

# The Catholic Foundation Monthly Report – September 30, 2016

## Manager Performance Summary

<u>Asset Class / Manager</u>	<u>September</u>	<u>3Q16</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%	4.4%	8.2%	15.0%	10.4%	16.3%
<i>S&amp;P 500 Index</i>	0.0%	3.9%	7.8%	15.4%	11.2%	16.4%
<i>LCG Large Cap Core Universe Average</i>	0.0%	4.1%	6.0%	11.7%	8.4%	14.3%
<i>International Equity</i>						
Dodge & Cox International Stock	0.0%	10.1%	4.7%	5.6%	0.1%	8.2%
Harding Loevner International Eq Instl	2.2%	6.4%	10.3%	17.6%	3.7%	9.2%
<i>EAFE Index (in US Dollar (Net))</i>	1.2%	6.4%	1.7%	6.5%	0.5%	7.4%
<i>LCG International Equity Universe Average</i>	1.3%	6.3%	3.4%	7.2%	0.8%	7.5%
<i>Fixed Income</i>						
Dodge & Cox Income	0.1%	1.8%	6.9%	7.1%	4.3%	4.3%
Western Asset Total Return Uncons I	0.0%	2.2%	4.0%	4.3%	2.6%	3.3%
<i>Barclays Aggregate Bond Index</i>	-0.1%	0.5%	5.8%	5.2%	4.0%	3.1%
<i>LCG Fixed Income-Core (Interm) Universe Average</i>	0.1%	1.2%	6.4%	5.8%	3.7%	3.6%
<i>Cash &amp; Equivalents</i>						
Texas Capital Bank Money Market Account	0.0%	0.1%	0.4%	--	--	--
<i>T-Bills (90 Day) Index</i>	0.0%	0.1%	0.2%	0.2%	0.1%	0.1%
<i>LCG Money Market Taxable Universe Average</i>	0.0%	0.0%	0.1%	0.1%	0.0%	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.

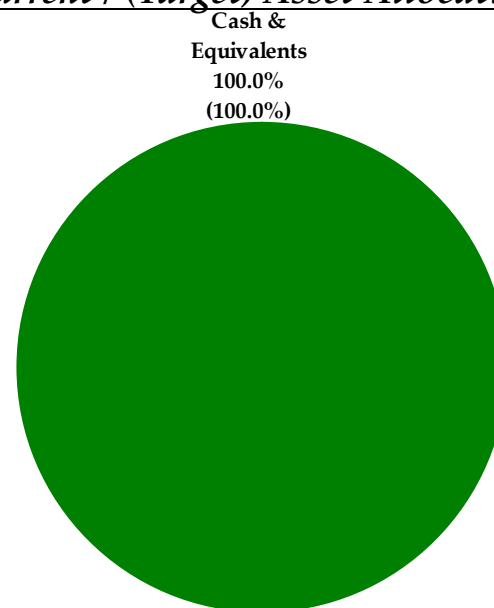
# The Catholic Foundation Monthly Report – September 30, 2016

## Money Market Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				Sept.	3Q16	YTD	1Yr	3Yr	5Yr
Cash & Equivalents	\$530,287	100.0%	100.0%	0.0%	0.1%	0.4%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.2%	0.2%	0.1%	0.1%
<b>Total Composite</b>	<b>\$530,287</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.4%</b>	<b>--</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



## Monthly Market Commentary

Domestically, equity markets posted mixed results during September, with the Dow Jones Industrial Average losing ground (-0.4%), and the S&P 500 remaining flat (0.0%). As of the end of September, corporate earnings were expected to decline 2%, contrasting with the 0.3% gain that was expected at the end of June. Continued weakness in corporate earnings may stir investors' fears since fundamentals ultimately drive the market's returns.

Internationally, developed markets (as measured by the EAFE Index) returned +1.2%, and market technicals remained positive. Emerging markets also posted favorable results, with the MSCI Emerging Markets Index returning +1.3%. While troubles at Deutsche Bank garnered international attention, other issues (Syria and China) retreated as near-term threats.

