

State University of Iowa Foundation
Summary of Investment Performance
 Report for Periods Ending June 30, 2005

	Quarter	1 Year	3 Year	5 Year	10 Year
LONG-TERM INVESTMENT POOL	2.5%	7.1%	8.7%	5.1%	9.2%
INTERMEDIATE-TERM INVESTMENT POOL	3.2%	7.7%	6.7%	8.0%	7.7%
SHORT-MATURITY INVESTMENT POOL	1.2%	2.8%	3.5%	5.3%	-

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.

Despite rising short-term interest rates and increasing oil prices, domestic equities realized positive returns during the quarter. Value stocks outperformed growth stocks in both small cap and mid cap, while the opposite was true for large cap stocks. For fixed income during the second quarter, the Federal Reserve twice increased the Fed Funds rate, which caused the yield curve to flatten when combined with falling long-term interest rates.