

Episcopal Foundation of Dallas

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November 2024

A business of Marsh McLennan

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Performance Summary



Portfolio monthly snapshot

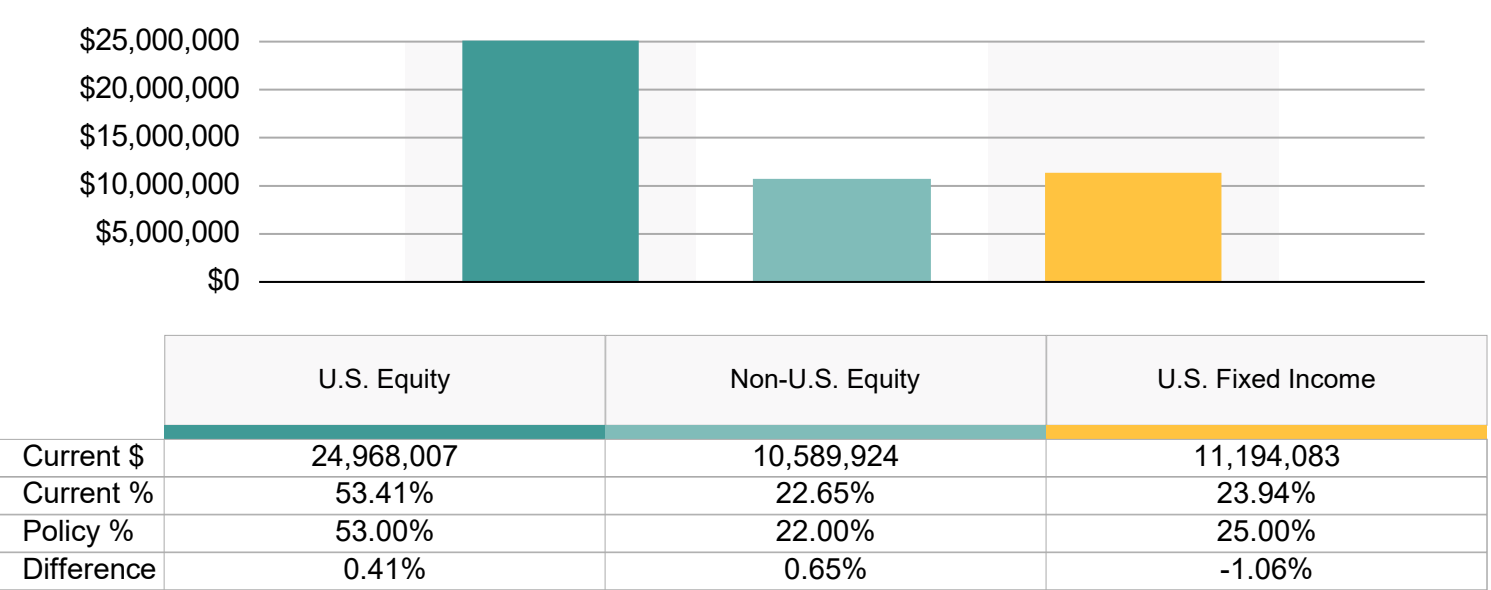
Episcopal Foundation of Dallas

As of September 30, 2024

Cash flow and market activity by portfolio

	One Month	Year-to-Date	One Year
Beginning Market Value	\$46,147,470.88	\$45,434,591.27	\$41,833,377.58
Net Cash Flow	-\$152,379.03	-\$4,409,267.39	-\$4,882,998.16
Net Capital Appreciation	\$659,236.54	\$5,115,020.29	\$8,740,303.95
Investment Income	\$97,684.95	\$611,669.17	\$1,061,329.96
Ending Market Value	\$46,752,013.33	\$46,752,013.33	\$46,752,013.33

Current asset allocation by sub-asset class



Performance summary

	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	1.64	5.80	13.46	24.70	5.55	9.68	-	8.49	06/30/15
Client portfolio (net)	1.64	5.75	13.31	24.47	5.41	9.54	-	8.36	06/30/15
Policy benchmark	2.07	6.40	15.01	26.82	5.80	9.29	-	8.32	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Episcopal Foundation of Dallas - Aggregated Performance Summary								
as-of September 30, 2024								
	Market Value*	Portfolio Allocation	Three-Month	Year-to-Date	One-Year	Three-Year	Five-Year	Since Inception
Vanguard	\$46,752,014	100.00%	5.75%	13.31%	24.47%	5.41%	9.54%	8.36%
Vanguard Composite Benchmark			6.40%	15.01%	26.82%	5.80%	9.29%	8.32%
Aggregate Portfolio (net of EFD fee)*	\$46,752,014	100.00%	5.60%	12.84%	23.79%	4.83%	8.97%	8.16%
Aggregate Composite Benchmark*			6.40%	15.01%	26.82%	5.80%	9.29%	8.90%
<p>Notes: Return data achieved before February 2016 provided by client. All returns are net of fund-level fees and the Vanguard advisory fee. Aggregate portfolio returns are net of the EFD administrative fee. Vanguard Composite provides a comparison for Vanguard portfolio return and constitutes 42% Spliced Total Stock Market Index/28% Spliced Total International Stock Index/18% Spliced Barclays U.S. Agg Flt-Adj. Index/6% Barclays GA ex-USD Flt-Adj. RIC Capped Index Hedged/6% REIT Spliced Index and has been calculated as-of September 30, 2024. Performance effective date for Vanguard Composite as-of December 31, 2015. Aggregate Composite provides a comparison for Episcopal Foundation of Dallas portfolio and constitutes a weighted average of the Vanguard Composite and HFRI Fund of Funds Composite. Since inception date is January 1, 2010.</p> <p>*Aggregate portfolio performance and Aggregate composite performance include hedge fund and HFRI performance, respectively, through February 29, 2016 for the Five-Year and Since Inception time periods.</p>								

Portfolio monthly snapshot

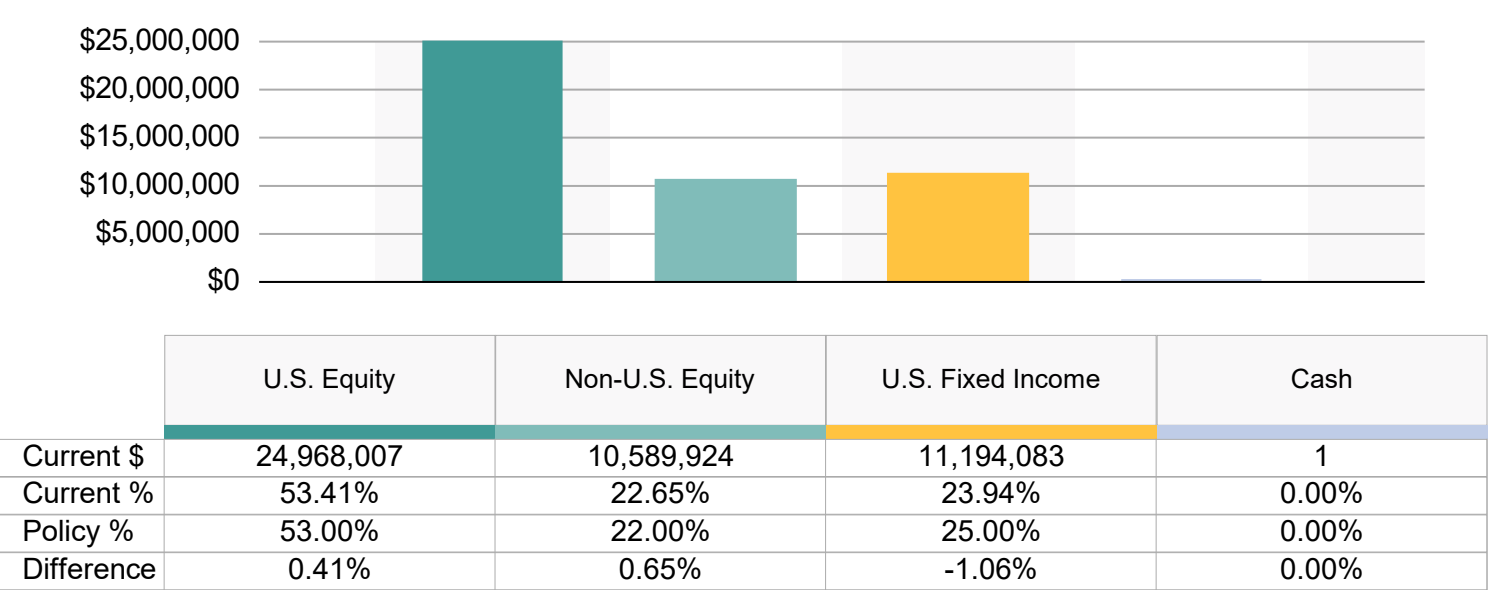
Episcopal Foundation of Dallas Consolidated

As of September 30, 2024

Cash flow and market activity by portfolio

	One Month	Year-to-Date	One Year
Beginning Market Value	\$46,147,471.88	\$45,434,592.27	\$41,833,378.58
Net Cash Flow	-\$152,379.03	-\$4,409,267.39	-\$4,882,998.16
Net Capital Appreciation	\$659,236.54	\$5,115,020.29	\$8,740,303.95
Investment Income	\$97,684.95	\$611,669.17	\$1,061,329.96
Ending Market Value	\$46,752,014.33	\$46,752,014.33	\$46,752,014.33

Current asset allocation by sub-asset class



Performance summary

	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	1.64	5.80	13.46	24.70	5.55	9.68	8.51	8.59	12/31/09
Client portfolio (net)	1.64	5.75	12.99	23.96	4.88	9.00	7.89	8.17	12/31/09
Policy benchmark	2.07	6.40	15.01	26.82	5.80	9.29	8.20	8.90	12/31/09

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Portfolio monthly snapshot

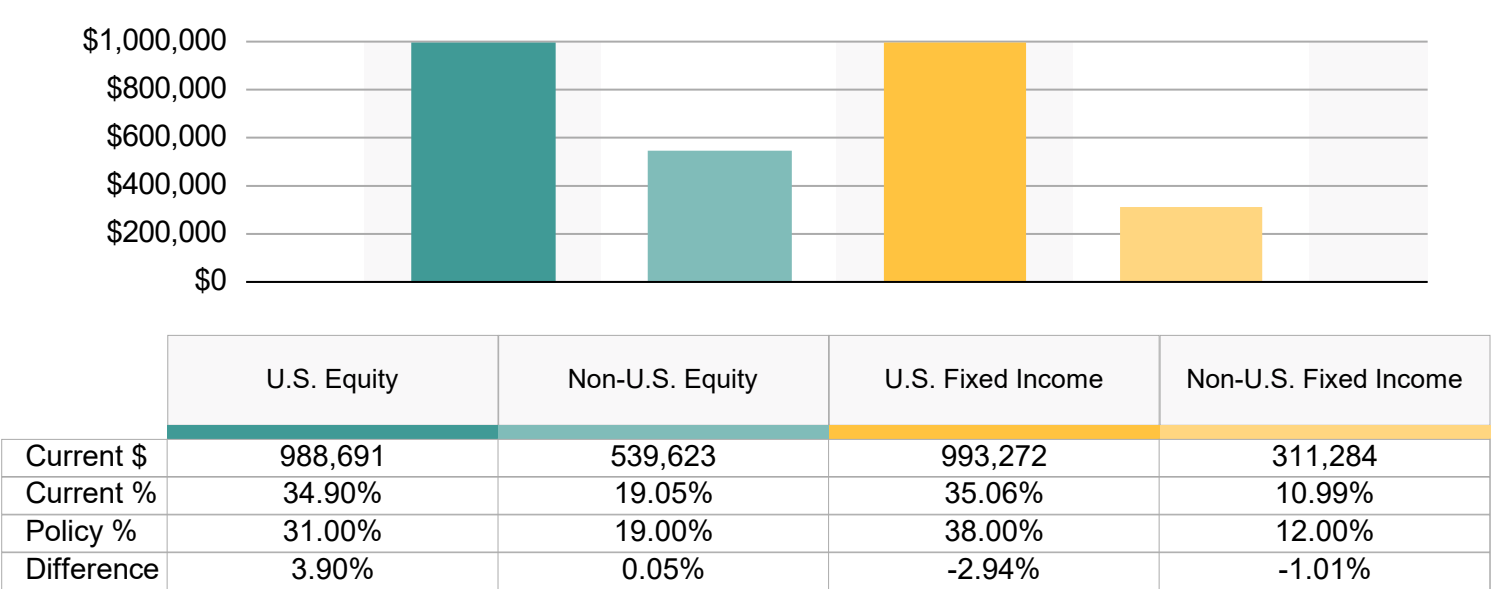
Episcopal Foundation of Dallas - SJES Operating Reserves

As of September 30, 2024

Cash flow and market activity by portfolio

	One Month	Year-to-Date	One Year
Beginning Market Value	\$2,786,676.55	\$2,651,341.78	\$2,439,370.94
Net Cash Flow	\$0.00	-\$94,572.48	-\$99,053.00
Net Capital Appreciation	\$39,297.52	\$230,394.77	\$414,512.77
Investment Income	\$6,897.09	\$45,707.09	\$78,040.45
Ending Market Value	\$2,832,871.16	\$2,832,871.16	\$2,832,871.16

Current asset allocation by sub-asset class



Performance summary

	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	1.66	5.61	10.75	20.60	3.56	-	-	2.87	07/31/21
Client portfolio (net)	1.66	5.56	10.60	20.38	3.42	-	-	2.74	07/31/21
Policy benchmark	1.84	5.92	11.03	20.98	3.45	-	-	2.82	07/31/21

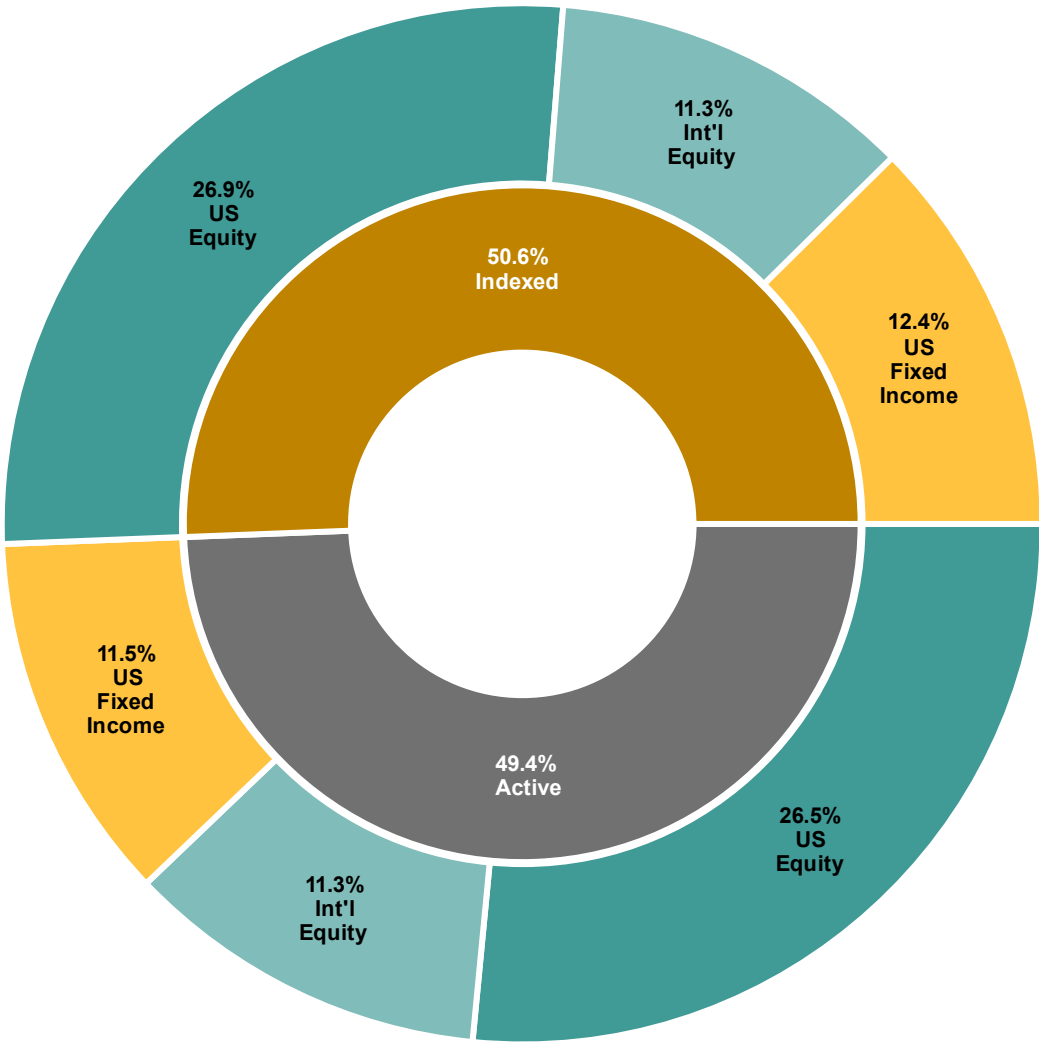
Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Portfolio allocation snapshot—active and indexed

