United Methodist Foundation of the Northeast

INVESTOR UPDATE

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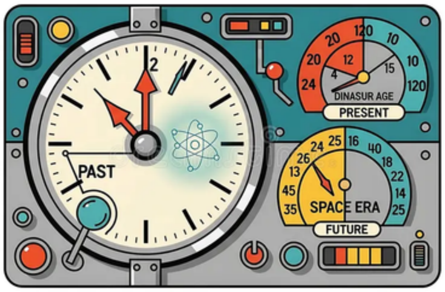
Living in "Interesting Times"

Living in "interesting times" usually means experiencing a period of upheaval and chaos, even war. For example, a baby boomer's first historical memory could be the assassination of President Kennedy – most everything after that could be considered living in "interesting times." The fact is all times are "interesting," some are just more "interesting" than others.



These "interesting times" often have little effect on the stock market. In fact, in 1963 (the year Kennedy was assassinated), the market was up 20%. This is why seasoned investors and trustees, having lived through "interesting times," remain invested during turbulent periods. Just the same, it is wise to evaluate the strengths and weaknesses of the stock market, especially as new record highs are being set.

Here are some strong factors influencing the stock market:

- Stronger than expected corporate earnings – strong earnings = strong profits
- AI is driving the market, not just Nvidia, but construction companies as well
- The consumer is still spending and traveling despite higher gas prices

Factors that could weaken the stock market:

- Inflation could be sticky if gas prices remain high
- Ongoing war/tension in the Middle East could push prices higher – weakening consumer spending
- AI is the major driver of the market – if AI disappoints, the market will experience a quick downturn

A guiding principle for trustees to manage the volatile "interesting times" is to be diversified, and to rebalance between stocks and fixed income per investment policy and guidelines.Fortunately, your Foundation monitors your Investment Model Portfolios for you. For example, when the Balanced Growth Model (which has a target allocation of 60% Stock and 40% Fixed Income) exceeds the + or - 5% asset allocation limits, we rebalance the portfolio. This policy ensures that when stocks are highly valued, we are selling high and buying low. Another guiding principle for church trustees is reviewing funds invested with the Foundation. Understanding how the Fixed Percentage Payout Option works could increase income while still growing your portfolio.

Call the Foundation to schedule a review of your accounts today!

Top Pool Holdings

Stock Pool Domestic
Top 5 holdings

Company	Weight (%)	Market Value
NVIDIA CORP	7.0%	6,396,277
APPLE INC	6.0%	5,858,672
MICROSOFT CORP	4.0%	3,791,375
AMAZON.COM INC	3.0%	3,091,985
ALPHABET INC CLASS A	3.0%	2,789,988

Stock Pool International
Top 5 holdings

Company	Weight (%)	Market Value
TAIWAN SEMICONDUCTOR	7.0%	2,141,901
ASML HOLDINGS	2.0%	744,051
ASE TECH HOLDINGS	2.0%	558,992
UNITED MICROELECTRONICS	1.0%	418,218
MURATA MFG CO	1.0%	405,078

Bond Pool
Top 5 holdings

Company	Weight (%)	Market Value
91282CAU5 US TREAS NT	4.0%	3,216,665
91282CAV3 US TREAS NT	4.0%	2,870,315
91282CAH4 US TREAS NT	4.0%	2,814,734
91282CHW4 US TREAS NT	3.0%	2,677,868
91282CGQ8 US TREAS NT	3.0%	2,346,080

Please visit our website for model performance.

Dear Friends,

At Annual Conference last month, we introduced our new name: The United Methodist Foundation of the Northeast. This change reflects our growing mission to serve churches, camps, and ministries across New England and New York while expanding our capacity to support your work. While our name is new, the things you value most remain unchanged—the same trusted team, the same commitment to socially responsible investing with competitive returns, and the same support for grants, stewardship, gift planning, leadership development, property guidance, lending, and ministry growth. What's new is an expanded regional network, new partnerships, and greater resources to help strengthen your ministry!

Our mission is to support you in sharing Christ's love in your community. Thank you for your trust and partnership in ministry!

Yours in Christ,

Ted Crass

Rev. Ted Crass, President

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