



Quarter at a Glance

Assets Under Management

- \$792.4MM (increase of \$27.0MM during quarter)

Portfolio Performance

- All asset classes had positive performance
- Private Equity, Real Estate, and Developed Int'l had the strongest quarterly outperformance
- Beat policy index (4.0% vs. 3.1%)

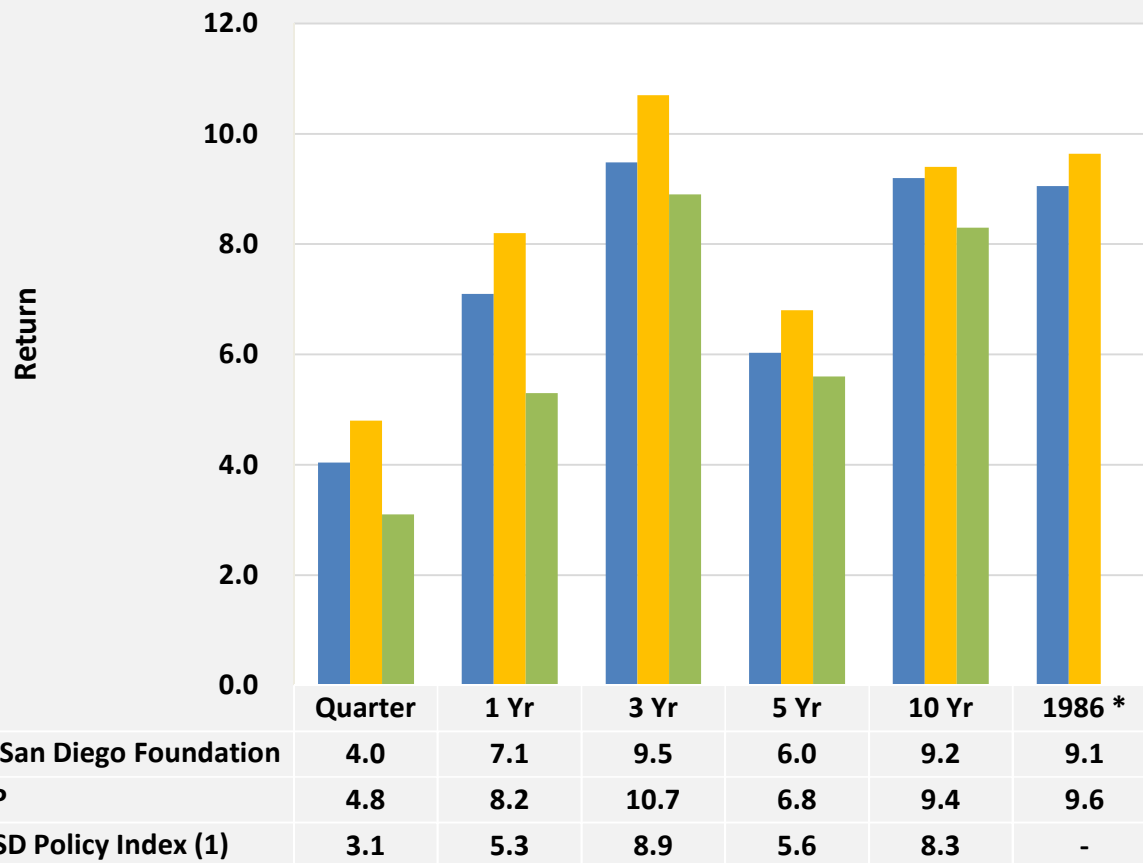
Asset Allocation

- GEP cash down to 2.0%
- Regents' separate funds fully redeemed
- Endowment pool cash at 1.3%
- Underweight Private Equity -4.9%

Manager Highlights

- Best performer: GEP Private Equity Composite **+13.5%**
- Worst performer: Contrarian Distressed Real Estate Debt Fund **-4.9%**

