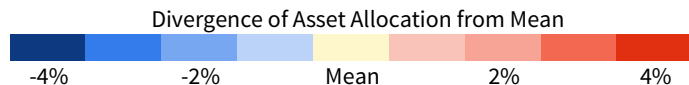
FIGURE 9 10-YR INDEX RETURNS AND ASSET ALLOCATION OF TOP AND BOTTOM PERFORMERS: US ENDOWMENTS AND FOUNDATIONS



Mean Asset Allocation by Performance Quartile: June 30, 2011 to June 30, 2021

n = 258

Quartile	Public Equity	PE/VC	Hedge Funds	Real Assets	Fixed Income	Private Credit	Cash	Other
Top Quartile	38.3	18.0	19.7	11.0	7.4	1.3	3.6	0.8
2nd Quartile	44.3	10.4	20.5	8.9	9.6	1.3	3.9	1.1
3rd Quartile	45.7	7.4	20.6	8.6	11.6	1.2	3.6	1.4
Bottom Quartile	45.4	4.3	20.8	8.4	14.2	0.9	4.4	1.6
E&F Universe Mean	43.4	10.0	20.4	9.2	10.7	1.2	3.9	1.3



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.

Each of the PE/VC 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 PE/VC that was considerably higher than the other performance quartiles. The average allocation to PE/VC was 18.0% for the top quartile of performers over this ten-year period and just 4.3% for the bottom quartile of performers. In addition, the top quartile’s average allocation to public equities and fixed income was considerably lower than that of the bottom quartile.

Figure 10 organizes participants into five subgroups based on each institution’s trailing ten-year average allocation to total private investments. The median ten-year return for portfolios with an allocation of over 30% to private investments was 10.1%, approximately 280 bps higher than the median return reported by portfolios with little to no private investment allocation. In fact, the median return for the highest private investment allocators was higher than the top quartile return of the “20%–30%” cohort and higher than the 5th percentile return for all other 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 10 RANGE OF 10-YR RETURNS BY PRIVATE INVESTMENT ALLOCATION

As of June 30, 2021 • 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 2011 to 2021.

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 that participated in our quarterly survey
- \$1.7B** Average market value of participating long-term investment portfolios
- \$391.5M** Median value

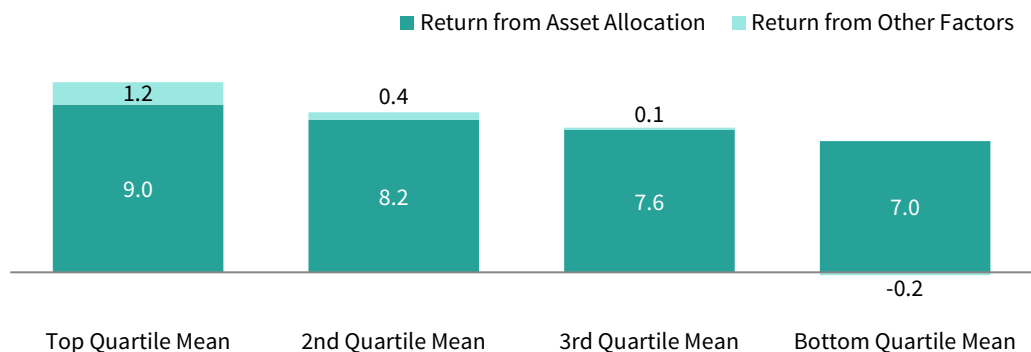
Returns are reported net of external manager fees for 387 of 389 institutions in this universe. Past Cambridge Associates surveys have shown that approximately 10% to 15% of institutions also deduct investment oversight costs in the net of fee calculation.

TEN-YEAR ATTRIBUTION. The attribution model also points to an outperforming asset allocation structure for the top performance quartile over the last decade. Figure 11 shows that the top performance quartile had a mean asset class return of 9.0% for the trailing ten-year period, approximately 200 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%.

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.

