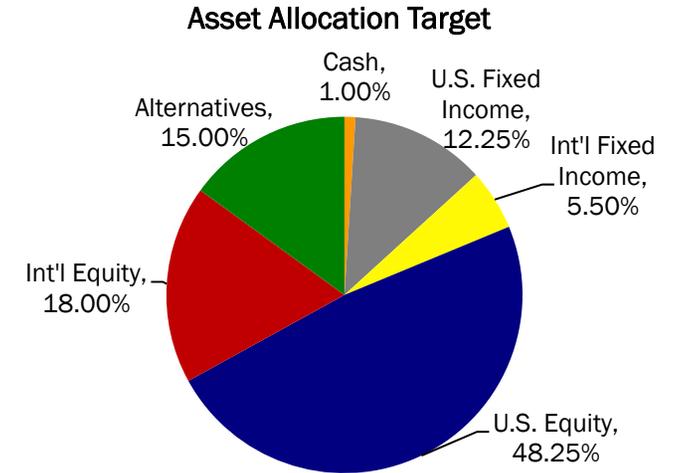




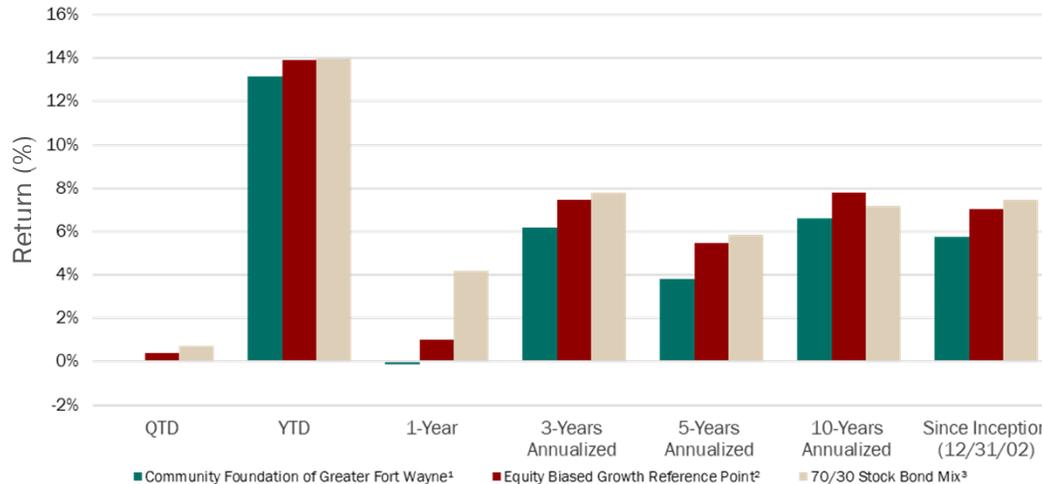
## Quarterly Investment Summary September 30, 2019

### Community Foundation of Greater Fort Wayne<sup>1</sup>

	QTD	YTD	1-Year	3-Years Annualized	5-Years Annualized	10-Years Annualized	Since Inception (12/31/02)
Community Foundation of Greater Fort Wayne <sup>1</sup>	0.01%	13.13%	-0.10%	6.17%	3.80%	6.59%	5.77%
Equity Biased Growth Reference Point <sup>2</sup>	0.38%	13.93%	1.01%	7.45%	5.46%	7.81%	7.03%
70/30 Stock Bond Mix <sup>3</sup>	0.71%	13.98%	4.19%	7.79%	5.84%	7.20%	7.48%



