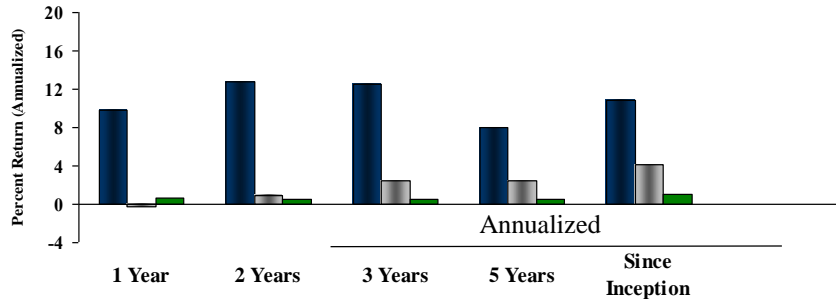


## Performance – Period Ending 09/30/18



	1 Year	2 Years	3 Years	5 Years	Since Inception
■ Equity Fund*	9.8	12.8	12.5	8.0	10.8
■ Fixed Income Fund*	-0.2	0.9	2.5	2.5	4.1
■ Short-Term Income Fund	0.7	0.5	0.5	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.

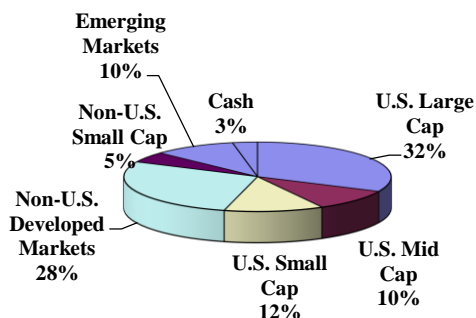
**Equity Fund:** This investment fund seeks growth through long-term capital appreciation in stocks. Where available, the underlying portfolios are screened under the Social Principles of The United Methodist Church. This fund consists of multiple well diversified equity strategies. Inception date is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

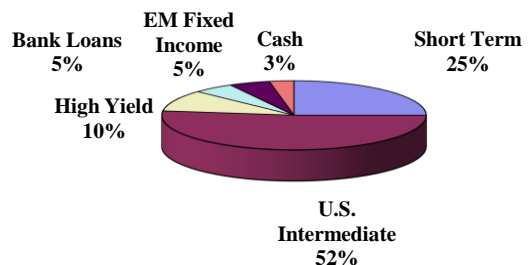
**Short-Term Income Fund:** This investment fund invests in U.S. Treasury obligations and/or jumbo certificates of deposit insured by the FDIC, with maturities of 36 months or less. Inception date is 01/01/09.

## Fund Asset Allocation – Target Weights

### Equity Fund



### Fixed Income Fund



## Asset Allocation Scenarios – Performance Ending 09/30/18

	Equity	Fixed Income	Annualized			Since Inception
			1 Year	3 Year	5 Year	
<b>Conservative*</b>	30%	70%	2.8	5.5	4.2	6.1
<b>Moderate*</b>	60%	40%	5.8	8.5	5.8	6.8
<b>Moderate/Aggressive*</b>	70%	30%	6.8	9.5	6.3	8.8
<b>Aggressive*</b>	80%	20%	7.8	10.5	6.9	9.5

\*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

- The markets continued a divergence in the third quarter. U.S. stocks surged ahead as trade concerns waned and economic growth powered on. Large cap stocks jumped on the U.S.-Mexico NAFTA trade negotiations at the end of August.
- Small cap trailed large cap for the quarter and now trails for the past 12 months. The S&P 500 Index increased 7.7% for the quarter and increased 17.9% for the trailing 12 months. Small Cap stocks, represented by the Russell 2000, increased 3.6% for the quarter and increased 15.2% for the past 12 months.
- International stocks posted positive returns but lagged domestic stock returns as concerns about overseas economic growth continued. Developed international stocks, as represented by the MSCI EAFE, increased 1.4% in the quarter and were up 2.7% over the past 12 months. International small cap stocks decreased 0.9% for the quarter and were up 3.7% for the year, as shown by the MSCI EAFE Small Cap Index.
- The MSCI Emerging Markets index decreased 1.1% in the quarter and were down 0.8% for the past 12 months.
- The dollar strengthened during the quarter, negatively impacting international returns expressed in dollars. It appears that slower growth in Europe and Japan have taken root this year and stocks are stumbling to garner a footing. Over the past three years, the dollar has traded within a margin against other developed market currencies, gaining and losing strength.

## *Invest in the Certificate of Participation Program for Churches and Individuals Good for you. Good for the church. Good for others.*

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