

4TH QUARTER • 2021

ENDOWMENTS QUARTERLY

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

TRAILING ONE-YEAR RESULTS

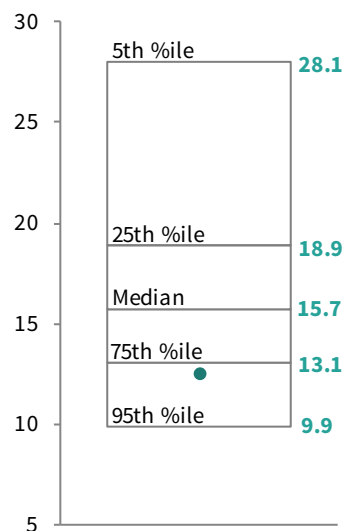
The median return of the endowment and foundation universe was 15.7% for the trailing one-year period (Figure 1), more than 10 percentage points (ppts) lower than the median one-year return as of September 30, 2021 (26.5%). A blended index return consisting of 70% MSCI ACWI and 30% Bloomberg Aggregate Bond Index earned 12.5% and would have landed within the bottom performance quartile of the respondent group. The largest portion of participants' portfolios continues to be allocated to equity-oriented assets. On average, institutions allocated 46.2% to public equity and 16.6% to private equity/venture capital (PE/VC), which combined represents nearly two-thirds of the overall portfolio. The average mix between public and private equities varies substantially across certain 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 December 31, 2021 • Percent (%)

Trailing 1-Yr Return

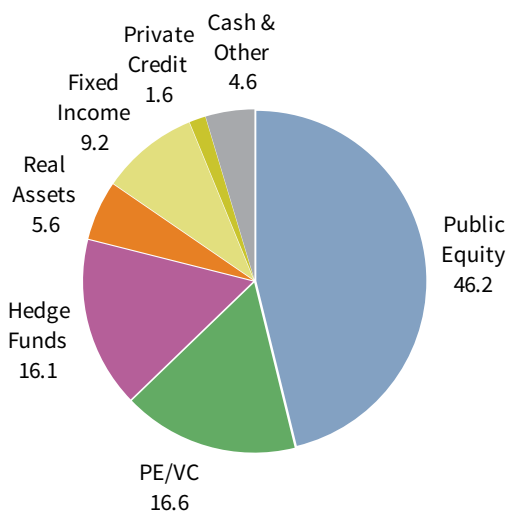
n = 373



● 70% MSCI ACWI / 30% BBG Agg

Mean Average Asset Allocation

n = 373

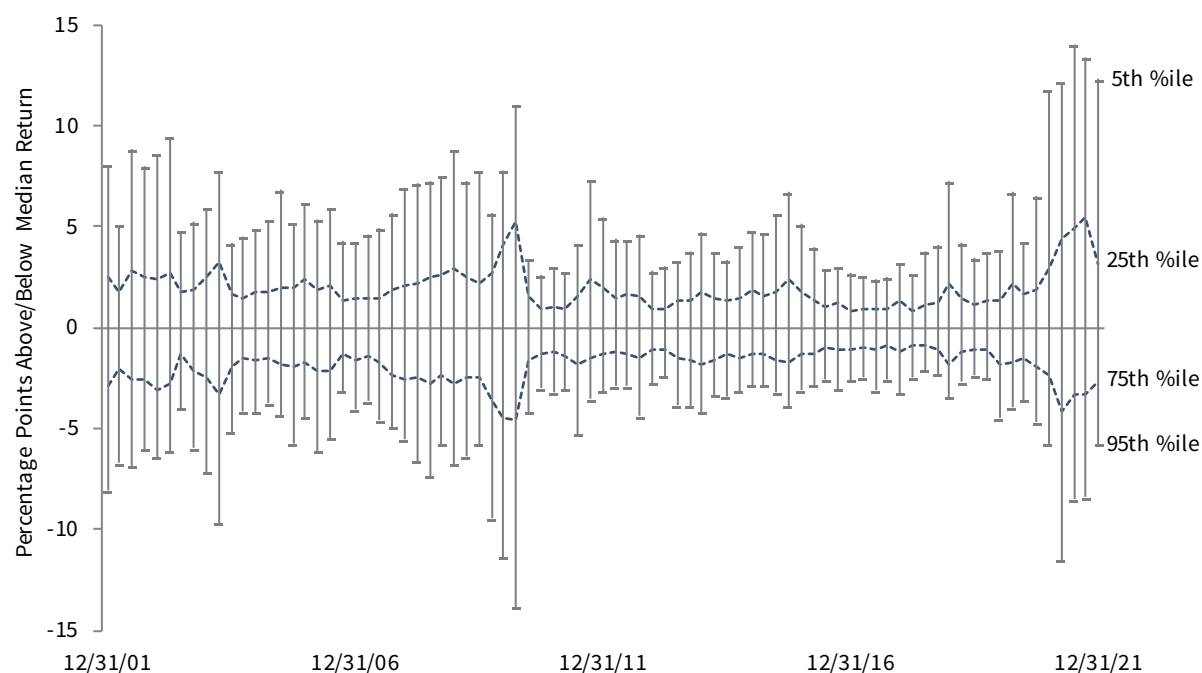


Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

Although there has been historically high dispersion in returns across the peer group over recent periods, the spread between the trailing one-year return at the 5th percentile return and the median return declined for a second straight quarter. The 5th percentile return (28.1%) was 12.4 ppts higher than the median return, which was the third largest gap reported over the last 20 years. The two largest differentials were reported for the trailing one-year periods ending June 30, 2021 and September 30, 2021 (Figure 2). The range between the 95th percentile return (9.9%) and the median was 5.8 ppts and has narrowed considerably compared to levels reported earlier in 2021.

