

JEWISH COMMUNITY INVESTMENT FUND

for the quarter ending September 30, 2017

CHAIRMAN'S REPORT

The JCIF was up 3.7% for the quarter and up over 13% for the trailing one-year period. In both instances, the JCIF beat its benchmarks and its investment objectives. It is important to note that these performance numbers are highly correlated to the equity markets which have continued to break new records. While the stock markets continue to rise, we know from past experience that eventually there will be a correction. To be prudent, we have created a portfolio that contains built-in hedges to help protect JCIF investors from a market correction. For that reason, we should not expect to participate fully in an up market, but we expect to outperform a "down" market.

This past year, the committee reviewed the asset allocation of the JCIF and reclassified four funds from the marketable alternative portfolio to the equity portfolio and into their own sector called "low volatility." These managers need to provide risk-adjusted results that justify their lower level of liquidity. The remaining marketable alternative managers manage portfolios that do not tend to correlate with the equity markets. We have categorized these marketable alternatives managers as diversifiers. The purpose of these managers is to find growth away from the stock markets and as a consequence are less likely to fall in value if there is a reversal in the stock markets.

This quarter we took further steps with the marketable alternatives by more than doubling our original commitment to Elliott and fully redeeming from Contrarian and Litespeed. We are focused on providing a more concentrated group of high-quality managers. The average investor would not have access to these managers, but because of our scale, we (and our investors) can invest with these best-of-breed managers. The asset allocation for the market alternatives will remain the same. Looking ahead, we will be reviewing the entire portfolio with eye toward liquidity and ensuring that we have enough liquid assets to meet the spending needs in the event of another downturn like we witnessed in 2008. While we are not overly concerned about that type of downturn, we want to be sure to be positioned so we are not forced to liquidate holdings at a temporary market bottom.

Thank you for your continued support.

Ira Malis
Chair, IMC

WHAT IS THE JCIF?

The Jewish Community Investment Fund (JCIF) is a Maryland business trust. The Associated Jewish Charities of Baltimore (AJC) serves as the sole trustee. Prior to 2013, the program was part of the AJC and called the CIF. When the board of the AJC voted to create the JCIF, it was done to separate the endowment assets from other assets (e.g. real estate) of the AJC. For more information, contact Michael Dye at mdye@associated.org.

INVESTMENT TEAM

The JCIF is managed by the Investment Management Committee consisting of 25 volunteer leaders with extensive investment experience, led by Ira Malis and aided by an executive committee four sub-committees and they are responsible for manager review and oversight. Day-to-day operations are handled by the professional staff of The Associated and aided by investment advisor, Cambridge Associates, and custodian, Wilmington Trust. The JCIF is audited annually by RSM US LLC.

JEWISH COMMUNITY INVESTMENT FUND

FUND VALUE \$629,440,604

AS OF SEPTEMBER 30, 2017

PERFORMANCE

	QTR	CYTD	1-year	3-years	5-years	10-years
JCIF	3.7%	11.4%	13.2%	4.8%	7.3%	5.1%
Benchmark	3.2%	10.2%	10.9%	4.2%	6.0%	3.0%
75/25*	4.2%	13.8%	14.0%	6.6%	8.5%	4.5%

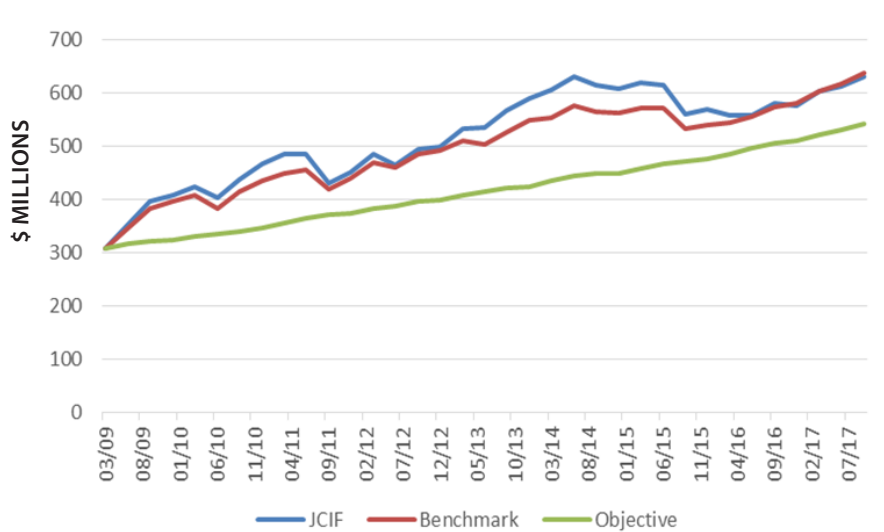
* 75% MSCI ACWI and 25% Barclays Aggregate Bond Index

PERFORMANCE BY SECTOR

	Asset Value #	% of JCIF	QTR	1-year	3-year	5-year	10-year
Domestic	136.1	21.6%	4.7%	20.7%	11.2%	15.4%	9.1%
Global	73.9	11.7%	5.9%	20.7%	7.1%	11.8%	
International	76.5	12.2%	6.7%	22.9%	8.8%	11.0%	3.6%
Emerging Markets	52.2	8.3%	4.8%	18.8%	3.7%	4.3%	
Lower Volatility	60.2	9.6%	1.6%	5.8%	2.2%	6.7%	5.6%
Fixed Income & Cash	81.5	13.0%	1.0%	1.3%	2.0%	0.7%	4.1%
Marketable Alternatives	82.7	13.1%	2.9%	8.4%	0.1%	3.9%	3.6%
Private Capital	38.4	6.1%		13.8%	9.9%	9.9%	7.3%
Real Assets	28	4.4%	3.5%	-3.9%	-11.0%	-7.6%	-4.9%

in \$ Millions

PERFORMANCE OVER TIME



FOR MORE INFORMATION

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