COLLIER COMMUNITY FOUNDATION

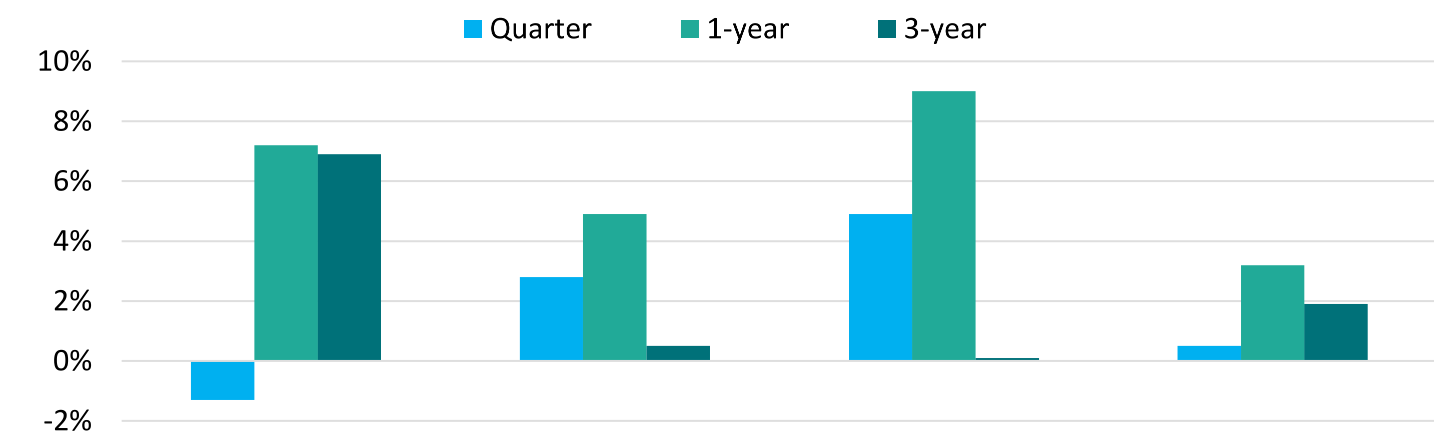
ENDOWMENT PORTFOLIO UPDATE
First Quarter 2025

MARKET UPDATE

The first quarter of 2025 saw a heightened sense of uncertainty stemming from the new administration's proposed sweeping changes across business regulations, immigration, government expenditures, tax, and trade policies announcements around tariffs. The markets generally reacted negatively to the developments and began re-pricing risk for both the U.S. economy and financial markets which led to meaningful performance declines.

- After multiple years of greater than 20% returns, the U.S. Equity markets briefly entered correction territory – a drop of 10% from the most recent peak before slightly recovering to return -4.3% for the quarter. International stocks, buoyed by a weaker U.S. dollar, performed better than the U.S. market, and value continued to outperform growth equities.
- Fixed income had solid gains of 2.8% for the quarter. Investors sought the safety of bonds amidst weaker consumer spending and sentiment along with the uncertainty around tariff's; however, bonds saw higher volatility. The Fed left the target range of 4.25 – 4.5% unchanged. High Yield Spreads – the difference between a high-yield bond and a risk-free bond – widened as defaults and company restructuring continued to rise.
- Real assets, which includes REITs, infrastructure, and commodities – was a standout performer for the quarter. Commodities in particular generated strong returns, boosted by uncertainty around President Trump's tariff policies and the economic damage they could inflict. REITs and infrastructure returns were similarly positive, supported by falling U.S. treasury yields that boosted rate-sensitive sectors like cell towers and water infrastructure.
- Global hedge fund performance was mixed, with a modest gain of 0.5%.

