



Diocesan Investment Trust

OF THE DIOCESE OF NEW YORK

71st Annual Report

The DIT Fund

2013

DIOCESAN INVESTMENT TRUST

THE DIT FUND

TRUSTEES

The Rt. Rev. Andrew M. L. Dietsche, Bishop of New York, *ex officio*
Sr. Faith Margaret, CHS, Treasurer of the Diocese, *ex officio*
Jesse D. Adelaar, Peconic Partners, LLC
Christopher K. Cummins, Christ Church, Rye
David L. Rowe, Morgan Stanley Smith Barney, LLC
John B. Trammell, St. James, Manhattan
Melinda G. Weir, Grace Church, Manhattan
Craig M. Willey, PricewaterhouseCoopers LLP

OFFICERS

Chairman, ex officio, The Rt. Rev. Andrew M. L. Dietsche, Bishop of New York
President Christopher K. Cummins
Vice-President, Craig M. Willey
Secretary, Jesse D. Adelaar
Treasurer, Craig M. Willey

EXECUTIVE COMMITTEE

Christopher K. Cummins, President, *ex officio*
Craig M. Willey, Treasurer & Vice President, *ex officio*
Sr. Faith Margaret, CHS, Diocesan Treasurer, *ex officio*
Jesse D. Adelaar Secretary, *ex officio*
David L. Rowe, Investment Chair

INVESTMENT ADVISOR

Commonfund Strategic Solutions

CUSTODIAN AND DISBURSING AGENT

Fiduciary Trust Company International

AUDITORS

PKF O'Connor Davies

COUNSEL

Hughes Hubbard and Reed, LLP

BUSINESS OFFICE

Michele Kearney, *Executive Director*
1047 Amsterdam Avenue
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**THE TRUSTEES OF THE ESTATE AND PROPERTY
OF THE DIOCESAN CONVENTION OF NEW YORK**
Diocesan Investment Trust

1047 Amsterdam Avenue
New York, NY 10025

To All DIT Shareholders:

The Diocesan Investment Trust, or DIT, was established in 1943 by the Trustees of the Estate and Property of the Diocesan Convention of New York (“TEP”) to provide investments for the TEP and other entities within the Diocese. In 2005 the DIT established the Parish Endowment Management Service, or “PEMS”, to assist parishes with the management of their long-term assets. The TEP was established by Diocesan Convention in 1877 and acts as trustee to over one-hundred trusts; beneficiaries include individual congregations and related entities throughout the Diocese.

In accord with its mandate the DIT engaged the Strategic Solutions Group at Commonfund in April, 2009, to assist the Trustees in providing prudent, institutional grade investment management and endowment services to the TEP, parishes and other institutions within the Episcopal Diocese of New York. As of December 31st, 2013, the DIT oversaw \$72.6 million on behalf of more than 206 trusts and entities throughout the Diocese.

Of the \$72.6 million, \$31.3 million (43%) represented various trust accounts (TEP), \$28.0 million (39%) voluntary investments by parishes and institutions throughout the Diocese, and \$13.3 million (18%) was invested on behalf parishes in the PEMS program. During the year investors subscribed nearly \$4.0 million for new shares in The DIT Fund and redeemed \$3.6 million to satisfy various operating and other needs, including automated quarterly distributions under the PEMS program of approximately \$507,000.

The DIT Fund finished the year up 14.7%, and the custom blended policy benchmark return was 14.5%. Annualized performance measured from the inception of our relationship with Commonfund (April, 2009) through December 31st, 2013, was 11.9%, nearly in line with the custom blended policy benchmark return of 12%. These performance figures are net of all fees paid to Commonfund but do not reflect the deduction of DIT administrative expenses of approximately 0.22% (annualized), which include the cost of processing redemption and subscription requests, custody, an annual audit, and the salary of our executive director.

