

Sellinger Applied Portfolio Portfolio Review

Fall 2020

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Overview

Background

- The Student-Managed Sellinger Applied Portfolio Fund “SAP Fund” was established to provide students with actual portfolio management experience.
- Students are exposed to various aspects of the portfolio management process, including asset valuation, diversification, portfolio optimization, asset selection, risk management, performance evaluation, and rebalancing.
- Each year the University may provide the SAP Fund with up to \$500,000 to invest. These funds are a component of the University’s endowment fund.

Process

- The faculty selects 20 top students to manage the Sellinger Applied Portfolio Fund each semester.
- Member participation stems from team formation to analyze and pitch stock recommendations for the fund to invest in.
- Members in their entirety then vote on whether the recommendations pass and are implemented into the fund.



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Economic Conditions

- **Major Indices**

- All indices suffered catastrophic losses in March 2020 as the coronavirus pandemic closed many businesses and forced people to stay in their homes while the United States and the world faced the largest public health emergency in history.
- All 3 indices have since recovered and have positive returns for the year with the DJIA reach 30K for the first time ever.

- **Employment**

- After reaching higher unemployment levels than the recession over a decade ago, with a high in April 2020 at 14.7%, the unemployment rate has recovered to 6.9% in October 2020.

- **Federal Reserve Policy**

- Interest rates low at 0.0% to 0.25% to stimulate the economy.

- **2020 Presidential Election**

- President-Elect Joe Biden elected to be the 46th President of the United States despite false claims of a rigged election by current President Trump.
- Democrats retained control of the House of Representatives and Senate control remains undetermined with a January 2020 run-off in Georgia for two senate seats.

- **International News**

- A deeper look into the economies of China, Europe, and India as the world continues to bounce back from the pandemic.

- **COVID-19 Timeline**

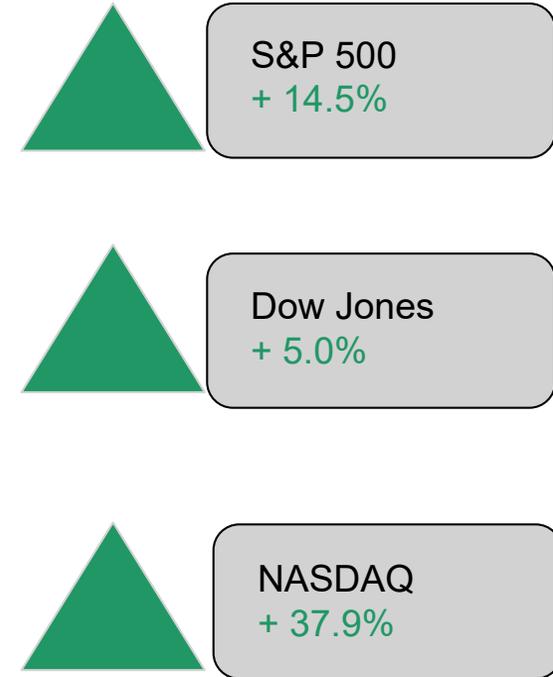
- The first reported COVID-19 case in the United States was reported to the CDC on January 21st, 2020.
- Just under a year later, the first vaccines plan to roll out December 2020 to the most vulnerable in society and front-line health care workers.

Major Indices: Year-to-Date Return



Source: Yahoo Finance

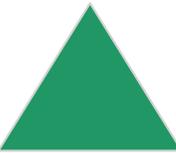
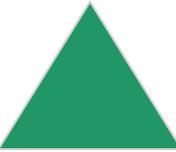
YTD Return



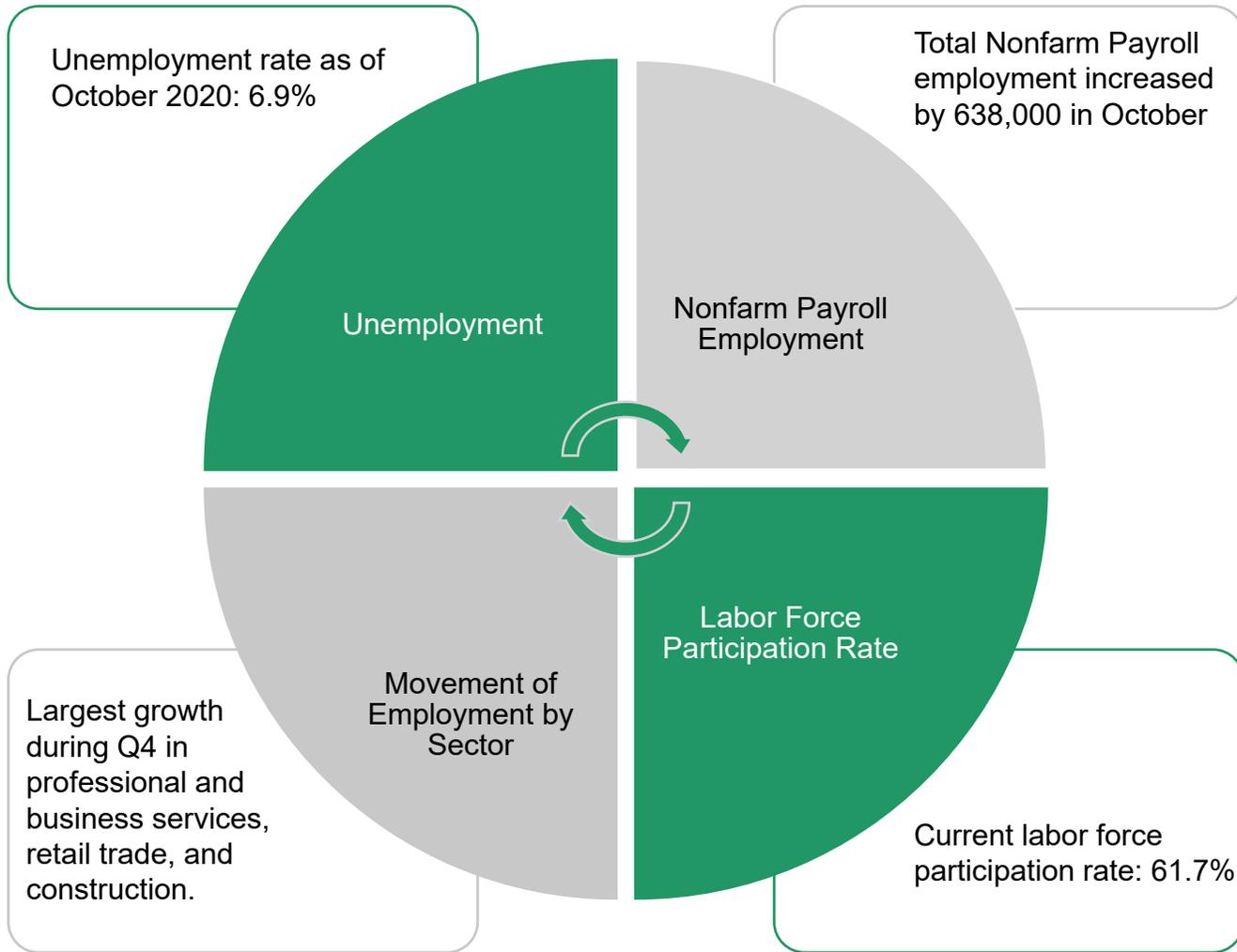
Major Indices: 3-Month Return

3-Month Return



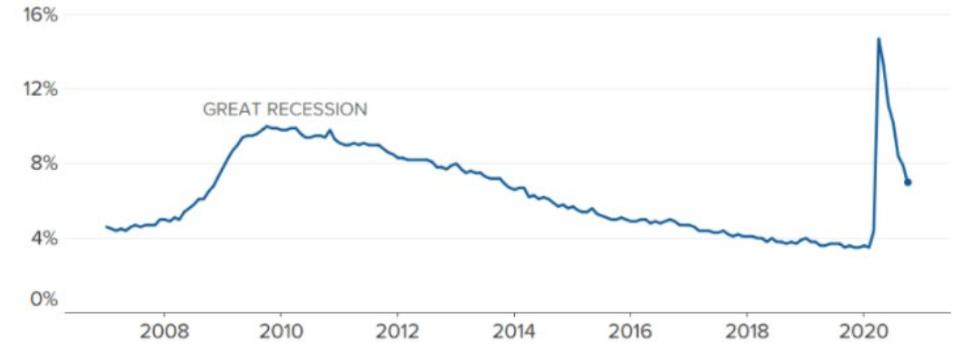
-  S&P 500
+ 7.9
-  Dow Jones
+ 6.5%
-  NASDAQ
+ 9.4%

Source: Yahoo Finance



Jobless rate drops to 6.9% in October

Monthly unemployment rate, seasonally adjusted

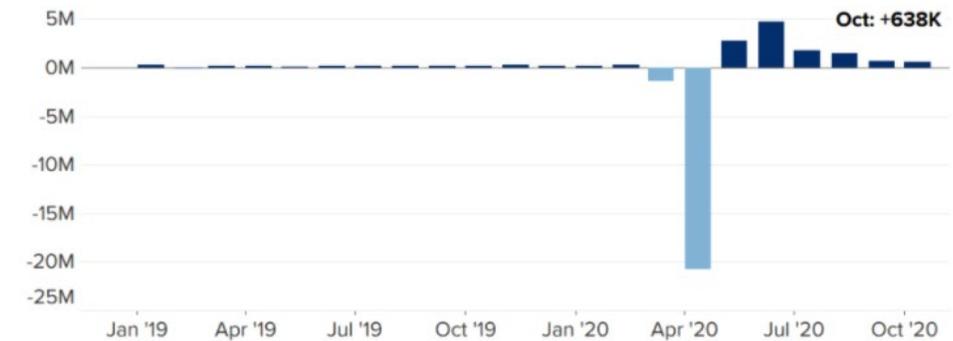


SOURCE: Bureau of Labor Statistics



Monthly job growth

Total nonfarm payrolls, change from previous month



SOURCE: Bureau of Labor Statistics. Data is seasonally adjusted.



Source: CNBC and Bureau of Labor Statistics

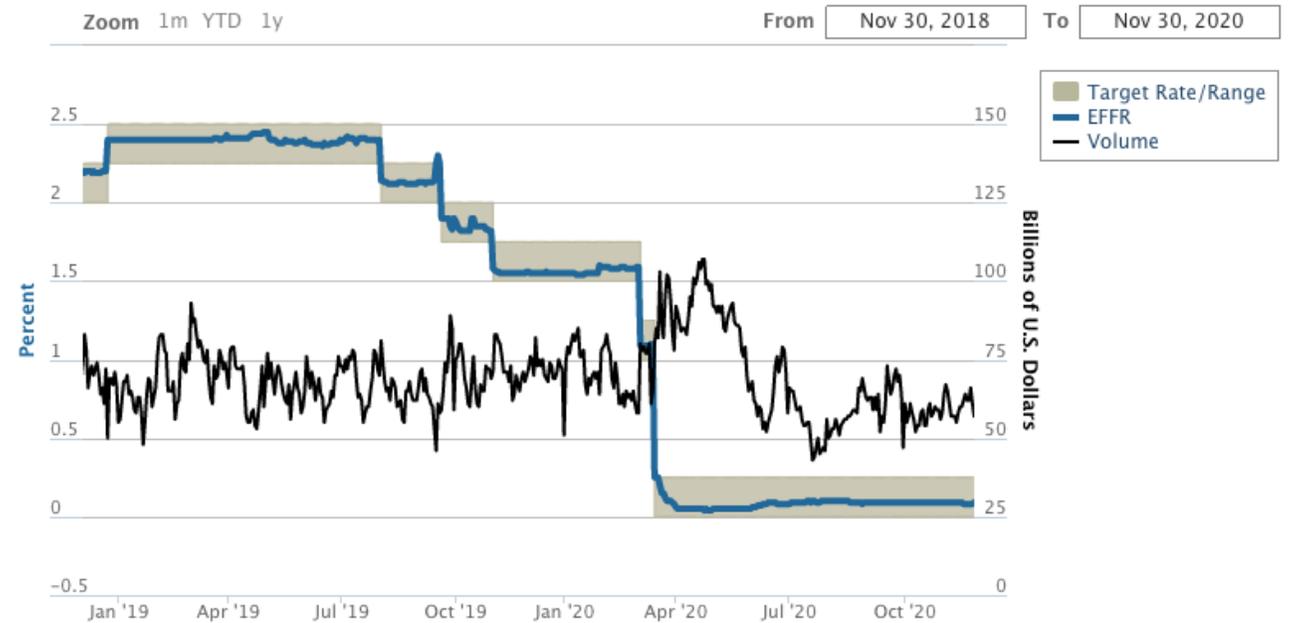
What Happens When Fed Rate Decreases?

- Current effective Federal Funds Rate: 0-0.25%.
- Anticipated rates to stay low for the foreseeable future well throughout 2021

Fed Policy Spring 2020

- Stimulation of aggregate demand to encourage borrowing
- Expansionary Monetary Policy
- Stimulate GDP growth

FEDERAL FUNDS CHART



Source: Federal Reserve Bank

Presidential Election of November 2020 – Policy Highlights

President Donald Trump's Plan	
Tax Policy	<ul style="list-style-type: none"> Extend Tax Cuts and Jobs Act to 2030 which include tax cuts. "Made in America" tax credits for companies.
Student Debt	<ul style="list-style-type: none"> Scrap loan subsidies and forgiveness for public service. Create a single income-driven repayment program.
Health Care	<ul style="list-style-type: none"> Proposes cuts to Medicare and Medicaid. Plans to bring down drug prices.
Jobs and Wages	<ul style="list-style-type: none"> He wants to boost manufacturing jobs in the U.S. and aims to bring back 1 million manufacturing jobs from China.
Climate Change	<ul style="list-style-type: none"> Doesn't believe in Climate Change and is a strong supporter of the fossil fuel industry. Pulled the U.S. out of the Paris Climate Agreement.
Infrastructure	<ul style="list-style-type: none"> \$2 trillion "very big and bold" infrastructure plan and win the 5G race.

President-Elect Joe Biden's Plan	
Tax Policy	<ul style="list-style-type: none"> Plans to raise the top income tax rate back to 39.6% from 37%. Apply Social Security taxes to earnings above \$400,000, tax capital gain and dividends for those with annual incomes of > \$1 million.
Student Debt	<ul style="list-style-type: none"> Cancel a minimum of \$10,000 of student debt per person. Forgive undergraduate tuition related federal debt for low-income/ middle-class individuals.
Health Care	<ul style="list-style-type: none"> Protect and expand the Affordable Care Act No 'Medicare for All' but create a public health insurance option.
Jobs and Wages	<ul style="list-style-type: none"> Raise minimum wage to \$15 an hour. Create jobs through infrastructure investments.
Climate Change	<ul style="list-style-type: none"> Rejoin the Paris Climate Agreement. Invest \$400 Billion in climate innovation and research.
Infrastructure	<ul style="list-style-type: none"> 10-year \$1.3 trillion infrastructure plan. Create millions of jobs by investing in roads and bridges, green spaces, water systems etc.

Source: Investopedia

International News	
China	<ul style="list-style-type: none"> • The first COVID-19 outbreak began in Wuhan City, China and was reported to WHO on December 31st, 2019, resulting in now millions of infections globally. • U.S., President Trump accused China of unfair trading practices thus imposing tariffs on hundreds of billions of dollars' worth of Chinese goods. • Nearly a year from the start of the outbreak in China, and their economy recovered. China said its economy grew 4.9% in the third quarter, and 3.2% in the second quarter. • China created 10.09 million jobs between January and October, due to resuming production and rebounding the economy from the impacts of the virus.
Europe	<ul style="list-style-type: none"> • EU looking to pass a stimulus to spend 1.074 trillion euros over the next 7 years by mid-December, however Hungary and Poland continue to veto the plan. Without the deal, could stunt Europe's recovery. • EU announces a new plan to revive relations with the US with Joe Biden as President, 'A new EU-U.S. agenda for global change'. • Cooperation involving the global health crisis with the coronavirus, a focus on climate change (with the US re-joining the Paris climate agreement), as well as find global solutions regarding online platforms for fair taxation and market distortions in the global economy.
India	<ul style="list-style-type: none"> • Of the top major economy worldwide, India was most negatively impacted by the global pandemic. Indian GDP shrank by 23.9% entering India into a recession. • IMP predicts India's recovery will take three years and their GDP will only reach pre-Covid-19 levels by the end of 2022. • Unemployment rate at 7% at the end of October, with a high in April 2020 at 23.5%

Sources: CNBC and CNBC EU

COVID-19 Timeline

- **January 9** — WHO Announces Mysterious Coronavirus-Related Pneumonia in Wuhan, China
- **January 21** — CDC Confirms First US Coronavirus Case
- **February 3** — US Declares Public Health Emergency
- **March 11** — WHO Declares COVID-19 a Pandemic
- **March 13** — Trump Declares COVID-19 a National Emergency
- **March 27** — Trump Signs CARES Act Into Law
- **July 22** — HHS, DOD Announce Vaccine Distribution Agreement With Pfizer and BioNTech
- **August 17** — COVID-19 Now the Third-Leading Cause of Death in the US
- **September 16** — Trump Administration Releases Vaccine Distribution Plan
- **September 28** — Global COVID-19 Deaths Surpass 1 Million
- **November 18** — Pfizer, BioNTech Vaccine Is 95% Effective
- **November 20** — Pfizer, BioNTech Submit EUA Application; CDC Warns Against Holiday Travel

Source: American Journal of Managed Care



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Sector Summaries

The Information Technology sector of the economy consists of businesses that produce software, hardware, or semiconductor equipment, and companies that provide internet related services. The sector consists of six industries, most notably: Communications Equipment, IT Services, Software, and Semiconductor & Semiconductor Equipment. Companies in this sector rely on innovation for continued growth. The Information Technology Sector is the largest sector in terms of market capitalization, offering exposure to growth associated with the rise of cloud computing, big data, and mobile computing.

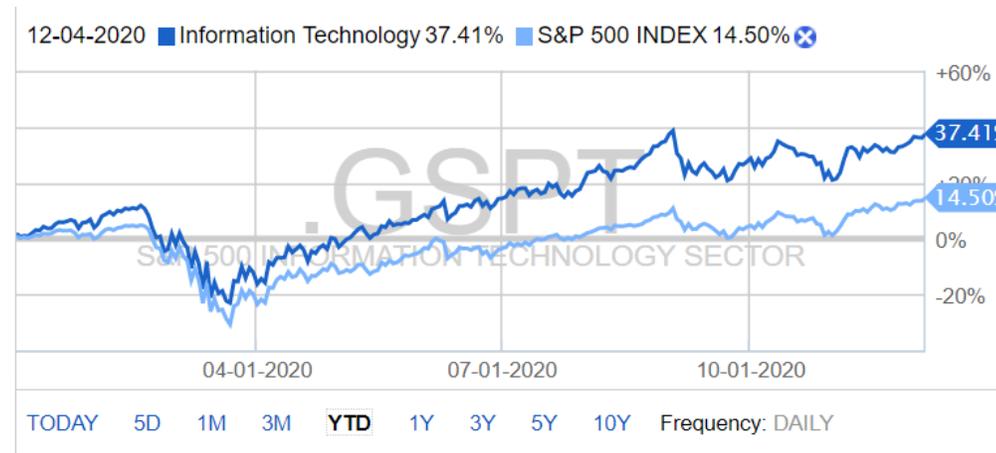
Portfolio Trend Impacts

Positive (+):

- Shift to work-from-home requires business to make large investments in IT and software capabilities
- Potential for massive growth as other sectors demand better and more reliable software infrastructure and communications equipment

Negative (-):

- Decreased production capability due COVID-19 although there is increased demand



Source: Fidelity

YTD: 37.41%

Portfolio Holdings:

- Applied Materials (AMAT)
- Fiserv (FISV)
- Microsoft (MSFT)
- Technology ETF (XLK)

Stocks to Watch:

- Salesforce (CRM)
- Apple (AAPL)
- Oracle (ORCL)
- Advanced Micro Devices (AMD)

The Health Care sector of the economy consists of companies who manufacture health care equipment, provide health care related services, and companies involved in the research, development, production, and marketing of pharmaceuticals and biotechnology products. Although the Health Care industry is under constant scrutiny from politicians, the demand for health care is price inelastic, making the sector more resistant to recessions in the business cycle. Drug manufacturers in this sector have been working diligently since March to release a vaccine for COVID-19.

Portfolio Trend Impacts

Positive (+):

- Drug manufacturers involved in Operation Warp Speed are soon to release vaccine for COVID-19

Negative (-):

- Pandemic will force companies to change business models, potentially increasing costs while revenues remain stable
- Chaotic political environment creating uncertainty about the future of the Affordable Care Act



Source: Fidelity

YTD: 10.16%

Portfolio Holdings:

- Alexion Pharmaceuticals (ALXN)
- Centene Corporation (CNC)
- CVS Health Corporation (CVS)
- Medtronic (MDT)
- Pfizer, (PFE)
- Health Care ETF (XLV)

Stocks to Watch:

- Pfizer (PFE)
- AstraZeneca (AZN)
- Moderna (MRNA)
- UnitedHealth Group (UNH)

The Communication Services sector of the economy consists of companies that facilitate communication or provide entertainment and other information through various types of media. This sector was formed after a 2018 reshuffling of Telecommunications and media-based Consumer Discretionary businesses. Investors in the Communication Services sector gain potential exposure to internet stocks with high growth profiles in addition to more defensive telecommunications companies.

