



JEWISH FOUNDATION – OF MANITOBA –

Since 1964, the Foundation's mission has been to encourage and facilitate the creation and growth of its 3600+ endowment funds to enable the community to realize its potential. To meet this objective the Foundation must maintain effective stewardship over all assets entrusted to it. The primary objective of the Foundation's investment activities is to obtain a total return (yield + capital appreciation) sufficient to provide a dependable source of income for distribution and to preserve in real dollars (i.e. after taking inflation into account) the Foundation's capital and therefore ongoing distributions in perpetuity.

The 2021 Distribution Rate is 4.0%. The Distribution Rate is multiplied by the average market value (3-year rolling average) of the endowment funds (calculated quarterly) to determine quarterly distribution income. Averaging is utilized to smooth out the volatility in financial markets. Therefore, during years of rising markets, the average market value will be less than the current market value. Conversely, during years of falling markets the average market value will be greater than the current market value. Gifts to endowment funds are invested and pooled in the Foundation's *Long Term Capital Fund* (LTC Fund). Pooling provides opportunity for economies of scale with respect to investment management fees, increased diversification across the portfolio and mitigation of risk. The Board of Directors is responsible for determining Investment and Distribution Policies. The Investment Committee provides recommendations to the Board in conjunction with the Foundation's investment advisor, Mercer Global Investments Canada Ltd.

For the 12 months ended September 30, 2021, the annual return of the LTC Fund was 15.74%. Annual returns vary with the financial markets. As the performance charts below indicate, it is important to evaluate annual returns over the longer term:

**The Jewish Foundation of Manitoba
Investment Performance
For the 5 years & 10 Years ended September 30, 2021**

12 Month Returns

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2012</u>
Return	15.74%	7.16%	5.80%	8.43%	6.69%	10.46%
Benchmark	13.84%	6.14%	6.21%	8.04%	6.56%	9.48%

Annualized Returns

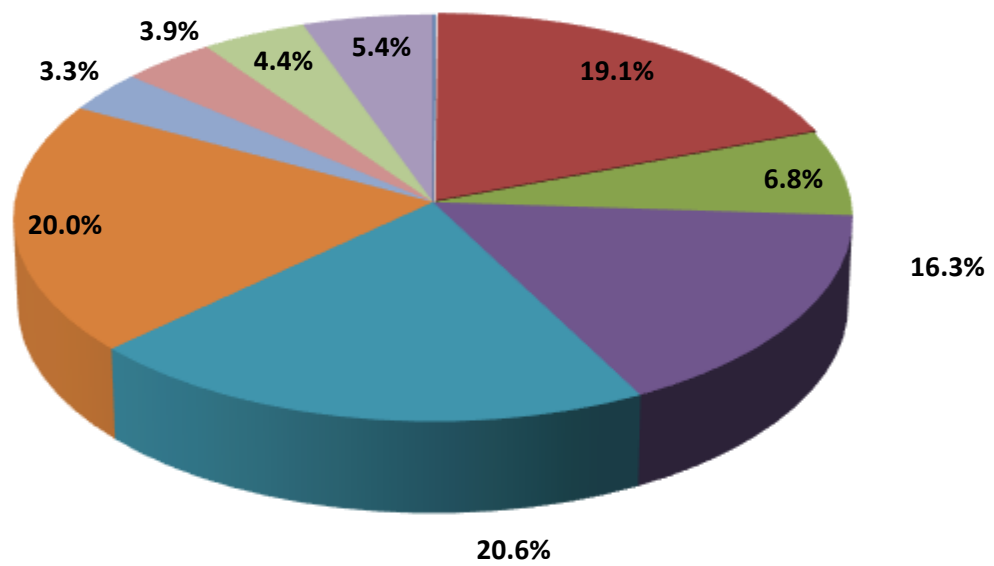
	<u>1 yr</u>	<u>2 yr</u>	<u>3 yr</u>	<u>4 yr</u>	<u>5 yr</u>	<u>10 yr</u>
Return	15.74%	11.37%	9.48%	9.22%	8.71%	8.72%
Benchmark	13.84%	9.92%	8.67%	8.51%	8.12%	8.39%

**The Jewish Foundation of Manitoba
Asset Allocation
As at September 30, 2021**

		Actual	Policy
Cash & Cash Equivalents	\$ 156,730	0.1%	0.0%
Fixed Income	29,862,749	19.1%	17.5%
Global Fixed Income ¹	10,643,917	6.8%	7.5%
Canadian Equity	25,509,352	16.3%	16.0%
U.S. Equity	32,171,314	20.6%	20.0%
International Equity	31,306,252	20.0%	20.0%
Real Estate	5,183,366	3.3%	4.0%
Infrastructure	6,089,090	3.9%	4.0%
Commercial Mortgage	6,819,408	4.4%	5.0%
Global Small Cap	8,464,751	5.4%	6.0%
Total Invested Portfolio	<u><u>\$ 156,206,929</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>

Note 1: Global Fixed income includes a board-mandated policy to invest 2.2% of the total portfolio in State of Israel bonds. At September 30, 2021, the value of State of Israel bonds held in the portfolio was \$1,501,445 or 1.0% of the total portfolio.

Asset Mix at September 30, 2021



- Cash & Cash Equivalents
- Global Fixed Income1
- U.S. Equity
- Real Estate
- Commercial Mortgage
- Fixed Income
- Canadian Equity
- International Equity
- Infrastructure
- Global Small Cap

**The Jewish Foundation of Manitoba
Investment Policy Target Asset Mix**

Asset Classes	Benchmark Allocation	Permissible Ranges	Long Term Return Expectations
Cash & Cash Equivalents	1.0%	0% - 10%	1.7%
Universe Bonds	5.0%	20% - 40%	2.3%
Commercial Mortgages	7.0%	0% - 10%	3.7%
Global Fixed Income	7.0%	0% - 15%	1.7%
Canadian Equities	8.0%	11% - 25%	5.5%
U.S. Equities	20.0%	15% - 25%	5.5%
International Equities	20.0%	15% - 25%	5.5%
Global Small Cap	6.0%	2% - 10%	6.0%
Emerging Markets	6.0%	3% - 9%	7.7%
Real Estate	10.0%	2% - 8%	5.6%
Infrastructure	10.0%	2% - 8%	5.5%
Total Portfolio	100.0%		
		Long Term Expected Return	5.8%
		Expected Annual Volatility	10.8%

**Jewish Foundation of Manitoba
Investment Committee**

Uri Kraut, Chair

Tom Ball, CFA

Dan Blankstein

Russell Olivson, CFA

Dr. Bonnie Cham

Leo Berenshteyn, CFA

Bruce Caplan

Stan Casar

Richard Leipsic

Brett Tessler, CFA