
Restricted Pools Monthly Report

for

THE CATHOLIC FOUNDATION

As of December 31, 2018

The Catholic Foundation Restricted Pools – December 31, 2018

Manager Performance Summary

<u>Asset Class / Manager</u>	<u>December</u>	<u>4Q18</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>
<i>Domestic Equity</i>					
Vanguard Total Stock Market Idx Adm	-9.3%	-14.3%	-5.2%	9.0%	7.9%
S&P 500 Index	-9.0%	-13.5%	-4.4%	9.3%	8.5%
LCG Large Cap Core Universe Average	-8.8%	-13.6%	-6.6%	7.2%	6.2%
<i>International Equity</i>					
Dodge & Cox International Stock	-6.7%	-12.4%	-18.0%	3.2%	-0.5%
Harding Loevner International Eq Instl	-5.3%	-13.5%	-13.1%	2.8%	1.4%
EAFE Index (in US Dollar (Net))	-4.9%	-12.5%	-13.8%	2.9%	0.5%
LCG International Equity Universe Average	-5.4%	-13.5%	-15.4%	2.4%	0.2%
<i>Fixed Income</i>					
Dodge & Cox Income	1.0%	0.3%	-0.3%	3.2%	2.9%
Western Asset Total Return Uncons I	2.0%	0.9%	-2.6%	3.4%	2.6%
Barclays Aggregate Bond Index	1.8%	1.6%	0.0%	2.1%	2.5%
LCG Fixed Income-Core (Interm) Universe Average	1.0%	0.3%	-0.9%	2.5%	2.3%
<i>Cash & Equivalents</i>					
Texas Capital Bank Money Market Account ¹	0.2%	0.5%	1.7%	0.9%	0.5%
T-Bills (90 Day) Index	0.2%	0.6%	1.9%	1.0%	0.6%
LCG Money Market Taxable Universe Average	0.2%	0.5%	1.5%	0.8%	0.5%

¹Invesco Premier US Government MoneyMarket

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 Restricted Pools – December 31, 2018

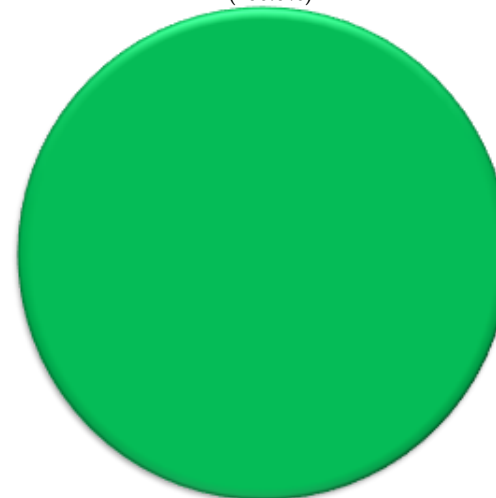
Money Market Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				December	4Q18	YTD	1Yr	3Yr	5Yr
Cash & Equivalents	\$417,801	100.0%	100.0%	0.2%	0.5%	1.7%	1.7%	1.1%	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.6%	1.9%	1.9%	1.0%	0.6%
Total Composite	\$417,801	100.0%	100.0%	0.2%	0.5%	1.7%	1.7%	1.1%	--

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. equity markets endured the worst month since 2008 and the worst December since the 1930s. Altogether, it wiped out all gains for the year and pushed most of the major indices into bear market territory. Economic concerns that had surfaced the previous month intensified in December, which drove markets lower. Total nonfarm payroll employment rose by 312,000 in December; the unemployment rate rose to 3.9%. Inflation, as measured by the Consumer Price Index declined 0.1 percent for the month. The U.S. Real GDP estimate for the 4th quarter of 2018 will be released January 30, 2019.

Developed International Equities were negative but outperformed U.S. equities over the month as ongoing U.S. trade tensions with China, rising short-term U.S. interest rates, and worries about slowing global growth weighed on investor sentiment. European stocks declined sharply amid slowing economic growth and continuing uncertainty over the UK's impending departure from the EU and Italy's standoff with the EU about its planned budget deficit. A worsening global trade dispute between the U.S. and China weighed heavily on Europe's trade-dependent economy.