**FIGURE 11 10-YR ATTRIBUTION ANALYSIS BY PERFORMANCE QUARTILE:
US ENDOWMENTS AND FOUNDATIONS**

As of June 30, 2021 • Percent (%) • n = 258

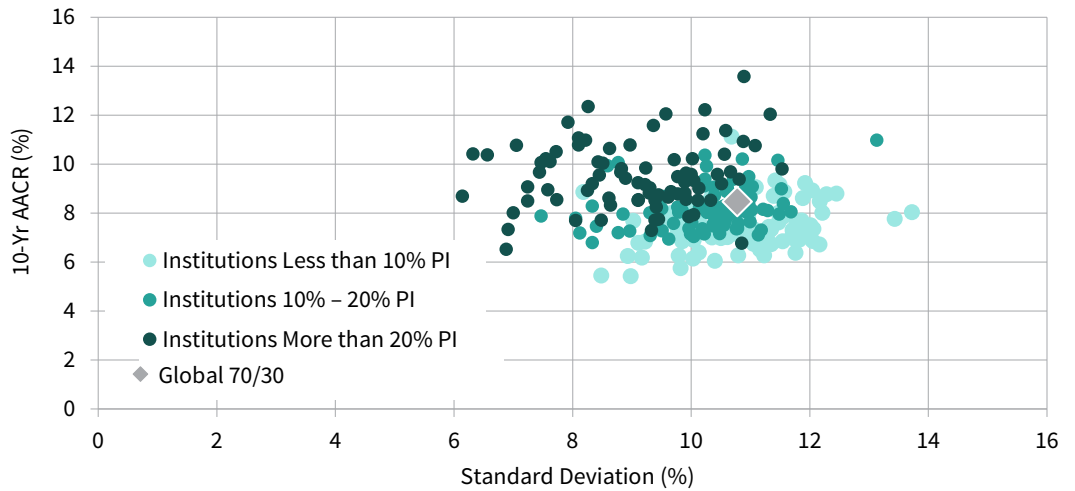


Source: Endowment and foundation data as reported to Cambridge Associates LLC.

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, Figure 12 shows sub-categories based on an institution's private investment allocation.

**FIGURE 12 STANDARD DEVIATION AND SHARPE RATIO:
US ENDOWMENTS AND FOUNDATIONS**

10 Years Ended June 30, 2021



	All Institutions	Mean by PI Allocation			70/30 Global
	Mean	Less than 10%	10% - 20%	More than 20%	Benchmark
10-Yr AACR	8.4	7.5	8.2	9.5	8.5
Std Dev	10.1	10.9	10.3	9.1	10.8
Sharpe Ratio	0.81	0.67	0.77	1.00	0.76
<i>n</i>	258	89	87	82	

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 20% to private investments over the last ten years reported an average Sharpe ratio of 1.00, 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.

Hedge Fund Research data are preliminary for the preceeding five months.

Figure 4: 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 7: 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 12: 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 2011 to 2021. The Global 70/30 benchmark is composed of 70% MSCI ACWI / 30% Bloomberg Aggregate Bond Index.

Appendix: Figures A–D

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

As of June 30, 2021 • Percent (%)

