



July 8, 2020

Dear Valued Clients:

At United Church Funds we remain steadfast in our commitment to ensure that your investments are making a positive impact on people, communities and the world at large. Please find below a market summary from our Chief Investment Strategist, David Klassen, and a few updates from UCF.

“Global markets bounced back strongly in the second quarter, creating whiplash after the first quarter’s significant declines. The spread of the Coronavirus (COVID-19) continues to create economic and financial hardship and loss. As we enter the second half of the year, continued fiscal and monetary stimulus will be top-of-mind, along with the U.S. presidential election and discussions on U.S.-China trade. U.S. markets bounced back the strongest, with the S&P 500 having the biggest quarterly gain since 1998 despite continued economic concerns. For the second quarter, large cap stocks (S&P 500) returned 20.54%, and small cap stocks (Russell 2000 Index) were up 25.42%. International developed stocks were up 14.88% for the quarter, and emerging market equities were up 18.08%.

“Fixed-income returns were positive within all strategies, led by riskier credit strategies and emerging market debt. The U.S. 10-year treasury yield fluctuated between 0.64% and 0.91% and ended the quarter at 0.66%. Second quarter performance for the Barclays Government Credit Index, a proxy for the broad U.S. fixed income market, was 3.71%; bank loans were up 9.70%; and emerging market debt was up 9.82%.”

Account statements as of June 30, 2020, are available via the Client Access link on UCF’s website. If you **do not** have a login and password, please call us at 1-877-806-4989, or email us at info@ucfunds.org.

UCF and others from the Racial Justice Investing Coalition have endorsed an “Investor Statement of Solidarity and Call to Action to Address Systemic Racism.” As a community of long-term investors, we embrace and commit to “5 Calls to Action,” including a commitment to integrating racial justice into investment decision-making and engagement strategies; and a commitment to using the investor voice to advance anti-racist public policy. Read more: <https://bit.ly/2YKQPcx>

We invite you to join our online Town Hall Meeting on July 28, at 5:00 p.m. Eastern Time. Matthew Wagner and Stacey Pettice of our Institutional Relationships team will share a recap of the second quarter of 2020, market recovery, short- and long-term investment strategies to navigate market uncertainties, and our socially responsible investing efforts. Register via this link: <https://bit.ly/31MgUdd>

Finally, we have created some quick, 2-3 minute videos to help start the conversations and get you on the path toward a successful planned giving ministry. We also created a new brochure and an estate planning booklet. Watch the videos and download the brochures via this link: <https://bit.ly/2YFV09p>

Thank you for your trust in us as your partners in financial stewardship. If you have any questions, please contact us at 1-877-806-4989 or info@ucfunds.org.

Sincerely,

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

Charles Buck
President and CEO