Performance for 2013 was driven both by the allocated weighting among global equities, TIPS and commodities and by the performance of the global equity and core bond strategies relative to their individual benchmarks. 2013 was a tremendous year for risk assets, particularly equities. Active equity managers added value in the portfolio as stock correlations decreased, providing a much improved investment environment for stock pickers relative to 2012. Within the equity exposure, an emphasis on the U.S. and Japan proved beneficial. Conversely, an overweight to emerging markets for much of the year, the worst performing major global region in 2013, as well as a de-emphasis of European equities was detrimental to performance. In the alternatives allocation, low volatility equity and hedged equity strategies buoyed performance but negative, double-digit returns from commodities were a detractor. However, a large underweight allocation to commodities throughout the year added value. The fixed income part of the allocation offered negative absolute returns but outperformed its benchmark, led by strong outperformance from the Core Bond strategy and a sizeable cash position throughout the year.

Investment allocation was managed within limits prescribed by the Trustees. These guidelines were updated by the investment committee during the year and then reviewed and approved by the whole board. At year end, capital entrusted to the DIT was allocated 61.4% to stocks, 21.7% to bonds and 16.9% to liquid alternatives (primarily hedge fund and commodity managers).

THE TRUSTEES OF THE ESTATE AND PROPERTY
OF THE DIOCESAN CONVENTION OF NEW YORK

April 22, 2014

Established September 27, 1877

**Diocesan Investment Trust
of the Diocese of New York**

Financial Statements

December 31, 2013

Independent Auditors' Report

Trustees of the Estate and Property of the Diocesan Convention of New York as Trustees for the Diocesan Investment Trust of the Diocese of New York

We have audited the accompanying financial statements of the Diocesan Investment Trust of the Diocese of New York (the "Trust"), consisting of the Diocesan Investment Trust of the Diocese of New York ("DIT Fund"), which comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2013, and the related statements of operations, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Diocesan Investment Trust of the Diocese of New York as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PKF O'Connor Davies

New York, New York
April 22, 2014

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**Diocesan Investment Trust
of the Diocese of New York**

Statement of Assets and Liabilities
December 31, 2013

ASSETS

Investments, at fair value (cost \$60,486,750)	\$ 73,259,854
Receivable from brokers and custodian	1,007,144
Cash on deposit with custodian	4,478
Receivable for investor subscriptions	377,603
Dividends and accrued interest receivable	<u>213</u>
Total Assets	<u>\$ 74,649,292</u>

LIABILITES

Payable to brokers and custodian	\$ 1,000,000
Accrued liabilities	37,201
Payable for investor redemptions	289,253
Dividend distributions payable to shareholders	<u>669,933</u>
Total Liabilities	<u>1,996,387</u>

