

**PERMANENT UNIVERSITY FUND**

**DETAIL SCHEDULES OF INVESTMENT SECURITIES**

**August 31, 2006**



**PERMANENT UNIVERSITY FUND**  
**EQUITY SECURITIES**  
August 31, 2006

SCHEDULE A

SECURITY	SHARES	VALUE (\$)	COST (\$)
<b>DOMESTIC COMMON STOCKS</b>			
1-800 FLOWERS COM INC.....	67,254	310,041	461,909
A C MOORE ARTS & CRAFTS INC.....	22,715	403,873	379,380
AAR CORP.....	108,700	2,425,097	2,733,251
ACCESS NATIONAL CORP.....	16,300	148,330	153,102
ACCO BRANDS CORP.....	9,100	197,106	230,867
ACTUANT CORP.....	3,563	160,691	166,320
ADAPTEC INC.....	16,900	69,628	73,238
ADC TELECOMMUNICATIONS INC.....	67,300	918,645	1,088,414
ADESA INC.....	18,369	405,771	448,620
ADVANCED ANALOGIC TECHNOLOGIES.....	8,400	79,968	77,519
AEROFLEX INC.....	51,483	536,453	617,034
ALEXANDRIA REAL ESTATE.....	109,800	10,762,596	4,386,218
ALLIANT TECH SYSTEMS INC.....	14,700	1,124,403	911,590
ALLIS CHALMERS ENERGY INC.....	1,700	31,365	16,575
ALLOY INC.....	12,780	145,436	124,245
ALPHA NATURAL RESOURCES INC.....	600	10,878	11,400
AMB PROPERTIES CORP.....	176,600	9,859,578	8,492,976
AMERICAN INTERNATIONAL GROUP INC.....	55,900	3,567,538	3,626,396
AMERICAN OIL & GAS INC.....	12,236	78,800	54,052
AMERICAN VANGUARD CORP.....	5,200	78,260	80,143
AMIS HOLDINGS INC.....	41,000	373,510	430,286
ANALOG DEVICES INC.....	201,200	6,164,768	6,903,609
ANALOGIC CORP.....	13,899	789,880	652,197
ANSWERTHINK INC.....	17,500	49,875	83,921
APARTMENT INVESTMENT & MANAGEMENT.....	296,600	15,197,784	10,896,886
APPLEBEES INTERNATIONAL INC.....	267,900	5,558,925	6,194,538
APPLIED MATERIALS.....	177,900	3,002,952	3,121,931
ARBITRON INC.....	76,270	2,861,650	2,962,689
ARCH CHEMICAL INC.....	14,215	394,324	390,960
ARCH COAL INC.....	123,740	4,052,485	3,249,756
ARCHSTONE-SMITH TRUST.....	409,381	21,770,882	9,287,302
ASTORIA FINANCIAL CORP.....	28,300	868,810	819,925
ATMI INC.....	24,695	712,945	675,128
AVALONE BAY COMMUNITIES INC.....	219,560	26,566,760	11,075,958
AXCELIS TECHNOLOGIES INC.....	720,666	4,532,989	5,319,568
BANKUNITED FINANCIAL CORP.....	379,724	9,785,487	10,604,581
BAUSCH & LOMB INC.....	90,000	4,356,900	4,398,435
BEARINGPOINT INC.....	27,500	229,900	246,803
BELL MICROPRODUCTS INC.....	96,002	468,490	567,649
BERRY PETEROLEUM CO.....	58,700	1,833,201	1,932,893
BIG LOTS INC.....	560,550	10,286,093	6,654,120
BIOMED REALTY TRUST INC.....	193,200	6,016,248	5,412,497
BISYS GROUP INC.....	129,300	1,330,497	2,013,631
BJ SERVICE CO.....	77,500	2,659,025	2,279,332
BLOCKBUSTER INC.....	91,600	365,484	400,195
BOIS D ARC ENERGY LLC.....	2,400	39,336	31,200
BOSTON PROPERTIES INC.....	302,915	30,785,251	13,434,897
BOWNE & CO INC.....	27,590	425,438	403,947
BRANDYWINE REALTY TRUST.....	66,427	2,167,513	1,927,195

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(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
BRE PROPERTIES INC.....	259,800	15,351,582	11,297,956
BROCADE COMMUNITY SYSTEMS INC.....	61,900	383,780	351,723
BROOKFIELD HOMES CORP.....	33,540	791,544	873,508
BROOKS AUTOMATION INC.....	72,859	1,012,740	1,050,476
BROWN & BROWN INC.....	47,100	1,410,174	1,207,629
CABOT CORPORATION.....	7,900	262,517	274,115
CABOT OIL & GAS.....	3,200	163,392	154,513
CACI INTERNATIONAL INC.....	86,200	4,573,772	4,545,732
CADENCE FINANCIAL CORP.....	8,400	173,040	165,392
CALLAWAY GOLF CO.....	40,200	539,082	566,855
CALLON PETROLEUM CO.....	4,500	69,615	89,912
CAMBREX CORP.....	8,900	200,695	191,560
CAMDEN PROPERTY TRUST.....	77,300	5,997,707	5,507,625
CANARGO ENERGY CORP.....	120,600	165,222	76,420
CASCADE MICROTECH INC.....	13,022	153,790	146,059
CBL & ASSOCIATES PROPERTIES INC.....	70,700	2,880,318	2,859,920
C-COR NET CORP.....	62,550	497,273	461,979
CHALLENGER CORPORATION.....	727	8	8
CHECKPOINT SYSTEMS INC.....	341,950	6,206,393	6,712,708
CHEMTURA CORP.....	28,000	243,320	328,797
CHESAPEAKE CORP.....	17,500	253,750	258,049
CHITTENDEN CORP.....	8,225	237,291	224,279
CIRCOR INTERNATIONAL INC.....	12,335	353,891	310,982
CISCO SYSTEMS INC.....	195,200	4,292,448	3,683,117
COHERENT INC.....	14,010	508,003	436,631
COHU INC.....	25,230	423,107	416,832
COLE KENNETH PRODUCTIONS INC.....	10,700	250,487	301,275
COLONIAL PROPERTIES.....	20,200	1,001,516	963,335
COMMUNITY BANCSHARES INC.....	12,800	130,560	125,951
COMPLETE PRODUCTION SERVICES INC.....	1,600	35,520	38,400
COMPUTER TASK GROUP INC.....	30,030	102,703	125,168
COMSTOCK RESOURCES INC.....	249,935	7,188,131	7,406,707
CONEXANT SYSTEMS INC.....	79,100	162,946	253,098
CONSOL ENERGY INC.....	142,380	5,192,599	3,632,607
CORINTHIAN COLLEGES INC.....	34,120	413,534	452,278
COUSINS PROPERTIES INC.....	76,000	2,612,120	2,426,292
COVENANT TRANSPORTATION INC.....	16,695	219,706	246,131
COX RADIO INC.....	148,200	2,350,452	2,318,017
CRESCENT REAL ESTATE.....	95,600	2,069,740	1,858,253
CTS CORP.....	21,195	311,567	267,833
CVS CORP.....	127,300	4,270,915	3,748,760
DARDEN RESTAURANTS INC.....	94,200	3,334,680	2,807,924
DELIA*S INC.....	27,107	195,170	210,451
DELTA & PINE LAND CO.....	140,500	5,684,630	3,262,764
DELTA PETROLEUM CORP.....	6,400	133,760	123,832
DENDRITE INTERNATIONAL.....	62,600	627,252	712,828
DEVELOPERS DIVERSIFIED REALTY CORP.....	92,600	5,009,660	3,995,079
DEVON ENERGY CORP.....	8,700	543,663	537,030
DEVRY INC.....	448,200	10,017,270	8,141,476
DIAMOND OFFSHORE DRILLING INC.....	31,749	2,301,168	2,048,345

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SECURITY	SHARES	VALUE (\$)	COST (\$)
DIEBOLD INC.....	97,900	4,102,989	3,720,867
DOWNEY FINANCIAL CORP.....	47,500	2,916,025	2,629,894
DTS INC.....	8,000	147,040	154,689
DUCOMMUN INC.....	22,270	385,939	448,839
DYCOM INDUSTRIES INC.....	18,100	366,525	403,496
EAST GROUP PROPERTIES INC.....	4,800	244,848	230,078
EGL INC.....	148,450	4,538,117	3,384,192
ELECTRO RENT CORP.....	8,300	133,713	114,411
ELECTRO SCIENTIFIC INDS INC.....	27,547	548,461	606,892
ELECTRONICS FOR IMAGING INC.....	3,900	89,856	83,226
EMS TECHNOLOGIES INC.....	112,145	2,050,011	1,963,450
ENSCO INTERNATIONAL INC.....	17,900	799,951	860,956
ENTEGRIS INC.....	554,660	6,023,608	5,499,910
EOG RESOURCES INC.....	41,200	2,670,584	2,435,259
EQUITY RESIDENTIAL PROPERTY.....	596,465	29,745,710	19,814,864
EQUITY LIFESTYLE PROPERTIES INC.....	39,725	1,780,872	1,835,504
EQUITY OFFICE PROPERTIES TRUST.....	903,110	33,496,350	28,829,936
ESSEX PROPERTIES TRUST.....	84,700	10,627,309	6,393,108
ESTERLINE TECHNOLOGIES CORP.....	2,400	84,072	81,640
EVANS & SUTHERLAND COMPUTER.....	11,303	47,020	60,292
EXAR CORP.....	31,730	443,585	455,244
EXCO RESOURCE INC.....	8,375	111,890	109,260
EXPLORATION CO.....	800	9,384	3,191
EXTRA SPACE STORAGE INC.....	101,200	1,771,000	1,482,400
FARO TECHNOLOGY INC.....	17,000	299,370	261,609
FEDERAL REALTY INVESTMENT TRUST.....	142,700	10,569,789	8,939,294
FEDERAL SIGNAL CORP.....	21,110	329,527	370,744
FEDERATED DEPARTMENT STORES INC.....	119,100	4,523,418	3,718,152
FEDERATED INVESTMENTS INC.....	23,000	770,040	727,797
FEI COMPANY.....	150,847	3,131,584	3,314,803
FERRO CORP.....	205,835	3,515,662	4,244,958
FIRST NIAGARA FINANCIAL GROUP INC.....	21,400	320,144	293,587
FISHER SCIENTIFIC INTERNATIONAL INC.....	45,600	3,567,288	3,378,803
FLORIDA EAST COAST INDUSTRY.....	63,500	3,455,670	2,866,584
FLUSHING FINANCIAL CORP.....	45	789	776
FOREST CITY ENTERPRISES INC.....	27,910	1,501,000	1,080,913
FOSSIL INC.....	28,010	527,148	551,012
FSI INTERNATIONAL INC.....	39,025	226,345	198,416
FTI CONSULTING INC.....	17,200	384,248	378,688
FULTON FINANCIAL CORP.....	13,598	227,087	223,472
GALLAGHER ARTHUR J & CO.....	171,450	4,594,860	4,731,060
GASCO ENERGY.....	11,580	33,814	32,275
GENERAL COMMUNICATION INC.....	287,800	3,657,938	2,854,623
GENERAL GROWTH PROPERTIES INC.....	124,800	5,657,184	2,933,405
GEORGIA GULF CORP.....	20,700	549,378	575,650
GERBER SCIENTIFIC INC.....	24,635	379,872	217,164
GLENBOROUGH REALTY.....	42,964	1,108,901	890,504
GLOBAL INDUSTRIES LTD.....	40,100	718,592	502,156
GOLDEN WEST FINANCIAL CORP.....	21,600	1,630,584	1,631,146
GRANT PRIDECO INC.....	3,500	145,355	123,772

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SECURITY	SHARES	VALUE (\$)	COST (\$)
GREEN COUNTY BANKSHARES INC.....	5,230	177,977	142,547
GREENBRIER COMPANIES INC.....	17,755	493,234	524,301
GULF IS FABRICATION INC.....	8,160	220,891	206,378
HALLIBURTON CO.....	35,128	1,145,875	1,036,407
HANOVER COMPRESSOR CO.....	26,373	496,340	487,191
HEALTH CARE PROPERTY INVESTORS.....	25,800	776,322	668,025
HEICO CORP.....	100	3,313	2,241
HELMERICH & PAYNE.....	104,000	2,551,120	3,786,671
HENRY JACK & ASSOC INC.....	162,500	3,113,500	3,226,394
HERCULES OFFSHORE INC.....	3,100	98,952	62,000
HERLEY INDUSTRIES INC.....	19,700	262,404	218,671
HERMAN MILLER INC.....	8,500	240,040	242,541
HESS CORP.....	17,400	796,572	724,197
HEXCEL CORP.....	145,300	2,182,406	2,648,551
HILB ROGAL & HAMILTON CO.....	204,582	8,852,263	7,312,663
HILTON HOTELS CORP.....	521,445	13,281,204	11,753,513
HORIZON HEALTHCARE CORP.....	44,300	606,467	836,512
HORNBECK OFFSHORE SERVICES INC.....	5,300	178,133	170,769
HOST MARRIOTT CORP.....	873,728	19,693,829	13,302,433
HOUSTON EXPLORATION CO.....	59,500	3,816,925	3,413,335
HUTCHINSON TECHNOLOGY INC.....	23,400	482,976	543,000
INLAND REAL ESTATE CORP.....	68,900	1,112,735	1,086,565
INPUT/OUTPUT INC.....	36,300	361,911	274,152
INSITUFORM TECHNOLOGIES INC.....	28,280	649,026	622,059
INTEGRATED DEVICE TECHNOLOGY.....	34,550	595,297	441,190
INTEL CORPORATION.....	403,600	7,886,344	8,329,121
INTERNATIONAL RECTIFIER CORP.....	23,490	829,197	824,728
INTERNET CAPITAL GROUP INC.....	18,000	162,000	166,459
INTERPOOL INC.....	15,460	335,482	301,655
INTERWOVEN INC.....	20,500	224,885	179,631
INVESTORS BANCORP INC.....	42,500	610,725	570,523
INVIDIA CORP.....	91,400	2,660,654	2,205,199
ITT EDUCATIONAL SERVICES INC.....	21,150	1,397,804	795,056
K2 INC.....	28,300	329,695	339,216
KAMAN CORP.....	10,325	184,921	188,005
KANBAY INTERNATIONAL INC.....	5,700	105,507	80,646
KAYDON CORP.....	4,500	171,495	143,319
KEANE INC.....	33,300	515,484	413,257
KEITHLEY INSTRUMENTS INC.....	20,150	227,897	315,136
KELLWOOD CO.....	11,400	312,474	293,468
KEMET CORP.....	778,650	6,408,290	7,553,162
KEY ENERGY GROUP INC.....	14,900	223,500	214,944
KFX INC.....	59,000	945,180	838,924
KILROY REALTY CORP.....	61,600	4,870,712	3,285,432
KINDRED HEALTHCARE INC.....	22,400	697,536	529,460
KLA INSTRUMENTS CORP.....	108,900	4,781,799	5,228,379
KNOLL INC.....	21,770	388,159	379,359
KORN FERRY INTERNATIONAL.....	18,100	369,602	325,544
KRONOS INC.....	5,700	173,964	170,502
KULICKE & SOFFA INDUSTRY INC.....	59,200	465,904	577,724

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SECURITY	SHARES	VALUE (\$)	COST (\$)
LAKELAND INDUSTRIES INC.....	118,164	1,611,759	1,517,361
LATTICE SEMICONDUCTOR CORP.....	129,400	947,208	708,690
LECROY CORP.....	193,625	2,488,082	3,192,201
LIBERTY PROPERTIES TRUST.....	234,200	11,211,154	10,091,855
LIFEPOINT HOSPITALS INC.....	22,200	755,910	685,192
LONGVIEW ENERGY COMPANY.....	2,100	38,850	31,500
LSI LOGIC CORP.....	243,500	1,960,175	2,086,506
LTX CORP.....	152,890	775,152	974,025
LYDALL INC.....	15,055	128,419	144,176
MACDERMID INC.....	14,060	402,819	440,781
MACERICH CO.....	206,300	15,402,358	10,112,126
MACK CALIFORNIA REALTY CORP.....	186,100	9,891,215	7,797,010
MACROVISION CORP.....	56,100	1,306,008	1,073,026
MAGMA DESIGN AUTOMATION INC.....	21,893	165,949	202,729
MAGUIRE PROPERTIES INC.....	154,000	6,146,140	5,103,160
MARATHON OIL CORP.....	9,100	759,850	738,479
MARSHALL & ILSLEY CORP.....	58,300	2,718,529	2,618,999
MASSEY ENERGY CORP.....	89,010	2,246,612	3,365,425
MATERIAL SCIENCES CORP.....	33,470	318,969	415,376
MATTSON TECHNOLOGY INC.....	39,735	311,125	381,048
MAXWELL TECHNOLOGIES INC.....	8,500	167,790	127,117
MCAFFEE INC.....	256,400	5,835,664	6,229,318
MEDSITE INC.....	4,882	1	1
MERCURY COMPUTER SYSTEM INC.....	45,360	563,371	1,156,781
MEREDITH CORP.....	7,075	334,931	367,825
MERIX CORP.....	37,430	454,026	319,281
MICRON TECHNOLOGY INC.....	340,600	5,885,568	4,763,578
MICROSOFT CORP.....	210,850	5,416,737	5,589,587
MILLS CORP.....	105,800	1,902,284	4,715,303
MKS INSTRUMENTS INC.....	34,900	729,061	687,457
MODINE MANUFACTURING CO.....	7,900	183,991	226,319
MODTECH HOLDINGS INC.....	28,895	155,455	271,133
MONACO COACH CORP.....	56,000	591,360	784,363
MORGAN HOTEL GROUP CO.....	93,980	1,249,934	1,751,914
MORGAN STANLEY DEAN WITTER.....	91,550	6,023,075	5,617,715
MORTONS RESTAURANT GROUP INC.....	9,200	141,772	159,050
MRO SOFTWARE INC.....	94,300	2,422,567	1,149,706
MULTI FINELINE ELECTRONIX INC.....	18,400	415,472	397,996
MYERS INDUSTRIES INC.....	29,372	482,582	412,795
NATIONWIDE HEALTH.....	95,300	2,483,518	2,029,763
NBTY INC.....	15,400	490,644	329,974
NEWALLIANCE BANCSHARES INC.....	24,300	354,294	346,432
NEWFIELD EXPLORATION CO.....	91,422	3,953,087	3,468,111
NEWPARK RESOURCE INC.....	73,800	408,852	496,072
NEWPORT CORP.....	29,460	519,380	445,031
NGP CAPITAL RESOURCES CO.....	1,300	18,408	19,500
NN INC.....	27,400	344,144	333,296
NOKIA CORP.....	152,200	3,177,936	2,718,861
NORTHEAST COMMUNITY BANCORP INC.....	17,100	192,888	188,787
NOVELLUS SYSTEM INC.....	310,600	8,671,952	8,004,671

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SECURITY	SHARES	VALUE (\$)	COST (\$)
NYMAGIC INC.....	7,098	210,030	180,862
OAKLEY INC.....	100,938	1,660,430	1,705,904
OMI CORP.....	34,200	770,184	602,223
OYO GEOSPACE.....	197	11,857	6,511
PACIFIC SUNWEAR CALIFORNIA INC.....	48,600	649,296	931,122
PAR PHARMACEUTIAL COS INC.....	38,000	682,100	812,295
PARALLEL PETE CORP.....	16,071	385,383	368,709
PARAMETRIC TECHNOLOGY CORP.....	302,040	4,865,864	4,326,799
PATTERSON UTI ENERGY INC.....	7,459	204,377	121,908
PAXAR CORP.....	12,600	245,322	263,551
PEABODY ENERGY CORP.....	76,722	3,381,138	1,866,051
PENN VIRGINIA CORP.....	29,600	2,101,304	1,615,871
PENTAIR INC.....	78,300	2,341,170	2,683,133
PERICOM SEMICONDUCTOR CORP.....	36,600	340,380	308,113
PEROT SYSTEMS CORP.....	282,500	4,056,700	4,214,014
PERRIGO CO.....	25,600	413,184	388,740
PETROHAWK ENERGY CORP.....	39,400	439,310	480,451
PETROLEUM CO.....	8,283	166,074	149,786
PHOENIX TECHNOLOGY LTD.....	46,390	231,950	286,093
PIER 1 IMPORTS INC.....	41,800	267,102	520,983
PILGRIMS PRIDE CORP.....	26,600	647,976	651,075
PIONEER NATURAL RESOURCE CO.....	22,000	917,620	925,623
PLAINS EXPLORATION & PRODUCTION.....	58,600	2,578,986	1,626,742
PLANAR SYSTEMS INC.....	18,460	181,462	226,990
PLANTRONICS INC.....	35,400	634,368	857,957
POGO PRODUCING CO.....	201,450	8,946,395	10,259,392
POST PROPERTIES INC.....	152,720	7,361,104	6,294,967
POWELL INDUSTRIES INC.....	8,081	177,863	165,546
POWER-ONE INC.....	38,300	260,057	249,788
POWERWAVE TECHNOLOGIES INC.....	93,800	711,004	777,986
PREFERRED BANK LOS ANGELES CA.....	23,300	1,305,965	921,572
PRIDE INTERNATIONAL INC.....	69,100	1,791,763	1,807,657
PROCENTURY CORP.....	24,485	360,419	271,559
PROGRESS SOFTWARE CORP.....	6,900	174,708	168,171
PROLOGIS TRUST.....	354,372	20,007,843	10,076,802
PROSPERITY BANCSHARES INC.....	227,097	8,011,982	6,856,632
PROVIDENT FINANCIAL SERVICES INC.....	33,900	632,235	611,206
PUBLIC STORAGE INC.....	271,140	23,494,281	12,570,911
QUAKER CHEMICAL CORP.....	4,575	86,468	96,698
QUESTAR CORP.....	3,500	302,890	239,496
QUIKSILVER INC.....	34,600	484,400	479,304
RADIOSHACK CORP.....	43,100	778,386	768,551
RAILAMERICA INC.....	28,200	284,538	288,175
READERS DIGEST ASSOCIATION INC.....	16,100	206,241	233,545
RECKSON ASSOCIATES REALTY CORP.....	175,600	7,513,924	6,318,991
REGAL BELOIT CORP.....	4,213	181,833	132,349
RESTORATION HARDWARE INC.....	61,581	432,914	366,904
RF MICRO DEVICES INC.....	95,600	632,872	661,440
ROBBINS & MYERS INC.....	19,521	562,205	472,590
ROGERS CORP.....	74,810	4,340,476	3,041,485

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SECURITY	SHARES	VALUE (\$)	COST (\$)
ROWAN COMPANIES INC.....	31,400	1,073,880	890,458
ROYAL GOLD INC.....	23,200	691,128	747,777
RUBY TUESDAY INC.....	237,000	6,119,340	6,082,671
SAFENET INC.....	207,100	3,893,480	3,636,169
SAKS INC.....	154,800	2,233,764	2,622,952
SANDERSON FARMS INC.....	11,900	371,994	327,344
SAUER INC.....	3,500	78,925	86,169
SCHAWK INC.....	14,700	281,358	309,874
SCHLUMBERGER LTD.....	104,071	6,379,552	5,762,087
SCHOLASTIC CORP.....	14,050	422,343	410,272
SENIOR HOUSING PROPERTIES TRUST.....	81,250	1,653,438	1,464,839
SILICON IMAGE INC.....	7,600	88,236	82,861
SILICON LABORATORIES INC.....	14,400	507,888	485,573
SIMON PROPERTY GROUP INC.....	310,240	26,305,250	16,741,029
SKYWORKS SOLUTIONS INC.....	95,500	442,165	546,312
SL GREEN REALTY CORP.....	67,700	7,552,612	1,902,648
SONOSIGHT INC.....	8,800	279,224	252,586
SOTHEBYS HOLDINGS INC.....	11,700	325,260	220,043
SOUTH FINANCIAL GROUP INC.....	258,041	6,974,848	7,193,992
SOUTHWESTERN ENERGY CO.....	40,900	1,404,915	1,324,426
ST JUDE MEDICAL INC.....	63,200	2,301,112	2,349,282
ST MARY LAND & EXPLORATION CO.....	2,000	81,600	81,931
STANDEX INTERNATIONAL CORP.....	5,780	170,221	163,447
STARWOOD HOTELS & RESORTS.....	294,395	15,679,478	12,549,849
STEAK N SHAKE CO.....	13,600	218,552	232,576
STEELCASE INC.....	20,810	301,745	319,462
STERLING BANCORP.....	29,100	565,413	566,063
STONE ENERGY CORP.....	82,400	3,639,608	3,815,115
STRATEGIC HOTELS & RESORTS INC.....	271,300	5,534,520	5,401,509
SUN MICROSYSTEMS INC.....	837,700	4,180,123	3,915,159
SUPERIOR BANCORP.....	22,627	264,057	250,805
SYMBOL TECHNOLOGIES INC.....	53,600	643,736	569,546
SYMMETRICOM INC.....	26,720	199,331	205,637
SYNOPSIS INC.....	337,900	6,406,584	6,627,882
TAKE-TWO INTERACTIVE SOFTWARE.....	6,900	84,180	68,829
TANGER FACTORY OUTLET CENTERS INC.....	145,500	5,208,900	3,508,179
TAUBMAN CENTERS INC.....	47,500	1,913,775	1,590,694
TEKELEC.....	34,600	460,180	471,602
TENET HEALTHCARE CORP.....	89,530	705,496	605,108
TERADYNE INC.....	327,200	4,593,888	4,990,464
TERASTOR CORP.....	26,236	1	1
TETRA TECHNOLOGIES INC.....	36,814	611,112	587,455
TEXAS INSTRUMENTS INC.....	96,900	3,157,971	2,435,799
TIBCO SOFTWARE INC.....	32,600	256,236	240,628
TRC COMPANIES INC.....	15,430	145,814	186,634
TREASURE ISLAND ROYALTY TRUST.....	511	66	347
TREDEGAR INDUSTRIES INC.....	13,900	229,350	215,046
TRINITY INDUSTRIES INC.....	5,450	181,812	152,721
TRIQUINT SEMICONDUCTOR INC.....	35,800	176,494	156,899
TTM TECHNOLOGIES INC.....	39,800	511,828	545,264

