

---

# Agency Pools Monthly Report

*for*

THE CATHOLIC FOUNDATION

**As of May 31, 2018**



# The Catholic Foundation Agency Pools – May 31, 2018

## Manager Performance Summary

| <u>Asset Class / Manager</u>                           | <u>May</u> | <u>YTD</u> | <u>1Yr</u> | <u>3Yr</u> | <u>5Yr</u> |
|--|------------|------------|------------|------------|------------|
| <i>Domestic Equity</i>                                 |            |            |            |            |            |
| Vanguard Total Stock Market Idx Adm                    | 2.8%       | 2.6%       | 15.1%      | 10.7%      | 12.8%      |
| <i>S&amp;P 500 Index</i>                               | 2.4%       | 2.0%       | 14.4%      | 11.0%      | 13.0%      |
| <i>LCG Large Cap Core Universe Average</i>             | 2.0%       | 1.2%       | 12.9%      | 8.5%       | 10.9%      |
| <i>International Equity</i>                            |            |            |            |            |            |
| Dodge & Cox International Stock                        | -4.8%      | -5.5%      | 2.0%       | 1.7%       | 5.5%       |
| Harding Loevner International Eq Instl                 | -0.6%      | 1.0%       | 11.4%      | 7.9%       | 8.0%       |
| <i>EAFE Index (in US Dollar (Net))</i>                 | -2.2%      | -1.5%      | 8.0%       | 4.3%       | 5.9%       |
| <i>LCG International Equity Universe Average</i>       | -1.4%      | -1.0%      | 8.8%       | 4.6%       | 6.0%       |
| <i>Fixed Income</i>                                    |            |            |            |            |            |
| Dodge & Cox Income                                     | 0.2%       | -1.1%      | 0.6%       | 2.3%       | 2.8%       |
| Western Asset Total Return Uncons I                    | -0.6%      | -2.5%      | 1.7%       | 3.0%       | 2.6%       |
| <i>Barclays Aggregate Bond Index</i>                   | 0.7%       | -1.5%      | -0.4%      | 1.4%       | 2.0%       |
| <i>LCG Fixed Income-Core (Interm) Universe Average</i> | 0.4%       | -1.4%      | 0.0%       | 1.7%       | 2.1%       |
| <i>Cash &amp; Equivalents</i>                          |            |            |            |            |            |
| Texas Capital Bank Money Market Account                | 0.1%       | 0.6%       | 1.3%       | --         | --         |
| <i>T-Bills (90 Day) Index</i>                          | 0.2%       | 0.6%       | 1.2%       | 0.6%       | 0.3%       |
| <i>LCG Money Market Taxable Universe Average</i>       | 0.1%       | 0.5%       | 0.9%       | 0.4%       | 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 – May 31, 2018

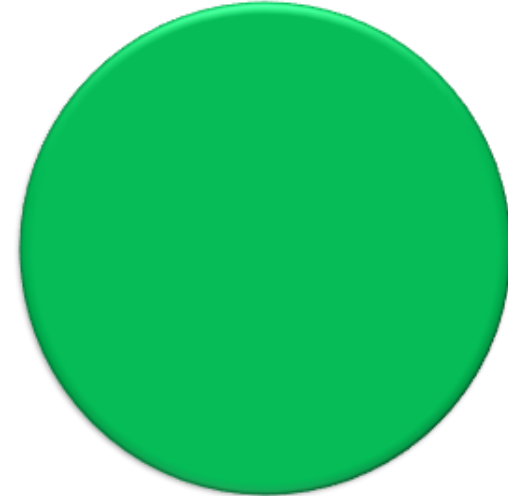
## Money Market Portfolio Performance

| Asset Class /<br>Manager      | Market          | Market        | Target        | Calendar    |             |             |           |           |
|-------------------------------|-----------------|---------------|---------------|-------------|-------------|-------------|-----------|-----------|
|                               | Value           | Value %       | %             | May         | YTD         | 1Yr         | 3Yr       | 5Yr       |
| Cash & Equivalents            | \$39,615        | 100.0%        | 100.0%        | 0.1%        | 0.6%        | 1.3%        | --        | --        |
| <i>T-Bills (90 Day) Index</i> |                 |               |               | 0.2%        | 0.6%        | 1.2%        | 0.6%      | 0.3%      |
| <b>Total Composite</b>        | <b>\$39,615</b> | <b>100.0%</b> | <b>100.0%</b> | <b>0.1%</b> | <b>0.6%</b> | <b>1.3%</b> | <b>--</b> | <b>--</b> |

