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Archway Investment Fund

Archway Investment Fund

8-2021

Fixed Income Fund Report, August 2021

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The Archway Investment Fund - Fixed Income Portfolio

Bryant University

Monthly Report
Data as of 8/31/2021

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.

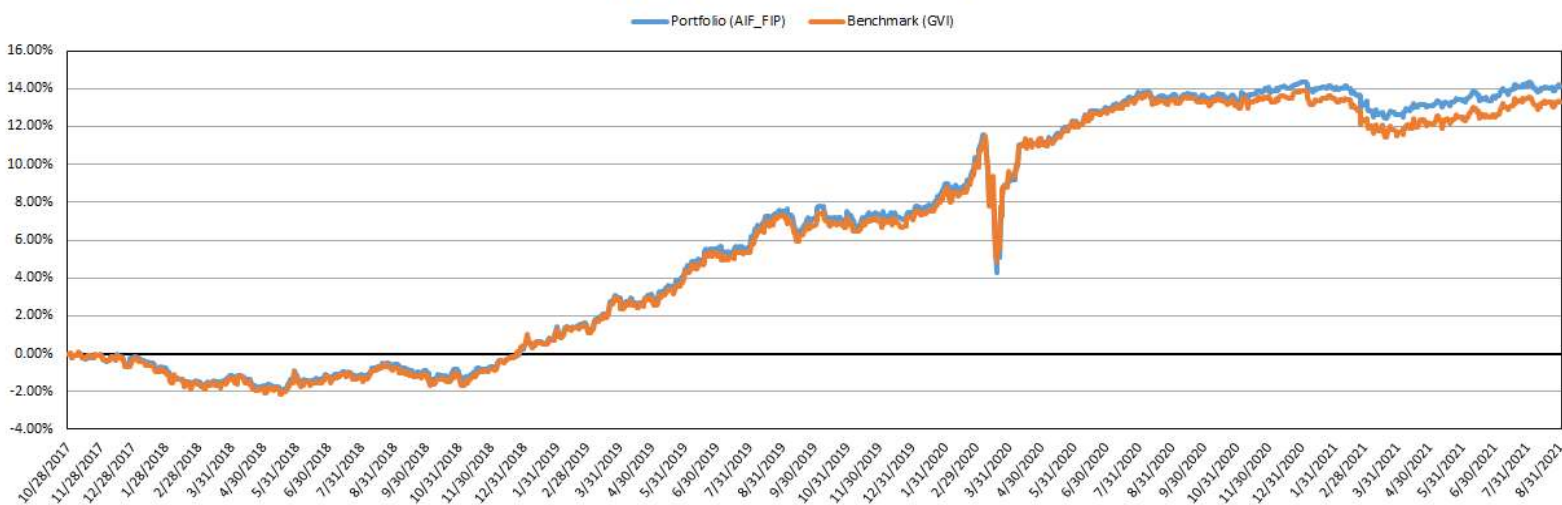
Investment Strategy

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 0.00% during August, while the benchmark returned -0.16%. Speculation about the timing of adjustments to the Federal Reserve policy stance was a key driver of intramonth yield curve volatility in August. The market expected to hear some clues about reductions in the size of asset purchases from chairman Powell at the Jackson Hole conference, and in the end what he said in his speech was closely aligned to market expectations prior to August. The economy also continued to recover, but there were some disappointing data announcements, while other data continued to show a robust recovery. Inflation remained high as the combination of very stimulative monetary and fiscal policy stimulating demand met with significant constraints in both the manufacturing and shipping supply chains and labor shortages in many industries. Treasury yields moved higher through the first 3 weeks of the month, before declining slightly into month end. For the month as a whole the 2 year Treasury yield was up 2 bps, the 5 year up 9 bps, the 10 year up 9 bps and the 30 year up 4 bps. The portfolio entered the month underweight in duration versus its benchmark by approximately 0.6 years, and this was adjusted to 0.4 years short during the 3rd week of August. That underweight in duration is concentrated in the 5 year and 10 year points on the curve. The duration and curve exposures contributed 0.04% and 0.03% in alpha for the month. The portfolio has small overweight positions in government agency bonds, investment grade corporate bonds, mortgage-backed securities and high yield bank loans. In aggregate, spread changes in these sectors contributed -0.01% to alpha during the month. Income and security selection contributed 0.11% in alpha to the portfolio during the month. For the summer months, the portfolio returned 0.67%, while the benchmark returned 0.70%, and for the year thus far, the portfolio has returned -0.15%, while the benchmark returned -0.53%. Since its inception in October 2017, the portfolio has an annualized return of 3.50% and outperformed the benchmark by 0.20%.

Cumulative Return Since Inception



Investment Performance				Portfolio and Benchmark Characteristics		
Historical Returns through 8/31/2021	Portfolio	Benchmark	Excess		Portfolio	Benchmark
Since Inception Return (Cumulative since October 27, 2017)	14.16%	13.30%	0.86%	Option Adjusted Duration	3.73	4.11
Since Inception Return (Annualized)	3.50%	3.30%	0.20%	Current Yield	1.71%	1.38%
Month to Date Return	0.00%	-0.16%	0.16%	Yield to Worst	1.00%	1.09%
Academic Term to Date Return	0.67%	0.70%	-0.03%	Number of Individual Bonds Held	10	3410
Year to Date Return	-0.15%	-0.53%	0.38%	Number of ETFs Held	8	0
1 Year Trailing Return	0.47%	-0.11%	0.57%	Weight in Bonds	37.39%	99.87%
3 Year Trailing Return (Annualized)	4.71%	4.51%	0.20%	Weight in ETFs	61.73%	0.00%
5 Year Trailing Return (Annualized)	NA	NA	NA	Weight in Cash	0.88%	0.13%
				Portfolio Market Value	\$ 694,282	



