

Market Overview

Major US equity indices posted gains (S & P 500 +3.4% and Russell 2000 +7.8%) whilst broad non-US indices had negative returns for Q2 2018. In general, fixed income indices were down (Barclays Capital Aggregate -0.1%) for the same period.

Investment Pool

Calendar year-to-date, the Investment Pool's return of +0.3% matched its Target Benchmark. The Investment Pool returned +0.4% for Q2 2018, which was slightly behind the return of its Target Benchmark, +0.6%. Performance over the past year has been hampered by shortfalls against respective asset class benchmarks in these asset classes:

- ♦ **Opportunistic/Special Situations** – This portfolio segment invests in strategies expected to provide a higher absolute and risk adjusted return over time. Given the nature of these investments, we think such positions are best evaluated over longer periods of time and remain confident in the holdings.
- ♦ **Emerging Market Equities** – Underperformed due to:
 - Lack of exposure to leading internet/consumer names in China
 - Exposure to Brazil

Taking a longer view, the Investment Pool out-performed its Target Benchmark for the 5, 7 and 10-year periods ending 6/30/18.

American Funds

The American Funds program, which is not as broadly diversified as the Investment Pool, exceeded its Benchmark for all short and long-term time periods we measure for periods ending 6/30/18.

Conservative Fund

The Conservative Fund returns are in line with what is expected for a money market dominant portfolio.

Summary

Foundation investment options are designed to provide clear choices across the risk/return spectrum and produce results that support charitable giving strategies that align with each investment option's objective.

For more information, contact your philanthropic officer at 404.688.5525 or visit cfgreateratlanta.org

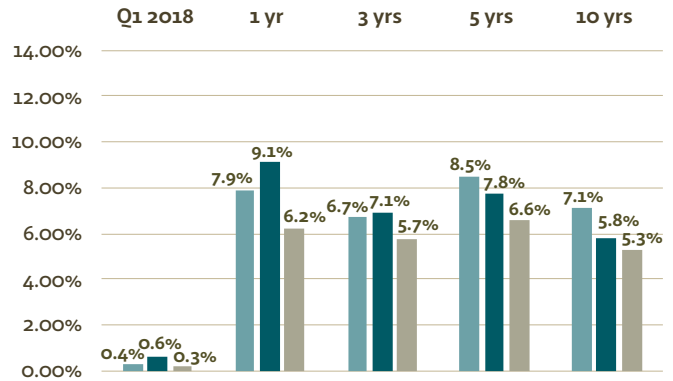
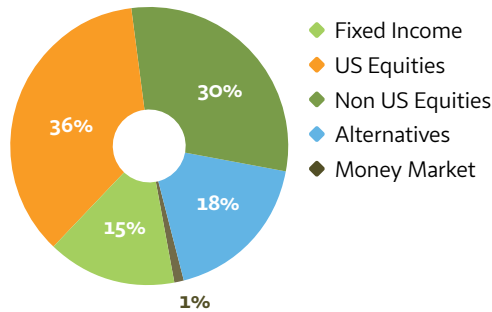
2018 Investment Report: Q2

Portfolio

Asset Allocation

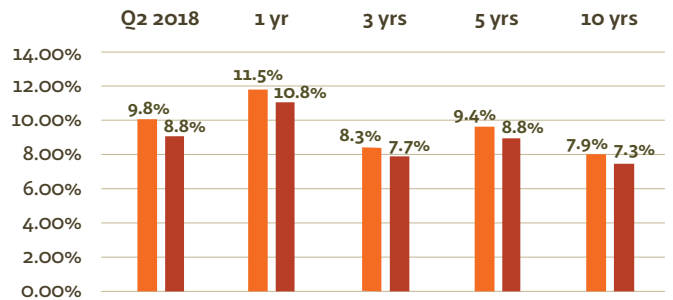
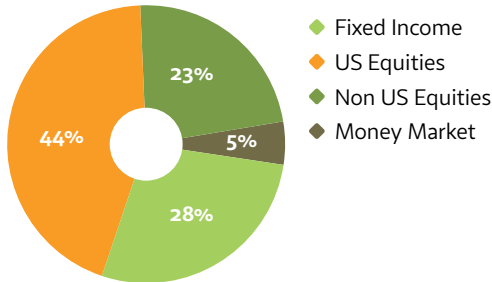
Performance

Investment Pool



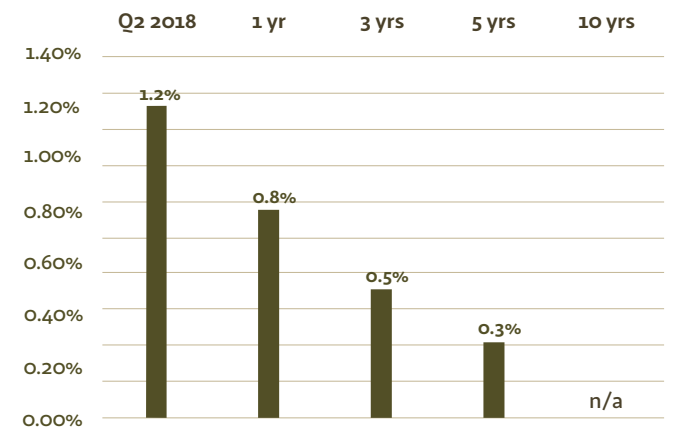
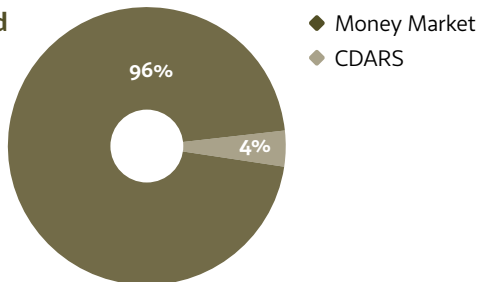
◆ Investment Pool* ◆ Benchmark** ◆ 60% MSCI ACWI/40% Barclays Agg

American Funds



◆ American Funds ◆ Benchmark***

Conservative Fund



◆ Conservative Fund

Past performance is not indicative of future results.

*Preliminary. **The benchmark is a weighted average of market indices using the Foundation's strategic asset allocation through time.

***The benchmark is a weighted average of the underlying mutual fund benchmarks that comprise the American Funds program.

Note: Please see [Benchmark Information](#) for additional information.