

The Episcopal Church Foundation in West Texas Investment Program

QUARTERLY REPORT

September 30, 2022

MARKET REPORT

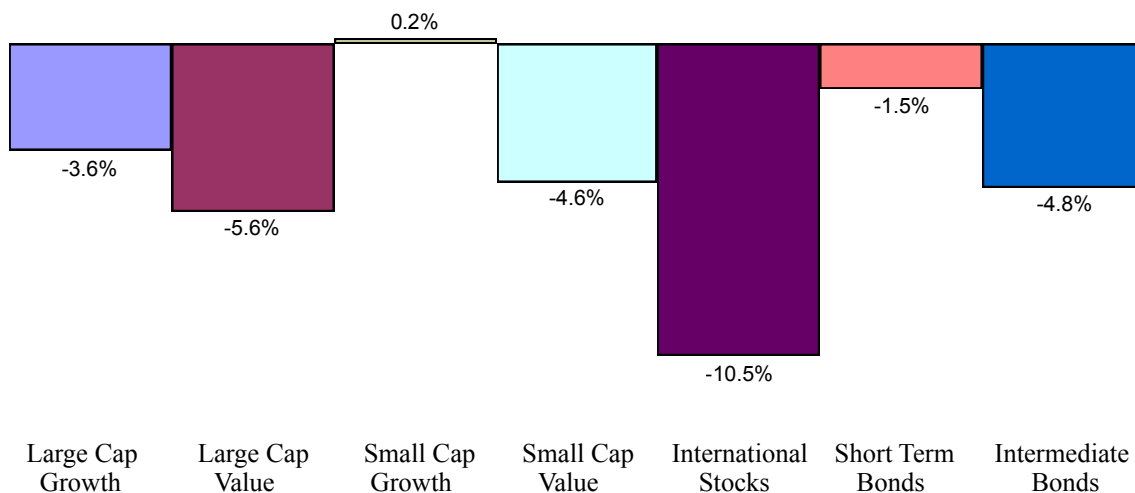
With a rally in July, investors' hopes of a sustained recovery in both the stock and bond markets were not fulfilled. By quarter-end, both asset classes recorded losses. Losses in common stocks were less severe than the two previous quarters, but still in the red. Bond investments, however, sustained sharper declines.

Investor attitudes remained pessimistic with continuing worries about inflation, interest rates, the war in Ukraine, and nagging supply chain problems. By quarter-end, stocks had declined 4.5% and bonds 4.75%.

In a surprising shift, growth style stocks performed better than the value style and small capitalization stocks outperformed large cap. These dynamics are more typically seen during periods of economic growth and rising stock prices. International stocks underperformed the US. Details are shown in the chart below.

The negative performance of fixed income securities worsened from the second quarter. Intermediate term bonds are down over 14.5% for the year. Yields on money market funds gained modestly, with yields now about 0.4%.

MARKET RETURNS FOR QUARTER



MODEL PORTFOLIO REVIEW

All four of the Foundation's model portfolios sustained losses for the quarter, ranging from -0.87% for Capital Maintenance to -4.6% for the Growth Model. Relative performance improved along with absolute performance compared to last quarter, although results remained negative.

One manager change occurred in early September. Fidelity Growth Discovery replaced Touchstone Sands as the large capitalization growth style active manager.

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	-5.9%	-5.9%	-5.1%
FIXED INCOME	-2.9%	-2.9%	-2.9%
CASH EQUIVALENTS	0.4%	0.4%	0.5%
CONSOLIDATED	-4.2%	-4.2%	-3.7%

ACCOUNT STATUS

Foundation assets at quarter-end totaled \$104.3 million, a decrease of \$5.2 million during the quarter. Investment losses totaled \$4.5 million or (4.2%).

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

Ownership	Amount
CHURCHES/SCHOOLS	\$ 68.5 MILLION
DIOCESE/FOUNDATION	35.8 MILLION

MODEL PORTFOLIO PERFORMANCE AS OF SEPTEMBER 30, 2022*

Growth	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(4.60)	(18.48)	4.01	5.12
+/- Peer Group Composite	0.03	(2.56)	0.74	1.14
+/- Index Composite	(0.55)	(3.01)	(0.21)	0.16

Growth & Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(3.47)	(14.64)	3.40	4.47
+/- Peer Group Composite	(0.08)	(2.14)	0.67	0.96
+/- Index Composite	(0.50)	(2.92)	(0.15)	0.14

Income	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(2.79)	(11.23)	2.54	3.73
+/- Peer Group Composite	(0.11)	(1.24)	0.72	0.91
+/- Index Composite	(0.41)	(2.02)	0.12	0.28

Capital Maintenance	3 Mo	1 Yr	3 Yr	5 Yr
Portfolio Total Return	(0.87)	(3.67)	(0.26)	0.75
+/- Peer Group Composite	(0.03)	0.10	0.18	0.19
+/- Index Composite	(0.06)	(0.43)	0.03	(0.03)

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