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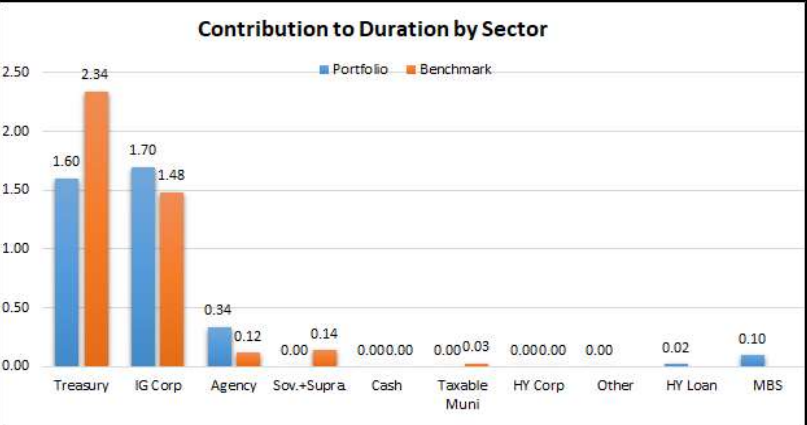
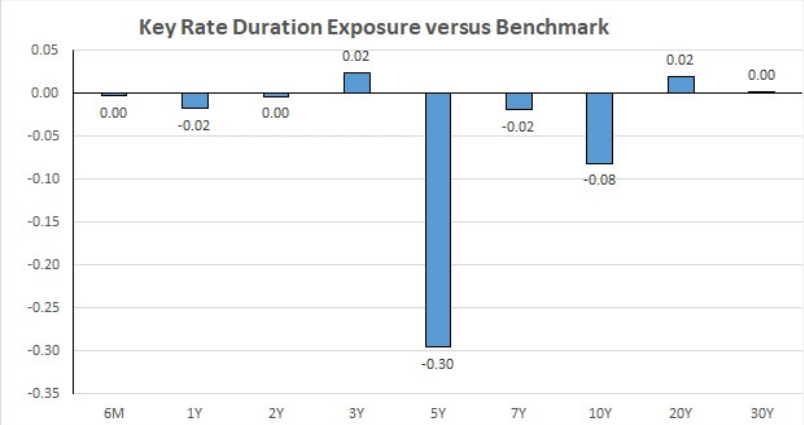
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Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg 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	2.85%	3.33%	1.57%	0.88
Month to Date	1.38%	1.70%	0.79%	0.89
Academic Term to Date	1.62%	2.02%	0.78%	0.93
Year to Date	1.79%	2.51%	1.28%	0.88
1 Year Trailing	1.65%	2.24%	1.24%	0.84
3 Year Trailing	3.08%	3.60%	1.71%	0.88
5 Year Trailing	NA	NA	NA	NA
Monthly Performance Attribution Results		Portfolio	Benchmark	Excess
Total		0.00%	-0.16%	0.16%
Contribution from Duration		-0.17%	-0.21%	0.04%
Contribution from Curve Exposure		-0.08%	-0.11%	0.03%
Contribution from Sector Spread Duration		0.01%	0.02%	-0.01%
Contribution from Income and Security Specific Returns		0.25%	0.13%	0.11%

Portfolio Holdings				
Exchange Traded Funds	Ticker	Shares	Share Price	Market Value
iShares Intermediate (5 to 10 year) Corporate ETF	IGIB	1691.289	\$ 60.83	\$ 102,881.11
iShares 3-7 Year Treasury ETF	IEI	702.591	\$ 131.32	\$ 92,264.25
SPDR Bloomberg Barclays Intermediate Corporate ETF	SPIB	2247.323	\$ 36.82	\$ 82,746.43
SPDR Bloomberg Barclays Short Term Corporate Bond ETF	SPSB	2626.727	\$ 31.29	\$ 82,190.29
PowerShares Senior Loan Index ETF	BKLN	787.649	\$ 22.14	\$ 17,438.55
SPDR Bloomberg Barclays Mortgage Backed Bond ETF	SPMB	665	\$ 25.86	\$ 17,197.70
iShares 1-3 Year Treasury ETF	SHY	154	\$ 86.25	\$ 13,252.74
Bonds	CUSIP	Face Value	Bond Price	Market Value
US Treasury 2.75% 02/28/2025	9128283Z1	49000	107.71	\$ 52,782.08
US Treasury 2.375% 01/31/2023	9128283U2	43000	103.15	\$ 44,444.31
US Treasury 2.25% 12/31/2023	912828V23	40000	104.57	\$ 41,982.20
US Treasury 2.625% 3/31/2025	9128284F4	33000	107.38	\$ 35,798.24
US Treasury 1.75% 11/30/2021	912828U65	25000	100.41	\$ 25,212.73
FFCB 3.43% 12/06/2028	3133EJ2D0	20000	115.07	\$ 23,174.97
FFCB 2.37% 2/5/2024	3133EH5S8	10000	104.48	\$ 10,464.72
Federal Home LN MTG CORP Note 1.5% 2/12/2025	3137EAEPO	10000	103.24	\$ 10,332.32
US Treasury 1.75% 01/31/2023	912828P38	10000	102.27	\$ 10,241.78
US Treasury 1.75% 05/31/2022	912828XR6	5000	101.24	\$ 5,084.34

Fidelity Government Money Market	\$	6,123.56	0.88%	0.00%	0.00%
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