

**MORGAN CREEK**  
CAPITAL MANAGEMENT

ALTERNATIVE THINKING ABOUT INVESTMENTS



ANNUAL REPORT  
TO SHAREHOLDERS

FOR THE YEAR ENDED MARCH 31, 2018

---

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

FINANCIAL STATEMENTS WITH  
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

FOR THE YEAR ENDED MARCH 31, 2018

CONTENTS

LETTER TO INVESTORS .....	1
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM .....	4
FINANCIAL STATEMENTS	
STATEMENT OF ASSETS AND LIABILITIES .....	5
SCHEDULE OF INVESTMENTS .....	6
STATEMENT OF OPERATIONS .....	12
STATEMENT OF CHANGES IN NET ASSETS .....	13
STATEMENT OF CASH FLOWS .....	15
NOTES TO FINANCIAL STATEMENTS .....	17
BOARD OF TRUSTEES (UNAUDITED) .....	30
FUND MANAGEMENT (UNAUDITED) .....	31
OTHER INFORMATION (UNAUDITED) .....	32
APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (UNAUDITED) .....	33
PRIVACY NOTICE .....	36

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## LETTER TO INVESTORS

### 2018 Fiscal Year End Report

The Morgan Creek Global Equity Long/Short Institutional Fund (“MCGELSIF” or “the Fund”) seeks to generate attractive long-term returns with lower volatility and correlation relative to traditional equity benchmarks. The Fund utilizes a hybrid structure that combines opportunistic allocations to what we believe to be top-tier investment firms drawn from Morgan Creek’s extensive global network of relationships and a direct investment portfolio (“Morgan Creek Direct” or “MCD”)<sup>1</sup>, which is concentrated in the best ideas drawn from the overall strategy. We believe this combination of external managers and internal management provides a significant edge in being able to tactically adjust the portfolio to take advantage of investment opportunities and manage risk. The investment process begins with Morgan Creek choosing a cohort of external managers to express our top investment themes, which currently include: Wealth Transfer to Developing Markets, Growth of the Asian Consumer, Energy & Natural Resources, Long/Short Technology and Value. Demographics & Healthcare is a secondary theme. Once we have established the core manager portfolio to reflect our asset allocation views, we create our direct investment portfolio by implementing our proprietary process that selects the highest conviction investment ideas from the underlying managers. Value replaced Global Long/Short as a top investment theme, while Demographics & Healthcare was demoted to a secondary theme, since the 2017 Fiscal Year End Report was released.

For the fiscal year ended March 31, 2018, the Fund gained +11.5% compared to +13.6% for the MSCI World Index and +8.4% for the HFRX Equity Hedge Index. The following sections provide more insight into the four quarters of the Fund’s fiscal year, starting with the second calendar quarter

of 2017 and ending with the first calendar quarter of 2018. Please reach out to our team if you would like more information on any individual quarter (the commentaries have been condensed for the sake of brevity and clarity in this report). In summary, the Fund generated solid upside capture relative to the MSCI World and outperformance versus the HFRX Equity Hedge Index over the 2018 fiscal year period. The Fund’s performance was driven by strong results the final three months of the fiscal year, in which MCGELSIF outperformed the MSCI World Index by 739 bps. Following a record-setting fifteen consecutive up-months, the MSCI World declined in back-to-back months during February and March. This marked an abrupt end to what had been a period of abnormally low market volatility, as the S&P 500 Index, for example, experienced a mere eight trading days with a loss or gain of more than one percent in all of calendar year 2017. The market environment looks to have finally shifted in the Fund’s favor, and we believe long/short and active management are poised for a rebound versus long-only and passive strategies.

As central banks tighten monetary policy in response to full employment and rising inflation, the performance differential between high-quality and low-quality companies should widen. The normalization cycle of interest rates should be a strong tailwind for the strategy. Companies with healthy cash flow characteristics and leadership positions within industries in the midst of secular growth and/or undergoing structural change should outperform relative to companies that depend on the markets for capital to grow and find themselves on the wrong side of (or ill-positioned for) change in an increasingly competitive environment where a rising tide does not lift all boats. This is what played out in the early 2000s and, to a lesser extent, in the lead up to and during

<sup>1</sup> Morgan Creek Direct consists of “Morgan Creek Direct Top 20,” “Morgan Creek Direct Qualitative Top 5,” the Fund’s direct private co-investments and “Morgan Creek Tactical.” “Morgan Creek Direct Top 20” is a basket of 20 equally-weighted equities and reflects the top long positions in the underlying portfolios of the current managers in the Morgan Creek Global Equity Long Short Institutional Fund. The basket is constructed using regulatory filings and manager-provided transparency reports on a quarterly basis and rebalanced every six weeks. “Morgan Creek Direct Qualitative Top 5” is a portfolio of equities sourced from the underlying portfolios of the current managers in the Morgan Creek Global Equity Long Short Institutional Fund. The strategy comprises no more than five long or short baskets of positions. “Morgan Creek Tactical” includes ETFs and other passive instruments.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

## LETTER TO INVESTORS (CONTINUED)

the Financial Crisis, both periods in which hedge funds outperformed meaningfully. The buildup and eventual fallout during this cycle looks to be potentially even greater given the vast amount of debt issued during its run-up, most of it at historically low rates, and a lot of it to companies with little chance of servicing it with existing or expected cash flows. We are very excited about the return potential of the Fund if this market environment unfolds.

### Q2 2017

MCGELSIF returned +1.6% during the quarter versus +4.0% for the MSCI World and +1.0% for the HFRX Equity Hedge. Long/Short Technology and Global Long/Short drove gains for the quarter, while Healthcare & Demographics was the only meaningful detractor at the sub-strategy level. We took some profits in the portfolio's more growth-oriented investments by trimming the Top 20<sup>2</sup>, adding a tactical hedge, and trimming one of the Long/Short Technology managers. At the same time, we increased the portfolio's exposure to some more value-oriented situations within small-cap Healthcare and small-cap Energy & Natural Resources. Despite remaining constructive on the long-term prospects for many of the portfolio's growth-oriented holdings, we looked to proactively book gains in our growth holdings and rotate them into value plays over the course of the fiscal year, including hiring two value-biased managers at the end of the 2017 calendar year.

### Q3 2017

MCGELSIF (+0.8%) had an underwhelming quarter relative to the MSCI World (+4.8%) and HFRX Equity Hedge (+3.2%). The Fund's performance was encapsulated by a strong month in July (+2.4%) and a disappointing month in September (-2.2%). Long/Short Technology and

Asia drove performance in July, with each driven by gains on the long side following strong results during earnings season. These gains were mostly offset by September losses mainly incurred in India and Natural Resources. In addition to these losses on the long side, the short book rose sharply on hopes for tax reform in the US, which drove small cap stocks sharply higher (for context, the Russell 2000 Index was up 6.2%). All in all, it was a poor quarter for alpha generation across the entire portfolio.

### Q4 2017

The Fund returned +2.5% during the quarter versus +5.5% for the MSCI World and +2.7% for the HFRX Equity Hedge. The Fund benefited from the announcement of a strategic investment in the portfolio's long-standing core position Vipshop by Tencent Holdings and JD.com. Performance was also buoyed by the October write-up in Lyft following the completion of the Series H round of financing. The Long/Short Technology sub-strategy detracted from performance, with the short side being responsible for the bulk of losses. Global Long/Short was also a detractor as managers were too hedged given the bullish market environment. We fully exited from two of the more top-down oriented managers in this sub-strategy, rebranding it as the Value sub-strategy, a change which was reflected in the hiring of two value-biased managers.

---

<sup>2</sup> "Morgan Creek Direct Top 20" (or "Top 20"), as defined above, is a basket of 20 equally-weighted equities and reflects the top long positions in the underlying portfolios of the current managers in the Morgan Creek Global Equity Long Short Institutional Fund. The basket is constructed using regulatory filings and manager-provided transparency reports on a quarterly basis and rebalanced every six weeks.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## LETTER TO INVESTORS (CONTINUED)

### Q1 2018

MCGELSIF returned +6.1% during the quarter versus -1.3% for the MSCI World and +1.2% for the HFRX Equity Hedge. Asia was the largest driver of performance, with strong returns on both the long and short side, although gains were very broad-based across all of the Fund's managers – all but two managers generated positive returns and two of the Fund's Top 5 managers<sup>3</sup> recorded double-digit gains. Energy & Natural Resources was the only meaningful headwind to performance. We redeemed from one manager in this theme and added a toe-hold tactical position in the MLP sector where indiscriminate selling pressure looked to be overdone.

---

<sup>3</sup> Top 5 refers to the five largest positions in the fund. A complete list of managers is available upon request.



Regards,

A handwritten signature in black ink that reads "Mark W. Yusko". The signature is written in a cursive, slightly slanted style.

Mark W. Yusko  
Chief Executive Officer &  
Chief Investment Officer



# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Trustees of  
Morgan Creek Global Equity Long/Short Institutional Fund

### **Opinion on the Financial Statements**

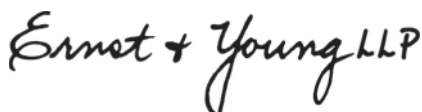
We have audited the accompanying statement of assets and liabilities of Morgan Creek Global Equity Long/Short Institutional Fund (“the Fund”), including the schedule of investments, as of March 31, 2018, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund at March 31, 2018, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

### **Basis for Opinion**

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund’s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of investments in portfolio funds and securities owned as of March 31, 2018, by correspondence with the portfolio funds’ investment managers or designees and the Fund’s custodian, as applicable. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

The signature of Ernst & Young LLP is written in a cursive, handwritten style in black ink.

We have served as the Fund’s auditor since 2011.

