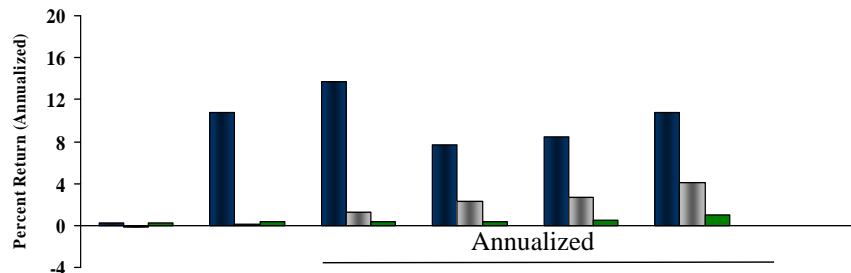


## Performance – Period Ending 06/30/18



	2Q18	1 Year	2 Years	3 Years	5 Years	Since Inception
■ Equity Fund*	0.2	10.8	13.7	7.7	8.5	10.7
■ Fixed Income Fund*	-0.2	0.1	1.3	2.3	2.6	4.1
■ Short-Term Income Fund	0.2	0.4	0.4	0.4	0.5	1.1

\*Net of Fees returns presented are net of manager fees for separate account relationships, custody fees, and DMS fees. The Kansas Area United Methodist Foundation administrative service fee of up to 0.75% annually is not included.

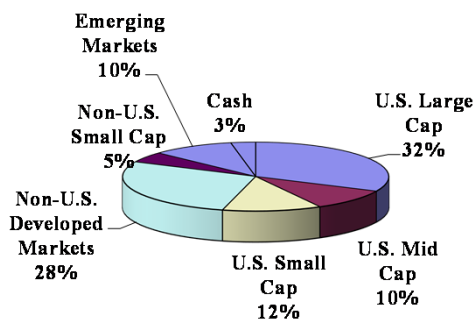
**Equity Fund:** This investment fund seeks growth through long-term capital appreciation in stocks. Where available, the underlying portfolios are screened under the Social Principles of The United Methodist Church. This fund consists of multiple well diversified equity strategies. Inception date is 01/26/09.

**Fixed Income Fund:** This investment fund seeks to provide as high a level of current income as is consistent with the preservation of capital. Where available, the underlying portfolios are screened under the Social Principles of The United Methodist Church. This fund consists of multiple well diversified fixed income strategies. Inception date is 01/12/09.

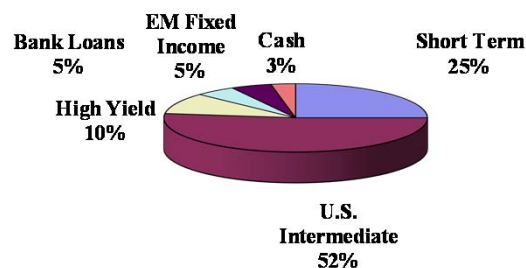
**Short-Term Income Fund:** This investment fund invests in U.S. Treasury obligations and/or jumbo certificates of deposit insured by the FDIC, with maturities of 36 months or less. Inception date is 01/01/09.

## Fund Asset Allocation – Target Weights

### Equity Fund



### Fixed Income Fund



## Asset Allocation Scenarios – Performance Ending 06/30/18

	Equity	Fixed Income	2Q18	1 Year	Annualized		Since Inception
					3 Year	5 Year	
<b>Conservative*</b>	30%	70%	-0.1	3.3	3.9	4.4	6.1
<b>Moderate*</b>	60%	40%	0.0	6.5	5.5	6.1	8.1
<b>Moderate/Aggressive*</b>	70%	30%	0.1	7.6	6.1	6.7	8.8
<b>Aggressive*</b>	80%	20%	0.1	8.6	6.6	7.3	9.4

\*Net of Fees returns presented are net of manager fees for separate account relationships, custody fees, and DMS fees. The Kansas Area United Methodist Foundation administrative service fee of up to 0.75% annually is not included.

Note: Scenario portfolio performance is calculated by taking the percentage of equity allocation multiplied by the Equity Fund return added to the percentage of fixed income allocation multiplied by the Fixed Income Fund return. Equity Fund since inception is 01/26/09. Fixed Income Fund since inception is 01/12/09.

Past performance does not guarantee future results.

## Market Commentary

- Stock returns were mixed in a volatile quarter. In stark contrast with U.S. stocks, International stocks continued to struggle, posting negative returns for both the quarter and year to date. Trade tensions, a stronger dollar and slowing economic growth in developed markets were all contributing factors.
- Large cap growth stocks continue to trounce large cap value stocks. The S&P 500 Index increased 3.4% for the quarter and increased 14.4% for the trailing 12 months. Small Cap stocks, represented by the Russell 2000, increased 7.8% for the quarter and increased 17.6% for the past 12 months.
- Developed international stocks, as represented by the MSCI EAFE, decreased 1.2% in the quarter and were up 6.8% over the past 12 months. International small cap stocks decreased 1.6% for the quarter and were up 12.4% for the year, as shown by the MSCI EAFE Small Cap Index.
- The MSCI Emerging Markets index decreased 8.0% in the quarter and were up 8.2% for the past 12 months.
- The dollar strengthened against other currencies during the quarter in response to higher interest rates and good domestic GDP growth. When the dollar strengthens, foreign currencies can buy fewer dollars, negatively impacting returns. International developed returns in five and 10 year periods reflect a stronger dollar, just like the second quarter returns.

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