

Bryant University

## Bryant Digital Repository

---

Archway Investment Fund

Archway Investment Fund

---

11-2021

### Equity Fund Monthly Report, November 2021

Bryant University, Archway Investment Fund

Follow this and additional works at: [https://digitalcommons.bryant.edu/archway\\_investment](https://digitalcommons.bryant.edu/archway_investment)



Part of the [Portfolio and Security Analysis Commons](#)

---

**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.

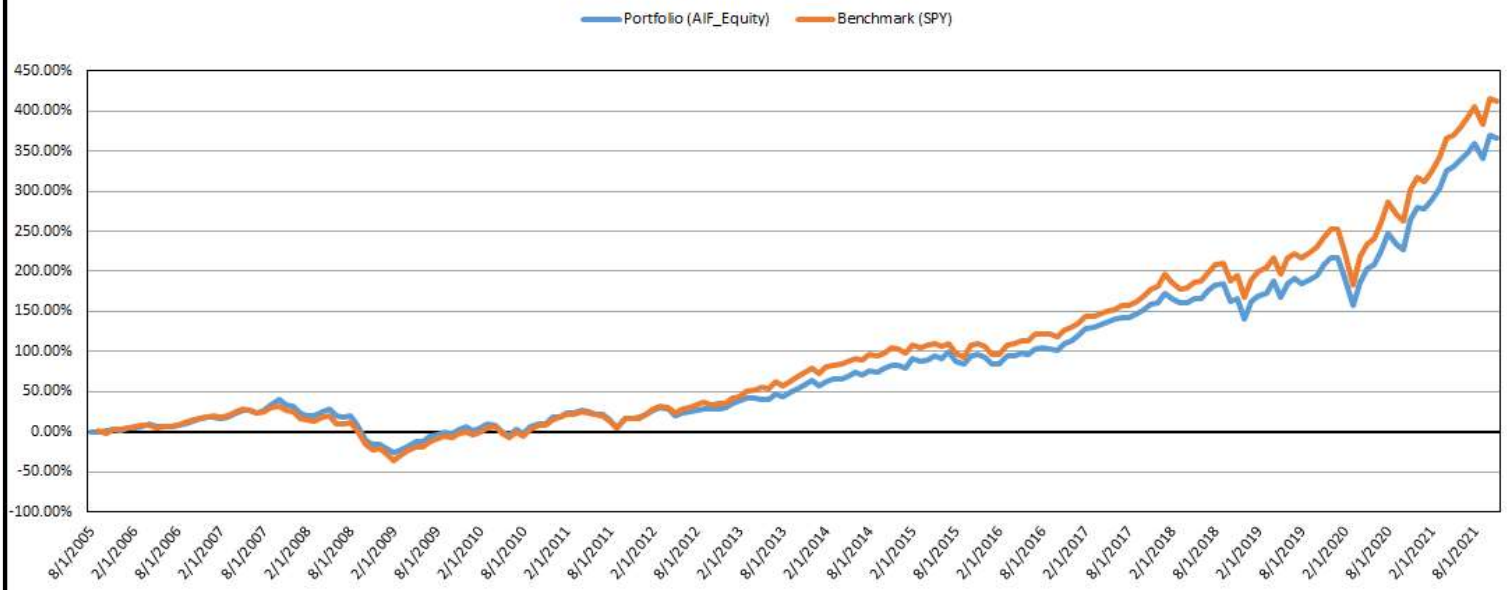
**Investment Strategy**

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 -0.80% in November, while the benchmark also returned -0.80%. The market was mixed in November. Late in the month on Black Friday, the market sold off and eliminated most of the gains for the period, as a broad risk-off trade permeated the financial markets. The consolidation into big tech stocks was evident and oil prices fell. The Information Technology SPDR ETF posted a return of 4.5%, the highest return of any sector SPDR for the month. The Consumer Discretionary SPDR ETF also posted a positive return of 1.6%. The other sector ETFs all posted negative returns in November with Communication Services (-6.1%), Financials (-5.7%), and Energy (-5.0%) the worst for the month. Sector Allocation contributed 0.11% in alpha due primarily to an underweight in Financials, an overweight in cash, and an overweight in Consumer Discretionary. Security Selection contributed -0.07% of alpha for the month led by the Technology (+0.22%) and Financials, Real Estate (+0.06%) teams, while being dragged down by Energy, Materials, Utilities (-0.17%), Consumer (-0.13%), and Healthcare (-0.13%) sector teams. Cash income, options trading, and index tracking together contributed -0.03% of alpha during the month. For the calendar year thus far, the portfolio returned 22.71% while the benchmark returned 23.04%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 9.93% and the benchmark has an annualized return of 10.57%. During November the students continued the rebalancing of the portfolio by taking profits in some names and adjusting position sizes, notably within the Information Technology and Consumer Discretionary sectors.

