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# Agency Pools Monthly Report *for*

THE CATHOLIC FOUNDATION

As of June 30, 2018



# The Catholic Foundation Agency Pools – June 30, 2018

## Manager Performance Summary

<u>Asset Class / Manager</u>	<u>June</u>	<u>2Q18</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>
<i>Domestic Equity</i>						
Vanguard Total Stock Market Idx Adm	0.7%	3.9%	3.3%	14.8%	11.6%	13.3%
S&P 500 Index	0.6%	3.4%	2.7%	14.4%	11.9%	13.4%
LCG Large Cap Core Universe Average	0.4%	2.7%	1.6%	12.4%	9.3%	11.3%
<i>International Equity</i>						
Dodge & Cox International Stock	-1.8%	-5.1%	-7.2%	0.5%	2.1%	5.8%
Harding Loevner International Eq Instl	-1.4%	-1.3%	-0.4%	10.3%	8.4%	8.6%
EAFE Index (in US Dollar (Net))	-1.2%	-1.2%	-2.8%	6.8%	4.9%	6.4%
LCG International Equity Universe Average	-1.7%	-2.1%	-2.7%	6.9%	4.9%	6.3%
<i>Fixed Income</i>						
Dodge & Cox Income	-0.1%	-0.3%	-1.2%	0.4%	2.6%	3.1%
Western Asset Total Return Uncons I	-0.9%	-2.6%	-3.3%	-0.6%	2.9%	2.7%
Barclays Aggregate Bond Index	-0.1%	-0.2%	-1.6%	-0.4%	1.7%	2.3%
LCG Fixed Income-Core (Interm) Universe Average	-0.1%	-0.3%	-1.6%	-0.2%	2.0%	2.5%
<i>Cash &amp; Equivalents</i>						
Texas Capital Bank Money Market Account	0.1%	0.4%	0.8%	1.4%	--	--
T-Bills (90 Day) Index	0.2%	0.4%	0.8%	1.3%	0.6%	0.4%
LCG Money Market Taxable Universe Average	0.1%	0.4%	0.6%	1.0%	0.5%	0.3%

Note: Returns greater than one year are annualized. Past performance is no guarantee of future results. Performance shown is net of investment fees and has been backfilled with the managers' historical performance for illustrative purposes.

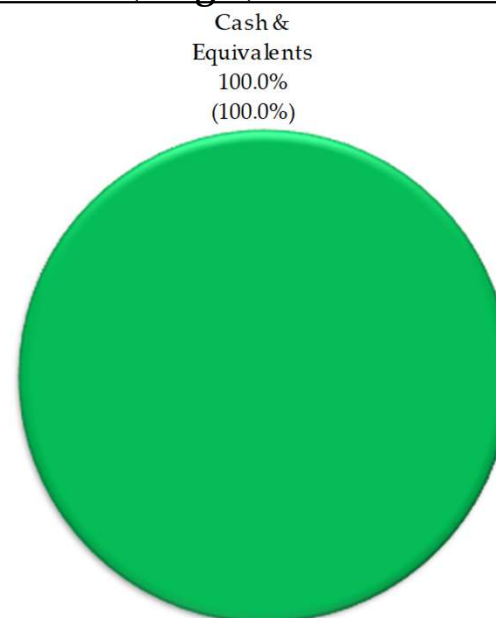
# The Catholic Foundation Agency Pools – June 30, 2018

## Money Market Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				June	2Q18	YTD	1Yr	3Yr	5Yr
Cash & Equivalents	\$39,670	100.0%	100.0%	0.1%	0.4%	0.8%	1.4%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.4%	0.8%	1.3%	0.6%	0.4%
<b>Total Composite</b>	<b>\$39,670</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.1%</b>	<b>0.4%</b>	<b>0.8%</b>	<b>1.4%</b>	<b>--</b>	<b>--</b>

Note: Returns greater than one year are annualized. Past performance is no guarantee of future

## Money Market Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

Domestically, U.S. equities were modestly positive during June. Uncertainty over the direction of trade talks weighed on returns as the U.S. economy showed further signs of accelerating amid a backdrop of strong economic fundamentals. Total nonfarm payroll employment rose by 149,000 in June; the unemployment rate rose to 4.0%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP third estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.0%.

As for the U.S. economy, investment flows and interest rates have picked up steam. The U.S. dollar has continued to strengthen, leading to weakness in International equities. Trade concerns also weighed on non-U.S. markets as Developed International and Emerging Markets declined by -1.2% and -4.2%, respectively.

The Money Market Portfolio returned +0.1% during June.

