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Archway Investment Fund

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10-2021

Equity Fund Monthly Report, October 2021

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The Archway Investment Fund - Equity Portfolio

Bryant University

Monthly Report
Data as of 10/31/2021

Portfolio Description

The primary objective of the Archway Investment Equity Portfolio (the Portfolio) is to provide students in Bryant University's Equity Portfolio Management course with a hands-on learning experience. Student portfolio managers are organized into teams responsible for managing the holdings in their assigned sectors. The Portfolio launched in August 2005 with \$200,000. Including subsequent inflows and outflows the net capital contributed has been \$290,000, and the cumulative investment return is \$1,649,353.

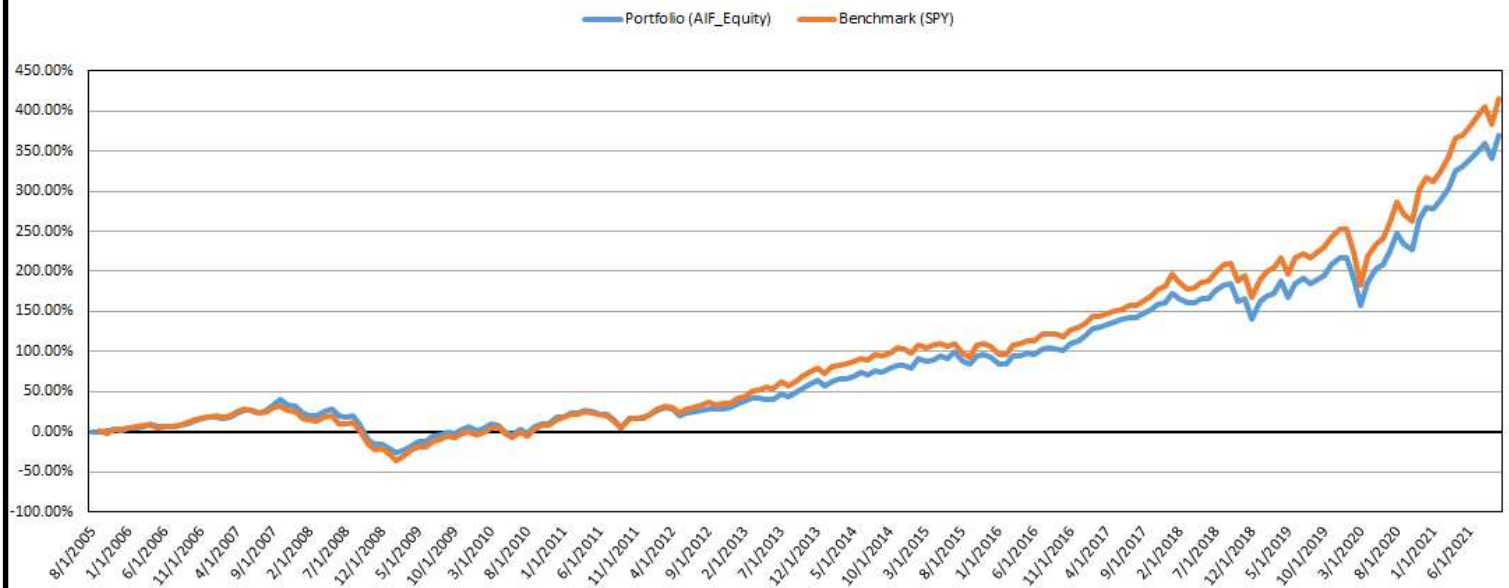
Investment Strategy

The Portfolio strategy focuses on buying stocks for less than their intrinsic value, based on both value and growth considerations, to achieve risk-adjusted returns that equal or exceed benchmark returns. The investment process is built around sector teams responsible for overseeing the holdings and the weightings of the securities in their sectors. Formal stock pitches are required to add new names to the portfolio. Portfolio managers and security analysts use traditional fundamental analysis and valuation modeling, and they incorporate ESG metrics to identify risk factors and aid in generating risk-adjusted excess returns. The overall benchmark used for performance evaluation is the State Street SPDR S&P 500 Exchange Traded Fund (SPY), while benchmarks used for individual sectors are the corresponding SPDR sector ETFs. Each sector is initially weighted in the portfolio based on their weighting in the S&P 500 Index and are then adjusted to reflect portfolio manager expectations about the performance of each sector. While the purchase of international equities via ADRs is allowed, the Fund remains heavily weighted in domestic assets. Option use is limited to covered call and protective put strategies. Options are used only to control risk and the underlying security must be held in the Fund. Performance attribution analysis, and factor risk modeling are integral parts of the portfolio management and reporting process.

Performance Commentary