MARKET INDEX PERFORMANCE

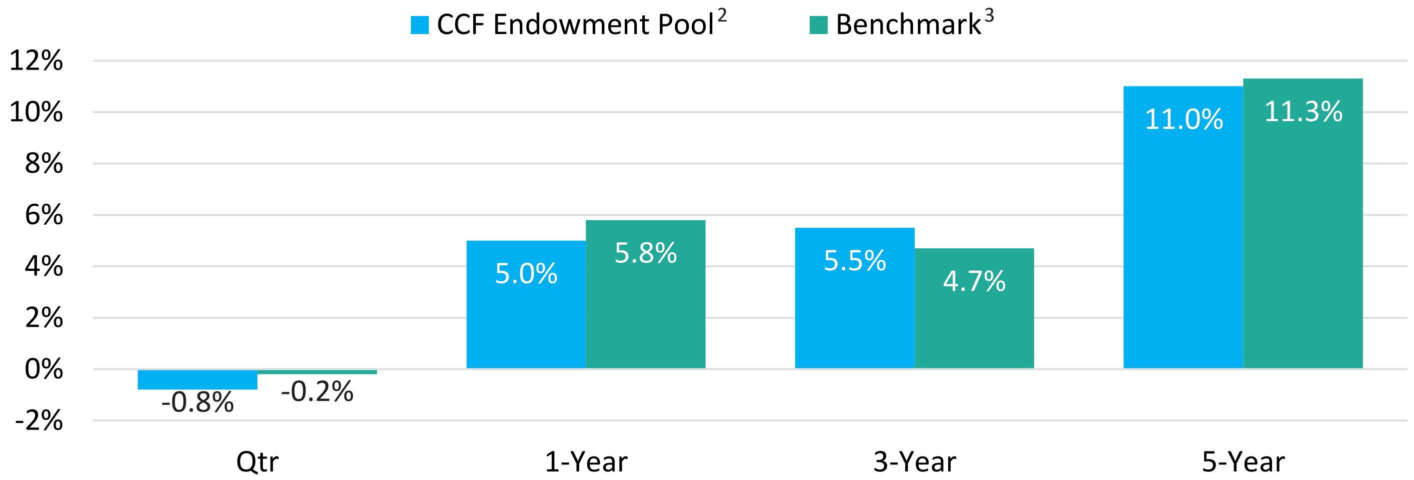


	MSCI All-Country World	Bloomberg U.S. Aggregate Bond	S&P Real Assets Equity	HFRX Global Hedge Fund
Quarter	-1.3%	2.8%	4.9%	0.5%
1-Year	7.2%	4.9%	9.0%	3.2%
3-Year	6.9%	0.5%	0.1%	1.9%

F·E·G investment advisors

ENDOWMENT PORTFOLIO PERFORMANCE[1]

When looking at performance, it is important to review total return, but also a benchmark comparison. This helps provide context for if the portfolio is outperforming or underperforming the market. It is also important to review the portfolio returns for the long-term, since the Endowment is aimed at long-term growth.



- The portfolio generated negative returns for the quarter given U.S. equities comprise a significant portion of the portfolio. However, diversification into international developed equities, emerging markets, fixed income, and real assets helped temper the negative returns.
- The relative underperformance to the benchmark for the quarter was largely due to a "point-of-time" reporting technicality of one of the fixed income funds which has since been reversed.

CCF ENDOWMENT PORTFOLIO POSITIONING

	3/31/25 Allocation	Target
GLOBAL EQUITY	70.2%	75.0%
GLOBAL FIXED INCOME	26.6%	25.0%
REAL ASSETS	1.9%	0.0%
CASH	1.6%	0.0%
Private Capital:	*4.8%*	*15.0%*

- The endowment is positioned conservatively and is slightly underweight equities in favor of diversification into fixed income, real assets, and cash.
- The allocation to private equity will increase over time and be primarily funded by assets within global equities.

1 Portfolio performance is reported net of investment management fees.
2 Quarter and YTD performance is reported ex-Private Capital due to limited availability of data.
3 The Endowment target benchmark is currently comprised of 60% MSCI ACWI, 25% Bloomberg U.S. Aggregate Index, 15% LSEG All Private Equity Index.