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I. Overview

The 2014-2015 academic year is the second annual for the School of Business Investment Program. 20 elite students completed the Program and ran the fund associated therewith. Appendix A.1 shows a listing of the students, along with their position and sector of coverage. The year was marked by advancement in many key areas of emphasis. The Program's stated objectives are as follows:

1. Develop elite students with career-relevant skills who will hold a competitive advantage in the job market.
2. Increase the visibility and reputation of the School of Business as a distinguished resource for potential students, faculty, and employers.
3. Build relationships between the School of Business and members of the local, regional, and national investment communities.
4. Consistently generate returns that exceed relevant benchmarks.

We have improved the processes through with the Program translates academic materials into practical application and — most importantly — career relevant skills. We have increased focus on communication and technical skills, forcing the 20 students in the Program into situations that cultivate, test, and refine these skills, which we feel are the most important to current success in the field. Students exiting the Program now have in-depth knowledge of valuation processes and Excel-based automation. Further, they have developed maturity and professionalism in settings abnormal to those experienced by average college students.

To the second and third objectives, we have made great strides in developing relationships within the financial industry and local business community. This has occurred in a number of ways, including the following:

- We hosted three firm visits over the calendar year. First, in early September, the Program hosted JP Morgan to campus for the first time. This was followed very closely by a return visit by Goldman Sachs. Finally, we welcomed another new firm to campus in Raymond James in February. Please see an article on these visits in Appendix A.2.
- We co-hosted an event in late Fall with the CFA Society SC. This was the second event that we were honored to cohost with the Society and it was a great success. Dr. Joanne Hill of ProShares was the presenter and we welcomed over 50 individuals, many of which were first time visitors. Please see the article in Appendix A.3 for more information in this event.
In late March, eight members of the Investment Society traveled with the Director the Global Asset Management Education (GAME) forum in New York City. There, over 1,000 students, faculty, and professionals associated with student investment education gathered to listen to dozens of internationally-recognized speakers, mingle with like-minded peers, and develop valuable connections to aide in future professional pursuits. Students were able to view best practices in student managed funds, while learning of current trends and upcoming changes in the financial markets landscape. In addition, it served as an introduction to many to the center of the financial world. While in NYC, the contingent had the opportunity to visit the venerable New York Stock Exchange and received eye-opening opening exposure to the rapidly evolving world of stock exchanges. Please see the article in Appendix A.4 for more information on the trip.

Near the end of the year, we hosted for the first time what we plan to make our premier annual external event— the CofC Strategic Investment Symposium. This event focuses on strategic asset management and was a great first effort. The itinerary included 13 distinguished professionals, including keynote speaker Chris Concannon, CEO of BATS Global Markets. Appendix A.5 displays the program for the inaugural Symposium. We welcomed nearly 100 attendees to the symposium and received very positive feedback overall. An article in Appendix A.6 helps expand on the event. We are excited to announce that we are already planning the second Strategic Symposium in April 2016.

All of these events helped to increase the visibility of the Program, the School, and the College. Most importantly, it helped our students gain valuable insight into the professional world and encouraged firms and potential future employers to interact with our students. We are confident that, if continued, this aggressive outreach initiative will pay dividends with more and better paying jobs, as well as recognition for the quality of student the College can produce.

Of the 20 students, 18 were graduating seniors, while two will come back for their senior year and help lead the next cohort of the Program. Of the 18 that graduated, most have secured high level jobs in the industry. We are pleased with the mixture of nationally recognized placements alongside placements in local firms that will both keep key young CofC talent in the area and help further develop the Charleston financial community. Key placements include the following:

- Goldman Sachs (2): Dallas, TX
- Landmark Partners, Simsbury, CT
- Dixon-Hughes, Charleston, SC
- HDH Advisors: Atlanta, GA
- Blackbaud, Daniel Island, SC
- Snapcap: Charleston, SC
- KPMG: Atlanta, GA

Finally, to the fourth objective, our students managed $100,000 over the course of the academic year. They began the fall semester with approximately $50,000 in invested capital, left from the holdings of the previous cohort, and $50,000 of new cash with which they could invest according to the policy statement and the procedures in place. The discussion of performance will occur in a latter section, but we are content with the performance of the fund, given the abnormal conditions the students faced. Many mistakes were made, but they were offset by not only many positives, but also by the education those events provided.

II. Markets Analysis

The past academic year (measured in this report from May 2014 – April 2015) has seen a continuation of the the long-term bull market. From the bottom of the 2008 financial crisis, domestic equity markets have rebounded by more than 150%, leading some to refer to the current state as a secular bull trend. At the beginning of the period, the S&P was approaching 1900 and ended April almost exactly 200 points higher, good for nearly a 12% return over the 12 month period. The ride was not necessarily a smooth one however, as many macro-economic events occurred during the period, which caused many relatively minor corrections along the way.

The 2014-2015 Investment Society entered active management of the Program in late August and was greeted by continuing advances in the US market. September appeared to be no different from the past few months as the markets repeatedly set record closes and intra-day highs. Every sector was enjoying high P/E inflating stock prices and valuations, as most feasted on the bullish sentiment in the markets. However, while the markets continued to react favorably to the bullish movements, as well as the monumental event of the Alibaba (BABA) IPO, the hot-running markets made many investors nervous. The VIX had also begun to rise rapidly, over 30% during the month of September. This sudden turn-around was juxtaposed against multiple major world crises including the Ebola scare and western sanctions against Russia following their invasions into neighboring company Ukraine.

In addition to these issues of negative sentiment, perhaps the largest came from the energy sector, where the price of oil declined rapidly. As a result, by October 16th, after its worst three-day swoon since 2011, the S&P 500 index had lost nearly 7.5% from its September 18th high. The VIX over the same period jumped 109%, the highest level it has been since mid-2012. However, nearly before it began, the correction was over, as the market appeared to reach a
resistance point. By the end of the month, the S&P 500 made a full recovery to again close at a record high of 2018, while the VIX simultaneously retreated over 50% by the last day of trading in October.

The positive trends at the end of October were carried over into November as the S&P 500 more than two percent during the month despite the continuing fall in oil prices. The main contributors to the rise were foreign central banks that began to increase stimulus and the election of a republican Congress and Senate, something that is generally believed to be good for business and stocks. This led to the benchmark S&P 500 rebounding over 10 percent from a six-month low on October 15. Also, S&P 500 companies continued beating analysts’ earnings estimates at the fastest pace in four years. More than 80 percent of the S&P 500 members topped projections during the winter reports; the highest rate since the second quarter of 2010. The market then slowed considerably in December, with increased volatility. This volatility was born out in a singular rollercoaster ride, where markets declined by nearly 4% by mid-month, before rebounded to post an effectively flat monthly return. Oil continued to fall, to five-year lows.

The calendar year of 2015 as thus far been a study in contrasts. The year began with a sharp macro decline, as crude prices continued to fall and volatility remained relatively high. Markets retracted more than 3% over the course of the month, leaving many to believe the correction we feared was upon us. However, the market’s resilience once again shown through in February, as the month was characterized by gains (>2%), driving in large part by a rebound in energy prices. US markets were also aided by an extension of the Greece debt relief package and better than expected news from the US economy. Again, however, the tide turned in March as markets struggled to break even for much of the month and ended at a loss of nearly 2%. Oil prices did not rise to levels that were expected from the February rebound, and the promising economic data from February was offset by weak economic data during the month of March. April was defined by a cautious investing attitude amongst investors. There were promising events, including rapidly increasing oil prices and a stronger than expected job report. However, investors remained cautious and the market ended up less than 1%.

III. Market Outlook

In our view, there are three macro-centric events that are primary drivers of the current market outlook. The first, and likely most notable, is the question of when the Fed will finally raise rates. Doing so will undoubtedly trigger a response disproportionate to the true financial impact and investors are understandably wary. Anecdotal evidence of this can be found in recent market reaction to economic data. The natural line of thought among the investing
public is that “good” economic news will trigger a rate uptick, while the absence (or opposite) will result in a continuation of current low rates. Thus, in recent months, positive economic data has resulted in a negative market reaction, and vice versa. This is clearly a sign in our opinion that investors are nervous as it relates to the actions of the Fed and all are trying to get ahead of significant market reactions in the event of a rate hike.