Episcopal Foundation of Dallas

As of September 30, 2024

Active/Index allocation



Sub-asset classes and manager styles

Active/Index	Sub-asset class	Manager style	
Active	US Equity	Large Growth	13.3%
Active	US Equity	Large Value	13.2%
Active	Int'l Equity	Foreign Large Growth	5.7%
Active	Int'l Equity	Foreign Large Value	5.7%
Active	US Fixed Income	Intermediate-Term Investment Grade	7.7%
Active	US Fixed Income	Short-Term Investment Grade	3.8%
Index	US Equity	Large Blend	26.9%
Index	Int'l Equity	Foreign Large Blend	11.3%
Index	US Fixed Income	Intermediate-Term Government	12.4%

The Active/Index allocation percentages represent the client's current allocations to the total portfolio. **Neither asset allocation or diversification can guarantee a profit or prevent loss.**

Performance summary

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	46,752,013	100.0	100.0	1.64	5.80	13.46	24.70	5.55	9.68	-	8.49	06/30/15
Client portfolio (net)				1.64	5.75	13.31	24.47	5.41	9.54	-	8.36	06/30/15
Policy benchmark				2.07	6.40	15.01	26.82	5.80	9.29	-	8.32	06/30/15
■ Equity	35,557,931	76.1	75.0	1.73	5.96	16.22	29.00	7.54	12.72	-	10.40	06/30/15
Equity - Policy benchmark				2.31	6.82	18.69	32.27	8.00	12.50	-	10.30	06/30/15
• Domestic Equity	24,968,007	53.4	53.0	1.23	5.13	17.28	30.56	10.29	14.88	-	12.60	06/30/15
• International Equity	10,589,924	22.7	22.0	2.93	7.97	13.58	25.12	2.50	8.77	-	6.71	06/30/15
■ Fixed Income	11,194,083	23.9	25.0	1.38	5.13	5.16	12.25	-0.47	0.87	-	2.26	06/30/15
Fixed Income - Policy benchmark				1.34	5.13	4.45	11.47	-1.08	0.32	-	2.00	06/30/15
• Domestic Fixed Income	11,194,083	23.9	25.0	1.38	5.13	5.16	12.25	-0.58	1.10	-	2.24	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary—by securities

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	46,752,013	100.0	100.0	1.64	5.80	13.46	24.70	5.55	9.68	-	8.49	06/30/15
Client portfolio (net)				1.64	5.75	13.31	24.47	5.41	9.54	-	8.36	06/30/15
Policy benchmark				2.07	6.40	15.01	26.82	5.80	9.29	-	8.32	06/30/15
■ Equity	35,557,931	76.1	75.0	1.73	5.96	16.22	29.00	7.54	12.72	-	10.40	06/30/15
Equity - Policy benchmark				2.31	6.82	18.69	32.27	8.00	12.50	-	10.30	06/30/15
• Domestic Equity	24,968,007	53.4	53.0	1.23	5.13	17.28	30.56	10.29	14.88	-	12.60	06/30/15
Domestic Equity - Policy benchmark				2.05	6.18	20.60	35.23	10.11	15.19	-	13.04	06/30/15
- Vanguard Total Stock Market Index Fund Institutional Shares	12,565,907	26.9	-	2.05	6.17	20.58	35.26	10.11	15.19	-	13.03	06/30/15
Spliced Total Stock Market Index				2.05	6.18	20.60	35.23	10.11	15.19	-	13.04	06/30/15
Multi-Cap Core Funds Average				1.78	6.29	18.09	31.63	8.31	12.80	-	10.44	06/30/15
- Vanguard PRIMECAP Fund Admiral Shares	6,232,338	13.3	-	-0.12	0.88	16.07	27.66	10.64	15.15	-	13.82	06/30/15
S&P 500 Index				2.14	5.89	22.08	36.35	11.91	15.98	-	13.79	06/30/15
Multi-Cap Growth Funds Average				2.94	5.00	19.55	36.34	3.51	13.40	-	11.83	06/30/15
Russell 1000 Growth Index				2.83	3.19	24.55	42.19	12.02	19.74	-	16.89	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary—by securities (continued)

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
- Vanguard Windsor Fund Admiral Shares	6,169,762	13.2	-	0.94	7.44	11.85	24.15	10.51	13.74	-	10.35	06/30/15
Russell 1000 Value Index				1.39	9.43	16.68	27.76	9.03	10.69	-	9.51	06/30/15
Multi-Cap Value Funds Average				1.02	7.92	15.34	26.57	9.08	10.80	-	8.77	06/30/15
• International Equity	10,589,924	22.7	22.0	2.93	7.97	13.58	25.12	2.50	8.77	-	6.71	06/30/15
International Equity - Policy benchmark				2.94	8.39	14.07	25.22	4.09	7.95	-	5.90	06/30/15
- Vanguard Total International Stock Index Fund Institutional Shares	5,294,447	11.3	-	2.56	8.03	13.60	24.92	4.03	7.77	-	5.79	06/30/15
Spliced Total International Stock Index				2.94	8.39	14.07	25.22	4.09	7.95	-	5.90	06/30/15
International Funds Average				1.13	7.05	12.99	24.36	3.49	7.73	-	5.50	06/30/15
- Vanguard International Value Fund	2,652,599	5.7	-	3.07	8.40	11.30	21.61	5.20	7.89	-	5.49	06/30/15
Spliced International Index				2.69	8.06	14.21	25.35	4.14	7.59	-	5.65	06/30/15
International Funds Average				1.13	7.05	12.99	24.36	3.49	7.73	-	5.50	06/30/15
- Vanguard International Growth Fund Admiral Shares	2,642,878	5.7	-	3.51	7.43	15.77	28.94	-3.65	10.76	-	9.31	06/30/15
Spliced International Index				2.69	8.06	14.21	25.35	4.14	7.59	-	5.65	06/30/15
International Funds Average				1.13	7.05	12.99	24.36	3.49	7.73	-	5.50	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary—by securities (continued)

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
■ Fixed Income	11,194,083	23.9	25.0	1.38	5.13	5.16	12.25	-0.47	0.87	-	2.26	06/30/15
Fixed Income - Policy benchmark				1.34	5.13	4.45	11.47	-1.08	0.32	-	2.00	06/30/15
● Domestic Fixed Income	11,194,083	23.9	25.0	1.38	5.13	5.16	12.25	-0.58	1.10	-	2.24	06/30/15
Domestic Fixed Income - Policy benchmark				1.34	5.13	4.45	11.47	-1.38	0.36	-	1.85	06/30/15
- Vanguard Total Bond Market Index Fund Institutional Shares	5,807,143	12.4	-	1.32	5.07	4.42	11.41	-	-	-	-1.45	10/31/21
Spliced Bloomberg U.S. Aggregate Float Adjusted Index				1.34	5.13	4.45	11.47	-	-	-	-1.41	10/31/21
Spliced Intermediate Investment-Grade Debt Funds Average				1.34	5.14	4.94	12.01	-	-	-	-1.40	10/31/21
- Vanguard Intermediate-Term Investment-Grade Fund Admiral Shares	3,598,498	7.7	-	1.63	5.91	6.24	14.95	-0.28	1.81	-	2.94	06/30/15
Bloomberg U.S. 5-10 Year Credit Bond Index				1.61	5.84	5.94	14.62	-0.42	1.57	-	3.16	06/30/15
Spliced Core Bond Funds Average				1.34	5.14	4.94	12.01	-1.39	0.56	-	1.81	06/30/15
- Vanguard Short-Term Investment-Grade Fund Admiral Shares	1,788,442	3.8	-	1.03	3.76	5.44	9.61	1.57	2.18	-	2.39	06/30/15
Bloomberg U.S. 1-5 Year Credit Bond Index				1.01	3.71	5.23	9.39	1.50	2.12	-	2.41	06/30/15
1-5 Year Investment-Grade Debt Funds Average				0.88	3.09	5.05	8.32	0.89	1.53	-	1.73	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Cash flow and market value summary

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

Cash flow summary and market value history

	Last month	Last three months	Year-to-date	One year
Beginning Market Value	\$46,147,470.88	\$46,621,007.93	\$45,434,591.27	\$41,833,377.58
Net Cash Flow	-\$152,379.03	-\$2,384,862.11	-\$4,409,267.39	-\$4,882,998.16
Contributions	\$0.00	\$0.00	\$78,730.03	\$758,474.63
Redemptions	-\$152,379.03	-\$2,364,342.78	-\$4,426,712.84	-\$5,560,871.41
Advisory Fees	\$0.00	-\$20,519.33	-\$61,284.58	-\$80,601.38
Net Investment Change	\$756,921.49	\$2,515,867.52	\$5,726,689.46	\$9,801,633.91
Net Capital	\$659,236.54	\$2,340,845.05	\$5,115,020.29	\$8,740,303.95
Investment Income	\$97,684.95	\$175,022.47	\$611,669.17	\$1,061,329.96
Ending Market Value	\$46,752,013.33	\$46,752,013.33	\$46,752,013.33	\$46,752,013.33

Source: Vanguard.

Investment expense summary

Episcopal Foundation of Dallas

As of September 30, 2024

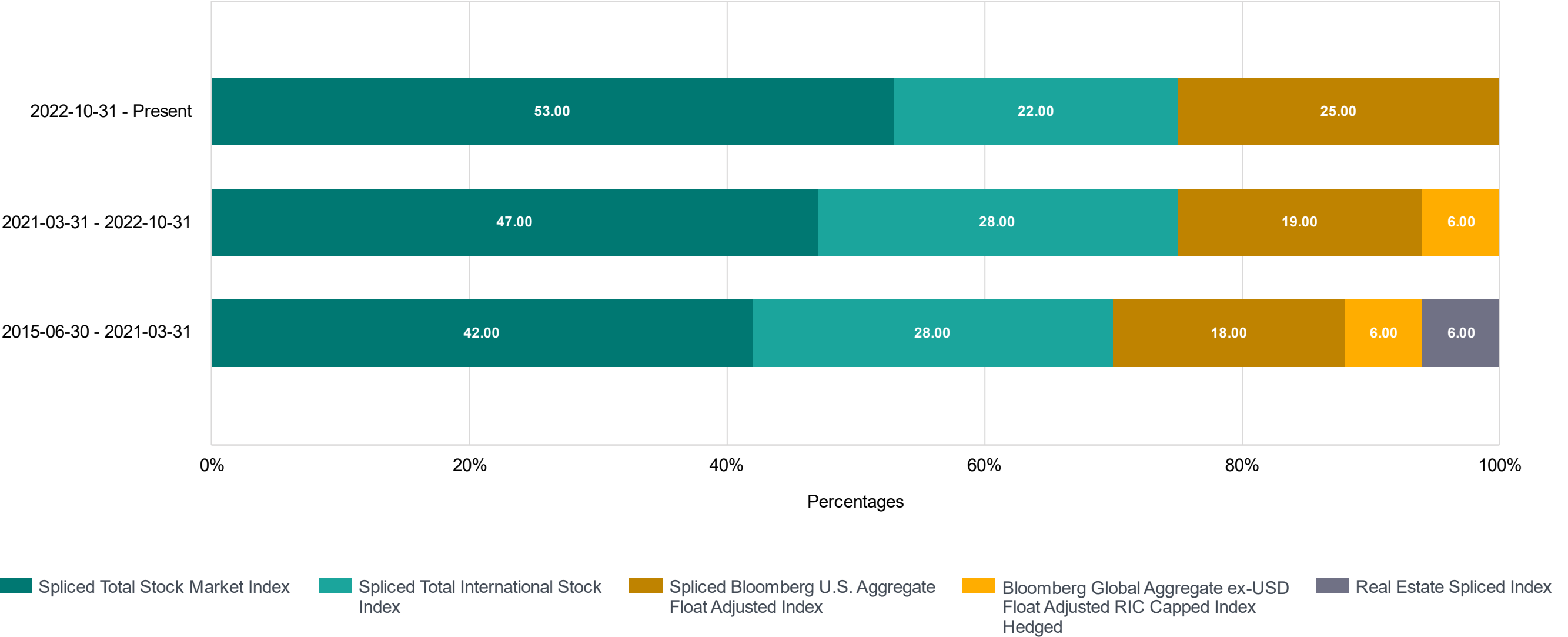
	Market value	% of portfolio	Expense ratio	Estimated expense
■ Total Equity	\$35,557,930.65	76.1%		\$66,136.32
● Domestic Equity	\$24,968,007.01	53.4%		\$42,833.26
Vanguard Total Stock Market Index Fund Institutional Shares	\$12,565,906.82	26.9%	0.030%	\$3,769.77
Vanguard PRIMECAP Fund Admiral Shares	\$6,232,337.70	13.3%	0.310%	\$19,320.25
Vanguard Windsor Fund Admiral Shares	\$6,169,762.48	13.2%	0.320%	\$19,743.24
● International Equity	\$10,589,923.65	22.7%		\$23,303.06
Vanguard Total International Stock Index Fund Institutional Shares	\$5,294,447.42	11.3%	0.090%	\$4,765.00
Vanguard International Value Fund	\$2,652,598.50	5.7%	0.390%	\$10,345.13
Vanguard International Growth Fund Admiral Shares	\$2,642,877.72	5.7%	0.310%	\$8,192.92
■ Total Fixed Income	\$11,194,082.68	23.9%		\$7,419.44
● Domestic Fixed Income	\$11,194,082.68	23.9%		\$7,419.44
Vanguard Total Bond Market Index Fund Institutional Shares	\$5,807,142.64	12.4%	0.035%	\$2,032.50
Vanguard Intermediate-Term Investment-Grade Fund Admiral Shares	\$3,598,497.89	7.7%	0.100%	\$3,598.50
Vanguard Short-Term Investment-Grade Fund Admiral Shares	\$1,788,442.15	3.8%	0.100%	\$1,788.44
Total	\$46,752,013.33	100.0%	0.157%	\$73,555.76

Estimated annual investment expenses are shown for public/liquid investments held in the portfolio. If any non-public/illiquid investments are held in the portfolio then they will be excluded due to the variability of fees inherent in that space. Estimated annual investment expenses are forward looking and can be subject to change. Advisory fees paid by the portfolio for all investments held are captured in the Cash flow and market value summary report.

