ELCA ENDOWMENT FUND POOLED TRUST – FUND A

FIRST QUARTER 2020 REPORT

ELCA Foundation
Evangelical Lutheran Church in America

FUND A – FIRST QUARTER 2020 SUMMARY

During the first quarter, Fund A returned -15.6% net. The static benchmark of 65% global equity / 35% aggregate fixed income returned -12.8%.

Fund A trailed the static benchmark return on the quarter due to a strong rally in Treasury bonds compared to corporate bonds when the overall market fell. Fixed income allocations of Fund A did provide safety as compared to the overall equity markets. However, Fund A's high-yield allocation lagged the Bloomberg Barclays U.S. Aggregate Bond Index on the quarter. Global real estate securities, which were additive to performance on previous quarters, faced selling pressures due to the economic shutdown and their perceived challenges stemming from both hospitality and lodging and potential rent payment challenges related to the shutdown.

MARKET SNAPSHOT

The S&P 500 started off the year with a historic quarter following a historic 2019 year. Equities were down 19.6% on the quarter following a year in which they gained 31.5%. Global equity markets declined sharply as the spread of COVID-19 and the oil price collapse brought economies to a halt and caused investors to sell out of risky assets.

International equities have underperformed the U.S. slightly with the exception of Japan, which was down 16.5% on the quarter. The MSCI EAFE Index, a benchmark for international developed markets, lost 22.7% while the MSCI Emerging Markets Index lost 23.6% for the quarter.

U.S. equities fell in the first quarter of 2020, as the S&P 500 declined by 19.6% and all 11 sectors finished in the red. Energy fell the most by 50.5%, which was exacerbated by the initiation of the oil price dispute. Other laggards included Financials, Industrials and Materials, which were down 31.9%, 27.0%, and 26.1%, respectively. Tech, Health Care and Consumer Staples outperformed despite still falling by 11.9%, 12.7% and 12.7%, respectively.

The U.S. aggregate bond market was positive for the quarter and outperformed on an absolute and relative basis as investors searched for "safe havens" and less-risky assets. The Bloomberg Barclays U.S. Aggregate Bond Index, a general measure of the bond market, rose 3.2%. Interest rates fell during the quarter to zero, as the yield on the 10-year U.S. Treasury note fell sharply to a quarter-end of 0.61% from 1.92% at the end of 2019. The shortest end of the curve fell as the Fed cut its Fed funds target rate, with the yield on three-month Treasury bills falling to 0.06% from 1.54%. Riskier parts of the bond market, such as U.S. high-yield debt, fell in the first quarter, buoyed by the market's risk-off sentiment. The Bloomberg Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, fell 12.7%.

EQUITY

U.S.

Fund A's U.S. equity component fell 20.8% in the first quarter, narrowly outperforming the benchmark return of -20.9%. Strong response from the Federal Reserve and Congress helped stocks recover slightly toward the end of the quarter, but they finished well off of their all-time highs of mid/late-February. While the portfolio was largely in-line with the benchmark, not holding names that are particularly susceptible to the impact of the pandemic (i.e., Carnival Corp., MGM Resorts, Wynn Resorts) helped performance on the margin.

Non-U.S.

Internationally, equities fared slightly worse in the first quarter. Fund A's non-U.S. equity component fell 23.7% in the quarter, which was 0.4% ahead of the benchmark return of -24.1%. An underweight to the hard-hit Energy sector was the primary driver of value-add. In addition, strong stock selection among small cap stocks helped bolster relative performance.

FIXED-INCOME

Investment Grade

In Q1 2020, Fund A's fixed income portfolio returned 1.6%, underperforming the custom FTSE bond benchmark return of 2.1% and the Barclays Aggregate return of 3.2%. As of March 31, 2020, the portfolio's option adjusted duration was 5.29 years, about the same level as the benchmark. The portfolio's credit quality was Aa2/AA-, compared to Aa1/AA- for the benchmark.

Treasury yields fell across the curve during the quarter and the curve steepened slightly – the two-year dropped 1.35% to yield 0.23%, and the 30-year fell 1.04% to 1.35%. Credit struggled during the quarter, returning 3.63%; Governments returned 11.93%; and the Collateralized segment returned 2.82%.

High-Yield

High-yield bonds had a weak quarter in Q1 2020, as credit spreads widened dramatically in March. Many areas of the high-yield bond market saw a flight to liquidity, with many sellers being forced to exit the markets until the government direct buying programs commenced. The high-yield portfolio outperformed the benchmark, returning -12.3% vs. -12.6% for the benchmark. As of March 31, 2020, the portfolio's credit quality was B1/B+, compared to B1/BB- for the benchmark.

