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Archway Investment Fund

Archway Investment Fund

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Fixed Income Fund Report, March 2018

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Fund Objectives

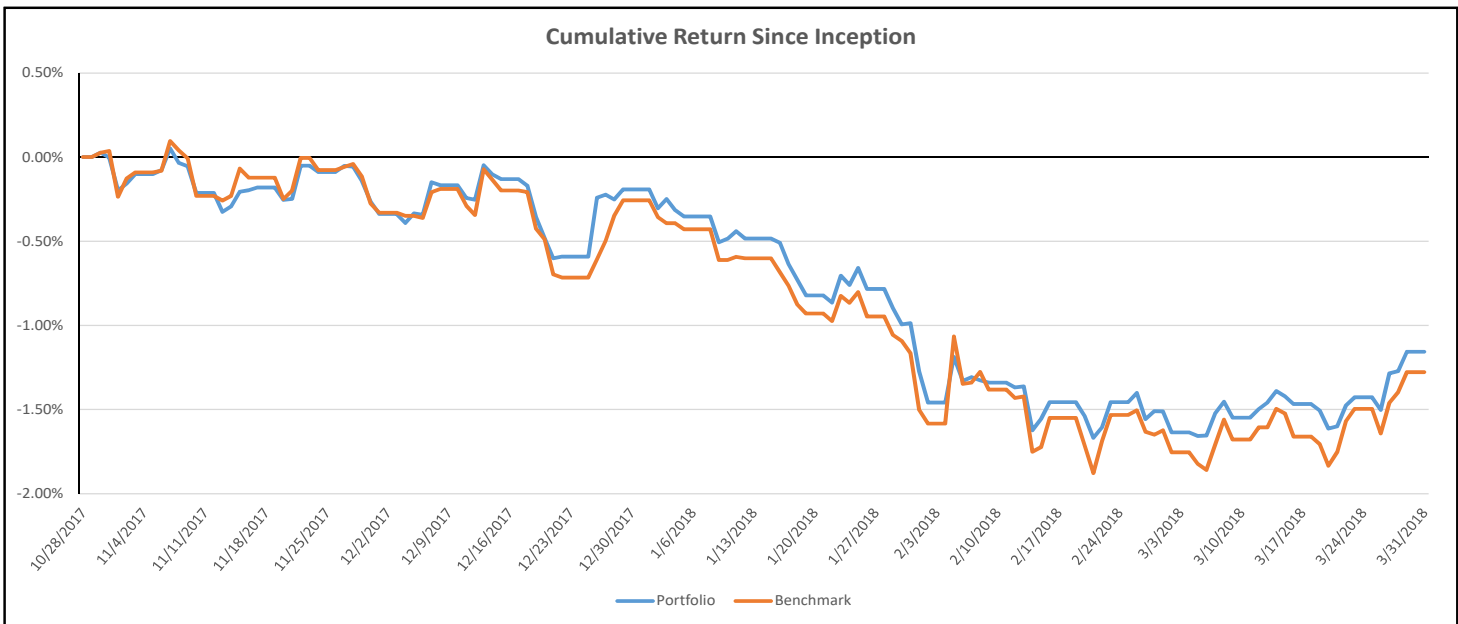
The primary objective of the Archway Investment Fixed Income Fund (the Fund) is to provide students in Bryant University's Fixed Income Portfolio Management course with a hands-on learning experience. The Fund launched on October 27, 2017 with \$500,000.

Investment Strategy

The Fund seeks returns, including both income and price appreciation, in excess of its Benchmark, while maintaining a volatility less than 120% of that of its Benchmark. The Benchmark is the Fixed Income ETF GVI, which tracks the Bloomberg Barclays Intermediate Government Credit Index. That index consists of fixed rate debt securities issued by the United States Treasury, U.S. Government Agencies, plus corporate bonds and other taxable bonds that are rated investment grade, denominated in USD, and traded in the US capital market. The index includes debt securities with maturities between 1 and 10 years. The Benchmark was chosen due to its relatively modest volatility, its wide diversification, and its common usage as a benchmark for both active and passive intermediate term fixed income portfolios. It is expected that the tracking error of the portfolio versus this benchmark, defined as the annualized standard deviation of excess returns, will be kept below 2%.