Benchmark allocation history

Episcopal Foundation of Dallas

Policy benchmark allocations up to September 30, 2024



Policy Benchmark is a weighted set of indices that align to the Investment Management Agreement Schedule B which sets forth the strategic asset allocation for the client portfolio. The Policy Benchmark is rebalanced monthly. Allocations may change overtime as the investment strategy changes. The most recently policy benchmark composition is in the top row. Neither asset allocation nor diversification can guarantee a profit or prevent loss. Indexes are unmanaged; direct investment is not possible. **Please read additional information in Benchmark and Disclosure sections.**

For Institutional use only. Not for distribution to retail investors.

Benchmark performance summary

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

	Sep-24 (%)	3 mon (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)
● Domestic Equity						
CRSP U.S. Total Market Index	2.05	6.18	35.23	10.11	15.19	12.79
Russell 1000 Growth Index	2.83	3.19	42.19	12.02	19.74	16.52
Russell 1000 Value Index	1.39	9.43	27.76	9.03	10.69	9.23
S&P 500 Index	2.14	5.89	36.35	11.91	15.98	13.38
S&P MidCap 400 Index	1.16	6.94	26.79	7.47	11.78	10.32
S&P SmallCap 600 Index	0.85	10.13	25.86	3.99	10.21	10.05
● International Equity						
MSCI ACWI ex USA IMI Index Net	2.74	8.18	25.06	3.74	7.66	5.33
MSCI EAFE Index	0.92	7.26	24.77	5.69	8.33	5.77
Spliced Emerging Markets Index	7.89	10.59	27.28	2.32	7.04	4.47
● Global Equity						
Spliced Total World Stock Index	2.38	6.98	31.33	7.90	12.25	9.59
● Domestic Fixed Income						
Bloomberg U.S. 0-5 Year Treasury Inflation Protected Securities Index	1.01	2.48	7.53	2.55	3.60	2.42
Bloomberg U.S. 5-10 Year Corporate Bond Index	1.65	5.89	15.03	-0.33	1.71	3.26
Bloomberg U.S. Aggregate Float Adjusted Index	1.34	5.13	11.47	-1.38	0.36	1.87
Bloomberg U.S. Corporate High Yield Bond Index	1.62	5.28	15.74	3.10	4.72	5.04
Bloomberg U.S. Long Government/Credit Float Adjusted Index	2.32	7.96	17.24	-6.17	-1.97	2.33
Bloomberg U.S. Treasury Inflation Protected Securities Index	1.50	4.12	9.79	-0.57	2.62	2.54
Bloomberg U.S. Treasury Strips 20-30 Year Equal Par Bond Index	2.48	10.10	18.56	-13.63	-7.56	0.42
Spliced Bloomberg U.S. Long Treasury Index in USD	2.02	7.82	15.43	-8.36	-4.28	1.09

Source: Vanguard. **Past performance is no guarantee of future results.** Indexes are unmanaged; direct investment is not possible. Unless otherwise indicated, benchmark returns are shown do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains and interest. **Please read additional information in Benchmark and Disclosures sections.**

Benchmark performance summary (continued)

Episcopal Foundation of Dallas

For the periods ended September 30, 2024

	Sep-24 (%)	3 mon (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)
● International Fixed Income						
Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged	1.17	3.90	10.19	-0.60	-0.09	2.32
Bloomberg USD Emerging Markets Government RIC Capped Index	1.97	6.52	18.79	-0.29	1.02	3.14
● Global Fixed Income						
Bloomberg Global Aggregate Bond Index	1.16	4.24	10.63	-2.94	-0.76	0.61
Bloomberg Global Aggregate Bond Index Hedged in USD	1.16	4.24	10.63	-0.22	0.57	2.33
● Domestic Real Estate						
MSCI US REIT Index	2.66	16.12	34.38	4.98	5.47	7.77
Real Estate Spliced Index	3.30	17.23	34.38	2.63	4.90	7.44

Source: Vanguard. **Past performance is no guarantee of future results.** Indexes are unmanaged; direct investment is not possible. Unless otherwise indicated, benchmark returns are shown do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains and interest. **Please read additional information in Benchmark and Disclosures sections.**

Market Review

2

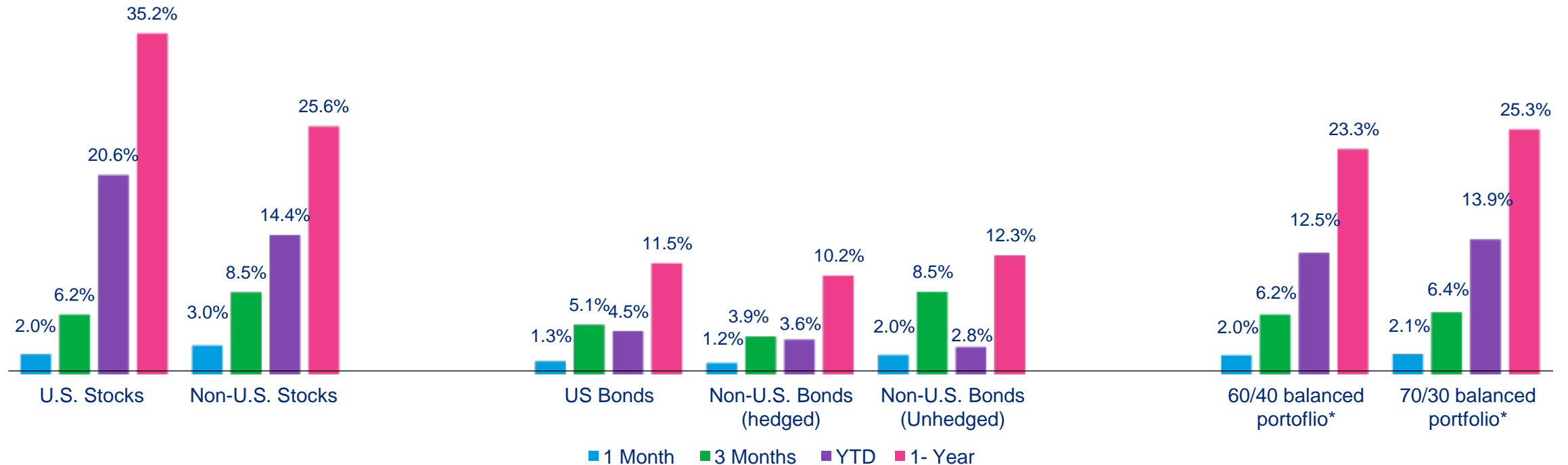
Global market returns - overview

Global market returns as of September 30, 2024 (%)

Equities

Fixed Income

Balanced



Source: Refinitiv, Bloomberg; as of 09/30/24

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Bloomberg, FTSE, MSCI, Russell, CRSP and Dow Jones.

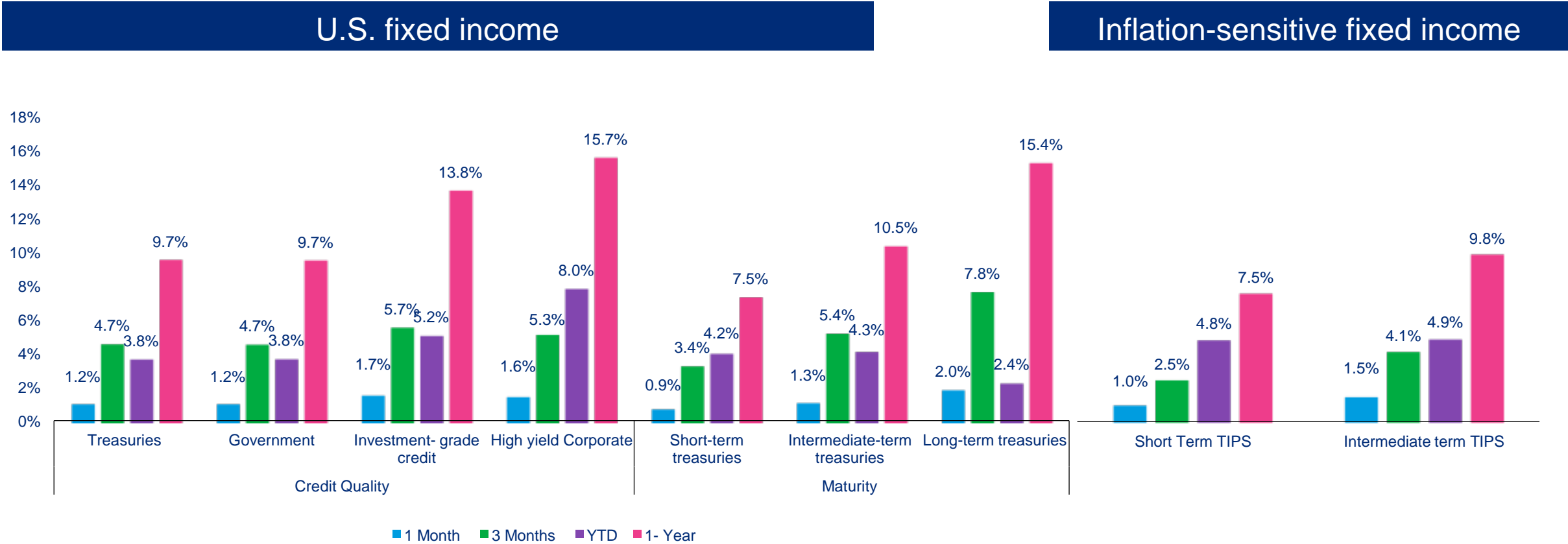
US Stocks (CRSP US Total Market Index), Non-US Stocks (FTSE Global All-Cap ex-US Index), US Bonds (Bloomberg US Aggregate Float Adjusted Index), Non-US Bonds hedged (Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged), Non-US Bonds unhedged (Bloomberg Global Aggregate Index ex-USD).

*60/40 balanced portfolio Static Composite (36% U.S. stocks, 24% international stocks, and 28% investment-grade U.S. bonds, 12% investment-grade international bonds).

*70/30 balanced portfolio Static Composite (42% U.S. stocks, 28% international stocks, and 21% investment-grade U.S. bonds, 9% investment-grade international bonds).

Global market returns – fixed income

Global market returns as of September 30, 2024 (%)



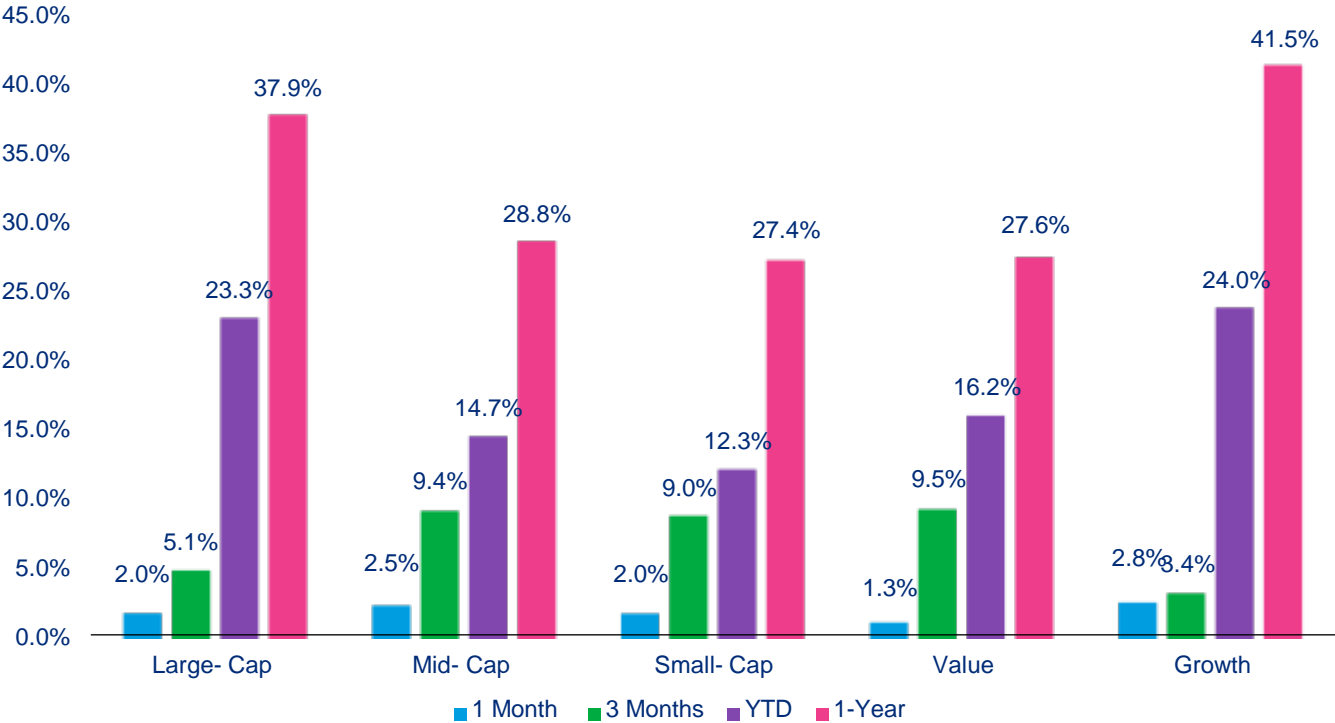
Source: Refinitiv, Bloomberg; as of 09/30/24

Treasuries (Bloomberg US Treasury Index), Government (Bloomberg US Government Index), Investment-grade credit (Bloomberg US Credit Index), High Yield Corporate (Bloomberg US High Yield Corporate index), Short Term treasuries (Bloomberg US 1-5yr Treasury Index), Intermediate term treasuries (Bloomberg US 5-10yr Treasury Index), Long term Treasuries (Bloomberg US Long Treasury Index), Short Term TIPS (Bloomberg US Treasury 0-5yr TIPS Index), Intermediate term TIPS (Bloomberg US TIPS Index)

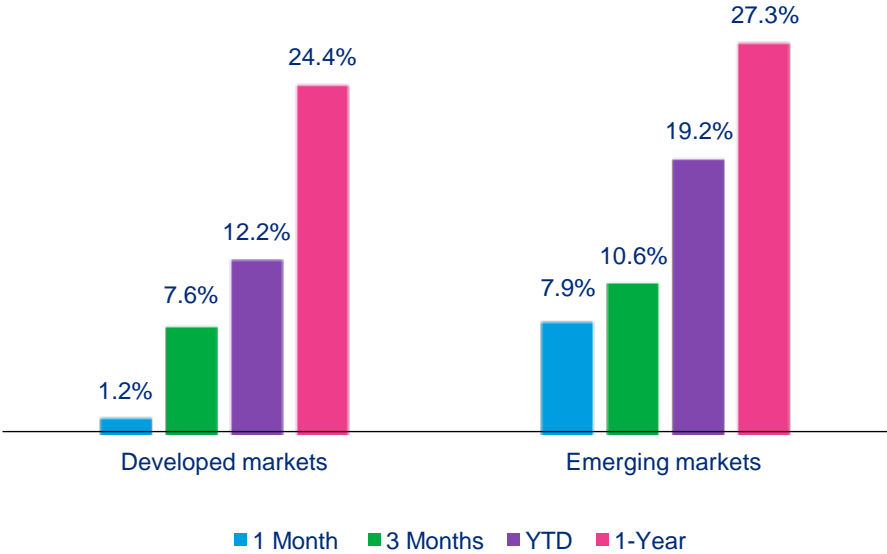
Global market returns - equities

Global market returns as of September 30, 2024 (%)