**PERMANENT UNIVERSITY FUND**

**EQUITY SECURITIES**

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
U S I HOLDINGS CORP.....	37,425	500,372	477,013
U STORE IT TRUST.....	61,000	1,215,120	1,271,540
ULTRATECH STEPPER INC.....	29,540	432,170	558,903
UNITED RENTALS INC.....	253,770	5,496,658	5,535,102
UNIVERSAL HEALTH SERVICES INC.....	144,900	8,204,238	6,753,176
VALASSIS COMMUNICATIONS INC.....	8,300	163,676	170,806
VALEANT PHARMACEUTICALS INTERNATIONAL.....	176,900	3,477,854	3,266,498
VALUEVISION INTERNATIONAL INC.....	29,225	322,644	356,927
VARIAN INC.....	10,950	511,146	423,728
VARIAN SEMICONDUCTOR EQUIPMENT.....	10,550	372,521	282,942
VEECO INSTRUMENTS INC.....	22,130	541,300	458,631
VENTAS INC.....	194,400	7,785,720	6,098,936
VISHAY INTERTECHNOLOGY INC.....	250,350	3,507,404	3,726,928
VORNADO REALTY TRUST.....	256,989	27,217,705	13,919,430
WARNACO GROUP INC.....	27,600	555,588	547,411
WARRIOR ENERGY SERVICES CORP.....	2,700	51,570	63,450
WASHINGTON TRUST BANCORP INC.....	6,207	163,803	166,855
WEST MARINE INC.....	19,870	271,623	277,779
WH ENERGY SERVICES INC.....	57,915	2,922,970	2,688,512
WHITING PETROLEUM CORP.....	7,800	351,000	302,978
WILLIAMS CLAYTON ENERGY INC.....	29,664	972,386	888,342
WINNEBAGO INDUSTRIES.....	15,100	440,920	469,413
WJ COMMUNICATIONS INC.....	43,127	73,747	93,736
ZALE CORP.....	17,800	476,150	473,299
ZOLL MEDICAL CORP.....	17,300	655,843	482,314
<b>TOTAL DOMESTIC COMMON STOCKS</b>		<b>971,465,701</b>	<b>788,015,294</b>

**FOREIGN COMMON STOCKS**

A P MOLLER - MAERSK A/S.....	70	582,583	671,313
ACOM CO.....	74,730	3,345,121	4,164,959
AEON CREDIT SERVICE CO.....	25,000	598,968	714,155
AFG(ARBONIA FORSTER HOLDINGS AG).....	700	246,969	203,768
AICHI TOYOTA MOTOR CO.....	51,000	934,902	1,087,904
AIFUL CORP.....	56,300	2,256,128	2,946,822
AIRPORT FACILITIES CO.....	54,000	355,442	322,802
AISIN SEIKI CO.....	5,000	151,767	119,271
AKER KVAERNER.....	22,630	2,171,544	698,486
AKITA DRILLING LTD.....	103,700	1,962,334	1,939,122
ALBERTA CLIPPER ENERGY INC.....	13,725	66,414	49,552
ALFA LAVAL NVP.....	9,800	324,494	327,394
ALGOMA STEEL INC.....	2,100	69,732	62,437
ALPHA CORP.....	5,000	173,509	183,261
ALTEN NPV.....	20,500	625,061	372,938
AMAGERBANKEN.....	18,700	1,273,943	939,971
AMPER SA.....	58,200	705,505	581,550
ANDRES WINES LTD.....	2,800	74,936	64,608
ANGLE ENERGY.....	38,200	129,083	128,377
ANGLO AMERICAN PLC.....	34,760	753,597	414,592
ANTOFAGASTA PLC.....	178,000	1,576,102	935,513
APRIL GROUP.....	11,900	592,548	382,511

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
ASAHI BREWERIES.....	450,000	6,606,983	5,396,212
ASATSU-DK INC.....	138,400	4,472,320	3,889,074
ASM PACIFIC TECHNOLOGY.....	60,000	310,927	338,396
ASML HOLDING N V.....	35,900	791,954	717,641
ASPEN INSURANCE HOLDINGS.....	31,300	774,049	790,024
ASPREVA PHARMACEUTICALS CORP.....	15,900	392,575	416,395
AUR RESOURCES INC.....	146,800	2,467,060	1,249,438
AURORA ENERGY RESOURCES INC.....	12,000	102,293	65,312
AUSTRALIAN WEALTH MANAGEMENT.....	130,900	220,916	199,345
AUTONOMY CORP.....	93,000	689,025	613,619
AXON GROUP.....	68,000	519,002	510,653
AZIMUT HOLDING SPA.....	101,000	1,125,685	1,226,536
BALLARD POWER SYSTEMS INC.....	15,300	93,475	158,719
BANCA ITALEASE.....	15,000	724,636	604,114
BAYTEX ENERGY TRUST.....	30,500	735,463	720,470
BCE INC.....	289,231	7,185,491	7,597,023
BELC CO.....	23,000	194,339	223,853
BELLWAY PLC.....	13,600	314,053	186,397
BENI STABILI SPA.....	490,448	501,046	512,954
BG GROUP PLC.....	21,160	1,383,229	768,502
BHP BILLITON LTD.....	30,970	1,303,837	745,421
BIC SA.....	16,500	1,025,205	1,116,653
BIJOU BRIGITTE.....	7,300	1,882,890	723,213
BINCK NV.....	26,900	401,493	460,282
BIOMAR HOLDING S/A.....	26,000	1,035,092	998,684
BIRCHCLIFF ENERGY LTD.....	25,900	123,228	135,277
BOARDWALK REAL ESTATE INVESTMENT.....	20,600	564,307	535,647
BOLIDEN AB.....	34,400	646,804	411,175
BONTERRA ENERGY INCOME.....	2,600	84,343	71,104
BOOM LOGISTICS.....	321,300	1,025,608	834,147
BORALEX INC.....	32,600	274,665	178,029
BOSTON PIZZA ROYALTIES INCOME FUND.....	4,000	68,484	54,765
BOW VALLEY ENERGY LTD.....	38,100	211,142	38,672
BRAEMAR SEASCOPE GROUP PLC.....	91,300	688,153	705,871
BREAKWATER RESOURCES LTD.....	583,700	683,767	618,016
BRIT INSURANCE HOLDINGS.....	64,100	331,034	324,081
BRITISH AIRWAYS.....	174,000	1,359,476	862,479
BRITISH LAND COMPANY PLC.....	216,898	5,631,615	4,155,116
BROOKFIELD PROPERTIES CORP.....	617,950	21,659,148	11,837,288
BUSINESS OBJECTS.....	18,500	515,410	403,332
CABCHARGE AUSTRALIA LTD.....	46,300	265,177	211,474
CAIRN ENERGY PLC.....	51,180	2,075,545	1,371,113
CALSONIC KANSEI CORP.....	193,000	1,146,958	1,431,682
CANACCORD CAPITAL INC.....	45,500	742,104	374,311
CANADA BREAD CO LTD.....	7,000	384,771	187,413
CANADIAN NATURAL RESOURCES LTD.....	43,640	2,295,028	1,088,768
CANADIAN SUPERIOR ENERGY INC.....	40,100	86,215	85,018
CANADIAN WESTERN BANK.....	5,500	218,365	185,777
CANAM MANAC GROUP INC.....	37,200	343,591	221,523
CANEXT ENERGY LTD.....	4,900	7,065	8,782

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
CANON MARKETING JAPAN INC.....	33,000	783,604	442,683
CAPITOL ENERGY RESOURCE LTD.....	10,576	48,413	37,288
CAPRAL ALUMINIUM LTD.....	539,800	523,517	556,509
CATHEDRAL ENERGY SERVICES INC.....	10,700	97,382	120,706
CCS INCOME TRUST.....	7,300	246,480	241,228
CELESIO AG.....	25,400	1,287,525	1,029,081
CELTIC EXPLORATION LTD.....	5,400	67,588	69,336
CELTIC RESOURCE HOLDINGS.....	240,500	1,031,588	1,077,837
CEMENTOS PORTLAND VALDERRIVAS.....	6,800	693,736	764,885
CENTURY LEASING SYSTEM.....	53,100	703,563	603,556
CENTURY OILFIELD SERVICES INC.....	261,500	824,735	402,319
CERAMIC PROTECTION CORP.....	3,400	73,990	67,413
CHAMPION REAL ESTATE.....	5,396,000	2,726,882	2,782,791
CHARTER PLC.....	88,200	1,286,793	412,862
CHAUCER HOLDINGS.....	358,100	454,675	419,063
CHEMRING GROUP.....	62,000	1,737,158	979,033
CHIBA BANK.....	50,000	465,959	311,714
CHUBU SHIRYO CO.....	36,000	273,795	194,579
CHUBU STEEL PLATE CO.....	17,000	202,635	241,988
CITIC INTERNATIONAL FINANCIAL HOLDINGS LTD.....	1,931,000	1,003,149	1,079,863
CITYCON OYJ.....	44,400	217,107	188,097
CLARKE INC.....	7,000	72,413	56,554
COCA COLA.....	192,800	3,756,218	4,398,199
CODAN.....	7,200	518,919	258,245
COGECO CABLE INC.....	24,800	564,048	477,570
COGECO INC.....	2,900	59,450	71,955
COM DEV INTERNATIONAL LTD.....	149,100	757,760	683,039
COMPTON PETROLEUM CORP.....	86,200	1,036,986	1,183,582
COMPTON PETROLEUM CORP.....	94,431	1,132,577	1,016,789
CONSUMERS WATERHEATER INC.....	4,700	64,248	66,167
CORBY DISTILLERIES.....	5,400	107,051	105,578
CORE LABORATORIES.....	9,900	726,363	257,091
CORUS GROUP ORD.....	179,780	1,341,372	1,166,254
COSMO OIL.....	122,000	537,784	636,126
CREDIA CO.....	186,000	1,600,154	2,448,081
CRESCENT POINT ENERGY TRUST.....	6,283	129,651	120,349
CREW ENERGY INC.....	17,891	225,703	221,598
CRM HOLDINGS LTD.....	61,200	459,000	634,604
CRYPTOLOGIC INC.....	2,500	65,150	61,372
CTS EVENTIM NPV.....	10,100	313,646	327,291
D&M HOLDINGS INC.....	291,000	893,208	1,045,509
DAIBIRU CORP.....	90,100	916,480	1,051,532
DAIDO METAL CO.....	253,000	1,456,069	1,802,363
DAIICHI KOSHO CO.....	36,000	419,900	426,635
DAIICHI SANKYO COMPANY LTD.....	122,000	3,370,252	2,612,717
DAIKOKU DENKI CO.....	12,000	335,592	388,716
DAISHINKU CORP.....	187,000	1,179,861	1,314,173
DAISYO CORP.....	15,000	216,780	165,239
DATA COMMUNICATIONS SYSTEM CO.....	4,000	140,512	125,822
DATAMONITOR.....	144,300	1,090,373	1,088,206

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
DAVID JONES LIMITED.....	428,300	1,154,562	1,131,589
DELPHI ENERGY CORP.....	24,200	99,875	79,355
DELTA GROUP.....	148,900	365,367	338,419
DELTA HOLDING.....	46,800	734,452	629,163
DENYO CO LTD.....	30,000	367,055	341,896
DERWENT VALLEY HOLDINGS.....	29,563	1,013,886	860,894
DIAMOND LEASE COMPANY.....	20,000	903,782	1,044,614
DIAWABO INFO SYSTEM.....	75,000	1,039,774	1,255,204
DTZ HOLDINGS.....	123,295	1,438,815	963,927
EASYHOME LTD.....	4,750	68,484	51,263
EASYJET ORD.....	159,000	1,402,574	652,075
EIFFAGE.....	18,000	1,556,413	609,675
ELCOTEQ NETWORK CORP.....	21,000	380,367	485,212
ELDORADO GOLD CORP.....	70,300	344,470	306,955
ELEKTRIZITATS-G LAUFENBURG AG.....	330	291,472	289,108
ELEMENTS PLC.....	940,600	1,592,355	1,222,802
ELPIDA MEMORY INC.....	11,000	486,763	503,268
EMBER RESOURCES INC.....	17,515	62,342	48,699
EMERGIS INC.....	110,500	528,727	412,146
ENCANA CORP.....	45,700	2,410,218	1,404,317
ENDEV ENERGY INC.....	31,500	40,874	25,049
ENDURANCE SPECIALTY HOLDINGS LTD.....	10,000	322,700	326,388
ENERFLEX SYSTEMS LTD.....	5,200	154,114	124,029
ENERGY METALS CORP.....	6,114	32,064	28,697
ENGHOUSE SYSTEMS LTD.....	16,300	115,301	152,204
EQUITABLE GROUP INC.....	61,500	1,510,138	1,423,715
ES-CON JAPAN LTD.....	3	5,985	5,121
ESPIRIT ENERGY TRUST.....	1,836	22,699	18,544
ESPRINET.....	103,800	1,775,265	1,484,746
ESSO(FRANCAISE).....	1,600	403,472	394,386
EUROZINC MINING CORP.....	23,300	65,717	69,951
EXPRO INTERNATIONAL GROUP.....	15,590	205,951	115,329
FADESA INMOBILIAR.....	36,500	1,176,456	1,247,610
FAIRFAX FINANCIAL HOLDINGS LTD.....	43,245	5,188,621	6,848,833
FAIRQUEST ENERGY LTD.....	24,600	123,249	129,455
FIRST CALGARY PETES LTD.....	18,123	162,980	135,693
FIRST PACIFIC CO.....	6,670,000	3,001,897	2,143,903
FLINT ENERGY SERVICES LTD.....	33,400	1,956,297	1,147,406
FORDING CANADIAN COAL TRUST.....	45	1,359	967
FORZANI GROUP LTD.....	23,000	349,016	337,651
FOUR SEASONS HOTELS INC.....	1,291	81,475	72,158
FOURLIS.....	28,800	426,164	249,836
FRONTLINE LTD.....	4,500	183,555	170,440
FUBON BANK(HONG KONG) LTD.....	591,000	219,628	227,301
FUCHS PETROLUB AG N V PRT.....	24,970	1,378,558	1,013,807
FUJI HEAVY LTD.....	164,000	949,448	888,553
FUJI MACHINE MANUFACTURING.....	15,000	306,305	322,835
FUJI SEIKO LTD.....	24,000	149,380	161,557
FUJI TELEVISION NETWORK.....	3,719	8,339,490	7,553,762
FUJIKURA.....	52,000	614,947	409,177

**PERMANENT UNIVERSITY FUND**  
**EQUITY SECURITIES**  
August 31, 2006

SCHEDULE A  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
FUJI-TEC.....	1,578,332	9,998,727	8,627,068
FUKUDA DENSHI.....	4,000	131,986	146,324
FURUNO ELECTRIC CO.....	146,000	1,308,318	1,707,382
FUTABA INDUSTRIAL.....	96,700	2,127,178	1,830,450
FUYO GENERAL LEASE CO LTD.....	12,000	365,264	479,717
GAKKEN CO.....	630,000	1,530,886	1,454,182
GALLEON ENERGY INC.....	233,659	4,000,469	1,880,169
GALLEON ENERGY INC CLASS A.....	868	14,861	6,213
GAMMON LAKE RESOURCES INC.....	28,800	367,218	414,433
GARDA WORLD SECURITY CORP.....	25,100	498,042	165,903
GERRY WEBER INTERNATIONAL AG NPV(REG).....	27,900	589,628	426,594
GLEESON(M J) GROUP ORD.....	180,200	1,317,084	1,091,965
GLOBAL SANTAFE CORP.....	11,700	575,874	515,137
GMP CAPITAL TRUST.....	28,900	602,610	374,983
GOLDCORP INC.....	79,455	2,197,725	1,110,254
GOLDSHIELD GROUP.....	82,700	418,045	524,848
GRAND HOTEL GROUP ORD.....	534,500	402,048	362,229
GROUPE LAPERRIERE & VERREULT.....	96,200	2,188,827	1,913,807
GRUPO CATALANA OCCIDENTE SA.....	19,000	513,415	231,840
GSI GROUP INC.....	54,100	487,441	555,778
GUARDIAN CAPITAL GROUP LTD.....	14,000	141,924	99,926
GULLIVER INTERNATIONAL.....	4,000	325,702	315,249
GUNMA BANK.....	135,000	1,038,240	1,033,600
HALDEX AB.....	20,500	389,702	421,708
HAMMERSON.....	120,777	2,922,242	2,299,399
HANKYU HOLDINGS INC.....	162,000	867,426	980,412
HARRIS STEEL GROUP INC.....	27,800	814,147	390,548
HAWKER RESOURCES INC.....	2,599	10,188	8,690
HENDERSON LAND DEVELOPMENT CO.....	480,000	2,712,701	2,415,363
HIGHPINE OIL & GAS LTD.....	26,915	443,834	170,690
HIGHWAY INSURANCE HOLDINGS.....	801,113	1,074,305	1,045,967
HIKARI BUSINESS.....	30,001	254,517	257,797
HITACHI KOKUSAI ELECTRIC.....	10,000	112,291	131,176
HITACHI MAXELL.....	72,000	903,645	1,006,440
HITACHI SYSTEMS & S NAV.....	5,000	105,299	133,221
HODOGAYA CHEMICAL.....	53,000	183,468	183,999
HOKKAIDO ELECTRIC POWER CO INC.....	7,000	173,083	152,143
HONG KONG LAND HOLDINGS.....	970,000	3,899,400	3,398,547
HSE INTEGRATED LTD.....	666	1,404	1,219
HUDBAY MINERALS INC.....	22,100	298,915	310,729
HUFVUDSTADEN FAST.....	154,700	1,235,145	1,138,922
HUNTING PLC.....	202,200	1,723,074	557,700
HUNTSWORTH.....	165,000	282,469	313,363
HUSKY ENERGY INC.....	30,560	2,106,086	813,578
HUSKY ENERGY INC.....	1,000	68,916	39,788
HUSKY INJECTION MOLDING SYSTEM.....	16,100	72,829	76,498
HYSAN DEVELOPMENT.....	903,151	2,450,443	2,333,523
IBJ LEASING CO LIMITED.....	28,000	697,106	612,216
IG GROUP HOLDINGS.....	74,500	335,145	335,450
IMPERIAL OIL LTD.....	45,480	1,717,780	995,991

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

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SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
INCHCAPE.....	68,400	645,982	284,993
INDEPENDENCE GOLD.....	175,100	462,654	446,996
INMET MINING CORP.....	34,300	1,437,216	893,746
INNOVA EXPLORATION LTD.....	12,162	68,386	76,403
INTERNATIONAL POWER.....	218,600	1,320,197	766,681
INTERNATIONAL URANIUM CORP.....	10,600	59,603	56,595
INVESTOR GROUP.....	172,200	769,278	684,073
ISHIGURO HOMA CORP.....	48,000	723,162	674,099
ITE GROUP ORD.....	223,800	511,906	375,727
ITM POWER.....	24,300	64,596	86,900
ITOCHU CORP.....	105,000	881,826	872,067
IXI CO LTD.....	497	1,606,028	1,451,369
JACCS CO.....	67,000	735,209	578,933
JET MULTIMEDIA.....	22,700	502,688	587,102
JM AB.....	87,600	1,368,542	560,732
JULIUS BAER HOLDINGS.....	15,300	1,468,016	1,224,061
KAGA ELECTRONICS CO.....	11,000	223,217	294,994
KANDENKO.....	118,000	828,017	902,555
KANTO AUTO WORKS.....	52,700	625,022	649,805
KAWAI MUSICAL INST.....	92,000	175,709	236,111
KEIHIN CORP.....	27,000	572,068	431,554
KEIO CORP.....	152,000	990,135	1,055,324
KEIYO BANK LTD.....	26,000	150,079	139,835
KEPPEL CORP.....	120,790	1,152,137	681,041
KERRY PROPERTIES LTD.....	3,962	14,876	14,603
KESKO.....	26,700	1,129,219	553,928
KIER GROUP.....	36,600	1,120,861	498,748
KINGSGATE CONSOLIDATION NL.....	49,000	199,068	229,959
KIRIN BREWERY CO.....	457,000	6,355,178	4,473,664
KODIAK OIL & GAS CORP.....	250,500	1,038,342	515,187
KOHNAN SHOJI.....	106,000	1,096,287	1,675,614
KOMATSU WALL INDUSTRY.....	12,000	200,844	229,033
KOREA ELECTRIC POWER CORP.....	47,730	1,826,796	1,592,709
KT&G CORP.....	75,420	4,424,014	2,582,912
KUBOTA CORPORATION.....	123,000	1,013,071	603,763
KUEHNE & NAGEL AG.....	20,000	1,403,950	734,488
KUMAGAI-GUMI.....	51,000	121,755	138,043
KURABO INDUSTRIES.....	100,000	281,366	263,192
KYODO PRINTING CO.....	65,000	253,272	297,047
KYOSAN ELECTRIC.....	164,000	581,694	584,304
KYOWA EXECO CORP.....	81,000	882,619	716,943
LA SENZA CORP.....	11,300	278,898	183,757
LAND SECURITIES GROUP.....	78,545	2,829,719	2,455,295
LASERTEC CORP.....	24,000	663,000	648,070
LASSONDE INDUSTRIES INC.....	2,000	67,961	64,026
LAURENTIAN BANK OF CANADA.....	20,700	546,528	550,208
LAVENDON GROUP.....	213,600	1,086,850	1,141,865
LEADER ENERGY SERVICES LTD.....	10,621	26,798	15,648
LEGACY HOTELS REIT.....	278,335	2,169,496	2,088,692
LEROY SEAFOOD GROUP.....	13,100	229,595	162,378

**PERMANENT UNIVERSITY FUND**  
**EQUITY SECURITIES**  
August 31, 2006

SCHEDULE A  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
LINAMAR CORP.....	11,200	136,752	162,578
LION CORP.....	485,000	2,592,787	2,808,816
LUKOIL CO.....	7,300	611,010	602,604
LUMENIS LTD.....	121	169	190
LUNDIN MINING CORP.....	2,300	68,187	61,130
MABUCHI MOTOR.....	78,600	5,006,114	4,512,005
MAEDA CORP.....	70,000	324,679	320,663
MAJOR DRILLING GROUP INTERNATIONAL INC.....	23,600	462,537	183,655
MAKITA CORP.....	84,000	2,470,905	1,330,130
MANDARIN ORIENTAL INTERNATIONAL.....	1,537,000	1,706,070	1,685,993
MARTINREA INTERNATIONAL INC.....	34,000	229,781	191,740
MARUBENI CORP.....	168,000	898,120	927,842
MARUBUN CORP.....	13,000	165,153	149,590
MATSUSHITA ELECTRIC WORKS.....	34,000	362,945	330,272
MAX RE CAPITAL LTD.....	10,900	252,989	267,087
MAZDA MOTOR CORP.....	21,000	134,646	73,559
MCDERMOTT INTERNATIONAL INC.....	24,614	1,186,395	290,371
MECALUX SA.....	20,400	726,725	681,374
MEDA AB SERVICE.....	43,000	882,817	569,687
MEISEI INDUSTRIAL.....	24,000	124,824	183,922
MELCOR DEVELOPMENTS LTD.....	4,000	57,671	31,669
MIDNIGHT OIL EXPLORATION LTD.....	26,400	92,540	90,141
MILANO ASSICURAZIO.....	224,100	1,620,755	844,733
MILLERS RETAIL.....	846,900	1,054,178	1,079,295
MINACS WORLDWIDE INC.....	37,800	185,296	93,673
MINCOR RESOURCES.....	1,244,300	1,159,256	895,163
MINERVA.....	152,076	820,807	823,066
MINISTOP CO.....	71,100	1,385,203	1,389,265
MISSION OIL & GAS INC.....	3,918	52,570	42,317
MINISTOP CO.....	336,000	7,247,986	7,522,845
MITSUBISHI MATERIAL CORP.....	176,000	766,816	768,583
MITSUI FUDOSAN CO.....	218,000	4,888,434	4,571,543
MITSUI TRUST HOLDINGS NPV.....	30,000	351,452	387,700
MITSUMURA PRINTING.....	59,000	276,173	378,797
MMI HOLDINGS.....	2,614,000	1,487,683	1,152,333
MOCHIDA PHARMACEUTICAL.....	41,000	360,413	378,925
MONTEREY EXPLORATION LTD.....	34,600	135,625	126,642
MONTEREY EXPLORATION LTD WTS.....	11,533	0	0
MORGAN SINDALL.....	24,500	506,105	327,210
MORGUARD CORP.....	37,300	1,213,363	1,013,600
MORGUARD REIT.....	7,200	72,470	70,422
MORITA CORP.....	59,000	387,347	402,599
MOSAID TECHNOLOGIES INC.....	4,700	122,778	103,701
MULLEN GROUP INCOME FUND.....	26,400	606,623	318,964
MUNCHENER RUCKVERSICHERUNGS.....	10,052	1,508,663	1,140,004
N.G.K. SPARK PLUG CO.....	33,000	672,465	439,592
N.I.C. CORP.....	29,000	260,860	293,093
NABORS INDUSTRIES.....	16,000	526,080	490,140
NATEXIS BANQUE POPULAIRE.....	6,000	1,543,740	923,646
NAVIGAZ MONTANARI.....	266,200	1,221,586	1,055,788

