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# Agency Pools Monthly Report

*for*

THE CATHOLIC FOUNDATION

**As of September 30, 2018**



# The Catholic Foundation Agency Pools – September 30, 2018

## Manager Performance Summary

<u>Asset Class / Manager</u>	<u>September</u>	<u>3Q18</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>
<i>Domestic Equity</i>						
Vanguard Total Stock Market Idx Adm	0.2%	7.1%	10.6%	17.6%	17.1%	13.4%
S&P 500 Index	0.6%	7.7%	10.6%	17.9%	17.3%	13.9%
LCG Large Cap Core Universe Average	0.3%	6.4%	8.1%	14.8%	14.5%	11.4%
<i>International Equity</i>						
Dodge & Cox International Stock	0.3%	0.8%	-6.4%	-5.3%	8.2%	3.7%
Harding Loevner International Eq Instl	-0.6%	1.7%	1.3%	5.9%	13.9%	7.0%
EAFE Index (in US Dollar (Net))	0.9%	1.4%	-1.4%	2.7%	9.2%	4.4%
LCG International Equity Universe Average	0.2%	0.6%	-2.1%	1.7%	9.0%	4.4%
<i>Fixed Income</i>						
Dodge & Cox Income	-0.1%	0.6%	-0.6%	-0.1%	3.1%	3.0%
Western Asset Total Return Uncons I	0.2%	-0.3%	-3.6%	-2.6%	3.2%	2.6%
Barclays Aggregate Bond Index	-0.6%	0.0%	-1.6%	-1.2%	1.3%	2.2%
LCG Fixed Income-Core (Interm) Universe Average	-0.4%	0.4%	-1.2%	-0.8%	2.1%	2.4%
<i>Cash &amp; Equivalents</i>						
Texas Capital Bank Money Market Account <sup>1</sup>	0.2%	0.5%	1.2%	1.5%	--	--
T-Bills (90 Day) Index	0.2%	0.5%	1.3%	1.6%	0.8%	0.5%
LCG Money Market Taxable Universe Average	0.1%	0.4%	1.1%	1.3%	0.6%	0.4%

<sup>1</sup>Texas Capital Bank Money Market Account September return rolled forward based on T-Bills (90) Day Index.

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.

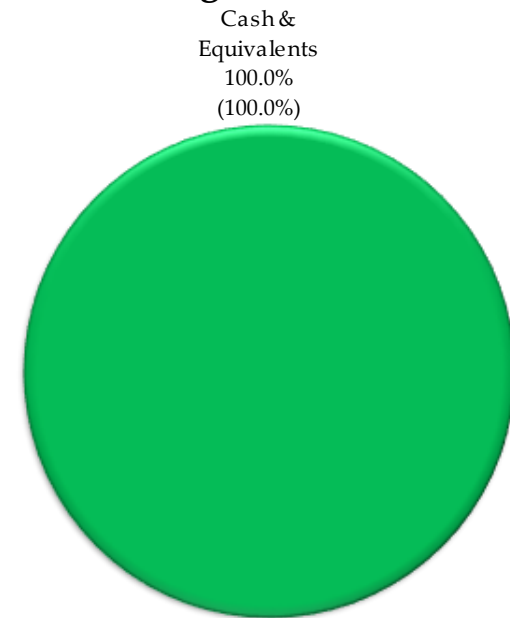
# The Catholic Foundation Agency Pools – September 30, 2018

## Money Market Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				September	3Q18	YTD	1Yr	3Yr	5Yr
Cash & Equivalents	\$39,752	100.0%	100.0%	0.1%	0.5%	1.2%	1.5%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.5%	1.3%	1.6%	0.8%	0.5%
Total Composite	\$39,752	100.0%	100.0%	0.1%	0.5%	1.2%	1.5%	--	--

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

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



## Monthly Market Commentary

Domestically, U.S. equity markets were positive in September, which was aided by strong corporate earnings and solid U.S. economic growth. During late September, 23 companies with a combined market value of \$2.7 trillion were reclassified into new S&P sectors. Total nonfarm payroll employment rose by 134,000 in September; the unemployment rate declined to 3.7%. Inflation, as measured by the Consumer Price Index was positive for the month. For the second quarter, the U.S. Real GDP third estimate was released by the Bureau of Economic Analysis increased at an annual rate of 4.2%.

