Quarterly Investment Report

Prepared by NEPC for the National Christian Foundation
June 30, 2026

Overview

National Christian Foundation's investment pools returned 0.7% to 10.1% in the second quarter of 2026.

Quarterly Commentary

Equity markets came back with a vengeance in the second quarter of 2026 as geopolitical tensions faded, earnings surprised to the upside, and the AI-fueled cycle continued to permeate across sectors and regions. Oil prices sank on hopeful news of a possible truce regarding the conflict in Iran, finishing the quarter below $70 a barrel after beginning the quarter above $100. Inflation appears subdued, though remains stubbornly above the Fed’s target all while new leadership entered the Fed as new Chair Kevin Warsh took over in May succeeding Jerome Powell. Early signs are that changes are coming to the Fed, though unclear as to the extent and impact of said changes.

For the three months ending June 30, equity markets posted broad outsized returns across regions and sizes. The S&P 500 Index ended the quarter up 15.2% with favorable sentiment returning to the AI names alongside broad-based upside surprises to earnings. Emerging markets (EM) was the best performing market, adding 24.1% for the quarter as AI-related names in South Korea and Taiwan benefitted from the U.S. capex cycle. EAFE also posted double digit returns, finishing up over 10%, though still underperformed given the lack of tech exposure relative to the U.S. and EM.

Interest rates rose across the U.S. yield curve during the quarter, largely in the belly of the curve between the 1- and 3-year points as Fed Funds Futures flipped from expecting rate cuts at the start of the year to now forecasting a hike by the end of 2026.

U.S. 10-year Treasury yields were just 12 basis points higher for the quarter, ending the period with a yield of 4.4%, however 2-year yields were up 36 basis points to 4.1%. Credit markets benefitted from the favorable sentiment backdrop, with the Bloomberg U.S. High Yield index posting a gain of 2.5% for the quarter while credit spreads for high-yield bonds tightened considerably by 47 basis points.

Meanwhile, public real assets were dragged down by the slide in oil prices with spot WTI Oil down more than 32% for the three months ended June 30; during this period, the Bloomberg Commodity Index posted losses of 8.1%. Gold continued its slide out of favor so far this year, losing 14.1% for the quarter and barely hanging on to $4,000/oz.

Economic Outlook

We believe growth segments are attractively priced today and offer exposure to strong potential earnings growth over a multi-year horizon.

Look to maintain a U.S. equity overweight as the U.S. provides a relatively favorable macro backdrop and exposure to a broad-based earnings story.

We encourage investors to maintain exposure to EM equity as AI capex spending is driving earnings growth expectations for top names in the index.

We recommend utilizing return-seeking public credit as a portfolio liquidity source and tilting portfolio risk into public equities over credit.

We prefer investors hold high-quality, liquid assets and encourage maintaining appropriate safe-haven exposure for cash flow needs.

June 30, 2026

OVERVIEW

	Performance (%)					
	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)
Growth Pool (70% Equity) Pool Returns Net of Investment Fees	**10.1**	**8.2**	**14.0**	**11.5**	**12.2**	**6.6**
Growth Benchmark	*10.4*	*8.0*	*16.9*	*14.3*	*13.7*	*6.8*
Balanced Growth (50% Equity) Pool Returns Net of Investment Fees	**7.7**	**6.2**	**11.2**	**9.7**	**9.8**	**4.8**
Balanced Growth Benchmark	*7.5*	*5.9*	*12.9*	*11.3*	*10.7*	*4.8*
Balanced Income (35% Equity) Pool Net of Investment Fees	**5.7**	**4.7**	**8.7**	**7.9**	**7.7**	**3.6**
Balanced Income Benchmark	*5.4*	*4.2*	*9.9*	*9.1*	*8.5*	*3.2*
Moderate Income (20% Equity) Pool Returns Net of Investment Fees	**3.6**	**3.0**	**7.0**	**7.1**	**7.0**	**3.5**
Moderate Income Benchmark	*3.3*	*2.6*	*7.0*	*7.0*	*6.2*	*1.6*
Fixed Income Pool Returns Net of Investment Fees	**0.7**	**0.7**	**3.0**	**4.1**	**4.1**	**1.5**
Fixed Income Benchmark	*0.5*	*0.5*	*3.2*	*4.1*	*3.3*	*-0.5*
-						
MSCI AC World IMI (Net)	*14.9*	*11.8*	*24.2*	*20.0*	*19.5*	*10.6*
Blmbg. U.S. Aggregate Index	*0.7*	*0.6*	*3.8*	*4.9*	*4.2*	*0.1*

