

TO: Agency Depositors
 FROM: Ralph J. Serpico, Executive Director
 Desert Southwest United Methodist Foundation
 RE: Monthly Statement for March, 2009
 DATE: April 16, 2009



The Rate of Return (Net of Fees) for March was: **+3.780%**
 The Rate of Return (Net of Fees) for YTD March was: **-3.725%**

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>	March ROR (Gross of Fees)	Y-T-D ROR % (Gross of Fees)
S & P 500	+8.76	-11.01
DOW Jones Industrial	+7.94	-12.48
NASDAQ	+11.02	-2.78
60% / 40% (SP500 / Aggregate Bond)	+5.81	-6.46
DSUMF	+3.94	-3.431

The major market indicators showed improvement in March with the S & P 500, DJIA, NASDAQ and the 60/40 reporting positive gains. The four week rally by the S & P 500 has been the largest in percentage terms since 1933. Sectors leading the way have been Financials, Consumer Discretionary and Industrials. Under performing sectors have been Health Care, Consumer Staples and Utilities. This is not to signal that the economy has made a significant and lasting turn for the better. Historical economic cycles tend to indicate that equities will likely lead the next recovery. Slow economic growth and increases in stock averages will likely occur over the long term, i.e., the next 10 years as the economy continues to adjust to consumer and industrial demands and governmental influence.

The rate of return for the DSUMF portfolio showed an increase of **3.78%** in March offsetting losses in January and February, bringing the YTD returns to a **-3.725%**.