

Fixed Income

The IUMF portfolios all hold a combination of U.S. Treasuries, U.S. Investment Grade Corporate debt and a measured percentage of top-tier, high-yield corporate debt (BB). The overall duration of the portfolios is approximately 3 years versus a benchmark of 4 years. During the quarter, there has been a tightening of the credit spreads, particularly in the BB space. We began the quarter with an average (4-year duration) BB corporate bond trading at a premium over comparable maturity treasuries of 2.77% and ended the quarter at a spread of 2.59%. This is representative of a tightening trend. On March 15th, the Fed voted to raise the target rate from .50/.75 to .75/1.0. The 3-year yield Treasury moved from 1.45% to 1.49% and the 5-year yield moved from 1.93% to 1.92%. All of the portfolios experienced positive returns in the first quarter of 2017.

Courtesy of Telemus representatives (IUMF Fixed Income Manager)

Equity Income

DOMESTIC:

The U.S. equity market, as measured by the S&P 500 Index was up a moderate 6.1%. The gains came through a back drop of very low volatility. Many drivers bolstered the market returns including economic growth, full employment, low inflation and high consumer confidence. Near the end of the quarter, markets leveled off as the Federal Reserve raised rates and healthcare reform died in Congress.

The break down by sector is as follows:

The sectors that lead the way in producing the last quarter returns did not help in the current quarter. The top performing sectors in the first quarter were information technology, consumer cyclicals and healthcare as the markets favored the larger cap stocks in growth-oriented areas. Energy was the primary laggard as oil prices declined 10 percent during the quarter.

INTERNATIONAL:

Developed equity markets outside the U.S. were up a moderate 7.3% as measured by the MSCI EAFE Index. Representing signs of recovery in the Eurozone and positive returns out of Japan. The rally was consistent across the quarter, with the index rising over each month of the quarter.

All twenty-one countries in the EAFE posted positive returns in the first quarter. The best performing countries were Spain and Singapore. Norwegian markets were the least positive for the quarter due in part to continued softness in energy prices, negative unemployment data and persistently slow economic growth. Energy was the only sector out of the eleven GIC sectors for the period with a negative return as oil prices slipped on reports of a substantial rise in U.S. crude oil inventories. The top performing sectors were information technology, consumer cyclicals and healthcare as the market favored growth-oriented areas.

Courtesy of Parametric (IUMF Equity Funds Manager)



The actual net returns for each of the Funds as of March 31, 2016

		Month to Date	Quarter to Date	Year to Date	Trailing 12 Months
Equity Fund	=	1.02%	4.99%	4.99%	14.76%
Balanced Fund	=	0.79%	3.85%	3.85%	10.20%
Bond Fund	=	0.38%	1.05%	1.05%	2.29%
Short Term Income Fund	=	0.07%	0.34%	0.34%	0.60%

Benchmark average annual gross returns for each of the Funds as of March 31, 2016

		Month to Date	Quarter to Date	Year to Date	Trailing 12 Months
Equity Fund ¹	=	1.13%	6.00%	6.00%	16.17%
Balanced Fund ²	=	0.74%	4.26%	4.26%	11.42%
Bond Fund ³	=	0.01%	1.02%	1.02%	2.87%
Short Term Income Fund ⁴	=	0.04%	0.28%	0.28%	0.26%

¹ MSCI EAFE / 40% S&P 500 / 20% S&P 1000

² MSCI EAFE / 24% S&P 500 / 12% S&P 1000 / 75% Barclay's Government Credit / 10% ML US High Yield BB 1-10 yr.

³ 75% Barclay's Government Credit / 25% ML US High Yield BB 1-10 yr.

⁴ Barclay's 1-3 yr Gov Index

Average Annual Net Returns (2013 -2017):

Performance		1 Year	3 Year	5 Year
Equity Fund	=	14.76%	7.29%	10.97%
Balanced Fund	=	10.20%	5.30%	7.11%
Bond	=	2.29%	2.17%	1.60%
Short Term Income Fund	=	0.60%	0.90%	0.75%
Benchmark		1 Year	3 Year	5 Year
Equity Fund	=	16.17%	6.44%	10.64%
Balanced Fund	=	11.42%	4.95%	7.58%
Bond Fund	=	2.87%	2.72%	2.99%
Short Term Income Fund	=	0.26%	0.74%	0.65%