The Federal Reserve has harped on two solid economic indicators in order to raise rates; a declining unemployment rate and a 2% inflation target. However, the dialogue has repeatedly emphasized they would monitor all economic data and there are no absolute values that will trigger a rate change. It is our current opinion that although there is a chance rates will rise near the end of the 2015, it is more likely to occur in early to mid-2016.

The second issue that is gathering a great deal of our attention is the continuing fluctuations in the price of oil. We are confident, as most are, that the price of oil has seen – and retreated – from its bottom. However, are also equally confident that the triple figure prices in recent years are not likely to return over the next several years. There is a large surplus and less rigs than expected have ceased operations. We hold the position that this, combined with increased efficiency in mining and production — along with the rise in emphasis placed on clean energy — will put stickiness on oil prices and slow growth in the mid-term future.

A third issue of importance is the financial concerns of the rest of the world. Over the past few years, there has been very little place to run globally with your money, as markets across the spectrum have seen sharp declines. Investors wary of the hot-running US markets have had little choice but to maintain — or increase — their domestic holdings. This was certainly the case in the large majority of European countries. However, 2015 has seen incredible returns in European markets, as they have begun to emerge out of a recession with the aide of the $1.1 Trillion stimulus plan through Quantitative Easing. The stimulus has already paved way for many advances within Europe through increased growth estimates and rises in consumer confidence. Chinese markets have been part of that trend as well, as evidenced by the Shanghai stock exchange nearly doubling in the past six months. This is in the face of clearly slowing growth in Chinese markets. Finally, emerging markets have seen robust advances during the early stages of the current year as well.

Collectively, we view these current movements as evidence that investors are again looking globally to disperse a significant amount of their investable funds. While promising to these economies, the exportation of traded funds does cast a shadow on the prospects of domestic market returns.

When taken as a whole, we view the current state of the market as still maintaining an (admittedly slowing) bullish trend. We feel oil prices will continue to ease upwards over the summer and into fall, which will help put upward pressure on the price of oil stocks and the
energy sector in general. In addition, we do not anticipate a rise in interest rates over the remainder of the calendar year and believe investors will continue to disperse capital with at least cautious optimism. In the same vein, we still remain bearish on debt markets, as we feel there are much more attractive yields to be currently found in other asset classes.

It is certainly worth noting that the rise of attractive investment options abroad gives us pause in recommending a strong bullish market upcoming. This, along with the foreboding of a an interest rate hike, caused us — like many others — to behave too cautiously during the 2014 calendar year, anticipating what is believed to be an inevitable correction from the all-time high market values. While in hindsight this caution was unnecessary and ultimately expensive, we maintain that many of the factors that were present last year still remain and encourage investors to continually monitor their portfolios for exposure to rapidly changing market conditions.

IV. Investment Strategy and Process

Our public asset fund is value-based, driven by fundamental analysis. Our investment managers (i.e. the students) are divided by S&P sector and careful attention is dedicated to ensuring adequate equity diversification. Each sector maintains a watch list and stands ready to pitch a minimum of two times per semester. The ordering of pitches is partially determined by an analysis of the entire portfolio by the portfolio managers to identify areas of need. However, we predominantly prescribe to the best asset available strategy, where student sector analysts that feel most strongly about their asset will pitch at first opportunity.

Once the asset is selected by the student sector group, it is reviewed by the portfolio managers, not for approval, but to act as devil’s advocate. This step is designed to maximize the impact of pitches by identifying potential issues before it is proposed to the entire class. However, it is ultimately the sector analysts’ decision whether to proceed with the pitch. They will then complete a complete valuation with our proprietary automated valuation model, which includes DCF and multiples analyses, among other metrics. The objective is to naturally seek to identify assets that are intrinsically undervalued. In addition, analysts must also analyze the company based upon standard value-based metrics, such as degree of moat and payout ratios. We also incorporate technical analysis, not as the primary method of determination, but to help identify attractive entry (and exit) points from a sentiment-based trend analysis.

All materials must be completed and placed on the Program’s Google Drive for review by the remainder of the cohort a minimum of 24 hours in advance of the scheduled pitch. The sector analysts then pitch the asset during class hours and ultimately the entire student cohort
votes on the proposed action. If the proposal is supported by the supermajority of the students, the trade is registered and it enters the portfolio.

Once an asset enters the portfolio, it becomes the obligation of the sector analysts to continually monitor the asset for changes in the fundamental investment thesis that would require an adjustment to the position. Our standard investment horizon is 1-2 years, although there are certainly deviations based upon abnormal market conditions or changes in the outlook for the firm. In addition, in rare instances, we will enter an investment designed solely for short-term returns.

The process for removing an asset from the portfolio follows the same design as that for a purchase, as we feel this decision is just as important as the entry. When an exit is made, the proceeds are held in cash until replaced by another holding. Please note that the investment presentation and summary analysis for each asset currently held is placed on our website at http://go.cofc.edu/investment.

V. Portfolio Activities

During the period of May 2014-April 2015, the students in the Investment Program made a total of 54 votes on potential trading activity. Of those, 44 passed the supermajority requirement for action. Of the 44, 21 were buy actions and 23 were sell actions (some of the latter were stop or trailing in nature and never transacted). Please see Appendix A.7 for a detailed listing of all the trading activities of the Fund.

VI. Current Portfolio Construction

As of April 31, 2015, our current portfolio was constructed as follows:
Our sector breakdown for equity positions is approximately as follows:

![Sector Breakdown Chart]

This represents 8 of the 10 S&P sectors, with the exceptions being Materials and Industrials. The remaining 11% of our invested assets are in HEDJ, an ETF that tracks European companies. In addition, as of the end of April 2015, we held approximately 14% cash.

VII. Performance

<table>
<thead>
<tr>
<th>Portfolio Performance vs. S&amp;P 500</th>
<th>Portfolio</th>
<th>S&amp;P 500</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2014 – April 2015</td>
<td>3.84%</td>
<td>10.70%</td>
</tr>
<tr>
<td>2014 Calendar Year</td>
<td>7.76%</td>
<td>11.39%</td>
</tr>
<tr>
<td>2015 YTD</td>
<td>-2.05%</td>
<td>1.29%</td>
</tr>
<tr>
<td>By Month*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>May 2014</td>
<td>1.28%</td>
<td>2.10%</td>
</tr>
<tr>
<td>June 2014</td>
<td>1.72%</td>
<td>1.91%</td>
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<tr>
<td>July 2014</td>
<td>-1.91%</td>
<td>-1.51%</td>
</tr>
<tr>
<td>August 2014</td>
<td>2.78%</td>
<td>3.77%</td>
</tr>
<tr>
<td>September 2014</td>
<td>-2.81%</td>
<td>-1.55%</td>
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<tr>
<td>October 2014</td>
<td>4.93%</td>
<td>2.32%</td>
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<tr>
<td>November 2014</td>
<td>1.70%</td>
<td>2.45%</td>
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<td>December 2014</td>
<td>-1.52%</td>
<td>-0.42%</td>
</tr>
<tr>
<td>January 2015</td>
<td>-6.66%</td>
<td>-3.10%</td>
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<td>February 2015</td>
<td>8.78%</td>
<td>5.49%</td>
</tr>
<tr>
<td>March 2015</td>
<td>-3.91%</td>
<td>-1.74%</td>
</tr>
<tr>
<td>April 2015</td>
<td>.33%</td>
<td>.85%</td>
</tr>
</tbody>
</table>

*Please see the monthly portfolio summaries in the appendix for detailed discussion of returns.
May 2014 – April 2015

