

December 2022



# Investment Intelligence

*the Eder Way*

## God of abundance

What is the difference between a gospel of prosperity and a gospel of abundance? There are those in popular culture who claim that God blesses us with material wealth as a reward for our pietism. Such thinking is counter-cultural to Brethren; our wealth is in our kindness, our selfless deeds, and commitment to equality and justice. I believe we celebrate a gospel of abundance: the abundance of God's love. We do not believe that our highest purpose as children of God is to achieve a substantial net worth. I am thankful and humbled to be a part of a faith tradition that preaches simple living while continuing the work of Jesus through the generous giving of time, talent, and resources. While financial markets may wax and wane, God's abundant love is an infinitely renewable resource that further multiplies as it is shared.

May you experience the fullness of God's love this season.

Merry Christmas,

*Dan Radcliff*



## Rising interest rates and nonprofit debt

**Rising rate environments, like what we have faced in 2022, can be both a boon and burden to nonprofit organizations.**

While the interest payments coming from bond holdings will rise as these notes mature and are reinvested in higher interest-bearing instruments, the unrealized loss on balance sheets prior to their maturity can cause even long-term investors to question using these investments. In addition, rising interest rates will also make borrowing funds more costly. This means the cost to complete a new initiative using borrowed funds may be more expensive than in previous years. It is just as important to analyze the ability of your donor base to give as it is to analyze the direct costs involved in a project; the rising costs involved with physical projects can outpace the ability of donors to increase their giving at a similar rate. By reviewing donor ability and capital costs, organizations can ensure they are not biting off more than they can chew.

## Shelter from the storm



The Bradenton Church of the Brethren, a low, sleek, cinderblock building with a sturdy new roof, was designed to withstand hurricanes. In September, during Hurricane Ian, it gave shelter to 13 adults, one of whom was eight months pregnant. Pastor Stephen Reyner and his wife, Cindy, provided mattresses and pillows from the storage room and meals from the church kitchen. The guests were from various ethnic groups, reflecting the diversity of the congregation and the neighborhood; among them was a homeless family. Many stayed at least two nights, and some for several days. Though their homes were without electricity, the church did not lose power. During the time of year when many of their "snowbird" members remain in their homes up north, the congregation relies on the money it has invested through Eder Organizational Investing. It was those funds that enabled them to provide food and shelter for their neighbors.

## Prepare for the year-end transaction deadline

**By Dec. 16,  
no later than  
2:00 p.m.  
CT, the Eder  
Organizational  
Investing office  
must receive  
the proper  
documentation  
for transactions  
to ensure they  
are recorded by  
2022 year end.**

- In the case of deposits – we need to receive all checks or EFT instructions by this deadline.
- If you are liquidating funds or have other unusual transactions (due to size or complexity), please initiate these as soon as possible and allow more time for completion.

### Paperwork may be sent via –

- **U.S. MAIL** to 1505 Dundee Ave. • Elgin, IL • 60120  
(Please allow ample time for delivery.)
- **FAX** to 847-960-5712
- **ENCRYPTED EMAIL MESSAGE** to [OI@eder.org](mailto:OI@eder.org).  
(Access to our complimentary email encryption service is available upon request.)

**Please reach out if you have questions.**

Contact Dan Radcliff, director of Organizational Investing, with questions or comments.  
888-311-6530 • Fax 847-960-5712 • [dradcliff@eder.org](mailto:dradcliff@eder.org) • [ederfinancial.org](http://ederfinancial.org)



# Eder Financial

BOLD. BALANCED. TRUSTED.

