



November 7, 2021

Dear Valued Clients:

Our investment team, led by Chief Investment Strategist David Klassen, has prepared the following market summary of the third quarter of 2021:

“Global equity markets were mixed in the third quarter with month-to-month volatility. However, the U.S. market was slightly positive for the quarter and continued to lead globally in both larger company stocks and growth-oriented stocks within larger companies. The leading industries in the quarter were technology, financials and healthcare. For the third quarter, large cap stocks (S&P 500 index) returned 0.58%, while small cap stocks (Russell 2000 index) were down -4.36%. International developed stocks were down -0.45% for the quarter, and emerging market equities were down -8.09%.

“Fixed income returns were also mixed as rates fluctuated. The U.S. 10-year Treasury yield started the quarter at 1.45%, dropped to 1.19% and ended at 1.52%. Third quarter performance for the Barclays Government Credit Index, a proxy for the broad U.S. fixed income market, was 0.05%; bank loans were up 1.11%; and emerging market debt was down -3.43%.”

Join us at our next quarterly Town Hall meeting, where the UCF team will share more about the recent quarter's performance, as well as organizational updates. We will meet via Zoom on Tuesday, November 9, at 5:00 p.m. ET. Look for an email with more information and a registration link.

United Church Funds is pleased to announce the ability to receive, exchange and transfer cryptocurrencies such as Bitcoin or Ethereum. We have prepared a guide sheet that outlines the process of doing so, along with frequently asked questions. [Click here](#) to download the guide. Please note that UCF is not investing in cryptocurrencies in any of our portfolios.

While COVID-19 and climate change pose ongoing challenges, the stock market continues to generate more wealth than ever before. Matthew Illian, Director of Responsible Investing, has written an article that reflects on these disparities and highlights a key practice to building back for a stronger future. [Click here](#) to read the article.

Thank you for entrusting us to be your partners in responsible 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

PRELIMINARY PERFORMANCE INFORMATION FOR THE 3rd QUARTER OF 2021

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 3rd Quarter of 2021.

	<u>3rd Quarter</u>	<u>Year to Date</u>
Fixed Income Fund	-0.31%	-1.51%
Barclays Capital Government Credit	0.04%	-1.93%
Fixed Income Policy Index	0.05%	-1.40%
Domestic Core Equity Fund	0.50%	16.54%
S&P 500 Total Return Index	0.58%	15.92%
Beyond Fossil Fuels Fund	-0.40%	14.51%
MSCI ACWI IMI net	-1.11%	11.42%
Small Cap Equity Fund	-3.22%	10.05%
Russell 2000 Index	-4.36%	12.41%
International Equity Fund	-3.62%	5.20%
MSCI ACWI ex US net	-2.99%	5.90%
Total Equity Fund	-1.67%	10.66%
MSCI ACWI IMI net	-1.11%	11.42%
Conservative Balanced Fund	-0.85%	2.98%
Policy Index (35% MSCI ACWI IMI net/ 65% Fixed Income Policy Index)	-0.34%	2.98%
Moderate Balanced Fund	-1.18%	6.00%
Policy Index (60% MSCI ACWI IMI net/ 40% Fixed Income Policy Index)	-0.63%	6.19%
Aggressive Balanced Fund	-1.38%	7.81%
Policy Index (75% MSCI ACWI IMI net/ 25% Fixed Income Policy Index)	-0.81%	8.13%
Beyond Fossil Fuels Balanced Fund	-0.31%	8.34%
Policy Index (60% MSCI ACWI IMI net/ 40% Fixed Income Policy Index)	-0.63%	6.19%