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Donations

CELEBRATING OVER 200 YEARS OF PRUDENT INVESTING

Diocesan Investment Trust Quarterly Report March 2026

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Performance Summary

<i>Performance by Quarter</i>	3/31/2026	12/31/2025	9/30/2025	6/30/2025
DIT Income Fund				
Share Price	\$8.29	\$8.34	\$8.29	\$8.15
Dividend Rate	\$0.04	\$0.04	\$0.05	\$0.05
DIT Stock Fund				
Share Price	\$344.21	\$355.28	\$351.48	\$333.85
Dividend Rate	\$0.68	\$2.60	\$0.89	\$0.84
DIT Fossil Fuel Free Fund				
Share Price	\$262.97	\$275.02	\$268.90	\$250.30
Dividend Rate	\$0.86	\$0.84	\$0.86	\$1.13

<i>Total Assets by Fund</i>	3/31/2026
DIT Income Fund	\$111,629,604
DIT Stock Fund	\$171,512,594
DIT Fossil Fuel Free Fund	\$41,803,049
Total Assets	\$324,945,247

<i>Total Returns</i> ¹	1st Qtr	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
DIT Total Fund (Combined Agency & Trust Funds)	-1.7%	-1.7%	12.4%	11.3%	6.4%	8.4%	8.0%
DIT Total Fund (Trust Funds Only)²	-1.8%	-1.8%	12.9%	11.8%	6.8%	8.8%	8.4%
<i>Policy Index</i> ³	-2.4%	-2.4%	13.5%	11.4%	6.3%	8.4%	8.2%
DIT Income Fund	0.0%	0.0%	5.2%	4.5%	1.3%	2.9%	2.8%
<i>Bloomberg U.S. Aggregate</i>	0.0%	0.0%	4.3%	3.6%	0.3%	1.6%	1.7%
DIT Stock Fund	-2.8%	-2.8%	16.8%	15.7%	9.6%	11.4%	11.0%
<i>DIT Stock Fund Policy Index</i> ⁴	-3.7%	-3.7%	18.6%	15.7%	9.5%	11.9%	11.5%
DIT Fossil Fuel Free Fund⁵	-4.0%	-4.0%	18.8%	17.1%	10.1%	13.0%	12.9%
<i>85% Russell 3000/15% MSCI EAFE (Net)</i>	-3.5%	-3.5%	18.7%	17.3%	10.5%	13.1%	13.0%

¹ Performance is preliminary and gross of custody fees, consulting fees, administrative fees, and investment management fees for separately managed accounts and commingled vehicles, but net of mutual fund and ETF investment management fees. Total returns reflect the change in unit values and assume automatic reinvestment of dividends.

² Represents returns for Trust Funds, with the Stock Fund/Income Fund asset allocation directed by TOD Investment Committee. Performance is a weighted return calculated using monthly beginning asset allocation and DIT Stock and Income Fund returns.

³ Policy Index is currently 52% S&P 500/13% MSCI EAFE (Net)/35% Blbg U.S. Agg. From August 2020 through December 2024, it was 42% Russell 3000/23% MSCI EAFE (Net)/35% Blbg U.S. Agg. Prior to August 2020 it was 65% MSCI ACWI (Net)/35% Blbg U.S. Agg.

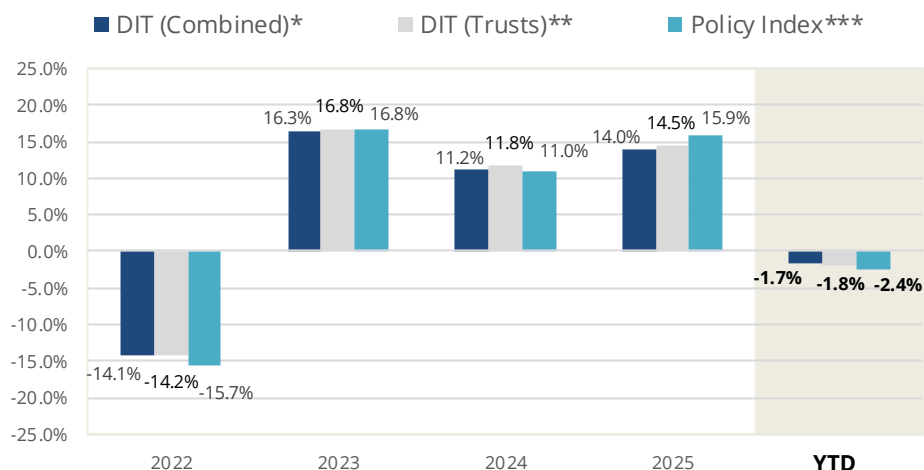
⁴ DIT Stock Fund Policy Index is currently 80% S&P 500 / 20% MSCI EAFE (Net). From August 2020 through December 2024, it was 65% Russell 3000/35% MSCI EAFE (Net). Prior to August 2020, it was the MSCI ACWI (Net).