The Money Market Portfolio returned +0.2% during December.

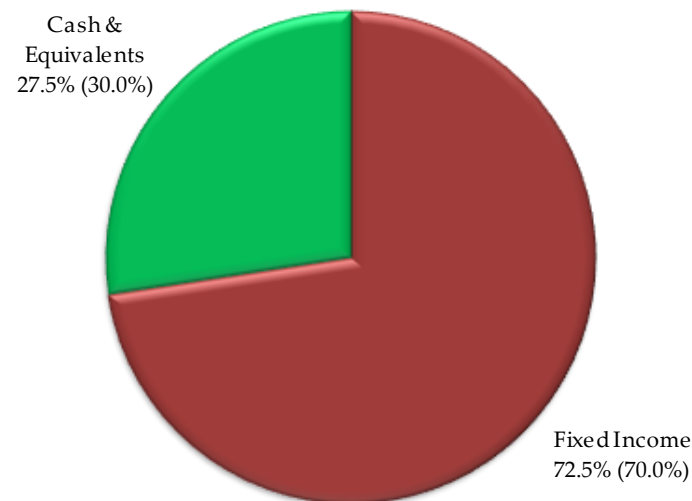
The Catholic Foundation Restricted Pools – December 31, 2018

Ultra Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				December	4Q18	YTD	1Yr	3Yr	5Yr
Fixed Income	\$66,736	72.5%	70.0%	1.5%	0.6%	-1.5%	-1.5%	3.3%	--
<i>BloomBarc Aggregate Bond Index</i>				1.8%	1.6%	0.0%	0.0%	2.1%	2.5%
Cash & Equivalents	\$25,291	27.5%	30.0%	0.2%	0.5%	1.7%	1.7%	1.1%	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.6%	1.9%	1.9%	1.0%	0.6%
Total Composite	\$92,027	100.0%	100.0%	1.1%	0.6%	-0.6%	-0.6%	2.7%	--

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. equity markets endured the worst month since 2008 and the worst December since the 1930s. Altogether, it wiped out all gains for the year and pushed most of the major indices into bear market territory. Economic concerns that had surfaced the previous month intensified in December, which drove markets lower. Total nonfarm payroll employment rose by 312,000 in December; the unemployment rate rose to 3.9%. Inflation, as measured by the Consumer Price Index declined 0.1 percent for the month. The U.S. Real GDP estimate for the 4th quarter of 2018 will be released January 30, 2019.

Developed International Equities were negative but outperformed U.S. equities over the month as ongoing U.S. trade tensions with China, rising short-term U.S. interest rates, and worries about slowing global growth weighed on investor sentiment. European stocks declined sharply amid slowing economic growth and continuing uncertainty over the UK's impending departure from the EU and Italy's standoff with the EU about its planned budget deficit. A worsening global trade dispute between the U.S. and China weighed heavily on Europe's trade-dependent economy.

The Ultra Conservative Portfolio's Fixed Income allocation returned +1.5% in December, underperforming its benchmark by 30 bps.

The Cash & Equivalents composite returned +0.2% during the month.

The Total Composite returned +1.1% in December.

