

TO: Agency Depositors
FROM: Ralph J. Serpico, Executive Director
 Desert Southwest United Methodist Foundation
RE: Monthly Statement for January & February 2009
DATE: April 9, 2009



The Rate of Return (Net of Fees) for January was: **-2.683%**
 The Rate of Return (Net of Fees) for February was: **-4.383%**
 The Rate of Return (Net of Fees) for YTD February was: **-7.098%**

A comparison of the Foundation's Portfolio performance vs. the major indices is shown below. The indices do not contain expenses. The DSUMF portfolio contains up to 60% in stocks, up to 20% in fixed income investments, and up to 20% in Managed Futures

<u>Index</u>	January ROR % (Gross of Fees)	February ROR % (Gross of Fees)	Y-T-D ROR % (Gross of Fees)
S & P 500	-8.43	-10.65	-18.18
DOW Jones Industrial	-8.65	-11.24	-18.92
NASDAQ	-6.34	-6.50	-12.43
60% / 40% (SP500 / Aggregate Bond)	-5.41	-6.54	-11.60
DSUMF	-2.533	-4.235	-6.948

The markets continued the trend of declines experienced in 2008. These declines were driven by record unemployment levels, new jobless claims, drops in real estate values coupled with home foreclosures and mortgage defaults, high levels of consumer debt and personal / corporate bankruptcies. Consumer and corporate confidence in the market were adversely affected by uncertainties in the Economic Stimulus package and the market's response to increased levels of government spending and subsidies.

DSUMF's portfolio continued to out-perform the market as declines were roughly half those of the major indices.