

October 2022



Investment Intelligence

the Eder Way

When will we return to normal?

Time can be a funny thing. When our first child was born, a client commented, “Now your days get longer, and your years get shorter.” That has proven to be an accurate statement. There are some occasions when we might wish to slow the passage of time, and others when we want it to speed along, especially in times of market turbulence. It is important to recognize that the markets are not the economy – people will continue many of their normal daily activities, even in down markets. Markets are as much a measure of sentiment as they are of a company’s fundamentals. After 10 years of mostly market gains, perhaps people began to experience irrational expectations of how markets behave. Down markets present a unique opportunity for both long-term investors and investment managers. Rather than viewing time as the enemy in down markets, embrace time as the best friend of the investor.

Dan Radcliff



Dollar-Cost Averaging and the Institutional Investor

One strategy to weather turbulent markets is Dollar-Cost Averaging. This is a process of investing a fixed amount on a regular basis regardless of the share price. Benefits of DCA include the development of a disciplined organizational investing habit, while reducing emotional responses and avoiding temptations to “time the market.” A potential downside to DCA is that investors hold on to cash longer, causing them to miss out on higher returns in a rising market environment and exposing their cash to inflationary pressures.

At Eder Financial, there are no brokerage fees, so no matter what investment strategy you choose, you can invest as often as you like without incurring additional fees.

How to Enroll in Dollar-Cost Averaging



If Dollar-Cost Averaging is a good fit for your organization’s investment strategy and temperament, we can help you enact this automated process through your existing accounts. First, download the contribution form from our website ([click here](#)). Complete the form, including instructions for the frequency, amount, and time period (i.e., contribute \$1,000 per month from October 2022 to September 2023 or contribute \$5,000 each quarter until further notice). We are only able to offer this feature for electronic transactions.

Once completed, please sign the document by hand and return it to us in a secure manner. We consider encrypted email, regular mail, and fax to all be secure methods of communication. If you do not already have access to an email encryption service, please contact our staff; we would be glad to email a link to you for our complimentary encryption service.

District leadership invests in kids and more

Beacon Heights Church of the Brethren, in Fort Wayne, Indiana, redesigned the playground behind their church to make it safe so neighborhood kids could use it, utilizing a grant from Northern Indiana District funds that were invested in Eder Financial’s organizational investing program.

According to Torin Eikler, District Executive, the money in its Eder Financial account made it possible for the district to award the Beacon Heights grant, as well as help another congregation resurface its parking lot, assist another in replacing its roof, and help several congregations upgrade their electronics during the pandemic.

Eikler said the grant to Beacon Heights CoB allowed them to leverage additional grants. “The playground really tied them to the neighborhood. It really has been an effective tool for ministry.”



Torin Eikler

Contact Dan Radcliff, Director of Organizational Investing with questions or comments.
888-311-6530 • Fax 847-960-5712 • dradcliff@eder.org • ederfinancial.org



