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Overview

The 2018-2019 academic year was the sixth for the School of Business Investment Program. 22 elite students completed the Program and ran the funds associated therewith. Appendix A.1 shows a listing of the students, along with their position and post-graduation work or summer internship plans. 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.

We have improved the processes within the Program which translate academic materials into practical application and — most importantly — career relevant skills. We continually increase our focus on communication and technical skills, forcing the 22 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 comprehensive portfolio management techniques. 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:

α We hosted several formal firm visits over the academic year. Raymond James returned for the fifth time on September 6, 2018. Lincoln Financial Group made their second consecutive annual visit on September 19, 2018, followed by the sixth visit from Goldman Sachs on September 28, 2018. Finally, we welcomed HDH Advisors from Atlanta for a second annual visit on October 26, 2018. In addition, throughout the year, several individuals and representatives of other firms visited the classroom to interact with the student cohort. Going forward, we plan to extend these visits to include more firms and at a deeper level.

α In early April, 14 members of the Investment Society traveled with the Director and Assistant Director to New York City to visit several world-class firms in the financial services industry. Students visited with George Weiss and Associates, a boutique investment management firm with a nearly 40-year history. The group also toured the headquarters of Kohlberg Kravis Roberts & Co. (KKR) and met with several analysts to learn more about careers in private equity and about one of the most successful firms in private equity history. Finally, the cohort toured the beautiful state-of-the-art Bloomberg building in NYC. After the company visits, the contingent had the opportunity to explore
the venerable New York Stock Exchange and received eye-opening exposure to the rapidly evolving world of stock exchanges. See appendix A.2 for a brief write up on the adventure.

α At the beginning of March, we hosted for the fifth time our premier annual external event— the CofC Strategic Investment Symposium. This event focuses on strategic asset management and this year’s version was easily the best to date. The itinerary included over 30 distinguished panelists, including keynote speakers D. Scott Phillips, Jr. of Templeton and Phillips Capital Management (Chattanooga, TN) and David Marcus of Evermore Global Advisors (Summit, NJ). Later in the day, three rounds of breakout sessions were held, spanning topics of ETFs, quantitative investing, and fixed income analysis. As the Investment Program’s hunger for education grows, the continuous expansion of subjects spoken about and offered through the Strategic Investment Symposium is of utmost importance. This year’s Symposium was an important success and step towards connecting students and financial professionals in the greater southeast region and beyond. Appendix A.3 displays the program for the fifth annual Symposium. Please see Appendix A.4 for an article summarizing the experience.

These events and experiences are incredibly important for the growth of the Investment Program and College of Charleston School of Business. The Program’s drive to expose its students to a wide array of topics is manifest in the quality of experiences students have through the Program. Each year, new initiatives emerge and improvements are made to ensure each student has the best experience possible, with the end goal of securing the best possible placements. We are confident that, if continued, these aggressive outreach initiatives will pay dividends with more and higher paying jobs, as well as recognition for the quality of student the College can produce.

Of the 22 students, 15 are graduating seniors, and 7 are sophomores or juniors returning for subsequent year(s) in 2019-2020. Of the 15 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. Examples of key placements include the following:

α JPMorgan Chase & Co: New York, NY – Summit, NJ – Newark, DE
α Goldman Sachs: Dallas, TX
α Ernst and Young: Chicago, IL
α Raymond James: St. Petersburg, FL
α Merrill Lynch: New York, NY
α Moody’s: New York, NY
α Oppenheimer & Co: New York, NY
α Frontier Capital: Charlotte, NC
α South Carolina Retirement Investment Commission: Columbia, SC

The Program is also focused on summer internship placement of its younger members to strengthen skillsets and prepare for the full-time job search. Summer internship placements for 2019 include the following:

α Weiss Multi-Strategy Advisors: New York, NY
α ING Capital: New York, NY
α PGIM Real Estate: Madison, NJ
Finally, our students managed approximately $180,000 in the public asset fund over the course of the academic year according to the policy statement and the procedures in place. Discussion of performance will occur in a later section; however, given extreme global events and market conditions over the last academic year, we are content with how our portfolio has performed relative to our benchmark. As discussed below, several new strategies have been implemented in our flagship fund over the last academic year that have affected returns in a positive manner. We are very excited to incorporate those changes going forward – they will not only advance the portfolio, but will also enhance the realistic nature of the fund and its operations.

Further, we deepened our exposure into the early stage private equity space by completing four investments during the academic year. Working alongside the Charleston Angel Partners (CHAP) continues to be a wonderful opportunity for our students and our existing investments are just the beginning of what is planned to be a permanent component of the Investment Program. Allowing students go through the complete process (including viewing the pitch and assisting in the diligence) allowed the Program to take the final step in allowing students to manage both public and private assets. This provides a very unique opportunity for the Investment Society, as we are aware of no similar universities that allow for the same group of students to experience both public and private portfolio management.

New Initiatives

The reality is that ours is a rapidly evolving discipline that is frequently a change leader in the business world. If we wish for our students to be considered for the best jobs available – we must continuously evolve as well. As such, over the past academic year, we have introduced relatively significant alterations both to the way we manage our portfolio and the method with which we interview prospective students for the Program.

First, within our management of the public asset fund, we have historically focused primarily on bottom-up asset management, consistent with our value-based investment mandate. While we will most certainly maintain steadfastly our commitment to fundamental asset valuation and identifying assets trading at a discount to their intrinsic worth, there has consistently remained the need for improvement on top-down asset allocation to our chosen positions. Often, we had defaulted to simply buying at or near the minimum (of 5%) position size with little regard for how the incoming asset fits with existing.

Thus, we formally adapted the Investment Policy Statement to reduce the minimum position size in our portfolio to 2% and began a monthly rebalancing program based upon optimizing the portfolio’s Sharpe ratio. This has help to gain perspective in the contrast between our typical bottom-up research methodology and more quantitative asset management. We have created positions within the cohort to focus on Quantitative Portfolio Management that draws heavily from computer programming and mean-variance optimization layered with risk management.
processes. Going forward, we intend to balance our traditional asset selection process with cutting edge asset management in an effort to not only generate benchmark-beating returns, but (more importantly) enhance the real-world nature of the Program. Further, we intend to fully explore asset management techniques, including return enhancement through covered derivative exposure, over the coming academic year.

Another exciting initiative put into action this year was the implementation of a Superday interview process for incoming Program members this past spring. In previous years, the process would involve several rounds of interviews spanning weeks. This year, all participants were screened by the Program Director, with approximately 40 students making the cut to attend the Superday. During the daylong process, candidates interviewed with two sets of current cohort members, an Advisory Board member, and partook in a roundtable discussion with other candidates. The Program’s intent with its first Superday was to mimic the traditional banking interview processes. Unsurprisingly, our movement to this type of interview process was in pursuit of better preparing candidates for elite internships or full-time interviews. The Superday was a success for the Program and streamlined a lot of work, leading us to believe it will be an annual event for the foreseeable future.

**Public & Private Investment Strategy & Process**

Our public asset fund is value-based and 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. The portfolio manager(s), along with the help of the student managing director(s), ultimately decide the initial target allocations to each sector based on current and expected future market conditions, deciding to either match, overweight, or underweight each sector respective to the sector weightings of the S&P 500. This gives the Program a flexible way to adapt its strategic asset allocation to tactically take advantage of short term market movements. For example, with the help of the Latin American Economist, the fund has strategically positioned itself away from potential externalities stemming from conflicts in troublesome countries, such as Argentina and Venezuela.

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 mentality, 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 a devil’s advocate. This step is designed to maximize the impact of pitches by identifying potential issues before an asset 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 analysis. The objective is to naturally seek to identify assets that are intrinsically undervalued. In addition, analysts must also examine 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 perspective. Students also place heavy emphasis on company strategy, business model, and competitive landscape to ensure their investment idea is as sound as possible.

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 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 rare instances, we will enter an investment designed solely for short-term returns. Additionally, while in the portfolio, the Director of Quantitative Strategies (along with his/her team) rebalance the portfolio monthly based upon traditional mean-variance optimization.

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.

The process for private equity investment is very similar to the process for public investments. Predetermined teams of students, each led by a member of the private equity team, utilizes diligence reports and notes from CHAPs members and meetings. The group further researches potential gaps in the diligence process conducted by CHAPs members and presents their findings to the full Cohort, with the same process and guidelines for voting as a public investment pitch. A supermajority is needed to invest.

**Portfolio Activities & Performance**

During the period of May 2018-April 2019, the students in the Investment Program made 43 votes on potential trading activity. Of those, 34 passed the supermajority requirement for action. Of the 34, 23 were buy actions related to both public and private equity and 11 were sell actions (some of the latter were stop or trailing in nature and never transacted). Please see Appendix A.5 for a detailed listing of all the trading activities of the Fund.

Our current position and sector allocations as of the end of April are seen below. The portfolio contained a cash position of 39%, which is extraordinarily high, even given that we do typically
hold a large degree of liquidity. Of the remaining 61%, we present the percentage held both in individual assets and sectors.

As of the end of April, the program has a reasonably bearish market outlook going forward, based largely on slowing economic growth, global trade tensions, political turmoil in Latin American and Europe, and the generally inflated valuations in current U.S. Markets. As such, we have overweighted Utilities and Real Estate holdings due to the heavy dividend yield component of NEE (2.6%) and LADR (7.8%). We also hold a strong position in BRK.B due to its nature of being a steady player in more turbulent times.

Portfolio performance is presented in Table 1. All returns are of total portfolio (including cash and dividends). Over the period of May 2018 (since the previous annual report) through April 2019, our portfolio generated a time-weighted cumulative return of 9.25%. This trailed the S&P by nearly exactly 2% during the same period. We generated a negative 3.74% return during the 2018 calendar year, driven down by the poor market conditions of December. The market at large suffered a worse loss, by approximately 2.5% over the year. Thus far in 2019, both our portfolio and the market has rallied substantially. Chart 1 presents our cumulative return pattern over the January 2018 – April 2019 time period.

Based upon our monthly returns, our portfolio carried a beta of approximately .8 throughout the entire period. This is consistent with our annualized standard deviation of just north of 10%, compared to over 13% for the S&P. Both of these metrics indicate a moderately safer portfolio compared to that of the overall market. Further, our max drawdown during the period was 15.91%, compared to nearly 20% for the market at large. Taken together, our Sharpe Ratio was just below that of the market over the entire reporting year, but slightly above during the calendar 2018 year.
# Table 1: Portfolio Performance^ vs. S&P 500

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>S&amp;P 500</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2018 - April 2019</td>
<td>9.25%</td>
<td>11.25%</td>
</tr>
<tr>
<td>2018 Calendar Year</td>
<td>-3.74%</td>
<td>-6.24%</td>
</tr>
<tr>
<td>2019 YTD</td>
<td>12.34%</td>
<td>17.51%</td>
</tr>
<tr>
<td><strong>By Month</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May 2018</td>
<td>2.10%</td>
<td>2.16%</td>
</tr>
<tr>
<td>June 2018</td>
<td>0.35%</td>
<td>0.48%</td>
</tr>
<tr>
<td>July 2018</td>
<td>3.86%</td>
<td>3.60%</td>
</tr>
<tr>
<td>August 2018</td>
<td>3.43%</td>
<td>3.03%</td>
</tr>
<tr>
<td>September 2018</td>
<td>0.46%</td>
<td>0.43%</td>
</tr>
<tr>
<td>October 2018</td>
<td>-6.08%</td>
<td>-6.94%</td>
</tr>
<tr>
<td>November 2018</td>
<td>0.61%</td>
<td>1.79%</td>
</tr>
<tr>
<td>December 2018</td>
<td>-6.92%</td>
<td>-9.18%</td>
</tr>
<tr>
<td>January 2019</td>
<td>5.72%</td>
<td>7.87%</td>
</tr>
<tr>
<td>February 2019</td>
<td>2.72%</td>
<td>2.97%</td>
</tr>
<tr>
<td>March 2019</td>
<td>0.90%</td>
<td>1.79%</td>
</tr>
<tr>
<td>April 2019</td>
<td>2.52%</td>
<td>3.93%</td>
</tr>
</tbody>
</table>

*Please see the monthly portfolio summaries in the appendix for detailed discussion of returns.

# Chart 1: Portfolio vs. S&P 500 Returns
Financial market performance over the last year was driven largely by slowing growth, changes in the political landscape, and Fed policy. Looking back at Q3 2018, the S&P 500 had recently hit all-time highs and headlines boasted the longest bull market in history. Strong fundamentals highlighted by 2% inflation, low unemployment, and historically strong consumer confidence supported a bullish sentiment. The market was driven by Information Technology, Consumer Staples, and Healthcare. FANG stocks were leading the way and leading technology companies including Amazon and Apple briefly hit one trillion dollar market capitalizations.

Things began to change as trade tensions increased between the United States and China when Washington threatened to impose tariffs. The United States plugged away at negotiations and agreed to a last second rework of the North American Free Trade Agreement, now called “U.S.-Mexico-Canada Agreement”, or USMCA.

By the start of Q4 2018, volatility began to spike and the S&P 500 lost more than 4% in the first week. At the time, the decline was thought to be a result of the sharp rise in treasuries. At close on October 5th, the 10-year interest rate topped out around 3.23%. The continued flattening of the yield curve, as well as the possible slowdown in the U.S. economy, caused recessionary whispers to emerge. The S&P 500 closed in October with an 11.44% decline from peak to trough. When the closing bell rang on Halloween, the S&P 500 logged its worst monthly performance since September 2011 – down nearly 7%. The October drop was generally seen as healthy for the markets after a historically calm year in 2017, where the largest drop was 3% from peak to trough.

Before the correction in October, global equity markets rose for 14 consecutive months, which was the longest uninterrupted monthly streak on record for international equities. It was also the first time on record that the S&P 500 was up during all 12 months of the year. In addition, the S&P 500 had positive returns during 20 of the prior 21 months. Simply put, the stock market rise was abnormal.

