

## Balanced Fund

### Fund Overview

#### Fund Assets Under Management

\$19,711,284

#### 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.

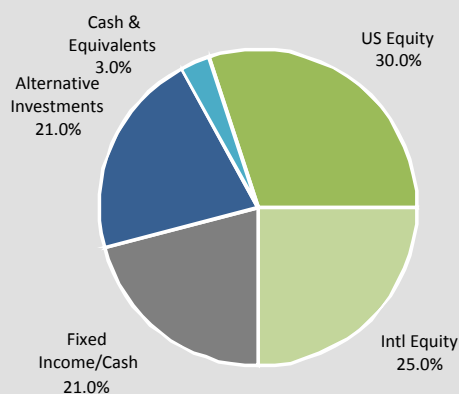
#### About Performance

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

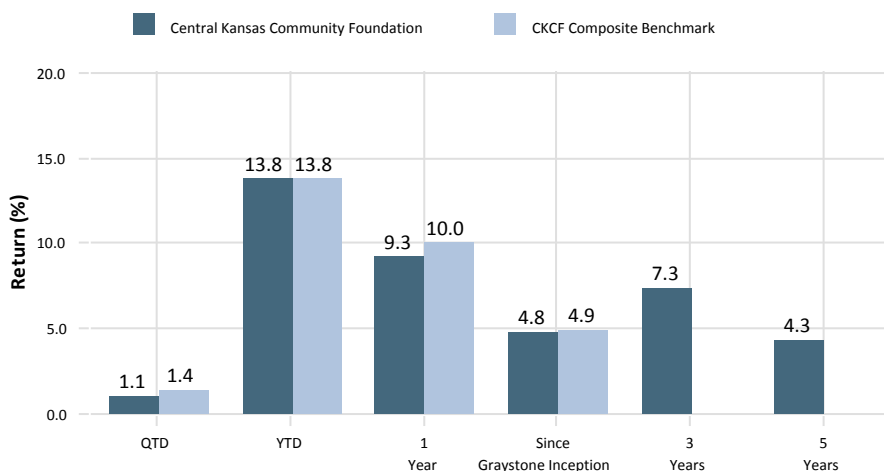
Annual, cumulative and annualized total returns are calculated assuming reinvestment of dividends and income plus capital appreciation. Performance for periods greater than one year is annualized. The performance data presented has been prepared by the fund or its sponsor.

**Past performance is not a guarantee of future results.**

#### Target Asset Allocation

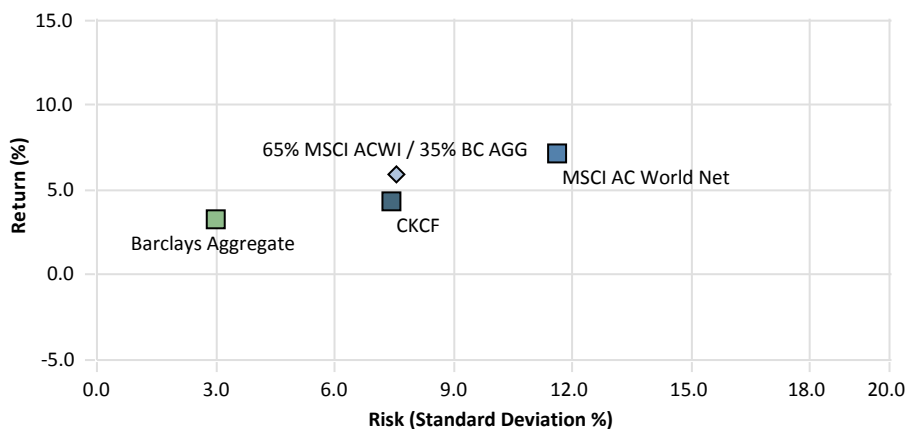


### Multi-Period Performance Analysis



	QTD	YTD	1 Year	Since Graystone Inception	3 Years	5 Years
<b>Central Kansas Community Foundation</b>	<b>1.06</b>	<b>13.75</b>	<b>9.30</b>	<b>4.81</b>	<b>7.32</b>	<b>4.34</b>
CKCF Composite Benchmark	1.42	13.80	10.04	4.88	N/A	N/A
MSCI AC World Net	2.74	19.38	12.59	7.32	11.33	7.08
Barclays Aggregate	0.30	8.85	11.51	3.95	3.29	3.24

### 5 Years Risk / Return Performance Analysis



	Return	Standard Deviation	Sharpe Ratio	Maximum Drawdown	Alpha	Beta
<b>Central Kansas Community Foundation</b>	<b>4.34</b>	<b>7.53</b>	<b>0.47</b>	<b>-9.87</b>	<b>-1.35</b>	<b>0.98</b>
Barclays Aggregate	3.24	3.06	0.75	-3.28	3.20	0.01
MSCI AC World Net	7.08	11.75	0.56	-14.25	-1.68	1.53
65% MSCI ACWI / 35% BC AGG	5.90	7.60	0.67	-8.97	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.

