

Central Kansas Community Foundation

Data as of March 31, 2018

Balanced Fund

Fund Overview

Fund Assets Under Management

\$18,541,379

Annual Investment Management Costs

Please contact the Foundation office or your local representative for more information regarding fees and investment management costs.

Description

The objective of the portfolio is to seek competitive market returns so as to preserve the purchasing power of the funds to meet the charitable needs of the Foundation.

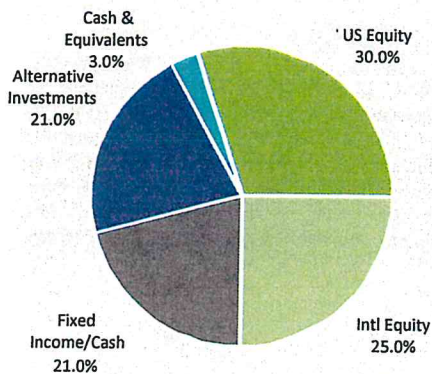
About Performance

The investment results depicted herein represent historical Net performance after the deduction of investment management costs.

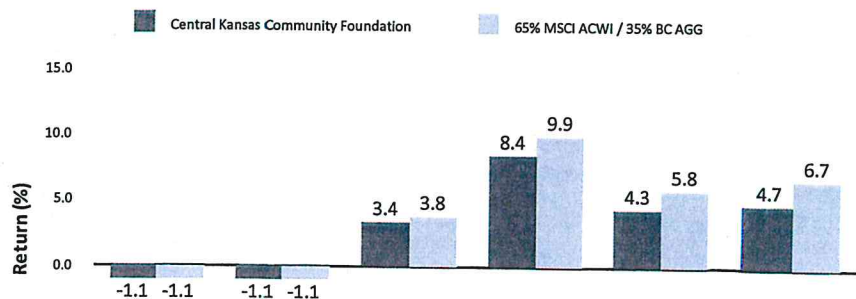
Annual, cumulative and annualized total returns are calculated assuming reinvestment of dividends and income plus capital appreciation. Performance for periods greater than one year is annualized. The performance data presented has been prepared by the fund or its sponsor.

Past performance is not a guarantee of future results.

Target Asset Allocation

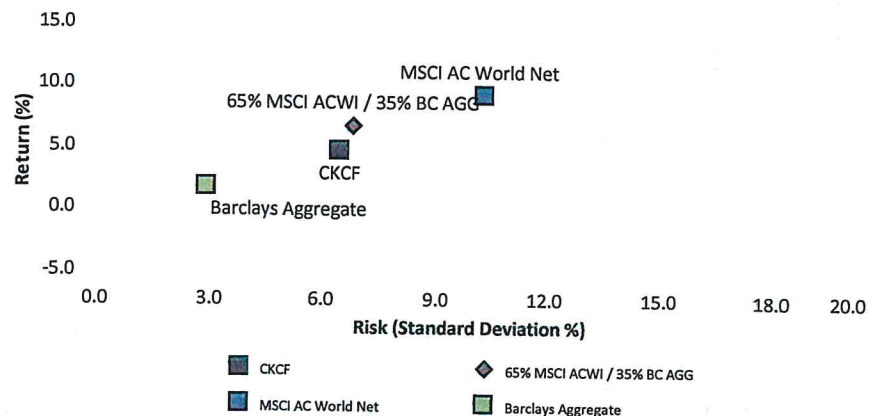


Multi-Period Performance Analysis



	QTD	YTD	Since Graystone Inception	1 Year	3 Years	5 Years
Central Kansas Community Foundation	-1.14	-1.14	3.37	8.35	4.33	4.73
<i>65% MSCI ACWI / 35% BC AGG</i>	-1.11	-1.11	3.80	9.93	5.78	6.69
<i>MSCI AC World Net</i>	-1.03	-1.03	6.66	14.76	8.09	9.19
<i>Barclays Aggregate</i>	-1.46	-1.46	-1.55	1.20	1.20	1.82

5 Years Risk / Return Performance Analysis



	Return	Standard Deviation	Sharpe Ratio	Maximum Drawdown	Alpha	Beta
Central Kansas Community Foundation	4.73	6.48	0.70	-9.20	-1.28	0.91
<i>Barclays Aggregate</i>	1.82	2.93	0.52	-3.67	1.23	0.09
<i>MSCI AC World Net</i>	9.19	10.35	0.87	-13.45	-0.66	1.49
<i>65% MSCI ACWI / 35% BC AGG</i>	6.69	6.88	0.93	-8.32	0.00	1.00

Information Disclosures: The underlying data has been obtained from sources the Foundation believes to be reliable but we do not guarantee their accuracy, and any such information may be incomplete or condensed. This evaluation is for informational purposes only and is not intended to be an offer, solicitation, or recommendation with respect to the purchase or sale of any security or a recommendation of the services supplied by any money management organization.

Note: Index returns are for illustrative purposes only. Index returns do not reflect any management fees, costs or expenses. Also, one cannot directly invest in an index.

