

# The Catholic Foundation Monthly Report – May 31, 2016

## Manager Performance Summary

<u>Asset Class / Manager</u>	Calendar				
	<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	1.8%	3.4%	0.2%	10.5%	11.1%
S&P 500 Index	1.8%	3.6%	1.7%	11.1%	11.7%
LCG Large Cap Core Universe Average	1.5%	2.3%	-1.9%	8.8%	9.3%
<i>International Equity</i>					
Dodge & Cox International Stock	-0.9%	-1.3%	-18.2%	0.5%	1.3%
Harding Loevner International Eq Instl	0.2%	2.3%	-7.0%	2.9%	2.9%
EAFE Index (in US Dollar (Net))	-0.9%	-1.1%	-9.7%	2.0%	2.1%
LCG International Equity Universe Average	-0.2%	-0.2%	-9.8%	1.8%	1.6%
<i>Fixed Income</i>					
Dodge & Cox Income	-0.2%	3.5%	1.8%	2.8%	3.6%
Western Asset Total Return Uncons I	-0.1%	1.3%	-0.1%	1.3%	2.5%
Barclays Aggregate Bond Index	0.0%	3.5%	3.0%	2.9%	3.3%
LCG Fixed Income-Core (Interm) Universe Average	0.0%	3.6%	1.8%	2.3%	3.2%
<i>Cash &amp; Equivalents</i>					
Texas Capital Bank Money Market Account	0.0%	0.2%	--	--	--
T-Bills (90 Day) Index	0.0%	0.1%	0.1%	0.0%	0.1%
LCG Money Market Taxable Universe Average	0.0%	0.1%	0.1%	0.1%	0.0%

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.

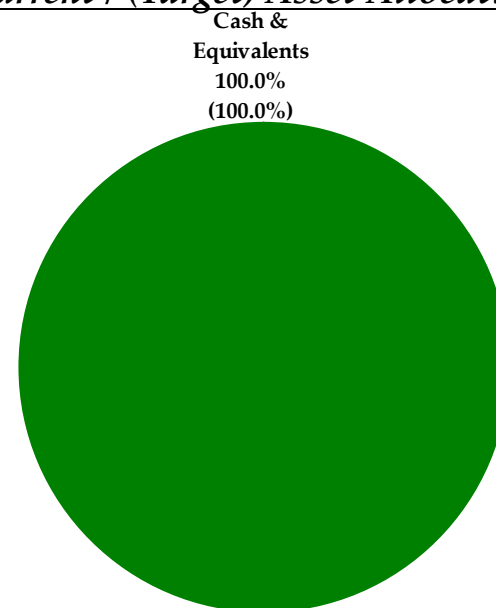
# The Catholic Foundation Monthly Report – May 31, 2016

## Money Market Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar May	Calendar YTD	1Yr	3Yr	5Yr
Cash & Equivalents	\$530,694	100.0%	100.0%	0.0%	0.2%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.1%	0.0%	0.0%
<b>Total Composite</b>	<b>\$530,694</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>--</b>	<b>--</b>	<b>--</b>

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



## Monthly Market Commentary

During May, U.S. job creation plunged, as the economy added only 38,000 jobs, significantly lower than the expected 162,000. The disappointing jobs report immediately clouded the Fed's willingness to increase interest rates in June, and the market probability for an increase in June dove from 21% to 6%. While the unemployment rate decreased to 4.7%, a decline in the labor force participation rate drove the change, as the rate is near a four-decade low. Also during May, the yield curve flattened, as the short end of the curve moved higher, and the 10-Year Treasury ended the month roughly the same as in May (1.84% versus 1.83%).

Globally, stocks rose cautiously given an improved global economic outlook, and developed markets generally outperformed their emerging market counterparts. In Europe, optimistic economic data bolstered a rise in equities, although Euro-zone consumer prices remained negative on a year-over-year basis. Additionally, Germany saw its unemployment rate fall to 6.1%, reaching its lowest point since the 1990 reunification of east and west Germany.