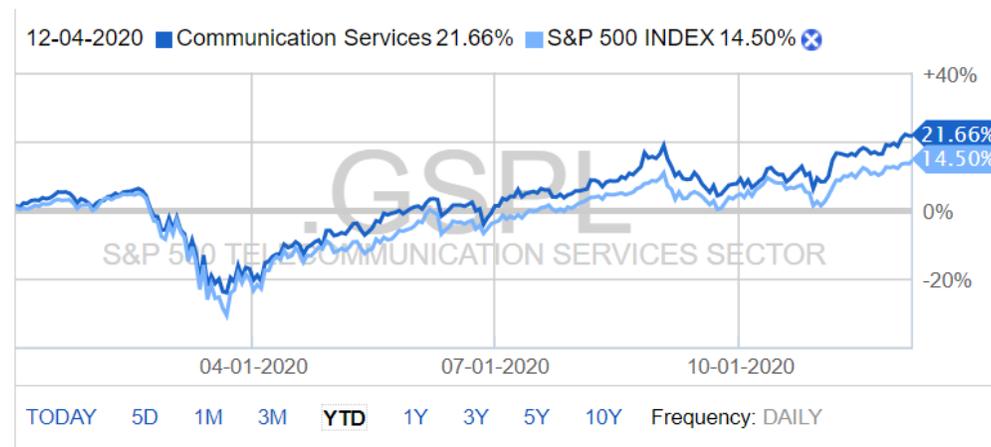
Portfolio Trend Impacts

Positive (+):

- Top phone providers unveiling 5G network plans
- Streaming service providers making gains as consumers shy away from movie theatres due to pandemic

Negative (-):

- Remote work could increase risk of security breaches into infrastructure and sensitive data



Source: Fidelity

YTD: 21.66%

Portfolio Holdings:

- Communication Services ETF (XLC)

Stocks to Watch:

- Facebook (FB)
- Verizon (VZ)
- T-Mobile (TMUS)
- The Walt Disney Company (DIS)
- Live Nation Entertainment (LYV)

The Consumer Staples sector of the economy consists essential products that include typical products such as foods & beverages, household goods, and hygiene products. Consumer staples are non-cyclical. There is a demand for them all year around independent of economic performance. People normally demand consumer staples at a relatively constant level, regardless of price. Investors seeking consistent growth, solid dividends, and low volatility often look into consumer staple stocks.

Portfolio Trend Impacts

Positive (+):

- With Covid-19 people wanted to stay and eat in buying their groceries from consumer staples
- Many people were afraid of supply chains getting disruptive and flocked to stories

Negative (-):

- No movement or negotiation on second round of stimulus checks for Americans



Source: Fidelity

YTD: 7.10%

Portfolio Holdings:

- General Mills, INC (GIS)
- Costco Wholesale Corporation (COST)
- Consumer Staples ETF (XLP)
- Tyson Foods, INC (TSN)
- Walmart INC (WMT)

Stocks to Watch:

- Campbell Soup Co. (CPB)
- Ollie's Bargain Outlet Holdings Inc. (OLLI)
- Beyond Meat Inc. (BYND)

The Consumer Discretionary sector of the economy consists of businesses that provide or manufacture goods or services that satisfy consumers' wants but not necessarily consumers' needs. Performance of this sector is closely related to the health of the overall economy. In general, consumer discretionary stocks perform well in a bull market when consumer spending is high and poorly in a bear market when consumer spending is low. Investing in this sector can provide exposure to companies involved in hospitality, luxury goods, and automobile manufacturers.

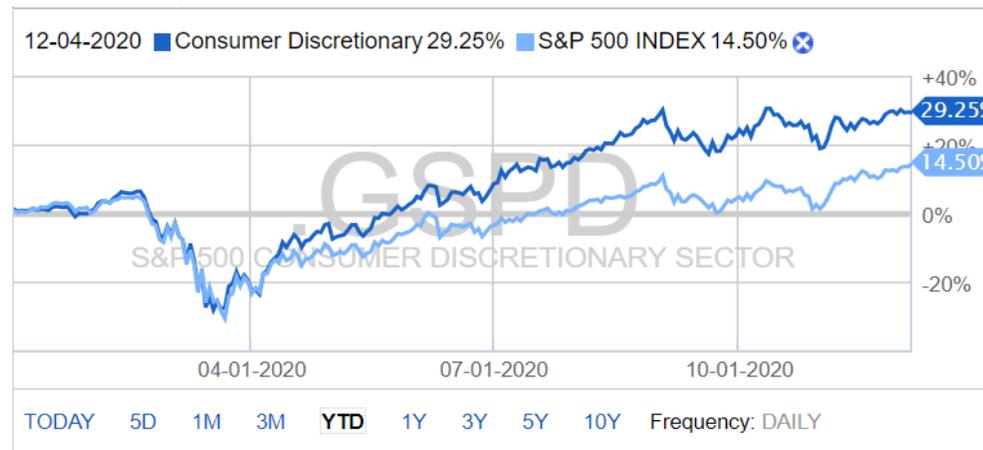
Portfolio Trend Impacts

Positive (+):

- \$1,200 checks handed out in April allowed consumers to spend on non-essential goods and services
- Unemployment under 8% after being nearly 16% at start of pandemic

Negative (-):

- Unclear when next stimulus bill will be passed and if it will include checks directly to people's pockets
- Rising COVID-19 cases will continue to hurt Travel/Hospitality industry



Source: Fidelity

YTD: 29.25%

Portfolio Holdings:

- Alibaba (BABA)
- Consumer Discretionary ETF (XLY)

Stocks to Watch:

- Amazon (AMZN)
- Marriott International (MAR)
- Nike (NKE)
- The TJX Companies (TJX)
- Carmax (KMX)

The Financials sector of the economy includes institutions that provide financial services to both commercial and retail customers. Companies within this sector are comprised of banks, investment firms, insurance firms, and real estate firms. This sector is the most important for developed economies made up of brokers, financial institutions, and money markets, all which keep Main and Wall Street functioning. This sector advances loans for businesses so they can expand, grants mortgages to homeowners, and issues insurance policies to protect people, companies, and their assets. It also helps build up savings for retirement and employs millions of people. A strong financial sector indicates a bullish market and healthy economy. In a bear market, these stocks often will underperform other sectors as it proves more challenging to provide financing meaning the economy is weakening.

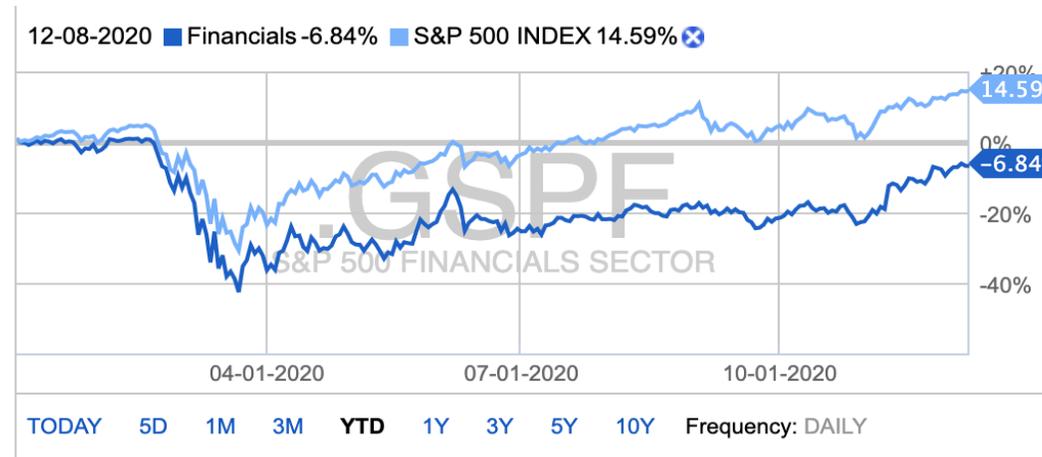
Portfolio Trend Impacts

Positive (+):

- Technology continues to advance customer intelligence and interest in digitalization of their banking activities

Negative (-):

- Highly leverage individuals and companies entered the crises and became susceptible to default
- Companies face liquidity issues and remain unable to pay current debt obligations
- Net-Interest Income remains very low in a low interest rate environment



Source: Fidelity

YTD: -6.84%

Portfolio Holdings:

- AllianceBernstein Holding (AB)

Stocks to Watch:

- Carlyle Group (CG)
- JPMorgan Chase (JPM)
- American International Group (AIG)
- MetLife (MET)
- BlackRock (BLK)
- American Express (AXP)

The Utilities sector is a category of companies that provide basic amenities, such as water, sewage services, electricity, dams, and natural gas. Utilities earn profits but are also a part of the public service landscape and have heavy regulations. Utilities typically offer investors stable and consistent dividends, with less price volatility relative to the overall market. Typically, investors buy utilities as long-term holdings for their income & stability. Additionally, the utilities sector tends to do well as a defensive strategy against macroeconomic downturns.

Portfolio Trend Impacts

Positive (+):

- Most utilities stocks give consistent which will help them in the long term

Negative (-):

- Government orders to delay collecting on past-due bills during Covid-19
- More government restrictions



Source: Fidelity

YTD: -3.96%

Portfolio Holdings:

- Utilities ETF (XLU)

Stocks to Watch:

- Vistra Corp. (VST)
- PG&E Corp. (PCG)
- Entergy Corp. (ETR)

The Industrials sector is comprised of companies that produce capital goods used in aerospace & defense, construction, engineering & building products, transportation services, electrical equipment and industrial machinery. In a bull market, this sector normally performs well, while in a bear market the sector declines because companies postpone expansion and produce fewer goods. The performance is often driven by supply and demand for building construction in the residential, commercial, and industrial real estate segments, as well as the demand for manufactured products; covering a wide range of subsectors, there is at least one area of growth within the industrial sector and the bullish cycle can last for years.

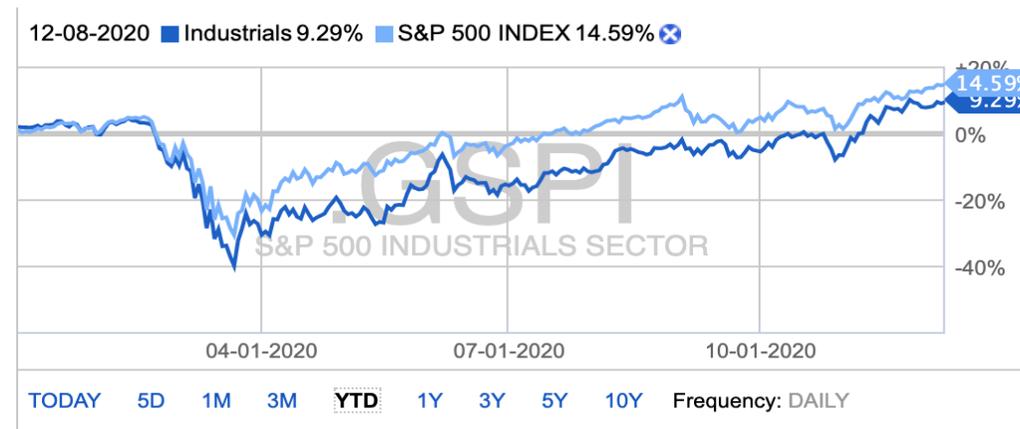
Portfolio Trend Impacts

Positive (+):

- Further digitalization of the supply chain.
- Growth in regional manufacturing hubs
- Companies reevaluating roles in revolutionizing processes and enhancing productivity

Negative (-):

- Slowdown in global supply chains as China exports slowly recover
- Slowed economic activity decreased demand in manufacturing



Source: Fidelity

YTD: 9.29%

Portfolio Holdings:

- Carlisle Companies Incorporated (CSL)
- L3Harris Technologies, Inc (LHX)
- Industrials ETF (XLI)

Stocks to Watch:

- Masco Corp. (MAS)
- AGCO Corp. (AGCO)
- Generac Holdings Inc. (GNRC)

The Materials sector is composed entirely of businesses engaged in the discovery, development, and processing of raw substances, the basic materials sector includes companies that engage in mining and metal refining, chemical products, glass, paper, packaging products, and forestry products. Many companies within this sector supply integral components to ongoing construction projects across the growing global economy. Due to this application, the materials sector's performance tends to follow the ebbs and flows of the overall economy and housing market. A decrease in economic spending on construction projects and building of new houses, as may happen in economic downturns, decreases raw materials expenditures, impacting the performance of raw material producing companies.

Portfolio Trend Impacts

Positive (+):

- Consumers spent a high amount on investments in home improvement since start of pandemic

Negative (-):

- Stalling stimulus talks not encouraging for investments in infrastructure



Source: Fidelity

YTD: 16.55%

Portfolio Holdings:

- Newmont Corporation (NEM)

Stocks to Watch:

- Steel Dynamics Inc. (STLD)
- Huntsman Corp. (HUN)
- Freeport-McMoRan Inc. (FCX)

The Energy sector includes corporations that primarily are in the business of producing or supplying energy such as fossil fuels or renewables being in the exploration and development of oil or gas reserves, oil and gas drilling, and refining, integrated power utility companies such as renewable energy and coal. The sector has been especially important driver of the economy's industrial growth over the past century. Companies are categorized based on how the energy produced is sourced. The energy sector is sensitive to economic and political conditions, it performs well in a bull market and declines in a bear market; their performance is based on supply and demand for worldwide energy as oil and gas tends to perform well when their prices are elevated while petroleum performs better when crude oil prices drop.

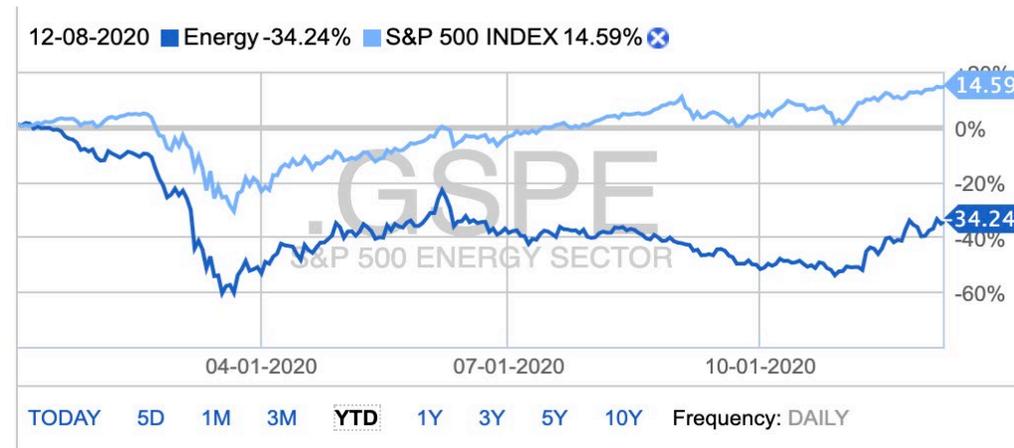
Portfolio Trend Impacts

Positive (+):

- Shifts to decarbonization by companies and governments pledging for clean energy
- Digitization in the power system for Energy 4.0 enabling intelligent energy and power management solutions

Negative (-):

- Countries in lockdown decreased energy demand by over 25% in oil prices that is still recovering.
- Energy demand has contracted by 6%, the largest in 70 years



Source: Fidelity

YTD: -34.24%

Portfolio Holdings:

- None

Stocks to Watch:

- Exxon Mobil (XOM)
- Chevron (CVX)
- Peabody Energy (BTU)

The real estate sector consists of residential and commercial real estate. The residential sector's focus is on properties used as homes or for non-professional purposes. This sub-sector continues to increase in value as the median price of homes rises year over year, with the whole sub-sector making up more than \$70B. Commercial real estate is composed of properties used for business purposes such as shopping malls, multifamily, office buildings, and hotels. The industrial real estate asset class includes properties used for manufacturing and production, like factories, plants, and warehouses. Estimations of the commercial real estates' sub-sector value are around \$16 trillion.

Portfolio Trend Impacts

Positive (+):

- Non-commercial real estate is up in most suburbs
- Institutional funds are investing heavily into industrial assets

Negative (-):

- Because of Covid-19 commercial real estate, especially retail and office assets, are really hurting because of stay-at-home orders
- Real estate value in major cities are going down because of Covid-19, while properties in the sunbelt states are appreciating in mid-sized cities



Source: Fidelity

YTD: -3.96%

Portfolio Holdings:

- None

Stocks to Watch:

- Equity Commonwealth (EQC)
- The Howard Hughes Corp. (HHC)
- W.P. Carey Inc. (WPC)



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Portfolio Strategy and Composition

BUY CRITERIA	
Conservative Mentality	Expect stock to perform better than the industry
Revenue Growth	Industry Average and forecasted to continue to grow
Strong Earnings	5 years of CAGR
ROE	$\geq 15\%$ and $>$ Industry Average
PEG	≤ 1.2 and $<$ Industry Average
Debt/Equity	< 1.5 (or Acceptable Interest Coverage Ratio when $D/E > 1.0$)

SELL CRITERIA	
Price	Price reaches 10% below target price or 20% above purchase price
Leadership	The company's leadership position changes
Business Fundamentals	Business fundamentals deteriorate
Company Slowdown	Slowing unit volume, revenue decline, weak earnings, etc.
Alternative Investments	Superior investment alternatives are identified

Stop Loss Criteria

- 20% Loss

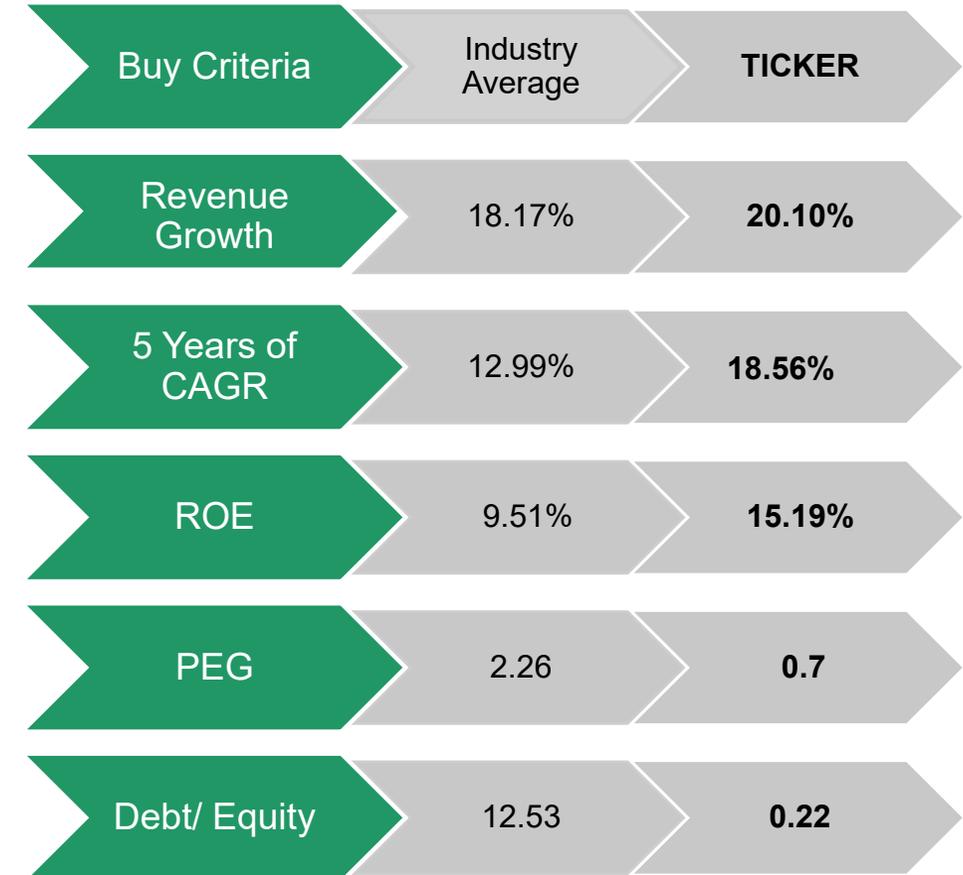
Acquisitions

- ✓ Alexion Pharmaceuticals
- ✓ Alibaba
- ✓ Applied Materials
- ✓ Carlisle Companies
- ✓ Centene
- ✓ Newmont
- ✓ Walmart

ALEXION PHARMACEUTICALS, INC. | ALXN

Date Purchased:	09/18/2020
Number of Shares:	90.00
Price/Share at time of purchase:	\$112.56
Market Value at Purchase:	\$10,130.40

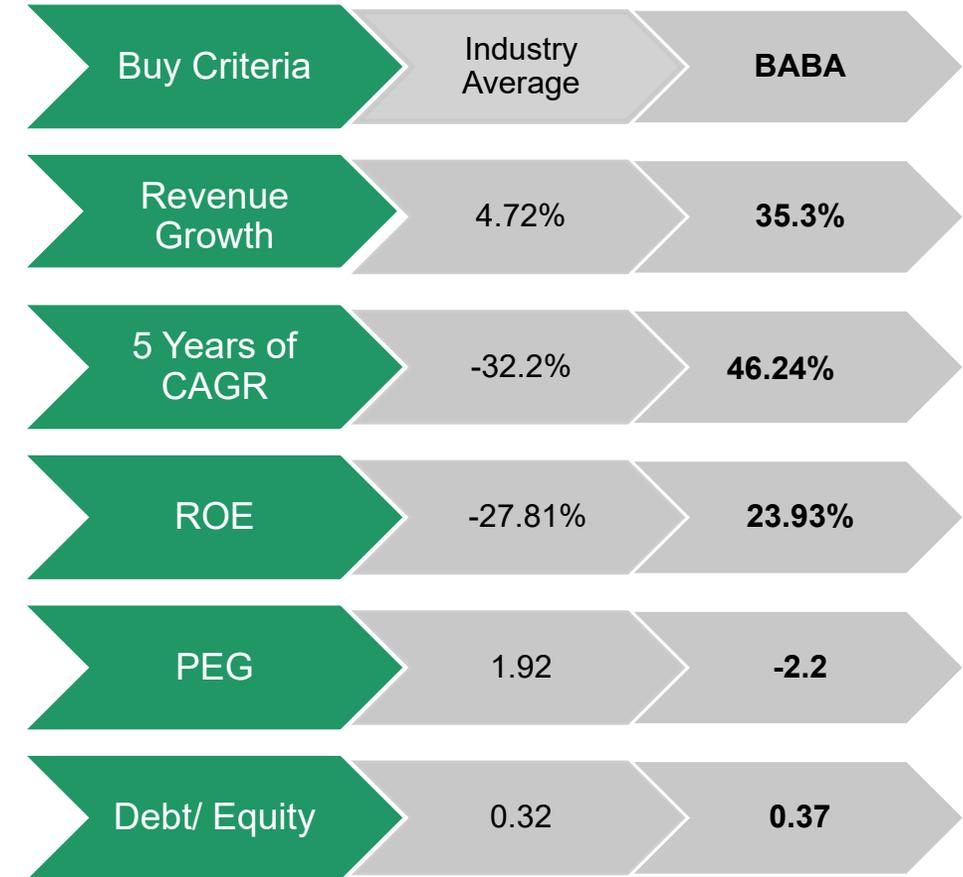
Founded in 1992, Alexion Pharmaceuticals, Inc. specializes in the development and production of various therapeutic products and treatments for rare diseases, resulting in its unique position in the biotechnology sphere. Based in Boston, MA, Alexion serves distributors, pharmacies, hospitals and other healthcare providers in the United States and internationally. Alexion's dynamic and innovative pipeline consisting of discovery, development, and commercialization phases ensures that its core areas and current offerings are adequately supported, while also allocating sufficient resources for continued research, testing, and development of new treatments.



