

January 2024



Investment Intelligence

the Eder Way



Step into Success

Martin Luther King said, "You don't have to see the whole staircase to take the first step." The new year lies ahead like a long winding staircase. We don't know what lies at the bottom or on the steps along the way. But we know that our first step is to serve you, to help you and your organization as you navigate the challenges and opportunities of 2024.

This month, we have some tips on how to grow your investments while drawing from your earnings to meet your needs, and a list of things to do to start your year off right.

May you have a blessed 2024!

Nevin Dulabaum
President



✓ Review, Update & Prepare!

At the beginning of 2024, it's a great time to make sure that your organization's contact information is up to date for the funds you have invested with Eder. Here is a link to the [Eder Organizational Investing Authorization Form](#).

- Use the form to indicate changes.
- Verify who has authority to conduct business for your organization.
- In addition to the form, we need a supporting document such as your church directory or your meeting minutes on church letterhead.



Embark on the new year with thoughtful preparations! Extend a warm welcome to incoming board members by offering orientation sessions, and enhance their knowledge and commitment with the support of dedicated mentors. If you haven't done so already, review the expectations of each board member so that roles are defined and clear. While defining roles, take a moment to review practices for making decisions between meetings. As you engage in conversations about operational practices, seize the opportunity to meticulously review and refine protocols. Conclude this proactive start to the year with a thorough examination of the church's constitution, bylaws, and other legal documents. Your commitment to these foundational steps ensures a harmonious and purposeful journey in the year ahead.

Balancing growth and need

Many non-profit organizations find themselves needing to draw from their investment earnings while also preparing the way for future financial sustainability. Here are some tips to help balance the goals of growth and spending:

- 1 **Plan for Inflation:** Target a long-term growth rate of 2.5% above and beyond your planned distribution rate to maintain purchasing power of your assets (for example, targeting a 7% return while spending 4.5% annually).
- 2 **Don't Chase Performance:** Higher risk doesn't always correlate to higher performance – when a major market event occurs would you rather observe a 50% drop in asset values or a 35% drop?
- 3 **Cash is King:** Determine what will be needed in the next 12 months and have it sitting in low-risk or no-risk financial vehicles. That will provide peace of mind should longer-term assets fluctuate strongly.

Contact Director Dan Radcliff, Organizational Investing, with questions or comments.
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Eder Financial

BOLD. BALANCED. TRUSTED.

ORGANIZATIONAL INVESTING FUND PERFORMANCE REPORT

For the period ending December 31, 2023. EOII Funds net investment fees. Benchmarks gross investment fees. All returns greater than one year are annualized.