FIGURE 2 DISPERSION IN TRAILING 1-YR RETURNS RELATIVE TO THE MEDIAN RETURN

Based on Quarters Ended December 31, 2001, through December 31, 2021



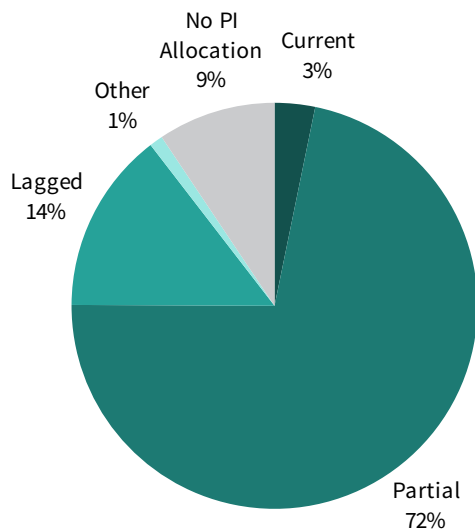
Source: Endowment and foundation data as reported to Cambridge Associates LLC.

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 (72%) reported their trailing one-year private investment returns on a partial basis (Figure 3). Under this method, only three quarters of private returns are incorporated for the one-year period. As December 31 valuations become available, fourth quarter 2021 returns will be restated to reflect actual private performance. Due to the additional time required for calendar year-end reporting, there isn't yet a large enough preliminary sample of funds that have reported performance to Cambridge Associates' (CA) private investment database. If fourth quarter private investment returns are positive once data are reported, institutions using the partial basis would see an upward revision to returns, and vice versa.

FIGURE 3 PERFORMANCE REPORTING METHODOLOGIES: US ENDOWMENTS AND FOUNDATIONS

As of December 31, 2021

Performance Reporting Methodology



By Asset Size

	Current Basis	Partial Basis	Lagged Basis	Other	No PI Allocation
Less than \$100M	—	59%	—	—	41%
<i>n</i>		30			21
\$100M–\$200M	—	92%	—	—	8%
<i>n</i>		60			5
\$200M–\$500M	—	90%	1%	—	9%
<i>n</i>		77	1		8
\$500M–\$1B	—	88%	12%	—	—
<i>n</i>		46	6		
\$1B–\$3B	10%	65%	23%	2%	2%
<i>n</i>	6	40	14	1	1
More than \$3B	11%	26%	58%	5%	—
<i>n</i>	6	15	33	3	

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 January 1, 2021, to December 31, 2021.

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

Partial Basis

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

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

Lagged Basis

Total investment pool return for the trailing one-year period includes marketable asset performance for January 1, 2021, to December 31, 2021, and private investment performance for October 1, 2020, to September 30, 2021.

Marketable Assets				
4Q20	1Q21	2Q21	3Q21	4Q21
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 14% of participants, private valuations are perpetually lagged by one quarter so that the one-year return represents private investment performance from October 1, 2020, to September 30, 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 January 1, 2021, to December 31, 2021. Just 3% of institutions use the current basis method, and they often rely on estimated valuations to reflect private performance for the most recent quarter ending December 31.

Performance was positive for all private investment indexes for fourth quarter 2020, with PE/VC strategies producing extraordinary returns (Figure 4). Institutions using the lagged basis will incorporate this fourth quarter 2020 private performance in their trailing one-year return calculation. Therefore, institutions using the lagged basis—which includes this extra quarter of strong private investment performance—are reporting a return that is significantly higher than what they would have calculated under the partial basis.

FIGURE 4 CAMBRIDGE ASSOCIATES PRIVATE INVESTMENT INDEX RETURNS

	One Quarter End-to-End Pooled Return (%)				
	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
US Private Equity	12.4	10.5	13.6	6.0	NA
Global ex US Private Equity	17.9	4.0	10.8	1.9	NA
US Venture Capital	27.0	17.0	12.2	9.6	NA
Global ex US Venture Capital	22.8	16.0	8.8	1.0	NA
Private Credit	6.3	4.3	5.4	2.1	NA
Distressed Control-Oriented	10.3	9.5	10.1	7.2	NA
Real Estate	4.7	2.7	5.9	6.9	NA
Natural Resources	5.9	8.4	9.2	4.0	NA

Lagged Basis
 Partial Basis

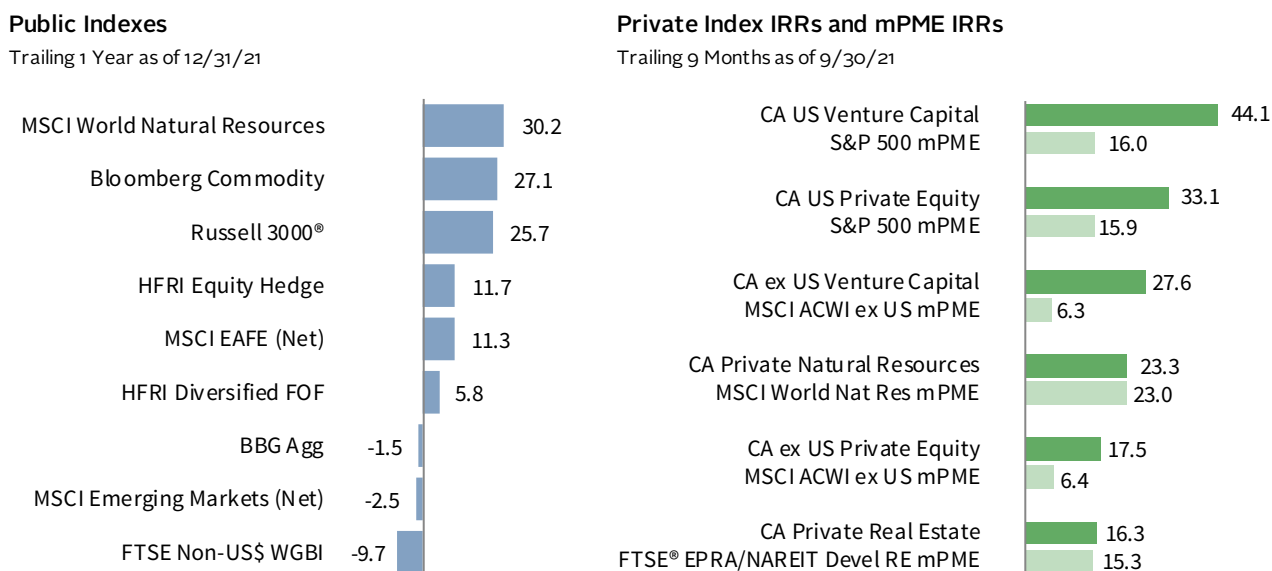
Source: Cambridge Associates LLC.

