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Archway Investment Fund

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11-2022

## Equity Fund Monthly Report, November 2022

Bryant University, Archway Investment Fund

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**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 \$105,000 and the cumulative investment return is \$1,581,718.

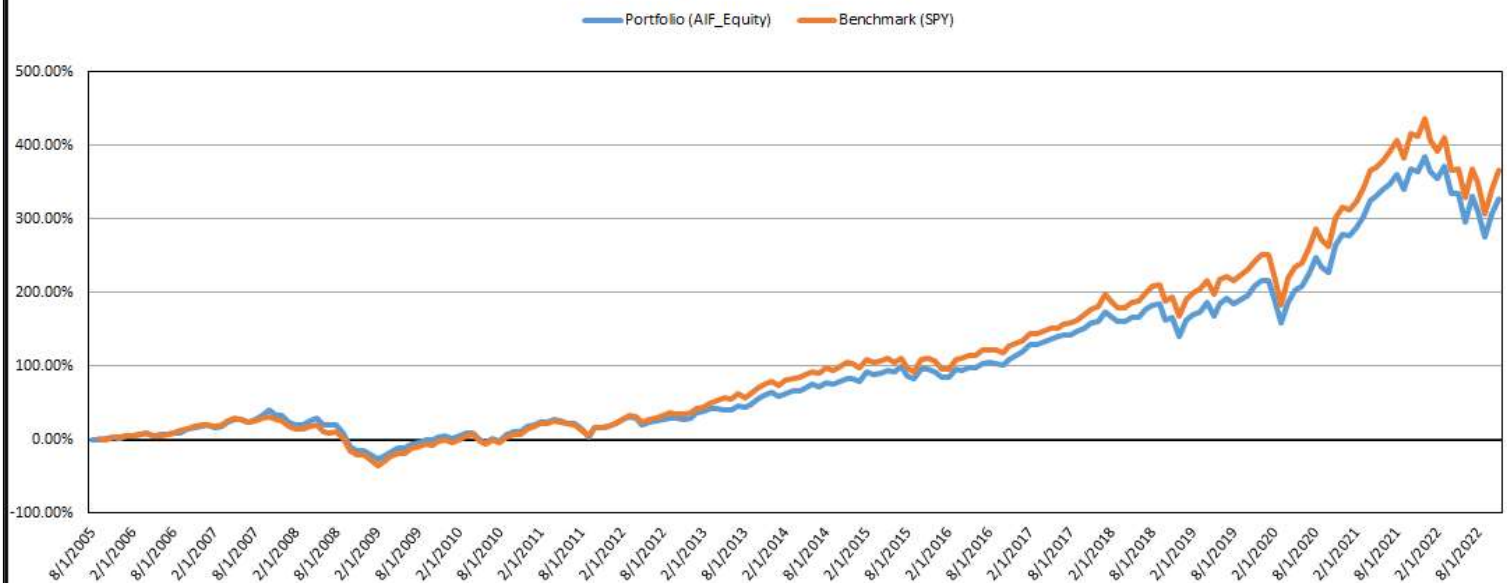
**Investment Strategy**

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 5.04% in November, while the benchmark returned 5.56%. The equity market had a choppy month, taking a nosedive around midterm elections, and then rallying to have a strong return. November is historically a strong month for the market, but experts do not expect a continuation of these conditions into 2023. Fed Chair Jerome Powell said smaller rate hikes could begin in December, and market analysts are expecting a mild recession in 2023. Sector Allocation contributed -3 bps of alpha due primarily to underweighting in Financials and overweighting in Energy. These defensive positions caused a negative sector allocation alpha of -1.5 bps each. Our cash holdings contributed -8 bps of allocation alpha. The greatest positive sector allocation alpha came from Consumer Discretionary at 4.5 bps. Security Selection contributed -25 bps of alpha for the month. Positive contributions to security selection alpha came from Information Technology (45 bps), Energy (6.5 bps), and Consumer Discretionary (9 bps). The lowest contributions to security selection alpha came from Financials (-15 bps), Health Care (-20 bps), and Industrials (-32 bps). Cash income and index tracking together contributed -25 bps of alpha during the month. Our negative alpha can be attributed to our defensive positions in the middle of what we believe was a bear market rally. We still believe in those defensive positions as we approach the winter break. For the Fall semester, the portfolio return 3.89% versus 3.62% ofr its benchamr, and for thethe calendar year thus far, the portfolio returned -11.83% versus the benchmark return of -13.16%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 8.78% and the benchmark has an annualized return of 9.32%. Three sector teams made additions to the portfolio in November from stock pitches. The Industrials team added Emerson Electric (EMR), Communication Services added Netflix (NFLX), Healthcare added Danaher (DHR), and the Financials Team added shares of MetLife (MET) cxcombined with a protective put. The Healthcare team also significantly trimmed positions in the Medical Devices ETF (IHI) and AbbVie (ABBV). The energy team trimmed positions in Exxon Mobil (XOM) and the Invesco Solar ETF (TAN).

