

Overview

Since 2009, The Diocesan Investment Trust of New York ("DIT") has been managed by the Commonfund OCIO 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.

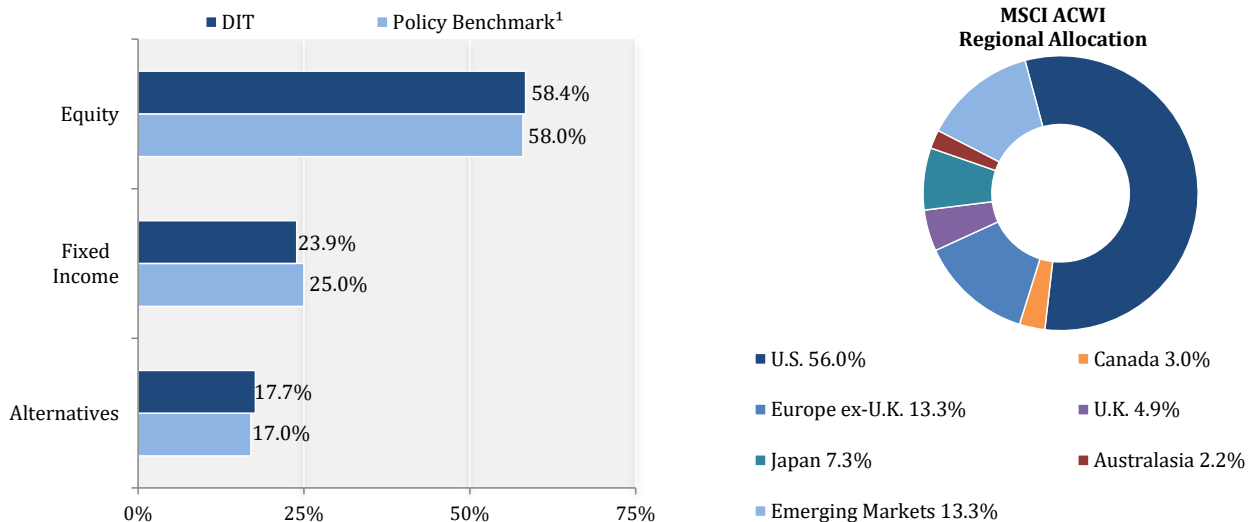
Commonfund OCIO brings together the accumulated best thinking and investment management practices of Commonfund. The OCIO program is designed exclusively for nonprofit institutions that seek to improve all aspects of the management of their portfolios – providing guidance where needed in policy formulation, 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, the OCIO Group 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.

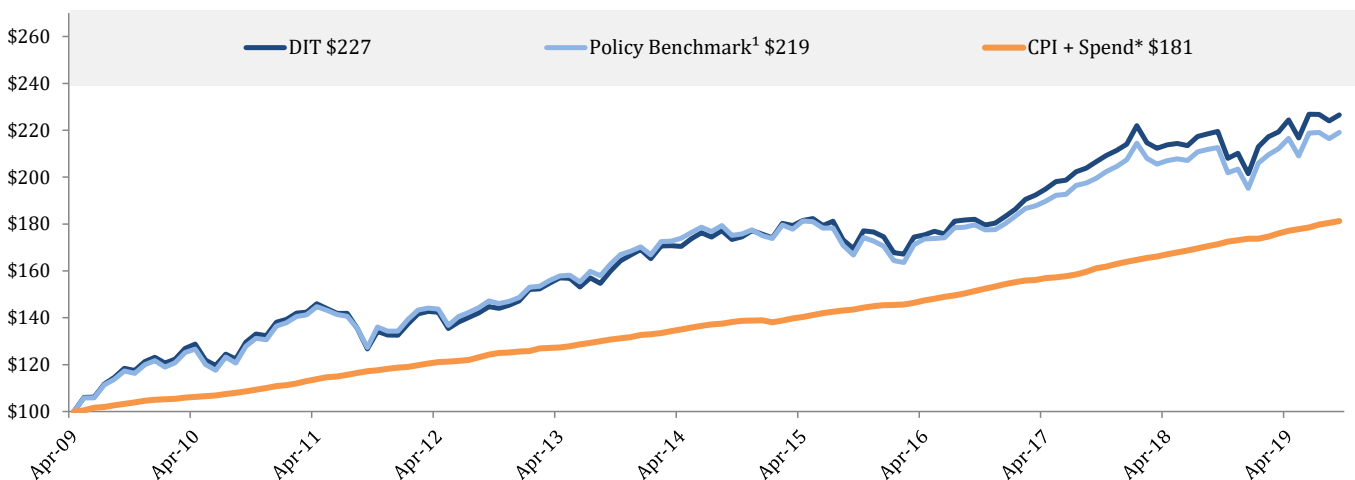
Similar to DIT, Commonfund is a signatory to the Principles for Responsible Investment (PRI). As such, Commonfund affirms its corporate commitment to the importance of environmental, social and governance investment issues. Oversight is maintained by Commonfund's Board of Trustees and CEO to monitor investment strategy and implementation to ensure compliance with Commonfund's ESG Policy and adherence to the PRI's six Principles. Please see www.commonfund.org and <https://www.unpri.org>.