During September, international equities posted positive returns during the month and outperformed U.S. Equities, bolstered by strong earnings reports and strong Japanese economic growth. A combination of rising U.S. interest rates and U.S. dollar strength triggered a sell-off in Turkish and Argentinian assets and raised questions about the vulnerabilities of other developing countries. Several currencies experienced all-time lows against the dollar. Amid this backdrop, developed international and emerging markets returned +0.9% and -0.5%, respectively.

The Money Market Portfolio returned +0.1% during September.

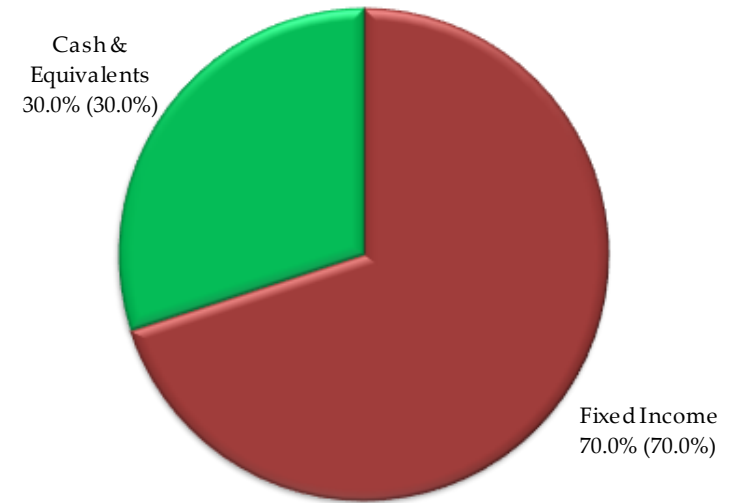
# The Catholic Foundation Agency Pools – September 30, 2018

## Ultra Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				September	3Q18	YTD	1Yr	3Yr	5Yr
Fixed Income	\$971,658	70.0%	70.0%	0.0%	0.2%	-2.2%	-1.5%	--	--
<i>BloomBarc Aggregate Bond Index</i>				-0.6%	0.0%	-1.6%	-1.2%	1.3%	2.2%
Cash & Equivalents	\$417,396	30.0%	30.0%	0.1%	0.5%	1.2%	1.5%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.5%	1.3%	1.6%	0.8%	0.5%
<b>Total Composite</b>	<b>\$1,389,054</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>-1.2%</b>	<b>-0.6%</b>	<b>--</b>	<b>--</b>

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



## Monthly Market Commentary

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The Ultra Conservative Portfolio's Fixed Income allocation returned 0.0% in September, outperforming its benchmark by 60 bps.

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

The Total Composite returned +0.1% in September.

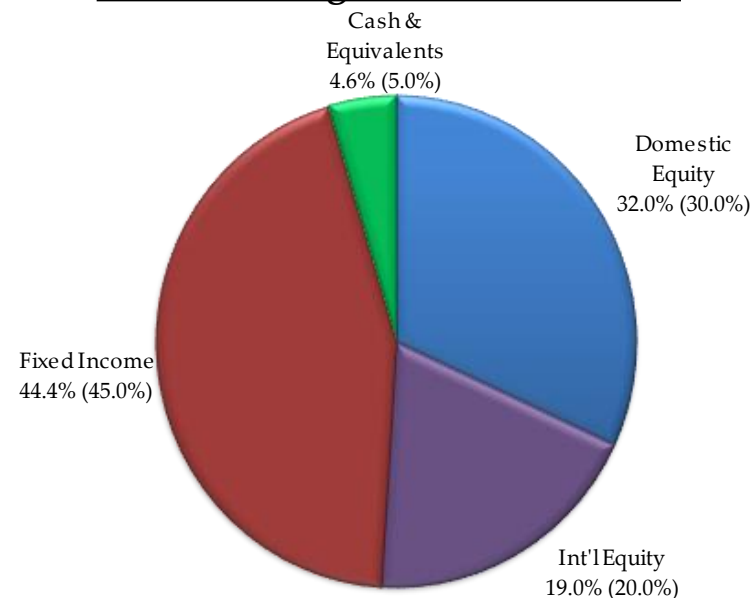
# The Catholic Foundation Agency Pools – September 30, 2018

