



April 7, 2020

Dear Valued Clients:

Hardly any of us, and any of our communities, has not been profoundly affected by the COVID-19 pandemic. We pray that amidst the challenges, you are faring well in body, mind and spirit.

On the dramatic effect of the pandemic on global markets and UCF's funds, our Chief Investment Strategist, David Klassen, offers this summary:

"Global markets entered unprecedented times in the first quarter with the spread of the Coronavirus (COVID-19) creating economic and financial volatility and losses. Concerns that were top of mind at the beginning of the year, like U.S.-China trade and the U.S. presidential election, have taken a back seat. U.S. markets declined abruptly starting in mid-February, while other markets have been impacted depending on the spread of the virus within their markets. China was the first to get impacted and has started to see a recovery. For the first quarter, large cap stocks (S&P 500) returned -19.60%, and small cap stocks (Russell 2000 Index) were down -30.61%. International developed stocks were down -22.83% for the quarter, and emerging market equities were down -23.60%.

"Fixed-income returns were positive within Investment Grade, but all other areas were negative. The U.S. 10-year treasury yield fluctuated between 0.38% and 1.95%, and ended the quarter at 0.68%. First quarter performance for the Barclays Government Credit Index, a proxy for the broad U.S. fixed income market, was 3.15%, bank loans were down -13.05%, and emerging market debt was down -14.28%."

The Investment Team constantly monitors the market, actively managing your assets and providing updates. Please visit [www.ucfunds.org](http://www.ucfunds.org) to view their most current market commentary.

Your client account statement for the quarter will be ready on April 7 and can be viewed or downloaded from the Client Portal on [www.ucfunds.org](http://www.ucfunds.org). On request to [info@ucfunds.org](mailto:info@ucfunds.org) we will email statements to authorized account signers. Please review your account statement(s) carefully as you are responsible for verifying the accuracy of your accounts. Discrepancies may not be disputed after 120 business days from quarter end.

UCF has joined with 195 other investors, representing \$4.7 trillion in assets, calling on companies to act responsibly in the wake of the economic downturn caused by the coronavirus. The "Investor Statement on Coronavirus Response" calls on corporations to act ethically toward workers and their families' health by providing paid leave, endeavoring to keep their workforce employed and extending financially prudent measures, which may include suspending share buybacks and limiting executive compensation. UCF believes that companies will buttress the economy by acting in good faith now. You can read the investor statement here <https://bit.ly/2R4Ftfb>.

In this time of uncertainty, I want to reassure you that UCF is committed to managing your assets prudently and responsibly for the long term. Our Client Services Team continues to process requests for fund distributions, transfers, account reporting and all other inquiries. And our Institutional Relationships Team always welcomes your questions about the market volatility and impact on your portfolio.

Please be in touch with us anytime by phone at 1-877-806-4989 or by email at [info@ucfunds.org](mailto:info@ucfunds.org). We always enjoy hearing from you! Thank you for your trust in us as your partners in faithful stewardship.

Sincerely,

A handwritten signature in black ink that reads "Charles Buck".

Charles Buck  
President and CEO

PRELIMINARY PERFORMANCE INFORMATION FOR THE 1<sup>st</sup> QUARTER OF 2020

The following performance numbers are preliminary and have not been audited. However, they will give you an idea of how our investment funds, net of fees, have performed in the 1<sup>st</sup> Quarter of 2020. Please note that all industry benchmarks are reported gross of fees.

	<u>1<sup>st</sup> Quarter</u>
Fixed Income Fund	-0.18%
Fixed Income Policy Index	0.75%
Domestic Core Equity Fund	-21.92%
S&P 500 Total Return Index	-19.60%
Beyond Fossil Fuels Fund	-22.75%
MSCI ACWI IMI net	-22.44%
Small Cap Equity Fund	-29.03%
Russell 2000 Index	-30.61%
International Equity Fund	-24.60%
MSCI ACWI ex US net	-23.36%
Total Equity Fund	-23.73%
MSCI ACWI IMI net	-22.44%
Conservative Balanced Fund	-9.09%
Policy Index (35% MSCI ACWI IMI net/ 65% Fixed Income Policy Index)	-7.78%
Moderate Balanced Fund	-14.59%
Policy Index (60% MSCI ACWI IMI net/ 40% Fixed Income Policy Index)	-13.60%
Aggressive Balanced Fund	-18.38%
Policy Index (75% MSCI ACWI IMI net/ 25% Fixed Income Policy Index)	-16.98%
Beyond Fossil Fuels Balanced Fund	-12.27%
Policy Index (60% MSCI ACWI IMI net/ 40% Fixed Income Policy Index)	-13.60%