ALIBABA GROUP HOLDING LIMITED | BABA

Date Purchased:	10/08/2020
Number of Shares:	50.00
Price/Share at time of purchase:	\$301.41
Market Value at Purchase:	\$15,070.25

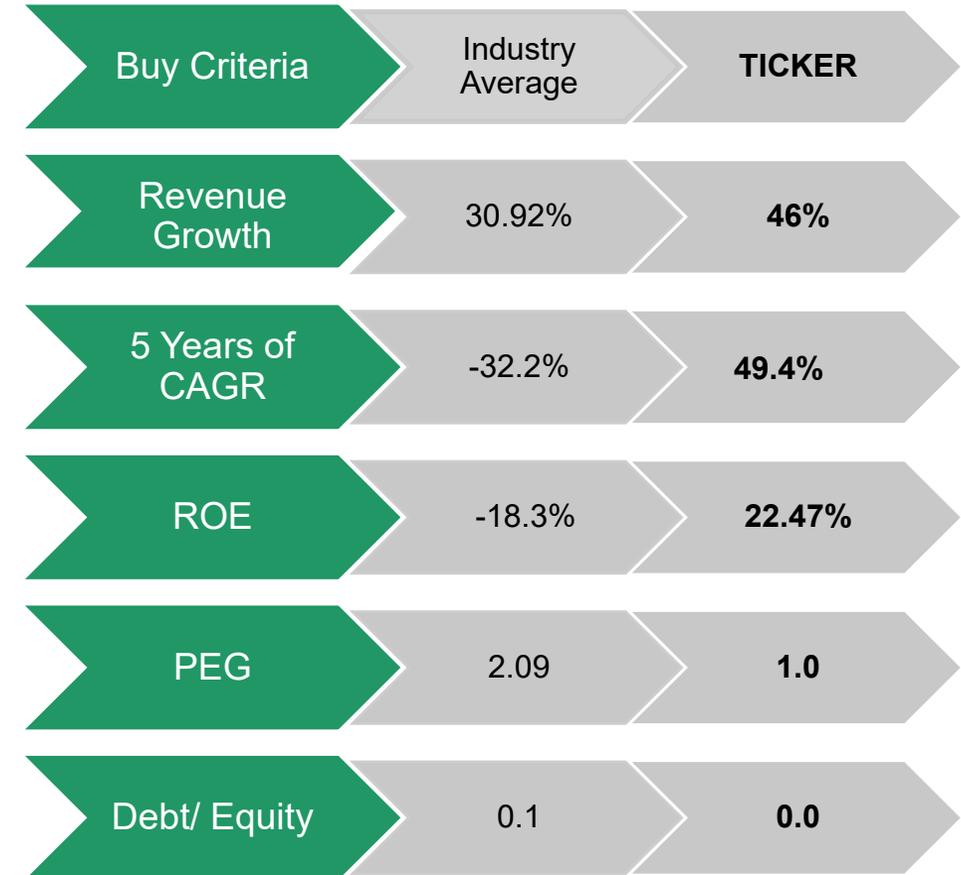
Alibaba group is a Chinese holding group that was founded in 1999 that provides internet infrastructure, electronic ecommerce, online financial, and internet content services. Through Alibaba's 3 main subsidiary websites – Taobao, Tmall, and Alibaba.com - Alibaba handles more ecommerce business than any other ecommerce provider. Alibaba is strongly positioned to take advantage of the continued growth of the ecommerce market and is effectively diversified in several other market segments that will lead to continued future growth for Alibaba Group Holdings Limited.



APPLIED MATERIALS, INC. | AMAT

Date Purchased:	11/20/2020
Number of Shares:	140.00
Price/Share at time of purchase:	\$77.62
Market Value at Purchase:	\$10,866.49

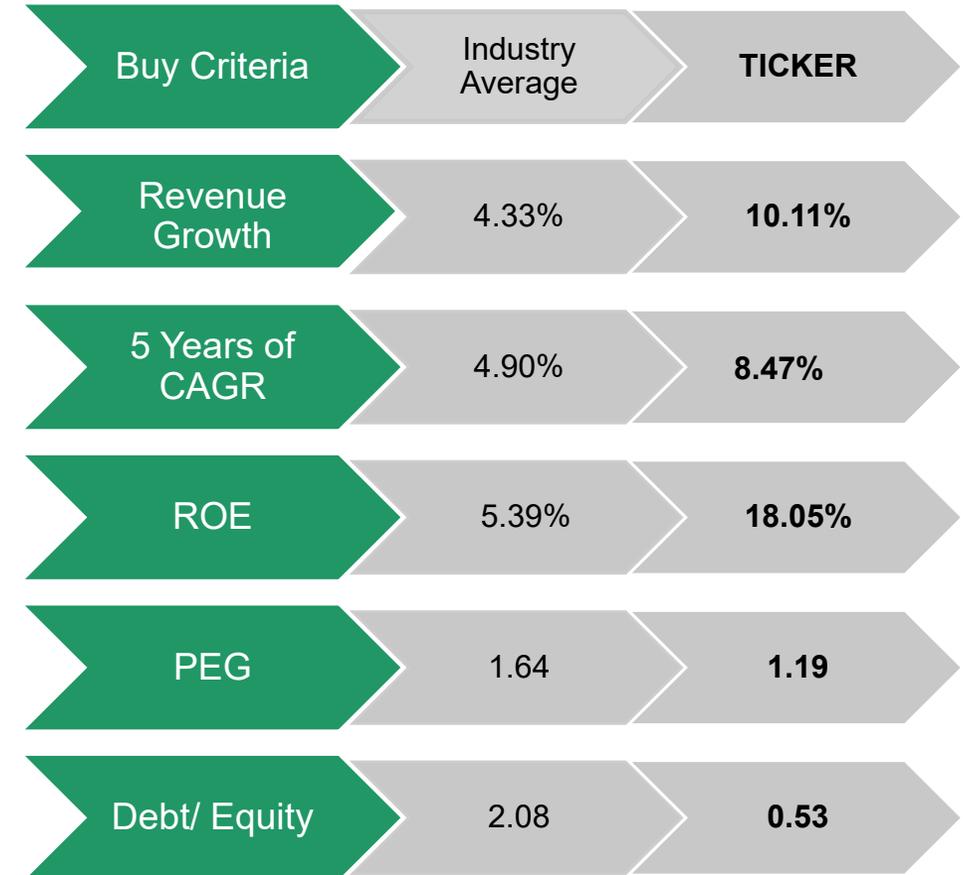
Applied Materials, Inc. headquartered in Santa Clara, Silicon Valley, California is an American corporation that provides semiconductor chip manufacturing equipment, facilities and software for electronics, flat panel displays for computers, smartphones, and televisions, and solar devices. Furthermore, the company supplies equipment for coatings for flexible electronics, packaging, and other applications.



CARLISLE COMPANIES INCORPORATED | CSL

Date Purchased:	11/20/2020
Number of Shares:	75.00
Price/Share at time of purchase:	\$145.71
Market Value at Purchase:	\$10,928.25

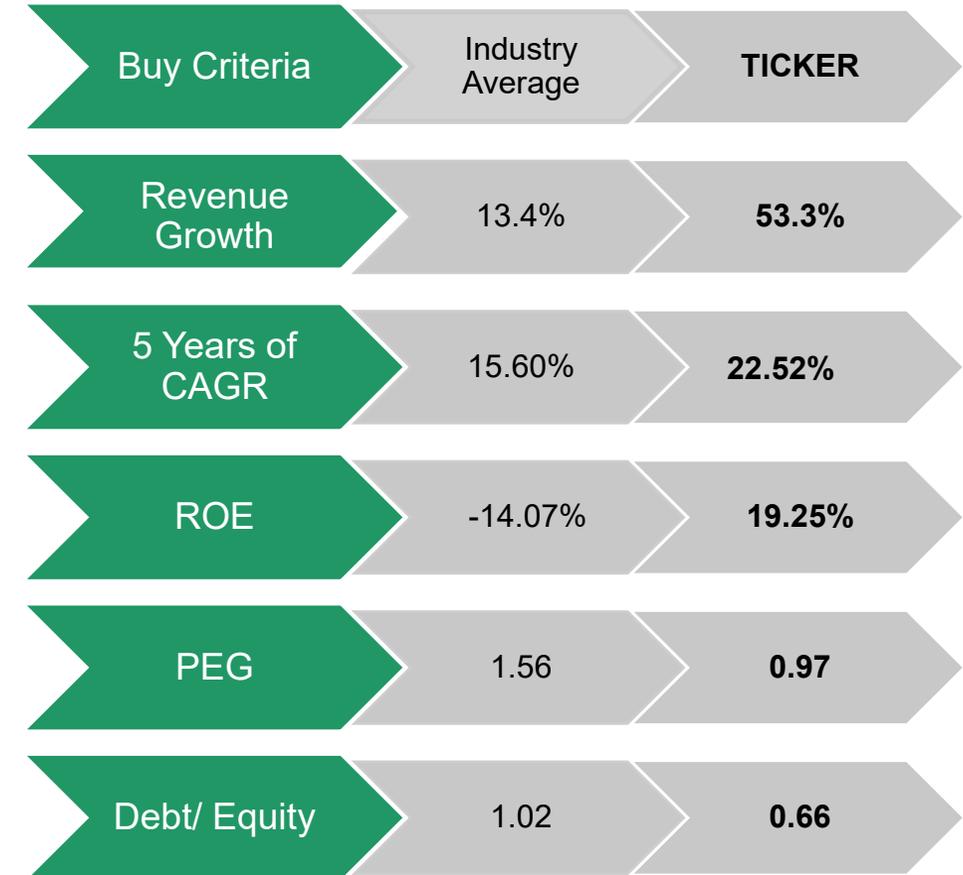
Founded in 1917, Carlisle is a diversified global portfolio of businesses that manufactures highly engineered products and solutions for their customers. Operating in the industrials sector, Carlisle is positioned in markets that include commercial roofing, specialty polyurethane, architectural metal, aerospace, medical technologies, defense, transportation, protective coating, auto refinishing, agriculture, and construction. Carlisle is committed to generating superior shareholder returns through their Carlisle Operating System, which emphasizes leadership structure, optimized processes, and continual value creation.



CENTENE CORPORATION | CNC

Date Purchased:	10/29/2020
Number of Shares:	160.00
Price/Share at time of purchase:	\$59.88
Market Value at Purchase:	\$9,580.80

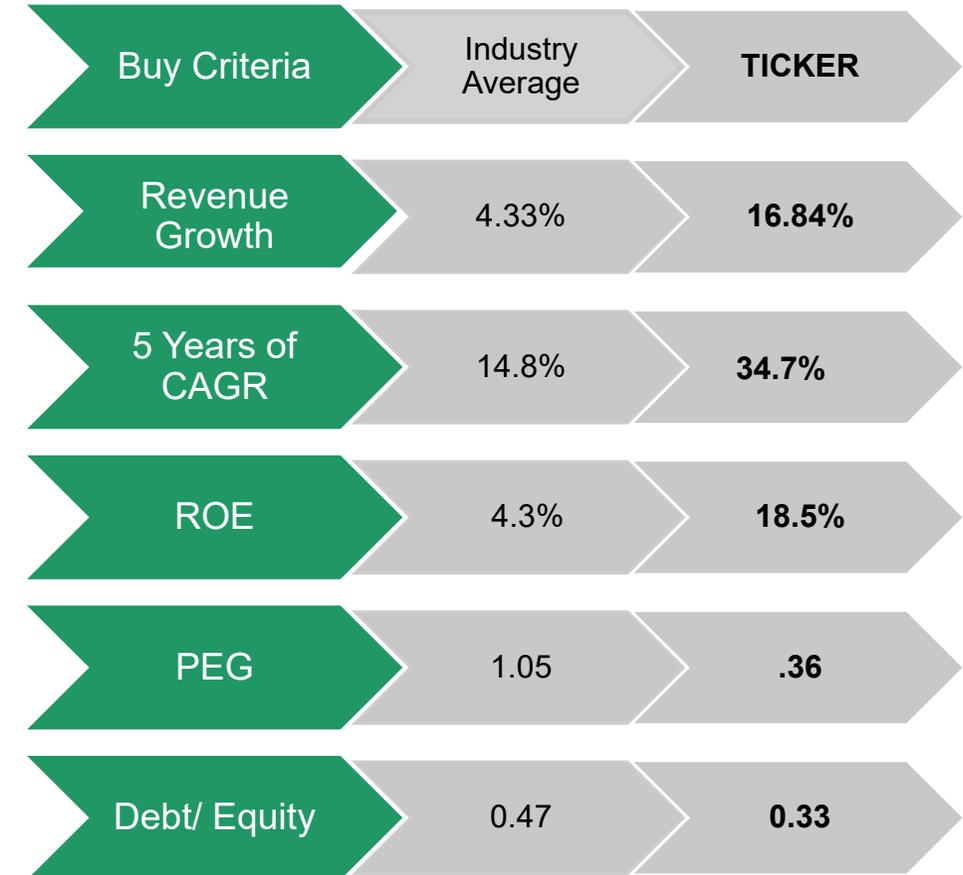
Centene is a large publicly traded company and multi-line managed care enterprise that serves as a major intermediary for both government-sponsored and privately insured health care programs. It focuses on managed care of uninsured, underinsured and low-income individuals. It ranked #42 in 2020 Fortune 500 list of the largest US corporations by total revenue. Centene is headquartered in Greater St. Louis, Missouri.



NEWMONT CORPORATION | NEM

Date Purchased:	10/08/2020
Number of Shares:	240.00
Price/Share at time of purchase:	\$61.61
Market Value at Purchase:	\$14,786.40

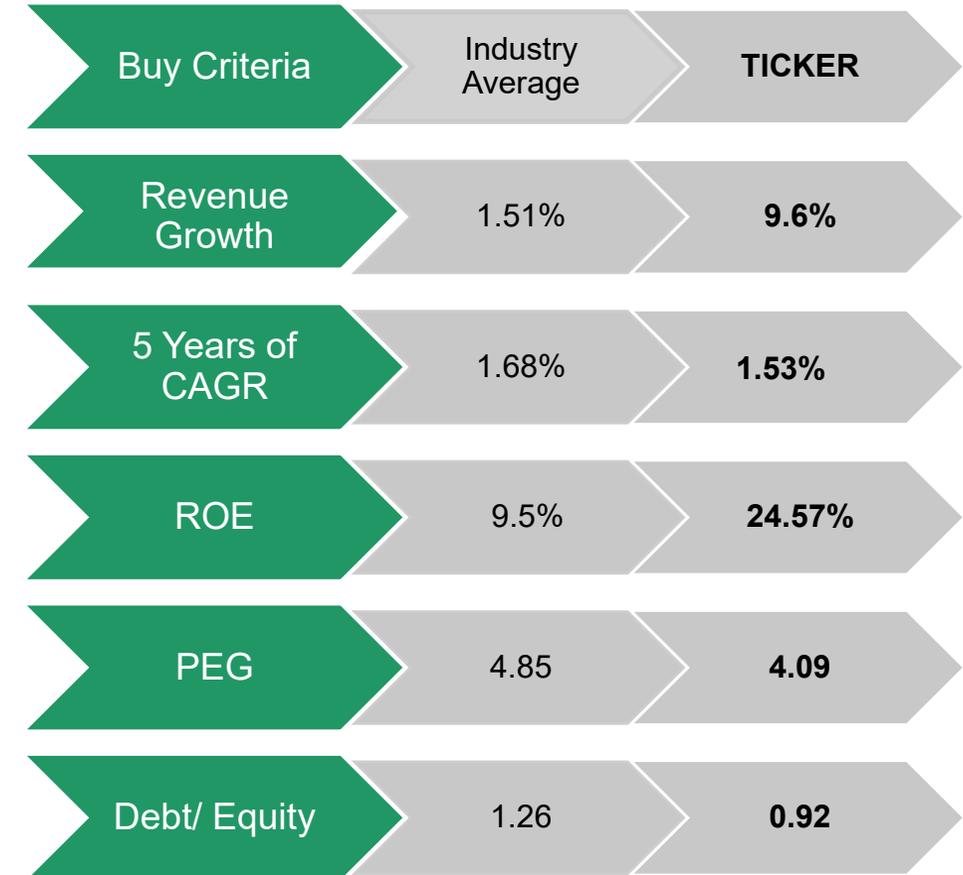
Newmont is the world's leading gold company and producer of copper, silver, zinc, and lead. It is headquartered in Greenwood Village, Colorado and the world's largest gold mining company. Incorporated in 1921, it has ownership of gold mines in Nevada, Colorado, Ontario, Quebec, Mexico, the Dominican Republic, Australia, Ghana, Argentina, Peru, and Suriname. Newmont has approximately 31,600 employees and contractors worldwide and is the only gold company in the Standard & Poor's 500.



WALMART INC. | WMT

Date Purchased:	10/02/2020
Number of Shares:	75.00
Price/Share at time of purchase:	\$140.81
Market Value at Purchase:	\$10,560.75

- Opening its first store in 1962 in Rogers, Arkansas, Walmart, Inc. engages in retail and wholesale business in the consumer defensive sector. Walmart's business segments include Walmart U.S., Walmart International, and Sam's Club. Walmart is also heavily involved in eCommerce with their website Walmart.com and Walmart+ service, which are large contributors to Walmart's overall revenue growth year over year. Taking pride in its ability to provide customers with products and services at everyday low prices, Walmart leverages its established market position with continued innovative efforts to remain ahead of its competitors.



