



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 55 percent equities, 27 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 43 percent large-cap U.S. equities, 9 percent small-and mid-cap U.S. equities, 27 percent international equities, 6 percent emerging market equities and 15 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 03/31/2019					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Cash Equivalent	0.7%	0.7%	2.3%	1.3%	0.9%	0.8%
Fixed Income	2.1%	2.1%	3.5%	2.2%	2.3%	3.8%
Balanced – Active	7.3%	7.3%	0.7%	6.2%	3.7%	8.4%
Balanced – Indexed (Initially funded 10/1/2018)	8.3%	8.3%	N/A	N/A	N/A	N/A
Equity - Active	10.3%	10.3%	-1.4%	8.1%	4.9%	11.3%
Longleaf Partners Funds	12.0%	12.0%	-0.5%	9.5%	2.5%	12.0%
	Market Indices					
Bank of America ML 91-Day Treasury Bill Index	0.6%	0.6%	2.1%	1.2%	0.8%	0.4%
Barclays Capital Aggregate Bond Index	2.9%	2.9%	4.5%	2.0%	2.7%	3.8%
60% S&P 500; 40% Barclays US Int. Gov/Credit Index	9.0%	9.0%	7.7%	8.8%	7.5%	10.9%
60% MSCI World Index; 40% Barclays US Int. Gov/Credit Index	8.5%	8.5%	4.7%	7.5%	5.4%	9.2%
60% MSCI ACWI Index; 40% Barclays US Int. Gov/Credit Index	8.5%	8.5%	3.9%	7.6%	5.5%	9.2%
S&P 500	13.6%	13.6%	9.5%	13.5%	10.9%	15.9%
MSCI World Index	12.6%	12.6%	4.6%	11.3%	7.4%	13.0%

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

Asset Class	Balanced - Active Pool	Equity Pool
U.S. Fixed Income	27.0%	0.0%
U.S. Large Cap Equity	16.0%	43.0%
U.S. Small/Mid Cap Equity	5.0%	9.0%
Developed International Equity	16.0%	27.0%
Emerging Markets	5.0%	6.0%
Hedged Equities	10.0%	15.0%
Private Equity	3.0%	0.0%
Real Assets	8.0%	0.0%
Alternative Investments	10.0%	0.0%
Total	100.0%	100.0%

Detail

Sector	Investment Managers/Funds	Balanced - Active Pool Target Allocation	Equity - Active Pool Target Allocation
Fixed Income	Highland Capital Management	13.5%	0.0%
	PIMCO Short Asset Investment Fund – Institutional Class (PAIDX)	11.0%	0.0%
	1607 Capital Bond Fund, LP	2.5%	0.0%
Total Fixed Income		27.0%	0.0%
Large Cap U.S. Equity	Delta Asset Management	5.0%	9.0%
	Longleaf Partners Fund (LLPFX)	3.5%	9.0%
	Vanguard 500 Index Fund (VINIX)	7.5%	25.0%
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%
Emerging Markets	Sanderson Asset Management International Value Fund	6.0%	10.0%
	Arisaig Global Emerging Markets Consumer Fund, Ltd.	2.0%	2.5%
	Grandeur Peak Emerging Markets Opportunities Fund – Institutional Class (GPEIX)	3.0%	3.5%
Hedged Equities	Alternative Investments Institutional, L.P.	10.0%	15.0%
Private Equity	Headlands Capital Secondary Fund II, LP	3.0%	0.0%
Total Equities		55.0%	100.0%
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%
Total Other Investments		18.0%	0.0%
Grand Total		100.0%	100.0%