

# Grantmaking Fund

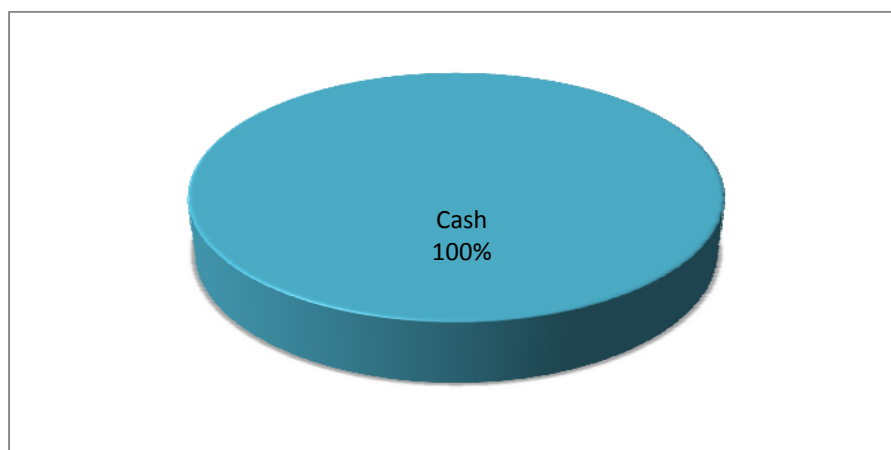
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## Third Quarter, 2011 – Market Update

The third quarter of 2011 brought back memories of 2008, with the exception that money markets although slightly stressed, did not completely seize up. Congressional discord in the US, that led Standard & Poor's to downgrade US Treasuries for the first time, was matched by similar waffling within the European Union on how to handle the insolvency of one of their members. As in 2008, asset correlations rose significantly with the US Treasury market – ironically – being the safe haven in a world of uncertainty. The consequence of this market action was felt dramatically across our portfolios and even in more conservative value managers, though to a lesser extent.

As we were concerned about the underlying money fund's exposure to European banks, we shifted cash assets to an all US Treasury fund during the quarter. We expect any impaired returns will be minor for the increase in safety we obtained.

## Asset Allocation – 9/30/2011



## Investment Returns

	3 <sup>rd</sup> Quarter	YTD	1 Yr.	Since Inception (11/25/2009)
<b>Grantmaking Fund</b>	0.0	0.1	0.1	0.1
<b>Bank of America ML 91 day T-Bills</b>	0.0	0.1	0.1	0.1