

## **New Hampshire Charitable Foundation Quarterly Investment Results**

It is important to evaluate the following performance information with these facts in mind:

- Cambridge Associates, LLC (CA) serves as an investment advisor to the New Hampshire Charitable Foundation (“the Foundation”); however, the Foundation’s performance results may be attributable to factors other than CA’s advice, because the Foundation may or may not solicit or follow this advice. As a result, the experience of a client that follows CA’s advice may differ materially from the performance presented.
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- The performance data provided has not been adjusted to reflect CA’s advisory fees and other investment related expenses<sup>1</sup>. The client’s return will be reduced by the amount of such fees and expenses that are described in Part II of CA’s Form ADV.

As of March 31, 2019

	1Q 2019	Trailing 1 Year	Final 4Q18 Trailing 1 Year	Trailing 3 Years	Trailing 5 years	Trailing 15 years	Since Inception
<b>NHCF Portfolio Total Assets*</b>	<b>5.9</b>	<b>0.9</b>	<b>-4.0</b>	<b>7.7</b>	<b>4.7</b>	<b>6.4</b>	<b>7.2</b>
<b>NHCF Portfolio Total Assets (Est. 1Q19 PI)</b>	<b>7.0</b>	<b>2.0</b>	<b>-</b>	<b>8.1</b>	<b>4.9</b>	<b>6.5</b>	<b>7.2</b>
Policy Benchmark	6.9	1.9	-5.2	8.1	4.9	6.1	7.3
70% MSCI ACWI / 30% BBG Barclays Agg	9.4	3.4	-6.5	8.1	5.5	6.2	6.8
<i>C A Preliminary Endowment Median</i>	7.5	2.3	-4.6	8.0	4.9	6.3	8.1
MSCI All Country World Index (Net)	12.2	2.6	-9.4	10.7	6.5	6.8	6.9
S&P 500 Index	13.6	9.5	-4.4	13.5	10.9	8.6	9.9
MSCI EAFE Index (Net)	10.0	-3.7	-13.8	7.3	2.3	5.1	4.7
MSCI Emerging Markets Index (Net)	9.9	-7.4	-14.6	10.7	3.7	7.9	5.6
BBG Barclays Aggregate Bond Index	2.9	4.5	0.0	2.0	2.7	3.9	5.4
S&P GSCI	15.0	-3.0	-13.8	6.2	-12.6	-4.4	0.3

Note: NHCF's Performance assumes 0% return for Private Investments from December 31, 2018 – March 31, 2019. Private Investments represent an estimated 18.5% of the NHCF portfolio net asset value. 1Q Private Investment performance is estimated using the return for the MSCI All Country World Index (+12.2%). Additional institutions have reported returns to C|A since the preliminary performance report was generated, causing the "C|A Preliminary Endowment Median" returns to differ from the values included in the preliminary performance report.

## Portfolio Observations

The portfolio generated a return of +5.9% in the first quarter (assuming a 0% return for private investments). US Equities (+15.3%) were the primary driver of performance, outperforming the Russell 3000 Index (+14.0%) by +130 bps. Performance was particularly strong from recently added US Equity managers Vulcan and Portolan. The emerging markets equity portfolio detracted from performance, trailing the MSCI Emerging Markets Index by -320 bps. Asset allocation was also a detractor given the portfolio's underweight to US Equities and overweight to Emerging Markets.