Further information, including current Fund or Portfolio size, performance, fees, and updated information for Participants, can be obtained from the Foundation office by contacting Angie Tatro, Executive Director, at 316-283-5474 or via email at angie@centralkansascf.org,

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Newton, KS 67114

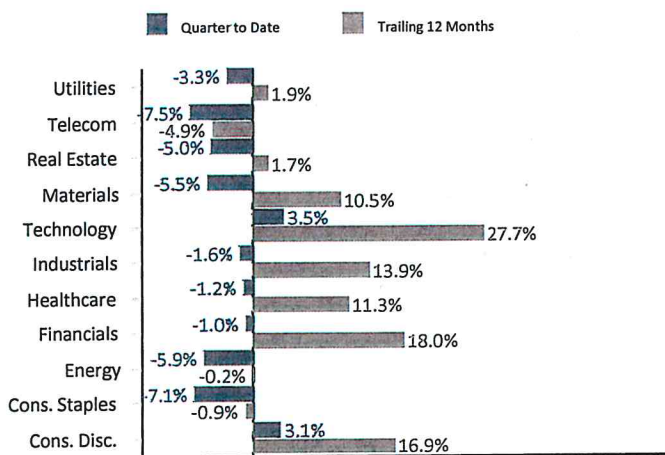


Market Commentary

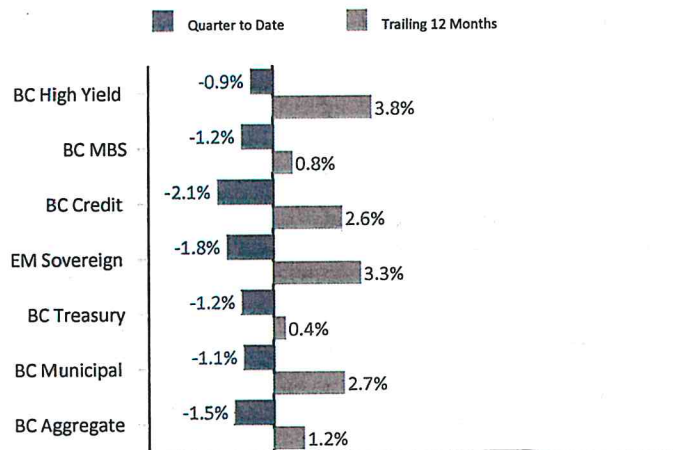
After a strong 2017, global markets hit a speed bump in the first quarter as volatility returned from its year-long hiatus. Though economic data has remained strong, worries about inflation, monetary policy, trade, and global politics brought fear back into the markets, causing the first +10% correction in the S&P 500 since 2015. Despite this setback, CIO and Chief US Equity Strategist Mike Wilson believes the S&P 500 will hit 3,000 sometime in the summer before falling back to his year-end target of 2,750. With the prior catalyst of tax reform fully priced in, increasing earnings will be the main driver of markets in the absence of further pro-growth support from the president and Congress. Though we remain constructive on equities, we believe investors will have to be more discerning in their stock selection than in prior years as markets become more volatile and the Fed continues raising rates.

Looking more closely at US indices, the Dow Jones Industrial Average lost 2.0% in the first quarter, while the NASDAQ Composite Index was up 2.6%. The S&P 500 Index fell 0.8% to start the year. In the S&P, Tech and Consumer Discretionary were the sole winners, returning 3.5% and 3.1%, respectively. The other nine sectors finished in the red, though Telecom (-7.5%) and Consumer Staples (-7.1%) were the clear laggards. Across all market cap sizes, growth factors broadly outperformed value. The large-cap Russell 1000 Growth Index rose 1.4%, while its counterpart Value Index fell 2.8%. The overall Russell 1000 Index lost 0.7% on the quarter. Moving down market, the Russell Midcap Index fell 0.5% in the period, as the growth component (+2.2%) fared better than the value component (-2.5%). Finally, the small cap Russell 2000 Index lost 0.1%. Its growth component returned 2.3%, while its value lost 2.6%.

S&P 500 Sector Performance



Bond Market Performance



Equity Markets Commentary

US Equities had a wide-ranging beginning to the year, trading up as high as 7.45% and down as much as 3.46% before finishing the quarter down 0.76%. Only 2 of the 11 sectors in the S&P 500 generated positive returns in 1Q18. The top-performing sector was Technology, which was up 3.53%. The biggest losses came in the Telecom sector, which was down 7.48%. The US was not the only market that faced challenges to start the year, as the MSCI Europe fell 1.9% despite robust economic growth in the region. Other international markets fared better, with MSCI Japan gaining 1.0% to lead major developed markets in returns. Following their outperformance last year, emerging markets continued their success by gaining 1.5% on the quarter. The MSCI BRIC (Brazil, Russia, India, and China) Index, in particular, fared well, rising 2.2%.

Fixed Income Markets Commentary

The bond market registered negative returns in the first quarter. The Bloomberg Barclays US Aggregate Bond Index, a general measure of the bond market, fell 1.46% for the quarter as rates rose broadly along the curve. The yield on the 10-year US Treasury note increased to a quarter-end 2.74% from 2.41% at the end of 4Q17. Riskier parts of the bond market such as US high yield debt also fell to start the year. The Bloomberg Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, dropped 0.86%. Mortgage-backed securities fell with the rest of fixed income in the first quarter. The Bloomberg Barclays Capital Mortgage Backed Index dropped 1.19%.

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