HOUSTON JEWISH COMMUNITY FOUNDATION

JULY 2026

Investment Pool	MTD	YTD	1 Year	3 Years	5 Years	Since Inception*
HJCF Index Composite*	**-0.75%**	**6.88%**	**13.62%**	**11.69%**	**5.89%**	**8.33%**
Index Benchmark	-0.69%	7.42%	14.78%	12.22%	6.59%	8.56%
HJCF Growth Composite*	**0.05%**	**6.71%**	**12.69%**	**10.84%**	**5.72%**	**7.86%**
Growth Benchmark	-0.53%	8.27%	15.62%	11.98%	6.06%	7.78%
HJCF Aggressive Growth Composite*	**0.35%**	**8.62%**	**15.54%**	**12.62%**	**7.28%**	**9.39%**
Aggressive Growth Benchmark	-0.39%	11.07%	20.04%	14.69%	8.09%	9.63%
HJCF Conservative Balanced Composite*	**-0.05%**	**3.27%**	**6.59%**	**6.26%**	**3.64%**	**4.04%**
Conservative Balanced Benchmark	-0.19%	3.89%	7.70%	7.04%	3.98%	4.17%
HJCF Cash Management Composite*	**0.25%**	**2.02%**	**3.73%**	**4.52%**	**3.51%**	**2.57%**
Cash Management Benchmark	0.32%	2.20%	4.00%	4.81%	3.75%	2.82%

KEY OBSERVATIONS (UPDATED QUARTERLY)

Overview

Equity markets have generated strong returns year-to-date. While valuations remain above long-term averages, a favorable earnings backdrop helps support the price move higher. Earnings grew almost 30% year-over-year in Q1 and expectations remain high for strong growth for the remainder of 2026. However, we are mindful of concentration within markets which, when combined with elevated valuations, leaves less margin for disappointment. The U.S. economy has remained remarkably resilient in the face of geopolitical tensions and commodity market volatility. The macro backdrop has been supported by healthy consumer spending, a labor market that appears to be solidifying, strong corporate fundamentals, and an ongoing wave of investment tied to artificial intelligence infrastructure. While inflation remains above the Federal Reserve's long-term target, economic growth expectations held firm and recession concerns faded. Tensions in the Middle East and the evolving dynamic of the conflict between the U.S. and Iran has created extreme volatility in commodity markets. Shifting commodity prices have fueled a jump in recent inflation prints, but market expectations for inflation have been volatile as well. The Fed has remained on hold, but minutes have revealed a more hawkish tone from the most recent meeting, new chair Warsh's first meeting leading the FOMC.

Fixed Income

- Fixed income markets had a positive quarter despite a rise in interest rates and a complicated backdrop for the asset class as investors digested elevated inflation, a resilient economy and solid labor market. Core bonds had a modest positive return, benefiting from strength in the corporate bond market.
- High yield bonds were the standout within fixed income during the quarter with strong investor demand in the risk-on market.
- Longer duration assets fared well even in the face of modestly higher rates on the long-end of the curve.

Equities & Real Assets

- Investors looked through a volatile macro backdrop and rewarded signs of resilient earnings, easing geopolitical stress and continued demand tied to artificial intelligence infrastructure. There was broadening market leadership with U.S. small cap outpacing large cap as investors grew more comfortable with the economic backdrop.
- Non-U.S. markets also saw strong results, with emerging markets leading the way, jumping over 24% in the quarter. Semiconductor and other AI-related technology companies were the main source of strength for the asset class.
- Equity REITs had a positive quarter, benefiting from the risk on market as well as improving sentiment and fundamentals in areas such as office and lodging.
- Commodities, while positive year-to-date, sold off in the second quarter. Easing tensions in the Middle East pushed energy prices lower and precious metals gave back gains from earlier in the year as well.

KEY OVER/UNDER WEIGHTS

- Portfolio allocations remain broadly aligned with strategic targets.

PORTFOLIO CHANGES (2Q REVIEW)

- Natural cash flows have kept the portfolios near target allocations. 2026 Capital Market Assumptions were implemented in Q1 2026.
- Terminated Conestoga Small Cap Instl (CCALX) and replaced with Vanguard Russell 2000 Growth ETF (VTWG)

**07/01/19 Inception for Conservative Balanced, 09/01/18 Inception for Cash Management, 07/01/16 Inception for Indexed Growth & 11/01/16 Inception for all other pools.*
***All returns and performance metrics are net of investment consultant fees & investment manager fees and do not include HJCF administrative fees or expenses*