The Archway Equity Portfolio returned 6.59% in October, while the benchmark returned 7.02%. The market regained all of its September losses plus some, and is faring much better than last month. Investors eagerly awaited an asset tapering announcement from the Fed, which was expected at November's FOMC meeting. Uncertainty continued in Congress, as 2 spending bills, covering infrastructure and social spending, hang in the balance. Crude oil prices increased 15% as investors piled into defensive investments combined with inflationary pressures. Tesla, which returned 43.7% in October, was the second largest return contributor in our benchmark, the S&P 500 index ETF (SPY). Not owning Tesla in our portfolio hurt our relative performance in the Consumer Discretionary sector. That sector SPDR ETF posted a 12.1% return for the month. All other sector SPDR ETFs also posted positive returns with Energy (10.3%), Technology (8.2%) and Materials (7.6%) at the top of the list. The portfolio's sector allocation relative to its benchmark cost 3 bp in alpha due primarily to a large cash allocation (-12 bps), an overweight in Health Care (-1 bp), and an underweight in Consumer Discretionary (-1 bp). Underweight allocations to Communication Services (+4 bps) and Utilities(+3 bps), and an overweight in Energy (+3 bps) added sector allocation alpha. Security Selection contributed -15 bps of alpha for the month. We had positive security selection alpha in Communication Services (+39 bps) and Technology (+15 bps), with negative alpha in Consumer Discretionary (-71 bps) and Financials (-26 bps). Cash income, options trading, and index tracking together contributed -0.25% of alpha during the month. For the calendar year thus far, the portfolio returned 23.70% while the benchmark returned 24.04%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 10.04% and the benchmark has an annualized return of 10.69%. During October the students continued the rebalancing of the portfolio by increasing exposure in sectors such as Energy and decreasing positions in Financials. Six new names were added to the portfolio, while we completely exited from 5 positions.

Cumulative Return Since Inception



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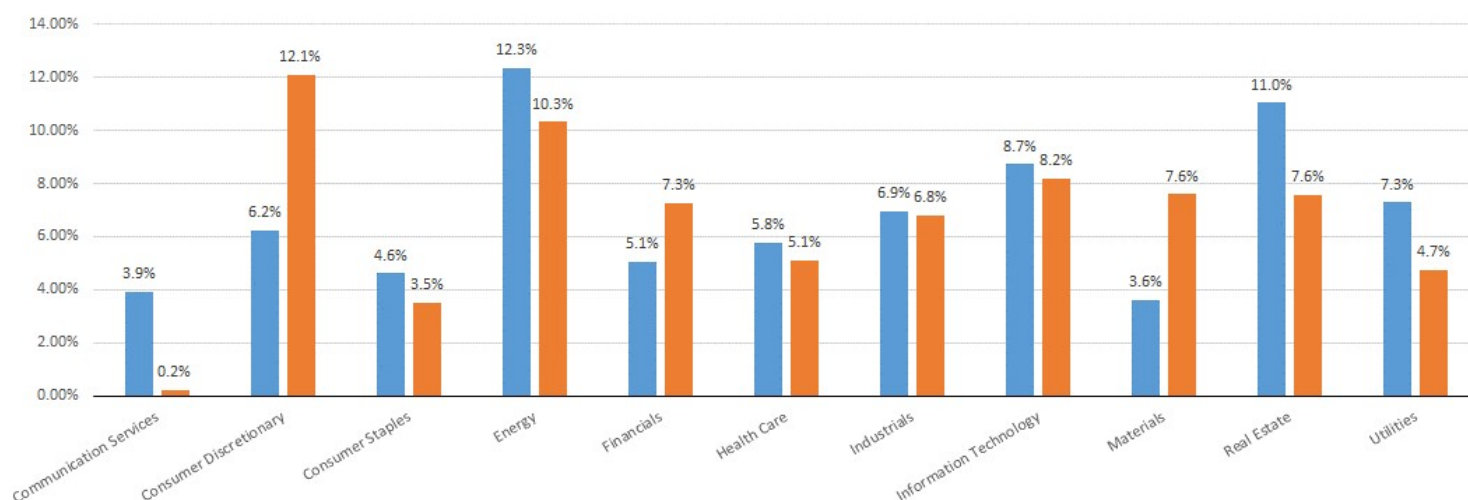
Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for the portfolio and benchmark include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