BUY CRITERIA	
Price/Sales	< Industry Average
Price/Book	< Industry Average
Dividends	>Industry Average
Free Cash Flow	Positive

SELL CRITERIA	
Mergers or Acquisitions	Any news regarding M&A activity
Earnings	Significant restatement
Executive Management	Changes to management
Price Targets	Exceeds initials price target
Price	Trending downwards towards a stop loss mark

Stop Loss Criteria

- 20% Loss

Acquisitions

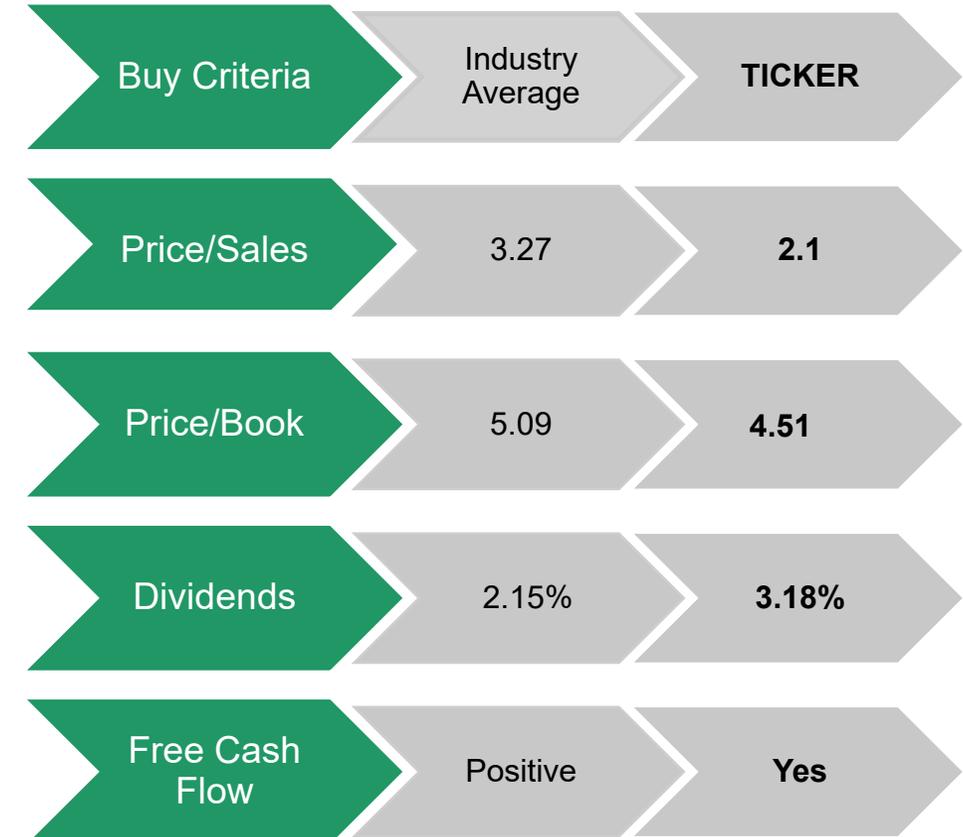
- ✓ AllianceBernstein
- ✓ Costco
- ✓ CVS
- ✓ Fiserv
- ✓ General Mills
- ✓ L3Harris Technologies
- ✓ Medtronic
- ✓ Microsoft
- ✓ Pfizer
- ✓ Tyson

ALLIANCEBERNSTEIN HOLDING UNT | AB

Date Purchased:	10/21/2020
Number of Shares:	316.00
Price/Share at time of purchase:	\$33.08
Market Value at Purchase:	\$10,453.28

Alliance Bernstein Holding L.P. is a worldwide wealth management company providing institutional, high-net-worth and retail investors with investment management and analysis services worldwide.

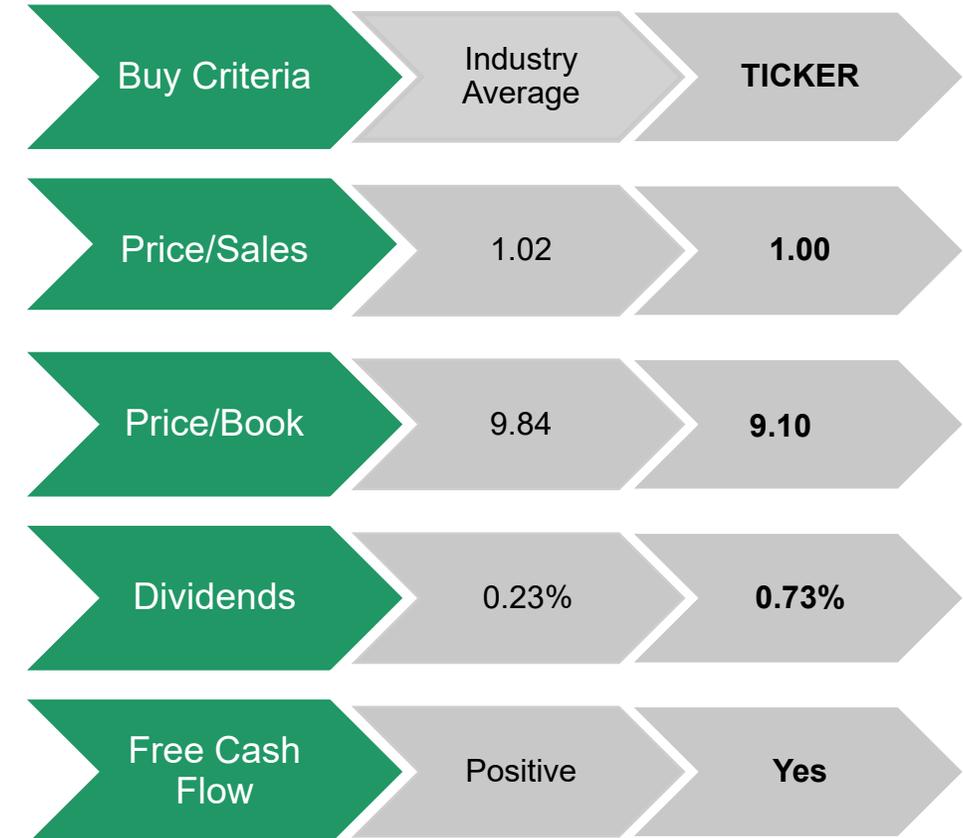
AllianceBernstein headquarters is based in New York City, although the company is relocating to Nashville, Tennessee; there are also locations around the world for the company. As of June 30, 2019, it has approximately \$581 billion in assets under administration.



COSTCO WHOLESALE CORPORATION | COST

Date Purchased:	11/11/2020
Number of Shares:	27.00
Price/Share at time of purchase:	\$370.27
Market Value at Purchase:	\$9,997.29

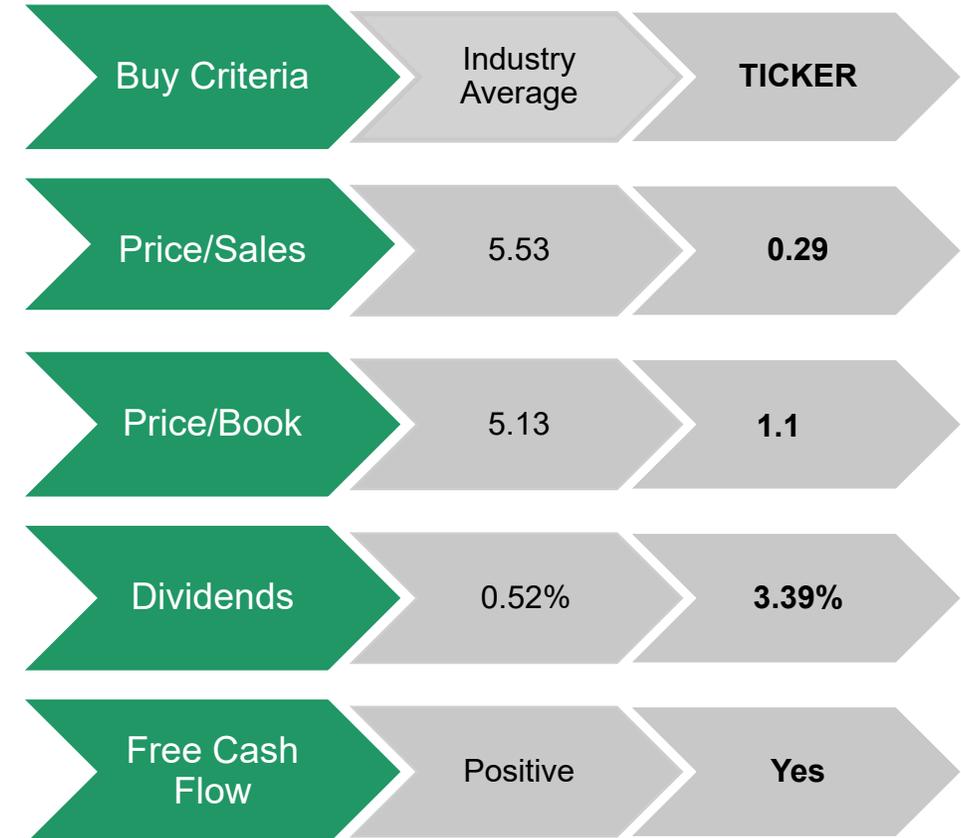
Costco Wholesale Corporation is an American multinational corporation which operates a chain of membership-only warehouse clubs. Costco presents the largest and most exclusive product category selection. Under a single roof including groceries, candy, appliances, television, media, automotive supplies, tires, toys, hardware, sporting goods, jewels, watches, cameras, books, housewares, apparel, health and beauty aids, furniture, office supplies and office equipment. It is the second largest retailer in the world with 803 warehouses around the world. In 2019, Costco ranked #14 on the Fortune 500 rankings of the largest United States corporations by total revenue.



CVS HEALTH CORPORATION | CVS

Date Purchased:	09/23/2020
Number of Shares:	257.242
Price/Share at time of purchase:	\$58.31
Market Value at Purchase:	\$14,999.78

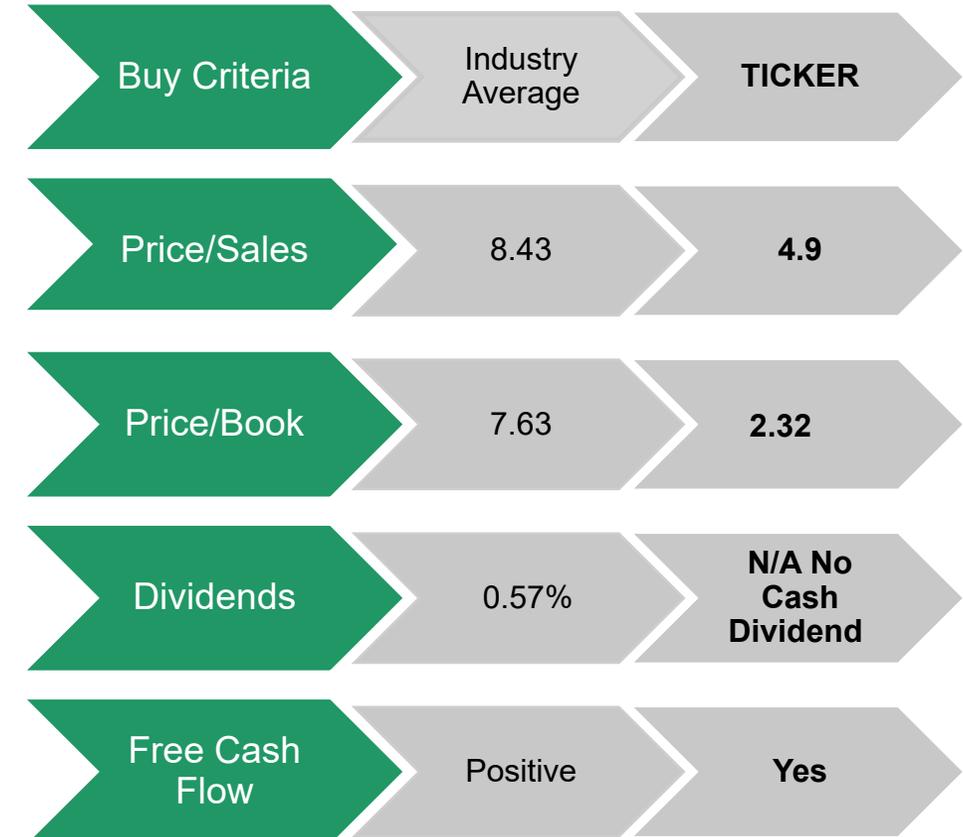
CVS Health is an American healthcare company that owns CVS Pharmacy, CVS Caremark and Aetna health insurance company. The company was founded by three partners as a chain of health and beauty aid stores which have now expanded to 10,000 stores all across the US. Today, CVS ranks 5th on the Fortune 500 list of largest companies by revenue.



FISERV, INC. | FISV

Date Purchased:	11/20/2020
Number of Shares:	92.00
Price/Share at time of purchase:	\$113.21
Market Value at Purchase:	\$10,414.95

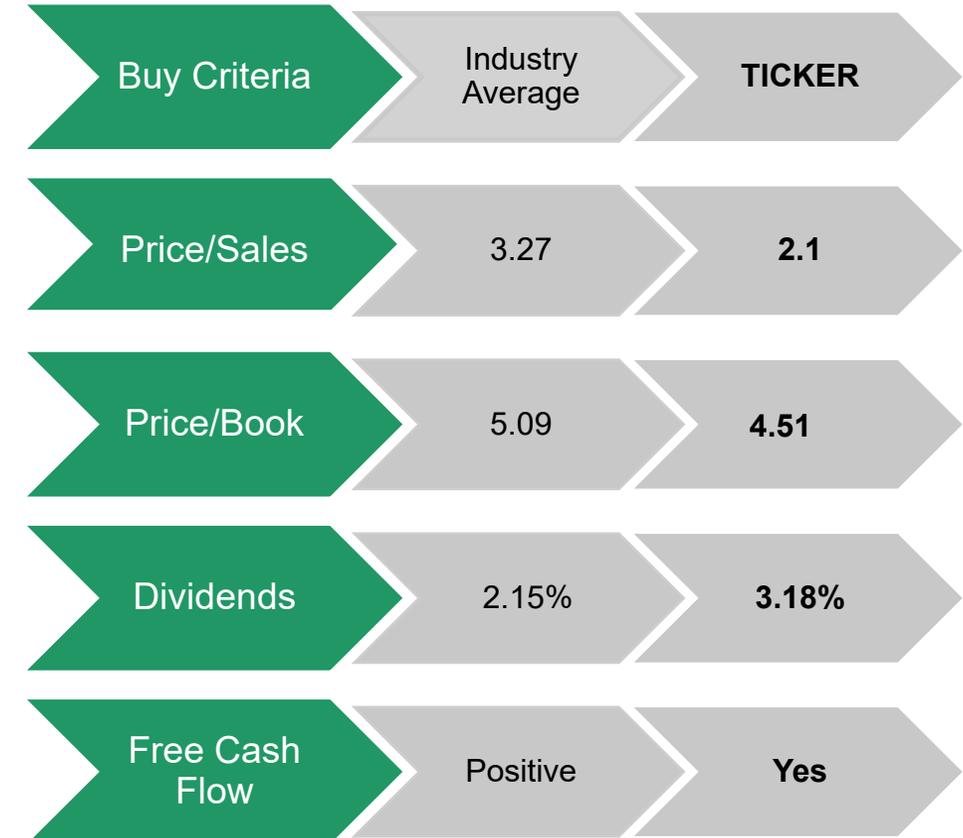
Fiserv is a global provider of financial services technology. Their clients include banks, thrifts, credit unions, securities broker dealers, leasing and finance companies, retailers and consumers. Fiserv's product offering includes customer and channel management products, insights and customization, payment infrastructure, processing services and risk and compliance. Fiserv is a global leader in fintech and payments and has been named in FORTUNE's "World's Most Admired Company" for seven consecutive years. Today, they serve clients in more than 100 countries. Fiserv is listed as FISV in the Nasdaq.



GENERAL MILLS, INC. | GIS

Date Purchased:	10/15/2020
Number of Shares:	160.00
Price/Share at time of purchase:	\$62.04
Market Value at Purchase:	\$9,926.34

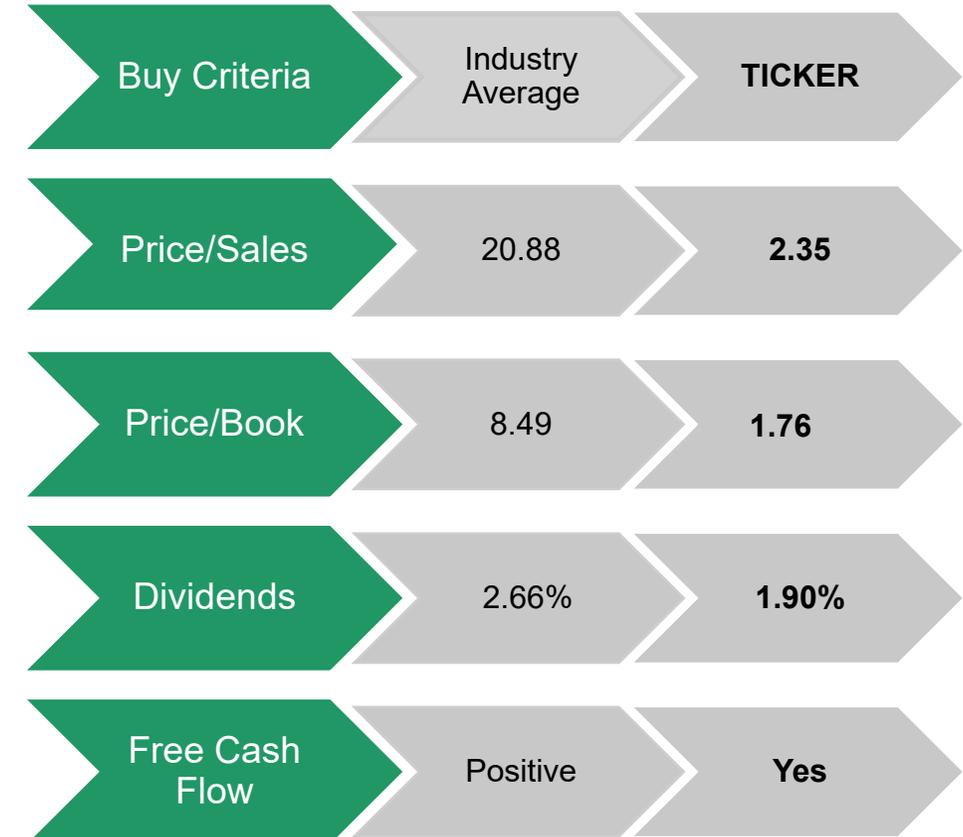
General Mills is an American multinational manufacturer and marketer of branded consumer foods sold through retail stores. It is headquartered in Golden Valley, Minnesota. Its brand portfolio includes more than 89 leading US brand and numerous categories around the world. Some brands owned by General Mills include Gold medal flour, Annie's, Betty Crocker, Yoplait, Pillsbury, Haagen-Dazs and Cheerios. General Mills ranks #181 in Fortune's 500 largest corporations and continues to compete through innovation and consumer centric efforts around packaged foods.



L3HARRIS TECHNOLOGIES, INC. | LHX

Date Purchased:	11/11/2020
Number of Shares:	55.00
Price/Share at time of purchase:	\$186.84
Market Value at Purchase:	\$10,275.93

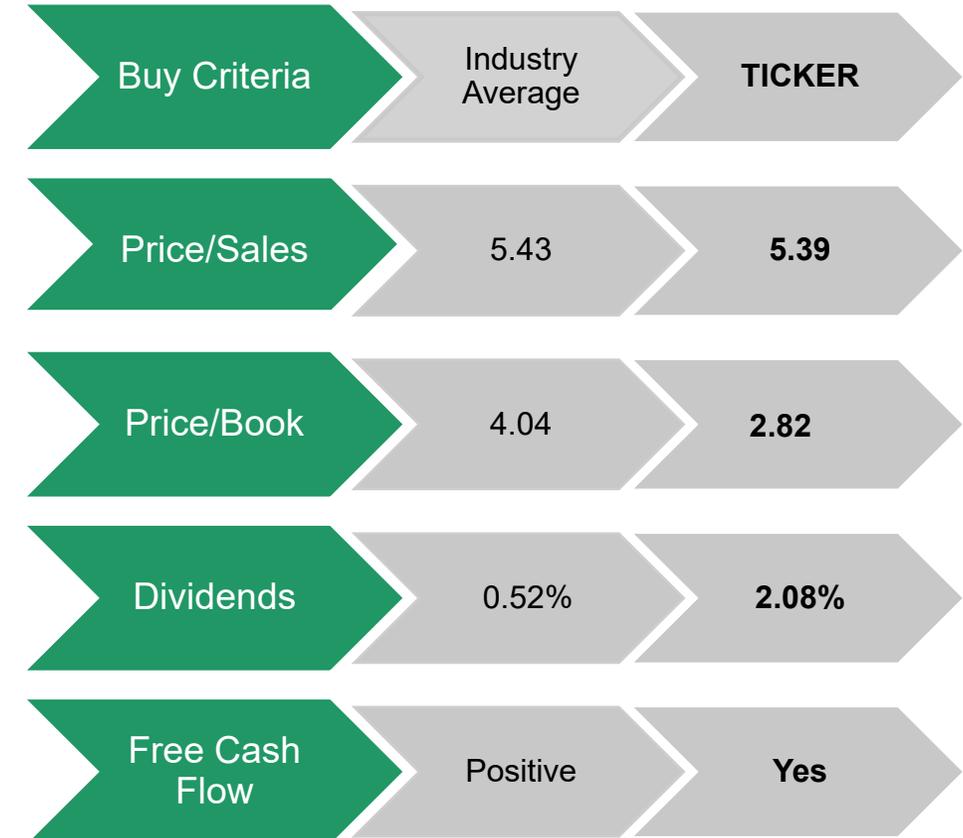
L3Harris Technologies is an American technology company, defense contractor and information technology services provider. It is headquartered in Melbourne, Florida. The company focuses on technology driven solutions to mission requirements in sea, land, air, space, and cyber domains. As of 2019 L3Harris is organized under four business segments: Integrated Mission Systems, Space & Airborne Systems, Communication Systems, and Aviation Systems



MEDTRONIC PUBLIC LIMITED COMPANY | MDT

Date Purchased:	10/29/2020
Number of Shares:	100.00
Price/Share at time of purchase:	\$102.32
Market Value at Purchase:	\$10,232.00

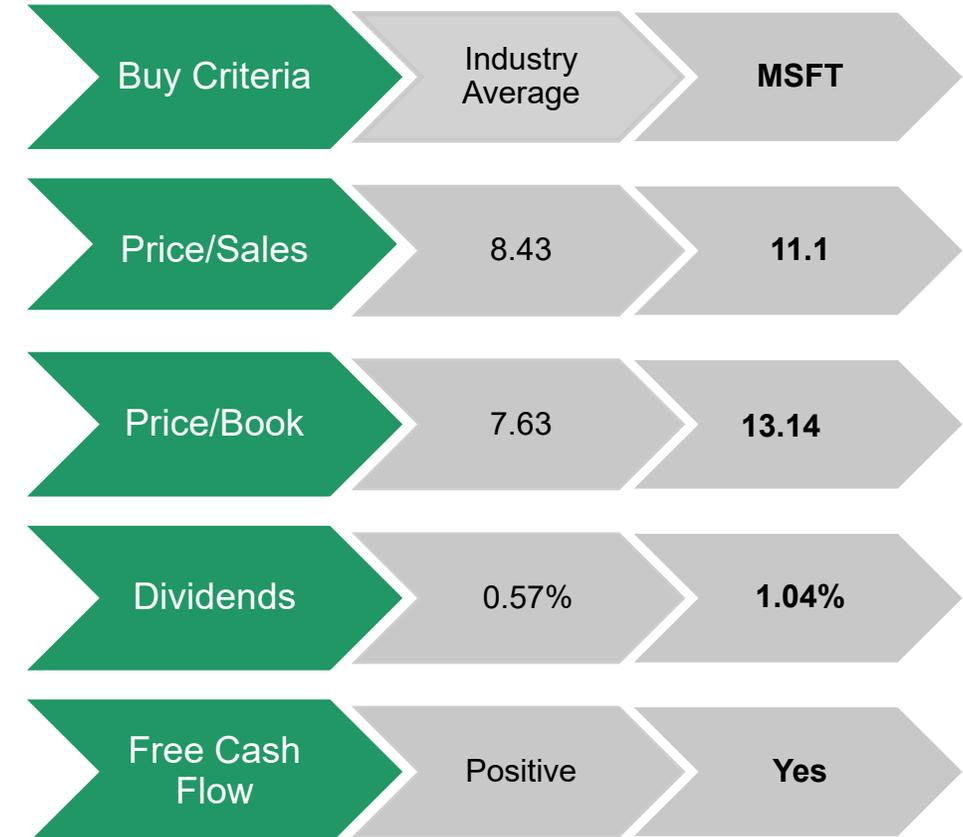
Medtronic is a global leader in medical technology, services, and solutions. The company generates more than \$30 billion in revenues from four business segments: cardiac and vascular, minimally invasive therapies, restorative therapies, and diabetes. It is headquartered in Dublin, Ireland with a domestic headquarters in Minneapolis, MN. In 2018, 2018, Medtronic was ranked as the world's largest medical device company by revenue.



