September 1, 2021

Letter from the Outsourced Chief Investment Officer

Fiscal year 2021 was a tremendous year for most endowments and foundations, including the Oregon State University Foundation, which posted its highest-ever investment return for the period ending June 30, 2021. On the heels of the steep market declines in early 2020 that resulted from the COVID-19 pandemic, global financial markets soared over the 2021 fiscal year, driven by successful vaccination campaigns, significant government and monetary stimulus, and a rebounding global economy.

Global equity markets finished up a staggering +39.3% (as measured by the MSCI All Country World Index) for the fiscal year, led by U.S. and emerging equity markets, both of which outpaced developed international markets. Global fixed income markets generated modestly positive returns for the period (+2.6%, as measured by the Barclays Global Aggregate Bond Index). Hedge funds benefited from a favorable environment for risk assets and increased by +18.2% (as measured by the HFRI Fund of Funds Index) over the fiscal year. Commodities posted significant gains, ending the fiscal year up +45.6% (as measured by the Bloomberg Commodity Index).

Against this backdrop, the Oregon State University Foundation's Endowed Pool returned +35.9% (net of all fees and expenses) for the June 30, 2021 fiscal year, outpacing the +31.2% return for the policy benchmark, which is a blend of the MSCI All Country World Index (80%) and the Barclays Global Aggregate Bond Index (20%). Compared to peers¹, the Foundation's performance was in the top decile for the fiscal year and was significantly ahead of the median return of +27.3%. The Endowed Pool’s Global Equity (+41.0%) and Private Capital (+52.6%) portfolios performed particularly well and were responsible for the majority of the total Portfolio’s outperformance. During the period, the net asset value of the Portfolio grew by $204.7 million, increasing from $614.9 million to $819.6 million.

As we reflect on the last five years of working with the Foundation, we are pleased with the Endowed Pool’s performance, to date. The Portfolio has generated a +12.9% annualized return for the last five years, which has exceeded both its long-term investment objective (+7.5%) and the return for its policy benchmark (+11.9%)². We continue to believe that the Portfolio is well-positioned for volatile and uncertain market environments, and that the diversification of the Portfolio as well as our ability to select quality managers will prevail over the longer term.

Best regards,

Trey Thompson, CFA
Partner & President

¹ Ranking is from the Investment Metrics database, which represents the net returns of over $170 Billion in approximately 1,200 foundation/endowment plans. This ranking may not be indicative or representative of an Agility client’s experience. These ratings are not indicative of Agility’s future performance.
² Performance is measured from July 1, 2016 to June 30, 2021.
Disclosures:

All information presented herein (the "Information") is confidential and as of the date of this report, has not been audited, and is intended solely for your informational purposes. The performance information presented for the Agility Comprehensive Solutions Fund ("ACSF") is that of The Oregon State University Foundation (the "Investor"), and is presented net of all fees and expenses. This performance information for both ACSF and the other positions held by the Investor has been prepared by Perella Weinberg Partners Capital Management LP ("PWPCM") using estimates, has not been audited, and is intended solely for your general informational purposes. Any internal rates of return and, as applicable, any other financial information have been calculated by PWPCM and have not been approved by the underlying managers. In instances in which we receive additional valuation information from underlying investments after the Investor’s performance information has been calculated and disseminated, such additional valuation information, for performance purposes, is usually utilized only in connection with the next scheduled performance calculation and distribution (and not retroactively applied). The use of information in connection with the next scheduled performance calculation and distribution could cause a variation (which may be material) between the performance information shown herein, and information reported in other materials, such as, but not limited to, account statements and audited financial statements. The Information cannot, and should not, be relied upon for any other purposes nor discussed or disclosed to any other person without the prior written consent of PWPCM. Past performance is not an indication of future results.

Allocations and exposures are based on our assessment of the strategies of underlying managers/funds and investments, and determined solely in our discretion based on a best-efforts approximation and may be based on assumptions, third-party unverified data, inconsistent data, data conversions and estimates from incomplete information. The actual allocations and exposures may be substantially different from the information presented herein. Information including, but not limited to, investment experience/views, benchmarks, strategic targets, market opportunity, strategy assets, exposures, portfolio construction, capitalizations, positions, fund characteristics, guidelines, returns or performance may involve our views, estimates, assumptions, facts, and information from other sources that are believed to be accurate and reliable and are as of the date listed above – any of which may change without notice. Any of the Information that constitutes "forward-looking statements" (ex. "believe", "expect" or "estimate"), may differ materially from actual events, results and performance. We have no obligation (express or implied) to update any or all of the Information or to advise you of any changes; nor do we make any express or implied warranties or representations as to the completeness or accuracy, or accept responsibility for errors.

The Information is qualified in its entirety by reference to the applicable ACSF Confidential Private Placement Memorandum (the "Memorandum"). In the event of conflict between this Information and the Memorandum, the Memorandum prevails. This is not, and should not be considered, an offer to invest in, or to buy or sell, any interests or shares, or to participate in any investment or trading strategy. Any offering or solicitation will be made only pursuant to the Memorandum, together with all appropriate Fund documents, all of which must be read and agreed to in their entirety. Capitalized terms have the same meanings as set out in the Memorandum. Assets are managed by PWPCM.

Please refer to the Memorandum for more information on fees including early withdrawal charges and other important information. The investments discussed herein, including the Fund, may be speculative and involve a high degree of risk; could result in loss; may be leveraged which can potentially increase investment risk; may have volatile performance; can be highly illiquid and investors may be required to retain their exposure to investments for an indefinite period of time; do not have a secondary market for the Investor’s interest and none is expected to develop; may have restrictions in transferring interests of the assets; may not be required to provide periodic pricing or valuation information to investors; may include international investments that are subject to political influences, currency fluctuations and economic events that are unrelated to those affecting the domestic financial markets and may experience wider price fluctuations; are not subject to the same regulatory requirements as mutual funds; may involve complex tax structures and delays in distributing important tax information; and, may have high fees and expenses offsetting profits.

These contents are proprietary Information and products of Perella Weinberg Partners and may not be reproduced or disseminated in whole or part without the prior written consent of Perella Weinberg Partners.

Perella Weinberg Partners and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with Perella Weinberg Partners of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

The indices and benchmarks referenced within this piece are provided for comparison and informational purposes only. The composition and volatility, and therefore performance, of each index/benchmark may be materially different from that of the PWP product referenced. The HFRI Fund of Funds Index performance update frequency, provided by HFR, is as follows: the "flash" update is published on the fifteenth business day of the month, the "mid-month" update on the 15th or the nearest business day, and the "month-end" update on the first business day of the following month. For reporting purposes, the most recently available estimate is used. For more information on the referenced benchmarks/indices, please visit http://pwpartners.com/index-definitions, or contact AgilityClientService@agilitycio.com.

Investor Benchmarks

The Endowed Pool Benchmark assumes hypothetical returns on an investment in positions included in the Benchmark, appropriately weighted. The “Benchmark” is composed of two broad-based indices: (i) the MSCI All Country World Total Return Net Index from Morgan Stanley Capital International (the “MSCI ACWI”) and (ii) the Barclays Global Aggregate Bond Index (the “Barclays Global Agg.”). In calculating the weightings and corresponding performance of the Benchmark, PWPCM does not take into account any fees (including incentive fees) and expenses. If such fees and expenses were taken into account, the weightings and performance of the Benchmark may vary from the numbers shown herein. The Benchmark consists of 80% of the MSCI ACWI and 20% of the Barclays Global Agg. Returns for the Benchmark and the underlying indices assume the reinvestment of all capital gain and dividend distributions.