Performance Commentary

The Archway Fixed Income Portfolio returned 0.36% during March, while the benchmark returned 0.38%. The bond market traded sideways through the 21st of March. The Federal Reserve announced a 25 bps hike in the Federal Funds rate, and the updated "dot plots" indicated that the majority of the FOMC favored at least two additional tightenings in 2018. An equity market correction led to flows into US Treasuries and a rally in the bond market during the last week of the month. The yield curve resumed its flattening trend in March, and credit spreads widened modestly. The portfolio was approximately 0.25 years short in duration compared to the index. This cost the portfolio 2 bps in March, while the yield curve exposure cost an additional 2 bps. We eliminated our overweight exposure in High Yield, and shortened the spread duration within the Investment Grade Corporate allocation in early March. This insulated us against the increase in credit spreads. Security selection contributed positive alpha to our portfolio during the month. We continued to reduce our weightings in US Treasury ETFs, and added four individual Treasuries and one Agency bond during the month. This was consistent with our goal to reduce fees and boost the portfolio yield above the index. For the Spring semester thus far, the portfolio has returned -0.97%, while the benchmark returned -1.02%. Since the inception of the fund on October 27, 2017, the fund has returned -1.16% and outperformed the benchmark by 0.12%.



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Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for both the portfolio and benchmark include reinvestment of income distributions, and both realized and unrealized gains. Returns have not been audited.

Portfolio Holdings

Exchange Traded Funds	Ticker	Shares	Share Price	Market Value	Weight
iShares Intermediate Credit ETF	CIU	1166.324	\$ 107.01	\$ 124,802.50	25.27%
iShares 3-7 Year Treasury ETF	IEI	1022.350	\$ 120.55	\$ 123,240.82	24.96%
iShares 1-3 Year Treasury ETF	SHY	654.843	\$ 83.50	\$ 54,678.74	11.07%
SPDR Bloomberg Barclays Short Term Corporate Bond ETF	SPSB	1221.949	\$ 30.15	\$ 36,835.65	7.46%
iShares Floating Rate Bond Index ETF	FLOT	473.803	\$ 50.88	\$ 24,106.62	4.88%
SPDR Bloomberg Barclays Intermediate Corporate ETF	SPIB	400.891	\$ 33.47	\$ 13,417.82	2.72%
Bonds	CUSIP	Face Value	Bond Price	Market Value	Weight
FNMA 1.875% 09/24/2026	3135G0Q22	35000	92.33	\$ 32,316.09	6.54%
US Treasury 1.875% 12/31/2019	9128283N8	25000	101.05	\$ 24,969.72	5.06%
US Treasury 1.375% 01/31/2021	912828N89	15000	97.58	\$ 14,636.32	2.96%
US Treasury 2.375% 01/31/2023	9128283U2	13000	99.59	\$ 12,960.62	2.62%
FHLB 2.375% 06/10/2022	3130A5P45	10000	99.92	\$ 9,992.40	2.02%
US Treasury 1.75% 05/31/2022	912828XR6	10000	97.69	\$ 8,065.98	1.98%
US Treasury 2.75% 02/28/2025	9128283Z1	8000	99.54	\$ 4,048.95	1.63%
Fidelity Government Money Market				\$ 4,048.95	0.82%

Performance Data and Statistics

Returns	Portfolio	Benchmark	Excess
Since Inception Return (Cumulative since October 27, 2017)	-1.16%	-1.28%	0.12%
Month to Date Return	0.36%	0.38%	-0.02%
Semester to Date Return	-0.97%	-1.02%	0.06%
Year to Date Return	-0.97%	-1.02%	0.06%
1 Year Trailing Return	NA	NA	NA
3 Year Trailing Return (Annualized)	NA	NA	NA