NET ASSETS

\$ 72,652,905

See notes to financial statements

**Diocesan Investment Trust
of the Diocese of New York**

Schedule of Investments
December 31, 2013

Shares	Description/Geography	Percent of Net Assets	Fair Value
Equity Funds			
3,161,312	Commonfund Strategic Solutions Global Equity, LLC (United States)	58%	\$ 42,180,414
157,609	Commonfund Strategic Solutions Equity Fund, LLC (United States)	3%	2,496,230
145,097	Commonfund Institutional Small Cap Fund, LLC (United States)	4%	<u>2,753,796</u>
	Total Equity Funds (cost \$35,793,749)	65%	<u>47,430,440</u>
Fixed Income Funds			
535,058	Commonfund Institutional High Quality Bond Fund, LLC (United States)	8%	5,562,910
312,751	Western Asset Short-Dated High Yield Portfolio, LLC (United States)	5%	3,585,694
131,120	Commonfund Institutional Global Bond Fund, LLC (United States)	2%	1,404,852
77,020	Commonfund Institutional Real Return Bond Fund, Ltd. (Cayman Islands)	1%	<u>868,322</u>
	Total Fixed Income Funds (cost \$11,356,403)	16%	<u>11,421,778</u>
Commodity Investment Funds			
172,038	Commonfund Institutional Multi-Strategy Commodities Fund, Ltd. (Cayman Islands)	2%	<u>1,538,679</u>
	Total Commodity Investment Funds (cost \$1,352,327)	2%	<u>1,538,679</u>
Alternative Investment Funds			
176,333	Commonfund Strategic Solutions Diversifying Company (Cayman Islands)	3%	1,689,065
252,551	Commonfund Strategic Solutions Global Hedged Equity Company (Cayman Islands)	4%	2,995,196
313,797	Commonfund Strategic Solutions Relative Value & Event Driven (Cayman Islands)	5%	<u>3,693,697</u>
	Total Alternative Investment Funds (cost \$7,493,272)	12%	<u>8,377,958</u>
	Total Investments (cost \$55,995,751)	95%	<u>68,768,855</u>
Temporary Investments			
	Cash Awaiting Transfer (cost \$1,000,000)	1%	1,000,000
	Fiduciary Trust Company International Short Term Investment Pool U.S. Treasury (cost \$3,490,999)	5%	<u>3,490,999</u>
	Total Cash and Cash Equivalents (cost \$4,490,999)		<u>4,490,999</u>
	Total Investments (cost \$60,486,750)	101%	73,259,854
	Other Assets and Liabilities, Net	-1%	<u>(606,949)</u>
	Net Assets		<u>\$ 72,652,905</u>

See notes to financial statements

**Diocesan Investment Trust
of the Diocese of New York**

Statement of Operations
Year Ended December 31, 2013

INVESTMENT INCOME

Interest and dividends	<u>\$ 943,740</u>
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EXPENSES

Administrative fees	124,242
Advisory fees	117,740
Professional fees	24,340
Custodian fees	<u>5,492</u>
Total Expenses	<u>271,814</u>
Net Investment Income	671,926

**NET REALIZED AND
UNREALIZED GAINS (LOSS) ON INVESTMENTS**

Net realized gains from security transactions	
Proceeds from sales	25,538,991
Cost of securities sold	<u>(24,436,150)</u>
Net Realized Gain on Investments	1,102,841
Net increase in unrealized appreciation on investments	<u>7,791,697</u>
Net Realized and Unrealized Gain on Investments	<u>8,894,538</u>
Net increase in Net Assets Resulting from Operations	<u>\$ 9,566,464</u>

See notes to financial statements

**Diocesan Investment Trust
of the Diocese of New York**

Statement of Changes in Net Assets
Year Ended December 31, 2013

FROM OPERATIONS AND DIVIDEND DISTRIBUTIONS

Net investment income	\$ 671,926
Net realized gain on investments	1,102,841
Net increase in unrealized appreciation on investments	<u>7,791,697</u>
Net increase in Net Assets Resulting from Operations	9,566,464
Dividend distributions to shareholders	<u>(2,645,157)</u>
Net Change in Net Assets Derived from Operations and Dividend Distributions to Shareholders	<u>6,921,307</u>

**FROM TRANSACTIONS IN
SHARES OF BENEFICIAL INTEREST**

Proceeds received from subscriptions to shares of beneficial interest	4,018,698
Amounts paid on redemption of shares of beneficial interest	<u>(3,555,358)</u>
Change in Net Assets Derived From Transactions in Shares of Beneficial Interest	<u>463,340</u>
Net Change in Net Assets	7,384,647

NET ASSETS

Beginning of year	<u>65,268,258</u>
End of year	<u>\$ 72,652,905</u>

See notes to financial statements

**Diocesan Investment Trust
of the Diocese of New York**

Statement of Cash Flows
Year Ended December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