Inflation-Indexed

Inflation-indexed bonds underperformed nominal Treasuries in Q1 2020. The portfolio and benchmark returned 0.47% and 0.29% respectively, compared to nominal 10-year Treasuries that returned 11.93%. The portfolio is managed using a full-replication passive approach.

GLOBAL REAL ESTATE SECURITIES

Fund A's global real estate securities component returned -26.8% in Q1 2020, compared to the custom benchmark return of -29.3%. U.S. REITs returned -28.5%, while Global ex-U.S. REITs returned -30.6% for the quarter (benchmark returns).

The U.S. REIT portfolio is actively managed by a single investment manager, whose portfolio outperformed the benchmark (4.48%) on a relative basis in Q1 2020. For the quarter, the largest positive contributors to relative performance were security selection within Health Care and an underweight to the Regional Malls sector. An underweight to Data Centers and overweight to Free Standing Retail were the largest detractors to performance. Overall, both allocation effects and selection effects contributed positively to the quarterly performance.

The Global ex-U.S. REIT portfolio is passively managed by a single manager, whose portfolio showed positive relative returns (0.09%) for the quarter.

ALTERNATIVE INVESTMENTS

Hedge Funds

The hedge fund portfolio returned -7.2% (net) in the first quarter, slightly trailing the benchmark return of -6.9%, ahead of equity market performance. Equity market neutral and credit market relative strategies were generally positive on the quarter. Due to the market dislocations and forced selling situations in the credit markets (where Investment Grade bonds had declined approximately 10% from their peak), credit strategies faced losses during the quarter. Credit faced weakness across multiple areas as the structured credit market sold off on both technical and fundamental factors, corporate securities sold off with broader high-yield markets, and usually stable parts of the portfolio, such as European NPLs and aircraft leasing, were directly impacted by COVID-19.

Private Infrastructure

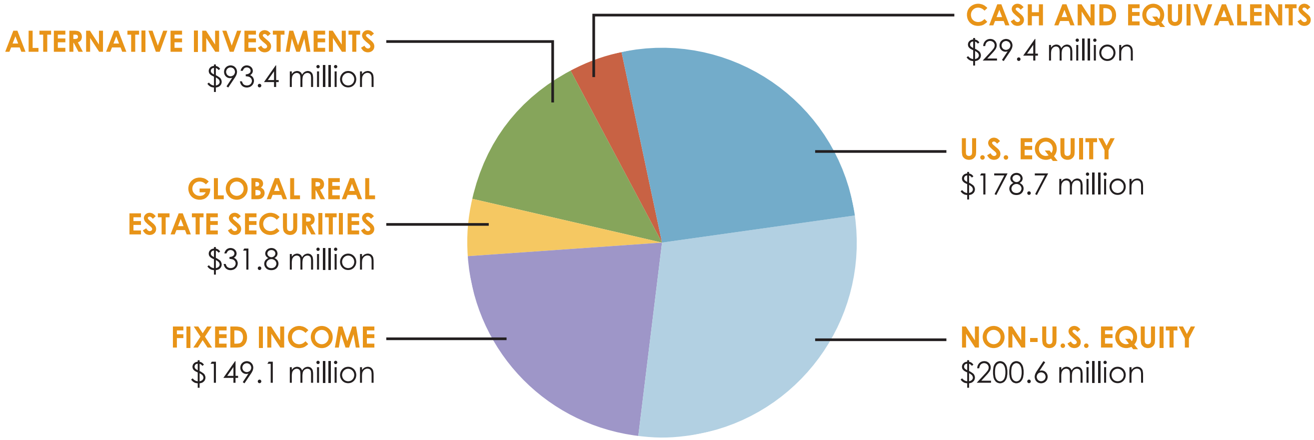
The private infrastructure allocation gained 4.4% (primarily from prior period income) while the S&P Global Infrastructure benchmark declined 29.2%. The private infrastructure allocation is a highly diversified infrastructure equity strategy that invests in core/core-plus yield-focused assets in high income OECD geographies and is generally expected to outperform other equity strategies during this period, despite working through the inevitable issues that arise during crises. Across the private infrastructure fund, the strength of the portfolio construction and overall diversification can be characterized as follows:

- Distributed/Regulated utilities: Heat, water and electricity remain essential to daily life whether at home or at work. Regulated businesses generally have an obligation to serve customers during a pandemic.
- Contracted/Power: The fund's solar, wind and natural gas generation businesses have long-term contractual arrangements with investment grade counterparties; nevertheless, the fund manager remains focused on monitoring potential credit risk across these off-takers.
- GDP Sensitive: Consistent with other periods of lower commodity pricing, the fund manager is seeing increased demand in these storage businesses currently. Airports and ports collectively represented 14.5% of the private infrastructure portfolio as of Q4 2019. The fund manager believes these assets are the most economically sensitive to the COVID-19 pandemic.