Please view Appendix A.7 for month summaries of the portfolio activities, performance, and analysis.
Appendix
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Katie Sayce</td>
<td>Portfolio Manager</td>
<td>Energy</td>
</tr>
<tr>
<td>Chris Bass</td>
<td>Portfolio Manager</td>
<td>Healthcare</td>
</tr>
<tr>
<td>Justin Herp</td>
<td>Accountant</td>
<td>Telecommunications</td>
</tr>
<tr>
<td>Olivia Coco</td>
<td>Operations Manager</td>
<td>Industrials</td>
</tr>
<tr>
<td>Clarke Pennington</td>
<td>Private Equity Manager</td>
<td>Financials</td>
</tr>
<tr>
<td>Doug Trautmann</td>
<td>Private Equity Manager</td>
<td>Financials</td>
</tr>
<tr>
<td>Connor Savage</td>
<td>Markets Analyst</td>
<td>Financials</td>
</tr>
<tr>
<td>Sergio Hurtado</td>
<td>ETF Manager</td>
<td>Healthcare</td>
</tr>
<tr>
<td>Mackenzie Johnston</td>
<td>Derivatives Manager</td>
<td>Utilities</td>
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<tr>
<td>Austin Prusak</td>
<td>Fixed Income Manager</td>
<td>Consumer Staples</td>
</tr>
<tr>
<td>Adam Lea</td>
<td>Real Assets Manager</td>
<td>Consumer Discretionary</td>
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<tr>
<td>Blake Wilson</td>
<td>U.S. Economist</td>
<td>Consumer Staples</td>
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<tr>
<td>Sara Beekman</td>
<td>European Economist</td>
<td>Telecommunications</td>
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<tr>
<td>Caroline Reppe</td>
<td>Asian Economist</td>
<td>Technology</td>
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<tr>
<td>Josue Zamora</td>
<td>Latin American Economist</td>
<td>Basic Materials</td>
</tr>
<tr>
<td>Eric Wiley</td>
<td>Special Projects Coordinator</td>
<td>Utilities</td>
</tr>
<tr>
<td>Leigh Chikos</td>
<td>Director of Communications</td>
<td>Consumer Discretionary</td>
</tr>
<tr>
<td>Kornelia Kostka</td>
<td>External Relations Officer</td>
<td>Energy</td>
</tr>
<tr>
<td>Alex LaCon</td>
<td>Audio/Visual Specialist</td>
<td>Technology</td>
</tr>
<tr>
<td>Thomas Mims</td>
<td>Information Technology Manager</td>
<td>Industrials</td>
</tr>
<tr>
<td>Gabe Henderson</td>
<td>Quantitative Finance Analyst</td>
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</tr>
</tbody>
</table>
A2: Article on Firm Visits
School of Business Investment Program Works to Create Relationships with Prominent Financial Firms

There are many prominent financial firms around the world, but certainly the names Goldman Sachs and JP Morgan stand out as industry leaders. These firms historically recruit primarily from the most visible and established business schools. Recently the College of Charleston’s School of Business has made strides in forming relationships with them. There are many who would wonder what brought both leading financial institutions to the College of Charleston campus within the first month of the academic year, but such events are simply an extension of the mission of the School of Business Investment Program.

The 2014-2015 Investment Society kicked the fall semester off with two special visits from these noted financial institutions. Each provided an interesting and unique experience for the members of the Society. First, on September 4, representatives from JP Morgan traveled to the Holy City from the New York and Atlanta offices. These professionals represented various divisions within JP Morgan, including private equity and wealth management. As part of their trip, the representatives spent an afternoon with the students to offer feedback, career guidance, and valuable networking opportunities. The agenda consisted of a presentation to the professional representatives, where the students offered an asset analysis of a current Program portfolio holding, Ford Motor Company (F). The JP Morgan representatives then, in return, offered constructive feedback on the presentation, the class structure as a whole, and provided insightful career advice. Later, the Investment Program hosted a reception in their honor, where students, faculty, and members of the financial community came together for an enjoyable and beneficial networking opportunity.

The latter of the two events was hosted two weeks later, on September 17, as a team from Goldman Sachs visited the Investment Society. We are delighted to add that this is the second consecutive year that Goldman has visited the Investment Program. This time, the representatives hailed from both the Atlanta and Dallas offices of Goldman Sachs. After being hosted at lunch by several Investment Society students, the Goldman representatives began the afternoon with an open presentation in conjunction with the CoFC Student Finance and Investment Club in Wells Fargo Auditorium. The presentation was centered more generally around
investment banking as a career and advice on working in the industry. The talk was well attended and the information provided was incredibly beneficial to any student interested in a career in financial services. Following, the day continued with a student-led asset pitch of a new entrant into the Investment Program’s portfolio — National Oilwell Vargo (NOV). The Goldman team challenged presenters with thought-provoking questions and provided constructive comments regarding the security in question. The day again concluded with a networking reception, which provided an opportunity for students and industry professionals to have one-on-one conversations and further build professional relationships.

From each of these events, School of Business students gained vital insight into finance as a career and what it takes to be successful. In addition, opportunities such as these could very well be the first steps to successful careers for members of the Investment Society. In the ever-challenging career path of financial services, much of the burden in obtaining a job is in making the first connection. As a higher education entity, some of that duty must be borne by the School. Thus, the primary mission of the School of Business Investment Program is to create these relationships. Doing so not only benefits the students, but also elevates the stature of the School of Business and the College of Charleston. And that is a goal we can all get on board with.
A3: Article on CFA Society Event
The School of Business Investment Program Hosts co-hosts event with CFA Society SC

The Fall 2014 semester was an exciting one for the School of Business Investment Program. First, we were fortunate to host representatives of prominent companies such as JP Morgan and Goldman Sachs for firm days designed to create visibility for the Program and School. Then, on October 23, the Program partnered with the CFA Society SC for the second time this calendar year in hosting an event for the local financial industry. Partnering with the Society is an exciting development for the Program, as the CFA charter is the preeminent certification offered in the financial industry.

"The CFA charter is the ultimate in leveling the playing field," says Dr. Mark Pyles, Director of the Investment Program. "Regardless of your school or previous record, obtaining the CFA is an automatic certification of financial proficiency. As such, we are strongly supportive of students from CoC that wish to get the charter."

Nearly 50 professionals joined the students, faculty, and administration of the College in discussing "The Evolution of Asset Management." Dr. Joanne Hill, Head of Institutional Investment Strategy at ProShares Advisors LLC and a member of the Advisory Committee for the Investment Program, led the discussion. Dr. Hill's presentation first covered the history of asset instrument development, along with the corresponding adjustments that financial professionals had to make along the way. The talk then turned to looking ahead at what may occur in the near future and how financial professionals need to be prepared to meet changing client demands. Over the past two decades, the rapid rise of the use of financial instruments — such as ETFs — have made many question whether stock picking has seen its day. The resulting discussion was eye-opening on many levels and provided an excellent laboratory of education for all in attendance.

This event, building upon a similar event in March 2014, was an important step in strengthening the relationship between the School of Business and local financial professionals. Charleston could greatly benefit from the thoughtful exchange of opinions and information on essential matters concerning the future of the investment industry. It will also allow us to better prepare students for the real world of finance, by using their academic knowledge as a beginning, not an end, to their education.
Pyles adds, "The desired result is to produce professionally prepared graduates and, while we still have a lot of room for improvement, we are confident in our progress."

The motivation is not one-sided; however, as the CFA Society SC also sees value in the relationship.

"Part of the Society's mission is to foster a collaborative network among students, academics, and practitioners to elevate the quality of the finance profession across South Carolina," says Mario Nardone, President of the CFA Society SC. "The College of Charleston has been a pioneer in that effort; we congratulate, applaud, and appreciate the work being done by its students and leadership."

The presentation was followed by a reception held in the historic Towell Library, where guests could continue conversations in a less formal setting and share some of their own experiences and advice with students. This exposure to the local financial community was an extraordinary networking opportunity for all involved. Building solid professional relationships is a crucial part of the business world and it is rare that students are offered such an opportunity to interact with an impactful group of professionals like those in the CFA Society.

The Investment Program is a still a relatively new offering at the College of Charleston, but since the beginning has been fortunate to gain a wide variety of educational access to local professionals. This would not be possible without a stellar advisory committee and committed professionals who put forth their best efforts to prepare students to obtain the best entrance into their professional careers. A mutually beneficial partnership with the CFA Society SC is a wonderful example from which to build.
A4: Article on G.A.M.E. Forum Trip
Investment Program Students Travel to New York City to Attend G.A.M.E Investment Forum

This spring, seven students from the Investment Society and program director Dr. Mark Pyles traveled to New York City to attend the Global Asset Management Education (G.A.M.E) forum at the Sheraton Hotel at Times Square. Quinnipiac University hosts this annual event in efforts to provide an international group of college students and faculty with a unique opportunity to interact with industry leaders and learn best practices in investment management. With over 1,100 participants, it was a great opportunity for the students in the Investment Society to meet finance students around the world, network with industry professionals, and learn from the insights of the distinguished speakers. Students broke out into various breakout sessions that included Global Markets, Corporate Governance, Global Economy and Investment Strategy.