	Current Rate	1 Yr	3 Yr	5 Yr	7 Yr
Cash Reserve Pool Interest Rate	1.86%	1.86%	1.83%	1.30%	1.02%

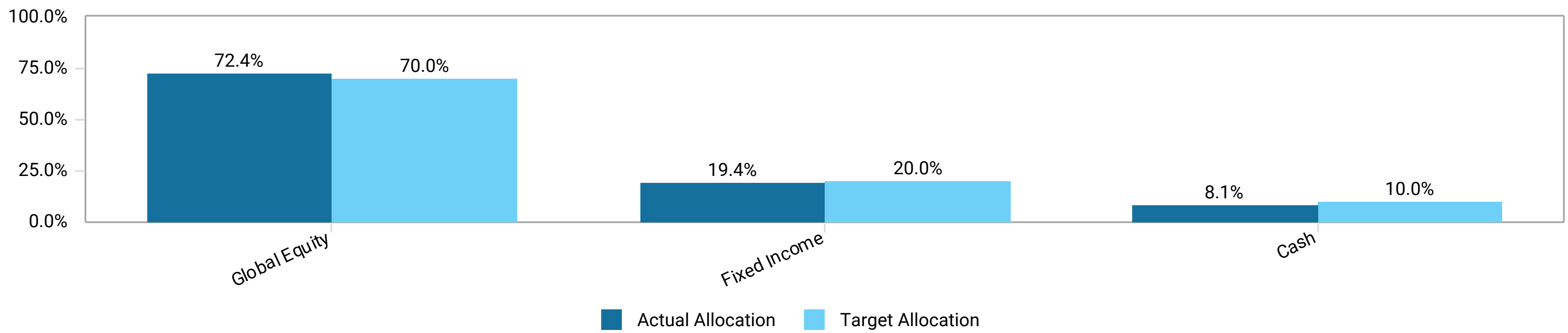
National Christian Foundation Growth Pool

June 30, 2026

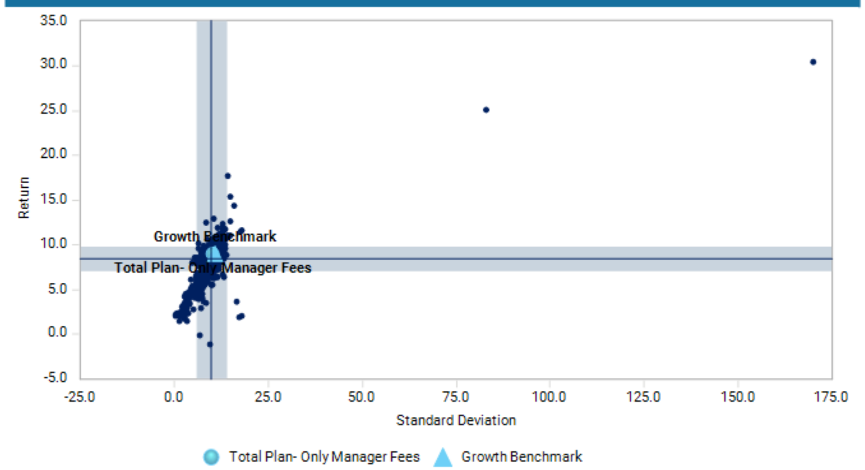
GROWTH POOL (70%)

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Plan	**10.1**	**8.2**	**14.0**	**12.2**	**6.6**
Growth Benchmark	10.4	8.0	16.9	13.7	6.8