Some speculations for the decline cite complacency among investors, rising interest rates, President Trump’s lack of confidence in the Fed, midterm elections, and trade uncertainty with China. Markets slightly recovered in November, but in December, markets saw a significant correction. There was a 12.4% drawdown in the S&P during the month, which helped make December the worst month since October 2008, and was the driving force behind the market’s worst quarter since the heart of the Great Recession.
Technically speaking, the US markets entered bear territory at the end of 2018, as the index was down by 20% from the middle of September to Christmas Eve. Equities had been holding up fairly well until the Fed press conference in December, where Fed Chair Powell indicated that balance sheet runoffs and quantitative tightening would continue on autopilot. In hindsight, the market selloff was likely excessive. A slew of negative headlines hit the news and a nervous market was pushed over the edge.

However, at the beginning of 2019, markets experienced a considerable turnaround driven by evidence of a potentially positive trade resolution with China, the Fed’s pause in hiking interest rates, and earnings growth rates reporting higher than many investors feared. As of the end of April, the S&P 500 is up more than 18% since December’s downturn and the Fed has halted rate hikes. This despite the fact that Fed pauses are not typically indicative of healthy markets — as the Fed Funds Rate and the S&P 500 have shared a significantly positive correlation over the last 20 years. The S&P 500 has made back everything since December, so what has really changed? There is still an inevitable corporate earnings growth deceleration in 2019 and a continued overvaluation of the market on most metrics. 2018 saw a huge boost from tax cuts so earnings YoY should naturally decline as the impact is removed.

For the remainder of 2019, we can expect slower growth and possibly the beginning of a modest market correction. With the market returning to lofty valuations that we experienced in September, there is one considerable difference. In September, as the S&P 500 reached its last all-time high on the 20th, the economy was strong, corporate earnings showed little weakness and the Federal Reserve was hawkish as they were determined to continue to raise interest rates.

A dovish Fed means both good and bad things for our markets. Now that the probability of a rate hike through January 2020 is 0% and the probability of a rate cut through 2019 is 37.5%, investors have loosened their pockets once again and corporations feel safe. However, there are growing fears among analysts regarding the level of corporate debt existing in our economy. Currently, corporate debt levels make up 46% of GDP, which is a record high. Corporate debt levels in relation to corporate profits are not yet alarming, but we should all be wary that low-interest rates plus high corporate debt could become dangerous once corporate profits tighten, balance sheets weaken, and firms become more vulnerable to an economic slowdown.
Consumer Confidence declined from 126.6 in December to 120.2 in January and jumped back up to 124.1 in March while the Present Situation Index remained nearly unchanged, signaling that economic conditions are still favorable. It can be assumed that Consumer Confidence declined due to the market volatility in December and government shutdown through January and February. The percentage change in CPI (less food and energy) was 2.2% for January, which is right where the Fed wants it, and unemployment is at an all-time low.

Consumers remain very sensitive to economic whims as a result of the trauma from the last recession, and much of the market volatility can be attributed to investor psychology. There is no doubt that slowed growth is in our future, but because consumers remain generally fearful of a recession like the last, we suspect the next slowdown to be more of a market correction as opposed to a full-blown recession. Businesses, investors, and the Fed remain cautious and take a defensive stance over the market.

![CBOE Volatility Index (VIX)](image)

Figure 2: VIX Movement Year over Year - Resource: Bloomberg

Through the beginning of this year, the best performing sectors have been Information Technology, Consumer Discretionary, Industrials, and Communications. The worst performing sectors have been Health Care, Utilities and Staples. This is consistent with the market recovery thus far in 2019. Sectors such as Information Technology and Consumer Discretionary were the biggest losers in the tumultuous fourth-quarter of 2018.

The VIX, the so-called “fear gauge”, has settled down this year after a spike in December’s sell-off. With the VIX currently sitting in at 12.94, below its historical average of 18.36. Despite the VIX reaching 36.07, on Christmas Eve, it has remained far below the peak of the financial crisis, where we saw it north of 80.
European Markets

Hunter Beaudoin – European Economist

European economic activity continued to decline in the second half of 2018 and into the beginning of 2019 primarily due to a slump in economic growth on the global scale, trade conflicts, manufacturing sector woes, and an overall climate of uncertainty. As a result, areas dependent on outside factors were affected heavily, especially within the Eurozone, where business confidence continued to deteriorate. Country-specific issues such as Brexit, opposing policy views, and disruptions in the automobile manufacturing industry were also significant negative influences. New emissions standards introduced last year hurt automobile production, which in turn affected the demand-side through a fall new passenger car registrations and a decrease in supply.

At a domestic level, there has been less negative movement. Muted inflation, employment growth, rising wages, and prudent fiscal actions all have contributed to high job creation. Falling unemployment in the resilient labor market has also been a boon on consumer spending and the export side of the economy that had underperformed for the majority of 2018. The low unemployment boost on wages has yet to hit prices, though. Corporate bond spreads have narrowed since the beginning of the year in line with risk aversion, thus lowering financing costs.

European Central Bank

In perhaps the biggest economic news of the past year, the European Central Bank (ECB) ended their $3 trillion stimulus program that began in 2015 in order to return Eurozone inflation to an optimal 2% target in December of 2018. However, in March of this year, due to volatility in the financial markets, weaknesses in emerging markets, and the aforementioned climate of uncertainty, the ECB announced new measures to stimulate the European economy, including issuing a series of cheap, long-term loans for banks and holding interest rates at their current levels through the end of the year, months longer than previously indicated. Central banks across the globe have recently turned dovish over global growth concerns, but the ECB was the first one to actually ease monetary policy.

The ECB forecasts GDP growth to moderately slow to 1.2% in 2019 and 1.5% in 2020 from 1.9% in 2018. European Union (EU) member states as a whole are projected to beat forecasts but due to the economic dependency of Eurozone states, the forecasts were lowered. While the President of the ECB, Mario Draghi, is not expecting a recession anytime soon, the ECB and the Intermonetary Fund (IMF) continue to cut growth forecasts for Germany and the Eurozone. The general government deficit is expected to rise from 0.5% of GDP to 0.9% by the end of the year and flatten out in 2020. Debt-to-GDP ratios are expected to continue falling this year into the next.
However, these projections are of course subject to the outcome of the current trade conflicts afflicting the continent, most notably with the United States (US). Donald Trump’s postponement of a decision whether to impose auto tariffs on the region has given some short-term optimism to an issue that will not likely be resolved soon. In a sign of how Europe might navigate new US policy adjustments going forward, the three largest European economies (Germany, United Kingdom, and France) established a special purpose entity in early 2019 to allow European companies to easily continue doing business with Iran despite the US’s sanctions.

**Markets**

European stock indices have performed as expected, albeit more subdued than other comparable regions such as the US. The FTSE 100 is up around 8% and the FTSE 250 is up 9% since January, while country-specific indices from larger European economies such as the DAX and CAC 40 are up 14% and 13% respectively.

The euro weakened against most major currencies, reflecting the muted growth in the Eurozone and ECB monetary policy adjustments. The euro’s nominal effective exchange rate is expected to depreciate 1.5% by the end of the year. The contribution of next exports to Eurozone GDP growth is forecast by the European Commission to be negative this year and breakeven in 2020.

European investment has been growing at a slower annual pace due to trade, global outlook, and the lackluster performance of export-focused sectors, but is still positive due to low financing costs and high capacity utilization rates in manufacturing. The European housing market is a bright spot, though, as demand for housing loans increased across the continent and net lending flows to the private sector remain positive.

**Politics**

Despite small recoveries, political tension across Europe has created an increasingly large impact on the economy. In Paris and around the country, the yellow-vest protests lowered French economic output, more specifically hitting consumer spending and retail/manufacturing business sentiment. As the climate becomes a more important issue in elections, politicians may find themselves setting economic policy that causes tension between the middle class and environmentally conscious voters.

Despite Emmanuel Macron’s best efforts, there has been fracturing in the relationships among many of Europe’s largest economic players, whether it be between France and Italy’s views on the EU or between Germany and France due to a cancellation of a proposed rail merger that would have resulted in a more connected Europe. With the United Kingdom (UK) leaving the EU and the rise in popularity of anti-European, populist parties around the continent, we may see less dependency of economies on one another, which could result in fewer advantages and further deterioration of European economic activity as a whole.

In Italy, the EU and the coalition government collided late last year over their 2019 fiscal budget, with Italy eventually trimming their fiscal target. While it was a win for EU at the time, this made it even less likely that the reigning government would be able to follow through on their promise to stimulate economic growth and take on the immense debt load, currently taking up 130% of...
their GDP. In March, Italy’s spring budget documented projected a deficit 0.4% over the settled on target with the EU, furthering straining their relationship with the organization. This comes even as Italian bond yields are at their lowest in almost a year.

**Brexit**

Brexit has taken up most of the discussion surrounding Europe in the past year (and the year prior), characterized by political gridlock, the evacuation of British politicians, ever-shifting deadlines, and a deal that has been rejected by the highest margin in UK history. While Brexit may not generate a huge impact on the European economy, the United Kingdom itself is in for a rough couple of years. The UK’s GDP was 1.4% in 2018, the lowest growth in six years, British automobile production fell by 9% in 2018, the highest amount since the 2008 recession, and investment in the UK is down by almost half since the fall of 2018. Analysts estimate that the UK economy could shrink 9% with a no-deal Brexit and 3.9% even with a deal.

The most worrisome economic signal currently is the condition of Europe’s largest economy, Germany. Industrial production, new manufacturing orders, and exports all have dropped significantly in the past year and could point to a technical recession in the latter half of 2019. The German Purchasing Managers Index is at its lowest level since 2012, signaling brewing trouble, especially in the auto-manufacturing industry. The German 10-year sovereign bond yield turned negative at the end of March.

The strength of the labor market, gains in domestic demand, and lowered financing costs will keep the European economy competitive. However, the risk of further protectionist policies from the US, the global economic slowdown, downward moving sentiment across the continent, weak performance from emerging markets, the strained trade relationship between the UK and the EU, and the uncertainty of the upcoming European elections all point to a relatively flat growth trajectory going into the second half of 2019 and into 2020.
Latin American Markets

Kevin Kennedy – Latin American Economist

Latin America stands as one of the most volatile economic regions on the globe. In order to analyze it effectively, it is important to understand several key factors.

First, Latin America derives its wealth through its abundant natural resources. In fact, the region acts as one of the largest producers of agricultural commodities (soy, beef, and coffee) and precious metals (copper and iron). Likewise, countries like Venezuela and Argentina boast some of the largest natural reserves for crude oil and liquid natural gases (LNGs) in the world. These natural resources are marked-to-market assets: they experience price movements on a daily basis. As a result, the intrinsic value of the region largely depends on market conditions, and oftentimes steep shifts in commodity prices can have large effects on local currency value influencing investors’ view of public equity markets.

Second, Latin American currency valuations must be considered. Prices of local currencies are some of the most volatile globally. The chart below illustrates which countries experienced the highest levels of inflation recently. (Jan 2018 – April 2019)

Inflationary periods are habitual in Latin America. Argentina has experienced historically high inflation this year, thus we can use it as a case study. The Argentine Peso (ARS) lost over 100% of its value during the year – plunging the country into a recession. The depreciation can be attributed to mismanaged monetary policy by preceding political regimes, especially after the collapse of a one-to-one peg against the USD in the early 2000s. In terms of economic impact, wealth in savings accounts in local banks of Argentine citizens withered in value. For businesses, heavy inflation makes operations all the more expensive, and in Argentina’s case, private businesses and commodity producers lost their edge against global industry competitors. These inflationary spikes often divert foreign investors from local capital markets. Continuing with Argentine, when the ARS spiked to 42/1 USD from September to October 2018, the Buenos Aires Stock Exchange (MERVAL) declined 20% in the same period.
The third and final important concept for analyzing Latin America is the geopolitical environment it promotes. LatAm is a region rich with nepotism, despotic rulers, and local governments that invite predatory foreign direct investment as a means of short-term solutions to long-term problems. The Venezuelan regime of Nicolas Maduro embodies this ideology.

Venezuela carries the largest reserves of crude oil in the world, yet since August, 2018, the local Bolivar has experienced hyperinflation nearing 9000%. The streets of Caracas, the nation’s capital, show empty storefronts, abandoned buildings, and displaced citizens seeking viable shelter and clean water because the government cannot afford to maintain its infrastructure. An example is one of Venezuela’s state owned enterprise, Petroleos de Venezuela Sociedad Anonima, whose current crude oil output is a fraction of what it used to be (~40%). This political unrest has spurred many protests, often met by military force in order to subdue revolutionary sentiment.
These three themes of inherent volatility, fragility in local currency, and constant geopolitical unrest allows us to interpret regional dynamics. Economically, some of the larger countries by GDP (Brazil, Mexico, Argentina, Colombia) are in the midst of transforming themselves into more developed markets. However, as a result of the three aforementioned regional themes, achieving this in the short-run is becoming less likely.
Asia Pacific Markets
Nicholas Sutton – Asian Economist

The Asia-Pacific markets have begun to rally during Q1 2019 despite a significant deceleration in the last three quarters of 2018. With much of the region's market movements centered on trade tension between the United States and China, optimistic sentiment around an upcoming trade deal has caused Asian markets to rally in Q1 2019. After a sluggish 2018, researchers at Deloitte expect China to continue growth in 2019 – contingent on the outcome of the trade talks, the success of their domestic deleveraging efforts, and successful central bank efforts to create more flexibility in renminbi (RMB) exchange rates. For Japan, external headwinds and global trade tensions could continue to have cooling effects on its economy. Despite strong growth in 2017, the Japanese economy faced major deceleration in 2018, with a significant lag in consumer spending, exports, and investments. On the southern edge of the Pacific Rim, the Australian economy is entering its twenty-eighth year without facing a recession. Many economists suggest, however, that there are growing risks on the horizon, including devastating droughts, a contracting housing sector, and subdued consumer spending.