March 31, 2017

Balanced

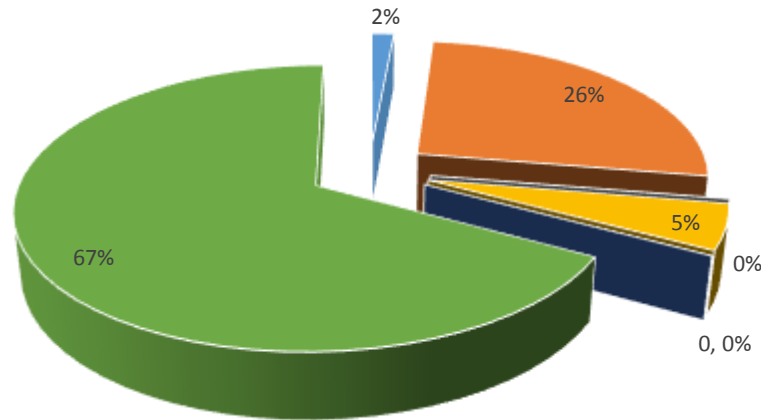


Balanced - Telemus ***	\$ Value	Neutral	Allocation
Cash	338,307.22		1.43%
Other Assets			
Corp Fixed Income	6,184,035.69		26.22%
Other Fixed Income	1,191.67		0.01%
Gov't Securities	1,223,977.87		5.19%
Mutual Funds	-		0.00%
Total - Telemus (Fund Manager)	7,409,205.23	40.00%	31.42%
Balanced - Parametric ***			
Stocks	15,835,878.83	60.00%	67.15%
Total - Parametric (Fund Manager)			
Total Balanced	23,583,391.28	100.00%	100.00%

*** Social Principals Index - Fund created for IUMF by Parametric (Parent Company)

The neutral Allocation is 60% Equity, 40% Fixed

Balance Fund 3/31/17



■ Cash ■ Corp Fixed Income ■ Other Fixed Income ■ Gov't Securities ■ Mutual Funds ■ Stocks

March 31, 2017

Balanced



Asset Allocation

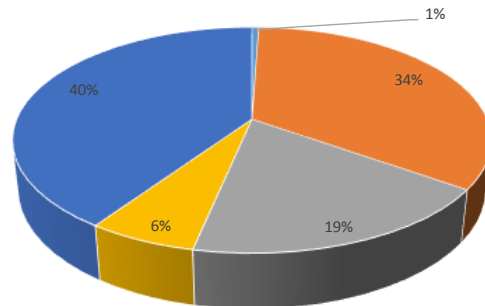
	Fixed	Equity
Cash	0.30%	0.54%
Investment Grade	57.80%	
High Yield	25.30%	
Treasury	16.60%	
Large Cap		34.28%
Mid Cap		18.48%
Small Cap		6.22%
International		40.48%

Y-T-D

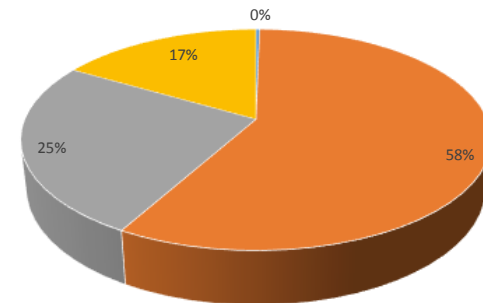
Income	138,215.72
Expenses	(69,802.53)
Re/Unrealized Gain/Loss	<u>881,491.84</u>
Net Growth	<u>949,905.03</u>

	Current Mo	QTR	ROI YTD	1-Year	3-Year	5-Year
Actual	0.79%	3.85%	3.85%	10.20%	5.30%	7.11%
BenchMark	0.74%	4.26%	4.26%	11.42%	4.95%	7.58%