Endowment Total Return

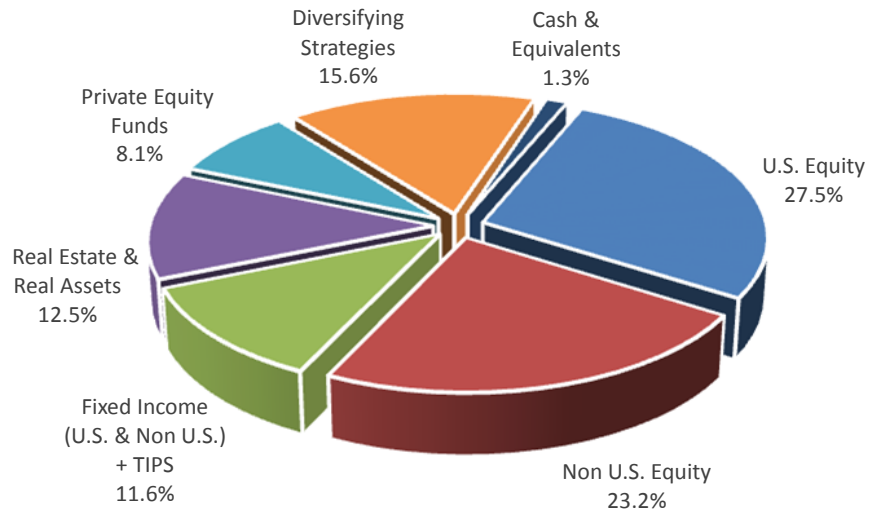


* Inception of UC San Diego Foundation unitized endowment pool; no benchmark data available.

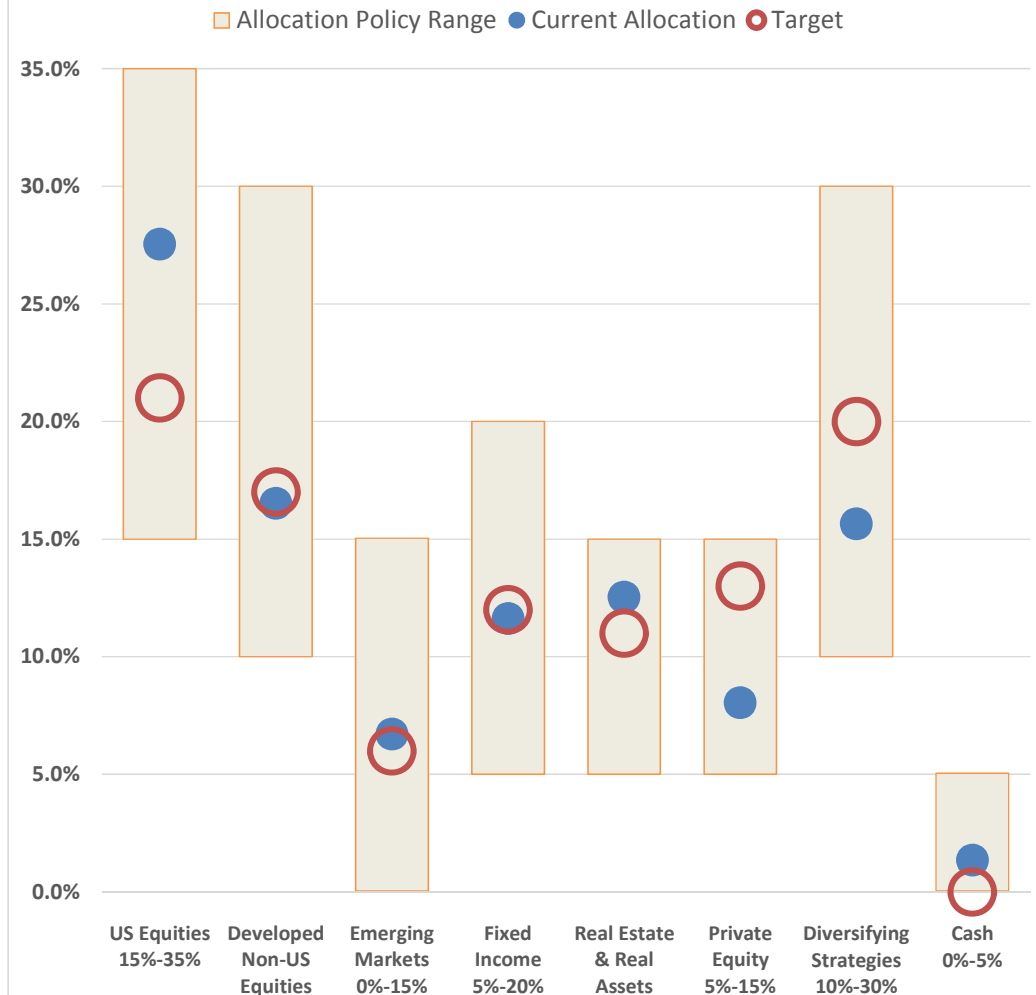
(1) Computed using policy targets prior to policy changes approved at June 7, 2019 Board meeting. Policy index will be adjusted effective July 1, 2019.