The trade tension between the United States and China, beginning in Q1 2018, increased trade fears and protectionism worldwide. The ongoing trade talks are beginning to signal a possible conclusion, following the December 2018 truce and a series of March 2019 negotiations. Still, issues of intellectual property rights and technology transfer regulation and enforcement are facing ongoing negotiation, and stand to delay an agreement until these concerns are addressed. This optimistic news has been cited as the cause of better than expected growth in Q1 2019 – with YoY growth at 6.4% against estimates pegged at 6.3%, as well as favorable movements in the Chinese purchasing manager’s index. However, fears surrounding the negotiations and their implications have exacerbated domestic issues in China such as ballooning local government debt and conflicting deleveraging and stimulus efforts. Recent stimulus measures, such as corporate tax cuts, have spurred business growth in Q1 while also decreasing local government revenue in a time when a handful of local governments are defaulting on their debt.

Real GDP in Japan declined in Q1 and Q3 of 2018 due to both internal and external headwinds. Externally, Japanese exports in 2018 declined due to decreased demand from China and the European Union. In 2018, exports to China fell 17.4% while exports to Western Europe were down 6.6%. Internally, Japan is expected to continue dealing with issues of decelerating consumer spending and labor shortages. Looking forward, it is likely that Japan will face particularly slow growth due to planned increases in sales tax later in the year, which are likely to be followed by a significant drop in spending in the ensuing quarters. Australian markets have rallied since their mid-Q4 2018 dip caused by a sharp decline in real estate prices and droughts significantly affecting the industry in its central regions. While these issues are unlikely to disappear, Australia’s economic fundamentals remain strong, shown by favorable employment growth and contributions from Australia’s resource sector.
Emerging Markets began 2019 with strong performance in Q1, recovering significantly from a difficult 2018. The MSCI EM Index (EEM) finished 2018 down over -19%, and closed Q1 2019 up near 11%. Since the end of Q1, EEM has undergone slight price consolidation which could be indicative of a more sustainable long term trend reversal upward. The underperformance during most of 2018 can be attributed to the threat of a firming U.S. dollar, as well as geopolitical uncertainty. Those fears came to fruition as the Trump Administration shook the global economy by opening up trade disputes with China and imposing and increasing new sanctions across the Middle East, Russia, and Venezuela.

The market seemed to turn around at the start of Q1 due to what appeared to be easing tensions between the U.S. and China as well as the US Dollar’s stabilization resulting from a policy turnaround by the Fed. After Federal Reserve Chairman Jerome Powell had spent 2018 trying to contain a red hot US economy, the year ended with intense volatility in December. This, along with concern over a possible flattening of the yield curve, prevented Powell from further hiking rates and slowing down QE. This stabilization was crucial in reducing pressure on Emerging Markets equities who held USD denominated debt, as default has long been a major concern for EM investors because historically EM currencies move inversely with the US Dollar.

With a more positive outlook and access to USD denominated credit markets, EM equities look poised for future growth. However, there are still uncertainties keeping this market from continuing upward, supported by the MSCI EM P/E of 13.11 at the end of Q1. The Venezuela issue
has grown to a point of crisis, Russia is under sanctions for cybercrimes, and South Africa’s energy infrastructure is collapsing as nationalized utilities provider Eskom took a bailout. Moreover, Turkey’s Lira has continued to devalue in the face of a failing banking system and a probable currency manipulation conspiracy that lead to FX traders piling on short positions. The most important catalyst for EM still remains a resolution to the US-China trade talks. As a whole, EM equities are still cheaply priced and Q1 performance has been understated by geopolitical concerns. We see that investors want to pile back into EM equities but risk averse institutions are waiting for the geopolitical tensions to recede. Even so, patience is dwindling and some investors shook off these threats in Q1, shown below by a strong capital inflow in January.

As for EM debt markets, the outlook is to the same tune as EM equities. After abysmal performance throughout 2018, EM debt has been able to recover from fears of a strong US dollar. Furthermore, the Fed’s reversal on the direction of our economy which lead to Jerome Powell urging the importance of “being patient”, has created more comfortable debt markets for borrowers abroad. As a result, EM debt soared in Q1 before breaking par values on average. The questions that remain for EM debt investors are whether or not the yield curve flattening will be a recurring threat down the road and how much further can capital inflows excited by new performance push quotes beyond fair value.
Figure 3: Emerging Markets Debt Rallies out of Pessimistic Borrowing Condition

As of 25 March 2019
Source: JP Morgan
While “Patient” and “Flexible” have been the two most common words used to describe the Fed’s current monetary policy year to date, fixed income market behavior has not necessarily followed a similar sentiment. The aforementioned pressures from the current U.S. President, heightened volatility in public markets, weaker foreign sovereign economic conditions, and tamer domestic economic growth have all added to the downward trend in the U.S. 10-year Treasury yield throughout the year. Weak fundamental economic data poses a risk to consumer spending, but the primary driver of key benchmark rates appears to be driven by fear and uncertainty.

These emotions are also reflected in the dovish policies of central banks around the world. The chart to the right (WSJ.com) show 10-year sovereign yield spreads over the U.S. 10-year yield of the most prominent world economies are currently below 90 basis points, with the majority being negative with the intent to stimulate economic activity and to encourage increased investment in riskier assets. Even though the Fed remains cautiously optimistic regarding inflation, consumer spending, and the labor market, the CME Group’s FedWatch Tool is currently predicting that...
there is a 58% chance of a rate cut by the end of this year. While nobody knows exactly what the yield curve will look like in a year, a rate cut could prolong the chase towards high-yield bonds in order to achieve sufficient capital maintenance within the fixed-income asset class. If we were to experience a credit crunch in the high-yield space, catastrophic losses could trickle from institutional funds all the way down towards retirement accounts.

From a credit perspective, we have slowly started to see investors turn towards higher quality bonds. The end of 2018 witnessed a sell-off in General Electric bonds after the company’s rating was downgraded to BBB+. This was a pivotal moment in the credit landscape due to the spotlight on the potential effects of a mass decline in credit. Heightened regulation of credit rating agencies, insurance companies, and several other financial institutions through Sarbanes-Oxley, Dodd-Frank, and the Basel Accords increased the relevance of credit quality to the fundamental operations of the regulated institutions. Due to the length of quantitative easing and the pause in quantitative tightening, cheaper liquidity could be artificially supporting and growing companies that will fail when economic conditions deteriorate. Over $4 Trillion of BBB bonds could be downgraded at any time, which would force many institutional investors, primarily insurance companies and pension funds, to sell their holdings. The value of these securities would then decrease significantly.

With regards to our portfolio and keeping both interest rate and credit risk factors in mind, we see the most promising opportunity in short-duration investment grade credit. With a significant amount of cash on hand heading into the summer, we decided to seek out an alternative option that still posed a lower risk to our portfolio. While we hold a mortgage REIT (LADR) that has recorded a dividend yield of over 7% since Q3 of 2017, we decided that a Bond ETF would provide diversification in the event of another market correction.

At the end of the academic year, we voted to purchase the iShares Short-Term Corporate Bond ETF (IGSB) on the basis that the fund has a .01 3-year equity beta and a distribution yield of 3.2%. The ETF saw a maximum drawdown during Q3 and Q4 (2018) of less than 3%, and a mere 7% loss from Q1 to Q3 of 2008. Additionally, we could see the value of the fund increase as investment
volume flows from the high yield space towards investment grade as the credit cycle ages. This trend can be seen through the inverse relationship between the 14-Day RSI’s of IGSB and the iShares iBoxx $ High Yield Corporate Bond ETF (HYG) shown in the two charts on the following page. In the event that our investment thesis proves to be incorrect, we have a 3% trailing stop on the position to fall back on.
Alongside of the portfolio’s public securities, the College of Charleston Investment Program also has the ability to invest in private companies. The Program invests alongside the Charleston Angel Partners (CHAPS), the area’s longest tenured and most established angel group. The group’s current Executive Administrator and Committee Chairman are John Osborne and Jim Adamczyk, respectively. The monthly meetings, attended by our private equity team, begin with a portfolio and diligence update, which is then followed by one to three pitches from new companies seeking investments. The companies typically reside in the Southeast and focus on healthcare or technology.

During the 2015-2016 academic year, the Program made a $10,000 investment in a Series A round in ENGAGE, a Charleston based human capital management company. ENGAGE has created proprietary software that helps companies identify and passively recruit higher-quality job candidates. ENGAGE pulls over 100 unique data points from across the internet to target both candidates and companies. Following, in January of 2017, the Program reinvested $2,829 in a Series B round, in order for ENGAGE to increase their market share. This year, the 2018-2019 cohort invested $3,751.55 in a Series C round in ENGAGE, following the company’s exponential growth in annual recurring revenue (ARR) and ability to enter a venture fund incubator Engage VC.

At the end of the 2017-2018 school year, the program made a $5,000 investment in a Series A round in QuadWrangle, an automated engagement platform designed for college alumni. Unfortunately, the investment did not perform as expected, and the lead investor Good Growth Capital called for additional funds to package the company for sale. This year the 2018-2019 Cohort decided to participate in the convertible note investing $263.67, with an 8% interest rate and a 3X liquidity preference upon sale of the company.

The Program added two new private equity portfolio companies this year. The first investment was a $5,000 Series C investment into Uvision 360, a medical device company that owns the Luminelle DTx Hysteroscopy System. The Luminelle DTx is an in-office device that can be utilized in various procedures at a fraction of its competitors’ costs. The Program also made a $5,000 Series C investment in FirstString Research, an innovative biopharmaceutical research company based out of Charleston. The company focuses on targeting and developing solutions for inflammation and injury-based medical conditions.

In total, the 2018-2019 cohort made four investment decisions totaling $14,015.22. Further, the two new portfolio companies tilted the portfolio towards a more risk averse mindset by focusing on biomedical firms in later stages of funding. We are confident that all current portfolio
companies have great potential to exponentially grow and exit in the next one to three years – thus we are also aware of the high risk levels that exist in the early stage private equity asset class.
Appendix
A.1 2018 – 2019 Investment Society

**Chase Westenfelder, Senior**
- Managing Director, Kenan Value Investing Scholar
- Finance Major, Data Science Minor
- Working for J.P. Morgan Private Bank after graduation
- CFA Level I Candidate

**Sophie Forstein, Senior**
- Chief Operating Officer
- Accounting Major
- Working for JPMorgan Chase & Co. after graduation

**Kirsten Parker, Senior**
- Portfolio Manager, Kenan Value Investing Scholar
- Accounting Major
- Working for Ernst & Young after graduation
- Sitting for CPA

**Mark Wold, Junior**
- Quantitative Strategies Head
- Finance Major, Data Science Minor
- Interning for Weiss Multi-Strategy Advisers this summer
- CFA Level I Candidate

**Noah Nissen, Senior**
- Private Equity Manager
- Finance Major, Real Estate Minor
- Working for South Carolina Retirement System Investment Commission after graduation

**Jameson Borden, Senior**
- Emerging Markets Economist
- Finance Major
- Working for Oppenheimer and Co. after graduation

**Kevin Kennedy, Senior**
- Latin American Economist
- Finance Major, Spanish Business Language Minor
- Pursuing Equity Research career after graduation
- CFA Level I Candidate

**Taylor Crawford, Senior**
- Performance Analyst
- Finance & Economics Major
- Working for Moody’s Structured Finance after graduation
Eric Spector, Senior
- Markets Analyst
- Finance Major, Jewish Studies Minor
- Working for Raymond James after graduation
- CFA Level I Candidate

Nick Sutton, Junior
- Asian Economist
- Finance Major, Asian Studies Minor
- Interning for ING Capital Leveraged Finance this summer

Ashley Markow, Senior
- United States Economist
- Business Admin Major, Global Logistics Conc., Economics and Spanish Business Language Minor
- Working for Frontier Capital after graduation

Hannah Bentz, Senior
- Fixed Income Manager
- Finance & Accounting Major
- Working for JPMorgan Chase & Co. after graduation
- Sitting for CPA

Luke Fox, Senior
- Private Equity Analyst
- Finance Major, Real Estate Minor
- Working for Bond Street Advisors after graduation

Caleb Garrity, Junior
- Public Equity Manager
- Finance Major
- Interning for Bourne Partners this summer

Steven Lange, Sophomore
- Marketing Manager
- Finance Major
- Interning for Prudential Global Investment Management this summer

Rob Solomon, Senior
- Real Assets Manager
- Finance Major
- Working for Merrill Lynch after graduation
- CFA Level I Candidate
Hunter Beaudoin, Junior
- European Economist
- Finance & International Business Major, Spanish Minor
- Interning for Greystar this summer

Ryan Snyder, Junior
- Quantitative Model Developer
- Finance Major, Data Science Minor
- Interning for Charleston Capital Management this summer

Maddy Goodman, Junior
- Private Equity Analyst
- Finance & Mathematics Major
- Interning for Egon Zehnder this summer

Stavro Najjar, Senior
- Risk Management Analyst
- Finance Major, Theatre Minor
- Working for Blackbaud after graduation

Daniel Hassett, Senior
- Special Events Coordinator
- Finance Major, Economics Minor
- Pursuing a Finance career in the Fashion Industry after graduation

Theo Harrison, Senior
- Public Equity Manager
- Finance Major
- Working for Goldman Sachs after graduation
A.2 Trip to New York City Write-up
Investment Program Makes Annual Trip to NYC

In early April 2019, the School of Business Investment Society travelled to New York City to engage with professionals at the heart of the world financial system. Program Director Dr. Mark Pyles, Dr. Daniel Huerta, and 15 members of the Investment Society visited four distinct institutions around New York, each providing extraordinary insight on the inner-workings of the multifaceted dynamics of finance.

The excursion kicked off with a visit to the offices of Weiss Multi-Strategy Advisors, where the students interacted with various employees of Weiss from all segments of the business. We are very fortunate to have our great friend and Program board member Mr. Jay Tucker, who is the COO for Weiss, schedule a diverse array of professionals to speak with us. Each seemed to offer his or her own unique skills and abilities in the incredibly successful and dynamic company.

From Weiss, the group moved up Park Ave to 59th St where they entered the hallowed corridors of Kohlberg Kravis Roberts & Co (KKR). The students tried to resist dropping their jaws upon entering the doors of KKR’s New York Office with its panoramic views of Central Park from 42 stories up. Luckily the group was swiftly moved into a private conference room that still offered the vista, allowing each member to get an acceptable Instagram photo. Aside from the impressive views and art installations, KKR presented professionals from various segments of the business. Students were interested to learn of all the various segments housed within KKR because it is typically referred to as a private equity company. We must give great thanks to CofC alumnus Ms. Beth Hammond, for setting up and organizing the visit.
She gave the program a truly incredible experience, and inspired many students with the aspiration of working at KKR later in their careers.

