

MODERATE POOL SUMMARY

As of December 31, 2022

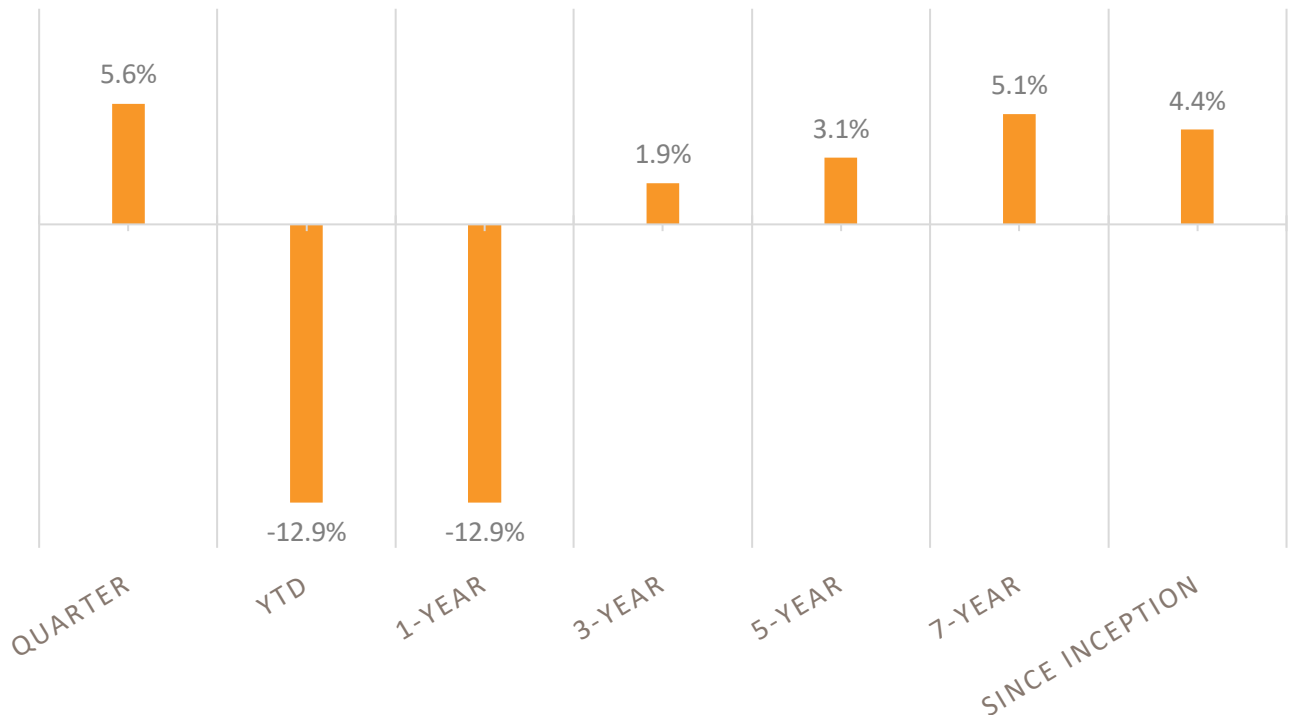
The Moderate Pool is designed to be intermediate to long-term in nature and capital appreciation is the primary goal. The portfolio makes investments only in liquid, publicly traded securities. This Pool is for agencies and endowments, where the time horizon is in excess of five years but liquidity is a focus. The portfolio is allocated across:

- ❖ **Asset class** (stocks, bonds, real estate, diversified mutual funds)
- ❖ **Region** (U.S., developed international, emerging markets)
- ❖ **Market Cap** (large, mid, and small size companies)
- ❖ **Style** (value and growth)
- ❖ **Liquidity** (daily liquid investments)

ASSET ALLOCATION

| | |
|----------------------------|-----|
| ❖ Domestic Stocks | 26% |
| ❖ International Stocks | 18% |
| ❖ Core Fixed Income | 43% |
| ❖ Diversified Mutual Funds | 10% |
| ❖ Real Estate | 2% |
| ❖ Infrastructure | 1% |

PERFORMANCE



*Inception: 10-2013



Fund Evaluation Group[®]
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GROWTH OF ASSETS OVER TIME

Moderate Pool



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 moderate 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 approximately half of its assets invested in public equity with the remainder in fixed income and liquid diversifying strategies. The goal of the pool is to generate returns in excess of fixed income over a five-year time horizon while maintaining 100% daily liquidity of the assets.

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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