Asset Mix



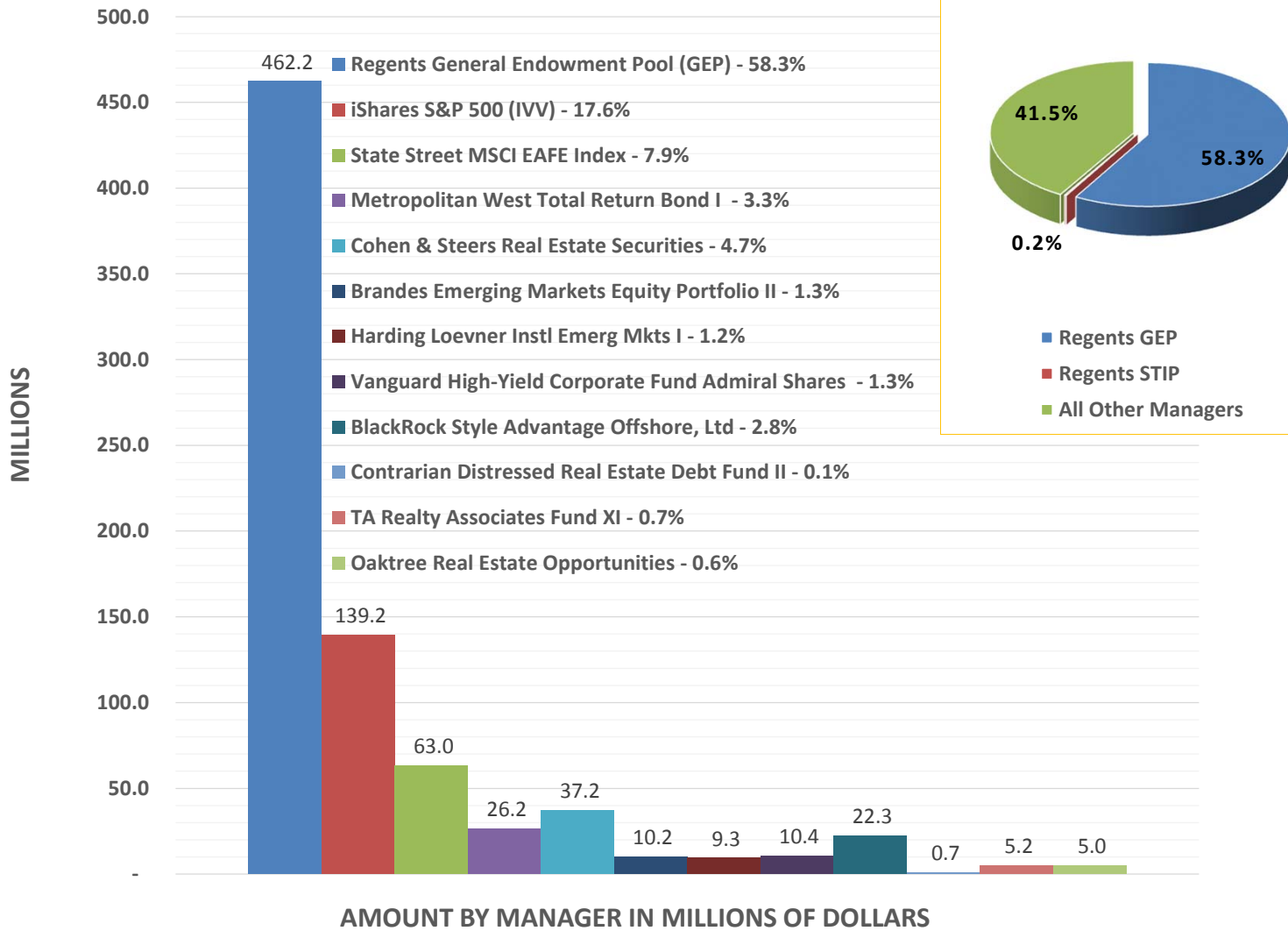
Strategic Allocation Policy Targets and Ranges



| Asset Class | Current Allocation % | Target (1) % | Variance % | Current Allocation (millions) | Target (millions) | Variance (millions) |
|-----------------------------|----------------------|---------------|-------------|-------------------------------|-------------------|---------------------|
| US Equities | 27.5% | 21.0% | 6.5% | 218.3 | 166.4 | 51.9 |
| Developed Non-US Equities | 16.5% | 17.0% | -0.5% | 130.9 | 134.7 | (3.8) |
| Emerging Markets | 6.7% | 6.0% | 0.7% | 53.2 | 47.5 | 5.7 |
| Fixed Income | 11.6% | 12.0% | -0.4% | 92.1 | 95.1 | (2.9) |
| Real Estate & Real Assets | 12.5% | 11.0% | 1.5% | 99.4 | 87.2 | 12.2 |
| Private Equity | 8.1% | 13.0% | -4.9% | 63.8 | 103.0 | (39.2) |
| Diversifying Strategies | 15.6% | 20.0% | -4.4% | 124.0 | 158.5 | (34.5) |
| Cash | 1.3% | 0.0% | 1.3% | 10.7 | - | 10.7 |
| Total Endowment Pool | 100.0% | 100.0% | 0.0% | 792.4 | 792.4 | (0.0) |

(1) See policy note on page 1. Policy targets will be adjusted effective July 1, 2019.