## ORGANIZATIONAL INVESTING FUND PERFORMANCE REPORT

For the period ending November 30, 2022	Current Month	3 Months	1 Year	3 Years	5 Years	10 Years
<b>SHORT TERM</b>	%	%	%	%	%	%
Short-Term Fund	0.3	0.3	0.0	0.3	0.9	0.7
ICE BofA 6-Month Treasury Bill Index	0.4	0.7	0.9	0.7	1.3	0.9
<b>COMMUNITY DEVELOPMENT</b>	%	%	%	%	%	%
Community Development Investment Fund <sup>1</sup>	0.6	-1.6	-5.5	-0.8	0.2	1.0
No Benchmark	—	—	—	—	—	—
<b>FIXED INCOME</b>	%	%	%	%	%	%
Bond Core Fund	3.4	-2.6	-13.8	-2.6	0.4	1.3
Bloomberg U.S. Government/Credit Bond Index	3.6	-1.9	-13.4	-2.5	0.4	1.2
Bond Fund	3.5	-2.9	-14.3	-2.8	0.3	1.3
Bloomberg U.S. Government/Credit Bond Index	3.6	-1.9	-13.4	-2.5	0.4	1.2
Treasury Inflation-Protected Securities Fund <sup>2</sup>	0.3	-5.8	-11.6	1.2	2.1	1.0
Bloomberg U.S. Treasury Inflation-Linked Bond Index	1.8	-3.7	-10.7	1.7	2.5	1.2
Bank Loans Fund <sup>2</sup>	1.6	-0.3	-2.0	2.1	2.6	—
S&P/LSTA U.S. Leveraged Loan 100 Index	1.6	0.3	-0.3	2.3	3.0	—
High Yield Bond Fund <sup>2</sup>	1.6	0.6	-6.8	2.0	2.7	4.5
Bloomberg U.S. Corporate High Yield Bond Index	2.2	0.7	-9.0	0.9	2.5	4.3
Global Aggregate Fixed Income Fund <sup>2,3</sup>	—	—	—	—	—	—
Bloomberg Global Aggregate Index	—	—	—	—	—	—
<b>DOMESTIC EQUITY</b>	%	%	%	%	%	%
Domestic Stock Large Cap Value Fund	—	—	—	—	—	—
Russell 1000 Value Fund	—	—	—	—	—	—
Domestic Stock Large Cap Core Index Fund <sup>4</sup>	5.4	3.4	-9.4	10.9	10.9	—
S&P 500 Index	5.6	3.6	-9.2	10.9	11.0	—
Domestic Stock Mid Cap Fund	7.5	7.8	1.0	9.3	5.9	10.1
Russell Midcap Index	6.0	4.7	-9.0	8.7	8.5	11.8
Domestic Stock Growth Fund	6.3	2.3	-18.5	9.3	10.1	11.7
Russell 1000 Growth Fund	4.6	-0.1	-21.6	11.8	12.9	15.0
Domestic Stock Fund	6.1	5.1	-8.8	10.0	8.9	10.7
S&P 500 Index	5.6	3.6	-9.2	10.9	11.0	13.3
Small Cap Fund	4.5	5.8	-0.9	12.0	14.0	15.6
Russell 2000 Index	2.3	2.7	-13.0	6.4	5.4	10.1
<b>INTERNATIONAL EQUITY</b>	%	%	%	%	%	%
International Stock Core Fund	12.9	6.9	-18.1	0.8	1.5	4.6
MSCI EAFE Index	11.3	6.3	-10.1	1.9	1.8	5.0
Emerging Markets Stock Fund <sup>2</sup>	10.4	-1.3	-20.1	-4.0	-3.4	0.5
MSCI Emerging Markets Index	14.8	-1.8	-17.4	0.1	-0.4	2.1
<b>ALTERNATIVE INVESTMENTS</b>	%	%	%	%	%	%
Commodities-Based Fund <sup>2</sup>	2.4	-9.2	11.0	17.1	8.3	-1.8
Bloomberg Commodity Total Return Index	2.7	-3.7	23.2	15.5	7.6	-1.3
Public Real Estate Fund <sup>2</sup>	4.7	-6.2	-22.8	-4.2	0.3	2.7
S&P Developed Property Index	7.0	-3.7	-17.2	-2.4	1.6	5.0
Multi-Strategy Hedge Fund <sup>2,3</sup>	—	—	—	—	—	—
60% S&P 500 Index/40% Bloomberg U.S. Aggregate Bond Index	—	—	—	—	—	—
Global Inflation Protection Fund <sup>2</sup>	4.2	-1.3	-8.8	4.3	3.6	—
Bloomberg U.S. TIPS 1-10 Year Index + 2%	1.4	-2.3	-4.4	4.5	4.8	—
<b>EQUITY AND FIXED INCOME</b>	%	%	%	%	%	%
Balanced Fund	5.1	1.9	-10.7	5.5	6.0	7.2
Blended Balanced Index <sup>5</sup>	4.8	1.5	-10.6	5.8	7.0	8.6
<b>TACTICAL FUNDS (ADDITIONAL FEES APPLY)</b>	%	%	%	%	%	%
Conservative Fund <sup>2,3</sup>	—	—	—	—	—	—
Blended Conservative Index <sup>6</sup>	—	—	—	—	—	—
Income Fund <sup>2</sup>	5.1	0.0	-12.8	0.9	2.6	—
Blended Income Index <sup>6</sup>	5.0	0.3	-12.2	1.5	3.1	—
EVI Income Fund	5.2	-0.1	-13.1	1.2	—	—
Blended SRI Income Index <sup>6</sup>	5.0	0.3	-12.2	1.7	—	—
Income & Growth Fund <sup>2</sup>	5.5	0.8	-12.1	3.0	3.8	—
Blended Income & Growth Index <sup>6</sup>	5.5	1.1	-11.8	3.3	4.3	—
EVI Income & Growth Fund	5.7	1.1	-12.2	2.9	4.1	—
Blended SRI Income & Growth Index <sup>6</sup>	5.5	1.1	-11.8	3.2	4.3	—
Growth Fund <sup>2</sup>	6.1	1.9	-11.8	4.1	4.4	—
Blended Growth Index <sup>6</sup>	6.1	1.9	-11.5	4.5	5.1	—
EVI Growth Fund	6.3	2.3	-11.5	4.7	5.3	—
Blended SRI Growth Index <sup>6</sup>	6.1	1.9	-11.5	4.6	5.2	—
Aggressive Growth Fund <sup>2</sup>	6.7	2.9	-11.5	5.3	5.1	—
Blended Aggressive Growth Index <sup>6</sup>	6.6	2.7	-11.2	5.7	5.8	—
EVI Aggressive Growth Fund	6.9	3.5	-10.9	6.2	—	—
Blended SRI Aggressive Growth Index <sup>6</sup>	6.6	2.7	-11.2	6.1	—	—
<b>U.S. INFLATION</b>	%	%	%	%	%	%
Consumer Price Index (October 2022) <sup>7</sup>	0.4	0.6	7.7	5.0	3.9	2.6

<sup>1</sup>CDIF interest accrues on a daily basis. <sup>2</sup>These investment funds may not meet Eder Values Investing guidelines because they are invested in mutual funds. All other investment funds must meet Eder Values Investing guidelines. <sup>3</sup>No assets invested in this fund. <sup>4</sup>Expected to match benchmark gross of fees. Typically, will not match benchmark net of fees and due to required cash position. <sup>5</sup>Weighted average of the S&P 500 Index (60 percent) and the Bloomberg Barclays U.S. Capital Government/Credit Bond Index (40 percent). <sup>6</sup>Changed January 1, 2021. 3-year, 5-year, and 10-year blended new with old benchmarks. <sup>7</sup>Most recent data available. CPI data are from the Consumer Price Index for All Urban Consumers. All items are not seasonally weighted.