As of September 30, 2019 Commonfund OCIO managed approximately \$9 billion for 58 nonprofit clients.

Asset Allocation Detail | As of September 30, 2019



Cumulative Performance (Growth of \$100) | 4/30/09 - 9/30/2019



QTD Performance Drivers as of September 2019

The DIT portfolio (-0.1%) underperformed the policy benchmark (+0.2%) by 30 basis points for the quarter through September.

Positives

+ **Global Absolute Alpha Company** (+0.9%) outperformed the HFRI FOF Conservative index by 120 basis points, providing an uncorrelated source of return to the portfolio despite a flat quarter for global equities.

Negatives

- **Strategic Solutions Global Equity** (-0.5%) underperformed the MSCI ACWI by 50 basis points. Two Sigma's positioning within the tech sector hurt returns, favoring small cap tech names over large cap tech names that outperformed.

- **Fixed Income** (+1.7%) trailed the weighted fixed income composite (+1.9%) by 20 basis points QTD. Though the core bond portfolio (+2.2%) only underperformed the Bloomberg Barclays U.S. Aggregate Bond Index (+2.3%) by 7 basis points, there was a cash drag in the portfolio that led to 40 basis points of underperformance relative to 3-month T-bills. In addition, though Private Credit strategies (+1.9%) outperformed broad high-yield by 60 basis points, policy level underperformance was attributed to private credit trailing the core bonds benchmark (which returned 2.3%), as bond prices rose against a backdrop of lower rates.

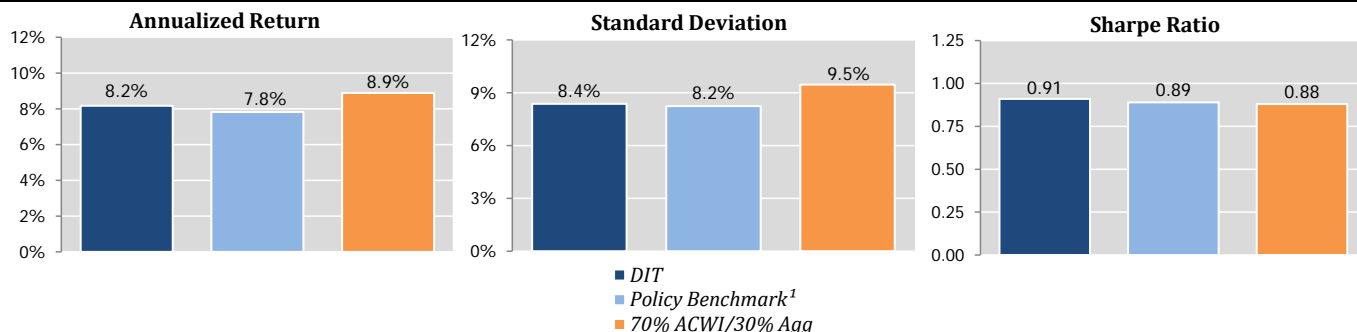
Commonfund Portfolio Positioning and Point-of-View*

- **Equities (Neutral):** neutral to regional weights relative to MSCI ACWI
- **Fixed Income (underweight):** slight underweight to duration and Treasuries; overweight corporates and mortgages; underweight core bonds by one percent
- **Alternatives (overweight):** neutral to real assets and overweight hedge fund strategies by one percent

*Commonfund rebalances the portfolio to the point-of-view at quarter-end

Performance Summary

Fiscal Year (December 31)	DIT Endowment	Policy Benchmark ¹	CPI+Spend*	70/30 ACWI/Agg	Annualized Performance	DIT Endowment	Policy Benchmark ¹	CPI+Spend*	70/30 ACWI/Agg
2018	-5.89%	-5.83%	5.98%	-6.48%	QTD	-0.13%	0.15%	1.52%	0.69%
2017	16.87%	15.11%	6.18%	17.50%	1 Year	3.23%	3.05%	5.79%	4.32%
2016	5.00%	5.61%	6.18%	6.42%	3 Years	7.56%	6.83%	6.19%	7.79%
2015	-0.69%	-2.56%	4.63%	-1.30%	5 Years	5.48%	4.58%	5.58%	5.83%
2014	3.89%	2.83%	4.74%	4.77%	10 Years	6.70%	6.45%	5.79%	7.16%
2013	14.86%	14.51%	5.59%	14.90%	Inception	8.17%	7.82%	5.88%	8.88%
2012	11.09%	10.67%	5.83%	12.65%	Inception date: 4/30/2009				
2011	-4.02%	-1.59%	7.09%	-2.68%					
2010	12.16%	12.19%	5.50%	11.31%					

Risk & Return Summary | 4/30/2009 - 9/30/2019

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; Bloomberg Barclays U.S. Aggregate Bond Index ("Agg") 12.5; Bloomberg 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 9/30/2017 MSCI AC World Index Net 55.0; Bloomberg Barclays U.S. Aggregate Bond Index 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; HFRI FoF Composite 17.5

10/1/2017 to current MSCI AC World Index Net 58.0; Bloomberg Barclays U.S. Aggregate Bond Index 20.0; 3-Month T-bill 5.0; HFRI FoF Conservative Index 12.0; S&P Global LargeMidcap Commodity Index 5.0