⁵ Passively managed; will outperform benchmark during periods of energy sector stocks lagging other market sectors due to fossil fuel company underweight.

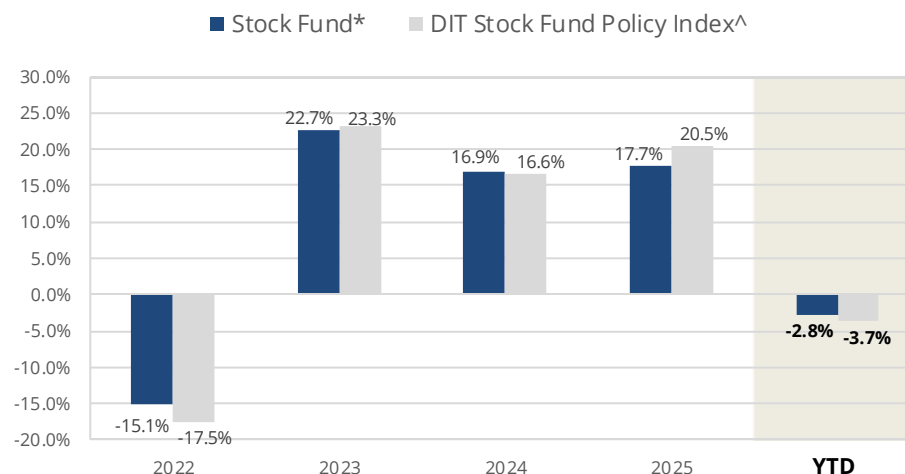


Calendar Year Performance

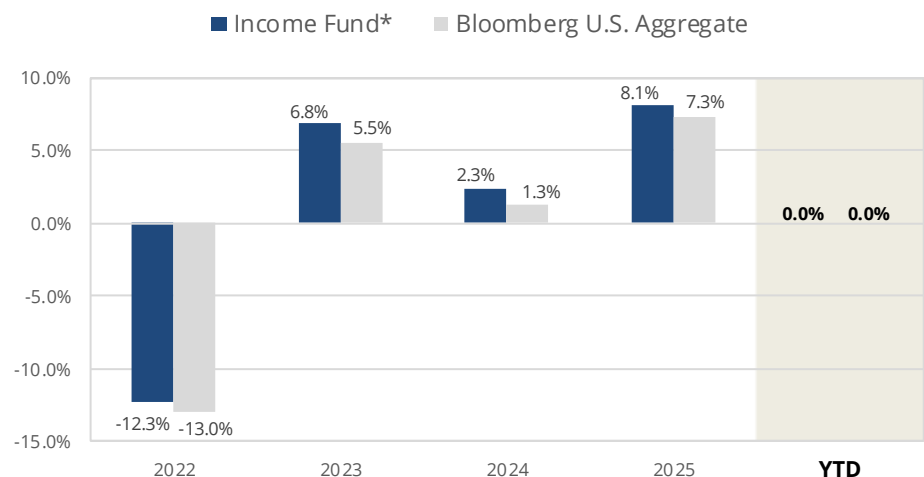
DIT Total Fund



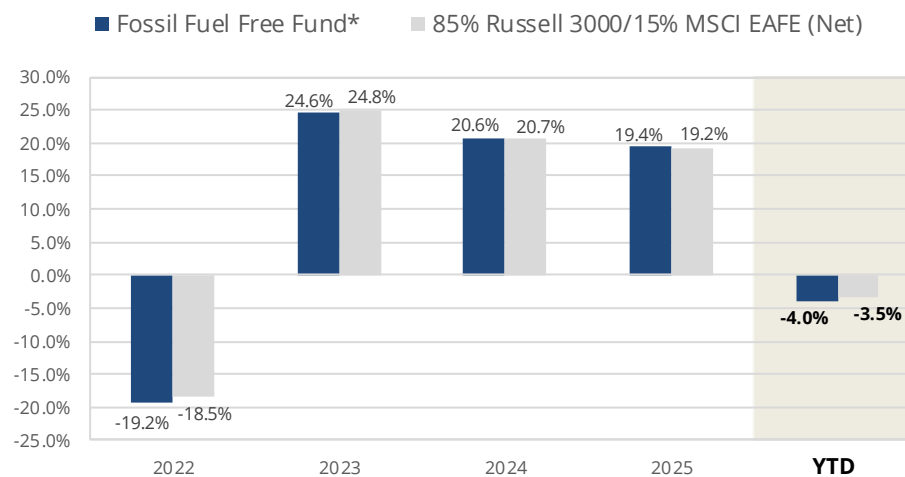
DIT Stock Fund



DIT Income Fund



DIT Fossil Fuel Free Fund^^



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Dear DIT Participant:

The DIT Total Fund, comprised of the Stock and Income Funds, lost 1.8% (gross)* in the first quarter, outperforming the index** by 60 bps. The DIT Stock Fund (-2.8%) outperformed the 80% S&P 500/20% MSCI EAFE Index (-3.7%) by 90 bps, while the DIT Income Fund (0.0%) matched the Bloomberg U.S. Aggregate Index.

The first quarter of 2026 broke a string of three consecutive quarters of positive U.S. equity market returns. After a gain in January, performance faltered in February as artificial intelligence (AI) disruption fears pushed software stocks significantly lower. The Iran conflict, which began the last day of February, drove a March decline, as investors sold stocks amid the possibility of an expanded, prolonged war. As a result, the large cap focused S&P 500 Index lost 4.3% in the quarter and the broader Russell 3000 Index declined 4.0%. The Russell 3000 Index benefitted from small cap exposure, as the small cap Russell 2000 Index (+0.9%) outperformed the large cap Russell 1000 Index (-4.2%). Energy (+38.4%), already the best performing sector through February, climbed higher when Iran closed the Strait of Hormuz, effectively cutting off 20% of the global oil supply. Other value sectors also posted gains in the quarter with materials (+9.6%), utilities (+7.7%), industrials (+5.1%), and real estate (+1.4%) increasing. Growth sectors lost ground as health care (-4.8%), IT (-9.1%), and consumer discretionary (-9.1%) experienced declines.