## Recent Market Performance

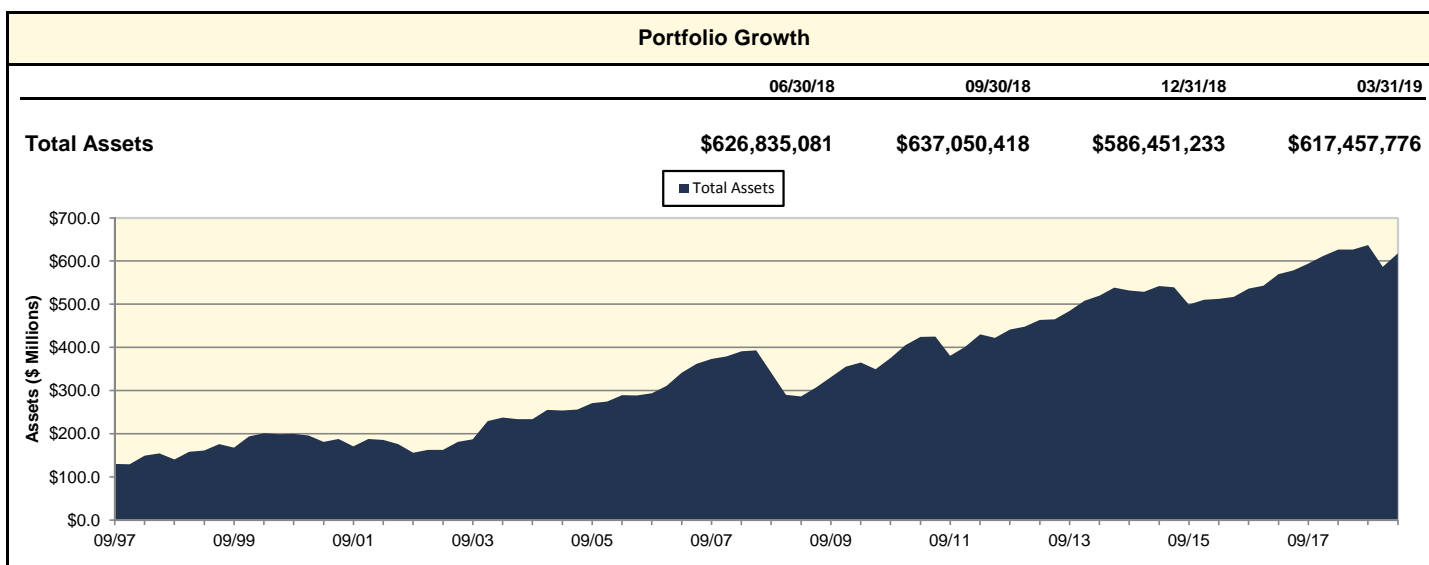
Following the market correction to end 2018, risk assets rallied through the first quarter of 2019, despite ongoing concerns about slowing global growth and a spate of unresolved geopolitical issues. US Equities (+13.6% for the S&P 500) had their best quarterly return since 2009, leading global equities to their best quarter to start a year in over two decades. Emerging markets (+9.9%) lagged developed markets (+12.5%), and growth outperformed value. Real assets were among the top-performing asset classes, as natural resources equities, energy MLPs, and developed markets REITs experienced double-digit returns, supported by higher commodity prices and lower interest rates. The benchmark ten-year/three-month yield curve spread briefly inverted, generating significant market attention given its history as a reliable harbinger of a recession.

## Discussion Items

- ◆ Portfolio Performance Update
- ◆ Private Investments
- ◆ Global Equity Review

## New Hampshire Charitable Foundation - Long-Term Pool

### Portfolio Review (net of fees) as of March 31, 2019



**Performance as of 03/31/19**

Composite (Inception Date)	Qtr To Date 12/31/18 - 03/31/19	Cumulative Trailing 1 Year	Annualized Trailing 3 Years	Annualized Trailing 5 Years
Total Assets (06/30/94)	5.9	0.9	7.7	4.7
70% MSCI ACWI (N)/30% BBG Barc Agg Index (06/30/94)	9.4	3.4	8.1	5.5
NHCF Policy Benchmark (06/30/94) <sup>(1)</sup>	6.9	1.9	8.1	4.9
Dynamic Benchmark (06/30/94) <sup>(1)</sup>	6.6	0.3	8.3	5.2

**Performance as of 12/31/18 - Revised**

Composite (Inception Date)	Qtr To Date 09/30/18 - 12/31/18	Cumulative Trailing 1 Year	Annualized Trailing 3 Years	Annualized Trailing 5 Years
Total Assets (06/30/94)	-7.1	-4.0	5.6	3.8
70% MSCI ACWI (N)/30% BBG Barc Agg Index (06/30/94)	-8.5	-6.5	5.4	3.9
NHCF Policy Benchmark (06/30/94) <sup>(1)</sup>	-8.8	-5.2	6.0	3.9
Dynamic Benchmark (06/30/94) <sup>(1)</sup>	-9.7	-6.4	6.2	4.2

(1) See Endnotes exhibit for benchmark composition.

