

HOUSTON JEWISH COMMUNITY FOUNDATION

DECEMBER 2021

Investment Pool	QTD	YTD	1 Year	3 Years	5 Years	Since Inception*
HJCF Index Growth Composite**	4.45%	11.75%	11.75%	15.51%	10.76%	10.48%
<i>Index Growth Benchmark</i>	4.40%	11.28%	11.28%	14.97%	10.62%	10.29%
HJCF Growth Composite**	4.39%	12.85%	12.85%	14.50%	9.57%	9.85%
<i>Growth Benchmark</i>	4.20%	11.48%	11.48%	13.17%	9.41%	9.38%
HJCF Aggressive Growth Composite**	5.68%	16.68%	16.68%	16.72%	10.90%	11.45%
<i>Aggressive Growth Benchmark</i>	5.48%	15.67%	15.67%	15.88%	10.97%	11.13%
HJCF Conservative Balanced Composite**	1.39%	3.95%	3.95%	N/A	N/A	4.48%
<i>Conservative Balanced Benchmark</i>	1.39%	3.46%	3.46%	N/A	N/A	4.15%
HJCF Cash Management Composite**	0.01%	0.02%	0.02%	0.73%	N/A	0.87%
<i>Cash Management Benchmark</i>	0.01%	0.05%	0.05%	0.96%	N/A	1.08%

KEY OBSERVATIONS (UPDATED QUARTERLY)

Overview

- U.S. large cap equities were among the leaders this quarter as the reopening trade took a back seat and large growth outpaced value. Real estate markets continue their banner year while fixed income was relatively flat, despite increased rate volatility.
- Adaption and flexibility should prove key for investors in 2022, driven by concern for moderating return opportunities and heightened capital market volatility.
- Investors should remain attuned to a more differentiated array of central bank responses in the New Year as authorities increasingly customize policies go their particular economic circumstances.

Fixed Income

- U.S. bonds were flat on the quarter. A hawkish Federal Reserve incited a flatter yield curve.
- Credit spreads ultimately ended the quarter tighter as investors continues to demand yield in the low-rate environment.
- Non-USD debt struggled in the period. A rising U.S. dollar coupled with Evergrande's debt default was a headwind for EM debt.

Equities & Real Assets

- Despite a volatile quarter, U.S. and developed international equities ultimately ended the quarter higher, following a year-end rally.
- Government regulation and intervention in China continues to weight on investor enthusiasm, pushing emerging markets into negative territory for the quarter.
- REITs benefited from strong industrial, self-storage and residential performance, areas that have continues to benefit during the COVID-19 era.
- Perceptions of lower energy demand due to COVID outbreaks led to falling energy prices, which weighed on the commodity market.

KEY OVER/UNDER WEIGHTS

- Within the equity segment of the portfolio there is a slight underweight to U.S. Equities compared to the MSCI All-Cap World Index.

PORTFOLIO CHANGES (4Q REVIEW)

- None - 2022 Capital Market Assumptions will be implemented in Q1 2022.

*07/01/19 Inception for Conservative Balanced, 09/01/18 Inception for Cash Management, 07/01/16 Inception for Indexed Growth & 11/01/16 Inception for all other pools.

**All returns and performance metrics are net of investment consultant fees & investment manager fees and do not include HJCF administrative fees or expenses