

MEMORANDUM

January 27, 2022

To: FFTC Fundholders
 From: Natalie Wolf, Director of Investments

Please find below market commentary and FFTC’s preliminary investment pool performance as of December 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.

December 2022 Highlights and FFTC Investment Pool Performance

Global equities ended up turning downward in December, to finish the year at -18.4% as represented by the MSCI ACWI index. The main driver of the month’s disappointing returns was a fear that there is no end in sight for monetary tightening, as well as uncertainty of the economic slowdown that started in 2022. The U.S. Treasury 10- year yields more than doubled over the year as a consequence to central bank hikes, and bonds overall delivered negative returns for the year. Value stocks outperformed growth stocks as industrial and financial sectors outperformed the technology and consumer discretionary.

International developed equities performed slightly better than the US for the year, after finishing the month slightly positive. Emerging markets also had negative returns, performing slightly worse than the S&P 500.

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

Market Index	MTD	YTD
MSCI ACWI	-3.9	-18.4%
S&P 500	-5.8%	-18.1%
MSCI EAFE	0.1%	-14.5%
MSCI Emerging Markets	-1.4%	-20.1%
Bloomberg Barclays U.S. Aggregate Bond	-0.5%	-13.0%

Source: Refinitiv

FFTC Preliminary Investment Performance as of December 31, 2022:

Standard Investment Pools	MTD	YTD
Liquid Reserves	0.4%	1.7%
Low Duration Fixed Income	0.3%	-3.4%
Income & Growth	-1.2%	-13.1%
Passive Long-Term Growth	-2.5%	-15.6%
ESG Long-Term Growth	-2.9%	-18.9%
Active Long-Term Growth	-2.3%	-15.3%
Diversified Long-Term Growth	-1.5%	-10.9%

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