**New Hampshire Charitable Foundation - Long-Term Pool**  
**Investment Returns by Composite** (net of fees) as of March 31, 2019

Composite (Inception Date)	Assets \$ mil	Total Return (%)				
		Qtr to Date 12/31/18- 03/31/19	Cumulative Trailing 1 Year	Annualized Trailing 3 Years	Annualized Trailing 5 Years	Annualized Since Inception
<b>Total U.S. Equity (06/30/96)</b>	<b>119.3</b>	<b>15.3</b>	<b>7.7</b>	<b>13.6</b>	<b>9.7</b>	<b>8.2</b>
Russell 3000® Index (06/30/96)		14.0	8.8	13.5	10.4	8.6
Value Added		1.3	-1.0	0.1	-0.6	-0.4
<b>Total Developed ex U.S. Equity (01/01/95)</b>	<b>109.0</b>	<b>9.2</b>	<b>-5.0</b>	<b>7.2</b>	<b>3.7</b>	<b>6.0</b>
MSCI EAFE Index (N) (12/31/94)		10.0	-3.7	7.3	2.3	4.9
Value Added		-0.8	-1.3	-0.1	1.4	1.2
<b>Total Emerging Markets Equity (02/01/04)</b>	<b>65.6</b>	<b>6.7</b>	<b>-8.1</b>	<b>8.6</b>	<b>2.8</b>	<b>9.1</b>
MSCI Emerging Markets Index (N) (02/01/04)		9.9	-7.4	10.7	3.7	8.2
Value Added		-3.2	-0.7	-2.1	-0.8	0.8
<b>Total Marketable Equity (01/01/95)</b>	<b>293.8</b>	<b>11.1</b>	<b>-0.5</b>	<b>10.2</b>	<b>6.2</b>	<b>7.4</b>
Marketable Equity Benchmark (12/31/94) <sup>(1)</sup>		11.6	1.0	10.8	6.4	7.9
Value Added		-0.5	-1.5	-0.7	-0.1	-0.5
<b>Total Private Investments (02/14/01)<sup>(2)</sup></b>	<b>114.3</b>	<b>---</b>	<b>8.2</b>	<b>10.4</b>	<b>9.4</b>	<b>9.9</b>
<b>Total Marketable Alternatives (09/30/03)</b>	<b>119.5</b>	<b>2.3</b>	<b>0.7</b>	<b>5.2</b>	<b>2.2</b>	<b>5.7</b>
HFRI Fund of Funds Diversified Index (09/30/03)		4.3	0.8	3.7	2.1	3.2
Value Added		-1.9	0.0	1.5	0.1	2.5
<b>Total Real Assets/Inflation Hedging (06/30/94)</b>	<b>13.5</b>	<b>13.5</b>	<b>-12.8</b>	<b>0.9</b>	<b>-7.4</b>	<b>5.3</b>
Real Assets/Inflation Hedging Benchmark (06/30/94) <sup>(1)</sup>		16.1	7.0	7.7	-1.0	6.8
Value Added		-2.6	-19.8	-6.9	-6.5	-1.5
<b>Total Equity (06/30/94)</b>	<b>541.1</b>	<b>6.6</b>	<b>1.1</b>	<b>8.6</b>	<b>5.1</b>	<b>7.3</b>
Custom Equity Benchmark (06/30/94) <sup>(1)</sup>		7.4	1.2	8.8	5.1	7.5
Value Added		-0.8	-0.1	-0.1	0.1	-0.2
<b>Total Fixed Income (06/01/95)</b>	<b>50.6</b>	<b>2.1</b>	<b>0.1</b>	<b>2.2</b>	<b>2.0</b>	<b>5.8</b>
Fixed Income Benchmark (05/31/95) <sup>(1)</sup>		2.9	4.5	2.0	2.8	5.1
Value Added		-0.8	-4.4	0.1	-0.7	0.7
<b>Total Cash and Cash Equivalents (04/30/02)</b>	<b>25.7</b>	<b>0.6</b>	<b>1.5</b>	<b>1.1</b>	<b>0.7</b>	<b>1.6</b>

Note: Since Inception returns are cumulative for composites with less than one full year of performance history.

(1) See Endnotes exhibit for benchmark composition.

(2) Market values and performance are as of 12/31/18. All funds are adjusted for subsequent capital calls and distributions through 03/31/19.

**New Hampshire Charitable Foundation - Long-Term Pool**  
**Investment Returns by Composite** (net of fees) as of March 31, 2019

