

Portfolio Review

Michael D. Hansen, CFA
Assistant Vice President
Portfolio Manager
Phone: 402.323.1831
Email: michael.hansen@ubt.com

Andrew J. Kafka, J.D., CTFA
Vice President
Senior Trust Officer
Phone: 402.323.1709
Email: andy.kafka@ubt.com

Report Date

September 30, 2024

Foundation for Lincoln Public Schools Managed Endowment Agency
18577

Selected Economic & Market Data

<u>Statistic (monthly unless noted)</u>	<u>Current</u>	<u>Previous</u>
US GDP (Quarterly)	3.0%	1.4%
Consumer Confidence	98.7	105.6
Consumer Price Index Y/Y	2.5%	2.9%
Core PCE (x food & energy)	2.7%	2.6%
ISM Manufacturing Index	47.2	47.2
Unemployment Rate	4.2%	4.3%
2-Year Treasury Yield	3.64%	3.92%
10-Year Treasury Yield	3.78%	3.90%

Commentary

Economic

- The U.S. economy grew at a 3% annual rate during the second quarter, buoyed by strength in consumer spending and business investment.
- The Federal Reserve cut interest rates for the first time in four years in September while reducing their 2024 U.S. GDP growth projection from 2.1% to 2%.
- Consumer confidence fell significantly in September, from 105.6 to 98.7, reflecting particular concern among consumers over the availability of jobs.

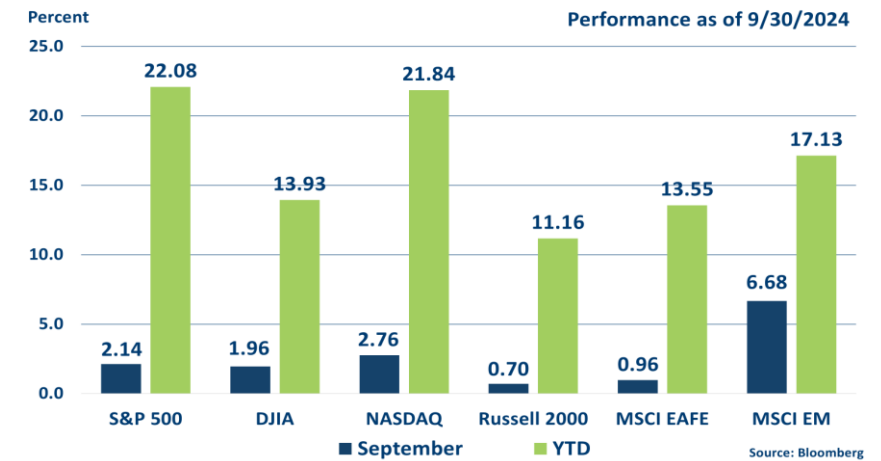
Equities

- Domestic equities experienced significant drops in value early in September but managed to recover later in the month as the Federal Reserve's rate cut provided a boost to market sentiment.
- A healthy dose of better-than-expected earnings announcements also contributed to overall market optimism.
- The Consumer Discretionary and Utilities sectors outperformed, while Energy and Health Care lagged the market.

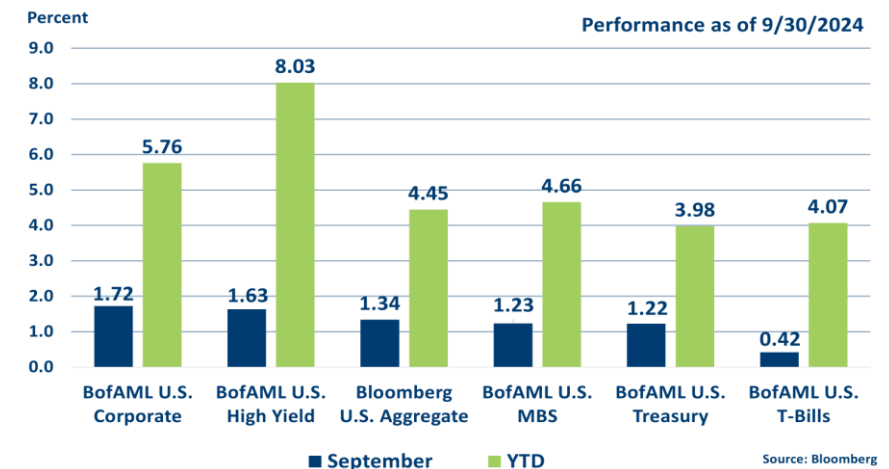
Fixed Income

- September saw bond yields decline across all maturities.
- The long-lived yield curve inversion finally ended, as shorter-dated government bond yields fell more sharply than longer maturities.
- Treasuries, investment-grade corporates, high-yield corporates, and mortgage-backed securities all posted positive total returns in September.