Charlotte, North Carolina  
May 29, 2018

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

## STATEMENT OF ASSETS AND LIABILITIES

MARCH 31, 2018 (IN U.S. DOLLARS)

<b>Assets</b>	
Investments in Portfolio Funds, at fair value (cost of \$25,980,102) .....	\$ 36,633,161
Investments in Securities, at fair value (cost of \$10,284,765) .....	9,538,144
Cash and cash equivalents .....	5,917,918
Foreign currency, at fair value (cost of \$2,559,966) .....	2,619,942
Due from Portfolio Funds .....	9,137,558
Other receivables .....	30,210
Due from Advisor .....	21,033
Prepaid assets .....	4,774
Dividends receivable .....	1,667
Total assets .....	<u>\$ 63,904,407</u>
<b>Liabilities</b>	
Securities sold short, at fair value (proceeds of \$3,344,410) .....	\$ 2,610,102
Redemptions payable .....	12,280,863
Accrued expenses and other liabilities .....	237,504
Loan payable .....	50,530
Management fees payable .....	37,640
Accrued interest payable .....	79
Total liabilities .....	<u>15,216,718</u>
Net assets .....	<u>\$ 48,687,689</u>
<b>Components of net assets:</b>	
Net capital .....	\$ 49,542,164
Accumulated net investment loss .....	(5,616,189)
Accumulated net realized loss from investments and foreign currency transactions .....	(5,939,008)
Net unrealized appreciation on investments and foreign currency translations .....	10,700,722
Net assets .....	<u>\$ 48,687,689</u>
<b>Class I</b>	
<b>Net asset value per Share:</b>	
\$48,530,179 / 41,221.49 Shares issued and outstanding, par value \$0.01 per share, unlimited Shares authorized .....	<u>\$ 1,177.30</u>
<b>Class A</b>	
<b>Net asset value per Share:</b>	
\$157,510 / 142.50 Shares issued and outstanding, par value \$0.01 per share, unlimited Shares authorized .....	\$ 1,105.35
Sales Charge Class A (Load) .....	3.00%
Maximum Offering Price Per Class A Share .....	<u>\$ 1,139.54</u>

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

## SCHEDULE OF INVESTMENTS

MARCH 31, 2018 (IN U.S. DOLLARS)

Investments	Cost	Fair Value	Percent of Net Assets	Domicile	Liquidity <sup>1,2</sup>	Next Available Redemption Date <sup>3</sup>
<b>Investments in Portfolio Funds</b>						
<b>Asia</b>						
Old Peak Asia Fund Ltd.						
500 shares – Class A Series 18 .....	\$ 500,000	\$ 501,772	1.03%	Cayman Islands	Quarterly	3/31/2019
Private Investors III, LLC						
1,545 shares .....	1,543,848	1,385,986	2.85	United States	0-5 Years	N/A
Teng Yue Partners Offshore Fund, L.P. <sup>4</sup>						
1,764 shares .....	1,896,929	4,269,071	8.77	Cayman Islands	Quarterly	6/30/2018
Tybourne Equity (Offshore) Fund <sup>4</sup>						
2,504 shares – Series A .....	<u>2,504,222</u>	<u>3,502,646</u>	<u>7.19</u>	Cayman Islands	Quarterly	6/30/2018
<b>Total Asia</b> .....	<u>6,444,999</u>	<u>9,659,475</u>	<u>19.84</u>			
<b>Emerging Markets</b>						
New Century Holdings XI, L.P.						
104,582 shares .....	<u>86,459</u>	<u>84,179</u>	<u>0.17</u>	Cayman Islands	Illiquid	N/A
<b>Total Emerging Markets</b> .....	<u>86,459</u>	<u>84,179</u>	<u>0.17</u>			
<b>Energy &amp; Natural Resources</b>						
Brenham Capital Offshore Fund, Ltd.						
932 shares – Class A .....	932,238	1,270,433	2.61	Cayman Islands	Quarterly	6/30/2018
CamCap Resources Offshore Fund, Ltd.						
116 shares – Class B .....	21,634	21,027	0.04	Cayman Islands	Illiquid	N/A
MLO Private Investment, Ltd.						
47 shares – Series 01 .....	76,995	79,593	0.17	Cayman Islands	Illiquid	N/A
Whetstone Capital Offshore Fund, Ltd.						
2,649 shares .....	<u>2,648,727</u>	<u>2,182,082</u>	<u>4.48</u>	Cayman Islands	Quarterly	6/30/2018
<b>Total Energy &amp; Natural Resources</b> ..	<u>3,679,594</u>	<u>3,553,135</u>	<u>7.30</u>			
<b>Healthcare</b>						
Broadfin Healthcare Offshore Fund, Ltd.						
1,500 shares – Series A .....	1,500,000	1,362,482	2.80	Cayman Islands	Quarterly	6/30/2018
Swiftcurrent Offshore, Ltd.						
156 shares – Class D .....	<u>6,897</u>	<u>5,533</u>	<u>0.01</u>	Cayman Islands	Illiquid	N/A
<b>Total Healthcare</b> .....	<u>1,506,897</u>	<u>1,368,015</u>	<u>2.81</u>			

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.



MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

SCHEDULE OF INVESTMENTS (CONTINUED)

MARCH 31, 2018 (IN U.S. DOLLARS)

Investments	Cost	Fair Value	Percent of Net Assets	Domicile	Liquidity <sup>1,2</sup>	Next Available Redemption Date <sup>3</sup>
<b>Technology</b>						
ACM Opportunities, L.P. <sup>5</sup>						
1,750 shares – Class E .....	\$ 1,750,000	\$ 3,342,550	6.86%	United States	0-5 Years	N/A
Light Street Xenon, Ltd.						
1,803 shares – Class A .....	1,992,364	4,001,171	8.22	Cayman Islands	Quarterly	6/30/2018
Tiger Global, Ltd. <sup>4</sup>						
4,953 shares – Class C Series 01 .....	2,538,734	5,147,059	10.57	Cayman Islands	Annually	1/31/2019
Tiger Global, Ltd. <sup>4</sup>						
1,298 shares – Class C Series 02 .....	1,000,000	1,329,008	2.73	Cayman Islands	Annually	9/30/2018
Tiger Global, Ltd. <sup>4</sup>						
3,389 shares – Class E .....	786,027	1,678,892	3.45	Cayman Islands	Annually	1/31/2019
<b>Total Technology</b> .....	<u>8,067,125</u>	<u>15,498,680</u>	<u>31.83</u>			
<b>Value Long/Short</b>						
Bronte Capital Ganymede Fund Ltd.						
500 shares – Class A .....	500,000	545,245	1.12	Cayman Islands	Monthly	4/30/2018
Falcon Edge Global Ltd.						
365 shares – Class B .....	516,944	542,492	1.11	Cayman Islands	Illiquid	N/A
Falcon Edge Global Ltd.						
1 share – Class S .....	779	807	0.00	Cayman Islands	Illiquid	N/A
Falcon Edge Global Ltd.						
93 shares – Standard Share Partners .....	93,393	80,301	0.17	Cayman Islands	Illiquid	N/A
Glade Brook Private Investors VII, LLC						
1,133 shares .....	1,130,520	1,015,097	2.09	United States	0-5 Years	N/A
Hound Partners Offshore Fund, Ltd. <sup>4</sup>						
3,691 shares – Class A .....	3,617,691	3,969,750	8.15	Cayman Islands	Quarterly	6/30/2018
Tiger Veda Ltd.						
93 shares – Class C1 .....	252,747	223,250	0.46	Cayman Islands	Illiquid	N/A
Tiger Veda Ltd.						
110 shares – Class C3 .....	82,954	92,735	0.19	Cayman Islands	Illiquid	N/A
<b>Total Value Long/Short</b> .....	<u>6,195,028</u>	<u>6,469,677</u>	<u>13.29</u>			
<b>Total Investments in Portfolio Funds</b> .....	<u>\$ 25,980,102</u>	<u>\$ 36,633,161</u>	<u>75.24%</u>			

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

SCHEDULE OF INVESTMENTS (CONTINUED)

MARCH 31, 2018 (IN U.S. DOLLARS)

Investments	Cost	Fair Value	Percent of Net Assets	Domicile
<b>Investments in Securities</b>				
<b>Common Stocks</b>				
<b>Global Opportunistic</b>				
Amazon.com, Inc.*				
181 shares .....	\$ 90,794	\$ 261,968	0.54%	United States
Apollo Global Management LLC				
8,377 shares .....	229,993	248,127	0.51	United States
Banco De Oro Unibank, Inc.				
91,307 shares .....	271,949	255,660	0.53	United States
Berkshire Hathaway Inc.*				
1,305 shares .....	275,067	260,321	0.53	United States
Booking Holdings Inc.*				
133 shares .....	179,124	276,692	0.57	United States
Centennial Resource Development, Inc.*				
2,381 shares .....	44,830	43,691	0.09	United States
Diamondback Energy Inc*				
361 shares .....	38,714	45,674	0.09	United States
Energy Transfer Equity, L.P.				
17,380 shares .....	248,018	246,970	0.51	United States
Expedia Inc.				
2,140 shares .....	237,193	236,277	0.49	United States
Facebook, Inc. – Class A*				
193 shares .....	28,730	30,839	0.06	United States
Galaxy Entertainment Group Limited				
31,092 shares .....	268,411	290,088	0.60	United States
Gulfport Energy Corporation*				
52,968 shares .....	741,774	511,141	1.05	United States
Heron Therapeutics, Inc.*				
53,602 shares .....	1,054,948	1,479,415	3.04	United States
Horizon Pharma, PLC*				
18,781 shares .....	215,268	266,690	0.55	United States
Interactive Brokers Group, Inc.				
3,883 shares .....	274,198	261,093	0.54	United States
JD.com*				
5,804 shares .....	146,204	235,004	0.48	United States
LKQ Corporation*				
655 shares .....	24,748	24,857	0.05	United States

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

SCHEDULE OF INVESTMENTS (CONTINUED)

MARCH 31, 2018 (IN U.S. DOLLARS)

Investments	Cost	Fair Value	Percent of Net Assets	Domicile
<b>Common Stocks (continued)</b>				
Match Group, Inc.*				
6,815 shares .....	\$ 197,850	\$ 302,859	0.62%	United States
Microsoft Corporation				
2,895 shares .....	213,028	264,227	0.54	United States
Parsley Energy, Inc.*				
2,225 shares .....	61,776	64,503	0.13	United States
Pioneer Natural Resources Company				
261 shares .....	45,335	44,834	0.09	United States
Progenics Pharmaceuticals, Inc.*				
44,670 shares .....	193,305	333,238	0.68	United States
Retrophin, Inc.*				
13,905 shares .....	316,567	310,916	0.64	United States
Rolls-Royce Holdings, PLC				
23,282 shares .....	217,086	281,945	0.58	United States
RSP Permian, Inc.*				
1,183 shares .....	42,683	55,459	0.11	United States
Salesforce.com, Inc.*				
2,354 shares .....	275,825	273,770	0.56	United States
Shopify Inc.*				
659 shares .....	72,282	82,105	0.17	United States
Square, Inc.*				
1,968 shares .....	88,796	96,826	0.20	United States
Stamps.com Inc.*				
472 shares .....	85,124	94,896	0.20	United States
Tal Education Group				
7,496 shares .....	282,003	278,027	0.57	United States
T-Mobile US, Inc.*				
3,831 shares .....	245,227	233,844	0.48	United States
Vipshop Holdings Limited*				
15,997 shares .....	72,266	265,870	0.55	United States
WPX Energy Inc.*				
3,125 shares .....	38,494	46,188	0.09	United States
WuXi Biologics (Cayman) Inc.*				
39,466 shares .....	277,308	385,583	0.79	United States
<b>Total Common Stocks</b> .....	<u>7,094,918</u>	<u>8,389,597</u>	<u>17.23</u>	