| Investment Performance | | | | Portfolio and Benchmark Characteristics | | |
|--------------------------------------|-----------|-----------|--------|-----------------------------------------|--------------|-----------|
| Historical Returns through 9/30/2021 | Portfolio | Benchmark | Excess | Characteristics as of 9/30/2021 | Portfolio | Benchmark |
| Month to Date Return | 6.59% | 7.02% | -0.43% | Portfolio Market Value | \$ 2,067,158 | |
| Academic Term to Date Return | 2.08% | 2.04% | 0.04% | Number of Individual Equities Held | 68 | 506 |
| Year to Date Return | 23.70% | 24.04% | -0.34% | Number of ETFs Held | 21 | 0 |
| 1 Year Trailing Return | 43.46% | 42.62% | 0.84% | Weight in Individual Equities | 74.99% | 99.65% |
| 3 Year Trailing Return (Annualized) | 21.30% | 21.37% | -0.08% | Weight in ETFs | 22.42% | 0.00% |
| 5 Year Trailing Return (Annualized) | 18.38% | 18.79% | -0.41% | Weight in Options | 0.00% | 0.00% |
| Since Inception Return (Annualized) | 10.04% | 10.69% | -0.65% | Weight in Cash | 2.59% | 0.35% |
| | | | | Wtd. Avg. 2 Year Beta to S&P 500 | 0.98 | 1.01 |