Asset Allocation Equity



Asset Allocation Bond



■ Cash ■ Investment Grade ■ High Yield ■ Treasury

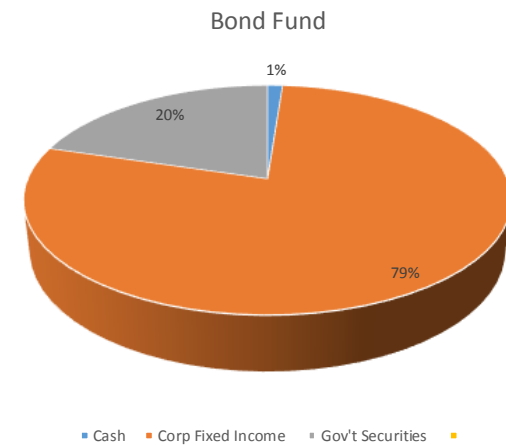
March 31, 2017

Bond



Bond - Telemus ***	\$ Value	Neutral	Allocation
Cash	55,400.97		1.19%
Corp Fixed Income	3,652,492.96		78.45%
Gov't Securities	947,899.77		20.36%
<hr/>			
Total - Telemus (Fund Manager)	4,655,793.70	100.00%	100.00%

*** Social Principals Index -
Fund created for IUMF by Parametric (Parent Company)

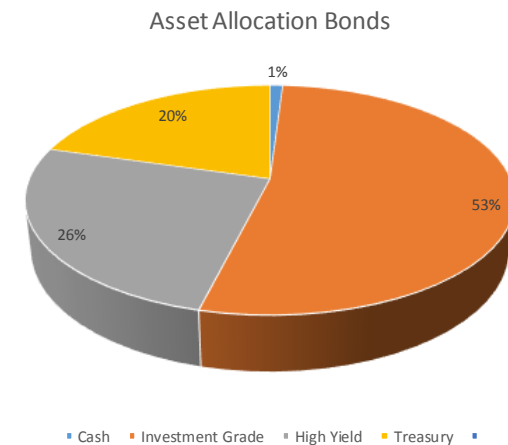


Asset Allocation

	Bond	Income	Y-T-D
			38,089.32
		Expenses	(10,728.70)
Cash	1.00%	Re/Unrealized	
Investment Grade	52.90%	Gain/Loss	<u>15,440.57</u>
High Yield	25.60%		
Treasury	20.50%	Net Growth	<u>42,801.19</u>

ROI

	Curr MO	QTR	YTD	1-Year	3-year	5-year
Actual	0.38%	1.05%	1.05%	2.29%	2.17%	1.60%
Benchmark	0.01%	1.02%	1.02%	2.87%	2.72%	2.99%



March 31, 2017

Equity



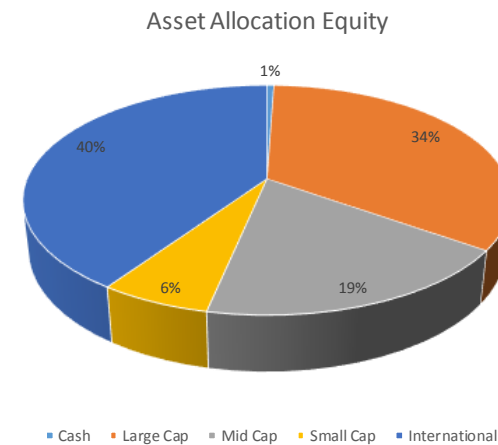
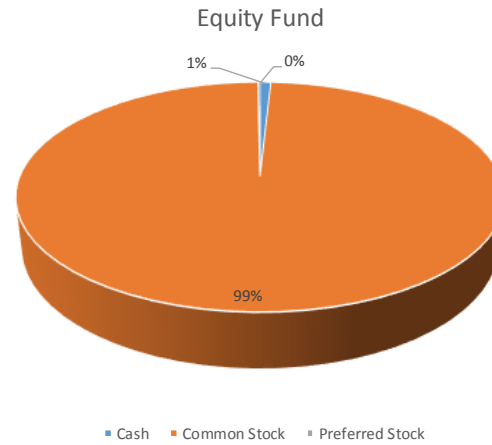
Equity - Parametric ***	\$ Value	Neutral	Allocation
Cash	41,249.34		0.86%
Common Stock	4,772,934.92	100.00%	98.97%
Preferred Stock	8,451.96		0.18%
Total	4,822,636.22	100.00%	100.00%

*** Social Principals Index - Fund created for IUMF by Parametric (Parent Company)

Equity		Y-T-D	
		Income	15,349.46
Cash	0.54%	Expenses	(11,546.09)
Large Cap	34.28%	Re/Unrealized	
Mid Cap	18.48%	Gain/Loss	197,464.49
Small Cap	6.22%		
International	40.48%	Net Growth	<u>201,267.86</u>

