



CDCES Investment Committee

May 8, 2018

St. Paul's United Methodist Church

Present: Norm Dyer, Greg DuFault, David White, Mildred Riley, Donna Ward, Laura Jaquith Bartlett, Bruce Rogers, Randy Adams

Norm invited us to share with a bit of check-in on what's going on in our lives. He then opened us in prayer.

Millie moved that we approve the April 2018 minutes. Seconded.

Passed.

Letter for investing churches

Greg apologized that this is not finished yet! He does have a good excuse: he sold his house three weeks ago, and things have been a bit crazy. But he promised that Sherrie will help make sure he gets this accomplished within the next few days.

Market Report (attached)

About a year ago, the 10-year treasury was at 1.9%. We haven't had a recession in about 10 years, which is why the Fed is raising the interest rate—which runs the risk of throwing us into a recession! The inflation figure is stubbornly low right now. Geo-political risks are always with us, but they are always temporary. The labor participation rate is the issue that everyone worries about—but no one talks about. Unemployment is less than 4% (the arrow on Greg's report is pointing the wrong way). Norm asked if Greg could include numbers for the past 12 months in his reports (the answer was yes).

Greg will send a draft of the church investment letter by email, and Norm invited us to make comments to the draft, then we will vote on it, and Norm will take it to the full board.

Norm adjourned the meeting at 7:00 pm.

Next meeting: We will wait to decide on a meeting until we see what the Board decides about a June meeting. [Update: the Board decided to skip June, and will meet instead on Thursday, July 12. Investment Committee will precede that meeting, beginning at 6:30pm. Location is TBA, but it will likely be at the Conference Office (Laura will confirm this).]

Respectfully submitted,
Laura Jaquith Bartlett
CDCES Administrative Assistant

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- 10 year treasury is moving up – now @ 2.98%
- 30 year now @ 3.12%
- Geo-political risk – tariffs, what tariffs?
- North Korea?
- Oil prices are up to \$70.00 +/- per BBL
- Labor participation rate @ 63.5%
 - Highest since 1969!
- Unemployment >4%
- Housing Shortage
- Cash – an abundance thereof!
- Strategy in FI accounts is still to stay short
- Equity Accounts – buy on the dips, but they are quick!

Returns

Equity: -3.53% YTD

Long Term: -2.96% YTD

Short Term: -0.28% YTD

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