Developed non-U.S. equity markets ended their streak of four consecutive positive quarters with the MSCI EAFE Index losing 1.2%. High-quality stocks hindered results, underperforming the broad market as the MSCI EAFE Quality Index (-3.7%) trailed the MSCI EAFE Index by 250 bps. Value stocks outperformed growth stocks and small cap stocks outperformed large cap stocks. The MSCI EAFE Value Index (+2.0%) beat the MSCI EAFE Growth Index (-4.7%) by 670 bps and the MSCI EAFE Small Cap Index (-1.3%) outperformed the MSCI EAFE Large Cap Index (-1.9%) by 60 bps. The U.S. and Israel's conflict with Iran drove oil and gas prices higher. Energy (+40.0%) was the best performing sector in international markets. Utilities (+10.9%) and materials (+6.9%) were the only other sectors to post gains in the quarter.

The Federal Open Markets Committee (FOMC) opted to hold rates steady during their meetings in January and March. After three rate cuts in 2025, the FOMC paused their easing cycle due to inflation continuing to run higher than the 2% target, relatively low unemployment, and resilient economic growth. Current projections predict zero or one rate cuts in 2026. Rising inflation concerns increased Treasury yields during the quarter. The yield on the 2-year note increased from 3.5% to 3.8%, the 10-year note increased from 4.2% to 4.3%, and the 30-year bond increased from 4.8% to 4.9%. Credit spreads remained tight relative to historical standards with the U.S. corporate spread at 89 bps and the Agency MBS spread at 24 bps. Amid this backdrop, the Income Fund and Bloomberg U.S. Aggregate Index returned 0.0% in the quarter.