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

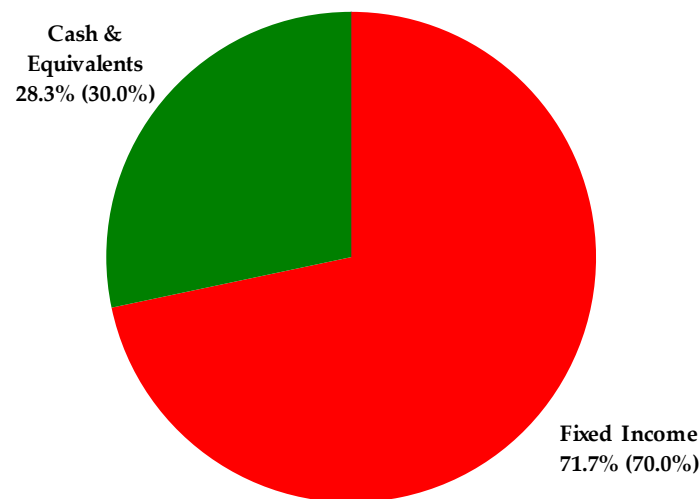
# The Catholic Foundation Monthly Report – September 30, 2016

## Ultra Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				Sept.	3Q16	YTD	1Yr	3Yr	5Yr
Fixed Income	\$1,642,999	71.7%	70.0%	0.0%	2.0%	5.5%	--	--	--
<i>Barclays Aggregate Bond Index</i>				-0.1%	0.5%	5.8%	5.2%	4.0%	3.1%
Cash & Equivalents	\$647,793	28.3%	30.0%	0.0%	0.1%	0.4%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.2%	0.2%	0.1%	0.1%
Total Composite	\$2,290,792	100.0%	100.0%	0.0%	1.5%	4.0%	--	--	--

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, equity markets posted mixed results during September, with the Dow Jones Industrial Average losing ground (-0.4%), and the S&P 500 remaining flat (0.0%). As of the end of September, corporate earnings were expected to decline 2%, contrasting with the 0.3% gain that was expected at the end of June. Continued weakness in corporate earnings may stir investors' fears since fundamentals ultimately drive the market's returns.

Internationally, developed markets (as measured by the EAFE Index) returned +1.2%, and market technicals remained positive. Emerging markets also posted favorable results, with the MSCI Emerging Markets Index returning +1.3%. While troubles at Deutsche Bank garnered international attention, other issues (Syria and China) retreated as near-term threats.

The Ultra Conservative Portfolio's Fixed Income allocation led its benchmark (0.0% vs. -0.1%) during September.

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

The Total Composite returned 0.0% during September, as both the Fixed Income allocation and Cash & Equivalents allocation were flat.

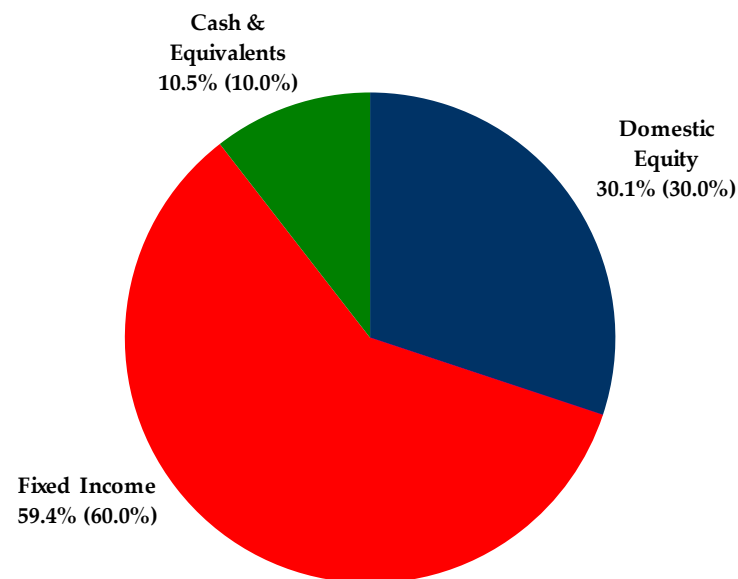
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## Conservative Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				Sept.	3Q16	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$249,531	30.1%	30.0%	0.2%	4.4%	8.2%	--	--	--
<i>S&amp;P 500 Index</i>				0.0%	3.9%	7.8%	15.4%	11.2%	16.4%
Fixed Income	\$493,464	59.4%	60.0%	0.0%	2.0%	5.5%	--	--	--
<i>Barclays Aggregate Bond Index</i>				-0.1%	0.5%	5.8%	5.2%	4.0%	3.1%
Cash & Equivalents	\$86,807	10.5%	10.0%	0.0%	0.1%	0.4%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.2%	0.2%	0.1%	0.1%
Total Composite	\$829,802	100.0%	100.0%	0.1%	2.5%	5.7%	--	--	--

