Quarterly Investment Summary

June 2026

Investment Type	Target Allocation	3 Month	YTD	1-Year	3-Year	5-Year
United Methodist Foundation Equity	Aggressive Growth (100/0 Stock/Bond)	12.21%	10.83%	21.12%	17.07%	9.32%
United Methodist Fdn Long Term Growth	Growth (75/25 Stock/Bond)	9.48%	8.40%	16.69%	14.74%	7.85%
United Methodist Fdn Balanced	Balanced (50/50 Stock/Bond)	6.53%	5.91%	12.35%	11.56%	5.89%
United Methodist Fdn Conservative	Income (25/75 Stock/Bond)	3.65%	3.38%	7.96%	8.11%	3.53%
United Methodist Foundation Fixed	Capital Preservation (0/100 Stock/Bond)	0.81%	0.93%	3.64%	4.84%	1.40%

Economic

- Quarterly U.S. GDP jumped to 2.1% on stronger hours worked and business activity.
- Conference Board Consumer Confidence ticked up to 91.2, and the University of Michigan sentiment index posted its first gain in four months as gasoline prices eased off recent highs.
- May payrolls rose 172k (three-month average now 188k, the best in three years) with the unemployment rate falling to 4.3%, prompting a modest upgrade to the labor forecast.

Equity

- Consensus expects S&P 500 EPS to grow 23% Y/Y in Q2 2026, an acceleration from 19% expected 3-months ago, meaning results will need to clear a materially higher bar to keep the AI-led earnings narrative intact.

Fixed Income

- A surprisingly hawkish tone from the new Fed Chair at the June FOMC meeting pushed the 10-year briefly to 4.56% mid-month before oil relief helped yields drift back lower.
- U.S. investment-grade corporate bond spreads remain near historically tight levels, reflecting strong demand and confidence in the underlying economy.
- 30-year mortgage rates have climbed over 50 bps from their earlier-year lows, moving alongside rising Treasury yields and reinforcing the affordability squeeze in housing.

Strategic Outlook

- Near-term caution is advisable, given heightened risks from geopolitical instability, trade uncertainty, and the potential for renewed inflationary pressures alongside an economic slowdown.

Selected Economic & Market Data

Statistic	Current	Previous
US GDP	2.1%	0.7%
Consumer Confidence	91.2	91.8
Consumer Price Index	4.2%	2.4%
Core PCE (x Food & Energy)	3.4%	3.1%

Statistic	Current	Previous
ISM Manufacturing Index	53.3	52.7
Unemployment Rate	4.3%	4.4%
2 Year Treasury Yield	4.18%	3.80%
10 Year Treasury Yield	4.47%	4.32%