

CONSERVATIVE POOL SUMMARY

As of December 31, 2023

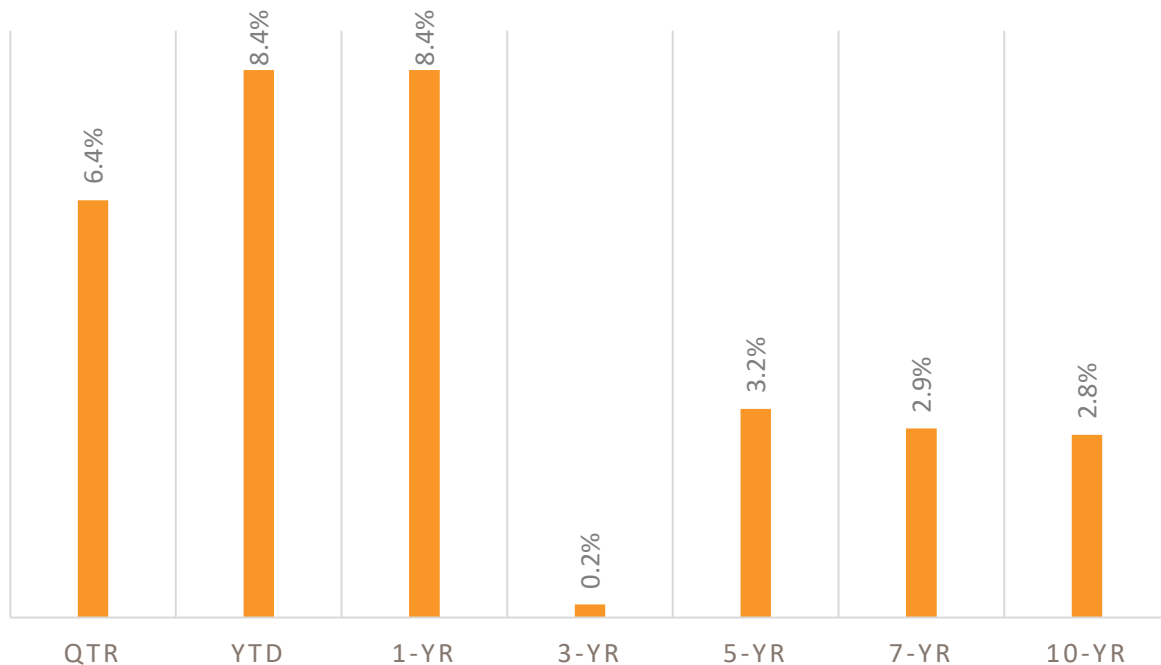
The Conservative Pool is designed to be short to intermediate-term in nature and capital preservation is the primary goal. The portfolio makes investments primarily in liquid, publicly traded fixed income securities and cash. The pool will invest a portion of the assets in US-based stocks. This Pool is for agencies and endowments, where the time horizon is in excess of one year and less than five years. The portfolio is allocated across:

- ❖ **Asset class** (stocks, bonds, cash)
- ❖ **Region** (U.S.)
- ❖ **Market Cap** (large mid size companies)
- ❖ **Style** (core, value and growth2)
- ❖ **Liquidity** (daily liquid investments)

ASSET ALLOCATION

❖ Domestic Stocks	12%
❖ Core Fixed Income	79%
❖ Money Market & Cash	9%

PERFORMANCE

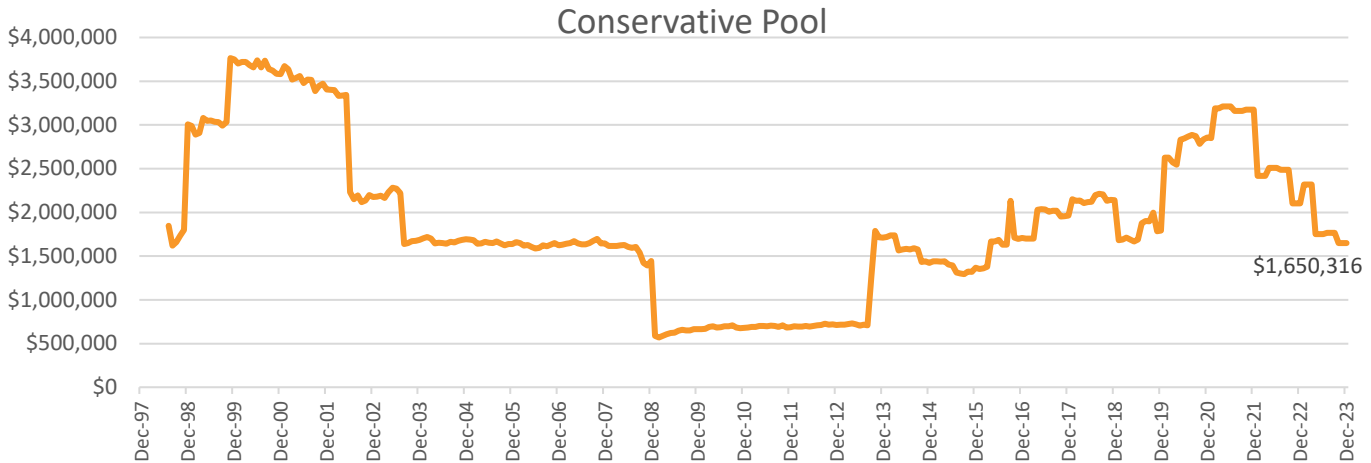


Fund Evaluation Group®
investment advisors



GREATER CEDAR RAPIDS
COMMUNITY
FOUNDATION

GROWTH OF ASSETS OVER TIME



QUARTERLY COMMENTARY

With the worst cyclical inflationary pressures likely in the rearview mirror, market participants embraced the Federal Reserve's (Fed) mid-December implicit confirmation of an anticipated easing in its current restrictive stance. Across the equity markets, small capitalization U.S. stocks outperformed their larger cap counterparts in the fourth quarter. While positive in absolute terms, both international developed and emerging market equity gains underperformed domestic in the quarter. After appearing on the verge of posting an unprecedented third consecutive calendar year decline, core bond returns rallied during the quarter. The Magnificent 7 US large cap tech stocks (Apple, Amazon, Google, Facebook, Microsoft, Nvidia, Tesla) continue to dominate index returns. These 7 stocks were up over 100% in 2023.

FROM OUR INVESTMENT PHILOSOPHY

The conservative pool is designed to generate return in excess of money market with limited stock exposure. The pool is U.S. focused, providing exposure to stocks, cash, U.S. bonds, and money market instruments.

The pool will have approximately ten percent of its assets invested in public equity with the remainder in fixed income and money market. The goal of the pool is to generate returns in excess of cash over a one-year time horizon while maintaining 100% daily liquidity of the assets. Given the pool will invest in small amounts of the stock market it is subject to shorter-term fluctuations and, as such, is not designed as a cash replacement.

For further information regarding investment management please visit our website:
<https://www.gcrf.org/about/investment-management/>

If you have questions, please contact:

Arthur Kim
Development Officer
319.200.4409 Arthur.Kim@gcrf.org

