



A Common Trust Fund
Managed by the
**Trustees of Donations
to the Protestant
Episcopal Church**

Diocesan Investment Trust

Quarterly Report March 2024

Performance Summary

<i>Performance by Quarter</i>	3/31/2024	12/31/2023	9/30/2023	6/30/2023
DIT Income Fund				
Share Price	\$7.90	\$7.96	\$7.48	\$7.77
Dividend Rate	\$0.05	\$0.04	\$0.04	\$0.04
DIT Stock Fund				
Share Price	\$287.07	\$268.72	\$243.99	\$247.58
Dividend Rate	\$0.56	\$1.01	\$0.49	\$0.61
DIT Fossil Fuel Free Fund				
Share Price	\$216.05	\$198.77	\$178.67	\$186.13
Dividend Rate	\$0.81	\$0.82	\$0.70	\$0.87

<i>Total Assets by Fund</i>	3/31/2024
DIT Income Fund	\$97,155,141
DIT Stock Fund	\$158,223,227
DIT Fossil Fuel Free Fund	\$35,008,732
Total Assets	\$290,387,100

<i>Total Returns*</i>	1st Qtr	1 Year	3 Years	5 Years	7 Years	10 Years
DIT Total Fund (Combined Agency & Trust Funds)	4.5%	15.7%	4.7%	8.1%	7.5%	6.7%
DIT Total Fund (Trust Funds Only)**	4.7%	16.4%	5.1%	8.5%	7.8%	7.0%
<i>42% Russell 3000/23% MSCI EAFE (net) /35% Blbg Agg</i>	<i>5.2%</i>	<i>16.0%</i>	<i>4.5%</i>	<i>8.0%</i>	<i>7.8%</i>	<i>7.0%</i>
<i>65% MSCI ACWI (Net)/35% Blbg Agg</i>	<i>5.0%</i>	<i>15.4%</i>	<i>3.7%</i>	<i>7.4%</i>	<i>7.2%</i>	<i>6.3%</i>
DIT Income Fund	0.0%	3.4%	-1.1%	2.1%	2.4%	2.1%
<i>Bloomberg U.S. Aggregate</i>	<i>-0.8%</i>	<i>1.7%</i>	<i>-2.5%</i>	<i>0.4%</i>	<i>1.1%</i>	<i>1.5%</i>
DIT Stock Fund	7.3%	24.1%	8.3%	11.4%	10.3%	9.2%
<i>65% Russell 3000/35% MSCI EAFE (Net)</i>	<i>8.5%</i>	<i>24.3%</i>	<i>8.1%</i>	<i>11.9%</i>	<i>11.1%</i>	<i>9.7%</i>
<i>MSCI AC World (Net)****</i>	<i>8.2%</i>	<i>23.2%</i>	<i>7.0%</i>	<i>10.9%</i>	<i>10.2%</i>	<i>8.7%</i>
DIT Fossil Fuel Free Fund***	9.3%	27.1%	8.8%	13.4%	12.5%	NA
<i>85% Russell 3000/15% MSCI EAFE (Net)</i>	<i>9.4%</i>	<i>27.1%</i>	<i>9.1%</i>	<i>13.3%</i>	<i>12.5%</i>	<i>NA</i>

*Returns are before expenses. Total returns reflect the change in unit values and assume automatic reinvestment of dividends. Periods over one year annualized.

**Represents returns for Trust Funds, with the Stock Fund/Income Fund asset allocation directed by TOD Investment Committee. Performance is a weighted return calculated using monthly beginning asset allocation and DIT Stock and Income Fund returns.

