The University of Iowa Center for Advancement

ENDOWMENT REPORT

Fiscal Year 2026
July 1, 2025–June 30, 2026

Daniel Gottlieb, Chief Investment Officer

My first day as CIO was Feb. 23, 2026; I've enjoyed getting situated, not just at the UI Center for Advancement, but within the university.

As you'll see below, our portfolio generated excellent returns for the 2026 Fiscal Year (July 1, 2025–June 30, 2026), and the endowment closed the year with $1.984 billion in assets.

MARKET PERFORMANCE SUMMARY

The 2026 fiscal year saw exceptional **PUBLIC EQUITY** performance, led by AI-related technology in the United States and Asia. The S&P 500 Index was up 22.3% but lagged the Russell 2000, which after many years of consistent underperformance delivered a 40.8% return. The MSCI EAFE index returned 20.2%, while the MSCI Emerging Markets Index generated 43.5% returns, driven by South Korean and Taiwanese semiconductor names.

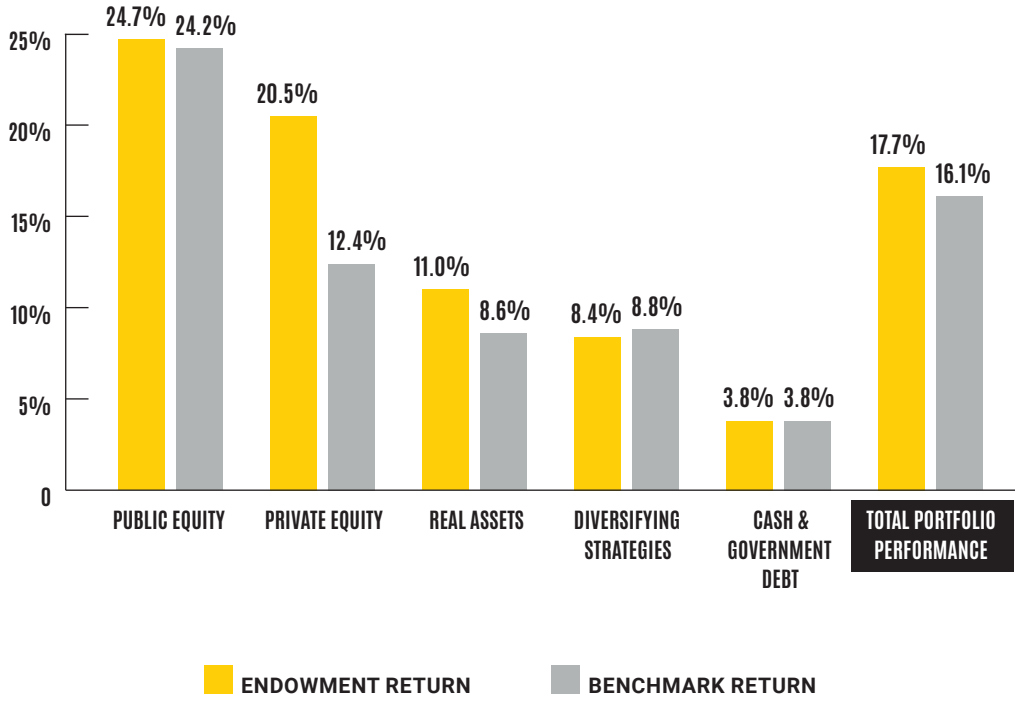
PRIVATE EQUITY markets remain in a broad slowdown that began in 2022, although pockets of strength are visible beneath the surface. In Venture Capital, activity has concentrated in AI and AI-related investments, most notably the SpaceX IPO in June, and hopes for similar listings this year from OpenAI and Anthropic. Buyouts saw a brief pickup in deal activity at the beginning of the year that fizzled due to geopolitical and market uncertainty. Secondary markets continue to grow, with record transaction volumes in both LP- and GP-led transactions. One-year benchmark returns are 4.2% for the narrow buyout universe and 12.4% for the broader private equity market.

REAL ASSETS generated strong returns led by commodity prices which rose significantly (albeit with no shortage of volatility) in the second half of the year, largely on the back of supply disruptions brought on by the war with Iran. Infrastructure investments were generally positive with power and gas-related assets benefiting from ties to AI and data center growth. Real estate continues to be the laggard among its peers, as inflation and an increasingly challenging rate environment weigh on long-term prospects.