MICROSOFT CORPORATION | MSFT

Date Purchased:	10/02/2020
Number of Shares:	75.00
Price/Share at time of purchase:	\$207.01
Market Value at Purchase:	\$15,525.38

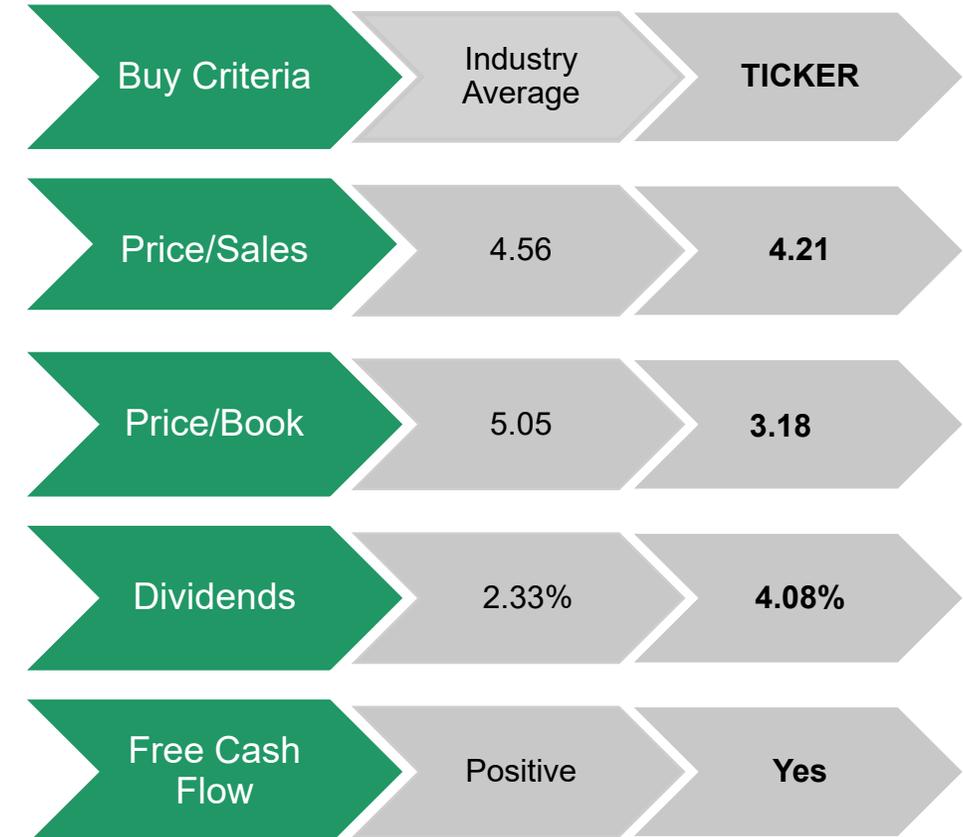
Microsoft, MSFT, was founded in 1975 and develops, licenses, and supports software, services, devices, and solutions globally. Microsoft "enables digital transformation for the era of an intelligent cloud and an intelligent edge." Microsoft is a market leader in the software industries that supplies a suite of variable software products ranging from business applications to gaming platforms.



PFIZER, INC. | PFE

Date Purchased:	10/15/2020
Number of Shares:	270.00
Price/Share at time of purchase:	\$36.58
Market Value at Purchase:	\$9,875.25

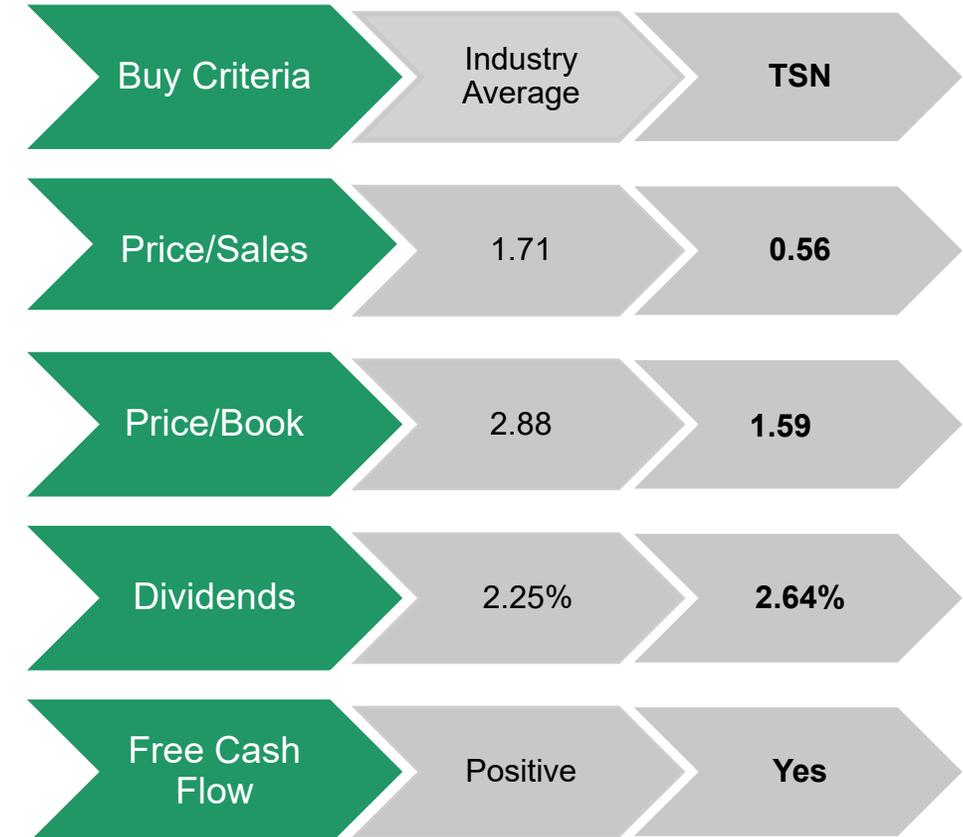
Pfizer Inc. is an American multinational pharmaceutical corporation. It is headquartered in New York City and is one of the world's largest pharmaceutical companies and ranked 57 on the 2018 Fortune 500 list of the largest United States corporations by total revenue. Pfizer develops and produces medicines and vaccines for a wide range of medical disciplines, including immunology, oncology, cardiology, endocrinology, and neurology.



TYSON FOODS, INC. | TSN

Date Purchased:	09/18/2020
Number of Shares:	215.00
Price/Share at time of purchase:	\$61.92
Market Value at Purchase:	\$13,312.80

Tyson Foods, INC (TSN), was founded in Arkansas in 1935 and is the second largest producer of chicken, beef, and pork products in the world. Tyson foods is also the leading protein provider to many national restaurant chains, including fast food, casual dining, mid-scale dining, and fine dining. Tyson's portfolio of brands includes: Tyson Foods, Jimmy Dean, Hillshire Farm, Ball Park, Wright, Aidells, IBP, State Fair, Raised & Rooted, Open Prairie, True Chews. Tyson has a strong position in the food production industry and is the only company that sells chicken, beef, pork, and prepared foods products through all major retail distribution channels.



Dividend Strategy Overview

BUY CRITERIA	
Dividend Yield	≥ SPDR S&P Dividend ETF
Quick Ratio	≥ Industry Average
Cash Dividends	Positive total cash dividends paid annually
Positive Total Cash	From investing and operating activities
Constant Dividend	Yes
Dividend Growth	Historical and potential dividend growth

SELL CRITERIA	
Dividends	Dividends are cut
Free Cash Flow	Diminishes or is no longer positive
Alternative Investments	Superior investment alternatives are identified

Stop Loss Criteria

- 20% Loss

Acquisitions

- ✓ No acquisitions this semester.



Sellinger
Applied
Portfolio

Risk Analysis

Portfolio Risk Analysis: Beta

SAP
.83

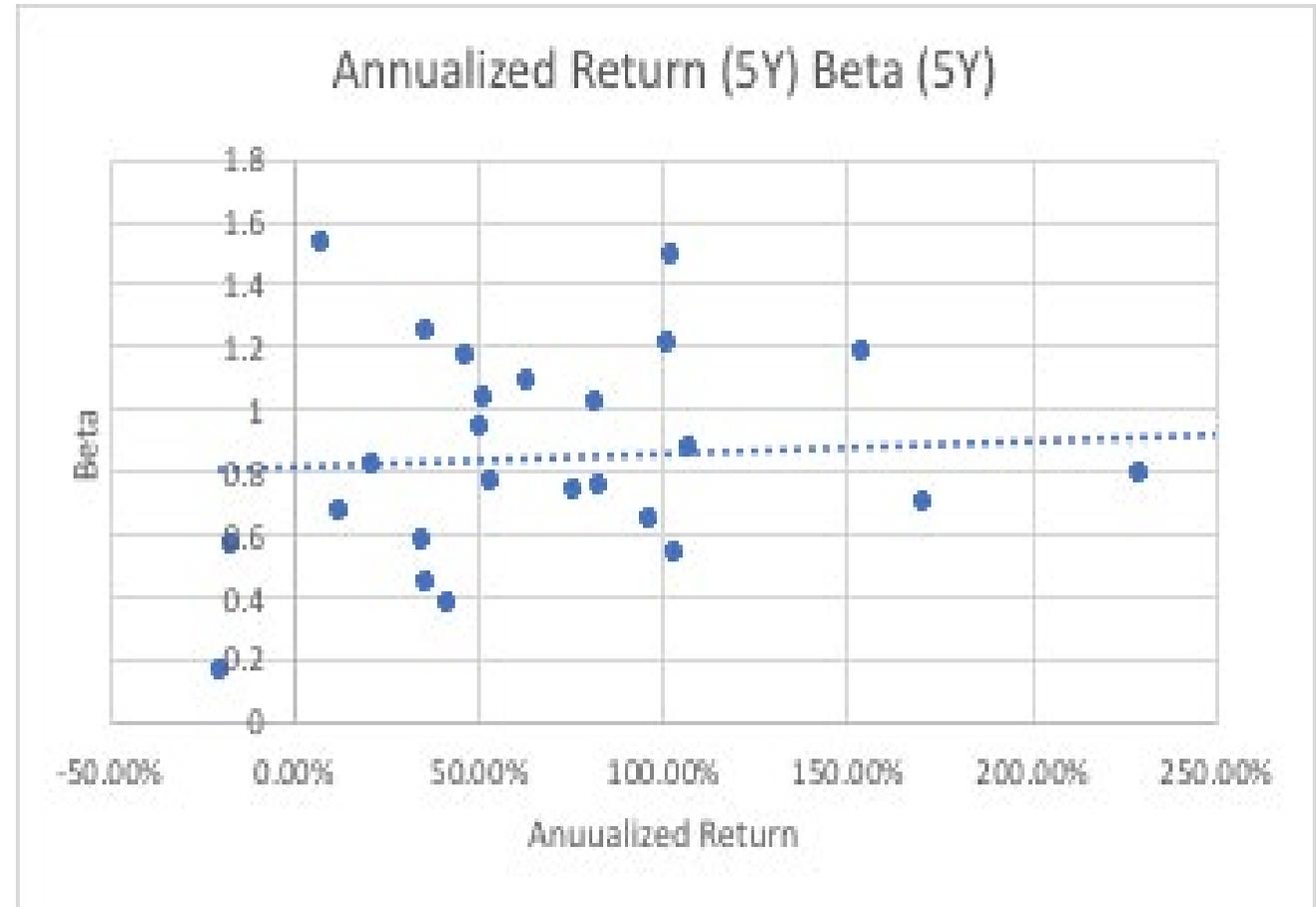
vs.

S&P 500
1

Highest Betas: Tyson, Applied
Materials, Alexion, and Alliance
Bernstein

•Risk ≠ Reward

- The high-risk stocks in our portfolio did not necessarily generate the highest reward. SAP portfolio had an overall lower beta than the S&P 500 but outperformed their annualized return.



Note: Used most Relevant Data if 3-year Data was Unavailable / Not on the Market for 3 Years

Portfolio Risk Analysis: Weighted-Beta

SAP
.83

vs.

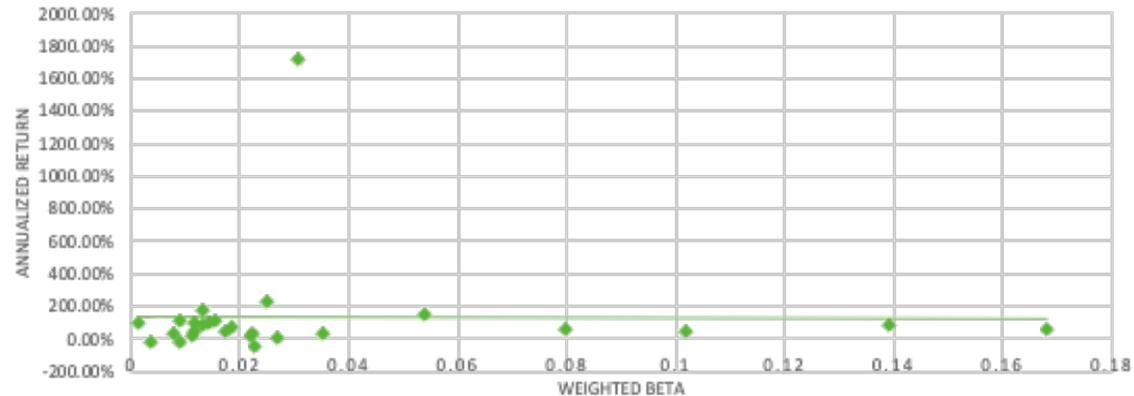
S&P 500
1

Highest Weighted-Betas: Pfizer,
Technology ETF, and Industrials ETF

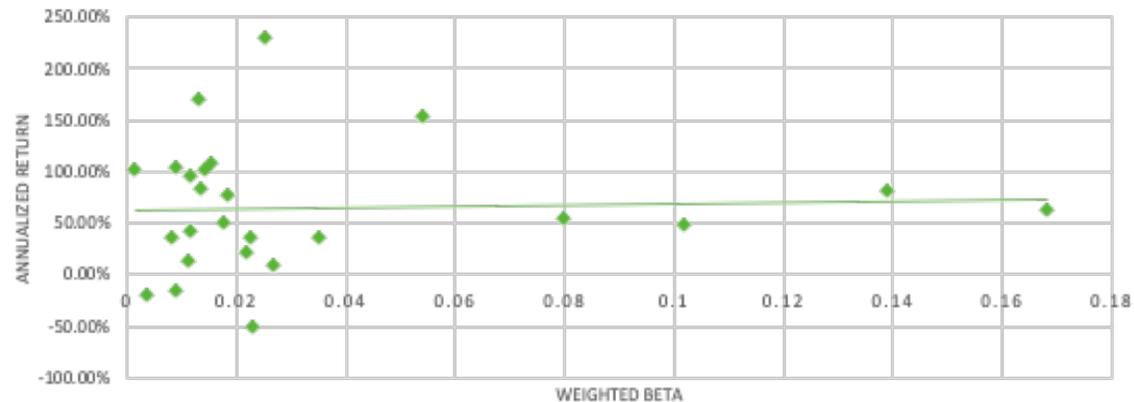
• Risk ≠ Reward

- The high-risk stocks in our portfolio did not necessarily generate the highest reward. ETF's did not generate the highest return with the highest weighted-beta necessarily.
- Applied Materials removed due to short-holding period of two weeks and inflated return.

SAP ANNUALIZED RETURN
& WEIGHTED BETA



SAP ANNUALIZED RETURN &
WEIGHTED BETA (WITHOUT OUTLIER)



Note: Most Relevant Data Utilized if 3-year Data was Unavailable / Not on the Market for 3 Years

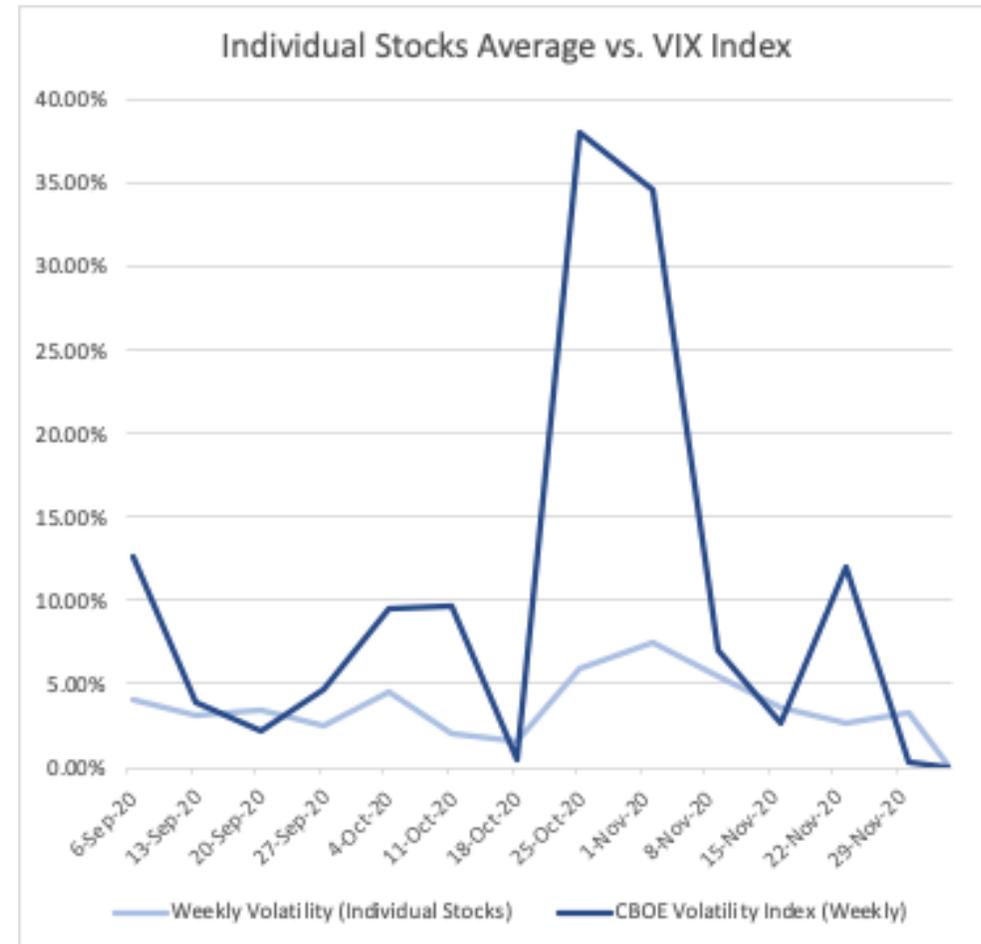
Weekly Volatility Analysis

SAP
3.55%

vs.

VIX Index
9.83%

SAP volatility was calculated by averaging weekly volatility across individual stock holdings.