**Cumulative Return Since Inception**



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.

Investment Performance				Portfolio and Benchmark Characteristics		
Historical Returns through 11/30/2021	Portfolio	Benchmark	Excess	Characteristics as of 11/30/2021	Portfolio	Benchmark
Month to Date Return	-0.80%	-0.80%	0.00%	Portfolio Market Value	\$ 2,049,718	
Academic Term to Date Return	1.26%	1.22%	0.04%	Number of Individual Equities Held	69	507
Year to Date Return	22.71%	23.04%	-0.33%	Number of ETFs Held	21	0
1 Year Trailing Return	27.93%	27.59%	0.34%	Weight in Individual Equities	76.30%	99.87%
3 Year Trailing Return (Annualized)	20.49%	20.31%	0.19%	Weight in ETFs	22.65%	0.00%
5 Year Trailing Return (Annualized)	17.33%	17.74%	-0.42%	Weight in Options	0.00%	0.00%
Since Inception Return (Annualized)	9.93%	10.57%	-0.65%	Weight in Cash	1.05%	0.13%
				Wtd. Avg. 2 Year Beta to S&P 500	1.00	1.01

### Sector Returns

Monthly Sector Returns: Portfolio vs. Benchmark

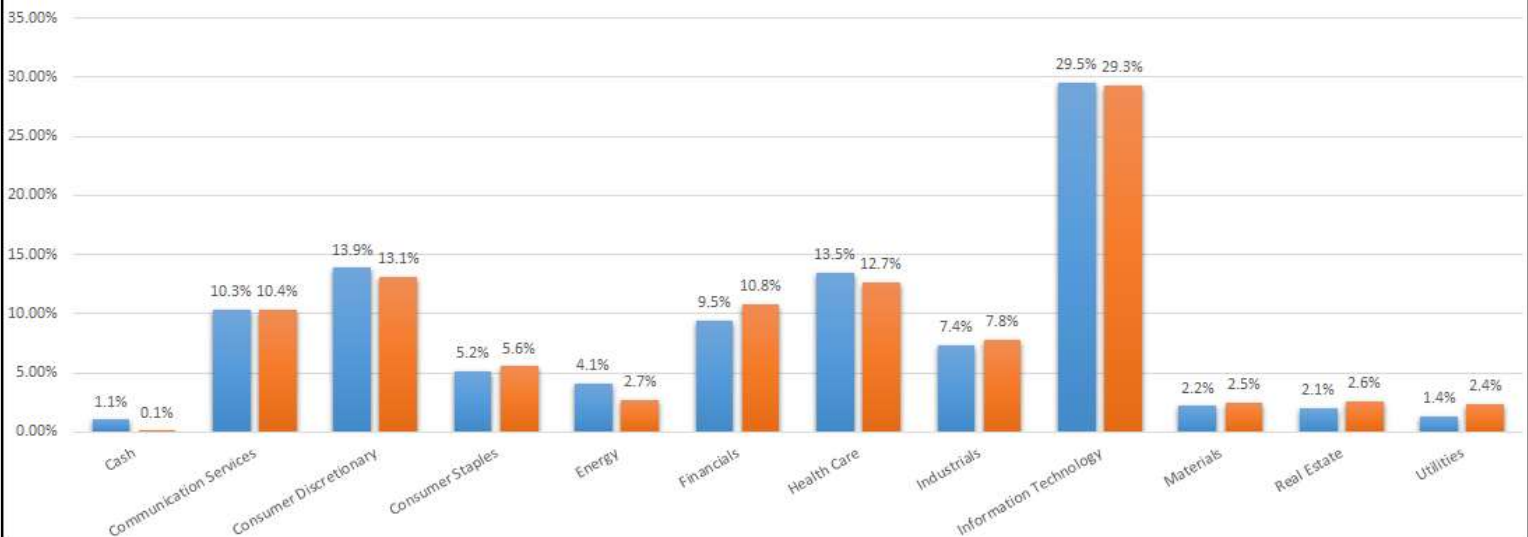
■ Portfolio ■ SPDR Sector ETF



### Sector Weights

Sector Weights: Portfolio vs. Benchmark

■ Portfolio ■ Benchmark



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.

