

Diocese of Toledo - Catholic Foundation

Executive Summary of Investment Performance

March 31, 2018

Aggressive Pool – Trailed its Balanced Benchmark during the quarter (-0.9% vs. -0.8%), but exceeded the index over the trailing twelve months (14.0% vs. 13.7%). The Aggressive Pool's all cap equity portfolio and real estate manager detracted from relative returns.

Long Term Pool – Matched the Balanced Benchmark during the quarter (-0.8% vs. -0.8%) and over the trailing twelve months (9.7% vs. 9.7%). The Long Term Pool's international equity portfolio and fixed income portfolio contributed to performance, while the all cap equity portfolio and real estate manager detracted from relative returns.

Balanced Pool – Matched its Balanced Benchmark for the quarter (-0.7% vs. -0.7%) and over the trailing twelve months (7.9% vs. 7.9%). The Long Term Pool's international equity portfolio and fixed income portfolio contributed to performance, while the all cap equity portfolio and real estate manager detracted from relative returns.

Fixed Income Pool – Exceeded its Balanced Benchmark for the quarter (-0.6% vs. -0.8%), but trailed the index over the trailing twelve months (0.1% vs. 0.7%). An overweight to the short term fixed income manager positively impacted performance during the quarter.

Domestic All Cap Equity

The all cap equity composite trailed the Russell 3000 Index during the quarter. World Asset exceeded its benchmark during quarter, while DFA trailed its benchmark.

World Asset Management – During the first quarter, the manager declined 0.7%, but exceeded the performance of the S&P 500 Index (-0.8%). Slight overweight positions to the consumer discretionary sector, information technology sector, and financials sector contributed to performance during the quarter.

DFA U.S. Social Core Equity 2 – During the quarter, the manager fell 1.0% and trailed the performance of the Russell 3000 Index (-0.6%). Underweight positions to the healthcare sector and information technology sector negatively impacted performance during the quarter. An overweight position to the energy sector also hampered relative returns.

International Equity

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

DFA International Social Core Equity Fund – During the quarter the fund declined 0.9%, but exceeded the performance of the MSCI EAFE Index (-1.7%). Underweight positions to the consumer staples sector and the real estate sector contributed to performance during the quarter.

DFA Emerging Markets Social Core – During the quarter the fund gained 1.8% and exceeded the MSCI Emerging Markets Index (1.3%). Underweight positions to the telecommunications sector and real estate sector positively impacted performance during the quarter.

Fixed Income

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

DFA Short-Term Government Portfolio – During the quarter the fund declined 0.5% and trailed the performance of the ML 1-3Yr Govt/Corp Bond Index (-0.2%). A longer than benchmark duration negatively impacted performance during the quarter.

Christian Brothers Intermediate Bond Fund – During the quarter, the fund fell 1.1%, but outperformed the Bloomberg Barclays U.S. Aggregate Bond Index (-1.5%). A shorter than benchmark duration contributed to performance during the quarter.

Real Estate

DFA Global Real Estate – During the quarter the fund declined 4.6%, but outperformed the S&P Developed BMI Property Index (-4.7%). Overall stock selection contributed to performance during the quarter.