

October 1, 2022

Dear KPFST Beneficiary:

Enclosed is your October 1st distribution check in the amount of \$3.48 per trust unit.

The Kootznoowoo Permanent Settlement Trust dictates that income to the Trust is averaged over a five-year period for purposes of calculating distribution amounts. This means the current distribution look-back period averages income over the fifteen trimesters beginning <u>December 31, 2017</u> and ending <u>August 31, 2022</u>. The unaudited fair market value of the Trust's portfolio as of <u>August 31, 2022 was \$14,996,852</u>. For the calendar year 2022, <u>\$623,472 has been distributed to unit holders from the trust</u>, which equals \$9.92 per trust unit.

Global stock markets and many other investment assets have faced a difficult economic and market environment in 2022. The S&P 500, a widely followed benchmark of US stocks, was down 16.2% on the year, through August 31st. Bonds have also faced losses, as the federal reserve is raising interest rates to fight inflation, and the Barclays Aggregate Bond Index is down 10.8% on the year. The Trust holds an appropriate mix of both stocks and bonds and was down 11.5% on the year.

Fortunately, the trust is still benefiting from strong investment markets over the last few years as our distribution calculation is averaged over a five year time period. Unit holders have seen the distribution amount rise to the highest level in close to 20 years. The Trustees and our investment managers attempt to create positive long-term investment returns that can provide as stable a distribution as possible, but there will still be market time periods where distribution amounts may go down because of significant market declines. Right now we are sticking to our investment policy and being disciplined in the risk we take, but still will face losses, as global markets face recession, high inflation, and rising interest rates. We will aim to provide as much information as possible about upcoming dividend amounts, but volatile investment markets, like we face now, can make forecasting very difficult. Current distribution levels may come down over the next few trimesters, and we will keep unit holders closely informed as we move forward through this tough investment time period.

The KPFST is managed by Alaska Permanent Capital Management. Attached to this letter is their performance report for the Trust.

Unit holders are very fortunate to have the continued willingness on the part of your talented and experienced Trustees who have agreed to serve you at no compensation. KPFST's Trustees are Anthony Mallott, Jaeleen Kookesh, Ricardo Worl, Nathan Soboleff, and I. If you have any questions regarding the Trust, please contact me or one of the other trustees. You may reach any of them by first contacting the Kootznoowoo, Inc. office at (907) 790-2992.

Very truly yours,

Edwell John Jr.

Chair, Kootznoowoo Permanent Fund Settlement Trust

Cc: Kootznoowoo Board of Directors

**KPFST Trustees** 

Edwell John Gr.

# KOOTZNOOWOO PERMANENT FUND SETTLEMENT TRUST

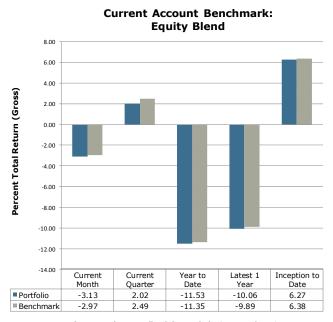
Account Statement - Period Ending August 31, 2022

## **ACCOUNT ACTIVITY**

Portfolio Value on 12-31-21	17,513,775
Contributions	0
Withdrawals	-525,958
Change in Market Value	-2,148,348
Interest	1,831
Dividends	158,494

Portfolio Value on 08-31-22 14,999,795

### **INVESTMENT PERFORMANCE**



Performance is Annualized for Periods Greater than One Year

Clients are encouraged to compare this report with the official statement from their custodian.



#### **MANAGEMENT TEAM**

Client Relationship Manager: Blake Phillips, CFA® Blake@apcm.net

Your Portfolio Manager: Brandy Niclai, CFA®

Contact Phone Number: 907/272-7575

## **PORTFOLIO COMPOSITION**