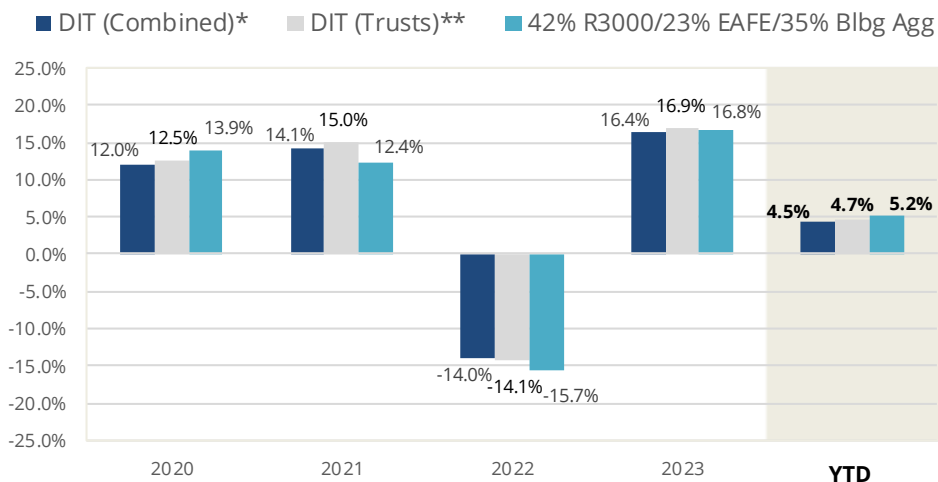
***Inception Nov. 2015. Passively managed; will outperform benchmark during periods of energy sector stocks lagging other market sectors due to fossil fuel company underweight.