Note: Volatility calculated as difference between Friday closing price each week from September 6th to November 29th.

Covariance Matrix

	ALXN	BABA	AB	AMAT	CSL	CNC	COST	CVS	FISV	GIS	LHX	MDT	MSFT	NEM	PFE	TSN	VTRS	WMT	SPY	Beta	
ALXN	0.01095	0.02486	0.00239	0.00567	0.00277	0.00188	0.01984	0.00161	0.00272	0.00195	0.00037	0.00497	0.01558	0.0035	0.00118	0.00107	6.8E-05	0.00794	0.02324	ALXN	1.40
BABA	0.02486	0.13088	0.00704	0.01634	-0.00805	0.00166	0.09423	-0.00482	-0.00381	0.00898	-0.02291	0.00927	0.0734	0.02052	0.00237	-0.01106	-0.00258	0.03451	0.07927	BABA	1.03
AB	0.00239	0.00704	0.00201	0.00278	0.00552	0.00038	0.00538	0.00152	0.00314	-0.00023	0.00393	0.00357	0.00331	-0.0006	0.00058	0.0029	0.0006	0.00104	0.01069	AB	1.53
AMAT	0.00567	0.01634	0.00278	0.00651	0.00606	0.00115	0.01544	0.00224	0.00393	0.00097	0.00318	0.00466	0.01151	0.00163	0.00111	0.00223	0.00049	0.00513	0.02047	AMAT	1.48
CSL	0.00277	-0.00805	0.00552	0.00606	0.02962	0.00034	-0.00391	0.008	0.0143	-0.00472	0.02463	0.014	-0.0134	-0.01084	0.00198	0.01747	0.00325	-0.00435	0.01986	CSL	0.94
CNC	0.00188	0.00166	0.00038	0.00115	0.00034	0.00179	0.00238	0.00084	0.00098	0.00079	0.00153	0.00108	0.00314	0.00127	0.00047	0.00021	0.00017	0.00106	0.00368	CNC	0.59
COST	0.01984	0.09423	0.00538	0.01544	-0.00391	0.00238	0.08622	-0.0033	-0.00141	0.00701	-0.01344	0.00778	0.05703	0.0163	0.0022	-0.01151	-0.00218	0.03131	0.06189	COST	0.66
CVS	0.00161	-0.00482	0.00152	0.00224	0.008	0.00084	-0.0033	0.00324	0.00447	-0.00083	0.00723	0.00385	-0.00309	-0.00258	0.00081	0.0056	0.00107	-0.00162	0.00634	CVS	0.79
FISV	0.00272	-0.00381	0.00314	0.00393	0.0143	0.00098	-0.00141	0.00447	0.00868	-0.00184	0.01379	0.00777	-0.00395	-0.00431	0.00132	0.00887	0.00182	-0.00194	0.0129	FISV	0.87
GIS	0.00195	0.00898	-0.00023	0.00097	-0.00472	0.00079	0.00701	-0.00083	-0.00184	0.00198	-0.00434	-0.00131	0.00845	0.00367	0.00013	-0.00315	-0.00054	0.00328	0.00419	GIS	0.56
LHX	0.00037	-0.02291	0.00393	0.00318	0.02463	0.00153	-0.01344	0.00723	0.01379	-0.00434	0.03076	0.01208	-0.01581	-0.00947	0.00163	0.01526	0.00336	-0.00772	0.00987	LHX	0.70
MDT	0.00497	0.00927	0.00357	0.00466	0.014	0.00108	0.00778	0.00385	0.00777	-0.00131	0.01208	0.00965	0.0016	-0.0026	0.00168	0.00853	0.00158	0.00181	0.01984	MDT	0.70
MSFT	0.01558	0.0734	0.00331	0.01151	-0.0134	0.00314	0.05703	-0.00309	-0.00395	0.00845	-0.01581	0.0016	0.05656	0.01828	0.00122	-0.01219	-0.00195	0.0218	0.04843	MSFT	0.82
NEM	0.0035	0.02052	-0.0006	0.00163	-0.01084	0.00127	0.0163	-0.00258	-0.00431	0.00367	-0.00947	-0.0026	0.01828	0.0087	0.00018	-0.00738	-0.00133	0.00743	0.00842	NEM	0.37
PFE	0.00118	0.00237	0.00058	0.00111	0.00198	0.00047	0.0022	0.00081	0.00132	0.00013	0.00163	0.00168	0.00122	0.00018	0.00053	0.00137	0.00024	0.00088	0.00431	PFE	0.65
TSN	0.00107	-0.01106	0.0029	0.00223	0.01747	0.00021	-0.01151	0.0056	0.00887	-0.00315	0.01526	0.00853	-0.01219	-0.00738	0.00137	0.01333	0.00231	-0.00535	0.00863	TSN	0.74
VTRS	6.8E-05	-0.00258	0.0006	0.00049	0.00325	0.00017	-0.00218	0.00107	0.00182	-0.00054	0.00336	0.00158	-0.00195	-0.00133	0.00024	0.00231	0.00052	-0.00119	0.00164	VTRS	1.49
WMT	0.00794	0.03451	0.00104	0.00513	-0.00435	0.00106	0.03131	-0.00162	-0.00194	0.00328	-0.00772	0.00181	0.0218	0.00743	0.00088	-0.00535	-0.00119	0.01309	0.0209	WMT	0.44
SPY	0.02324	0.07927	0.01069	0.02047	0.01986	0.00368	0.06189	0.00634	0.0129	0.00419	0.00987	0.01984	0.04843	0.00842	0.00431	0.00863	0.00164	0.0209	0.08303	SPY	1.00

Correlation Matrix

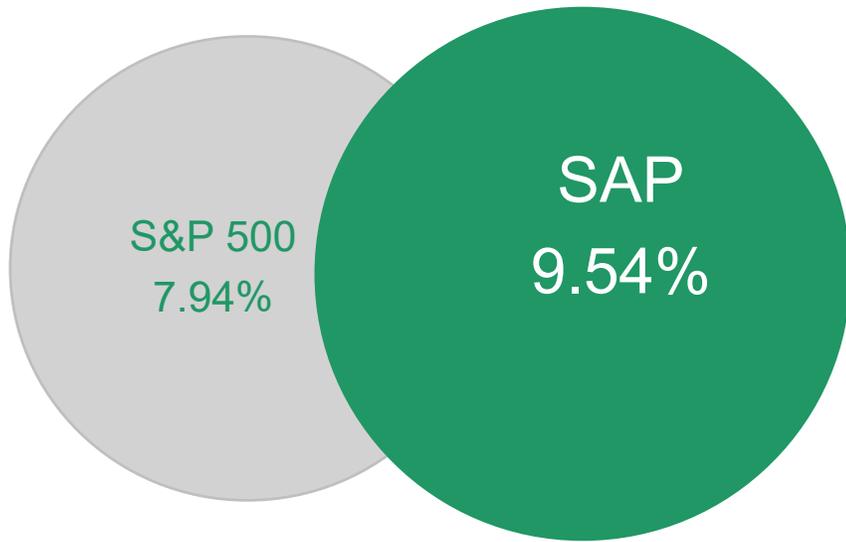
	ALXN	BABA	AB	AMAT	CSL	CNC	COST	CVS	FISV	GIS	LHX	MDT	MSFT	NEM	PFE	XLY	XLP	XLC	XLF	XLV	XLI	XLK	XLU	TSN	VTRS	WMT
ALXN	1.0000	0.1494	0.4367	0.4878	0.3862	0.8162	0.1163	-0.2058	0.1042	-0.5445	0.0340	0.6065	0.6171	0.3729	0.5165	0.1318	-0.2550	0.7412	0.5080	0.7703	0.1150	0.0505	0.5771	-0.5768	0.1338	-0.3834
BABA	0.1494	1.0000	0.6607	0.5711	0.7340	0.6059	-0.8233	0.5680	0.6990	-0.1957	0.8068	-0.0096	0.2622	-0.1612	-0.6665	0.6962	0.3407	0.1616	0.6748	-0.0202	0.6322	-0.1439	0.2341	0.6527	0.9062	-0.6232
AB	0.4367	0.6607	1.0000	0.1123	0.4418	0.5528	-0.7271	0.1463	0.1037	-0.2669	0.1334	-0.1934	0.3897	0.2064	-0.0963	0.5188	-0.0946	0.5578	0.4862	-0.0905	-0.0503	-0.2906	0.6189	0.3047	0.5029	-0.6025
AMAT	0.4878	0.5711	0.1123	1.0000	0.8669	0.8231	-0.1006	0.1099	0.8533	-0.1783	0.7732	0.4183	0.6146	0.1912	-0.1442	0.5782	0.5477	0.4214	0.7856	0.7501	0.7767	0.4780	0.2479	0.0854	0.6748	-0.2367
CSL	0.3862	0.7340	0.4418	0.8669	1.0000	0.8353	-0.4683	0.1576	0.7538	-0.1613	0.7369	0.0459	0.6262	0.2644	-0.1625	0.7352	0.5848	0.6051	0.9352	0.5084	0.6404	0.4102	0.5544	0.3494	0.8648	-0.3902
CNC	0.8162	0.6059	0.5528	0.8231	0.8353	1.0000	-0.2840	0.0877	0.5421	-0.4824	0.5384	0.4370	0.6816	0.2758	0.1187	0.5098	0.1621	0.7411	0.8813	0.7236	0.5276	0.1827	0.6462	-0.0967	0.6589	-0.5493
COST	0.1163	-0.8233	-0.7271	-0.1006	-0.4683	-0.2840	1.0000	-0.6618	-0.2325	0.2614	-0.5205	0.3032	0.0998	0.3246	0.5685	-0.4136	-0.0612	-0.0790	-0.5103	0.4307	-0.3322	0.4349	-0.3757	-0.6923	-0.7844	0.7112
CVS	-0.2058	0.5680	0.1463	0.1099	0.1576	0.0877	-0.6618	1.0000	0.1476	-0.5704	0.6610	0.2823	-0.5934	-0.8917	-0.6333	-0.1569	-0.2425	-0.4291	0.3065	-0.3241	0.6714	-0.6819	-0.0349	0.3260	0.6079	-0.7581
FISV	0.1042	0.6990	0.1037	0.8533	0.7538	0.5421	-0.2325	0.1476	1.0000	0.2160	0.8127	0.0897	0.5278	0.1456	-0.5555	0.7834	0.7799	0.1004	0.5324	0.3734	0.7040	0.4788	-0.1160	0.5070	0.6617	-0.0319
GIS	-0.5445	-0.1957	-0.2669	-0.1783	-0.1613	-0.4824	0.2614	-0.5704	0.2160	1.0000	-0.2528	-0.7002	0.2391	0.4943	-0.2124	0.4192	0.6671	-0.2131	-0.4836	-0.2845	-0.4098	0.6015	-0.5128	0.4662	-0.3288	0.8568
LHX	0.0340	0.8068	0.1334	0.7732	0.7369	0.5384	-0.5205	0.6610	0.8127	-0.2528	1.0000	0.2791	0.0918	-0.3662	-0.6473	0.4587	0.4440	-0.0529	0.6898	0.2178	0.9550	0.0345	0.0315	0.4740	0.8814	-0.4941
MDT	0.6065	-0.0096	-0.1934	0.4183	0.0459	0.4370	0.3032	0.2823	0.0897	-0.7002	0.2791	1.0000	-0.0417	-0.3432	0.1780	-0.3818	-0.4300	0.0030	0.2240	0.6198	0.5073	-0.2398	-0.0046	-0.6617	0.0371	-0.3914
MSFT	0.6171	0.2622	0.3897	0.6146	0.6262	0.6816	0.0998	-0.5934	0.5278	0.2391	0.0918	-0.0417	1.0000	0.8603	0.2669	0.7470	0.5277	0.7811	0.4615	0.6513	-0.0056	0.6895	0.3905	-0.0022	0.2079	0.1719
NEM	0.3729	-0.1612	0.2064	0.1912	0.2644	0.2758	0.3246	-0.8917	0.1456	0.4943	-0.3662	-0.3432	0.8603	1.0000	0.5026	0.5299	0.4454	0.7051	0.0908	0.4275	-0.4591	0.7513	0.3130	-0.0894	-0.1990	0.5111
PFE	0.5165	-0.6665	-0.0963	-0.1442	-0.1625	0.1187	0.5685	-0.6333	-0.5555	-0.2124	-0.6473	0.1780	0.2669	0.5026	1.0000	-0.3827	-0.3589	0.5948	-0.0121	0.4999	-0.4925	0.2397	0.5050	-0.8083	-0.4985	0.1803
XLY	0.1318	0.6962	0.5188	0.5782	0.7352	0.5098	-0.4136	-0.1569	0.7834	0.4192	0.4587	-0.3818	0.7470	0.5299	-0.3827	1.0000	0.7795	0.4173	0.4839	0.1558	0.2233	0.5084	0.1718	0.6531	0.5764	0.0342
XLP	-0.2550	0.3407	-0.0946	0.5477	0.5848	0.1621	-0.0612	-0.2425	0.7799	0.6671	0.4440	-0.4300	0.5277	0.4454	-0.3589	0.7795	1.0000	0.1197	0.2803	0.1708	0.2893	0.8018	-0.1322	0.6151	0.3810	0.4309
XLC	0.7412	0.1616	0.5578	0.4214	0.6051	0.7411	-0.0790	-0.4291	0.1004	-0.2131	-0.0529	0.0030	0.7811	0.7051	0.5948	0.4173	0.1197	1.0000	0.6479	0.6125	-0.0886	0.3898	0.8644	-0.2341	0.2642	-0.2014
XLF	0.5080	0.6748	0.4862	0.7856	0.9352	0.8813	-0.5103	0.3065	0.5324	-0.4836	0.6898	0.2240	0.4615	0.0908	-0.0121	0.4839	0.2803	0.6479	1.0000	0.5292	0.6576	0.1708	0.7275	0.1416	0.8645	-0.6306
XLV	0.7703	-0.0202	-0.0905	0.7501	0.5084	0.7236	0.4307	-0.3241	0.3734	-0.2845	0.2178	0.6198	0.6513	0.4275	0.4999	0.1558	0.1708	0.6125	0.5292	1.0000	0.3569	0.5275	0.3569	-0.5534	0.1296	-0.0179
XLI	0.1150	0.6322	-0.0503	0.7767	0.6404	0.5276	-0.3322	0.6714	0.7040	-0.4098	0.9550	0.5073	-0.0056	-0.4591	-0.4925	0.2233	0.2893	-0.0886	0.6576	0.3569	1.0000	-0.0009	0.0157	0.2183	0.7680	-0.5033
XLK	0.0505	-0.1439	-0.2906	0.4780	0.4102	0.1827	0.4349	-0.6819	0.4788	0.6015	0.0345	-0.2398	0.6895	0.7513	0.2397	0.5084	0.8018	0.3898	0.1708	0.5275	-0.0009	1.0000	0.0218	0.0595	-0.0243	0.6558
XLU	0.5771	0.2341	0.6189	0.2479	0.5544	0.6462	-0.3757	-0.0349	-0.1160	-0.5128	0.0315	-0.0046	0.3905	0.3130	0.5050	0.1718	-0.1322	0.8644	0.7275	0.3569	0.0157	0.0218	1.0000	-0.1695	0.4253	-0.5400
TSN	-0.5768	0.6527	0.3047	0.0854	0.3494	-0.0967	-0.6923	0.3260	0.5070	0.4662	0.4740	-0.6617	-0.0022	-0.0894	-0.8083	0.6531	0.6151	-0.2341	0.1416	-0.5534	0.2183	0.0595	-0.1695	1.0000	0.5523	-0.0314
VTRS	0.1338	0.9062	0.5029	0.6748	0.8648	0.6589	-0.7844	0.6079	0.6617	-0.3288	0.8814	0.0371	0.2079	-0.1990	-0.4985	0.5764	0.3810	0.2642	0.8645	0.1296	0.7680	-0.0243	0.4253	0.5523	1.0000	-0.6682
WMT	-0.3834	-0.6232	-0.6025	-0.2367	-0.3902	-0.5493	0.7112	-0.7581	-0.0319	0.8568	-0.4941	-0.3914	0.1719	0.5111	0.1803	0.0342	0.4309	-0.2014	-0.6306	-0.0179	-0.5033	0.6558	-0.5400	-0.0314	-0.6682	1.0000

Returns for correlation calculated with
Closing Prices on 12/4/2020



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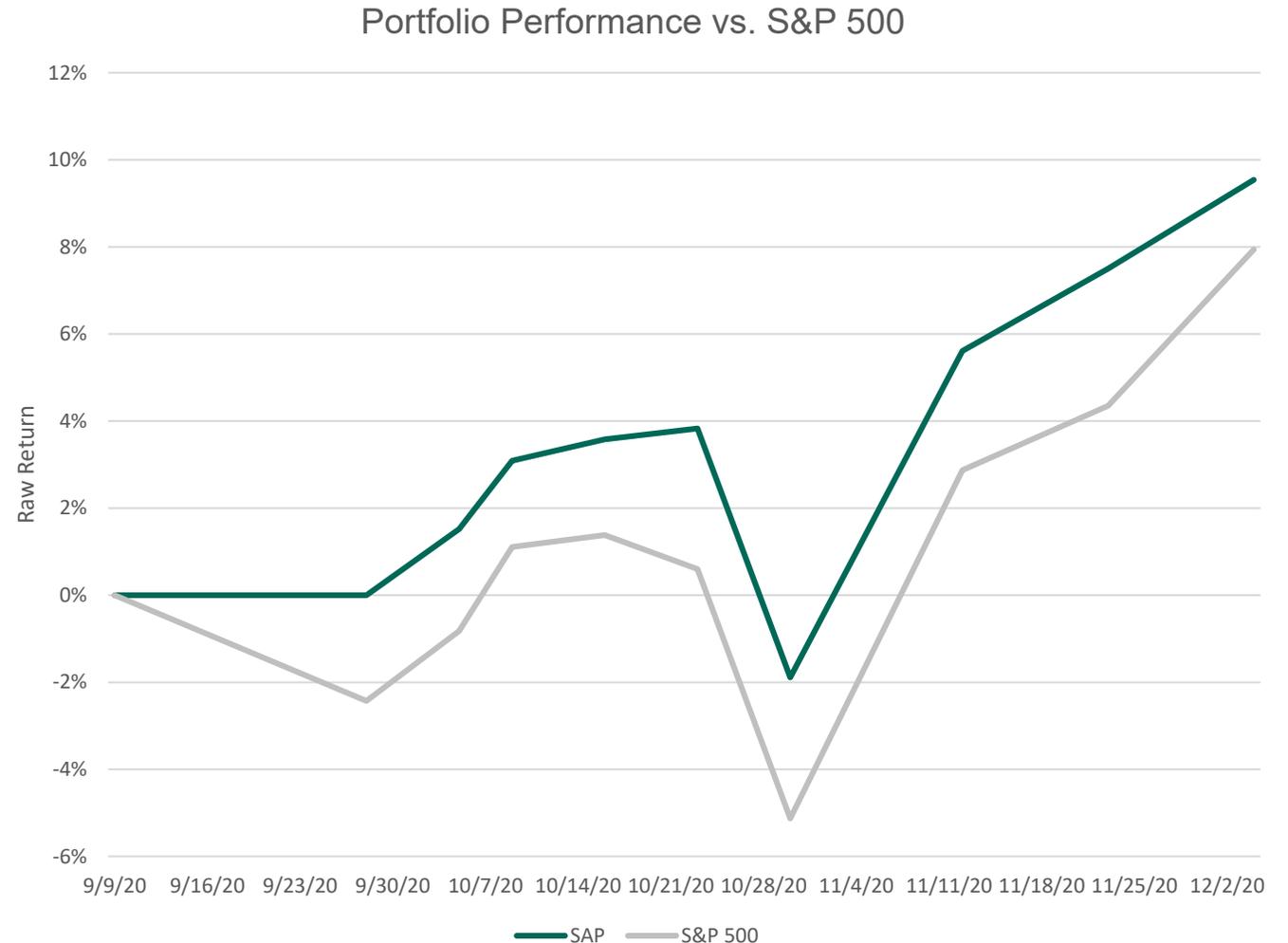
Performance Review