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
NEC SYSTEM INT & CONS.....	11,000	117,705	146,999
NEW JAPAN RADIO CO.....	51,000	344,827	365,274
NEW WORLD DEVELOPMENT.....	1,678,052	3,012,262	2,550,508
NEWALTA INCOME FUND.....	2,300	67,026	65,924
NEXEN INC.....	11,800	684,661	332,030
NEXEN INC.....	300	17,514	9,636
NICHIAS CORP.....	106,000	786,290	636,385
NIDEC TOSOK CORP.....	7,000	80,096	89,903
NIHON KODEN CORP.....	52,000	928,849	588,475
NIKKO SECURITIES.....	1,155,500	14,679,585	10,799,809
NIPPON FINE CHEMICAL CO.....	506,504	3,152,560	3,131,297
NIPPON LIGHT METAL CO.....	350,000	901,224	873,909
NIPPON MINING HOLDING.....	106,000	777,252	885,540
NIPPON SYNTHETIC CHEMICAL INDUSTRY.....	226,000	815,091	1,076,055
NIPPON TEL & TEL CORP.....	1,111	5,617,283	4,941,799
NIPPON YAKIN KOGYO.....	81,000	346,003	361,082
NIPPONKOA INSURANCE CO.....	275,000	2,189,965	1,853,028
NISHIO RENT ALL CO.....	71,000	1,189,539	1,409,680
NISSAN SHATAI CO.....	57,000	318,813	383,468
NISSEI CORP.....	19,000	213,352	214,448
NOBLE CORP.....	32,000	2,092,480	2,322,630
NOLATO AB.....	19,700	216,525	210,805
NORSK HYDRO ASA.....	41,700	1,078,083	1,160,739
NORSK HYDRO ASA ADR.....	51,000	1,326,000	831,074
NORTH WEST COMPANY FUND.....	12,900	516,116	404,360
NORTHERN ORION RESOURCES INC.....	123,500	574,237	507,458
NORTHGATE EXPLORATION LTD.....	189,400	694,623	310,316
NOVA CHEMICALS CORP.....	11,100	354,312	350,971
NOVATEK OAO GDR.....	15,500	742,915	605,275
NQL DRILLING TOOLS INC.....	11,300	76,878	49,160
NTT URBAN DEVELOPMENT CORP.....	277	2,161,018	2,150,367
OILEXCO INC.....	52,100	318,304	110,293
OKABE.....	228,000	931,168	858,244
OKASAN HOLDINGS INC.....	23,000	237,285	249,329
OKURA INDUSTRIAL.....	276,000	1,346,055	1,290,137
OMC CARD INC.....	29,000	336,769	330,365
ONO PHARMACEUTICAL CO.....	68,000	3,159,825	3,038,177
ORIENT EXPRESS HOTELS LTD.....	112,250	3,758,130	2,525,336
ORIENTAL LAND CO.....	47,000	2,692,928	2,773,089
ORIGIN ENERGY.....	135,260	688,953	730,601
OSAKA STEEL CO.....	32,600	661,533	539,760
OSIM INTERNATIONAL.....	1,755,600	1,953,644	1,244,630
OTSUKA KAGU SHARES.....	8,000	208,722	314,185
OXIANA LTD.....	691,800	1,505,635	756,307
PACIFIC INDUSTRIAL.....	112,000	674,187	566,685
PACIFIC RODERA ENERGY INC.....	23,700	9,503	33,183
PASON SYSTEM INC.....	3,000	44,659	26,972
PASON SYSTEMS INC.....	54,000	803,857	414,957
PAXTON CORP.....	5,333	2,403	2,312
PEACE MARK(HOLDINGS).....	548,000	334,716	239,154

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
PEAK ENERGY SERVICE.....	59,500	556,531	659,925
PENN WEST ENERGY.....	1,000	41,630	23,874
PENN WEST ENERGY TRUST.....	61,890	2,562,600	1,165,905
PERILYA LIMITED.....	470,800	1,107,341	718,079
PETROBANK ENERGY & RESOURCES.....	30,200	416,364	324,396
PETRO-CANADA.....	18,700	798,864	585,036
PETRO-CANADA.....	16,800	714,539	502,727
PETROLEO BRASILEIRO SA.....	23,380	2,096,251	964,061
PETROLIFERA PETROLEUM LTD.....	9,112	167,091	29,799
PETROQUEST ENERGY INC.....	13,985	168,240	118,917
PKC GROUP OYJ.....	14,000	195,336	196,622
PLAYTECH LIMITED.....	66,000	349,006	326,917
POCKET CARD CO LTD.....	43,000	386,059	486,703
POTASH CORP OF SASKATCHEWAN INC.....	14,100	1,381,377	1,298,909
PRECISION DRILLING TRUST.....	35,880	1,315,361	855,876
PRESS KOGYO CO.....	223,000	1,030,533	1,308,626
PROMINA GROUP.....	304,600	1,367,734	823,896
PROSPEX RESOURCES LTD.....	20,800	88,092	56,871
QUADRISE CDA FUEL SYSTEMS INC.....	23,200	198,603	150,240
QUADRISE LIQUIDITY.....	23,200	0	0
QUEST CAPITAL CORP.....	24,400	68,160	64,919
RAUTARUUKI OY.....	12,500	364,814	278,944
REAL RESOURCE INC.....	19,279	405,645	346,847
REAL RESOURCES INC.....	7,716	162,351	114,834
RECRUIT COSMOS CO.....	66,000	408,543	511,260
REITMANS (CANADA) LTD.....	3,700	69,649	71,109
RENSBURG SHEPPARDS PLC.....	79,600	1,026,568	1,054,158
RICOH CO LTD.....	180,000	3,537,537	3,029,939
RICOH LEASING CO LTD.....	12,800	345,961	342,242
RIKEN CORP.....	51,000	341,348	312,835
RIO TINTO PLC.....	2,300	463,335	478,391
ROBERT WALTERS.....	70,800	326,580	343,296
ROBERTET SA.....	1,400	218,633	212,342
RUSSEL METALS INC.....	7,400	185,042	145,602
RYMAN HEALTHCARE GROUP LTD.....	116,000	669,683	395,463
S.O.I. TEC.....	41,400	1,261,789	1,274,389
SAIPEM.....	71,720	1,614,853	869,691
SAKAI CHEMICAL INDUSTRY.....	226,000	1,160,012	1,118,773
SALA CORPORATION.....	55,000	274,801	275,712
SALZGITTER AG.....	29,900	2,677,231	553,571
SAMUEL MANU-TECH INC.....	45,100	526,285	435,845
SANGETSU.....	90,600	2,236,322	2,214,567
SANWA SHUTTER CORP.....	66,000	377,030	386,951
SANYO SHINPAN FINANCE CO.....	10,250	430,852	694,844
SANYO YAMAYO DENKI.....	35,000	244,106	214,373
SASOL LTD.....	20,300	710,500	794,116
SATO SHOJI CORP.....	64,000	658,089	887,417
SAVANNA ENERGY SERVICES CORP.....	1,600	35,107	25,634
SAVANNA ENERGY SERVICES CORP.....	92,110	2,021,066	1,664,428
SAVILLS.....	49,400	490,973	620,485

**PERMANENT UNIVERSITY FUND**  
**EQUITY SECURITIES**  
August 31, 2006

SCHEDULE A  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
SBI HOLDINGS INC.....	400	152,620	193,984
SBM OFFSHORE NV.....	59,240	1,623,524	925,908
SCHULTHESS GROUP.....	6,201	3,301,801	2,015,851
SENIOR PLC.....	412,200	482,201	461,434
SENKO CO.....	97,000	301,872	352,133
SEQUOIA OIL & GAS TRUST.....	14,517	174,636	166,493
SEVERFIELD-ROWEN PLC.....	12,600	357,110	207,014
SHIGA BANK.....	84,000	552,193	549,104
SHIMOJIMA CO LTD.....	17,000	215,825	221,669
SHINDENGEN ELECTRIC MAN CO.....	311,000	1,559,176	1,596,610
SHINKI CO.....	144,000	919,606	965,626
SHOWA CORP.....	9,000	149,098	139,442
SILVER STAND RESOURCE INC.....	50,060	1,238,484	737,025
SILVER WHEATON CORP.....	39,399	432,207	398,611
SINGAPORE PRESS HOLDINGS.....	2,424,000	6,134,758	6,418,393
SINO-FOREST CORP.....	17,900	72,584	60,760
SINTOKOGIO LTD.....	15,000	175,982	203,077
SIXT AG.....	35,200	1,712,195	1,383,948
SLOUGH ESTATES.....	108,350	1,354,064	1,160,423
SMIT INTERNATIONALE.....	16,900	1,414,788	1,174,838
SMK CORP.....	42,000	287,198	270,698
SOCIETE AIR FRANCE.....	48,800	1,330,535	1,171,387
SOCO INTERNATIONAL.....	13,000	320,969	321,161
SOLARWORLD AG NPV.....	28,400	1,665,350	257,613
SPARBANK VEST.....	2,800	201,802	186,755
SSAB(SVENSKT STAL)AB.....	50,700	977,817	549,553
ST LAWRENCE CEMENT GROUP INC.....	3,500	103,447	107,019
STAR MICRONICS CO.....	18,000	352,986	147,008
STATOIL ASA.....	66,870	1,807,496	1,107,065
STELLA-JONES INC.....	4,200	76,450	47,053
STOCKMANN AB OY.....	6,300	265,477	228,677
STOLT OFFSHORE.....	63,600	1,124,762	558,070
SULZER AG.....	1,400	1,132,082	574,899
SUMITOMO CORP.....	98,630	1,334,577	870,139
SUMITOMO CORP LEASING.....	29,500	1,622,330	1,415,651
SUMITOMO HEAVY INDUSTRIES.....	107,000	925,080	942,550
SUMITOMO REALTY & DEVELOPMENT CO.....	121,000	3,569,596	2,784,772
SUMITOMO TRUST & BANKING CO.....	71,000	757,309	445,245
SUN HUNG KAI PROPERTIES.....	37,000	403,459	390,515
SUNCALL CORP.....	34,000	232,494	211,562
SUNCOR ENERGY INC.....	26,330	2,042,681	984,907
SUNRISE SENIOR LIVING REIT.....	33,800	306,401	303,626
SUNTELEPHONE CO.....	550,165	4,221,755	4,885,461
SWIRE PACIFIC.....	228,000	2,494,975	2,115,665
SWISS LIFE HOLDING.....	4,400	1,062,574	816,408
SYSTEMS XCELLENCE INC.....	7,850	117,918	76,478
TAG OIL LTD.....	9,100	5,740	10,031
TAIKO BANK.....	384,000	1,093,541	1,190,997
TAISHO PHARMACEUTICAL CO.....	257,000	5,028,904	5,174,554
TAIYO YUDEN CO.....	200,000	2,719,871	2,178,553

PERMANENT UNIVERSITY FUND

EQUITY SECURITIES

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
TAKEFUJI.....	248,250	13,398,325	16,599,009
TALISMAN ENERGY INC.....	122,460	2,152,847	1,331,165
TASEKO MINES LTD.....	530,100	1,280,169	1,022,457
TDK CORP.....	12,000	930,042	857,435
TECK COMINCO LTD.....	26,730	1,772,767	753,065
TECK COMINCO LTD.....	9,200	614,744	530,302
TECNICAS REUNIDAS.....	22,700	618,336	485,211
TEIJIN.....	177,000	950,761	716,256
TELEVISION BROADCAST LTD.....	288,000	1,635,027	1,810,160
TENARIS SA.....	8,365	307,079	272,452
TESCO CORP.....	19,400	314,491	310,154
THUNDER ENERGY TRUST.....	25,834	206,951	261,781
TOA CORP.....	46,000	378,480	438,155
TOCHIGI BANK.....	118,000	802,865	788,890
TOKYO TEKKO CO.....	90,000	811,101	889,048
TORAY INDUSTRIES INC.....	118,000	941,706	789,119
TOSTEM CORP.....	20,000	420,344	427,013
TOTAL ENERGY SERVICES TRUST.....	12,100	179,905	81,933
TOTAL SA.....	10,040	676,997	549,263
TOYO COMMUNICATION.....	66,000	455,813	599,263
TOYO MACHINERY & METAL.....	6,000	51,567	54,284
TOYOTA TSUSHU CORP.....	6,000	158,076	133,562
TRANSCOM WORLDWIDE S.A.....	88,300	848,440	652,896
TRANSOCEAN INC.....	52,070	3,475,673	2,617,676
TRANSPACIFIC INDUSTRY GROUP LTD.....	134,500	744,654	524,161
TRICAN WELL SERVICE LTD.....	6,200	125,872	78,810
TRICAN WELL SERVICE LTD.....	159,220	3,232,463	1,313,607
TRIDENT RESOURCES CORP.....	7,300	328,903	311,234
TRIDENT RESOURCES ENTITLEMENT.....	7,300	0	0
TRIX MINERALS CORP.....	18,000	40,387	38,743
TRIX MINERALS CORP.....	9,000	406	0
TRINIDAD ENERGY SERVICES INC.....	13,000	199,847	192,183
TRUE ENERGY TRUST.....	1,700	21,063	13,215
TSURUMI MANUFACTURE CO.....	152,497	1,584,976	1,351,906
TULLOW OIL PLC.....	113,900	849,829	775,509
TURNKEY E&P INC.....	24,500	126,943	105,772
TUSK ENERGY CORP.....	42,589	130,866	156,503
TV ASAHI CORP.....	734	1,614,631	1,659,097
UFJ NICOS CO LTD.....	66,000	432,741	515,964
UMC JAPAN.....	1,535	437,787	438,328
UNAXIS HOLDINGS.....	5,000	1,472,079	1,394,477
UNIPRES CORP.....	79,000	594,092	797,415
UNI-SELECT INC.....	42,000	1,169,074	1,059,757
UNIVAR NV.....	9,700	401,425	203,931
USG PEOPLE N.V.....	4,000	274,955	344,453
VALLOUREC.....	3,000	672,026	733,108
VAN HOUTTE INC.....	5,300	87,112	88,310
VECTOR AEROSPACE CORP.....	75,900	307,772	241,202
VEDEANT RESOURCES PLC.....	60,500	1,566,240	1,502,814
VEIDЕККЕ.....	26,200	887,213	283,848

**PERMANENT UNIVERSITY FUND**

**EQUITY SECURITIES**

August 31, 2006

SCHEDULE A

(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
VENTURE PRODUCTION.....	64,974	999,846	807,880
VENTUS ENERGY INC.....	57,800	182,293	175,722
VERO ENERGY INC.....	1,090	5,166	2,608
VIRBAC.....	6,400	360,052	377,564
VTECH HOLDINGS.....	179,000	873,508	473,342
WAJAX INCOME FUND UNIT.....	22,300	799,967	354,325
WAKACHIKU CONSTRUCTION CO LTD.....	249,000	405,500	538,734
WALLENSTAM.....	6,500	85,821	54,304
WEATHERFORD INTERNATIONAL LTD.....	48,016	2,064,688	1,312,811
WESTERN OIL SANDS INC.....	29,600	786,844	751,547
WESTPORT INNOVATIONS INC.....	27,800	29,810	38,345
WOOD GROUP (JOHN) PLC.....	246,760	1,076,041	696,635
WOODSIDE PETROLEUM.....	35,110	1,133,065	585,641
WORLEY GROUP NPV.....	47,800	659,965	266,858
WSP HOLDINGS.....	50,600	438,654	332,828
YAMAHA CORP.....	155,000	3,218,016	2,454,356
YAMAHA MOTOR CO.....	43,000	1,147,547	806,347
YAMATO KOGYO.....	82,200	1,878,296	831,994
YOROZU CORP.....	16,000	172,844	150,832
ZENAS ENERGY CORP.....	40,300	135,453	177,515
ZINIFEX.....	226,200	2,055,578	633,060
<b>TOTAL FOREIGN COMMON STOCKS</b>		<u>565,608,613</u>	<u>469,839,559</u>
<b>OTHER - EQUITY SECURITIES</b>			
FEMPARTNERS INC.....	5,432	1	1
GOLDSTON OIL CO - GLADEWATER JETER ROYALTY INTEREST....		1,921,778	218,067
GOLDSTON OIL CO - JETER #3.....		1,278,639	42,876
GOLDSTON OIL-GLADEWATER JETER.....		2,525,529	159,923
PAXTON CORP WTS.....	5,333	48	0
SEAGATE TECHNOLOGY INC.....	42,300	0	0
SONGBIRD HEARING INC WTS.....	812,527	0	1
SONGBIRD HEARING INC WTS.....	1	0	0
TERASTOR CORP.....	1	0	0
<b>TOTAL OTHER - EQUITY SECURITIES</b>		<u>5,725,995</u>	<u>420,868</u>
<b>TOTAL EQUITY SECURITIES</b>		<u><u>1,542,800,309</u></u>	<u><u>1,258,275,721</u></u>

**PERMANENT UNIVERSITY FUND**  
**PREFERRED STOCKS AND CONVERTIBLE SECURITIES**  
August 31, 2006

SCHEDULE B

SECURITY	SHARES	VALUE (\$)	COST (\$)
<b>DOMESTIC PREFERRED STOCKS</b>			
DG FUNDING TRUST			
PRIVATE PLACEMENT.....	233	2,482,906	2,335,585
NF ACQUISITION CORPORATION			
.....	456	1	1
TERASTOR CORP			
SERIES A.....	280,128	5	5
SERIES B.....	320,670	2	2
SERIES C.....	69,698	4	4
SERIES E.....	5,048,544	0	1
SERIES E ITV.....	305,667	1	1
SERIES F.....	2,603,268	0	1
SERIES F ITV.....	104,917	1	1
<b>TOTAL DOMESTIC PREFERRED STOCKS</b>		<u>2,482,920</u>	<u>2,335,601</u>
<b>CONVERTIBLE SECURITIES</b>			
FEMPARTNERS INC			
SERIES A CONV PFD.....	10,865	86,920	86,920
SERIES B CONV PFD.....	3,395	27,163	27,163
SONGBIRD HEARING INC			
SERIES A3 CONV PFD.....	881,528	0	1
SERIES A4 CONV PFD.....	87,805	0	1
SERIES B CONV PFD.....	3,183,569	0	1
SERIES C CONV PFD.....	29,278,408	0	1
SERIES D CONV PFD.....	4,232,814	0	1
<b>TOTAL CONVERTIBLE SECURITIES</b>		<u>114,083</u>	<u>114,088</u>
<b>TOTAL PREFERRED STOCKS AND CONVERTIBLE SECURITIES</b>		<u>2,597,003</u>	<u>2,449,689</u>

**PERMANENT UNIVERSITY FUND**  
**PURCHASED OPTIONS**  
August 31, 2006

SCHEDULE C

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
<b>PURCHASED OPTIONS</b>			
DJ EURO STOXX 50 P INDEX			
PUT JUN 07 3462.750 6/15/07.....	6,974	949,491	0
INTEREST RATE SWAPTIONS			
CALL 09 MAY 07 005.190.....	2,179	575,038	432,532
CALL 09 MAY 07 005.200.....	53	31,095	21,333
CALL APR 07 005.080.....	207	89,817	69,604
CALL DEC 06 004.800.....	57	3,677	31,635
CALL DEC06 005.260.....	28	6,924	6,191
CALL JUN 06 005.000.....	58	29,788	27,896
CALL JUN 07 005.000.....	54	27,733	27,860
CALL JUN 07 005.250.....	30	20,592	11,039
CALL JUN 07 005.250.....	409	280,738	183,161
CALL JUN 07 005.500.....	265	274,620	127,200
CALL JUN 09 005.250.....	140	96,096	61,600
CALL MAR 07 005.000.....	600	178,740	228,000
CALL MAR 07 005.000.....	260	77,454	101,400
CALL MAR 07 005.000.....	70	20,853	32,760
CALL MAY 07 005.000.....	80	36,521	43,753
CALL MAY 07 005.150.....	182	96,715	69,125
CALL MAY 09 005.000.....	50	22,826	27,388
CALL NOV06 005.000.....	160	21,304	50,573
CALL OCT 06 004.500.....	140	14	60,900
CALL OCT 06 004.500.....	93	0	47,430
CALL OCT 06 004.500.....	46	0	23,460
CALL OCT 08 05.130.....	209	29,511	39,153
CALL OCT06 005.130.....	48	6,778	7,560
ISHARES TR MSCI EMERGING MARKETS			
PUT NOV 2007 078.185.....	394,897	1,719,832	0
MSCI EMERGING MARKETS INDEX			
PUT JUN 07 079.000.....	193,222	1,378,510	0
PUT JUN 07 080.230.....	192,421	1,420,749	0
NIKKEI AVERAGE INDEX			
PUT DEC 06 14856.100.....	1,039	222,910	0
PUT DEC 06 14951.100.....	1,033	241,865	0
PUT DEC 07 15843.000.....	1,026	1,146,885	0
PUT DEC 07 16733.000.....	971	1,520,988	0
RUSSELL 2000 INDEX			
PUT DEC 06 610.950.....	50,536	309,037	0
PUT DEC 07 647.060.....	47,716	1,524,469	0
PUT DEC 07 657.950.....	46,926	1,624,203	0
PUT DEC 07 678.920.....	45,477	1,829,681	0
PUT DEC 07 690.790.....	44,695	1,954,222	0
PUT DEC 07 696.350.....	44,338	2,014,634	0
PUT JUN 06 681.5196.....	45,303	1,310,784	0
PUT JUN 07 599.0913.....	51,536	776,975	0
PUT JUN 07 600.8275.....	51,387	786,121	0
PUT JUN 07 601.1656.....	51,359	787,917	0

**PERMANENT UNIVERSITY FUND**  
**PURCHASED OPTIONS**  
August 31, 2006

SCHEDULE C  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
PUT JUN 07 603.250.....	51,181	799,088	0
PUT JUN 07 608.4275.....	50,746	827,634	0
PUT JUN 07 611.800.....	50,466	727,285	0
PUT JUN 07 612.940.....	50,372	853,482	0
PUT JUN 07 612.9875.....	50,368	853,759	0
PUT JUN 07 613.510.....	37,241	634,042	0
PUT JUN 07 613.610.....	50,317	862,309	0
PUT JUN 07 615.220.....	50,185	866,900	0
PUT JUN 07 619.495.....	49,839	892,735	0
PUT JUN 07 620.540.....	49,756	874,999	0
PUT JUN 07 636.210.....	48,529	995,107	0
PUT JUN 07 637.3075.....	48,446	1,010,635	0
PUT JUN 07 643.625.....	47,970	1,056,770	0
PUT JUN 07 644.930.....	47,873	1,067,142	0
PUT JUN 07 652.7925.....	199,753	4,183,460	0
PUT JUN 07 665.380.....	46,402	1,123,326	0
PUT JUN 07 673.080.....	45,872	1,191,486	0
PUT JUN 07 677.8448.....	45,549	1,266,735	0
PUT JUN 2007 632.130.....	48,843	974,571	0
S & P 500 INDEX			
PUT JUN 07 1118.910.....	160,208	2,054,411	0
PUT JUN 07 1179.2618.....	26,182	674,038	0
PUT JUN 07 1179.4725.....	26,177	662,058	0
PUT SEP 06 1040.000.....	51,438	260	0
PUT SEP 06 1163.2129.....	53,086	16,348	0
S&P/TSE 60 INDEX			
PUT DEC 06 569.7193.....	27,097	33,457	0
PUT DEC 06 570.3948.....	27,065	33,912	0
TOTAL PURCHASED OPTIONS		47,982,056	1,731,553

(1) Par Values on Non-US dollar denominated bonds are reported in currency of issue.

