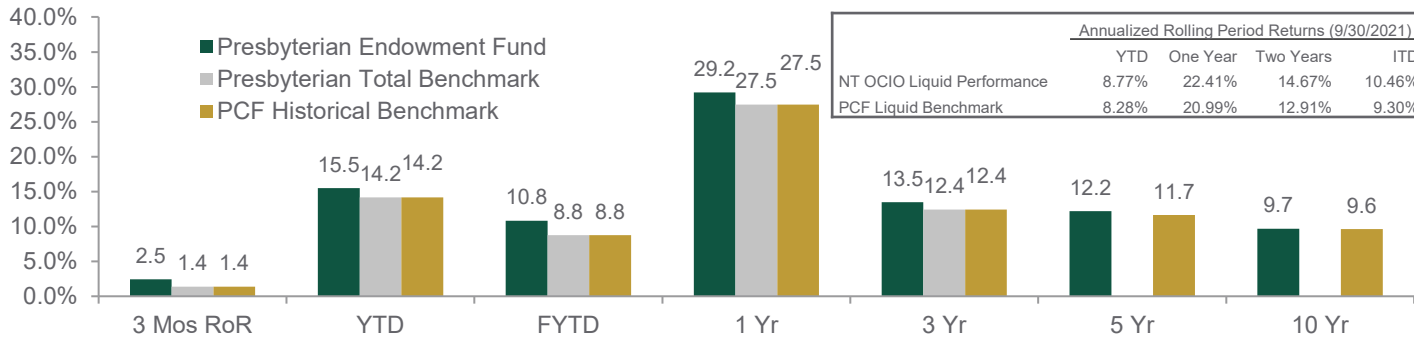




**Objectives**

- 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)



**Historical Benchmark:** NT Policy Benchmark (9/1/2017 –Present), Cambridge Total Policy Benchmark (1/1/2013-8/31/2017), 60% MSCI ACWI ND / 40% Bloomberg Barclays US Aggregate (for periods prior to 1/1/2013)  
**NT Policy Benchmark:** 27% Russell 3000 / 25% MSCI ACWI ex US / 20% Cambridge Private Equity and Venture Capital Indices by Vintage Year / 16% Barclay's US Agg / 9% FTSE EPRA NAREIT Global Index / 3% BofA ML US 3 Month T-Bill Index

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

**Commentary**

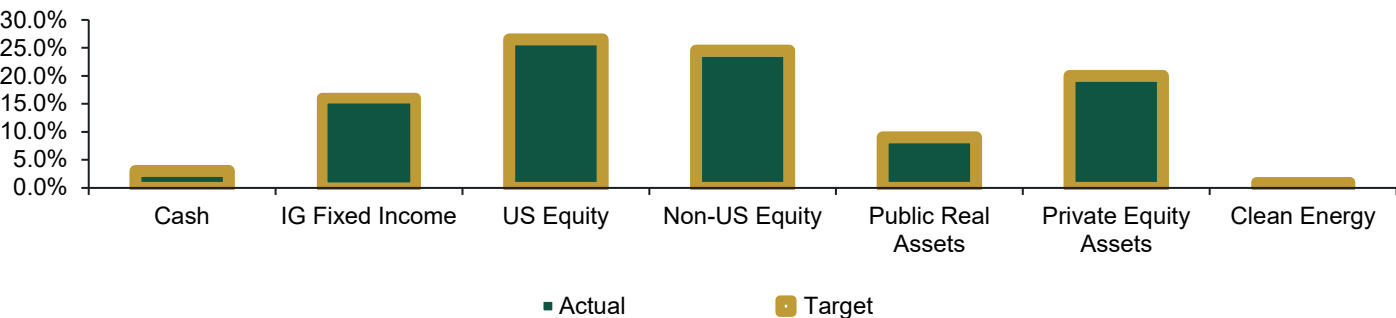
**Current Quarter**

- For the quarter, the program returned +2.5% vs. the PCF Historical Benchmark of +1.4% as recent equity market volatility has been supported by continued strong private equity valuations. YTD, the portfolio is up +15.5%, ahead of the PCF Historical Benchmark at 14.2%.
- Clean Energy fell during the quarter, returning -7.7%. YTD, the ETF is down -22.9% pulling back further from its meaningful performance of last year as markets have cooled off. Since inception in the portfolio (2018), the fund is up +28.0%
- Real Assets were up +0.4% in Q3, bringing YTD performance up to +16.4%
- Fixed Income program was up +0.3% in Q3 and is slightly negative YTD as interest rate uncertainty continues.
- Lagged Private Equity valuations continue to contribute greatly to returns as strong marks increase asset values. The liquid portion of the portfolio (79.0%) was down -0.3% in Q3, finishing ahead of the liquid benchmark.

**Tactical Themes**

- Allocations continue to be close to target, staying aware of overall program risk as economies recover and markets react to forward looking global growth expectations, inflation, and the reactions of central banks to both over time.
- Current positioning will focus on supporting target allocations with positioning shifting slightly towards non-U.S. markets as well as select real assets to manage risk and capture returns.
- Core fixed income and cash remain at or near targets, but allocations may again drift lower should equity markets again rally. Forward looking focus remains on risk management and continuing to maintain these allocations close to targets.
- New Private Equity commitments have begun again with one commitment made to date. Future commitments will be carefully considered as the year moves ahead, and opportunities arise subject to our policy targets and constraints.

**Actual vs. Target Allocation**



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

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