

MEMORANDUM

May 20, 2020

To: FFTC Fundholders

From: Greg Beuris, VP & Director – Investments Portfolio Oversight & Reporting

Please find below market commentary and FFTC's preliminary investment pool performance as of May 15, 2020. As previously stated, we are issuing updates on a more frequent basis until the uncertainty surrounding the containment of the coronavirus and its impact on the capital markets is resolved and market volatility subsides. We encourage you to rely on published monthly statements for final reporting. Information will be available at

www.fftc.org/investments.

Monthly fund statements and performance for standard FFTC investment pools will continue to be published by the end of the following month. Fund summary data in the [MyFFTC](#) donor portal reflects contributions and distributions posted to the fund and may include investment returns not yet reported, depending on the timing of accounting allocations.

Mid-May 2020 Market Highlights and FFTC Investment Pool Performance

Following a strong initial recovery in April, Global equity markets gave back some of those gains during the first two weeks of May. Investors had their first opportunity to evaluate 1Q2020 reported earnings for S&P 500 companies, which declined 7.3% given the environment. The hardest hit sector was financials as many banks set aside reserves on the expectation of higher loan write-offs. Federal Reserve chair Jerome Powell painted a downbeat picture of the economy for the next several months, suggesting that further support from Congress and the administration would be required to help stave off the worst effects of the economic slowdown. The biggest, most stable companies fared best in this environment, while the broader market experienced more of the short-term selloff.

Below is a summary of the major market indices as of May 15, 2020:

Market Index	MTD	YTD
S&P 500	-1.5%	-10.7%
MSCI EAFE	-3.6%	-20.8%
MSCI Emerging Markets	-2.5%	-18.7%
Bloomberg Barclays U.S. Aggregate Bond	-0.1%	4.9%
S&P Global Resources & Commodity Index	-3.8%	-26.7%

FFTC Preliminary Investment Performance as of May 15, 2020:

Standard Investment Pools	MTD	YTD
Liquid Reserves	0.2%	0.4%
Low Duration Fixed Income	0.5%	-0.6%
Income & Growth	-1.2%	-7.3%
Passive Long-Term Growth	-2.1%	-11.7%
Active Long-Term Growth	-2.4%	-12.9%
Diversified Long-Term Growth	-3.0%	-12.9%

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