Quarterly Investment Update
As of March 31, 2023

Overview: The first quarter of 2023 began calmly but ultimately led to a dramatic quarter end. The adage stipulating that risk and returns are correlated is equally true when substituting the words "discomfort" or "anxiety" for risk.

The latest addition to the emotional complexity of the markets was old-fashioned bank solvency although this time the root cause was a simple but powerful crisis of confidence that led depositors to flee, first at Silicon Valley Bank ("SVB") then radiating to an expanding group of regional banks. While each instance was driven by legitimate concerns, it is important to recognize that a variety of less painful outcomes might have been likely; complicating factors included a massive shift in the investment climate due to higher interest rates and the resultant bear market across most major asset classes.

As life inches towards post-COVID normalcy, a whirlwind of geopolitical, economic, and capital-market conditions reminds us that change is inevitable, with inflection points emerging from each new challenge. While such moments are uncomfortable, the Foundation is positioned to recognize and act on the opportunities that emerge for long-term investors.

Despite the complexity of the current climate, markets advanced sharply during the first quarter of 2023. The S&P 500 gained 7.3%, non-US developed markets (MSCI EAFE) advanced 8.5% and high quality US bonds gained 3.0%. While rolling 1 year returns continue to show losses for major stock and bond indices, two consecutive quarters of strong gains have moderated the declines.

While challenging periods are never pleasant, we frequently remind ourselves that generating strong returns is not supposed to be easy and take solace from history, as complex market climates tend to be correlated with stronger future returns for those willing to prudently embrace uncertainty. Fortunately, there are steps one can take to maximize the likelihood of success.

- Embrace meaningful diversification to provide protection from a future that differs, albeit unpredictably, from the recent past.
- Focus on resilience—the most successful investors in the years ahead will have the ability to assess business quality, management teams, balance sheets, valuation, etc., objectively, and knowledgeably.

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

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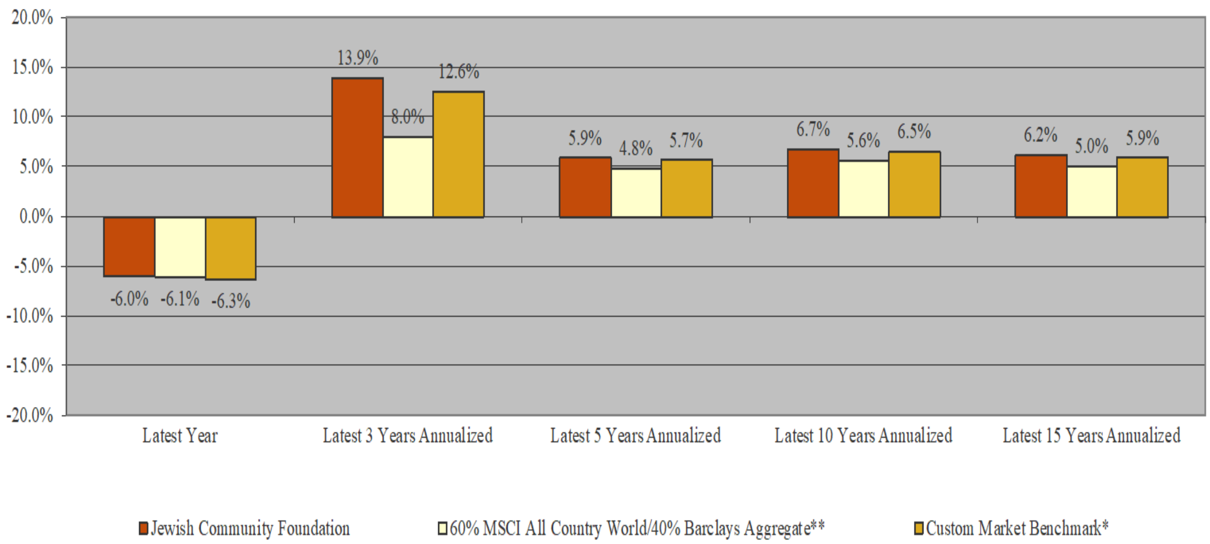
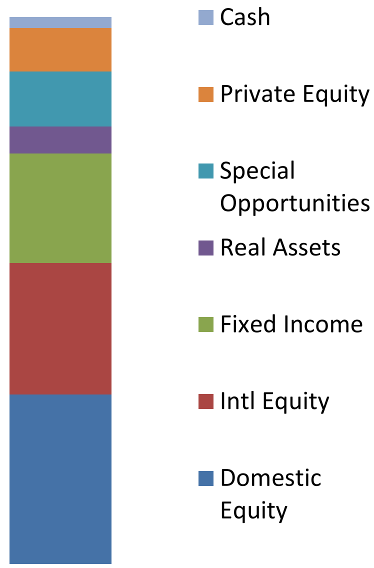
Total Assets in Pool: $ 162.2 million across 26 investment managers

Aggregated Investment Performance



Asset Allocation



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.