U.S. equities



Non-U.S. equities



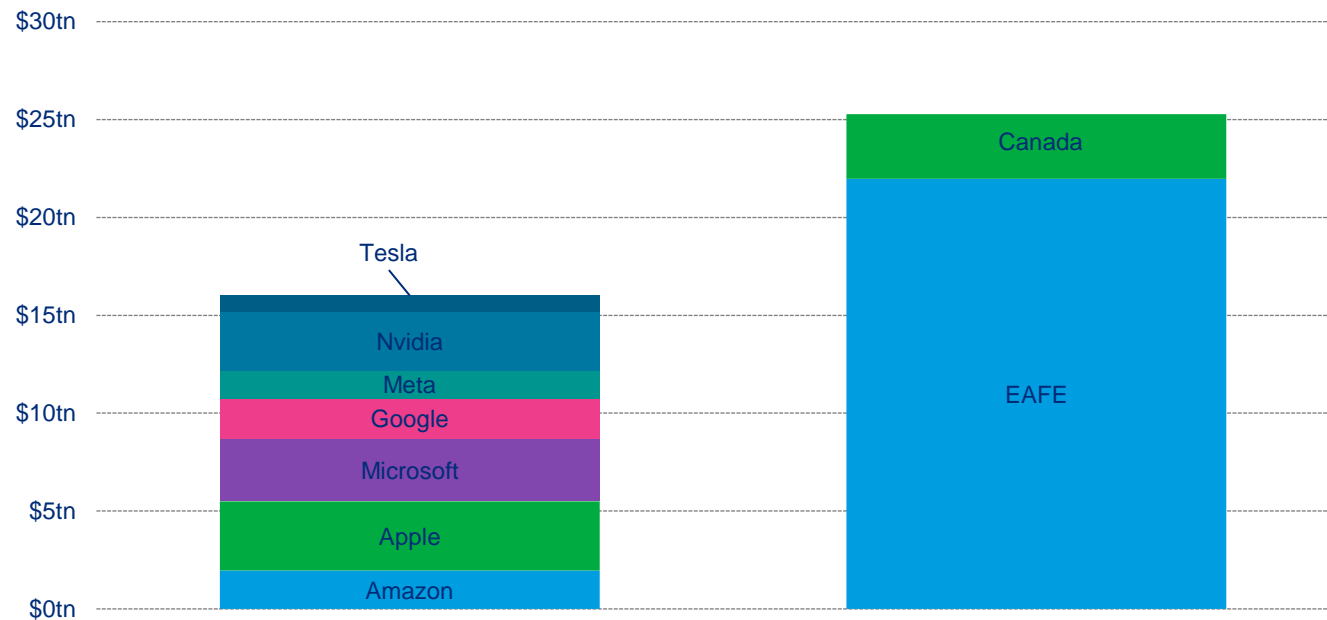
Source: Refinitiv, Bloomberg; as of 09/30/24

Large-Cap (CRSP US Mega Cap Index), Mid-Cap (CRSP US Mid Cap Index), Small-Cap (CRSP US Small Cap Index), Value (Russell 3000 Value Index), Growth (Russell 3000 Growth Index), Developed Markets (FTSE Developed All Cap ex US Index), Emerging Markets (FTSE Emerging Markets All Cap China A Inclusion Index)

Are the magnificent 7 overvalued?

- Seven stocks market cap is equivalent to over **a half** of the market cap of the EAFE index plus Canada.
- All stocks are in the tech sector with rapid developments in AI being one of the key return drivers, most notably for chipmaker NVidia that re-entered the top ten stocks in 2023 and continued to rally in 2024 Q3 after reporting strong results

Magnificent 7 Market Cap vs Developed ex US equity market cap

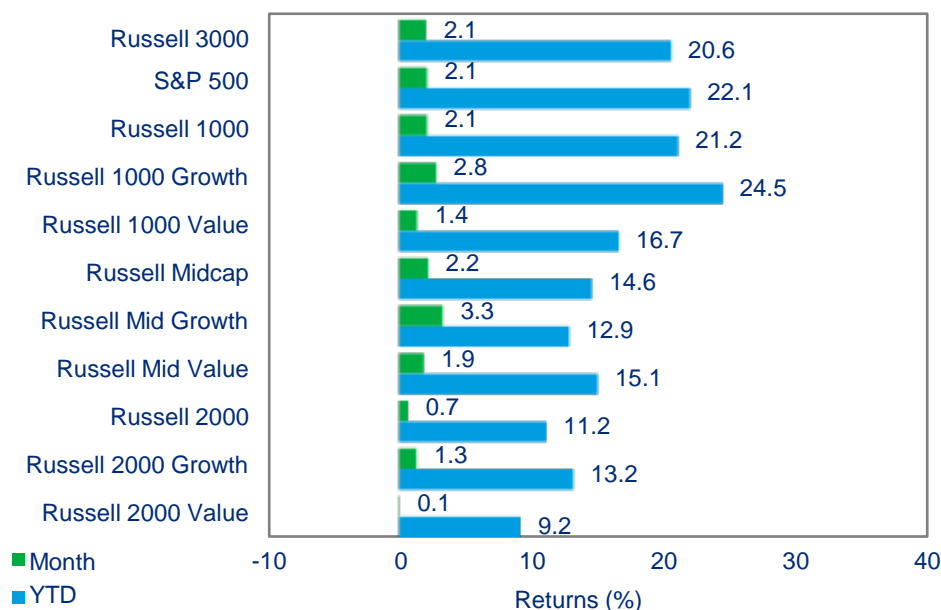


Source: Bloomberg. Data as at 30 September 2024. MSCI EAFE and MSCI Canada used.

Solid performance for US stocks; emerging markets rally

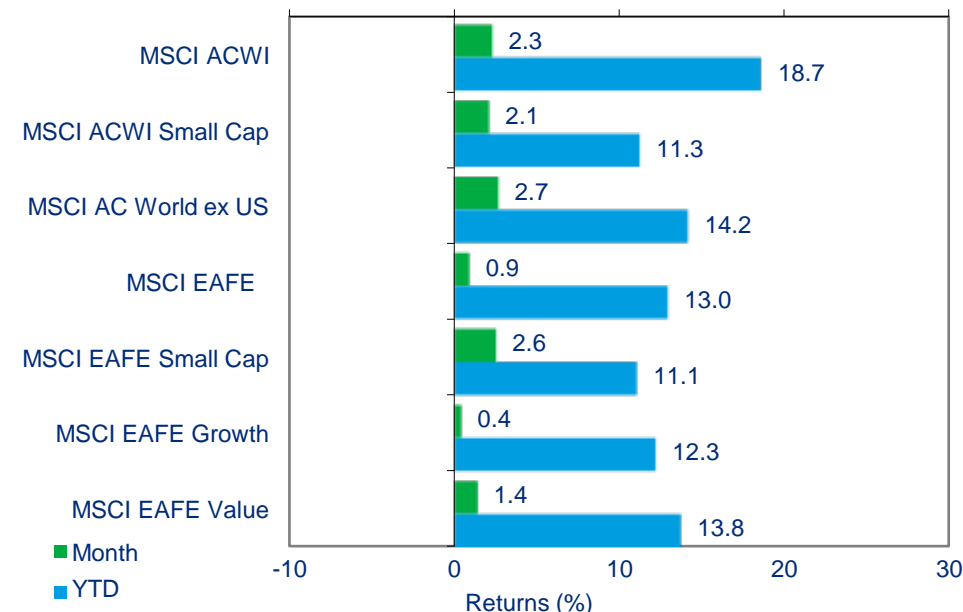
- Global equities returned 2.3% in September, with US equities outperforming international equities but underperforming emerging market equities. Global large cap stocks marginally outperformed small cap stocks.
- Growth equities outperformed value (as measured by the Russell 3000) while sector performance was broadly positive, except for energy, financial services and healthcare. Telecommunications, real estate and utilities were the best performing sectors.
- Emerging markets returned 5.6% in local currency terms (6.7% in USD) with the weaker dollar being a tailwind for unhedged investors. A rally in China and strong performance in Taiwan offset weakness in Korea and Brazil. China saw a large rebound following fiscal and monetary stimulus measures after a long period of lackluster performance, returning 24% over the month.
- Weak performance for developed markets outside the US was mainly due to poor performance some parts of Europe and Japan. International equities were slightly down in USD terms, underperforming US equities by a wide margin.
- The earnings season showed continued strength from US companies. For Q3 2024 YoY estimated earnings growth for the S&P 500 is 4.6% and would mark the 5th consecutive quarter of positive earnings growth¹.

US Equity Style and Capitalization Market Performance



Source: Refinitiv; as of 09/30/24.

International Equity Performance



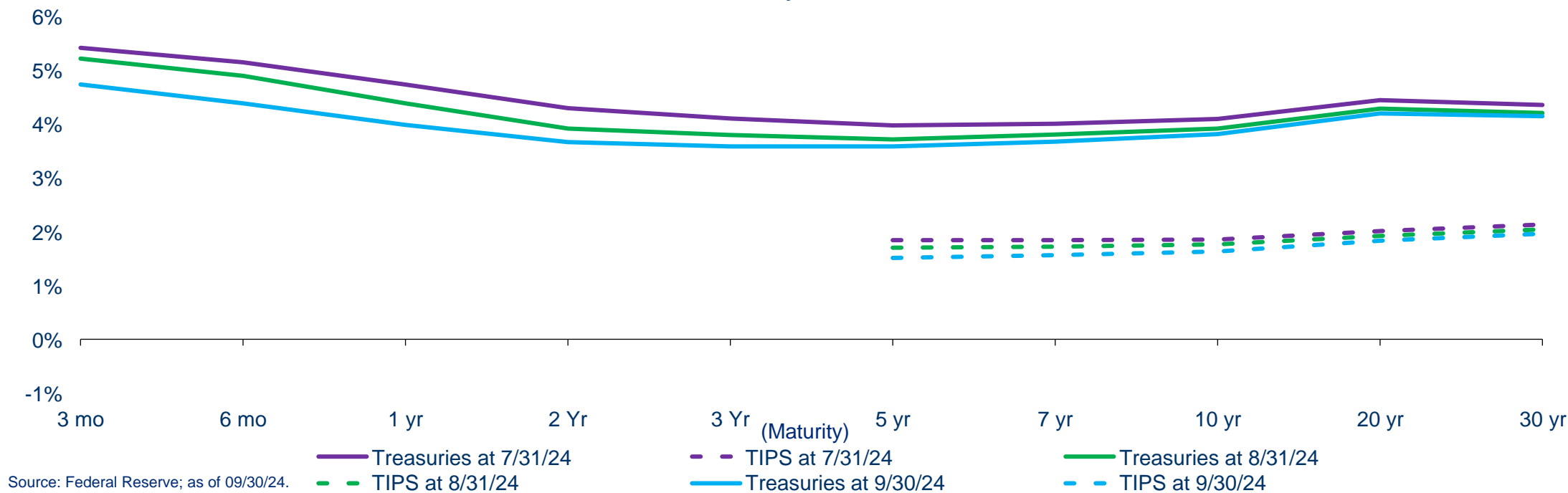
¹Source: FactSet.

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Falling yields lead to positive fixed income returns

- Fixed income, as measured by the Bloomberg US Aggregate Index, returned 1.3% in September as yields continued to fall across the curve.
- The US, Japanese, and German 10-year yields fell by 10, 4 and 17 bps, respectively. Australian and UK yields were pretty much flat 1. Markets priced in a looser monetary policy environment with the US joining other developed countries in a monetary easing cycle.
- Credit spreads declined slightly, more so for high yield and remain at historic tights. Investment grade and high yield both had similar positive performance .
- Both local currency and hard currency emerging market debt posted positive returns with local outperforming hard.

Treasury Yield Curve



Source: Federal Reserve; as of 09/30/24.

¹Source: Refinitiv and US Treasury. Data as of 09/30/24

Economic Outlook

3

Soft landing still the base case

Country	GDP			CPI		
	2023	2024	2025	2023	2024	2025
US	2.5	2.5	1.7	4.1	2.5	2.2
Canada	1.2	1.1	1.8	3.9	2.3	2.0
UK	0.1	1.0	1.2	7.3	2.0	2.5
Eurozone	0.4	0.7	1.3	5.4	2.0	2.0
China	5.2	4.8	4.4	0.2	0.6	1.0
India	8.2	6.9	6.7	5.4	4.8	4.3
Japan	1.7	0.0	1.2	3.3	2.3	2.1
Australia	2.0	1.2	2.1	5.6	3.0	3.0
New Zealand	0.6	0.3	1.9	5.7	2.5	2.2

Source: Consensus Economics, latest available data points to September 30, 2024.
Shaded figures are forecasts. These represent average YoY% Changes, not Dec to Dec

- Economic growth expectations for the medium term are expected to remain close to or slightly below trend in developed countries, in line with the soft-landing base case. Inflation is declining and normalizing and projected to settle at or slightly above target in most developed economies throughout 2024.
- Major developed market central banks except for Japan and Australia have started an easing cycle, with markets pricing even further easing in late 2024.
- US equity valuations have increased again over the quarter, as rate cut expectations created a benign environment for stock while decreasing yields supported bond prices.
- China is touching bottom with growth recovering and inflation returning to normal levels which was reflected in strong equity performance this quarter as investors reacted positively to more stimulus announcement. Fragilities in the property sector, unfavorable demographics and low animal spirits following years of lockdowns and government crackdown remain structural headwinds.

US inflation expectations anchored around long-term target, as inflation moves towards target...



- Long-term inflation expectations declined again over the quarter following three consecutive data releases showing that inflation has returned to its downward trajectory

Source: St Louis Fed, as of September 30, 2024

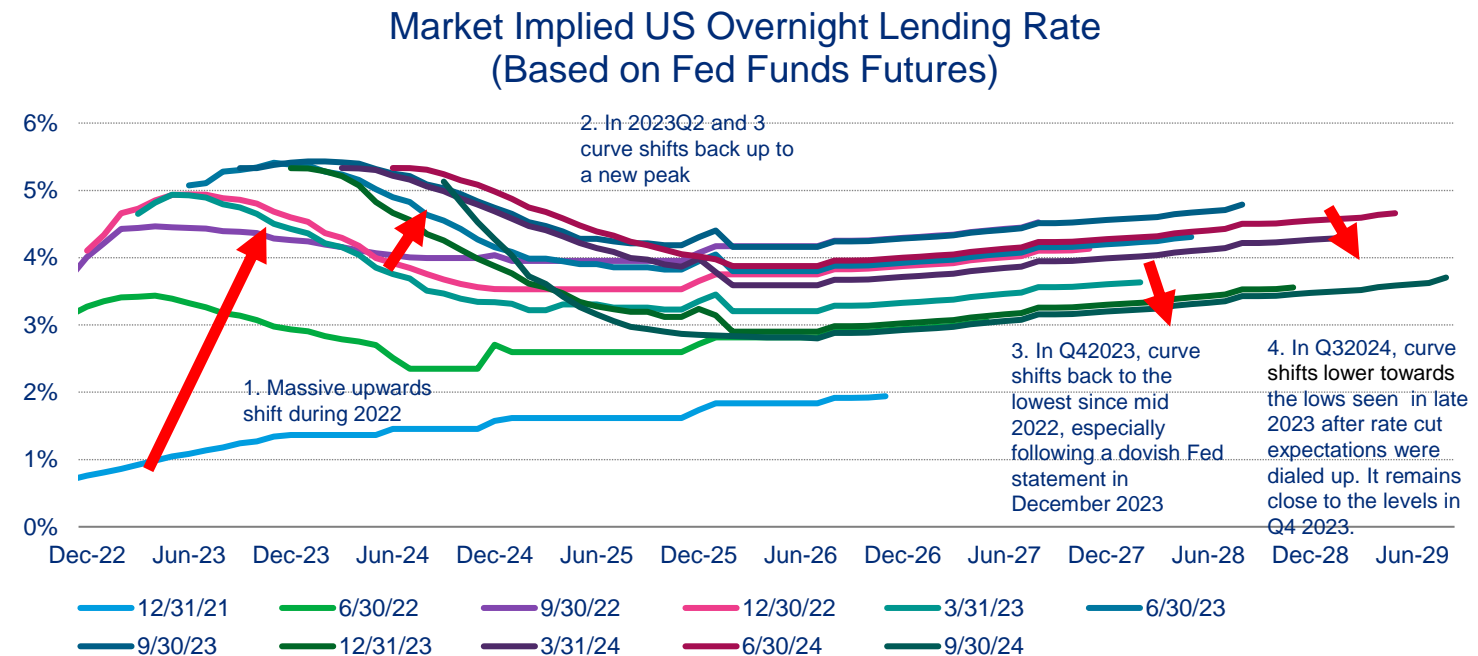
...and the Fed cautiously enters an easing cycle

- At the September meeting, the Federal Reserve ('Fed') reduced their base rate to 4.75%-5.0% and adjusted their rate projections to another 50-bps cut for 2024 and 100-bps of cut in 2025.
- As the last three months saw inflation declining, the Fed has more confidence that inflation remains on track to reach target levels in the medium term and shifted focus on pre-empting a slowdown in growth given that some data released over the quarter indicated that growth may be slowing more sharply than expected.

