



INVESTMENT COMMITTEE ANNUAL REPORT

MARCH 31, 2023

MEMORIAL UNIVERSITY

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EXECUTIVE SUMMARY

Memorial University's endowed and non-endowed funds are separated into two investment pools for the purpose of investing the funds in various investment vehicles. The source of the invested funds varies from endowed funds for scholarships and research chairs, to non-endowed funds for term awards, administered trusts, and faculty research and education trusts.

Memorial University also has specifically invested trust fund; the Jarislowsky Chair in Cultural and Economic Transformation. In order to adhere to the terms of the unique fund agreement, the assets were separately invested as specifically invested trust funds and are reported on individually.

This report provides an overview of the investment performance of the three portfolios as well as the financial results of the funds invested in the pooled investments and the specifically invested trust fund.



ANNUAL PERFORMANCE

Periods Ending					
March 31	2023	2022	2021	2020	2019
Endowed Funds					
Annual Return	2.82	9.38	23.05	0.17	8.55
Benchmark	0.45	8.02	23.48	-3.16	6.64
Nonendowed Funds					
Annual Return	1.41	0.55	8.58	0.97	4.46
Benchmark	0.47	1.39	7.99	0.52	3.93

JF Fund

Annual Return	-0.06	2.98	20.51	-1.12	7.37
Benchmark	-2.10	4.15	19.84	-2.39	6.52

Benchmarks

Endowed Funds

The benchmark portfolio returns are based on the Investment Policy Statement benchmark, which beginning January 1, 2018 is S&P/TSX Composite Index 25%, MSCI ACWI (C\$) 30%, FTSE Universe Bond Index 10%, FTSE All Corporate Bond Index 10%, Mortgages Benchmark 5%, and Real Estate Benchmark 20%. Prior to January 1, 2018, the benchmark was S&P TSX Composite Index 25%, MSCI World (C\$) 10%, S&P 500 (C\$) 10%, FTSE Universe Bond Index 45% and FTSE 91 Day T-Bill Index 10%.

Nonendowed Funds

The benchmark portfolio returns are based on the Investment Policy Statement benchmark, which beginning January 1, 2018, is S&P/TSX 10%, MSCI ACWI (C\$) 10%, FTSE Universe Bond Index 30%, FTSE 91-Day T-Bill Index 50%. Prior to January 1, 2018, the benchmark was S&P/TSX Composite Index 15%, FTSE Mid-Term Universe Bond Index 30%, FTSE TMX Canada 91-Day T-Bill Index 50%, and MSCI World (C\$) 5%.

JF Fund

The benchmark portfolio returns are based on the Investment Policy Statement benchmark, which beginning January 1, 2018 is 50% FTSE Universe + 25% S&P/TSX Composite + 25% MSCI ACWI (C\$).

ENDOWMENT FUNDS

The University’s objectives for the management of its endowments are to maintain a reasonably stable spending rate and to maintain an acceptable funding level so that the initial donations, adjusted for inflation, are available in perpetuity to the University to preserve intergenerational equity to ensure all beneficiaries, current and future, receive comparable levels of support. The University’s Statement of Investment Policy and Objectives sets forth the guidelines for the administration of these funds.

The book value of the investment portfolio at March 31, 2023 was \$144,116,764 and the market value was \$162,970,341.

The investments are categorized by asset class as shown below:

	Asset Allocation				
	Pooled Investment Fund - Endowed				
	As at March 31, 2023				
	SIPO	Book	Market	Asset Mix	
	Target	Value	Value	At	At
				Cost	Market
Canadian Core Fixed Income	10.00%	13,772,253	12,122,724	9.56%	7.44%
Canadian Corporate Fixed Income	10.00%	14,633,381	12,727,708	10.15%	7.81%
Canadian Equities	25.00%	40,623,174	41,681,549	28.19%	25.58%
Global Equities	30.00%	44,654,174	53,941,297	30.98%	33.10%
Canadian Commercial Mortgages	5.00%	7,281,678	6,990,647	5.05%	4.29%
Canadian Real Estate	20.00%	23,152,105	35,506,416	16.06%	21.79%
	100.00%	144,116,764	162,970,341	100.00%	100.00%



NON-ENDOWED FUNDS

The University’s objectives for the management of its non-endowed funds are to protect the principal and to provide cash flow to meet the needs of the users of these funds. The University’s Statement of Investment Policy and Objectives sets forth the guidelines for the administration of these funds. A substantial portion of these funds will likely not be required on an urgent or unplanned basis. Accordingly, the non-endowed funds are invested with a priority to liquidity but striving to enhance longer-term earnings.

The book value of the investment portfolio at March 31, 2023 was \$34,015,773 and the market value was \$33,906,921.

