

Table 35
Investment Pool Average Compounded Nominal Rates of Return
for Fiscal Year Ending June 30, for Selected One, Three, Five, and Ten – Year Periods

Investment Pool Assets	1-year %	3-year %	5-year %	10-year %
Greater Than \$1.0 Billion	-1.6	11.9	15.1	14.6
\$501 Million - \$1.0 Billion	-5.2	7.5	12.2	12.8
\$100 Million - \$500 Million	-3.4	6.4	11.4	12.0
Less Than \$100 Million	-3.7	5.1	10.2	10.8
Public	-3.8	5.6	10.7	11.4
Independent	-3.4	6.7	11.6	12.1
Total Equal-Weighted Average	-3.6	6.3	11.2	11.9
Total Dollar-Weighted Average	-2.7	10.7	14.3	14.2
Median	-3.7	5.8	11.0	11.8
<u>Comparative Indexes</u>				
Russell 3000	-13.9	4.2	13.8	15.0
S & P 500	-14.8	3.9	14.5	15.1
LB Aggregate	11.2	6.3	7.5	7.9
CPI-U	3.2	3.0	2.6	2.7

513 institutions provided nominal return data.

- Of the 513 responding institutions, 74% reported negative annual rates of return. Eighteen percent of the responding institutions reported returns between 0 – 5.0%, and 7.6% reported returns above 5.0%. Of that 7.6%, just 12 institutions reported returns above 10%.
- Among institutions reporting investment pool rates of return, those with larger endowments have, on average, higher rates of return than those with smaller endowments. The institutions with more than \$1.0 billion in assets have the highest compounded nominal return rates for all four periods (1,3,5, and 10-year), on average. The average one-year rate of return for these institutions is –1.6%. This figure has dropped 30.8 percentage points from June 30, 2000, when it was 29.2%.
- Independent institutions outperformed public institutions in all four periods, on average, as they represent 31 of the 41 institutions with assets greater than \$1.0 billion.
- Across all institutional types, the average one-year rates of return exceeded those of major stock market indexes.
- Nominal, cumulative and compounded rates of return are listed by institution in Part Five of this study.