Following all of that day’s excitement, the group relaxed with some classic New York Italian food at Carmine’s. Relaxation was certainly needed as the next day the group had two more stops on the New York adventure. At the beginning of the next day everyone headed off to Bloomberg’s headquarters on Lexington Ave. The group was able to get some professional tips on the functionality of the Bloomberg Terminal by Mr. Doug Edler, a dedicated instructor of financial theory to Bloomberg’s computer engineers. Mr. Edler proved to be very knowledgeable on various commands he thought the group might find useful. The group was also happy to see former program member Peyton Dalton who is currently a FX Specialist at Bloomberg. After the training we were taken on a tour of Bloomberg’s incredible headquarters which houses TV studios, radio studios and enough snacks to seemingly feed the city of New York for a month.

For the finale of the New York Trip, the group took the 6 train downtown to the financial district to visit the mecca of finance, also known as the New York Stock Exchange (NYSE). The group was fortunate enough to be guided around the floor by long-time friend of the Investment Program and multi-time speaker at the Investment Symposium, Mr. Peter Costa. Pete is a former Floor Specialist at the Exchange and therefore knows all of the ins and outs. The group was there on a Friday afternoon and got to watch the Exchange be closed by some “representatives” from the WWE. The group was also very excited to be “featured” on CNBC’s Closing Bell coverage.
Following the Friday activities, the Program hosted a happy hour gathering for former Program members that live in the area – which provided a wonderful opportunity to reconnect and allow their experiences to be benefit the younger versions of the Investment Society. The two-day experience in the heart of the financial world is an invaluable privilege offered to the students. Each participant was able to make valuable connections and get foreshadowing of how their near-term future may look. We look forward to many more visits in coming years.
A.3 5th Annual Strategic Investment Symposium Program
Fed Signals Hold on Rate Increases
The Federal Reserve indicated in early February that it was done raising interest rates for now, fueling a market rally.

Women Claim New Turf on Wall Street
Women are fueling the growth of one of the most popular products on Wall Street; the $700 billion market for collateralized loan obligations, where one in four senior executives is female.

Market Conditions Unknown as Investors Sail On
Strong economic data is countering sentiment towards a slowing economy. Investors are tepidly moving forward as they feel out current conditions.

Apple Retail Chief to Depart
Angela Ahrendts is leaving the company in April after more than five years in the role. She will be succeeded by Vice President of People, Deirdre O’Brien.

Stocks Pushed Higher by Tariff Delay
U.S. stocks jumped Monday, following global indexes higher, after President Trump said he would delay a planned increase in tariffs on Chinese goods.
Global Markets Outlook
9:00 - 10:30: Wells Fargo Auditorium

Value Investment Keynote
10:45 - 12:00: Wells Fargo Auditorium

PETER COSTA
Managing Partner, Costa Family Office, New York, NY

DAVID HAYTHE
Senior Advisor, Morgan Stanley, Charleston, SC

JOANNE HILL
Chief Advisor for Research and Strategy, CboeVest, McLean, VA

D. SCOTT PHILLIPS, JR.
Portfolio Manager and Head of Research, Templeton and Phillips Capital Mgmt., Chattanooga, TN

DAVID MARCUS
Co-Founder and CEO, Evermore Global Advisors, Summit, NJ
Breakout Session 1
1:30 - 2:30

1A: Venture Capital: Tate 207

JOHN OSBORNE
Managing Partner, Good Growth Capital, Charleston, SC

AMY SALZHAUER
Managing Partner, Good Growth Capital, Charleston, SC

STEVE SWANSON
Former CEO / Founder of Automated Trading Desk, Charleston, SC

1B: Derivatives: Tate 202

MATT MORAN
Head of Global Benchmark Indexes Advancement, Cboe Global Markets, Chicago, IL

DR. D. SYKES WILFORD
W. Frank Hipp Distinguished Professor in Business Administration, The Citadel: The Military College of South Carolina, Charleston, SC

1C: Impact Investing: Beatty 212

JASON BRITTON
Founder and Managing Partner, Reflection Companies, Charleston, SC

LYLE CASRIEL
Senior Vice President — Investments, UBS Private Wealth Management, New York, NY

CHRIS MATTEINI
Analyst, TIFF Investment Management, Boston, MA
Breakout Session 2
2:45 - 3:45

2A: Private Equity: Tate 207

CHRISTIAN H.M. ALBERT
Managing Partner, Bowside Capital, Charleston, SC

WILL DUBÉ
Research Analyst, Frontier Capital, Charlotte, NC

WALT GREEN (Moderator)
Private Investor; Advisory Board Member, School of Business Investment Program, Charleston, SC

ELIZABETH HAMMOND
Director, Kohlberg Kravis Roberts & Co, New York, NY

2B: Technical Trading: Tate 202

JIM CARROLL
Managing Partner, LongRun Capital Management LLC, New York, NY

TOM DORSEY
President of Dorsey Holdings and Founder of Dorsey, Wright & Associates, Richmond, VA

J. TIM SNAVELY
Portfolio Manager, Crawford Investment Counsel, Atlanta, GA

2C: ETFs: Beatty 212

DUSTIN BARR, CFA
Consultant and Director of Research, Carolinas Investment Consulting, Charlotte, NC

JOANNE HILL
Chief Advisor for Research and Strategy, CboeVest, McLean, VA

JAMES SEYFFART
ETF & Commodities Analyst Bloomberg Intelligence, Bloomberg, Princeton, NJ
Breakout Session 3
4:00 - 5:00

3A: Real Estate: Tate 207

THOMAS CARROLL
Partner, Ballast Rock Capital and Watermark Partners Real Estate

OLIVIA COCO
Associate, Goldman Sachs, Dallas, TX

ALBERTO DONOSO
Managing Director, Global Development, Greystar, Charleston, SC

GABE HENDERSON
(Moderator) Associate, Goldman Sachs, New York, NY

3B: Quant Investing: Tate 202

CHARLES CROW IV
Chief Data Scientist, Portfolio Manager, and Partner, Weiss Multi-Strategy Advisors, New York, NY

JOHN LEWIS
Visiting Assistant Professor, The Citadel: The Military College of South Carolina, Charleston, SC

MCLEAN WILSON
CEO, inFactor Corp, General Partner, Charleston Capital Management, Charleston, SC

3C: Fixed Income: Beatty 212

MARK BUONO
Managing Director — Investment Office, Global Atlantic Financial Group, New York City, NY

DEAN SMITH
Founder and Principal, Stonehenge Financial Partners, Charleston, SC

JOHN WISEMAN
Director of Fixed Income, Greenwood Capital, Greenwood, SC
Greystar Real Estate Partners, LLC. an integrated real estate company, provides management, development, and investment services for residential properties in the United States and internationally. It offers property management services that include national property management, due diligence services, financial services, construction management, master insurance programs, procurement, information technology, education and training, marketing and communications, and development and construction services for multifamily projects. Greystar Real Estate Partners LLC was founded in 1993 and is based in Charleston, South Carolina.

U.S. Trust specializes in the complex financial needs of wealthy individuals and families. For more than 200 years, our global perspective, breadth of capabilities, unique team approach, and fiduciary platform have differentiated us from other private banks and enabled us to help manage and preserve wealth across generations.

CFA Society of South Carolina promotes the highest ethical standards and professional excellence within the local investment community. CFA Society South Carolina is an association of local investment professionals, consisting of portfolio managers, security analysts, investment advisors, and other financial practitioners, that has served CFA charter holders and CFA program candidates locally for more than the last 15 years. CFA Society South Carolina has over 100 members and is a member society within CFA Institute. Our members are part of a global network of more than 130,000 finance and investment professionals in more than 150 countries and territories. Our goal is to make a difference in the future of the profession at the local level.

inFactor is an integrated financial technology company providing liquidity solutions across the spectrum of non-bank lending. Our core principle is that capital is most prudently valued as a function of scarcity plus risk, and that comprehensive risk management can lead to optimal transactions in any macro climate.

The Carter Real Estate Center (CREC) brings together students, faculty, and industry leaders (including an extensive alumni network) – through the synergy of teaching, research, and service – to better understand the complexities of the real estate asset and help find practical solutions for the issues facing the industry today.
FineMark National Bank & Trust is a nationally chartered bank & trust company founded in Fort Myers, Florida in 2007. FineMark offers a full range of financial services, including personal and business banking, lending services, and asset management and trust services through its offices located in Florida, Arizona and South Carolina. FineMark Sports Management®, a division of FineMark, manages the financial affairs of nearly 200 athletes and sports executives from the PGA, LPGA, MLB, WNBA, NFL, and NHL. FineMark Holdings, Inc. is the parent company of FineMark National Bank & Trust and is traded on the OTCQX under the symbol FNBT. FineMark is dedicated to providing a culture of service to our clients and making a positive difference in the communities we serve.

HDH Advisors is a full-service business valuation and consulting firm. Founded in 2007, HDH has offices in Atlanta, Georgia and Des Moines, Iowa. Core areas of practice include business valuation, litigation support, and turnaround and restructuring consulting. The firm strives to provide clients with personal and professional service based on a deep understanding of the issues they face. HDH advises companies, boards of directors, special committees, independent trustees, legal counsel, and other trusted advisors. A team of professionals draws upon years of experience in advising clients on complex financial matters. HDH's reputation has been crafted from the quality of service and is the platform for continued growth.

Carolinanas Investment Consulting is one of the South’s premier investment advisory and financial planning firms. Throughout our more than 15-year history we have navigated the complexities of modern finance, coordinating the affairs of individuals and families, corporations and business owners, foundations, and endowments. Our institutional resources and reach are realized through a team of experienced in-house experts who hand-craft solutions for each financial challenge. As an employee-owned boutique, we deliver personalized attention in a family-friendly environment that giant banks and Wall Street firms simply can’t match. As one of the largest firms of its kind in the Southeast, we have access to industry-leading research, tools, and investment opportunities. Because of our independence, we are free to pursue the best interests of our clients without the inherent conflicts found in well-known financial conglomerates that sell their own proprietary products. Our consultants enjoy decades-long multigenerational relationships with our clients. We work with successful entrepreneurs, accomplished professionals, and their families to establish and achieve financial and life goals. We partner in stewardship with charitable foundations and endowments to advance and cement each significant legacy. Carolinas Investment Consulting delivers comprehensive planning and investment management with extraordinary client service.

To understand Greenwood Capital, take a look back more than a half a century when textiles were king. Thousands of SC textile employee pensions were entrusted to our predecessors, and by serving them well, the Investment Division of a South Carolina textile mill became Greenwood Capital in 1983. The convictions of our firm come from a history of managing a multi-million-dollar portfolio and the retirement incomes of hard-working families through turbulent times. We’ve learned our lessons well. Our decidedly disciplined approach has served our clients through prudent growth with a watchful eye for downside risks. It’s also made us one of the largest independent investment firms in the Southeast. No doubt, our global expertise is firmly rooted in South Carolina humanity.
A message from the student event coordinator:

On behalf of everyone in the School of Business Investment Program, I would like to thank you for joining us this year. We created the Symposium to allow for a dynamic exchange of ideas related to various investment management strategies. It is meant to serve as a unique opportunity for the rapidly growing financial community in Charleston to network and interact with other professionals, as well as students and faculty / staff of the College of Charleston School of Business. It also sheds further light on the work being done by the Investment Program, which has expressed a mission to better prepare students for employment in the field of investments. Finally, it allows visitors to experience the beauty and opportunities of Charleston as a place to both live and work.

I would also like to give special thanks to Dr. Pyles and Dr. Huerta, whose leadership and hard work are what make this event actually happen. They encourage their students to push themselves and achieve aspirations higher than they may have expected. We students in the Investment Program often find ourselves in a pursuit to go above and beyond with the intention of making Dr. Pyles and Dr. Huerta proud. I could not ask for a more rewarding education and I’m incredibly excited to share the outcome of that pursuit in this event.

Thank you again,
Daniel P. Hassett
Speakers
Biographies
Global Markets Outlook
9:00 - 10:30: Wells Fargo Auditorium

PETER COSTA - Managing Partner, Costa Family Office, New York, NY
Peter P. Costa is a former Governor with the New York Stock Exchange, President of Empire Executions, Inc. (a boutique trading firm on the floor of the NYSE), a CNBC Market Analyst and head of the Costa Family Office. Costa is regular contributor on CNBC throughout the day with Kelly Evans, Bill Griffeth and Scott Wapner. Additionally, Peter provides valuable insight into volatility of the markets (both domestically and internationally) for CNN and BNN. A sought-after keynote speaker at numerous industry conferences and national business schools, Mr. Costa supports many philanthropic organizations, particularly St. Judes and The Robinhood Foundation. As head of the Costa Family Office, Mr. Costa is responsible for managing the wealth of the Costa family who acquired their wealth through their involvement with Horizon Kinetics LLC, which includes the flagship Kinetics Internet Fund since its inception. Mr. Costa began his career as a clerk on the floor of the New York Stock Exchange over 30 years ago. Holding senior trading positions at Lehman Brothers, Francis P. Maglio Inc., Bear Stearns and Eckhart & Company, Mr. Costa co-founded Empire Executions Inc. in 2008.

DAVID HAYTHE - Senior Advisor, Morgan Stanley, Charleston, SC
David Haythe is a senior advisor at Morgan Stanley. Mr. Haythe joined Morgan Stanley in New York in 1975 as part of the Institutional Equity Division and transferred to the firm’s London, England, office upon its inception in early 1979. More recently he headed Morgan Stanley’s Private Wealth Management business, EMEA. He has had a long and diversified career in International Finance. Mr. Haythe holds a BA degree from Middlebury College and a MSc degree from the London School of Economics and Political Science, London, England.

