



## ELCA Endowment Fund Pooled Trust - Ministry Growth Fund<sup>1</sup>

### Fund Overview

#### Description

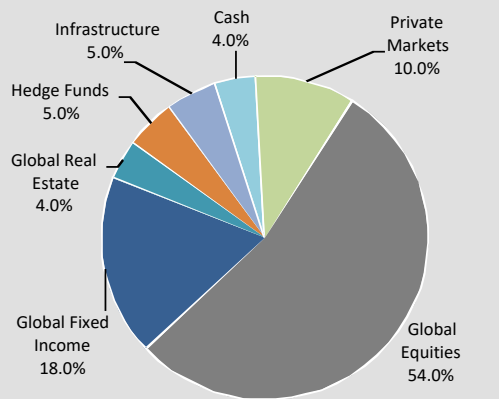
The ELCA Endowment Fund Pooled Trust (Ministry Growth Fund, or the Fund), was established to allow for the collective long-term investment of funds belonging to the Evangelical Lutheran Church in America (ELCA), its congregations, synods, seminaries and other eligible affiliated entities. To the extent practicable, the Fund pursues investment objectives in line with the Economic Social Criteria Investment Screens approved by the ELCA Church Council. Incorporated into the Fund's accounting are unitization and quarterly endowment distributions. The ELCA Foundation administers the Fund.

**Only ELCA-related institutions can be eligible to participate in this investment fund that is exempt from most security registration requirements in accordance with the Philanthropy Protection Act of 1995.**

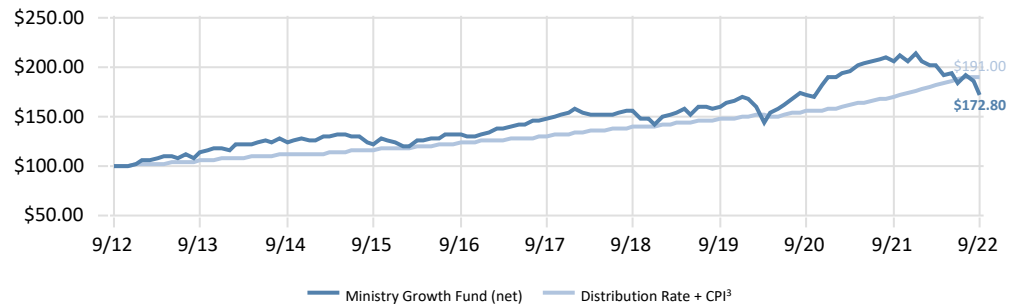
#### About Performance

The investment results depicted herein represent historical net performance after the deduction of investment manager and custodian fees and expenses as well as the Foundation's administrative fee of 60 basis points (0.60%). Refer to the Disclosure Statement for total fees and expenses. Prior to July 2017, the total fee was 100 basis points (1.00%). Annual, cumulative and annualized total returns are calculated assuming reinvestment of dividends and income plus capital appreciation. Performance for periods greater than one year is annualized. Underlying returns were provided by the Fund's respective managers. **Past performance is not a guarantee of future results.**