**Cumulative Return Since Inception**



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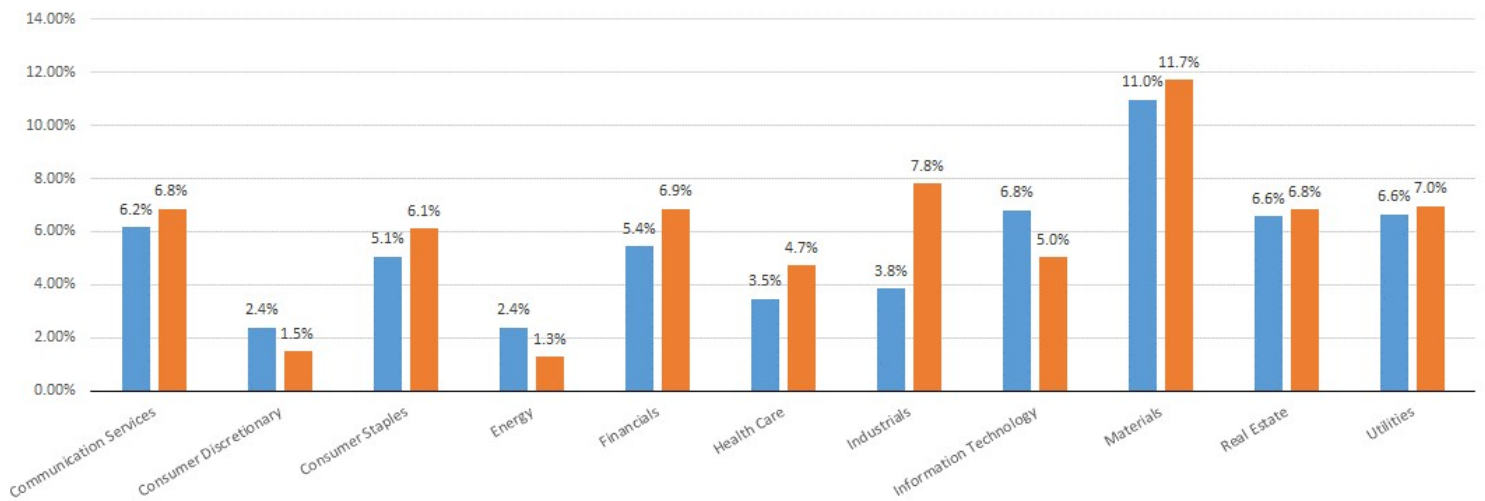
Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for the portfolio and benchmark include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

Investment Performance				Portfolio and Benchmark Characteristics		
Historical Returns through 11/30/2022	Portfolio	Benchmark	Excess	Characteristics as of 11/30/2022	Portfolio	Benchmark
Month to Date Return	5.04%	5.56%	-0.52%	Portfolio Market Value	\$ 1,686,718	
Academic Term to Date Return	3.89%	3.62%	0.27%	Number of Individual Equities Held	65	505
Year to Date Return	-11.83%	-13.16%	1.33%	Number of ETFs Held	18	0
1 Year Trailing Return	-8.11%	-9.15%	1.03%	Weight in Individual Equities	80.34%	99.73%
3 Year Trailing Return (Annualized)	11.52%	10.81%	0.71%	Weight in ETFs	18.49%	0.00%
5 Year Trailing Return (Annualized)	10.55%	10.88%	-0.33%	Weight in Options	0.00%	0.00%
Since Inception Return (Annualized)	8.78%	9.32%	-0.54%	Weight in Cash	1.17%	0.27%
				Wtd. Avg. 2 Year Beta to S&P 500	0.95	1.01