The Money Market Portfolio was flat (0.0%) during May.

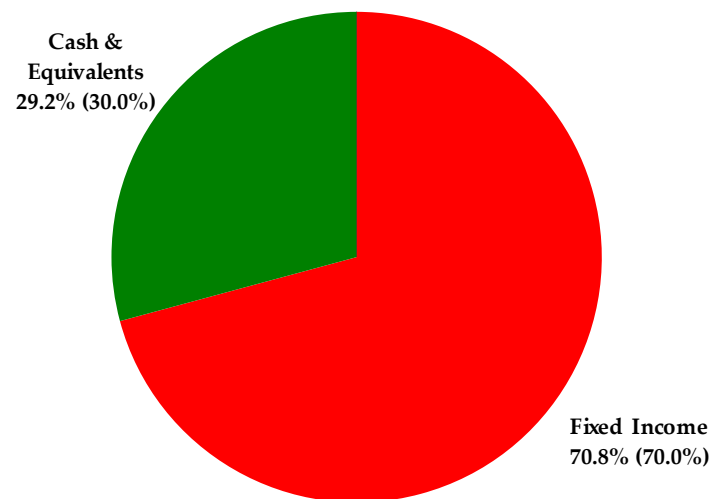
# The Catholic Foundation Monthly Report – May 31, 2016

## Ultra Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar				
				May	YTD	1Yr	3Yr	5Yr
<b>Fixed Income</b>	\$1,595,048	70.8%	70.0%	-0.2%	2.4%	--	--	--
<i>Barclays Aggregate Bond Index</i>				0.0%	3.5%	3.0%	2.9%	3.3%
<b>Cash &amp; Equivalents</b>	\$657,109	29.2%	30.0%	0.0%	0.2%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.1%	0.0%	0.0%
<b>Total Composite</b>	\$2,252,157	100.0%	100.0%	-0.1%	1.7%	--	--	--

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



## Monthly Market Commentary

During May, U.S. job creation plunged, as the economy added only 38,000 jobs, significantly lower than the expected 162,000. The disappointing jobs report immediately clouded the Fed's willingness to increase interest rates in June, and the market probability for an increase in June dove from 21% to 6%. While the unemployment rate decreased to 4.7%, a decline in the labor force participation rate drove the change, as the rate is near a four-decade low. Also during May, the yield curve flattened, as the short end of the curve moved higher, and the 10-Year Treasury ended the month roughly the same as in May (1.84% versus 1.83%).

Globally, stocks rose cautiously given an improved global economic outlook, and developed markets generally outperformed their emerging market counterparts. In Europe, optimistic economic data bolstered a rise in equities, although Euro-zone consumer prices remained negative on a year-over-year basis. Additionally, Germany saw its unemployment rate fall to 6.1%, reaching its lowest point since the 1990 reunification of east and west Germany.

The Ultra Conservative Portfolio's Fixed Income allocation slightly trailed its benchmark (-0.2% vs. 0.0%) during May.

The Cash & Equivalents composite remained flat during the month (0.0%).

The Total Composite returned -0.1% during May, as the Fixed Income allocation generated unfavorable results.

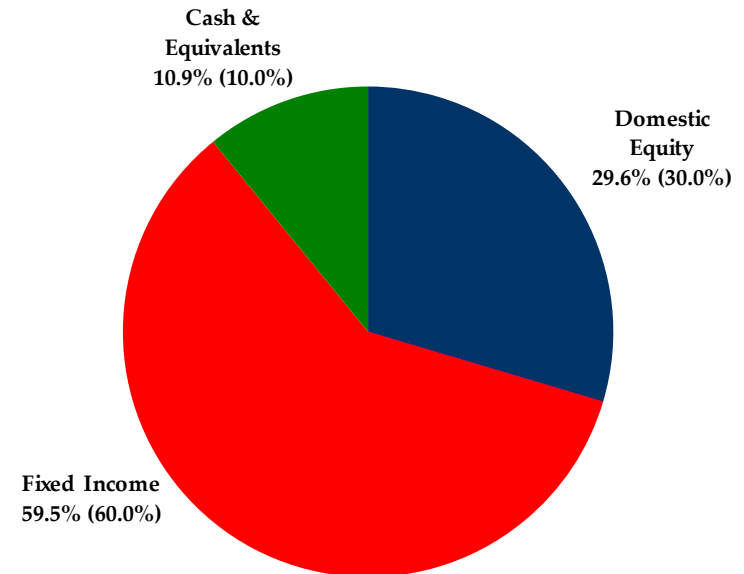
# The Catholic Foundation Monthly Report – May 31, 2016

## Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar				
				May	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$238,428	29.6%	30.0%	1.8%	3.4%	--	--	--
<i>S&amp;P 500 Index</i>				1.8%	3.6%	1.7%	11.1%	11.7%
Fixed Income	\$478,210	59.5%	60.0%	-0.2%	2.4%	--	--	--
<i>Barclays Aggregate Bond Index</i>				0.0%	3.5%	3.0%	2.9%	3.3%
Cash & Equivalents	\$87,705	10.9%	10.0%	0.0%	0.2%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.1%	0.0%	0.0%
Total Composite	\$804,343	100.0%	100.0%	0.4%	2.4%	--	--	--

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## Conservative Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

During May, U.S. job creation plunged, as the economy added only 38,000 jobs, significantly lower than the expected 162,000. The disappointing jobs report immediately clouded the Fed's willingness to increase interest rates in June, and the market probability for an increase in June dove from 21% to 6%. While the unemployment rate decreased to 4.7%, a decline in the labor force participation rate drove the change, as the rate is near a four-decade low. Also during May, the yield curve flattened, as the short end of the curve moved higher, and the 10-Year Treasury ended the month roughly the same as in May (1.84% versus 1.83%).

Globally, stocks rose cautiously given an improved global economic outlook, and developed markets generally outperformed their emerging market counterparts. In Europe, optimistic economic data bolstered a rise in equities, although Euro-zone consumer prices remained negative on a year-over-year basis. Additionally, Germany saw its unemployment rate fall to 6.1%, reaching its lowest point since the 1990 reunification of east and west Germany.

The Domestic Equity composite performed in line with its benchmark during May (+1.8% vs. +1.8%).

The Conservative Portfolio's Fixed Income allocation slightly trailed its benchmark (-0.2% vs. 0.0%) during May.

The Cash & Equivalents composite remained flat during the month (0.0%).

The Total Composite returned 0.4% during May, driven by the Domestic Equity allocation.

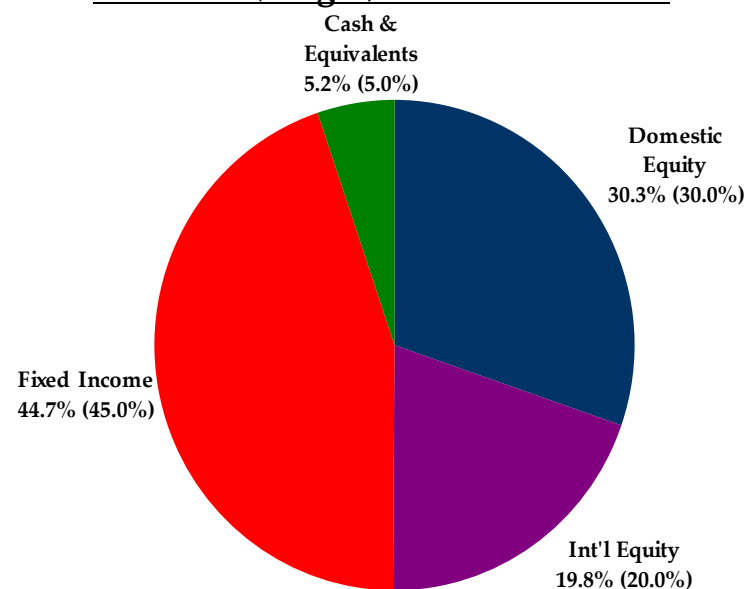
# The Catholic Foundation Monthly Report – May 31, 2016