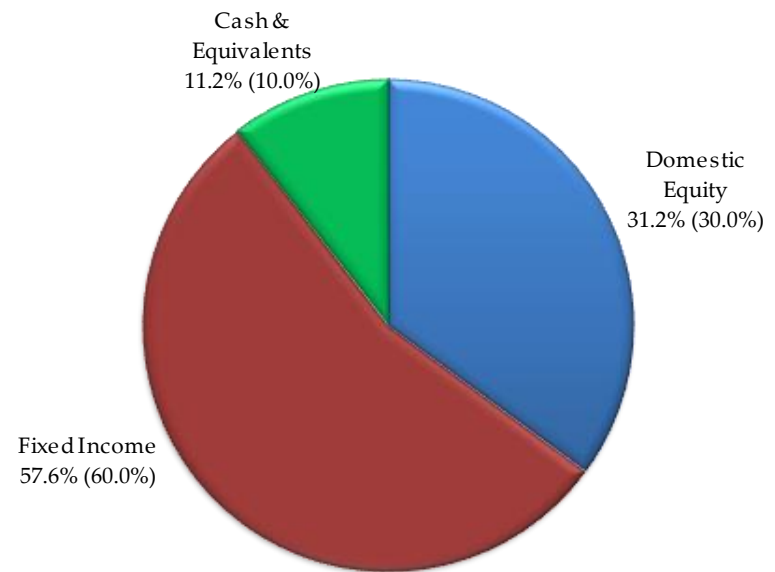
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Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				December	4Q18	YTD	1Yr	3Yr	5Yr
Total Equity	\$3,203,419	31.2%	30.0%	-9.3%	-14.3%	-5.2%	-5.2%	9.0%	--
<i>S&P 500 Index</i>				-9.0%	-13.5%	-4.4%	-4.4%	9.3%	8.5%
Fixed Income	\$5,911,409	57.6%	60.0%	1.6%	0.7%	-1.4%	-1.4%	3.4%	--
<i>BloomBarc Aggregate Bond Index</i>				1.8%	1.6%	0.0%	0.0%	2.1%	2.5%
Cash & Equivalents	\$1,147,945	11.2%	10.0%	0.2%	0.5%	1.7%	1.7%	1.1%	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.6%	1.9%	1.9%	1.0%	0.6%
Total Composite	\$10,262,773	100.0%	100.0%	-2.2%	-4.5%	-2.3%	-2.3%	4.9%	--

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Conservative Portfolio Current / (Target) Asset Allocation



Monthly Market Commentary

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The Domestic Equity composite returned -9.3 % in December, underperforming its benchmark by 30 bps.

The Conservative Portfolio's Fixed Income allocation returned +1.6% in December, underperforming its benchmark by 20 bps.

The Cash & Equivalents composite returned +0.2% during the month.

The Total Composite returned -2.2 % during December.

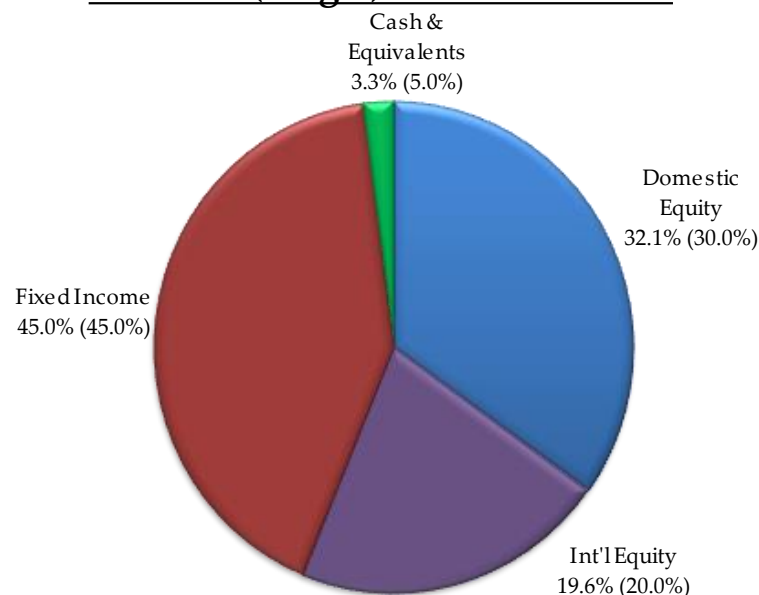
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Balanced Portfolio Performance

Asset Class / Manager	Market	Market	Target	Calendar					
	Value	Value %	%	December	4Q18	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$2,427,529	32.1%	30.0%	-9.3%	-14.3%	-5.2%	-5.2%	9.0%	--
<i>S&P 500 Index</i>				-9.0%	-13.5%	-4.4%	-4.4%	9.3%	8.5%
International Equity	\$1,488,045	19.6%	20.0%	-6.0%	-13.8%	-16.0%	-16.0%	4.5%	--
<i>EAFE Index (in US Dollar NET)</i>				-4.9%	-12.5%	-13.8%	-13.8%	2.9%	0.5%
Total Equity	\$3,915,574	51.7%	50.0%	-8.1%	-14.1%	-9.6%	-9.6%	7.2%	--
Fixed Income	\$3,401,050	45.0%	45.0%	1.6%	0.7%	-1.4%	-1.4%	3.3%	--
<i>BloomBarc Aggregate Bond Index</i>				1.8%	1.6%	0.0%	0.0%	2.1%	2.5%
Cash & Equivalents	\$250,306	3.3%	5.0%	0.2%	0.5%	1.7%	1.7%	1.1%	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.6%	1.9%	1.9%	1.0%	0.6%
Total Composite	\$7,566,930	100.0%	100.0%	-3.7%	-7.6%	-5.8%	-5.8%	5.2%	--