Net increase in net assets resulting from operations	\$ 9,566,464
Adjustments to reconcile net increase in net assets resulting from operations to net cash from operating activities	
Purchase of investments	(24,185,215)
Sale of investments	25,538,991
Net increase in unrealized appreciation on investments	(7,791,697)
Net realized gain on investments	(1,102,841)
Change in Operating Assets and Liabilities	
Receivable from brokers and custodian	836,496
Receivable for investor subscriptions	88,081
Payable to brokers and custodian	(836,649)
Accrued liabilities	3,272
Payable for investor redemptions	44,975
Dividends and accrued interest receivable	-
Dividend distributions payable to shareholders	24,107
Net Cash from Operating Activities	<u>2,185,984</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds received from subscriptions to shares of beneficial interest	4,018,698
Amounts paid on redemption of shares of beneficial interest	(3,555,358)
Dividend distributions to shareholders	<u>(2,645,157)</u>
Net Cash from Financing Activities	<u>(2,181,817)</u>
Net Change in Cash and Cash Equivalents	4,167

CASH AND CASH EQUIVALENTS

Beginning of year	<u>311</u>
End of year	<u>\$ 4,478</u>

See notes to financial statements

Diocesan Investment Trust of the Diocese of New York

Notes to Financial Statements
December 31, 2013

1. Organization

The Trustees of the Estate and Property of the Diocesan Convention of New York, (the "TEP") is a tax-exempt corporation established in 1877 by distinguished Episcopal laymen, at the direction of the Diocesan Convention, to receive and hold property for churches, institutions, and endowments of the Diocese. The TEP established the Diocesan Investment Trust of the Diocese of New York (the "Trust").

On April 30, 2009, the investment guidelines for the Diversified Equity Fund were revised to reflect the broader investment allocation opportunities of The Commonfund for Nonprofit Organizations and its Affiliated Subsidiaries. The Diversified Equity Fund was renamed the Diocesan Investment Trust of the Diocese of New York ("DIT Fund").

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value Measurements

The Trust follows Financial Accounting Standards Board (FASB) guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**Diocesan Investment Trust
of the Diocese of New York**

Notes to Financial Statements
December 31, 2013

2. Summary of Significant Accounting Policies (continued)

Investments Valuation

Investments are carried at fair value. The fair value of equity, fixed income, commodity investment and alternative investment funds have been estimated using the Net Asset Value ("NAV") as reported by the management of the respective funds. FASB guidance provides for the use of NAV as a "Practical Expedient" for estimating fair value of funds. NAV reported by each fund is used as a practical expedient to estimate the fair value of the Trust's interest therein and their classification within Level 2 or 3 is based on the Trust's ability to redeem its interest in the near term.

Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Cash and Cash Equivalents

The Trust considers all highly liquid financial instruments with a maturity of three months or less at the time of purchase to be cash equivalents.

Distributions to Shareholders

Shareholders receive quarterly dividend distributions. Distributions are declared for Shareholders of record on the 10th day of the last month of a quarter and are calculated based on 1% of the average market value of the DIT Fund's previous twelve quarters.

Accounting for Uncertainty in Income Taxes

The Trust recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that the Trust had no uncertain tax positions that would require financial statement disclosure or recognition. The Trust is subject to U.S. federal, state or local income tax audits.

Receivable from Broker

Amounts due from brokers may be restricted to the extent that they serve as deposits for securities sold short. In the normal course of business, substantially all of the DIT Fund's securities transactions, money balances and security positions are transacted with the DIT Fund's broker. The DIT Fund is subject to credit risk to the extent any broker with which it conducts business is unable to fulfill contractual obligations on its behalf. The DIT Fund's management monitors the financial condition of such brokers and does not anticipate any losses from these counterparties.

**Diocesan Investment Trust
of the Diocese of New York**

Notes to Financial Statements
December 31, 2013

2. Summary of Significant Accounting Policies (continued)

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is April 22, 2014

3. Investment Activity

Purchases and sales of individual investments by the DIT Fund, other than short-term investments and gross unrealized gains and losses for the year ended December 31, 2013 consists of the following:

Purchases	24,185,215
Sales	(25,538,991)
Unrealized Gains	12,879,974
Unrealized Losses	(106,870)

4. Investment Risks and Uncertainties

Alternative Investment Funds consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stocks or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Investments are carried at fair value. Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

At December 31, 2013, two individual investments represented approximately 58% and 8% of net assets.

