Diocese of Toledo - Catholic Foundation
Executive Summary of Investment Performance
March 31, 2019

Aggressive Pool – Trailed its Balanced Benchmark during the quarter (12.9% vs. 13.2%) and over the trailing twelve months (2.5% vs. 4.2%). The Aggressive Pool's international equity portfolio detracted from relative returns, while the all cap equity portfolio contributed to returns.

Long Term Pool – Trailed the Balanced Benchmark during the quarter (9.5% vs. 9.8%) and over the trailing twelve months (3.5% vs. 4.7%). The Long Term Pool's international equity portfolio and fixed income portfolio detracted from relative returns, while the all cap equity portfolio contributed to returns.

Balanced Pool – Trailed its Balanced Benchmark for the quarter (7.6% vs. 8.1%) and over the trailing twelve months (3.4% vs. 4.5%). The Long Term Pool's international equity portfolio and fixed income portfolio detracted from relative returns, while the all cap equity portfolio contributed to returns.

Fixed Income Pool – Trailed its Balanced Benchmark for the quarter (1.5% vs. 2.1%) and over the trailing twelve months (3.0% vs. 3.8%). An overweight allocation to the short term fixed income manager negatively impacted performance during the quarter.

Domestic All Cap Equity
The all cap equity composite exceeded the Russell 3000 Index during the quarter. World Asset outperformed its benchmark, while DFA matched its benchmark during the quarter.

World Asset Management – During the quarter, the manager gained 14.4% and exceeded the performance of the S&P 500 Index (13.6%). An underweight position to the healthcare sector and overweight positions to the information technology sector and energy sector contributed to performance during the quarter.

DFA U.S. Social Core Equity 2 – During the quarter, the manager rose 14.0% and matched the performance of the Russell 3000 Index (14.0%). Underweight positions to the healthcare sector and utilities sector contributed to performance during the quarter, while an underweight allocation to real estate and an overweight allocation to the financials negatively impacted performance.

International Equity

The international portfolio trailed the MSCI AC World Index ex-US during the quarter. Both DFA International Social Core Equity Fund and DFA Emerging Markets Social Core Fund trailed their respective benchmarks during the quarter.

DFA International Social Core Equity Fund – During the quarter the fund gained 9.9%, but slightly trailed the performance of the MSCI EAFE Index (10.0%). Overweight allocations to the communication services sector and financials sector, as well as an underweight to the consumer staples sector negatively impacted performance during the quarter.

DFA Emerging Markets Social Core – During the quarter the fund rose 8.9%, but trailed the performance of the MSCI Emerging Markets Index (9.9%). Overweight allocations to the industrials sector, materials sector, and utilities sector negatively impacted performance during the quarter. An underweight allocation to the consumer discretionary sector further hampered relative returns.

Fixed Income

The fixed income portfolio trailed the Blended Index during the quarter.

DFA Short-Term Government Portfolio – During the quarter the fund gained 1.0%, but trailed the performance of the ML 1-3Yr Govt/Corp Bond Index (1.2%).   A lack of exposure to investment grade credit detracted from relative returns during the quarter.

Christian Brothers Intermediate Bond Fund – During the quarter, the fund was rose 2.9% and matched the performance of the Bloomberg Barclays U.S. Aggregate Bond Index (2.9%). An overweight to investment grade corporate debt benefitted performance during the quarter, while a shorter than benchmark duration detracted from relative returns.

Real Estate

DFA Global Real Estate – During the quarter the fund gained 15.2% and exceeded the performance of the S&P Developed BMI Property Index (14.1%). An overweight allocation to U.S. REITs benefitted performance during quarter. Overall stock selection also added to relative returns.