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Archway Investment Fund

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1-2021

### Fixed Income Fund Report, January 2021

Bryant University, Archway Investment Fund

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**Fund Objective**

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.

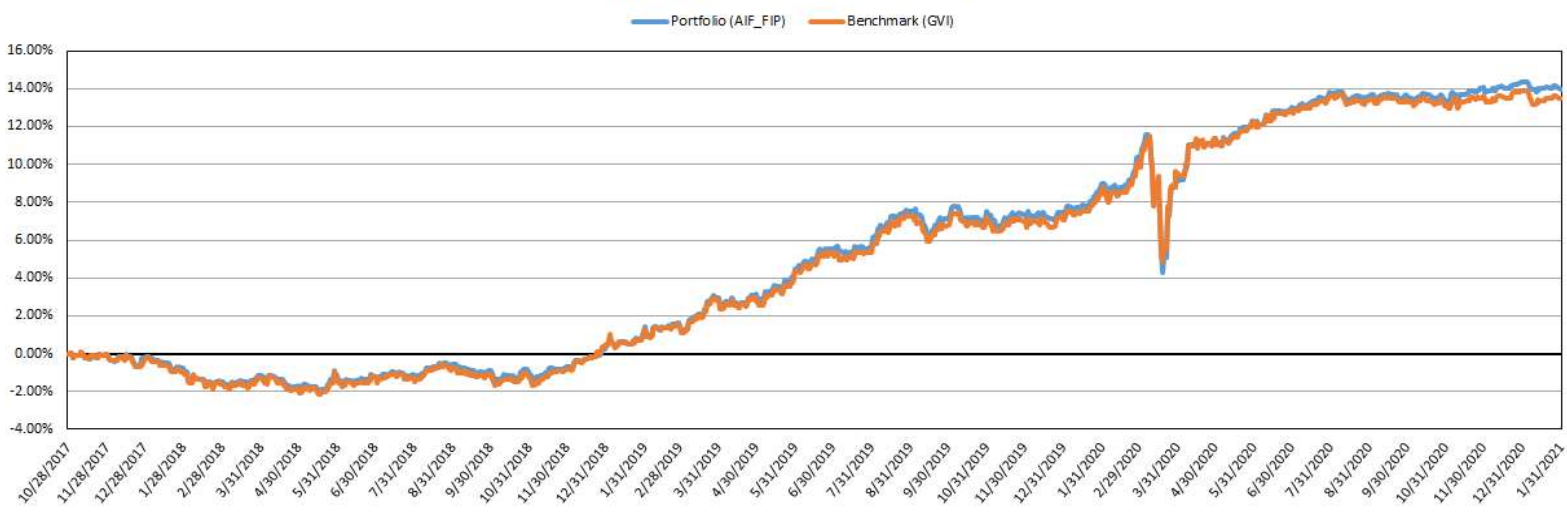
**Investment Strategy**

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. This index 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 -0.34% during January, while the benchmark returned -0.37%. The news in January was dominated by the events in Washington D.C. surrounding the Electoral College certification and the inauguration of Joe Biden as President. COVID-19 cases spiked in the first few weeks of the month, but began to recede slightly around month end. Economic data was decidedly mixed with weak consumer spending and industrial production, and strong housing data. At its January meeting, the Federal Reserve held the Federal Funds target range constant at 0% - 0.25%, and indicated that the current pace of asset purchases will be maintained for the foreseeable future. Treasury yields increased and the curve steepened during the first part of the month on expectations of another large spending package and the rollout of vaccines. Disappointment on both of those fronts caused a slight flattening late in the month. For the month as a whole, the 2 Year Treasury yield fell by 1 bp, the 5 Year Treasury yield increased by 6 bps, and the 10 Year Treasury yield increased by 15 bps. The portfolio was positioned approximately 0.4 years shorter in duration than its benchmark with the underweights at the 5, 7 and 10 year points on the curve. These duration and curve exposures contributed 0.03% and 0.02% in alpha for the month. The portfolio entered the month underweight in Treasuries relative to its benchmark, overweight Agencies and MBS, and slightly underweight Investment Grade Corporates. Agency and Corporate spreads widened slightly, while MBS spreads tightened in January. The overweight MBS exposure was unwound during the month, when spreads hit the profit-taking target set at the end of the Fall term. These sector allocation decisions contributed 0.02% to alpha during the month. Finally, income and security selection contributed -0.01% in alpha to the portfolio during the month. For the calendar year thus far, the portfolio has returned -0.34%, while the benchmark returned -0.37%. Since its inception in October 2017, the portfolio has an annualized return of 4.08% and outperformed the benchmark by 0.13%.

