

Bryant University

Bryant Digital Repository

Archway Investment Fund

Archway Investment Fund

4-2024

Equity Fund Monthly Report, April 2024

Archway Investment Fund

Follow this and additional works at: https://digitalcommons.bryant.edu/archway_investment



Part of the [Finance and Financial Management Commons](#), and 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 \$10,000 and the cumulative investment return is \$2,004,849.

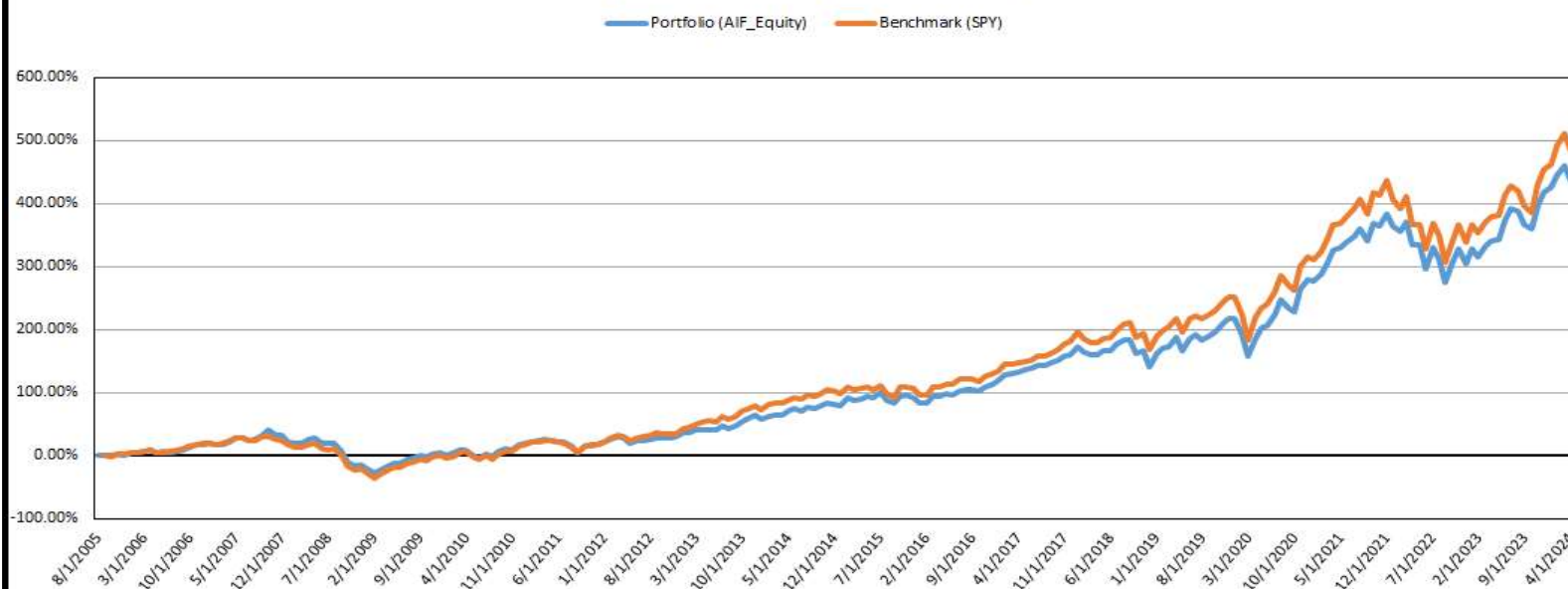
Investment Strategy

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 -4.31% in April, while the benchmark returned -4.03%. April's economic data offered mixed signals. Inflation reports indicated that the downward trend in inflation toward the Fed's 2% target had stalled. Job growth, at 175,000, was slower than anticipated, though the 3.9% unemployment rate remained near the historic lows. Average hourly wage gains also eased slightly, suggesting some moderation in inflationary pressures. The highest and only positive month to date return across the SPDR sector ETFs came from Utilities (1.66%). The lowest returns for the sector ETFs were Real Estate (-8.45%), Technology (-5.76%) and Health Care (-5.01%). Sector Allocation contributed 0.07% in alpha due primarily to our overweight positions in Cash and Energy as well as our underweight position in Real Estate. We took on some negative allocation alpha through our underweight positions in Consumer Staples and Utilities and our overweight position in Health Care. Security Selection contributed 0.04% of alpha for the month. Sectors with the best security selection alpha include Communication Services, Healthcare, and Consumer Discretionary with selection alpha of 0.26%, 0.09%, and 0.07% respectively. Laggard sectors include Information Technology, Real Estate, and Financials with security selection alpha of -0.25%, -0.08%, and -0.06% respectively. Cash income contributed 0.01% while index tracking together contributed -0.39% of alpha during the month. For the calendar year thus far, the portfolio returned 3.54% while the benchmark returned 5.93%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 9.41% and the benchmark has an annualized return of 9.94%. The top three buys for the month include Microsoft (MSFT) for a total of \$21,583, XLY for a total of \$5,315, and Manulife Financial Corp (MFC) for a total of \$4,581. Largest sells of the month include the XLI totaling \$14,005, XLY for a total of \$12,523, and the XLV totaling \$8,325.

