



Investment Perspective

FROM BRETHERN FOUNDATION

DECEMBER 2009

MARKETS AND THE ECONOMY

In November, equities performed strong in both the domestic and international markets. Stronger underlying fundamental factors, including employment and housing data, propelled stock markets higher as the expectation of an improvement in the U.S. economy continued to grow. For the month of November, the Domestic Stock Fund gained 5 percent — another large monthly gain for the year.

Corporate, asset-backed securities and U.S. Treasury bonds continued with gains for the month. Interest in U.S. debt instruments grew in response to international issues — such as the credit quality of Greece — and domestic issues, as third quarter GDP saw positive gains for the first time in several quarters. Investors wonder how long the Fed will keep short-term rates near zero, as it phases out or scales back stimulus programs. Keep in mind that the domestic bond market has rallied further and faster than anyone had forecast at the beginning of 2009.

Overall, it has been a great year in both the equity and bond markets.

Clients now have the opportunity to minimize volatility by more fully diversifying their portfolios.

BRETHERN FOUNDATION BOARD AUTHORIZES NEW INVESTMENT OPTIONS

The Brethren Foundation Board of Directors authorized five new investment options at its Nov. 21 meeting. These asset classes bring the number of Board-authorized investment options offered by Brethren Foundation to 16. When fully implemented, the options available to Brethren Foundation clients should be sufficiently diverse to accommodate most investment styles.

The five new investment options that will be offered by Brethren Foundation are a Treasury Inflation-Protected Securities Fund, a High-Yield Bond Fund, an Emerging Markets Stock Fund, a Public Real Estate Fund, and a Commodities-Based Fund.

Brethren Foundation currently offers nine active investment options and two inactive options — the Domestic Stock Value Fund and Domestic Stock Growth Fund were authorized by the Board at its November 2007 meeting but have not been implemented.

Clients now have the opportunity to minimize volatility by more fully diversifying their portfolios, because the new asset classes have lower correlation with some investment options already offered by Brethren Foundation. Market factors typically affect the new asset classes somewhat differently than the way that some of the current investment options are affected by those same market factors. Some of the new investment options carry a higher level of risk than the current offerings. Clients should carefully study the risks and rewards of the new options before investing in them.

Selection of the managers for these new investment options should be completed in early 2010. As the inception date approaches, additional information about the new options will be provided to Brethren Foundation clients.

Please contact Steve Mason, director of Brethren Foundation, if you have questions or comments.



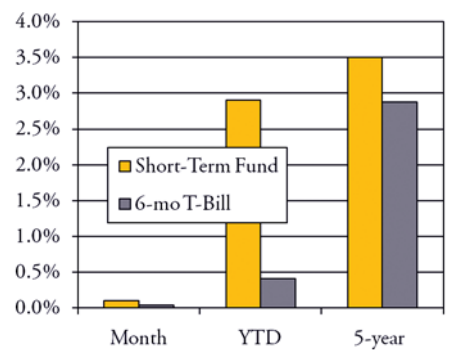
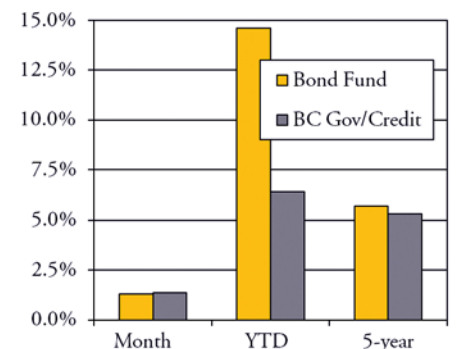
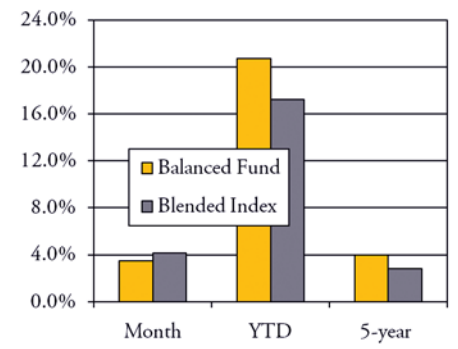
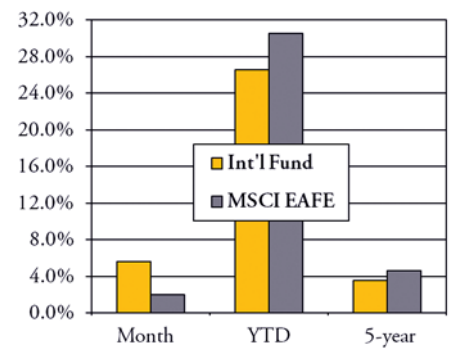
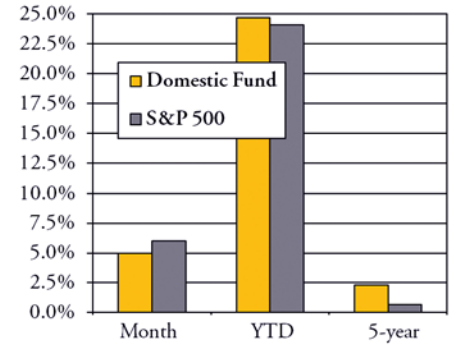
Monthly Fund Performance Report

for the period ending November 30, 2009

Performance Report

All Foundation investment funds must meet socially responsible investment guidelines.

FUNDS (Net of Investment Fees)	BENCHMARKS (Gross)
Domestic Stock Fund: Rate of Return Current month 5.0% Year to date 24.7% Five years 2.3%	S&P 500: Rate of Return Current month 6.0% Year to date 24.1% Five years 0.7%
Domestic Stock Core Fund: Rate of Return Current month 5.1% Year to date 23.1% Five years 2.3%	S&P 500: Rate of Return Current month 6.0% Year to date 24.1% Five years 0.7%
Small Cap Fund: Rate of Return Current month 3.3% Year to date 25.9% Five years 3.4%	Russell 2000: Rate of Return Current month 3.1% Year to date 17.7% Five years (0.5)%
International Stock Core Fund: Rate of Return Current month 5.6% Year to date 26.6% Five years 3.6%	MSCI EAFE: Rate of Return Current month 2.0% Year to date 30.6% Five years 4.6%
Balanced Fund: Rate of Return Current month 3.5% Year to date 20.7% Five years 4.0%	Blended Balanced Index: Rate of Return Current month 4.1% Year to date 17.2% Five years 2.8%
Bond Fund: Rate of Return Current month 1.3% Year to date 14.6% Five years 5.7%	Barclays Capital Gov/Credit: Rate of Return Current month 1.4% Year to date 6.4% Five years 5.3%
Bond Core Fund: Rate of Return Current month 1.3% Year to date 14.3% Five years 5.7%	Barclays Capital Gov/Credit: Rate of Return Current month 1.4% Year to date 6.4% Five years 5.3%
Short-Term Fund: Rate of Return Current month 0.1% Year to date 2.9% Five years 3.5%	Merrill Lynch 6-Month T-Bill*: Rate of Return Current month 0.0% Year to date 0.4% Five years 2.9% * Changed 5/1/09. YTD and 5 yr blended w/90-day T-Bill.
Comm. Dev. Investment Fund: Rate of Return Current month 0.4%* Year to date 2.7%* Five years 3.1%* *Interest accrues on a quarterly basis.	Consumer Price Index: (most recent data available) October 2009 0.3% Year to date (thru October 2009) 3.2% Five years 2.7% The CPI is an indicator of inflation.



Five-year returns are annualized.