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

SCHEDULE OF INVESTMENTS (CONTINUED)

MARCH 31, 2018 (IN U.S. DOLLARS)

Investments	Cost/ (Proceeds)	Fair Value	Percent of Net Assets	Domicile
<b>Exchange Traded Funds</b>				
<b>Global Opportunistic</b>				
Alerian MLP ETF				
26,500 shares .....	\$ 249,233	\$ 248,305	0.51%	United States
ProShares UltraPro Short S&P 500				
34,684 shares .....	1,256,254	387,420	0.80	United States
ProShares UltraPro Short QQQ				
27,908 shares .....	<u>1,684,360</u>	<u>511,554</u>	<u>1.05</u>	United States
<b>Total Exchange Traded Funds .....</b>	<u>3,189,847</u>	<u>1,147,279</u>	<u>2.36</u>	
<b>Rights</b>				
<b>Global Opportunistic</b>				
Rolls-Royce Holdings, PLC – C Shares				
903,854 shares .....	—	1,268	0.00	United States
<b>Total Rights .....</b>	<u>—</u>	<u>1,268</u>	<u>0.00</u>	
<b>Total Investments in Securities .....</b>	<u>\$ 10,284,765</u>	<u>\$ 9,538,144</u>	<u>19.59%</u>	
<b>Total Investments .....</b>	<u>\$ 36,264,867</u>	<u>\$ 46,171,305</u>	<u>94.83%</u>	
<b>Securities Sold Short</b>				
<b>Common Stocks</b>				
<b>Global Opportunistic</b>				
China Evergrande Group*				
80,000 shares .....	\$ (323,347)	\$ (251,755)	(0.52)%	China
Fosun International Limited				
128,000 shares .....	(321,313)	(277,236)	(0.57)	China
Geely Automobile Holdings Limited				
100,000 shares .....	(331,414)	(287,939)	(0.59)	China
H & M Hennes & Mauritz AB				
19,650 shares .....	(581,276)	(294,875)	(0.60)	Sweden
Kingston Financial Group Limited				
338,000 shares .....	(325,670)	(151,153)	(0.31)	Hong Kong
Sunac China Holdings Limited				
60,000 shares .....	(323,085)	(231,625)	(0.48)	China
Tesla Inc.*				
1,125 shares .....	(339,855)	(299,396)	(0.61)	United States

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

SCHEDULE OF INVESTMENTS (CONTINUED)

MARCH 31, 2018 (IN U.S. DOLLARS)

Investments	Proceeds	Fair Value	Percent of Net Assets	Domicile
<b>Common Stocks (continued)</b>				
Williams-Sonoma, Inc.				
7,803 shares .....	\$ (399,440)	\$ (411,686)	(0.85)%	United States
Wm Morrison Supermarkets PLC				
135,000 shares .....	(399,010)	(404,437)	(0.83)	United Kingdom
<b>Total Common Stocks</b> .....	<u>(3,344,410)</u>	<u>(2,610,102)</u>	<u>(5.36)</u>	
<b>Total Securities Sold Short</b> .....	<u>\$ (3,344,410)</u>	<u>\$ (2,610,102)</u>	<u>(5.36)%</u>	
Other Assets, less Liabilities .....		<u>5,126,486</u>	<u>10.53</u>	
<b>Total Net Assets</b> .....		<u>\$ 48,687,689</u>	<u>100.00%</u>	

- (1) Available frequency of redemptions after initial lock-up period, if any. Different tranches may have different liquidity terms.
  - (2) 0-5 Years - Portfolio Funds will periodically redeem depending on cash availability.
  - (3) Investments in Portfolio Funds may be composed of multiple tranches. The Next Available Redemption Date relates to the earliest date after March 31, 2018 that redemption from a tranche is available. Other tranches may have an available redemption date that is after the Next Available Redemption Date. Redemptions from Portfolio Funds may be subject to fees.
  - (4) Although the Portfolio Fund has monthly, quarterly, or annual redemption rights, there are various gates, holdbacks, and/or side pockets imposed by the manager of the Portfolio Fund, which prevent the Fund from being able to redeem its entire position at the next available redemption date.
  - (5) ACM Opportunities, L.P. has a concentrated investment in Lyft, Inc., which accounts for 6.82% of the Fund's net assets on a look-through basis as of March 31, 2018.
- \* *Non-income producing security.*

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2018 (IN U.S. DOLLARS)

<b>Investment income</b>	
Dividends (net of foreign taxes withheld of \$1,336) .....	\$ 111,530
<b>Expenses</b>	
Management fees .....	733,074
Administration fees .....	282,559
Dividend expense .....	105,891
Audit fees .....	92,237
Transfer agent fees .....	77,373
Credit line fee .....	70,083
Legal fees .....	68,774
Trustees' fees .....	58,500
Interest expense on Securities sold short .....	45,069
Consultancy fees .....	30,000
Insurance fees .....	17,748
Interest expense .....	6,568
Custodian fees .....	5,608
Distribution and service fees – Class A .....	756
Other expenses .....	89,552
Total expenses before management fee reduction .....	<u>1,683,792</u>
Repayment of expense reimbursement .....	67,765
Management fee reduction .....	<u>(549,806)</u>
Net expenses .....	<u>1,201,751</u>
Net investment loss .....	<u>(1,090,221)</u>
<b>Realized and unrealized gain from investments in Portfolio Funds, Securities, Securities sold short, and foreign currency</b>	
Net realized gain from investments in Portfolio Funds .....	8,996,583
Net realized gain from investments in Securities .....	1,215,969
Net realized gain on Securities sold short .....	155,065
Net realized gain on foreign currency transactions .....	10,454
Net change in unrealized appreciation/depreciation on investments in Portfolio Funds .....	(1,089,388)
Net change in unrealized appreciation/depreciation on investments in Securities .....	(946,129)
Net change in unrealized appreciation/depreciation on Securities sold short .....	(162,254)
Net change in unrealized appreciation/depreciation on foreign currency translations .....	<u>84,604</u>
Net realized and unrealized gain from investments in Portfolio Funds, Securities, Securities sold short, and foreign currency .....	<u>8,264,904</u>
Net increase in net assets resulting from operations .....	<u>\$ 7,174,683</u>

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.



# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

## STATEMENT OF CHANGES IN NET ASSETS

(IN U.S. DOLLARS)

### For the Year Ended March 31, 2018

#### Increase in net assets resulting from operations:

Net investment loss .....	\$ (1,090,221)
Net realized gain from investments in Portfolio Funds .....	8,996,583
Net realized gain from investments in Securities .....	1,215,969
Net realized gain on Securities sold short .....	155,065
Net realized gain on foreign currency transactions .....	10,454
Net change in unrealized appreciation/depreciation on investments in Portfolio Funds .....	(1,089,388)
Net change in unrealized appreciation/depreciation on investments in Securities .....	(946,129)
Net change in unrealized appreciation/depreciation on Securities sold short .....	(162,254)
Net change in unrealized appreciation/depreciation on foreign currency translations .....	<u>84,604</u>
Net increase in net assets resulting from operations .....	<u>7,174,683</u>

#### Capital share transactions:

Subscriptions – Class I .....	44,275,424
Subscriptions – Class A .....	145,500
Redemptions – Class I .....	<u>(88,972,903)</u>
Net decrease in net assets resulting from capital share transactions .....	<u>(44,551,979)</u>
Net decrease in net assets .....	<u>(37,377,296)</u>

#### Net assets

Beginning of year .....	<u>86,064,985</u>
End of year .....	<u>\$ 48,687,689</u>
Accumulated net investment loss .....	<u>\$ (5,616,189)</u>

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

STATEMENT OF CHANGES IN NET ASSETS (CONTINUED)

(IN U.S. DOLLARS)

**For the Year Ended March 31, 2017**

**Increase in net assets resulting from operations:**

Net investment loss .....	\$ (1,597,581)
Net realized gain from investments in Portfolio Funds .....	277,758
Net realized gain from investments in Securities .....	1,482,813
Net realized loss on Securities sold short .....	(570,614)
Net realized loss on foreign currency transactions .....	(4,502)
Net change in unrealized appreciation/depreciation on investments in Portfolio Funds .....	4,266,766
Net change in unrealized appreciation/depreciation on investments in Securities .....	(838,555)
Net change in unrealized appreciation/depreciation on Securities sold short .....	952,849
Net change in unrealized appreciation/depreciation on foreign currency translations .....	<u>(24,628)</u>
Net increase in net assets resulting from operations .....	<u>3,944,306</u>

**Capital share transactions:**

Subscriptions – Class I .....	2,803,649
Redemptions – Class I .....	<u>(37,624,283)</u>
Net decrease in net assets resulting from capital share transactions .....	<u>(34,820,634)</u>
Net decrease in net assets .....	<u>(30,876,328)</u>

**Net assets**

Beginning of year .....	<u>116,941,313</u>
End of year .....	<u>\$ 86,064,985</u>
Accumulated net investment loss .....	<u>\$ (18,509,927)</u>

*The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.*

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2018 (IN U.S. DOLLARS)

