UMFF FUND OVERVIEW____as of MARCH 2022

After very strong equity market performance last year, the first quarter of 2022 started with a sharp correction, particularly for "momentum" stocks. During much of March there was a significant recovery even with most market indices still lower for the quarter. While there are significant unknowns and risks from the unusual, very worrisome, and extremely tragic pandemic and the unprovoked war in Ukraine, the U.S. economy is currently strong, with good prospects for the short to intermediate future. There is substantial unmet consumer demand for products and services and jobs are plentiful. Additionally, much of the federal government's approved investments for infrastructure and for other programs are still available. All of these factors should be very positive for continued near-term economic growth.

These excellent growth signals are tempered by major longer-term challenges such as ongoing federal deficits, projected increases in costs for Social Security/Medicare, and higher costs of interest for the government's $30 Trillion of debt. These factors, and others, could generate substantially increased inflation, much higher interest rates, and a weaker U.S. dollar. These developments would normally have a negative effect on the general economy, our competitiveness, and the standard of living in this country.

In this environment, we believe selectivity and focus on targeted industry segments and individual companies is even more important than under conditions that are more normal. We presently are finding good potential stocks to purchase in areas of Infrastructure and Health Care and certain out of favor companies in the Technology sector that appear attractive to us, with valuations being much lower than "momentum" stocks in these same sectors.

The now well underway plans of the Federal Reserve to systematically raise interest rates to combat inflation adds to the pressure and volatility of equity returns, and it is unsettling to see negative rates of returns on bond portfolios. However, over time, new bond purchases will reflect these higher yields and bond investors who are seeking more predictable returns outside of the stock markets will benefit from reinvesting in the higher rates, and earn more income.

THE FUNDS

The Diversified Equity Fund, the 100% stock Fund, outperformed its benchmark during the first quarter of 2021 as stocks with strong fundamentals accompanied by solid balance sheets at lower valuation proved to be more resilient during the market correction. In an environment that includes an eastern European war and an inflation rate not seen in 40 years, investors moved to defensive sectors that are less sensitive to rising interest rates. The Federal Reserve's decision to accelerate its timeline of increasing its effective key rate had ripple effects across global markets. Growth oriented stocks that rely on distant cash flows became especially vulnerable while Value oriented stocks proved more resilient during this period.

As the Consumer Price Index reached 8.5% year-over-year in March, a company's ability to raise its own prices became a more important factor. The Fund's equity investments outperformed as their underlying companies have proven business models with the ability to pass on input costs to their end customers. While the Russell 3000 index decreased 5.3% during Q1, the S&P 500 Utility index increased 4.8% as investors looked for more stability. This rotation was favorable for the Diversified Equity Fund as the Fund has a 10.3% weight in the Utility sector. The Fund did well this past quarter in terms of both sector allocation and security selection.

The Growth & Income Fund, offers a mix of half equities and half fixed income securities. Although the fund decreased 2.9% in Q1 2022, it outperformed its blended benchmark that decreased 5%. The Fund's outperformance was due to investments made both within the equity and fixed income asset classes. Similar to the Diversified Equity Fund results, the Growth & Income Fund benefited from its Utility holdings that provided capital appreciation in addition to dividend yield. The Fund's equity holdings have a dividend yield of 3.0%, materially higher than the benchmark's 1.8% dividend yield.

While rising interest rates are problematic for both stock and bond markets, the impact on bond investments is especially direct. As newly issued bonds offer higher yield, secondary market bonds that were previously issued in a low interest rate environment become less attractive and sell off. The Fund's bond positions with an aggregated maturity date of 1.5 years therefore outperformed the benchmark (with an average effective maturity date of 4.0 years) as the principal on the former bonds is returned sooner. In addition, higher quality bond issues with strong credit ratings outperformed lower quality bonds.

The Balanced Income Fund offers a mix of 30-40% equities and 60-70% fixed income securities and outperformed its blended benchmark in Q1 2022 by 2.8%. The Value oriented equity positions and short duration high quality bond positions were both well positioned for the downside scenario of rising interest rates. On the equity side, the Fund was overweight the Utility and Industrial sectors while underweight the Consumer Discretionary sector. As inflation climbed to its highest rate since 1981, consumer based stocks sold off with input costs increasing and their projected profit margins decreasing. Although the labor market has been strong with wage increases across the board, consumer demand has become more uncertain as core expenditures, including the cost of housing and transportation, increase.

The Bond Fund of 100% bonds' underlying holdings have an aggregated effective maturity of 2.0 years versus the benchmark's 3.0 years and therefore outperformed in a down market with rising interest. The 2 Year Treasury Government bond yield increased from a rate of 0.7% at the end of the last year to 2.3% by the end of March. This dramatic rise in the risk free rate had profound effects across different asset classes including investment grade debt, high yield debt, equity markets and even alternative investments. As the Federal Reserve takes proactive steps in fighting higher inflation, the Bond Fund has preserved capital with short-term high quality bonds. The Fund's investments have been mostly in corporate bonds as they trade at an attractive spread over the Treasury yields.

Current Challenges:

- The war in Ukraine could worsen which would lead to a heightened humanitarian crisis in addition to a more probable global economic slowdown with increased sanctions on Russia.
- Higher energy prices with possible disruptions of oil and natural gas supplied from Russia, which produces 10 million barrels of oil per day as the world consumes 97 billion per day; a supply disruption would lead to even higher prices at the gas station pump adding further pressure to inflation.
- Continuing higher inflation rates eating into real investment returns, in addition to pressuring the Federal Reserve to raise interest rates, adding to the cost of capital.

Current Opportunities

- Companies with strong pricing power will pass on input costs to their customers and gain market share.
- Unemployment is still very low at 3.6%, which is driving an economic expansion in the United States.

Please refer to the UMFF Q1 2022 Fund Fact pages, which are provided separately, for portfolio performance, sector allocation and other characteristics of each Fund.

1. This document may include forward-looking statements. All statements other than statements of historical fact are forward-looking statements (including words such as "believe," "estimate," "anticipate," "may," "will," "should," and "expect"). Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Various factors could cause actual results or performance to differ materially from those discussed in such forward-looking statements.

2. Past performance is not indicative of any specific investment or future results. Views regarding the economy, securities markets or other specialized areas, like all predictors of future events, cannot be guaranteed to be accurate and may result in economic loss to the investor.