****MSCI ACWI (net) represents the DIT Stock Fund's benchmark through July 2020.

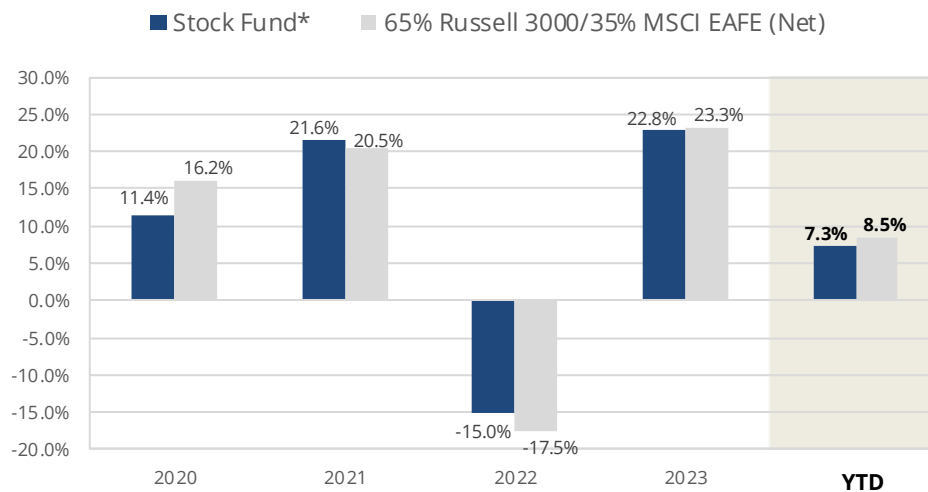


Calendar Year Performance

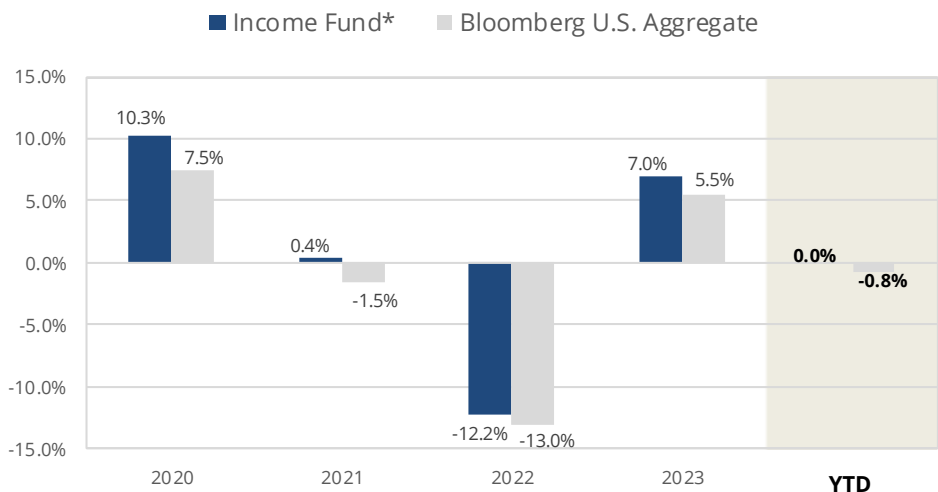
DIT Total Fund



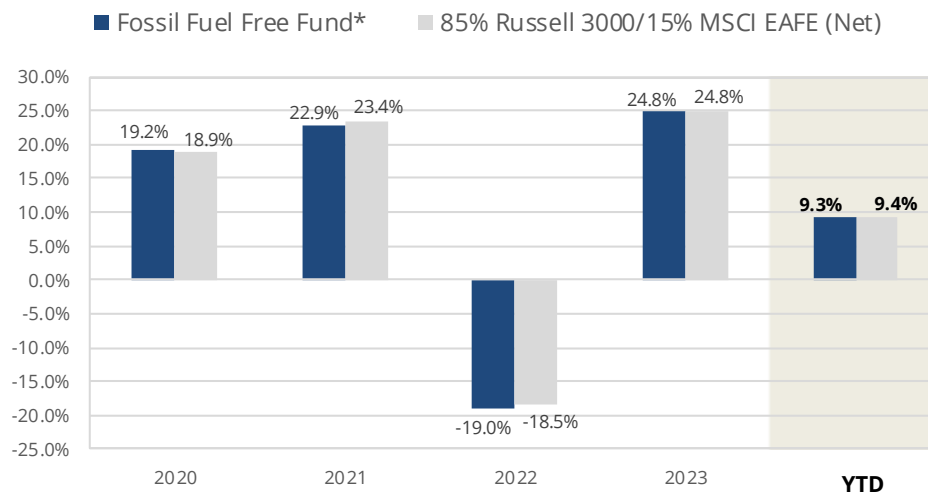
DIT Stock Fund



DIT Income Fund



DIT Fossil Fuel Free Fund***



*Returns are before expenses. Total returns reflect the change in unit values and assume automatic reinvestment of dividends.

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***Inception Nov. 2015. Passively managed; will outperform benchmark during periods of energy sector stocks lagging other market sectors due to fossil fuel company underweight.



Dear DIT Participant:

During the first quarter, the DIT Total Fund, comprised of the Stock and Income Funds, gained 4.7%, but trailed the index* by 50 bps. The underperformance of the Total Fund was due to the DIT Stock Fund trailing the blended 65% Russell 3000/35% MSCI EAFE Index by 120 bps. The DIT Income Fund mitigated underperformance by outperforming the Bloomberg U.S. Aggregate Index by 80 bps.

Global equity markets started the year on a positive note. In the U.S., stocks posted double-digit gains for a second consecutive quarter, as the Russell 3000 Index increased 10.0%. The Index hit all-time highs for the first time in over two years and crossed the 3,000 milestone. AI was a notable performance driver. The top three contributors, NVIDIA (+82%), Microsoft (+12%), and Meta Platforms (+37%), were linked to the new technology. With mega cap tech returning to leadership, growth outpaced value, with the Russell 3000 Growth Index climbing 11.2% and the Russell 3000 Value Index earning 8.6%. Large caps outpaced small caps, as the Russell 1000 Index gained 10.3% compared to the Russell 2000 Index's 5.2% increase. IT (+14.7%) and communications services (+11.8%) posted strong gains. Energy (+13.2%), the bottom sector during the prior quarter, also snapped back amid higher oil prices. In a risk-on environment, defensive stocks were out favor with investors. Real estate (-1.1%) and utilities (+4.8%) were the two worst performing sectors.

As measured by the MSCI EAFE Index, developed markets outside of the U.S. gained 5.7% in the first quarter. In local terms, foreign markets were on par with their domestic counterpart, but U.S. dollar (USD) strength remained a headwind. The USD spot index rose 3.2%, as economic data remained resilient and the prospect of delayed rate cuts increased. There was significant dispersion in returns across countries during the quarter. Hong Kong fell 11.7%, hurt by weakness in China, while Portugal posted a loss of 17.9% amidst political uncertainty and a slowdown in tourism. Conversely, Denmark (+15.1%), the Netherlands (+15.5%), and Ireland (+15.5%) posted outsized gains. Japan remained a focus of investor attention as the rally in Japanese equities continued. The market was up 19.2% in local terms. In March, the Bank of Japan ended its controversial Negative Interest Rate and Yield Curve Control policies, but downward pressure on the yen versus the USD persisted, likely due to the continuation of the carry trade and strong U.S. economic data along with the possibility of delayed rate cuts.