## Balanced Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar				
				May	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$903,157	30.3%	30.0%	1.8%	3.4%	--	--	--
<i>S&amp;P 500 Index</i>				1.8%	3.6%	1.7%	11.1%	11.7%
International Equity	\$589,785	19.8%	20.0%	-0.4%	0.7%	--	--	--
<i>EAFE Index (in US Dollar NET)</i>				-0.9%	-1.1%	-9.7%	2.0%	2.1%
Fixed Income	\$1,331,596	44.7%	45.0%	-0.2%	2.4%	--	--	--
<i>Barclays Aggregate Bond Index</i>				0.0%	3.5%	3.0%	2.9%	3.3%
Cash & Equivalents	\$154,433	5.2%	5.0%	0.0%	0.2%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.1%	0.0%	0.0%
<b>Total Composite</b>	<b>\$2,978,971</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.4%</b>	<b>2.2%</b>	<b>--</b>	<b>--</b>	<b>--</b>

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## Balanced Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

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The Domestic Equity composite performed in line with its benchmark during May (+1.8% vs. +1.8%).

The International Equity allocation led its benchmark during the month (-0.4% vs. -0.9%) but was negative overall.

The Balanced Portfolio's Fixed Income allocation slightly trailed its benchmark (-0.2% vs. 0.0%) during May.

The Cash & Equivalents composite remained flat during the month (0.0%).

The Total Composite returned 0.4% during May, driven by the Domestic Equity allocation.

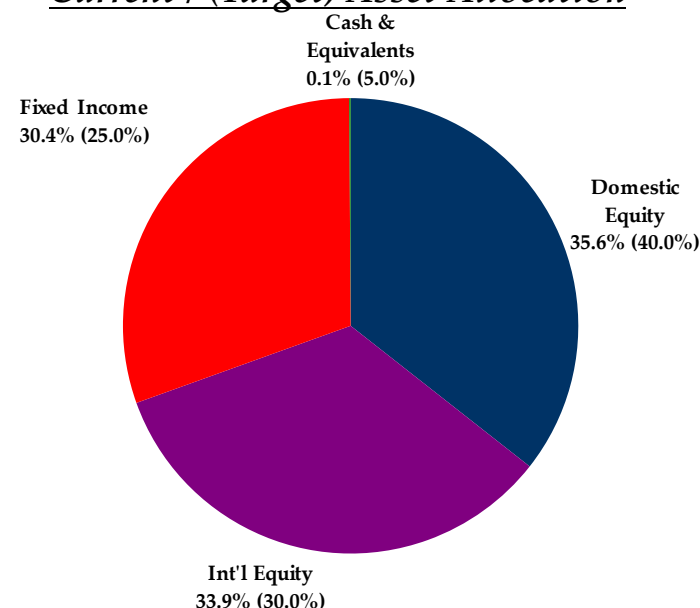
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## Growth Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar				
				May	YTD	1Yr	3Yr	5Yr
Domestic Equity <i>S&amp;P 500 Index</i>	\$1,431,618	35.6%	40.0%	1.8%	1.1%	--	--	--
				1.8%	3.6%	1.7%	11.1%	11.7%
International Equity <i>EAFE Index (in US Dollar NET)</i>	\$1,361,933	33.9%	30.0%	-0.4%	0.5%	--	--	--
				-0.9%	-1.1%	-9.7%	2.0%	2.1%
Fixed Income <i>Barclays Aggregate Bond Index</i>	\$1,222,481	30.4%	25.0%	-0.2%	2.4%	--	--	--
				0.0%	3.5%	3.0%	2.9%	3.3%
Cash & Equivalents <i>T-Bills (90 Day) Index</i>	\$5,101	0.1%	5.0%	0.0%	0.2%	--	--	--
				0.0%	0.1%	0.1%	0.0%	0.0%
Total Composite	\$4,021,133	100.0%	100.0%	0.4%	1.3%	--	--	--

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## Growth Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

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