Note: NA indicates data were not available.

ONE-YEAR ASSET ALLOCATION. Asset allocation is one of the key factors that explains the dispersion in returns among institutions in our universe. Figure 5 explores this relationship between investment performance and asset allocation. 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 5 provide context on the capital markets 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 invested in private investments been invested in the public market index instead. With data currently unavailable for fourth quarter 2021, the period evaluated for the private investment and mPME indexes is for the trailing nine months ended September 30, 2021.

FIGURE 5 1-YR INDEX RETURNS AND ASSET ALLOCATION OF TOP AND BOTTOM PERFORMERS: US ENDOWMENTS AND FOUNDATIONS



Mean Asset Allocation by Performance Quartile: December 31, 2020 to December 31, 2021

n = 365

Quartile	Public Equity	PE/VC	Hedge Funds	Real Assets	Fixed Income	Private Credit	Cash	Other
Top Quartile	39.1	24.7	16.2	7.9	6.3	1.8	3.6	0.3
2nd Quartile	45.8	17.1	16.8	5.2	8.8	1.8	3.9	0.5
3rd Quartile	52.1	11.0	15.0	5.0	10.9	1.4	3.8	0.8
Bottom Quartile	51.3	6.7	18.8	4.0	12.4	0.7	5.4	0.6
E&F Universe Mean	47.0	14.9	16.7	5.5	9.6	1.4	4.2	0.5

Divergence of Asset Allocation from Mean

-4% -2% Mean 2% 4%

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.

When we conduct this analysis, we expect the key takeaways from the index comparisons to translate to the data reported in the heat map table. This is in fact what we found for the most recent one-year period, with top-performing institutions reporting the highest allocations to the best-performing asset classes and vice versa. The returns for the CA Private Equity and Venture Capital indexes have trounced the mPME indexes over recent periods. When considering this context, it is no surprise to learn that the top quartile of performers reported the highest average allocation to PE/VC (24.7%). The average allocation to PE/VC for the bottom performance quartile was 18 ppts lower (6.7%). Relatedly, top-performing institutions had the lowest average allocation to public equity (39.1%), while the bottom performance quartile reported the second highest average allocation (51.3%).

Allocations to fixed income and cash also stand out when comparing peer asset allocations. Returns of these strategies significantly lagged risk assets over the past year, and institutions with the highest allocations to these asset classes tended to have the lowest overall performance. The bottom quartile of performers reported the highest combined allocations to fixed income and cash (17.8%). In contrast, the average combined allocation was considerably lower for the top performance quartile (9.9%).

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 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 6 illustrates the results of the attribution analysis for the trailing one-year period based on 365 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 17.1% for the trailing one-year period and a return from other factors of -0.4%.

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

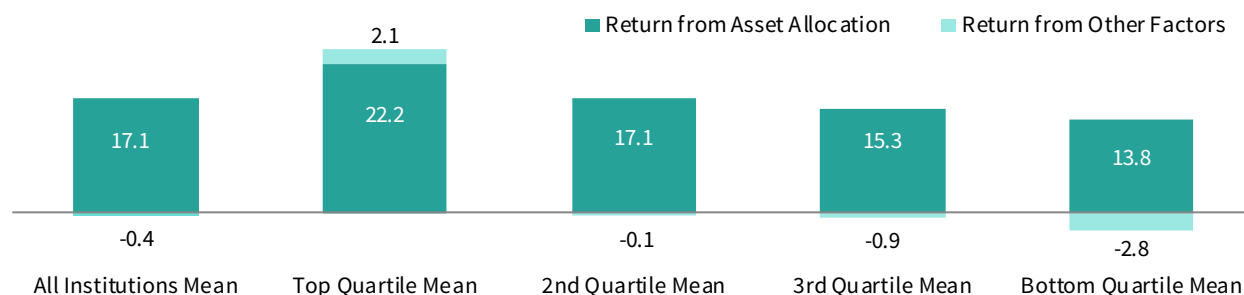
373 US endowments and foundations that participated in our quarterly survey
\$1.8B Average market value of participating long-term investment portfolios
\$403M Median value

Returns are reported net of external manager fees for 372 of 373 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 6 1-YR RETURN ATTRIBUTION ANALYSIS BY PERFORMANCE QUARTILE:
US ENDOWMENTS AND FOUNDATIONS**

As of December 31, 2021 • Percent (%) • n = 365

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	25.8	25.7	6.6
Venture Capital	5.9	43.8	3.3
Non-Venture Private Equity	5.5	33.0	2.1
Global ex US Equity-Developed Mkts	15.0	11.3	1.7
Long/Short Hedge Funds	7.1	11.7	0.8
Other Private Investments	1.6	36.0	0.6
Absolute Return (ex Distressed)	9.0	5.8	0.5
Private Oil & Gas/Natural Resources	1.7	23.2	0.4
Private Real Estate	1.6	16.3	0.3
Distressed-Private Equity Structure	1.3	22.0	0.3
Public Energy/Natural Resources	0.8	30.2	0.2
Distressed-Hedge Fund Structure	1.1	15.6	0.2
Public Real Estate	0.4	27.2	0.1
Commodities	0.3	27.1	0.1
Other	0.6	12.5	0.1
Inflation-Linked Bonds	0.6	6.0	0.0
High-Yield Bonds	0.3	5.3	0.0
Cash & Equivalents	4.3	0.0	0.0
Global ex US Bonds	0.3	-9.7	0.0
US Bonds	9.4	-1.5	-0.1
Global ex US Equity-Emerging Mkts	7.3	-2.5	-0.2

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

Note: Private investment benchmark returns are for the period of 1/1/21 to 9/30/21.