<b>Cash flows from operating activities:</b>	
Net increase in net assets resulting from operations .....	\$ 7,174,683
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:	
Purchases of investments in Portfolio Funds .....	(1,794,612)
Purchases of investments in Securities .....	(12,295,634)
Repurchases of Securities sold short .....	(9,570,944)
Proceeds from sales of investments in Portfolio Funds .....	48,153,181
Proceeds from sales of investments in Securities .....	13,105,247
Proceeds from Securities sold short .....	6,775,311
Net realized gain from investments in Portfolio Funds .....	(8,996,583)
Net realized gain from investments in Securities .....	(1,215,969)
Net realized gain on Securities sold short .....	(155,065)
Net change in unrealized appreciation/depreciation on investments in Portfolio Funds .....	1,089,388
Net change in unrealized appreciation/depreciation on investments in Securities .....	946,129
Net change in unrealized appreciation/depreciation on Securities sold short .....	162,254
Changes in operating assets and liabilities:	
Increase in due from Portfolio Funds .....	(5,292,934)
Increase in due from Advisor .....	(21,033)
Decrease in prepaid assets .....	6,908
Increase in dividends receivable .....	(1,077)
Increase in accrued expenses and other liabilities .....	39,049
Decrease in management fees payable .....	(19,347)
Increase in accrued interest payable .....	72
Decrease in due to Advisor .....	(5,542)
Decrease in dividends payable .....	(689)
Net cash provided by operating activities .....	<u>38,082,793</u>

*The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.*

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED MARCH 31, 2018 (IN U.S. DOLLARS)

<b>Cash flows from financing activities:</b>	
Proceeds from advances on line of credit .....	\$ 3,326,483
Repayment of advances on line of credit .....	(3,281,831)
Subscriptions (net of change in subscriptions received in advance of \$225,000) .....	2,360,447
Redemptions (net of change in redemptions payable of \$4,178,260) .....	<u>(43,486,851)</u>
Net cash used in financing activities .....	<u>(41,081,752)</u>
Net decrease in cash and cash equivalents and foreign currency .....	<u>(2,998,959)</u>
<b>Cash and cash equivalents and foreign currency</b>	
Beginning of year .....	<u>11,536,819</u>
End of year .....	<u>\$ 8,537,860</u>
<b>Non-cash operating activities:</b>	
Transfer of investments in Portfolio Funds from the Cayman Fund .....	<u>\$ (527,685)</u>
<b>Non-cash financing activities:</b>	
In-kind subscriptions from the Cayman Fund .....	<u>\$ 41,835,477</u>
In-kind redemptions from the Cayman Fund .....	<u>\$ (41,307,792)</u>
<b>Supplemental disclosure of cash flow information:</b>	
Interest paid .....	<u>\$ 51,565</u>

*The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.*

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

## 1. Organization and Nature of Business

Morgan Creek Global Equity Long/Short Institutional Fund (the “Fund”) was organized under the laws of the State of Delaware as a statutory trust on August 16, 2010. The Fund commenced operations on October 3, 2011 (“Commencement of Operations”) and operates pursuant to the Agreement and Declaration of Trust (the “Trust Instrument”). The Fund is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a closed-end, non-diversified management investment company. While non-diversified for 1940 Act purposes, the Fund intends to comply with the diversification requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”), as such requirements are described in more detail below.

The Fund is structured as a fund-of-funds and its investment objective is to generate greater long-term returns when compared to traditional equity market benchmarks, while exhibiting a lower level of volatility and a modest degree of correlation to these markets. The Fund seeks to achieve this objective primarily by investing in private funds and other pooled investment vehicles (collectively, the “Portfolio Funds”), and exchange traded funds, common stocks, and purchased options (collectively, the “Securities”) that are not expected to be highly correlated to each other or with traditional equity markets over a long-term time horizon. The Fund normally invests 80% of its assets in Portfolio Funds that will primarily engage in long/short equity strategies and equity securities that augment these strategies. Under normal circumstances, 80% or more of the investment portfolios of the Portfolio Funds on an aggregate basis will consist of equity securities and 40% or more of the investments portfolios of the Portfolio Funds on an aggregate basis will be non-U.S. securities. The Portfolio Funds are managed by third-party investment managers (the “Managers”) selected by the investment adviser, with the intention of adding additional Portfolio Funds as the need to diversify among additional Portfolio Funds increases.

Morgan Creek Capital Management, LLC (the “Advisor”), a North Carolina limited liability company registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), serves as the Fund’s investment adviser. The Advisor is responsible for providing day-to-day investment management services to the Fund, subject to the supervision of the Fund’s Board of Trustees (the “Board” or each separately a “Trustee”). The Advisor also served as the investment adviser to Morgan Creek Opportunity Offshore Fund, Ltd. (the “Cayman Fund”). On October 1, 2017, the Cayman Fund ceased operations and (i) compulsorily redeemed all of the shares of the Cayman Fund held by investors and (ii) made an in-kind distribution of interests of the Fund to each such investor equal to the net asset value of the respective investor’s shares in the Cayman Fund. As a result, each of the investors in the Cayman Fund became an investor in the Fund on this date.

The Board has overall responsibility for overseeing the Fund’s investment program and its management and operations. A majority of the Trustees are “Independent Trustees” who are not “interested persons” (as defined by the 1940 Act) of the Fund.

Investors in the Fund (“Shareholders”) are governed by the Trust Instrument and bound by its terms and conditions. The security purchased by a Shareholder is a beneficial interest (a “Share”) in the Fund. All Shares shall be fully paid and are non-assessable. Shareholders shall have no preemptive or other rights to subscribe for any additional Shares. The Fund offers and sells two separate classes of Shares designated as Class A (“Class A Shares”) and Class I (“Class I Shares”). Class A Shares and Class I Shares are subject to different fees and expenses. Class A Shares are offered to investors subject to an initial sales charge. Class I Shares are not subject to an initial sales charge and have lower ongoing expenses than Class A Shares. All shares issued prior to April 1, 2016 have been designated as Class I Shares in terms of rights accorded and expenses borne.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

Investments in the Fund generally may be made only by U.S. persons who are “accredited investors” within the meaning of Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended and “qualified clients” within the meaning of Rule 205-3 promulgated under the Advisers Act. The Fund may decline to accept any investment in its discretion. The Board (or its designated agent) may admit Shareholders to the Fund from time to time upon the execution by a prospective investor of the appropriate documentation. Shares will be issued at the current net asset value (“NAV”) per Share of the class.

The Board, from time to time and in its sole discretion, may determine to cause the Fund to offer to repurchase Shares from Shareholders pursuant to written tenders by Shareholders. The Advisor anticipates that it will recommend to the Board to cause the Fund to conduct repurchase offers on a quarterly basis in order to permit the Fund to conduct repurchase offers for Shares. However, there are no assurances that the Board will, in fact, decide to undertake any repurchase offer. The Fund will make repurchase offers, if any, to all Shareholders, on the same terms, which may affect the size of the Fund’s repurchase offers. A Shareholder may determine, however, not to participate in a particular repurchase offer or may determine to participate to a limited degree, which will affect the liquidity of the investment of any investor in the Fund. In the event of a tender for redemption, the Fund, subject to the terms of the Trust Instrument and the Fund’s ability to liquidate sufficient Fund investments in an orderly fashion determined by the Board to be fair and reasonable to the Fund and all of the Shareholders, shall pay to such redeeming Shareholder within 90 days the proceeds of such redemption, provided that such proceeds may be paid in cash, by means of in-kind distribution of Fund investments, or as a combination of cash and in-kind distribution of Fund investments. Shares will be redeemed at the current NAV per Share of the class.

## 2. Summary of Significant Accounting Policies

### Basis for Accounting

The accompanying financial statements of the Fund are prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) and in accordance with Accounting Standards Codification (“ASC”) as set forth by the Financial Accounting Standards Board (“FASB”). The Fund maintains its financial records in U.S. dollars and follows the accrual basis of accounting. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Management has determined that the Fund is an investment company in accordance with FASB ASC 946 “*Investment Companies*” for the purpose of financial reporting.

### Investment in the Fund

The Fund is offered on a continuous basis through Morgan Creek Capital Distributors, LLC (the “Distributor”), an affiliate of the Advisor. The initial closing date for the public offering of Class I Shares was October 3, 2011. Class I Shares were offered at an initial offering price of \$1,000 per Share, and have been offered in a continuous monthly offering thereafter at the Class I Shares’ then current NAV per Share. The initial closing date for the public offering of Class A Shares was April 1, 2017. Class A Shares were offered at an initial offering price of \$1,000 per Share, and have been offered in a continuous monthly offering thereafter at the Class A Shares’ then current NAV per Share. The Distributor may enter into selected dealer arrangements with various brokers, dealers, banks and other financial intermediaries (“Selling Agents”), which have agreed to participate in the distribution of the Fund’s Shares.



# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

## Valuation of Portfolio Funds and Securities

The Fund carries its investments in Portfolio Funds at fair value in accordance with FASB ASC 820 “*Fair Value Measurements and Disclosures*” (“ASC 820”) which clarifies the definition of fair value for financial reporting, establishes a hierarchal disclosure framework for measuring fair value and requires additional disclosures about the use of fair value measure.

The NAV of the Fund is determined as of the close of business at the end of any fiscal period, generally monthly, in accordance with the valuation principles described below, or as may be determined from time to time pursuant to policies established by the Advisor. The Fund’s NAV is calculated by State Street Bank & Trust Company, in its capacity as the Fund’s administrator (the “Administrator,” or “State Street”).

The Board has ultimate responsibility for valuation but has delegated the process of valuing securities for which market quotations are not readily available to the Valuation Committee (the “Committee”). The Committee is responsible for monitoring the Fund’s valuation policies and procedures (which have been adopted by the Board and are subject to Board oversight), making recommendations to the Board on valuation-related matters and ensuring the implementation of the valuation procedures used by the Fund to value securities, including the fair value of the Fund’s investments in Portfolio Funds. These procedures shall be reviewed by the Board no less frequently than annually. Any revisions to these procedures that are deemed necessary shall be reported to the Board at its next regularly scheduled meeting.

*Investments in Portfolio Funds held by the Fund are valued as follows:*

The Fund measures the fair value of an investment that does not have a readily determinable fair value, based on the NAV of the investment as a practical expedient, without further adjustment, unless it is probable that the investment will be sold at a value significantly different than the NAV in accordance with ASC 820. If the practical expedient NAV is not as of the reporting entity’s measurement date, then the NAV is adjusted to reflect any significant events that may change the valuation. In using the NAV as a practical expedient, certain attributes of the investment, that may impact the fair value of the investment, are considered in measuring fair value. Attributes of those investments include the investment strategies of the investees and may also include, but are not limited to, restrictions on the investor’s ability to redeem its investments at the measurement date. The Fund is permitted to invest in alternative investments that do not have a readily determinable fair value and, as such, has elected to use the NAV as calculated on the Fund’s measurement date as the fair value of the investments. Investments in Portfolio Funds are subject to the terms of the Portfolio Funds’ offering and governing documents. Valuations of the Portfolio Funds may be subject to estimates and are net of management and performance incentive fees or allocations payable to the Portfolio Funds as required by the Portfolio Funds’ operating documents.