"Abby Joseph of Goldman Sachs stood out to me as the most impressive speaker," said investment program portfolio manager Katie Sayce, "It was great to get her insight on global events and how they could influence the market."

The breakout session featuring another of the keynote speakers, Ralph Acampora, a renowned technical trading expert, provided an additional perspective typically not found in the classroom. Investment program member Eric Wiley appreciated the new ideas presented.

"I am the biggest skeptic of technical indicators of all the students in the program," said Wiley, "But Mr. Acampora took such a logical and thorough approach to market analytics that he caused me to challenge some of my opinions on certain aspects of technical strategies."

It is these types of eye-opening experiences that make trips of this nature so important to students, as they provide the opportunity to experience differing viewpoints and explore ideas other than their own. The students also experienced an exclusive visit to the New York Stock Exchange. There they received a personalized tour and spoke to several traders on the floor.

"It was so interesting to see how the market has evolved over time," said Investment society member Alex LaCon. "The floor is nothing like how it is depicted in the movies."

The drastic difference between the stock exchange floor of the 1980s and today evoked a mixed group of feelings. "I think that the computerization of market making and linking buyers
to sellers is a good thing for the market, as it creates a more efficient environment," says investment program member Josue Zamora. Other students are not too thrilled about the automation as Josue.

"A big part of me wants the floor to go back the old system," says investment program member Douglass Trautmann. "There was very little energy in the room, and the stories we heard from some of the old traders who were on the floor back in the day make it sound like it was the most exciting place in the world to work."

After the stock exchange, Dr. Pyles and the students visited with executives from a proprietary day trading firm, T3. The group was given exclusive access to be in the studio during the filming of the daily trading education broadcast put on by T3.

"The broadcast was very cool to watch," said Alex LaCon. "We didn’t find out until after the live broadcast that Scott (the T3 manager on the program) does it completely off the cuff and unplanned every day. That’s an insane amount of knowledge just to pull out of thin air on the fly." Following the broadcast, the students received a crash course in day trading and got some great life advice from the leaders of T3.

Overall, the excursion to New York was both an extremely educational experience as well as great bonding trip for the students in the program. "I think we all know each other so much better now," said investment program member Adam Lea, "We all got along great before, but we have gotten a lot closer. At the same time, we gained an incredible amount of knowledge related to current market conditions and the industry in general."

This is the second consecutive year that the Investment Program has sent a sizable contingent to the Forum to represent the School of Business at the College of Charleston and the annual excursion is expected to continue. Dr. Pyles sees this as an example of what makes the Investment Program special for the students.
“These young men and women want to enter the world of finance, and that is typically a fast-paced, competitive environment,” he says. “They need to get a taste of this before they enter the job market and if we can help them with that ... it checks off an important box for us.”

Investment Program students pose on the stock exchange floor. Back from left to right: Eric Wiley, Adam Lea, Doug Trautmann, Katie Sayce, Chris Bass, Josue Zamara, and Clarke Pennington. Front: Alex LaCon.
A.5: CofC Strategic Investment Symposium Program
# Schedule of Events

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1:00 - 2:00</td>
<td>Registration / Meet and Greet</td>
</tr>
<tr>
<td>2:00 - 3:30</td>
<td>Breakout Session 1</td>
</tr>
<tr>
<td></td>
<td>Session 1A: Value Investing</td>
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<tr>
<td></td>
<td>Session 1B: Quant Finance</td>
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<tr>
<td>4:00 - 5:30</td>
<td>Breakout Session 2</td>
</tr>
<tr>
<td></td>
<td>Session 2A: Technical Trading</td>
</tr>
<tr>
<td></td>
<td>Session 2B: Private Equity Investing</td>
</tr>
<tr>
<td>6:00 - 7:00</td>
<td>Keynote Address</td>
</tr>
<tr>
<td>7:00 - 8:30</td>
<td>Reception</td>
</tr>
</tbody>
</table>

# Keynote Speaker - Chris Concannon
CEO of BATS Global Markets - New York City, NY

Chris Concannon joined BATS Global Markets as President in December 2014, bringing more than 20 years of experience as an exchange executive, trading participant, and regulator. He is involved in all strategic aspects of the firm and is a member of the Executive Committee. Mr. Concannon previously spent six years at Nasdaq as executive vice president of transaction services. Immediately prior to joining BATS, Mr. Concannon was president and chief operating officer of Virtu Financial, a global electronic market maker, from 2009 to 2014. Mr. Concannon served as a director on the BATS Exchange board from March 2012 to November 2014 and the Depository Trust & Clearing Corporation’s board from April 2010 to November 2014. Mr. Concannon holds a bachelor’s degree from Catholic University, an MBA from St. John’s University and a JD from Catholic University’s Columbus School of Law. He also holds Series 7 and 24 licenses.
Christian H. M. Albert  
Managing Partner, Bowside Capital – Charleston, SC  
Christian Albert is the managing partner of Bowside Capital, a private investment firm that specializes in the private equity, small-capitalization market. Bowside Capital invests in U.S. and Canadian private equity funds with capital commitments of $150 million or less, makes secondary purchases of limited partner interests in funds that meet its target criteria and co-invests with these small funds in direct transactions. Mr. Albert was most recently the founder of The Albert Group, LLC, and was previously a regional director at Targus Group International.

Alex B. Rozek  
Managing Member, Boulderado Group – Boston, MA  
Alex B. Rozek is the managing member of Boulderado Group, a partnership founded in 2007. Mr. Rozek also serves on the Board of Directors of Spencer Capital Holdings. Prior to founding Boulderado in the Fall of 2007, Mr. Rozek was an analyst for Water Street Capital. Preceding Water Street, Mr. Rozek worked as an analyst in the Specialty Finance Investment Banking Group at Friedman Billings Ramsey (FBR) in Washington, DC. Mr. Rozek graduated from the University of North Carolina at Chapel Hill in 2002 with a B.S. in Biology and a minor in Chemistry.

Paul G. Meeks, CFA  
Director of Institutional Investing, Saturna Capital – Bellingham, WA  
Paul has been an equity analyst, portfolio manager, or institutional marketer since 1987. He graduated from Williams College in 1985 and earned an MBA from Kellogg in 1992. He became a CFA in 1996. As senior portfolio manager and managing director at Merrill Lynch Investment Managers, he started and managed six portfolios with a total of over $7 billion in assets. At Saturna he specializes in analyzing global technology companies and their securities. Paul also assists with Saturna’s institutional asset management business. He assumed management of the Sextant Growth Fund in April 2013.

Tim Snavely, CFA, CMT  
Portfolio Manager, Crawford Investment Counsel – Atlanta, GA  
Tim Snavely is a portfolio manager at Crawford Investment Counsel where he manages equity and balanced portfolios for individual and institutional clients. He spent eight years as an equity research analyst at a large regional broker-dealer, publishing top-down investment strategy, tactical market analysis, and stock and ETF recommendations for advisors and institutional clients. He also spent six years working exclusively with institutional clients, sharing equity research and investment strategy recommendations with portfolio managers at mutual funds and hedge funds. Tim has been a director and officer of the Market Technicians Association since 2006, and he currently serves as Treasurer.

Dean Christians, CMT  
Vice President and Manager of Trading, Montag and Caldwell – Atlanta, GA  
Dean Christians joined Montag & Caldwell in 1999 and currently serves as an equity and fixed income trader. Prior to joining Montag & Caldwell, he worked on the floor of the CBOT, co-founded DCFX Funds and traded a proprietary equity account for the Pinnacle Trading Group. His professional affiliations include the Market Technicians Association, where he currently serves as the Atlanta Chapter Chair, and from which he received the Chartered Market Technician designation.