The table on the bottom of Figure 6 shows each asset class's contribution to the average asset allocation return of the overall 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 25% for the trailing one-year period and accounted for approximately one-quarter of the average portfolio. Therefore, it is no surprise to see that this category, by a wide margin, had the greatest positive impact of all the asset class return contributors. Venture capital, which made up a much smaller portion of the beginning year average allocation at

5.9%, had the second highest contribution because of the exceptional performance earned by the index that represents this strategy. Other equity-oriented asset classes—except for emerging markets equities—also made significant contributions to the portfolio performance for the trailing one-year period. Emerging markets equities and investment-grade bonds were represented by indexes that produced negative returns for the trailing one-year period.

Attribution results for individual institutions are based on their respective asset allocation structures and the total portfolio return that was earned. The average asset allocation return for institutions in the top performance quartile was 22.2%, 840 basis points (bps) higher than that of the bottom quartile. The model estimates that the differential in the return from other factors was smaller, with the average of the top quartile of performers (2.1%) being about 490 bps higher than the bottom quartile (-2.8%).

TRAILING TEN-YEAR RESULTS

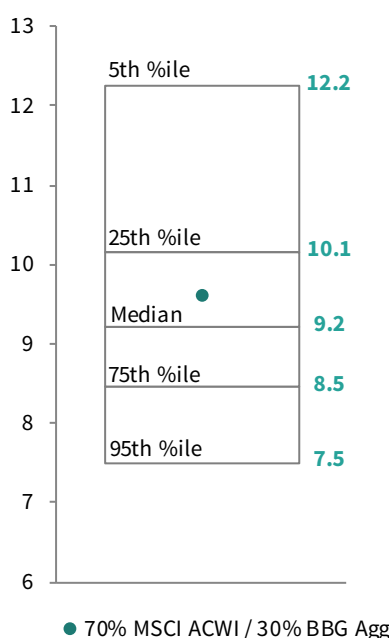
The median trailing ten-year return was 9.2% (Figure 7). Returns ranged from 12.2% at the 5th percentile to 7.5% at the 95th percentile. The simple 70/30 index return earned 9.6% and would have landed within the second performance quartile of the respondent group for the trailing ten-year.

FIGURE 7 10-YR PERFORMANCE AND ASSET ALLOCATION SNAPSHOT

Percent (%)

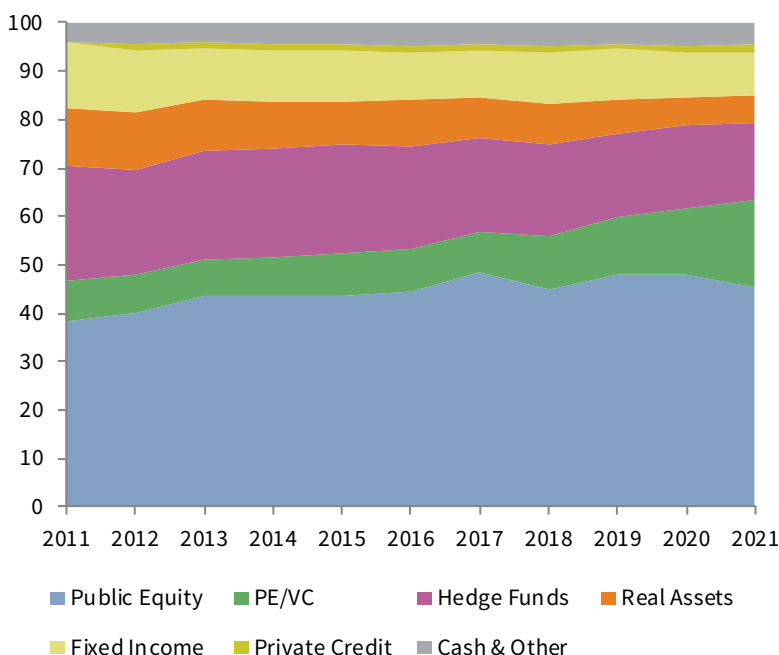
Trailing 10-Yr Return

Period Ending December 31, 2021 • n = 340



Trend in Mean Average Asset Allocation

Periods Ending December 31 • n = 243

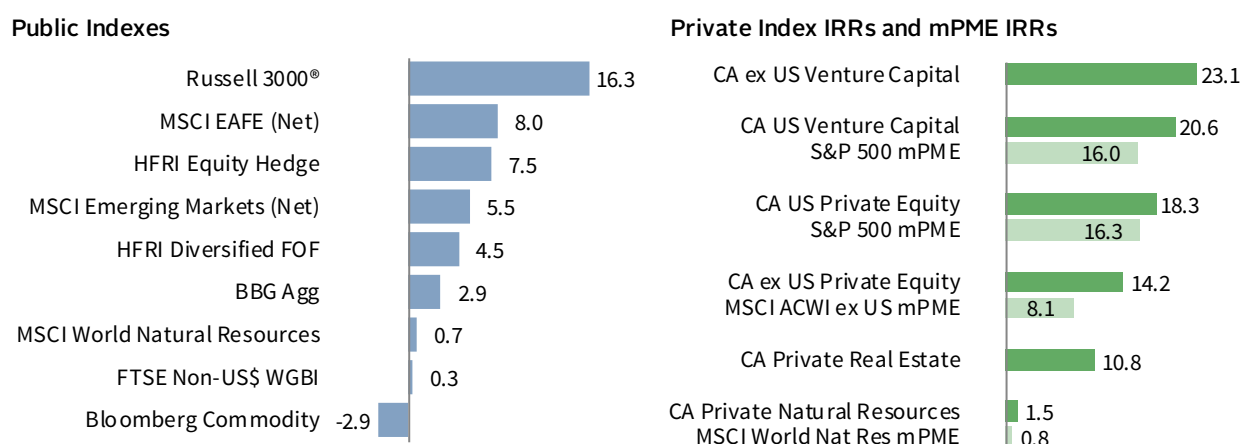


Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited and MSCI Inc. MSCI data provided "as is" without any express or implied warranties.