Private Markets

Through the close of Dec. 31, 2019, the private market allocation annualized an 8.16% return since inception. The program currently represents approximately 4.2% of Fund A's overall allocation and is targeted to become 10% over time. Noteworthy additions to the program include a venture capital vehicle that will provide globally diversified exposure to best-in-class managers in their respective regions and a mega cap buyout fund focused on the software sector.

As of March 31, 2020, Fund A Net Assets totaled $684.2 million* and Fund A Investments totaled $683.0 million.**



* Net Assets includes investments, deposits between monthly valuation dates, operating cash and liabilities.
** Pie Chart is representative of Fund A Investment Assets only.

FUND A INVESTMENT PORTFOLIO PERFORMANCE (%) AS OF MARCH 31, 2020

		Q1 (%)	YTD (%)	1 YR (%)	3 YRS (%)	5 YRS (%)	7 YRS (%)	10 YRS (%)	SINCE INCEPTION	INCEPTION DATE
TOTAL FUND A[1]		**-15.59**	**-15.59**	**-7.24**	**1.17**	**1.95**	**4.07**	**5.30**	**3.84**	**07/01/99**
65% MSCI ACWI / 35% Bloomberg Barclays U.S. Aggregate Bond Index		-12.79	-12.79	-4.19	2.88	3.22	4.59	5.32	4.84	
EQUITIES	**Social Purpose US Equity Portfolio[2]**	**-20.80**	**-20.80**	**-8.29**	**3.67**	**4.71**	**8.56**	**9.70**	**5.09**	**07/01/99**
	Portico US Equity Benchmark[3]	-20.90	-20.90	-9.13	4.00	5.77	8.96	10.19	5.42	
	Social Purpose Non-US Equity Portfolio	**-23.72**	**-23.72**	**-14.64**	**-1.62**	**0.32**	**2.12**	**2.79**	**4.83**	**04/01/04**
	Portico Non-US Equity Benchmark[9]	-24.11	-24.11	-16.32	-2.34	-0.66	1.06	2.09	4.14	
FIXED-INCOME	**Social Purpose Investment Grade Bond Portfolio[2]**	**1.56**	**1.56**	**7.50**	**4.39**	**3.12**	**3.01**	**3.82**	**5.02**	**07/01/99**
	Portico Fixed Income Benchmark[4]	2.12	2.12	8.13	4.64	3.31	3.22	3.97	5.16	
	Inflation Indexed Bond Portfolio	**0.47**	**0.47**	**4.75**	**2.70**	**2.29**	**1.02**	-	**2.50**	**06/01/11**
	Portico Inflation Index Benchmark[5]	0.29	0.29	4.50	2.55	2.18	0.97	-	2.45	
	Social Purpose High Yield Bond Portfolio	**-12.31**	**-12.31**	**-6.76**	**0.66**	**2.38**	**3.00**	**5.05**	**6.19**	**07/01/03**
	Portico High Yield Benchmark[6]	-12.61	-12.61	-6.77	0.82	2.42	3.00	5.28	6.27	
REAL ESTATE	**Global Real Estate Securities Portfolio**	**-26.76**	**-26.76**	**-20.41**	**-2.63**	**-0.97**	**1.81**	**5.69**	**6.34**	**03/01/04**
	Portico Real Estate Securities Benchmark[7]	-29.35	-29.35	-24.37	-4.48	-2.18	1.30	5.82	5.67	
ALTERNATIVE INVESTMENTS	**Hedge Funds**	**-7.22**	**-7.22**	**-3.60**	-	-	-	-	**-0.20**	**08/01/17**
	HFRX Global Hedge Fund Index	-6.85	-6.85	-1.39	-0.54	-0.65	0.23	0.23	-1.27	
	Private Infrastructure Fund[8]	**4.44**	**4.44**	**8.24**	-	-	-	-	**6.32**	**10/01/17**
	S&P Global Infrastructure Index	-29.18	-29.18	-21.15	-3.25	-0.38	2.66	4.21	-7.21	
	Private Markets Fund[8]	**0.00**	**0.00**	**2.19**	-	-	-	-	**8.16**	**09/01/17**
	Cambridge Private Equity Index	0.00	0.00	4.25	11.65	10.99	12.12	13.11	11.65	