JOANNE HILL - Chief Advisor for Research and Strategy, CboeVest, McLean, VA
Dr. Joanne Hill has over 25 years of experience in research and strategy with an emphasis on indexes, options and quantitative investments. Prior to joining CboeVest, Dr. Hill worked with ProShares for eight years, as Head of Institutional Investment Strategy, focusing on ETF research and education, and spent 17 years at Goldman Sachs, where she was a Managing Director leading global equity index and derivatives research and advising institutional investors on strategies using index and risk management tools. A recognized leader in the financial industry, Dr. Hill is a recipient of the William F. Sharpe Indexing Lifetime Achievement Award and has published extensively on quantitative investment topics, index products, and derivatives. Dr. Hill is a co-author (along with Dave Nadig and Matt Hougan) of A Comprehensive Guide to Exchange-Traded Funds (ETFs) published by the CFA Institute Research Foundation. She heads the research committee for the "Q" Group and the CFA Institute Research Foundation where she is also a board member. She also serves on the editorial board of the Financial Analysts Journal and Journal of Index Investing. Money Management Executive named Dr. Hill one of the ten inaugural recipients of the Top Women in Asset Management Awards. She was a Founding Member and Co-President of Women in ETFs and currently serves on their board. She is a member of the Investment Committee of the Montgomery County Public School Defined Benefit and Defined Contribution pension plans. Prior to her career on Wall Street, Dr. Hill was on the faculty of the University of Massachusetts (Amherst) and she has a Ph.D. in Finance from Syracuse University.
D. SCOTT PHILLIPS, JR. - Portfolio Manager and Head of Research, Templeton and Phillips Capital Mgmt., Chattanooga, TN
Scott Phillips is portfolio manager and head of research at Templeton and Phillips Capital Management, LLC. Prior to working with Templeton and Phillips Capital Management, LLC, Scott Phillips founded Cumberland Capital Corp, located in Chattanooga, TN. Founded in June 2004, Cumberland Capital provided equity research services to Green Cay Asset Management, a hedge fund management company located in Nassau, Bahamas. In this capacity with Cumberland Capital, Scott was the lead research analyst on the Siebels Hard Asset Fund a long/short equity fund managed by Green Cay Asset Management. In addition to consulting on this fund Scott also provided equity recommendations for the Green Cay Emerging Markets Fund. Prior to consulting Green Cay’s funds Scott was employed as a research analyst with Green Cay beginning in January of 2004. Before joining Green Cay, Scott was an equity research associate analyst with SunTrust Robinson Humphrey (including its predecessor companies) in Atlanta GA from January of 1999 to December of 2003. Scott co-authored with Lauren Templeton of the book “Investing the Templeton Way” released in 2008 by McGraw Hill. Scott is also the author of “Buying at the Point of Maximum Pessimism” a book on forward looking investment themes published by the FT Press in 2010. In addition to these books, Scott co-authored a revision of William Proctor’s 1983 biography of Sir John Templeton titled “The Templeton Touch” released in December 2012. Scott is a member of the John Templeton Foundation and a trustee with the Templeton Foundation Inc. Scott received his B.A. from the University of the South.

DAVID MARCUS - Co-Founder and CEO, Evermore Global Advisors, Summit, NJ
David E. Marcus is Co-Founder, Chief Executive Officer and Chief Investment Officer of Evermore Global Advisors, LLC. He co-founded the firm in 2009. David is portfolio manager of the Evermore Global Value Fund and its separate account portfolios. Beginning his career in 1988 at Mutual Series Fund, where he was mentored by renowned value investor Michael Price, David rose to manage the Mutual European Fund and co-manage the Mutual Shares and Mutual Discovery Funds, representing over $14 billion in assets. He also served as director of European investments for Franklin Mutual Advisers, LLC. In 2000, David founded Marcstone Capital Management, LP, a long-short Europe-focused equity manager, largely funded by Swedish financier Jan Stenbeck. After Mr. Stenbeck passed away in 2002, Mr. Marcus closed Marcstone, co-founded a family office for the Stenbeck family, and advised on the restructuring of a number of the public and private companies the family controlled. David later founded and served as Managing Partner of MarCap Investors LP, which was seeded by Dan Stern of Reservoir Capital. At MarCap, Mr. Marcus managed a European small cap special situations fund from 2004 to 2009. At MarCap, David took large positions in small- and mid-cap companies, and, in a number of situations, took board seats to help set strategy and guide restructuring efforts. David graduated from Northeastern University in 1988 with a B.S. in Business Administration and a concentration in Finance.
JOHN OSBORNE - Managing Partner, Good Growth Capital, Charleston, SC
Born and raised in Billings, Montana, John Osborne studied finance and economics while attending Charleston Southern University on a golf scholarship. After graduating cum laude with a BS in Finance in 2002, John spent a decade working various roles in the financial services industry. A 2008 graduate of Leadership Charleston, John continued his civic involvement and served as Chairman of the Charleston Young Professionals group and board member of the Charleston Metro Chamber of Commerce. John is a past chairman of the Roper Foundation Fellows Program, serves on the Board of Directors of The Education Foundation, and on the Board of the Charleston International Film Festival. John was selected in the 2013 class of the CRBJ’s 40 under 40 award, 2014 50 Most Progressive by CHARLIE magazine, and was honored with the 2013 visionary of the year award by Azalea Magazine for launching fundingcharleston.com and The Harbor Entrepreneur Center. John took over as EA of Charleston Angel Partners in 2016 and in 2017 became a Managing Partner of Good Growth Capital, a local venture capital firm focused on early stage technology companies.

AMY SALZHAUER MCMARLIN - Managing Partner, Good Growth Capital, Charleston, SC
Amy is a Founder and Managing Partner at Good Growth Capital, an early-stage venture fund based in Charleston, SC but investing across the country. Amy was previously the CEO of Ignition Ventures, where she and her team helped to transfer technologies ranging from chip-based fuel cells (Lilliputian Systems) and self-organizing networks (Ember Corporation) to black silicon (SiOnyx), selective brain cooling (Toev Medical), and the world’s most accurate scale (Bioscale) out of academic research labs, creating companies worth over US $1 billion. Amy’s many recognitions include being selected by the World Economic Forum as one of its one hundred top “Global Leaders for Tomorrow,” being chosen multiple times as a top “40 Under 40” business leader, serving on multiple profit and non-profit boards, and being featured on the covers of several business magazines. Amy is a passionate behind-the-scenes advocate for the emancipation of human slaves and for trafficked minors in the US prison system, an inventor who holds several patents, and speaks and teaches internationally about entrepreneurship and leadership. Her previous experience includes writing about science, sports, and innovation for magazines like Newsweek, Science, Technology Review, and Harvard Business Review; researching radioactive mutant slime molds; stints as a management consultant and at the United Nations in Geneva; drumming for the U.S. National Dragonboat Team (winning a silver medal at the 2003 World Championships); and serving as the Assistant Director of a non-profit environmental organization in Washington D.C. Amy is married to sports medicine doctor and 10-time world champion paddler Andrew McMarlin, a former officer in the US Navy. She holds an MBA from MIT; an M.Phil in Plant Sciences from Cambridge University where she was a Herschel Smith Harvard Scholar; and an A.B. magna cum laude from Harvard University.

STEVE SWANSON - Former CEO / Founder of Automated Trading Desk, Charleston, SC
Steve Swanson co-founded Automated Trading Desk (ATD), a pioneer in high frequency trading, in 1989. In 2001, Swanson was named President and CEO where he was responsible for growing ATD to 7% of US daily equity trading volume. In 2007, ATD was sold to Citigroup for $680 million. At Citigroup, Swanson was global co-head of electronic trading for equities. Since leaving Citi/ATD in 2010, he has been involved with several startups in New York and South Carolina. He was the Inside Director of operations and strategy at SnapCap, an alternative small business loan originator which was sold to Lending Tree in 2017 for $23 million. He serves on the board of directors at the Bank of South Carolina (NASDAQ: BKSC) and the executive committee of Charleston Angel Partners. He also serves on the board of directors of Engineered Marine Coatings, MedTrust, and Indexic. He currently serves on the philanthropic boards of Trident United Way, YesCarolina, and serval advisory boards at his alma mater, the College of Charleston. From 2015 to 2018, he was a member of the Board of Trustees at South Carolina State University tasked with turning around the ailing HBCU. That board successfully balanced the budget, increased admissions, and reaffirmed its SAC COC accreditation. In 2018, he was elected to join the Board of Trustees for the College of Charleston.
D. SYKES WILFORD - W. Frank Hipp Distinguished Professor in Business Administration, The Citadel: The Military College of South Carolina, Charleston, SC

With a primary interest in financial economics and global economic trends, Dr. D. Sykes Wilford his academic focus is diverse, ranging from specific asset allocation and hedge fund risk management techniques, to longer-term economic and global financial market trends. Over the past few years, he has been active in consulting for hedge funds, foundations, corporations and banks, as well as, multi-lateral organizations. Earlier in his career, Mr. Wilford held positions with the Federal Reserve Bank of New York, Drexel in London, and enjoyed an extensive career with Chase Manhattan Bank. While at Chase, he led efforts in numerous areas including interest rate and foreign exchange activities, along with trading and derivatives. Some notable activities include developing and leading the banks Advanced Financial Risk Analysis (AFRA) program in London and New York and founding and managing the Portfolios Strategies Group in London, the latter of which created the market’s first portfolio swap. Following his career at Chase, Sykes focused more on asset management in his role as Chief Investment Officer of Bankers Trust Private Bank and later CDC Investment Management, a hedge fund. Mr. Wilford is currently a Senior Advisor to Access Corporate Finance, London. Mr. Wilford has written extensively in both the academic and professional press. His articles have appeared in research journals such as the American Economic Review, the Journal of Applied Finance, The Review of Financial Economics and the Journal of Finance. He has authored, co-authored and edited five books, ranging from economic policy in developing countries to Managing Financial Risk. Mr. Wilford completed his Ph.D. in Economics from Tulane University in 1976.

MATT MORAN - Head of Global Benchmark Indexes Advancement, Cboe Global Markets, Chicago, IL

Matt Moran is vice president of business development for Chicago Board Options Exchange (CBOE), where he communicates with pension funds, mutual funds, and financial advisors. He has delivered more than 200 presentations worldwide on the topics of managing volatility and adding income with option-writing strategies. Previously, he served trust counsel at Harris Bank and vice president at Chicago Mercantile Exchange. He is an associate editor of two Institutional Investor publications — The Journal of Trading and The Journal of Index Investing. Mr. Moran holds JD and MBA degrees from the University of Illinois.
JASON BRITTON - Founder and Managing Partner, Reflection Companies, Charleston, SC

Jason Britton is the founder and managing partner of Reflection Analytics, a technology company delivering ESG investment evaluation, reporting and advisory services to platforms, institutions and high-net-worth individuals. Mr. Britton also serves as founder and CIO of Reflection Asset Management, a registered investment advisory firm specializing in the integration of ESG principles across asset classes and the creation and distribution of top decile performing investment products across multiple themes. Jason currently has four patents/trademarks for his work in ESG investing. Prior to founding the Reflection family of companies, Mr. Briton served as Chief Investment Officer of Work Capital and Good Asset Management, as well as the Senior Managing Director and Head Portfolio Manager for the US Trust Bank of America Social Innovation suite of products. Prior firms include: Barclays, Lehman Brothers and Keefe Bruyette and Woods. During his multi-decade career Mr. Britton has advised on over $3 billion in assets in the ESG field across the equity, fixed-income and alternatives asset classes. He is a prolific author of thought-leadership pieces in the ESG field and was formerly the head of the investment committee of the Hitachi Foundation of America. Additionally, Jason has served as guest faculty at Harvard University, Yale University, the Massachusetts Institute of Technology, The Wharton School at the University of Pennsylvania, UCLA and the College of Charleston. He is a graduate of the McDonough School of Business at Georgetown University and received his MBS from the Yale School of Management. Jason resides in Isle of Palms with wife, son and two golden doodles.

CHRIS MATTEINI - Analyst, TIFF Investment Management, Boston, MA

Chris Matteini joined TIFF in 2014. He performs investment research and selects and monitors external investment managers, focusing on marketable equity-oriented assets across TIFF's comprehensive portfolios. Previously, Mr. Matteini conducted manager-related research and portfolio construction at the investment consulting firm NEPC and served as a senior alternatives investment analyst at Alcatel-Lucent's pension fund. He holds an AB in psychology from Harvard College.

LYLE CASRIEL - Senior Vice President - Investments, UBS Private Wealth Management, New York, NY

Lyle Casriel joined UBS Private Wealth Management in 2008 and has more than 13 years of experience in the financial services industry. Prior to joining UBS, he worked at Lehman Brothers where he co-founded the Community Investing Index Group to help commercialize a suite of innovative mission-oriented investment products. As a Private Wealth Advisor at UBS, Lyle manages over $3 billion in assets for high net worth clients, and concentrates on providing clients with holistic advice, around estate planning, liquidity management, asset allocation, portfolio construction, manager selection, impact investing, and philanthropy. Lyle received a bachelor’s degree from Washington University in St. Louis and an M.B.A. from the Marshall School of Business at the University of Southern California. Outside the office, Lyle has a passion for sustainability and social and green entrepreneurship and currently serves as an advisor to the Bard College M.B.A. in Sustainability program. He lives in New York City with his wife, Jennifer, and their two children.
CHRISTIAN H.M. ALBERT - Managing Partner, Bowside Capital, Charleston, SC
Christian Albert is the founder and managing partner of Bowside Capital, a private investment firm that specializes in the private equity, small buyout market. Bowside Capital manages private equity funds formed to invest in primary commitments to U.S. private equity funds with capital commitments of $150 million or less that make control buyouts, direct investments by co-investing with these small funds and independent sponsors, and secondary purchases of limited partner interests in funds that meet the primary commitment target criteria of size and strategy.

ELIZABETH HAMMOND - Director, Kohlberg Kravis Roberts & Co, New York, NY
Elizabeth Hammond joined KKR’s Client and Partner Group in 2009. Prior to joining KKR, she was a director at Citi Alternative Investments where she was involved in consultant relations and had responsibility for managing the RFP team. Ms. Hammond has 20 years of experience working in asset management sales and marketing. Her prior experience includes Siguler Guff, Deutsche Asset Management, and Lynch & Mayer. She holds a B.S. from the College of Charleston and an M.B.A. from Fordham University.

