Quarterly Investment Update
As of December 31, 2022

Overview: A solid, albeit uneven fourth-quarter rally provided welcome relief but did not completely erase the sting of significant market declines in 2022; the S&P 500 fell 18.1% for the year while the Bloomberg Aggregate Bond Index dropped 13.0%. A 60% equity/40% fixed-income blend of these indices dropped 15.8% during 2022. The Foundation portfolio capitalized on its diversification to out-perform the benchmark which mitigated losses.

Presently, a significant shift in market conditions is underway as more than a decade of experimental and market-distorting monetary policy appears to have ended. Amongst the key events in 2022 and likely for a number of years ahead is the US Federal Reserve's decision to move aggressively to combat inflation through higher short-term borrowing costs. In addition, the US Federal Reserve is in the early stages of unwinding its massive balance sheet.

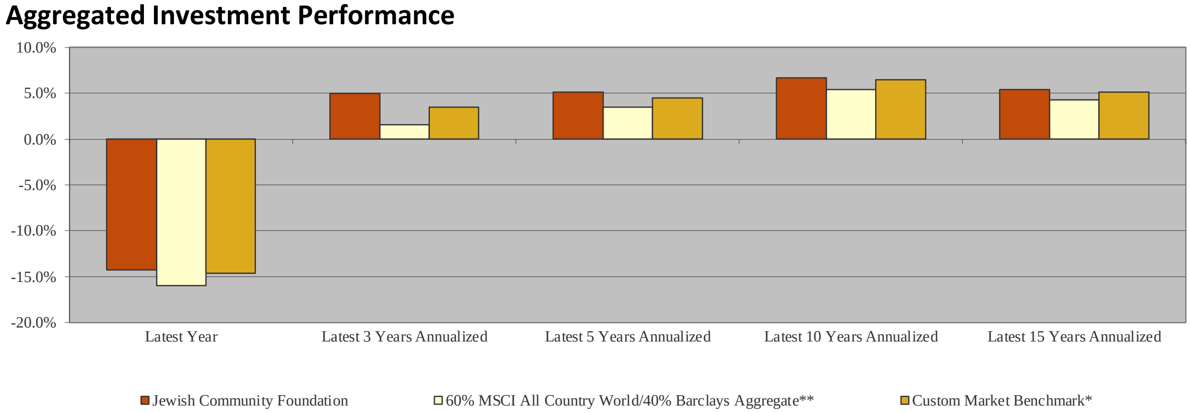
Ultimately, 2023 is likely to be complex; many, but not all, who suffered most in the past year would be wise to forego optimism. What we consider a long overdue return to normalcy will create winners and losers, as has always been the case. Those who recognize this and do the hard work of not just removing bad ideas (even those that have already experienced significant losses) while also finding strong options should be quite optimistic as time-tested principles of long-term investing return to the fore.

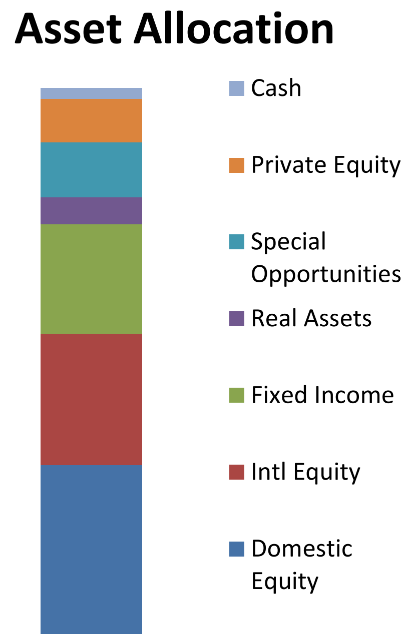
The key principles include rigor, patience, and risk awareness combined with the value of contrarian thinking and an appreciation of cyclicality and the fact that prices can become highly detached from value. Frankly, the Foundation Pools were built for times like this and we look forward to the years ahead.

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

Total Assets in Pool: $ 155.7 million across 26 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.