**Cumulative Return Since Inception**



Investment Performance				Portfolio and Benchmark Characteristics		
Historical Returns through 1/31/2021	Portfolio	Benchmark	Excess		Portfolio	Benchmark
Since Inception Return (Cumulative since October 27, 2017)	13.95%	13.48%	0.47%	Option Adjusted Duration	3.65	4.05
Since Inception Return (Annualized)	4.08%	3.95%	0.13%	Current Yield	1.72%	1.57%
Month to Date Return	-0.34%	-0.37%	0.04%	Yield to Worst	0.62%	0.86%
Academic Term to Date Return	-0.34%	-0.37%	0.04%	Number of Individual Bonds Held	11	3360
Year to Date Return	-0.34%	-0.37%	0.04%	Number of ETFs Held	5	0
1 Year Trailing Return	4.55%	4.41%	0.14%	Weight in Bonds	43.85%	100.05%
3 Year Trailing Return (Annualized)	4.80%	4.71%	0.08%	Weight in ETFs	55.19%	0.00%
5 Year Trailing Return (Annualized)	NA	NA	NA	Weight in Cash	0.95%	-0.05%
				Portfolio Market Value	\$ 592,270	



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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 the portfolio and benchmark include reinvestment of income distributions, and realized and unrealized gains. Returns have not been audited.

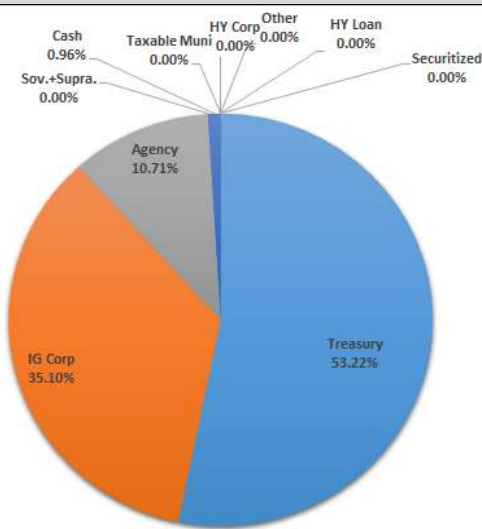
Performance Analytics

Historical Risk Statistics	Annualized Portfolio Volatility	Annualized Benchmark Volatility	Annualized Tracking Error	Correlation to Index
Since Inception	2.99%	3.44%	1.61%	0.88
Month to Date	1.08%	1.39%	0.76%	0.84
Academic Term to Date	1.08%	1.39%	0.76%	0.84
Year to Date	1.08%	1.39%	0.76%	0.84
1 Year Trailing	4.35%	5.13%	2.54%	0.87
3 Year Trailing	3.08%	3.55%	1.65%	0.89
5 Year Trailing	NA	NA	NA	NA

Monthly Performance Attribution Results	Portfolio	Benchmark	Excess
Total	-0.31%	-0.37%	0.07%
Contribution from Duration	-0.27%	-0.30%	0.03%
Contribution from Curve Exposure	0.04%	0.01%	0.02%
Contribution from Sector Spread Duration	-0.01%	-0.03%	0.02%
Contribution from Income and Security Specific Returns	-0.07%	-0.06%	-0.01%

