

TIDEWATER JEWISH FOUNDATION

INVESTMENT OUTLOOK ~ SUMMER 2026

Investments Pooled with the Jewish Community Endowment Pool (JCEP) in Partnership with Combined Jewish Philanthropies (CJP) of Boston All Data as of June 30, 2026

The second quarter of 2026 ended June 30th with the Tidewater Jewish Foundation's (TJF's) main investment pool posting a **quarterly return* of 10.5%**, leading its composite benchmark return of 8.1% as shown in the table below. As shown, the TJF/JCEP return exceeds its benchmark in all trailing periods. **The JCEP 12 month return of 19.1% exceeds the benchmark return of 16.0% by 310 basis points (bps) and ranking in the top quartile of the Endowment and Foundation Universe of funds in excess of \$50 million.** The 3 year and 5 year JCEP returns rank in the top 3 and top 2 percent respectively of that peer groups' returns.

The JCEP historical performance has generally **met the overall objective of supporting ongoing spending needs for our community programs**. JCEP's primary investment objective is to attain an average annual **real** total return (defined as a nominal return net of fees and inflation) of at least 5% over the long term (rolling 5-year periods) to support program requirements. While it is acknowledged that this objective may not be achieved in all periods, it has met that goal for all trailing periods as shown below.

TJF's Main Pool Performance (returns, price indexes > 1 year annualized)	2nd QTR	CYTD	1 Year	3 Years	5 Years	10 Years
TJF / JCEP	10.5%	9.7%	19.1%	16.9%	10.6%	9.8%
TJF / JCEP Benchmark **	8.1%	7.9%	16.0%	11.8%	6.5%	7.2%
CPI-U + 5% (JCEP long-term objective)	2.4%	5.6%	9.0%	8.3%	9.5%	8.5%

Cash and cash equivalents held by TJF for fund liquidity needs, local investment-related expenses and fund level capital transactions may result in returns observed within an individual fund that differ from the overall portfolio returns presented above.

** Note: all returns are reported net of investment management expenses.*

*** Index Target=11% Bloomberg US Aggregate, 36% HFRI Fund of Funds Composite Index, 5% ICE BofAML 1-3 Yr Govt, 15% ICE BofAML 91 Days T-Bill, 10% MSCI EAFE, 5% MSCI Emerging Markets, 5% Russell 2000, 3% S&P 500 + 5%, and 10% S&P 500*

QUARTERLY MARKET PERFORMANCE RECAP

Global equities were strong during the 2nd quarter with the MSCI All Country World Index gaining 14.9%. The tech stock rally lifted growth ahead of value again after favorable earnings releases. The growth index was up 16.7% versus value up 13.8%. Small cap stocks now outpace larger cap stocks for the quarter and year. The Russell 2000 Index gained 21.5% versus the S&P 500 Index at 15.2% for the 2nd quarter. Foreign equities had mixed results with developed markets gaining 10.8%, lagging domestic equities. Emerging markets were the best performing asset class, gaining 24.1% for the quarter and 43.5% for the trailing year. As yields rose during the quarter, fixed Income managed to make a small gain of 70 bps for the quarter, represented by the Bloomberg Aggregate Index. Oil (and fuel) prices have been volatile since the start of the conflict with Iran in February. For the quarter West Texas Intermediate fell over 31% closing at \$70.56. Hedge funds gained 7.1% for the 2nd quarter and 15.9% for the trailing year period.

QUARTERLY PERFORMANCE ATTRIBUTION

JCEP Long Only Equity gained 12.2% for the quarter but lags the ACWI Index's 14.9% gain. For most trailing time periods, Long Only lags the major domestic and global indices. U.S. Equity returns trailed the indices for the quarter, YTD, and trailing year. Longer-term, it outpaces the S&P 500. Non-US Developed also lagged its index for the quarter and most trailing periods. Global Equity outpaced the ACWI index for the quarter and all trailing periods other than 5-years. The Emerging Markets managers continue to significantly underperform the MSCI EM Index due to their limited exposure to Taiwan and South Korea. Private Investments gained 0.6%. Real Assets were strong, gaining 8.9%, meanwhile Illiquid Credit lost 4.6%. Marketable Alternatives were the best performing asset class gaining 17.8%. One Hedged equity manager gained 20.7% for the quarter. Open Mandate managers have delivered strong returns, 33.3% for the quarter and over 45% for the trailing year. One Open Mandate manager gained an exceptional 82% for the quarter and 161% for the past year.



