

The Episcopal Church Foundation in West Texas Investment Program

QUARTERLY REPORT

June 30, 2022

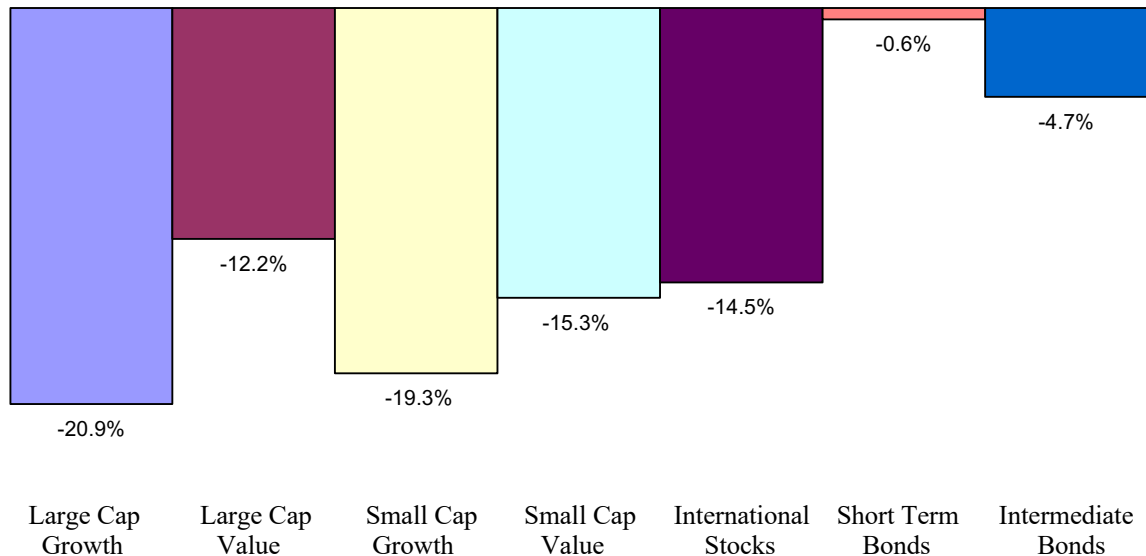
Market Report

Worries about supply chain problems, inflation, interest rates, possible recession, and the war in Ukraine kept investor psychology pessimistic throughout the quarter. While markets had brief rallies during the quarter, the rallies were not sustained. By quarter-end, domestic common stocks had lost over 16.5% and the total return on bonds was a negative in excess of 4.5%.

Large capitalization stocks continued to outperform small cap. The value style significantly outperformed the growth style in both capitalization categories. The performance of international stocks was better than the US, but still a loss. Details are shown in the chart below.

The performance of fixed income securities improved slightly from the first quarter, but remained negative overall. Yields on money market funds gained modestly, with 30 day T-Bills yielding 0.1%.

Market Returns for Quarter



Model Portfolio Review

All four of the Foundation's model portfolios sustained losses for the quarter, ranging from -0.94% for Capital Maintenance to -12.44% for the Growth Model. All models generally underperformed their peer groups and benchmarks for the quarter.

Model portfolio allocation changes implemented last quarter were beneficial and reduced aggregate losses by an estimated 1% (100 basis points).

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 asset 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	-16.6%	-14.9%	-16.0%
Fixed Income	-2.7%	-3.2%	-2.4%
Cash Equivalents	0.08%	0.09%	0.10%
Consolidated	-11.1%	-10.1%	-10.6%

Account Status

Foundation assets at quarter-end totaled \$109.5 million, a decrease of \$14.8 million during the quarter. Investment losses totaled \$13.7 million or (11.1%).

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

Ownership	Amount
Churches/Schools	\$ 71.7 million
Diocese/Foundation	37.8 million

Model Portfolio Performance as of June 30, 2022*

Growth	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(12.44)	(14.83)	5.75	6.98
+/- Peer Group Composite	(1.22)	(2.26)	0.70	1.26
+/- Index Composite	(0.55)	(2.20)	(0.15)	0.37

Growth & Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(9.53)	(11.60)	4.83	5.88
+/- Peer Group Composite	(0.94)	(1.72)	0.67	1.09
+/- Index Composite	(0.67)	(2.23)	(0.11)	0.34

Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(6.84)	(8.70)	3.85	4.83
+/- Peer Group Composite	(0.41)	(0.86)	0.76	1.03
+/- Index Composite	(0.44)	(1.44)	0.19	0.47

Capital Maintenance	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(0.94)	(2.80)	0.31	0.99
+/- Peer Group Composite	0.25	0.13	0.22	0.19
+/- Index Composite	(0.13)	(0.38)	0.05	(0.03)

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