



Wespath
BENEFITS | INVESTMENTS

Quarterly Investment Performance Report

P Series Funds

As of September 30, 2024

Investment Fund Review—Net-of-Fees Performanceⁱ

Equity Funds

U.S. Equity Fund

Fund	QTD	YTD
U.S. Equity Fund	5.77%	15.18%
Russell 3000 Index	6.23%	20.63%
Difference (percentage points)	-0.46	-5.45

- In the third quarter, the fund underperformed its benchmark due to active managers' investments in consumer staples and energy. Additionally, the fund's strategic allocation to private equity and private real estate hurt benchmark-relative performance.
- Year-to-date, the fund has underperformed its benchmark. The strategic overweight to small- and mid-cap stocks and underweight to mega-cap stocks detracted from relative performance. The fund's allocation to private equity and real estate also detracted from benchmark-relative performance. Wespath's investment exclusions policies (described [here](#)) helped benchmark-relative performance.

U.S. Equity Index Fund

Fund	QTD	YTD
U.S. Equity Index Fund	6.23%	20.50%
Russell 3000 Index	6.23%	20.63%
Difference (percentage points)	0.00	-0.13

- The U.S. Equity Index Fund is a passively managed fund designed so that it closely matches the fund benchmark, less fees and expenses. During the quarter certain stocks excluded in accordance with Wespath's investment exclusions policies (described [here](#)) negatively impacted relative performance. For the year, these excluded securities contributed positively to relative performance.

International Equity Fund

Fund	QTD	YTD
International Equity Fund	8.03%	10.78%
MSCI ACWI ex U.S. Investable Market Index (Net)	8.18%	13.90%
Difference (percentage points)	-0.15	-3.12

- In the third quarter, the fund underperformed its benchmark primarily due to the fund's strategic allocation to private equity and private real estate.
- Year-to-date, the fund has underperformed its benchmark primarily due to the fund's strategic allocation to private equity and private real estate. Additionally, active managers' selection in the U.K. and India detracted from relative performance.

Fixed Income Funds

Fixed Income Fund

Fund	QTD	YTD
Fixed Income Fund	5.15%	5.35%
Bloomberg U.S. Universal (ex MBS) Index	5.11%	5.03%
Difference (percentage points)	+0.04	+0.32

- In the third quarter, the fund modestly outperformed the benchmark. The overweight to emerging market debt was the biggest contributor to relative results. The allocation to global bonds also contributed. Positive results were somewhat offset by the allocation to agency commercial mortgage-backed securities, as well as selection within investment-grade corporate bonds.
- Year-to-date, the overweights to high-yield and emerging market debt were the biggest contributors to benchmark-relative results. Issue selection within the core plus account and the allocation to alternatives also contributed positively. The allocation to global bonds partially offset results.

Inflation Protection Fund

Fund	QTD	YTD
Inflation Protection Fund	3.31%	3.79%
IPF Benchmark ⁱⁱ	3.79%	4.99%
Difference (percentage points)	-0.48	-1.20

- In the third quarter, the fund lagged the benchmark. The underweight to U.S. Treasury Inflation Protected Securities and allocations to alternatives and senior secured floating rate bank loans detracted. Negative results were partially offset by the allocation to and issue selection within emerging market inflation-linked bonds.
- Year-to-date, the fund underperformed the benchmark due largely to the allocation to emerging market inflation-linked securities, as well as the allocation to and issue selection within global inflation-linked bonds. Negative results were partially offset by the allocations to alternatives and senior secured bank loans and selection within commodities.

Extended Term Fixed Income Fund

Fund	QTD	YTD
Extended Term Fixed Income Fund	7.66%	4.29%
Bloomberg U.S. Gov./Credit Long Term Index	7.96%	3.54%
Difference (percentage points)	-0.30	+0.75

- In the third quarter, issue selection within the long government credit plus account was the biggest detractor from benchmark-relative results.
- Year-to-date, the four fund managers each outperformed their respective benchmark, with the long government credit plus manager outperforming by the biggest margin.

