

Diocesan Investment Trust of New York

Portfolio Overview As of December 31, 2016

Strategic Solutions Overview

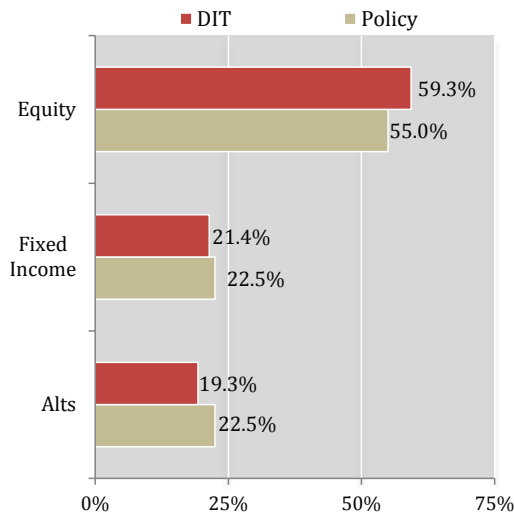
Since 2009, The Diocesan Investment Trust of New York ("DIT") has been managed by the Commonfund Strategic Solutions Group. This comprehensive investment management program provides investment management advisory, and middle office services to clients. It is a collaborative approach, encompassing all aspects of portfolio management, including investment policy review, portfolio construction, total portfolio monitoring, rebalancing, risk management and reporting.

Commonfund Strategic Solutions® brings together the accumulated best thinking and investment management practices of Commonfund. The Strategic Solutions program is designed exclusively for nonprofit institutions that seek to improve all aspects of the management of their portfolios – providing guidance where needed in policy formulation, while focusing support on the resource-intensive implementation and execution of investment policies. Our dedicated professionals work with each client to design, tailor and implement an investment program that meets their specific needs. In doing so, Strategic Solutions helps to strengthen the fiduciary role of a client's Trustees by providing Investment Committee members the time to focus on strategic policy issues. The program is designed to serve as an extension of a client's investment staff and Investment Committee (not a replacement of), and as a resource to the institution's Trustees.

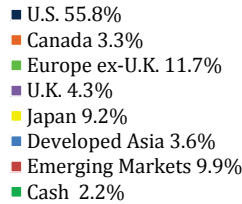
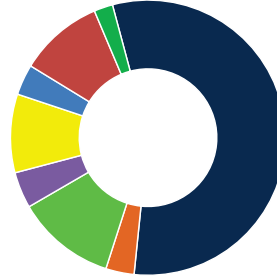
The main objective of DIT is to achieve growth in principal value (spending) over time sufficient to preserve or increase purchasing power, thus protecting against inflation. DIT invests in a diversified portfolio of strategies inclusive of traditional and non-traditional (alternative) investments through a diversified manager approach.

As of December 31, 2016, Strategic Solutions managed roughly \$7.9 billion for 68 non-profit clients.

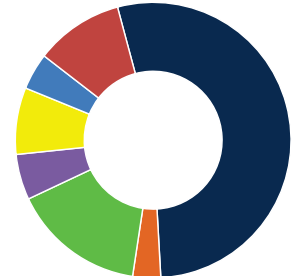
Asset Allocation Detail | As of December 31, 2016



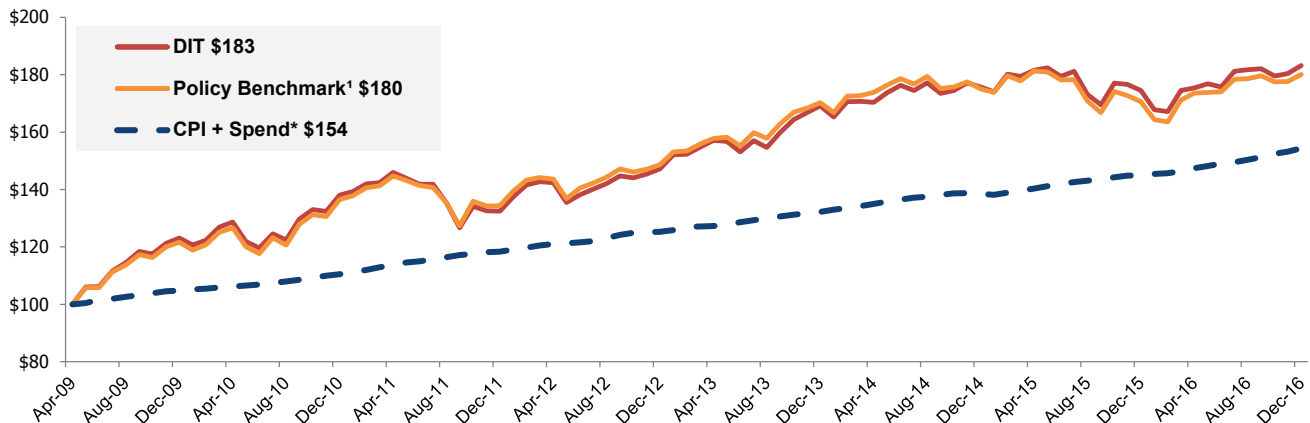
Global Equity Portfolio Regional Allocation



MSCI ACWI Regional Allocation



Cumulative Performance (Growth of \$100) | 4/30/09 - 12/31/16



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QTD Performance Drivers as of December 2016