JEWISH COMMUNITY FOUNDATION
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Managed Portfolio Investment Performance

Periods ending December 31, 2022

				Annualized Periods Ending December 31, 2022			
	3 mon	**FYTD**	**CYTD**	**1 year**	**3 year**	**5 year**	**10 year**
Jewish Community Foundation Total Managed Portfolio	***7.7%***	***1.5%***	***-14.3%***	***-14.3%***	***5.0%***	***5.1%***	***6.7%***
60% MSCI AC World/ 40% Bloomberg U.S. Aggregate[1]	*6.6%*	*0.3%*	*-16.0%*	*-16.0%*	*1.6%*	*3.5%*	*5.4%*
Standard & Poor's 500 Composite Stock Index[2]	*7.6%*	*2.3%*	*-18.1%*	*-18.1%*	*7.7%*	*9.4%*	*12.6%*
Bloomberg U.S. Aggregate Index[3]	*1.9%*	*-3.0%*	*-13.0%*	*-13.0%*	*-2.7%*	*0.0%*	*1.1%*
Overall Market Benchmark[4]	*8.6%*	*2.2%*	*-14.6%*	*-14.6%*	*3.5%*	*4.5%*	*6.5%*

[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 NASDQ. 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.

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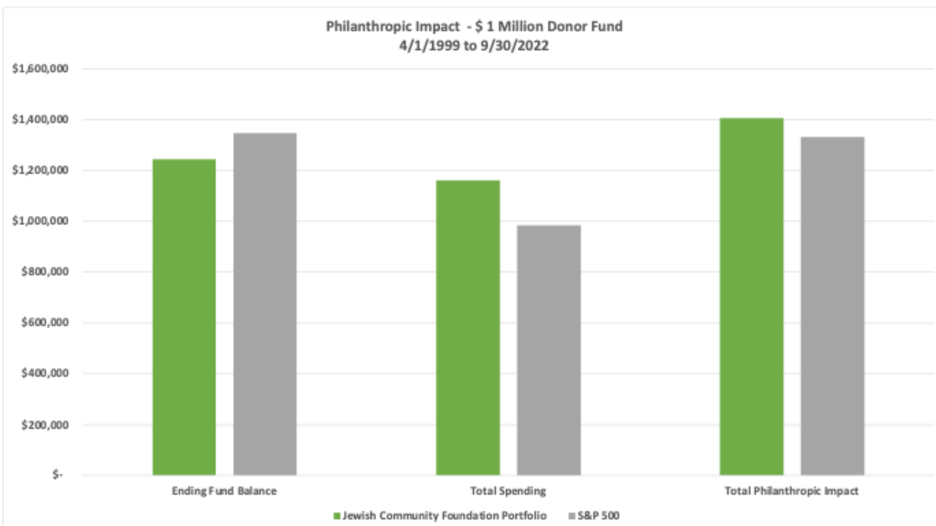
Volatility and Impact on Grantmaking

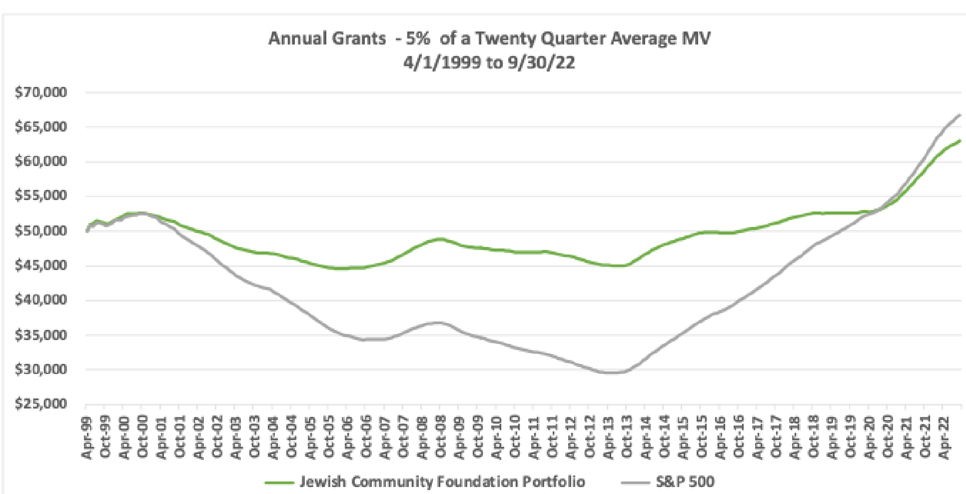
In any philanthropic portfolio, investment returns tell only part of the story. The Foundation's diversified portfolio is designed to maximize growth *and* present-day impact, e.g. grantmaking. Volatility in a portfolio creates unpredictable grantmaking – and our community organizations rely on endowment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



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