Annually, since 2011, the Tidewater Jewish Foundation has commissioned an independent external review that confirms the Foundation's conformance to the Best Practices under the Global Fiduciary Standard of Excellence. The assessment process is built upon the Fiduciary Quality Management System, as established by the Centre for Fiduciary Excellence. In the conduct of specific procedures designed to verify conformance for its fiscal year ended June 30, 2025, TJF documents and recordings were reviewed by the **independent firm of PBMAres, LLP**, including:

TJF's Investment Policy Statements and asset allocation analyses, Investment Committee meeting minutes, by-Laws, as well as other investment governance records maintained by TJF.

Fiduciary Practices Review



Has conducted an independent review that confirms for the fiscal year ended 6/30/2025 conformance with the
GLOBAL FIDUCIARY STANDARDS OF EXCELLENCE

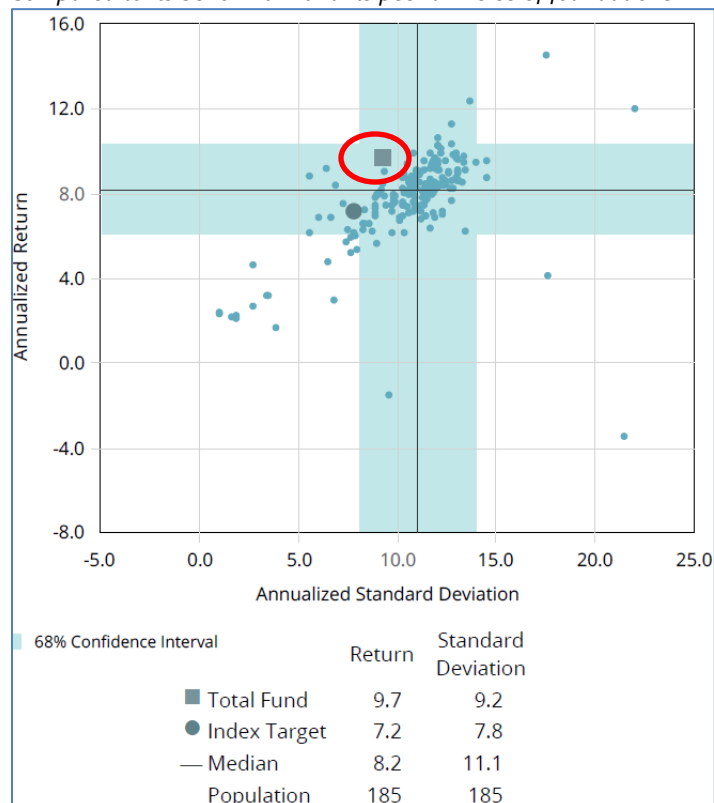
JCEP's Proven Downside Protection

Several years ago, one of the members of the volunteer Board of Managers that oversees the JCEP portfolio, commented that they expect the pool "will participate meaningfully in up-markets, but protect capital superbly in down-markets."

This continues to be demonstrated with JCEP's returns. When measured against the pool's blended index target over the last 10 years, the JCEP portfolio captured over 120% of the upside and less than 88% of the downside.

JCEP Returns Delivered with Less Risk

Compared to its benchmark and its peer universe of foundations

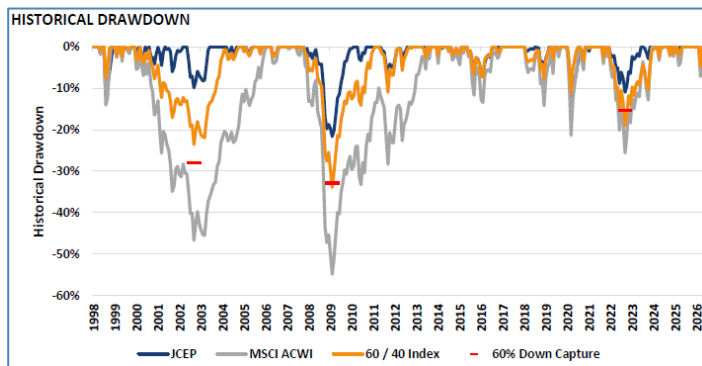


In the above graphic, based on 10 years of returns and their volatility, the circled JCEP return in the upper left quadrant reflects the desirable outcome, where few other peers reside.