Andy Mason  
Founder and Managing Partner, Peloton Capital Partners – Atlanta, GA  
Andy Mason is the Founder and Managing Partner of Peloton Capital Partners, LLC which provides strategic advisory, M&A and capital raising advisory services to middle market companies. Andy is also a Managing Partner and Co-founder of Palmares Capital Partners, LLC, an investment firm providing investment capital to lower middle market companies. Prior, Andy was a Managing Director and a co-founder of VRA Partners. Prior to founding VRA Partners, Andy was a Managing Director, Co-Head of the Private Markets Group and a senior member of the Mergers & Acquisitions Group of The Robinson-Humphrey Company and its successor, SunTrust Robinson Humphrey.
Sameer Shalaby
Managing Partner and Co-Founder of Select Venture Partners – Fredricksburg, VA

Sameer is a serial entrepreneur, with extensive startup, management and board experience and several successful exits. His early experience includes operating roles at NASA and Oracle. In 1993, Shalaby co-founded Tenfold Corporation, leading Tenfold to a successful IPO and $1B+ market cap, and Paladyn in 2005 with an $80M M&A in 2011. Sameer has a BS in EECS from George Washington University and an MS from MIT in Artificial Intelligence. Sameer has raised over $25M of venture capital in multiple companies.

Tyson Halsey, CFA
Managing Member, Income Growth Advisors – Daniel Island, SC

Mr. Halsey brings 30 years of investment experience, 14 years of Master Limited Partnership investment experience, and nearly a decade of quantitative investment strategy to Income Growth Advisors, LLC (IGA). He has worked at leading investment firms Merrill Lynch, Alex Brown and Deutsche Bank in the 1990s. Halsey has worked with high net worth corporate executives in Silicon Valley and New York and worked in the Corporate Executive Services Group at Deutsche Bank Alex Brown. In 1993 Halsey was conferred the CFA designation and has been a member of the New York Society of Security Analysts for over a decade. Previously, Halsey established Halsey Advisory and Management, LLC, and worked with Brimberg & Company in Rockefeller Center.

Joanne M. Hill, Ph.D.
Head of Institutional Investment Strategy, ProShares Advisors – Bethesda, MA

Dr. Hill currently serves as Head of Institutional Investment Strategy at ProShares, a premier provider of alternative exchange-traded funds (ETFs) with over $25B of assets. Her responsibilities include portfolio strategy, product research and education. Prior to joining ProShares in 2009, she spent 17 years at Goldman Sachs, where she was a Managing Director, leading global equity index, quantitative, and derivatives research. Dr. Hill was recently named one of the ten inaugural recipients of the Top Women in Asset Management Awards by Money Management Executive, and she is Co-President of Women in ETFs. Dr. Hill is a recipient of the William F. Sharpe Indexing Lifetime Achievement Award and has published extensively. Earlier in her career, she was an Associate Professor of Finance at University of Massachusetts (Amherst). She received a PhD in Finance and an MBA from Syracuse University.

Frank H. Kenan II
Co-Founder and Principal, KD Capital Management – Charleston, SC

Kenan II is co-founder and a Principal of KD Capital Management, LLC. Prior to founding KD Capital in September 2014, Mr. Kenan was an analyst for Boulderado Group, a concentrated value oriented investment fund based in Boston, MA from 2011-2014. Prior to, and during his time at Boulderado, Mr. Kenan helped manage a portfolio of commercial real estate property and public equity investments for his family office. Prior to the work with his family office, Mr. Kenan was a Development Associate at Edens & Avant. While at Edens & Avant, Mr. Kenan focused on managing every stage of ground-up retail developments from site selection and financial underwriting through final completion. Before joining Edens & Avant, Mr. Kenan was an Underwriting Analyst for the Vivum Group, a private equity firm. Mr. Kenan earned a B.S. in Anthropology from the College of Charleston in 2005 and a MBA from the The University of North Carolina’s Kenan-Flagler Business School in 2011.

Scott Howell
Founding Partner, Ground Swell Capital – Folly Beach, SC

Scott is the founding partner of Groundswell Capital, LLC, located in Folly Beach, SC. Groundswell is a portfolio management company and investment advisor that specializes in the use of quantitative, systematic investment strategies in the US and major European equity markets. Prior to founding Groundswell, Scott was employed by Citi, where he helped lead the team that created the electronic market making desk for pan-European equities. He also contributed to the development and build-out of the Citi Match dark pool. Upon graduating from the College of Charleston, Scott worked for Automated Trading Desk (ATD), based in Mount Pleasant, SC, for eight years prior to Citi's purchase of the firm. During the last four of those, he was the head trader of ATDB, the proprietary trading division of ATD.

Chris Permenter
Head of Operations at Lone Palm, Tower Research Capital – Mount Pleasant, SC

Chris is a 2005 graduate of the College of Charleston Honors College with Degrees in Biochemistry and Political Science. Chris is currently Head of Operations for Tower Research Capital's Lone Palm trading group based in Mount Pleasant, SC. In addition, Chris is responsible for keeping abreast of all market structure and regulatory changes that might impact their business. As a sophomore at the College of Charleston, Chris was hired by Automated Trading Desk Financial Services, a trading and technology firm in Mt Pleasant that specializes in fully automated algorithms that trade the U.S. stock markets. Chris was with the firm for 11 years until joining Tower Research in May of 2014. At ATD (now a subsidiary of Citi), Chris was most recently the President of the US Equities wholesale market maker and before that, he was Head of Operations for the same group.
Extracurricular Activities for April 18, 2015

Since it may be the first trip to beautiful Charleston for some, or perhaps it has just been too long, we strongly encourage you to extend your stay for at least another day and join us in social activities on Saturday, the 18th.

- On Saturday AM, please consider joining us for a round of golf at beautiful Patriot's Point Links on Charleston Harbor. We have secured a discounted rate for our group.
- On Saturday PM, we have rented The Alley, a local Charleston bowling establishment, for use by symposium participants. Bowling is free for participants and there is an abundance of food and drink that can be purchased through The Alley's services.
- If you have interest in any other activity, such as fishing or touring our historical city, we also stand ready to offer contacts and discounted fees.

Following registration, you will be contacted to inquire as to whether you have interest in participating in these events.

A big thank you to our sponsors...

CFA Society South Carolina

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PERMANENT IMPRESSIONS
A.6: Article on CofC Strategic Investment Symposium
Investment Program Caps off Strong Year with the Inaugural CofC Strategic Investment Symposium

On Friday, April 17, 2015, the School of Business Investment Program welcomed over 100 attendees to the inaugural College of Charleston Strategic Investment Symposium.

The Strategic Investment Symposium was the work of Dr. Mark Pyles, Director of the School of Business Investment Program, and the 20 students of the 2014-2015 Investment Society. These students took part in a year-long process in which the classroom was transformed into a brokerage firm. Selected through a rigorous application and interview process, the students have spent the past two semesters applying their financial knowledge to the real-world markets. This exclusive group within the School of Business at the College of Charleston has had the chance to invest real dollars in the public and private-equity markets, gaining access to experiential learning not easily found elsewhere.

The Strategic Investment Symposium served as a successful event to cap off a strong year for the Program. A total of 13 distinguished speakers provided the content for four panel-type sessions and a keynote address.

Conference participants were able to choose two breakout panels to attend over the course of the afternoon. The panels were centered on the topics of value investing, quantitative finance, technical trading, and private equity investing. Each session featured the expertise of three panelists, some of whom were local to the Charleston area, while others traveled from Boston, Atlanta, and Washington state, among other places. These sessions each involved discussion among the panelists on the respective topic, moderated by a member of the Investment Society, as well as interactive Q&A with the audience.

Katie Sayce served as the student portfolio manager of the Investment Program over the past academic year year and sees this event as a highlight of her experience.

“As a graduating member of the Investment Society, some of the best and most beneficial experiences I have involve our external events,” she said. “One of the best assets that someone in my position can have is the ability to effectively interact and communicate with more seasoned financial professionals. And these events allow us the opportunity to hone that skillset. And, of course, that is not to mention the financial information provided by the speakers.”
The keynote speaker was Mr. Chris Concannon, CEO of BATS Global Markets. Having traveled to the College of Charleston from New York City, Mr. Concannon shared with the Investment Society and the entire audience of conference attendees stories of his time in the financial industry and what his current role at BATS Global Markets entails. His perspective as that of a primary player in the exchange market was eye-opening, particularly as it related to the future of electronic exchanges. An enthusiastic presenter, Mr. Concannon was well-received by the audience and provided an amazing insight into a world that most do not get to experience firsthand.