### Performance Comparison



### Current Asset Allocation Target Detail (%)

<b>Cash</b>	<b>1.00%</b>	US Small Cap Value	11.00%
		US Small Cap Growth	5.00%
<b>U.S. Fixed Income</b>	<b>12.25%</b>		
Short Term Bonds	4.00%	<b>Int'l Equity</b>	<b>18.00%</b>
Interm Term Bonds	4.25%	Int'l Large Cap Value	7.00%
Inflation Protected Bds	4.00%	Int'l Large Cap Growth	5.00%
		Int'l Small Cap	6.00%
<b>Int'l Fixed Income</b>	<b>5.50%</b>		
		<b>Alternatives</b>	<b>15.00%</b>
<b>U.S. Equity</b>	<b>48.25%</b>	Growth Real Estate	7.00%
US Large Cap Value	21.25%	Energy/Natural Res	8.00%
US Large Cap Growth	11.00%		

Our endowment portfolio is managed with a time horizon of perpetuity. A time horizon of perpetuity requires different asset allocation choices than most private investors have made for their personal situations. The goal of the endowment portfolio is to achieve an investment return that sustains charitable grants, foundation operations, and keeps pace with inflation over time. The goal is not to beat the "stock market". The portfolio is guided by a detailed formation Investment Policy Statement (located on our website).

<sup>1</sup> Mason Investment Advisory Services, Inc. (Mason) was hired by the Foundation in January 2017. All performance data prior to January 31, 2017 is represented by a previous investment advisor. The Foundation holds illiquid investments that are not included in the performance data.

<sup>2</sup> Equity Biased Growth Reference Point produced by Morningstar, invests in both stocks and bonds and maintains a relatively higher position in stocks. The funds typically have 70%-85% of assets in equities and the remainder in fixed income and cash.

<sup>3</sup> 70/30 Stock Bond Mix derived from 70% of the MSCI All Country World Index and 30% of the BBG Barclays US Aggregate Bond Index. Performance of both of the stock/bond mixes is presented gross of advisory fees.

\* Past performance is not an indication of future results.



### **3<sup>rd</sup> Quarter Market Commentary – Community Foundation of Greater Fort Wayne**

**Mark Flournoy, Associate Investment Consultant**

The third quarter of 2019 finished strong despite relative volatility in the equity markets. Of the asset classes the Community Foundation of Greater Fort Wayne is invested in, Domestic Real Estate saw the highest quarter-to-date returns of 7.40% bringing year to date performance to 28.14%. Energy was the worst performance asset class returning -5.78% for the quarter. The Energy sector was briefly jolted when attacks on Saudi oil reserve halted production in September. U.S. equities weathered trade tensions and regulatory headwinds throughout the quarter. International equities continue to lag U.S., while large cap continue to outpace small cap. A notable development was the relative correlation of Large Cap Value to Large Cap Growth amidst positive U.S. Equity returns. Large Cap Growth has consistently been a leader amongst equity classes for the past several years, but faltered slightly this quarter on a relative basis returning -2.31%. Large Cap Value rotated into favor returning 1.53% quarter to date, including 3.28% in the month of September alone. This is just one example of why Mason maintains a long-term diversified outlook in lieu of chasing short-term trends. The FOMC cut rates by 25 basis points twice in the third quarter, lowering yields across the treasury curve. All Fixed Income asset classes the Foundation is invested in had positive returns quarter-to-date. International equities struggled once again, as political uncertainty in the Eurozone and Hong Kong coupled with trade tensions in China drag on the global economy.

The Community Foundation of Greater Fort Wayne – Endowment Pool held \$88,993,558.75 as of September 30<sup>th</sup>. Year to date the portfolio has an unrealized gain of \$10,658,063, or 13.13%. During the third quarter U.S. Equities, particularly Large Cap Value, predominantly drove positive returns in the portfolio. Large Cap Value represents 21.15% of the total portfolio and contributed \$181,959 in the third quarter of unrealized gain. Contrasting returns for U.S./International, and Large/Small Cap equities resulted in relatively flat performance at the total portfolio level. Despite certain asset classes detracting from performance in the near-term, a well-diversified portfolio will ultimately experience short-term volatility across low-correlated asset classes. This broad diversification can ultimately lead to significant downside-protection for the portfolio in the event of a major market correction in one or several asset classes.