The Advisor’s rationale for the above approach derives from the reliance it places on its initial and ongoing due diligence, which understands the respective controls and processes around determining the NAV with the Managers of the Portfolio Funds. The Advisor has designed an ongoing due diligence process with respect to the Portfolio Funds and their Managers, which assists the Advisor in assessing the quality of information provided by, or on behalf of, each Portfolio Fund and in determining whether such information continues to be reliable or whether further investigation is necessary.

Where no value is readily available from a Portfolio Fund or Securities or where a value supplied by a Portfolio Fund is deemed by the Advisor not to be indicative of its fair value, the Advisor will determine, in good faith, the fair value of the Portfolio Fund or Securities subject to the approval of the Board and pursuant to procedures adopted by the Board and subject to the Board’s oversight. The Advisor values the Fund’s assets based on such reasonably available relevant information

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

as it considers material. Because of the inherent uncertainty of valuation, the fair values of the Fund's Portfolio Funds may differ significantly from the values that would have been used had a ready market for the Portfolio Funds held by the Fund been available.

*Investments in Publicly Traded Securities held by the Fund are valued as follows:*

The Fund values investments in publicly traded securities, including exchange traded funds, common stocks, securities sold short, and purchased options, that are listed on a national securities exchange at their closing price on the last business day of the period.

## **Securities Sold Short**

Securities sold short represent obligations of the Fund to deliver the specified security at the future price and, thereby, create a liability to repurchase the security in the market at prevailing prices. Accordingly, these transactions result in off-balance-sheet risk since the Fund's satisfaction of the obligations may exceed the amount recognized in the Statement of Assets and Liabilities. Dividends declared on Securities sold short held on the ex-dividend date are recorded as dividend expense. Interest the Fund is required to pay in connection with Securities sold short is recorded on an accrual basis as interest expense.

## **Cash and Cash Equivalents**

Cash and cash equivalents include cash and time deposits with an original maturity of 90 days or less, and are carried at cost, which approximates fair value.

## **Income and Operating Expenses**

The Fund bears its own expenses including, but not limited to, legal, accounting (including third-party accounting services), auditing and other professional expenses, offering costs, administration expenses and custody expenses. Interest income and interest expense are recorded on an accrual basis. Dividend income is recorded on the ex-dividend date and net of foreign withholding taxes. Operating expenses are recorded as incurred.

## **Recognition of Gains and Losses**

Change in unrealized appreciation/depreciation from each Portfolio Fund and Security is included in the Statement of Operations as net change in unrealized appreciation/depreciation on investments.

Investment transactions in Portfolio Funds, Securities, and Securities sold short are recorded on a trade date basis. Any proceeds received from Portfolio Fund redemptions and Security sales that are in excess of the Portfolio Fund's or Security's cost basis are classified as net realized gain from investments on the Statement of Operations. Any proceeds received from Portfolio Fund redemptions and Security sales that are less than the Portfolio Fund's or Security's cost basis are classified as net realized loss from investments on the Statement of Operations. Realized gains and losses from investments in Portfolio Funds and Securities are calculated based on the specific identification method.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

## Class Allocations and Expenses

Investment income, unrealized and realized gains and losses, common expenses of the Fund, and certain Fund-level expense reductions, if any, are allocated monthly on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Certain expense reductions may also differ by class. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

## Income Taxation

The Fund intends to continue to comply with the requirements of Subchapter M of the Code applicable to regulated investment companies (“RICs”) and to distribute substantially all of its taxable income to its Shareholders. Therefore, no provision for federal income taxes is required. The Fund files tax returns with the U.S. Internal Revenue Service and various states. The Fund may be subject to taxes imposed by countries in which it invests. Such taxes are generally based on a Portfolio Fund’s or Security’s income earned or gains realized or repatriated. Taxes are accrued and applied to net investment income, net realized capital gains and net unrealized appreciation, as applicable, as the income is earned or capital gains are recorded. The Fund has concluded there are no significant uncertain tax positions that would require recognition in the financial statements as of March 31, 2018. If applicable, the Fund recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in other expenses on the Statement of Operations. Generally, tax authorities can examine all tax returns filed for the last three years. The Fund’s major tax jurisdictions are the United States, the State of Delaware and the State of North Carolina. As of March 31, 2018, the tax years 2014 to 2017 remain subject to examination.

Capital losses and specified ordinary losses, including currency losses, incurred after October 31 but within the taxable year are deemed to arise on the first day of the Fund’s next taxable year. For the year ended March 31, 2018, the Fund deferred to April 1, 2018 for U.S. federal income tax purposes the following losses:

Post-October capital losses .....	<u>\$ (1,543,590)</u>
-----------------------------------	-----------------------

As of March 31, 2018, the cost and related gross unrealized appreciation and depreciation for tax purposes were as follows:

Cost of investments for tax purposes .....	<u>\$ 46,540,317</u>
Gross tax unrealized appreciation .....	\$ 3,070,816
Gross tax unrealized depreciation .....	<u>\$ (3,439,828)</u>
Net tax unrealized appreciation (depreciation) on investments .....	<u>\$ (369,012)</u>

## Distribution of Income and Gains

The Fund declares and pays dividends annually from its net investment income. Net realized gains, if any, are distributed at least annually. Distributions from net realized gains for book purposes may include short-term capital gains, which are included as ordinary income for tax purposes.

The Fund generally invests its assets in Portfolio Funds organized outside the United States that are treated as corporations for U.S. tax purposes and are expected to be classified as passive foreign investment companies (“PFICs”). As such, the Fund expects that its distributions generally will be taxable as ordinary income to the Shareholders.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

Pursuant to the dividend reinvestment plan established by the Fund (the “DRIP”), each Shareholder whose shares are registered in its own name will automatically be a participant under the DRIP and have all income, dividends and capital gains distributions automatically reinvested in additional Shares unless such Shareholder specifically elects to receive all income, dividends and capital gain distributions in cash.

There were no distributions paid during the years ended March 31, 2018 and March 31, 2017.

Permanent differences primarily due to the sale of marked-to-market PFICs resulted in the following reclassifications among the Fund’s components of net assets as of March 31, 2018:

Accumulated net investment loss .....	<u>\$ 13,983,959</u>
Accumulated net realized loss from investments .....	<u>\$ (12,020,175)</u>
Net capital .....	<u>\$ (1,963,784)</u>

As of March 31, 2018, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income .....	<u>\$ 4,542,501</u>
Qualified late year losses .....	<u>\$ (1,543,590)</u>
Capital loss carryforwards .....	<u>\$ (4,278,658)</u>
Unrealized appreciation (depreciation) .....	<u>\$ (369,012)</u>

As of March 31, 2018, capital loss carryforwards available for federal income tax purposes were \$2,892,290 for short-term and \$1,386,368 for long-term. These amounts have no expiration.

Temporary differences are primarily due to differing book and tax treatments in the timing of the recognition of gains (losses) on certain investment transactions.

### 3. Fair Value of Financial Instruments

In accordance with ASC 820, the Fund discloses the fair value of its investments in Portfolio Funds and Securities in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;

Level 2 - Other significant observable inputs; and

Level 3 - Other significant unobservable inputs.

Inputs broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. The Advisor generally uses the NAV per share of the investment (or its equivalent) reported by the Portfolio Fund as the primary input to its valuation; however, adjustments to the reported amount may be made based on various factors.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

A Security's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Advisor. The Advisor considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by multiple, independent sources that are actively involved in the relevant market.

All of the Fund's investments in Securities have been classified within level 1 and Securities sold short have been classified within level 1. Transfers in and/or out of levels are recognized at the date of circumstances that caused the transfer.

The Advisor's belief of the most meaningful presentation of the strategy classification of the Portfolio Funds and Securities is as reflected on the Schedule of Investments.

Hedge funds such as the Portfolio Funds are generally funds whose shares are issued pursuant to an exemption from registration under the 1940 Act or are issued offshore. The frequency of such subscription or redemption options offered to investors is dictated by such hedge fund's governing documents. The amount of liquidity provided to investors in a particular Portfolio Fund is generally consistent with the liquidity and risk associated with the Portfolio Funds (i.e., the more liquid the investments in the portfolio, the greater the liquidity provided to the investors).

Liquidity of individual hedge funds varies based on various factors and may include "gates," "holdbacks" and "side pockets" (defined in the Fund's prospectus) imposed by the manager of the hedge fund, as well as redemption fees which may also apply. These items have been identified as illiquid ("0-5 years") on the Schedule of Investments.

Assumptions used by the Advisor due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Fund's results of operations.

The following is a summary of the inputs used as of March 31, 2018 in valuing the Fund's investments in Securities and Securities sold short carried at fair value:

	Assets at Fair Value as of March 31, 2018			
	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
<b>Securities</b>				
Common Stocks –				
Global Opportunistic .....	\$ 8,389,597	\$ —	\$ —	\$ 8,389,597
Exchange Traded Funds –				
Global Opportunistic .....	1,147,279	—	—	1,147,279
Rights –				
Global Opportunistic .....	1,268	—	—	1,268
<b>Total Investments</b> .....	<b>\$ 9,538,144</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 9,538,144</b>

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

Liabilities at Fair Value as of March 31, 2018

	Level 1	Level 2	Level 3	Total
<b>Securities Sold Short</b>				
Common Stocks –				
Global Opportunistic .....	\$ (2,610,102)	\$ —	\$ —	\$ (2,610,102)
<b>Total Securities Sold Short .....</b>	<b>\$ (2,610,102)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (2,610,102)</b>
Total Investments in Portfolio Funds Measured at NAV .....				\$ 36,633,161

There were no changes in valuation technique and no transfers between the levels of the fair value hierarchy during the reporting period.

**4. Investments in Portfolio Funds and Securities**

The Fund has the ability to liquidate its investments in Portfolio Funds periodically, ranging from monthly to every five years, depending on the provisions of the respective Portfolio Funds' operating agreements. As of March 31, 2018, the Fund was invested in nineteen Portfolio Funds. All Portfolio Funds in which the Fund invested are individually identified on the Schedule of Investments. These Portfolio Funds may invest in U.S. and non-U.S. equities and equity-related instruments, fixed income securities, currencies, futures, forward contracts, swaps, commodities, other derivatives and other financial instruments.