Alternatively stated, the Sharpe Ratio is a standard industry metric for evaluating risk-adjusted returns. **JCEP's Sharpe Ratio of 0.8 for the past 20 years**, which slightly exceeds the timeframe of TJF's partnership but includes the market downturns in the Global Financial Crisis, **shows a higher return with less risk than the 0.5 Sharpe Ratio for the MSCI ACWI and for a 60/40 portfolio of 60% MSCI ACWI and 40% US Intermediary Treasury Index.**

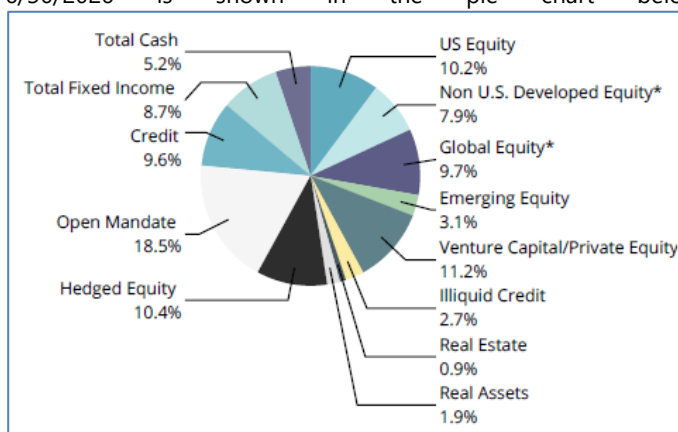
Lower volatility results, in part, from lower participation in market downturns, as had occurred during the 2008 and 2009 Global Financial Crisis and more recently in 2022, both of which are reflected in JCEP's higher 20 year Sharpe ratio noted above.

The blue line in the chart that follows shows how JCEP's capital preservation traits have generated downside protection, decreasing less than either the global equity index or a 60/40 portfolio when the global equity markets declined.



Asset Allocation and Relative Returns

The JCEP asset allocation helps drive the lower volatility and the strong downside protection with non-correlated assets relative to other traditional institutional portfolios. The JCEP allocation as of 6/30/2026 is shown in the pie chart below.

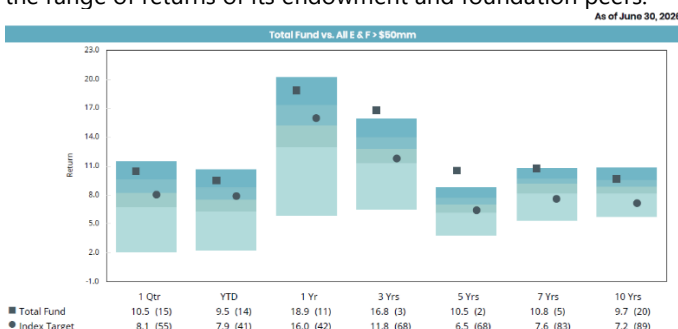


Each quarter, TJF's Investment Consultant compares the current JCEP allocation both to its target and to the allocation of the reporting entities in the Investment Metrics Endowment and Foundation Plan Universe. JCEP's allocation looks different from other peer group allocations, with a significantly lower allocation to marketable equities at the end of the first quarter of 2026 as shown in the table below:

	Total Marketable Equity	Alternatives	Fixed Income and Cash	Total
JCEP Actual	31%	55%	14%	100%
JCEP Target	30%	56%	14%	100%
E&F Database*	52%	18%	22%	92%**

** Database asset class median values won't add to 100%

Below, the JCEP return (left blue square) generally sits at the top of the prior calendar year returns of its index target (blue circle) and the range of returns of its endowment and foundation peers:



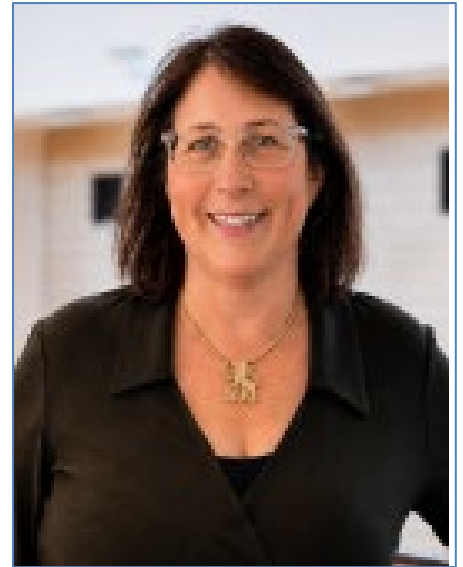
FROM THE DESK OF THE PRESIDENT & CEO

Dear Friends,

Jewish history is filled with stories of courage, resilience, and quiet generosity. While many of the world's greatest triumphs are remembered for the leaders who stood at the forefront, they were often made possible by those whose vision and generosity sustained the work behind the scenes.

I was reminded of this recently while attending a screening of Jewish Patriots of the American Revolution at Regent University. One story, in particular, stayed with me: Haym Salomon, a Jewish immigrant and financier whose generosity helped sustain the Patriot cause during one of its most uncertain moments. Many historians believe that without his financial support, the outcome of the Revolution, and perhaps the America we know today, might have been very different.

His story is a powerful reminder that the greatest legacies are often built quietly. They are created by people who choose to invest in a future they may never see. That is the spirit I see every day at the Tidewater Jewish Foundation. Through legacy gifts, endowments, donor-advised funds, and charitable planning, our fundholders are doing exactly what Jewish communities have done for generations, ensuring that our children and grandchildren inherit a community that is vibrant, secure, and deeply rooted in Jewish values.



As our nation commemorates the 250th anniversary of the American Revolution, Haym Salomon's story reminds us that history is shaped not only by those who lead from the front, but also by those whose generosity makes the future possible.

Thank you for being part of that enduring legacy.

Along with building endowments and securing legacy commitments, the prudent management and investment of the local Jewish community's charitable assets continues to be some of the key services that the Tidewater Jewish Foundation provides to its network of local Affiliate agencies.

TJF representatives would be pleased to meet with any of its fund holders and/or Affiliate Leadership to discuss this investment strategy in more detail or explore legacy gifting opportunities.

Sincerely,

A handwritten signature in black ink, appearing to read 'Naomi'.

Naomi Limor Sedek
President & CEO



TIDEWATER JEWISH FOUNDATION



Financial Markets Overview

U.S. equities surged, with the S&P 500 up about 15%, its best quarter since 2020, led by semiconductors and AI infrastructure demand.

Emerging markets were the top performer, driven by strong gains in South Korean and Taiwanese chipmakers. Developed international markets rose but lagged, held back by their distinct lack of exposure to the semiconductor and AI names powering gains elsewhere.

U.S. and international fixed income once again generated modestly positive returns in Q2, as income was largely offset by declining prices.

Markets priced in a more hawkish Federal Reserve under new Chairman Kevin Warsh, pushing yields higher and weighing on bond prices. Stubbornly high inflation (4.2% in May) has turned the Fed hawkish, raising the threat of rate hikes rather than cuts.

The conflict in Iran adds to an already uncertain policy backdrop. Sustained tensions could keep energy prices elevated, slowing growth and complicating inflation.

Economic & Global Investment Outlook

Consumer spending remained resilient despite declining consumer confidence. Consumer confidence remains near record lows even as spending holds up while a cooling job market adds further cost pressure heading into Q3.

Recent economic data suggest the U.S. economy remains on solid footing heading into the second half of the year. Although having moderated recently, economic growth remains positive while unemployment remains low at 4.2%.

Energy prices continued to keep headline inflation above the Federal Reserve's 2% target in May, while core inflation remained more subdued. Headline CPI rose 0.5% during the month³ and 4.2% year-over-year, driven largely by a 3.9% increase in energy prices. Core inflation came in slightly below expectations at 0.2% in May and 2.8% year-over-year.

Looking ahead, the Federal Reserve Bank of Atlanta's GDPNow model projects Q2 GDP growth of approximately 1.3%, while real final sales to private domestic purchasers are tracking near 2.5%, suggesting underlying private-sector demand is projected to strengthen despite slower headline growth.