Asset Allocation vs. Target

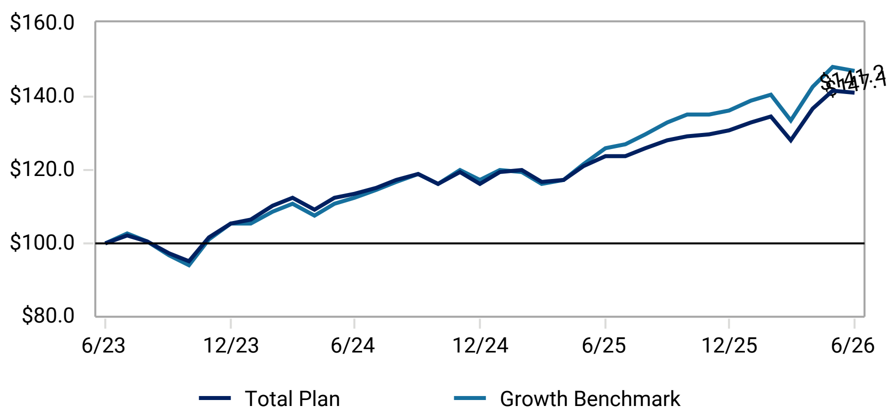


Since Inception Ending June 30, 2026
vs. All Foundation-Total Fund



Expense Ratio: 0.50

Growth of a Dollar



Statistics Summary
7 Years Ending June 30, 2026

	7 Years Return	7 Years Standard Deviation
Total Plan- Only Manager Fees	**8.9**	**11.0**
Growth Benchmark	*9.6*	*12.0*

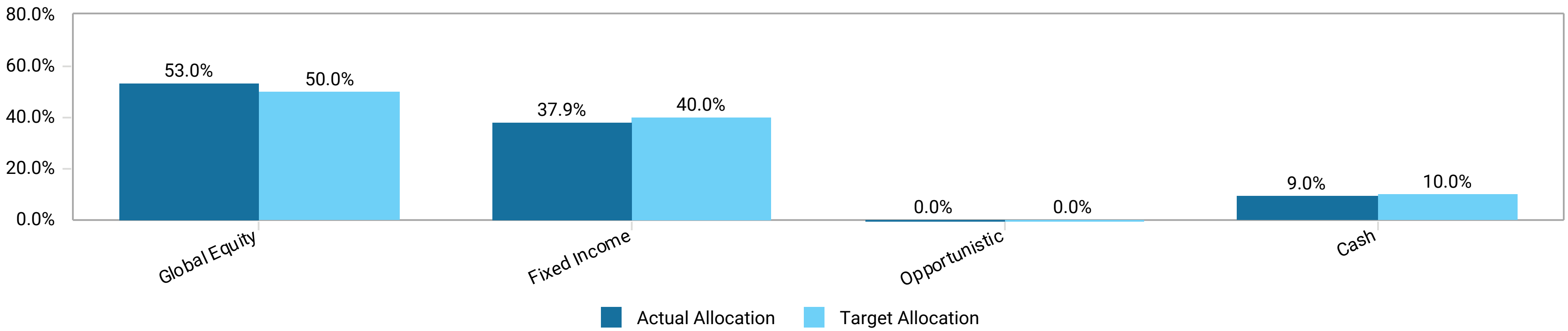
National Christian Foundation Balanced Growth Pool

June 30, 2026

BALANCED GROWTH POOL (50%)

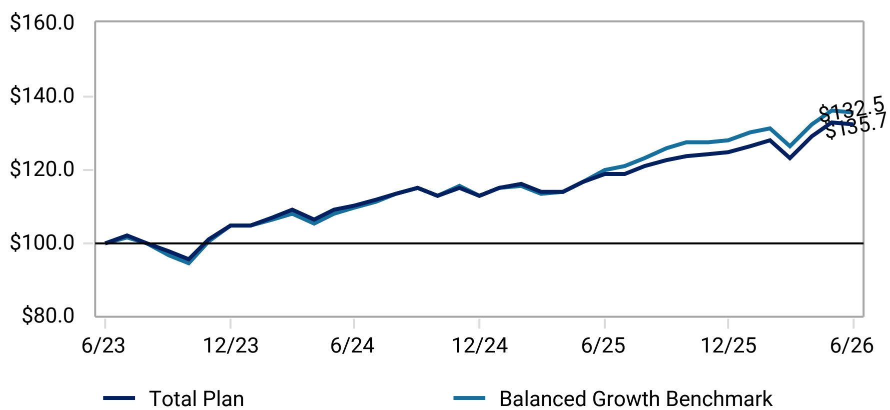
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Plan	**7.7**	**6.2**	**11.2**	**9.8**	**4.8**
Balanced Growth Benchmark	7.5	5.9	12.9	10.7	4.8