WILL DUBÉ - Research Analyst, Frontier Capital, Charlotte NC
Will Dubé joined the Frontier team in 2017 and is responsible for researching and screening relevant sectors to find potential investments that meet the firm’s criteria. Frontier Capital is a Charlotte-based growth equity fund focused exclusively on software and technology-enabled business service companies. Will enjoys discovering fresh opportunities in the market, collaborating with the business development and investment teams, and learning from others. Prior to joining Frontier, Will was a student at the College of Charleston and held internship-level positions at a commercial real estate firm and a startup incubator. A Michigan native, Will is a proud Detroit sports fan and enjoys staying active, whether he’s playing basketball, tennis, or golf.

WALT GREEN (Moderator) - Private Investor; Advisory Board Member, School of Business Investment Program, Charleston, SC
Walter Green recently retired from JPMorgan Chase. During his 45 year commercial, investment and private banking career he held multiple positions including Head of Strategic Planning & Marketing and Head of the Petroleum and Mining Division in the Commercial Bank, Head of the Financial Sponsor Group in the Investment Bank and Head of the Private Equity team in the Private Bank. For the last 20 years he primarily focused on working with private equity firms (M&A financing) and their Partners (personal wealth management). Mr. Green received his BBA and MBA from the Terry College of Business at the University of Georgia. He has served on Georgia’s Alumni Association Board and was a Founding Board Member for Terry’s Student Managed Investment Fund where he continues to serve as an Emeritus Member. He was recently named to the Board of Visitors for the University of Georgia Libraries. In Chicago, Mr. Green was active in the business community including serving on the Board of the Illinois Venture Capital Association (IVCA) and the Board of the Network for Teaching Entrepreneurship (NFTE). IVCA is the primary association for private equity and venture capital firms in the Midwest. NFTE is a non-profit organization focused on helping build entrepreneurial skills among high school students in under resourced communities. Mr Green is a co-author of two books on energy trading and has served as a guest speaker at multiple energy and private equity industry conferences. He has also been a guest lecturer at several universities including Terry/University of Georgia, University of Dayton, Kelstadt/Depaul University and Kellogg/Northwestern University.
Technical Trading
2:45 - 3:45: Tate 202

J. TIM SNAVELY - Portfolio Manager, Crawford Investment Counsel, Atlanta, GA
Tim Snavely, CFA, CMT manages investment portfolios for families and institutional clients. The equity investment framework focuses on fundamental company research, quantitative research, monetary policy, fiscal policy, and credit markets. Tim began his career as a research analyst in equity market strategy at a broker-dealer where he developed analytics, strategy, tactical, stock and ETF recommendations for advisors and institutional clients. After working in equity market strategy, Tim moved to the institutional equity trading desk, sharing research and strategy with large mutual funds and hedge funds, including long/short equity, event-driven, merger arbitrage, and hybrid funds. Tim also previously served as Secretary, Vice President, and Treasurer for a nonprofit association for securities market analysts - leading the adoption of best practices in key areas such as governance, budgeting, and financial controls. Tim graduated from Emory University’s Goizueta Business School with the Partnership Award in Finance, presented to the most outstanding undergraduate student in finance. His investment experience includes stocks, bonds, ETFs, mutual funds, derivatives, and alternatives. He is a member of the CFA Institute, Atlanta Society of Finance and Investment Professionals, and the Chartered Market Technicians Association.

TOM DORSEY - President of Dorsey Holdings and Founder of Dorsey, Wright & Associates, Richmond, VA
Tom Dorsey co-founded Dorsey, Wright & Associates in January 1987. Mr. Dorsey has over 40 years of experience in the financial services business, having started as a stock broker with Merrill Lynch Pierce Fenner & Smith in 1974. He is the author of nine books whose subject matter ranges from the Point & Figure methodology to motivational topics, and is regularly quoted in the financial media. Mr. Dorsey is an award winning speaker, having taught the Point & Figure method of investing, around the globe. Additionally, he has been recognized for his business acumen with various awards including the Citizens Community Award from Governor Charles Robb, Runner-up Ernst & Young Entrepreneur of the Year Award 1999, Runner-up Best Small Business of Richmond, VA 2000, and Alumni of the Year 2000, Virginia Commonwealth University as well as Star Alumni Virginia Commonwealth University 2015. He was also recently recognized as a Market Technicians Association “Living Legend” Mr. Dorsey’s personal interests have also led to recognition as he is a Former AAU World Record Holder in Powerlifting (50 - 55 age group) and the American Record Holder in Powerlifting (50 - 55 age group); All State Records in age group. He has completed the Adventurers “Rickshaw Run” from north to south India and is an FAA licensed Hot Air Balloon Pilot.

JIM CARROLL - Managing Partner, LongRun Capital Management LLC, New York, NY
Jim Carroll founded LongRun Capital Management in 2003 to manage investments for high net worth families and related trusts and charitable vehicles. LongRun offers a set of quantitative strategies designed for specific objectives: aggressive growth, absolute return and tax-managed growth. LongRun also serves as sub-advisor for an insurance dedicated fund and a multi-manager volatility strategy. Mr. Carroll’s previous experience includes four years as Chief Financial Officer of a NASDAQ-listed company and sixteen years as an investment banker with Smith Barney, Kidder Peabody and Bear Stearns. He also served four years of active duty as an officer in the US Army. Mr. Carroll earned a BA in Psychology from Claremont McKenna College and an MBA from Harvard Business School.
DUSTIN BARR, CFA - Consultant and Director of Research, Carolinas Investment Consulting, Charlotte, NC
Dustin Barr serves as a Consultant and Director of Research at Carolinas Investment Consulting (CIC). He enjoys helping clients organize and simplify their lives and believes in an evidence-based approach to investing that focuses on the things that matter and the things investors can control. In his role as a Consultant, he specializes in working with: High performing corporate executives and business owners, including financial and investment professionals. In his capacity as Director of Research, Dustin runs the CIC Investment Committee and oversees the process for manager selection, capital markets forecasts, and asset allocation framework. Dustin frequently speaks to professional groups, investment clubs, and continuing education events for CPAs. Dustin joined CIC in 2015 after eight years at TIAA, where he served as Director of Investment Product management. In this capacity he oversaw the development and management of TIAA Asset Management (now Nuveen) mutual funds and variable annuities. Dustin holds the Chartered Financial Analyst® (CFA®) professional designation and is a member of the CFA® Institute and the CFA® North Carolina Society. He holds the FINRA Series 7, 63, and 65 licenses. A native of Mooresville, North Carolina, Dustin graduated from College of Charleston, where he was a four-year letterman on the Golf Team and served as Co-Captain his final season. He lives in Charlotte with his wife, Catherine, and two children, Maggie and Charlie. In his free time he enjoys spending time with family, traveling, and golfing. Dustin is a member and sub-committee chair of the United Way Central Carolinas Young Leaders Council and remains actively involved in College of Charleston’s business school and men’s golf team.

JOANNE HILL - Chief Advisor for Research and Strategy, CboeVest, McLean, VA
Dr. Joanne Hill has over 25 years of experience in research and strategy with an emphasis on indexes, options and quantitative investments. Prior to joining CboeVest, Dr. Hill worked with ProShares for eight years, as Head of Institutional Investment Strategy, focusing on ETF research and education, and spent 17 years at Goldman Sachs, where she was a Managing Director leading global equity index and derivatives research and advising institutional investors on strategies using index and risk management tools. A recognized leader in the financial industry, Dr. Hill is a recipient of the William F. Sharpe Indexing Lifetime Achievement Award and has published extensively on quantitative investment topics, index products, and derivatives. Dr. Hill is a co-author (along with Dave Nadig and Matt Hougan) of A Comprehensive Guide to Exchange-Traded Funds (ETFs) published by the CFA Institute Research Foundation. She heads the research committee for the "Q" Group and the CFA Institute Research Foundation where she is also a board member. She also serves on the editorial board of the Financial Analysts Journal and Journal of Index Investing. Money Management Executive named Dr. Hill one of the ten inaugural recipients of the Top Women in Asset Management Awards. She was a Founding Member and Co-President of Women in ETFs and currently serves on their board. She is a member of the Investment Committee of the Montgomery County Public School Defined Benefit and Defined Contribution pension plans. Prior to her career on Wall Street, Dr. Hill was on the faculty of the University of Massachusetts (Amherst) and she has a Ph.D. in Finance from Syracuse University.

JAMES SEYFFART, CFA — Bloomberg Intelligence, Bloomberg, Princeton, NJ
James Seyffart is an Analyst covering ETFs and the broader fund industry (and to a lesser extent, Crypto Assets). In this role, he writes research for Bloomberg Intelligence (BI ETFS<Go> and BI COMD<Go>) and assists in the production of Bloomberg's ETF IQ, the only TV show fully devoted to all things ETFs. Before becoming an analyst with Bloomberg Intelligence, James spent the early parts of his career working in Bloomberg’s data department. He maintained the data on US and Canadian Funds ranging from ETFs to Hedge Funds but primarily focusing on the ETF space. He assisted in the creation and development of multiple ETF functions on the terminal. James is a Chartered Financial Analyst (CFA®), a Chartered Alternative Investment Analyst (CAIA®) and a member of their New York societies/chapters. He has a B.S. in Finance and Accounting from The College Of New Jersey (TCNJ).
GABE HENDERSON - Associate, Goldman Sachs, New York, NY
Gabe Henderson is an associate in the Real Estate Financing Group (REFG) at Goldman Sachs New York headquarters, where his primary responsibilities include underwriting and structuring commercial mortgage and mezzanine financings. REFG deploys the firm’s balance sheet on mortgage and mezzanine commercial real estate lending opportunities for the firm’s new-issue commercial mortgage-backed securities (CMBS) business and the firm’s bank portfolio. Gabe graduated from the College of Charleston Summa Cum Laude, with a bachelor’s degree in Finance, and a minor in Computational Thinking. After graduation, he worked in the Dallas REFG office for two years before transferring to the New York office in the summer of 2018.

ALBERTO DONOSO — Managing Director, Global Development, Greystar, Charleston, SC
Alberto Donoso is the portfolio manager for Greystar in Latin America; he is a member of the Mexico executive committee and serves as the senior director of development for Greystar in Mexico. Active in the real estate development industry since 2006, Alberto works closely with the company’s Latin America investment teams on strategic direction and execution of Latin America investment vehicles, and manages capital relationships with institutional partners. Prior to joining Greystar, Alberto worked as director of development for Kettler, a luxury multifamily developer in the Washington, DC area. Before that, he served in various construction management roles for Clark Builders Group, one of the largest multifamily general contractors in the US. Alberto holds an MBA with a concentration in finance from the University of Virginia Darden School of Business, and a bachelor of science in civil engineering from the University of Virginia.

THOMAS CARROLL - Partner, Ballast Rock Capital and Watermark Partners Real Estate, Charleston, SC
Tom has been an active real-estate investor for more than twelve years. His career on Wall Street has spanned the fourteen years prior to joining Watermark, most recently concluding nine years at Goldman Sachs & Co. as a trading desk head on the GS New York Fixed Income, Currencies and Commodities trading floor. His international career at both Goldman Sachs and previously at HSBC, has led him to live and work in New York, London, Dubai, and Sao Paulo. He has headed multiple desks primarily focused on structured financing, complex transaction execution, and institutional investor marketing at Goldman Sachs. He has used his international finance experience to support our growth strategy, with a particular focus on investor relations, marketing, and regulatory compliance. Tom has an MA (Hons) in Economics from the University of Edinburgh in Scotland.

OLIVIA COCO - Associate, Goldman Sachs, Dallas, TX
Olivia Coco is an Associate in Goldman Sachs’ Real Estate Financing Group, which participates in the origination of commercial mortgage backed securities. Ms. Coco graduated from the College of Charleston in 2015 and has been with the firm since. During her tenure at Goldman Sachs, she has helped originate over $1.0 billion in commercial real estate mortgages. While at the College of Charleston, Ms. Coco earned her BS in Economics with minors in Finance and Biology, was a Honors College graduate, a member of the Investment Society, a Schottland Scholar, and a student-athlete on the equestrian team.

Real Estate
4:00 - 5:00: Tate 207
MCLEAN WILSON - CEO, inFactor Corp, General Partner, Charleston Capital Management, Charleston, SC. McLean Wilson is a co-Founder and Manager of the Charleston Capital Management. Mr. Wilson has extensive experience in alternative investments, asset based lending, asset management and capital raising for alternative investments, as well as operational experience with structured transactions, recourse and non-recourse purchase agreements, back office operations, secured and unsecured transactions, negotiation, management and underwriting processes. Prior to Charleston Capital, Mr. Wilson was Vice President of SouthStar Capital, an asset based lender primarily focused on factoring, where he assisted in the origination, structuring, closing and funding of over $500 million worth of factored assets. While at SouthStar, he gained experience with structuring collateralized and non-collateralized transactions, purchase and sale agreements, and recourse and non-recourse financing. At SouthStar, Mr. Wilson also structured and funded numerous equipment lease and purchase order financing transactions. Prior to this, Mr. Wilson was an investment advisor with ING Financial Partners and Money Concepts Capital Corporation with a focus on financial planning, portfolio management and investment planning. Prior to being an investment advisor, Mr. Wilson was a Civil Engineer with Thomas & Hutton Engineering. Mr. Wilson is a graduate of Clemson University where he earned a Bachelor of Science and a Master of Science in Civil Engineering. Additionally, Mr. Wilson is a registered investment advisor representative (passed the Series 65 Exam).