The investments are categorized by asset class as shown below:

Asset Allocation
Pooled Investment Fund - Non-Endowed
As at March 31, 2023

	SIPO Target	Book Value	Market Value	Asset Mix	
				At Cost	At Market
Cash and Short-Term Investments	40.00%	14,235,977	14,196,835	41.85%	41.87%
Canadian Core Fixed Income	12.50%	3,900,933	3,432,446	11.47%	10.12%
Canadian Corporate Fixed Income	12.50%	4,541,904	4,083,800	13.35%	12.04%
Canadian Commercial Mortgages	10.00%	3,768,409	3,757,013	11.08%	11.08%
Canadian Equities	10.00%	3,408,354	3,506,442	10.02%	10.34%
Global Equities	15.00%	4,160,196	4,930,385	12.23%	14.54%
	<u>100.00%</u>	<u>34,015,773</u>	<u>33,906,921</u>	<u>100.00%</u>	<u>100.00%</u>



SPECIFICALLY INVESTED TRUST FUND

Jarislowsky Chair in Cultural and Economic Transformation

The book value of the investment portfolio at March 31, 2023 was \$2,763,217 and the market value was \$2,748,679. The asset mix as of March 31, 2023, was as follows:

Asset Allocation
Specifically Invested Trust Fund
Jarislowsky Chair in Cultural and Economic Transformation
As at March 31, 2023

	SIPO Target	Book Value	Market Value	Asset Mix	
				At Cost	At Market
Cash and Short-Term Investments	0.00%	-	-	0.00%	0.00%
Canadian Core Fixed Income	50.00%	1,402,310	1,238,547	50.75%	45.06%
Canadian Equities	25.00%	713,288	732,583	25.81%	26.65%
Global Equities	25.00%	647,620	777,549	23.44%	28.29%
	<u>100.00%</u>	<u>2,763,217</u>	<u>2,748,679</u>	<u>100.00%</u>	<u>100.00%</u>