DIVERSIFYING STRATEGIES performed well, with leadership provided by funds that benefited from exposure to strong equity performance. Hedge funds have broadly taken advantage of the increase in base rates since 2022 and have navigated short-term market volatility well. For the fiscal year, benchmark performance for hedge funds shows a gain of 10.5%.

FY 2026 PORTFOLIO PERFORMANCE

Our portfolio generated strong performance for the fiscal year, with a gain of 17.7% versus an increase of 16.1% for our target-weighted benchmark. Absolute performance was led by Public Equity, while Private Equity and Real Assets both generated strong relative performance. The only relative performance detractor was our Diversifying Strategies portfolio, which underperformed its benchmark by 0.8%. Within the Diversifying Strategies portfolio, Public Diversifying Strategies had a strong year led by trend-following assets, while Private Diversifying Strategies lagged.



PORTFOLIO POSITIONING

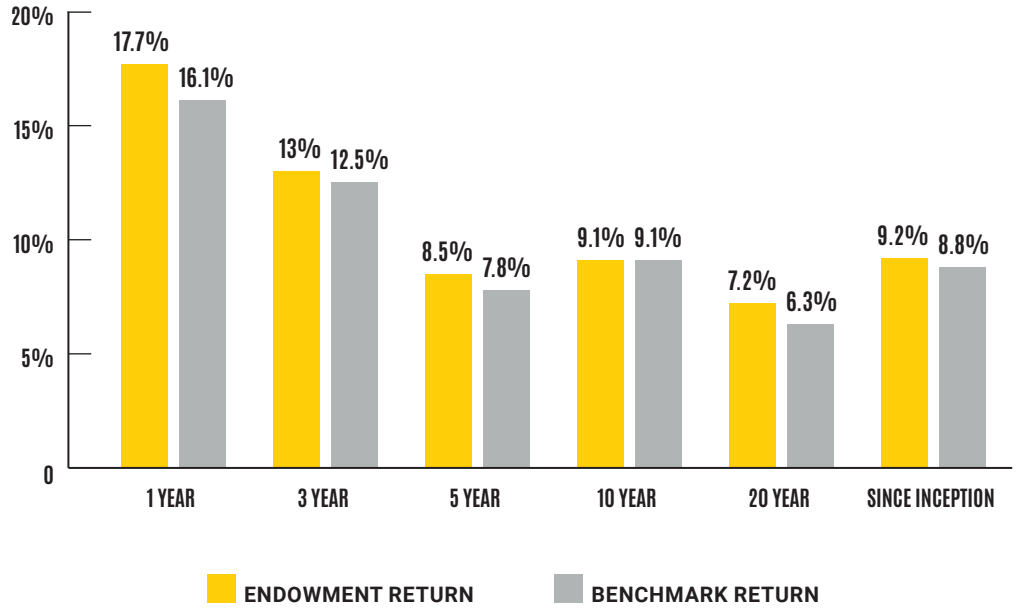
We remain balanced relative to our long-term portfolio targets. Global Equity is slightly underweight its long-term target; we continue to build our Private Equity program to meet it's long-term 30% allocation while Public Equity remains overweight to balance out total equity exposure. Diversifying Strategies hold a 15% weight, under their 20% long-term target, while Cash & Government Debt are at their target of 10%.

Asset Class	Portfolio Weight	Target Weight
Public Equity	43.3%	40%
Private Equity	24.8%	30%
Global Equity	**68.1%**	**70%**
Real Assets	**7.0%**	**0%**
Public Diversifying Strategies	7.9%	10%
Private Diversifying Strategies	7.3%	10%
Diversifying Strategies	**15.2%**	**20%**
Cash & Government Debt	**9.7%**	**10%**
TOTAL	100%	100%