**PERMANENT UNIVERSITY FUND**  
**DEBT SECURITIES**  
August 31, 2006

SCHEDULE D

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
<b>U. S. GOVERNMENT OBLIGATIONS</b>			
COMMIT TO PURCHASE FEDERAL HOME LOAN MORTGAGE CORP			
4.5% DUE 09/01/18.....	15,100,000	14,496,000	14,345,000
4.5% DUE 09/01/35.....	33,470,000	31,205,545	30,859,973
COMMIT TO PURCHASE FEDERAL NATIONAL MORTGAGE ASSOCIATION			
5% DUE 09/01/21.....	3,000,000	2,937,186	2,911,875
5% DUE 09/01/21.....	9,650,000	9,447,948	9,368,039
5% DUE 09/01/36.....	8,355,000	8,002,519	7,922,731
5% DUE 10/01/21.....	775,000	758,531	757,320
5% DUE 10/01/36.....	7,675,000	7,348,813	7,340,564
5.5% DUE 09/01/36.....	10,660,000	10,460,125	10,268,007
5.5% DUE 10/01/20.....	1,895,000	1,887,303	1,884,341
6% DUE 09/01/36.....	2,500,000	2,502,345	2,493,688
6% DUE 10/01/20.....	2,375,000	2,398,750	2,398,750
6% DUE 10/01/35.....	13,700,000	13,700,000	13,691,044
6.5% DUE 09/01/36.....	13,270,000	13,469,050	13,424,421
6.5% DUE 10/01/36.....	7,270,000	7,372,231	7,371,950
FEDERAL HOME LOAN BANKS CONS			
4.5% BONDS DUE 05/11/07.....	1,815,000	1,804,651	1,798,121
5% BONDS DUE 03/20/07.....	680,000	678,648	679,789
5.515% BONDS DUE 09/18/07.....	780,000	780,310	780,000
5.55% BONDS DUE 08/08/07.....	1,470,000	1,470,916	1,470,000
6.435% BONDS DUE 12/12/11.....	700,000	745,714	822,493
FEDERAL HOME LOAN MORTGAGE CORP			
3.57% CMO 2738 UA DUE 12/15/23.....	936,070	913,097	926,087
4% CMO 2691 MA DUE 01/15/18.....	62,182	61,892	61,817
4% CMO 2786-GA DUE 08/15/17.....	645,184	619,167	624,543
4% CMO 2931 DA DUE 07/15/14.....	770,681	754,930	764,299
4% PASS THRU B1-4039 DUE 05/01/14.....	243,456	233,534	235,087
4% PASS THRU E0-1647 DUE 05/01/19.....	420,888	396,281	394,911
4% PASS THRU E9-9429 DUE 09/01/13.....	1,108,975	1,066,711	1,063,922
4.375% CMO R001 AE DUE 04/15/15.....	1,966,654	1,911,095	1,901,498
4.5% CMO 2508 CR DUE 03/15/16.....	723,109	714,943	725,595
4.5% CMO 2574 PL DUE 05/15/26.....	124,509	123,651	123,692
4.5% CMO 2695 BA DUE 09/15/15.....	6,125	6,111	6,110
4.5% CMO 2731 A DUE 11/15/28.....	378,566	368,363	367,534
4.5% CMO 2773 EA DUE 05/15/10.....	470,513	468,100	472,718
4.5% CMO 2802 NJ DUE 02/15/30.....	118,238	117,436	117,513
4.5% CMO 2931 DA DUE 09/15/29.....	233,216	226,289	229,572
4.5% CMO 2990 EN DUE 02/15/33.....	997,647	959,996	963,041
4.5% CMO 3031 LN DUE 08/15/33.....	749,521	720,056	723,522
4.5% CMO 3037 BC DUE 09/15/35.....	3,526,199	3,412,840	3,487,080
4.875% NOTES DUE 03/15/07.....	1,500,000	1,496,108	1,497,345
5% CMO 2581 QG DUE 12/15/31.....	1,100,000	1,043,478	1,065,281
5% CMO 2827 TA DUE 01/15/21.....	944,215	939,793	953,749
5% CMO 2848 CG DUE 06/15/15.....	434,042	431,272	433,652
5% CMO 3114 KZ DUE 02/15/36.....	394,726	311,527	313,322
5% CMO DUE 12/15/31.....	445,000	426,574	429,601
5% PASS THRU 00-0000 DUE 09/15/33.....	635,000	621,267	622,399

**PERMANENT UNIVERSITY FUND**  
**DEBT SECURITIES**  
August 31, 2006

SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
5% PASS THRU B1-9614 DUE 07/01/15.....	1,233,605	1,216,856	1,237,267
5% PASS THRU G1-1672 DUE 03/01/15.....	417,254	413,428	416,572
5% PASS THRU G1-1745 DUE 07/01/15.....	2,905,821	2,866,369	2,906,059
5% PASS THRU G1-1786 DUE 10/01/14.....	924,852	916,779	920,227
5% PASS THRU G1-1970 DUE 04/01/16.....	595,488	585,337	582,927
5.065% REMIC CMO 2015 DUE 10/20/15.....	684,710	675,309	672,942
5.125% NOTES DUE 10/24/07.....	1,345,000	1,343,503	1,342,310
5.5% CMO 2875 MA DUE 05/15/26.....	331,806	332,043	331,806
5.5% CMO 2912 EQ DUE 12/15/20.....	271,269	270,797	270,856
5.5% CMO DUE 11/15/33.....	3,372,368	3,069,187	3,304,532
5.67% CMO DUE 12/15/30.....	231,198	231,758	231,704
5.763% CMO DUE 10/25/44.....	2,805,053	2,822,284	2,822,378
5.77% CMO 2266 F DUE 11/15/30.....	85,220	85,135	85,200
6.5% PASS THRU A4-5788 DUE 05/01/35.....	299,886	305,299	311,413
6.53% DEBS DUE 11/26/12.....	5,500,000	5,561,661	5,578,564
6.742% PASS THRU 84-7040 DUE 02/01/29.....	1,148,647	1,164,403	1,191,722
7.078% PASS THRU 78-6190 DUE 07/01/27.....	120,121	121,418	119,371
7.5% CMO 1215-H DUE 03/15/07.....	35,078	34,998	33,428
7.5% CMO 2206Z DUE 01/15/30.....	762,942	791,326	708,447
7.645% PASS THRU 30-0088 DUE 05/01/25.....	8,090,691	8,933,645	8,095,748
7.75% CMO 1394-IA DUE 10/15/22.....	4,312,061	4,428,441	4,276,215
8.3% CMO 1245-I DUE 04/15/07.....	36,132	36,050	35,960
8.5% CMO 1311-KA DUE 07/15/22.....	453,357	453,142	452,691
9.9% REMIC CMO 17-I DUE 10/15/19.....	200,968	212,239	200,032
10% REMIC CMO 18-D DUE 11/15/19.....	529,885	528,206	532,956
11% PASS THRU 17-0147 DUE 11/01/15.....	8,713	9,693	8,694
11.5% PASS THRU 17-0139 DUE 08/01/15.....	7,013	7,620	6,980
13.5% PASS THRU 17-0037 DUE 10/01/10.....	4,065	4,474	4,037
15.5% PASS THRU 17-0051 DUE 06/01/11.....	497	568	494
16.25% PASS THRU 17-0047 DUE 05/01/11.....	508	587	507
<b>FEDERAL NATIONAL MORTGAGE ASSOCIATION</b>			
2.92% REMIC CMO 03-M2 A DUE 05/25/09.....	496,881	479,180	479,386
3.5% REMIC CMO 2003-87 TD DUE 04/25/11.....	335,000	331,245	330,498
3.5% REMIC CMO DUE 04/25/11.....	90,000	88,991	88,263
3.77% REMIC CMO 03-W6 1A32 DUE 10/25/42.....	180,150	179,178	179,333
3.81% PASS THRU 0386341 DUE 08/01/13.....	139,392	129,096	129,002
4% PASS THRU 0254909 DUE 09/01/13.....	625,616	601,237	611,958
4% REMIC CMO 05-35 AC DUE 08/25/18.....	1,646,441	1,578,869	1,606,245
4% REMIC CMO DUE 11/25/17.....	282,605	280,010	282,229
4.125% PASS THRU 0387219 DUE 01/01/10.....	355,675	343,661	342,733
4.191% PASS THRU 0841068 DUE 11/01/34.....	2,356,106	2,324,167	2,342,669
4.22% PASS THRU 0386441 DUE 08/01/13.....	372,825	351,220	348,314
4.243% REMIC CMO 03-W6 1A31 DUE 10/25/42.....	263,296	261,821	262,987
4.25% REMIC CMO 2004-93 DG DUE 04/25/19.....	1,421,999	1,366,498	1,369,121
4.37% REMIC CMO DUE 09/25/10.....	1,101,494	1,074,138	1,067,330
4.469% REMIC CMO 06-05 2A1 DUE 11/25/28.....	620,849	621,108	620,849
4.5% PASS THRU 0254758 DUE 06/01/13.....	867,270	846,380	847,791
4.5% PASS THRU 0254759 DUE 06/01/18.....	207,797	200,171	201,466
4.5% PASS THRU 0255176 DUE 04/01/19.....	1,918,429	1,845,454	1,912,734

**PERMANENT UNIVERSITY FUND**  
**DEBT SECURITIES**  
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SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
4.5% PASS THRU 0255450 DUE 10/01/14.....	213,753	207,178	206,873
4.5% PASS THRU 0725546 DUE 06/01/19.....	678,658	652,843	661,162
4.5% REMIC CMO 05-95 LN DUE 03/25/33.....	760,000	728,870	729,036
4.655% PASS THRU 0387265 DUE 02/01/15.....	352,348	338,703	333,423
4.951% PASS THRU 0800171 DUE 12/01/34.....	683,242	676,854	696,907
5% PASS THRU 0190341 DUE 09/01/18.....	291,417	286,167	298,566
5% PASS THRU 0254510 DUE 11/01/17.....	332,600	326,805	340,759
5% PASS THRU 0254545 DUE 12/01/17.....	48,689	47,840	49,883
5% PASS THRU 0254663 DUE 02/01/13.....	3,863,896	3,826,576	3,854,878
5% PASS THRU 0254685 DUE 04/01/18.....	489,690	480,867	501,702
5% PASS THRU 0255639 DUE 02/01/15.....	951,489	939,165	944,352
5% PASS THRU 0255806 DUE 08/01/20.....	474,121	464,385	474,417
5% PASS THRU 0357312 DUE 12/01/17.....	2,254,889	2,215,601	2,286,598
5% PASS THRU 0357981 DUE 09/01/20.....	103,911	101,777	103,976
5% PASS THRU 0555545 DUE 06/01/18.....	271,351	266,462	278,008
5% PASS THRU 0555750 DUE 09/01/18.....	604,209	593,322	619,031
5% PASS THRU 0653195 DUE 08/01/17.....	617,142	606,389	632,281
5% PASS THRU 0662408 DUE 01/01/18.....	88,407	86,866	90,575
5% PASS THRU 0677681 DUE 02/01/18.....	11,250	11,047	11,526
5% PASS THRU 0685181 DUE 02/01/18.....	1,172,593	1,151,466	1,201,358
5% PASS THRU 0703443 DUE 05/01/18.....	299,741	294,340	307,094
5% PASS THRU 0705284 DUE 06/01/18.....	485,546	477,086	497,457
5% PASS THRU 0708706 DUE 06/01/18.....	253,124	248,563	259,333
5% PASS THRU 0720372 DUE 06/01/18.....	318,221	312,487	326,027
5% PASS THRU 0730057 DUE 08/01/18.....	82,808	81,316	84,839
5% PASS THRU 0743925 DUE 11/01/18.....	526,651	517,162	532,576
5% PASS THRU 0745659 DUE 04/01/16.....	451,897	446,045	438,764
5% PASS THRU 0775689 DUE 05/01/19.....	477,642	468,453	480,459
5% PASS THRU 0777257 DUE 05/01/19.....	57,626	56,517	56,689
5% PASS THRU 0793396 DUE 08/01/19.....	217,157	212,979	217,293
5% PASS THRU 0793917 DUE 09/01/19.....	777,575	762,615	782,161
5% PASS THRU 0796379 DUE 12/01/19.....	812,772	797,135	817,566
5% PASS THRU 0797773 DUE 03/01/20.....	701,686	687,278	705,825
5% PASS THRU 0798733 DUE 11/01/19.....	39,240	38,486	39,472
5% PASS THRU 0799263 DUE 12/01/19.....	21,390	20,978	21,516
5% PASS THRU 0810968 DUE 04/01/20.....	254,312	249,090	255,812
5% PASS THRU 0811870 DUE 02/01/20.....	362,587	355,142	364,726
5% PASS THRU 0815437 DUE 02/01/20.....	128,882	126,235	129,642
5% PASS THRU 0816349 DUE 04/01/20.....	275,275	269,622	276,898
5% PASS THRU 0819732 DUE 04/01/20.....	149,009	145,949	149,888
5% PASS THRU 0819952 DUE 04/01/20.....	480,518	470,651	483,352
5% PASS THRU 0820006 DUE 04/01/20.....	327,391	320,668	329,322
5% PASS THRU 0826761 DUE 08/01/20.....	125,408	122,833	125,486
5% PASS THRU 0829495 DUE 07/01/20.....	52,098	51,028	51,251
5% PASS THRU 0837913 DUE 08/01/35.....	869,872	833,625	859,814
5% PASS THRU 0838480 DUE 09/01/20.....	118,971	116,528	119,045
5% PASS THRU 0838602 DUE 10/01/35.....	131,301	125,830	129,783
5% PASS THRU 0838753 DUE 09/01/35.....	396,500	379,978	391,915
5% PASS THRU 0839002 DUE 08/01/20.....	48,255	47,264	47,471

**PERMANENT UNIVERSITY FUND**  
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SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
5% PASS THRU 254508 DUE 11/01/12.....	186,789	185,000	187,840
5% REMIC CMO 03-26 AT DUE 11/25/32.....	1,400,000	1,306,703	1,330,438
5.25% BONDS DUE 04/15/07.....	7,120,000	7,115,208	7,103,486
5.48% REMIC CMO 04-63 FA DUE 08/25/34.....	622,460	622,182	622,460
5.5% PASS THRU 0456654 DUE 02/01/14.....	60,716	60,684	63,140
5.5% PASS THRU 0535704 DUE 12/01/30.....	58,382	57,614	59,295
5.5% PASS THRU 0555531 DUE 06/01/33.....	1,663,156	1,637,445	1,690,052
5.5% PASS THRU 0648962 DUE 11/01/32.....	846,907	834,136	860,603
5.5% PASS THRU 0668399 DUE 01/01/33.....	671,233	661,112	681,721
5.5% PASS THRU 0713467 DUE 04/01/33.....	260,493	256,466	264,563
5.5% PASS THRU 0725042 DUE 01/01/34.....	77,688	76,487	78,927
5.5% PASS THRU 0725425 DUE 04/01/34.....	17,010,667	16,749,762	17,155,523
5.5% PASS THRU 0761826 DUE 08/01/33.....	232,911	229,398	234,894
5.5% PASS THRU 0767725 DUE 12/01/33.....	1,306,778	1,286,577	1,327,018
5.5% PASS THRU 0833058 DUE 09/01/35.....	273,986	269,016	269,395
5.5% PASS THRU 0848209 DUE 12/01/35.....	422,087	414,430	414,305
5.5% PASS THRU 0866420 DUE 01/01/36.....	454,809	446,558	447,187
5.5% PASS THRU 0868841 DUE 04/01/36.....	994,481	975,969	963,404
5.5% PASS THRU 0745444 DUE 04/01/16.....	510,721	510,489	507,210
5.5% REMIC CMO 03-W19 1A5 DUE 11/25/33.....	337,242	335,008	335,336
5.58% REMIC CMO 04-W8 1AF DUE 06/25/44.....	678,152	678,334	677,728
5.73% REMIC CMO 2002-08 F DUE 09/25/32.....	68,827	69,106	68,806
5.83% REMIC CMO 2002-10 FB DUE 03/25/17.....	583,693	589,485	583,693
5.864% PASS THRU 0806506 DUE 10/01/44.....	119,754	120,990	120,198
6% PASS THRU 0426612 DUE 10/01/28.....	498,539	501,731	452,269
6% PASS THRU 0443239 DUE 10/01/28.....	185,990	187,181	167,856
6% PASS THRU 0529320 DUE 07/01/29.....	1,280,544	1,288,448	1,155,691
6% PASS THRU 0555198 DUE 01/01/23.....	209,775	211,983	218,215
6% REMIC CMO 03-34 A1 DUE 04/25/43.....	97,890	98,033	99,404
6% REMIC CMO 04-T3 1A1 DUE 02/25/44.....	143,267	143,817	145,550
6% REMIC CMO 04-W12-1A1 DUE 07/25/44.....	731,731	734,755	743,564
6.4% REMIC CMO 93-G40 H DUE 12/25/23.....	3,839,173	3,922,039	3,695,204
6.5% PASS THRU 0254086 DUE 11/01/21.....	1,003,784	1,026,993	1,047,072
6.5% PASS THRU 0323606 DUE 03/01/29.....	783,026	799,469	724,789
6.5% PASS THRU 0323755 DUE 11/01/13.....	1,184,894	1,203,777	1,139,905
6.5% REMIC CMO 03-W1 1A1 DUE 12/25/42.....	474,213	482,200	497,331
6.502% PASS THRU 0422883 DUE 12/01/26.....	157,548	156,728	160,748
6.64% PASS THRU 0399907 DUE 08/01/27.....	245,944	250,505	252,169
6.8% REMIC CMO 93-59 J DUE 05/25/08.....	561,770	563,589	561,770
6.825% PASS THRU 0381817 DUE 08/01/09.....	2,788,892	2,872,576	2,645,961
6.9% REMIC CMO 93-43 J DUE 04/25/08.....	1,182,071	1,187,216	1,178,318
7% PASS THRU 0323937 DUE 09/01/14.....	1,438,870	1,478,572	1,524,753
7% PASS THRU 0555203 DUE 09/01/32.....	130,725	134,147	134,974
7.15% PASS THRU 0594245 DUE 06/01/30.....	42,245	43,451	43,519
7.46% PASS THRU 0381809 DUE 08/01/29.....	1,199,425	1,350,488	1,207,015
8.375% REMIC CMO 92-G41 MB DUE 08/25/22.....	778,916	826,248	778,020
8.5% REMIC CMO 92-G19 M DUE 04/25/22.....	973,947	1,036,059	967,221
8.6% REMIC CMO 50 CL G DUE 08/25/19.....	170,454	181,727	167,990

**PERMANENT UNIVERSITY FUND**  
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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
<b>GOVERNMENT NATIONAL MORTGAGE ASSOCIATION</b>			
5% REMIC CMO 05-21 Z DUE 03/20/35.....	515,157	429,648	419,822
5.125% PASS THRU 0080119 DUE 10/20/27.....	193,538	194,792	194,264
5.25% PASS THRU 0080364 DUE 01/20/30.....	241,390	241,818	246,131
5.375% PASS THRU 0008351 DUE 01/20/24.....	122,674	123,057	124,705
5.375% PASS THRU 0008865 DUE 05/20/26.....	144,876	145,520	145,238
5.375% PASS THRU 0080180 DUE 03/20/28.....	25,726	25,840	26,132
5.375% PASS THRU 0080393 DUE 04/20/30.....	174,156	175,093	170,263
5.375% PASS THRU 0080397 DUE 04/20/30.....	225,597	226,975	225,850
5.375% PASS THRU 0080407 DUE 05/20/30.....	119,983	120,621	117,287
5.375% PASS THRU 0080409 DUE 05/20/30.....	439,510	442,193	440,126
5.375% PASS THRU 0080418 DUE 06/20/30.....	180,358	181,453	184,473
5.5% PASS THRU 0569547 DUE 01/15/32.....	57,828	57,343	56,247
5.75% PASS THRU 0080095 DUE 07/20/27.....	307,242	308,907	312,475
6.75% REMIC CMO 2001-616 Z DUE 10/16/40.....	10,979,070	11,855,832	10,779,071
7% PASS THRU 0001212 DUE 06/20/23.....	84,175	86,520	83,989
8% PASS THRU 0016676 DUE 04/15/07.....	395	398	394
8.5% PASS THRU 0002841 DUE 11/20/29.....	64,677	69,210	66,804
8.5% PASS THRU 0002855 DUE 12/20/29.....	68,739	73,557	71,000
8.5% PASS THRU 0002910 DUE 04/20/30.....	34,518	36,944	35,654
8.5% PASS THRU 0002936 DUE 06/20/30.....	75,572	80,891	78,058
8.5% PASS THRU 0002947 DUE 07/20/30.....	57,160	61,183	59,040
8.5% PASS THRU 0002974 DUE 09/20/30.....	37,122	39,735	38,343
8.5% PASS THRU 0003029 DUE 01/20/31.....	75,513	80,678	77,996
8.5% PASS THRU 0003043 DUE 02/20/31.....	53,850	57,534	55,621
8.5% PASS THRU 0508335 DUE 04/15/30.....	36,265	38,963	38,350
8.5% PASS THRU 0511172 DUE 01/15/30.....	37,653	40,454	39,818
8.5% PASS THRU 0521511 DUE 10/15/29.....	12,095	12,992	12,791
8.5% PASS THRU 0522981 DUE 02/15/30.....	9,309	10,001	9,844
8.5% PASS THRU 0526031 DUE 08/15/30.....	15,624	16,787	16,523
8.5% PASS THRU 0526032 DUE 08/15/30.....	5,210	5,597	5,509
8.5% PASS THRU 0538114 DUE 09/15/30.....	37,792	40,603	39,965
8.5% PASS THRU 0780840 DUE 07/20/28.....	80,855	86,543	83,514
10% PASS THRU 0151185 DUE 03/15/16.....	32,282	35,599	31,788
10% PASS THRU 0233778 DUE 02/15/18.....	16,849	18,630	16,762
10.5% PASS THRU 0224630 DUE 10/15/17.....	10,028	11,128	9,651
11% PASS THRU 0035288 DUE 03/15/10.....	13,201	14,172	13,096
11.5% PASS THRU 0131670 DUE 05/15/15.....	10,206	11,402	10,157
12.5% PASS THRU 0040744 DUE 05/15/10.....	2,194	2,401	2,161
12.5% PASS THRU 0043162 DUE 11/15/10.....	4,837	5,294	4,628
12.5% PASS THRU 0044298 DUE 11/15/10.....	8,821	9,557	8,441
13% PASS THRU 0047171 DUE 04/15/11.....	790	876	766
13% PASS THRU 0049550 DUE 07/15/11.....	16,899	18,738	15,231
13.5% PASS THRU 0040310 DUE 05/15/10.....	7,455	8,266	7,427
13.5% PASS THRU 0041007 DUE 07/15/10.....	3,255	3,610	3,251
13.5% PASS THRU 0041570 DUE 05/15/10.....	3,063	3,396	3,047
13.5% PASS THRU 0045053 DUE 05/15/11.....	4,024	4,494	3,692
13.5% PASS THRU 0045236 DUE 05/15/11.....	2,426	2,710	2,226
13.5% PASS THRU 0048879 DUE 05/15/11.....	5,994	6,695	5,485