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

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

Cash &  
Equivalents  
100.0%  
(100.0%)



## Monthly Market Commentary

Domestically, U.S. equities were positive during the month as investors focused on strong economic data while brushing off festering trade tensions between the U.S. and China. Total nonfarm payroll employment rose by 223,000 in May; the unemployment rate fell to 3.8%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP second estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.2%.

International equities were negative during the month as Italy struggled to form a new government and political tension in Spain increased. The U.S. dollar continued to strengthen, leading to weakness in Emerging Markets. Developed International and Emerging Markets declined by -2.2% and -3.5%, respectively.

The Money Market Portfolio returned +0.1% during May.

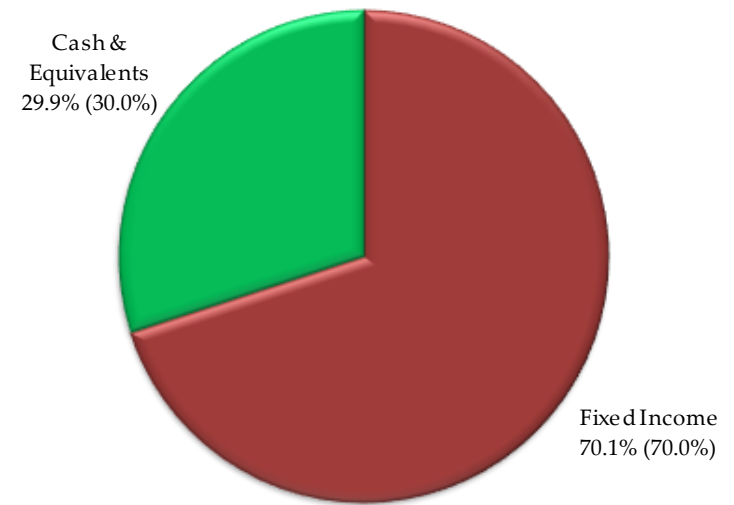
# The Catholic Foundation Agency Pools – May 31, 2018

## Ultra Conservative Portfolio Performance

| Asset Class /<br>Manager              | Market<br>Value | Market<br>Value % | Target<br>% | Calendar |       |       |      |      |
|---------------------------------------|-----------------|-------------------|-------------|----------|-------|-------|------|------|
|                                       |                 |                   |             | May      | YTD   | 1Yr   | 3Yr  | 5Yr  |
| Fixed Income                          | \$1,026,635     | 70.1%             | 70.0%       | -0.2%    | -1.9% | 1.0%  | --   | --   |
| <i>BloomBarc Aggregate Bond Index</i> |                 |                   |             | 0.7%     | -1.5% | -0.4% | 1.4% | 2.0% |
| Cash & Equivalents                    | \$436,976       | 29.9%             | 30.0%       | 0.1%     | 0.6%  | 1.3%  | --   | --   |
| <i>T-Bills (90 Day) Index</i>         |                 |                   |             | 0.2%     | 0.6%  | 1.2%  | 0.6% | 0.3% |
| Total Composite                       | \$1,463,611     | 100.0%            | 100.0%      | -0.1%    | -1.2% | 1.1%  | --   | --   |

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

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



## Monthly Market Commentary

Domestically, U.S. equities were positive during the month as investors focused on strong economic data while brushing off festering trade tensions between the U.S. and China. Total nonfarm payroll employment rose by 223,000 in May; the unemployment rate fell to 3.8%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP second estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.2%.

International equities were negative during the month as Italy struggled to form a new government and political tension in Spain increased. The U.S. dollar continued to strengthen, leading to weakness in Emerging Markets. Developed International and Emerging Markets declined by -2.2% and -3.5%, respectively.

The Ultra Conservative Portfolio's Fixed Income allocation lost 20 bps in May, underperforming its benchmark by 90 bps.

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

The Total Composite declined 0.1% in May.

