

JEWISH COMMUNITY INVESTMENT FUND

for the quarter ending March 31, 2020



Ira Malis
Chair, IMC

CHAIRMAN'S REPORT

It is difficult to find the words to describe the global pandemic that overtook us in the first quarter of 2020, both in terms of the impact on the financial markets, and the impact on each of us. We have levels of unemployment not seen since the Great Depression and no sense of when things might return to "normal." At the end of last year, I was pleased to report to you that the JCIF had positive double digit returns in 2019 and we had a cautious but positive outlook toward 2020. Fast forward 90 days and I have to report that the JCIF suffered a loss of 14.7% for the quarter ending March 31.

We were not the only ones to be hit hard by the Coronavirus. This past quarter has the dubious distinction of having the fastest decline from a bull to bear market in history.

Overall, the equity markets experienced a drop of 30% within the quarter. They also

recovered some of those losses in the trailing days of March. This whipsaw effect has captured the headlines and tested the resolve of many, but we are steadfast in our conviction that the purpose of the JCIF is to invest for the long term. We did not panic and we did not sell at the bottom of the market. In fact, with your help we were able to maintain our investments while meeting the distribution needs of our investors for the benefit of the community.

When I took over as chair of the Investment Management Committee (IMC) in July 2017, we were already working on the slow and deliberate process of pulling back from funds that invest in publicly traded securities and toward funds that were uncorrelated with the equity markets. However, a pandemic does not care where or how assets are traded. Thus, no matter how well prepared we are, a complete shut down and quarantining of the whole world made almost every asset class lose value. Fund managers can react to a slowing economy, but it is harder to adjust to a rapid, broad shutdown.

Now eight weeks into quarantine, the world is coming to terms with a complete disruption to lives, livelihoods and the economy. Coronavirus is the black swan and one-hundred-year flood event combined into a once (hopefully) in a life-time event. The response to the pandemic is fragmented and no one knows when things will be re-opened for business.

Despite the lock-down, the IMC has been in contact with our managers. The decline in value for the JCIF was not without some positive events. The primary fixed income managers in the JCIF produced positive returns for the quarter as did several of the hedge funds. A few of our managers had higher than expected losses in the quarter, but by and large they have rebounded nicely thus far in the second quarter. While the JCIF declined in value, we did not suffer any permanent loss of capital. We continue to have confidence in our managers.

While we do not have an opinion on when the economy will re-open, when it does, the world will be a different place. Our managers are positioning their portfolios for the next stage in the recovery. Regardless of what may be when the world re-opens, please be assured that we will be working to ensure our collective assets are able to recover and grow for our futures.

Most importantly, we pray for the good health for you and your families during these trying times.

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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 \$544,974,573

AS OF MARCH 31, 2020

PERFORMANCE

	QTR	1-year	3-year	5-year	10-year
JCIF	-14.7%	-7.1%	1.0%	1.9%	5.3%
Benchmark	-14.6%	-6.7%	1.9%	2.1%	4.2%
75/25*	-15.6%	-6.2%	2.6%	3.2%	5.6%

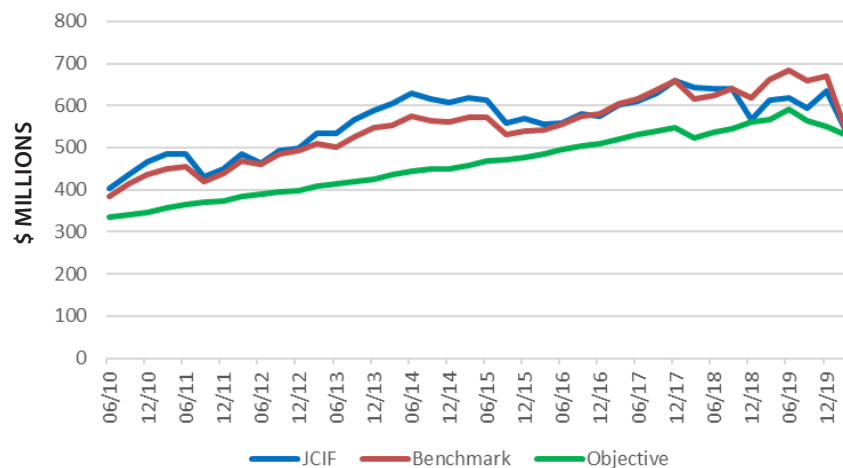
* 75% MSCI ACWI and 25% Barclays Aggregate Bond Index

PERFORMANCE BY SECTOR

	Asset Value #	% of JCIF	QTR	1-year	3-year	5-year	10-year
Domestic	129.8	26.6%	-22.6%	-10.7%	3.8%	5.3%	10.8%
Global	55.7	12.3%	-17.0%	-6.3%	4.2%	3.6%	9.2%
International	63.2	13.0%	-23.3%	-14.4%	-1.7%	0.8%	4.2%
Emerging Markets	31.4	7.0%	-29.3%	-24.7%	-7.5%	-3.1%	0.6%
Lower Volatility	18.1	2.9%	-5.7%	2.1%	0.9%	0.8%	4.6%
Fixed Income & Cash	78.6	10.9%	0.0%	4.0%	3.1%	2.2%	2.5%
Marketable Alternatives	104.7	16.9%	-5.6%	-1.7%	2.1%	1.6%	4.3%
Private Capital	57.3	8.0%		9.7%	6.9%	8.7%	9.3%
Real Assets	6.0	2.3%	-49.2%	-54.2%	-25.6%	-17.3%	-10.5%

in \$ Millions

PERFORMANCE OVER TIME



FOR MORE INFORMATION

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