



## ELCA Endowment Fund Pooled Trust - Fund A

### Fund Overview

#### Description

The ELCA Endowment Fund Pooled Trust (Fund A, or the Fund), was established to allow for the collective long-term investment of funds belonging to the Evangelical Lutheran Church in America (ELCA), its congregations, synods, seminaries and other eligible affiliated entities. To the extent practicable, the Fund pursues investment objectives in line with the Economic Social Criteria Investment Screens approved by the ELCA Church Council. Incorporated into the Fund's accounting are unitization and quarterly endowment distributions. The ELCA Foundation administers the Fund and the investment advisor is Portico Benefit Services.

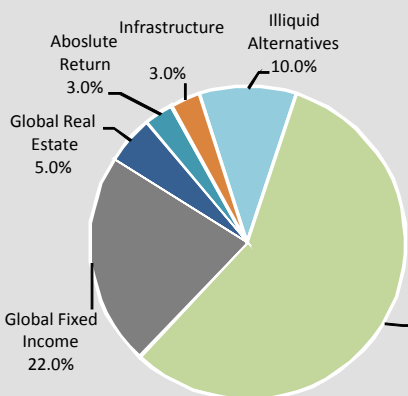
**Only ELCA-related institutions can be eligible to participate in this investment fund that is exempt from most security registration requirements in accordance with the Philanthropy Protection Act of 1995.**

#### About Performance

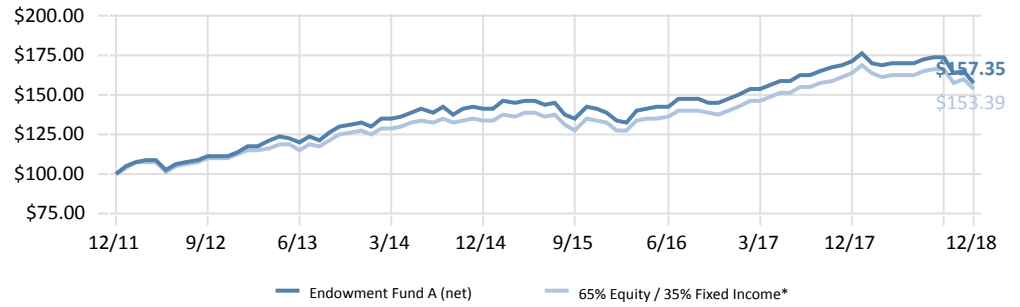
The investment results depicted herein represent historical net performance after the deduction of investment manager and custodian fees and expenses including the administrative fee of 60 basis points (0.60%). Prior to July 2017, the total fee was 100 basis points (1.00%). Annual, cumulative and annualized total returns are calculated assuming reinvestment of dividends and income plus capital appreciation. Performance for periods greater than one year is annualized. Underlying returns have been provided by Portico Benefit Services, Grosvenor, JP Morgan, and Hamilton Lane. **Past performance is not a guarantee of future results.**

\*Since Inception: July 1, 1999.

