



Quarterly Investment Summary



March 2025

Investment Type	Target Allocation	3 Month	YTD	1-Year	3-Year	5-Year
United Methodist Foundation Fixed	Capital Preservation (0/100 Stock/Bond)	2.21%	2.21%	5.28%	2.32%	1.43%
United Methodist Fdn Conservative	Income (25/75 Stock/Bond)	1.31%	1.31%	5.24%	3.10%	4.80%
United Methodist Fdn Balanced	Balanced (50/50 Stock/Bond)	0.52%	0.52%	5.95%	4.33%	8.54%
United Methodist Fdn Long Term Growth	75/25 Stock/Bond	-0.40%	-0.40%	6.01%	5.31%	12.03%
United Methodist Foundation Equity	Aggressive Growth (100/0 Stock/Bond)	-1.51%	-1.51%	5.41%	6.05%	15.33%

Equities

- US equity markets declined in March for the second consecutive month with the S&P 500 falling 5.63%, its sharpest drop since December 2022.
- Last month, nine of the eleven sectors in the S&P 500 ended in the red. While Utilities and Energy managed to post gains, Consumer Discretionary and Information Technology were the worst performers, each dropping nearly 9%.

Economic

- The Federal Reserve adjusted its GDP forecast for 2025 down to 1.7% from the previous 2.1%, while slightly increasing its inflation projections.
- Consumer sentiment started the year at 74.0 but fell to 57.0 in March.
- Although the unemployment rate ticked slightly higher, labor markets remain generally resilient. However, potential reductions in the federal workforce remain a concern.

Fixed Income

- The Federal Reserve kept interest rates steady in their March meeting, continuing to take a wait-and-see approach. Market expectations for two rate cuts this year remain.
- Reflecting the equity market decline, yield spreads grew for both Corporate and High Yield bonds causing those assets to underperform.

Strategic Outlook

- Some caution warranted on equities in the near-term. Currently favoring small and mid-cap domestic stocks longer-term.
- Above average volatility is likely to persist given central bank involvement and geopolitical events.
- Near average expected returns projected for fixed income with the Fed on pause and rates reflective of economic conditions.

Selected Economic & Market Data

Statistic	Current	Previous	Statistic	Current	Previous
US GDP	2.4%	3.1%	ISM Manufacturing Index	49.0	48.4
Consumer Confidence	92.9	104.7	Unemployment Rate	4.1%	4.2%
Consumer Price Index	2.8%	2.7%	2 Year Treasury Yield	3.89%	4.24%
Core PCE (x Food & Energy)	2.8%	2.8%	10 Year Treasury Yield	4.21%	4.57%

Total Portfolio Return is net of fees. Past returns are not indicative of future results. No Bank Guarantee. May lose value.