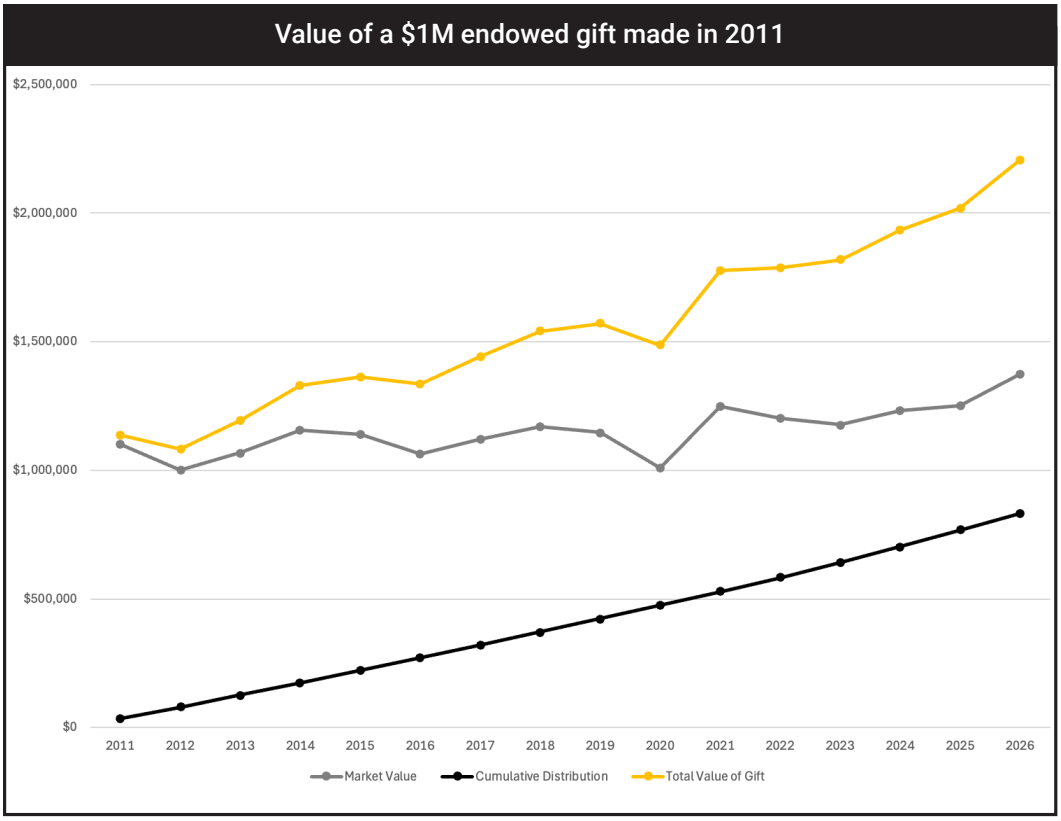
One of my initiatives has been to propose changes to our asset allocation; those changes were adopted during the current fiscal year (FY27) and will be reflected in future reports. The goal of these changes is to allow our team to be more opportunistic and tactical in our investing, and to provide greater clarity into the risks reflected by investments in different portfolio categories. Future reporting will include Credit & Fixed Income and Opportunistic Strategies as separate asset classes.

LONG-TERM INVESTMENT PERFORMANCE

While we are pleased with our short-term performance, generating consistent long-term performance is the ultimate goal. Our annualized investment performance over longer timeframes shows consistent outperformance versus its benchmark portfolio.



Our long-term portfolio is designed to generate growth while managing volatility through a diversified approach, providing a dependable funding stream to designated programs. The current spending policy, adopted in 2011, utilizes a banded inflation-sensitive approach. As you can see below, a $1,000,000 endowed gift established at that time would have grown its principal value by 37% over the subsequent 15 years, while also distributing over $830,000 in support.



CONCLUSION

Generating exceptional long-term returns to support the university sits at the core of everything we do; this year's results show that we are building on a strong foundation. I'm thrilled to have joined the team and look forward to sharing our progress with you over the coming years.

ABOUT THE CIO



Daniel Gottlieb joined the UI Center for Advancement as chief investment officer on Feb. 23, 2026. He brings more than two decades of experience in managing complex investment portfolios, advising long-term investors, and serving in chief investment officer roles.

In his most recent role as a senior client investment officer in Northern Trust's Global Family Office, Gottlieb partnered with ultra-high-net-worth families and private foundations, managing more than $6 billion in assets.

Before joining Northern Trust, Gottlieb was chief investment officer for the Southern Ute Indian Tribe and oversaw the transition of a perpetual pool of mission-driven capital. In collaboration with the tribal council and senior leadership, he created the tribe's first investment committee and built out its investment management team. During his eight-year tenure, the tribe's pool of permanent capital grew from $2.2 billion to $3.7 billion.

Gottlieb holds a Bachelor of Arts in religion from Swarthmore College and a Master of Business Administration in strategy and nonprofit management from the Yale School of Management.