The Managers of substantially all Portfolio Funds receive an annual management fee from 1% to 2% of the respective Portfolio Fund's NAV. Management of the Portfolio Funds also receive performance allocations from 15% to 20% of the Fund's net profit from its investments in the respective Portfolio Funds, subject to any applicable loss carryforward provisions, as defined by the respective Portfolio Funds' operating agreements.

For the year ended March 31, 2018, aggregate purchases and proceeds from sales of investments in Portfolio Funds and Securities were \$14,397,408 and \$60,899,863, respectively.

For the year ended March 31, 2018, aggregate repurchases of and proceeds from Securities sold short were \$9,570,944 and \$6,775,311, respectively.

**5. Offering of Shares**

The Fund's Share activities for the year ended March 31, 2018 were as follows:

	Balance as of April 1, 2017	Subscriptions	Redemptions	Balance as of March 31, 2018
Class I .....	81,491.12	40,896.69	(81,166.32)	41,221.49
Class A .....	—	142.50	—	142.50



MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

The Fund's Share activities for the year ended March 31, 2017 were as follows:

	<u>Balance as of April 1, 2016</u>	<u>Subscriptions</u>	<u>Redemptions</u>	<u>Balance as of March 31, 2017</u>
Class I .....	114,841.76	2,711.45	(36,062.09)	81,491.12

**6. Management Fee, Related Party Transactions and Other**

The Fund bears all of the expenses of its own operations, including, but not limited to, the investment management fee for the Fund payable to the Advisor, and administration fees, custody fees, and transfer agent fees payable to State Street.

In consideration for its advisory and other services, the Advisor shall receive a quarterly management fee, payable quarterly in arrears based on the NAV of the Fund as of the last business day of such quarter, prior to any quarter-end redemptions, in an amount equal to an annual rate of 1.00% of the Fund's NAV. The Advisor has voluntarily reduced the management fee to 0.25% of the Fund's NAV effective October 1, 2016. The management fee is in addition to the asset-based fees and incentive fees or allocations charged by the Portfolio Funds and indirectly borne by Shareholders in the Fund. For the year ended March 31, 2018, the Fund incurred management fees of \$733,074, of which \$549,806 was reduced by the Advisor and \$37,640 was payable to the Advisor as of March 31, 2018.

The Fund has entered into an expense limitation agreement in which the Advisor has agreed to pay certain operating expenses of the Fund in order to maintain certain expenses at or below 1.35% for Class I Shares and 2.20% for Class A Shares (the "Expense Caps"), of the average net assets of each class until March 31, 2018. Expenses covered by the Expense Caps include all of the Fund's expenses other than (i) acquired fund fees and expenses, (ii) any taxes paid by the Fund, (iii) expenses incurred directly or indirectly by the Fund as a result of expenses incurred by a Portfolio Fund, (iv) dividends on short sales, if any, and (v) any extraordinary expenses not incurred in the ordinary course of the Fund's business (including, without limitation, litigation expenses). Expenses borne by the Advisor are subject to reimbursement by the Fund up to three years from the date the Advisor paid the expense, but no reimbursement will be made by the Fund at any time if it would result in its covered expenses exceeding the expense cap.

If, in any month during which the investment management agreement is in effect, the estimated annualized total covered operating expenses for the Fund are less than the Expense Caps, the Advisor shall be entitled to reimbursement by the Fund of the previously reimbursed expenses to the extent that the Fund's annualized total operating expenses plus the amount so reimbursed does not exceed, for such month, the Expense Caps. The Advisor will be entitled to reimbursement of all payments remitted by the Advisor to the Fund pursuant to the expense limitation during the previous thirty-six months. During the year ended March 31, 2018, the Fund was required to repay the Advisor \$67,765. As of March 31, 2018, the cumulative unreimbursed amounts pursuant to this agreement are as follows:

<u>Months</u>	<u>Unreimbursed Amounts</u>
January 2018 .....	\$ 6,351
February 2018 .....	7,570
March 2018 .....	7,112
	<u>\$ 21,033</u>

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

State Street provides accounting and administrative services to the Fund under an administrative services agreement (the “Administration Agreement”). Pursuant to the Administration Agreement, State Street is paid a monthly administrative fee at an annual rate of 0.07% of the Fund’s monthly NAV for these services.

State Street also serves as the Fund’s Custodian and Transfer Agent. State Street is entitled to custody fees as reasonable compensation for its services and expenses as agreed upon from time to time between the Fund on behalf of each applicable Portfolio Fund and State Street. Transfer agent fees are payable monthly based on an annual per Shareholder account charge plus out-of-pocket expenses incurred by State Street on the Fund’s behalf.

## Distribution Plan

The Fund has adopted a Distribution Plan (the “Plan”), pursuant to Rule 12b-1 under the 1940 Act, with respect to its Class A Shares.

Under the Plan, the Fund may pay an aggregate amount on an annual basis not to exceed 0.85% of the value of the Fund’s average net assets attributable to its Class A Shares for services provided under the Plan. For the year ended March 31, 2018, the Fund incurred Class A distribution and service fees of \$756, of which \$333 was payable as of March 31, 2018.

## 7. Credit Agreement

The Fund has entered into a credit agreement with Credit Suisse International that bears interest at the 3M LIBOR plus 1.70% for Tranche L and 1.05% for Tranche U. The average interest rate for the year ended March 31, 2018 was 3.22%. The maximum aggregate principal amount of credit that may be extended to the Fund at any time is \$10,000,000 (the “Credit Limit”). The Fund also pays a fee equal to 0.65% of the Credit Limit less any outstanding principal amounts (the “Credit Line Fee”). The credit agreement is set to expire on August 29, 2018. The terms of the credit facility include limits on other indebtedness aggregate volatility, minimum net equity and other standard covenants. This credit agreement is not used as leverage, rather to provide bridge financing and meet liquidity needs that may arise. During the year ended March 31, 2018, the Credit Line Fee was \$70,083. The average borrowings outstanding for the year ended March 31, 2018 were \$173,492. As of March 31, 2018, the Fund had an outstanding balance of \$50,530 related to fees and interest accrued on the Fund’s line of credit. The credit facility is collateralized by all Portfolio Fund investments of the Fund. As of March 31, 2018, the Fund was in compliance with the covenants of the credit facility.

## 8. Risks and Contingencies

The Fund’s investments in Portfolio Funds may be subject to various risk factors including market, credit, currency and geographic risk. The Fund’s investments in Portfolio Funds may be made internationally and thus may have concentrations in such regions. The Fund’s investments in Portfolio Funds are also subject to the risk associated with investing in Portfolio Funds. The Portfolio Funds are generally illiquid, and thus there can be no assurance that the Fund will be able to realize the value of such investments in Portfolio Funds in a timely manner. Since many of the Portfolio Funds may involve a high degree of risk, poor performance by one or more of the Portfolio Funds could severely affect the total returns of the Fund.

Although the Fund’s investments in Portfolio Funds are denominated in U.S. dollars, the Fund may invest in securities and hold cash balances at its brokers that are denominated in currencies other than its reporting currency. Consequently, the Fund is exposed to risks that the exchange rate of the U.S. dollars relative to other currencies may change in a manner that has

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

an adverse effect on the reported value of that portion of the Fund's assets which are denominated in currencies other than the U.S. dollars. The Fund may utilize options, futures and forward currency contracts to hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

From time to time, the Fund may have a concentration of Shareholders holding a significant percentage of its net assets. Investment activities of these Shareholders could have a material impact on the Fund. As of March 31, 2018, three Shareholders maintain a significant holding in the Fund which represents 64.74% of the Fund's NAV.

In order to obtain more investable cash, the Portfolio Funds may utilize a substantial degree of leverage. Leverage increases returns to investors if the Managers earn a greater return on leveraged investments than the Managers' cost of such leverage. However, the use of leverage, such as margin borrowing, exposes the Fund to additional levels of risk including (i) greater losses from investments in Portfolio Funds than would otherwise have been the case had the Managers not borrowed to make the investments in Portfolio Funds, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments in Portfolio Funds where the Portfolio Funds fails to earn a return that equals or exceeds the Managers' cost of leverage related to such Portfolio Funds.

In the normal course of business, the Portfolio Funds in which the Fund invests may pursue certain investment strategies, trade various financial instruments and enter into various investment activities with off-balance sheet risk. These include, but are not limited to, leverage, short selling, global tactical asset allocation strategies, event-drive strategies and other related risks. The Fund's risk of loss in each Portfolio Fund is limited to the value of the Fund's interest in each Portfolio Fund as reported by the Fund.

Short sales involve the risk that the Fund will incur a loss by subsequently buying a security at a higher price than the price at which the Fund previously sold the security short. Any loss will be increased by the amount of compensation, interest or dividends, and transaction costs the Fund must pay to a lender of the security. In addition, because the Fund's loss on a short sale stems from increases in the value of the security sold short, the extent of such loss, like the price of the security sold short, is theoretically unlimited. By contrast, the Fund's loss on a long position arises from decreases in the value of the security held by the Fund and therefore is limited by the fact that a security's value cannot drop below zero.

### **9. Indemnifications**

The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
MARCH 31, 2018

**10. Financial Highlights**

The following summary represents per Share data, ratios to average net assets<sup>(a)</sup> and other financial highlights information for Class I Shareholders:

**Class I**

	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014
<b>Per Share operating performance:</b>					
Net asset value per Share, beginning of year	\$ 1,056.13	\$ 1,018.28	\$ 1,230.74	\$ 1,131.66	\$ 1,014.96
Net investment income (loss) <sup>(b)</sup>	(16.96)	(15.81)	(17.23)	7.32	146.67
Net realized and unrealized gain (loss) from investments and foreign currency	138.13	53.66	(152.80)	138.27	102.76
Net increase (decrease) resulting from operations	121.17	37.85	(170.03)	145.59	249.43
Distributions in excess of investment income	—	—	(42.43)	(46.51)	(132.73)
Net asset value per Share, end of year	\$ 1,177.30	\$ 1,056.13	\$ 1,018.28	\$ 1,230.74	\$ 1,131.66
Total return <sup>(c)</sup>	11.47%	3.72%	(14.22%)	13.09%	24.99%
Ratio of total expenses to average net assets <sup>(d)(h)(i)</sup>	2.38%	2.02%	1.86%	1.95%	3.10%
Ratio of total expenses after expense reimbursement and management fee reduction <sup>(d)(e)(i)</sup>	1.70%	1.57%	1.53%	1.40%	1.44% <sup>(k)</sup>
Ratio of total expenses subject to expense reimbursement <sup>(d)(i)</sup>	1.35%	1.35%	1.35%	1.35%	1.35%
Ratio of net investment income (loss) to average net assets <sup>(f)(i)</sup>	(1.54%)	(1.53%)	(1.48%)	0.62%	13.32%
Portfolio turnover <sup>(g)</sup>	21.01%	25.90%	54.37%	43.62%	71.64%
Net assets, end of year (in 000's)	\$ 48,530	\$ 86,065	\$ 116,941	\$ 94,779	\$ 7,733

(a) Average net assets is calculated using the average net asset value of the class at the end of each month throughout the year. The impact of the De-Spoking Transaction is included in the net asset value of the class at June 30, 2014.