Asset Allocation vs. Target

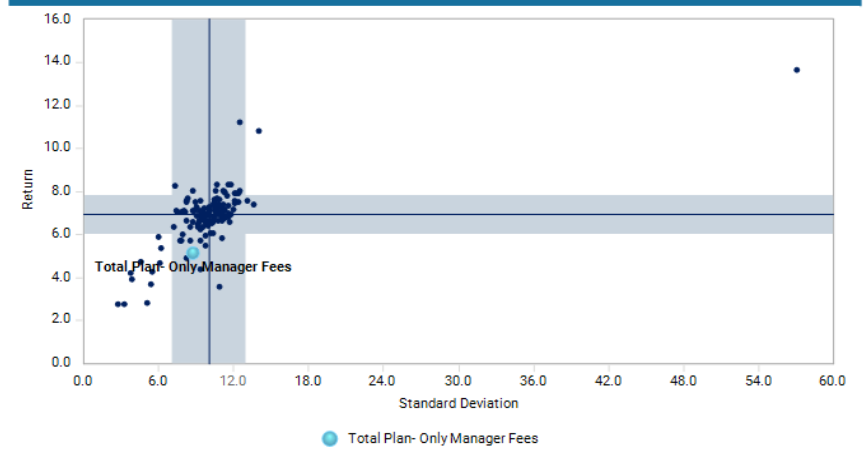


Expense Ratio: 0.54

Growth of a Dollar



Since Inception Ending June 30, 2026
vs. All Foundations-Total Fund



Statistics Summary 7 Years Ending June 30, 2026	7 Years Return	7 Years Standard Deviation
Total Plan- Only Manager Fees	**6.7**	**9.1**
Balanced Growth Benchmark	*7.2*	*9.5*

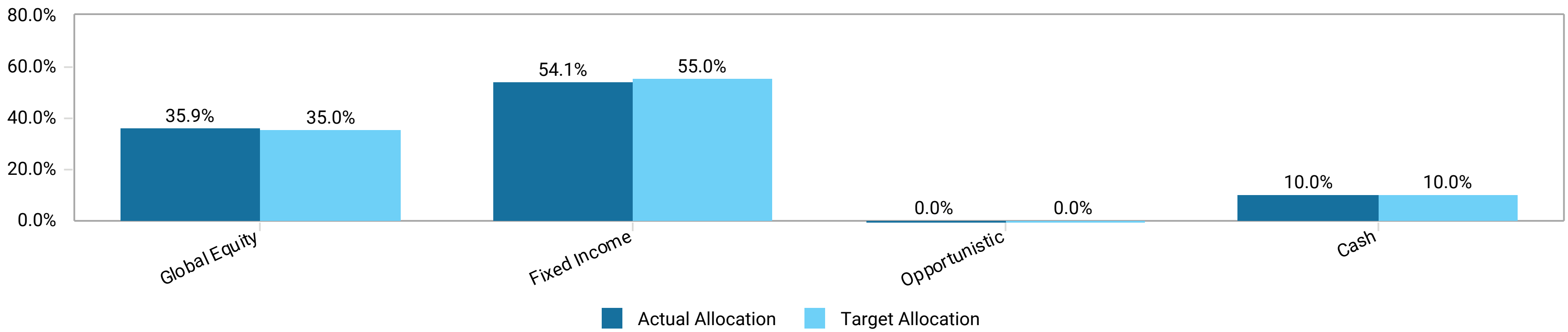
National Christian Foundation Balanced Income Pool

June 30, 2026

BALANCED INCOME POOL (35%)

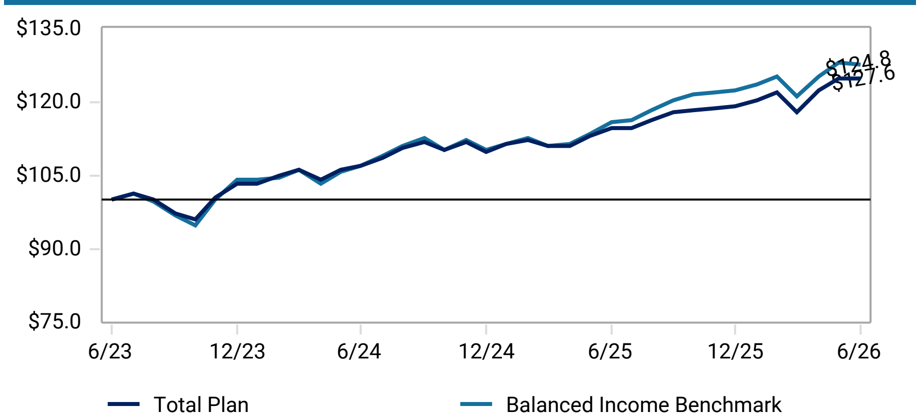
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Plan	**5.7**	**4.7**	**8.7**	**7.7**	**3.6**
Balanced Income Benchmark	5.4	4.2	9.9	8.5	3.2