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

## Conservative Portfolio Current / (Target) Asset Allocation



## Monthly Market Commentary

Domestically, equity markets posted mixed results during September, with the Dow Jones Industrial Average losing ground (-0.4%), and the S&P 500 remaining flat (0.0%). As of the end of September, corporate earnings were expected to decline 2%, contrasting with the 0.3% gain that was expected at the end of June. Continued weakness in corporate earnings may stir investors' fears since fundamentals ultimately drive the market's returns.

Internationally, developed markets (as measured by the EAFE Index) returned +1.2%, and market technicals remained positive. Emerging markets also posted favorable results, with the MSCI Emerging Markets Index returning +1.3%. While troubles at Deutsche Bank garnered international attention, other issues (Syria and China) retreated as near-term threats.

The Domestic Equity composite performed roughly in line with its benchmark during September (+0.2% vs. 0.0%).

The Conservative Portfolio's Fixed Income allocation led its benchmark (0.0% vs. -0.1%) during September.

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

The Total Composite returned 0.1% during September, driven by the Domestic Equity allocation.

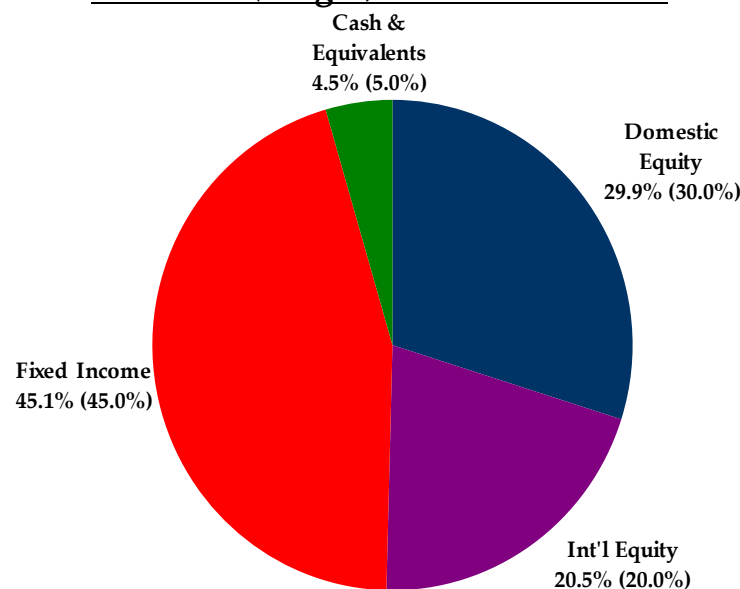
# The Catholic Foundation Monthly Report – September 30, 2016

## Balanced Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				Sept.	3Q16	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$1,113,387	29.9%	30.0%	0.2%	4.4%	8.2%	--	--	--
<i>S&amp;P 500 Index</i>				0.0%	3.9%	7.8%	15.4%	11.2%	16.4%
International Equity	\$759,648	20.5%	20.0%	1.1%	8.3%	7.8%	--	--	--
<i>EAFE Index (in US Dollar NET)</i>				1.2%	6.4%	1.7%	6.5%	0.5%	7.4%
Fixed Income	\$1,677,601	45.1%	45.0%	0.0%	2.0%	5.5%	--	--	--
<i>Barclays Aggregate Bond Index</i>				-0.1%	0.5%	5.8%	5.2%	4.0%	3.1%
Cash & Equivalents	\$168,100	4.5%	5.0%	0.0%	0.1%	0.4%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.2%	0.2%	0.1%	0.1%
Total Composite	\$3,718,736	100.0%	100.0%	0.3%	3.9%	6.5%	--	--	--

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, equity markets posted mixed results during September, with the Dow Jones Industrial Average losing ground (-0.4%), and the S&P 500 remaining flat (0.0%). As of the end of September, corporate earnings were expected to decline 2%, contrasting with the 0.3% gain that was expected at the end of June. Continued weakness in corporate earnings may stir investors' fears since fundamentals ultimately drive the market's returns.

