

September 2022



Investment Intelligence

the Eder Way

Interpreting market conditions

This month's commentary addresses the current labor market and its impact on your organization's mission. A new trend is emerging as the global pandemic wanes – organizations cannot find human capital. There are reports that, compared with pre-pandemic numbers, 3.4 million fewer U.S. citizens are working now, and there are only six million unemployed workers to fill 10 million job openings. This data echoes what our customers also tell us – it is harder and more costly to find the talent to operate our organizations. Labor is viewed only as an expense, but it is a means to an end and needs to be assessed within the appropriate context. Resolving difficult problems requires taking calculated risks. Exploring the problem via financial analysis scenarios, not just from the expense side but from the interaction of income and expenses, can bring viable solutions into the light.

Eder Financial gets a thumbs up from church treasurer

“Eder Financial has provided our congregation with a way for us to invest our reserves that matches our values,” said LeAnn Harnist, treasurer for Highland Avenue Church of the Brethren, Elgin, Illinois. “The socially responsible investing resonates with our congregation.” Because Highland Avenue has had good cashflow, the congregation has not had to move money in and out frequently. “It is nice to be invested in funds that don't need a lot of attention,” LeAnn added, “and to have someone who is working with us.” The congregation is invested mostly in the Balanced Fund with small amounts in other funds. The church board occasionally reviews this mix, but it has not seen the necessity to make changes.

The Banker and the Forester

Matthew 6:21 advises us “For where your treasure is, there your heart will be also.”

The ability to invest in a socially responsible manner is an amazing advantage for the investor of faith, and one that allows us to act upon our convictions in a tangible manner. At Eder Financial, we take great joy in helping non-profit organizations achieve their ministries through ethical, thoughtful investing. It is humbling, though, to work with investments in a world where God is also at work. For example, a penny invested for 100 years with an unrealistic return of 9% each year, would yield \$55.29. In contrast, consider the coast redwood – its seed is no larger than a 12-point @ symbol, but over that same 100 years it can grow to well over 370 feet tall and its trunk to 27 feet wide! *As this year has shown us, growth is not always consistent or elegant.* That is why long-term investors hold firm to their strategies and stay the course in times of turbulence – this path leads to success.

New features coming soon

There are new online portal features coming your way to make it easier to use and increase security.

First, the graphic interface is being upgraded and programming behind the interactive elements has been revised, resulting in quicker navigation, fewer system delays, and increased accuracy when manually entering data.

Second, we're enabling two-factor authentication for login. We strongly encourage clients to enroll in this feature to help prevent potential unauthorized access.

Third, you should be able to manage your accounts and data without a mountain of paperwork. Stay tuned for new user permissions and system features that will help with this.

We are reaffirming our strategic partnership with the team that manages our online portal. Changes introduced over the coming months will focus on an improved client experience.

Click [here](#) to see Dan Radcliff give a brief tour of new features coming to the portal or visit: youtube.com/watch?v=cyyIsFBBzCU



Please contact Dan Radcliff if you have questions or comments.
888-311-6530 • Fax 847-960-5712 • dradcliff@eder.org



Eder Financial

BOLD. BALANCED. TRUSTED.