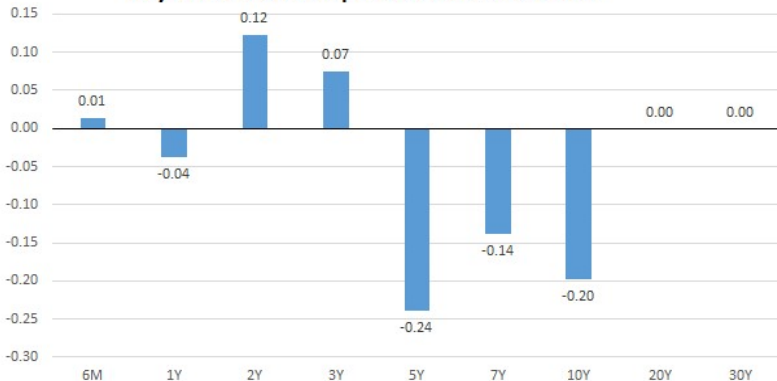
Portfolio Holdings

Exchange Traded Funds	Ticker	Shares	Share Price	Market Value	Weight	Current Yield	Yield to Worst	Duration
iShares Intermediate (5 to 10 year) Corporate ETF	IGIB	1328.319	\$ 61.29	\$ 81,412.67	13.75%	2.32%	1.78%	6.32
SPDR Bloomberg Barclays Short Term Corporate Bond ETF	SPSB	2476.649	\$ 31.40	\$ 77,766.78	13.13%	1.32%	0.46%	1.73
iShares 3-7 Year Treasury ETF	IEI	508.117	\$ 132.61	\$ 67,381.40	11.38%	0.79%	0.46%	4.62
SPDR Bloomberg Barclays Intermediate Corporate ETF	SPIB	1449.782	\$ 36.99	\$ 53,627.44	9.06%	1.60%	1.42%	4.53
iShares 1-3 Year Treasury ETF	SHY	540.100	\$ 86.40	\$ 46,664.64	7.88%	0.42%	0.12%	1.90
Bonds	CUSIP	Face Value	Bond Price	Market Value	Weight	Current Yield	Yield to Worst	Duration
US Treasury 2.75% 02/28/2025	9128283Z1	49000	109.96	\$ 54,450.38	9.19%	2.50%	0.28%	3.86
US Treasury 2.375% 01/31/2023	9128283U2	43000	104.48	\$ 44,926.60	7.59%	2.27%	0.11%	1.96
US Treasury 2.25% 12/31/2023	912828V23	40000	106.05	\$ 42,495.82	7.18%	2.12%	0.15%	2.83
Federal Home LN MTG CORP Note 1.5% 2/12/2025	3137EAEPO	25000	104.59	\$ 26,322.79	4.44%	1.43%	0.31%	3.90
US Treasury 1.75% 11/30/2021	912828U65	25000	101.36	\$ 25,415.34	4.29%	1.73%	0.08%	0.83
FFCB 3.43% 12/06/2028	3133EJ2D0	20000	118.19	\$ 23,742.41	4.01%	2.90%	0.94%	7.05
US Treasury 3.125% 11/15/2028	9128285M8	10000	117.17	\$ 11,783.66	1.99%	2.67%	0.84%	7.07
FFCB 2.37% 2/5/2024	3133EH5S8	10000	105.94	\$ 10,710.17	1.81%	2.23%	0.31%	2.89
US Treasury 1.75% 01/31/2023	912828P38	10000	103.24	\$ 10,324.22	1.74%	1.69%	0.10%	1.97
US Treasury 1.75% 05/31/2022	912828XR6	5000	102.18	\$ 5,123.89	0.87%	1.71%	0.09%	1.31
US Treasury 2.625% 3/31/2025	9128284F4	4000	109.57	\$ 4,418.29	0.75%	2.40%	0.30%	3.95
Fidelity Government Money Market				\$ 5,652.34	0.95%	0.00%	0.00%	

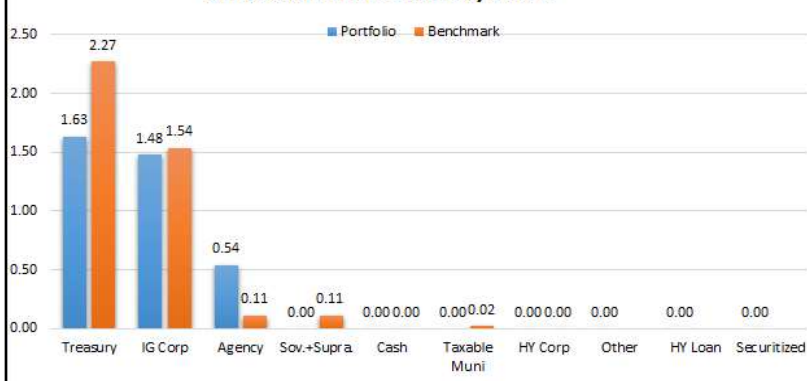


Portfolio Sector Allocation

Key Rate Duration Exposure versus Benchmark



Contribution to Duration by Sector



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