Endowment Investment Pool
Portfolio Allocation by Manager
As of June 30, 2019



Endowment Investment Pool Performance Detail As of June 30, 2019



| PERFORMANCE BY ASSET CLASS | Market Value (MM) | % of Portfolio | Quarter | | 1-Year | | 3-Year | | 5-Year | | 10-Year | |
|-----------------------------|-------------------|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | | Net Return | Added Value | Net Return | Added Value | Net Return | Added Value | Net Return | Added Value | Net Return | Added Value |
| US Equities | \$ 218.3 | 27.5% | 4.5% | 0.4% | 7.5% | -1.5% | 11.0% | -3.0% | 7.7% | -2.5% | 13.6% | -1.1% |
| Developed Non-US Equities | \$ 123.0 | 16.5% | 5.3% | 1.6% | 0.8% | -0.3% | 11.6% | 2.5% | 3.3% | 1.1% | -- | -- |
| Emerging Markets | \$ 53.2 | 6.7% | 1.9% | 1.3% | 6.1% | 4.9% | 14.1% | 3.4% | 6.6% | 4.1% | 8.2% | 2.4% |
| Fixed Income | \$ 92.1 | 11.6% | 3.1% | 0.0% | 8.0% | 0.1% | 3.7% | 1.4% | 3.0% | 0.1% | 5.4% | 1.5% |
| Real Estate & Real Assets | \$ 99.4 | 12.5% | 3.7% | 2.2% | 10.3% | 3.8% | 7.2% | 0.3% | 9.8% | 1.0% | 10.6% | 1.4% |
| Private Equity | \$ 63.8 | 8.1% | 13.8% | 7.3% | 26.2% | 12.1% | 23.4% | 7.5% | 20.6% | 8.4% | 18.5% | 3.7% |
| Diversifying Strategies | \$ 118.3 | 15.6% | 2.0% | 0.5% | 4.2% | 3.0% | 3.6% | -0.6% | 2.4% | 0.2% | 5.3% | 2.1% |
| Cash | \$ 24.3 | 1.3% | 0.4% | -0.2% | 2.9% | 0.6% | 1.9% | 0.5% | 1.6% | 0.7% | 2.5% | 2.0% |
| Total Endowment Pool | \$ 792.4 | 100.0% | 4.0% | 0.9% | 7.1% | 1.8% | 9.5% | 0.6% | 6.0% | 0.4% | 9.2% | 0.9% |

