

## **Market Overview**

Both the US and non-US broad market indices experienced gains in the third quarter of 2018, with the US market gains stronger than the non-US results. Fixed income index returns were mixed for the quarter. The Barclays Capital Aggregate index had a 0% return for the quarter whilst high yield and shorter term fixed income indices posted positive results in the rising interest rate environment.

## **Investment Pool**

The Investment Pool returned 3.8% for the quarter, which is above its Target Benchmark return of 3.0% for the same period. Calendar year to date comparisons are also favorable, 4.3% for the Investment Pool and 3.4% for the Target Benchmark. The Investment Pool's Opportunistic/Special Situations category, which focuses on strategies expected to provide higher absolute and risk adjusted returns, and US equity allocations (Large/Mid Cap Equity and Small Cap Equity) have been the drivers of the recent absolute performance. For the calendar year to date, the Opportunistic/Special Situations and US Small Cap Equity positions both had double digit returns, 12.4% and 11.0% respectively.

Longer term, the relative performance Investment Pool results are also good with the Total Fund beating the Target Benchmark for the following annualized time periods ending 9/30/2018: 1 year, 2 year, 5 year, 7 year and 10 year.

## **American Funds**

The American Funds underperformed its Benchmark by 60 bps for the calendar year to date (3.5% versus 4.1%) and quarter (2.7% versus 3.7%). The American Funds program beat its Benchmark for the 2, 3, 5 and 10 years ending 9/30/18.

## **Conservative Fund**

The Conservative Fund's results continue to provide a reasonable return while preserving principal and maintaining a high degree of liquidity. This fund returned .5% for the quarter and 1.1% on a calendar year to date basis.

## **Summary**

The Foundation's investment options offer distinct choices across the risk/return spectrum and continue to produce results in line with their respective objective.

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For more information, contact your philanthropic officer at 404.688.5525 or visit [cfgreateratlanta.org](http://cfgreateratlanta.org)

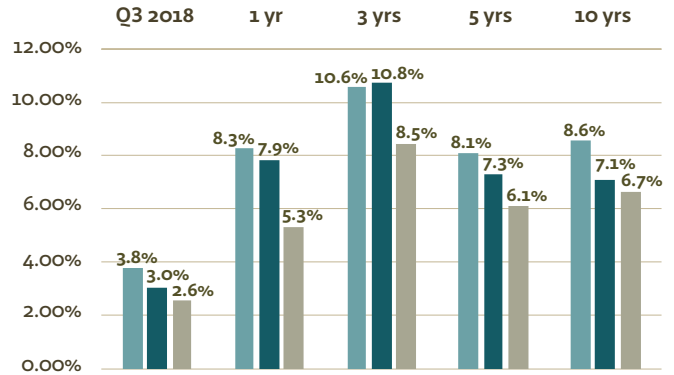
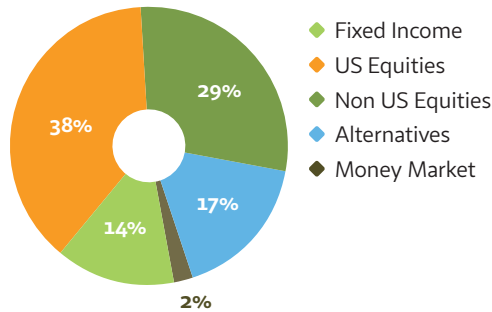
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## Portfolio

## Asset Allocation

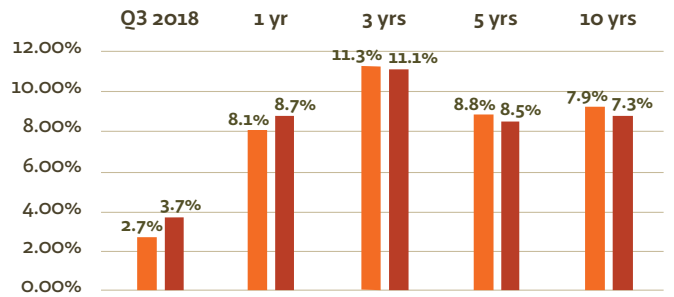
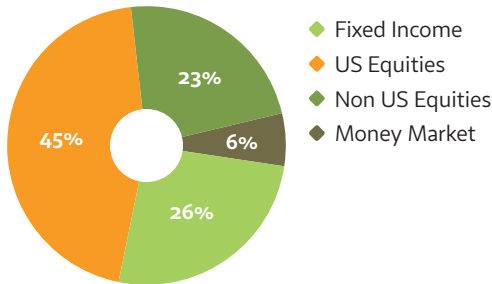
## Performance

### Investment Pool



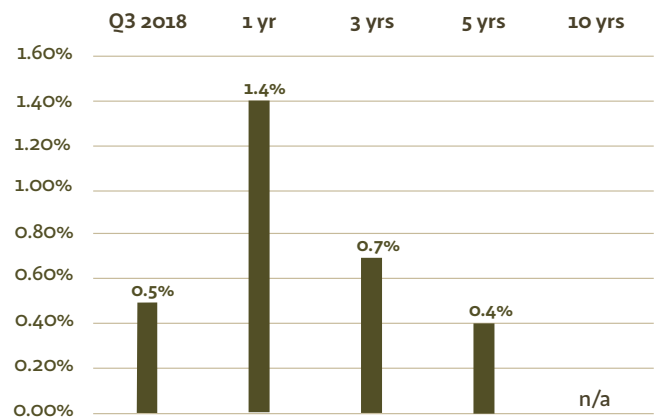
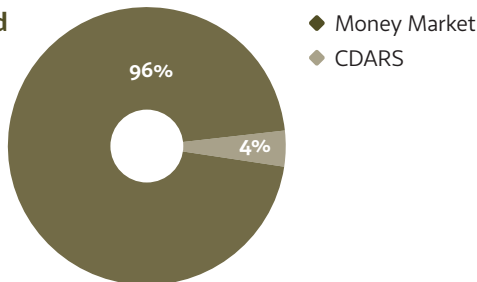
◆ Investment Pool\* ◆ Benchmark\*\* ◆ 60% MSCI ACWI/40% Barclays Agg

### 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.