Positives

- + Alpha Port (hedge fund strategy): equity market neutral managers had a strong quarter with a return of 1.2% but the majority of the return was driven by the S&P overlay as the index rose +3.8%
- + Contingent Asset Portfolio (short-dated mortgages, fixed income): underperformed its strategy benchmark due to security selection but outperformed the Barclays U.S. Aggregate by 2.1% led by its short-duration orientation

Negatives

- Global Equity Fund: underperformed the ACWI by 6 bps. Positive allocation decisions (overweight U.S., S&P 500 +3.8% & underweight Europe, MSCI Europe 0.4% and Emerging Markets, MSCI EMF -4.2%) was slightly offset by weak stock selection from European and EM managers
- U.S. Low Volatility: Martingale underperformed the S&P by 1.6% driven by stock selection within financials (top performing sector, +20.5%) and overweights to consumer staples (-2.7%) and utilities (-0.8%)

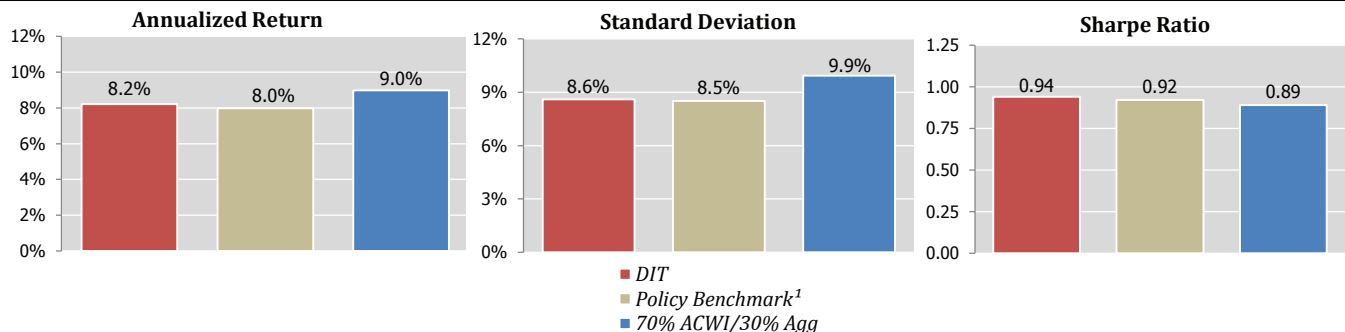
Commonfund Portfolio Positioning

- **Equities (Overweight):** overweight U.S. & Japan, underweight Europe and EM
- **Fixed Income (Slightly Underweight):** underweight duration and Treasuries; underweight high yield and distressed in favor of mortgages
- **Alternatives (Slightly Underweight):** underweight commodities and neutral hedge fund strategies

Performance Summary

Fiscal Years (December 31)	DIT Endowment	Policy Benchmark	CPI+Spend*	70/30 ACWI/Agg	Annualized Performance	DIT Endowment	Policy Benchmark	CPI+Spend*	70/30 ACWI/Agg
2016	5.00%	5.61%	6.50%	6.42%	QTD	0.65%	0.25%	2.01%	-0.06%
2015	-0.69%	-2.56%	4.63%	-1.30%	1 Year	5.00%	5.61%	6.50%	6.42%
2014	3.89%	2.83%	4.74%	4.77%	3 Years	2.70%	1.90%	5.28%	3.24%
2013	14.86%	14.51%	5.59%	14.90%	5 Years	6.69%	6.04%	5.45%	7.33%
2012	11.09%	10.67%	5.83%	12.65%	Inception	8.22%	7.98%	5.83%	8.99%
2011	-4.02%	-1.59%	7.09%	-2.68%	<i>Inception date: 4/30/2009</i>				
2010	12.16%	12.19%	5.50%	11.31%					

Risk & Return Summary | 4/30/2009 - 12/31/2016



Definitions

Standard Deviation

Statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution; the larger the standard deviation, the greater the degree of dispersion around the average value.

Sharpe Ratio

Risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better a fund's historical risk-adjusted performance. Determined according to the following formula: excess return over 91 day T-Bill divided by portfolio's standard deviation. This is an absolute return risk measure. Higher Sharpe ratios are more attractive than lower Sharpe ratios

Spending Policy

*Spend = 1.0% distribution each quarter, which equals approximately 4.06% annually

¹ Policy Benchmark Definition:

5/1/09 to 6/30/13 S&P 500 17.0; Russell 3000 15.0; Russell 2000 3.0; MSCI World ex U.S. 10.0; MSCI EMF Net 5.0; Barclays Capital U.S. Aggregate Bond Index ("Agg") 12.5; Barclays U.S. Inflation-Linked 2.0; Citigroup World Govt Bond 3.0; 3-Month T-bill 5.0; Bloomberg Commodity Index 5.0; Absolute 11% 5.0; HFRI FoF Conservative 5.0; HFRI Equity Hedge 12.5

7/1/13 to Current MSCI AC World Index Net 55.0; Barclays Agg 12.5; Barclays U.S. Inflation-Linked 2.0; Citigroup World Govt Bond 3.0; 3-Mont T-bill 5.0; Bloomberg Commodity Index 5.0; HFRI FoF Composite 17.5

² Weighted Alternatives Composite

7/1/13 to 12/30/16 HFRI FOF Composite Index 78.0; Bloomberg Commodity Index 22.0