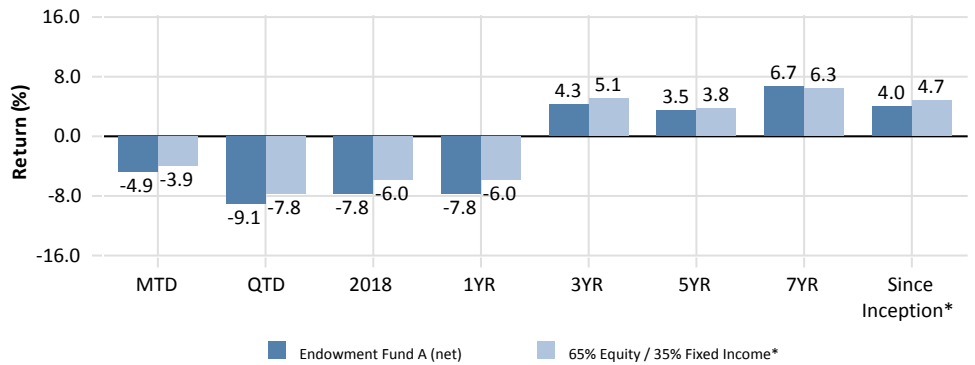
### Target Allocation



### Growth of \$100 (7 Years Performance Analysis)

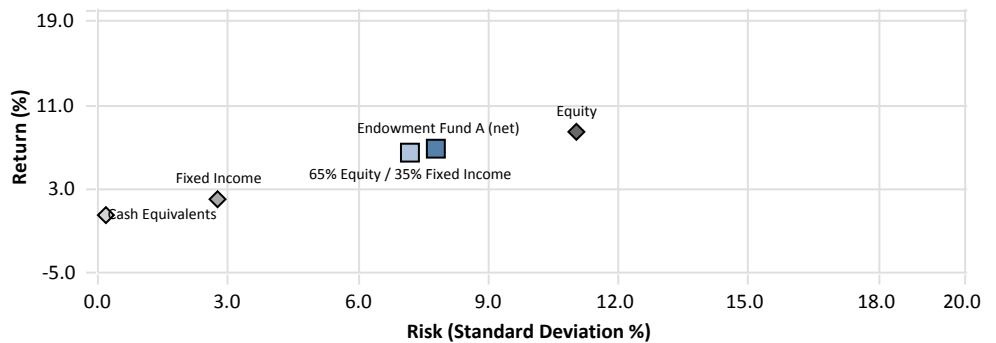


### Multi-Period Performance Analysis



	MTD	QTD	YTD	1YR	3YR	5YR	7YR	Since Inception*
<b>Endowment Fund A (net)</b>	<b>-4.91</b>	<b>-9.12</b>	<b>-7.83</b>	<b>-7.83</b>	<b>4.26</b>	<b>3.50</b>	<b>6.69</b>	<b>4.02</b>
65% Equity / 35% Fixed Income*	-3.94	-7.82	-6.00	-6.00	5.14	3.80	6.30	4.67

### 7 Years Risk / Return Performance Analysis



	Return	Standard Deviation	Sharpe Ratio	Maximum Drawdown	Alpha	Beta
<b>Endowment Fund A (net)</b>	<b>6.69</b>	<b>7.87</b>	<b>0.80</b>	<b>-10.96</b>	<b>-0.04</b>	<b>1.07</b>
65% Equity / 35% Fixed Income*	6.30	7.26	0.81	-8.97	0.00	1.00

**Benchmark:** Equity - 65% MSCI All Country World Index; Fixed Income - 35% Bloomberg Barclays U.S. Aggregate Bond Index

**Information Disclosures:** This report is intended to provide current Fund performance information for the ELCA Endowment Fund Pooled Trust (the Fund). Investor participants own units of the Fund, receive quarterly account statements, and have online access to monthly performance reporting. The minimum initial investment is \$25,000, and the minimum for deposits thereafter is \$2,000. There are no charges for withdrawals, or opening or closing an account.

**THIS IS NEITHER AN OFFER TO SELL NOR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES DESCRIBED HEREIN. AN OFFERING IS MADE ONLY BY THE CONFIDENTIAL DISCLOSURE STATEMENT,** which contains details about risks, underlying investments and administration. The Confidential Disclosure Statement is available to representatives of eligible organizations by calling the ELCA Foundation at 800-638-3522.

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## Capital Markets Commentary (as of December 31, 2018)

### Capital Markets Overview

To close out 2018, the S&P 500 recorded its worst quarter since 2011, and in December, its worst month since February 2009. From its peak close of 2930 on September 20, the index fell as much as 19.8%, nearly ending the historic bull market that began in 2009. International markets fared slightly better than the US, but overall it was a dismal quarter for the markets.

### Domestic Equity Markets

US Equities fell significantly in the fourth quarter as the S&P 500 dropped -13.5% with all but one of the 11 sectors finishing in the red. Utilities was the lone exception gaining 1.4% as defensive leadership prevailed. Real estate and Consumer Staples also fared better relative to other sectors dropping -3.8% and -5.2%, respectively. Energy was hit hardest falling -23.8%.