Sector Returns

Monthly Sector Returns: Portfolio vs. Benchmark

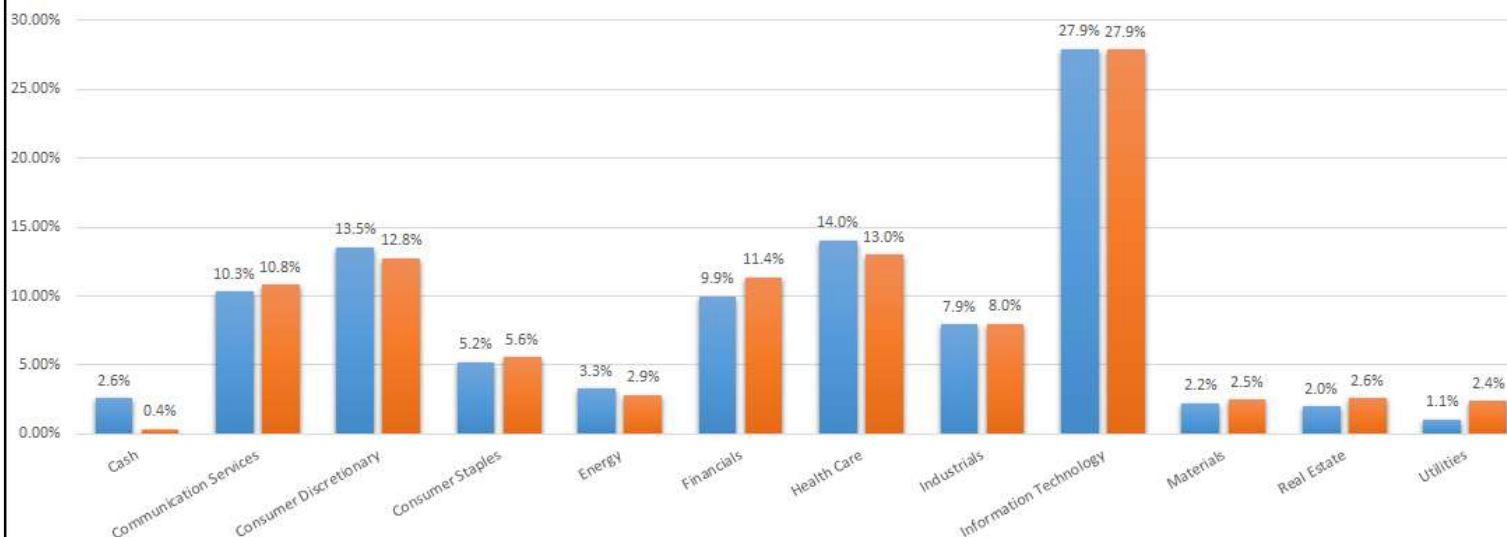
■ Portfolio ■ SPDR Sector ETF



Sector Weights


Sector Weights: Portfolio vs. Benchmark

■ Portfolio ■ Benchmark



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| Top 10 Individual Equity and ETF Holdings | | | | | | | | | | |
|-------------------------------------------------------------------------------------|--------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|------------------------------|----------------------|--------------|
| Equities | | Ticker | Shares | Price | Market Value | | % of Portfolio | Historical Cost | Unrealized Gain/Loss | |
| APPLE INC | | AAPL | 760 | 149.8 | \$ | 113,848.00 | 5.51% | \$24,332.55 | \$89,515.45 | |
| MISCROSOFT CORP INC | | MSFT | 337 | 331.62 | \$ | 111,755.94 | 5.41% | \$52,790.86 | \$58,965.08 | |
| ALPHABET INC CAP STK CL A | | GOOGL | 31 | 2960.92 | \$ | 91,788.52 | 4.44% | \$17,022.00 | \$74,766.52 | |
| NVIDIA CORP | | NVDA | 312 | 255.67 | \$ | 79,769.04 | 3.86% | \$15,360.98 | \$64,408.06 | |
| AMAZON INC | | AMZN | 21 | 3372.43 | \$ | 70,821.03 | 3.43% | \$48,709.46 | \$22,111.57 | |
| VISA INC COM CL A | | V | 300 | 211.77 | \$ | 63,531.00 | 3.07% | \$39,272.52 | \$24,258.48 | |
| CHIPOTLE MEXICAN GRILL INC | | CMG | 20 | 1779.03 | \$ | 35,580.60 | 1.72% | \$36,374.52 | -\$793.92 | |
| AKAMAI TECHNOLOGIES INC | | AKAM | 318 | 105.46 | \$ | 33,536.28 | 1.62% | \$34,036.26 | -\$499.98 | |
| ADOBE SYSTEMS INC | | ADBE | 51 | 650.36 | \$ | 33,168.36 | 1.60% | \$30,943.74 | \$2,224.62 | |
| KLA CORPORATION | | KLAC | 79 | 372.76 | \$ | 29,448.04 | 1.42% | \$12,308.20 | \$17,139.84 | |
| Exchange Traded Funds | | Ticker | Shares | Price | Market Value | | % of Portfolio | Historical Cost | Unrealized Gain/Loss | |
| SELECT SECTOR SPDR TR CONSUMER DISCRETIONARY | | XLY | 332 | \$ 201.15 | \$ | 66,781.80 | 3.23% | \$38,985.46 | \$27,796.34 | |
| SELECT SECTOR SPDR TR HEALTH CARE | | XLV | 416 | \$ 133.82 | \$ | 55,669.12 | 2.69% | \$37,657.54 | \$18,011.58 | |
| ISHARES TR U.S. MED DVC ETF | | IHI | 738 | \$ 65.42 | \$ | 48,279.96 | 2.34% | \$21,246.70 | \$27,033.26 | |
| SECTOR SPDR TR SHS BEN INT TECHNOLOGY | | XLK | 286 | \$ 161.53 | \$ | 46,197.58 | 2.23% | \$22,870.20 | \$23,327.38 | |
| SPDR SER TR S&P INS ETF | | KIE | 774 | \$ 40.33 | \$ | 31,215.42 | 1.51% | \$25,121.90 | \$6,093.52 | |