The Symposium culminated in a reception, sponsored by the CFA Society SC, during which the outgoing and incoming classes of the Investment Society, the panelists and speakers, conference attendees, and faculty and administration of the College of Charleston and the School of Business could network and discuss the finer points of the day’s content in an enjoyable setting.

The inaugural Strategic Investment Symposium could not have been made possible without the sponsorship of many groups: along with the generous support provided by the CFA Society SC, several others joined in support. The Investment Program would like to extend sincere appreciation to the following firms: Tandem Investment Advisors, Blue Granite Capital LLC, U.S. Trust, Greenwood Capital, and Permanent Impressions.

“We are always thrilled to collaborate with the School of Business and the Investment Program, in particular,” says Elliot Lewis, an active member of the CFA Society. “The CFA Society wants to help encourage students to pursue their professional goals, and really, it’s a win-win for us, because we enjoy the interaction and networking provided by such events as well.”

The Program Director, Dr. Pyles is also encouraged by not only the results of the Symposium, but by the momentum in the Program in general.

“We are happy with the direction in which we are moving,” Dr. Pyles said. “While we are a long way from where we want to be, we are making significant advances in educating, training, and – most importantly – placing our finance students.”

Perhaps the best news is that the inaugural effort was certainly enough of a success that we are already planning the second offering of the Symposium. The incoming Investment Society of 2015-2016 will be hosting the 2nd annual College of Charleston Strategic Investment Symposium in late spring 2016 – be sure to check for more details as that time nears!
A.7: Detailed Listing of all Trading Activities
A pass vote requires a super majority of Society members present.

- 08/28/2014: Sell GXC?
  - Passed: 20-0
- 09/17/2014: Buy 125 shares of NOV at current price (total of $10,000)?
  - Passed 19-1
- 09/18/2014: Buy 105 shares of NEE at current price (total of $9850)?
  - Failed: 10-10
- 09/18/2014: Buy 75 shares of NEE at current price (total of $7500)?
  - Passed: 15-6
- 09/23/2014: Buy 270 shares of EXAS at current price (total of $5000)?
  - Passed: 17-4
- 09/23/2014: Buy 175 shares of TRP at current price (total of $9700)?
  - Failed: 12-6-1 (Abstain was an option on this vote on because a discussion period was not available due to a shortened time available for the pitch)
- 09/25/2014: Buy 95 shares of TRP at current price (total of $5000)?
  - Passed: 14-7
- 09/30/2014: Double down on F ($2500 additional purchase)?
  - Passed: 21-0
- 09/30/2014: Buy 73 shares of NXPI at current price (total of $5000)?
  - Failed: 3-18
- 10/02/2014: Buy 143 shares of DAL at current price (total of $5000)?
  - Passed: 19-1
- 10/09/2014: Buy 86 shares of BHP at current price (total of $5000)?
  - Passed: 17-3
- 10/09/2014: Sell EXAS?
  - Passed: 19-1
- 10/14/2014: Buy 420 shares of IAU at current price (total of $5000)?
  - Passed 16-4
- 10/16/2014: Sell TBF?
  - Passed: 17-0
- 10/21/2014: Buy 50 shares of JNJ at current price (total of $5000)?
  - Passed: 17-2
- 10/28/2014: Buy 66 shares of KORS at current price (total of $5000)?
• 10/30/2014: Buy 65 shares of QCOM at current price (total of $5000)?
  o Passed: 16-2
• 11/06/2014: Place sell stop on NEE at 101.50?
  o Passed: 20-0
• 11/06/2014: Place 5% trailing stop on DAL?
  o Passed: 19-1
• 11/06/2014: Buy 90 shares of CMCSA at current price (total of $5000)?
  o Failed: 7-13
• 11/11/2014: Put trailing stop on GV at 10%?
  o Passed: 20-0
• 11/11/2014: Buy 84 shares of LVS at current price (total of $5000)?
  o Passed: 17-4
• 11/13/2014: Sell ORCL?
  o Passed: 18-1
• 11/13/2014: Buy 58 shares of VMW at current price (total of $5000)?
  o Failed: 11-8
• 11/18/2014: Sell GV?
  o Passed: 20-0
• 11/20/2014: Put a sell stop on KORS at $68?
  o Passed: 19-0
• 11/20/2014: Increase position in QCOM by $2500?
  o Passed: 18-2
• 11/20/2014: Put a stop sell on SO at $45.40?
  o Passed: 19-0
• 01/06/2016: After KORS trading day today please take a look and consider your feeling about our position. This is not an official vote to sell, but KORS has surpassed our discussed low point, however prior to the break we never voted to place a sell stop. Vote yes if you're in favor of voting to sell KORS before class resumes or no if you prefer holding the position at this point.
  o Failed: 13-8
• 01/15/2015: Stop sell KORS at $64?
  o Passed: 19-0
• 01/15/2015: Sell 63 shares of NOV?
  o Passed: 16-4
• 01/15/2015: Stop sell QCOM at $67?
  o Passed: 15-4
• 01/20/2015: Limit buy NEE at $106/share for a 46 share purchase (total = $5000)?
  o Failed: 13-8
• 01/27/2015: Buy 56 shares of CSL at market price (total = $5000)?
  o Passed: 17-4
• 01/27/2015: Add a 5% trailing stop to KORS?
  o Passed: 20-0
• 01/28/2015: Put an 8% trailing stop on F?
  o Passed 15-2
• 02/03/2015: Switch the stop on SO from a hard stop at $45 to a 5% trailing stop?
  o Passed: 16-1
• 02/03/2015: Put a hard stop on CSL at $83?
  o Passed: 20-0
• 02/05/2015: Place a hard stop on BHP at $40?
  o Passed: 18-0
• 02/05/2015: Sell NOV?
  o Failed: 9-12
• 02/12/2015: Buy 50 shares of GILD (total = $5000)?
  o Passed: 19-1
• 02/17/2-15: Buy 60 shares of PM (total = $5000)?
  o Failed: 8-13
• 02/19/2015: Buy 340 shares of BNFT (total = $7500)?
  o Passed: 21-0
• 02/25/2015: Place a 12% trailing stop on BNFT?
  o Passed: 14-3
• 03/12/2015: Buy 100 shares of PCG (total = $5000)?
  o Passed: 19-2
• 03/12/2015: Re-purchase BNFT for a total of $10,000?
  o Passed: 18-3
• 03/17/2015: Buy 35 shares of PANW at current market price (total = $5000)?
  o Passed: 18-3
• 03/24/2015: Buy 92 shares of RYAAY (total = $6000)?
- 03/26/2015: Place a 3% trailing stop on IAU?
  - Passed: 16-4
- 03/26/2015: Sell LVS?
  - Passed: 20-1
- 04/09/2015: Buy 150 shares of HEDJ (total = $10,000)?
  - Passed: 19-1
- 04/09/2015: Place a stop limit on JNJ at $97.50?
  - Passed: 18-1
- 04/23/2015: Sell BHP?
  - Passed: 16-2
A.8: Monthly Portfolio Summaries
School of Business Investment Program
Public Asset Portfolio Summary
May 2014

May was a positive month of moderate momentum on the U.S. equity markets, with the S&P advancing in excess of 2% over the period. Market returns remained flat throughout much of the first three weeks of the month, but gained substantially during the last. Even a report of declining real GDP, as announced by the BEA on the 29th, failed to dampen the month ending run-up. Globally, issues in Ukraine, deflationary talks in the Eurozone, and the continuing tapering of debt markets have played a role on slowing growth this year relative to last. Despite this, however, annualized domestic market returns are on an approximate 10% pace, which, following last year’s massive run-up, would depict a pleasant sustainment within the US financial system.

Our portfolio lagged the market by a bit more than 1% during the month of May, primarily due to a steep decline in Goldfield Corp. (GV), which fell as a result of a less than favorable earnings report in mid-month. Other assets in decline during the period were Southern Co. (SO), coming off a promising run during the first quarter 2014, and TBF, suffering from the Fed’s assurance that rates would remain low in the immediate future. Assets gaining momentum during the month include Discover (DFS), PPL Corp. (PPL), and Apache (APA), the latter recovering from a slow start to the year with a nearly 5% monthly return.

