

# Investment Trust Quarterly Review

Quarter ended December 31, 1999

The University Investment Trust (UIT) is a pooled fund which has been created from trust & endowment donations. The purpose of the UIT is to pool individual donations in an effort to reduce administrative costs, while providing an opportunity of generating higher returns through diversification. The UIT was first created in 1989 and has now grown to over \$134 million. Income earned on these funds is used to fund various activities such as scholarships, research, or general operating expenses.

## Asset Mix

Asset Categories	Allowable Range % per the U of M Act		Actual % of Mkt.	Actual \$ Mkt.
	Min	Max	31 Dec. 99	31 Dec. 99
Bonds	40	80	48	\$64,289
Canadian Equities & Equivalents	15	50	36	\$48,595
Cash & Short Term Notes	-	30	16	\$21,119
			100	\$134,003

## Investment Performance

Return Components	Annualized 4 Year %	Annualized 1 Year %	Fiscal 9 months Dec. 31/99%	Fiscal 3 months %
* Total Fund	12.40	10.70	9.2	6.6
* Bonds	7.4	-0.7	-1.4	-0.8
Scotia Capital Universe	7.4	-1.1	-1.9	-1.0
* Total Canadian Equities	24.4	34.8	31.7	21.8
* Canadian Equity Pooled	20.2	30.8	28.6	18.3
TSE 300	17.6	31.7	29.0	21.4
Canadian Equities (U of M Act)	28.5	38.6	34.5	24.9
91 Day Canada Treasury Bills	4.4	4.7	3.4	1.1
Consumer Price	1.60	2.2	2.1	0.3

Index  
\* Represents actual rates  
of return. Other  
figures represent  
comparative  
benchmarks.

## Investment Performance

Total investment performance for the last three months is 6.6%, up from 0.5% for the three month period ending September 30, 1999. During the last twelve months, the total equity portfolio outperformed the TSE 300 Index by 3.1%. While bond returns were poor, and in fact negative, the bond portfolio still out performed the index.

## Fund News

During the quarter, the terms of reference were changed for the portfolio due to the adoption of the Prudent Person rule under the University of Manitoba Act. As a result of this change, the Trust Investment Committee, which is responsible for overseeing the investment of trust and endowment funds met in October 1999 and January 2000, in order to draft a new Investment Policy statement. The Committee is using other major University endowment policies from across Canada as a benchmark in the development of a policy suitable for the University of Manitoba. The policy will address the types of investments which will be permitted to be held, the asset mix, as well as the spending policy. It is anticipated that a new spending policy, based on market values will also be implemented. The policy will be brought forward to the Board of Governors, through the Finance and Administration Committee in March 2000. If approved, the policy will be implemented in April 2000.

Membership of the Trust Investment Committee is as follows: Michael McAdam, Vice President (Administration), James Gardner, Vice-President (Academic) and Provost, Dale Parkinson, Chair, Finance & Administration Committee, Board of Governors, Leanne Burkowski, Comptroller, Gordon Pasiaka, Associate Comptroller, Norman Long, retired (Comptroller) and Gillian Ewing, Vice President (Prairie Region), Scotia Cassels. In addition to these members, the Committee relies on the University's Trust and Endowment Officers, Bill Stevenson and Mark Gardner as resource members.

**If you have any questions or comments, please call Leanne Burkowski (Comptroller) 474-9507 or Gord Pasiaka (Associate Comptroller) at 474-8713.**

This document and other information on Trust & Endowment can be found at [www.umanitoba.ca/admin/financial\\_services/trust/Trust\\_Funds.htm](http://www.umanitoba.ca/admin/financial_services/trust/Trust_Funds.htm)

## Value

	Book Value (\$000's)	Market Value (\$000's)
Total Portfolio at December 31, 1999	<b>\$112, 325</b>	<b>\$134,003</b>

Approx. Number of Accounts **1,200**