	Colleges & Universities <i>n = 126</i>		Cultural & Environmental <i>47</i>		Foundations <i>112</i>		Healthcare <i>31</i>		Independent Schools <i>29</i>		Other Nonprofits <i>44</i>	
	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med
Public Equity	45.2	45.4	49.8	49.5	47.6	49.0	45.1	46.9	50.0	50.2	53.9	54.0
Global	8.8	5.9	11.2	10.1	11.0	8.4	9.0	7.0	14.3	14.6	11.2	8.9
US	20.2	21.0	22.3	21.2	20.1	20.9	19.9	20.1	21.9	21.9	23.9	25.3
Global ex US Developed	10.6	10.4	11.2	10.2	10.7	10.8	10.5	8.7	9.4	7.5	13.3	13.6
Emerging Markets	5.7	6.0	5.1	4.7	5.9	6.0	5.7	6.0	4.5	4.2	5.4	5.6
PE/VC	18.8	18.6	11.2	10.4	16.5	15.8	11.7	10.5	9.9	10.2	7.3	5.3
Non-Venture Private Equity	8.9	6.9	5.6	3.6	8.4	6.2	5.3	3.3	3.5	2.1	3.1	1.9
Venture Capital	8.1	7.5	4.2	4.2	5.8	4.7	5.2	5.4	4.8	3.2	2.7	1.1
Other Private Investments	1.8	0.7	1.4	0.9	2.3	1.0	1.1	0.4	1.7	0.9	1.5	0.7
Hedge Funds	15.1	15.1	19.5	18.9	13.7	13.4	19.2	19.4	21.3	21.0	16.5	17.0
Long/Short	6.2	5.4	7.8	7.3	5.4	4.3	7.8	6.4	12.5	11.0	5.6	4.5
Absolute Return	7.7	7.9	10.6	8.9	7.5	7.8	9.9	9.9	8.5	8.5	9.8	10.7
Distressed	1.2	0.6	1.1	0.0	0.8	0.0	1.5	1.1	0.3	0.0	1.2	0.0
Real Assets & ILBs	6.8	6.3	4.5	4.3	5.8	5.3	5.5	5.3	4.2	4.2	4.0	3.2
Private Real Estate	2.3	1.8	1.0	0.2	1.9	0.7	1.6	0.6	0.8	0.1	0.7	0.1
Public Real Estate	0.5	0.0	0.4	0.0	0.4	0.0	0.5	0.0	0.1	0.0	0.4	0.0
Commodities	0.3	0.0	0.3	0.0	0.3	0.0	0.5	0.0	0.4	0.0	0.1	0.0
Inflation Linked-Bonds	0.5	0.0	0.5	0.0	0.5	0.0	0.7	0.0	0.4	0.0	0.7	0.0
Private O&G/Nat Resources	2.3	2.1	1.4	1.0	1.7	1.3	1.1	0.4	1.4	0.6	1.0	0.5
Public Energy/Nat Resources	0.9	0.0	0.9	0.0	1.0	0.0	1.0	0.0	1.0	0.0	1.1	0.0
Bonds	8.0	7.6	8.7	8.8	10.7	10.4	12.1	12.9	7.1	6.2	12.4	11.0
Global	0.1	0.0	0.5	0.0	0.4	0.0	0.6	0.0	0.0	0.0	0.9	0.0
US	7.5	7.3	7.9	8.5	9.9	9.8	11.0	8.1	6.9	6.2	11.4	10.0
Global ex US	0.2	0.0	0.1	0.0	0.1	0.0	0.2	0.0	0.1	0.0	0.1	0.0
High-Yield Bonds	0.2	0.0	0.2	0.0	0.3	0.0	0.4	0.0	0.1	0.0	0.0	0.0
Private Credit	1.7	1.2	1.2	0.9	1.7	0.9	1.4	1.2	1.9	1.3	0.6	0.0
Distressed - Control Oriented	0.8	0.4	0.4	0.1	0.6	0.2	0.7	0.1	0.7	0.0	0.3	0.0
Private Credit ex Distressed	0.9	0.2	0.8	0.4	1.0	0.2	0.7	0.1	1.1	0.7	0.4	0.0
Cash & Equivalents	3.5	2.9	5.0	3.6	3.3	2.8	4.5	2.6	5.1	5.2	4.9	3.0
Other Assets	0.9	0.0	0.1	0.0	0.6	0.0	0.4	0.0	0.5	0.0	0.4	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, 2021 • Percent (%)

