Quarterly Investments Update: March 31, 2024

JCF Pre-Set Portfolios

<table>
<thead>
<tr>
<th>CONSERVATIVE</th>
<th>MODERATE</th>
<th>AGGRESSIVE</th>
<th>ESG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short-Term Yield</strong></td>
<td><strong>Balance Growth &amp; Protection</strong></td>
<td><strong>Long-Term Growth</strong></td>
<td><strong>Long-Term Impact</strong></td>
</tr>
<tr>
<td>Yield similar to inflation, some growth, with limited capital growth</td>
<td>Possibility of loss, with moderate long-term growth</td>
<td>Possibility of loss, with long-term growth potential</td>
<td>Possibility of loss, with long-term growth and ESG focus</td>
</tr>
</tbody>
</table>

Performance Update, Through March 31, 2024

<table>
<thead>
<tr>
<th></th>
<th>Calendar QTD</th>
<th>Past 1 Year</th>
<th>Past 3 Years (annualized)</th>
<th>Past 5 Years (annualized)</th>
<th>Past 7 Years (annualized)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservative</td>
<td>2.0%</td>
<td>8.5%</td>
<td>1.8%</td>
<td>3.9%</td>
<td>3.5%</td>
</tr>
<tr>
<td><strong>Policy Benchmark</strong>*</td>
<td>1.9%</td>
<td>8.3%</td>
<td>1.6%</td>
<td>3.7%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Moderate</td>
<td>3.8%</td>
<td>12.1%</td>
<td>3.0%</td>
<td>6.2%</td>
<td>6.1%</td>
</tr>
<tr>
<td><strong>Policy Benchmark</strong>*</td>
<td>3.8%</td>
<td>12.6%</td>
<td>3.2%</td>
<td>6.3%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Aggressive</td>
<td>5.7%</td>
<td>16.7%</td>
<td>4.7%</td>
<td>8.5%</td>
<td>7.8%</td>
</tr>
<tr>
<td><strong>Policy Benchmark</strong>*</td>
<td>5.7%</td>
<td>16.9%</td>
<td>5.1%</td>
<td>8.6%</td>
<td>8.0%</td>
</tr>
<tr>
<td>ESG</td>
<td>5.3%</td>
<td>14.8%</td>
<td>3.5%</td>
<td>7.4%</td>
<td>7.0%</td>
</tr>
<tr>
<td><strong>Policy Benchmark</strong>*</td>
<td>6.3%</td>
<td>18.5%</td>
<td>6.3%</td>
<td>9.5%</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

* Policy Benchmarks reflect market benchmarks weighted according to each Pre-Set Portfolio’s strategic asset allocation. All performance is shown net (after deduction) of investment management fees. Performance data shown represents past performance and is no guarantee of future results.

- **Conservative: up 2.0% in the quarter**, narrowly outperforming its Policy Benchmark. Outperformance from active fixed income managers drove relative portfolio performance in the quarter.
- **Moderate: up 3.8% in the quarter**, performing in line with its Policy Benchmark. The portfolio’s allocation to domestic equities drove performance in the quarter, in addition to outperformance from active fixed income managers and the liquid real assets allocation.
- **Aggressive: up 5.7% in the quarter**, performing in line with its Policy Benchmark. The portfolio’s heavy allocation to equities, notably domestic equities, was beneficial in the quarter.
- **ESG: up 5.3% in the quarter**, underperforming its Policy Benchmark. The portfolio’s allocation to domestic equities drove absolute performance in the quarter.
Market Backdrop in the Past Quarter through March 31, 2024

**Economy**: US economic growth continued at a solid pace during the first quarter, while growth in the Eurozone and UK lagged. Consensus growth forecasts for 2024 improved considerably for the United States but fell for other regions, while forecasts for 2025 remained unchanged except for Japan, which increased a bit. Manufacturing PMIs remained at contractionary levels for major regions except the US and China, but service PMIs are generally stronger for all regions. The US labor market remains tight. The unemployment rate ended the quarter at 3.9%, and the labor force participation rate remained at 62.5%, just below its pre-Covid trend. However, wage growth appears to be moderating.

**Stocks**: Global equity markets performed strongly during the first quarter. Even though the Federal Reserve shifted gears on rate cuts, equity markets focused on the AI narrative and a generally solid economy, which benefited US large growth stocks the most. Returns for small cap, value and non-US were more subdued, yet positive. Equity volatility remained low and declined during the quarter as equities had positive returns across the board.

**Bonds**: The Bloomberg US Aggregate Bond Index returned -0.8% in Q1. Treasury yields rose sharply during the quarter as markets positioned for a slower pace in rate cuts than expected at the end of 2023. The 2-year Treasury yield rose by 40 bps from 4.2% to 4.6% during Q1, while the 30-year Treasury yield also rose by 30 bps from 4.0% to 4.3%. Credit spreads declined during this risk-on quarter.

**Real Assets**: Global developed REITs returned -1.0% during Q1, underperforming broader equity markets. Core infrastructure stocks were flat during the quarter. Higher rate sensitivities for both sectors were a headwind this quarter. Commodities and natural resources had strong performance during the quarter, while MLPs outperformed growth stocks. The price of WTI crude oil rose by 13.0% and ended the quarter at around $87 partially driven by conflicts in the Middle East.

Appendix

**Asset Class Definitions:**

- **Equities** are stock investments in companies around the world: U.S. and non-U.S. JCF uses a wide variety of vehicles and structures, including mutual funds, commingled funds, and limited partnerships.
- **Fixed Income** are bond investments primarily in the U.S., but also outside the U.S. JCF uses a wide variety of vehicles and structures to gain exposure to fixed income markets, including separate accounts, mutual funds, commingled funds and limited partnerships. There are a wide variety of fixed income securities used, including U.S. Treasury and Agency bonds, other sovereign nation bonds, corporate bonds, mortgage-backed securities, and asset-backed securities.
- **Money Market** includes cash, money market securities, and short-term U.S. Treasury bonds.

Questions?

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