**Market Environment**
Global equities rebounded during the second quarter as markets were fueled by optimism about successful early-stage trials for a potential coronavirus vaccine, ongoing fiscal and monetary stimulus, and signs that global economic activity is improving. U.S. equity markets turned in their strongest quarterly performance in over two decades. As of June 5, the S&P 500 had risen 41% from its March lows. This recovery is the steepest ever, from the shortest bear market in history.

**Investment Pool**
The Investment Pool (Pool) returned 12.6% for the second quarter, 1.7% behind the Target Benchmark. The underperformance is due to the Private Market returns which are lagged one quarter. Performance was enhanced by outperformance of the US Equity and hedge fund managers. The Pool continues to employ a long-term diversified investment strategy to generate attractive returns over the longer term.

**American Funds**
The American Funds Program returned 15.4% in the first quarter, outperforming its benchmark by 70 basis points. The program's overweight to technology and health care equities enhanced performance. The program's longer-term relative performance continues to be strong, outperforming its benchmark in the 3, 5, and 10 year periods. The program invests in three American Funds: American Balanced Fund, EuroPacific Growth Fund, and Small Cap World Fund.

**Conservative Fund**
The Conservative Fund continues to provide returns in line with a fund constructed to preserve principal and maintain a high degree of liquidity. The Fund returned 0.5% for the quarter.

**Summary**
The Foundation offers a diverse set of investment options, designed to meet the varied needs of our donor advisors. Our investment strategy is based on the principles of discipline, balance, diversification, and a longer view that is risk-aware but opportunistic. We are confident that these principles will continue to serve us well as we steward philanthropic capital.
Portfolio Asset Allocation

**Investment Pool**
- 34% Fixed Income
- 27% US Equities
- 24% Non US Equities
- 11% Alternatives
- 4% Money Market

**American Funds**
- 44% Fixed Income
- 24% US Equities
- 23% Non US Equities
- 9% Money Market

**Conservative Fund**
- 96% Money Market
- 4% Certificate of Deposits

Performance

**Q2 2020**
- **1 yr**
- **3 yrs**
- **5 yrs**
- **10 yrs**

**Investment Pool**
- 14.3%
- 14.2%
- 5.5%
- 5.2%
- 5.7%
- 7.6%
- 7.8%

**American Funds**
- 14.7%
- 7.4%
- 7.1%
- 7.1%
- 7.7%
- 7.6%
- 7.8%

**Conservative Fund**
- 2.2%
- 1.8%
- 1.2%
- n/a

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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.