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. As of December 31, 2011, the average combined allocation to public equity and PE/VC was less than half (46.8%) of the total portfolio. That figure has risen to 63.3% for the most recent December 31. The growth in average equity exposure over the first part of the past decade can be attributed primarily to an increase in public equity allocations. However, average public allocations have actually ticked down slightly since 2017, while allocations to PE/VC have grown substantially. Across the entire ten-year period, the average increase to PE/VC (9.5 ppts) was greater than the increase to public equity (7.0 ppts). Meanwhile, the average allocations to hedge funds (-7.8 ppts), real assets (-6.1 ppts), and fixed income (-4.5 ppts) have all declined substantially over the last decade.

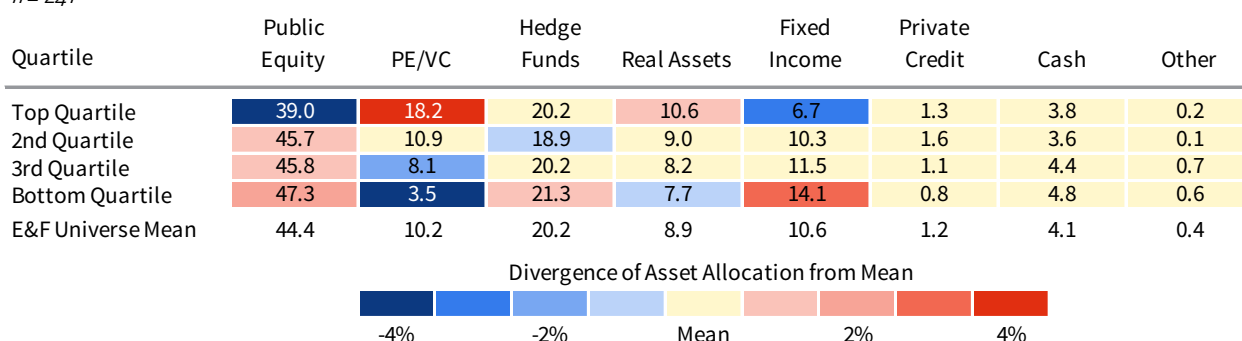
TEN-YEAR ASSET ALLOCATION. Figure 8 explores the relationship between peer returns and asset allocations for the trailing ten-year period. In this analysis, the participant group is broken down into four quartiles based on the trailing ten-year investment return. Each institution's asset allocation was averaged across the 11 periods starting December 31 that fell from 2011 to 2021. The four quartiles in the heat map represent the average of the institutions within each quartile.

FIGURE 8 10-YR INDEX RETURNS AND ASSET ALLOCATION OF TOP AND BOTTOM PERFORMERS: US ENDOWMENTS AND FOUNDATIONS



Mean Asset Allocation by Performance Quartile: December 31, 2011 to December 31, 2021

n = 241



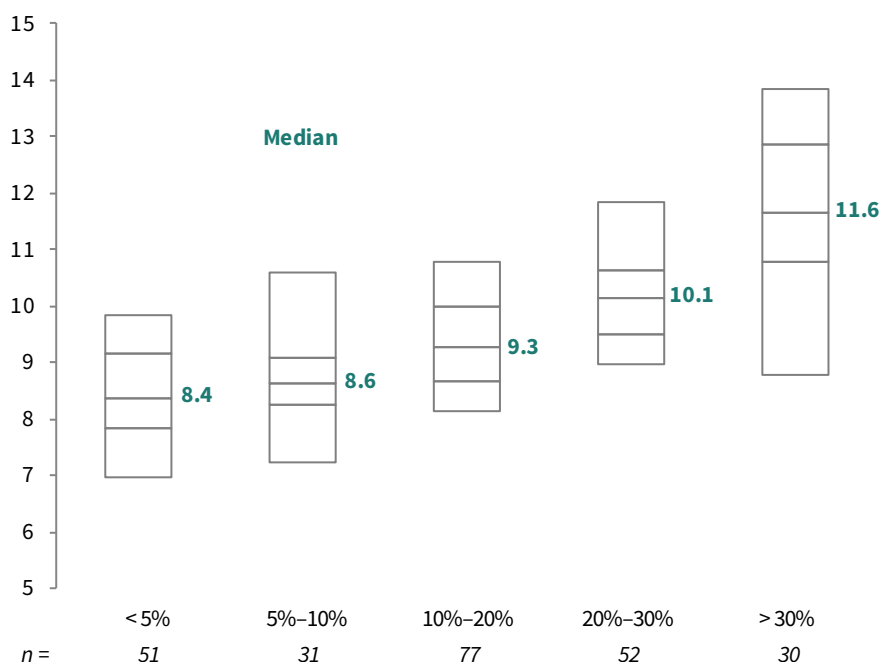
Sources: Endowment and foundation data as reported to Cambridge Associates LLC. Index data are provided by Bloomberg Index Services Limited, Cambridge Associates LLC, Frank Russell Company, FTSE International Limited, Hedge Fund Research, Inc., MSCI Inc., the National Association of Real Estate Investment 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, with the ex US and US VC indexes leading the way. As would be expected given the 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 18.2% for the top quartile of performers over this ten-year period and just 3.5% for the bottom quartile of performers, a nearly 15 ppt difference between the two performance quartiles. In addition, the top quartile's average allocation to public equities (39.0%) and fixed income (6.7%) was lower than that of the bottom quartile which was 47.3% and 14.1%, respectively.

