

Diocese of Toledo - Catholic Investment Trust

Executive Summary of Investment Performance

June 30, 2020

Aggressive Pool – Exceeded its Balanced Benchmark during the quarter (20.9% vs. 20.4%) and over the trailing twelve months (0.1% vs. -0.7%). The Aggressive Pool's all cap equity portfolio, international equity portfolio, and the real estate manager contributed to returns during the quarter.

Long Term Pool – Exceeded the Balanced Benchmark during the quarter (15.6% vs. 14.5%) and over the trailing twelve months (2.3% vs. 2.2%). The Long Term Pool's all cap equity portfolio, international equity portfolio, fixed income portfolio, and the real estate manager contributed to returns during the quarter.

Balanced Pool – Exceeded its Balanced Benchmark for the quarter (12.9% vs. 11.9%) and over the trailing twelve months (3.7% vs. 3.6%). The Balanced Pool's all cap equity portfolio, international equity portfolio, fixed income portfolio, and the real estate manager contributed to returns during the quarter.

Fixed Income Pool – Exceeded its Balanced Benchmark for the quarter (2.5% vs. 2.1%), but trailed the index over the trailing twelve months (4.2% vs. 6.5%). The outperformance of the core fixed income manager benefitted performance, while the relative underperformance of the short-term fixed income negatively impacted performance during the quarter.

Domestic All Cap Equity

The all cap equity composite exceeded the Russell 3000 Index during the quarter. Both World Asset and DFA outperformed their respective benchmarks during the quarter.

World Asset Management – During the quarter, the manager gained 21.9% and outperformed the performance of the S&P 500 Index (20.5%). Underweight positions to the healthcare sector and consumer staples, as well as an overweight allocation to the energy sector benefitted performance during the quarter.

DFA U.S. Social Core Equity 2 – During the quarter, the manager rose 23.1% and exceeded the performance of the Russell 3000 Index (22.0%). Underweight allocations to the healthcare sector and real estate sector, in addition to an overweight allocation to the materials sector contributed to performance during the quarter.

International Equity

The international portfolio exceeded the MSCI AC World Index ex-US during the quarter. DFA International Social Core Equity Fund, CUIT International Equity Index, and DFA Emerging Markets Social Core Fund each exceeded their benchmarks during the quarter.

Christian Brothers International Equity – Christian Brothers rose 21.1% for the quarter and outperformed the MSCI EAFE Index (16.1%). Stock selection in the information technology sector, consumer discretionary sector, industrials sector, and financials sector contributed to performance.

DFA International Social Core Equity Fund – During the quarter the fund returned 19.2% and exceeded the performance of the MSCI EAFE Index (14.9%). Overweight allocations to the consumer discretionary sector, industrials sector, materials sector, and information technology sector contributed to performance during the quarter.

DFA Emerging Markets Social Core – During the quarter the fund gained 19.8% and outperformed the performance of the MSCI Emerging Markets Index (18.1%). Stock selection in the materials sector and the utilities sector contributed to 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 returned 0.0% and trailed the performance of the ML 1-3Yr Govt/Corp Bond Index (1.2%). A lack of exposure to investment grade corporate debt negatively impacted performance during the quarter.

Christian Brothers Intermediate Bond Fund – During the quarter, the fund rose 5.7% and outperformed the performance of the Bloomberg Barclays U.S. Aggregate Bond Index (2.9%). An overweight to investment grade corporate debt, as well as exposure to agency mortgage-backed securities contributed to performance during the quarter.

Real Estate

DFA Global Real Estate – During the quarter the fund gained 12.6% exceeded the performance of the S&P Developed BMI Property Index (10.3%). An overweight allocation to U.S. REITs benefitted performance during the quarter.