Variable	Median ¹				
	2024	2025	2026	2027	Longer run
Change in real GDP	2.0	2.0	2.0	2.0	1.8
June projection	2.1	2.0	2.0		1.8
Unemployment rate	4.4	4.4	4.3	4.2	4.2
June projection	4.0	4.2	4.1		4.2
PCE inflation	2.3	2.1	2.0	2.0	2.0
June projection	2.6	2.3	2.0		2.0
Core PCE inflation ⁴	2.6	2.2	2.0	2.0	
June projection	2.8	2.3	2.0		
Memo: Projected appropriate policy path					
Federal funds rate	4.4	3.4	2.9	2.9	2.9
June projection	5.1	4.1	3.1		2.8

Source: Federal Reserve, latest available data points as of September 18, 2024
[Summary of Economic Projections, September 18, 2024 \(federalreserve.gov\)](https://www.federalreserve.gov/monetarypolicy/fomccalendars.htm)
<https://www.federalreserve.gov/monetarypolicy/fomccalendars.htm>

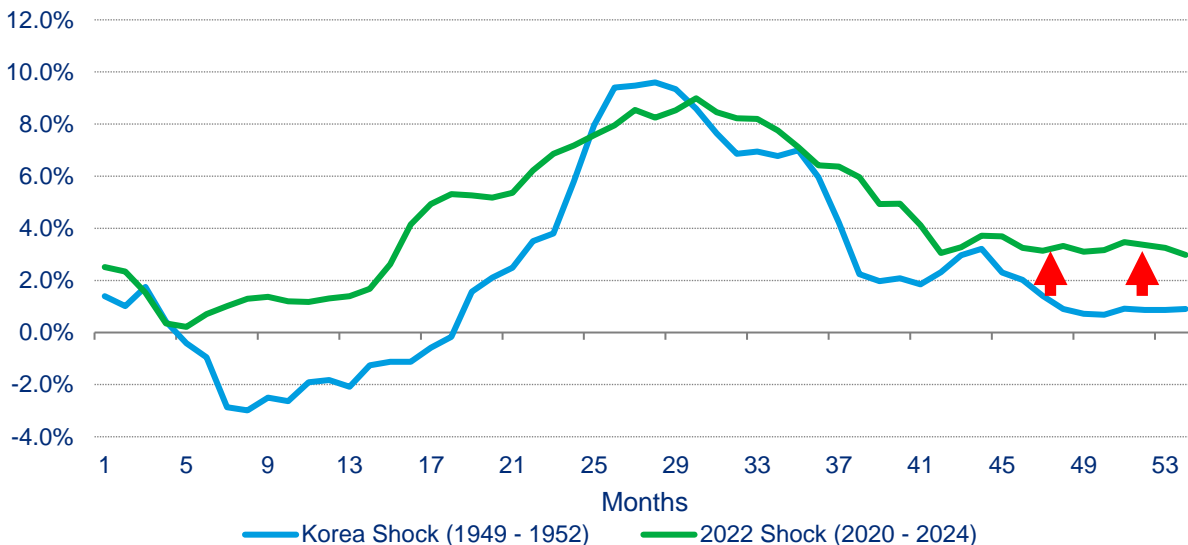
1. For each period, the median is the middle projection when the projections are arranged from lowest to highest. When the number of projections is even, the median is the average of the two middle projections.



Source: Bloomberg, as of September 30, 2024

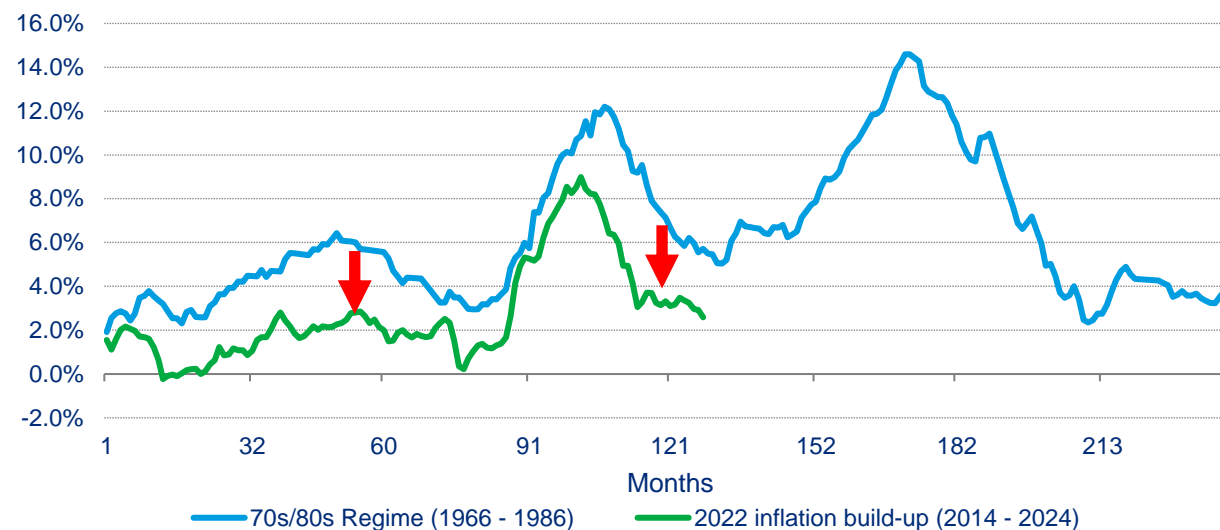
What could go wrong?

2022 inflation shock vs 1950s Korea shock



Source: St Louis Fed, latest available data points as of September 30, 2024

2022 inflation build-up vs 70s/80s Regime

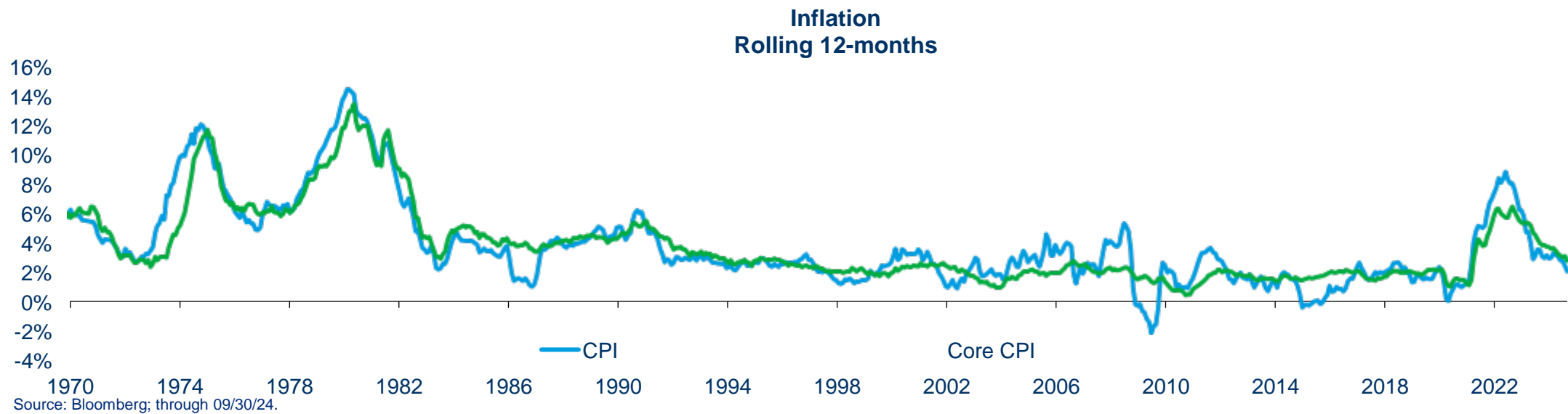
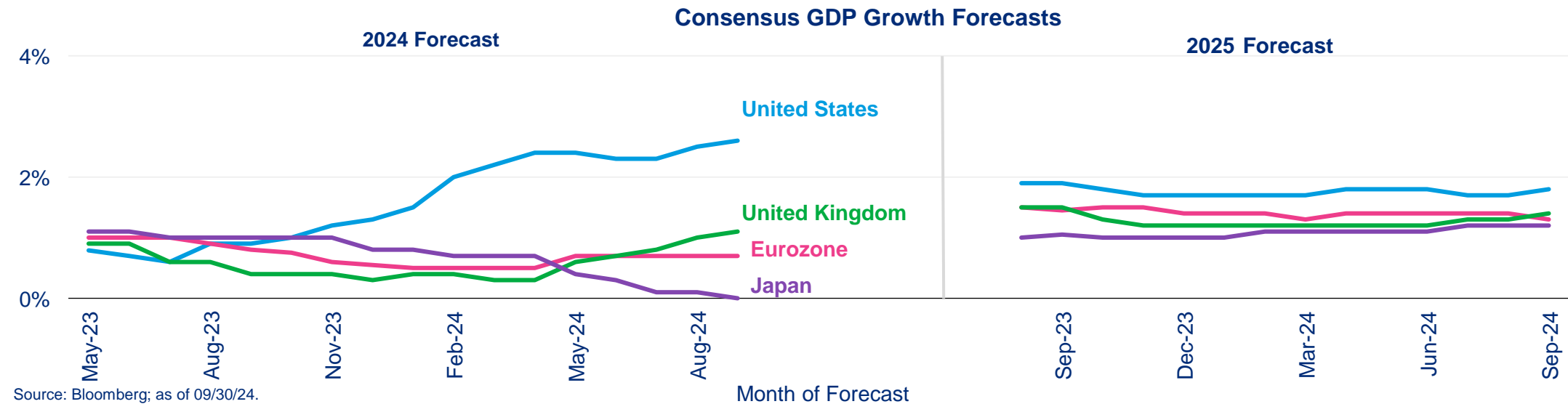


Source: St Louis Fed, latest available data points as of September 30, 2024

- **The Federal Reserve is becoming more relaxed but remains mindful of the risks of a premature pivot**

- For some time, we have followed a similar trajectory as the short-lived inflation shock at the beginning of the Korea War. Lately, we have diverged from this scenario as inflation has been resilient since it came down sharply during the first half of 2023.
- There is an uncanny resemblance to the 1970s inflation when it flatlined for a while before returning to an even higher peak. However, recent data show an encouraging downward divergence from this scenario. Having learned these lessons from history, the Federal Reserve is therefore extremely careful to not repeat the mistakes and pivot prematurely.
- Inflation could also peak again in case of a geopolitical event that leads to a commodities shock. Like back then, the geopolitical situation is tense currently.
- This highlights the importance of analyzing inflation through a scenario lens rather than using point estimates.

Economic growth and inflation



Asset Class Return Outlooks

Equities	10 yr. Return Projection	Volatility
US All Cap Equity	5.0%	18.4%
US Large Cap Equity	4.9%	18.0%
US Small Cap Equity	5.5%	22.2%
US Real Estate - REITS	4.8%	19.6%
AC World ex-US All Cap Equity Unhedged	6.6%	20.9%
Non-US Developed All Cap Equity Unhedged	6.3%	20.2%
Emerging Markets Equity Unhedged	7.1%	26.4%
Fixed Income	10 yr. Return Projection	Volatility
US Aggregate FI	5.1%	4.9%
US Government FI	4.8%	5.2%
US Credit FI	5.3%	6.6%
US High Yield FI	6.1%	11.1%
US Inflation Indexed FI	4.9%	5.2%
US Cash	3.6%	1.3%
Non-US Broad FI Hedged	5.0%	4.4%
Emerging Markets FI - Hard Currency	7.1%	11.1%
Inflation	2.2%	1.5%

Source: Mercer Capital Market Assumptions, as of 06/30/24. All expected returns are gross of fees, unless indicated otherwise. There are no guarantees Mercer assumptions are or will be accurate. Actual performance is likely to vary.