JOHN LEWIS - Visiting Assistant Professor, The Citadel: The Military College of South Carolina, Charleston, SC. John Lewis has worked in the software, analytics and fund management industries and as a professor for 36 years. For the past eight years, he has been an Associate Professor in Finance and director of the Portfolio Management Master program at the IEA Gustave Eiffel Business School at the University of East Paris. He also provides training, mentoring and funding for early stage startups through his investment firm and accelerator Tektos. John had a similar investment vehicle in Paris under the name Dojoboost. He provided mentoring to startups at the government supported accelerator in Le Camping in Paris. Before advising startups, he sold three financial software startups. At Veraton he did projects and turn-arounds for venture and asset management firms. He was CEO at the startups, Scrittura, Risk Control Ltd and Versif which were acquired by larger firms. Before working in financial software startups, he created quantitative products and was a portfolio manager of pension funds at Putnam, NatWest Investment Management and PanAgora Asset Management. Early in his career, John held analysis and technology positions at the Organization for Economic Cooperation and Development (OECD) in Paris and McGraw-Hill/Data Resources Inc. in Washington DC. John has been a visiting lecturer at the University of Bath, IPAG Business School and Novancia Business School Paris. His research interests are in venture capital, credit risk, portfolio management and financial technology. John earned a BA in computer science from the University of Georgia and an MS in financial economics from Boston University. He is currently working on his PhD in finance at IAE Gustave Eiffel. Previously he was an Associate Professor in Finance at the École des hautes études commerciales de Paris (HEC). He started his research at Imperial College where he taught classes in corporate finance, derivative valuation, advanced valuation and advance portfolio management.

CHARLES CROW IV - Chief Data Scientist, Portfolio Manager, and Partner, Weiss Multi-Strategy Advisors, New York, NY. Chuck Crow joined Weiss in 2013, where he is currently the Chief Data Scientist, Portfolio Manager for the Weiss Alpha Balanced Risk products, and member of the Allocation and Risk Committees. Chuck and his team quantitatively measure discretionary manager's skill and behavior biases along a multitude of dimensions with the goal of positively influencing the investment process of PMs and Allocation Committee. Prior to joining Weiss, he was a Vice President in Quantitative and Derivatives Strategies at Morgan Stanley where he primarily focused on fundamental factors, quantitative portfolio construction and systematic long/short investment strategies. Previously, he designed and implemented an automated market-making system utilizing statistical arbitrage theory at ArtIsoft, Inc. in his hometown of Princeton, NJ. He holds a B.S. in Computer Science from Johns Hopkins University and an M.S. in Operations Research from Columbia University.
DEAN SMITH - Founder and Principal, Stonehenge Financial Partners, Charleston, SC
Dean Smith has been active in the structured finance markets for more than 25 years and is known throughout the industry as one of the pioneers of the non-prime and alternative mortgage. He began his financial career at FSA, a monoline insurance company, where he designed credit enhancement technology for private label Mortgage-Backed Securities (MBS). He then went to work at a series of Wall Street investment banks, running securitization programs and trading new issue and secondary MBS. In 1996, Smith launched Stonehenge Financial Partners, a financial advisory firm that manages residential and commercial MBS portfolios for institutional clients. Stonehenge currently advises a large private equity fund on all of its mortgage-related investments and oversees several of their portfolio companies. Smith received a bachelor’s degree in economics from University of California, San Diego as well as an MA and MPhil in economics from Columbia University.

MARK BUONO - Managing Director—Investment Office, Global Atlantic Financial Group, New York, NY
Mark Buono joined Global Atlantic as a Managing Director/Portfolio Manager in 2014 and is responsible for the commercial real estate portfolio. Prior to Global Atlantic, Mark was a Managing Director at Goldman Sachs. In his twenty years at Goldman Sachs, Mark held various roles in the commercial real estate business. Mark started in research, and then ran secondary CMBS trading. He was then responsible for the commercial mortgage origination business with supervision over Goldman’s securitization and syndication of commercial mortgage debt. Mark finished his time at Goldman with responsibility over the workout and resolution of Goldman’s commercial real estate debt portfolio. Before Goldman Sachs, Mark was in research and trading at Freddie Mac and an academic at Rutgers University and Temple University. Mark earned a PhD in Economics from the University of North Carolina and a BS in Economics from the College of Charleston.

JOHN WISEMAN — Director of Fixed Income, Greenwood Capital, Greenwood, SC
Joining the team in 2006, John is the Director of Fixed Income, overseeing an array of taxable bond portfolios, as well as state-specific municipal bond portfolios. He especially appreciates uncovering value and then seeing the market recognize that value. John is also a Principal of Greenwood Capital. Prior to joining Greenwood Capital, John was Senior Portfolio Manager for a $2 billion fixed income investment firm in Charlotte, NC. He also spent four years in the State of South Carolina Treasurer’s Office co-managing the fixed income assets of the state and its retirement system, where he was responsible for constructing and implementing investment strategies for the $17 billion pension plan and $5 billion general fund. A native of Newberry, SC, John is a graduate of Wofford College. He has also completed the professional study program at the Institute for Public Finance, Kellogg School of Management at Northwestern University.
A.4 5th Annual Strategic Investment Symposium Write-up
School of Business Investment Program
Hosts 5th Annual Strategic Investment Symposium

On March 1, 2019, the School of Business Investment Program hosted the 5th annual College of Charleston Strategic Investment Symposium. The Investment Society welcomed 34 speakers and over 150 guests from around the country to engage in conversation about the world of investing. The day began with the Global Markets Outlook panel discussion, led by Peter Costa of the Costa Family Office, David Haythe of Morgan Stanley and Joanne Hill of CboeVest. Following this event, Scott Phillips of Templeton and Phillips Capital Management (Chattanooga, TN) and David Marcus (Summit, NJ) of Evermore Global Advisors delivered an engaging keynote address on the discipline of value investing.

Following lunch we began our breakout sessions for the day. This year we upped our offerings by holding a total of nine different panels. Those panels consisted of: Venture Capital, Derivatives, Impact Investing, Private Equity, Technical Trading, ETFs, Real Estate, Quantitative Investing, and Fixed Income Investing.

We were thrilled to see attendees filling the rooms and engaging with the speakers to foster an incredible discussion on the relative topics. There were many longtime friends
of the Program returning to this year’s Symposium, while we also welcomed new faces so that new relationships can be cultivated moving forward. You can see the full list of speakers on the program for the event on our website at http://go.cofc.edu/investment.

The day concluded with a reception allowing further connection and friendships to be made between speakers, guests, students and faculty and staff. We also welcomed the next cohort who will be taking the reins as this year’s seniors graduate, allowing them a sneak peek into the exciting and thought provoking conversation that they will be participating in when the 2019-2020 academic year begins.

The Strategic Investment Symposium was sponsored by many generous sponsors including Greystar, Tandem Investment Advisors, Charleston Capital Management, U.S. Trust, CFA Society of South Carolina, INFACTOR, FineMark National Bank and Trust, HDH Advisors LLC, Carolinas Investment Consulting, Greenwood Capital, East Bay Financial Services and Hartford Funds.

We are pleased with the results of the 5th Annual Symposium. The quality of speakers is on par with extremely high quality events offered around the globe, and we received positive feedback from all attendees. Despite this, very soon we will begin planning for the 6th annual CofC Strategic Investment Symposium in spring 2020 and will plan to make it the best one yet.
A.5 Detailed Transactions List for the 2018-2019 Academic Year

<table>
<thead>
<tr>
<th>Date</th>
<th>Vote</th>
<th>Pass/Fail</th>
<th>Vote Count (Yes - No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/25/18</td>
<td>Buy 131 shares of COP?</td>
<td>Passed</td>
<td>19-1</td>
</tr>
<tr>
<td>9/25/18</td>
<td>Buy 45 shares of HD?</td>
<td>Passed</td>
<td>21-1</td>
</tr>
<tr>
<td>10/2/18</td>
<td>Buy 227 shares of MU?</td>
<td>Passed</td>
<td>16-6</td>
</tr>
<tr>
<td>10/2/18</td>
<td>Invest ~$250 in QuadWrangle?</td>
<td>Passed</td>
<td>21-1</td>
</tr>
<tr>
<td>10/9/18</td>
<td>Sell China Mobile?</td>
<td>Passed</td>
<td>19-3</td>
</tr>
<tr>
<td>10/16/18</td>
<td>Sell 42 shares of BIIB?</td>
<td>Passed</td>
<td>20-1</td>
</tr>
<tr>
<td>10/16/18</td>
<td>Buy 64 additional shares of COP</td>
<td>Passed</td>
<td>21-0</td>
</tr>
<tr>
<td>10/16/18</td>
<td>Buy 44 shares of NEE?</td>
<td>Passed</td>
<td>19-1</td>
</tr>
<tr>
<td>10/22/18</td>
<td>Sell 55 shares of MMM?</td>
<td>Passed</td>
<td>19-3</td>
</tr>
<tr>
<td>10/23/18</td>
<td>Buy 50 shares of UNH?</td>
<td>Failed</td>
<td>10-9</td>
</tr>
<tr>
<td>10/23/18</td>
<td>Buy 50 shares of FDX?</td>
<td>Passed</td>
<td>18-4</td>
</tr>
<tr>
<td>11/8/18</td>
<td>Buy 100 shares of BABA?</td>
<td>Failed</td>
<td>9-11</td>
</tr>
<tr>
<td>11/8/18</td>
<td>Place a trailing stop on ELY?</td>
<td>Passed</td>
<td>17-3</td>
</tr>
<tr>
<td>11/8/18</td>
<td>Scale down TGT to 100 shares (from 125)?</td>
<td>Passed</td>
<td>18-2</td>
</tr>
<tr>
<td>11/15/18</td>
<td>Sell 42 shares of AMG?</td>
<td>Passed</td>
<td>18-2</td>
</tr>
<tr>
<td>11/15/18</td>
<td>Place a 5% trailing stop on SKT?</td>
<td>Passed</td>
<td>17-3</td>
</tr>
<tr>
<td>11/20/18</td>
<td>Buy 62 shares of VTR (Will only happen if SKT has been sold due to the trailing stop)?</td>
<td>Failed</td>
<td>12-8</td>
</tr>
<tr>
<td>11/29/18</td>
<td>Buy 8 more shares of SJM?</td>
<td>Passed</td>
<td>19-2</td>
</tr>
<tr>
<td>12/6/18</td>
<td>Sell 92 shares of MDT?</td>
<td>Passed</td>
<td>22-0</td>
</tr>
<tr>
<td>12/7/18</td>
<td>Buy 35 more shares of MSFT?</td>
<td>Passed</td>
<td>18-3</td>
</tr>
<tr>
<td>12/10/18</td>
<td>Buy 67 shares of IYH?</td>
<td>Passed</td>
<td>20-2</td>
</tr>
<tr>
<td>1/11/19</td>
<td>Invest $3,000 in TiO?</td>
<td>Failed</td>
<td>10-8</td>
</tr>
<tr>
<td>1/14/19</td>
<td>Buy 27 shares of NEE at $171.23?</td>
<td>Passed</td>
<td>17-2</td>
</tr>
<tr>
<td>1/15/19</td>
<td>Buy 61 shares of BRK.B?</td>
<td>Passed</td>
<td>17-1</td>
</tr>
<tr>
<td>1/28/19</td>
<td>Sell all of Diageo?</td>
<td>Passed</td>
<td>15-3</td>
</tr>
<tr>
<td>1/28/19</td>
<td>Place a 2.5% trailing stop on SJM?</td>
<td>Passed</td>
<td>15-4</td>
</tr>
<tr>
<td>1/29/19</td>
<td>Buy 35 shares of JNJ?</td>
<td>Passed</td>
<td>16-3</td>
</tr>
<tr>
<td>1/29/19</td>
<td>Buy 863 shares of PCG?</td>
<td>Failed</td>
<td>12-7</td>
</tr>
<tr>
<td>2/4/19</td>
<td>Buy 78 shares of DIS?</td>
<td>Passed</td>
<td>12-6</td>
</tr>
<tr>
<td>2/8/19</td>
<td>Invest $5,000 into UVision?</td>
<td>Passed</td>
<td>17-1</td>
</tr>
<tr>
<td>2/21/19</td>
<td>Buy 120 shares of FOXA?</td>
<td>Passed</td>
<td>15-1</td>
</tr>
<tr>
<td>2/24/19</td>
<td>Vote for Mar 15 115 Call on DIS?</td>
<td>Passed</td>
<td>18-0</td>
</tr>
<tr>
<td>3/12/19</td>
<td>Vote for covered calls?</td>
<td>Passed</td>
<td>17-1</td>
</tr>
<tr>
<td>3/12/19</td>
<td>Invest in Engage? (Final Vote)</td>
<td>Passed</td>
<td>16-0</td>
</tr>
<tr>
<td>3/21/19</td>
<td>Invest $5,000 in First String?</td>
<td>Passed</td>
<td>14-3</td>
</tr>
<tr>
<td>3/28/19</td>
<td>Buy 100 shares of CPRI?</td>
<td>Failed</td>
<td>6-11</td>
</tr>
<tr>
<td>4/2/19</td>
<td>Buy 21 shares of LMT?</td>
<td>Failed</td>
<td>11-5</td>
</tr>
<tr>
<td>4/17/19</td>
<td>Invest in $2,500 - $5,000 in Rheos?</td>
<td>Failed</td>
<td>6-11</td>
</tr>
<tr>
<td>4/30/19</td>
<td>Buy IGSB for summer cash holding?</td>
<td>Passed</td>
<td>16-1</td>
</tr>
<tr>
<td>4/30/19</td>
<td>Sell limit order at $48 for MU?</td>
<td>Passed</td>
<td>13-1</td>
</tr>
<tr>
<td>4/30/19</td>
<td>HD trailing stop at 5%?</td>
<td>Passed</td>
<td>16-1</td>
</tr>
</tbody>
</table>
A.6 Monthly Portfolio Reports
Increased political risk bothered the markets with volatility during the month of May. Italy's new populist government and the US's approach to global trade added to the weariness. The US dollar rose 2% compared to most major currencies because of the risk-off sentiment. Despite the market volatility, earnings reports were strong, inflation remained stable, US wage growth was fixed, and interest rate normalization seems steady. The 2-year US Treasury yield fell 6 basis points, and the 10-year US Treasury yield fell 9 basis points lower than the end of April.