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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
<b>SMALL BUSINESS ADMINISTRATION</b>			
4.76% DUE 09/01/25.....	734,289	707,608	734,289
7.22% PART CERT 2000-20 1 DUE 11/01/20.....	436,902	460,973	458,782
7.64% PART CERT 00-10A DUE 03/01/10.....	92,182	97,072	95,898
<b>SYNTHETIC</b>			
6% CUSTODY RECPT DUE 08/15/11.....	5,170,000	5,619,945	4,995,928
<b>TENNESSEE VALLEY AUTHORITY POWER</b>			
4.875% BONDS DUE 12/15/16.....	1,500,000	1,498,788	1,537,124
<b>UNITED STATES TREASURY</b>			
0% BILLS DUE 09/14/06.....	8,487,600	8,440,905	8,440,905
0.875% INFLATION INDEX NOTE DUE 04/15/10.....	54,424,409	51,703,189	51,983,805
1.625% INFLATION INDEX BOND DUE 01/15/15.....	12,612,350	12,010,803	12,595,479
1.875% INFLATION INDEX NOTE DUE 07/15/13.....	22,636,693	22,076,073	22,630,288
1.875% INFLATION INDEX NOTE DUE 07/15/15.....	46,749,355	45,343,228	45,557,123
2% INFLATION INDEX BOND DUE 01/15/26.....	70,527,840	67,940,879	65,630,146
2% INFLATION INDEX NOTE DUE 01/15/14.....	59,841,467	58,763,842	59,267,566
2% INFLATION INDEX NOTE DUE 01/15/16.....	39,900,313	39,063,325	38,648,610
2% INFLATION INDEX NOTE DUE 07/15/14.....	50,420,540	49,483,020	49,779,255
2.375% INFLATION INDEX BOND DUE 01/15/25.....	43,906,061	44,815,049	44,892,194
2.375% INFLATION INDEX NOTE DUE 04/15/11.....	31,165,963	31,292,559	31,125,728
2.5% INFLATION INDEX NOTE DUE 07/15/16.....	15,095,023	15,436,426	15,249,769
3% INFLATION INDEX NOTE DUE 07/15/12.....	27,619,847	28,747,288	29,917,648
3.375% INFLATION INDEX BOND DUE 04/15/32.....	2,398,077	2,994,879	3,119,859
3.375% INFLATION INDEX NOTE DUE 01/15/07.....	14,726,555	14,720,223	14,742,769
3.375% INFLATION INDEX NOTE DUE 01/15/12.....	5,140,603	5,431,771	5,733,952
3.5% INFLATION INDEX NOTE DUE 01/15/11.....	17,633,847	18,534,143	19,566,863
3.5% NOTES DUE 02/15/10.....	3,800,000	3,654,680	3,609,703
3.5% NOTES DUE 08/15/09.....	7,600,000	7,350,925	7,333,320
3.625% INFLATION INDEX BOND DUE 04/15/28.....	43,673,191	54,402,121	53,354,718
3.625% INFLATION INDEX NOTE DUE 01/15/08.....	54,371,831	55,083,340	55,288,821
3.625% NOTES DUE 04/30/07.....	32,615,000	32,304,146	32,637,550
3.625% NOTES DUE 06/30/07.....	10,570,000	10,447,790	10,478,388
3.875% INFLATION INDEX BOND DUE 04/15/29.....	7,473,592	9,712,164	9,742,616
3.875% INFLATION INDEX NOTE DUE 01/15/09.....	21,498,252	22,213,735	22,986,997
3.875% NOTES DUE 05/15/10.....	32,145,000	31,263,520	32,257,382
3.875% NOTES DUE 09/15/10.....	2,610,000	2,531,496	2,538,205
4% NOTES DUE 02/15/15.....	18,735,000	17,779,946	18,003,957
4.125% NOTES DUE 05/15/15.....	17,865,000	17,091,088	17,835,306
4.25% INFLATION INDEX NOTE DUE 01/15/10.....	19,533,169	20,759,324	21,984,982
4.25% NOTES DUE 08/15/14.....	1,950,000	1,887,767	1,893,006
4.25% NOTES DUE 11/15/14.....	3,615,000	3,496,667	3,515,911
4.5% BONDS DUE 02/15/36.....	37,895,000	35,665,713	34,030,478
4.5% NOTES DUE 02/28/11.....	600,000	595,312	587,921
4.75% NOTES DUE 05/15/14.....	2,600,000	2,602,844	2,593,831
4.875% NOTES DUE 08/15/16.....	1,100,000	1,112,461	1,109,727
5.125% NOTES DUE 05/15/16.....	15,520,000	15,960,737	15,869,579
5.25% BONDS DUE 02/15/29.....	1,645,000	1,715,169	1,683,340
5.375% BONDS DUE 02/15/31.....	50,000	53,195	54,938
6.25% BONDS DUE 08/15/23.....	1,125,000	1,289,971	1,236,018

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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
6.625% BONDS DUE 02/15/27.....	500,000	607,070	634,610
7.125% BONDS DUE 02/15/23.....	30,243,000	37,548,560	36,457,797
8.125% BONDS DUE 05/15/21.....	3,400,000	4,523,595	4,747,811
8.125% BONDS DUE 08/15/19.....	2,900,000	3,791,071	3,992,234
8.875% BONDS DUE 02/15/19.....	5,000,000	6,848,045	7,348,682
<b>TOTAL U. S. GOVERNMENT OBLIGATIONS</b>		<u>1,222,350,122</u>	<u>1,223,055,174</u>
<b>FOREIGN GOVERNMENT AND PROVINCIAL OBLIGATIONS</b>			
<b>ARAB REPUBLIC EGYPT</b>			
4.45% DUE 09/15/15.....	590,000	565,409	587,988
<b>AUSTRIA REPUBLIC</b>			
4% BONDS DUE 07/15/09.....	1,100,000	1,424,388	1,103,602
5% BONDS DUE 07/15/12.....	800,000	1,095,723	888,183
5.5% BONDS DUE 01/15/10.....	600,000	813,805	624,920
<b>BANQUE CENTRALE DE TUNISIE</b>			
7.375% BONDS DUE 04/25/12.....	500,000	535,000	484,375
<b>BUNDESREPUBLIK DEUTSCHLAND</b>			
5.25% BONDS DUE 01/04/11.....	500,000	681,947	701,866
<b>CENTRAL BANK OF TUNISIA BONDS</b>			
7.375% BONDS DUE 04/25/12.....	100,000	107,130	115,250
<b>DENMARK (KINGDOM OF)</b>			
7% BONDS DUE 11/15/07.....	13,830,000	2,466,736	1,759,617
<b>DUTCH (GOVT OF)</b>			
3.75% BONDS DUE 07/15/14.....	600,000	769,773	787,372
<b>FRANCE GOVERNMENT</b>			
4% BONDS DUE 04/25/09.....	1,900,000	2,457,632	1,648,659
4% BONDS DUE 04/25/14.....	400,000	521,748	543,133
4% BONDS DUE 04/25/55.....	100,000	127,429	126,172
4% BONDS DUE 10/25/14.....	1,600,000	2,086,994	2,149,237
4% DEBS DUE 10/25/09.....	5,820,000	7,546,740	4,825,955
4.75% BONDS DUE 04/25/35.....	200,000	286,219	288,431
<b>GERMANY FEDERAL REPUBLIC</b>			
3.5% BONDS DUE 10/09/09.....	400,000	511,508	547,736
4% BONDS DUE 07/04/09.....	1,600,000	2,072,657	2,249,976
5% BONDS DUE 07/04/11.....	2,300,000	3,123,706	2,394,530
5.375% BONDS DUE 01/04/10.....	5,140,000	6,947,907	7,459,260
5.5% BONDS DUE 01/04/31.....	200,000	313,356	309,580
5.625% BONDS DUE 01/04/28.....	9,640,000	15,134,620	13,860,601
6.25% BONDS DUE 01/04/30.....	5,900,000	10,055,881	10,106,223
6.5% BONDS DUE 07/04/27.....	3,260,000	5,623,068	5,087,745
<b>GOVERNMENT OF CANADA</b>			
3% BONDS DUE 12/01/36.....	106,402	127,064	102,658
<b>ISRAEL STATE</b>			
5.5% NOTES DUE 09/18/23.....	600,000	616,876	653,810
<b>JAPAN (GOVERNMENT OF)</b>			
2.3% DUE 06/20/35.....	300,000,000	2,507,917	2,510,465
<b>JAPAN FINANCIAL CORP</b>			
1.55% NOTES DUE 02/21/12.....	140,000,000	1,210,982	1,212,112

**PERMANENT UNIVERSITY FUND**  
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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
ONTARIO PROVIDENCE CANADA			
3.375% BONDS DUE 01/15/08.....	2,625,000	2,561,160	2,623,241
POLAND (GOVT OF)			
6% BONDS DUE 05/24/09.....	9,300,000	3,081,607	3,172,034
QUEBEC (PROVINCE OF) CANADA			
5% DUE 03/01/16.....	755,000	739,873	749,436
REPUBLIC OF ITALY			
4.5% BONDS DUE 05/01/09.....	4,800,000	6,282,485	6,202,403
5.5% BONDS DUE 11/01/10.....	5,910,000	8,091,626	8,044,691
RUSSIAN FEDERATION			
5% BONDS DUE 03/31/30.....	1,430,000	1,590,875	1,437,736
SOUTH AFRICA (REPUBLIC OF)			
7.375% NOTES DUE 04/25/12.....	1,010,000	1,090,800	1,089,039
SPAIN (GOVT OF)			
5.15% BONDS DUE 07/30/09.....	700,000	934,573	645,588
6% BONDS DUE 01/31/29.....	2,240,000	3,681,772	2,214,585
UNITED MEXICAN STATES			
8% NOTES DUE 09/24/22.....	220,000	265,100	228,580
8% NOTES DUE 09/24/22.....	500,000	600,000	486,240
8.3% BONDS DUE 08/15/31.....	600,000	754,500	630,221
11.375% BOND DUE 09/15/16.....	1,000,000	1,430,000	1,382,500
<b>TOTAL FOREIGN GOVERNMENT AND PROVINCIAL OBLIGATIONS</b>		<u>100,836,586</u>	<u>92,035,750</u>
<b>CORPORATE OBLIGATIONS</b>			
ABITIBI-CONSOLIDATED INC			
7.875% DUE 08/01/09.....	148,000	145,780	146,625
AGL CAPITAL CORP			
6.375% DUE 07/15/16.....	510,000	527,894	509,266
ALBERTSONS INC			
7.5% DUE 02/15/11.....	150,000	150,532	152,432
8% DUE 05/01/31.....	180,000	166,271	170,749
ALLIANCE PIPELINE LP			
4.591% DUE 12/31/25.....	43,694	40,695	40,311
ALLIED WASTE NORTH AMERICA INC			
6.5% DUE 11/15/10.....	195,000	191,588	190,613
AMERICAN EXPRESS CREDIT CORP			
5.43% DUE 11/16/09.....	1,105,000	1,106,095	1,106,683
AMERICAN HOME MORTGAGE			
4.29% DUE 10/25/34.....	542,424	530,714	539,035
AMERICAN REFINE FUEL CO LLC			
6.26% DUE 12/31/15.....	313,937	307,335	294,778
AMERICREDIT AUTO REVC			
5.61% DUE 03/06/10.....	405,000	405,689	404,986
AMERIQUEST MORTGAGE			
5.89% DUE 06/25/34.....	315,906	316,847	315,578
ANGLO IRISH			
0% DISC NOTE DUE 10/05/06.....	59,313,000	58,500,544	58,500,544
ANHEUSER BUSCH COMPANIES INC			
5.05% DUE 10/15/16.....	1,575,000	1,528,819	1,614,005

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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
<b>APPALACHIAN POWER CO</b>			
4.4% DUE 06/01/10.....	150,000	144,323	149,715
5.55% DUE 04/01/11.....	175,000	175,320	174,673
<b>ARCHSTONE SMITH OPERATION</b>			
5.75% DUE 03/15/16.....	1,100,000	1,099,424	1,077,483
<b>ARGENT SECURITIES INC</b>			
5.43% DUE 11/25/35.....	445,445	445,520	445,445
<b>AT&amp;T CORPORATION</b>			
7.3% DUE 11/15/11.....	630,000	680,159	720,015
<b>AT&amp;T WIRELESS SERVICES INC</b>			
7.875% DUE 03/01/11.....	1,575,000	1,718,456	1,854,777
<b>ATCHISON TOPEKA &amp; SANTA FE RAILROAD</b>			
7.57% EQUIP TRUST DUE 02/15/09.....	1,336,000	1,407,545	1,299,353
<b>ATLANTIC &amp; WESTERN</b>			
11.37163% DUE 01/09/07.....	400,000	393,492	400,000
11.62163% DUE 01/09/09.....	300,000	282,258	300,000
<b>BAE SYSTEM HOLDINGS INC</b>			
4.75% NOTES DUE 08/15/10.....	1,575,000	1,528,131	1,570,464
5.805% NOTES DUE 08/15/08.....	500,000	500,023	500,000
<b>BANC AMERICA COMMERCIAL MORTGAGE</b>			
4.05% DUE 01/10/11.....	935,000	892,049	878,681
4.877% DUE 11/10/42.....	1,072,000	1,059,606	1,077,391
5.001% DUE 09/10/10.....	1,325,000	1,311,025	1,327,773
5.165% DUE 09/10/47.....	460,000	458,194	462,318
<b>BANC AMERICAN MORTGAGE SECURITIES</b>			
5% DUE 05/25/34.....	1,251,161	1,229,542	1,240,995
<b>BANK AMERICA CORP</b>			
0% DISC NOTE DUE 10/10/06.....	5,600,000	5,522,935	5,522,935
0% DISC NOTE DUE 11/01/06.....	2,600,000	2,565,095	2,565,095
<b>BANK OF TOKYO-MITSUBISI UFJ</b>			
3.5% DUE 12/16/15.....	200,000	249,635	235,243
<b>BANK ONE ISSUANCE</b>			
5.36% DUE 02/16/10.....	725,000	725,280	725,595
<b>BANQUE CENTRALE DE TUNISIE</b>			
7.5% DUE 08/06/09.....	300,000	418,576	288,797
<b>BARCLAYS US FUNDING</b>			
0% DISC NOTE DUE 10/26/06.....	2,600,000	2,564,220	2,564,220
<b>BASF AKTIENGESELL</b>			
0% DISC NOTE DUE 09/12/06.....	39,583,000	39,062,704	39,062,704
<b>BEAR STEARNS COMMERCIAL MORTGAGE</b>			
4.75% DUE 02/13/46.....	1,050,000	1,003,620	1,050,164
5.5% DUE 12/25/42.....	75,631	75,640	75,667
5.66% DUE 10/25/32.....	24,724	24,753	24,724
<b>BELLSOUTH CORP</b>			
5.2% DUE 12/15/16.....	1,050,000	981,501	1,048,719
<b>BNP PARIBAS</b>			
4.73% DUE 04/29/49.....	1,000,000	1,269,682	1,226,150
<b>BNSF RY CO</b>			
4.83% DUE 01/15/23.....	191,099	187,695	184,192

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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
BOEING CAPITAL CORPORATION			
5.4% DUE 11/30/09.....	1,579,000	1,582,801	1,575,526
BORGER ENERGY ASSOCIATION			
7.26% DUE 12/31/22.....	229,157	224,061	218,979
BURLINGTON NORTHERN SANTA FE CORP			
6.462% DUE 01/15/21.....	1,000,518	1,068,753	1,000,518
7% DEBENTURES DUE 12/15/25.....	600,000	669,395	692,256
8.125% DUE 04/15/20.....	525,000	637,070	604,338
CAPCO AMERICAN SERCURITY			
5.86% DUE 10/15/30.....	116,916	116,697	117,893
CAPITAL ONE AUTO			
5.53% DUE 04/15/09.....	1,195,000	1,196,098	1,194,908
CARNIVAL CORP			
6.15% DUE 04/15/08.....	500,000	504,614	525,230
7.2% DUE 10/01/23.....	1,342,000	1,476,042	1,228,774
CATERPILLAR FINANCIAL SERVICES CORP			
4.3% DUE 06/01/10.....	1,050,000	1,015,445	1,046,861
5.59% DUE 02/25/09.....	615,000	616,216	614,979
CATERPILLAR INC			
6.05% DUE 08/15/36.....	555,000	571,355	553,085
CD 2006 CD2			
5.302% DUE 01/15/46.....	1,142,184	1,143,074	1,145,027
CENTERPOINT ENERGY INC			
7.25% DUE 09/01/10.....	245,000	258,342	269,069
CHARTER ONE BANK			
5.54% DUE 04/26/09.....	1,250,000	1,250,460	1,250,000
CHASE CREDIT CARD TRUST			
5.36% DUE 09/15/09.....	1,585,000	1,585,437	1,585,929
CHASE ISSUANCE TRUST			
5.34% DUE 07/15/10.....	690,000	690,160	690,582
CIT EQUIPMENT COLLATERAL			
4.12% DUE 08/20/08.....	1,225,000	1,215,105	1,213,659
CIT GROUP INC			
5.54625% DUE 08/17/09.....	1,200,000	1,199,478	1,200,000
CITIBANK CREDIT CARD			
5.42375% DUE 10/15/09.....	1,500,000	1,501,025	1,501,523
CITIGROUP INC			
4.625% DUE 08/03/10.....	1,050,000	1,028,010	1,049,864
4.7% DUE 05/29/15.....	1,050,000	996,211	1,056,731
5.525% DUE 01/30/09.....	400,000	400,112	400,000
CITIGROUP MORTGAGE LOAN TRUST			
4.9% DUE 12/25/35.....	888,704	878,039	883,844
COMM 2003 LNB1 COML CTF			
3.251% DUE 06/10/38.....	1,269,431	1,197,035	1,216,522
COMMONWEALTH EDISON CO			
5.95% DUE 08/15/16.....	670,000	673,414	669,656
CONSOLIDATED NATURAL GAS CO			
6.85% DUE 04/15/11.....	245,000	256,733	262,748

**PERMANENT UNIVERSITY FUND**  
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SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
CONSUMERS ENERGY CO			
4.4% DUE 08/15/09.....	390,000	378,091	391,357
COX COMMUNICATIONS INC			
7.125% DUE 10/01/12.....	465,000	491,941	498,740
CPG PARTNERS LP			
3.5% DUE 03/15/09.....	355,000	339,867	339,025
CREDIT SUISSE FIRST BOSTON SECURITIES CORP			
2.079% DUE 05/15/38.....	537,609	520,682	519,862
5% DUE 09/25/15.....	241,568	238,893	234,283
5.44% DUE 02/25/36.....	144,032	144,045	144,032
5.54% DUE 11/15/19.....	455,475	455,750	455,019
6.5% DUE 01/15/12.....	1,050,000	1,101,417	1,151,955
CWMBS INC			
5.65% DUE 03/25/35.....	1,749,304	1,753,562	1,752,584
5.65% DUE 03/25/35.....	289,894	291,149	289,894
5.66% DUE 02/25/35.....	693,333	695,925	693,333
5.67% DUE 06/25/35.....	302,972	302,542	302,972
DAIMLER CHRYSLER			
4.05% DUE 06/04/08.....	2,681,000	2,613,817	2,671,804
5.875% DUE 03/15/11.....	1,015,000	1,019,172	1,004,276
DAYTON HUDSON CORP			
6.65% DEBENTURES DUE 08/01/28.....	525,000	579,964	616,922
DELL INC			
7.1% DUE 04/15/28.....	1,050,000	1,181,868	1,304,709
DELPHINUS			
3.545% DUE 11/28/31.....	3,500,000	4,500,336	4,012,154
DEUTSCHE BANK			
7.16688% DUE 12/29/49.....	3,300,000	3,555,423	3,300,178
DEUTSCHE TELEKOM INTERNATIONAL FINANCE BV			
5.75% DUE 03/23/16.....	590,000	573,913	586,195
DEXIA MUNICIPAL AGENCY			
4% BONDS DUE 01/26/11.....	1,300,000	1,682,536	1,663,535
DOW JONES CDX HY			
8.625% DUE 06/29/11.....	3,705,000	3,700,369	3,643,341
DUKE ENERGY FIELD SERVICES LLC			
5.75% DUE 11/15/06.....	205,000	205,040	209,844
DUTCH MBS VI BV MTG BKD			
3.401% DUE 11/02/35.....	336,801	431,734	380,857
DUTCH MORTGAGE PORTFOLIO LOANS			
3.484% DUE 11/20/35.....	961,322	1,236,086	1,121,367
DZ BANK AG DEUTSCHE			
0% DISC NOTE DUE 10/24/06.....	32,954,000	32,503,024	32,503,024
EDISON MISSION ENERGY FUNDING			
7.33% DUE 09/15/08.....	799,302	801,300	818,285
EL PASO NATURAL GAS CO			
7.625% DUE 08/01/10.....	290,000	297,975	306,494
EMARQ CORP			
7.995% DUE 06/01/36.....	250,000	261,290	252,973

**PERMANENT UNIVERSITY FUND**

**DEBT SECURITIES**

August 31, 2006

SCHEDULE D

(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
EMC MORTGAGE LOAN TRUST			
5.7% DUE 05/25/40.....	88,269	88,519	88,269
ENTERGY GULF STATES INC			
4.875% DUE 11/01/11.....	710,000	676,327	687,634
ENTERPRISE PRODUCTS OPERATION LP			
4.625% DUE 10/15/09.....	1,200,000	1,167,230	1,196,628
EOP OPERATION LTD			
4.65% DUE 10/01/10.....	270,000	260,918	270,105
EUROPEAN INVESTMENT BANK			
4.875% DUE 02/15/36.....	380,000	355,083	376,873
EXELON CORP			
4.9% DUE 06/15/15.....	525,000	491,408	483,693
5.625% DUE 06/15/35.....	1,050,000	961,714	1,047,270
FBR SECURITIZATION			
5.45% DUE 10/25/35.....	125,933	125,945	125,933
FIRST FRANKLIN MORTGAGE			
6.05188% DUE 03/25/34.....	44,181	44,022	44,181
FIRST NLC			
5.44% DUE 12/25/35.....	282,498	282,516	282,498
5.45% DUE 02/25/36.....	321,986	322,012	321,986
FIRST REPUBLIC MORTGAGE LOAN			
5.67% DUE 11/15/31.....	771,368	774,685	771,368
FLEET FINANCIAL GROUP INC			
6.875% DUE 01/15/28.....	525,000	585,022	630,336
FLORIDA POWER & LIGHT CO			
4.85% DUE 02/01/13.....	1,050,000	1,020,083	1,077,237
FLORIDA POWER CORP			
4.5% DUE 06/01/10.....	590,000	573,118	594,208
FORD CREDIT AUTO OWNER			
5.42% DUE 07/15/09.....	770,000	770,708	769,931
FORD MOTOR CREDIT CO			
5.7% DUE 01/15/10.....	1,945,000	1,810,344	1,770,196
6.34% DUE 03/21/07.....	2,400,000	2,396,192	2,368,830
7.25% DUE 10/25/11.....	485,000	463,514	442,617
7.875% DUE 06/15/10.....	1,900,000	1,867,356	1,831,125
FORTIS BANQUE			
0% DISC NOTE DUE 09/19/06.....	16,465,000	16,249,263	16,249,263
FREMONT HOME LOAN			
5.42% DUE 01/25/36.....	323,529	323,576	323,529
GENERAL ELECTRIC CAPITAL			
0% DISC NOTE DUE 10/26/06.....	1,200,000	1,183,950	1,183,950
5.43% MTN DUE 12/12/08.....	300,000	300,194	300,000
6.75% MTN DUE 03/15/32.....	516,000	582,360	568,425
GENERAL ELECTRIC CAPITAL CORP			
1.4% DUE 11/02/06.....	70,000,000	597,732	602,860
GENERAL ELECTRIC WMC MORTGAGE SECURITIES			
5.43% DUE 12/25/35.....	246,307	246,341	246,307
GENERAL MOTORS ACCEPTANCE CORP			
3.337% DUE 05/10/36.....	1,205,873	1,140,222	1,169,979

PERMANENT UNIVERSITY FUND

DEBT SECURITIES

August 31, 2006

SCHEDULE D

(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
5.238% DUE 11/10/45.....	725,000	712,643	691,950
6.75% DUE 12/01/14.....	335,000	321,160	303,094
7.25% DUE 03/02/11.....	690,000	688,425	653,775
7.75% DUE 01/19/10.....	170,000	172,797	166,175
GENERAL MOTORS CORP			
8.375% DUE 07/15/33.....	375,000	314,063	268,028
GMAC LLC			
6.125% DUE 01/22/08.....	650,000	642,278	670,690
GMAC MORTGAGE CORP LOAN TRUST			
5.5% DUE 09/25/34.....	824,702	816,808	828,052
GOLDMAN SACHS SECURITIES			
3.492% DUE 06/01/34.....	1,278,159	1,270,389	1,254,593
4.540248% DUE 09/25/35.....	862,716	848,854	857,594
5.44% DUE 01/25/36.....	101,396	101,408	101,396
5.52% DUE 10/25/33.....	25,258	25,261	25,258
GREENWICH CAPITAL			
5.117% DUE 04/10/37.....	865,000	860,157	868,462
GS AUTO LOAN			
5.47% DUE 02/15/09.....	1,195,000	1,196,095	1,194,943
GULFSTREAM NATURAL GAS			
5.56% DUE 11/01/15.....	275,000	272,628	273,536
HBOS PLC			
5.92% DUE 12/31/49.....	1,300,000	1,248,928	1,300,000
HBOS TREASURY PLC			
0% DISC NOTE DUE 11/01/06.....	1,200,000	1,182,653	1,182,653
HEALTHSOUTH CORP			
10.75% DUE 06/15/16.....	210,000	214,725	206,861
HERMES			
3.772% DUE 04/18/12.....	388,522	483,327	496,068
HERSHEY CO			
5.45% DUE 09/01/16.....	1,045,000	1,048,970	1,042,520
HERTZ VEH FING LLC			
5.08% DUE 11/25/11.....	320,000	316,924	319,948
HEWLETT PACKARD CO			
5.52438% DUE 05/22/09.....	300,000	300,261	300,000
HOMER CITY FUNDING LLC			
8.137% DUE 10/01/19.....	331,200	354,384	355,212
HONDA AUTO			
5.358% DUE 04/18/07.....	97,401	97,332	97,291
HOUSEHOLD FINANCE CORP			
4.125% DUE 12/15/08.....	1,050,000	1,024,086	1,046,987
6.375% DUE 11/27/12.....	1,575,000	1,643,078	1,700,253
HSBC BANK USA NA GLOBAL			
5.625% DUE 08/15/35.....	1,050,000	992,068	1,042,178
HSBC FINANCE CAPITAL			
5.911% DUE 11/30/35.....	1,100,000	1,090,638	1,093,847
HSBC FINANCE CORP			
5.5% DUE 01/19/16.....	400,000	397,106	399,148
6.538% DUE 11/13/07.....	900,000	908,868	925,209