Figure 9 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 11.6%, approximately 320 bps higher than the median return reported by portfolios with little to no private investment allocation. The median return for the highest private investment allocators continues to be higher than the "20%–30%" cohort's top quartile return 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 private allocations earn top 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 9 RANGE OF 10-YR RETURNS BY PRIVATE INVESTMENT ALLOCATION

As of December 31, 2021 • Percent (%)



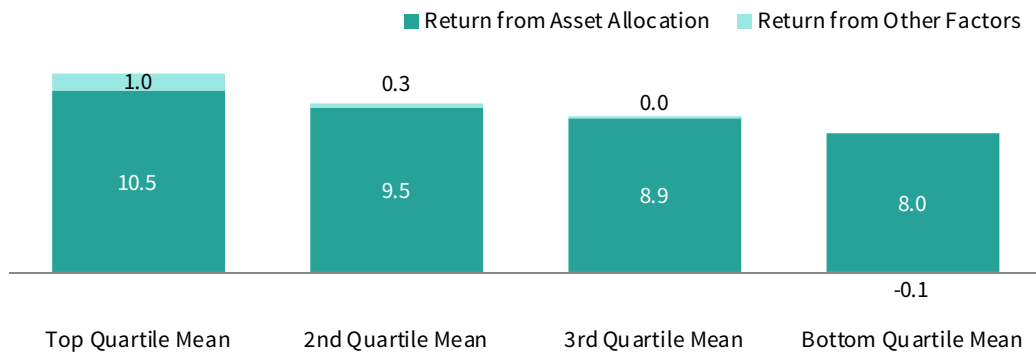
Source: Endowment and foundation data as reported to Cambridge Associates LLC.

Note: Each institution's private investment allocation represents the mean for the 11 December 31 periods from 2011 to 2021.

TEN-YEAR ATTRIBUTION. The attribution model also points to an outperforming asset allocation structure for the top performance quartile over the last decade. Figure 10 shows that the top performance quartile had a mean asset allocation return of 10.5% for the trailing ten-year period, approximately 250 bps 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 of 0.1%.

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

As of December 31, 2021 • Percent (%) • n = 241



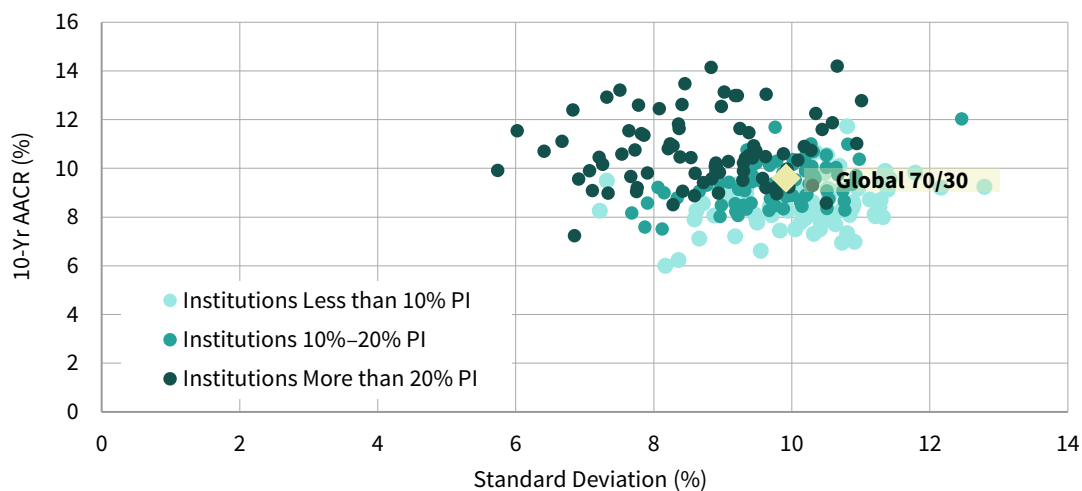
Source: Endowment and foundation data as reported to Cambridge Associates LLC.

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, Figure 11 shows sub-categories based on an institution's private investment allocation.

FIGURE 11 STANDARD DEVIATION AND SHARPE RATIO: US ENDOWMENTS AND FOUNDATIONS

10 Years Ended December 31, 2021



	All Institutions	Mean by PI Allocation			70/30 Global
	Mean	Less than 10%	10%–20%	More than 20%	Benchmark
10-Yr AACR	9.5	8.5	9.3	10.7	9.6
Standard Deviation	9.5	10.2	9.8	8.7	9.9
Sharpe Ratio	0.96	0.80	0.91	1.17	0.92
<i>n</i>	241	82	77	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 1.17, significantly higher than that of the other subgroups with smaller private allocations, and the blended global benchmark. 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 preceding five months.

Figure 3: 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 6: 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 11: 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 December 31 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 PEER GROUP: US ENDOWMENTS AND FOUNDATIONS

As of December 31, 2021 • Percent (%)