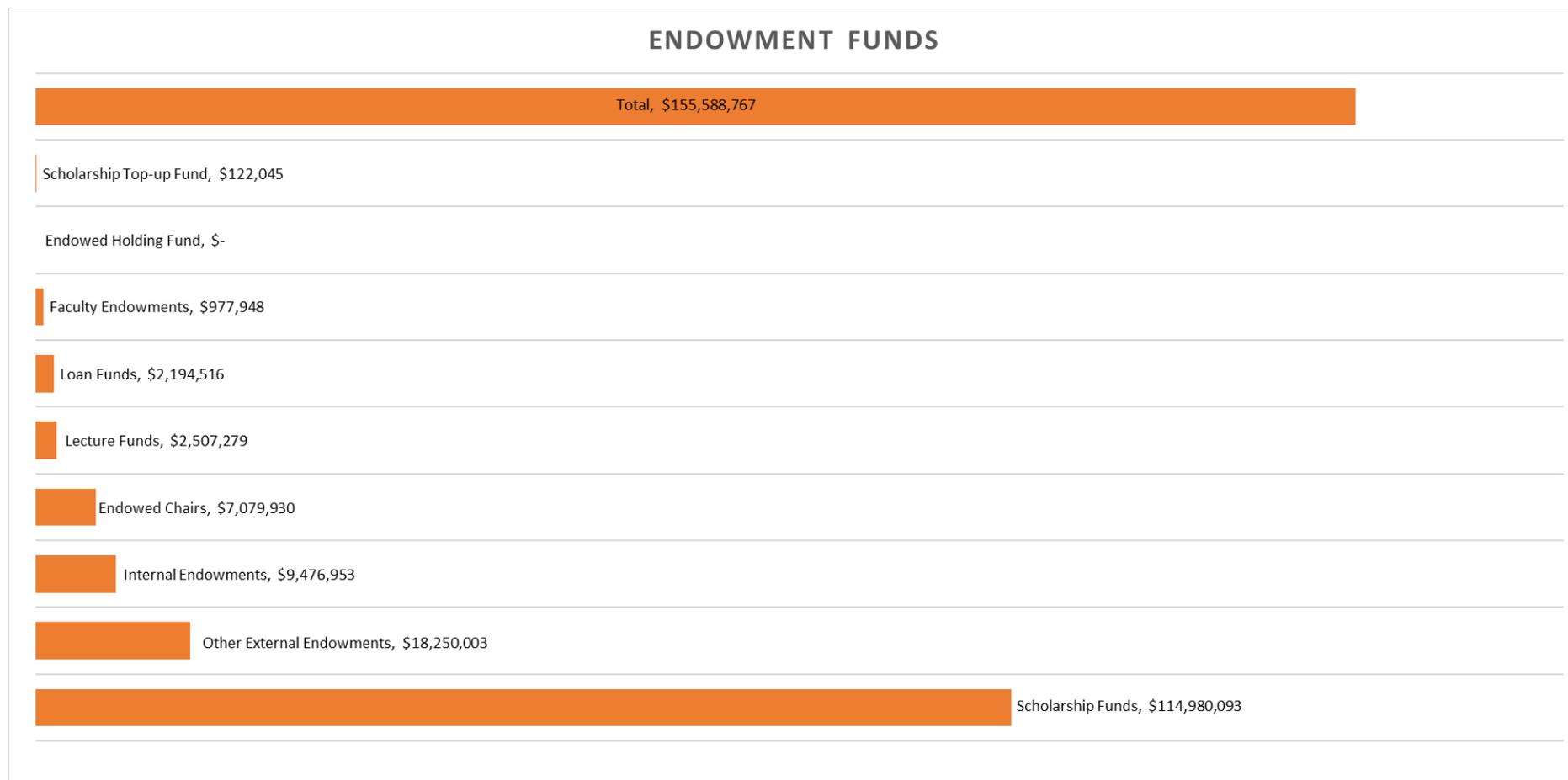
FINANCIAL RESULTS OF THE FUNDS

Cash Flow Analysis April 1, 2022 - March 31, 2023

	Endowment Funds	Non-endowed Funds	Jarislowsky Chair in Culture Change
Endowment, opening	103,619,460	-	2,000,000
Endowed contributions	2,196,382	-	-
Endowment, closing	105,815,842	-	2,000,000
Unrestricted balance, opening	49,214,035	36,406,443	1,285,961
Investment income			
Income	3,670,787	1,037,018	44,775
Realized gains/losses	1,307,731	(353,265)	23,881
Unrealized gains/losses	(593,315)	(218,717)	(98,903)
Contributions			
Non-endowed	269,779	2,841,956	-
Top-up funds	50,981	230	-
Other income	-	1,187,627	28,810
Expenditures			
Scholarships	(4,570,237)	(2,783,447)	(4,088)
Investment fees	(979,289)	(143,860)	(19,752)
Other expenses	(2,317,065)	(1,407,556)	(55,454)
Transfers	3,719,518	1,737,214	432
Unrestricted balance, closing	49,772,926	38,303,643	1,205,662
Closing balance	155,588,767	38,303,643	3,205,662

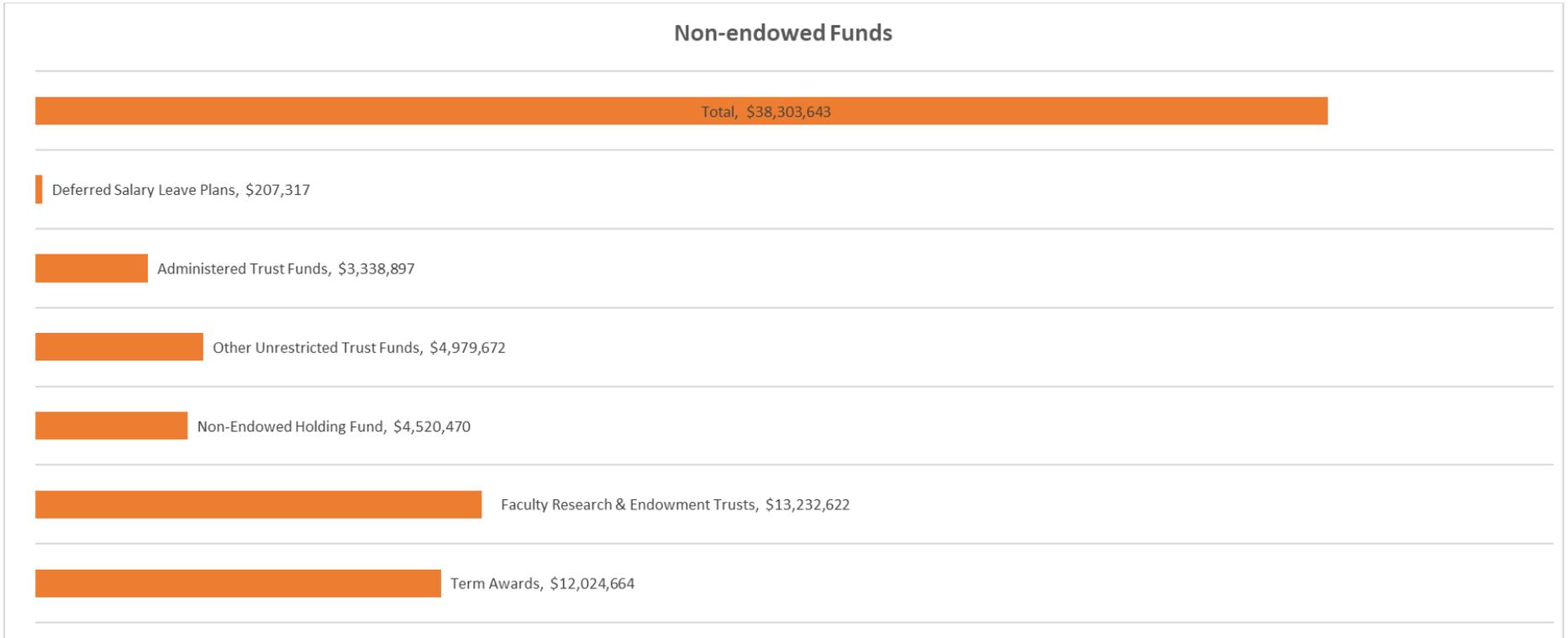
APPENDIX A

Breakdown of Endowed Funds



APPENDIX B

Breakdown of Non-Endowed Funds



APPENDIX C

Historical Graphs

