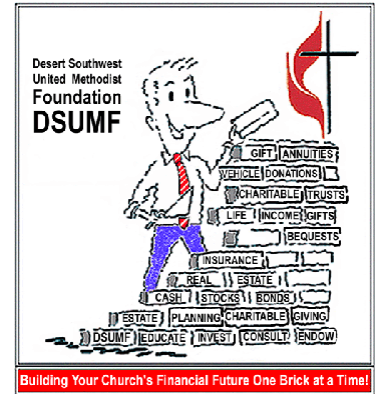


**TO:** Agency Depositors  
**FROM:** Rick Brown, Ed.D., CFRE; Executive Director,  
 Desert Southwest United Methodist Foundation  
**RE:** Monthly Statements March '05  
**DATE:** May 6, 2005



**The Rate of Return (Net of Fees) for April was: -1.067%**  
**The Rate of Return (Net of Fees) for the Y-T-D is: -2.823%**

A comparison of the Foundation's Portfolio performance vs. the major indices is shown below. The Indices below do not contain bonds or expenses; The DSUMF portfolio contains up to 35% in bonds.

<u>Index</u>	<u>April ROR % (Gross of Fees)</u>	<u>Y-T-D ROR % (Gross of Fees)</u>
<b>S &amp; P 500</b>	<b>-2.011</b>	<b>-4.544</b>
<b>DOW Jones Industrial</b>	<b>-2.963</b>	<b>-5.486</b>
<b>NASDAQ</b>	<b>-3.880</b>	<b>-11.666</b>
<b>DSUMF</b>	<b>-0.914</b>	<b>-2.216</b>

The week's economic news painted a picture of a soft but still-expanding economy. Orders for manufactured durable goods declined sharply, the nation's real gross domestic product expanded at a slower-than-expected pace, and wage gains failed to keep pace with inflation. On the bright side, Americans' appetite for new and existing homes remained strong, which generated a spillover effect as new homeowners outfit their spaces with appliances and other furnishings. For the week, the S&P 500 Index rose 0.4% to 1,157. The yield of the 10-year U.S. Treasury note fell 6 basis points to 4.20%.

The DSUMF continues to "raise the bar" in terms of our asset manager evaluation process. Some of our evaluation tools were discussed at our recent 2<sup>nd</sup> Annual Investment Workshop. We had a wonderful turnout both in terms of churches represented and the people who came as representatives of their churches.

Our guest speakers were able to answer many questions from the group and there was plenty of time for good fellowship during lunch after the event. Be on the look out for the dates of our 3<sup>rd</sup> Annual Investment Workshop in the spring of 2006! We hope to see all of you there!

Please remember to visit our web site at [dsumf.org](http://dsumf.org) to read our monthly newsletter called DOLLAR SENSE. Each issue has helpful articles on the same four topics: 1) Endowment Funding, 2) Estate Planning, 3) Charitable Giving, and 4) Investing. Much of the information is "must read" material for members of your church foundation or endowment committee. Any of the information can be reprinted in your own newsletters with proper attribution.