Internationally, developed markets (as measured by the EAFE Index) returned +1.2%, and market technicals remained positive. Emerging markets also posted favorable results, with the MSCI Emerging Markets Index returning +1.3%. While troubles at Deutsche Bank garnered international attention, other issues (Syria and China) retreated as near-term threats.

The Domestic Equity composite performed roughly in line with its benchmark during September (+0.2% vs. 0.0%).

The International Equity allocation slightly trailed its benchmark during the month (+1.1% vs. +1.2%).

The Balanced Portfolio's Fixed Income allocation led its benchmark (0.0% vs. -0.1%) during September.

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

The Total Composite returned 0.3% during September, driven by the International Equity allocation.

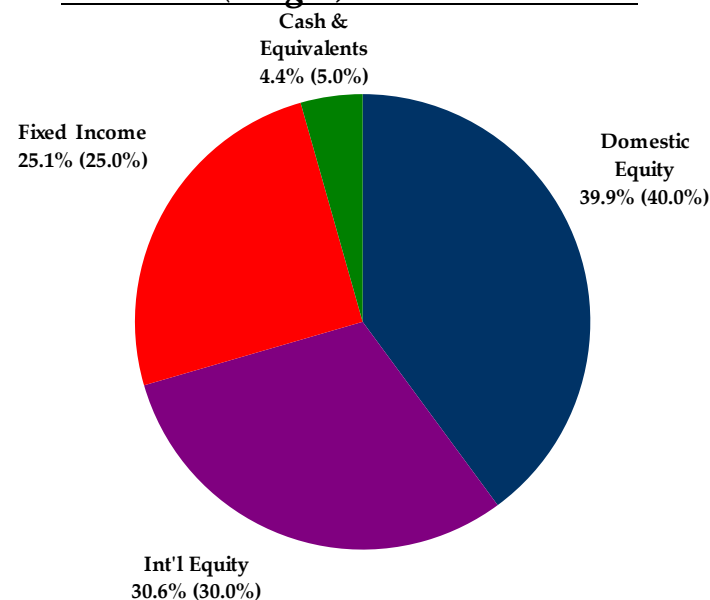
# The Catholic Foundation Monthly Report – September 30, 2016

## Growth Portfolio Performance

Asset Class / Manager	Market Value	Market Value %	Target %	Calendar					
				Sept.	3Q16	YTD	1Yr	3Yr	5Yr
Domestic Equity	\$1,758,496	39.9%	40.0%	0.2%	4.4%	5.8%	--	--	--
<i>S&amp;P 500 Index</i>				0.0%	3.9%	7.8%	15.4%	11.2%	16.4%
International Equity	\$1,350,095	30.6%	30.0%	1.1%	8.3%	7.5%	--	--	--
<i>EAFE Index (in US Dollar NET)</i>				1.2%	6.4%	1.7%	6.5%	0.5%	7.4%
Fixed Income	\$1,104,004	25.1%	25.0%	0.0%	2.0%	5.5%	--	--	--
<i>Barclays Aggregate Bond Index</i>				-0.1%	0.5%	5.8%	5.2%	4.0%	3.1%
Cash & Equivalents	\$192,789	4.4%	5.0%	0.0%	0.1%	0.4%	--	--	--
<i>T-Bills (90 Day) Index</i>				0.0%	0.1%	0.2%	0.2%	0.1%	0.1%
Total Composite	\$4,405,384	100.0%	100.0%	0.4%	4.8%	6.3%	--	--	--

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, equity markets posted mixed results during September, with the Dow Jones Industrial Average losing ground (-0.4%), and the S&P 500 remaining flat (0.0%). As of the end of September, corporate earnings were expected to decline 2%, contrasting with the 0.3% gain that was expected at the end of June. Continued weakness in corporate earnings may stir investors' fears since fundamentals ultimately drive the market's returns.

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The Domestic Equity composite performed roughly in line with its benchmark during September (+0.2% vs. 0.0%).

The International Equity allocation slightly trailed its benchmark during the month (+1.1% vs. +1.2%).

The Growth Portfolio's Fixed Income allocation led its benchmark (0.0% vs. -0.1%) during September.

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

The Total Composite returned 0.4% during September, led by the International Equity allocation.