**Diocesan Investment Trust
of the Diocese of New York**

Notes to Financial Statements
December 31, 2013

5. Fair Value of Investments

The following are the classes of investments at December 31, 2013 grouped by the fair value hierarchy for those investments measured at fair value on a recurring basis:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total
Mutual Funds				
Equity Funds	\$ -	\$ 47,430,440	\$ -	\$ 47,430,440
Fixed Income Funds	-	11,421,778	-	11,421,778
Commodity Investment Funds	-	1,538,679	-	1,538,679
Alternative Investment Funds	-	-	8,377,958	8,377,958
Temporary Investments				
U.S. Treasury	<u>4,490,999</u>	<u>-</u>	<u>-</u>	<u>4,490,999</u>
	<u>\$ 4,490,999</u>	<u>\$ 60,390,897</u>	<u>\$ 8,377,958</u>	<u>\$ 73,259,854</u>

There were no transfers into and out of any level of the fair value hierarchy for assets measured at fair value for the year ended December 31, 2013.

The following is a reconciliation of the beginning and ending balances for Level 3 investments during the year ended December 31, 2013:

	<u>Mutual Funds Alternative Investment Funds</u>
Beginning balance	\$ 10,565,813
Change in Unrealized gains/(losses)	843,014
Total realized gains/(losses)	(30,869)
Purchases	1,000,000
Settlements	<u>(4,000,000)</u>
Ending balance	<u>\$ 8,377,958</u>

**Diocesan Investment Trust
of the Diocese of New York**

Notes to Financial Statements
December 31, 2013

5. Fair Value of Investments (continued)

Information regarding investments, including alternatives, valued at NAV using the practical expedient at December 31, 2013 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Equity Funds (a)	\$ 47,430,440	\$ -	Weekly, Monthly	5 days
Fixed Income Funds (b)	11,421,778	-	Daily, Weekly, Monthly	1 - 5 days
Commodity Investment Fund (c)	1,538,679	-	Monthly	30 days
Alternative Investment Funds (d)	8,377,958	-	Quarterly, Annually	95 days
Total	<u>\$ 68,768,855</u>	<u>\$ -</u>		

- a. Investments in funds that invest both long and short primarily in U.S. common stocks, partnerships and other Commonfund managed funds.
- b. Investments in funds that invest primarily in dollar-denominated investment grade bonds, inflation-indexed securities, sovereign bonds and other fixed income securities.
- c. Investments that pursue a multi-strategy approach to investing in the commodities markets, which include futures, options on futures and forward contracts on exchange traded agriculture goods, metals, minerals, energy products and foreign currencies.
- d. Investments in funds that invest both long and short, primarily in global markets including but not limited to equity, currencies and fixed income. The fair values of the investments in this category have been estimated using level 3 inputs that are unobservable inputs and are used to the extent that observable inputs do not exist, such as the net asset value per share of the investments.

6. Advisory Fees

The Commonfund for Nonprofit Organizations and its Affiliated Subsidiaries (the "Commonfund") provide investment management and advisory services for the Trust using their Strategic Solutions program. The Commonfund charges administrative and management advisory fees to individual mutual funds held by the Trust at the fund level and include these costs in the computation of net asset value. Certain other Commonfund funds charge management advisory fees to the Trust directly by redeeming shares or interests in the respective Commonfund fund for the applicable month or quarter-end period. These direct charges are recorded as advisory fees and exclude administrative and management advisory fees computed as part of the net asset value of Commonfund mutual funds.

**Diocesan Investment Trust
of the Diocese of New York**

Notes to Financial Statements
December 31, 2013

7. Dividend Distributions Payable to Shareholders

The Trust declared a dividend per share of \$1.299 as of December 10, 2013. The dividends were paid on January 15, 2014, to shareholders of record on December 10, 2013.

