

MEMORANDUM

June 17, 2022

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 31, 2022. We encourage you to rely on published monthly statements for final reporting. Information will be available at fftc.org/investments.

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.

May 2022 Highlights and FFTC Investment Pool Performance

Following a selloff in global equities in April, markets stabilized during the second half of May and finished the month up slightly at 0.1%. Volatility remained high as investors cope with tighter monetary policy, high inflation, and slower growth. For the month, gains were seen in six sectors of the U.S. equity market with Energy continuing to lead all sectors, up 15.8% for the month and 58.5% year-to-date. Non-U.S. developed markets performed better than the U.S. equity market due mainly to less exposure to growth stocks.

The U.S. 10-year yield fell slightly during the month as investors moved away from equities and into U.S. treasuries to reduce risk. Long-term inflation expectations, as indicated by the 10-year break-even rate decreased by 30 bps to 2.6% which is more in line with the Federal Reserve’s long-term target of 2.5% CPI.

Below is a summary of the major market indices as of May 31, 2022:

Market Index	MTD	YTD
MSCI ACWI	0.1%	-12.8%
S&P 500	0.2%	-12.8%
MSCI EAFE	0.7%	-11.3%
MSCI Emerging Markets	0.4%	-11.8%
Bloomberg Barclays U.S. Aggregate Bond	0.6%	-8.9%

Source: Refinitiv

FFTC Preliminary Investment Performance as of May 31, 2022:

Standard Investment Pools	MTD	YTD
Liquid Reserves	0.1%	0.1%
Low Duration Fixed Income	0.4%	-2.5%
Income & Growth	0.3%	-9.3%
Passive Long-Term Growth	0.6%	-10.8%
ESG Long-Term Growth	0.7%	-13.5%
Active Long-Term Growth	0.4%	-10.7%
Diversified Long-Term Growth	-0.2%	-7.9%

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