2014 Portfolio Returns vs. S&P

<table>
<thead>
<tr>
<th>MONTHLY RETURNS</th>
<th>Portfolio</th>
<th>S&amp;P</th>
<th>Excess</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2013</td>
<td>6.50%</td>
<td>6.11%</td>
<td>0.39%</td>
</tr>
<tr>
<td>November 2013</td>
<td>-2.01%</td>
<td>2.80%</td>
<td>-4.81%</td>
</tr>
<tr>
<td>December 2013</td>
<td>0.44%</td>
<td>2.36%</td>
<td>-1.92%</td>
</tr>
<tr>
<td>January 2014</td>
<td>-4.34%</td>
<td>-3.56%</td>
<td>-0.78%</td>
</tr>
<tr>
<td>February 2014</td>
<td>4.74%</td>
<td>-4.31%</td>
<td>0.43%</td>
</tr>
<tr>
<td>March 2014</td>
<td>1.94%</td>
<td>0.69%</td>
<td>1.25%</td>
</tr>
<tr>
<td>April 2014</td>
<td>-0.54%</td>
<td>0.62%</td>
<td>-1.16%</td>
</tr>
<tr>
<td>May 2014</td>
<td>1.28%</td>
<td>2.10%</td>
<td>-0.82%</td>
</tr>
</tbody>
</table>

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at:

go.cofoe.edu/investment

COLLEGE of CHARLESTON
SCHOOL OF BUSINESS
School of Business Investment Program

Public Asset Portfolio Summary

June 2014

June was a another month of continued growth of the U.S. equity markets, with the S&P 500 growing at a stable rate of just under 2% over the period. The period was marked by low volatility, with no day during the month seeing more than 1% change in the market. The June jobs report exceeded expectations, adding 288,000 jobs and decreasing the unemployment rate to 6.1%, thus boosting consumer spending for the month. The second quarter of 2014 saw in excess of a 5% advance, despite the slow start in April. Global concerns of violence and slowing growth in China seemed to be largely absorbed during the period, but remain topics of concern going forward.

Our portfolio slightly underperformed the market by nearly 20bp, despite a steep decline in Lululemon (LULU), which fell as a result of a weak earnings report. We eliminated our position as the price fell through the designated stop point. Other declines included Goldfield Corp. (GV) and Oracle (ORCL), which missed earnings estimates. Assets gaining momentum during the month include Denbury Resources (DNR), Ford Motor Company (F), and Discover (DFS).

2014 Portfolio Returns vs. S&P

MONTHLY RETURNS

<table>
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<tr>
<td>June 2014</td>
<td>1.72%</td>
<td>1.91%</td>
<td>-0.19%</td>
</tr>
</tbody>
</table>

PORTFOLIO HOLDINGS AS OF JUNE 30TH

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at:

go.cofc.edu/investment
July was a negative month for the U.S. equity markets, as volatility returned to the US markets. During much of the month, this volatility was largely uneffecting as returns trended toward flat over the period. However, this changed during the last trading day of the month, which brought a sharp decline of 2% to US large cap markets. Small and mid caps performed significantly worse. This was brought about primarily due to the uncertainty of the Federal Reserve policy going forward. Although second quarter earnings reports were generally positive and provided a boost, worries about international conflict muted the positive response. Positive data on the U.S. labor market fostered concerns of interest rates being raised sooner, which also weighed heavily on general market sentiment.

Our portfolio underperformed the market by 40% with the largest declines coming from Denbury Resources Inc. (DNR), Goldfield Corp (GV), and the Ishares MSCI Germany Small Cap ETF (EWGS). Advances were paced by the SPDR S&P China ETF (GXC), Goldman Sachs (GS) and AbbVie (ABBV). We harvested gains from our entire position of ABBV early in July, as the price rose in excess of $57 per share for the first time in its history.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at:

go.cofc.edu/investment
School of Business Investment Program
Public Asset Portfolio Summary
August 2014

U.S. Equities indices again rose during the month of August. The S&P 500 gained 3.8%, closing above 2000 for the first time ever on August 26th. During the last week of the month, the market experienced the lowest volume levels YTD. The stagnation is believed to be from the cyclical summer slowdown in the markets along with uncertainty from geopolitical issues around the world. Following the dramatic run-up of 2014, the market is again on pace to return in excess of 14% annually in 2015. These historically high aggregate measures, coupled with a historically high CAPE level, leaves many analysts suggesting caution. Yet, the markets continue to advance. Contrary to most Wall Street analyst opinion, treasuries continue to fall. This can be partially attributed to the global economy remaining sluggish, resulting in central banks lowering monetary rates to stimulate their countries’ economies. Most recently, the ECB cut its main refinancing rate 10 bp to 0.05% in an attempt to lift inflation from rock-bottom levels.

Our portfolio underperformed the market by approximately 1%, with the largest declines coming from two ETFs, ProShares Short 20+ Year Treasury (TBF) and iShares MSCI Germany Small-Cap ETF (EWGS). Gains in our portfolio were led by Goldfield Corp. (GV) which gained 33.12% during the month.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at:

go.cofe.edu/investment
School of Business Investment Program
Public Asset Portfolio Summary
September 2014

The month of September ended negatively for U.S. equity markets similarly to the market reaction at the trend of July. The S&P 500 hit record highs mid-month followed by a decline over 3% to close out the month. Volatility also increased sharply to levels similar to the last week of July. While geopolitical risks continue, U.S. markets have not reacted significantly to those newsworthy events. On a positive note, the September jobs report beat expectations and the unemployment rate decreased to 5.9%, the lowest in six years. Further, the U.S. dollar is strengthening against both the euro and the Japanese yen while the price of oil has decreased significantly over increasing inventories.

The portfolio underperformed the market by 1.26% with the largest declines coming from Denbury Resources (DNR), Goldfield (GV), and Ford Motor Company (F). The large decline in Ford Motor Company was primarily due to decreasing profit estimates for the year. We closed our position in Denbury Resources as it hit our predetermined sell stop. The greatest advances were by Discover Financial Services (DFS) and Goldman Sachs (GS). We look to continue our population of the portfolio over the coming month and seek to find positions that can better withstand the potentially volatility coming our way throughout the end of the calendar year.

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School of Business Investment Program

Public Asset Portfolio Summary

October 2014

In October, the market ended on a slightly positive note despite a less than optimal start. The volatility that began in September continued into October, as the equity markets experienced their heaviest selloff of the year, with the S&P 500 falling 4.3% to 1,862.75 during the first two weeks of the month. However, markets rebounded towards the end of the month and closed up 2.32%. This volatility wasn’t exclusively in the equity markets, with the yield on the 10-year US Treasury note dipping to an intraday low of 1.83% on October 15th before closing out the month at 2.31%. Some of the concerns that fueled the pullback were slowing global economic growth (particularly in the Eurozone), deflationary pressures from falling oil prices, and the end of the Quantitative Easing program.

Our portfolio outperformed the market by 2.5% this month bringing the YTD return of the portfolio to 7.52%, which is 1.66% below the S&P 500 YTD. The largest declines in our holdings were in Ford (F), iShares Gold Trust (IAU), and National Oilwell Varco (NV). iShares Gold Trust, an ETF that tracks the price of gold, yielded the largest loss for the month with a return of -5.81%. The decline in price was due to the prices of equities appreciating towards the end of the month causing investors that may have been mitigating in the gold market to get back into the equity market. Our largest advances were in Delta (DAL), Medtronic (MDT), and Exact Sciences (EXAS). Exact Sciences yielded the largest gain with a return of 24.92%. This was due to the company announcing that they would have above-expected Medicare coverage for their product Cologuard after already receiving FDA approval. Delta and Medtronic gained 14.11% and 10.52%, respectively.

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In November, the market climbed to all-time highs yet again. However, interest rates continued to decrease while oil prices plunged below $70. Although falling energy prices have had a positive impact on consumers’ wallets, they have hurt oil-producing countries such as Russia. Further, U.S. GDP rose 3.9% third quarter, beating analyst estimates. With mixed economic indicators in the market, there is potential for a correction in December.