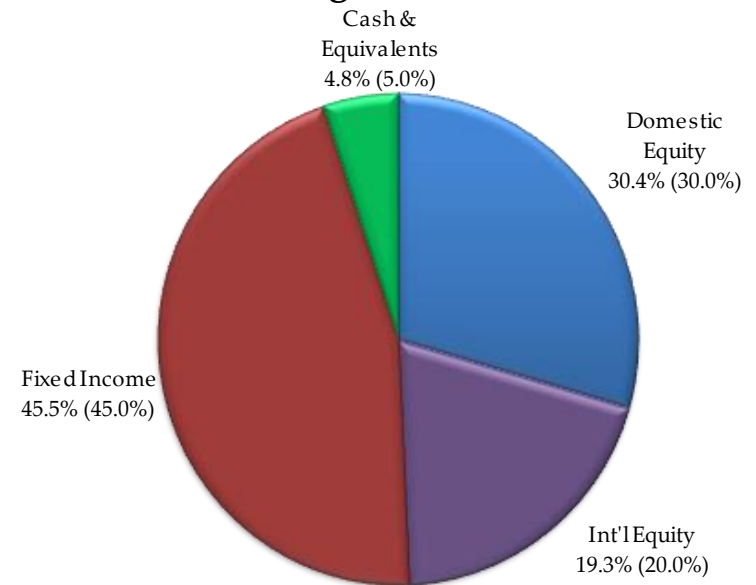
# The Catholic Foundation Agency Pools – May 31, 2018

## Balanced Portfolio Performance

| Asset Class /<br>Manager                                     | Market<br>Value | Market<br>Value % | Target<br>% | Calendar |       |       |       |       |
|--|-----------------|-------------------|-------------|----------|-------|-------|-------|-------|
|  |                 |                   |             | May      | YTD   | 1Yr   | 3Yr   | 5Yr   |
| Domestic Equity<br><i>S&amp;P 500 Index</i>                  | \$2,069,113     | 30.4%             | 30.0%       | 2.8%     | 2.6%  | 15.1% | --    | --    |
|  |                 |                   |             | 2.4%     | 2.0%  | 14.4% | 11.0% | 13.0% |
| International Equity<br><i>EAFE Index (in US Dollar NET)</i> | \$1,315,643     | 19.3%             | 20.0%       | -2.7%    | -2.2% | 6.7%  | --    | --    |
|  |                 |                   |             | -2.2%    | -1.5% | 8.0%  | 4.3%  | 5.9%  |
| Fixed Income<br><i>BloomBarc Aggregate Bond Index</i>        | \$3,094,128     | 45.5%             | 45.0%       | -0.2%    | -1.8% | 1.2%  | --    | --    |
|  |                 |                   |             | 0.7%     | -1.5% | -0.4% | 1.4%  | 2.0%  |
| Cash & Equivalents<br><i>T-Bills (90 Day) Index</i>          | \$330,161       | 4.8%              | 5.0%        | 0.1%     | 0.6%  | 1.3%  | --    | --    |
|  |                 |                   |             | 0.2%     | 0.6%  | 1.2%  | 0.6%  | 0.3%  |
| Total Composite  | \$6,809,045     | 100.0%            | 100.0%      | 0.2%     | -0.5% | 6.4%  | --    | --    |

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

## Balanced Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

Domestically, U.S. equities were positive during the month as investors focused on strong economic data while brushing off festering trade tensions between the U.S. and China. Total nonfarm payroll employment rose by 223,000 in May; the unemployment rate fell to 3.8%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP second estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.2%.

International equities were negative during the month as Italy struggled to form a new government and political tension in Spain increased. The U.S. dollar continued to strengthen, leading to weakness in Emerging Markets. Developed International and Emerging Markets declined by -2.2% and -3.5%, respectively.

The Domestic Equity composite gained 2.8% in May.

The International Equity allocation underperformed its benchmark during the month (-2.7% vs. -2.2%).

The Balanced Portfolio's Fixed Income allocation lost 20 bps in May, underperforming its benchmark by 90 bps.

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

The Total Composite returned 0.2% during May, driven by the Domestic Equity allocation.

