

# Investment Fund of the Diocese of Long Island

The objective of the Fund is to provide professional investment management to any institution of the Episcopal Diocese of Long Island and to maximize total long-term rate of return with reasonable risk by seeking capital appreciation and, secondarily, income.

## Characteristics

- + Quality professional management of the portfolio
- + Fiduciary oversight
- + Diversification among various asset classes and strategies
- + Enhanced investment structure fully implemented as of 2005
- + Difference between Total Return and Dividend Payout - Total Return is intended to accomplish two goals: provide income and preserve buying power by accounting for inflation. Hence a portion of the total return (currently 3%) is retained in the fund.

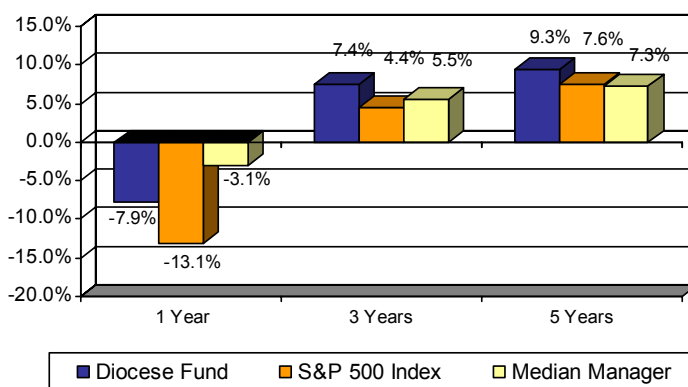
## Performance\*

- + The Total Fund posted a loss of 7.9% for the one-year period ended June 30, 2008, outpacing the S&P 500 Index but trailing the average balanced manager.
- + The portfolio exhibits strong, relative long-term performance with a three-year return of 7.4% and five-year return of 9.3%.

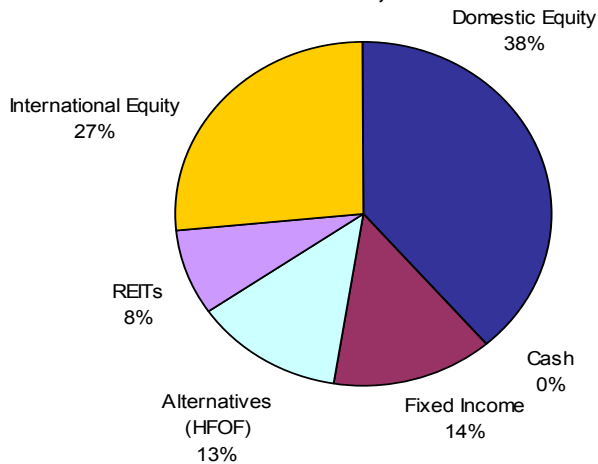
## Asset Allocation

- + The fund comprises a wide variety of domestic equity managers covering both large cap value and growth as well as small cap core
- + International equity managers have outpaced international benchmarks and domestic equity returns
- + The real estate securities portfolio increases both diversification and yield
- + The fixed income allocation is maintained within the Fund for diversification purposes
- + Hedge fund of funds are used to add further diversification and provide a low-volatility return enhancement to the fixed income allocation.

Annualized Rate of Return  
Period Ending June 30, 2008



Asset Allocation  
June 30, 2008



\*Returns are reported **net of all fees**. The **S&P 500 Index** is an index consisting of 500 stocks commonly used as an indicator of broad equity market performance. The **median manager** is represented by the 50<sup>th</sup> percentile return of a peer group of other balanced portfolios.