8. Capital Share Transactions and Undistributed Net Beneficial Interest

Each investor owns a beneficial interest in the DIT Fund as represented by shares of equal interest in the DIT Fund, each representing an undivided proportionate interest in all of the assets and liabilities of the DIT Fund. Transactions in shares of beneficial interest were as follows for the Trust:

Shares of beneficial interest, Beginning January 1, 2013		512,272
Shares subscribed		30,102
Shares redeemed		<u>(26,049)</u>
Shares of beneficial interest, Ending December 31, 2013		<u>516,325</u>

9. Related Party Transactions

The TEP invests directly in the DIT Fund, and through the Parish Endowment Management Service (PEMS) program. PEMS allows the TEP to retain, invest, reinvest and disburse the endowment funds for each church under investment management contracts. Each PEMS unit issued to a parish represents a percentage beneficial ownership interest in the DIT Fund. Other parishes also invest directly in the funds of the Trust.

	<u>Shares Owned</u>	<u>Cost of Shares</u>	<u>Market Value of Shares</u>
TEP	222,331.112	\$ 17,807,093	\$ 31,284,561
PEMS	94,658.839	11,940,103	13,319,594
Other Parishes	<u>199,335.058</u>	<u>22,699,924</u>	<u>28,048,750</u>
Total	<u>516,325.009</u>	<u>\$ 52,447,120</u>	<u>\$ 72,652,905</u>

**Diocesan Investment Trust
of the Diocese of New York**

Notes to Financial Statements
December 31, 2013

10. Financial Highlights

Financial highlights for the year ended December 31, 2013 are as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>*2009</u>
Per Share Operating Performance:					
Net asset value, Beginning of year	\$ 127.410	\$ 119.574	\$ 130.176	\$ 120.920	\$ 101.244
Income from investment operations:					
Net investment income	1.283	1.251	1.583	1.677	1.744
Net realized and unrealized gain (loss) on investments	<u>17.065</u>	<u>11.594</u>	<u>(7.291)</u>	<u>12.314</u>	<u>21.292</u>
Total from Investment Operations	\$ 145.758	132.419	124.468	134.911	124.280
Less distributions to shareholders	<u>(5.046)</u>	<u>(5.009)</u>	<u>(4.894)</u>	<u>(4.735)</u>	<u>(3.360)</u>
Net Asset Value, End of year	<u>\$ 140.712</u>	<u>\$ 127.410</u>	<u>\$ 119.574</u>	<u>\$ 130.176</u>	<u>\$ 120.920</u>
 Total Return	 <u>14.65%</u>	 <u>10.86%</u>	 <u>-4.48%</u>	 <u>11.87%</u>	 <u>22.97%</u>
Ratios and Supplemental Data:					
Net assets, End of year, rounded (\$ thousands)	<u>\$ 72,653</u>	<u>\$ 65,268</u>	<u>\$ 62,017</u>	<u>\$ 67,401</u>	<u>\$ 61,979</u>
Ratio of expenses to average net assets:					
Investment advisory fees	0.168%	0.177%	0.175%	0.183%	0.175%
Other administrative costs	<u>0.220%</u>	<u>0.237%</u>	<u>0.219%</u>	<u>0.227%</u>	<u>0.236%</u>
 Total Expense Ratio	 <u>0.388%</u>	 <u>0.414%</u>	 <u>0.394%</u>	 <u>0.410%</u>	 <u>0.411%</u>
Ratio of net investment income to average net assets	<u>0.959%</u>	<u>1.001%</u>	<u>1.237%</u>	<u>1.376%</u>	<u>2.057%</u>
Number of shares outstanding at End of year, rounded (000's omitted)	<u>516</u>	<u>512</u>	<u>519</u>	<u>518</u>	<u>513</u>

Financial highlights are calculated for the share class as a whole. An individual shareholder's returns and ratios may vary based on the timing of share transactions.

*Financial highlights for the period from May 1, 2009 to December 31, 2009 are annualized.

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