1. Total Fund A returns are net of investment manager and custodian fees and expenses including the administrative fee of 60 basis points (0.60%). Prior toJuly 2017, the total fee was 100 basis points (1.00%). Refer to the DisclosureStatement for total fees and expenses. Returns for the sub-asset classes arenet of investment manager and custodian fees and expenses as reported by theinvestment managers.
2. Endowment Fund A moved to the SP Investment Grade Fixed Income Pool asof November 2007 and to the SP U.S. Equity Pools as of December 2007 fromseparately managed accounts. On July 1, 2019, Endowment Fund A moved the U.S.equity allocation to the SP U.S. Stock Index Pool.
3. The U.S. equity benchmark changed from the Dow Jones Total Stock Market Indexto the Russell 3000 in October 2011.
4. The Investment Grade Fixed Income Benchmark changed from the old CustomFTSE Index (40% Mortgage, 30% Credit, 25% Treasury/Government, 5% Asset-Backed) to the new Custom Bond Benchmark (40% Collateralized, 35% Credit,25% Treasury/Government) in October 2011.
5. In June 2011, Inflation Indexed Bonds were added as a component to Fund A's asset allocation. The Inflation Index benchmark change from the FTSE Inflation Linked Securities Index to the FTSE U.S. 1-10 Year Inflation Linked Securities Index as of 12/1/2014.
6. The high yield benchmark changed from the FTSE High Yield Cash-Pay Capped Index to the FTSE BB/B Cash Pay Capped Index as of 9/1/2012.
7. Late in 2008, the Real Estate Securities benchmark transitioned to 60% Wilshire U.S. Real Estate Securities Index and 40% Wilshire Ex-U.S. Real Estate Securities Index, from 100% Wilshire U.S. Real Estate Securities Index. In April 2013 the Custom Global Real Estate Securities benchmark transitioned to 60% Dow Jones U.S. Real Estate Securities Index and 40% Dow Jones Global Ex-U.S. Real Estate Securities Index with net dividends.
8. Returns for Private Infrastructure and Private Markets will be reported on a quarter lag.
9. The Non-U.S. Equity pool has been benchmarked to the MSCI All-Country World xUS IMI since 7/1/2012, prior to that the benchmark was the standard MSCI All-Country World xUS Index.

ELCA Foundation

Evangelical Lutheran Church in America

8765 West Higgins Road
Chicago, Illinois 60631-4101

CONTACT US

For more information contact:
Kathy F. Summers
President and CEO, ELCA Foundation

Annette C. Shoemaker
Executive Vice President, ELCA Foundation

800-638-3522 • fax 773-380-2775
elcafoundation@elca.org
ELCA.org/endowmentinvesting

The ELCA Foundation regional gift planners are located throughout the country and are ready to assist you.

AT A GLANCE

ELCA Endowment Fund Pooled Trust – Fund A was established to allow for the collective long-term investment of funds belonging to the Evangelical Lutheran Church in America (ELCA), its congregations, synods, seminaries and other eligible affiliated entities. The ELCA promotes investment in the Endowment Fund Pooled Trust through the ELCA Foundation.

Fund A is administered by the Endowment Fund of the ELCA dba ELCA Foundation.

SOCIAL PURPOSE INVESTING

Fund A's assets are selected, where feasible, in accordance with criteria of social responsibility that are consistent with the values and programs of the ELCA. In addition, Fund A seeks positive social investments that provide a proactive way to receive a return while directing capital to underserved markets, such as community development and renewable energy.

ABOUT FUND A

You should carefully consider the target asset allocations, investment objectives, risks, charges and expenses of any fund before investing in it. Fund A is subject to risk. Past performance cannot be used to predict future performance. Fund A investments, are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Fund assets are invested in multiple sectors of the market. Some sectors, as well as the Fund, may perform below expectations and lose money over short or extended periods.

The investment managers and/or the investments Fund A directly invested in are not subject to registration, regulation or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940 or state securities laws. Members, therefore, will not be afforded the protections of those provisions of those laws and related regulations.