

State University of Iowa Foundation
Summary of Investment Performance
 Report for Periods Ending December 31, 2006

	Quarter	1 Year	3 Year	5 Year	10 Year
LONG-TERM INVESTMENT POOL	5.4%	10.7%	9.3%	7.3%	8.0%
INTERMEDIATE-TERM INVESTMENT POOL	0.9%	4.0%	4.0%	5.5%	6.1%
SHORT-MATURITY INVESTMENT POOL	0.8%	3.7%	2.6%	3.6%	-

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. equities posted high single digit returns in the quarter due to better than expected earnings growth, significant merger and acquisition activity, continued economic expansion, and modestly lower inflation. Small cap stocks outperformed large cap stocks and value stocks outperformed growth stocks in large cap and mid cap, but there was little difference in small cap. Foreign stocks, up double digits for the quarter, outperformed U.S. stocks due to a weak U.S. dollar and higher global merger and acquisition activity. The Federal Open Market Committee left the target fed funds rate unchanged at 5.25% and the yield on the 10-year Treasury was virtually unchanged, as the yield curve remained inverted at year end.