	Colleges & Universities <i>n</i> = 124	Cultural & Environmental 47	Foundations 106	Healthcare 28	Independent Schools 29	Other Nonprofits 39
	Mean	Mean	Mean	Mean	Mean	Mean
Public Equity	43.3	48.0	46.0	44.8	47.8	53.4
Global	9.2	11.3	10.6	9.0	13.0	12.4
US	19.6	22.3	20.2	19.8	22.1	23.6
Global ex US Developed	9.5	10.4	10.1	11.0	8.8	12.9
Emerging Markets	4.9	3.9	5.0	4.9	3.9	4.5
PE/VC	20.8	13.0	18.5	13.1	12.2	8.5
Venture Capital	10.1	6.3	9.4	5.9	4.4	3.8
Non-Venture Private Equity	8.7	5.0	6.4	6.0	5.7	2.9
Other Private Investments	2.0	1.7	2.6	1.2	2.0	1.8
Hedge Funds	15.2	19.7	13.7	18.9	21.4	15.7
Long/Short	6.6	8.1	5.4	7.9	12.3	5.2
Absolute Return	7.5	10.7	7.4	9.7	8.8	9.4
Distressed	1.1	0.9	0.8	1.4	0.3	1.1
Real Assets & ILBs	6.7	4.0	5.8	5.5	4.4	4.7
Private Real Estate	2.3	1.0	2.1	1.4	0.8	1.2
Public Real Estate	0.6	0.4	0.4	0.5	0.1	0.5
Commodities	0.3	0.3	0.3	0.5	0.6	0.0
Inflation Linked-Bonds	0.5	0.5	0.5	0.7	0.4	0.7
Private O&G/Nat Resources	2.4	1.3	1.8	1.3	1.5	1.0
Public Energy/Nat Resources	0.7	0.6	0.7	1.1	1.0	1.2
Bonds	7.6	8.9	10.2	12.4	6.4	12.3
Global	0.1	0.6	0.5	0.3	0.0	0.8
US	7.2	8.2	9.3	11.6	6.3	11.4
Global ex US	0.0	0.0	0.1	0.1	0.0	0.0
High-Yield Bonds	0.2	0.2	0.3	0.4	0.1	0.0
Private Credit	1.8	1.3	1.7	1.4	1.8	0.6
Distressed - Control Oriented	0.7	0.2	0.5	0.6	0.7	0.2
Private Credit ex Distressed	1.1	1.1	1.2	0.8	1.1	0.4
Cash & Equivalents	4.0	5.0	3.7	3.4	5.3	4.5
Other Assets	0.7	0.0	0.5	0.5	0.8	0.2

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 December 31, 2021 • Percent (%)

	All Endow & Fdn <i>n</i> = 373	Less than \$100M 51	\$100M– \$200M 65	\$200M– \$500M 86	\$500M– \$1B 52	\$1B– \$3B 62	More than \$3B 57
	Mean	Mean	Mean	Mean	Mean	Mean	Mean
Public Equity	46.2	55.7	48.8	49.8	43.8	42.1	35.8
Global	10.5	13.0	10.8	10.3	8.3	10.7	10.0
US	20.8	24.7	22.5	24.0	20.4	18.1	13.5
Global ex US Developed	10.2	13.2	11.1	10.7	10.6	9.4	6.4
Emerging Markets	4.7	4.8	4.4	4.8	4.5	3.9	5.9
PE/VC	16.6	8.1	11.7	13.9	19.5	20.5	27.1
Venture Capital	8.0	3.4	5.4	6.0	9.7	9.0	15.5
Non-Venture Private Equity	6.6	2.1	3.4	5.1	8.0	10.4	10.8
Other Private Investments	2.1	2.5	2.9	2.8	1.8	1.1	0.8
Hedge Funds	16.1	14.2	17.2	15.2	15.7	17.8	16.7
Long/Short	6.9	5.6	7.5	6.3	5.8	8.0	8.1
Absolute Return	8.3	8.3	9.3	8.0	8.5	8.5	7.2
Distressed	1.0	0.3	0.4	0.9	1.4	1.3	1.4
Real Assets & ILBs	5.6	4.4	4.0	4.5	6.5	5.8	9.2
Private Real Estate	1.8	0.9	0.7	0.9	2.3	2.2	4.2
Public Real Estate	0.4	0.7	0.2	0.5	0.6	0.4	0.4
Commodities	0.3	0.2	0.3	0.2	0.3	0.2	0.7
Inflation Linked-Bonds	0.5	0.5	0.8	0.5	0.7	0.3	0.3
Private O&G/Nat Resources	1.8	0.8	1.1	1.6	2.0	2.1	3.2
Public Energy/Nat Resources	0.8	1.4	0.9	0.9	0.6	0.6	0.3
Bonds	9.2	13.0	11.1	10.5	8.4	7.1	5.0
Global	0.3	0.8	0.5	0.1	0.3	0.4	0.2
US	8.6	12.2	10.2	10.3	7.9	6.6	4.1
Global ex US	0.0	0.0	0.0	0.0	0.0	0.0	0.2
High-Yield Bonds	0.2	0.0	0.4	0.0	0.2	0.1	0.5
Private Credit	1.6	0.6	1.7	1.3	2.0	2.2	1.6
Distressed - Control Oriented	0.5	0.2	0.5	0.3	0.8	0.7	0.6
Private Credit ex Distressed	1.0	0.3	1.2	1.0	1.2	1.5	1.0
Cash & Equivalents	4.2	3.6	4.7	3.9	4.0	4.2	4.4
Other Assets	0.5	0.4	0.7	0.8	0.2	0.3	0.3

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 December 31, 2021 • Percent (%)

