

# St. Mary's Church

## Investment Committee Report for 2008

The total market value of St. Mary's Endowment Funds at year end 2008 is shown below, compared to the value a year ago:

	<u>12/31/2007</u>	<u>12/31/2008</u>	<u>Change</u>
Unrestricted Funds	\$1,752,770	\$1,231,704	-\$521,066
Restricted	\$ 407,615	\$ 293,835	-\$113,780
<b>Total</b>	<b>\$2,160,385</b>	<b>\$1,525,539</b>	<b>-\$634,846</b>

The total return of the Endowment fund in 2008, including interest and dividends, was approximately -25%. The Funds' various investment returns were:

<u>Stocks</u>	<u>Return</u>	<u>Amount invested (\$000)</u>
D.I.T. Stock Fund (4 Funds)	-40.5%	\$724,469
 <b><u>Bonds</u></b>		
D.I.T. Income Fund	- 1.4 %	\$801,070

These performances compare to overall market indices as follows:

<u>Stocks</u>	<u>Return</u>
S&P 500 Index	-37.0 %
International Large Company Index	-43.4%
 <b><u>Bonds</u></b>	
Citigroup Broad Investment Grade Bond Index	5.7 %

During the year the Diocesan Investment Trust replaced one stock investment manager who had under performed. They express confidence in their current stock managers.

The fixed-income manager under-performed its benchmark, due to over-weightings in corporate, mortgage-backed and asset-backed bonds. Hopefully, this strategy will bear fruit in the future.

For 2009, the percent of market value drawdown requested by Vestry is 4.5%, unchanged from 2008. The Investment Committee believes this to be a reasonable and prudent percentage.