

Quarterly Investment Update

As of September 30, 2022

Overview: 2022 continues to be a very difficult year for capital markets in general and traditional balanced investment strategies specifically. For the first time since the inception of the original Lehman Aggregate Index in 1976, the S&P 500 and what is now known as the Bloomberg Aggregate have posted negative returns for three consecutive quarters, with declines of 23.9% and 14.6% respectively thus far in 2022. Ports in the storm have been few and far between with commodities and private assets not being valued by the mood of public markets as notable examples.

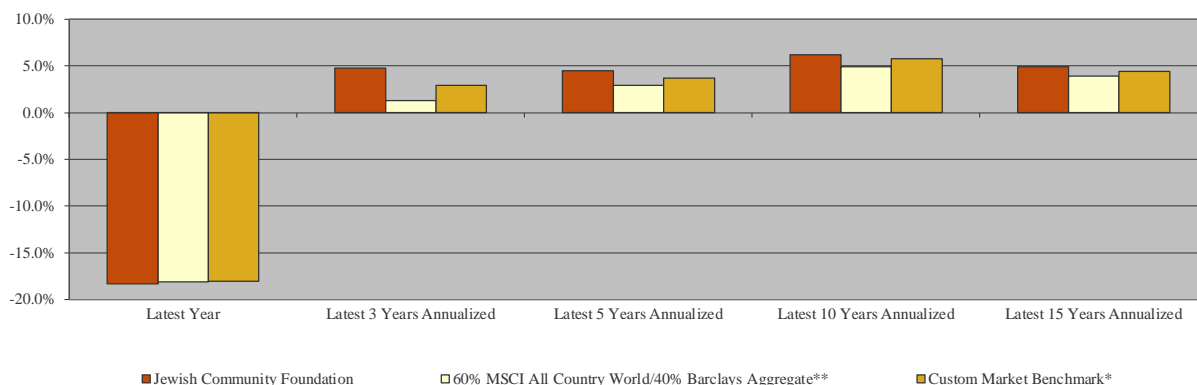
The S&P 500 declined 4.9% for the quarter with communication services (-12.7%) and real estate (-11.0%) as the weakest sectors, while consumer discretionary (+4.4%) and energy (+2.3%) were the strongest. Continuing inflation pressures led to growing concern regarding the risk of recession, although aforementioned strength from the consumer sector once again proved that market pricing is not guaranteed to adhere to simple cause-and-effect relationships. The impact of inflation and Federal Reserve policies cannot be understated. For the quarter, three-month treasury bill yields increased by 1.7%, while long-term 10- and 30-year bonds saw their yields increase by 0.9% and 0.6% respectively.

The Foundation's portfolio was designed to thrive in this type of climate as complexity provides an advantage to patient, disciplined investors with in-depth knowledge of the fortunes of individual companies. This plus a diversified strategy will likely be key contributors to overcoming what might at times be fierce headwinds from markets and the world at large.

—Michael Miller, Chief Investment Officer, Crewcial Partners (JCF's Investment Consultant)

Total Assets in Pool: \$ 145.1 million across 27 investment managers

Aggregated Investment Performance



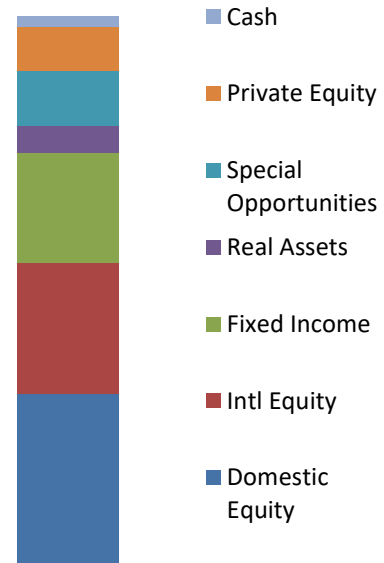
*Custom Market Benchmark reflects the portfolio's strategic asset mix over time. Currently it consists of the following indices: 9% Barclays Capital Aggregate, 26% S&P 500, 7% Russell MidCap, 7% Russell 2000, 19% MSCI EAFE, 5% MSCI Emerging Markets, 12% MSCI AC World, 4% FTSE World Government Bond Index, 5% Bloomberg Commodity Index, 3% Barclays US TIPS and 3% 90 Day T-Bills.

** MSCI All Country World Index measures the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices.

Investment Objective: The Jewish Community Foundation invests its assets to maximize grantmaking to address current needs, while protecting long-term purchasing power for grantmaking in perpetuity. It is through a balanced approach that is sensitive to market opportunities and volatility over long time frames that this objective is best achieved.

Oversight: The Foundation's Board of Directors, advised by the Investment Committee of volunteer financial experts, and with consultation provided by Crewcial Partners LLC.