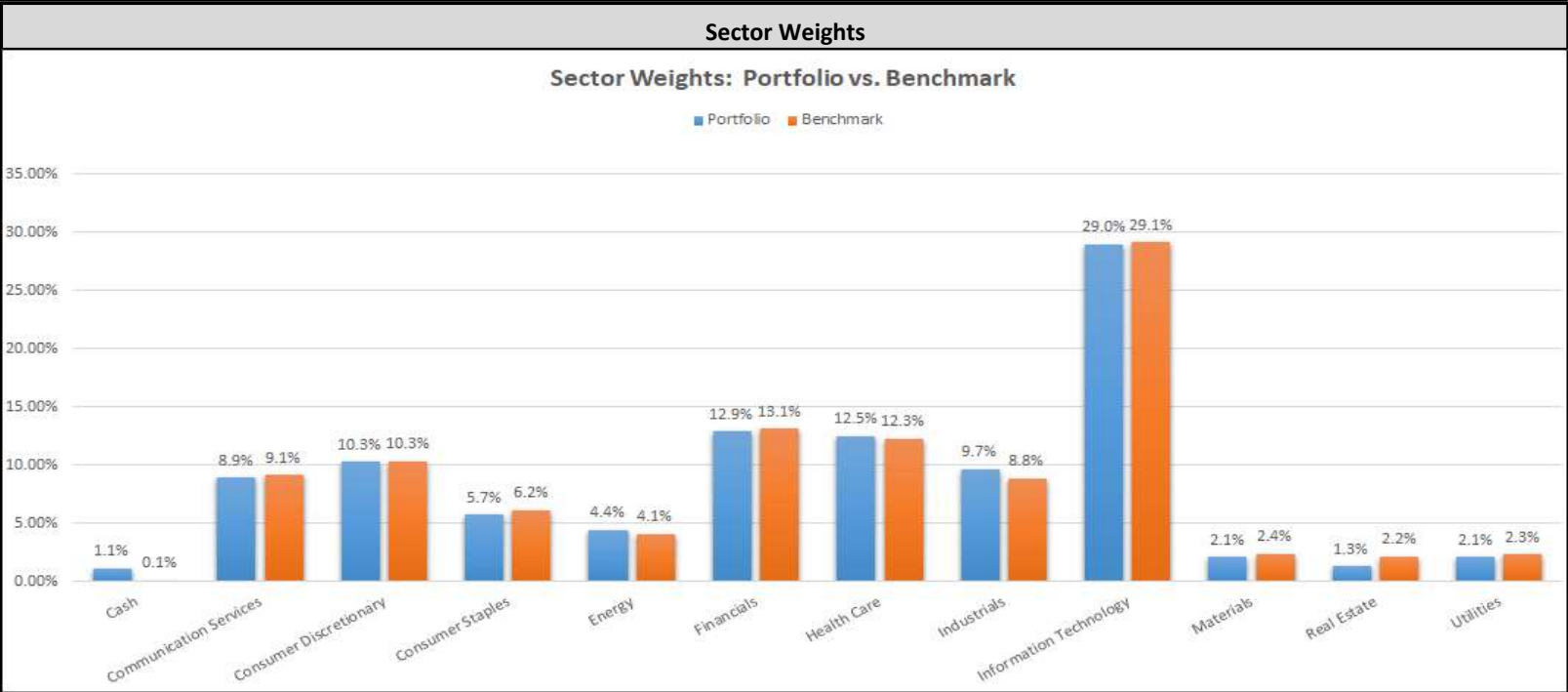