ederfinancial.org

For the period ending August 31, 2022	Current Month	3 Months	1 Year	3 Years	5 Years	10 Years
SHORT TERM	%	%	%	%	%	%
Short-Term Fund	0.1	0.1	-0.3	0.3	0.9	0.7
<i>ICE BofA 6-Month Treasury Bill Index</i>	0.1	0.2	0.2	0.7	1.3	0.8
COMMUNITY DEVELOPMENT	%	%	%	%	%	%
Community Development Investment Fund ¹	-1.1	-0.6	-4.4	-0.1	0.6	1.2
<i>No Benchmark</i>	—	—	—	—	—	—
FIXED INCOME	%	%	%	%	%	%
Bond Core Fund	-2.4	-1.8	-12.2	-2.0	0.8	1.7
<i>Bloomberg U.S. Government/Credit Bond Index</i>	-2.6	-2.1	-12.3	-2.0	0.7	1.4
Bond Fund	-2.8	-1.6	-12.5	-2.0	0.8	1.7
<i>Bloomberg U.S. Government/Credit Bond Index</i>	-2.6	-2.1	-12.3	-2.0	0.7	1.4
Treasury Inflation-Protected Securities Fund ²	-1.2	-1.3	-5.4	2.8	3.3	1.8
<i>Bloomberg U.S. Treasury Inflation-Linked Bond Index</i>	-2.7	-1.6	-6.0	2.7	3.2	1.7
Bank Loans Fund ²	1.5	1.1	-1.2	2.3	2.9	—
<i>Morningstar LSTA U.S. Leveraged Loan 100 Index</i>	1.1	1.4	-0.5	2.6	3.2	—
High Yield Bond Fund ²	-0.3	-2.7	-8.1	2.0	3.0	4.7
<i>Bloomberg U.S. Corporate High Yield Bond Index</i>	-2.3	-3.5	-10.6	1.0	2.6	4.5
Global Aggregate Fixed Income Fund ^{2,3}	—	—	—	—	—	—
<i>Bloomberg Global Aggregate Index</i>	—	—	—	—	—	—
DOMESTIC EQUITY	%	%	%	%	%	%
Domestic Stock Large Cap Value Fund	—	—	—	—	—	—
<i>Russell 1000 Value Fund</i>	—	—	—	—	—	—
Domestic Stock Large Cap Core Index Fund ⁴	-4.0	-4.0	-11.2	12.4	11.8	—
<i>S&P 500 Index</i>	-4.1	-3.9	-11.2	12.4	11.8	—
Domestic Stock Mid Cap Fund	-3.6	-3.2	-7.1	9.3	5.6	9.8
<i>Russell Midcap Index</i>	-3.1	-4.2	-14.8	9.4	9.2	11.6
Domestic Stock Growth Fund	-6.4	-5.3	-21.5	10.8	11.3	11.7
<i>Russell 1000 Growth Fund</i>	-4.7	-1.7	-19.1	14.5	14.8	15.1
Domestic Stock Fund	-3.2	-4.3	-13.6	10.8	9.3	10.5
<i>S&P 500 Index</i>	-4.1	-3.9	-11.2	12.4	11.8	13.1
Small Cap Fund	-3.4	1.4	-6.8	11.4	15.4	15.3
<i>Russell 2000 Index</i>	-2.0	-0.7	-17.9	8.6	6.9	10.0
INTERNATIONAL EQUITY	%	%	%	%	%	%
International Stock Core Fund	-5.8	-8.3	-28.5	1.5	1.1	4.3
<i>MSCI EAFE Index</i>	-4.7	-9.3	-19.8	2.4	1.6	5.0
Emerging Markets Stock Fund ²	-1.7	-6.3	-24.2	-0.8	-2.7	1.2
<i>MSCI Emerging Markets Index</i>	0.4	-6.5	-21.8	2.7	0.6	2.9
ALTERNATIVE INVESTMENTS	%	%	%	%	%	%
Commodities-Based Fund ²	0.7	-9.6	25.4	21.6	11.4	-0.8
<i>Bloomberg Commodity Total Return Index</i>	0.1	-6.9	27.7	17.2	8.7	-1.1
Public Real Estate Fund ²	-5.5	-8.4	-18.9	-0.6	2.0	3.7
<i>S&P Developed Property Index</i>	-6.1	-7.3	-15.9	0.1	2.8	5.8
Multi-Strategy Hedge Fund ^{2,3}	—	—	—	—	—	—
<i>60% S&P 500 Index/40% Bloomberg U.S. Aggregate Bond Index</i>	—	—	—	—	—	—
Global Inflation Protection Fund ²	-1.0	-5.0	-8.7	6.0	4.2	—
<i>Bloomberg U.S. TIPS 1-10 Year Index + 2%</i>	-2.2	-0.9	-1.2	5.3	5.3	—
EQUITY AND FIXED INCOME	%	%	%	%	%	%
Balanced Fund	-3.0	-3.1	-12.9	6.2	6.4	7.3
<i>Blended Balanced Index ⁵</i>	-3.5	-3.1	-11.4	6.8	7.6	8.5
TACTICAL FUNDS (ADDITIONAL FEES APPLY)	%	%	%	%	%	%
Conservative Fund ^{2,3}	—	—	—	—	—	—
<i>Blended Conservative Index ⁶</i>	—	—	—	—	—	—
Income Fund ²	-3.2	-3.1	-13.6	1.8	3.0	—
<i>Blended Income Index ⁴</i>	-3.0	-3.2	-13.2	2.2	3.4	—
EVI Income Fund	-3.4	-3.0	-13.9	2.3	—	—
<i>Blended SRI Income Index ⁶</i>	-3.0	-3.2	-13.2	2.5	—	—
Income & Growth Fund ²	-3.3	-3.3	-13.7	4.1	4.3	—
<i>Blended Income & Growth Index ⁶</i>	-3.1	-3.6	-13.6	4.2	4.7	—
EVI Income & Growth Fund	-3.6	-3.2	-14.1	3.9	4.6	—
<i>Blended SRI Income & Growth Index ⁶</i>	-3.1	-3.6	-13.6	4.1	4.7	—
Growth Fund ²	-3.5	-3.7	-14.4	5.2	4.9	—
<i>Blended Growth Index ⁴</i>	-3.3	-4.1	-14.1	5.4	5.5	—
EVI Growth Fund	-3.8	-3.7	-14.5	5.7	5.8	—
<i>Blended SRI Growth Index ⁶</i>	-3.3	-4.1	-14.1	5.7	5.6	—
Aggressive Growth Fund ²	-3.8	-4.1	-15.1	6.2	5.4	—
<i>Blended Aggressive Growth Index ⁶</i>	-3.4	-4.5	-14.6	6.5	6.2	—
EVI Aggressive Growth Fund	-4.1	-4.1	-15.0	7.3	—	—
<i>Blended SRI Aggressive Growth Index ⁶</i>	-3.4	-4.5	-14.6	7.3	—	—
U.S. INFLATION	%	%	%	%	%	%
<i>Consumer Price Index (July 2022) ⁷</i>	0.0	2.5	8.5	4.9	3.9	2.6

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. Corporate 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.