

JEWISH COMMUNITY INVESTMENT FUND

for the quarter ending June 30, 2020



Ira Malis
Chair, IMC

CHAIRMAN'S REPORT

What a difference a quarter can make. In the March quarter the markets suffered the worst correction since 1987. The onslaught of the COVID-19 pandemic facilitated an almost complete shutdown of the economy. While the economy has slowly begun the process of re-opening, we have not returned to normal. There is still high unemployment and an increased number of bankruptcy filings. Despite news of several vaccines undergoing testing, the pandemic is not contained and, in some places, seems to be out of control. Even with that less than rosy background, the markets have, to a large part, recovered. This was led by various technology-based companies that we are fortunate to have exposure to in our portfolios. While we are pleased to report the JCIF ended the second quarter of 2020 up 14.6% we are still down 2.5% for the first half of the year.

The performance in the second quarter was led by the equity portfolio which was up 23% for the quarter beating the MSCI all country world index by over 400 bps. The alternatives portfolio was up 4.1%. The fixed income portfolio returned 3.5% for the quarter, more than respectable given the historic low interest rates.

The performance of the stock market continues to appear to be "at odds" with what is happening in the economy. The market is focused on the eventual earnings recovery and the current low interest rate environment. There is uncertainty about the election and the reality of a ballooning deficit that will have to be financed, but for now, the low current interest rate environment is prevailing. In markets like today's, we are glad that we have invested with some of the best active managers in the business, who will do their best to maneuver and protect our assets.

The Investment Management Committee (IMC) met recently to review the portfolio and we are pleased with the performance of the JCIF and most of the individual managers. The IMC did make a small adjustment to the manager line up, replacing an underperforming U.S. equity small-cap manager with one the committee believes will be a better performer in the long run. We are very patient with our managers as we do a thorough review before we invest. Sometimes, however, a change must be made.

In a prior letter, I reported that the committee would be looking at environmental, social and governance (ESG) investing and what role it can play within the JCIF. I am pleased to announce that the committee spent time this quarter learning about different aspects of ESG from our investment consultant. This covers both the investments and process by our managers, as well as the diversity of decision makers within the manager. We look forward to exploring this topic further in the future and will report back as we make progress on the topic.

Thank you for your support and be well.

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 \$609,684,036

AS OF JUNE 30, 2020

PERFORMANCE

	QTR	1-year	3-year	5-year	10-year
JCIF	14.6%	3.1%	4.8%	4.6%	7.4%
Benchmark	13.4%	2.2%	5.2%	4.5%	6.4%
75/25*	15.0%	4.2%	6.2%	6.1%	8.0%

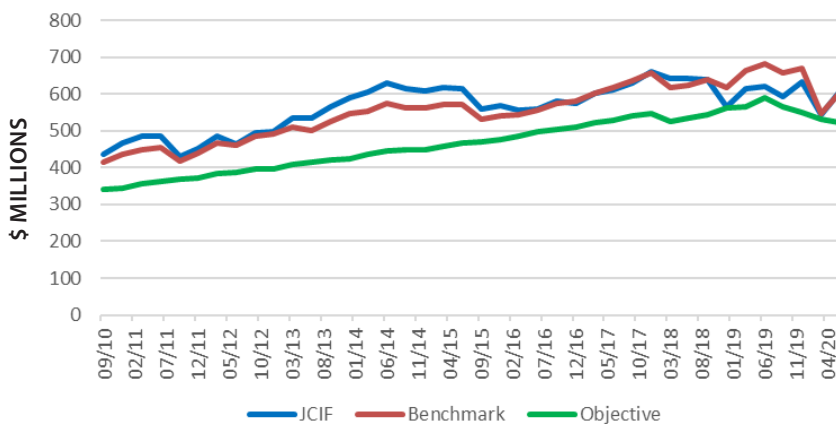
* 75% MSCI ACWI and 25% Barclays Aggregate Bond Index

PERFORMANCE BY SECTOR

	Asset Value #	% of JCIF	QTR	1-year	3-year	5-year	10-year
Domestic	162.4	26.6%	25.0%	5.3%	10.3%	10.2%	14.6%
Global	72.7	11.9%	30.5%	16.0%	12.3%	9.0%	13.7%
International	74.2	12.2%	17.4%	-2.8%	1.2%	3.7%	7.1%
Emerging Markets	36.8	6.0%	17.2%	-11.3%	-3.6%	0.2%	2.6%
Lower Volatility	21.9	3.6%	22.8%	18.0%	8.2%	5.1%	7.2%
Fixed Income & Cash	65.6	10.8%	3.4%	5.4%	3.8%	3.1%	2.7%
Marketable Alternatives	108.9	17.9%	4.1%	1.6%	3.7%	2.4%	5.1%
Private Capital	59.0	9.7%		4.8%	5.7%	7.7%	9.3%
Real Assets	7.9	1.3%	31.8%	-37.2%	-15.7%	-12.6%	-7.0%

in \$ Millions

PERFORMANCE OVER TIME



FOR MORE INFORMATION

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