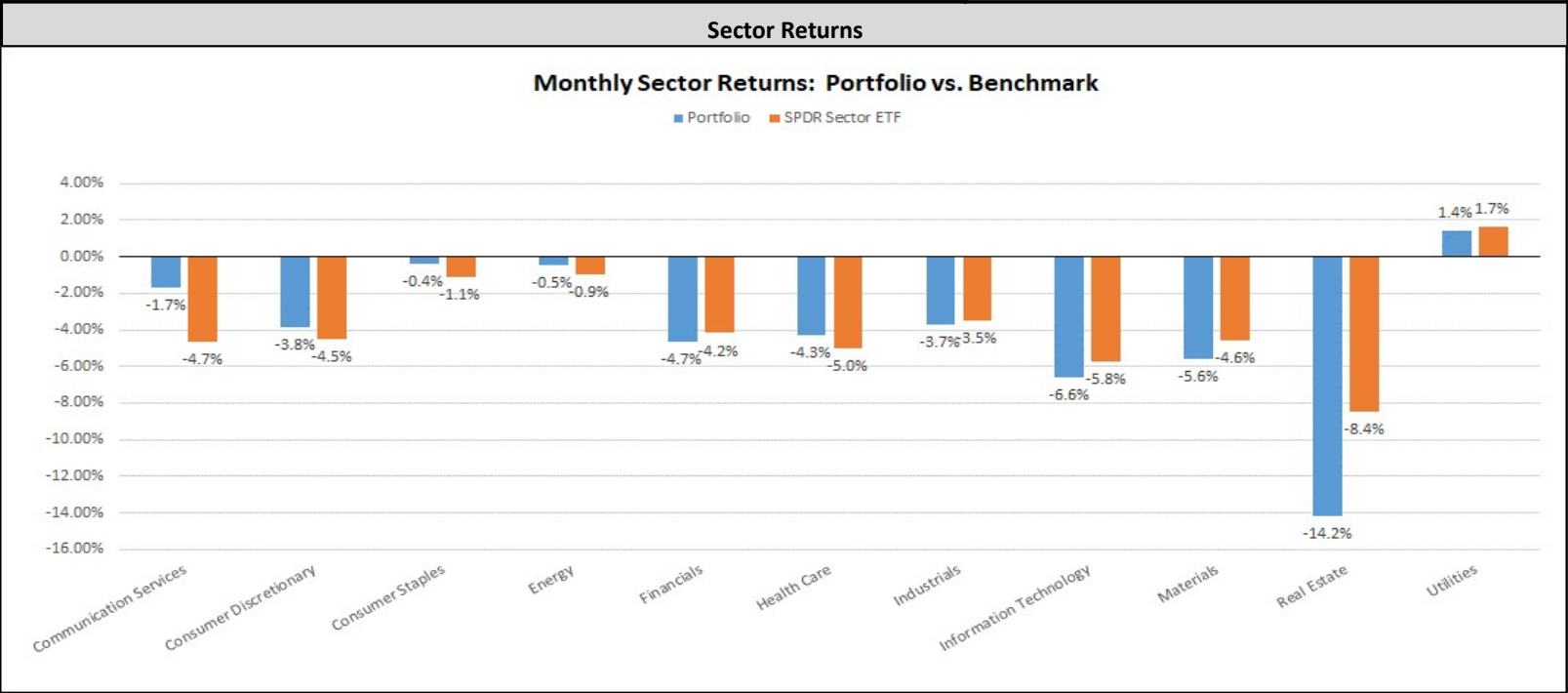
Cumulative Return Since Inception