| SELECT SECTOR SPDR TR FINANCIALS | | XLF | 571 | \$ 40.26 | \$ | 22,988.46 | 1.11% | \$20,168.38 | \$2,820.08 | |
| SPDR SER TR S&P PHARMACEUTICALS ETF | | XPH | 398 | \$ 47.96 | \$ | 19,088.08 | 0.92% | \$17,937.37 | \$1,150.71 | |
| SELECT SECTOR SPDR TR ENERGY | | XLE | 315 | \$ 57.47 | \$ | 18,103.05 | 0.88% | \$14,979.05 | \$3,124.00 | |
| SECTOR SPDR TR SHS BEN INT INDUSTRIAL | | XLI | 169 | \$ 104.49 | \$ | 17,658.81 | 0.85% | \$12,205.34 | \$5,453.47 | |
| SELECT SECTOR SPDR TR RL EST SEL SEC | | XLRE | 344 | \$ 47.82 | \$ | 16,450.08 | 0.80% | \$11,876.91 | \$4,573.17 | |
| Cash | | | | | \$ | 53,553.29 | 2.59% | | | |
| Performance Analytics | | | | | | | | | | |
| Historical Risk Statistics and Ratios | | Annualized Portfolio Volatility | Annualized Benchmark Volatility | Annualized Tracking Error | Annualized Information Ratio | Correlation to Benchmark | Beta to Benchmark | Jensen's Alpha | Treynor Ratio | Sharpe Ratio |
| Since Inception | | 14.28% | 14.77% | 3.41% | -0.19 | 0.97 | 0.94 | -0.08% | 0.10 | 0.63 |
| 1 Year Trailing | | 12.64% | 12.94% | 1.40% | 0.60 | 0.99 | 0.97 | 2.06% | 0.45 | 3.44 |
| 3 Year Trailing | | 17.93% | 18.06% | 2.16% | -0.03 | 0.99 | 0.99 | 0.21% | 0.21 | 1.13 |
| 5 Year Trailing | | 14.99% | 15.13% | 2.07% | -0.20 | 0.99 | 0.98 | -0.09% | 0.18 | 1.16 |
| Monthly Performance Attribution Results | | Portfolio | Benchmark | Excess | Top 5 Return Contributors | | | Bottom 5 Return Contributors | | |
| Total | 6.59% | 7.02% | -0.43% | Ticker | Weight | Return Contrib. | Ticker | Weight | Return Contrib. | |
| Return Contribution from Sector Allocation | 6.77% | | -0.03% | MSFT | 4.90% | 0.8636% | V | 3.45% | -0.1699% | |
| Alpha from Equity and ETF Selection and Trading | -0.15% | | -0.15% | NVDA | 3.33% | 0.7804% | CMCSA | 1.38% | -0.1052% | |
| Alpha from Option Selection and Trading | -0.03% | | -0.03% | GOOGL | 4.27% | 0.4594% | COF | 1.50% | -0.0752% | |
| Income from Cash Account | 0.00% | | 0.00% | XLY | 3.32% | 0.3919% | FB | 1.23% | -0.0571% | |
| Tracking/Rounding Difference | 0.00% | 0.22% | -0.21% | AAPL | 5.55% | 0.3253% | MDT | 1.22% | -0.0474% | |
|  | | Bryant University 1150 Douglas Pike Smithfield, RI 02917-1284 http://aif.bryant.edu | | | 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. | | | | | |