Further information, including current Portfolio size, performance, fees, and information pertaining to underlying holdings & investments, can be obtained from the Foundation office by contacting Angie Tatro, Executive Director, at 316-283-5474 or via email at [angie@centralkansascf.org](mailto:angie@centralkansascf.org),

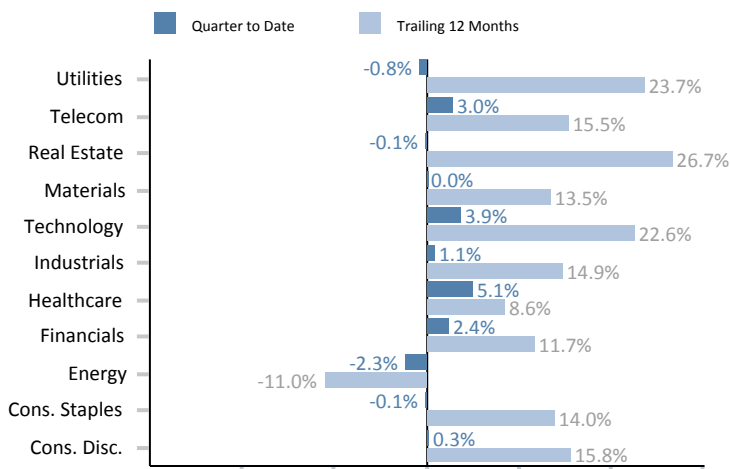
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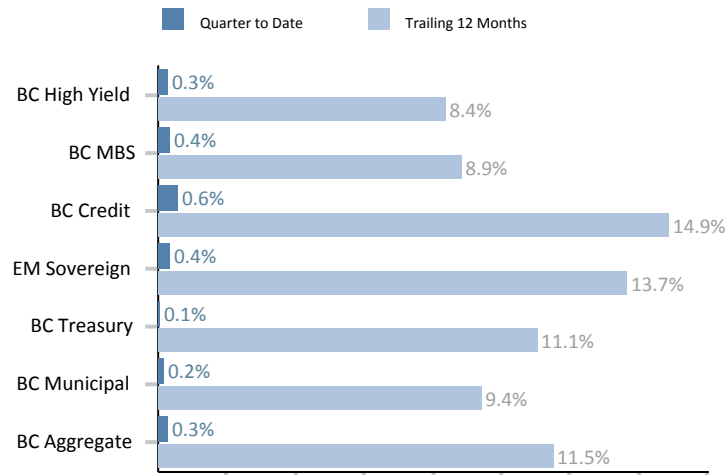
## Market Commentary

The S&P 500 came in relatively flat for the third quarter, preserving the strong year-to-date returns of equities despite an intermittent period of volatility. The investing environment remains challenging as a number of crosscurrents present conflicting signals regarding the direction of markets and the economy. The chief areas of investor focus for the quarter remained Federal Reserve policy and the ongoing trade dispute between the US and China. The Fed lowered interest rates for the first time since 2009, reducing its target by 25bps in both July and September. The easing of monetary policy came in response to deteriorating global growth expectations coupled with relatively tame inflation pressures. Trade also dominated headlines as tensions ratcheted higher after a trade "truce" reached at the June G-20 meeting proved to be short-lived.

### S&P 500 Sector Performance



### Bond Market Performance



### Equity Markets Commentary

US equities gained 1.7% on a total return basis in the third quarter of 2019, as measured by the S&P 500. US stocks 20.6% total return through the end of September has made it the strongest start to a year since 1997. Eight of the 11 market sectors generated positive returns. Utilities led, gaining 9.3%. Other outperformers included Real Estate and Staples, which were up 7.7% and 6.1%, respectively. Energy was the biggest laggard, losing -6.3%. Healthcare trailed as well, falling -2.2%.

Global equities generally underperformed in the third quarter versus domestic stocks. The MSCI Emerging Markets Index fell -4.2%. MSCI Europe (-1.4%) fared slightly better, though still had negative returns for USD investors. The exception to international performance was Japan. The country's MSCI index gain 3.2% in dollar terms. The GIC still sees value in exposure to global equities in anticipation of a weakening dollar, which could support returns from international stocks.

### Fixed Income Markets Commentary

It was a notable quarter for bond markets, as US rates fell sharply from July through August before whipsawing in September. Ten-year Treasuries reached their lowest levels since 2016, while the 30-year touched a new all-time low. The quarter also saw a brief inversion of the 10-year - 2-year Treasury curve, a signal traditionally looked to as a harbinger of recession. The 10-year - 3-month curve remained inverted for nearly the entire quarter. The Bloomberg Barclays US Aggregate Bond Index, a general measure of the bond market, returns 2.3%. This appreciation in bonds also extended to riskier parts of the market. The Bloomberg Barclays Capital High Yield Index gained 1.3%.

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