

# MARKET MINUTE

An investment report from the Kansas Methodist Foundation

## Rate of Return:

As of January 31, 2025, net-of-investment fees

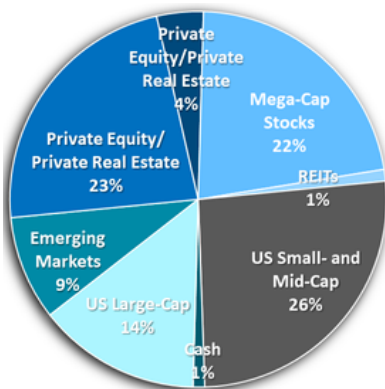
Fund Name	Jan '25	Annualized				
		1 Year	2 Years	3 Years	5 Years	10 Years
<b>Balanced Fund</b>	<b>2.54%</b>	<b>12.25%</b>	<b>9.38%</b>	<b>3.38%</b>	<b>6.54%</b>	<b>6.91%</b>
Benchmark	2.37%	14.21%	11.73%	4.91%	7.21%	7.26%
<b>Equity Fund</b>	<b>3.44%</b>	<b>18.31%</b>	<b>14.30%</b>	<b>5.82%</b>	<b>9.63%</b>	<b>9.30%</b>
Benchmark	3.30%	21.20%	17.74%	8.52%	11.00%	9.93%
<b>U.S. Equity Index Fund</b>	<b>3.15%</b>	<b>26.29%</b>	<b>22.70%</b>	<b>11.21%</b>	<b>14.57%</b>	<b>--</b>
Benchmark	3.16%	26.32%	22.68%	11.36%	14.60%	13.21%
<b>Fixed Income Fund</b>	<b>0.82%</b>	<b>3.65%</b>	<b>3.99%</b>	<b>-0.18%</b>	<b>0.52%</b>	<b>2.16%</b>
Benchmark	0.63%	3.10%	3.15%	-0.89%	0.00%	1.82%
<b>Short Term Income Fund</b>	<b>0.39%</b>	<b>5.04%</b>	<b>4.67%</b>	<b>3.59%</b>	<b>2.72%</b>	<b>1.98%</b>

\*Historical returns are not indicative of future performance. The Balanced Fund returns represent the historical return for the Wespath Multiple Asset Fund (100%) until October 2024, when the asset allocation changed to Wespath U.S. Equity Fund (25%), Wespath U.S. Equity Index Fund (20%), Wespath International Equity Fund (20%), and Wespath Fixed Income Fund (35%). The Equity Fund returns represent the historical data for the Wespath U.S. Equity Fund (55%) and the Wespath International Equity Fund (45%) until October 2022, when the asset allocation changed to Wespath U.S. Equity Fund (45%), Wespath U.S. Equity Index Fund (20%), and Wespath International Equity Fund (35%), and subsequently changed October 2024 to Wespath U.S. Equity Fund (40%), Wespath U.S. Equity Index Fund (30%), and Wespath International Equity Fund (30%). The U.S. Equity Index Fund is the Wespath U.S. Equity Index Fund. The Fixed Income Fund performance is the Wespath Fixed Income Fund. More information about the funds and benchmarks can be found at <https://www.wespath.com/funds>. The Short Term Income Fund is a combination of multiple investment instruments of the Foundation. The Foundation hired Wespath Institutional Investments on November 1, 2019. The Administration Fee of the Foundation is not included.

### KMF Funds:\*

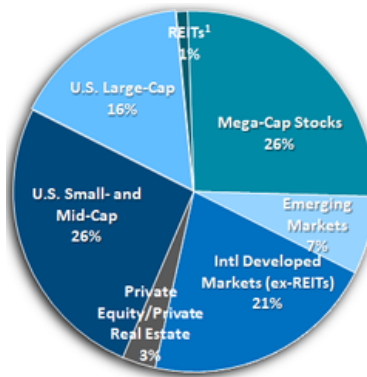
#### Balanced Fund

65% Equities  
35% Fixed Income



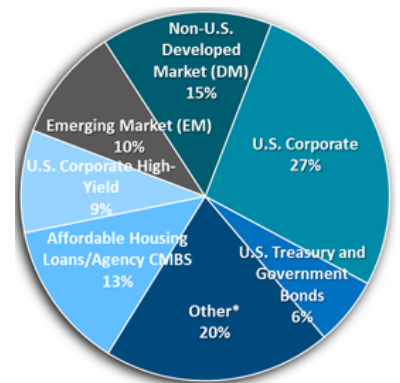
#### Equity Fund

45% US Equities  
20% US Equity Index Fund  
35% International Equities



#### Fixed Income Fund

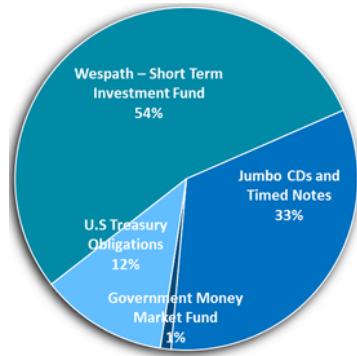
100% Fixed Income



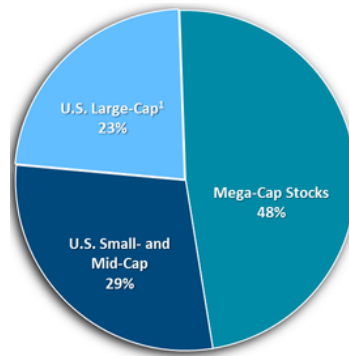
\*Fund allocations as of March 31, 2024. Investors can choose a mix of their choice from the funds provided by KMF.