**PERMANENT UNIVERSITY FUND**  
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SCHEDULE D  
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SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
ICI WILMINGTON INC			
4.375% DUE 12/01/08.....	500,000	487,565	494,603
INDIANAPOLIS LIFE INSURANCE CO			
8.66% SURPLUS NOTES DUE 04/01/11.....	2,624,000	2,853,401	2,624,000
INDYMAC MBS			
2.75% DUE 08/25/33.....	58,800	58,547	58,194
INTERNATIONAL LEASE			
5.75% DUE 06/15/11.....	165,000	167,170	164,787
JACKSON NATIONAL LIFE			
5.125% DUE 02/10/11.....	300,000	297,227	299,751
JAPAN FINANCIAL CORP			
5.875% DUE 03/14/11.....	1,700,000	1,753,072	1,661,852
8.375% DUE 12/07/06.....	900,000	1,724,877	1,464,088
KELLOGG CO			
7.45% BONDS DUE 04/01/31.....	1,050,000	1,247,358	1,340,120
KERN RIV FUNDING CORP			
4.893% DUE 04/30/18.....	272,640	261,650	269,194
KINDER MORGAN ENERGY			
5.35% DUE 08/15/07.....	2,149,000	2,129,369	2,147,539
KINDER MORGAN INC			
6.5% DUE 09/01/12.....	365,000	357,931	384,614
KIOWA POWER PARTNERS LLC			
4.811% DUE 12/30/13.....	299,649	289,608	287,627
LANDESBANK-BADGEN			
5.5% DUE 04/02/07.....	240,000	310,438	215,285
LB COMMERCIAL CONDUIT			
6.41% DUE 06/15/31.....	63,857	63,844	64,396
LB UBS COMMERCIAL MORTGAGE			
4.739% DUE 07/15/30.....	1,050,000	998,627	1,006,893
4.885% DUE 09/15/30.....	295,000	291,704	293,755
5.103% DUE 11/15/30.....	1,280,000	1,272,389	1,282,077
LEHMAN XS TRUST			
5.41% DUE 06/25/36.....	489,078	484,257	489,078
LLOYDS TSB BANK			
4.385% DUE 05/29/49.....	900,000	1,106,885	1,055,960
MASTER ALTERNATIVE LOAN			
4.5% DUE 07/25/14.....	345,401	339,505	337,090
MASTER ASSET SECURITIZATION			
4% DUE 12/25/33.....	96,865	96,123	96,668
4.75% DUE 01/25/14.....	258,714	255,287	255,844
5.5% DUE 11/25/17.....	207,687	204,606	207,687
MCCORMICK & CO INC			
5.2% DUE 12/15/15.....	525,000	515,064	502,052
MELLON RESIDENTIAL			
5.76% DUE 12/15/30.....	716,557	718,862	719,468
MERRILL LYNCH & CO			
5.49188% DUE 08/14/09.....	200,000	199,961	200,000
MERRILL LYNCH MORTGAGE			
4.929% DUE 07/12/34.....	363,815	361,932	361,669

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SCHEDULE D  
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August 31, 2006

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
5.41% DUE 01/25/37.....	208,860	208,860	208,860
MIDWEST GENERATION CTF			
8.3% DUE 07/02/09.....	704,145	719,109	729,931
MINNESOTA MINING & MANUFACTURING CO			
6.375% DUE 02/15/28.....	525,000	568,886	592,877
MIZUHO BANK LTD			
0.9675% DUE 12/29/49.....	200,000,000	1,725,883	1,715,488
MIZUHO FINANCIAL			
1.66813% DUE 12/29/49.....	100,000,000	878,211	874,396
MORGAN STANLEY CAPITAL			
3.27% DUE 05/15/40.....	181,762	174,061	170,316
5.809972% DUE 08/12/41.....	1,050,000	1,082,098	1,054,919
MORGAN STANLEY DEAN WITTER			
5.66% DUE 07/25/32.....	1,461	1,478	1,462
MUFG CAPITAL FINANCE 2			
4.85% DUE 07/29/49.....	2,450,000	3,053,721	2,920,768
NEW YORK LIFE GLOBAL			
3.875% DUE 01/15/09.....	520,000	504,000	516,750
NEXTEL COMMUNICATIONS INC			
5.95% DUE 03/15/14.....	350,000	340,275	356,307
NISSAN AUTO RECV			
5.52% DUE 01/15/09.....	455,000	455,874	454,974
NISSAN MOTOR ACCEPTANCE			
0% DISC NOTE DUE 09/20/06.....	3,041,000	2,999,644	2,999,644
NOMURA ASSET SECURITIES			
6.28% DUE 03/15/30.....	35,936	35,922	36,297
NORDDEUTSCHE LDBANK			
0% DUE 09/19/06.....	40,835,000	40,281,391	40,281,391
NORURA ASSET ACCEPTANCE			
5.46% DUE 08/25/35.....	186,510	186,584	186,492
NOVASTAR MORTGAGE FUNDING			
5.605% DUE 04/25/28.....	119,470	119,486	119,451
OPTION ONE MORTGAGE ACCEPTANCE CORP			
5.73% DUE 12/25/31.....	139,990	140,647	139,990
PACIFICORP			
6.1% DUE 08/01/36.....	535,000	544,005	533,256
PARK PLACE ENTERTAINMENT CORP			
9.375% DUE 02/15/07.....	400,000	405,000	410,000
PB FINANCE (DE) INC			
0% DISC NOTE DUE 10/10/06.....	29,655,000	29,250,209	29,250,209
PEARSON			
7% DUE 10/27/14.....	780,000	1,586,867	1,529,886
PEMEX FINANCE LTD			
9.69% DUE 08/15/09.....	39,000	42,156	41,865
PEMEX PROJECT FUNDING			
7.375% DUE 12/15/14.....	1,250,000	1,354,375	1,233,948
8.625% DUE 02/01/22.....	200,000	241,000	210,176
PEMEX PROJECT FUNDING MASTER TRUST			
9.25% DUE 03/30/18.....	2,000,000	2,460,000	2,448,000

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SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
PETRO-CANADA			
7% DUE 11/15/28.....	525,000	568,671	547,055
PRICOA GLOBAL FUNDING			
5.45063% DUE 03/03/09.....	295,000	295,168	295,000
PRUDENTIAL FINANCIAL INC			
5.4% DUE 06/13/35.....	1,097,000	997,479	1,074,746
PSEG ENERGY HOLDINGS INC			
8.5% DUE 06/15/11.....	145,000	153,338	153,700
PSI ENERGY INC			
6.05% DUE 06/15/16.....	1,050,000	1,066,838	1,049,517
PUBLIC SERVICE CO			
4.375% DUE 10/01/08.....	715,000	700,819	722,844
PUBLIC SERVICE ELECTRIC & GAS CO			
5% DUE 01/01/13.....	165,000	161,140	158,623
PUBLIC SERVICE ENTERPRISE GROUP INC			
5.765% DUE 09/21/08.....	1,300,000	1,302,443	1,300,000
QWEST COMMUNICATIONS INTERNATIONAL INC			
7.25% DUE 02/15/11.....	290,000	287,463	283,200
QWEST CORP			
8.875% DUE 03/15/12.....	900,000	974,250	894,129
RABOBANK CAPITAL FUNDING			
5.254% DUE 10/29/49.....	500,000	475,950	500,000
RABOBANK NEDERLAND GLOBAL			
5.39375% DUE 01/15/09.....	200,000	200,012	200,000
RAS LAFFAN LIQUEFIELD			
5.298% DUE 09/30/20.....	750,000	724,073	750,000
5.838% DUE 09/30/27.....	500,000	486,240	500,000
RBA CAPITAL TRUST			
4.243% DUE 12/29/49.....	800,000	983,488	937,047
RENAISSANCE HOME EQUITY			
5.83% DUE 12/25/33.....	115,086	116,034	115,086
RESIDENTIAL ASSET MORTGAGE PRODUCTS			
5.89% DUE 06/25/32.....	24,690	24,697	24,705
RESIDENTIAL ASSET SECURITIES			
5.43% DUE 11/25/35.....	361,212	361,276	361,212
RESIDENTIAL CAPITAL CORP			
6.375% DUE 06/30/10.....	865,000	872,504	871,173
6.5% DUE 04/17/13.....	365,000	368,228	363,949
RESONA BANK			
5.85% DUE 09/29/49.....	1,200,000	1,164,737	1,188,458
RHINELAND FUNDING CAPITAL			
0% DISC NOTE DUE 09/08/06.....	36,139,000	35,683,107	35,683,107
ROYAL BANK SCOTLAND			
5.39% DUE 12/21/07.....	1,200,000	1,200,786	1,200,000
ROYAL CARIBBEAN CRUISES LTD			
7% DUE 10/15/07.....	100,000	100,932	102,250
SALOMON SMITH BARNEY			
0.6475% DUE 01/04/08.....	100,000,000	854,895	843,651

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SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
SB TREASURY COMPANY LLC			
9.4% DUE 12/29/49.....	1,400,000	1,489,513	1,514,674
SBC COMMUNICATIONS INC			
4.125% DUE 09/15/09.....	1,525,000	1,471,872	1,523,145
6.45% DUE 06/15/34.....	1,050,000	1,035,453	1,111,683
SEQUOIA MORTGAGE TRUST			
5.67% DUE 10/19/26.....	586,645	587,354	588,295
SG MORTGAGE SECURITIES			
5.43% DUE 10/25/35.....	84,733	84,743	84,733
SHINSEI BANK LTD			
3.75% DUE 02/23/16.....	1,880,000	2,342,481	2,222,802
SIEMENS FINANCE			
5.46625% DUE 08/14/09.....	300,000	299,682	300,000
SIENA MORTGAGES			
3.563% DUE 12/16/38.....	2,377,284	3,057,181	2,845,004
SLM STUDENT LOAN TRUST			
5.38739% DUE 04/25/12.....	710,000	710,000	710,000
5.455% DUE 04/25/12.....	932,313	932,080	932,212
5.495% DUE 04/25/11.....	454,970	455,051	454,970
5.505% DUE 01/27/14.....	463,556	463,588	463,641
SOCIETE GENERAL N A			
0% DISC NOTE DUE 09/06/06.....	43,212,000	42,650,010	42,650,010
0% DISC NOTE DUE 10/10/06.....	2,400,000	2,367,064	2,367,064
SOCIETE GENERALE			
4.196% DUE 01/29/49.....	800,000	988,726	935,668
SOUNDVIEW HOME LOAN			
5.4% DUE 02/25/36.....	106,472	106,492	106,472
5.44% DUE 05/25/35.....	105,489	105,488	105,489
SOUTH CAROLINA ELECTRIC & GAS CO			
5.3% DUE 05/15/33.....	1,050,000	971,306	1,047,974
SOUTHERN CALIFORNIA EDISON CO			
5.56563% DUE 02/02/09.....	390,000	390,323	390,045
SOUTHERN STAR CENTRAL GAS			
6% DUE 06/01/16.....	265,000	265,331	262,881
STANDARD LIFE FUNDING			
0% DISC NOTE DUE 10/24/06.....	16,690,000	16,460,494	16,460,494
STRUCTURED ASSET MORTGAGE			
5.55% DUE 09/25/35.....	2,469,601	2,472,332	2,469,601
SUMITOMO MITSUI			
5.625% DUE 07/29/49.....	200,000	193,279	198,946
SUMITOMO MITSUI BANKING CORP			
1.2275% DUE 06/23/49.....	200,000,000	1,706,118	1,711,695
SWEDBANK			
5.99% DUE 12/11/11.....	1,500,000	1,500,900	1,499,850
TARGET CREDIT CARD			
5.5151% DUE 06/27/11.....	1,515,000	1,516,704	1,516,953
TATE & LYLE FINANCE PLC			
6.625% DUE 06/15/16.....	525,000	541,847	524,491

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DEBT SECURITIES

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SCHEDULE D

(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
TELECOM ITALIA CAPITAL			
4.875% DUE 10/01/10.....	262,000	254,209	261,733
6.2% DUE 07/18/11.....	855,000	870,226	855,019
TELEFONICA EMISIONES			
5.984% DUE 06/20/11.....	1,900,000	1,928,257	1,900,000
TELEFONOS DE MEXICO			
4.5% DUE 11/19/08.....	220,000	214,905	219,586
TEXTRON FINANCIAL CORP			
5.125% DUE 08/15/14.....	1,050,000	1,023,700	1,045,643
THOMSON CORP			
5.5% DUE 08/15/35.....	525,000	475,959	519,362
TOKAI PREFERRED CAPITAL CO			
9.98% DUE 12/29/49.....	300,000	322,089	332,778
TOYOTA MOTOR CREDIT CORP			
5.37188% DUE 10/12/07.....	1,600,000	1,600,563	1,600,000
TRANSCONTINENTAL GAS PIPE LINE			
6.4% DUE 04/15/16.....	390,000	379,763	384,356
TYSON FOODS INC			
7.25% DUE 10/01/06.....	325,000	325,179	337,906
U S BANCORP			
5.35375% DUE 04/28/09.....	1,200,000	1,200,106	1,200,000
UBS AG			
4.28% DUE 04/29/49.....	700,000	872,469	830,571
UNICREDITO ITALIAN			
3.95% DUE 02/01/16.....	900,000	1,088,107	1,035,682
UNION PACIFIC RAILROAD CO			
7.16% EQUIP TR 96-G DUE 06/01/08.....	1,050,000	1,079,769	1,050,000
UNITED TECHNOLOGIES CORP			
5.4% DUE 05/01/35.....	950,000	902,215	942,742
UOB CAYMAN I LTD			
5.796% DUE 12/29/49.....	700,000	674,044	700,000
USAA AUTO OWNER			
5.03% DUE 11/17/08.....	230,000	229,669	229,982
USAA AUTO OWNER TRUST			
5.47% DUE 04/15/09.....	1,080,000	1,081,476	1,079,950
VALSPAR CORP			
6% DUE 05/01/07.....	1,050,000	1,052,562	1,069,031
VERIZON GLOBAL FUNDING CORP			
4.375% DUE 06/01/13.....	1,050,000	976,833	1,026,014
VIRGINIA ELEC & POWER CO			
4.75% DUE 03/01/13.....	1,050,000	999,756	1,044,267
VOLKSWAGEN AUTO LEASE			
5.5235% DUE 08/20/07.....	405,000	405,124	405,000
VTB CAPITAL S A LOAN			
6.14% DUE 09/21/07.....	700,000	702,981	700,000
WACHOVIA BANK			
2.986% DUE 06/15/35.....	1,269,586	1,185,122	1,203,974
5.46063% DUE 12/02/10.....	800,000	800,146	799,832

**PERMANENT UNIVERSITY FUND**  
**DEBT SECURITIES**  
August 31, 2006

SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
WAL-MART STORES INC 5.25% DUE 09/01/35.....	1,050,000	966,650	1,045,590
WAMU MORTGAGE			
5.56% PASS THRU 05-AR6 DUE 04/25/45.....	1,059,929	1,061,724	1,059,929
5.59% PASS THRU 05-AR15 A1 DUE 11/25/45.....	455,842	457,203	455,842
5.64% PASS THRU 05-AR2 2A DUE 01/25/45.....	704,984	709,155	704,984
WASHINGTON MUTUAL MORTGAGE			
5.6% DUE 12/25/27.....	1,513,805	1,512,975	1,514,278
WELLS FARGO MORTGAGE			
4.95% DUE 03/25/36.....	2,450,725	2,417,730	2,426,792
5.5% DUE 03/25/36.....	1,350,272	1,341,644	1,346,211
WEST DT LANDESBANK			
4.75% DUE 09/28/07.....	420,000	544,072	360,748
WESTAR ENERGY INC			
6% DUE 07/01/14.....	310,000	315,948	325,333
WESTPAC BANKING CORP			
0% DISC NOTE DUE 09/06/06.....	48,078,000	47,449,540	47,449,540
WINDSOR FINANCING LLC			
5.881% DUE 07/15/17.....	412,683	410,731	411,736
WRIGLEY (WM) JR CO			
4.3% DUE 07/15/10.....	1,050,000	1,015,416	1,048,131
WYETH			
5.5% DUE 02/15/16.....	1,575,000	1,560,101	1,556,058
<b>TOTAL CORPORATE OBLIGATIONS</b>		<u>596,815,866</u>	<u>595,366,148</u>
<b>OTHER - DEBT SECURITIES</b>			
ALASKA STATE HOUSING FINANCE			
7.32% DUE 12/01/20.....	2,195,000	2,281,483	2,195,000
BADGER TOB ASSET SECURITIZATION CORP WIS			
6% DUE 06/01/17.....	115,000	121,721	104,413
CALIFORNIA STATEWIDE FINANCING AUTHORITY			
5.625% DUE 05/01/29.....	95,000	98,881	85,605
CHICAGO ILL PROJECT & REFERENCE			
4.75% DUE 01/01/30.....	300,000	305,640	304,899
GOLDEN STATE TOB SECURITIZATION			
6.25% DUE 06/01/33.....	3,555,000	3,908,438	3,398,706
6.75% DUE 06/01/39.....	170,000	191,789	149,585
HARRIS COUNTY TEXAS REF-TOLL-ROAD			
5% DUE 08/01/33.....	200,000	202,232	198,452
ILLINOIS STATE TAXABLE PENSION			
4.95% DUE 06/01/23.....	515,000	484,661	467,625
LOS ANGELES CALIF WASTERWATER SYSTEM			
5% DUE 06/01/27.....	500,000	523,555	502,500
LOUISVILLE & JEFFERSON COUNTY KY			
5% DUE 05/15/36.....	200,000	208,518	188,236
MICHIGAN STATE BUILDING AUTHORITY			
5.25% DUE 10/15/13.....	100,000	109,476	111,273
NEW HAMPSHIRE BANK			
5% DUE 08/15/13.....	500,000	541,050	538,475

**PERMANENT UNIVERSITY FUND**  
**DEBT SECURITIES**  
August 31, 2006

SCHEDULE D  
(CONTINUED)

SECURITY	PAR VALUE (1)	VALUE (\$)	COST (\$)
NEW YORK N Y CITY MUNICIPAL FINANCE AUTHORITY			
4.75% DUE 06/15/38.....	600,000	609,342	606,258
TOBACCO SETTLEMENT AUTHORITY IOWA			
6.5% DUE 06/01/23.....	395,000	391,694	395,000
TOBACCO SETTLEMENT FINANCING CORP			
4.375% DUE 06/01/19.....	800,000	799,408	800,000
6% DUE 06/01/23.....	600,000	629,550	531,540
6.125% DUE 06/01/42.....	100,000	106,670	86,209
6.25% DUE 06/01/43.....	585,000	638,902	477,149
6.75% DUE 06/01/39.....	200,000	224,156	188,788
TOTAL OTHER - DEBT SECURITIES		<u>12,377,166</u>	<u>11,329,713</u>
 TOTAL DEBT SECURITIES		 <u><u>1,932,379,740</u></u>	 <u><u>1,921,786,785</u></u>

(1) Par Values on Non-US dollar denominated bonds are reported in currency of issue.

**PERMANENT UNIVERSITY FUND**

SCHEDULE E

**INVESTMENT FUNDS**

August 31, 2006

SECURITY	SHARES	VALUE (\$)	COST (\$)
<b>INVESTMENT FUNDS - MARKETABLE ALTERNATIVE</b>			
ABSOLUTE RETURN (SEE SCHEDULE G).....	16,150,019	1,763,658,673	1,631,200,835
DIRECTIONAL EQUITY (SEE SCHEDULE G).....	7,992,974	858,978,126	800,388,631
<b>TOTAL INVESTMENT FUNDS - MARKETABLE ALTERNATIVE</b>		<u>2,622,636,799</u>	<u>2,431,589,466</u>
<b>INVESTMENT FUNDS - PRIVATE MARKETS</b>			
3I EUROPARTNERS II.....		5,280,884	3,839,741
3I EUROPARTNERS II FCPR.....		799,555	1,842,455
3I EUROPARTNERS III.....		7,095,900	3,959,667
3I EUROPARTNERS III FCPR.....		287,959	75,166
3I UK INVESTMENT PARTNERS.....		2,127,182	2,447,308
3I UKIP II.....		4,564,485	9,801,188
ADVANCED TECHNOLOGY VENTURES VII LP.....		5,636,537	5,604,875
AG CAPITAL RECOVERY PARTNERS IV LP.....		2,974,136	1
AG CAPITAL RECOVERY PARTNERS V LP.....		4,013,247	4,025,000
AG PRIVATE EQUITY PARTNERS III LP.....		4,305,000	4,305,000
AMERICAN INDUSTRIAL PARTNERS CAPITAL FUND LP.....		54,163	53,937
AMERICAN SECURITIES PARTNERS II LP.....		115,168	367,343
AMERICAN SECURITIES PARTNERS III LP.....		5,121,715	5,057,540
AMPERSAND 1995 LP.....		2,623,136	1,973,378
AMPERSAND 1999 LP.....		2,020,357	2,266,127
AMPERSAND 2001 LP.....		7,058,671	8,221,830
AMPERSAND 2006 LP.....		1,386,875	1,386,875
ARCH VENTURE FUND VI LP.....		3,085,748	3,347,430
ARCLIGHT ENERGY PARTNERS FUND I LP.....		8,202,593	5,766,002
ARCLIGHT ENERGY PARTNERS FUND II LP.....		15,903,766	15,986,672
ARCLIGHT ENERGY PARTNERS FUND III LP.....		1,966,833	2,126,752
ASIAN CORPORATE FINANCE FUND LP.....		853,986	739,464
ASIAN MEDIA INVESTORS I LP.....		3,377,021	3,377,021
ASP III ALTERNATIVE INVESTMENTS LP.....		2,733,548	2,857,874
ATLAS VENTURE FUND VI LP.....		5,227,927	5,222,130
AUSTIN VENTURES IV LP.....		155,125	328,495
AUSTIN VENTURES IX LP.....		1,029,774	1,150,000
AUSTIN VENTURES V LP.....		2,317,274	6,206,989
AUSTIN VENTURES VI LP.....		3,580,695	5,754,283
AUSTIN VENTURES VII LP.....		5,519,379	7,008,887
AUSTIN VENTURES VIII LP.....		5,694,373	5,172,485
B IV CAPITAL PARTNERS L P.....		7,237,340	6,792,136
BAKER COMMUNICATIONS FUND (CAYMAN) LP.....		13,782,884	4,924,328
BAKER COMMUNICATIONS FUND II (CAYMAN) LP.....		1,742,105	2,494,423
BAKER COMMUNICATIONS FUND II (QP) LP.....		5,790,860	7,337,149
BAKER COMMUNICATIONS FUND LP.....		2,537,124	4,869,093
BAND OF ANGELS FUND LP.....		2,698,195	3,265,354
BARCLAYS PRIVATE EQUITY EUROPEAN FUND A LP.....		11,434,528	6,793,467
BEACON GROUP III FOCUS VALUE FUND LP.....		1,484,573	7,526,046
BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV LP.....		7,057,305	5,557,878
BLACKSTONE CAPITAL PARTNERS (CAYMAN) V LP.....		3,343,927	3,343,927
BLACKSTONE CAPITAL PARTNERS IV LP.....		12,721,047	9,150,404