Equity Returns



Fixed Income Returns



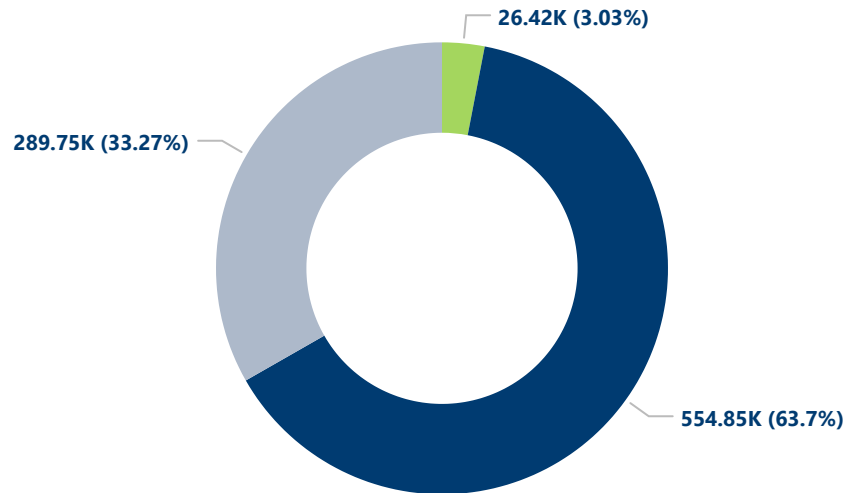
Strategic Outlook

- Some caution warranted on equities in the near-term, particularly in high-growth large cap stocks after recent rally; currently favoring small-cap and mid-cap domestic stocks longer-term
 - Above average volatility is likely given central bank involvement and geopolitical uncertainty
 - Near average expected returns projected for fixed income after period of rising rates and bond market sell-off
- ubt.com**

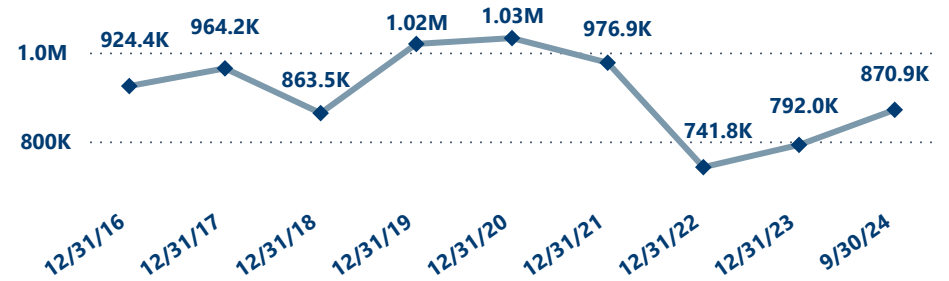
Account Number	Account Name	Investment Objective	Market Value (1-year prior)	Current Market Value	Cash Percentage	Fixed Income Percentage	Equity Percentage
18577	Foundation for Lincoln Public Schools Managed Endowment Agency	Growth & Income (60/40 Stock/Bond)	763,570.26	870,923.82	3.03%	33.27%	63.70%
Total			763,570.26	870,923.82	3.03%	33.27%	63.70%

Asset Class

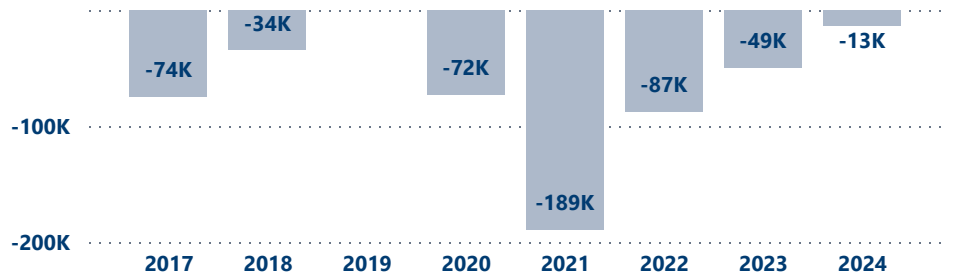
● Cash ● Equity ● Fixed Income



Market Value by Date



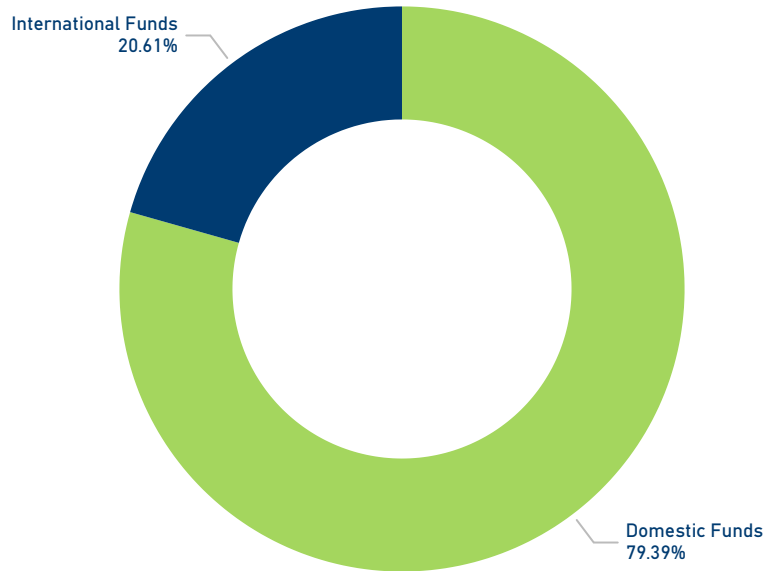
Net Total Contributions/(Distributions) by Year