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Balanced Portfolio Current / (Target) Asset Allocation



Monthly Market Commentary

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The Domestic Equity composite returned -9.3% in December, underperforming its benchmark by 30 bps.

The International Equity allocation underperformed the benchmark during the month (-6.0% vs. -4.9%).

The Balanced Portfolio's Fixed Income allocation returned +1.6% in December, underperforming its benchmark by 20 bps.

The Cash & Equivalents composite returned +0.2% during the month.

The Total Composite returned -3.7% during December.

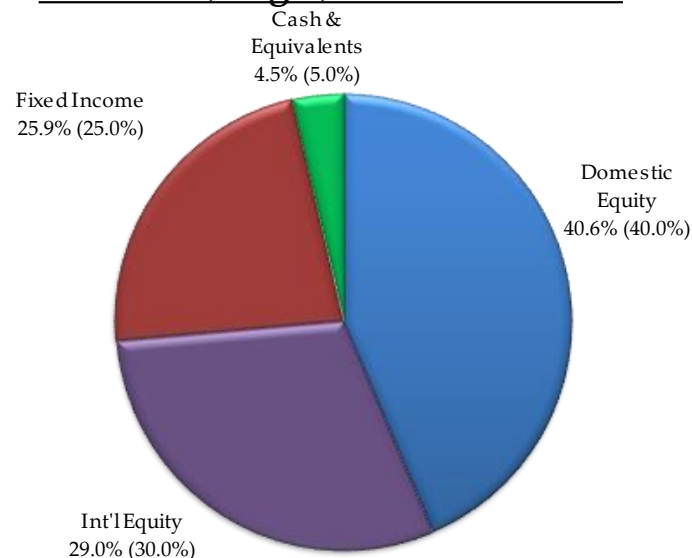
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Growth Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				December	4Q18	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$14,242,096	40.6%	40.0%	-9.3%	-14.3%	-5.2%	-5.2%	8.6%	--
<i>S&P 500 Index</i>				-9.0%	-13.5%	-4.4%	-4.4%	9.3%	8.5%
International Equity	\$10,154,242	29.0%	30.0%	-6.0%	-13.8%	-15.9%	-15.9%	4.5%	--
<i>EAFE Index (in US Dollar NET)</i>				-4.9%	-12.5%	-13.8%	-13.8%	2.9%	0.5%
Total Equity	\$24,396,338	69.7%	70.0%	-8.0%	-14.1%	-9.9%	-9.9%	6.8%	--
Fixed Income	\$9,048,703	25.9%	25.0%	1.6%	0.7%	-1.4%	-1.4%	3.3%	--
<i>BloomBarc Aggregate Bond Index</i>				1.8%	1.6%	0.0%	0.0%	2.1%	2.5%
Cash & Equivalents	\$1,557,850	4.5%	5.0%	0.2%	0.5%	1.7%	1.7%	1.1%	--
<i>T-Bills (90 Day) Index</i>				0.2%	0.6%	1.9%	1.9%	1.0%	0.6%
Total Composite	\$35,002,891	100.0%	100.0%	-5.3%	-10.1%	-7.3%	-7.3%	5.8%	--

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Growth Portfolio Current / (Target) Asset Allocation



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The Domestic Equity composite returned -9.3% in December, underperforming its benchmark by 30 bps.

The International Equity allocation underperformed the benchmark during the month (-6.0% vs. -4.9%).

The Growth Portfolio's Fixed Income allocation returned +1.6% in December, underperforming its benchmark by 20 bps.

The Cash & Equivalents composite returned +0.2% during the month.

The Total Composite returned -5.3% during December.