The Federal Reserve continued to hold rates steady during the first quarter and signaled cuts remained likely in 2024, but may not happen until later in the year. The Bloomberg U.S. Aggregate Index fell 0.8% during the quarter due to declines in investment-grade credit (-0.4%), 30 Year MBS (-1.2%), and intermediate (-1.1%) and long (-3.3%) Treasuries. Treasury yields rose and the curve flattened, but remained inverted. The two-year note rose 37 bps to 4.6% and the 10-year and 30-year rose 32 bps and 31 bps, respectively, to 4.2% and 4.3%. Credit spreads also narrowed, investment-grade and high-yield spreads fell 9 bps and 24 bps, respectively. The Bloomberg High Yield Index (+1.5%) outperformed the Bloomberg U.S. Corporate Index (-0.4%) during the quarter.

*42% Russell 3000/23% MSCI EAFE/35% Blbg Agg

The DIT Stock Fund (+7.3%) underperformed the 65% Russell 3000/35% MSCI EAFE index (+8.5%) in the first quarter, as the Westfield Large Cap Growth account (+14.8%) was the only domestic manager to surpass the Russell 3000 Index (+10.0%). The Silchester International Investors Business Trust Fund (+2.2%) and the Avantis International Small Cap Value Fund (+5.4%) also did not keep pace with the MSCI EAFE Index (+5.7%).

The DIT Income Fund (0.0%) bested the Bloomberg U.S. Aggregate Index (-0.8%) during the quarter, as all managers outperformed the benchmark. IR&M Core Plus Bond SRI account lost 0.1%, Loomis Sayles Core Plus SRI Fund returned 0.0%, and BrandywineGLOBAL-High Yield Fund gained 2.5%.

The passively managed DIT Fossil Fuel Free Stock Fund gained 9.3% in the quarter, slightly lagging the blended 85% Russell 3000/15% MSCI EAFE Index by 10 bps. In a reversal from last quarter, Aperio's lack of exposure to fossil fuels hindered relative performance, as the energy sector was up 13.2% in the Russell 3000 Index.

During the quarter, the Hardman Johnston International Equity II, L.P. was terminated for sub-par performance. The proceeds (\$3.1 million), were reinvested with the Westfield Large Cap Growth account. In an effort to shift the portfolio's style balance in anticipation of rate cuts that could benefit growth strategies, additional trades were processed to move assets from value managers to growth and core strategies. A total of \$9.0 million was redeemed from the Dodge & Cox Stock Fund and \$7.5 million was redeemed from the Silchester International Investors Business Trust Fund. The proceeds were added to the Westfield Large Cap Growth account (\$12.75 million) and the John W. Bristol account (\$3.75 million).

The fee for combined management, consulting, custody, and accounting services for DIT Stock Fund investments is 72 basis points annually, the fee for DIT Income Fund Investments is 35 basis points annually, and the fee for DIT Fossil Fuel Free Stock Fund Investments is 47 basis points annually. There are no additional or underlying fees on your DIT investments.

The Trustees currently recommend a 65% Stock Fund/35% Income Fund allocation for investments in the DIT. We respectfully remind DIT participants that they can delegate to us responsibility for maintaining the allocation of their agency funds or, if preferred, specify an allocation where their agency funds will be automatically restored on a quarterly basis. We would also encourage DIT participants who have not already done so to review their current agency fund allocations.

As always, we welcome invitations from EDOM parishes and affiliated organizations to discuss existing or prospective investments in the DIT. A meeting with TOD representatives can be arranged by calling the DIT's Investment Coordinator, Mr. Charles Jordan, at 617-482-4826, x557, or by emailing him at cjordan@diomass.org.



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Loomis Sayles & Company, LP
Brandywine Global Investment Management, LLC

Stock Fund:

John W. Bristol & Company
Westfield Capital Management, LLP
Dodge & Cox
The Vanguard Group, Inc.
Silchester International Investors
Avantis Investors

Diocesan Fossil Fuel Free Fund:

Aperio Group, LLC

Trustees of Donations to the Protestant Episcopal Church

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