Report Date

September 30, 2024

Equity with Fund Overlay



Domestic Fund Exposure

Issue Type	Total Market Value	Percent of Equity
Large Cap Funds		
Vanguard 500 Index Admiral Shares #540	135,403.67	24.40%
Vanguard Value Index Admiral #506	91,591.59	16.51%
Vanguard Growth Index Admiral #509	72,504.80	13.07%
Total	299,500.07	53.98%
Mid Cap Funds		
Vanguard Mid Cap Index Admiral Shs #5859	47,516.31	8.56%
Vanguard Real Estate Index Fund Admiral Shs #5123	35,107.03	6.33%
Total	82,623.35	14.89%
Small Cap Funds		
iShares S&P Small Cap 600 Index ETF	58,363.04	10.52%
Total	58,363.04	10.52%
Total	440,486.45	79.39%

International Fund Exposure

Issue Type	Total Market Value	Percent of Equity
International Funds		
Vanguard FTSE Developed Markets ETF	75,465.49	13.60%
Total	75,465.49	13.60%
Emerging Market Funds		
Vanguard FTSE Emerging Markets ETF	38,902.05	7.01%
Total	38,902.05	7.01%
Total	114,367.54	20.61%

Report Date

September 30, 2024

Fixed Income Allocation



Domestic Funds 100%

Domestic Funds

Issue Type	Total Market Value	Percent of Fixed Income
Corp/Government Bond Funds		
Dodge & Cox Income Fund CI I #147	98,702.93	34.07%
PIMCO Income Instl #1821	70,401.84	24.30%
iShares 0-5 Yr Inv Grd Corp Bond ETF	67,071.90	23.15%
Palmer Square Income Plus Fund CI T	53,568.44	18.49%
Total	289,745.10	100.00%
Total	289,745.10	100.00%

Report Date

September 30, 2024

Reference Account(s)

18577

Account Performance - Total Account vs. Benchmark

Returns Through
September 2024

Total Return

Account Name	Acct #	YTD Return	1-Month	3-Month	6-Month	1-Year	2-Year	3-Year	4-Year	5-Year	10-Year
Foundation for Lincoln Public Schools Managed Endowment Agency	18577	11.83%	1.73%	6.10%	7.16%	21.79%	16.22%	4.07%	7.79%	7.15%	5.78%

Segment Return

Segment	Acct #	YTD Return	1-Month	3-Month	6-Month	1-Year	2-Year	3-Year	4-Year	5-Year	10-Year
Equity											
Foundation for Lincoln Public Schools Managed Endowment Agency	18577	17.40%	2.24%	7.89%	9.55%	31.41%	23.87%	7.62%	13.31%	12.01%	9.49%
Fixed											
Foundation for Lincoln Public Schools Managed Endowment Agency	18577	5.77%	1.16%	4.17%	5.04%	11.34%	8.20%	1.48%	1.70%	2.05%	2.52%

Benchmarks

Type	YTD Return	1-Month	3-Month	6-Month	1-Year	2-Year	3-Year	4-Year	5-Year	10-Year
Equity										
S&P 500	22.08%	2.14%	5.89%	10.42%	36.33%	28.71%	11.88%	16.16%	15.94%	13.35%
Russell Mid Cap	14.63%	2.23%	9.21%	5.55%	29.30%	21.07%	5.72%	13.02%	11.26%	10.17%
Russell 2000	11.16%	0.70%	9.27%	5.69%	26.74%	17.44%	1.81%	11.72%	9.34%	8.75%
MSCI EAFE	13.55%	0.96%	7.35%	7.14%	25.45%	25.89%	6.10%	10.85%	8.81%	6.31%
MSCI Emerging Markets	17.13%	6.68%	8.82%	14.33%	26.41%	19.02%	0.75%	4.93%	6.09%	4.39%
Fixed										
Barclays 1-5 Year Govt/Credit	4.50%	0.92%	3.50%	4.36%	8.10%	5.31%	0.94%	0.72%	1.54%	1.77%
Bloomberg US Agg Total Return	4.45%	1.34%	5.20%	5.26%	11.57%	5.96%	-1.39%	-1.26%	0.33%	1.84%

Equity Only and Fixed Only returns are gross of fees. Total Portfolio Return is net of fees.

Returns greater than one year are reported on an annualized basis.

Past returns are not indicative of future results.

No Bank Guarantee. May lose value.

Report Date

September 30, 2024