ROI

	Curr MO	QTR	YTD	10Year	3-Year	5-Year
Actual	1.02%	4.99%	4.99%	14.76%	7.29%	10.97%
Benchmark	1.13%	6.00%	6.00%	16.17%	6.44%	10.64%



The neutral Allocation is 100% Equity

March 31, 2017

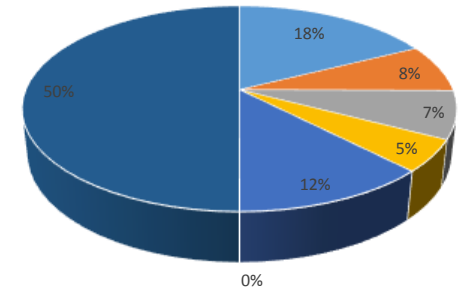
Short Term Income



Asset Allocation

				Y-T-D	
		S-T Income	Income	24,437.45	
Vanguard S-T Bond	465,577	35.2%	Expenses	(3,604.03)	
Vanguard S-T Corp Bond	199,999	15.1%	Re/Unrealized		
Vanguard S-T Gov Bond	198,927	15.0%	Gain/Loss	<u>4,461.53</u>	
Vanguard Mortgage Backed	132,455	10.0%			
Various Mutual Fund	326,892	24.7%	Net Growth	<u>25,294.95</u>	
Cash & Cash Equivalents	179	.0%			
	1,323,662	100.0%			

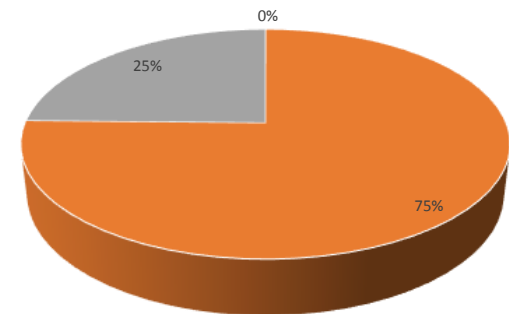
Asset Allocation



- Vanguard S-T Bond
- Vanguard S-T Corp BND
- Vanguard S-T Gov BND
- Vanguard Mortgage Backed
- Mutual Fund
- Cash & Cash Equivalents

Short-Term Income Fund	\$ Value	Neutral	Allocation
Cash & Cash Equivalents	178.85		0.01%
Exch Trade & Closed End	996,957.57		75.30%
Mutual Funds	<u>326,892.35</u>		<u>24.69%</u>
Total	1,324,028.77		100.00%

Short-Term Investment



- Cash & Cash Equivalents
- Exch Trade & Closed End
- Mutual Funds

Managed by Fidelity Investments

March 31, 2017

Balanced Portfolio



Balanced Fund Bond

Sector	03/31/17
Treasury	16.6
Corporate (IG)	57.8
Corporate (HY)	25.3
Mortgages	.0
Cash	0.4

Balanced Fund Equity Allocations

Large Cap	34.28%
Mid Cap	18.48
Small Cap	6.22
International	40.48
Cash	0.54

Balanced Portfolio Bond Characteristics

Duration	3.17
Average Credit Quality	BBB+
Convexity	0.16

Long-Term Bond Characteristics

Duration	3.05
Average Credit Quality	BBB+
Convexity	0.14

Balanced Fund Stock Sectors

	Total Value 03/31/17	% of Equities 03/31/17
Consumer Discretionary	12.8%	12.3%
Consumer Staples	8.9	9.5
Energy	5.4	6.6
Financials	18.0	14.0
Health Care	12.3	14.0
Industrials	13.3	10.0
Information Technology	14.5	22.0
Materials	6.0	2.8
Real Estate	1.0	3.0
Telecommunication Services	2.6	2.4
Utilities	3.6	3.3
Others	1.5	-

Balanced Fund Equity

Top 10 Holdings	% of Equities 03/31/17
APPLE INC	1.4%
NESTLE SPON ADR REP REG SHR	1.0
MICROSOFT CORP	0.9
AMAZON COM INC	0.7
ROCHE HOLDINGS ADR	0.7
JPMORGAN CHASE & CO	0.6
FACEBOOK INC CL-A	0.6
HSBC HOLDINGS PLC SPON ADR NEW	0.6
EXXON MOBIL CORP	0.6

For additional details please go to the IUMF website <http://iumf.org/church-investments/performance>.

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