



July 2021 Performance Summary

Rising COVID-19 cases, hospitalizations and deaths put an end to the hope that the pandemic was nearly over. Equity markets were able to offset this bad news to some degree thanks to exceptionally strong earnings reports across virtually all economic sectors. While the news re COVID remains disappointing, it never seemed likely that the path towards normalcy would be simple or rapid. Despite the likelihood of continuing complexity and perhaps the return of more challenging markets, the Vermont Community Foundation Pools remain allocated to a well-diversified and compelling set of investments from a long-term perspective.

In July, the Long-Term Pool gained 0.4%, a result that exceeded the custom benchmark's return by 20 bps. Thus far in 2021, the Pool has risen 10.0% and is now 2.3% above its benchmark. Above benchmark returns were driven by strong gains from equity strategies globally, particularly those that are value oriented.

The Socially Responsible Pool gained 0.5% for the month, a result that fell 20 basis points behind the benchmark return. Thus far in 2021, the Pool has risen 9.4% and is 2.1% above its benchmark. This outcome is largely the product of strong stock selection from the portfolio's global equity manager, solid results across equities overall and a below benchmark weight to global bonds.

The Mid-Term Pool gained 0.5% for the month, an outcome that fell 10 basis points short of the custom benchmark. Thus far in 2021, the Pool has gained 6.7% and is 20 bps above the custom benchmark. As the Pool is largely invested in index funds, return differences are primarily due to the impact of portfolio positioning relative to the targets which occur due to market movement and cash flows.

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