**PERMANENT UNIVERSITY FUND**  
**INVESTMENT FUNDS**  
August 31, 2006

SCHEDULE E  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
BLACKSTONE CAPITAL PARTNERS V LP.....		32,547	370,372
BLACKSTONE DT CAPITAL PARTNERS V LP.....		1,562,107	2,058,117
BLACKSTONE ECC CAPITAL PARTNERS LP.....		107,196	107,196
BLACKSTONE FC CAPITAL PARTNERS IV LP.....		369,830	254,997
BLACKSTONE FCH CAPITAL PARTNERS IV LP.....		1,593,768	1,606,921
BLACKSTONE SGP CAPITAL PARTNERS (CAYMAN) IV LP.....		322,981	322,981
BLACKSTONE TG CAPITAL PARTNERS IV LP.....		614,693	118,614
BRENTWOOD ASSOCIATES BUYOUT FUND II LP.....		0	1
BRENTWOOD ASSOCIATES PRIVATE EQUITY III LP.....		32,237,543	33,000,549
CANDOVER 2001 FUND US NO 2 LP.....		18,406,756	13,919,042
CANDOVER 2005 FUND US NO 3 LP.....		5,295,537	5,493,930
CARE CAPITAL INVESTMENTS III LP.....		994,706	1,400,000
CARLYLE PARTNERS II LP.....		1,012,520	732,102
CARLYLE PARTNERS III FM (CAYMAN) LP.....		5,026,926	851,682
CARLYLE PARTNERS III HAWAII LP.....		1,384,466	1,295,740
CARLYLE PARTNERS III LOEWS LP.....		555,178	555,178
CARLYLE PARTNERS III LP.....		4,868,752	3,621,648
CARLYLE PARTNERS III TELECOMMUNICATIONS LP.....		1,262,137	1,013,783
CARLYLE PARTNERS IV CAYMAN LP.....		1,990,814	2,386,544
CARLYLE PARTNERS TELECOMMUNICATIONS IV LP.....		8,195,134	7,974,240
CARLYLE PARTNERS TELECOMMUNICATIONS IV LP.....		951,715	951,715
CARLYLE PIEDMONT DOMESTIC PARTNERS LP.....		407,208	325,766
CENTERBRIDGE CAPITAL PARTNERS LP.....		419,435	419,435
CGW SOUTHEAST PARTNERS IV LP.....		12,257,280	9,123,639
CITICORP MEZZANINE PARTNERS LP.....		290,723	2,898,097
CLAYTON, DUBILIER & RICE FUND V LP.....		2,792,361	3,709,127
CORTEC GROUP FUND II LP.....		624,576	883,539
CORTEC GROUP FUND III LP.....		5,728,424	4,531,526
CORTEC GROUP FUND IV LP.....		4,377,047	4,377,047
CRESCENDO II LP.....		0	764,507
CRESCENDO III LP.....		1,102,735	2,184,400
CRESCENDO IV LP.....		1,988,937	2,369,164
CTIP PARTNERS LP.....		689,501	1,781,448
CVC EUROPEAN EQUITY PARTNERS IV (C) LP.....		7,175,639	7,118,931
CVC EUROPEAN EQUITY PARTNERS LP.....		6,541,251	239,443
DDJ TOTAL RETURN LOAN FUND LP.....		13,224,303	14,269,947
DOUGHTY HANSON & CO II.....		6,310,182	6,025,258
DOUGHTY HANSON & CO IV LP.....		18,448,426	16,820,597
DOUGHTY HANSON III LP.....		11,720,309	6,409,591
ENCAP ENERGY CAPITAL FUND III-B LP.....		2,412,115	1,672,703
ENCAP ENERGY CAPITAL FUND IV-B LP.....		3,224,548	2,681,396
ENERGY ASSET OPTION FUND.....		6,747,917	783,826
EOS CAPITAL PARTNERS III LP.....		9,054,823	6,454,554
ESCALATE CAPITAL I LP.....		7,615,073	7,387,881
EVERCORE CAPITAL PARTNERS CAYMAN LP.....		2,560,720	2,108,345
EVERCORE CAPITAL PARTNERS II LP.....		15,471,167	16,759,213
EVERCORE CAPITAL PARTNERS LP.....		2,802,173	4,251,650
EVERCORE METC CAPITAL PARTNERS II LP.....		7,411,831	3,347,984

**PERMANENT UNIVERSITY FUND**  
**INVESTMENT FUNDS**  
August 31, 2006

SCHEDULE E  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
FISHER LYNCH VENTURE PARTNERSHIP LP.....		2,293,316	2,425,927
FORTRESS FUND IV (COINVESTMENT FUND A) LP.....		1,409,021	1,409,021
FORTRESS FUND IV LP (FUND A) LP.....		2,323,634	2,323,634
FOUNDATION CAPITAL IV LP.....		6,254,284	6,052,429
FRANCISCO PARTNERS II L P.....		630,000	630,000
GREEN EQUITY INVESTORS III LP.....		26,708,069	15,582,331
GREEN EQUITY INVESTORS IV LP.....		7,457,081	6,712,914
HALPERN DENNY FUND II LP.....		2,554,059	4,414,968
HALPERN DENNY FUND III LP.....		8,336,914	8,624,748
HAMPSHIRE EQUITY PARTNERS II LP.....		21,662,716	1,681,033
HAMPSHIRE EQUITY PARTNERS III LP.....		10,197,607	10,650,810
HAMPSHIRE MEDIA PARTNERS II LP.....		74	1
HELLMAN & FRIEDMAN CAPITAL PARTNERS II LP.....		6,623	2,405
HEP II LLC II.....		0	826,097
INFORMATION TECHNOLOGY VENTURES II LP.....		355,022	1,370,708
INFORMATION TECHNOLOGY VENTURES LP.....		0	1
INVERNESS PARTNERS II LP.....		10,712,066	10,891,481
INVERNESS/PHOENIX PARTNERS LP.....		2,516,821	2,854,435
J W CHILDS BERMUDA AIV TWO LP.....		1,074,599	19,714
JATOTECH VENTURES LP.....		1,921,600	3,230,237
JW CHILDS EQUITY PARTNERS III LP.....		8,461,909	8,058,140
KB MEZZANINE FUND II LP.....		552,793	1,547,955
KKR 1996 FUND (OVERSEAS) LP.....		3,653,908	3,252,489
KKR 1996 FUND LP.....		8,023,878	10,495,685
KNIGHTSBRIDGE VENTURE CAPITAL VI LP.....		1,932,134	2,008,173
KNIGHTSBRIDGE VENTURE COMPLETION 2005 LP.....		15,688,524	15,674,229
LAKE CAPITAL PARTNERS II LP.....		3,098,354	3,350,699
LAKE CAPITAL PARTNERS LP.....		8,726,660	8,096,644
LIGHTHOUSE CAPITAL PARTNERS IV LP.....		5,153,871	3,765,845
LIGHTHOUSE CAPITAL PARTNERS V LP.....		6,678,520	6,904,519
MATLIN PATTERSON GLOBAL OPPORTUNITIES PARTNERS II LP....		10,000,503	10,157,322
MATLIN PATTERSON GLOBAL OPPORTUNITIES PARTNERS LP.....		7,438,982	5,997,592
MORGENTHALER PARTNERS VI LP.....		1,852,708	2,925,501
MORGENTHALER PARTNERS VII LP.....		7,029,665	8,126,405
MORGENTHALER PARTNERS VII LP.....		456,085	496,262
MORGENTHALER PARTNERS VIII LP.....		3,423,158	3,528,498
MORGENTHALER VENTURE PARTNERS IV LP.....		1,348,914	2,511,733
MORGENTHALER VENTURE PARTNERS V LP.....		5,795,067	1,789,930
NORTH AMERICAN FUND II LP.....		2,363,171	4,475,846
NORTH AMERICAN FUND III LP.....		5,404,665	8,855,157
NORTHSTAR SEIDLER MEZZANINE PARTNERS II LP.....		4,953,818	4,816,308
OCM OPPORTUNITIES FUND III LP.....		2,821,634	3,708,904
OCM OPPORTUNITIES FUND IV LP.....		1,315,399	2,002,916
OCM OPPORTUNITIES FUND V LP.....		16,963,333	15,491,317
OCM OPPORTUNITIES FUND VI LP.....		14,455,282	13,165,174
OCM/GFI POWER OPPORTUNITIES FUND II LP.....		4,799,232	4,695,136
OSCCO III LP.....		1	1
PARTHENON INVESTORS II LP.....		6,444,224	5,819,369

**PERMANENT UNIVERSITY FUND**  
**INVESTMENT FUNDS**  
August 31, 2006

SCHEDULE E  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
PHILADELPHIA VENTURES II LP.....		137,820	891,948
PMI MEZZANINE FUND LP.....		152,433	1,906,603
POLARIS VENTURE PARTNERS IV LP.....		7,727,957	7,409,731
POLARIS VENTURE PARTNERS V LP.....		525,000	525,000
POMONA CAPITAL V LP.....		4,293,904	1,854,536
POMONA CAPITAL VI LP.....		5,262,550	5,262,292
PRIME ENTERPRISES II LP.....		2,377,590	3,388,275
PRIME VIII LP.....		4,716,161	8,388,820
PRISM VENTURE PARTNERS I LP.....		759,142	3,242,633
PRISM VENTURE PARTNERS II LP.....		6,402,461	6,756,716
PRISM VENTURE PARTNERS II-A LP.....		2,715,863	1,815,506
PRISM VENTURE PARTNERS III LP.....		1,214,879	2,049,675
PRISM VENTURE PARTNERS IV LP.....		5,929,915	6,440,114
PRISM VENTURE PARTNERS V LP.....		3,166,560	3,250,147
PROSPECT VENTURE PARTNERS II LP.....		7,731,124	7,816,164
PTV SCIENCES II LP.....		515,835	699,683
PTV SCIENCES LP.....		15,133,441	12,351,450
PUF/LTF WARBURG 1997 REVOCABLE TRUST.....		1,210,434	743,616
RESERVOIR CAPITAL PARTNERS (CAYMAN) LP.....		5,215,386	5,600,000
RICE PARTNERS II LP.....		2,923,940	5,419,060
RSTW PARTNERS III LP.....		2,161,559	9,879,201
SCF-III LP.....		2,785,644	1,105,890
SCF-IV LP.....		32,684,806	4,980,503
SCF-V LP.....		8,159,763	8,127,545
SCF-VI LP.....		2,262,927	2,503,989
SKM EQUITY FUND II LP.....		11,251,996	11,239,767
SKM EQUITY FUND III LP.....		6,447,234	6,559,046
TCV V LP.....		13,091,175	11,898,970
TCV VI LP.....		6,273,762	6,431,250
TECHNOLOGIES FOR INFORMATION & ENTERTAINMENT III LP.....		377,561	1,796,497
TEXAS GROWTH FUND - 1991 TRUST.....		455,825	649,282
TEXAS GROWTH FUND - 1995 TRUST.....		1,266,634	2,086,444
THIRD CINVEN FUND US (NO 5) LP.....		11,673,891	9,061,976
TPG ARIEL PARTNERS (CAYMAN) LP.....		332,884	332,923
TPG BLUEGRASS IV-AIV 2 LP.....		290,170	290,172
TPG BLUEGRASS V-AIV 2 LP.....		584,327	584,331
TPG PARTNERS IV LP.....		7,342,431	5,687,222
TPG PARTNERS IV-AIV 2 LP.....		392,467	6,722
TRITON FUND II L P.....		6,717,215	6,717,219
UNION SQUARE VENTURES 2004 LP.....		2,504,867	2,657,596
VS&A COMMUNICATIONS PARTNERS II LP.....		1,747,278	2,332,239
VS&A COMMUNICATIONS PARTNERS III LP.....		9,613,200	10,907,494
WAND EQUITY PORTFOLIO II LP.....		9,748,876	10,979,033
WAND/CASEWISE INVESTMENTS LP.....		653,436	409,938
WARBURG PINCUS (BERMUDA) PRIVATE EQUITY IX LP.....		2,450,000	2,450,000
WARBURG PINCUS (BERMUDA) PRIVATE EQUITY VIII LP.....		1,405,671	575,909
WARBURG PINCUS PRIVATE EQUITY IX LP.....		11,019,349	10,701,826
WARBURG PINCUS PRIVATE EQUITY VIII LP.....		14,927,227	11,305,482

**PERMANENT UNIVERSITY FUND**  
**INVESTMENT FUNDS**  
August 31, 2006

SCHEDULE E  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
WILLIS STEIN & PARTNERS II LP.....		8,886,425	9,434,043
WILLIS STEIN & PARTNERS LP.....		3,491,265	1,633,173
WINDJAMMER MEZZANINE & EQUITY FUND II LP.....		9,380,996	6,413,953
WINDJAMMER SENIOR EQUITY PARTNERS III LP.....		1,054,022	1,319,073
WINGATE PARTNERS II LP.....		2,420,396	1,624,848
WINGATE PARTNERS III LP.....		5,103,267	5,122,173
WOODLANDS VENTURE FUND LP.....		0	1
WOODLANDS/ESSEX VENTURE FUND III LP.....		986,920	2,179,840
WP IX BRANDYWINE HOLDINGS LLC.....		175,000	175,000
ZN MEXICO II LP.....		7,130,698	7,651,497
<b>TOTAL INVESTMENT FUNDS - PRIVATE MARKETS</b>		<b>973,740,367</b>	<b>895,105,165</b>
<b>INVESTMENT FUNDS - U.S. EQUITY</b>			
ISHARES TR RUSSELL 2000 INDEX.....	423,099	30,365,815	28,940,248
ISHARES TR S&P 100 INDEX FUND.....	3,151,492	190,822,841	181,096,512
ISHARES TR S&P GLOBAL 100.....	1,218,826	84,769,348	76,195,166
PHARMACEUTICAL HOLDERS.....	263,510	20,095,273	19,021,219
PWB VALUE PARTNERS XIV.....	59,999,937	63,497,993	59,999,937
RELATIONAL INVESTORS XI LP.....	1,946,275	237,725,915	209,678,357
SECTOR SPDR TR SBI INDUSTRIAL.....	487,500	15,736,500	16,505,769
STATE STREET RESEARCH ENERGY.....	32,535,047	56,167,626	38,675,286
VALUE ACT CAPITAL INTL LTD CL A S-11.....	1,114,080	266,785,166	239,708,820
VALUE ACT CAPITAL INTL LTD CL B S-11.....	291,205	70,250,040	65,000,000
<b>TOTAL INVESTMENT FUNDS - U.S. EQUITY</b>		<b>1,036,216,517</b>	<b>934,821,314</b>
<b>INVESTMENT FUNDS - NON U.S. DEVELOPED EQUITY</b>			
GS GTAA EQUITY STRATEGY FUND.....	1,105,996	9,573,504	10,494,402
GSAM CORE EAFE FLEX FUND.....	1,072,291	118,240,264	103,258,293
JMBO FUND LIMITED IV.....	105,628	20,007,038	19,500,000
JMBO FUND LIMITED VII.....	66,940	12,596,680	13,000,000
LANSLOWNE EUROPEAN FUND SERIES 1.....	461,522	71,217,498	65,000,000
LANSLOWNE EUROPEAN LONG SERIES 11.....	162,500	16,861,978	16,250,000
LANSLOWNE EUROPEAN LONG SERIES 12.....	422,500	41,928,056	42,250,000
LANSLOWNE EUROPEAN LONG SERIES 16.....	162,500	17,031,740	16,250,000
LANSLOWNE UK EQUITY FUND.....	145,174	31,425,009	31,742,232
<b>TOTAL INVESTMENT FUNDS - NON U.S. DEVELOPED EQUITY</b>		<b>338,881,767</b>	<b>317,744,927</b>
<b>INVESTMENT FUNDS - EMERGING MARKETS</b>			
AUSTIN ALPHA LP.....	37,050,000	62,214,360	37,050,000
BLDRS INDEX FUNDS TRUST.....	673,492	21,693,177	17,181,550
DALTON TAIWAN FUND.....	26,000,000	23,860,694	26,000,000
ISHARES INC MSCI BRAZIL.....	103,898	4,069,685	3,101,607
ISHARES INC MSCI SOUTH KOREA.....	146,789	6,731,744	5,600,340
LANSLOWNE EMERGING MARKET FUND.....	234,000,000	228,662,928	234,000,000
TEMPLETON HIGH VALUE FUND-GLOBAL.....	520,000	52,168,940	52,000,000
TEMPLETON INSTITUTIONAL FUNDS INC.....	8,401,166	175,920,415	139,887,685
<b>TOTAL INVESTMENT FUNDS - EMERGING MARKETS</b>		<b>575,321,943</b>	<b>514,821,182</b>

**PERMANENT UNIVERSITY FUND**  
**INVESTMENT FUNDS**  
August 31, 2006

SCHEDULE E  
(CONTINUED)

SECURITY	SHARES	VALUE (\$)	COST (\$)
<b>INVESTMENT FUNDS - FIXED INCOME</b>			
GIA GLOBAL OPPORTUNITIES FUND.....	91,000,000	93,891,616	91,000,000
GMO TRUST EMERGING COUNTRY DEBT FUND.....	731,653	8,150,615	7,525,741
PIMCO ABSOLUTE RETURN STRATEGY.....	62,646	66,347,671	65,000,000
PIMCO FUNDS PACIFIC INVESTMENT MANAGEMENT SERVICE.....	194,917	2,220,105	2,000,923
TOTAL INVESTMENT FUNDS - FIXED INCOME		<u>170,610,007</u>	<u>165,526,664</u>
 TOTAL INVESTMENT FUNDS		 <u><u>5,717,407,400</u></u>	 <u><u>5,259,608,718</u></u>

**PERMANENT UNIVERSITY FUND**  
**CASH AND CASH EQUIVALENTS**  
August 31, 2006

SCHEDULE F

SECURITY	VALUE (\$)	COST (\$)
<b>MONEY MARKET FUNDS</b>		
AUSTRALIAN DOLLAR TRADING.....	122,229	122,221
BGI MONEY MARKET FUND.....	208,604	208,604
BSDT-LMDA II.....	771,670	771,670
CANADIAN DOLLAR TRADING.....	1,334,427	1,332,008
CASH (INTEREST BEARING).....	227,800	227,800
CASH EQUITIZATION.....	678,463	757,768
CASH NON CUSTODIED.....	(3,430,929)	(3,430,929)
CHF (SWISS FRANC) TRADING.....	112,255	112,213
DANISH KRONE TRADING.....	44,296	44,019
DREYFUS INSTITUTIONAL PREFERRED MONEY MARKET FUND.....	1,220,460,996	1,220,460,996
EURO EUROPEAN MONETARY UNIT.....	1,213,545	1,212,074
GBP (POUNDS AND PENCE) TRADING.....	322,119	321,298
HONG KONG DOLLAR TRADING.....	172,895	172,969
JAPANESE TRADING.....	8,435,109	8,488,944
MXN (MEXICAN PESO) INCOME.....	1	1
NEW ZEALAND DOLLAR TRADING.....	233,047	217,313
NORWEGIAN KRONE TRADING.....	58,560	58,714
PLN (POLISH ZLOTY) TRADING.....	355,151	364,766
SINGAPORE DOLLAR TRADING.....	306,320	303,688
SWEDISH TRADING.....	67,991	67,986
TEXAS STATE TREASURY FUND.....	1,199,139	1,199,139
TWD (TAIWAN DOLLAR).....	992,661	1,027,758
<b>TOTAL MONEY MARKET FUNDS</b>	<u>1,233,886,349</u>	<u>1,234,041,020</u>
 <b>TOTAL CASH AND CASH EQUIVALENTS</b>	 <u>1,233,886,349</u>	 <u>1,234,041,020</u>

**PERMANENT UNIVERSITY FUND**  
**MARKETABLE ALTERNATIVE INVESTMENT POOL**

SCHEDULE G

August 31, 2006

SECURITY	VALUE (\$)	COST (\$)
<b>ABSOLUTE RETURN STRATEGIES</b>		
AG SUPER FUND LP.....	30,969,979	30,460,534
AQR ABSOLUTE RETURN OFFSHORE.....	25,031,814	25,377,221
BGI GLOBAL MARKET NEUTRAL FUND B.....	160,633,867	174,281,476
BLACK RIVER COMMODITY.....	41,945,720	45,690,800
BRIDGEWATER PURE ALPHA FUND II.....	103,176,873	109,657,921
BRIDGEWATER PURE ALPHA LEAD.....	59,437,502	56,710,114
ETON CLASS S.....	1,710,487	1,838,258
ETON OVERSEAS FUND LTD CL AA S 02/06.....	25,903,547	28,635,147
FCOI I.....	44,333,044	45,690,800
FCOI II HOLDINGS LP CL A.....	271,499,237	267,107,931
INDUS EVENT DRIVEN FUND.....	29,141,333	27,414,480
K CAPITAL RECEIVABLE.....	1,566,138	1,705,970
MOON CAPITAL SER B-1 SER 47.....	48,594,874	48,736,854
MOON CAPITAL SER B-1 SER 47 01/06.....	10,826,403	12,184,213
OCM EMERGING MARKETS (CAYMAN).....	53,016,089	41,121,720
OCM HIGH YIELD PLUS CAYMAN FUND LTD.....	15,064,777	15,230,267
OZ ASIA FUND.....	26,296,732	27,637,013
OZ ASIA FUND SER 18-30.....	2,778,093	2,975,179
OZ EUROPE OS FUND A/59.....	30,714,180	28,182,697
OZ EUROPE OS FUND SER 12-48.....	2,639,981	2,836,611
OZ OVERSEAS FUND LTD.....	61,460,827	54,950,873
OZ OVERSEAS FUND SER 47-197.....	10,240,175	10,163,071
PARKCENTRAL GLOBAL FUND.....	29,167,088	30,460,534
PERRY COMMITMENT FUND.....	30,053,997	30,460,534
PERRY PARTNERS CASH EQUITIZATION.....	146,493	159,572
PERRY PARTNERS INTL CL A.....	257,065,417	151,326,641
PERRY PARTNERS INTL CL S 1-19.....	20,549,367	22,380,704
PROTEGE PARTNERS CL A SER 2.....	94,698,733	85,474,716
PROTEGE PARTNERS CL A SER 3.....	34,563,402	31,196,887
PROTEGE PARTNERS CL A SER 5.....	159,421	154,669
PROTEGE PARTNERS CL A SER 5 SIDE.....	468,424	527,114
PROTEGE PARTNERS CL A SER 6.....	273,147	288,475
SATELLITE OVERSEAS FUND LTD.....	103,792,122	81,858,487
SHEPHERD CLASS SA 1-14.....	5,313,938	6,066,352
SHEPHERD LIMITED CLASS B-OPT.....	38,001,251	39,988,156
SILVER POINT CAPITAL CL D-150.....	508,896	548,841
SILVER POINT CAPITAL CL H SR 150.....	29,199,480	29,932,041
STEADFAST INTERNATIONAL LTD.....	785,254	866,895
TPG-AXON PTNRS (OFFSHORE) LTD.....	61,930,570	60,921,067
<b>TOTAL ABSOLUTE RETURN STRATEGIES</b>	<b>1,763,658,673</b>	<b>1,631,200,835</b>
<b>DIRECTIONAL EQUITY</b>		
AG LONG/SHORT REALTY LP.....	13,598,105	15,691,035
BLUE RIDGE LP.....	116,666,642	103,560,828
BRAHMAN II OFFSHORE SER 1 CL A.....	30,723,958	32,595,614
BRAHMAN II OFFSHORE SER 2 CL A.....	13,406,668	15,691,035

**PERMANENT UNIVERSITY FUND**  
**MARKETABLE ALTERNATIVE INVESTMENT POOL**  
August 31, 2006

SCHEDULE G  
(CONTINUED)

SECURITY	VALUE (\$)	COST (\$)
CCM SMALL CAP VALUE FUND CLASS.....	25,275,748	31,382,069
EMINENCE FUND LTD CL A.....	58,689,494	50,838,952
EMINENCE LEVERAGED LONG ALPHA.....	5,604,574	6,276,414
EMINENCE LONG ALPHA LTD CLASS.....	5,538,949	6,276,414
EMSO LTD CLASS A SERIES 18.....	25,590,295	31,382,069
EVERGLADES OFFSHORE CLASS A.....	22,023,566	25,105,655
HIGHSIDE OFFSHORE LTD CL A1.....	13,207,590	15,691,035
HIGHSIDE OFFSHORE LTD CL B1.....	26,415,103	31,382,069
INDUS ASIA PACIFIC FUND LTD CL A.....	18,807,410	15,691,035
INDUS JAPAN FUND LTD CL A.....	32,220,248	28,243,862
MAVERICK FUND LP B SHARES.....	27,273,973	24,584,625
MAVERICK FUND LTD.....	255,877,902	184,541,535
MILLGATE INTL CL D 01JAN1999.....	26,465,918	28,696,203
SG PARTNERS LP.....	30,141,006	31,382,069
SIRIOS OVERSEAS FUND CLASS A.....	23,594,100	22,335,624
STANDARD PACIFIC RECEIVABLE.....	1,530,865	1,813,264
STEADFAST INTL CLASS C SER 07/02.....	44,373,525	49,391,853
STEADFAST INTL CLASS E SER 11/05.....	27,932,066	32,144,337
WESTFIELD LIFE SCIENCES.....	14,020,420	15,691,035
TOTAL DIRECTIONAL EQUITY	<u>858,978,126</u>	<u>800,388,631</u>
 TOTAL MARKETABLE ALTERNATIVE INVESTMENT POOL	 <u><u>2,622,636,799</u></u>	 <u><u>2,431,589,466</u></u>

# PERMANENT UNIVERSITY FUND

## Notes to Detail Schedules of Investment Securities

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### Note 1 – Organization

The Permanent University Fund (PUF) is a state endowment contributing to the support of eligible institutions of The University of Texas System (UT System) and The Texas A&M University System (TAMU System). The PUF was established in the Texas Constitution of 1876 through the appropriation of land grants previously given to the University of Texas, as well as an additional one million acres. Additional land grants to the PUF were completed in 1883 with the contribution of another one million acres. Today, the PUF contains over 2.1 million acres of land located primarily in 19 counties in West Texas (PUF Lands).

