**Target Allocation**

- Infrastructure: 5.0%
- Hedge Funds: 5.0%
- Global Real Estate: 4.0%
- Global Fixed Income: 18.0%
- Private Markets: 10.0%
- Cash Equivalents: 4.0%
- Equities: 54.0%

**Approved by the ELCA Foundation Board of Trustees on September 20th, 2019.**

**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.

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 were provided by the Fund’s respective managers. Past performance is not a guarantee of future results.

*Since Inception: July 1, 1999.

**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 June 30, 2020)

Capital Markets Overview
After the S&P 500’s decline in 1Q20 marked the index’s worst quarter since the Financial Crisis, the 2Q20 rally marks the index’s strongest quarter in 22 years. While the first quarter financial markets sold off sharply as what turned into the COVID-19 pandemic wreaked havoc on the global economy, the second quarter has seen financial markets stabilize and recover as policy makers globally are acting to address the economic risks posed by the pandemic. While the health crisis likely remains far from over, markets have recovered as it appears the worst of the economic damage may be behind us. While March and April were characterized by a stunning decline in economic activity and a spike in unemployment, green shoots were apparent across much of the economic data reported in May and June as lockdowns receded. As a result, equity markets have rallied ahead of what could be a potential return to growth for the economy in the second half of the year, after a sharp and swift recession in the first half of 2020.

Domestic Equity Markets
U.S. equities gained 20.5% in Q2 and all 11 sectors of the index finished in positive territory. Technology proved resilient during the crisis and continued the charge into the second quarter (+30.5%). Energy performed strongly amid an uptick in the demand for oil with a WTI rallying 94% in the quarter, despite briefly turning negative in April (+30.5%). Other indices also posted strong gains in the quarter as the Dow Jones Industrial Average gained 18.5% and the NASDAQ Composite gained 30.9%.

International Equity Markets
International markets underperformed the U.S. but still showed gains on the back of global stimulus and the slowing of the pandemic overseas. The MSCI EAFE index gained 15.1% for U.S. currency investors in Q2. The MSCI Europe index gained 15.6% whilst the MSCI Japan gained 11.5%. In the second quarter, emerging markets rallied as the MSCI EM index rallied 18.2% as import-heavy countries, those hit hardest in Q1, bounced back.

Fixed Income Markets
The bond market was positive for a consecutive quarter with the Bloomberg Barclays U.S. Aggregate in rising 2.9%. Interest rates remained range-bound as the 10-year Treasury note ended at 0.66%. Riskier parts of the bond market, such as high yield, rallied in the quarter, buoyed by the market’s risk-on sentiment. The Bloomberg Barclays High Yield index gained 10.2%.

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.