	All Endow & Fdn <i>n</i> = 389		Less than \$100M <i>n</i> = 58		\$100M – \$200M <i>n</i> = 70		\$200M – \$500M <i>n</i> = 85		\$500M – \$1B <i>n</i> = 51		More than \$1B <i>n</i> = 125	
	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med	Mean	Med
Public Equity	47.8	48.5	57.5	59.0	51.2	53.5	50.6	49.6	46.6	47.0	40.0	39.8
Global	10.4	8.3	13.6	10.7	11.7	10.2	10.7	10.5	8.2	7.5	9.0	6.8
US	20.9	21.4	24.5	23.9	22.6	23.5	23.3	21.5	21.9	22.1	16.4	14.0
Global ex US Developed	10.9	10.6	13.9	14.8	12.0	13.0	11.1	9.7	11.3	11.2	8.6	8.0
Emerging Markets	5.5	5.7	5.5	5.9	4.8	5.0	5.5	6.0	5.2	5.9	6.1	6.0
PE/VC	14.7	14.2	6.6	1.6	10.0	8.5	12.0	14.4	16.7	16.0	22.1	22.3
Non-Venture Private Equity	7.0	5.0	2.9	0.0	4.6	3.6	5.0	4.5	7.6	6.7	11.4	8.1
Venture Capital	5.9	5.1	1.4	0.0	2.9	2.4	4.5	6.0	7.6	7.2	9.9	9.8
Other Private Investments	1.8	0.8	2.3	0.1	2.5	1.7	2.5	1.1	1.6	1.3	0.9	0.1
Hedge Funds	16.2	15.7	13.3	13.7	17.1	16.0	15.6	15.8	15.6	12.9	17.7	17.1
Long/Short	6.7	5.4	4.6	3.4	7.1	5.0	6.4	5.4	6.0	4.3	7.9	7.1
Absolute Return	8.5	8.2	8.4	8.2	9.5	8.1	8.2	8.3	8.4	8.3	8.2	8.0
Distressed	1.0	0.0	0.3	0.0	0.5	0.0	1.0	0.1	1.3	1.3	1.5	1.0
Real Assets & ILBs	5.6	5.0	4.3	3.7	4.2	4.1	4.6	4.9	6.8	6.4	7.3	6.3
Private Real Estate	1.7	0.8	0.5	0.0	0.6	0.0	0.9	0.6	2.6	1.5	3.0	2.3
Public Real Estate	0.4	0.0	0.6	0.0	0.2	0.0	0.4	0.0	0.6	0.0	0.4	0.0
Commodities	0.3	0.0	0.2	0.0	0.3	0.0	0.2	0.0	0.2	0.0	0.4	0.0
Inflation Linked-Bonds	0.5	0.0	0.6	0.0	0.8	0.0	0.5	0.0	0.5	0.0	0.3	0.0
Private O&G/Nat Resources	1.7	1.4	0.7	0.0	1.0	0.2	1.5	1.7	1.9	1.9	2.7	2.4
Public Energy/Nat Resources	1.0	0.0	1.7	0.0	1.2	0.0	1.0	0.0	0.9	0.0	0.5	0.0
Bonds	9.6	9.2	13.4	12.2	11.1	11.2	11.0	9.7	8.7	8.5	6.4	6.3
Global	0.4	0.0	0.5	0.0	0.6	0.0	0.1	0.0	0.3	0.0	0.3	0.0
US	8.9	8.5	12.9	11.9	10.1	9.9	10.8	7.2	8.0	7.6	5.5	4.9
Global ex US	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.3	0.0
High-Yield Bonds	0.2	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.3	0.0	0.3	0.0
Private Credit	1.5	0.9	0.5	0.0	1.7	0.8	1.3	1.2	2.0	1.7	1.7	1.2
Distressed - Control Oriented	0.6	0.1	0.2	0.0	0.6	0.0	0.5	0.1	0.9	0.7	0.8	0.3
Private Credit ex Distressed	0.9	0.2	0.3	0.0	1.1	0.3	0.8	0.2	1.1	0.5	0.9	0.0
Cash & Equivalents	4.0	3.0	3.9	3.0	4.1	2.7	3.6	2.9	3.5	2.9	4.5	3.5
Other Assets	0.6	0.0	0.5	0.0	0.7	0.0	1.3	0.0	0.1	0.0	0.2	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, 2021 • Percent (%)

	Latest Qtr	Calendar YTD	Average Annual Compound Return			
			1 Yr	3 Yrs	5 Yrs	10 Yrs
All Endowments & Foundations						
5th %ile	8.5	18.2	42.5	16.9	15.0	10.8
25th %ile	5.8	11.4	34.5	13.0	12.2	8.9
75th %ile	4.2	8.7	28.0	10.5	10.4	7.3
95th %ile	3.0	6.5	23.4	8.6	9.1	6.3
Mean	5.2	10.6	31.7	12.0	11.5	8.2
Median	5.0	9.9	31.1	11.6	11.2	8.0
<i>n</i>	389	389	388	383	377	350
Less than \$100M						
5th %ile	6.5	11.1	36.1	12.7	12.0	8.8
25th %ile	5.6	10.1	31.8	11.7	11.3	8.0
75th %ile	4.6	7.9	26.8	9.9	9.9	6.8
95th %ile	3.6	5.1	20.2	7.3	7.9	5.5
Mean	5.1	8.9	29.0	10.7	10.4	7.3
Median	5.2	9.3	29.6	11.1	10.7	7.3
<i>n</i>	58	58	57	57	53	44
\$100M – \$200M						
5th %ile	6.0	12.4	36.4	13.6	12.7	9.2
25th %ile	5.4	10.3	32.5	12.2	11.6	8.1
75th %ile	4.3	8.4	26.8	10.4	10.2	7.1
95th %ile	2.7	6.5	21.2	8.1	8.9	6.4
Mean	4.7	9.2	29.5	11.1	10.9	7.6
Median	5.0	9.4	29.2	11.4	10.8	7.5
<i>n</i>	70	70	70	68	68	65
\$200M – \$500M						
5th %ile	6.3	12.7	37.6	14.4	13.1	9.2
25th %ile	5.3	10.7	33.4	12.6	11.7	8.3
75th %ile	4.1	8.9	28.0	10.4	10.3	7.3
95th %ile	3.6	7.8	24.4	9.4	9.5	6.6
Mean	4.7	9.9	30.9	11.6	11.1	7.8
Median	4.6	9.7	30.9	11.4	11.0	7.6
<i>n</i>	85	85	85	85	84	81
\$500M – \$1B						
5th %ile	8.3	14.7	39.3	15.7	13.7	9.5
25th %ile	5.4	11.3	33.7	12.7	12.2	8.6
75th %ile	3.9	8.7	29.5	10.7	10.6	7.6
95th %ile	3.0	6.3	24.1	10.0	9.8	7.2
Mean	4.9	10.1	31.4	11.9	11.4	8.1
Median	4.5	10.1	30.9	11.3	11.2	8.0
<i>n</i>	51	51	51	51	51	48
More than \$1B						
5th %ile	10.9	21.9	47.9	18.9	16.4	11.6
25th %ile	7.3	14.6	38.9	15.3	13.8	10.2
75th %ile	4.2	9.7	30.4	11.1	11.1	8.3
95th %ile	3.0	7.3	24.3	9.4	9.4	7.1
Mean	6.1	13.0	34.9	13.4	12.5	9.3
Median	5.9	11.5	33.7	13.1	12.4	9.1
<i>n</i>	125	125	125	122	121	112