| PERFORMANCE BY MANAGER* | Market Value (MM) | % of Portfolio | Quarter | | 1-Year | | 3-Year | | 5-Year | | 10-Year | |
|--|-------------------|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | | Net Return | Added Value | Net Return | Added Value | Net Return | Added Value | Net Return | Added Value | Net Return | Added Value |
| iShares Core S&P500 Index ETF | \$ 139.2 | 17.6% | 0.3% | 0.1% | -- | -- | -- | -- | -- | -- | -- | -- |
| Regents' GEP Domestic Equity | \$ 79.0 | 10.0% | 6.2% | 2.1% | 6.9% | -2.1% | 8.1% | -5.9% | 4.8% | -5.4% | 11.9% | -2.8% |
| Vanguard Institutional Index I | \$ - | 0.0% | 3.4% | -0.7% | 9.5% | 0.5% | 13.8% | -0.2% | -- | -- | -- | -- |
| Vanguard Mid-Cap Index Admiral | \$ - | 0.0% | 3.6% | -0.5% | 7.1% | -0.7% | 12.1% | -0.1% | 8.7% | 0.1% | -- | -- |
| Vanguard Small-Cap Index | \$ - | 0.0% | 0.9% | -1.2% | 0.4% | 2.9% | 11.7% | -0.6% | 7.3% | 0.2% | 14.6% | 1.2% |
| MSCI EAFE Index CTF | \$ 63.0 | 7.9% | 3.7% | 0.0% | 1.0% | -0.1% | 9.1% | 0.0% | 2.2% | 0.0% | 6.8% | -0.1% |
| Regents' GEP Developed Int'l Equity | \$ 60.1 | 7.6% | 7.5% | 3.8% | 0.7% | -0.4% | 15.6% | 6.4% | 4.2% | 2.0% | 8.4% | 1.7% |
| Regents' GEP Emerging Markets Equity | \$ 33.7 | 4.3% | 1.3% | 0.7% | 8.6% | 7.4% | 17.8% | 7.1% | 7.9% | 5.4% | -- | -- |
| Brandes Emerging Markets | \$ 10.2 | 1.3% | 4.2% | 3.6% | 6.5% | 5.3% | 9.3% | -1.4% | -- | -- | -- | -- |
| Harding Loevner Emerging Markets Instl | \$ 9.3 | 1.2% | 1.3% | 0.7% | -1.3% | -2.5% | 9.5% | -1.2% | -- | -- | -- | -- |
| Regents' GEP Fixed Income Composite | \$ 41.8 | 5.3% | 2.8% | -0.3% | 7.7% | -0.2% | 2.5% | 0.2% | 2.1% | -0.7% | 4.5% | 0.6% |
| MetWest Total Return Bond I | \$ 26.2 | 3.3% | 3.2% | 0.1% | 8.2% | 0.3% | 2.7% | 0.4% | -- | -- | -- | -- |
| Regents' GEP High Yield Composite | \$ 13.6 | 1.7% | 3.3% | 0.7% | 7.4% | -0.2% | 7.0% | -0.5% | 4.7% | 0.0% | 9.3% | 0.1% |
| Vanguard High Yield Corporate Adm | \$ 10.4 | 1.3% | 3.2% | 0.7% | 9.0% | 1.5% | 6.7% | -0.8% | 4.8% | 0.1% | -- | -- |
| Cohen & Steers Real Estate | \$ 37.2 | 4.7% | 2.9% | 1.7% | 13.6% | 2.9% | 6.4% | 2.3% | -- | -- | -- | -- |
| Contrarian Distressed Real Estate Debt Fund II, LP | \$ 0.7 | 0.1% | -4.9% | -5.9% | -17.0% | -23.4% | -5.8% | -13.4% | 2.3% | -7.5% | -- | -- |
| Oaktree Real Estate Opportunities Fund VII | \$ 5.0 | 0.6% | 12.1% | 11.1% | 31.6% | 25.2% | -- | -- | -- | -- | -- | -- |
| Regents' GEP Real Estate Composite | \$ 31.4 | 4.0% | 3.0% | -2.0% | 7.0% | 0.6% | 8.6% | 1.0% | 10.8% | 1.0% | 7.9% | -2.0% |
| Regents' GEP Real Asset Composite | \$ 19.9 | 2.5% | 6.9% | 5.9% | 6.2% | -0.2% | -- | -- | -- | -- | -- | -- |
| TA Associates Realty XI | \$ 5.2 | 0.7% | 3.1% | 2.1% | 14.3% | 7.9% | 7.6% | 0.1% | -- | -- | -- | -- |
| BlackRock Style Advantage Offshore Ltd | \$ 16.5 | 2.1% | -2.5% | -4.0% | -0.2% | -1.4% | -- | -- | -- | -- | -- | -- |
| Regents' GEP Absolute Return Composite | \$ 101.7 | 12.8% | 3.2% | 2.1% | 7.2% | 7.1% | 6.2% | 3.6% | 4.0% | 2.8% | 6.1% | 4.5% |
| Regents' GEP Private Equity Composite | \$ 63.8 | 8.0% | 13.5% | 7.0% | 27.4% | 13.3% | 24.4% | 8.5% | 22.0% | 9.8% | 19.4% | 4.6% |
| STIP (Cash) | \$ 24.3 | 3.1% | 0.4% | -0.2% | 2.9% | 0.6% | 1.9% | 0.5% | 1.6% | 0.7% | 2.5% | 2.0% |
| Total Endowment Pool | \$ 792.4 | 100.0% | 4.0% | 0.9% | 7.1% | 1.8% | 9.5% | 0.6% | 6.0% | 0.4% | 9.2% | 0.9% |

* GEP broken by asset class composite for comparative purposes.

iShares Core S&P500 Index ETF was added to the portfolio in May and the quarterly return is based on two months (May and June)

Vanguard equity funds and Regents' separate funds were liquidated as of June 30 per our endowment portfolio restructuring glide path

Note: Added Value is calculated by comparing asset class/manager performance relative to the same period performance of their respective policy benchmark.