Composite (Inception Date)	Assets \$ mil	Total Return (%)				
		Qtr to Date 12/31/18- 03/31/19	Cumulative Trailing 1 Year	Annualized Trailing 3 Years	Annualized Trailing 5 Years	Annualized Since Inception
<b>Total Assets ex Private Investments (06/30/94)</b>	<b>503.2</b>	<b>7.3</b>	<b>-0.6</b>	<b>7.2</b>	<b>3.8</b>	<b>6.9</b>
70% MSCI ACWI /30% BBG Barc Agg Index (06/30/94)		9.4	3.4	8.1	5.5	6.8
Value Added		-2.0	-4.0	-1.0	-1.7	0.1
NHCF Policy Benchmark ex PI (06/30/94) <sup>(1)</sup>		8.6	2.1	7.4	4.1	6.9
Value Added		-1.2	-2.8	-0.2	-0.4	0.0
Dynamic Benchmark ex PI (06/30/94) <sup>(1)</sup>		8.6	0.9	8.0	4.2	6.7
Value Added		-1.2	-1.5	-0.8	-0.5	0.1
<b>Total Assets (06/30/94)</b>	<b>617.5</b>	<b>5.9</b>	<b>0.9</b>	<b>7.7</b>	<b>4.7</b>	<b>7.2</b>
70% MSCI ACWI /30% BBG Barc Agg Index (06/30/94)		9.4	3.4	8.1	5.5	6.8
Value Added		-3.5	-2.5	-0.4	-0.8	0.4
NHCF Policy Benchmark (06/30/94) <sup>(1)</sup>		6.9	1.9	8.1	4.9	7.3
Value Added		-1.0	-1.0	-0.3	-0.2	-0.2
Dynamic Benchmark (06/30/94) <sup>(1)</sup>		6.6	0.3	8.3	5.2	7.2
Value Added		-0.8	0.5	-0.5	-0.5	0.0
CA Preliminary Endowment Median		7.5	2.3	8.0	4.9	8.1
Universe Size		67	67	67	66	23
<b>Total Assets Net of Fees (12/31/16)<sup>(3)</sup></b>	<b>617.5</b>	<b>5.9</b>	<b>0.8</b>	<b>---</b>	<b>---</b>	<b>6.8</b>

Note: Since Inception returns are cumulative for composites with less than one full year of performance history.

(1) See Endnotes exhibit for benchmark composition.

(3) The Total Assets Net of Fees performance accounts for Cambridge Associates fees as well as custodian fees.

### **NHCF Policy Benchmark (Continued)**

4/1/2016	6/30/2018	19.0%	Russell 3000
		14.0%	MSCI EAFE (N)
		8.0%	MSCI EM (N)
		24.0%	HFRI Fund of Funds Diversified Index
		5.6%	Marketable Real Assets Benchmark
		2.4%	Private Real Assets Benchmark
		15.0%	S&P 500 + 3%
		12.0%	BBG Barclays Agg
7/1/2018	11/30/2018	18.0%	Russell 3000
		16.0%	MSCI EAFE (N)
		11.0%	MSCI EM (N)
		20.0%	HFRI Fund of Funds Diversified Index
		3.0%	Real Assets/Inflation Hedging Benchmark
		20.0%	S&P 500 + 3%
		12.0%	BBG Barclays Agg
12/1/2018	Present	18.0%	Russell 3000
		16.0%	MSCI EAFE (N)
		11.0%	MSCI EM (N)
		20.0%	HFRI Fund of Funds Diversified Index
		3.0%	Real Assets/Inflation Hedging Benchmark
		20.0%	MSCI ACWI
		12.0%	BBG Barclays Agg

### **NHCF Policy Benchmark ex PI**

Benchmark excludes the Private Investments allocations. The remaining allocations are normalized to sum to 100%.

### **Dynamic Benchmark**

Benchmark reflects the market value weighted average of each manager's benchmark.

### **Dynamic Benchmark ex PI**

Benchmark excludes the Private Investment managers from the Dynamic Benchmark.

### **Real Assets/Inflation Hedging Benchmark**

<u>Start</u>	<u>End</u>		
7/1/1994	12/31/2003	100%	FTSE® EPRA/NAREIT Developed Real Estate Index
1/1/2004	6/30/2014	60%	MSCI World Natural Resources Index (N)
		25%	Wilshire US Real Estate Securities Index
		15%	S&P Global Timber & Forestry
7/1/2014	11/30/2018	33%	MSCI World Natural Resources Index (N)
		33%	Wilshire US Real Estate Securities Index
		33%	S&P GSCI
12/1/2018	Present	50%	MSCI World Natural Resources Index (N)
		50%	FTSE NAREIT All Equity REITS Index

### **Marketable Equity Benchmark**

Benchmark includes the U.S. Equity, Developed ex U.S. Equity, and Emerging Markets Equity allocations of the NHCF Policy Benchmark and are normalized to sum to 100%.

### **Custom Equity Benchmark**

Benchmark excludes the Fixed Income allocations of the NHCF Policy Benchmark and are normalized to sum to 100%.

### **Fixed Income Benchmark**

Benchmark includes Fixed Income allocations of the NHCF Policy Benchmark and are normalized to sum to 100%.



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