

JEWISH COMMUNITY INVESTMENT FUND

for the quarter ending December 31, 2019



Ira Malis
Chair, IMC

CHAIRMAN'S REPORT

A year ago, the JCIF was down nearly 10% for the last quarter of 2018 and we were left wondering whether the decade-long bull market was finally at an end. Fast forward 12 months and the answer was a resounding 'No!' The JCIF ended the fourth quarter of 2019 up 6% and the trailing one-year was up 18.2%. For the past several quarters we have reported on the Investment Management Committee's efforts to slowly rebalance the JCIF away from the equities and into asset managers who are not correlated with equities. The market performance in 2019 has only heightened our conviction in that decision. Now that the bull market is entering its second decade with no signs of slowing down, we are still

convinced that we need to take some of our gains out of the markets and into non-equity investments.

To help rebalance the JCIF, last quarter we redeemed \$12 million from Adage and moved those funds to our core fixed income fund. This was done to preserve the gains we have earned but also to increase our fixed income positions which will lower the risk profile and also provide dry powder should the markets provide a buying opportunity.

Looking ahead, the IMC is focused on finalizing and implementing our new strategic allocation taking into consideration the stable of excellent managers in the portfolio, but also what opportunities that are available. We will be trimming our overexposure to emerging markets and adding to existing private equity and private debt managers. All of these moves are designed to trim around the edges. Regardless of our world view, none of our investors are helped by making large sudden moves within the portfolio.

Finally, BlackRock CEO Larry Fink recently mentioned in his annual letter that climate change creates direct financial risk and that as investors we need to adjust to account for these risks. Coincidentally, a few of our investors have inquired about our view on ESG (environmental, social, and governance) investing in light of the recent heightened attention in this area. The IMC, with the aid of its investment consultant, FEG, will look at the issue and start a dialogue with our managers to see what they have done to address making investing more in line with the concerns of the Associated and our investors. We will report back to you as these conversations evolve.

As always, thank you for your ongoing trust.

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 and four sub-committees, the Committee is responsible for manager review and oversight. Day-to-day operations are handled by the professional staff of The Associated and aided by investment advisor, Fund Evaluation Group, and custodian, Wilmington Trust. The JCIF is audited annually by RSM US LLC.

JEWISH COMMUNITY INVESTMENT FUND

FUND VALUE \$634,046,824

AS OF DECEMBER 31, 2019

PERFORMANCE

	QTR	1-year	3-year	5-year	10-year
JCIF	6.0%	18.2%	8.2%	5.6%	7.4%
Benchmark	5.1%	18.8%	8.4%	5.5%	6.1%
75/25*	6.7%	22.1%	10.4%	7.2%	7.7%

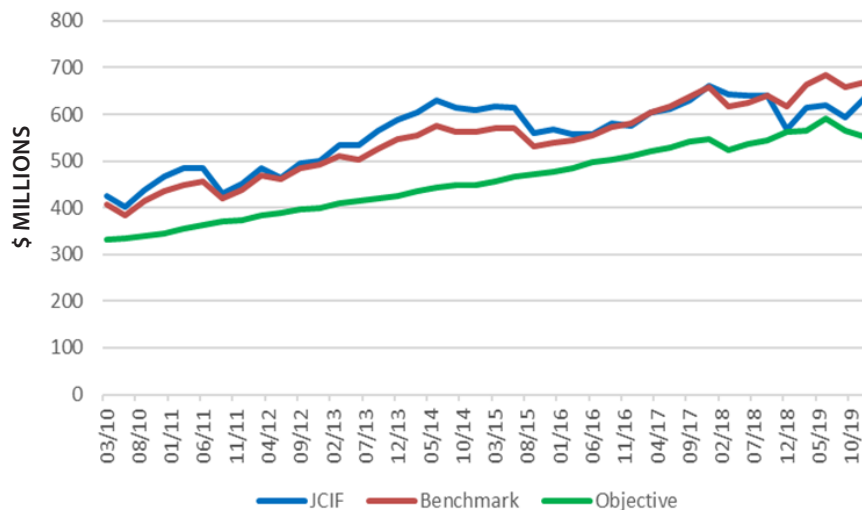
* 75% MSCI ACWI and 25% Barclays Aggregate Bond Index

PERFORMANCE BY SECTOR

	Asset Value #	% of JCIF	QTR	1-year	3-year	5-year	10-year
Domestic	179.8	26.6%	9.0%	31.5%	15.5%	11.5	14.5%
Global	68.7	12.3%	12.2%	31.3%	13.9%	8.5%	12.2%
International	82.4	13.0%	10.3%	21.2%	10.3%	7.4%	7.3%
Emerging Markets	44.4	7.0%	8.9%	10.5%	7.3%	3.9%	4.3%
Lower Volatility	19.4	2.9%	8.2%	17.7%	4.4%	2.1%	5.6%
Fixed Income & Cash	65.9	10.9%	0.5%	6.2%	3.3%	2.4%	2.7%
Marketable Alternatives	107.5	16.9%	1.0%	8.2%	4.8%	3.1%	5.5%
Private Capital	53.9	8.0%	-0.1%	8.0%	7.5%	8.5%	9.0%
Real Assets	12.0	2.3%	-1.1%	6.0%	-6.7%	-5.8%	-4.1%

in \$ Millions

PERFORMANCE OVER TIME



FOR MORE INFORMATION

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