(b) Calculated based on the average Shares outstanding methodology.

(c) Total return assumes a subscription of a Share in the class at the beginning of the period indicated and a repurchase of a Share on the last day of the period, and assumes reinvestment of all distributions during the period when owning Shares of the class.

(d) The ratio for the year ended March 31, 2015 includes expenses of the Fund prior to July 1, 2014 and does not include expenses of the Global Equity Long/Short Master Fund.

(e) The Fund did not have management fee reductions prior to July 1, 2014.

(f) The ratio for the year ended March 31, 2015 includes income and expenses of the Fund prior to July 1, 2014 and does not include expenses of the Global Equity Long/Short Master Fund.

(g) The portfolio turnover rate reflects the investment activities of the Fund.

(h) Represents a percentage of expenses reimbursed per the prospectus.

(i) Ratio does not reflect the Fund's proportionate share of Portfolio Funds' expenses.

(j) Ratio does not reflect the Fund's proportionate share of Portfolio Funds' income and expenses.

(k) Ratio includes expenses of the Global Equity Long/Short Master Fund.

The above ratios and total return have been calculated for the Class I Shareholders taken as a whole. An individual Class I Shareholder's ratios and total return may vary from these due to the timing of capital share transactions.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2018

The following summary represents per Share data, ratios to average net assets<sup>(a)</sup> and other financial highlights information for Class A Shareholders:

### Class A

	Year Ended March 31, 2018
<b>Per Share operating performance:</b>	
Net asset value per Share, beginning of year .....	\$ 1,000.00
Net investment loss <sup>(b)</sup> .....	(24.66)
Net realized and unrealized gain from investments and foreign currency .....	130.01
Net increase resulting from operations .....	<u>105.35</u>
Net asset value per Share, end of year .....	<u>\$ 1,105.35</u>
Total return <sup>(c)</sup> .....	<u>10.54%</u>
Ratio of total expenses to average net assets <sup>(e)(f)</sup> .....	<u>3.08%</u>
Ratio of total expenses after expense reimbursement and management fee reduction <sup>(f)</sup> .....	<u>2.37%</u>
Ratio of total expenses subject to expense reimbursement <sup>(f)</sup> .....	<u>2.20%</u>
Ratio of net investment loss to average net assets <sup>(g)</sup> .....	<u>(2.22%)</u>
Portfolio turnover <sup>(d)</sup> .....	<u>21.01%</u>
Net assets, end of year (in 000's) .....	<u>\$ 158</u>

(a) Average net assets is calculated using the average net asset value of the class at the end of each month throughout the year.

(b) Calculated based on the average Shares outstanding methodology.

(c) Total return assumes a subscription of a Share in the class at the beginning of the period indicated and a repurchase of a Share on the last day of the period, and assumes reinvestment of all distributions during the period when owning Shares of the class.

(d) The portfolio turnover rate reflects the investment activities of the Fund.

(e) Represents a percentage of expenses reimbursed per the prospectus.

(f) Ratio does not reflect the Fund's proportionate share of Portfolio Funds' expenses.

(g) Ratio does not reflect the Fund's proportionate share of Portfolio Funds' income and expenses.

The above ratios and total return have been calculated for the Class A Shareholders taken as a whole. An individual Class A Shareholder's ratios and total return may vary from these due to the timing of capital share transactions.

## 11. Subsequent Events

Effective April 1, 2018, the Board approved eliminating the Expense Caps for the Class I Shares and Class A Shares.

Management has determined that there are no other material events requiring additional disclosures in the financial statements through the date the financial statements were issued.

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)  
BOARD OF TRUSTEES (UNAUDITED)

Name <sup>(1)</sup> and Year of Birth	Position(s) held With Registrant	Term of Office <sup>(2)</sup> and Length of Time Served	Principal Occupation(s) During Past Five Years and Other Relevant Qualifications <sup>(3)</sup>	Number of Morgan Creek-Advised Funds Overseen by Trustee	Other Public Company Directorships Held by Trustee In the Past Five Years
<b>Independent Trustees</b>					
William C. Blackman 1946	Trustee	Since 2010	Shareholder of Blackman & Sloop (accounting firm) from since prior to 2010 to June 2008.	1	None
Michael S. McDonald 1966	Trustee	Since 2010	Vice President of McDonald Automotive Group (automobile franchises) since 1989.	1	None
Sean S. Moghavem 1964	Trustee	Since 2010	President of Archway Holdings Corp. since prior to 2010 to present; President of URI Health and Beauty LLC since prior to 2010 to present; President of Archway Holdings-Wilmed LLC from April 2008 to present.	1	None
<b>Interested Trustees<sup>(4)</sup></b>					
Mark W. Yusko 1963	Trustee, Chairman and President	Since 2010	Mr. Yusko has been Chief Investment Officer and Chief Executive Officer of Morgan Creek Capital Management, LLC since July 2004. Previously, Mr. Yusko served as President and Chief Executive Officer for UNC Management Co., LLC from January 1998 through July 2004, where he was responsible for all areas of investment management for the UNC Endowment and Affiliated Foundation Funds.	1	None
Josh Tilley 1977	Trustee, Principal	Since 2015	Mr. Tilley has been Principal of Investments at Morgan Creek Capital Management, LLC since July 2004. Previously, Mr. Tilley served as an associate for UNC Management Company, LLC from 2003-2004 where he was responsible for manager research and due diligence and overall portfolio strategy and tactical asset allocation decisions.	1	None

(1) The address for the Fund's Trustees is c/o Morgan Creek Capital Management, LLC, 301 West Barbee Chapel Road, Chapel Hill, NC 27517.

(2) Trustees serve until their resignation, removal or death.

(3) The information above includes each Trustee's principal occupation during the last five years. The Fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call the Fund at 1-919-933-4004.

(4) Mr. Yusko and Mr. Tilley are "interested persons", as defined in the 1940 Act, of the Fund based on their position with Morgan Creek Capital Management, LLC and its affiliates.



MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
 (A DELAWARE STATUTORY TRUST)  
 FUND MANAGEMENT (UNAUDITED)

Name and Year of Birth	Position(s) held With Registrant	Length of Time Served	Principal Occupation(s) During Past Five Years
<b>Officers</b>			
Mark B. Vannoy 1976	Treasurer	Since 2010	Mr. Vannoy joined Morgan Creek in January 2006 and serves as Director of Fund Administration. Prior to Morgan Creek, Mr. Vannoy worked at Nortel Networks, Ernst & Young, and KPMG both in the United States and Cayman Islands.
Taylor Thurman 1979	Chief Compliance Officer	Since 2011	Mr. Thurman joined Morgan Creek in February 2006 and serves as a Director.
David K. James 1970	Secretary	Since 2010	Managing Director and Managing Counsel, State Street Bank and Trust Company (2009 to present).

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)  
OTHER INFORMATION (UNAUDITED)

**Proxy Voting Policies and Procedures and Proxy Voting Record**

A copy of (1) the Fund's policies and procedures with respect to the voting of proxies relating to the Portfolio Funds and Securities; and (2) how the Fund voted proxies relating to Portfolio Funds and Securities during the most recent period ended March 31 is available without charge, upon request, by calling the Fund at 1-919-933-4004. This information is also available on the Securities and Exchange Commission's website at <http://www.sec.gov>.

**Quarterly Schedule of Investments**

The Fund also files a complete Schedule of Investments with the Securities and Exchange Commission for the Fund's first and third fiscal quarters on Form N-Q. The Fund's Form N-Q are available on the Securities and Exchange Commission's website at <http://www.sec.gov>. The Fund's Form N-Q may be reviewed and copied at the Securities and Exchange Commission's Public Reference Room in Washington, D.C. and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. Once filed, the most recent Form N-Q will be available without charge, upon request, by calling the Fund at 1-919-933-4004.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (UNAUDITED)

**Morgan Creek Global Equity Long/Short Institutional Fund.** In considering the approval of the investment management agreement (the “Agreement”) between the Morgan Creek Global Equity Long/Short Institutional Fund (the “Fund”) and Morgan Creek Capital Management, LLC (the “Advisor”), the Independent Trustees requested and evaluated extensive materials from the Advisor and other sources, including, among other items: (a) an overview of the discretionary investment advisory services provided by the Advisor; (b) the breadth and experience of the investment management and research staff of the Advisor; (c) financial information about the Advisor; (d) marketing and distribution support to be provided by the Advisor to the Fund; (e) the current Form ADV of the Advisor; (f) the expected profitability report of the Advisor with respect to the Fund; (g) the fees charged to other clients relative to fees charged to the Fund by the Advisor; and (h) the resources devoted to compliance with the Fund’s: (i) investment policy, (ii) investment restrictions, (iii) policies on personal securities transactions, (iv) other policies and procedures that form the Advisor’s portions of the Fund’s compliance program and (v) the Advisor responsibilities overseeing the Fund’s service providers.

The Independent Trustees, as well as the full Board, considered all factors it believed relevant with respect to the Advisor, including but not limited to: the nature and quality of services provided; investment performance relative to appropriate peer groups and indices; skills, breadth of experience and capabilities of personnel, including continued employment of key personnel; stability of management; comparative data on fees, expenses and performance; marketing and distribution capabilities; potential economies of scale; commitments to provide high levels of support and service to the Fund; commitment for a period of time to provide contractual expense cap to the Fund; potential benefits to the Advisor from its relationship to the Fund, including revenues to be derived from services provided to the Fund by its affiliates, if any; and potential benefits to the Fund and its shareholders of receiving research services, if any, from broker-dealer firms in connection with allocation of portfolio transactions to such firms.

