



Objectives

- Financial Objectives:**
- Support a stream of regular distributions in support of annual budgetary needs; and
 - Preserve the real (inflation-adjusted) purchasing power of the Endowment Fund net of regular distributions
- Investment Objectives:**
- Target a real annualized total return, net of investment expenses, over a five to seven year horizon, that aligns with financial objectives;
 - Outperform the Endowment Fund's benchmark consistent with volatility targets; and
 - Adhere to the Social Witness Principles of the General Assembly of the PC(USA)

Account / Group Name	Market Value + Ending Accruals	Ending Weight	Rate of Return (%)						
			1 Mo	3 Mos	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Presbyterian Endowment Fund	728,739,930	100.0	0.2	2.7	4.3	7.9	9.4	5.9	6.1
60/40 Total Benchmark			0.0	2.6	1.7	5.3	8.5	6.2	6.7

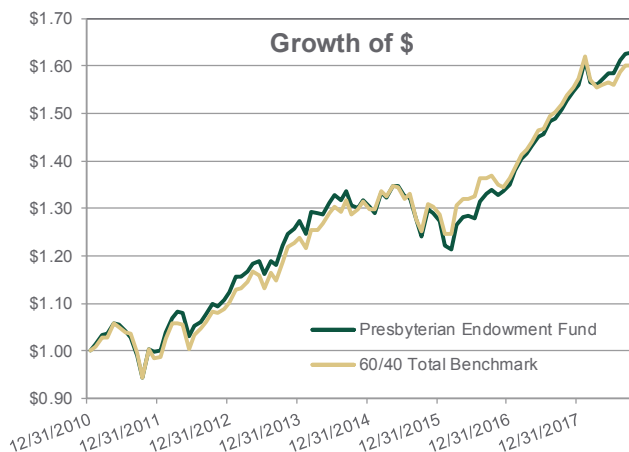
60/40 Total Benchmark: 60% MSCI ACWI ND / 40% Bloomberg Barclays US Aggregate

All returns are net of fees - Past performance is no guarantee of future investment results.

Commentary

Current Quarter

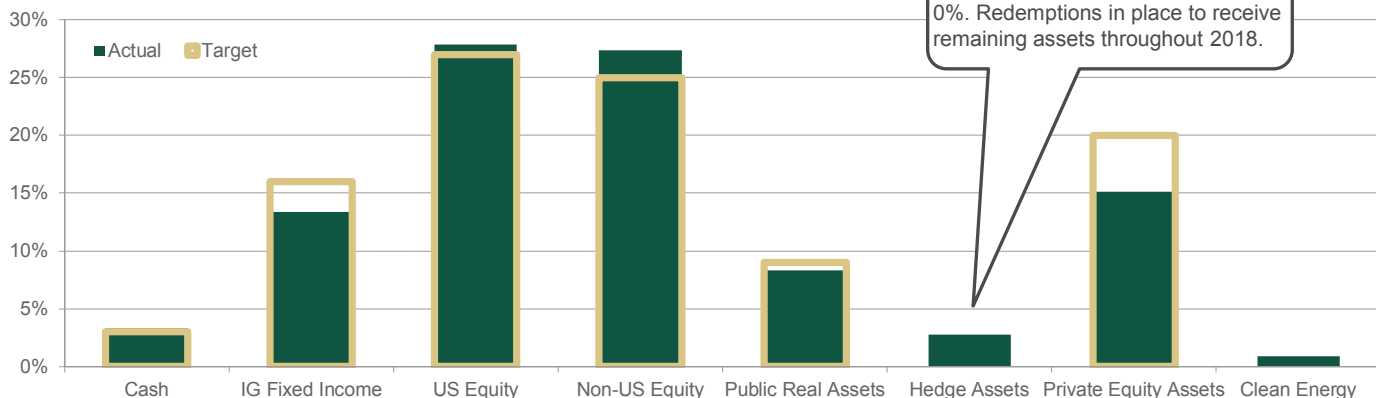
- For the quarter, the total program returned +2.7% vs. the 60/40 benchmark of +2.6%.
- Global Equities returned +3.5% for the quarter driven by gains in US equities which returned +6.8% in the quarter.
- Real Assets were slightly positive for the quarter, returning +0.8% and beating the benchmark return of -0.3%.
- For the quarter, US and Non-US Equities, and Real Assets were positive, while IG Fixed Income saw negative returns.



Tactical Themes

- Maintain relative overweight to Non-US Equities based on higher relative expected returns.
- Continue to underweight allocation to IG Fixed Income in current economic and interest rate environment, while strategic allocations to Real Assets remain intact.

Actual vs. Target Allocation



Asset allocation does not guarantee a profit or protection against a loss in declining markets

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