Performance: 9/9/2020 – 12/4/2020

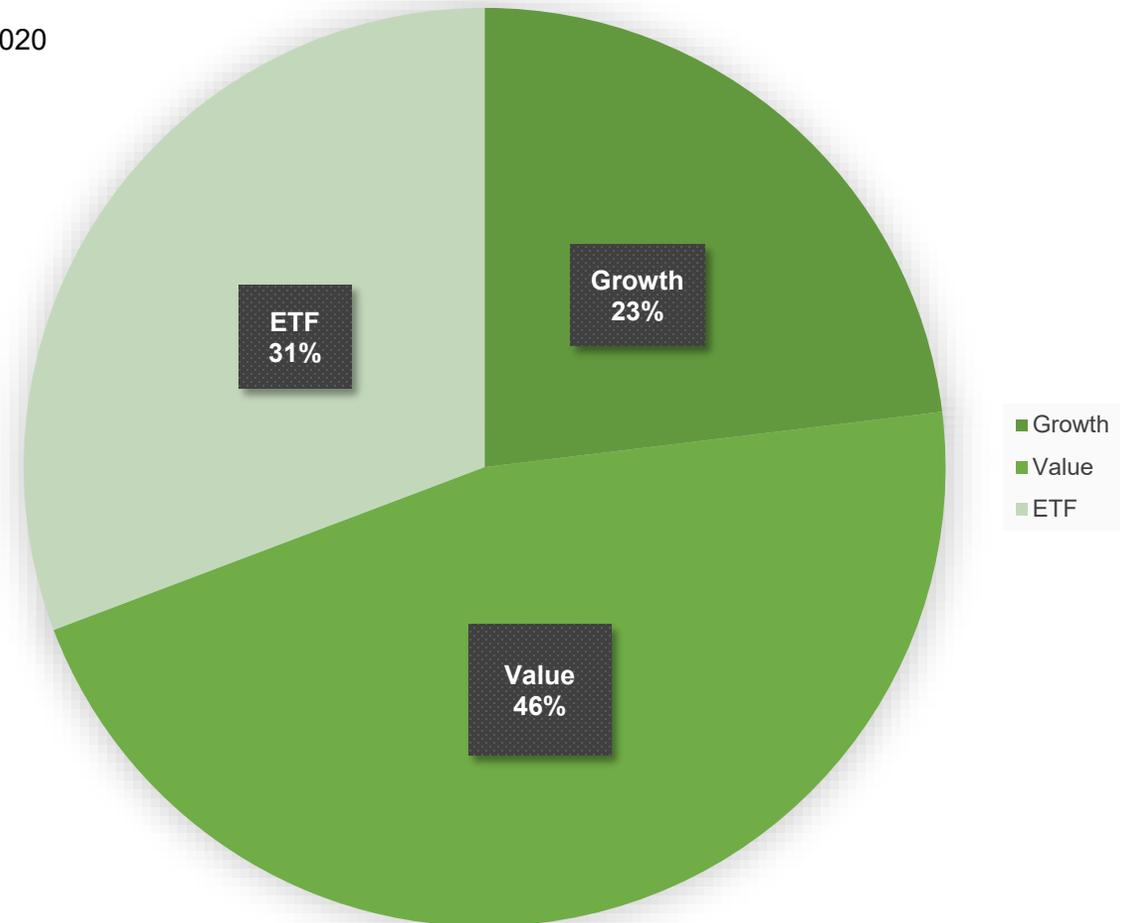
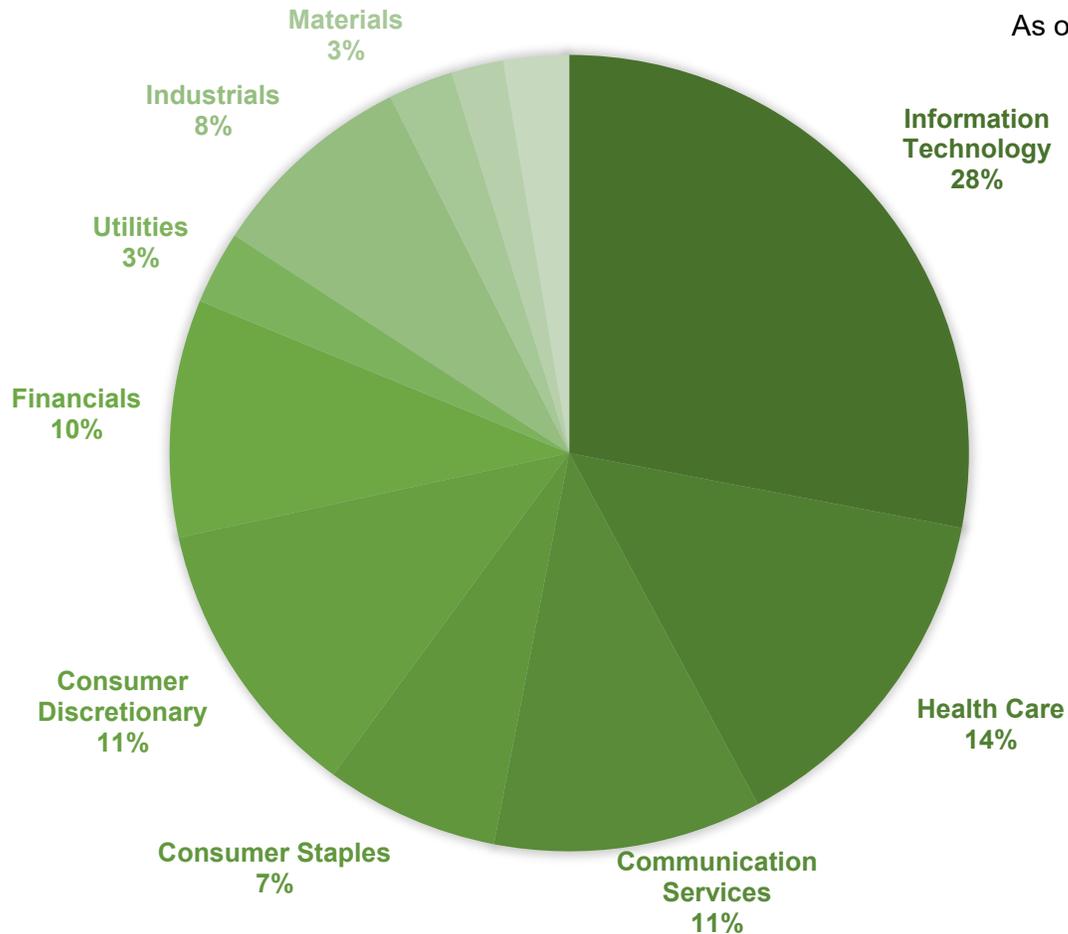
Performance Difference

- The graph on the right depicts the performance difference relative to the benchmark (S&P 500). Our portfolio consistently outperformed the S&P 500 throughout the semester. Our portfolio outperformed the S&P 500 by over 150 bps.
- Overall stock selection supported our portfolio's performance.

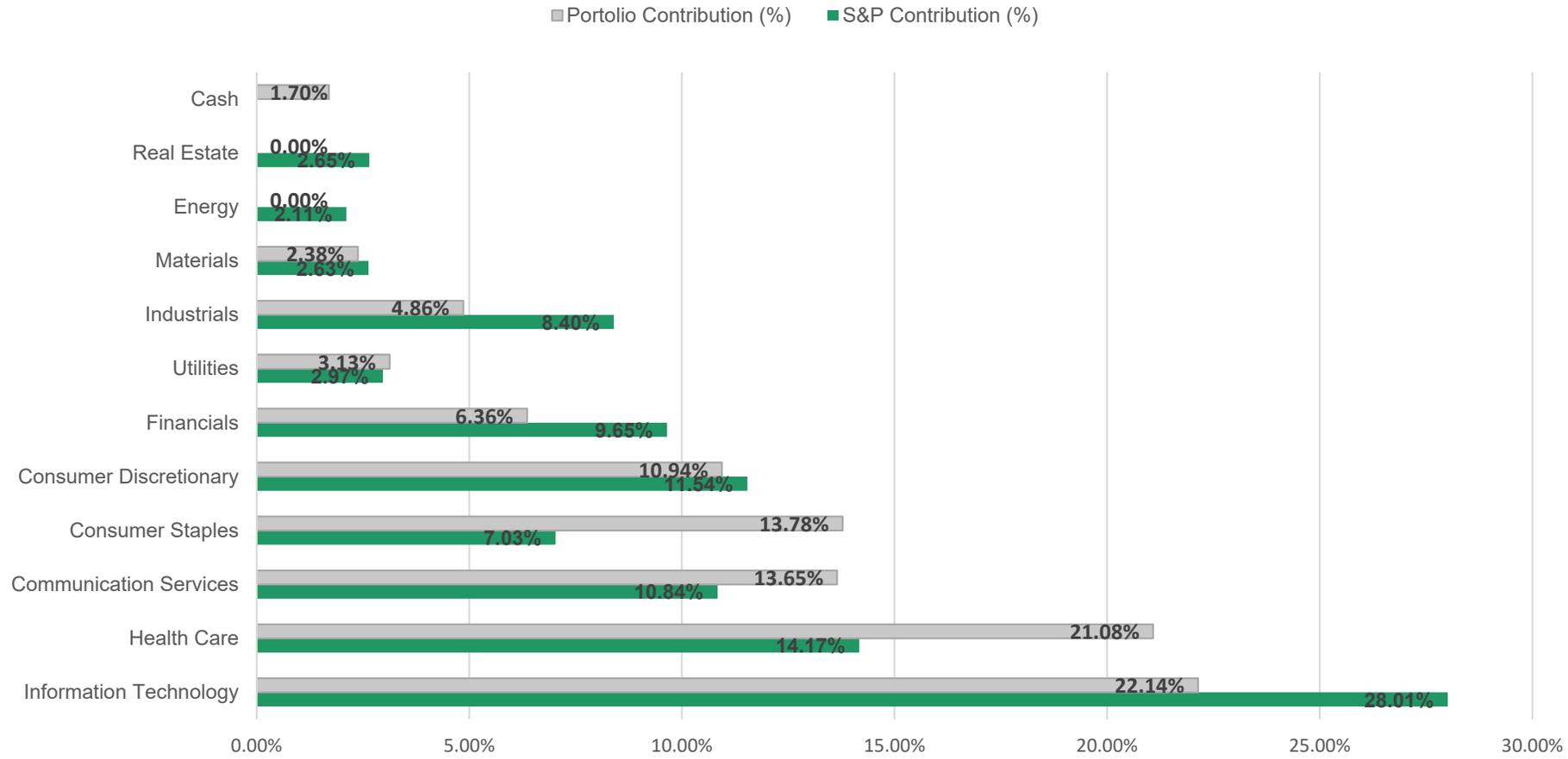


Portfolio Weights

As of December 4th, 2020

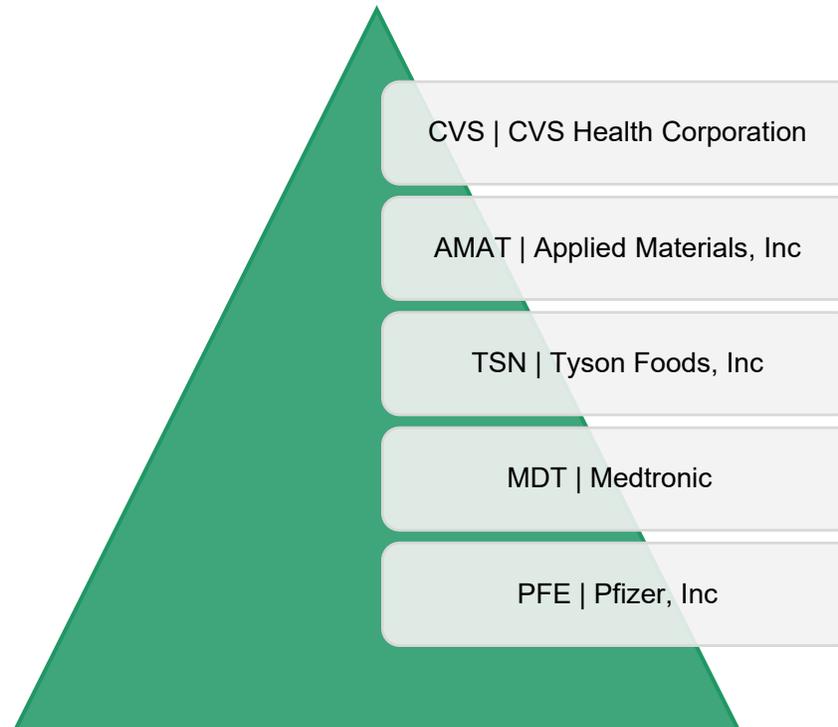


SAP vs. S&P 500



9/9/2020 – 12/4/2020

Top Outperformers



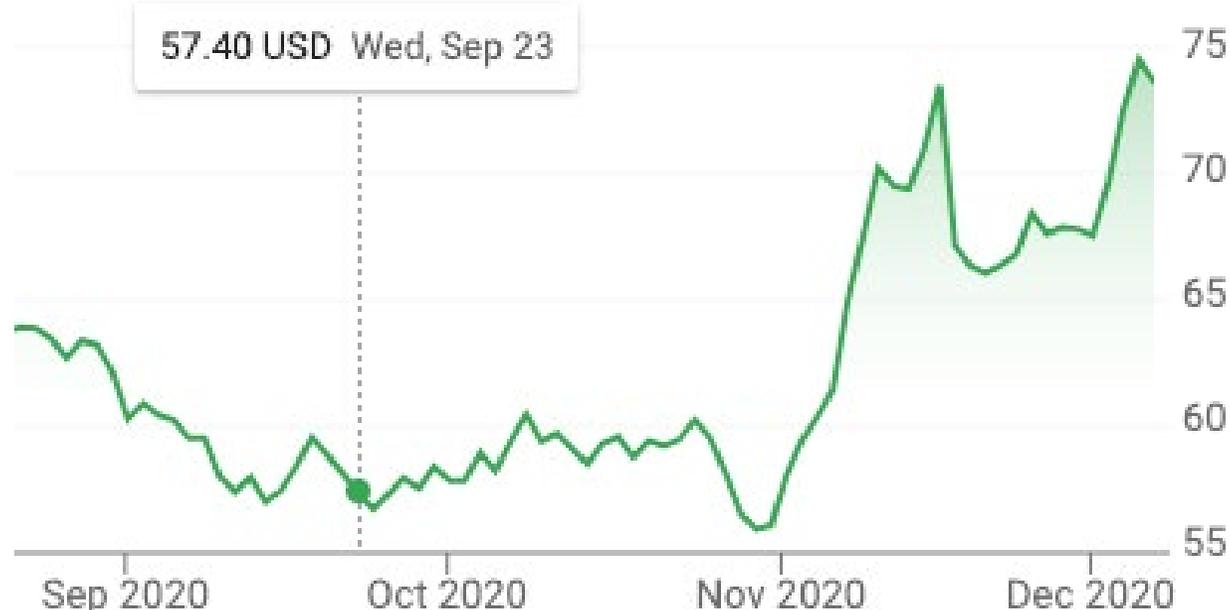
Top Underperformers



CVS Health Corporation | CVS

Return: 27.78% or \$4,167.32

of Shares: 257.242 | Cost Basis: \$14,999.78



Purchased in the beginning of the semester on September 23rd, CVS has performed very well since, returning 27.78%. This stock performed the best in our portfolio.

As a company in the healthcare industry, CVS has a lot to gain from the global pandemic. Their integrated health services have differentiated themselves from competitors during the pandemic. They have been a leader in Covid-19 testing. They have partnered with the federal government to serve as Covid-19 vaccination sites.

CVS delivered strong third quarter results on November 6th which led to a jump in their stock price. Total revenues increased 3.5% in the three months ended September 30th compared to the prior year. A raised outlook for full-year profits and a new CEO named have led to significant returns from CVS.

Applied Materials, Inc. | AMAT

Return: 14.46% or \$1,571.11
of Shares: 140 | Cost Basis: \$10,866.49



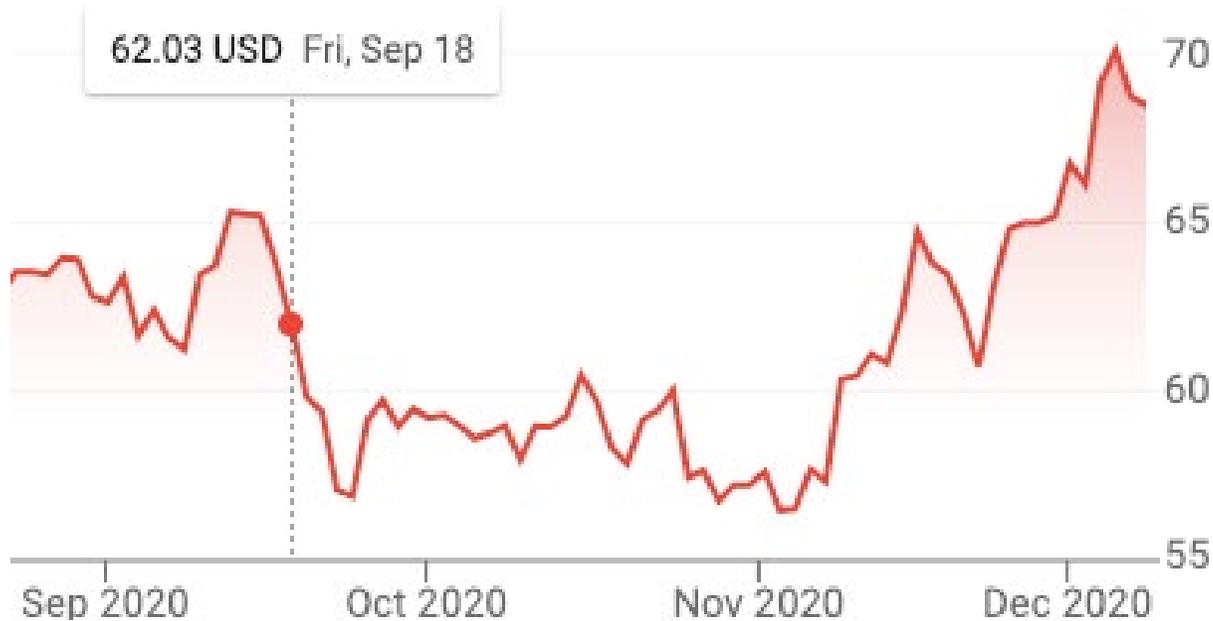
Picked up towards the end of the semester on November 20th, AMAT has performed very well since, returning 14.46%. We have seen AMAT add substantial value to our portfolio in a short time frame.

Demand for semiconductor manufacturing and systems remains strong. Their stock price rose after delivering strong fourth quarter and full year results on November 12th. 14 analysts raised their target price for AMAT after their full year results, and we've seen their stock price trend upwards since purchasing.

AMAT does business with solar companies providing crucial technology to reduce costs and increase effectiveness of solar panels. Given the rapidly growing renewable energy business, AMAT is well suited to continue growing their business.

Tyson Foods, Inc. | TSN

Return: 13.21% or \$1,758.70
of Shares: 215 | Cost Basis: \$13,312.80



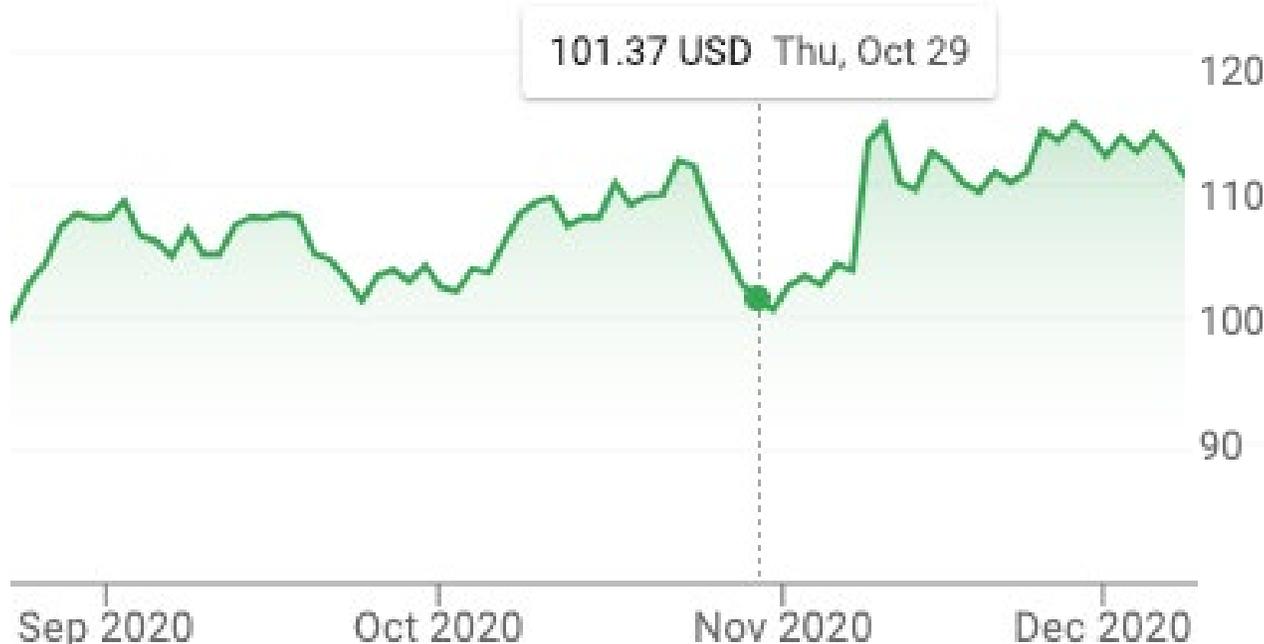
Picked up in the beginning of the semester on September 18th, TSN has performed very well since, returning 13.21% after dropping significantly after purchasing.

TSN reported strong fourth quarter and fiscal year results on November 16th, with sales volume increasing in beef, pork, and chicken segments in the fourth quarter. Strong fourth quarter results caused the price to go up as TSN proved that they can operate under Covid-19 protocols. TSN has announced plans for additional production facilities for its international business. They have a global growth strategy to become a leader in protein globally.

Even amidst a pandemic, protein demand remained stable. As people eat out less with stay-at-home orders, they choose Tyson products for their protein source.

Medtronic Public Limited Company | MDT

Return: 11.24% or \$1,150.00
of Shares: 100 | Cost Basis: \$10,232.00



Purchased about halfway through the semester on October 29th, Medtronic was purchased at a great price and performed excellent following the transaction. MDT provided a return of 11.24%.