Asset Allocation



Managed Portfolio Investment Performance
Periods ending September 30, 2022

	Annualized Periods Ending September 30, 2022						
	<u>3 mon</u>	<u>CYTD</u>	<u>FYTD</u>	<u>1 year</u>	<u>3 year</u>	<u>5 year</u>	<u>10 year</u>
Jewish Community Foundation Total Managed Portfolio	-5.4%	-20.2%	-5.4%	-18.2%	4.8%	4.5%	6.2%
<i>60% MSCI AC World/ 40% Bloomberg U.S. Aggregate¹</i>	-5.9%	-21.3%	-5.9%	-18.1%	1.3%	2.9%	4.9%
<i>Standard & Poor's 500 Composite Stock Index²</i>	-4.9%	-23.9%	-4.9%	-15.5%	8.2%	9.2%	11.7%*
<i>Bloomberg U.S. Aggregate Index³</i>	-4.8%	-14.6%	-4.8%	-14.6%	-3.3%	-0.3%	0.9%
<i>Overall Market Benchmark⁴</i>	-5.9%	-21.3%	-5.9%	-18.0%	2.9%	3.7%	5.8%

¹ 60% MSCI AC World/ 40% Bloomberg U.S. Aggregate Bond Index: A benchmark comprised of 60% of the Morgan Stanley All Country World index which includes equities from the United States, developed and emerging markets from around the world. And, this benchmark is 40% invested in Bloomberg US Aggregate Bond Index, a measure of primarily US dollar denominated, investment grade fixed income securities

² S&P 500: A market capitalization-weighted price-only index comprised of 500 widely held common stocks listed on the New York Stock Exchange and NASDAQ. It is used as a benchmark to measure the overall performance of the U.S. stock market.

³ Bloomberg U.S. Aggregate Index: An unmanaged market value-weighted index comprised of U.S. investment grade, fixed rate bond market securities, including U.S. Government bonds, corporate bonds (minimum grade Baa), mortgage pass-through securities, commercial mortgage-backed securities and asset-backed securities that are publicly offered for sale in the United States. Effective November 3, 2008, the Lehman Brothers Aggregate Bond Index rebranded Barclays Capital Aggregate Bond Index. There have been no changes to the calculation or definition of the index data.

⁴ Overall Market Benchmark: As of 6/1/2022, this benchmark is composed of: 9% Bloomberg U.S. Aggregate; 26% Standard & Poor's 500; 7% Russell MidCap; 7% Russell 2000; 12% Morgan Stanley Capital International (MSCI) AC World, 19% MSCI EAFE; 5% Morgan Stanley Emerging Market Equities (MSCI EME); 4% FTSE World Government Bond Index; 5% Bloomberg Commodity Index; 3% Bloomberg U.S. Treasury Inflation Protection Securities; 3% 90-day Treasury Bills.

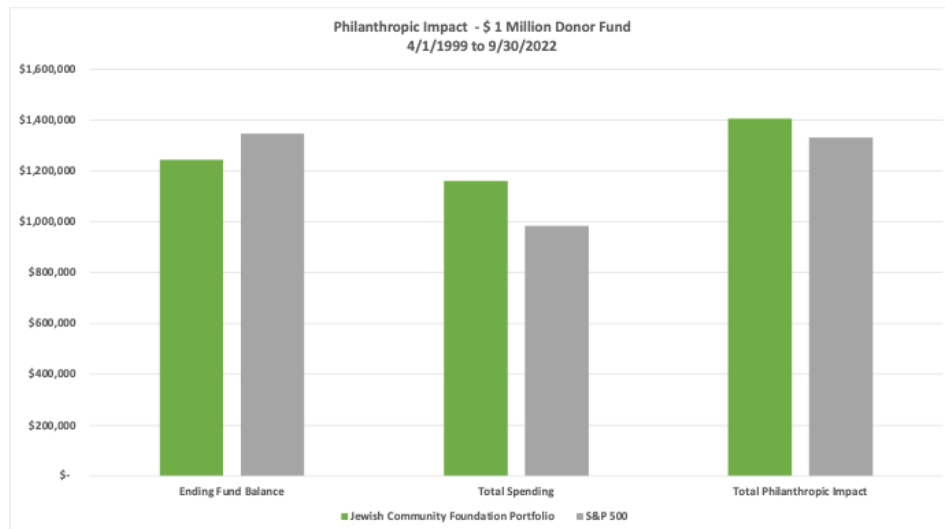
*See explanation of volatility and grantmaking impact on the next page for context.

Volatility and Impact on Grantmaking

In any philanthropic portfolio, investment returns tell only part of the story. The Foundation's diversified portfolio is designed to maximize growth *and* present-day impact, e.g. grantmaking. Volatility in a portfolio creates unpredictable grantmaking – and our community organizations rely on endowment dollars for their predictability.

For example, the S&P 500 has recently finished a strong 10-year period for overall investment returns. When one factors in volatility and examines the impact of such grantmaking on community disbursements, the S&P 500 significantly underperforms as a philanthropic option.

The graph below examines the Foundation's performance compared to the S&P 500 over the last 22+ years, assuming that \$1 million arrives on April 1, 1999, that no new gifts are made and that a 5 percent 20-quarter average spending policy is applied over the entire time frame. The total philanthropic impact columns add total spending to the growth of the ending fund balance from the initial gift. The graph demonstrates that the S&P 500 portfolio had a higher ending fund balance but that is simply due to the fact that it distributed less capital for grantmaking due to its volatility.



Even worse for the S&P 500 is the degree to which its volatility has impacted grantmaking despite the use of the 20 quarter average in the spending policy, demonstrated in the line graph below.