During November, our portfolio underperformed the market by 75 basis points. The largest declines in the portfolio were BHP Billiton (BHP), National Oilwell Varco (NOV), and Qualcomm (QCOM). Declines in BHP Billiton and National Oilwell Varco were primarily due to declines in the energy market. Our largest advances for the month were Delta (DAL), Ford Motor Co (F), and Goldfield Corp. (GV). Delta and Ford Motor Co. advanced primarily due to past corrections and decreasing fuel costs. We closed our position in Goldfield Corp. after it beat third quarter earnings. Year-to-date, we trail the S&P by approximately 2.5%, compiling a non-dividend adjusted return of nearly 9.5% over the first 11 calendar months.

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Public Asset Portfolio Summary
December 2014

In December, the market showed some volatility with the VIX reaching 23.57 on December 16th, a 66% increase from the start of the month. The S&P 500 was down by nearly 4% mid-month before a sharp rebound turned the tide and the index reached a record high of 2090.57 on December 29th. In total, markets ended up declining by 0.42% over the course of the month. Pressure on stocks due to falling oil prices continued in December, with prices dropping to five-year lows. This was largely due to Saudi Arabia’s oil minister releasing a statement that OPEC will maintain production at any price, implying that the over supply that has been plaguing the market will continue to put downward pressure on prices. Also, the U.S. lifted a 40-year-old ban on exporting crude oil for “some” companies by allowing them to export ultra-light crude oil overseas.

Our portfolio underperformed the S&P 500 by 1.11% during the month of December. The largest declines were in Las Vegas Sands (LVS), BHP Billiton (BHP), and AT&T (T). Las Vegas Sands took a hit due to the allegations of corruption in Macau, which is a large generator of revenue for the company. BHP Billiton has continued to decline to the uncertainty within the energy market. Our largest advances were Southern Co. (SO), Goldman Sachs (GS), and Qualcomm (QCOM). Over the course of the calendar year 2014, our portfolio trailed the market by 3.63%, gaining 7.76% over the period.

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MONTHLY RETURNS

<table>
<thead>
<tr>
<th></th>
<th>Portfolio</th>
<th>S&amp;P</th>
<th>Excess</th>
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<tbody>
<tr>
<td>April 2014</td>
<td>-0.54%</td>
<td>0.62%</td>
<td>-1.16%</td>
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<tr>
<td>May 2014</td>
<td>1.28%</td>
<td>2.10%</td>
<td>-0.82%</td>
</tr>
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<td>June 2014</td>
<td>1.72%</td>
<td>1.91%</td>
<td>-0.19%</td>
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<td>July 2014</td>
<td>-1.91%</td>
<td>-1.51%</td>
<td>-0.40%</td>
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<td>August 2014</td>
<td>2.78%</td>
<td>3.77%</td>
<td>-0.99%</td>
</tr>
<tr>
<td>September 2014</td>
<td>-2.81%</td>
<td>-1.55%</td>
<td>-1.26%</td>
</tr>
<tr>
<td>October 2014</td>
<td>4.85%</td>
<td>2.32%</td>
<td>2.53%</td>
</tr>
<tr>
<td>November 2014</td>
<td>1.70%</td>
<td>2.45%</td>
<td>-0.75%</td>
</tr>
<tr>
<td>December 2014</td>
<td>-1.52%</td>
<td>-0.42%</td>
<td>-1.11%</td>
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TRANSACTIONS FOR DECEMBER 2014

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<tr>
<th>Action</th>
<th>Ticker</th>
<th>Company Name</th>
<th>Date</th>
<th>Shares</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>SELL</td>
<td>DAL</td>
<td>Delta Air Lines, Inc.</td>
<td>12/9/14</td>
<td>142</td>
<td>$44.73</td>
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<tr>
<td>SELL</td>
<td>NEE</td>
<td>NextEra Energy, Inc.</td>
<td>12/10/14</td>
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<td>$101.51</td>
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</table>
The markets began 2015 with a decline of 3.10% due primarily to decreasing crude oil prices and increasing volatility. Over the month oil prices decreased by 10.1% as a result of continued oversupply and lack of cooperation by major oil producers. By the middle of the month the VIX reached 22.39 and ended at 20.97, a total increase of 9.22% for the month. Further, there continues to be uncertainty as to when interest rates will rise. The 10-year Treasury bond continued to fall to 1.68% in January, a total decrease of 22.81%. Many analysts now believe a rise in rates will not occur until late 2015 or early 2016.

The portfolio underperformed the market by 3.56% during the month of January. The largest declines included Discover (DFS), National Oilwell Varco (NOV), and Qualcomm (QCOM). Discover took a major hit as it missed earnings estimates due to restructuring charges. National Oilwell Varco continued to decline in conjunction with oil prices and fears over the future of the oil markets. Qualcomm also declined due to lower guidance for 2015. The greatest gains for January were iShares Gold Trust (IAU) and Southern Company (SO) as increasing volatility in the market pushed investors into safe-haven investments.

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School of Business Investment Program
Public Asset Portfolio Summary
February 2015

During the month of February the market recorded strong gains, reversing the losses from January. Advances were fueled by a rebound in energy stocks and crude oil prices, which rose roughly 20% above their recent lows. The bounce was due in part to a sharp drop in the count of drilling rigs in the U.S., which raised hopes that production would fall back in line with demand. Oil prices and energy stocks relinquished a portion of these gains later in the month as it became clear that mostly unproductive rigs were being taken offline, leaving overall production high. U.S. stocks also followed European markets higher on news of a four-month extension of Greece’s debt relief package. The U.S. economy remained on the right track as employers continued to add jobs at a healthy rate, and gauges of consumer attitudes stayed at multiyear highs. This data leads analysts to believe that a rise in interest rates is most likely coming at some point in 2015.

The portfolio outperformed the S&P 500 by 5.45% during the month of February providing an overall return of 10.94%. The largest declines in the portfolio were Southern Company (SO), iShares Gold Trust (IAU), and Michael Kors (KORS). The decline in SO can be partly attributed to the entire sector taking a hit as investors anticipate an interest rate hike and move out of utilities. IAU has also had downward pressure due to the speculation over interest rates. A sell-off in KORS occurred as there was concern over slowing comparable sales growth and a decrease in margins. The largest gains in the portfolio were from Benefisfocus (BNFT), BHP Billiton (BHP), and Discover Financial Services (DFS). BNFT beat earnings estimates and issued guidance higher than analyst expectation. In addition, an announced deal with Marsh and McLennan, which sent shares soaring.

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The month of March saw many declines and rallies, at one point declining almost 4% until finally ending the month down 1.74%. While U.S. markets struggled amid lower oil prices and the strengthening dollar, European markets continued to rally thanks to the European Central Bank’s first injection of quantitative easing. In addition, weak economic data continues to create uncertainty as to when the Federal Reserve will raise interest rates.

During the month, the portfolio underperformed the market by 1.10%. The greatest declines included BHP Billiton (BHP), National Oilwell Varco (NOV), and Discover (DFS). BHP Billiton declined due to lower iron ore prices, lower forecasted Chinese demand, and the weakening Australian dollar. National Oilwell Varco continued to decline due to increasing oil inventories. The greatest gains for March were few and very small including PG&E (PCG), Palo Alto Networks (PANW), and Medtronic (MDT).

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During the month of April U.S. equity markets ended the month fairly flat. Crude oil prices rose 25%, the greatest gain in almost six years as U.S. rig count numbers continue to fall. April’s job report also showed that the economy added 223,000 jobs, bouncing back from March’s poor job numbers. Unemployment also declined to 5.4%, however this has not translated to wage increases. Investors continue to pour into foreign markets; the Shanghai Stock exchange has nearly doubled in the space of six months, while Emerging markets as a whole have had a stellar start to the year. Meanwhile European markets ended the month flat as well, after starting 2015 red hot, as there continues to be uncertainty surrounding Greece’s ability to pay its creditors.

The portfolio underperformed the S&P by approximately .5% during the month. The largest declines in the portfolio were Benefit Focus (BNFT), WisdomTree International Hedged Equities Fund (HEDJ), and Medtronic(MDT). The decline in HEDJ can primarily be attributed to the strengthening in the Euro. The portfolio’s biggest gainers were BHP, NOV, and TRP. All three equities are heavily correlated with oil prices, and thus have benefited as oil prices have rebounded over the past few months.

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