

THE CONGREGATIONAL INVESTMENT TRUST

Performance Summary

As of June 30, 2010



Associated
Wealth Management

Fiscal Year Ended 3/31	Congregational Investment Trust	Benchmark Index	MARKET INDICES				90-Day T-Bills
			Barclays Int. Term.				
			S&P 500	Govt/Credit Bond Index	EAFE		
Last Qtr & FYTD							
04/01/10-06/30/10	-5.17%	-5.62%	-11.41%	+2.97%	-13.75%	+0.04%	
YTD 01/01/10-06/30/10	-1.52%	-2.52%	-6.64%	+4.56%	-12.93%	+0.06%	
2010	+28.42%	+32.06%	+49.72%	+6.91%	+55.20%	+0.12%	
2009	-18.4%	-21.9%	-38.1%	+2.0%	-46.2%	+0.9%	
2008	+0.9%	+0.9%	-5.1%	+8.9%	-2.3%	+3.1%	
2007	+7.8%	+8.7%	+11.8%	+6.1%	+20.7%	+4.9%	
2006	+7.5%	+8.8%	+11.7%	+2.1%	+24.9%	+3.5%	
2005	+4.5%	+4.5%	+6.7%	-0.3%	+15.5%	+1.6%	
2004	+20.3%	+24.3%	+35.1%	+5.3%	+58.2%	+1.0%	
2003	-10.5%	-9.5%	-24.8%	+11.7%	-23.0%	+1.6%	
2002	+2.7%	+1.6%	+0.3%	+5.2%	-8.5%	+3.1%	
2001	-5.9%	-7.9%	-21.7%	+12.2%	-25.7%	+6.0%	
2000*	+5.9%	+11.6%	+17.9%	+2.0%	+25.4%	+5.0%	
1999	+4.6%	+12.1%	+18.5%	+6.6%	+6.4%	+4.9%	
1998	+32.5%	+28.2%	+48.0%	+9.7%	+18.9%	+5.3%	
1997	+16.6%	+11.6%	+19.8%	+4.8%	+1.8%	+5.2%	
1996	+24.0%	+20.2%	+32.1%	+9.6%	+12.7%	+5.6%	
1995	+12.2%	+9.8%	+15.5%	+4.5%	+6.4%	+4.9%	
1994	+5.3%	+3.6%	+1.4%	+2.5%	+22.8%	+3.1%	
1993	+13.7%	+13.3%	+15.2%	+12.4%	+12.0%	+3.4%	
1992	+13.0%	+9.1%	+11.0%	+10.8%	-7.7%	+5.1%	
1991	+10.8%	+12.2%	+14.4%	+12.1%	+2.9%	+7.6%	

1) Results are presented before management fees

2) Past performance does not guarantee future results.

3) Benchmark Index is 50% S&P 500, 40% Barclays Index, 8% EAFE, 2% T-Bills.

4) Performance for periods prior to 4/1/95 is for the NACCC General Investment Fund.

* Benchmark Index through fiscal year 2000 is 47% S&P 500, 40% Lehman Index, 8% EAFE, 5% T-Bills.

Investment Commentary

- World Cup Soccer vuvuzela horns were buzzing during the month, but not because of the stock market. The S&P 500 index sank by -5.24% in June, and the NASDAQ composite fell by -6.49%. These performances came in after a discouraging May, resulting in a second quarter most investors would like to forget. The S&P 500 turned in a second-quarter 2010 performance of -11.43%. The NASDAQ composite's second-quarter performance was -11.83%.
- Foreign markets performed somewhat better than U.S. markets in June. The Morgan Stanley EAFE index of Europe, Australasia and the Far East recorded a total performance of -0.93% in June. Its second-quarter performance was -13.69% after an especially weak April and May.

- Domestic fixed income markets performed much better than equity markets in June as investors sought (relative) safety. The Barclays U.S. Government/Credit index gained +1.80% in June. The U.S. Treasury component was the strongest sector, but even the junk bond sector outperformed equities. U.S. Treasury securities also propelled this index to a strong second-quarter overall performance of +3.88%.
- Safety was sought in response to many worries, including concerns about the Greek economy. Greece was handed significant austerity orders in an effort to bring its fiscal budget deficit in line with Euro-zone guidelines. Moody's downgraded Greek debt to junk status and investors worried more Euro-zone weakness was in order.
- Even China was a source of worries as its government continued to tap the brakes on economic growth. The Chinese government issued new lending curbs to prevent a housing bubble, and it broadened the range in which its currency is allowed to float. This may result in a mild slowdown in the growth of Chinese exports as they become more expensively priced.
- As June progressed, investors wondered if U.S. equity markets were not predicting a double-dip U.S. economic recession by falling into the red. Although U.S. Gross Domestic Product (GDP) recorded its third consecutive quarter of growth, the pace of growth was revised down to +2.7% from +3.0% in the first quarter. Less robust consumer spending was the main culprit behind this slower growth, which was not enough to make a dent in the groundswell of unemployed workers.
- Indeed, the June employment report was less than encouraging. It showed a loss of 125,000 jobs during the month. The number was largely affected by the termination of 225,000 census jobs, but private sector job growth was anemic at 83,000.
- The U.S. economy seemed entrenched in slow-growth mode with consumer confidence taking a hit in response. Some glimmers of hope existed, however, including corporate profitability. Profits grew on a year-over-year basis by 34% in the first quarter of 2010, and analysts expect annual earnings growth between 27% and 34% in the second quarter. Corporate cash was reported at 7% of total corporate assets, which was the highest level since 1963.