Asset Allocation vs. Target

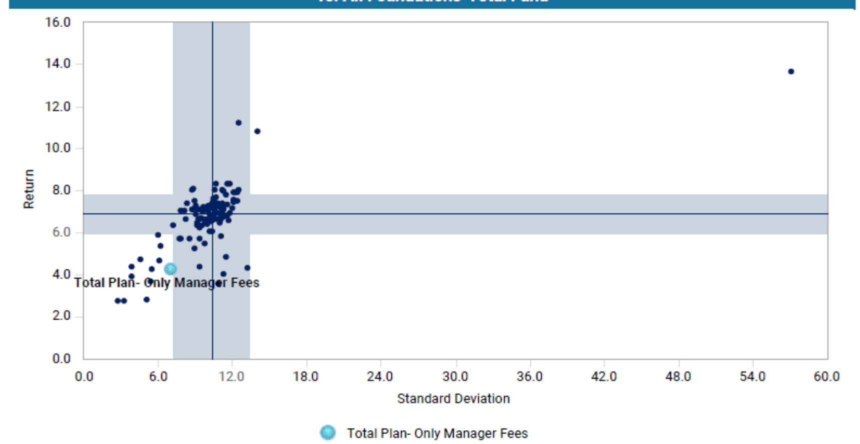


Expense Ratio: 0.56

Growth of a Dollar



Since Inception Ending June 30, 2026 vs. All Foundations-Total Fund



Statistics Summary
7 Years Ending June 30, 2026

	7 Years Return	7 Years Standard Deviation
Total Plan- Only Manager Fees	**5.5**	**7.2**
Balanced Income Benchmark	*5.5*	*7.8*

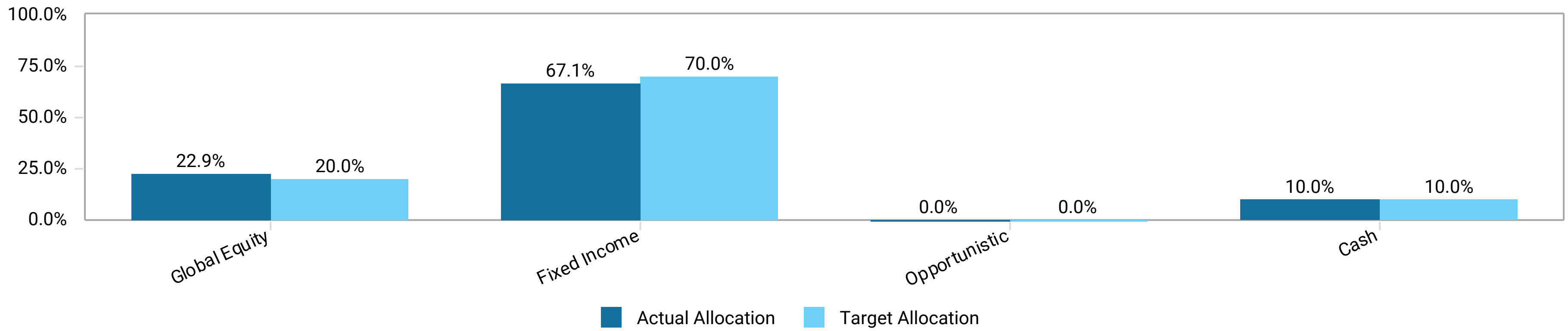
National Christian Foundation Moderate Income Pool

June 30, 2026

MODERATE INCOME POOL (20%)

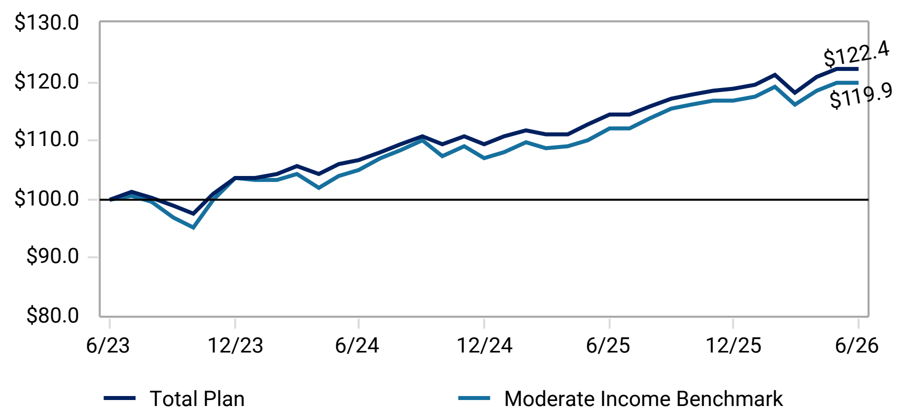
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Plan	**3.6**	**3.0**	**7.0**	**7.0**	**3.5**
Moderate Income Benchmark	3.3	2.6	7.0	6.2	1.6