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Please see the following link for information on indexes: <https://www.mercer.com/assets/global/en/shared-assets/global/attachments/pdf-investment-management-index-definitions-mercero.pdf>

Appendix

4

Managing the total portfolio:

An integrated approach



Client Objectives

Managing the total portfolio starts with a clear understanding of investment objectives

Objectives should be consistent with investor-specific **perspectives on risk**, time horizons and constraints

Quantifying risk and return objectives using **the right metrics** provides a solid basis for portfolio construction and evaluation



Rewarded Risk

Of all investment decisions asset allocation has the biggest impact on outcomes

Taking a **total portfolio view** is fundamental to our asset allocation framework. Asset allocation targets exist to control risk and factor exposures, they are not a goal in themselves

Asset allocation is the key to aligning the total portfolio with investment objectives and constraints. Our **Reference Portfolios** illustrate how this can be achieved for investors with a range of different goals



Maximise Value

Managing capital involves a range of specialist skills

Strategic Asset Allocation, Manager Selection and Dynamic Asset Allocation require **specialist skills**

We believe specialisation improves outcomes and provides for **clear accountability**



Strong Governance

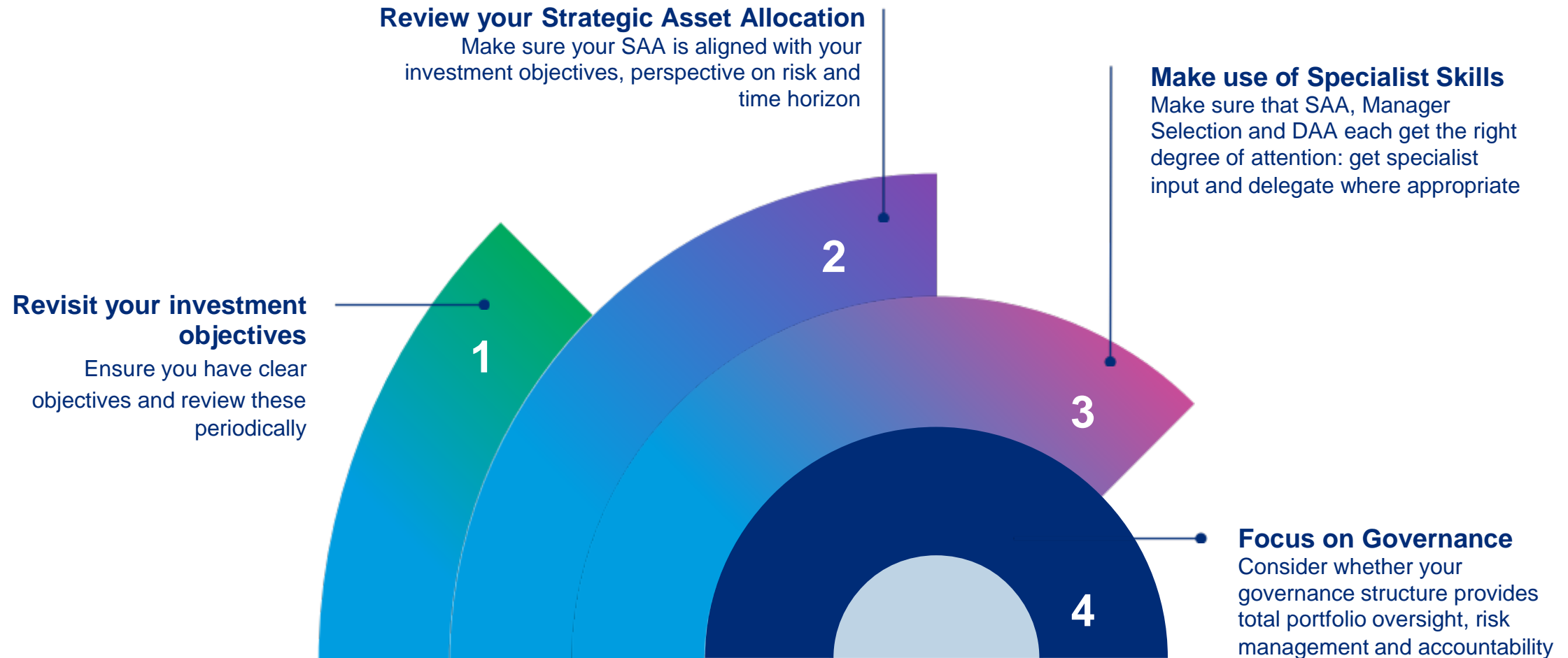
Capturing the benefits of specialisation requires a clear governance structure

Effective risk management at the total portfolio level is critical

Total portfolio investment management is a collaborative enterprise where specialists work together, with a shared culture, clear accountability and common goals

Call to action

What can you do



Mercer's Investment Philosophy



Client objectives

- Investment success hinges on clearly defined investment goals.
- An investor's true risk lies in not being able to meet their primary objective.
- Aligning governance processes is essential for driving investment performance.

Strong governance

- Robust and high-quality governance processes are fundamental to achieving successful investment outcomes.
- Strong governance becomes even more essential during periods of stress.
- Establishing clear accountability for results promotes disciplined decision-making and risk-taking.
- Effective stewardship plays a crucial role in improving investment outcomes.

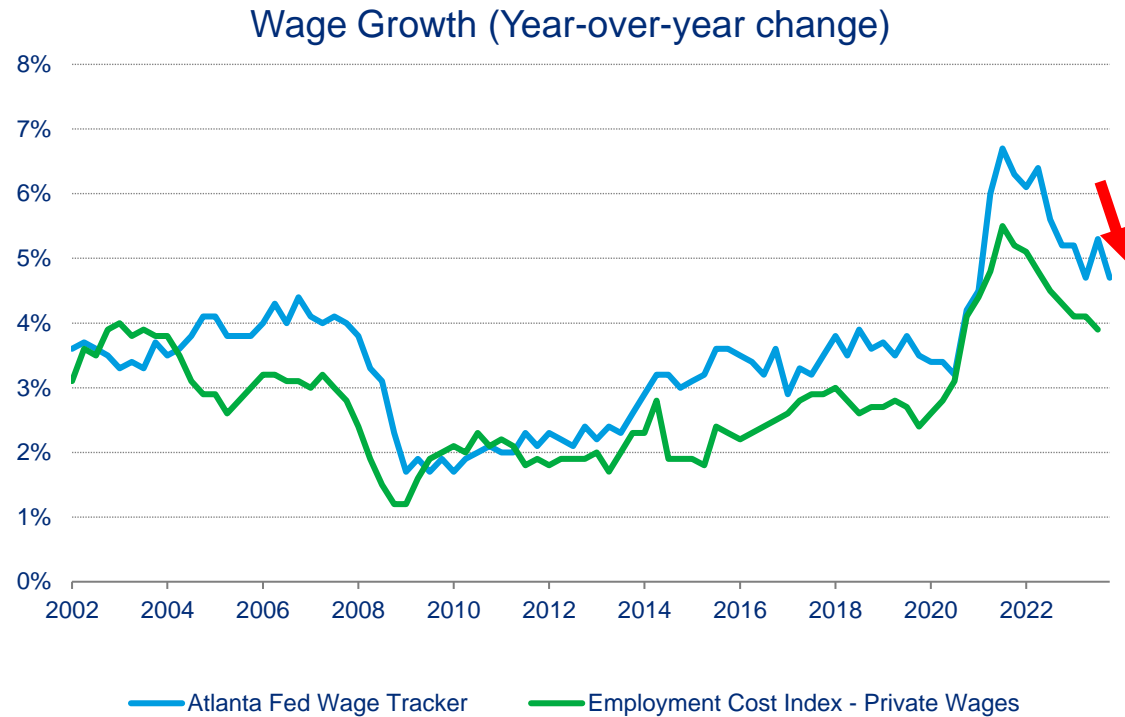
Rewarded risk

- Asset allocation is the most important factor influencing risk and return outcomes
- While risk and return are related, the relationship can vary over time.
- Understanding how risks interact is critical to making informed investment choices.
- Investors should focus on the risks that matter most to their specific circumstances.
- Integrating financially material sustainability transition and socio-economic risks into investment decision-making can potentially enhance portfolio resilience.

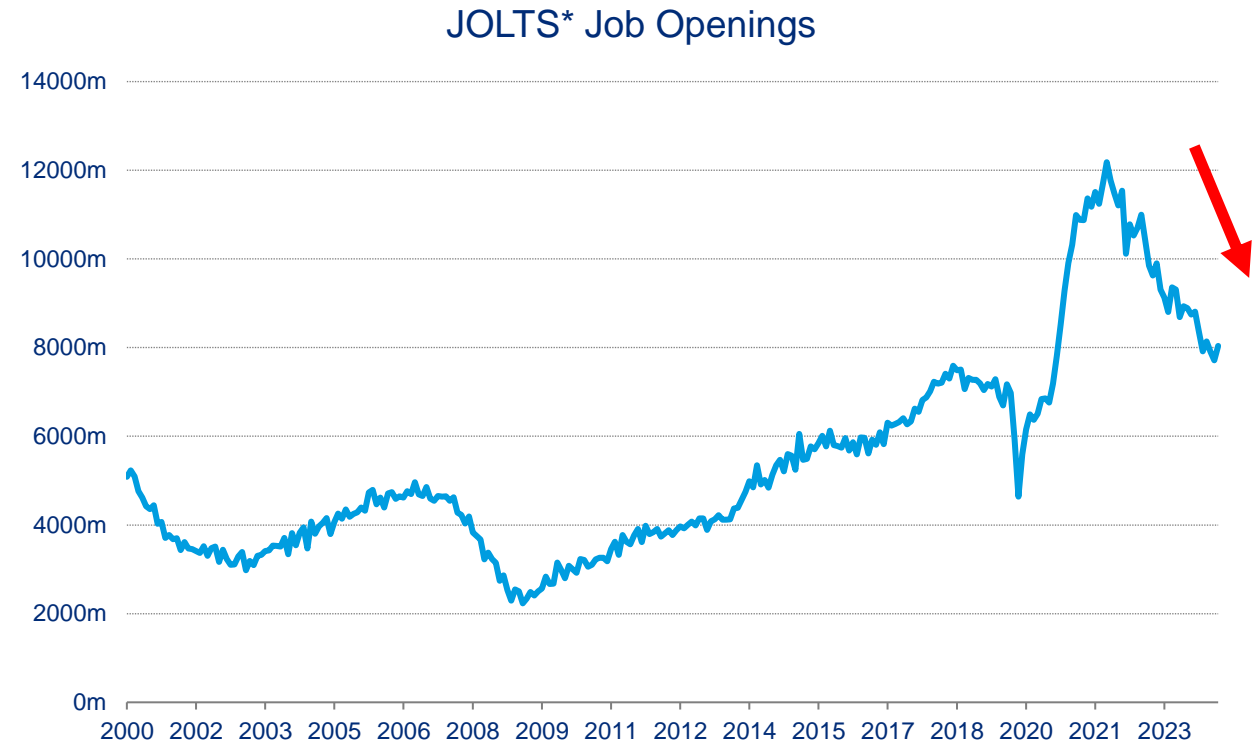
Maximize value

- Strategic asset allocation serves as the primary driver of value creation.
- Active management can be employed when the expected return benefits justify the associated risks and fees.
- For long-term investors, private markets can offer certain advantages over public markets.
- Dynamic asset allocation can add value to investment strategies.
- Investing to solve long-term systemic issues may provide opportunities to improve risk-adjusted returns.

The US labor market is cooling but from extraordinarily high levels



Source: Bloomberg, latest available data points as of September 30, 2024



Source: St Louis Fed, latest available data points as of September 30, 2024

- A growing number of companies have been laying off workers over the last two years. Job openings have fallen considerably over the year and are now at the lowest level since early 2021. Recent job data have been on the softer side which was one of the reasons for elevated market volatility during the quarter.
- Wage growth is starting to ease. This should help reduce inflationary pressure.
- In absolute terms both wage growth and job openings are still high, and unemployment remains at a record low.

Growth – Business Cycle Model

Where are we now? The US has overheated, others less so. China below capacity.

Supply Capacity

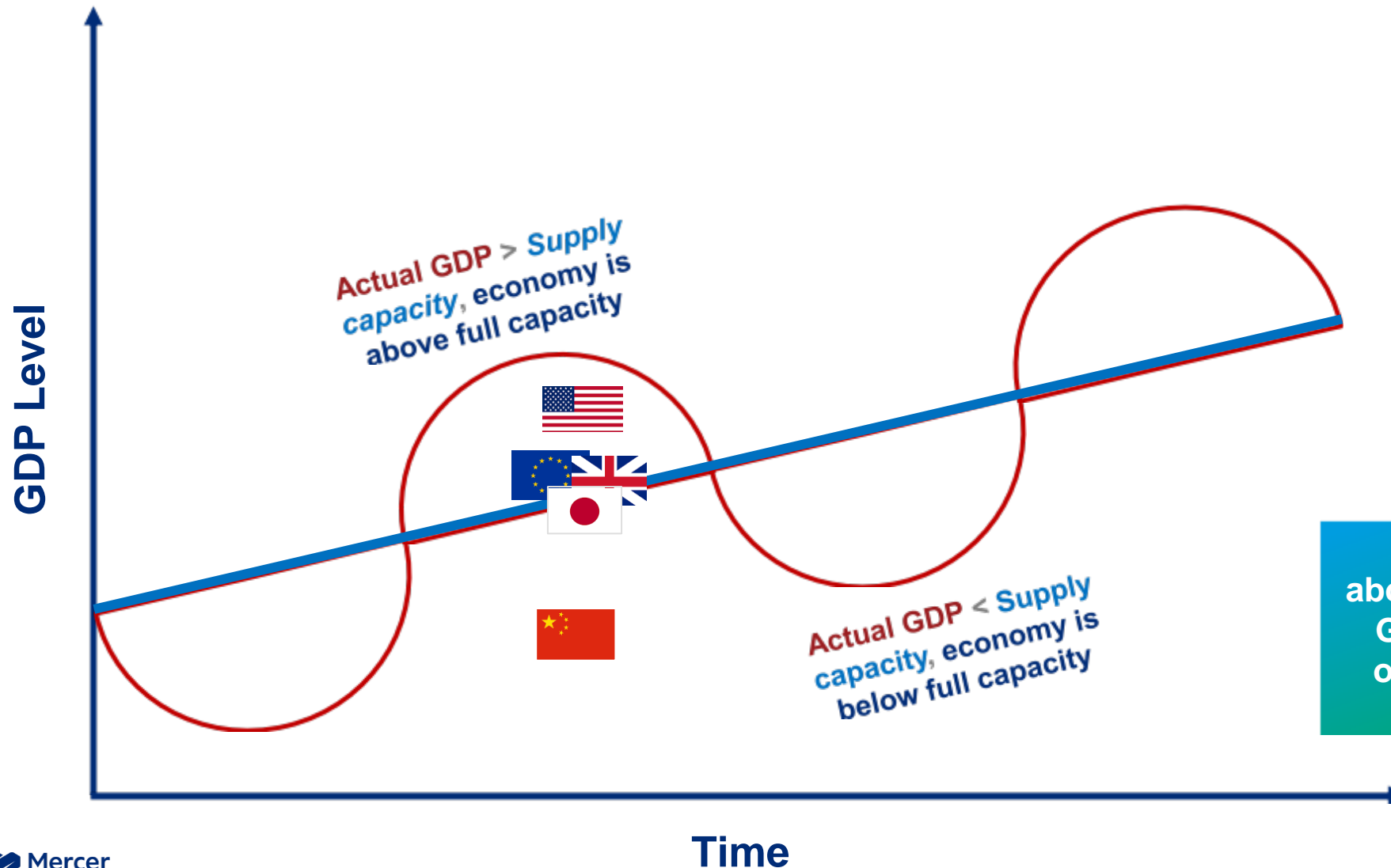
$$Y = A * L^a * K^\beta$$

Supply capacity for an economy is a function of its labour inputs, its capital inputs and the interaction between the two (productivity)

Actual GDP

$$Y = C + I + G + X - M$$

Actual GDP: is what is actually spent



Red line can't always be above/below the blue line. If actual GDP is above/below capacity it over/under heats and monetary policy tightens/loosens

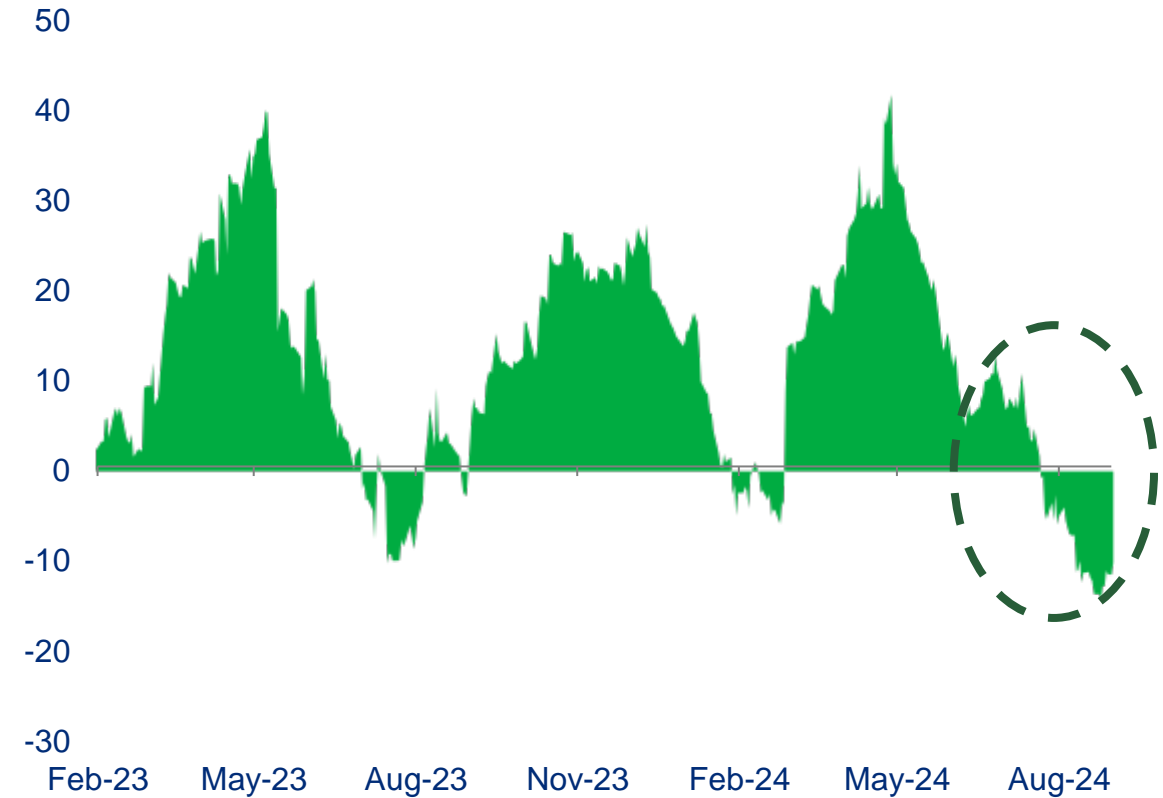
The US is finally slowing but not to recessionary levels. EM growth remains OK



