



**General Endowment Fund⁽¹⁾
Investment Summary Report
(\$ millions)**

	1st Quarter 11/30/2001	2nd Quarter 2/28/2002	3rd Quarter 5/31/2002	4th Quarter 8/31/2002	Year-to- Date
Beginning Net Assets	\$ 3,723.9	\$ 3,640.3	\$ 3,633.2	\$ 3,626.1	\$ 3,723.9
Net Contributions (Withdrawals)	(47.6)	(14.9)	(100.2)	(68.0)	(230.7)
Investment Return	(55.3)	12.5	96.6	(299.1)	(245.3)
Expenses	(1.5)	(1.7)	(2.2)	(1.8)	(7.2)
Allocations (1)	20.8	(3.0)	(1.3)	36.0	52.5
Ending Net Assets	\$ 3,640.3	\$ 3,633.2	\$ 3,626.1	\$ 3,293.2	\$ 3,293.2
Net Asset Value, Per Unit	\$ 96.325	\$ 96.612	\$ 99.099	\$ 90.932	\$ 90.932
Number of Units (End of Period):					
PHF	8,897,012	8,784,469	7,784,304	7,676,762	7,676,762
LTF	28,895,291	28,821,969	28,806,706	28,539,389	28,539,389
Total Number of Units	37,792,303	37,606,438	36,591,010	36,216,151	36,216,151
Percentage Ownership:					
PHF	23.5%	23.4%	21.3%	21.2%	21.2%
LTF	76.5%	76.6%	78.7%	78.8%	78.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
(1) The GEF allocates its net investment income and realized gain (loss) to its unitholders monthly based on their ownership of GEF units at month end. The allocated amounts are reinvested as GEF contributions. Since the allocation is proportional to the percentage of ownership by the unitholders, no additional units are purchased.					

Year End Commentary

The net investment return for the year ended August 31, 2002, was a negative 6.96%. UTIMCO's computed benchmark for endowment funds, the Endowment Policy Portfolio, posted a negative return of 6.57% for the same time period. The inflation hedging asset class was the best performer for the year posting a positive investment return of 10.98%. All fixed income asset classes posted positive returns ranging from 6.24% to 8.85%. Non-Marketable alternative assets posted a negative investment return of 17.18%. All other equities asset classes posted negative returns ranging from 1.33% to 20.54%. Non-Marketable alternative assets, or private investments, have continued to experience valuation declines lagging those of the public markets.

The GEF ended the quarter with a market value of \$3,293.2 million. Period end asset allocation was 79% broadly defined equities, 21% fixed income and 0% money market funds versus an unconstrained neutral allocation of 80% equities, 20% fixed income and 0% money market funds.

Third Quarter Commentary

The net investment return for the quarter ended May 31, 2002, was a positive 2.61%. UTIMCO's computed benchmark for endowment funds, the Endowment Policy Portfolio, posted a positive return of 2.23% for the same time period. The established international equities asset class was the best performer for the quarter posting a positive investment return of 8.42%. All other marketable asset classes posted positive returns ranging from .25% to 8.24%. Non-Marketable alternative assets posted a negative investment return of 1.33%. Non-Marketable alternative assets, or private investments, have continued to experience valuation declines lagging those of the public markets.

The GEF ended the quarter with a market value of \$3,626.1 million. Period end asset allocation was 80% broadly defined equities, 19% fixed income and 1% money market funds versus an unconstrained neutral allocation of 80% equities, 20% fixed income and 0% money market funds.

Second Quarter Commentary

The net investment return for the quarter ended February 28, 2002, was a positive .32%. UTIMCO's computed benchmark for endowment funds, the Endowment Policy Portfolio, posted a positive return of .22% for the same time period. In the GEF, the emerging international equities asset class was the best performer for the quarter posting a positive investment return of 10.75%. Inflation hedging (real estate investment trusts), marketable alternative equities (hedge and absolute strategies), domestic fixed income, and large/medium capitalization equities posted positive returns ranging from 4.03% to .08%. Small capitalization domestic equities, Non-Marketable alternative assets (private equity investments that include venture capital, buyout and mezzanine investments), established international equities, and international fixed income posted losses during the quarter ranging from negative .76% to negative 4.71%. Non-Marketable alternative assets have continued to experience valuation declines lagging those of the public markets.

The GEF ended the quarter with a market value of \$3,633.2 million. Period end asset allocation was 80% broadly defined equities, 19% fixed income and 1% money market funds versus an unconstrained neutral allocation of 80% equities, 20% fixed income and 0% money market funds.

First Quarter Commentary

The net investment return for the three months ended November 30, 2001, was a negative 1.50%. UTIMCO's computed benchmark for endowment funds, the Endowment Policy Portfolio, posted a positive return of .47% for the same time period. The domestic fixed income asset class was the best performing asset class posting a positive net return of 1.83% during the quarter. Alternative Non-Marketable equities posted the lowest return of negative 9.72%. Alternative marketable assets (hedge and absolute return strategies), inflation hedging (real estate investment trusts and Goldman Sach's Commodity Index), and public equities (both domestic and international) posted negative returns ranging from .27% to 4.43%.

The GEF ended the quarter with a market value of \$3,640.3 million. Period end asset allocation was 79% broadly defined equities, 19% fixed income and 2% money market funds versus an unconstrained neutral allocation of 80% equities, 20% fixed income and 0% money market funds.