PUF Lands are managed by UT System administration and produce two streams of income: mineral and surface. UT System administration remits mineral income to the PUF, and distributes surface income to the Available University Fund (AUF). The mineral income retained by the PUF is invested and managed by The University of Texas Investment Management Company (UTIMCO).

### Note 2 – Significant Accounting Policies

(A) **Security Valuation** -- Investments are primarily valued on the basis of market valuations provided by independent pricing services.

Fixed income securities held directly by the PUF are valued based upon prices supplied by Merrill Lynch Securities Pricing Service and other major fixed income pricing services, external broker quotes and internal pricing matrices.

Equity security market values are based on the New York Stock Exchange composite closing prices, if available. If not available, the market value is based on the closing price on the primary exchange on which the security is traded (if a closing price is not available, the average of the last reported bid and ask price is used).

Private market investment funds and other equity securities are valued using the equity method of accounting using the partnership's capital account balance at the closest available reporting period (usually June 30), as communicated by the general partner, adjusted for contributions and withdrawals subsequent to the latest available reporting period. In the rare case when no ascertainable value is available, the private market investment funds are valued at cost.

Securities held by the PUF in index and exchange traded funds are generally valued as follows:

Stocks traded on security exchanges are valued at closing market prices on the valuation date.

Stocks traded on the over-the-counter market are valued at the last reported bid price, except for National Market System OTC stocks, which are valued at their closing market prices.

Fixed income securities are valued based upon bid quotations obtained from major market makers or security exchanges.

Marketable alternative, U.S. equity, non-U.S. developed equity, emerging market and fixed income investment funds and certain other investment funds are valued using the equity method of accounting based on net asset value information provided by the investment company.

**(B) *Foreign Currency Translation*** -- The accounting records of the PUF are maintained in U.S. dollars. Investments in securities are valued at the daily rates of exchange on the valuation date. Purchases and sales of securities of foreign entities and the related income receipts and expense payments are translated into U.S. dollars at the exchange rate on the dates of the transactions. The PUF does not isolate that portion of the results of the change in fiduciary net assets resulting from changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net increase in investments.

**(C) *Security Transactions*** -- Security transactions are recorded on a trade date basis. Gains and losses on securities sold are determined on the basis of average cost. A loss is recognized if there is an impairment in the value of the security that is determined to be other than temporary.

**(D) *Use of Estimates*** -- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

### **Note 3 – Investment Risk**

The investment risk disclosure that follows relates to the PUF's investments before securities lending transactions and the investment of cash collateral. Disclosures relating to securities lending are provided in Note 4.

#### **(A) *Credit Risk***

Article VII, Section 11b of the Texas Constitution authorizes the Board of Regents, subject to procedures and restrictions it establishes, to invest the PUF in any kind of investment and in amounts it considers appropriate, provided that it adheres to the prudent investor standard. This standard provides that the Board of Regents, in making investments, may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions it establishes and in amounts it considers appropriate, any kind of investment that prudent investors, exercising reasonable care, skill and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all of the assets of the fund rather than a single investment.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO). The PUF's investment policy limits investments in U.S. Domestic bonds and non-dollar

## PERMANENT UNIVERSITY FUND

### *Notes to Detail Schedules of Investment Securities (cont.)*

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denominated bond investments to those that are rated investment grade, Baa3 or better by Moody's Investor Services, BBB- or better, by Standard & Poor's Corporation, or BBB- or better, by Fitch Investors Service at the time of acquisition. This requirement does not apply to investment managers that are authorized by the terms of an investment advisory agreement to invest in below investment grade bonds. Per GASB Statement No. 40 (GASB 40), *Deposit and Investment Risk Disclosures, an amendment to GASB Statement No. 3*, unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. GASB 40 also provides that securities with split ratings, or a different rating assignment between NRSROs, are disclosed using the rating indicative of the greatest degree of risk. The following table presents each applicable investment type grouped by rating at August 31, 2006 and 2005:

**PERMANENT UNIVERSITY FUND**  
**Notes to Detail Schedules of Investment Securities (cont.)**

Investment Type	August 31,		Rating
	2006	2005	
<b>Investments:</b>			
U.S. Government Guaranteed	\$ 941,500,304	\$ 790,948,277	Exempt from Disclosure
U.S. Government Non-Guaranteed:			
U.S. Agency	22,495,507	74,365,601	AAA
U.S. Agency	-	6,973,200	A
U.S. Agency Asset Backed	258,354,317	296,764,647	AAA
Total U.S. Government Non-Guaranteed	280,849,824	378,103,448	
Total U.S. Government	1,222,350,128	1,169,051,725	
Corporate Obligations:			
Domestic	62,957,174	51,515,221	AAA
Domestic	16,390,703	7,468,645	AA
Domestic	31,906,859	50,702,626	A
Domestic	39,291,054	31,795,269	BAA/BBB
Domestic	-	13,022,833	BBB
Domestic	272,627	9,267,204	BAA
Domestic	6,250,413	10,067,914	BA/BB
Domestic	675,750	4,878,256	BB
Domestic	2,396,191	447,704	BA
Domestic	10,825,660	5,308,414	B
Domestic	314,062	568,075	CAA
Domestic	-	508,913	CA
Domestic	214,725	-	CCC
			Rating
Domestic	-	3,200,468	Withdrawn
Commercial Paper	367,707,619	63,174,559	P
Commercial Paper	9,270,683	-	A
Foreign	14,525,682	18,171,840	AAA
Foreign	4,126,010	1,836,940	AA
Foreign	14,073,864	7,743,068	A
Foreign	15,616,781	6,515,084	BAA/BBB
Foreign	-	412,574	BBB
Foreign	-	669,298	BAA
Foreign	-	184,275	BA/BB
Total Corporate Obligations	596,815,857	287,459,180	
Foreign Government and Provincial Obligations	69,987,530	128,595,030	AAA
Foreign Government and Provincial Obligations	18,146,253	17,815,716	AA
Foreign Government and Provincial Obligations	6,329,396	2,839,229	A
Foreign Government and Provincial Obligations	4,782,530	6,781,635	BAA/BBB
Foreign Government and Provincial Obligations	-	316,950	BAA
Foreign Government and Provincial Obligations	1,590,876	5,741,745	BA
Foreign Government and Provincial Obligations	-	1,994,411	B
Total Foreign Government and Provincial Obligations	100,836,585	164,084,716	
Other Debt Securities	3,969,722	8,270,200	AAA
Other Debt Securities	1,296,235	1,754,051	AA
Other Debt Securities	-	2,466,629	A
Other Debt Securities	7,111,208	7,007,669	BAA/BBB
Total Other Debt Securities	12,377,165	19,498,549	
Total Debt Securities	\$ 1,932,379,735	\$ 1,640,094,170	
Other Investment Funds - Debt	\$ 66,347,671	\$ 2,041,171	AAA
Other Investment Funds - Debt	96,111,721	-	AA
Other Investment Funds - Debt	8,150,615	21,929,620	BB
Total Other Investment Funds - Debt	\$ 170,610,007	\$ 23,970,791	
Cash and Cash Equivalents - Money Market Funds	\$ 1,222,640,410	\$ 1,297,001,002	AAA
			Exempt from Disclosure
Cash and Cash Equivalents - Other	11,245,940	19,941,012	
Total Cash and Cash Equivalents	\$ 1,233,886,350	\$ 1,316,942,014	
<b>Deposit with Brokers for Derivative Contracts:</b>			
U.S. Government Guaranteed	\$ 84,823,711	\$ 56,437,849	Exempt from Disclosure
Cash	52,744,196	7,725,856	Exempt from Disclosure
	\$ 137,567,907	\$ 64,163,705	
<b>Deposit with Broker for Securities Sold Short:</b>			
Cash	\$ 7,476,175	\$ -	Exempt from Disclosure
	\$ 7,476,175	\$ -	

**(B) Concentrations of Credit Risk**

The PUF's investment policy statement contains the limitation that no more than 5% of the market value of domestic fixed income securities may be invested in corporate or municipal bonds of a single issuer. As of August 31, 2006 and 2005, the PUF does not hold any direct investments in any one issuer that represents five percent or more of total investments.

**(C) Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the PUF will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the PUF will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Texas State Statutes and the PUF's investment policy statements do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments. As of August 31, 2006 and 2005, the PUF does not have any deposits or investments that are exposed to custodial credit risk.

**(D) Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its value to changes in market interest rates. Interest rate risk inherent in the PUF is measured by monitoring the modified duration of the overall investment portfolio. Modified duration estimates the sensitivity of the PUF's investments to changes in interest rates. The PUF has no specific policy statement limitations with respect to its overall modified duration. The table below summarizes the PUF's modified duration by investment type at August 31, 2006 and 2005.

**PERMANENT UNIVERSITY FUND**  
**Notes to Detail Schedules of Investment Securities (cont.)**

Investment Type	August 31,			
	2006		2005	
	Value	Modified Duration	Value	Modified Duration
<b>Investments:</b>				
U.S. Government Guaranteed:				
U.S. Treasury Bonds and Notes	\$ 240,121,771	7.22	\$ 214,361,842	6.31
U.S. Treasury Strips	5,619,945	5.00	7,279,180	6.00
U.S. Treasury Bills	8,440,906	0.04	13,616,702	0.14
U.S. Treasury Inflation Protected	670,527,380	7.95	537,547,502	8.04
U.S. Agency Asset Backed	16,790,302	5.16	18,143,051	5.39
Total U.S. Government Guaranteed	<u>941,500,304</u>	7.62	<u>790,948,277</u>	7.36
U.S. Government Non-Guaranteed:				
U.S. Agency	22,495,507	2.36	81,338,801	5.56
U.S. Agency Asset Backed	258,354,317	4.99	296,764,647	3.41
Total U.S. Government Non-Guaranteed	<u>280,849,824</u>	4.78	<u>378,103,448</u>	3.87
Total U.S. Government	<u>1,222,350,128</u>	6.97	<u>1,169,051,725</u>	6.23
Corporate Obligations:				
Domestic	171,997,674	4.42	188,751,543	5.02
Commercial Paper	376,475,846	0.07	63,174,559	0.22
Foreign	48,342,337	11.22	35,533,078	6.32
Total Corporate Obligations	<u>596,815,857</u>	2.22	<u>287,459,180</u>	4.13
Foreign Government and Provincial Obligations	<u>100,836,585</u>	7.42	<u>164,084,716</u>	7.21
Other Debt Securities	<u>12,377,165</u>	10.81	<u>19,498,549</u>	9.54
Total Debt Securities	<u>1,932,379,735</u>	5.55	<u>1,640,094,170</u>	6.00
Other Investment Funds - Debt	<u>170,610,007</u>	3.76	<u>23,970,791</u>	5.96
Cash and Cash Equivalents:				
Money Market Funds	1,222,640,410	0.08	1,297,001,002	0.08
Other	11,245,940	-	19,941,012	-
Total Cash and Cash Equivalents	<u>1,233,886,350</u>	0.08	<u>1,316,942,014</u>	0.08
Total	<u>\$ 3,336,876,092</u>	3.44	<u>\$ 2,981,006,975</u>	3.39
<b>Deposit with Brokers for Derivative Contracts:</b>				
U.S. Government Guaranteed:				
U.S. Treasury Bonds and Notes	\$ -	-	\$ 203,478	0.41
U.S. Treasury Bills	84,823,711	0.13	56,234,371	0.21
Total U.S. Government Guaranteed	<u>84,823,711</u>	0.13	<u>56,437,849</u>	0.21
Cash	<u>52,744,196</u>	-	<u>7,725,856</u>	-
Total Deposit with Brokers for Derivative Contracts	<u>\$ 137,567,907</u>	0.08	<u>\$ 64,163,705</u>	0.18
<b>Deposit with Broker for Securities Sold Short:</b>				
Cash	<u>\$ 7,476,175</u>	-	<u>\$ -</u>	-

**(E) Investments with Fair Values That Are Highly Sensitive to Interest Rate Changes**

In accordance with the PUF's investment policy statement, the PUF may invest in various mortgage backed securities, such as collateralized mortgage backed obligations. The PUF also may invest in investments that have floating rates with periodic coupon changes in market rates, zero coupon bonds and stripped Treasury and Agency securities created from coupon securities. As of August 31, 2006 and 2005, the PUF's investments include the following investments that are highly sensitive to interest rate changes:

**PERMANENT UNIVERSITY FUND**  
*Notes to Detail Schedules of Investment Securities (cont.)*

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Collateralized mortgage obligations which are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows will affect the fair value of these securities. These securities amounted to \$84,611,496 and \$114,208,947 as of August 31, 2006 and 2005, respectively.

Mortgage backed securities which are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows will affect the fair value of these securities. These securities amounted to \$236,996,121 and \$155,278,025 as of August 31, 2006 and 2005, respectively.

Asset backed securities which are backed by home equity loans, auto loans, equipment loans and credit card receivables. Prepayments by the obligees of the underlying assets in periods of decreasing interest rates could reduce or eliminate the stream of income that would have been received. These securities amounted to \$23,386,086 and \$21,235,066 as of August 31, 2006 and 2005, respectively.

Step-up notes that grant the issuer the option to call the note on certain specified dates. At each call date, should the issuer not call the note, the coupon rate of the note increases (steps up) by an amount specified at the inception of the note. The call feature embedded within a step-up note causes the fair value of the instrument to be considered highly sensitive to interest rate changes. These securities amounted to \$2,558,496 and \$7,940,387 as of August 31, 2006 and 2005, respectively.

**(F) Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the PUF's non-U.S. dollar investments. The PUF's investment policy statement limits investments in non-U.S. denominated bonds to 50% of the PUF's total fixed income exposure. The table below summarizes the PUF's non-U.S. dollar investments by asset type at August 31, 2006 and 2005.

**PERMANENT UNIVERSITY FUND**  
**Notes to Detail Schedules of Investment Securities (cont.)**

Investment Type	August 31,	
	2006	2005
<b>Foreign Common Stock:</b>		
Australian Dollar	\$ 16,499,188	\$ 19,685,669
Canadian Dollar	75,585,560	69,967,844
Swiss Franc	10,378,942	16,323,020
Danish Krone	3,612,338	3,734,421
Euro	43,954,967	123,903,374
UK Pound	52,762,374	40,393,465
Hong Kong Dollar	21,194,451	7,468,954
Japanese Yen	231,668,385	197,780,953
South Korean Won	6,250,811	3,026,225
Norwegian Krone	5,491,197	18,202,601
New Zealand Dollar	669,683	-
Swedish Krona	6,976,106	7,836,508
Singapore Dollar	10,728,221	11,281,848
Total Foreign Common Stock	485,772,223	519,604,882
<b>Other - Equity Securities:</b>		
Canadian Dollar	48	-
<b>Foreign Government and Provincial Obligations:</b>		
Australian Dollar	-	890,061
Canadian Dollar	127,064	646,187
Danish Krone	2,466,736	2,512,493
Euro	80,585,557	130,886,845
Japanese Yen	3,718,898	-
Polish Zloty	3,081,607	2,839,229
UK Pound	-	9,386,303
Total Foreign Government and Provincial Obligations	89,979,862	147,161,118
<b>Corporate Obligations:</b>		
Euro	24,619,480	15,209,803
UK Pound	3,311,744	3,283,894
Japanese Yen	5,762,839	-
Total Corporate Obligations	33,694,063	18,493,697
<b>Purchased Options:</b>		
Canadian Dollar	67,369	1,257,214
Euro	949,491	40,678
UK Pound	145,096	-
Japanese Yen	3,132,648	-
Total Purchased Options	4,294,604	1,297,892
<b>Private Market Investments:</b>		
Euro	98,926,472	77,172,078
UK Pound	6,691,668	10,583,599
Total Private Market Investment Funds	105,618,140	87,755,677
<b>Cash and Cash Equivalents:</b>		
Australian Dollar	165,989	123,814
Canadian Dollar	1,341,214	6,040,801
Swiss Franc	112,256	120,616
Danish Krone	44,296	25,224
Euro	1,718,211	1,965,790
UK Pound	579,252	22,520
Hong Kong Dollar	223,245	17,193
Japanese Yen	8,837,728	21,559,455
Mexican New Peso	-	177
Norwegian Krone	58,560	13,252
New Zealand Dollar	233,048	1
Polish Zloty	355,151	163,394
Swedish Krona	133,510	37,873
Singapore Dollar	306,505	89,348
New Taiwan Dollar	992,660	996,252
Total Cash and Cash Equivalents	15,101,625	31,175,710
Total	\$ 734,460,565	\$ 805,488,976

**PERMANENT UNIVERSITY FUND**  
*Notes to Detail Schedules of Investment Securities (cont.)*

**Note 4 – Securities Lending**

In accordance with the prudent investor investment standards, the PUF loans securities to certain brokers who pay the PUF negotiated lenders' fees. These fees are included in investment income and the related expenses are included in investment expenses. The PUF receives qualified securities and/or cash as collateral against the loaned securities. The collateral, when received, will have a market value of 102% of loaned securities of U.S. issuers and a market value of 105% for loaned securities of non-U.S. issuers. If the market value of the collateral held in connection with loans of securities of U.S. issuers is less than 100% at the close of trading on any business day, the borrower is required to deliver additional collateral by the close of the next business day to equal 102% of the market value. For non-U.S. issuers, the collateral should remain at 105% of the market value of the loaned securities at the close of any business day. If it falls below 105%, the borrower must deliver additional collateral by the close of the following business day. The value of securities loaned and the value of collateral held are as follows at August 31, 2006 and 2005:

<b>Securities on Loan</b>	<b>2006 Value</b>	<b>2005 Value</b>	<b>Type of Collateral</b>	<b>2006 Value of Collateral</b>	<b>2005 Value of Collateral</b>
U.S. Government	\$ 725,905,176	\$ 690,148,767	Cash	\$738,197,245	\$ 697,889,734
Foreign Government	11,031,766	22,252,445	Cash	11,576,419	23,365,980
Corporate Bonds	11,836,052	11,696,791	Cash	12,139,900	12,020,843
Common Stock	219,321,315	174,098,254	Cash	228,617,153	181,661,565
<b>Total</b>	<b>\$ 968,094,309</b>	<b>\$ 898,196,257</b>	<b>Total</b>	<b>\$ 990,530,717</b>	<b>\$ 914,938,122</b>
Common Stock	\$ 1,397,330	\$ 330,537	Non-Cash	\$ 1,425,627	\$ 341,911
U.S. Government	14,154,872	22,666,389	Non-Cash	14,808,629	24,356,521
<b>Total</b>	<b>\$ 15,552,202</b>	<b>\$ 22,996,926</b>	<b>Total</b>	<b>\$ 16,234,256</b>	<b>\$ 24,698,432</b>

Cash received as collateral for securities lending activities is invested and reinvested in a commingled pool managed exclusively for the benefit of the PUF, the General Endowment Fund, the Intermediate Term Fund and other Board of Regent accounts that participate in securities lending activities by the securities lending agent. The pool is managed in accordance with investment guidelines established in the securities lending contract between the PUF and its securities lending agent. The maturities of the investments in the pool do not necessarily match the term of the loans, rather the pool is managed to maintain a maximum dollar weighted average maturity of 60 days and an overnight liquidity of 20 percent. Lending income is earned if the returns on those investments exceed the rebate paid to borrowers of the securities for interest on the cash collateral received. The income remaining after the borrower rebates is then shared by the PUF and the securities lending agent on a contractually negotiated split. If the investment of the cash collateral does not provide a return exceeding the rebate or if the investment incurs a loss of principal, the payment of the shortfall to the borrower is made from the PUF and the securities lending agent in the same proportion as income is shared.

The PUF's pro-rata share of collateral pool investments, rating by NRSRO, and weighted average maturity at August 31, 2006 and 2005 is shown in the following table:

**PERMANENT UNIVERSITY FUND**  
**Notes to Detail Schedules of Investment Securities (cont.)**

Description	August 31,					
	2006			2005		
	Fair Value	Rating	Weighted Average Maturity In Days	Fair Value	Rating	Weighted Average Maturity In Days
		No			No	
		Rating			Rating	
Repurchase Agreements	\$ 360,618,038	Available	14	\$ 431,176,486	Available	1
Commercial Paper	430,757,870	P	26	370,595,246	P	36
Floating Rate Notes	56,532,430	AAA		8,375,488	AAA	
Floating Rate Notes	40,604,505	AA		93,724,729	AA	
Total Floating Rate Notes	<u>97,136,935</u>		69	<u>102,100,217</u>		37
Certificates of Deposit	123,934,917	P	67	13,780,760	P	50
Asset Backed Securities	1,776,447	AAA	11	522,304	AAA	168
Other Receivables/Payables	(23,693,490)	Not Rated	-	(3,236,891)	Not Rated	-
Total Collateral Pool Investment	<u>\$ 990,530,717</u>		31	<u>\$ 914,938,122</u>		20

Collateral pool investments are uninsured, and are held by the PUF's securities lending agent, in its name, on behalf of the PUF, except for the investments in repurchase agreements which are held in the securities lending agent's name by a third party custodian not affiliated with the PUF or the borrower of the associated loaned securities. Therefore, the collateral pool is not exposed to custodial credit risk because the pool investments are not held by counterparties to the lending transactions or a counterparties trust department or agent.

Cash collateral is recorded as an asset with an equal and offsetting liability to return the collateral on the statements of fiduciary net assets. Investments received as collateral for securities lending activities are not recorded as assets because the investments remain under the control of the transferor, except in the event of default.

In the event of default, where the borrower is unable to return the securities loaned, the PUF has authorized the securities lending agent to seize the collateral held. The collateral is then used to replace the borrowed securities where possible. Due to some market conditions, it is possible that the original securities cannot be replaced. If the collateral is insufficient to replace the securities, the securities lending agent has indemnified the PUF from any loss due to borrower default.

As of August 31, 2006 and 2005, the PUF had no credit risk exposure to borrowers because the amounts the PUF owed to borrowers exceeded the amounts the borrowers owed the PUF.

There were no significant violations of legal or contractual provisions, no borrower or securities lending agent default losses, and no recoveries of prior period losses during the years ended August 31, 2006 and 2005.

**Note 5 – Investment Funds**

Investment funds include exchange traded funds, index funds, SEC regulated mutual funds and externally managed funds, limited partnerships, and corporate structures which are generally unrated and may be unregulated.

## PERMANENT UNIVERSITY FUND

### *Notes to Detail Schedules of Investment Securities (cont.)*

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Marketable alternatives funds are invested in private placements with external investment managers who invest in equity and fixed income securities of both domestic and international issuers. These investment managers may invest in both long and short securities and may utilize leverage in their portfolios. The funds invested may be subject to a lock-up restriction of one or more years before the investment may be withdrawn from the manager without significant penalty. There are certain risks associated with these private placements, some of which include investment manager risk, market risk, and liquidity risk, as well as the risk of utilizing leverage in the portfolios.

Private markets funds are invested in limited partnerships with external investment managers or general partners who invest primarily in private equity securities. These investments are domestic and international, are illiquid and may not be realized for a period of several years after the investments are made. There are certain risks associated with these investments, some of which are liquidity risk, market risk, event risk, and investment manager risk.

Public market funds are invested in exchange traded funds, index funds, and private placements with external investment managers who invest in equity and fixed income securities of both domestic and international issuers. These funds are characterized as public market funds based on individual risk/return characteristics and their relationship to the overall asset mix of the PUF. Some of these investment managers may invest in both long and short securities and may utilize modest leverage in their portfolios. There are certain risks associated with these investments, some of which are investment manager risk, market risk, and liquidity risk, as well as the risk of utilizing leverage in the portfolios.

Marketable alternative, private market, and public market funds include investments in private placement vehicles that are subject to risk which could result in the loss of invested capital. The risks include the following:

- *Non-regulation risk* -- Some of these funds are not registered with the Securities Exchange Commission, and therefore are not subject to regulatory controls.
- *Key personnel risk* -- The success of certain funds is substantially dependent on key investment managers and the loss of those individuals may adversely impact the fund's performance.
- *Liquidity risk* -- Many of the PUF's investment funds may impose lockup periods which would cause the PUF to incur penalties to redeem its units or prevent the PUF from redeeming its shares until a certain period of time has elapsed.
- *Limited transparency* -- As private placement investment vehicles, these funds may not disclose the holdings of their portfolios.
- *Investment strategy risk* -- These funds often employ sophisticated investment strategies and may use leverage which could result in the loss of invested capital.