Economic Data Surprise: US

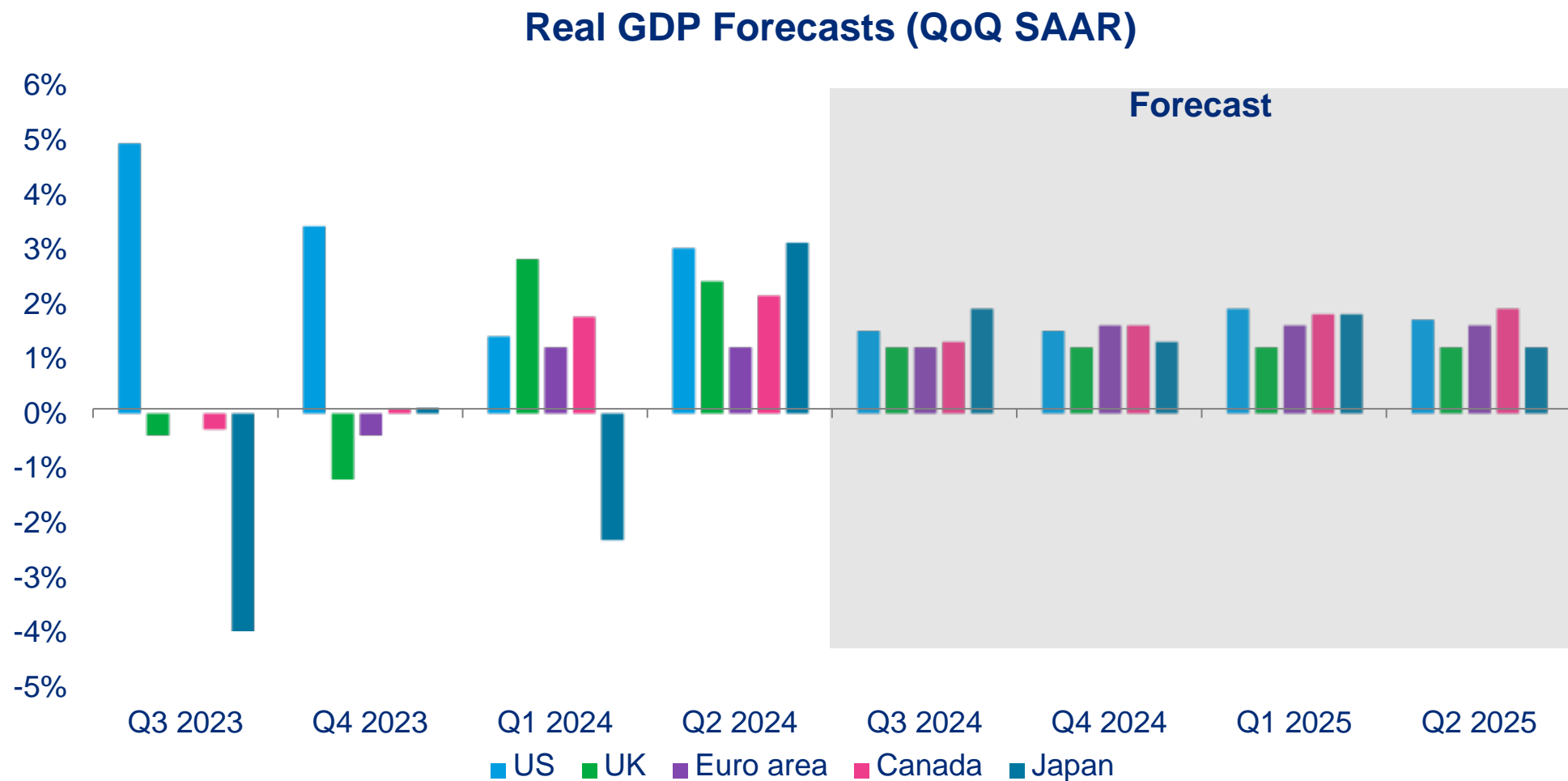


Economic Data Surprise: EM



Source: Bloomberg. Data as of September 2, 2024.

Growth to look a lot more normal going forwards



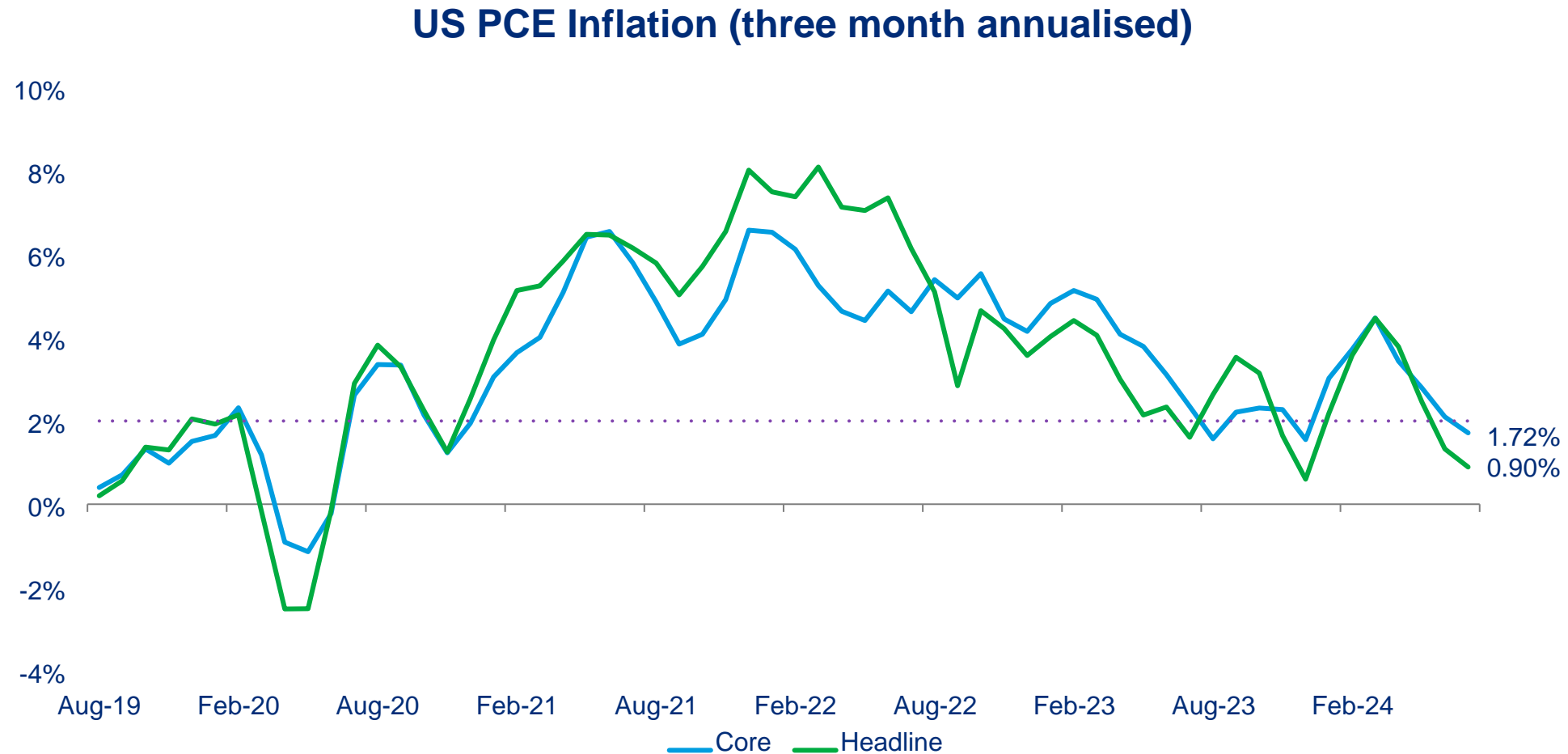
Source: Bloomberg. Consensus forecasts. Data as of September 2, 2024.

Robust income growth likely to support consumption despite excess savings having been depleted



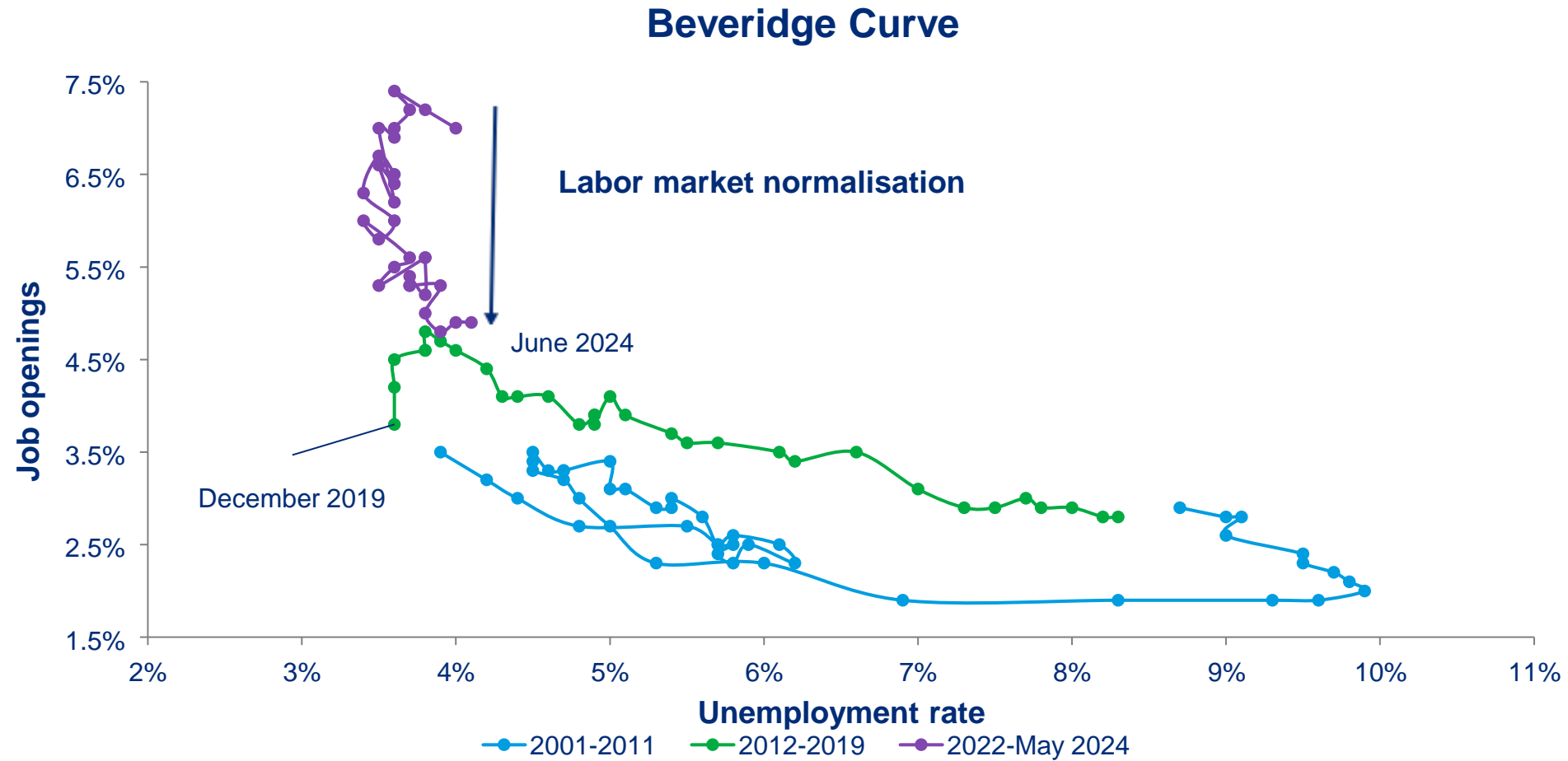
Source: Bloomberg. Data as of July 31, 2024. Real income growth ex current transfers.

US inflation has moved back to Fed's inflation target



Source: Bloomberg, Mercer. Data as of July 31, 2024, Mercer. Expected = median economist estimate.

Fundamentally, labor markets are normalising. Unemployment is gradually increasing



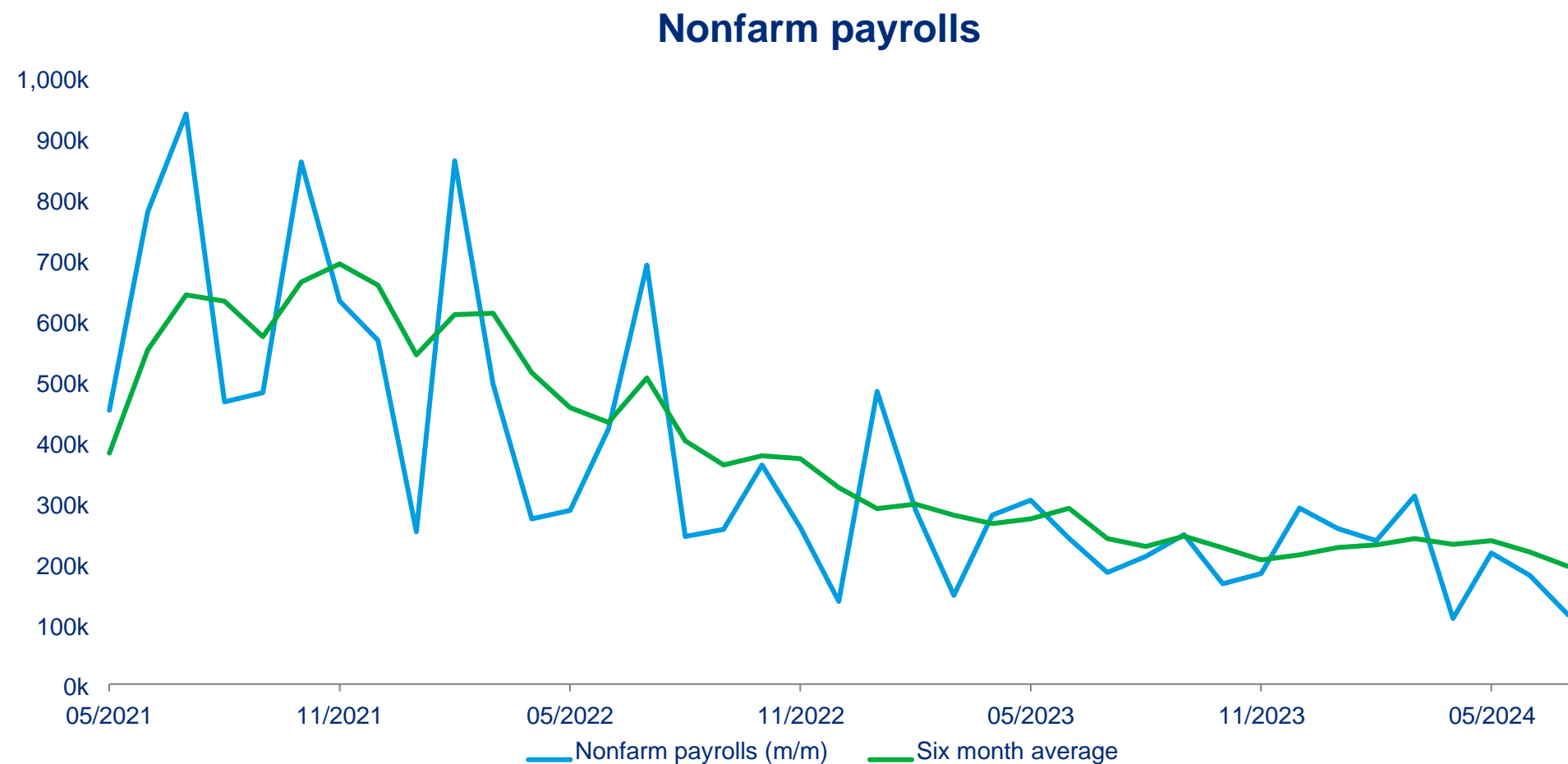
Source: Bloomberg, Mercer. Data as of June 30, 2024.