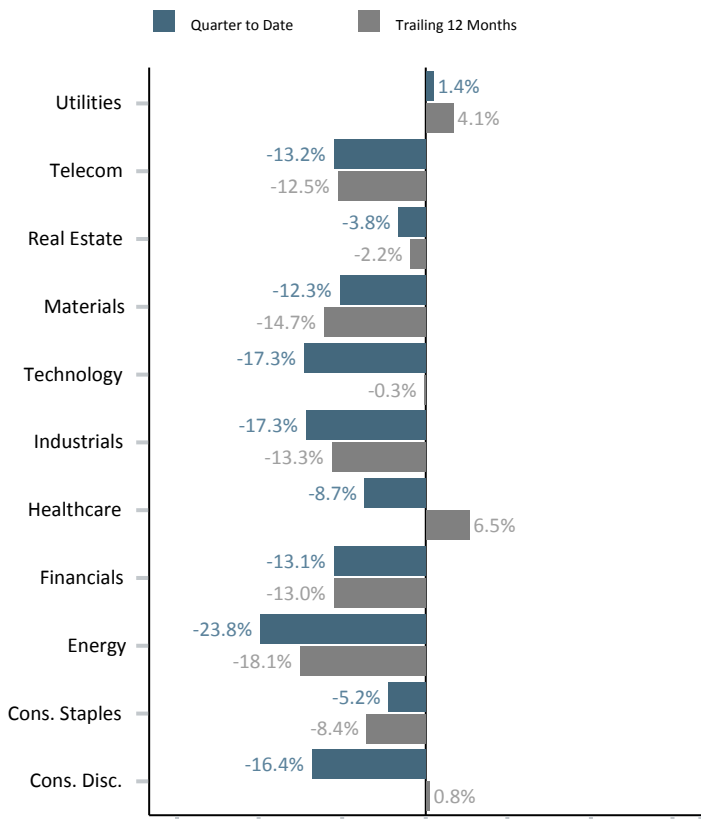
### International Equity Markets

International equities outperformed the US slightly in the fourth quarter as divergences in the US and the globe faded in the face of poor domestic performance. However, international markets remain under pressure as investors weigh weakening economic data in China, Europe and Japan. The MSCI EAFE index fell -12.5% for US-currency investors. The MSCI Europe index fell -12.7% and the MSCI Japan dropped -14.2%.

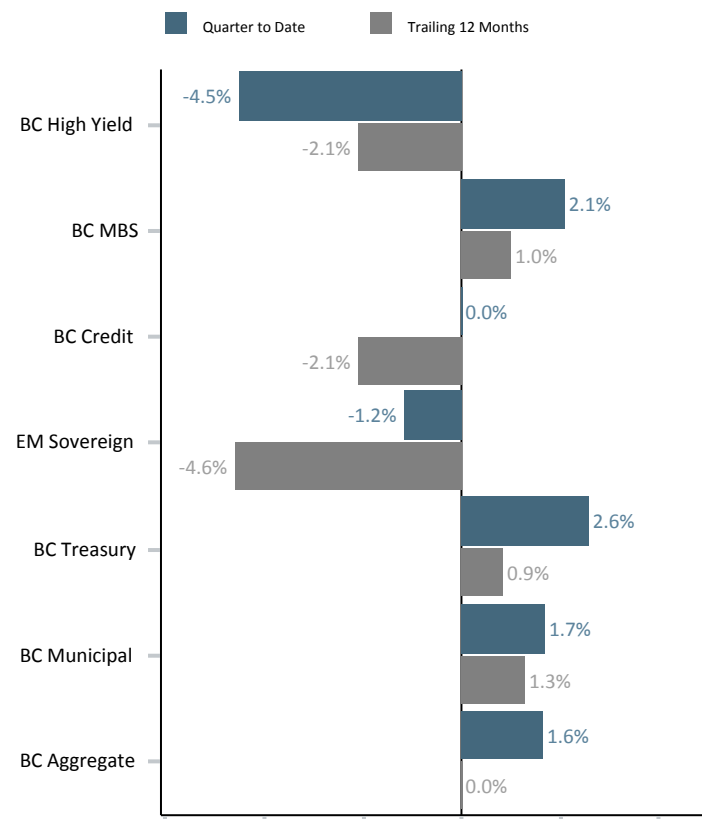
### Fixed Income Markets

The bond markets posted mild gains in the fourth quarter during the equity market rout. The Bloomberg Barclays US Aggregate Bond index rose +1.6%. Interest rates fell during the quarter as the yield on the 10-year US Treasury note dropped to a quarter-end 2.7% from 3.1% at the end of September. This sharp move downward in yields followed a brief cycle in October and November that saw the yield touch 3.2%, the highest level since 2011. Riskier parts of the bond market were hit hard, as the Bloomberg Barclays High Yield index fell -4.5%.

### S&P 500 Sector Performance



### Bond Market Performance



Sources: FactSet, Morgan Stanley Wealth Management GIC.

The underlying data has been obtained from sources believed to be reliable but no guarantee is made to their accuracy and any such information may be incomplete or condensed. Past performance is no guarantee of future results. This evaluation is for informational purposes only. Also note, investors cannot invest directly in an index.