

The Episcopal Church Foundation in West Texas Investment Program

QUARTERLY REPORT

June 30, 2020

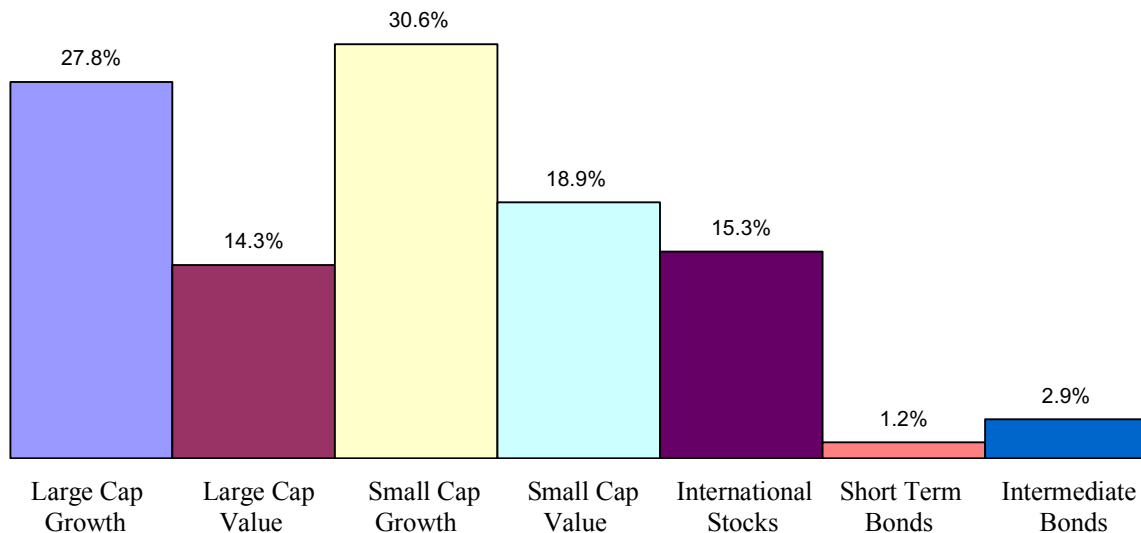
Market Report

Following one of the worst first quarters ever, the US stock market in the second quarter recorded one its best quarters in decades, with the Vanguard Total Stock Market Index gaining 22%. As shown below, other stock market indices achieved even greater gains. The reversal in performance appears to have been a combination of greater optimism about the coronavirus pandemic, along with government support payments and massive liquidity infusions by the Federal Reserve. The outlook for the economy remains uncertain and continued stock market volatility is expected.

Small capitalization stocks outperformed large cap stocks, led by the small cap growth style. The growth style outperformed the value style in both large and small capitalization categories. International stocks trailed domestic stocks, but achieved gains in excess of 15% nonetheless.

While performance in the bond market was more subdued, bonds achieved gains across the maturity spectrum. Intermediate bonds have gained over 6% year-to-date, outperforming stocks by over 950 basis points for the first six months of the year.

Market Returns for Quarter



Model Portfolio Review

All four Foundation model portfolios achieved gains for the quarter, ranging from 1.4% for Capital Maintenance to 17.4% for Growth. Performance relative to passive benchmarks was favorable for all models for the quarter. Performance relative to comparable peer groups and passive benchmarks for longer time periods was generally favorable.

Details of the performance of the four models are shown below.

Asset Class Investment Results

The Foundation's performance for the quarter for the three assets classes in which it invests, along with comparative peer group and benchmark returns, are shown in the following table. Consolidated performance of all accounts is also shown.

Asset Class	Return	Peer Group	Benchmark
Common Stocks	23.4%	21.4%	21.6%
Fixed Income	5.5%	3.9%	2.7%
Cash Equivalents	0.0%	0.0%	0.0 %
Consolidated	15.3%	13.6%	13.3%

Account Status

Foundation assets at quarter-end totaled \$94.5 million, an increase of \$12.2 million during the quarter. Investment gains totaled \$12.6 million. One new account was opened during the quarter, with an initial deposit of \$120,000.

At June 30th, the Foundation had a total of 237 accounts as follows:

Ownership	Number of Accounts	Amount
Churches/Schools	174	\$ 59.1 million
Diocese/Foundation	63	35.4 million

Model Portfolio Performance as of June 30, 2020*

Growth	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	17.41	6.02	7.91	6.79
<i>+/- Peer Group Composite</i>	1.86	4.72	3.02	1.62
<i>+/- Index Composite</i>	1.88	2.59	1.66	0.30

Growth & Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	13.51	7.07	7.34	6.37
<i>+/- Peer Group Composite</i>	1.48	3.83	2.44	1.47
<i>+/- Index Composite</i>	2.01	2.07	1.37	0.31

Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	10.17	6.43	6.36	5.65
<i>+/- Peer Group Composite</i>	1.24	2.92	1.94	1.31
<i>+/- Index Composite</i>	1.94	1.60	1.13	0.47

Capital Maintenance	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	1.35	3.23	2.41	1.83
<i>+/- Peer Group Composite</i>	(0.21)	0.69	0.31	0.24
<i>+/- Index Composite</i>	0.60	0.09	(0.08)	0.02

* Returns for greater than one year are annualized. Past performance does not guarantee future results.