*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, 8% Russell MidCap, 8% Russell 2000. 19% MSCI EAFE, 5% MSCI Emerging Markets, 10% 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.

JEWISH COMMUNITY FOUNDATION OF GREATER HARTFORD
1972–2022

Managed Portfolio Investment Performance

Periods ending March 31, 2023

				Annualized Periods Ending March 31, 2023			
	3 mon	CYTD	FYTD	1 year	3 year	5 year	10 year
Jewish Community Foundation Total Managed Portfolio	***4.6%***	***4.6%***	***6.3%***	***-6.0%***	***13.9%***	***5.9%***	***6.7%***
60% MSCI AC World/ 40% Bloomberg U.S. Aggregate[1]	*5.6%*	*5.6%*	*5.9%*	*-6.1%*	*8.0%*	*4.8%*	*5.6%*
Standard & Poor's 500 Composite Stock Index[2]	*7.5%*	*7.5%*	*10.0%*	*-7.7%*	*18.6%*	*11.2%*	*12.2%**
Bloomberg U.S. Aggregate Index[3]	*3.0%*	*3.0%*	*-0.1%*	*-4.8%*	*-2.8%*	*0.9%*	*1.4%*
Overall Market Benchmark[4]	*5.3%*	*5.3%*	*7.7%*	*-6.3%*	*12.6%*	*5.7%*	*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.

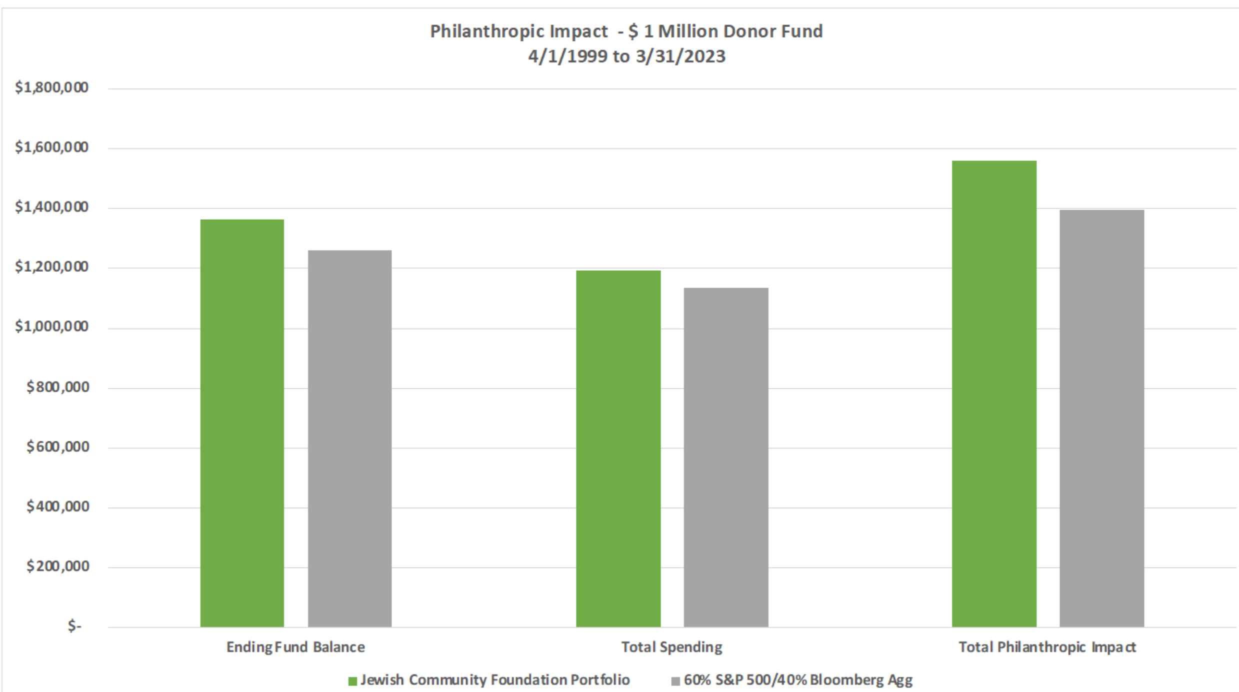
*See explanation of volatility and grantmaking impact on the next page for context.

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, up until 2022, the S&P 500 produced unusually strong returns for an extended period. Even when fixed income is added to provide stability, when one includes the impact of volatility on grantmaking for community disbursements, the S&P 500/fixed income option significantly underperforms as a philanthropic option.

The graph below examines the Foundation's performance compared to 60% S&P 500/40% Bloomberg Aggregate) over the last 24 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 Foundation portfolio produced a higher ending fund balance and distributed more capital due to its superior risk and return profile compared to the 60/40 S&P 500/Bloomberg blend.



Even worse for the 60% S&P 500 portfolio 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.