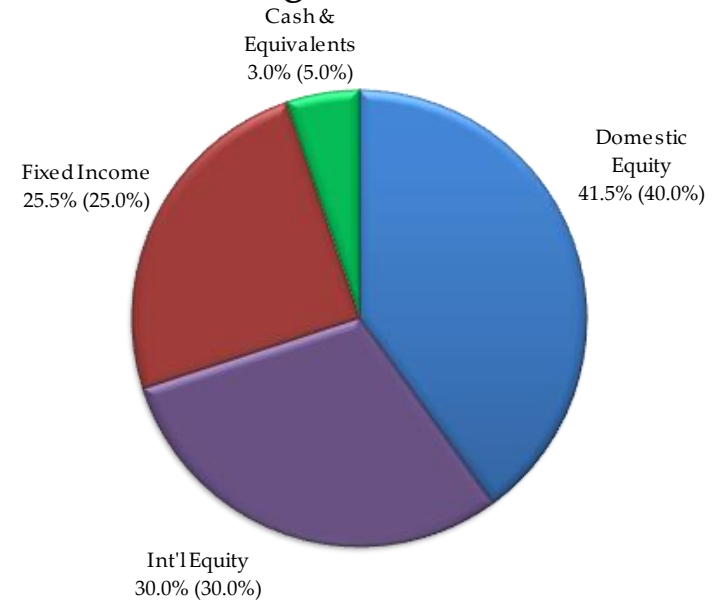
# The Catholic Foundation Agency Pools – May 31, 2018

## Growth Portfolio Performance

| Asset Class /<br>Manager                                     | Market<br>Value | Market<br>Value % | Target<br>% | Calendar |       |       |       |       |
|--|-----------------|-------------------|-------------|----------|-------|-------|-------|-------|
|  |                 |                   |             | May      | YTD   | 1Yr   | 3Yr   | 5Yr   |
| Domestic Equity<br><i>S&amp;P 500 Index</i>                  | \$2,343,052     | 41.5%             | 40.0%       | 2.8%     | 2.6%  | 15.1% | --    | --    |
|  |                 |                   |             | 2.4%     | 2.0%  | 14.4% | 11.0% | 13.0% |
| International Equity<br><i>EAFE Index (in US Dollar NET)</i> | \$1,688,200     | 30.0%             | 30.0%       | -2.7%    | -2.3% | 6.6%  | --    | --    |
|  |                 |                   |             | -2.2%    | -1.5% | 8.0%  | 4.3%  | 5.9%  |
| Fixed Income<br><i>BloomBarc Aggregate Bond Index</i>        | \$1,434,840     | 25.5%             | 25.0%       | -0.2%    | -1.8% | 1.2%  | --    | --    |
|  |                 |                   |             | 0.7%     | -1.5% | -0.4% | 1.4%  | 2.0%  |
| Cash & Equivalents<br><i>T-Bills (90 Day) Index</i>          | \$168,866       | 3.0%              | 5.0%        | 0.1%     | 0.6%  | 1.3%  | --    | --    |
|  |                 |                   |             | 0.2%     | 0.6%  | 1.2%  | 0.6%  | 0.3%  |
| Total Composite  | \$5,634,958     | 100.0%            | 100.0%      | 0.3%     | -0.1% | 8.4%  | --    | --    |

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

## Growth Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

Domestically, U.S. equities were positive during the month as investors focused on strong economic data while brushing off festering trade tensions between the U.S. and China. Total nonfarm payroll employment rose by 223,000 in May; the unemployment rate fell to 3.8%. Inflation, as measured by the Consumer Price Index was positive for the month. For the first quarter, the U.S. Real GDP second estimate released by the Bureau of Economic Analysis was revised slightly downwards, increasing at an annual rate of 2.2%.

International equities were negative during the month as Italy struggled to form a new government and political tension in Spain increased. The U.S. dollar continued to strengthen, leading to weakness in Emerging Markets. Developed International and Emerging Markets declined by -2.2% and -3.5%, respectively.

The Domestic Equity composite gained 2.8% in May.

The International Equity allocation underperformed its benchmark during the month (-2.7% vs. -2.2%).

The Growth Portfolio's Fixed Income allocation lost 20 bps in May, underperforming its benchmark by 90 bps.

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

The Total Composite gained 0.3% during May, driven by the Domestic Equity allocation.