The DIT Stock Fund outperformed the 80% S&P 500 /20% MSCI EAFE Index in the first quarter due to international equity (+2.7%) beating the MSCI EAFE Index (-1.2%) by 390 bps. The Avantis International Small Cap Value Fund (+6.5%) was the best

performing manager in the Stock Fund as value and small cap stocks outperformed. The Vanguard Developed Markets Index Fund (+2.5%) also aided international equity's outperformance. The MFS International Equity Fund (-3.8%) underperformed due to having a high-quality portfolio in a period of lower-quality stock outperformance. Domestic equity (-4.7%) underperformed the S&P 500 Index (-4.3%) by 40 bps. Value manager, the Dodge & Cox Stock Fund (-1.7%), and the Vanguard Mid Cap Index Fund (-0.6%) outperformed the S&P 500 Index. While Westfield Large Cap Growth (-7.8%) outperformed the Russell 1000 Growth Index (-9.8%) by 200 bps, it underperformed the S&P 500 Index. John W. Bristol Equity (-5.1%) also underperformed due to a lack of exposure to energy stocks.

The DIT Income Fund matched the Bloomberg U.S. Aggregate Index during the first quarter. The IR&M Core Plus Bond SRI account (0.0%) mirrored the benchmark and the Loomis Sayles Core Plus SRI Fund (+0.1%) also approximated the index in the period.

The passively managed DIT Fossil Fuel Free Stock Fund (-4.0%) underperformed the blended 85% Russell 3000/15% MSCI EAFE Index (-3.5%) by 50 bps. Aperio's lack of exposure to fossil fuels hurt relative results, as the energy sector was the best performing in the Russell 3000 and MSCI EAFE Indices.

In January, the TOD Investment Committee rebalanced the DIT Stock Fund to reduce exposure to underperforming managers. The Committee redeemed \$14.1 million from John W. Bristol Equity, \$5.0 million from the MFS International Equity Fund, and terminated the Wasatch Small Cap Value Fund due to persistent underperformance. The proceeds were reinvested in a new manager, the Vanguard Institutional Index Fund (\$18.6 million) and the Vanguard Developed Markets Index Fund (\$5.0 million).

The fee for combined management, consulting, custody, and accounting services for DIT Stock Fund investments is 72 basis points annually, the fee for DIT Income Fund Investments is 35 basis points annually, and the fee for DIT Fossil Fuel Free Stock Fund Investments is 47 basis points annually. There are no additional or underlying fees on your DIT investments.

The Trustees currently recommend a 65% Stock Fund/35% Income Fund allocation for investments in the DIT. We respectfully remind DIT participants that they can delegate to us responsibility for maintaining the allocation of their agency funds or, if preferred, specify an allocation where their agency funds will be automatically restored on a quarterly basis. We would also encourage DIT participants who have not already done so to review their current agency fund allocations.

As always, we welcome invitations from parishes and affiliated organizations to discuss existing or prospective investments in the DIT. A meeting with TOD representatives can be arranged by contacting the DIT's Investment Coordinator, Bill Boyce, at 617-482-4826, x557, or bboyce@diomass.org.

**Gross of custody fees, consulting fees, administrative fees, and investment management fees for separately managed accounts and commingled vehicles, but net of mutual fund and ETF investment management fees.*

***52% S&P 500/13% MSCI EAFE/35% Blbg U.S. Agg.*



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Income Fund:

Income Research & Management, LLC
Loomis Sayles & Company, LP

Stock Fund:

John W. Bristol & Company
Westfield Capital Management, LLP
Dodge & Cox
The Vanguard Group, Inc.
MFS Investment Management
Avantis Investors

Diocesan Fossil Fuel Free Fund:

Aperio Group, LLC

Trustees of Donations to the Protestant Episcopal Church

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