For the period ending September 30, 2022	Current Month	3 Months	1 Year	3 Years	5 Years	10 Years
SHORT TERM						
Short-Term Fund	%	%	%	%	%	%
ICE BofA 6-Month Treasury Bill Index	-0.1	0.1	-0.4	0.2	0.8	0.7
	0.2	0.4	0.4	0.7	1.3	0.8
COMMUNITY DEVELOPMENT						
Community Development Investment Fund ¹	%	%	%	%	%	%
No Benchmark	-1.7	-1.4	-5.7	-0.8	0.3	1.0
FIXED INCOME						
Bond Core Fund	%	%	%	%	%	%
Bloomberg U.S. Government/Credit Bond Index	-4.3	-4.5	-15.1	-3.2	0.0	1.2
Bond Fund	-4.1	-4.6	-14.9	-3.1	-0.1	1.0
Bloomberg U.S. Government/Credit Bond Index	-4.6	-4.7	-15.6	-3.3	0.0	1.2
Treasury Inflation-Protected Securities Fund ²	-4.1	-4.6	-14.9	-3.1	-0.1	1.0
Bloomberg U.S. Treasury Inflation-Linked Bond Index	-6.8	-4.8	-10.9	0.9	1.9	1.0
Bank Loans Fund ²	-6.6	-5.1	-11.6	0.8	2.0	1.0
Morningstar LSTA U.S. Leveraged Loan 100 Index	-2.6	0.5	-4.3	1.3	2.3	—
High Yield Bond Fund ²	-2.9	1.3	-3.9	1.4	2.5	—
Bloomberg U.S. Corporate High Yield Bond Index	-4.5	-1.2	-12.4	0.4	1.8	4.1
Global Aggregate Fixed Income Fund ^{2,3}	-4.0	-0.6	-14.1	-0.5	1.6	3.9
Bloomberg Global Aggregate Index	—	—	—	—	—	—
DOMESTIC EQUITY						
Domestic Stock Large Cap Value Fund	%	%	%	%	%	%
Russell 1000 Value Fund	—	—	—	—	—	—
Domestic Stock Large Cap Core Index Fund ⁴	%	%	%	%	%	%
S&P 500 Index	-9.1	-4.8	-15.3	8.2	9.3	—
Domestic Stock Mid Cap Fund	-9.2	-4.9	-15.5	8.2	9.2	—
Russell Midcap Index	-8.2	-3.9	-10.6	5.0	3.0	8.6
Domestic Stock Growth Fund	-9.3	-3.4	-19.4	5.2	6.5	10.3
Russell 1000 Growth Fund	-9.1	-7.3	-24.1	7.1	9.0	10.4
Domestic Stock Fund	-9.7	-3.6	-22.6	10.7	12.2	13.7
S&P 500 Index	-8.4	-5.1	-16.6	6.8	6.9	9.2
Small Cap Fund	-9.2	-4.9	-15.5	8.2	9.2	11.7
Russell 2000 Index	-7.2	-2.2	-11.0	8.4	12.8	14.1
	-9.6	-2.2	-23.5	4.3	3.6	8.6
INTERNATIONAL EQUITY						
International Stock Core Fund	%	%	%	%	%	%
MSCI EAFE Index	-9.8	-10.0	-32.6	-2.6	-1.4	2.9
Emerging Markets Stock Fund ²	-9.4	-9.4	-25.1	-1.8	-0.8	3.7
MSCI Emerging Markets Index	-9.4	-11.7	-28.6	-4.8	-4.0	-0.5
	-11.7	-11.6	-28.1	-2.1	-1.8	1.0
ALTERNATIVE INVESTMENTS						
Commodities-Based Fund ²	%	%	%	%	%	%
Bloomberg Commodity Total Return Index	-11.8	-11.0	7.4	16.4	8.2	-2.2
Public Real Estate Fund ²	-8.1	-4.1	11.8	13.5	7.0	-2.1
S&P Developed Property Index	-13.5	-13.2	-25.9	-5.8	-0.8	1.9
Multi-Strategy Hedge Fund ^{2,3}	-12.6	-11.4	-22.5	-5.1	0.1	4.2
60% S&P 500 Index/40% Bloomberg U.S. Aggregate Bond Index	—	—	—	—	—	—
Global Inflation Protection Fund ²	—	—	—	—	—	—
Bloomberg U.S. TIPS 1-10 Year Index + 2%	-8.3	-6.6	-15.2	2.5	2.4	—
	-4.8	-3.5	-5.6	3.8	4.3	—
EQUITY AND FIXED INCOME						
Balanced Fund	%	%	%	%	%	%
Blended Balanced Index ⁵	-6.9	-5.0	-16.0	3.4	4.7	6.3
	-7.2	-4.7	-15.0	3.9	5.8	7.6
TACTICAL FUNDS (ADDITIONAL FEES APPLY)						
Conservative Fund ^{2,3}	%	%	%	%	%	%
Blended Conservative Index ⁶	—	—	—	—	—	—
Income Fund ²	—	—	—	—	—	—
Blended Income Index ⁶	-6.1	-5.1	-17.0	-0.4	1.6	—
EVI Income Fund	-6.2	-5.1	-16.7	-0.1	2.0	—
Blended SRI Income Index ⁶	-6.2	-5.2	-17.4	-0.1	—	—
Income & Growth Fund ²	-6.2	-5.1	-16.7	0.2	—	—
Blended Income & Growth Index ⁶	-6.8	-5.3	-17.3	1.4	2.7	—
EVI Income & Growth Fund	-7.1	-5.3	-17.4	1.4	3.0	—
Blended SRI Income & Growth Index ⁶	-6.9	-5.3	-17.7	1.2	2.9	—
Growth Fund ²	-7.1	-5.3	-17.4	1.4	3.0	—
Blended Growth Index ⁶	-7.5	-5.6	-18.1	2.1	3.1	—
EVI Growth Fund	-7.9	-5.6	-18.2	2.2	3.5	—
Blended SRI Growth Index ⁶	-7.5	-5.5	-18.3	2.6	3.8	—
Aggressive Growth Fund ²	-7.9	-5.6	-18.2	2.4	3.6	—
Blended Aggressive Growth Index ⁶	-8.2	-5.9	-19.0	2.7	3.4	—
EVI Aggressive Growth Fund	-8.7	-5.8	-19.0	2.9	4.0	—
Blended SRI Aggressive Growth Index ⁶	-8.2	-5.7	-18.9	3.7	—	—
	-8.7	-5.8	-19.0	3.5	—	—
U.S. INFLATION						
Consumer Price Index (August 2022) ⁷	%	%	%	%	%	%
	0.0	1.3	8.3	4.9	3.8	2.5

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.