



**COMMUNITY**  
FOUNDATION  
OF GREATER MEMPHIS

### Investment Returns of Community Foundation Investment Pools

The **Cash Equivalent Pool** is designed to preserve capital. It invests primarily in high-grade U.S. government and corporate bonds with maturities of less than one year and money market funds. It is managed by Highland Capital Management Corp.

The **Fixed Income Pool** invests in a diversified mix of bonds including U.S. government, U.S. government agency, and U.S. investment-grade corporate bonds with intermediate maturities. The fund is managed by Metropolitan West Asset Management through the Metropolitan West Total Return Bond Fund (MWTIX), Pacific Investment Management Company through the PIMCO Short Term Fund (PTSHX), and the Vanguard Total Bond Market Index Fund (VBTIX).

The **Balanced – Active Pool** is designed to generate returns through an actively managed, globally diversified mix of asset classes and investment strategies. It is invested in approximately 57 percent equities, 25 percent fixed income securities and cash equivalents, 10 percent alternative investments, and 8 percent real assets. Managers are listed on the following page.

The **Balanced – Indexed Pool** is designed to closely track the returns of a mix of global equities and U.S. fixed income. The approximate allocation of this pool currently is 40 percent Vanguard Total Bond Market Index Fund (VBTLX), 32 percent Vanguard Total Stock Market Index Fund (VTSAX), and 28 percent Vanguard Total International Stock Index Fund (VTIAX).

The **Equity - Active Pool** is designed to generate returns through an actively managed, globally diversified mix of equities and equity-oriented strategies. It is invested in approximately 35 percent large-cap U.S. equities, 9 percent small-and mid-cap U.S. equities, 36 percent international equities, and 20 percent hedged equities. Managers are listed on the following page.

The **Longleaf Pool** is an actively managed equity pool comprised of funds managed by Southeastern Asset Management. The approximate allocation of this pool currently is 50 percent Longleaf Partners Fund (LLPFX), 10 percent Longleaf Partners Small-Cap Fund (LLSCX), and 40 percent Longleaf Partners International Fund (LLINX).

Investment Pools	Periods Ended 09/30/2018					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Cash Equivalent	0.5%	1.3%	1.5%	0.9%	0.6%	0.7%
Fixed Income	0.4%	-0.1%	0.3%	1.8%	2.1%	3.9%
Balanced – Active	1.4%	0.8%	4.2%	7.2%	5.3%	6.5%
Balanced – Indexed (Initially funded 10/1/2018)	N/A	N/A	N/A	N/A	N/A	N/A
Equity - Active	2.3%	1.7%	7.2%	10.8%	7.4%	8.4%
Longleaf Partners Funds	2.9%	4.0%	5.8%	14.9%	5.7%	8.0%
	Market Indices					
<b>Bank of America ML 91-Day Treasury Bill Index</b>	0.5%	1.3%	1.6%	0.9%	0.5%	0.3%
Barclays Capital Aggregate Bond Index	0.0%	-1.6%	-1.2%	1.3%	2.2%	3.8%
60% S&P 500; 40% Barclays US Int. Gov/Credit Index	4.7%	6.0%	10.1%	10.6%	8.9%	8.7%
60% MSCI World Index; 40% Barclays US Int. Gov/Credit Index	3.1%	3.3%	6.6%	8.8%	6.6%	7.1%
S&P 500	7.7%	10.6%	17.9%	17.3%	13.9%	12.0%
MSCI World Index	5.1%	5.9%	11.8%	14.2%	9.9%	9.2%

Note: All returns are compounded annual returns and are net of investment management fees. Returns may not reflect the performance of individual funds. The multi-year returns are compounded annual returns.

**Community Foundation of Greater Memphis  
Balanced – Active and Equity – Active Pool Target Allocations**

**Summary**

<b>Asset Class</b>	<b>Balanced - Active</b>	<b>Equity - Active</b>
U.S. Fixed Income	25.0%	0.0%
U.S. Large Cap Equity	15.5%	35.0%
U.S. Small/Mid Cap Equity	5.0%	9.0%
Developed International Equity	16.0%	27.0%
Emerging Markets	5.0%	9.0%
Hedged Equities	12.5%	20.0%
Private Equity	3.0%	0.0%
Real Assets	8.0%	0.0%
Alternative Investments	10.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

**Detail**

<b>Sector</b>	<b>Investment Managers/Funds</b>	<b>Balanced - Active Target Allocation</b>	<b>Equity - Active Target Allocation</b>
Fixed Income	Highland Capital Management	12.5%	0.0%
	PIMCO Short Asset Investment Fund – Institutional Class (PAIDX)	10.0%	0.0%
	1607 Capital Bond Fund, LP	2.5%	0.0%
<b>Total Fixed Income</b>		<b>25.0%</b>	<b>0.0%</b>
Large Cap U.S. Equity	Delta Asset Management	5.0%	9.0%
	Longleaf Partners Fund (LLPFX)	3.5%	6.0%
	Vanguard 500 Index Fund (VINIX)	7.0%	20.0%
Small/Mid Cap U.S. Equity	Champlain Small Company Fund - Institutional Class (CIPNX)	2.5%	4.5%
	NewSouth Capital Management	2.5%	4.5%
International Equity	Diversified Trust Co. – International	3.0%	5.0%
	Grandeur Peak International Opportunities Fund – Institutional Class (GPIIX)	4.0%	7.0%
	Nippon Value Investors Japanese Equity Trust	3.0%	5.0%
	Sanderson Asset Management International Value Fund	6.0%	10.0%
Emerging Markets	Arisaig Global Emerging Markets Consumer Fund, Ltd.	2.0%	3.5%
	Grandeur Peak Emerging Markets Opportunities Fund – Institutional Class (GPEIX)	3.0%	5.5%
Hedged Equities	Alternative Investments Institutional, L.P.	9.5%	15.0%
	Gotham Neutral Fund – Institutional Class (GONIX)	3.0%	5.0%
Private Equity	Headlands Capital Secondary Fund II, LP	3.0%	0.0%
<b>Total Equities</b>		<b>57.0%</b>	<b>100.0%</b>
Alternative Investments	Forester Diversified, Ltd. (Multi-Strategy Hedge Fund of Funds)	5.0%	0.0%
	SCS Opportunities Fund, Ltd. (Multi-Strategy Hedge Fund of Funds)	5.0%	0.0%
Real Assets	Tortoise MLP & Pipeline Fund – Institutional Class (TORIX)	5.0%	0.0%
	Siguler Guff Distressed Real Estate Opportunities Fund II, LP	3.0%	0.0%
<b>Total Other Investments</b>		<b>18.0%</b>	<b>0.0%</b>
<b>Grand Total</b>		<b>100.0%</b>	<b>100.0%</b>