Asset Allocation vs. Target

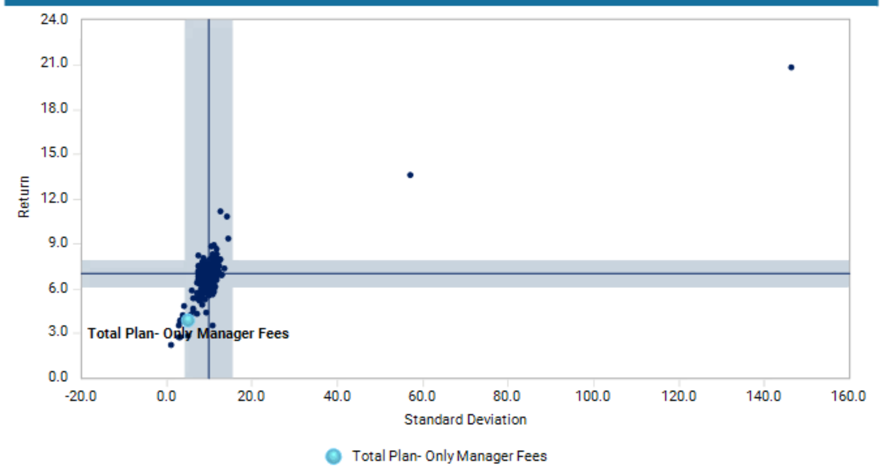


Expense Ratio: 0.58

Growth of a Dollar



Since Inception Ending June 30, 2026 vs. All Foundation-Total Fund



Statistics Summary
7 Years Ending June 30, 2026

	7 Years Return	7 Years Standard Deviation
Total Plan- Only Manager Fees	4.7	5.2
Moderate Income Benchmark	*3.7*	*6.4*

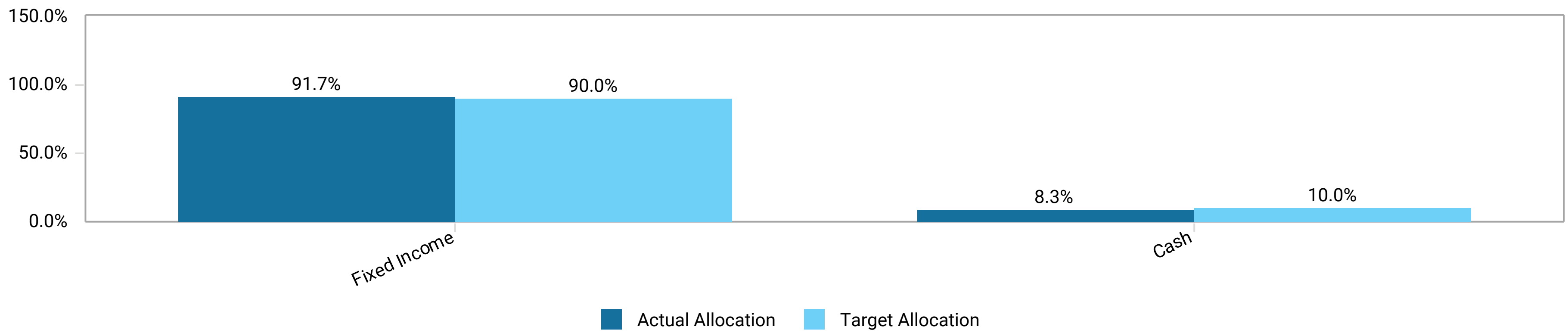
National Christian Foundation Fixed Income Pool