### Sector Returns

Monthly Sector Returns: Portfolio vs. Benchmark

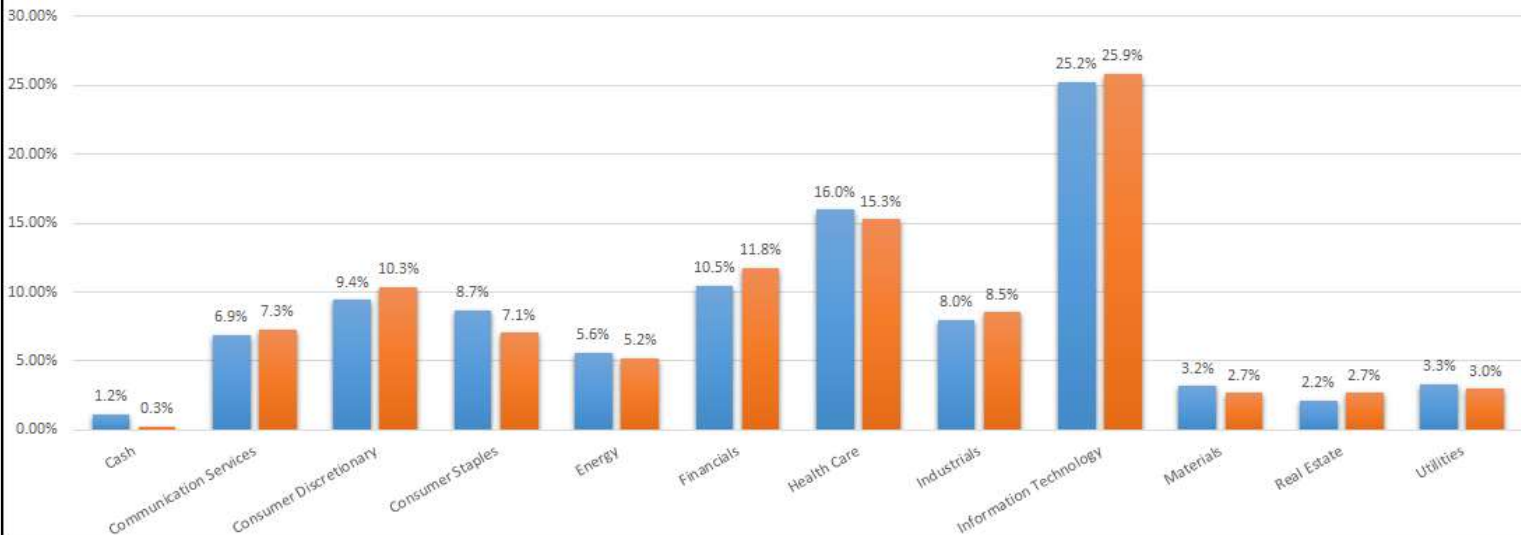
■ Portfolio ■ SPDR Sector ETF



### 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	542	148.03	\$ 80,232.26	4.76%	\$17,352.95	\$62,879.31
ALPHABET INC CAP STK CL A	GOOGL	620	100.99	\$ 62,613.80	3.71%	\$26,907.27	\$35,706.53
MICROSOFT CORP INC	MSFT	227	255.14	\$ 57,916.78	3.43%	\$35,559.42	\$22,357.36
3M CO	MMM	419	125.97	\$ 52,781.43	3.13%	\$62,097.80	-\$9,316.37
OWENS CORNING	OC	551	88.84	\$ 48,950.84	2.90%	\$42,930.39	\$6,020.45
VISA INC COM CL A	V	212	217	\$ 46,004.00	2.73%	\$29,527.28	\$16,476.72
AMAZON INC	AMZN	460	96.54	\$ 44,408.40	2.63%	\$54,347.82	-\$9,939.42
INTEL CORP	INTC	1088	30.07	\$ 32,716.16	1.94%	\$52,850.91	-\$20,134.75
REGENERON PHARMACEUTICALS INC COM	REGN	42	751.7	\$ 31,571.40	1.87%	\$23,456.71	\$8,114.69
WALMART	WMT	204	152.42	\$ 31,093.68	1.84%	\$25,032.56	\$6,061.12
Exchange Traded Funds	Ticker	Shares	Price	Market Value	% of Portfolio	Historical Cost	Unrealized Gain/Loss
SELECT SECTOR SPDR TR ENERGY	XLE	462	\$ 91.15	\$ 42,111.30	2.50%	\$28,841.92	\$13,269.38
SECTOR SPDR TR SHS BEN INT CONSUMER STAPLES	XLP	405.713	\$ 77.19	\$ 31,316.99	1.86%	\$27,063.16	\$4,253.83
SELECT SECTOR SPDR TR FINANCIALS	XLF	825	\$ 36.31	\$ 29,955.75	1.78%	\$30,142.15	-\$186.40
SECTOR SPDR TR SHS BEN INT UTILITIES	XLU	404	\$ 71.43	\$ 28,857.72	1.71%	\$25,319.27	\$3,538.45
SECTOR SPDR TR SHS BEN INT TECHNOLOGY	XLK	177	\$ 135.96	\$ 24,064.92	1.43%	\$22,753.19	\$1,311.73