Portfolio and Benchmark Characteristics

	Portfolio	Benchmark
Option Adjusted Duration	3.71	3.93
Yield	2.17%	2.07%
Number of Individual Bonds Held	7	2816
Number of ETFs Held	6	
Portfolio Market Value	\$ 494,215	

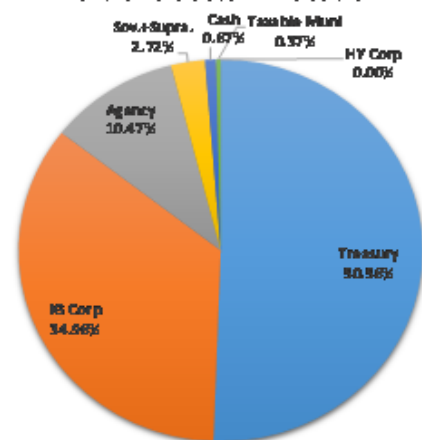
Historical Risk Statistics

	Portfolio Volatility	Benchmark Volatility	Tracking Error	Correlation to Index
Since Inception	1.67%	2.04%	0.99%	0.88
Month to Date	1.36%	1.75%	0.75%	0.92
Semester to Date	1.68%	2.18%	0.98%	0.90
Year to Date	1.68%	2.18%	0.98%	0.90
1 Year Trailing	NA	NA	NA	NA
3 Year Trailing	NA	NA	NA	NA

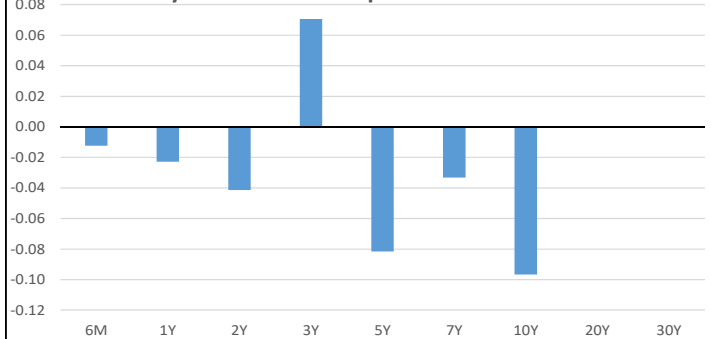
Monthly Performance Attribution Results

	Portfolio	Benchmark	Excess
Total	0.35%	0.38%	-0.03%
Contribution from Duration	0.11%	0.12%	-0.02%
Contribution from Curve Exposure	0.07%	0.16%	-0.09%
Contribution from Sector Spread Duration	-0.15%	-0.16%	0.00%
Contribution from Security Specific Return	0.32%	0.25%	0.07%

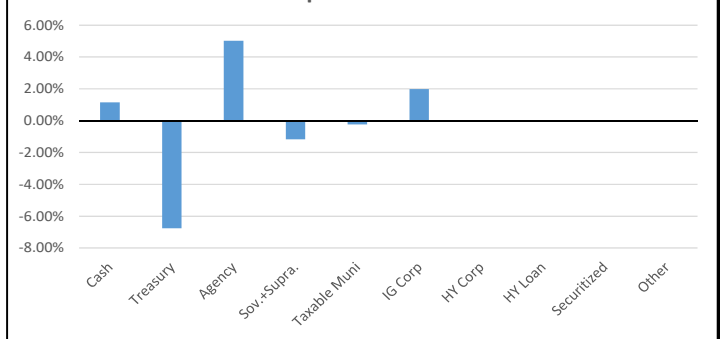
Portfolio Sector Allocation



Key Rate Duration Exposure versus Index



Sector Exposure versus Index



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