In determining to approve the Agreement, the Board considered the following factors:

**Investment Performance.** The Independent Trustees reviewed the performance of the Fund for the 3-month, 6-month, one-year, two-year and three-year periods ended September 30, 2017, and since the Fund’s inception. The Independent Trustees also reviewed the Fund’s performance compared to the performance of its benchmark index, the MSCI World Index for various time periods. The Board found that the Fund experienced a positive but relatively difficult twelve months in the period ending September 30, 2017. From October 2016 through September 2017, the Fund returned +6.0% vs. +22.8% for the MSCI World Index and +0.1% for the HFRX Equity Hedge Index, respectively. Calendar year 2016 was an extraordinary difficult environment for long/short. Unfortunately, many of these same factors again negatively impacted performance later in the year following the U.S. Presidential Election in November – after a very short-lived selloff, equity markets rebounded sharply, with the rally led by lower quality stocks. This market-action, similarly to the first quarter, resulted in a negative long/short spread across the portfolio and led to the Fund’s underperformance vs. the market. The Fund’s performance was hurt by overweight exposures to Healthcare and Natural Resources. The Board also considered the performance of the twenty individual securities that the Fund held directly, noting that the strong performance of the technology sector helped the return of these stocks.

The Board noted the challenges of finding a statistically significant sample size of peer funds with long/short strategies that are similar to the Fund, noting that the managers of such funds differ in terms of style, structure and sector focus. However, the Board reviewed comparative performance data provided by Broadridge and found that the Fund ranked in the lower quartile of its peer universe for the 3-month, 6-month, one-year, two-year and three-year periods ended September 30, 2017, and since the Fund’s inception.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (UNAUDITED) (CONTINUED)

In general, the Board recognized that the Fund has a long/short strategy and that registered and private funds with long/short strategies performed poorly during the relevant period when the equity markets were rising. Such funds are designed to protect shareholders in down markets by taking short positions, which perform poorly in rising markets. While the Fund acted consistent with its strategy of generating returns with lower volatility, this strategy was not favorable during a significantly rising equity market.

**Management Fees and Total Expense Ratios.** The Board discussed with the Advisor the level of the advisory fee for the Fund relative to comparable funds as determined by Broadridge. In addition to the management fee, the Board also reviewed the Fund's total expense ratio and compared it to the Lipper data of the Fund's peers. The Board noted that the fees were within range of funds with similar investment objectives and strategies. The Board reviewed the management fee charged to the Fund and compared it to the Broadridge data of the Fund's peers. The Board reviewed the total expense ratio of the Fund and compared it to the Broadridge data of the Fund's peers, finding that the Fund ranked 7th out of 17 funds. This data did not factor in the expenses of the underlying private funds owned by the Fund. When factoring in those expenses, the Fund was significantly higher than its peer group average. The Board also noted that the actual advisory fee, which included the effect of waivers and reimbursements by the Advisor, was well below the median of the Fund's peers. The Board recognized that the Advisor has agreed to an advisory fee waiver of 75 basis points, taking the actual annualized fee from 1.00% to 0.25% until December 2017. The Board also noted that the Fund's advisory fee is consistent with the advisory fee charged to investors in a private fund that has a similar investment objective and strategy.

**Costs of Services and Potential Profits.** In analyzing the cost of services and profitability of the Advisor, the Board considered the revenues earned and expenses incurred by the Advisor. As to profits realized by the Advisor, the Board reviewed information regarding its income and expenses related to the management and operation of the Fund. The Board concluded that the Advisor has adequate resources to fulfill its responsibilities under the Agreement. The Board noted that to date the Advisor has not been profitable with respect to the Fund.

**Economies of Scale.** The Trustees considered the existence of any economies of scale in the provision of services by the Advisor and whether those economies were shared with the Fund through breakpoints in its management fee or other means, such as expense caps or fee waivers. The Trustees noted that the assets of the Fund were still too small to meaningfully consider economies of scale and the necessity of breakpoints. Nevertheless, the Board recognized that the Fund benefited and will continue to benefit from expense caps and fee waivers with respect to its management fee.

**Fall-Out Benefits.** The Board concluded that other benefits derived by the Advisor from its relationship with the Fund, to the extent such benefits are identifiable or determinable, are reasonable and fair, result from the provision of appropriate services to the Fund and its shareholders, and are consistent with industry practice and the best interests of the Fund and its shareholders.

**Nature, Extent and Quality of Services.** The Independent Trustees reviewed and considered the nature, extent and quality of the services provided by the Advisor and found them to be of high-quality and in the best interests of the Fund. The Board reviewed and considered the qualifications of the portfolio managers, the senior administrative managers and other key personnel of the Advisor who provide the administrative and advisory services to the Fund. The Trustees also concluded that the Advisor continues to make a significant entrepreneurial commitment to the management and success of the Fund.

**Conclusion.** The Independent Trustees concluded that the Advisor is a highly experienced investment manager and its key personnel are highly qualified to continue to serve as investment advisor to the Fund. The Independent Trustees also concluded that the Fund's expense ratios were reasonable, and noted that the Advisor at the Fund's current asset size is

MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND  
(A DELAWARE STATUTORY TRUST)

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (UNAUDITED) (CONTINUED)

not making a profit under the Agreement. The Board also noted that economies of scale were not a significant factor in its thinking at this time as the Fund is relatively small in terms of assets. The Independent Trustees determined that the potential profitability of ancillary services was not material to their decision. On the basis of the foregoing and without assigning particular weight to any single conclusion, the Independent Trustees and the full Board determined to approve the Agreement.

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (A DELAWARE STATUTORY TRUST)

## PRIVACY NOTICE

<b>FACTS</b>	<b>WHAT DO MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND (THE “FUND”) AND MORGAN CREEK SERIES TRUST (THE “TRUST”) AND COLLECTIVELY WITH THE FUND, THE “FUND COMPLEX”) DO WITH YOUR PERSONAL INFORMATION?</b>
--------------	---

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>• Social Security number and other information we receive from you on applications or other forms</li> <li>• Information about your transactions with us and our service providers, or others</li> <li>• Information we receive from consumer reporting agencies (including credit bureaus)</li> </ul> <p>If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices described in this notice.</p>
<b>How?</b>	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons the Fund Complex chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does the Fund Complex share?	Can you limit this sharing?
<b>For our everyday business purposes –</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes –</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	No
<b>For our affiliates’ everyday business purposes –</b> information about your transactions and experiences	Yes	No
<b>For our affiliates’ everyday business purposes –</b> information about your creditworthiness	Yes	No
<b>For our affiliates to market to you</b>	No	No
<b>For non-affiliates to market to you</b>	No	No

<b>Questions?</b>	Call (919) 933-4004 or go to <a href="http://www.morgancreekfunds.com/privacy-notice.html">http://www.morgancreekfunds.com/privacy-notice.html</a>
-------------------	--

# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

PRIVACY NOTICE (CONTINUED)

Who we are	
<b>Who is providing this notice?</b>	Morgan Creek Global Equity Long/Short Institutional Fund (the “Fund”), Morgan Creek Series Trust (the “Trust” and collectively with the Fund, the “Fund Complex”)
What we do	
<b>How does the Fund Complex protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We also restrict access to your personal and account information to those persons who need to know it in order to provide services to you.
<b>How does the Fund Complex collect my personal information?</b>	We collect your personal information, for example, when you: <ul style="list-style-type: none"> <li>• open an account</li> <li>• purchase or sell shares</li> <li>• exchange shares</li> </ul> We also collect your personal information from others, such as credit bureaus.
<b>Why can’t I limit all sharing?</b>	Federal law gives you the right to limit only: <ul style="list-style-type: none"> <li>• sharing for affiliates’ everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for non-affiliates to market to you</li> </ul>
Definitions	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and non-financial companies. The following companies may be considered Affiliates of the Fund Complex: <ul style="list-style-type: none"> <li>• <i>Morgan Creek Capital Management, LLC</i></li> <li>• <i>Morgan Creek Capital Distributors, LLC</i></li> <li>• <i>Hatteras Investment Partners, LLC</i></li> </ul>
<b>Non-affiliates</b>	Companies not related by common ownership or control. They can be financial and non-financial companies. The following companies provide services to the Fund Complex and we may share your personal information as part of their everyday services to the Fund Complex. <ul style="list-style-type: none"> <li>• <i>State Street Bank and Trust Company</i></li> <li>• <i>Gemini Fund Services, LLC</i></li> <li>• <i>Northern Lights Distributors, LLC</i></li> </ul>
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• <i>The Fund Complex does not have any joint marketing agreements.</i></li> </ul>
Other important information	
In the event that you hold shares of the Fund Complex through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary will govern how your nonpublic personal information will be shared with non-affiliated third parties by that entity.	



# MORGAN CREEK GLOBAL EQUITY LONG/SHORT INSTITUTIONAL FUND

(A DELAWARE STATUTORY TRUST)

## **Morgan Creek Global Equity Long/Short Institutional Fund**

301 West Barbee Chapel Road, Suite 200  
Chapel Hill, NC 27517

### **Trustees**

William C. Blackman  
Michael S. McDonald  
Sean S. Moghavam  
Mark W. Yusko  
Joshua Tilley

### **Officers**

Mark W. Yusko, President  
Mark B. Vannoy, Treasurer  
Taylor Thurman, Chief Compliance Officer  
David K. James, Secretary

### **Advisor**

Morgan Creek Capital Management, LLC  
301 West Barbee Chapel Road, Suite 200  
Chapel Hill, NC 27517

### **Administrator, Custodian, Fund Accounting Agent and Transfer Agent**

State Street Bank and Trust Company  
One Lincoln Street  
Boston, MA 02111

### **Independent Registered Public Accounting Firm**

Ernst & Young LLP  
100 N. Tryon Street, Suite 3800  
Charlotte, NC 28202

### **Legal Counsel**

Thompson Hine LLP  
1919 M Street, NW  
Suite 700  
Washington, D.C. 20036

[ THIS PAGE IS INTENTIONALLY LEFT BLANK ]

[ THIS PAGE IS INTENTIONALLY LEFT BLANK ]

[ THIS PAGE IS INTENTIONALLY LEFT BLANK ]

**MORGAN CREEK**  
**CAPITAL MANAGEMENT**

301 WEST BARBEE CHAPEL ROAD  
SUITE 200  
CHAPEL HILL, NC 27517