

ENDOWMENT POOL SUMMARY

As of December 31, 2022

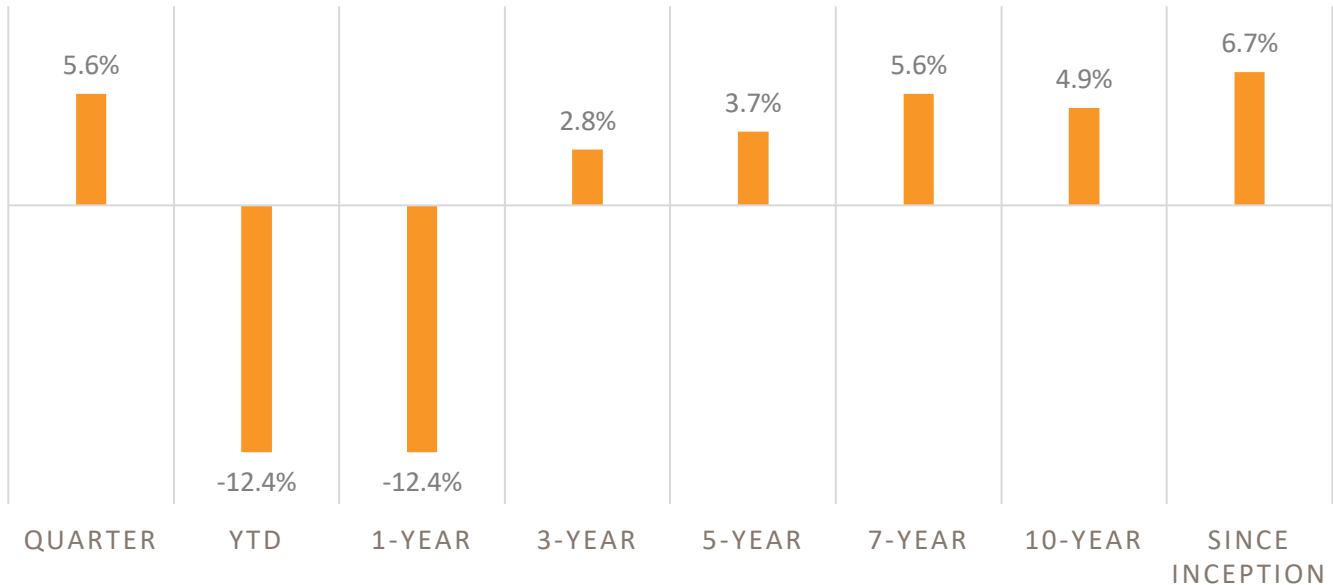
The Endowment Pool is designed to be long-term in nature and capital appreciation is the primary goal. The portfolio makes investments in both traditional and alternative asset classes. This Pool is for permanent endowments, where the time horizon is in perpetuity. The portfolio is allocated across:

- ❖ **Asset class** (stocks, bonds, hedge funds)
- ❖ **Region** (U.S., developed international, emerging markets)
- ❖ **Market Cap** (large, mid, and small size companies)
- ❖ **Style** (value and growth)
- ❖ **Liquidity** (public and private investments)

ASSET ALLOCATION

❖ Domestic Stocks	36%
❖ International Stocks	15%
❖ Core Fixed Income	27%
❖ Real Estate	1%
❖ Infrastructure	5%
❖ Private Equity	8%
❖ Hedge Funds	8%

PERFORMANCE



*Inception 01/1994



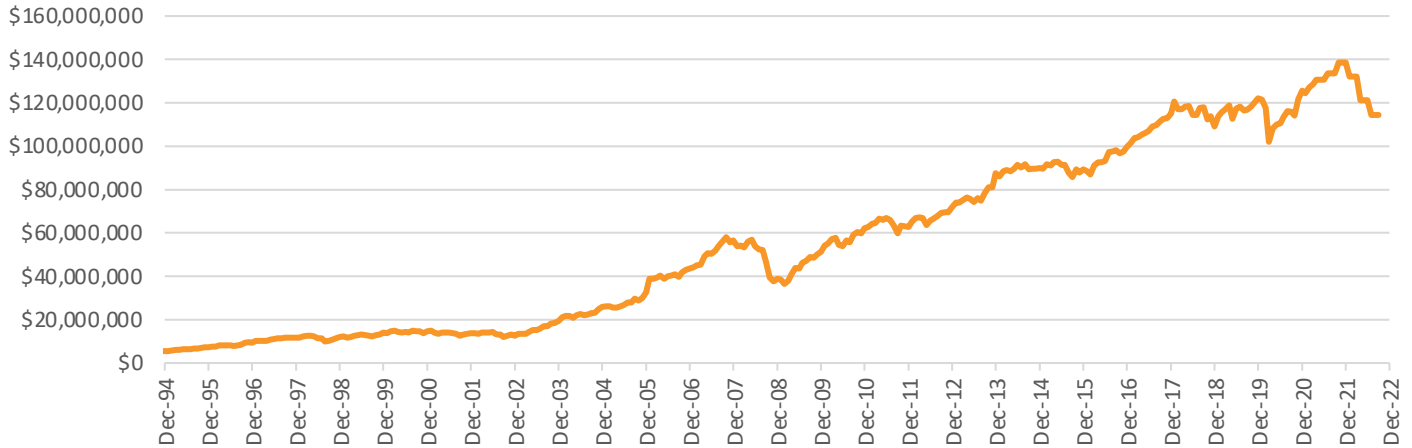
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GROWTH OF ASSETS OVER TIME

Endowment



QUARTERLY COMMENTARY

2022 ended as the third worst year on record for balanced portfolios. A remarkably strong fourth quarter rebound, however, saw most major asset classes reverse course and post positive performance. Cooling inflationary data, moderating interest rates, a declining U.S. dollar (USD), and the potential for a slower pace of Federal Reserve (Fed) tightening helped underpin the rally across the financial markets during the entire quarter. International outperformed U.S. equities for both the quarter and the year and emerging market equities enjoyed a solid rally in the fourth quarter. Bond returns were positive in the fourth quarter, as increased interest rates benefited from the 4Q rally.

FROM OUR INVESTMENT PHILOSOPHY

The endowment pool is globally diversified, providing exposure to a wide range of asset classes. Such diversification allows the pool to benefit from the strong performance of individual asset classes while mitigating the negative impact of poor performance in any single asset class.

The pool will have the majority of its assets invested in public equity, both public and private, with the remainder in fixed income and diversifying strategies, or hedge funds. The Community Foundation's approach to private equity and diversifying strategies is cautious. Investments tend to be made in funds of funds, and the asset allocation to these strategies is monitored closely to make sure that the portfolio maintains an appropriate level of liquidity. Hedge funds are included in the pool to reduce the impact of market volatility.

For further information regarding investment management please visit our website:

<https://www.gcrf.org/about/investment-management/>

If you have questions, please contact:

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