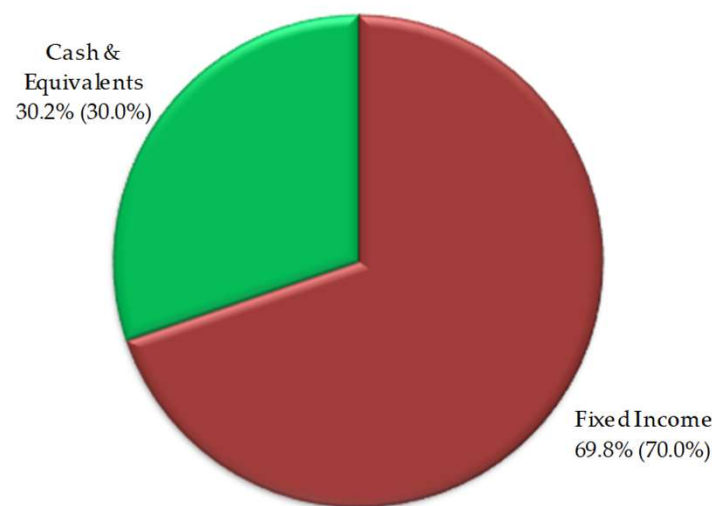
# The Catholic Foundation Agency Pools – June 30, 2018

## Ultra Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				June	2Q18	YTD	1Yr	3Yr	5Yr
Fixed Income	\$970,242	69.8%	70.0%	-0.5%	-1.5%	-2.4%	-0.3%	--	--
<i>BloomBarc Aggregate Bond Index</i>				-0.1%	-0.2%	-1.6%	-0.4%	1.7%	2.3%
Cash & Equivalents	\$418,845	30.2%	30.0%	0.1%	0.4%	0.8%	1.4%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.4%	0.8%	1.3%	0.6%	0.4%
<b>Total Composite</b>	<b>\$1,389,087</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.3%</b>	<b>-0.9%</b>	<b>-1.5%</b>	<b>0.2%</b>	<b>--</b>	<b>--</b>

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## Ultra Conservative Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

Domestically, U.S. equities were modestly positive during June. Uncertainty over the direction of trade talks weighed on returns as the U.S. economy showed further signs of accelerating amid a backdrop of strong economic fundamentals. Total nonfarm payroll employment rose by 149,000 in June; the unemployment rate rose to 4.0%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP third estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.0%.

As for the U.S. economy, investment flows and interest rates have picked up steam. The U.S. dollar has continued to strengthen, leading to weakness in International equities. Trade concerns also weighed on non-U.S. markets as Developed International and Emerging Markets declined by -1.2% and -4.2%, respectively.

The Ultra Conservative Portfolio's Fixed Income allocation lost 50 bps in June, underperforming its benchmark by 40 bps.

The Cash & Equivalents composite returned +0.1% during the month.

The Total Composite declined 0.3% in June.

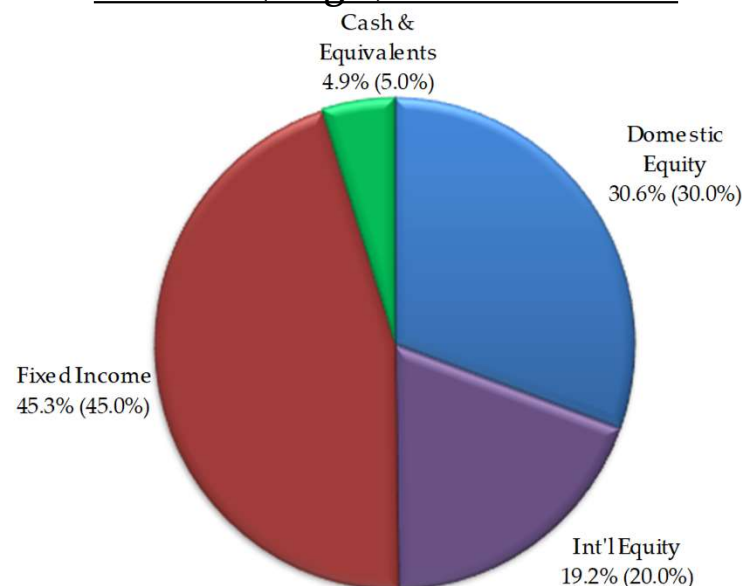
# The Catholic Foundation Agency Pools – June 30, 2018

## Balanced Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				June	2Q18	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$2,057,959	30.6%	30.0%	0.7%	3.9%	3.3%	14.8%	--	--
<i>S&amp;P 500 Index</i>				0.6%	3.4%	2.6%	14.4%	11.9%	13.4%
International Equity	\$1,295,008	19.2%	20.0%	-1.6%	-3.2%	-3.8%	5.4%	--	--
<i>EAFE Index (in US Dollar NET)</i>				-1.2%	-1.2%	-2.7%	6.8%	4.9%	6.4%
Fixed Income	\$3,050,492	45.3%	45.0%	-0.5%	-1.4%	-2.2%	-0.1%	--	--
<i>BloomBarc Aggregate Bond Index</i>				-0.1%	-0.2%	-1.6%	-0.4%	1.7%	2.3%
Cash & Equivalents	\$330,510	4.9%	5.0%	0.1%	0.4%	0.8%	1.4%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.4%	0.8%	1.3%	0.6%	0.4%
Total Composite	\$6,733,969	100.0%	100.0%	-0.3%	-0.1%	-0.8%	5.5%	--	--