For the period ending December 31, 2023	Current Month	3 Months	1 Year	3 Years	5 Years	10 Years
SHORT TERM	%	%	%	%	%	%
Short-Term Fund	0.6	1.4	5.0	1.7	1.6	1.1
ICE BofA 6-Month Treasury Bill Index	0.5	1.5	5.1	2.2	2.0	1.4
COMMUNITY DEVELOPMENT	%	%	%	%	%	%
Community Development Investment Fund ¹	1.5	3.1	3.9	-0.2	0.7	1.2
No Benchmark	—	—	—	—	—	—
FIXED INCOME	%	%	%	%	%	%
Bond Fund	3.7	6.5	6.7	-3.5	1.7	2.2
Bloomberg U.S. Government/Credit Bond Index	3.7	6.6	5.7	-3.5	1.4	2.0
Treasury Inflation-Protected Securities Fund ²	2.3	4.3	3.5	-1.1	3.1	2.5
Bloomberg U.S. Treasury Inflation-Linked Bond Index	2.7	4.7	3.9	-1.0	3.2	2.4
Bank Loans Fund ²	1.7	2.9	12.0	4.6	4.7	—
S&P/LSTA U.S. Leveraged Loan 100 Index	2.0	3.2	13.5	5.3	5.9	—
High Yield Bond Fund ²	3.4	6.9	12.8	3.0	6.1	4.7
Bloomberg U.S. Corporate High Yield Bond Index	3.7	7.2	13.4	2.0	5.4	4.6
Global Aggregate Fixed Income Fund ^{2,3}	—	—	—	—	—	—
Bloomberg Global Aggregate Index	—	—	—	—	—	—
DOMESTIC EQUITY	%	%	%	%	%	%
Domestic Stock Value Fund	—	—	—	—	—	—
Russell 1000 Value Index	—	—	—	—	—	—
Domestic Stock Large Cap Core Index Fund ⁴	4.6	11.5	28.0	10.3	15.8	—
S&P 500 Index	4.5	11.7	26.3	10.0	15.7	—
Domestic Stock Mid Cap Fund	6.2	10.5	14.9	9.2	13.9	7.0
Russell Midcap Index	7.7	12.8	17.2	5.9	12.7	9.4
Domestic Stock Growth Fund	4.9	13.9	35.0	8.1	15.6	11.2
Russell 1000 Growth Index	4.4	14.2	42.7	8.9	19.5	14.9
Domestic Stock Fund	5.0	11.5	19.2	7.6	14.1	8.6
S&P 500 Index	4.5	11.7	26.3	10.0	15.7	12.0
Small Cap Fund	7.7	14.1	33.1	11.9	19.0	15.1
Russell 2000 Index	12.2	14.0	16.9	2.2	10.0	7.2
INTERNATIONAL EQUITY	%	%	%	%	%	%
International Stock Core Fund	5.8	10.8	12.5	-2.9	6.4	3.3
MSCI EAFE Index	5.3	10.4	18.2	4.0	8.2	4.3
Emerging Markets Stock Fund ⁵	0.9	2.5	9.4	-2.9	0.6	1.2
MSCI Emerging Markets Index	3.9	7.9	9.8	-5.1	3.7	2.7
ALTERNATIVE INVESTMENTS	%	%	%	%	%	%
Commodities-Based Fund ²	-2.0	-3.6	-6.2	11.2	9.7	-0.6
Bloomberg Commodity Total Return Index	-2.7	-4.6	-7.9	10.8	7.2	-1.1
Public Real Estate Fund ²	9.4	15.6	13.1	0.9	3.5	3.2
S&P Developed Property Index	9.7	15.7	11.6	2.3	4.3	4.8
Multi-Strategy Hedge Fund ^{2,3}	—	—	—	—	—	—
Global Inflation Protection Fund ²	2.6	5.2	6.7	3.6	5.9	—
Bloomberg U.S. TIPS 1-10 Year Index + 2%	2.2	4.4	6.4	2.7	5.5	—
EQUITY AND FIXED INCOME	%	%	%	%	%	%
Balanced Fund	4.5	9.5	14.1	3.3	9.5	6.4
Blended Balanced Index ⁵	4.2	9.7	17.8	4.6	10.1	8.2
TACTICAL FUNDS (ADDITIONAL FEES APPLY)	%	%	%	%	%	%
Conservative Fund ^{2,3}	—	—	—	—	—	—
Blended Conservative Index ⁴	—	—	—	—	—	—
Income Fund ²	4.2	8.2	11.2	-0.2	5.3	—
Blended Income Index ⁴	4.3	8.5	12.4	0.6	5.7	—
EVI Income Fund	4.2	8.2	11.6	-0.1	5.7	—
Blended EVI Income Index ⁴	4.3	8.5	12.4	0.6	5.9	—
Income & Growth Fund ²	4.4	8.7	14.0	1.7	7.2	5.1
Blended Income & Growth Index ⁴	4.5	9.3	15.0	2.1	7.6	5.6
EVI Income & Growth Fund	4.5	9.0	14.4	1.7	7.7	—
Blended SRI Income & Growth Index ⁴	4.5	9.3	15.0	2.1	7.6	—
Growth Fund ²	4.6	9.4	16.4	3.2	8.4	5.7
Blended Growth Index ⁴	4.8	10.0	17.5	3.6	8.9	6.4
EVI Growth Fund	4.8	9.8	16.9	3.3	9.5	—
Blended SRI Growth Index ⁴	4.8	10.0	17.5	3.6	9.1	—
Aggressive Growth Fund ²	4.8	10.1	19.1	4.7	9.5	6.1
Blended Aggressive Growth Index ⁴	5.0	10.7	20.2	5.1	10.1	7.1
EVI Aggressive Growth Fund	5.0	10.5	19.5	4.8	11.2	—
Blended SRI Aggressive Growth Index ⁴	5.0	10.7	20.2	5.1	10.7	—
U.S. INFLATION	%	%	%	%	%	%
Consumer Price Index (November 2023) ⁷	-0.2	0.0	3.1	5.7	4.0	2.8

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