SPDR SER TR S&P INS ETF	KIE	530	\$ 42.63	\$ 22,593.90	1.34%	\$17,202.33	\$5,391.57
ISHARES TR U.S. MED DVC ETF	IHI	383	\$ 53.05	\$ 20,318.15	1.20%	\$11,026.40	\$9,291.75
SELECT SECTOR SPDR TR CONSUMER DISCRETIONARY	XLY	126	\$ 146.17	\$ 18,417.42	1.09%	\$18,280.81	\$136.61
SELECT SECTOR SPDR TR RL EST SEL SEC	XLRE	418	\$ 39.24	\$ 16,402.32	0.97%	\$15,413.87	\$988.45
SPDR SER TR S&P REGL BKG ETF	KRE	245	\$ 64.52	\$ 15,807.40	0.94%	\$13,528.33	\$2,279.07
<b>Cash</b>				<b>\$ 19,799.95</b>	<b>1.17%</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	14.81%	15.33%	3.34%	-0.16	0.98	0.94	-0.07%	0.08	0.52
1 Year Trailing	21.37%	22.27%	2.10%	0.49	1.00	0.96	0.61%	(0.09)	(0.40)
3 Year Trailing	19.62%	20.51%	2.03%	0.35	1.00	0.95	1.20%	0.12	0.57
5 Year Trailing	17.89%	18.24%	2.12%	-0.16	0.99	0.97	-0.08%	0.10	0.53
Monthly Performance Attribution Results	Portfolio	Benchmark	Excess	Top 5 Return Contributors			Bottom 5 Return Contributors		
Total	5.04%	5.56%	-0.52%	Ticker	Weight	Return Contrib.	Ticker	Weight	Return Contrib.
Return Contribution from Sector Allocation	5.28%	5.31%	-0.03%	MSFT	3.28%	0.3253%	AAPL	5.18%	-0.1715%
Alpha from Equity and ETF Selection and Trading	-0.25%		-0.25%	NVDA	1.08%	0.2731%	AMZN	2.93%	-0.1690%
Alpha from Option Selection and Trading	0.00%		0.00%	KLAC	1.79%	0.2567%	MDT	1.03%	-0.1074%
Income from Cash Account	0.00%		0.00%	GOOGL	3.65%	0.2502%	DIS	0.72%	-0.0583%
Tracking/Rounding Difference	0.00%	0.25%	-0.25%	CSCO	1.83%	0.1731%	TTWO	0.44%	-0.0470%



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