## KMF Funds cont'd:\*

### Short Term Income Fund\*\*



### US Equity Index Fund (Track Russell 3000)



### Certificate of Participation

A Certificate of Participation provides the security of a fixed income type vehicle at competitive rates for 1-year and 2-year investments. Certificates of Participation are the funding source of KMF's Church Development Loan Fund, providing loans throughout the Great Plains Conference.

The current rates KMF is offering for our Certificates of Participation are:

- 2.25% for one year
- 2.25% for two years

\*Fund allocations as of March 31, 2024. Investors can choose a mix of their choice from the funds provided by KMF. WII stands for Wespath Institutional Investments.

## January Highlights:

### Notable domestic events that occurred:

- Information technology was the only sector in the red for the month, with AI-centric Nvidia taking a big hit following the news that China's DeepSeek developed an AI model more efficiently than rivals. The developments cast some doubt on future demand for Nvidia chips, and shares declined 11% in the month ~ equivalent to nearly \$350 million in market valuation.
- The White House rattled investors on the last day of the month when it announced tariffs starting on February 1st for Canada, Mexico, and China ~ all major trade partners of the U.S. Tariffs have reignited inflation concerns that could discourage the Fed from cutting rates further.

### International Equity markets ended the month higher with developed markets outperforming emerging markets.

- Germany and the U.K. were among the strongest performing developed markets for the month, returning 9.35% and 5.21%, respectively. Business morale improved in Germany, on the hopes that the next German government would deliver reforms and reduce red tape. Germany will hold a snap national election on February 23rd.
- Brazil led emerging markets with a 12.4% return in January. The market was boosted by a sharp decline in future interest rates, and the Brazilian Real strengthened against the U.S. dollar. This is a reversal from Brazil's 8.2% loss in December, a result of heightened fiscal concerns ending 2024.

**International Equity** had the strongest performance in the first month of the year, ending higher driven by strong performance from Technology, Communications, and Financials.

## Performance YTD

- +3.2% US Equities
- +3.7% Non-US Developed Equities
- +1.1% Emerging Market Equities
- Large > Small, Value > Growth
- Crude (WTI) +1.1%
- Bitcoin +9.3%

1/31/2025

US Sector Returns - YTD	Absolute	Relative
Communications (growth/value)	8.98%	5.82%
Health Care (growth)	6.74%	3.58%
Financials (value)	6.39%	3.24%
Materials (value)	5.05%	1.89%
Industrials (value)	4.87%	1.71%
Consumer Discretionary (growth)	4.25%	1.10%
<b>Russell 3000</b>	<b>3.16%</b>	<b>0.00%</b>
Utilities (value)	2.81%	-0.35%
Consumer Staples (value)	2.12%	-1.04%
Energy (value)	1.85%	-1.31%
Real Estate (value)	1.57%	-1.58%
Technology (growth)	-2.72%	-5.88%

YTD

As of 1/31/2025

	US Market-Cap/Style Returns		
Large	4.63%	3.18%	1.98%
	3.51%	4.25%	6.38%
Mid	2.05%	2.62%	3.16%
Small			
	Value	Blend	Growth

## Fund Portal Access

Throughout the past year, KMF has moved our sub accounting system to a new platform. This upgrade allows our donors and partners to view their funds via an online fund portal. To access this portal, you can go to our website, [www.kansasmethodistfoundation.org](http://www.kansasmethodistfoundation.org) and click on a button called Access My Fund at the top right of our homepage. You can also use this link: <https://kmf.fcsuite.com/erp/portal>.

You will need to establish a username and password. The ideal username is the email address where the fund statement is emailed to. If you click on "Forgot Password," then you will receive a link via email to create your password. If this process does not work, please contact the Foundation to manually set up your username.

This portal will allow you to see asset allocations, documents related to each fund linked to you, and recent activity. Additionally, you can review past activity and see previous statements. Another benefit provided by this new upgrade is that fund advisors can initiate distributions or withdrawals from the online portal.

If you have questions or problems, please contact Gloria Markus, Director of Finance, at [gloria@kansasmethodistfoundation.org](mailto:gloria@kansasmethodistfoundation.org) or 620-664-9623. Thank you for your partnership and generosity.

## Wespath Blog

### How Chinese Startup DeepSeek Rocked the AI Industry—And What It Means for Wespath’s Investors

*Note: This commentary was written prior to the Trump administration's announcement of new tariffs against Canada, Mexico and China, which have underscored the themes of global competition and geopolitical uncertainty we identify below. We are monitoring the latest tariff headlines; keep an eye out for additional content and resources as the stories evolve.*

Last week, U.S. technology companies were rattled by something all-too-familiar—a dramatically cheaper Chinese alternative to something they’d previously cornered the market in. This time, the buzz centered on artificial intelligence (AI), namely a new generative AI tool developed by China-based company DeepSeek that rivals those like OpenAI’s popular ChatGPT.

DeepSeek recently released a new open-source AI model called “R1,” which it claims outperformed leading competitors’ models and was built for a fraction of the cost. The company’s platform relies on what the tech industry calls “inference time computing.” For non-AI experts, that means the technology only looks at data in the most-relevant parts of the model for each query, rather than searching within an entire enormous dataset. By looking at sharply less data to produce similar or better results, DeepSeek is potentially much more efficient than U.S.-developed tools like ChatGPT.

Read more at [How Chinese Startup DeepSeek Rocked the AI Industry—And What It Means | Wespath Institutional Investments](#)

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### Let's Connect

If you have questions about your account or fund performance, contact Dustin Petz, President and CEO of the Kansas Methodist Foundation.

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Phone: 620-664-9623



“You will be enriched in every way so that you can be generous on every occasion, and through us your generosity will result in thanksgiving to God.”

- 2 Corinthians 9:11