

Diocese of Toledo - Catholic Investment Trust

Executive Summary of Investment Performance

March 31, 2020

Aggressive Pool – Slightly trailed its Balanced Benchmark during the quarter (-24.2% vs. -24.1%), but exceeded the index over the trailing twelve months (-14.4% vs. -14.8%). The Aggressive Pool's domestic broad equity manager and international equity portfolio detracted from relative returns, while the real estate manager contributed to returns.

Long Term Pool – Trailed the Balanced Benchmark during the quarter (-17.2% vs. -16.4%) and over the trailing twelve months (-8.9% vs. -8.0%). The Long Term Pool's domestic broad equity manager, international equity portfolio, and fixed income portfolio detracted from relative returns, while real estate manager contributed to returns.

Balanced Pool – Trailed its Balanced Benchmark for the quarter (-13.1% vs. -12.5%) and over the trailing twelve months (-5.7% vs. -4.6%). The Balanced Pool's domestic broad equity manager, international equity portfolio, and fixed income portfolio detracted from relative returns, while the real estate manager contributed to returns.

Fixed Income Pool – Trailed its Balanced Benchmark for the quarter (0.3% vs. 2.4%) and over the trailing twelve months (2.9% vs. 6.7%). The underperformance of both fixed income managers negatively impacted performance during the quarter.

Domestic All Cap Equity

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

World Asset Management – During the quarter, the manager declined 20.3% and trailed the performance of the S&P 500 Index (-19.6%). An underweight position to the healthcare sector detracted from performance during the quarter.

DFA U.S. Social Core Equity 2 – During the quarter, the manager declined 26.4% and trailed the performance of the Russell 3000 Index (-20.9%). An underweight allocation to healthcare sector and overweight positions to the industrials sector and financials sector negatively impacted performance during the quarter.

International Equity

The international portfolio trailed 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 trailed their benchmark during the quarter.

Christian Brothers International Equity – Christian Brothers declined 23.2% for the quarter and trailed the MSCI EAFE Index (-22.8%). An underweight allocation to the healthcare sector and consumer staples sector negatively impacted performance during the quarter.

DFA International Social Core Equity Fund – During the quarter the fund declined 28.8% and trailed the performance of the MSCI EAFE Index (-22.8%). An underweight allocation to the healthcare sector and consumer staples sector negatively impacted performance during the quarter. The Fund's value-tilt further detracted from relative returns.

DFA Emerging Markets Social Core – During the quarter the fund fell 28.3% and trailed the performance of the MSCI Emerging Markets Index (-23.6%). Overweight allocations to the materials sector and the industrials sector, as well as an underweight allocation to the consumer discretionary sector negatively impacted performance during the quarter. The Fund's value-tilt further detracted from 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 0.4%, but trailed the performance of the ML 1-3Yr Govt/Corp Bond Index (1.6%). A significant shorter than benchmark duration negatively impacted performance during the quarter.

Christian Brothers Intermediate Bond Fund – During the quarter, the fund rose 0.3%, but trailed the performance of the Bloomberg Barclays U.S. Aggregate Bond Index (3.1%). An overweight to investment grade corporate debt, as well as an underweight to U.S. Treasuries detracted from performance during the quarter. A shorter than benchmark duration further hampered relative returns.

Real Estate

DFA Global Real Estate – During the quarter the fund declined 26.6%, but exceeded the performance of the S&P Developed BMI Property Index (-27.3%). An allocation to specialized REITs contributed to performance during quarter.