

Feoffees of the Grammar School Trust Performance Summary

December 31, 2019

Part 1: Trust Overview and Performance Summary

Investment Commentary

The total portfolio returned 6.9% in the fourth quarter of 2019 and has gained 23.8% year-to-date in 2019, net of fees. For the 3 year rate of return, the annualized return was 11.2% and for the 5 years it is 7.9%. Since inception the portfolio has produced an annualized return of 8.5%. Returns for all periods were better than the custom benchmark.

Investment Performance

Totals are Net of Fees	Current	YTD				
Manager	Quarter	2019	1 Year	3 Year	5 Year	Annualized Total
Aureus Equity-only	10.1%	41.3%	41.3%	21.0%	14.5%	
Aureus Fixed Income (BCA)	0.5%	5.1%	5.1%	2.7%	2.2%	
Non-Traditional	2.2%	10.1%	10.1%	5.4%	3.6%	
Aureus Total	7.2%	27.6%	27.6%	13.5%	8.8%	
<i>Custom Benchmark (A)</i>	<i>6.4%</i>	<i>21.3%</i>	<i>21.3%</i>	<i>10.3%</i>	<i>7.4%</i>	
Passive Equities	8.7%	23.2%	23.2%	7.9%		
Passive Fixed Income	0.7%	6.0%	6.0%	2.8%		
Passive Commodities	7.7%	11.8%	11.8%	1.2%		
Passive Total	6.3%	15.4%	15.4%	5.5%		
<i>Custom Benchmark (B)</i>	<i>5.3%</i>	<i>18.0%</i>	<i>18.0%</i>	<i>8.0%</i>		
Total Equities	9.7%	26.5%	26.5%	17.6%	13.4%	15.4%
Total Fixed Income	0.6%	5.7%	5.7%	2.8%	2.4%	2.2%
Total Non-Traditional	3.3%	9.9%	9.9%	4.6%	3.1%	3.8%
Total Feoffees Net of Fees	6.9%	23.8%	23.8%	11.2%	7.9%	8.5%
<i>Custom Benchmark (C)</i>	<i>5.7%</i>	<i>18.8%</i>	<i>18.8%</i>	<i>8.8%</i>	<i>6.2%</i>	<i>7.0%</i>
<i>BofA ML 3 month T-bills</i>	<i>0.5%</i>	<i>2.3%</i>	<i>2.3%</i>	<i>1.7%</i>	<i>1.1%</i>	<i>0.7%</i>
<i>Barclays US Intermediate G/C</i>	<i>0.5%</i>	<i>6.7%</i>	<i>6.7%</i>	<i>3.3%</i>	<i>2.6%</i>	<i>2.4%</i>
<i>S&P 500</i>	<i>9.1%</i>	<i>31.5%</i>	<i>31.5%</i>	<i>15.3%</i>	<i>11.7%</i>	<i>14.1%</i>
<i>MSCI AC World ex US (net)</i>	<i>8.9%</i>	<i>21.5%</i>	<i>21.5%</i>	<i>9.9%</i>	<i>5.5%</i>	<i>4.9%</i>
<i>HFRI Fund of Funds Composite (D)</i>	<i>2.5%</i>	<i>7.8%</i>	<i>7.8%</i>	<i>3.7%</i>	<i>2.3%</i>	<i>3.1%</i>
<i>Bloomberg Commodity Index</i>	<i>4.4%</i>	<i>7.7%</i>	<i>7.7%</i>	<i>-0.9%</i>	<i>-3.9%</i>	<i>-7.1%</i>

(A) 50% S&P 500, 15% MSCI ACWI ex US (Net), 20% HFRI FoF Composite, 10% Barclays Intermediate G/C, 5% ML T-Bills

(B) 40% S&P 500, 10% MSCI ACWI ex US (Net), 30% Barclays Intermediate G/C, 15% Barclays Commodity Index, 5%

ML T-Bills

(C) 40% S&P 500, 15% MSCI ACWI ex US (Net), 15% HFRI FoF Composite, 20% Barclays Intermediate G/C, 5% Bloomberg Commodity Index, 5% ML T-Bills

(D) HFRI Fund of Funds Composite is an equal weighted composite of over 600 Fund of Funds tracked by Hedge Fund Research, Inc.

Endowment Summary

Endowment Items	Value as of 12/31/2019
Actively Invested Funds and cash held in accounts	\$33,779,484
Mortgages	\$ 486,103
Total	\$34,265,587

Mortgage and Loan Update

The balance of mortgages due at December 31, 2019 is \$486,103. This is comprised of three mortgages.

Part 2: Investment Allocation

The overall endowment is allocated based on the asset class targets set forth by the Feoffees in the Investment Policy Statement created in 2013. This mix is reviewed quarterly. The goal of the allocation is to provide long term growth with an emphasis on risk management. The allocation of the portfolio is listed below.

Allocation vs. Investment Policy			Policy Allocation Range		Compliance
Asset Class	\$ Total	% Total	Low	High	to Policy
Cash	\$ 677,192	2.0%	5.0%	10.0%	<i>Under</i>
Fixed Income	\$ 4,695,863	13.7%	10.0%	20.0%	<i>Yes</i>
<i>High Quality</i>	\$ 4,209,760	12.3%			
<i>Mortgages</i>	\$ 486,103	1.4%			
Total Fixed Income	\$ 5,373,055	15.7%	15.0%	30.0%	<i>Yes</i>
Domestic Equity	\$ 19,472,614	56.8%	35.0%	55.0%	<i>Over</i>
International Equity	\$ 3,168,362	9.2%	5.0%	15.0%	<i>Yes</i>
Total Equities	\$ 22,640,976	66.0%	40.0%	70.0%	<i>Yes</i>
Directional Alternatives	\$ 2,195,599	6.4%	5.0%	15.0%	<i>Yes</i>
Absolute Return Alternatives	\$ 2,765,602	8.1%	0.0%	5.0%	<i>Over</i>
Commodities	\$ 1,290,355	3.8%	0.0%	5.0%	<i>Yes</i>
Total Non-Traditional	\$ 6,251,556	18.3%	5.0%	25.0%	<i>Yes</i>
Total	\$ 34,265,587	100.0%			