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## Balanced Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

Domestically, U.S. equities were modestly positive during June. Uncertainty over the direction of trade talks weighed on returns as the U.S. economy showed further signs of accelerating amid a backdrop of strong economic fundamentals. Total nonfarm payroll employment rose by 149,000 in June; the unemployment rate rose to 4.0%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP third estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.0%.

As for the U.S. economy, investment flows and interest rates have picked up steam. The U.S. dollar has continued to strengthen, leading to weakness in International equities. Trade concerns also weighed on non-U.S. markets as Developed International and Emerging Markets declined by -1.2% and -4.2%, respectively.

The Domestic Equity composite gained 0.7% in June, outpacing its benchmark by 10 bps.

The International Equity allocation underperformed its benchmark during the month (-1.6% vs. -1.2%).

The Balanced Portfolio's Fixed Income allocation lost 50 bps in June, underperforming its benchmark by 40 bps.

The Cash & Equivalents composite returned +0.1% during the month.

The Total Composite lost 0.3% during June, driven by the International Equity and Fixed Income allocation.

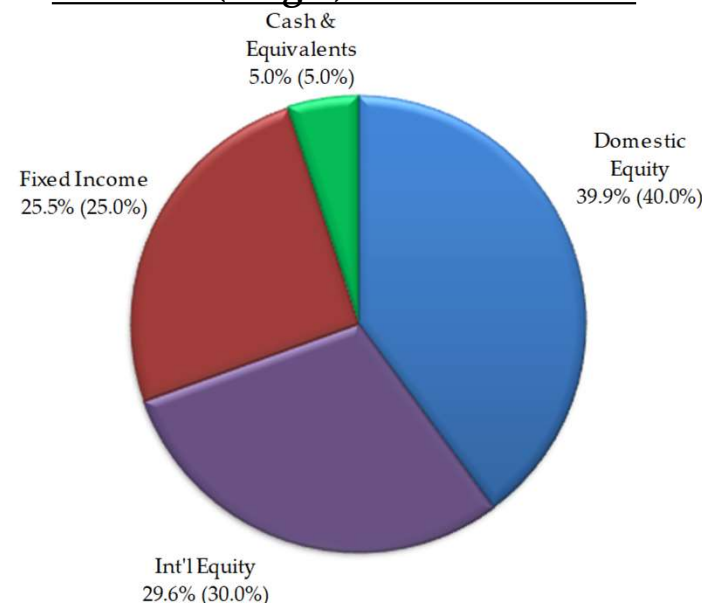
# The Catholic Foundation Agency Pools – June 30, 2018

## Growth Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				June	2Q18	YTD	1Yr	3Yr	5Yr
<b>Domestic Equity</b>	\$2,105,600	39.9%	40.0%	0.7%	3.9%	3.3%	14.8%	--	--
<i>S&amp;P 500 Index</i>				0.6%	3.4%	2.6%	14.4%	11.9%	13.4%
<b>International Equity</b>	\$1,570,863	29.6%	30.0%	-1.6%	-3.2%	-3.8%	5.3%	--	--
<i>EAFE Index (in US Dollar NET)</i>				-1.2%	-1.2%	-2.7%	6.8%	4.9%	6.4%
<b>Fixed Income</b>	\$1,350,711	25.5%	25.0%	-0.5%	-1.5%	-2.3%	-0.2%	--	--
<i>BloomBarc Aggregate Bond Index</i>				-0.1%	-0.2%	-1.6%	-0.4%	1.7%	2.3%
<b>Cash &amp; Equivalents</b>	\$267,028	5.0%	5.0%	0.1%	0.4%	0.8%	1.4%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.4%	0.8%	1.3%	0.6%	0.4%
<b>Total Composite</b>	\$5,294,202	100.0%	100.0%	-0.2%	0.3%	-0.3%	7.7%	--	--

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## Growth Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

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The Domestic Equity composite gained 0.7% in June, outpacing it's benchmark by 10 bps.

The International Equity allocation underperformed its benchmark during the month (-1.6% vs. -1.2%).

The Growth Portfolio's Fixed Income allocation lost 50 bps in June, underperforming its benchmark by 40 bps.

The Cash & Equivalents composite returned +0.1% during the month.

The Total Composite lost 0.2% during June, driven by the International Equity and Fixed Income allocation.