

State University of Iowa Foundation
Summary of Investment Performance
 Report for Periods Ending September 30, 2004

	Quarter	1 Year	3 Year	5 Year	10 Year
LONG-TERM INVESTMENT POOL	-1.8%	11.6%	6.4%	5.7%	9.4%
INTERMEDIATE-TERM INVESTMENT POOL	3.3%	4.5%	6.4%	7.8%	6.5%
SHORT-MATURITY INVESTMENT POOL	1.2%	2.0%	4.1%	5.8%	-

Notes:

These returns are net of investment fees, but shown prior to other administrative expenses. The amount of your spendable earnings for the Long-Term Pool has been calculated by taking one quarter of 5% times the moving market value average of the last 12 quarters. For the Intermediate and Short-Maturity Pools, you have received the actual interest income generated.

U.S. stocks posted modest negative returns in the third quarter; the first decline since the first quarter of 2003. Value outperformed growth across all market cap segments because of strong performance from traditional value sectors, such as energy and materials. Bonds rallied as intermediate-term and long-term rates declined, despite a 75 basis point increase in the Fed Funds rate since June 30, 2004.