

The Episcopal Church Foundation in West Texas Investment Program

QUARTERLY REPORT

June 30, 2021

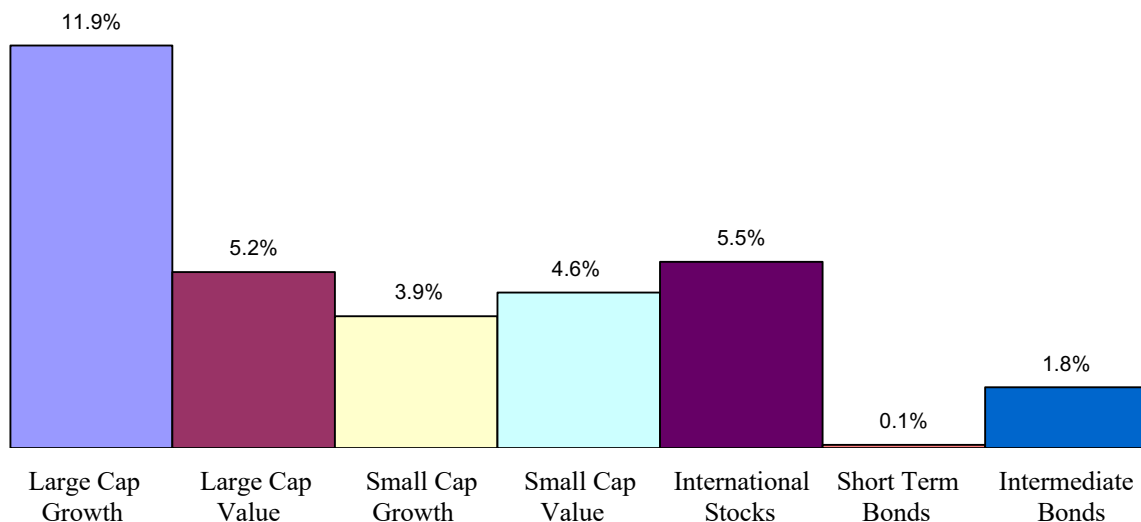
Market Report

Common stocks continued to provide nice results for the second quarter. The S&P 500 reached a new all-time high the last week of June. Overall, the US broad stock market gained 8.2% for the quarter and is up over 15% year-to-date. The stock market is expecting strong corporate earnings and a return of economic activity to pre-pandemic levels and these positive developments appear to be priced into the market.

Last quarter it appeared that a leadership change between growth and value might be occurring. The outperformance of the value style in Q1 retreated in Q2, with the growth style outperforming in the large capitalization category. The value style continued to outperform in small cap stocks. International stocks achieved nice gains, but continued to lag the US market.

Worries about inflation and its potential detrimental effect on the performance of fixed income securities abated during the quarter and bonds mostly recovered from Q1 losses. Both short-term and intermediate-term bonds achieved gains in Q2, as shown below.

Market Returns for Quarter



Model Portfolio Review

All four model portfolios achieved gains for the quarter. Performance relative to peer groups and benchmark indices was generally favorable for the quarter, and continued favorable for longer time periods shown in detailed reports.

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 asset classes is also shown.

Asset Class	Return	Peer Group	Benchmark
Common Stocks	7.4%	6.6%	7.0%
Fixed Income	1.8%	1.6%	1.6%
Cash Equivalents	0.0%	0.0%	0.0%
Consolidated	5.2%	4.7%	5.0%

Account Status

Foundation assets at quarter-end totaled \$126.5 million, an increase of \$6.6 million during the quarter. Investment gains totaled \$6.2 million.

At June 30th, the Foundation's accounts were owned as follows:

Ownership	Amount
Churches/Schools	\$ 81.2 million
Diocese/Foundation	45.3 million

Model Portfolio Performance as of June 30, 2021*

Growth	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	5.53	30.97	13.61	13.10
<i>+/- Peer Group Composite</i>	0.53	0.07	2.14	1.93
<i>+/- Index Composite</i>	0.21	(0.46)	0.73	0.73

Growth & Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	4.46	21.71	11.39	10.65
<i>+/- Peer Group Composite</i>	0.41	0.26	1.80	1.62
<i>+/- Index Composite</i>	0.21	0.27	0.80	0.87

Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	3.38	15.24	9.21	8.43
<i>+/- Peer Group Composite</i>	0.32	0.39	1.47	1.39
<i>+/- Index Composite</i>	0.22	0.66	0.76	0.92

Capital Maintenance	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	0.37	0.60	2.43	1.69
<i>+/- Peer Group Composite</i>	(0.04)	(0.13)	0.28	0.17
<i>+/- Index Composite</i>	0.08	0.47	0.15	0.11

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