Our portfolio had total return of 2.10% while the S&P 500 returned 2.16%. The primary drivers of the portfolio were ELY, LADR, and BIIB. ELY rode the earnings wave and returned almost 10% during the month while LADR was propped up on their massive dividend yield. BIIB had a healthy return of over 7% through the month of May after reporting solid earnings. Pulling down the portfolio were CHL and AMG. CHL declined off news that 4G usage had declined for the first time in China while AMG suffered from a mediocre earnings release early in the month along with several downgrades in management expectations. At the beginning of the month, the portfolio voted to remove ANDV after an announced acquisition of the energy company.
Markets overall this month were relatively quiet with little volatility – the S&P 500 only moved +/- 1% twice in the month despite massive trade war tensions with China. We did see certain sectors get hit hard by these trade tensions, however, such as materials who were down almost 2% on the month. We think it is important to discuss this issue a little further due to the importance of trade with China as well as other countries that the United States partners with. Our view going forward is rather neutral – we cannot control how markets react to government policies, but we can shift our positions in such a way that limits downside risk specifically regarding this issue – we will watch this issue closely as the summer moves along. Interest rates continued to rise and the MSCI EAFE was down around 4%, showing the continued volatility and overall negative sentiment in emerging markets.

The month of June was a poor month for both the S&P 500 and our portfolio, up 48 basis points and 35 basis points, respectfully. A significant driver of this month was the 6.65% loss in our Affiliated Managers Group position. The trade talks have also drawn down our portfolio, specifically China Mobile. We do see some light ahead and think the talks will settle, but for now we think this is a loss that we can wait out and rebound from. On the opposite spectrum we saw a nice rally from Tanger Outlets, primarily from rising interest rates that can help increase their unit revenues. We see this as a positive going forward and expect similar returns if interest rates continue to rise.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
July brought an overall positive return for the markets, with the S&P 500 gaining over 3% and European equities rising 4%. The intensity of trade tensions remained, but corporate earning strength helped to push markets high all across the world. The 10-year US Treasury yield rose to 3% because of the overall positive state of the economy. Consumer sentiment in the United States remains optimistic with retail sales growing 6.6%, which is the largest spending growth since 2012. Businesses are also optimistic, with PMI staying steady for July. US equity earnings also continued the positive trend, with almost 90% of companies surpassing earnings expectations in July, but it is not likely that the growth will continue despite inflation and employment reaching the Fed’s targets.

Our portfolio had an exceptional month, with 10 of 12 holdings returning positive by month’s end. Despite negative returns from ELY and LADR, both stocks kept their losses to less than 90 bps. The biggest mover in our portfolio in the month of July was BIIB, which also makes up over 11% of our weight in the portfolio. BIIB returned over 13% in July, primarily driven by the success of their flagship Alzheimer’s drug. Other movers were MMM and TGT. Both companies beat their respective earnings expectations, helping drive the portfolio forward.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
During the month of August, the American economy grew at a pace that has not been seen in many years. Inflation remained steady and long-term interest rates remained in control, with the 10-year Treasury yield falling 10 basis points to 2.86%. There are rumors that the Fed could halt its tightening cycle due to their monetary policy normalization and dollar liquidity effects. The S&P 500 was pushed higher by 3.03% because of extremely strong macroeconomic data and the absence of inflation concerns. Amid geopolitical turmoil, US GDP growth was stellar and trade tensions seem to have had little impact on business sentiment.

The portfolio was driven primarily by the continued strengths of ELY and TGT. Both companies saw strong returns based on continued consumer demand and both online and brick and mortar store sales growth. Overall, ELY beat earnings by nearly 35% and TGT by 5%, fueling their August runs. Coupled with these strong showings were disappointing months for AMG and DEO. Continued political tensions in the United Kingdom where AMG has a lot of exposure helped push the company south. Similarly, consumer staples as a sector was relatively flat along with DEO’s earnings, creating an environment for underwhelming returns. It should be noted that our investment theses’ hold for each company. There were no new purchases in the month of August.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
The month of September saw strength in the U.S. equity markets, while emerging markets and international equities were down 17% and 10%, respectively, from their January highs. The DJIA and U.S. equity markets, in contrast, set record highs this month. The S&P 500 hit a 9% gain for the year with 103 stocks of the NYSE hitting 52-week highs and 87 stocks hitting 52-week lows. As the economy delves deep into the late cycle, the bull market is starting to thin out, which is a typical sign, with individual company market performance mattering more than the overall performance of the stock market.

This month’s best and worst performers were ELY, MSFT and AMG, SKT, respectively. ELY continued its fantastic run that has spanned over the last few months, returning over 10% for the month of September. Microsoft fed off of the technology run that the market has seen over the last month as well. AMG and SKT continued their poor performances, mainly due to sustained tensions overseas and poor retail sales, affecting each company respectively. During the month the fund recognized three buy transactions. Early in the month we purchased our first holding of the year, J.M. Smucker. This purchase was driven by our desire to hold a company that will prop up our portfolio on down days ahead. Later in the month the fund purchased ConocoPhillips and The Home Depot. Overall, we see these transactions as diverse amongst each other but will all compliment the portfolio well going into uncertain territory.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment

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### September Returns

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Portfolio</td>
<td>0.46%</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>0.43%</td>
</tr>
</tbody>
</table>

### YTD Returns

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio</td>
<td>9.45%</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>8.99%</td>
</tr>
</tbody>
</table>

### Biggest Movers

**Advances**
- ELY: 10.21%
- MSFT: 7.84%

**Declines**
- AMG: -10.05%
- SKT: -6.56%

### Holdings as of September 30, 2018

(Percentages are of positions and exclusive of cash holdings)

### TRANSACTIONS FOR SEPTEMBER 2018

<table>
<thead>
<tr>
<th>Action</th>
<th>Ticker</th>
<th>Company Name</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy</td>
<td>SJM</td>
<td>J.M. Smucker</td>
<td>9/5/2018</td>
</tr>
<tr>
<td>Buy</td>
<td>COP</td>
<td>ConocoPhillips</td>
<td>9/26/2018</td>
</tr>
<tr>
<td>Buy</td>
<td>HD</td>
<td>The Home Depot</td>
<td>9/26/2018</td>
</tr>
</tbody>
</table>
Though equity markets have showed signs of weakness, the U.S. economy showed no such signs. The unemployment rate fell to a 50-year low of 3.7%. As a result, consumer confidence rose to almost record highs. Increased tariffs have been a concern to investors during the month of October, adding to the volatility that October markets were already seeing. EPS estimates for 85% of reporting U.S. companies beat expectations, but forward guidance was weaker than expected.

The S&P 500 fell 6.94%, that is .86% more than our portfolio fared for the month. Our worst performers were Affiliated Managers Group and Micron Technologies at a 16.78% loss and a 16.31% loss, respectively. Micron saw its price depreciate due to the cyclicality within the overall chip market while AMG stumbled because of a miss on sales expectations. Our top two performers were JM Smuckers with a 5.56% return and Fedex with a 5.33% return for the month. Fedex saw its appreciation as we made our original purchase within the last trading week of October when prices were already recovering. JM Smuckers saw its price appreciate throughout the entirety of October due to the momentum seen with its Folgers coffee brand sales.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
Geopolitical events drove the markets in the month of November. With no unexpected results coming from the US midterm elections, US growth is expected to slow through the course of 2019 as the likelihood of fiscal stimulus decreases as Democrats took control of the House of Representatives. Although equities saw strong third quarter earnings (>25% y/y), sentiment was comparatively low as future earnings are expected to see pressure from higher costs. A rate hike in December looks likely, but further hikes are questionable as Fed Chair Jerome Powell has stated that rates are “just below” the neutral level. Throughout November the S&P 500 returned 1.82% while the STOXX 600 saw a return of -1.54%.

Our portfolio slightly underperformed the broader S&P 500 during the month at a .61% gain compared to the S&P’s 1.82% gain. The biggest winners within our portfolio for the month of November were MDT and SKT. MDT was up 8.58% as they beat earnings by $.07 and raised full year guidance. SKT outperformed as they increased FFO per share and also saw their natural cyclical tendency give them a boost as the holiday season approaches. Dragging our portfolio down was TGT (-14.91%), whose profit margins and sales expectations were missed, and COP (-5.32%), who was affected by the decreasing oil price environment.
Public Asset Portfolio Summary
December 2018

This quarter ended with an increase in volatility driven by various geopolitical events that disrupted the markets in December. One of the more notable events that induced aggressive selling was the inversion of the 5yr-3yr Treasury spread. Investors saw this as a potential sign of an ensuing recession and acted accordingly. Uncertainty surrounding trade with China also drove markets downward as the start of December saw no clear resolution, causing the global economic growth outlook to weaken. December also saw the Fed’s Jerome Powell increase interest rates by another .25%, but decrease guidance on the number of rate hikes in 2019 from three to two. All of this combined for a depressed December in both the US and abroad with the S&P 500 recording a loss of –9.18% and the FTSE 100 returning –4.90%.

The month of December was a tough month for both the S&P 500 and our portfolio, with -9.18% and -9.75% performances respectively. Listed under out two largest advances are DEO and SKT who were only down -1.77% and -1.14% respectively. DEO remained relatively stable as it’s seen as a defensive stock for those seeking safety during a volatile market. As for SKT, we sold our entire position in the first half of December, cutting losses short for the month. Our biggest losers were FDX and MU with -29.55% and -17.71% losses for the month, respectively. FDX experienced heavy losses due to negative analysts reports citing Amazon’s air fleet as a growing threat to the industry. To add to the already heavy losses, FDX experienced further declines due to management cutting guidance for the full 2019 fiscal year as weakening international economic conditions were factored into 2019 EPS growth. MU saw declines resulting from analyst downgrades to full year EPS due to weakening average NAND and DRAM sales prices stemming from inventory buildup.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
Public Asset Portfolio Summary
January 2019

Following one of the worst months in memory to end the 2018 calendar year, markets rebounded with the best January in over 30 years, up 7.87% with all market segments advancing. Volatility also reduced, creating a much more attractive risk/reward tradeoff compared to the previous month. Much of this was likely due to the sharp decline in December 2018 being unwarranted by economic or financial reasons, and January simply resulted from a natural rebound. Markets were also significantly bolstered by the Fed announcing they would adjust policy to help the economy if needed—and a positive jobs report added to the momentum. Earnings reports thus far are showing a bit weaker results than the previous three quarters, but that was expected and evidence largely still points to a very strong economy.

During the month, our portfolio lagged the market, but still returned a very strong 5.72% return. This was driven by Micron (MU) that benefitted from a surging micro-chip segment and the promising trade talk developments with China. This helped to erase much of the significant retreat for the stock during December. Smuckers (SJM) also had a very strong month, and each of our portfolio holdings followed the market by displaying positive returns. The laggards were DEO and JNJ, but earning less than 2% during the month.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
The government shutdown depressed both corporate and household sentiment in January, but there seemed to be a recovery in February. The Purchasing Managers’ Index (PMI), which covers the economic trends in the manufacturing and service sectors, improved to 55.8, signaling a healthy growth in the U.S. economy of around 2%. However, the December retail sales report was lackluster, registering a 1.2% monthly decline. The minutes of the FOMC meeting confirmed that the Federal Reserve is planning on maintaining a large balance sheet and ending quantitative tightening by the end of the year. This has helped push down longer-term bond yields. While there have been mixed signals about the health of the economy, the public equity market continues to advance as the 10-year Treasury yield remains static.

The S&P 500 returned a healthy 2.97%, while our portfolio performed with a 2.76% return. Visa led the portfolio, jumping 9.89% after releasing Q1 results. The company signaled substantial financial growth with a 13% increase in net revenues. Additionally, Visa continued double-digit growth in payments volume and processed transactions. The next largest mover of the portfolio was Microsoft with an increase of 7.16%. Microsoft reported a 76% growth in its cloud business and announced its next generation augmented-reality headsets at the Mobile World Congress. SJM dragged down the portfolio after declining 2.16%. Unfortunately, we sold the stock on February 8th, missing out on an instant 7% gain after Q1 results on February 26th. The next worst price movement was BRK.B, declining 2.06% as the stock price recently has struggled to keep pace with the market.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
The yields on 10-year Treasury notes fell below yields on three-month Treasury bills in March, resulting in an inversion of this of the yield curve for the first time since 2007. The degree of the inversion seems insignificant relative to prior cycles. Additionally, before the end of past cycles, a recession did not occur until at least 6 months or longer since the first inversion. The Fed announced that they will not raise rates for the rest of the year, arguing that inflation has hovered below 2% for such an extended period of time that it may be healthy to let it grow above this level. Consumer confidence slipped 7.3 points in March, indicating that consumers have still not regained their footing after the selloff last year. Overall, continued dovish sentiment from the Fed pushed the U.S. stock market upwards despite indicators pointing towards a future economic slowdown.

Our portfolio struggled in March with a -0.25% return, underperforming the market’s continued growth. Most of our holding performed well though, namely TGT with a 10.51% return. The stock price surged once the company reported its strongest traffic and same-store sales growth in more than a decade. For a second month in a row, Visa was one of the two largest gainers of the portfolio with a 5.45% gain due to its capability to thrive during strong markets. FoxA is the largest reason why the portfolio underperformed, with the company’s stock price dropping 27.64% during an unexpected selloff before its merger with Disney. LADR was the next biggest loser, declining 7.25% as the stock price continuously underperforms the market.

For more information regarding the Investment Program, the portfolio, and individual assets selected, please visit our website at: go.cofc.edu/investment
April marked another strong month for all major types of stocks, particularly those in the U.S. This coupled with a lack of significant volatility made for favorable tailwinds. The growth rate of the economy outpaced expectations and the Fed doubled down on their intention to not raise rates this year—both of which were viewed positive by the market. Earnings season is again showing resiliency, with more than half of reporting firms beating revenues and even more beating earnings; however there are worrisome signs in the form of a partially inverted treasury curve and a reduction in expected growth rates going forward.

Our portfolio trailed the S&P by 1.41% during the month, which furthered our YTD deficit to over 5%. However, we have held steadily in our theses and have positioned our portfolio defensively. Collectively, our view for the remainder of the calendar year 2019 is more bearish that the market seems to indicate. Thus, we are holding a great deal of cash (39%) and plan to invest a portion of this even more defensively over the coming summer months. For the April reporting period, our best performing asset was Disney, which benefitted from a very positive reaction to their announced streaming platform, and market stalwart BRK.B.

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