



Quarterly Investment Summary



March 2024

Investment Type	Target Allocation	3 Month	YTD	1-Year	3-Year	5-Year
United Methodist Foundation Equity	Aggressive Growth (100/0 Stock/Bond)	7.77%	7.77%	21.09%	6.36%	10.69%
United Methodist Fdn Long Term Growth	Growth (75/25 Stock/Bond)	6.00%	6.00%	16.87%	4.77%	8.76%
United Methodist Fdn Balanced	Balanced (50/50 Stock/Bond)	3.90%	3.90%	12.20%	3.08%	6.45%
United Methodist Fdn Conservative	Income (25/75 Stock/Bond)	1.82%	1.82%	7.88%	1.11%	3.77%
United Methodist Foundation Fixed	Capital Preservation (0/100 Stock/Bond)	-0.06%	-0.06%	4.00%	-0.57%	1.11%

Equities

- o The S&P 500 hit 21 record highs in the first quarter and is up 10% YTD, the best first quarter performance in five years
- o March 23rd marked the fourth anniversary of the COVID-era low, with the S&P 500 returning an annualized 26% since
- o Equity performance has broadened out with all sectors but real estate rising in the first quarter

Economic

- o The most recent inflation readings were inline with consensus and down from prior month numbers, reinforcing the view that inflation has peaked and will continue to trend downward with some bumps likely along the way
- o The final fourth quarter GDP number was revised upward from 3.2% to 3.4% with more tempered expectations going forward
- o The timing of rate cuts has become less important as the economy continues to be resilient and a soft landing is now the consensus view

Fixed Income

- o Bond market returns were positive as rates declined on dovish Fed comments
- o The 2/10 yield curve has been inverted since early July 2022, surpassing the previous record of 624 days set in 1978

Strategic Outlook

- o Some caution warranted on equities in the near-term, particularly in high-growth large cap stocks after recent rally; currently favoring small-cap and mid-cap domestic stocks longer-term
- o Above average volatility is likely given central bank involvement and geopolitical uncertainty
- o Near average expected returns projected for fixed income after period of rising rates and bond market sell-off

Selected Economic & Market Data

Statistic	Current	Previous	Statistic	Current	Previous
US GDP	3.4%	4.9%	ISM Manufacturing Index	50.3	46.7
Consumer Confidence	104.7	110.7	Unemployment Rate	3.9%	3.7%
Consumer Price Index	3.2%	3.1%	2 Year Treasury Yield	4.62%	4.25%
Core PCE (x Food & Energy)	2.8%	3.2%	10 Year Treasury Yield	4.20%	3.88%

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