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, 2021 • Percent (%)

	Latest Qtr	Calendar YTD	Average Annual Compound Return			
			1 Yr	3 Yrs	5 Yrs	10 Yrs
Colleges & Universities						
5th %ile	10.3	19.2	46.1	17.5	15.5	11.0
25th %ile	6.7	13.4	37.0	14.1	13.1	9.4
75th %ile	4.2	9.7	30.8	11.2	11.0	7.7
95th %ile	3.3	7.8	25.9	10.0	9.5	7.1
Mean	5.7	11.9	34.0	12.8	12.1	8.6
Median	5.1	10.8	33.2	12.4	11.8	8.4
<i>n</i>	126	126	125	124	124	118
Cultural & Environmental						
5th %ile	6.8	15.5	40.1	16.0	13.1	9.6
25th %ile	5.4	10.5	32.7	12.5	12.1	9.1
75th %ile	4.0	8.4	27.8	10.5	10.4	7.4
95th %ile	3.2	6.8	24.2	8.9	9.2	6.2
Mean	4.9	9.9	30.2	11.6	11.2	8.1
Median	4.9	9.4	29.4	11.3	11.0	8.1
<i>n</i>	47	47	47	47	46	46
Foundations						
5th %ile	8.3	21.1	46.6	17.7	15.0	11.0
25th %ile	5.9	11.3	34.6	13.3	12.5	9.0
75th %ile	4.1	8.5	28.2	10.6	10.5	7.4
95th %ile	2.9	6.0	22.2	8.7	9.2	6.6
Mean	5.2	10.6	32.3	12.3	11.6	8.3
Median	4.7	9.7	31.0	11.7	11.3	8.0
<i>n</i>	112	112	112	108	106	96
Healthcare						
5th %ile	7.4	13.9	37.5	14.8	13.4	10.0
25th %ile	6.1	10.5	31.6	11.9	11.6	8.2
75th %ile	4.4	8.7	25.6	10.2	9.8	7.1
95th %ile	3.1	7.9	24.4	8.1	8.6	6.3
Mean	5.1	10.1	29.2	11.2	10.8	7.7
Median	5.0	9.6	29.2	11.0	10.8	7.6
<i>n</i>	31	31	31	31	30	27
Independent Schools						
5th %ile	7.0	11.6	37.5	14.2	12.2	9.5
25th %ile	5.6	10.1	33.7	12.2	11.3	8.4
75th %ile	4.3	8.4	27.0	10.2	10.1	7.0
95th %ile	3.4	6.7	21.8	9.0	9.2	6.4
Mean	4.9	9.1	30.0	11.4	10.7	7.7
Median	5.0	9.4	30.7	11.1	10.7	7.4
<i>n</i>	29	29	29	29	28	27
Other Nonprofits						
5th %ile	6.2	11.6	33.8	12.5	11.9	8.8
25th %ile	5.5	10.2	31.4	11.6	11.1	7.9
75th %ile	4.5	8.0	25.2	9.9	10.0	6.9
95th %ile	3.6	6.2	22.0	7.8	8.4	5.9
Mean	4.9	9.1	28.5	10.5	10.4	7.4
Median	5.1	9.7	29.4	10.8	10.6	7.3
<i>n</i>	44	44	44	44	43	36

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

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