**Top 10 Individual Equity and ETF Holdings**

Equities	Ticker	Shares	Price	Market Value	% of Portfolio	Historical Cost	Unrealized Gain/Loss
APPLE INC	AAPL	760	165.3	\$ 125,628.00	6.13%	\$24,332.55	\$101,295.45
MICROSOFT CORP INC	MSFT	302	330.59	\$ 99,838.18	4.87%	\$47,308.13	\$52,530.05
ALPHABET INC CAP STK CL A	GOOGL	32	2837.95	\$ 90,814.40	4.43%	\$19,973.93	\$70,840.47
NVIDIA CORP	NVDA	274	326.76	\$ 89,532.24	4.37%	\$13,490.10	\$76,042.14
AMAZON INC	AMZN	21	3507.07	\$ 73,648.47	3.59%	\$48,709.46	\$24,939.01
VISA INC COM CL A	V	336	193.77	\$ 65,106.72	3.17%	\$46,797.96	\$18,308.76
KLA CORPORATION	KLAC	118	408.13	\$ 48,159.34	2.35%	\$28,005.70	\$20,153.64
CHIPOTLE MEXICAN GRILL INC	CMG	20	1643.41	\$ 32,868.20	1.60%	\$36,374.52	-\$3,506.32
REGENERON PHARMACEUTICALS INC COM	REGN	49	636.53	\$ 31,189.97	1.52%	\$27,366.16	\$3,823.81
BERKSHIRE HATHAWAY CLASS B	BRK/B	100	276.69	\$ 27,669.00	1.35%	\$21,884.95	\$5,784.05
Exchange Traded Funds	Ticker	Shares	Price	Market Value	% of Portfolio	Historical Cost	Unrealized Gain/Loss
SELECT SECTOR SPDR TR CONSUMER DISCRETIONARY	XLY	388	\$ 204.44	\$ 79,322.72	3.87%	\$50,767.30	\$28,555.42
SELECT SECTOR SPDR TR HEALTH CARE	XLV	416	\$ 129.73	\$ 53,967.68	2.63%	\$37,657.54	\$16,310.14
SECTOR SPDR TR SHS BEN INT TECHNOLOGY	XLK	286	\$ 168.72	\$ 48,253.92	2.35%	\$22,870.20	\$25,383.72
ISHARES TR U.S. MED DVC ETF	IHI	538	\$ 61.78	\$ 33,237.64	1.62%	\$15,488.79	\$17,748.85
SPDR SER TR S&P INS ETF	KIE	774	\$ 38.20	\$ 29,566.80	1.44%	\$25,121.90	\$4,444.90
SELECT SECTOR SPDR TR FINANCIALS	XLF	571	\$ 37.96	\$ 21,675.16	1.06%	\$20,168.38	\$1,506.78
SELECT SECTOR SPDR TR ENERGY	XLE	378	\$ 54.59	\$ 20,635.02	1.01%	\$18,653.69	\$1,981.33
SPDR SER TR S&P PHARMACEUTICALS ETF	XPX	398	\$ 45.79	\$ 18,224.42	0.89%	\$17,937.37	\$287.05
SELECT SECTOR SPDR TR COMMUNICATION	XLC	231	\$ 75.37	\$ 17,410.47	0.85%	\$13,007.92	\$4,402.55
SECTOR SPDR TR SHS BEN INT INDUSTRIAL	XLI	169	\$ 100.77	\$ 17,030.13	0.83%	\$12,205.34	\$4,824.79
<b>Cash</b>				<b>\$ 21,819.70</b>	<b>1.05%</b>		

**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	14.25%	14.74%	3.40%	-0.19	0.97	0.94	-0.09%	0.09	0.62
1 Year Trailing	9.86%	10.49%	1.36%	0.20	0.99	0.93	2.12%	0.30	2.82
3 Year Trailing	17.99%	18.12%	2.13%	0.08	0.99	0.99	0.44%	0.20	1.09
5 Year Trailing	14.99%	15.13%	2.07%	-0.21	0.99	0.98	-0.12%	0.17	1.08
Monthly Performance Attribution Results	Portfolio	Benchmark	Excess	Top 5 Return Contributors			Bottom 5 Return Contributors		
Total	-0.84%	-0.80%	-0.04%	Ticker	Weight	Return Contrib.	Ticker	Weight	Return Contrib.
Return Contribution from Sector Allocation	-0.73%	-0.84%	0.11%	NVDA	3.86%	1.0150%	V	3.07%	-0.2878%
Alpha from Equity and ETF Selection and Trading	-0.07%		-0.07%	AAPL	5.51%	0.5780%	DIS	1.38%	-0.1976%
Alpha from Option Selection and Trading	0.00%		0.00%	KLAC	1.42%	0.1458%	GOOGL	4.44%	-0.1899%
Income from Cash Account	0.00%		0.00%	AMZN	3.43%	0.1368%	MRK	1.11%	-0.1653%
Tracking/Rounding Difference	-0.04%	0.04%	-0.08%	XLK	2.23%	0.0995%	CMG	1.72%	-0.1312%



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.