## Balanced Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				September	2018	YTD	1Yr	3Yr	5Yr
Domestic Equity <i>S&amp;P 500 Index</i>	\$2,203,827	32.0%	30.0%	0.2%	7.1%	10.6%	17.6%	--	--
				0.6%	7.7%	10.6%	17.9%	17.3%	13.9%
International Equity <i>EAFE Index (in US Dollar NET)</i>	\$1,311,322	19.0%	20.0%	-0.2%	1.3%	-2.6%	0.2%	--	--
				0.9%	1.4%	-1.4%	2.7%	9.2%	4.4%
Fixed Income <i>BloomBarc Aggregate Bond Index</i>	\$3,056,075	44.4%	45.0%	0.0%	0.2%	-2.1%	-1.3%	--	--
				-0.6%	0.0%	-1.6%	-1.2%	1.3%	2.2%
Cash & Equivalents <i>T-Bills (90 Day) Index</i>	\$319,389	4.6%	5.0%	0.1%	0.5%	1.2%	1.5%	--	--
				0.2%	0.5%	1.3%	1.6%	0.8%	0.5%
<b>Total Composite</b>	<b>\$6,890,613</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>2.5%</b>	<b>1.7%</b>	<b>4.6%</b>	<b>--</b>	<b>--</b>

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## Balanced Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

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During September, international equities posted positive returns during the month and outperformed U.S. Equities, bolstered by strong earnings reports and strong Japanese economic growth. A combination of rising U.S. interest rates and U.S. dollar strength triggered a sell-off in Turkish and Argentinian assets and raised questions about the vulnerabilities of other developing countries. Several currencies experienced all-time lows against the dollar. Amid this backdrop, developed international and emerging markets returned +0.9% and -0.5%, respectively.

The Domestic Equity composite gained 0.2% in September, underperforming its benchmark by 40 bps.

The International Equity allocation underperformed its benchmark during the month (-0.2% vs. +0.9%).

The Balanced Portfolio's Fixed Income allocation returned 0.0% in September, outperforming its benchmark by 60 bps.

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

The Total Composite was flat during September.

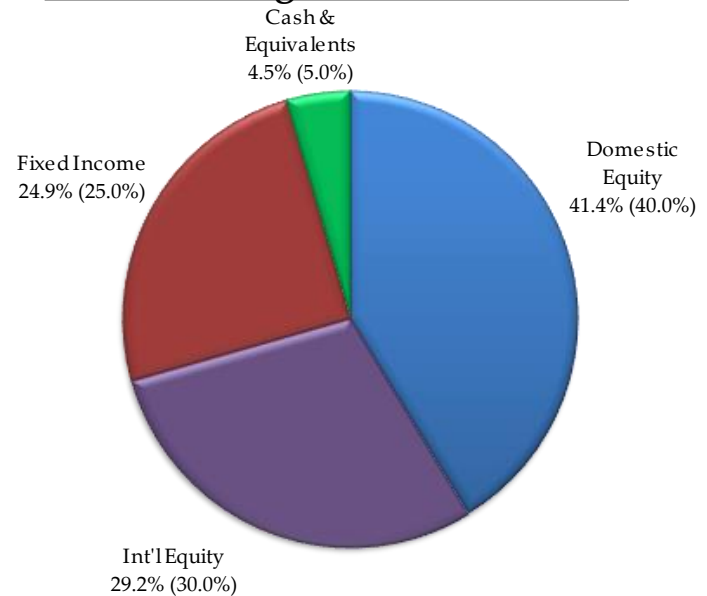
# The Catholic Foundation Agency Pools – September 30, 2018

## Growth Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				September	3Q18	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$2,250,352	41.4%	40.0%	0.2%	7.1%	10.6%	17.6%	--	--
<i>S&amp;P 500 Index</i>				0.6%	7.7%	10.6%	17.9%	17.3%	13.9%
International Equity	\$1,590,408	29.2%	30.0%	-0.1%	1.2%	-2.6%	0.2%	--	--
<i>EAFE Index (in US Dollar NET)</i>				0.9%	1.4%	-1.4%	2.7%	9.2%	4.4%
Fixed Income	\$1,353,007	24.9%	25.0%	0.0%	0.2%	-2.1%	-1.4%	--	--
<i>BloomBarc Aggregate Bond Index</i>				-0.6%	0.0%	-1.6%	-1.2%	1.3%	2.2%
Cash & Equivalents	\$245,255	4.5%	5.0%	0.1%	0.5%	1.2%	1.5%	--	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.5%	1.3%	1.6%	0.8%	0.5%
Total Composite	\$5,439,022	100.0%	100.0%	0.0%	3.3%	3.0%	6.8%	--	--

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## Growth Portfolio Current / (Target) Asset Allocation



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The International Equity allocation underperformed its benchmark during the month (-0.1% vs. 0.9%).

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The Total Composite was flat during September.