June 30, 2026

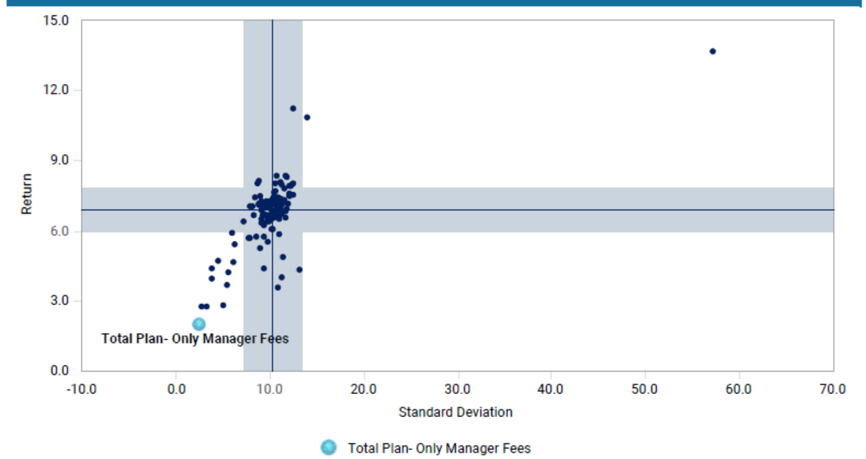
FIXED INCOME POOL

	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Plan	**0.7**	**0.7**	**3.0**	**4.1**	**1.5**
Fixed Income Benchmark	0.5	0.5	3.2	3.3	-0.5

Asset Allocation vs. Target

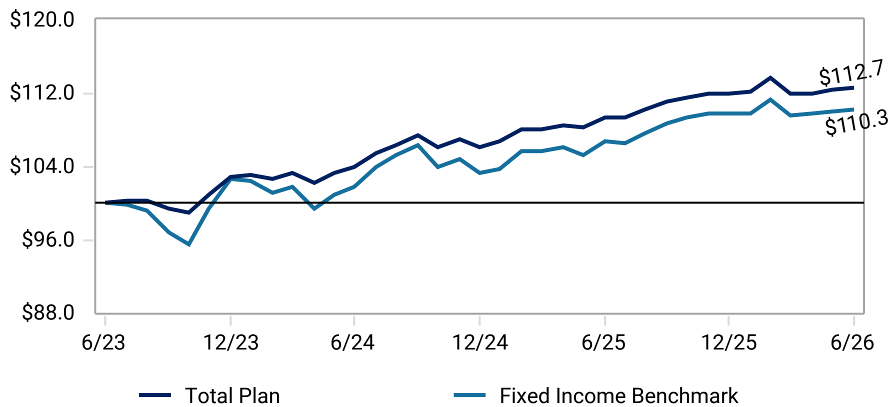


Since Inception Ending June 30, 2026
vs. All Foundations-Total Fund



Expense Ratio: 0.56

Growth of a Dollar



Statistics Summary
7 Years Ending June 30, 2026

	7 Years Return	7 Years Standard Deviation
Total Plan- Only Manager Fees	**2.2**	**3.0**
Fixed Income Benchmark	*1.3*	*5.2*

NOTES

*As of 12/1/25, the Growth Benchmark is made up of 50.4% S&P500 Index (Net), 19.6% Vanguard Spliced Developed ex U.S. Index, 20% Bloomberg US Aggregate Index and 10% "50% of the FTSE 3 Month T-Bill".
*As of 12/1/2025, the Balanced Growth Benchmark is made up of 36% S&P500 Index (Net), 14% Vanguard Spliced Developed ex U.S. Index, 40% Bloomberg US Aggregate Index and 10% "50% of the FTSE 3 Month T-Bill".
*As of 12/1/2025, the Balanced Income Benchmark is made up of 25.2% S&P500 (Net), 9.8% Vanguard Spliced Developed ex U.S. Index, 55% Bloomberg US Aggregate Index and 10% "50% of the FTSE 3 Month T-Bill".
*As of 12/1/2025, the Moderate Income Benchmark is made up of 14.4% S&P500 (Net), 5.6% Vanguard Spliced Developed ex U.S. Index, 70% Bloomberg US Aggregate Index and 10% "50% of the FTSE 3 Month T-Bill".
*The Fixed Income Benchmark is made up of 90% Bloomberg US Aggregate Index and 10% "50% of the FTSE 3 Month T-Bill".
*Benchmark returns are net of 40 basis point NCF Ministry Fee as of 4/1/2025 and 85 basis points prior.
*Net returns are net of investment management fees, NEPC fees, and NCF fees.