Short Term Investment Fund

Fund	QTD	YTD
Short Term Investment Fund	1.34%	4.01%
BofA Merrill Lynch 3-Month Treasury Bill Index	1.37%	4.06%
Difference (percentage points)	-0.03	-0.05

- For the quarter and year-to-date, the fund performed roughly in line with the benchmark.

Balanced Fund

Multiple Asset Fund

Fund	QTD	YTD
Multiple Asset Fund	6.07%	10.39%
MAF Benchmark ⁱⁱⁱ	6.28%	13.04%
Difference (percentage points)	-0.21	-2.65

- For the quarter, the U.S. Equity Fund, International Equity Fund and Inflation Protection Fund detracted from benchmark-relative performance, while the Fixed Income Fund positively contributed to relative performance.
- Year-to-date, the U.S. Equity Fund, International Equity Fund and Inflation Protection Fund detracted from benchmark-relative performance, while the Fixed Income Fund contributed positively to relative performance.

Social Values Choice Suite of Funds

Social Values Choice Equity Fund

Fund	QTD	YTD
Social Values Choice Equity Fund	5.31%	19.37%
SVCEF Benchmark ^{iv}	5.27%	19.07%
Difference (percentage points)	+0.04	+0.30

- The Social Values Choice Equity Fund is a passively managed fund designed to closely match the fund benchmark, less fees and expenses. The fund outperformed its benchmark for the quarter and year-to-date due to certain stocks excluded in accordance with Wespath's investment exclusions policies (described [here](#)).

Social Values Choice Bond Fund

Fund	QTD	YTD
Social Values Choice Bond Fund	5.07%	5.32%
Bloomberg U.S. Universal (ex MBS) Index	5.11%	5.03%
Difference (percentage points)	-0.04	-0.29

- In the third quarter, positive relative results from interest rate strategies, the allocation to MBS, and the overweight to investment grade corporate bonds were more than offset by the underweight to high-yield bonds and currency strategies.
- Year-to-date, interest rate strategies, selection decisions within investment grade credit, and the allocation to mortgage-backed securities contributed positively to benchmark relative performance. Results were more than offset by selection decisions within emerging market debt, high-yield credit, and currencies.

U.S. Treasury Inflation Protection Fund

Fund	QTD	YTD
U.S. Treasury Inflation Protection Fund	4.12%	5.05%
Bloomberg U.S. Inflation Linked Bond Index	4.18%	4.87%
Difference (percentage points)	-0.06	+0.18

- The U.S. Treasury Inflation Protection Fund is a passively managed fund designed to closely match the fund benchmark, less fees and expenses. Differences occur due to individual security selection decisions.

For additional information, please contact:

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- i. *Historical returns are not indicative of future performance. Fund returns are net of fees. Please refer to the [Investment Funds Description – P Series](#) for more information about the funds. This is not an offer to purchase securities.*
- ii. *The benchmark for the Inflation Protection Fund was comprised of 80% Barclays World Government Inflation Linked Bond Index (Hedged), 10% Barclays Emerging Market Tradeable Inflation Linked Bond Index (Unhedged) and 10% Bloomberg Commodity Index through January 31, 2023. Effective February 1, 2023, the benchmark for the Inflation Protection Fund is 90% Bloomberg U.S. Treasury Inflation-Linked Bond Index and 10% Bloomberg Commodity Index.*
- iii. *The benchmark for the Multiple Asset Fund is comprised of 35% Russell 3000 Index, 30% MSCI All Country World Index (ACWI) excluding USA Investable Market Index (IMI), 25% Barclays Capital U.S. Universal Index ex-Mortgage Backed Securities and 10% Inflation Protection Fund (IPF) Benchmark.*
- iv. *The benchmark for the Social Values Choice Equity Fund is the MSCI World Environmental, Social and Governance (ESG) ex Fossil Fuels Index.*