Slowing economic activity and loosening labour markets should lead to slower wage growth & inflation



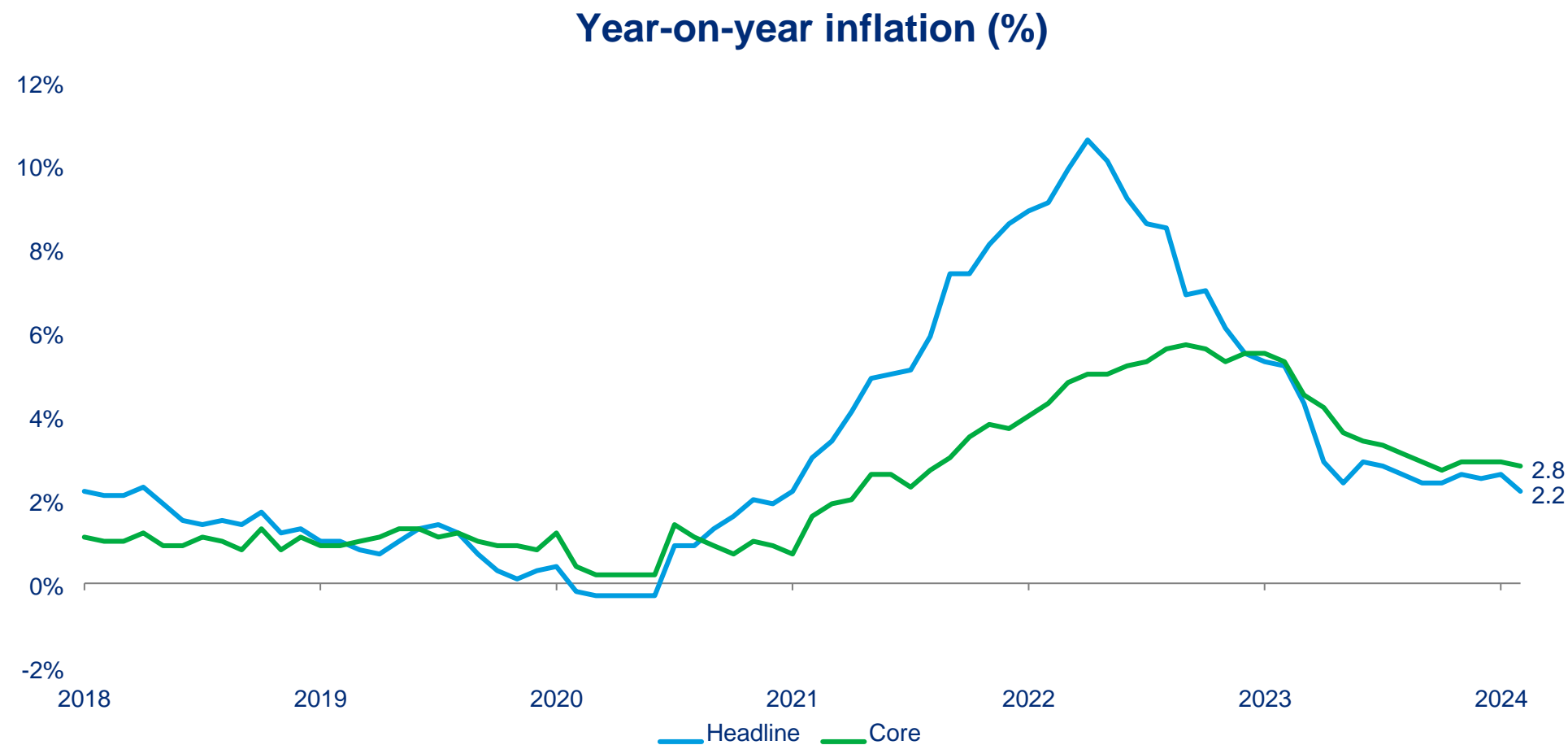
Source: Bloomberg, Morgan Stanley, Mercer. Data as of June 30, 2024. Dashed line indicates forecast.

However, a surprise soft nonfarm payrolls print in early August led markets to increase expectations of a recession



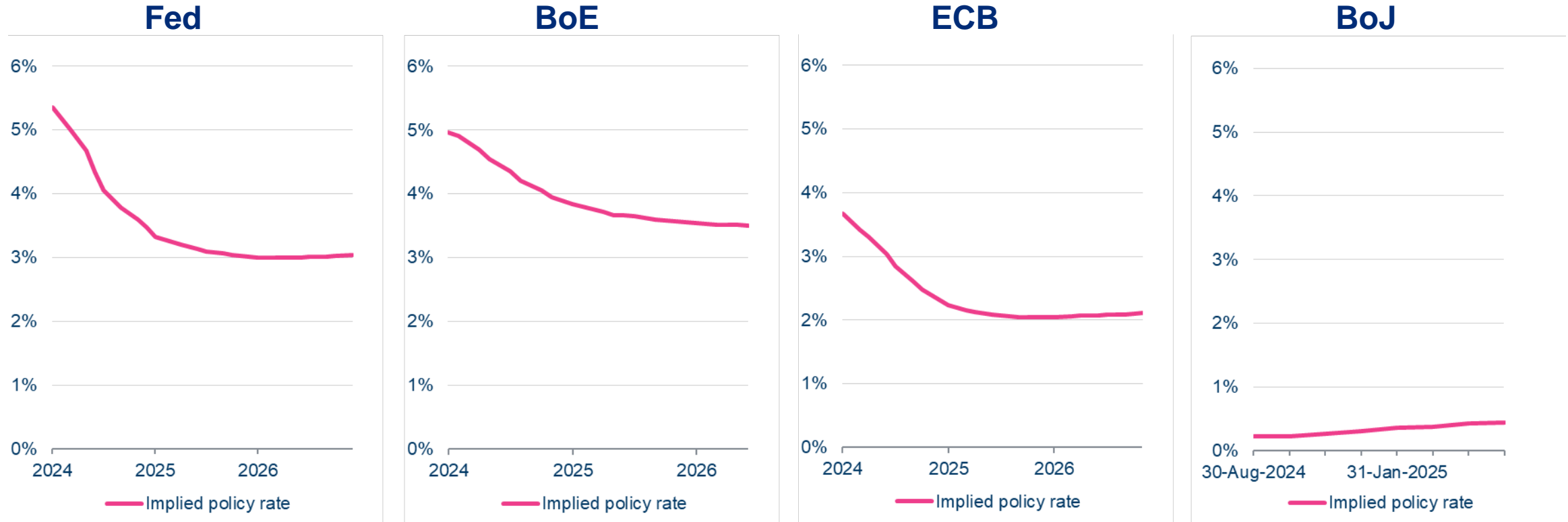
Source: Bloomberg. Data as of July 31, 2024.

Inflation is falling in eurozone



Source: Bloomberg. Data as of August 31, 2024

DM central banks are cutting rates (ex-Japan). Too much cuts expected of Fed, too little hikes expected of BoJ



	Fed	BoE	ECB	BoJ
2024	-101 bps	-41bps	-63 bps	+9 bps
2025	-121 bps	-88 bps	-97 bps	+5 bps
2026	-13 bps	-16bps	-0.2 bps	--

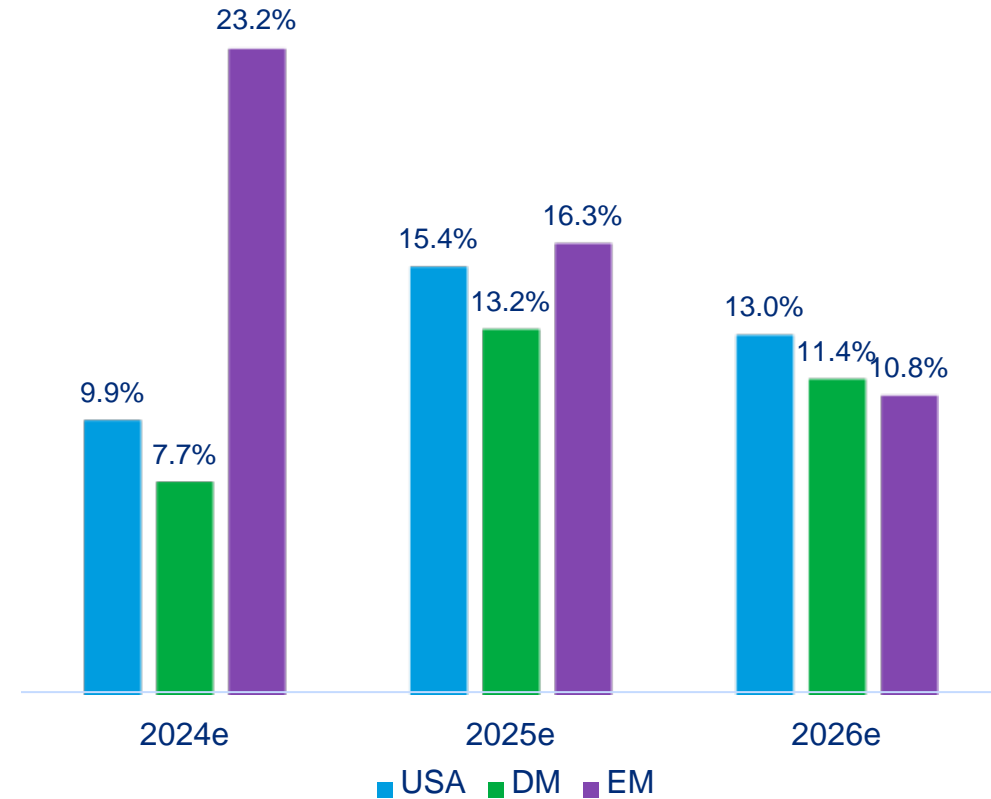
Source: Goldman Sachs, Barclays. Data as of September 2, 2024.

US equities remain richly valued. Earnings look good.

MSCI USA price-to-earnings (P/E) ratio

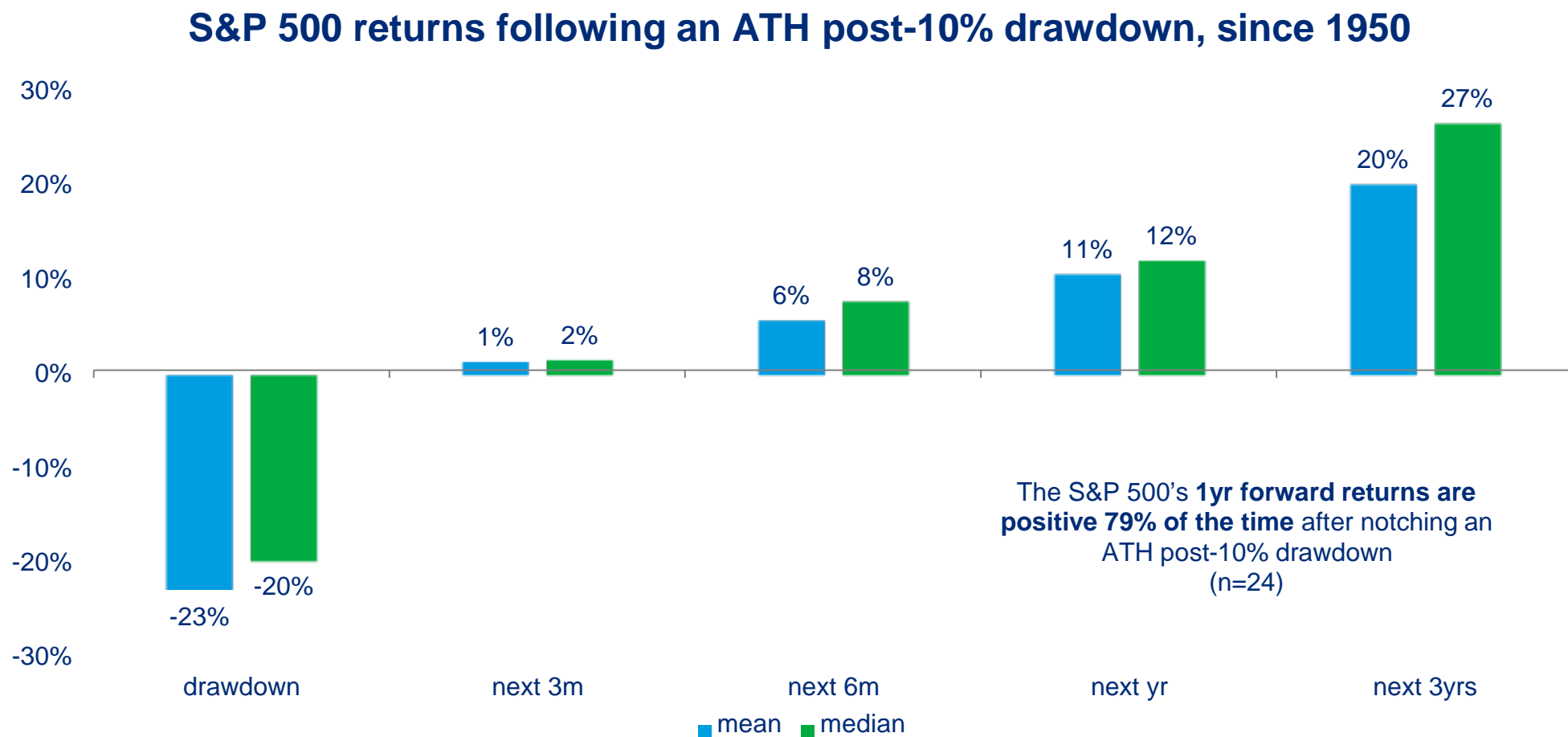


Consensus earnings expectations



Source: Bloomberg, IBES, Refinitiv, Mercer. Data as of August 31, 2024.

But US equity market momentum is good, especially after hitting all time highs



Source: Bloomberg, Raymond James. Data as of June 30, 2024.

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