



JUNE 2025

MARKET MINUTE

An investment report from the Kansas Methodist Foundation

Rate of Return:

As of June 30, 2025, net-of-investment fees

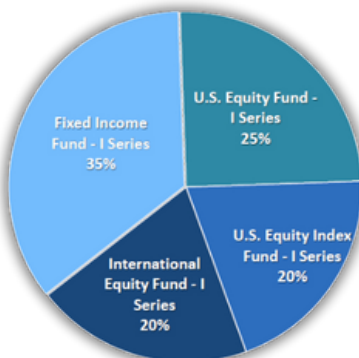
				Annualized				
Fund Name	Jun '25	2nd Q	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	10 Yrs
Balanced Fund	3.44%	7.25%	6.72%	11.53%	10.26%	10.36%	7.55%	7.07%
Benchmark	3.53%	7.97%	7.61%	12.92%	12.81%	11.94%	8.86%	7.54%
Equity Fund	4.39%	9.94%	7.42%	13.72%	13.82%	14.41%	11.07%	9.18%
Benchmark	4.64%	11.53%	9.33%	16.33%	17.66%	17.17%	13.61%	10.03%
U.S. Equity Index Fund	5.04%	10.70%	5.54%	15.12%	19.06%	18.97%	15.86%	--
Benchmark	5.08%	10.99%	5.75%	15.30%	19.15%	19.08%	15.96%	12.96%
Fixed Income Fund	1.71%	2.26%	4.86%	7.42%	6.18%	4.73%	0.99%	2.77%
Benchmark	1.50%	1.47%	4.06%	6.51%	5.19%	3.57%	-0.02%	2.36%
Short Term Income Fund	0.49%	1.11%	2.08%	4.71%	4.75%	3.98%	2.92%	2.12%

*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:*

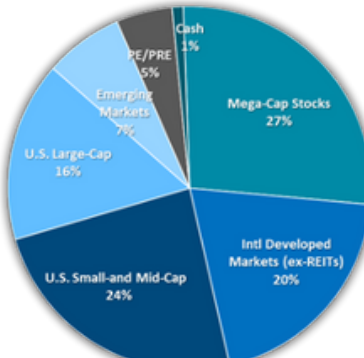
Balanced Fund

65% Equities
35% Fixed Income



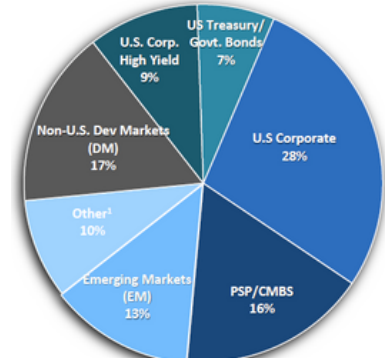
Equity Fund

40% US Equities
30% US Equity Index Fund
30% International Equities



Fixed Income Fund

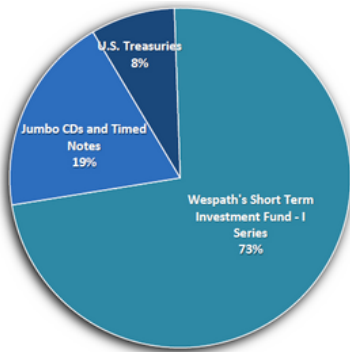
100% Fixed Income



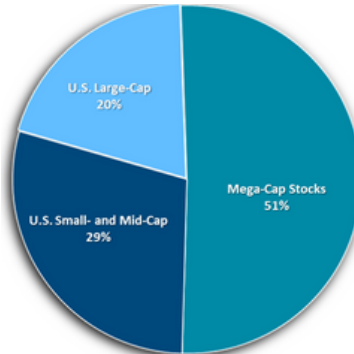
*Fund allocations as of March 31, 2025. Investors can choose a mix of their choice from the funds provided by KMF.

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:

- 2.45% for one year
- 2.20% for two years

*Fund allocations as of March 31, 2025. Investors can choose a mix of their choice from the funds provided by KMF. WII stands for Wespath Institutional Investments.

Key Takeaways from Q2

- **GDP:** Economic momentum has proven surprisingly resilient despite policy headwinds. J.P. Morgan's outlook shows solid business cycle momentum continuing through the first half of 2025, with Q3 annualized real GDP growth estimated at 1.0%. However, the impact of tariffs has lowered full-year GDP growth forecasts from 2.0% to 1.3%.
- **Inflation:** Core PCE inflation, which fell from 5.6% in 2022 to 2.5% as recently as April, is expected to reverse course due to tariff pass-through effects. Projections suggest annualized core PCE inflation could reach 4.6% in Q3 before moderating, ending the year at an uncomfortable 3.4%.
- **Trade Policy:** The administration's "reciprocal tariff strategy" created extraordinary market volatility, with the S&P 500 falling 12% over just a few trading days in April. However, subsequent de-escalation efforts, including reducing U.S.-China tariffs from 145% to 30% (and China's reciprocal reduction from 125% to 10%), helped stabilize markets. Current tariff collections are on pace to raise \$255 billion annually—less than 1% of GDP.
- **The Fed:** The latest FOMC meeting largely met expectations, with the Federal Reserve (Fed) maintaining its forecast of 50 basis points of cuts in 2025 and projecting only one cut in 2026. Chair Powell emphasized the Fed's continued wait-and-see approach, noting that policy uncertainty remains elevated.

Continue reading [here](#).

Markets at a Glance

Watch the “Markets at a Glance: Q2 2025” with Frank Holsteen of Wespath at <https://www.youtube.com/watch?v=BRyQ6ur8Mo>.



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 see their funds via an online fund portal. To access this portal, you can go to our website, 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, most likely the username is the email address that the fund statement was emailed to you at. If you click on “Forgot Password”, 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.

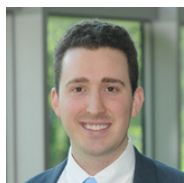
This portal will allow you to see the current fund(s) we have in our system connected to you, asset allocations, documents related to each fund, and recent activity. Additionally, you can review past activity and see previous statements. Another benefit provided in this new upgrade, is that fund advisors with authorization can initiate distributions or withdrawals from the online access.

Gloria Markus and Dustin Petz recorded a video to walk through the process to access and use the fund portal. Here is a link: <https://vimeo.com/1057638384>.



Wespath Blog

What You Should Know About the Bloomberg U.S. Aggregate, Wespath's New Fixed Income Benchmark



Connie Christian, CFA, Manager, Fixed Income
Myles Smith, Investment Analyst

This week, we're transitioning the benchmark for two of our fixed income funds—the Fixed Income Fund (FIF) and the Social Values Choice Bond (SVCBF)—to the Bloomberg U.S. Aggregate Index. This change aims to align the benchmark with industry standards and best practices, all while enhancing accountability and transparency within our investment funds (and without changing the funds' investment strategies, but more on that later!).

Below, we share a few thoughts on this change and its implications for Wespath investors.

Why the Benchmark Matters

The benchmark of a fixed income fund—or any investment fund or strategy, for that matter—is crucial for clients to understand because it serves as a reference point to measure performance and understand the risk-return profile of their investments.

[Read the Rest of the Article Here](#)

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