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 04/30/2024	Portfolio	Benchmark	Excess	Characteristics as of 04/30/2024	Portfolio	Benchmark
Month to Date Return	-4.31%	-4.03%	-0.27%	Portfolio Market Value	\$ 2,017,566	
Academic Term to Date Return	3.54%	5.93%	-2.39%	Number of Individual Equities Held	74	503
Year to Date Return	3.54%	5.93%	-2.39%	Number of ETFs Held	16	0
1 Year Trailing Return	21.50%	22.44%	-0.95%	Weight in Individual Equities	81.91%	99.91%
3 Year Trailing Return (Annualized)	7.97%	7.94%	0.04%	Weight in ETFs	16.98%	0.00%
5 Year Trailing Return (Annualized)	13.29%	13.09%	0.21%	Weight in Options	0.00%	0.00%
Since Inception Return (Annualized)	9.41%	9.94%	-0.52%	Weight in Cash	1.11%	0.09%
				Wtd. Avg. 2 Year Beta to S&P 500	1.00	1.00



Top 10 Individual Equity and ETF Holdings									
Equities		Ticker	Shares	Price	Market Value	% of Portfolio	Historical Cost	Unrealized Gain/Loss	
MISCROSOFT CORP INC		MSFT	290	389.33	\$ 112,905.70	5.60%	\$62,183.49	\$50,722.21	
APPLE INC		AAPL	552	170.33	\$ 94,022.16	5.60%	\$18,888.48	\$75,133.68	
ALPHABET INC CAP STK CL A		GOOGL	501	162.78	\$ 81,552.78	5.60%	\$22,073.64	\$59,479.14	
AMAZON INC		AMZN	460	175	\$ 80,500.00	5.60%	\$54,347.82	\$26,152.18	
NVIDIA CORP		NVDA	70	864.02	\$ 60,481.40	5.60%	\$6,254.19	\$54,227.21	
ADOBE SYSTEMS INC		ADBE	122	462.83	\$ 56,465.26	5.60%	\$58,807.30	-\$2,342.04	
EMERSON ELECTRIC CO		EMR	439	107.78	\$ 47,315.42	5.60%	\$38,744.38	\$8,571.04	
META PLATFORMS CLASS A		META	86	430.17	\$ 36,994.62	5.60%	\$23,140.90	\$13,853.72	
BERKSHIRE HATHAWAY CLASS B		BRK/B	90	396.73	\$ 35,705.70	5.60%	\$24,184.88	\$11,520.82	
WALMART		WMT	582	59.35	\$ 34,541.70	5.60%	\$23,805.48	\$10,736.22	
Exchange Traded Funds		Ticker	Shares	Price	Market Value	% of Portfolio	Historical Cost	Unrealized Gain/Loss	
SECTOR SPDR TR SHS BEN INT TECHNOLOGY		XLK	373	\$ 196.27	\$ 73,208.71	3.63%	\$57,465.28	\$15,743.43	
SELECT SECTOR SPDR TR FINANCIALS		XLF	1234	\$ 40.36	\$ 49,804.24	2.47%	\$46,030.67	\$3,773.57	
SELECT SECTOR SPDR TR ENERGY		XLE	448	\$ 93.52	\$ 41,896.96	2.08%	\$31,764.56	\$10,132.40	
SPDR SER TR S&P INS ETF		KIE	515	\$ 48.58	\$ 25,018.70	1.24%	\$17,409.58	\$7,609.12	
SECTOR SPDR TR SHS BEN INT INDUSTRIAL		XLI	197	\$ 121.52	\$ 23,939.44	1.19%	\$21,398.24	\$2,541.20	
SELECT SECTOR SPDR TR HEALTH CARE		XLV	124	\$ 140.33	\$ 17,400.92	0.86%	\$17,166.52	\$234.40	
SECTOR SPDR TR SHS BEN INT UTILITIES		XLU	249	\$ 66.74	\$ 16,618.26	0.82%	\$15,727.50	\$890.76	
SPDR SERIES TRUST S&P AEROSPACE & DEFENSE ETF		XAR	116	\$ 136.03	\$ 15,779.48	0.78%	\$13,829.32	\$1,950.16	
SPDR SER TR S&P REGL BKG ETF		KRE	325	\$ 47.02	\$ 15,281.50	0.76%	\$17,051.53	-\$1,770.03	
SECTOR SPDR TR SHS BEN INT CONSUMER STAPLES		XLP	190.713	\$ 75.50	\$ 14,398.83	0.71%	\$12,921.80	\$1,477.03	
Cash					\$ 22,342.45	1.11%			
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		14.75%	15.29%	3.27%	-0.16	0.98	0.94	-0.03%	0.09 0.54
1 Year Trailing		13.23%	14.33%	2.30%	-0.41	0.99	0.91	0.52%	0.18 1.21
3 Year Trailing		16.61%	17.41%	2.00%	0.02	0.99	0.95	0.30%	0.05 0.31
5 Year Trailing		17.60%	18.29%	2.06%	0.10	0.99	0.96	0.69%	0.12 0.64
Monthly Performance Attribution Results		Portfolio	Benchmark	Excess	Top 5 Return Contributors			Bottom 5 Return Contributors	
Total		-4.31%	-4.03%	-0.27%	Ticker	Weight	Return Contrib.	Ticker	Weight Return Contrib.
Return Contribution from Sector Allocation		-4.35%		0.07%	GOOGL	3.59%	0.2816%	INTC	1.97% -0.5659%
Alpha from Equity and ETF Selection and Trading		0.04%		0.04%	CMG	1.10%	0.0959%	MSFT	4.73% -0.3978%
Alpha from Option Selection and Trading		0.00%		0.00%	XOM	1.17%	0.0204%	ADBE	2.92% -0.2417%
Income from Cash Account		0.01%		0.01%	NEE	0.41%	0.0196%	META	1.98% -0.2260%
Tracking/Rounding Difference		0.00%	0.39%	-0.39%	MMM	0.20%	0.0149%	XLK	3.68% -0.2123%
		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.				