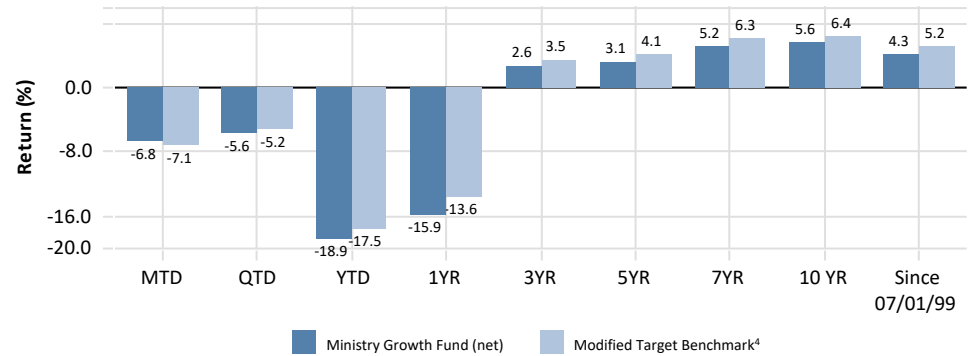
### Target Allocation<sup>2</sup>



### Growth of \$100 (10 Years Performance Analysis)

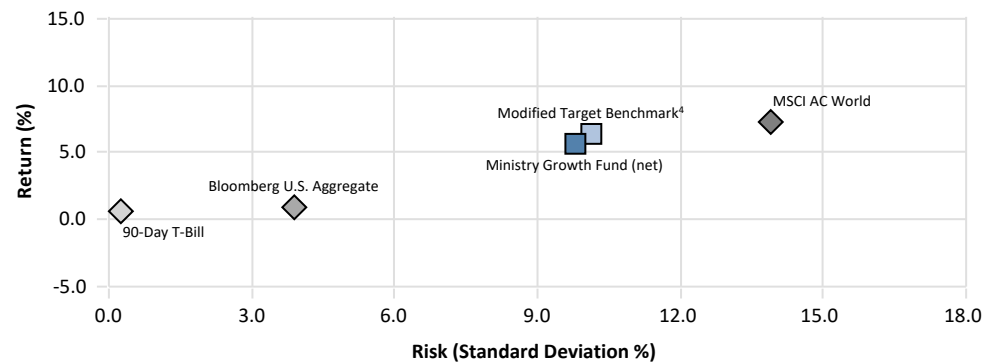


### Multi-Period Performance Analysis



	MTD	QTD	YTD	1YR	3YR	5YR	7YR	10 YR	Since 07/01/99
<b>Ministry Growth Fund (net)</b>	<b>-6.76</b>	<b>-5.64</b>	<b>-18.93</b>	<b>-15.90</b>	<b>2.64</b>	<b>3.11</b>	<b>5.17</b>	<b>5.62</b>	<b>4.26</b>
Modified Target Benchmark <sup>4</sup>	-7.10	-5.17	-17.50	-13.63	3.54	4.15	6.32	6.36	5.24

### 10 Years Risk / Return Performance Analysis



	Return	Standard Deviation	Sharpe Ratio	Maximum Drawdown	Alpha	Beta
<b>Ministry Growth Fund (net)</b>	<b>5.62</b>	<b>9.84</b>	<b>0.54</b>	<b>-18.93</b>	<b>-0.48</b>	<b>0.96</b>
Modified Target Benchmark <sup>4</sup>	6.36	10.17	0.59	-17.50	0.00	1.00

1. The ELCA Endowment Fund Pooled Trust - Fund A's name was changed to the Ministry Growth Fund, effective November 1, 2021.

2. Approved by the ELCA Foundation Board of Trustees on September 20, 2019.

3. The **Distribution Rate + CPI** consists of the Consumer Price Index (CPI) plus the ELCA Foundation's distribution rate. The Foundation Board of Trustees periodically adjusts the distribution rate which is currently set at 4.0%.

4. The **Target Benchmark** is comprised of: Russell 3000 (25%), MSCI ACWI xUSA IMI (29%), Bloomberg Barclays Capital U.S. Aggregate (8%), Bloomberg Barclays Capital U.S. High Yield Ba/B 1% Issuer Cap (5%), Bloomberg Barclays Capital U.S. 1-10 Yr Inflation Linked (5%), DJ U.S. Select Real Estate Securities (2.4%), DJ GIB xUSA Select Real Estate Securities (1.6%), HFRX Global Hedge Funds (5%), S&P Global Infrastructure (5%), Cambridge Private Equity (10%), and 90 Day T-Bill (4%) indices. The benchmark is rebalanced on a monthly basis. The **Modified Target Benchmark**: Given the 10% SAA Target allocation for private markets will fund over the course of five years, the Modified Target benchmark was created to mimic the same risk profile of the SAA Target by re-weighting the underlying target benchmark index weights (as described above) relative to the current allocation to private markets. The Modified Target Benchmark date of first use was January 1, 2021.

## Capital Markets Commentary (as of September 30, 2022)

### Capital Markets Overview

Global inflationary pressures continued to flare, prompting central banks to respond by tightening monetary policy. After multiple years of lower-for-longer interest rates, this policy normalization led equities and bonds to new bear market lows by late September. The traditional 60% stock/40% bond portfolio fell 22.7% YTD, the worst nine month return in more than 50 years following over 10% annualized returns for the 40 years ended December 2021.

### Domestic Equity Markets

The S&P 500 Index declined 9.2% in September, bringing year-to-date losses to -23.9%. All sectors had negative returns for September. The largest detractors were Real Estate, Telecommunications, and Technology returning -13.2%, -12.2% and -12.0% respectively. The best performing sectors were Healthcare, Financials, and Consumer Staples, returning -2.6%, -7.8%, and -8.0%, respectively.