	Latest Qtr	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
All Endowments & Foundations						
5th %ile	4.7	7.2	28.1	21.4	15.6	12.2
25th %ile	3.3	4.4	18.9	17.5	12.7	10.1
Median	2.5	3.5	15.7	15.8	11.3	9.2
75th %ile	1.6	2.4	13.1	14.5	10.4	8.5
95th %ile	0.2	0.5	9.9	12.3	9.0	7.5
Mean	2.5	3.6	16.7	16.2	11.6	9.4
<i>n</i>	373	373	373	371	363	339
Less than \$100M						
5th %ile	5.0	4.9	18.9	17.8	11.9	10.3
25th %ile	3.7	3.8	15.0	16.2	11.4	9.2
Median	2.7	3.0	12.9	15.2	10.6	8.6
75th %ile	2.2	2.2	11.9	14.0	9.5	8.0
95th %ile	1.3	0.6	8.8	10.9	7.9	6.6
Mean	2.9	3.0	13.5	15.0	10.4	8.6
<i>n</i>	51	51	51	50	49	40
\$100M-\$200M						
5th %ile	4.6	4.8	20.3	17.9	12.4	10.1
25th %ile	3.2	4.0	16.2	16.3	11.6	9.2
Median	2.4	3.3	14.3	15.2	10.9	8.6
75th %ile	1.5	2.3	12.2	14.2	10.2	8.2
95th %ile	-0.3	0.2	7.8	11.8	8.8	7.3
Mean	2.3	3.0	14.2	15.3	10.8	8.7
<i>n</i>	65	65	65	65	62	59
\$200M-\$500M						
5th %ile	4.6	5.8	21.7	19.1	13.7	10.6
25th %ile	3.3	4.1	16.9	16.9	12.1	9.6
Median	2.6	3.3	15.7	15.8	11.1	8.8
75th %ile	1.8	2.5	13.7	14.7	10.3	8.4
95th %ile	0.8	1.6	11.2	12.9	9.5	7.6
Mean	2.6	3.4	15.6	15.9	11.3	9.0
<i>n</i>	86	86	86	86	85	83
\$500M-\$1B						
5th %ile	3.8	6.6	25.4	20.0	14.5	10.7
25th %ile	3.1	4.7	19.6	17.4	12.3	9.8
Median	1.9	3.7	16.4	15.7	11.2	9.2
75th %ile	1.7	2.6	13.6	14.8	10.6	8.5
95th %ile	0.2	0.6	10.4	12.6	9.3	8.0
Mean	2.1	3.8	16.8	16.2	11.7	9.3
<i>n</i>	52	52	52	52	52	50
\$1B-\$3B						
5th %ile	4.7	7.4	27.3	20.9	15.6	11.7
25th %ile	3.1	5.0	20.8	18.4	13.5	10.8
Median	2.4	3.9	17.8	17.0	12.5	9.9
75th %ile	1.5	2.8	14.3	14.8	10.8	9.1
95th %ile	0.5	0.7	11.2	12.3	9.6	8.3
Mean	2.5	4.0	17.9	16.8	12.3	10.0
<i>n</i>	62	62	62	62	60	56
More than \$3B						
5th %ile	6.1	10.4	39.2	22.4	16.5	13.2
25th %ile	3.8	6.2	28.2	20.9	15.4	12.3
Median	2.3	3.7	20.3	17.4	13.3	10.9
75th %ile	1.1	1.5	15.8	15.4	11.8	9.9
95th %ile	-0.7	-0.5	12.0	13.0	9.8	8.9
Mean	2.5	4.4	22.3	17.9	13.4	11.1
<i>n</i>	57	57	57	56	55	51

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 December 31, 2021 • Percent (%)

	Latest Qtr	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Colleges & Universities						
5th %ile	4.6	7.9	30.6	22.1	15.8	12.6
25th %ile	3.4	4.8	21.8	18.9	13.5	10.6
Median	2.5	3.9	17.9	16.9	12.1	9.8
75th %ile	1.7	2.7	15.0	15.7	11.0	9.0
95th %ile	0.1	0.5	11.7	13.3	9.7	8.1
Mean	2.6	3.9	19.2	17.2	12.4	9.9
<i>n</i>	124	124	124	123	123	118
Cultural & Environmental						
5th %ile	4.6	6.3	21.6	18.2	13.5	10.7
25th %ile	2.8	4.0	16.6	16.3	11.7	9.8
Median	2.1	3.2	15.0	15.4	11.1	9.0
75th %ile	1.5	2.2	12.1	14.6	10.2	8.3
95th %ile	0.6	0.6	9.2	12.9	9.3	7.5
Mean	2.3	3.2	14.8	15.5	11.1	9.1
<i>n</i>	47	47	47	47	46	45
Foundations						
5th %ile	4.8	7.2	28.7	22.1	15.7	12.8
25th %ile	3.2	4.5	18.7	17.7	13.0	10.2
Median	2.4	3.2	15.6	15.8	11.4	9.2
75th %ile	1.5	2.3	13.3	14.6	10.5	8.6
95th %ile	0.2	0.6	10.3	12.2	9.0	7.9
Mean	2.4	3.6	16.7	16.4	11.8	9.6
<i>n</i>	106	106	106	106	101	91
Healthcare						
5th %ile	4.2	7.1	22.3	18.6	14.0	11.3
25th %ile	3.4	4.1	16.3	15.8	11.4	9.2
Median	2.6	3.2	14.6	15.0	10.6	8.7
75th %ile	1.4	2.6	12.7	14.0	9.9	8.2
95th %ile	0.7	0.9	11.9	12.4	9.0	7.6
Mean	2.4	3.5	15.2	15.1	10.9	8.8
<i>n</i>	28	28	28	28	27	24
Independent Schools						
5th %ile	4.5	5.8	20.9	18.8	12.9	10.7
25th %ile	3.2	4.1	17.5	16.8	11.4	9.5
Median	2.3	3.5	13.9	14.6	10.5	8.7
75th %ile	1.3	2.3	11.9	13.9	9.8	8.0
95th %ile	-0.1	-1.0	7.8	12.3	8.9	7.3
Mean	2.4	3.1	14.1	15.3	10.7	8.8
<i>n</i>	29	29	29	29	28	28
Other Nonprofits						
5th %ile	4.9	4.9	19.4	16.8	11.9	10.0
25th %ile	3.7	3.9	15.8	15.7	11.2	9.1
Median	2.8	3.5	13.4	15.0	10.6	8.4
75th %ile	2.0	2.2	12.0	14.0	9.5	8.0
95th %ile	0.9	1.4	9.1	11.3	8.1	6.8
Mean	2.9	3.1	13.9	14.5	10.3	8.5
<i>n</i>	39	39	39	38	38	33

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

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