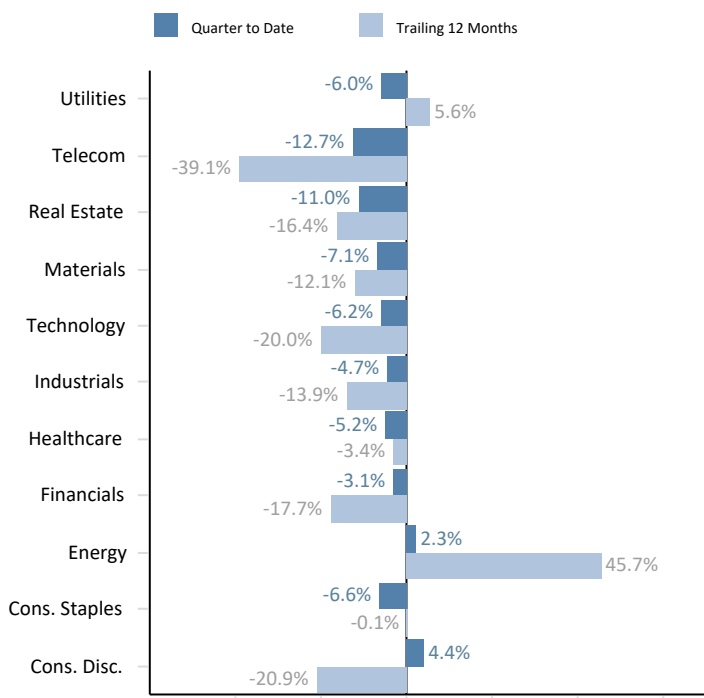
### International Equity Markets

Eurozone shares experienced further sharp falls amid the ongoing energy crisis, rising inflation, and consequent fears about the outlook for economic growth. The European Central Bank raised interest rates, taking the deposit rate to 0.75% and refinancing rate to 1.25%. Annual inflation for the eurozone was estimated at 10.0% in September, up from 9.1% in August. The MSCI EAFE retreated 9.3%, the MSCI Europe fell 10.4%, the MSCI Japan fell 7.8%, and the MSCI Emerging Markets declined 11.5%.

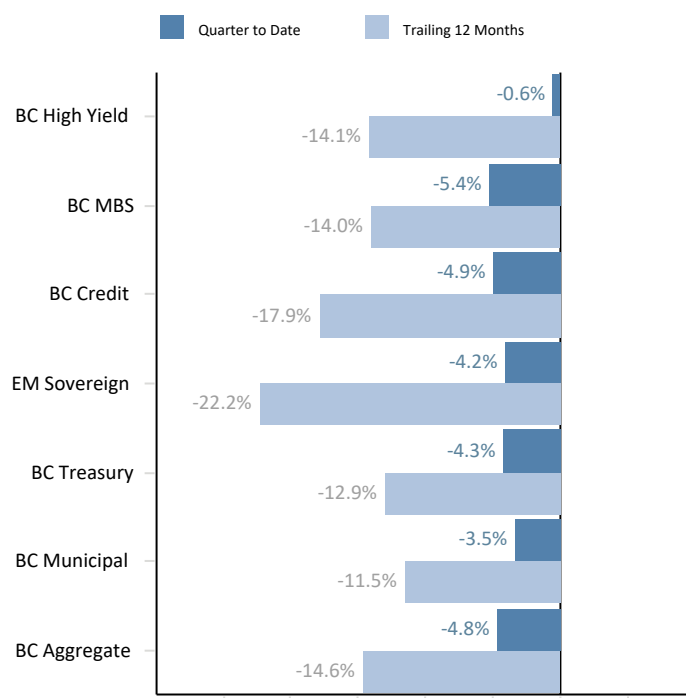
### Fixed Income Markets

Overall, Bond markets decreased across the board in September. The Bloomberg U.S. Aggregate Bond index decreased 4.8% bringing year-to-date losses to -14.6%. The yield on the 10-year Treasury closed at 3.8% in September, up from 3.1% at the end of August. Riskier parts of the bond market had also decreased for the month. The Bloomberg High Yield index decreased 4.0% in September.

### S&P 500 Sector Performance



### Bond Market Performance



**Sources for Capital Markets Data and Commentary:** FactSet, Morgan Stanley Wealth Management GIC.

The underlying data has been obtained from sources believed to be reliable but no guarantee made to their accuracy and any such information may be incomplete or condensed. Past performance is no guarantee of future results. This evaluation is for informational purposes only. Also note, investors cannot invest directly in an index.

**Information Disclosures:** This report is intended to provide current Fund performance information. Investor participants own units of the Fund, receive quarterly account statements, and have online access to monthly performance reporting. The minimum initial investment is \$25,000, and the minimum for deposits thereafter is \$2,000. There are no charges for withdrawals, or opening or closing an account.

**THIS IS NEITHER AN OFFER TO SELL NOR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES DESCRIBED HEREIN. AN OFFERING IS MADE ONLY BY THE CONFIDENTIAL DISCLOSURE STATEMENT,** which contains details about risks, underlying investments and administration. The Confidential Disclosure Statement is available to representatives of eligible organizations by calling the ELCA Foundation at 800-638-3522.

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