Medtronic completed the acquisition of Medtronic, which is a company that leads the design, integrated manufacture, and distribution of 30+ FDA approved implant technologies. In addition, Medtronic launched a smart insulin pen that provides real-time continuous glucose monitoring to the user.

On November 24th, Medtronic reported the company has seen a faster than expected recovery that was caused by the pandemic, despite also reporting earnings declining 22% to \$1.02 per share. MDT share price fell 1.5% because of this but recovered due to the reports still beating more bearish estimates.

The pandemic has negatively impacted medical device companies, but MDT is approaching pre-pandemic levels for stock price.

Pfizer Inc. | PFE

Return: 10.32% or \$1,019.25
of Shares: 270 | Cost Basis: \$9,875.25



Picked up Pfizer in the middle of the semester on 10/15/20, PFE performance through the latter part of the semester was exceptional, returning 10.32%. We saw PFE yielding a positive return throughout the semester proving itself to be a great addition to the portfolio.

As a company in health care industry, PFE has a lot to gain from the global pandemic this year. Health care overall had a great year, but Pfizer beat the overall sector in the market. The large spike in price in late November is due to their COVID-19 vaccine being 95% effective in late clinical trials.

PFE is a value stock, which has strong free cash flow that gives them the ability to invest into R&D in the biomedical industry. Through Pfizer's breakthrough vaccine development and strong earnings throughout 2020 they are positioned for future growth.

Alibaba Group Holding Limited | BABA

Return: -11.37% or -\$1,713.75
of Shares: 50 | Cost Basis: \$15,070.25



Added to the portfolio October 8th, Alibaba represented an opportunity to capitalize on growth in China's e-commerce marketplace. With strong fundamentals and core strengths in emerging cloud computing and intelligence segments, BABA was forecasted to grow faster than both competitors and China's broader online retail and digital financial services market.

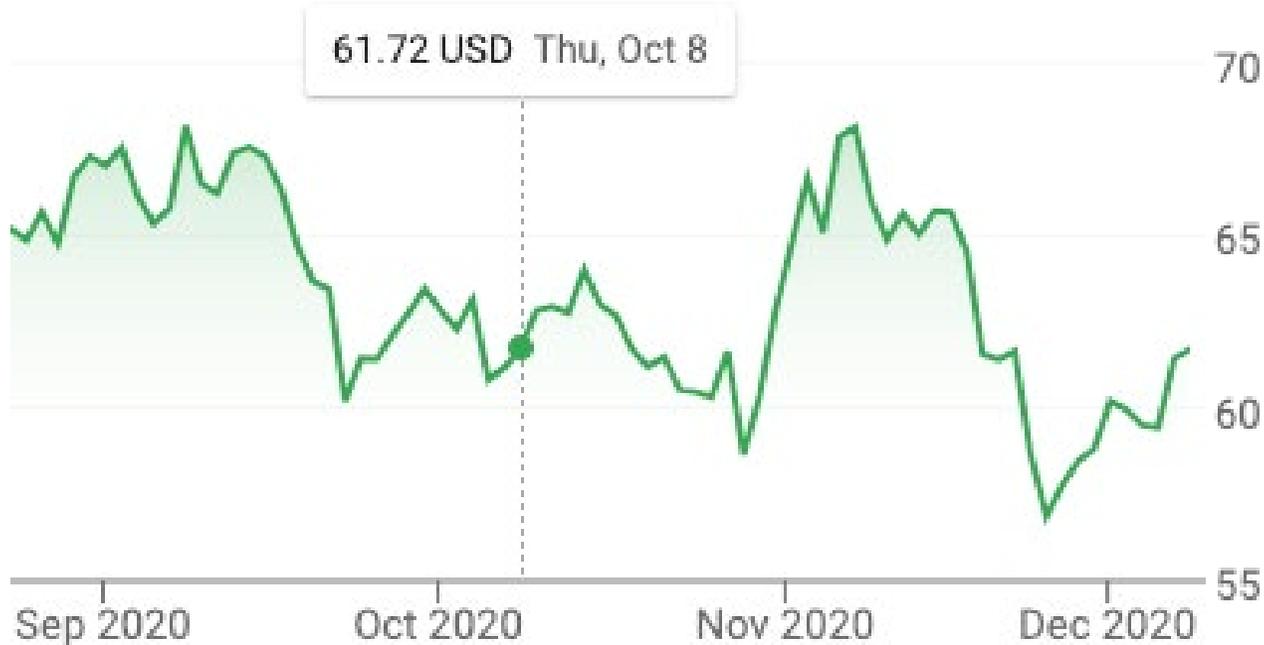
Alibaba's founder and CEO, China's wealthiest homegrown entrepreneur Jack Ma, has historically treaded a fine line between innovation and the Communist Chinese government's control over the financial sector. Ant Group, Alibaba's financial arm functioning as a mobile payment platform and money market, has become increasingly popular and expected to launch the world's largest IPO on November 5th with a valuation of over \$300B. Days before the IPO, Ma made a controversial public statement regarding China's hypocritical policies to slow innovation and the IPO was suspended on all markets.

Alibaba owns a 1/3 stake in Ant Group. After the IPO was suspended, BABA stock tanked on expectations that the Chinese government would be pursuing retaliatory regulations on financial service firms.

Newmont Corporation | NEM

Return: -3.52% or -\$520.80

of Shares: 240 | Cost Basis: \$14,786.40



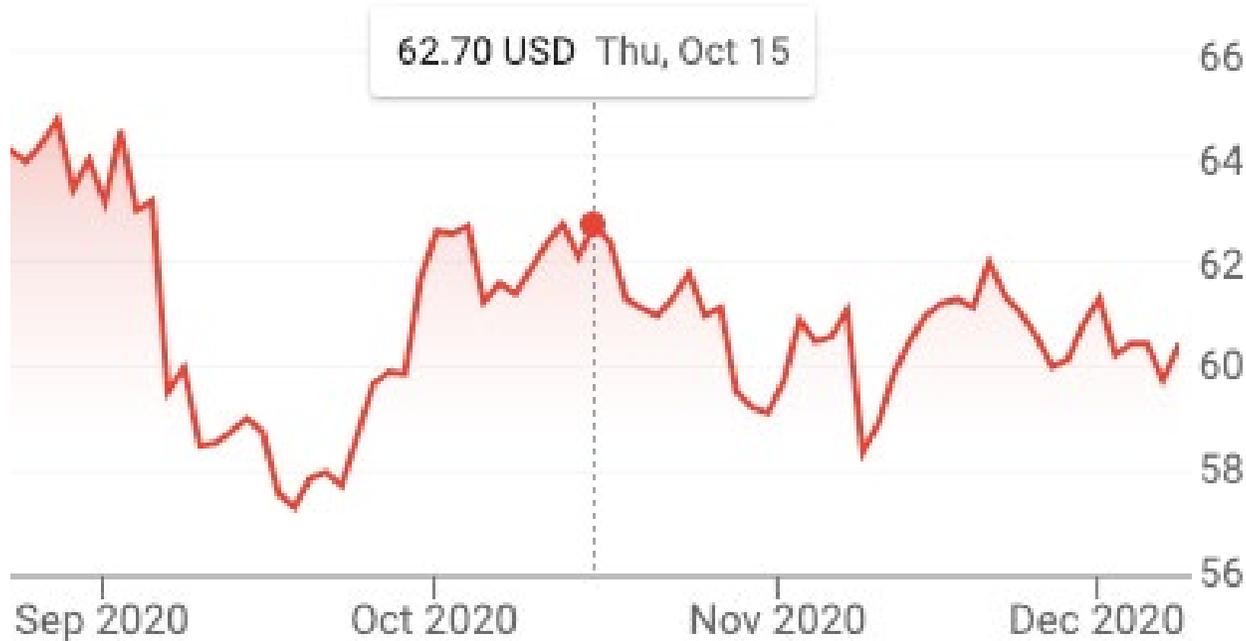
NEM was purchased in the middle of the semester on October 8th, and NEM has shed -3.52% since our acquisition. We've seen the stock price have volatility throughout our investment horizon.

Although we didn't hold it, the materials ETF performed much better than NEM. As a company in the materials sector, NEM has had some restrictions on their production in gold mining. Investors saw this as a risk for their sales for the future. Q3 earnings reported lower net income the previous period the year before. These parameters made investors sell off shares and lower the stock price.

NEM is a growth stock, and its return on Equity has met the criteria for a growth stock, but down from the previous year. Newmont has been a leader in the gold mining industry in the United States and through more access free cash flow from Q3 and growing dividend could drive the stock price up.

General Mills, Inc. | GIS

Return: -2.58% or -\$255.94
of Shares: 160 | Cost Basis: \$9,926.34



General Mills was purchased in the middle of the semester on October 15th. GIS has since been volatile moving between \$63 and \$58. This downward trend has provided a negative return of 2.58%.

Operating in the consumer defensive sector, GIS underperformed based on expectations. General Mills last reported earnings of \$1 per share compared to estimates of \$0.87 per share. Despite the impressive earnings, GIS has made minimal moves. The pandemic has caused consumer defensive company shares to fluctuate due to certain restrictions implemented in states throughout the country.

General Mills was named to the prestigious Dow Jones Sustainability World Index for three years in a row. The company also announced a 4% dividend increase from \$0.49 per share to \$0.51 per share.

Costco Wholesale Corporation | COST

Return: 0.85% or \$85.32
of Shares: 27 | Cost Basis: \$9,997.29



Picked up in the middle of November on the 11th, COST has a positive return, of .85% but it is still considered one of the portfolio's underperformers. We still see value in holding this stock because of the ongoing global pandemic.

The overall consumer staples industry fared well in the pandemic since most of the companies are essential businesses yielding 6.45% over our investment horizon. Since Costco's sales for November analyst believe that it drove the slight pull back in the stock price. Other than that, it has been one of the strongest performing companies in 2020.

Costco is a value stock. It proved its sustainability to the portfolio from its steady growth throughout 2020. Costco is continuing to cut costs in operations and generate higher profits in end of 2020 and beginning of 2021 that will ultimately drive their stock price in a positive direction.

AllianceBernstein Holding | AB

Return: 1.00% or \$104.28
of Shares: 316 | Cost Basis: \$10,557.56



AllianceBernstein

Initially purchased ahead of the company's Q3 earnings report in late October, AB was anticipated to offer protection against the financial sector's decreasing net interest margins. Due to the challenging interest rate environment, financials have been struggling to maintain healthy margins as the cost of borrowing became reduced under Federal Reserve policies. AllianceBernstein was initially attractive for inflows to higher margin active equity assets under management and a unique tax structure that offered protection against potential increases to corporate tax under a Biden presidential administration.

AllianceBernstein has been battling to recover from a disappointing Q3 earnings report in which EPS estimates were edged out by a mere one cent. Since the earnings call on October 22nd, AB has been struggling to outpace the broader financials sector. Underperformance can be attributed to the timing of our investment in combination with lackluster Q3 earnings that caused many significant holders to adjust their positions in AB. Looking ahead, the company's fundamentals continue to remain strong and AB appears well positioned to recover in a reasonable matter of time.



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Student Manager Biographies



Jarett Bonser

Jarett is a senior from Deer Park, New York pursuing a Bachelor of Business Administration with a concentration in Finance and a minor in Information Systems. In addition to his studies, Jarett is a member of the Men's Lacrosse Team. In the summer of 2020, Jarett worked as a Consulting and Financial Services intern at RSM US LLP in New York City. In his free time, Jarett enjoys weightlifting, golfing, investing, and cooking. After graduation, Jarett will start a full-time position at RSM US LLP as a Financial Consulting Associate.



Emily Cebulski

Emily is a senior from Reading, Pennsylvania pursuing a B.S. in Statistics and Finance. Emily serves as the Vice President of the Fixed Income Society and the Service Coordinator for Alpha Sigma Nu. She is also a member of Phi Beta Kappa, Financial Management Association, and Pi Mu Epsilon, The National Honorary Mathematical Society. In her free-time she enjoys hiking and reading. She completed summer research in portfolio optimization via stochastic processes as an REU at Oregon State University as well as Data Analytics for SC&H Group. After graduation, Emily will join Crowe's Advisory Services team in Washington, D.C. as a Data Scientist.



Christopher Ciacciarelli

Christopher is a senior from Mahwah, NJ pursuing a B.B.A with a concentration in Finance and is a first-generation Italian American. In addition to his studies, he is a member of Loyola's club rugby team. Chris studied abroad in the fall of 2019 at Florence University of the Arts in Florence Italy. In the summer of 2020, he began his internship with Morgan Stanley in the Florham Park, NJ office which he continued through the fall semester with a full course schedule. In his free time, he enjoys fishing, watching sports, and playing bocce.



Jordan Fellner

Jordan is a senior from Baltimore pursuing a B.B.A in Finance and will be the first one in his family to graduate from college this Spring. Jordan transferred to Loyola after one year at Towson University to be at a smaller school. Jordan is on the board for the newly formed Transfer Student Association and a part of the Esports club at Loyola. Since October of 2019 Jordan has been interning part time during the school year and full time during the summer at Maller Wealth Advisors, a small wealth advisory firm, located in Hunt Valley Maryland. After graduation he would like to work towards getting his MBA in Finance. In his free time Jordan enjoys investing, streaming video games on Twitch, and hanging out with friends.



Samantha Fiedler

Samantha is a senior from Reisterstown, Maryland pursuing a B.B.A with a concentration in Finance and a minor in Forensic Studies. In addition to her studies, she is a member of the Division 1 Women's Lacrosse Team. Samantha has previously interned part-time for Maller Wealth Advisors, a small wealth advisory firm in Hunt Valley, Maryland, while also coaching and training youth lacrosse players in the summer. Following graduation, Samantha will be spending the year pursuing an MBA through Loyola's Professional MBA program, while playing her fifth year of Division 1 Lacrosse.



Morgan Flotteron

Morgan, a senior, from Long Island, New York is pursuing a B.B.A. in Finance. Morgan serves as the Executive Vice President for the Financial Management Association, President of the Loyola Irish Hounds, and is a member of Alpha Kappa Psi, Fixed Income Society, Loyola Consulting Group, Rugby and Sailing team. Morgan studied in Leuven, Belgium in the fall of 2019 and was a member of the KU Leuven's whitewater kayaking team, De Luk. In her free time, she enjoys sailing, skiing, traveling, reading, and networking. In addition to Morgan's studies, she has recently obtained her New York State Real Estate Salesperson License. She has completed internships ranging from medical billing at a startup to originating mortgages and investment sales in New York City. After graduation, Morgan will pursue commercial real estate as an investment sales broker servicing building owners and operators in the middle market.



Jacob Freeman

Jake is a senior from New London, CT pursuing a B.B.A. with a concentration in Finance. Leading into junior and senior year, he interned with the Project Finance division of A/Z Corporation, an integrated services provider operating within the construction industry. Jake is a member of the FMA's National Honor Society and enjoys playing soccer in his free time. Following graduation in Spring 2021, he hopes to pursue an MBA.



Brett Inserra

Brett is a senior from Upper Saddle River, NJ pursuing a B.B.A in Finance. In addition to his studies Brett is a member of the Loyola Men's Golf Team. Following graduation in the Spring of 2021, Brett will be pursuing his MBA through Loyola's Emerging Leaders MBA program. Brett enjoys playing golf, watching movies, cooking, and weightlifting in his free time.



Robert La Penna

Rob is an undergraduate student pursuing a B.B.A with a concentration in Finance and a minor in Information Systems. In addition to his schoolwork, he is studying to take level one of the Chartered Financial Analyst (CFA) exam. Some of his extracurriculars include holding leadership roles as the President of the Financial Management Association and the Vice President of Fundraising for his chapter of Beta Gamma Sigma. Rob's most recent work experience was at Stifel Financial working on client portfolios and equity analysis in the Behavioral Finance division of the Investment team. Originally from New Jersey, Rob hopes to travel the world and own his own business. He will be pursuing a career in portfolio development or equity analysis after graduating in the Spring of 2021.



Kaitlyn Larsson

Kaitlyn is an undergraduate student pursuing a Bachelors of Business Administration with a concentration in Finance and a minor in Information Systems. In addition to her studies, she is a member of the Division 1 Women's Lacrosse Team and works as a Building Supervisor at Loyola's Fitness and Aquatic Center. Kaitlyn previously spent her summer as a Finance and Accounting intern with PayPal Holdings Inc, on the Credit Finance Team. Following graduation, Kaitlyn will be interning again with PayPal as a master's intern before she spends the following year pursuing an MBA in Data Analytics and Digital Technologies, while playing her fifth year of Division 1 Lacrosse.



Kateri Martin

Kateri is a senior from Darien, Connecticut pursuing a B.B.A. with a double concentration in Finance and Information Systems. In addition to her studies, she is a member of the Women's Tennis Team, Vice President of the Student Athlete Advisory Committee, and a member of Green & Grey Society. Kateri previously spent her summer as a Finance intern with Under Armour on the FP&A team and as a Business Intelligence and Data Analytics intern with Swisher International. In her free time, Kateri enjoys reading, hiking, and playing other sports. After graduation, Kateri plans to either pursue an MBA at Loyola while playing her fifth year of Division 1 Tennis or continue with her career in business.



Nicholas Mejia

Nick is a senior from Baltimore pursuing a B.B.A in Finance. Nick is a member of the Men's Golf Team at Loyola, the Financial Management Association, and a member of Chi Alpha Sigma, the national honor society for student-athletes. In the summer of 2019, Nick worked as an Investment Sourcing Intern at Greenspring Associates, a venture capital fund-of-funds firm located in Owings Mills, MD. Following graduation in the Spring of 2021, Nick will be pursuing his MBA through Loyola's Emerging Leaders MBA program. In his free time, Nick enjoys playing golf with his friends, reading, and watching his favorite sports teams, the Baltimore Ravens and Washington Wizards.



Brendan O'Connell

Brendan is a senior from Boston, Massachusetts pursuing a B.B.A with a concentration in Finance and a minor in Mathematics. Brendan is the Sergeant of Arms for Beta Gamma Sigma and a member of the Loyola Consulting Group. In the summer of 2019, Brendan worked as a Risk intern with Fidelity Investments on their Digital Assets team. Currently, Brendan is working to develop a startup called Equalyze that provides Baltimore small businesses with cost-effective access to young talent by connecting them with undergraduate students for short-term project support. In his free time, Brendan enjoys skiing, fishing, spending time with his friends, and running.



Jillian Olita

Jillian is a senior from Centerport, New York pursuing a B.B.A with a concentration in Finance and a minor in Information Systems. In the fall of 2019, Jillian studied abroad at the American University of Paris. In addition to her studies, Jillian will be joining the Go-To-Market Strategy and Product Management team at Carefirst in Baltimore. After graduation, Jillian hopes to pursue her MBA in Finance while joining a financial services firm. In her free time, Jillian enjoys listening to podcasts, working out, and spending time with close friends and family.



Benjamin Oswald

Ben, a senior, from Northeastern Pennsylvania is pursuing a B.B.A. in Finance. Ben serves as Chief Financial Officer of Student Government Association, Vice President of Training for Greyhound Ambassadors and Vice President of Events for Financial Management Association. He is also a member of Alpha Sigma Nu, the Jesuit National Honor Society. Ben studied in Copenhagen, Denmark in the spring of 2020. In his free time, he enjoys reading non-fiction, traveling, and volunteering in Scouting as an Eagle Scout. He completed internships in New York at BNY Mellon and J.P. Morgan Chase. Ben will join J.P. Morgan Chase's Core Middle Market Banking division in Manhattan full-time in July 2021 servicing clients with commercial banking, investment banking, and corporate finance advisory.



Andrea Ramirez Centeno

Andrea is a senior at Loyola pursuing a B.B.A with a concentration in both Finance and Marketing. During her career at Loyola, she has worked with Wealth Community Builders, a start-up nonprofit which founded Local Dining Week Baltimore. She has also worked with a wreath of local businesses in Baltimore which focused on creating strong partnerships with companies such as the Orioles, Whole Foods and Mom's Organic Market. With the same focus on community and justice, Andrea joined Loyola's Social Impact Fellowship which focused on tackling inequity on campus through a year-long proposal to the board and directors. Andrea is currently a member and officer in Beta Gamma Sigma. Upon graduation, Andrea will join Morgan Stanley's Operations team in New York City. She hopes to continue to have a positive impact in the community as well.



Brendan Sheehan

Brendan is pursuing a B.B.A. in Finance from the Sellinger School of Business at Loyola University Maryland, graduating in May 2021. He is a member of the steering committee for the Center for Innovation and Entrepreneurship, Alpha Kappa Psi Business Fraternity, and a member of Loyola's Club Basketball Team. Over the summer, Brendan interned for Sterling National Bank in their strategic solutions department and is currently a growth equity intern at Resolve Growth Partners. In his free time, he enjoys surfing, playing basketball, and spending time with his friends. Upon graduation, he hopes to further his career in finance in either the New York or Baltimore area.



Matthew Sklar

Matthew is an undergraduate pursuing a Bachelor of Business Administration with a concentration in Finance with a minor in History at Loyola University Maryland. In addition to his studies, he is an elected Class of 2021 Assembly member on the Student Government Association and has worked as a tour guide in the Admissions Office since his first year. He previously worked as an intern at Strategies for Wealth in New York. Matthew enjoys camping and hiking and wants to see all the nation's national parks. Matthew is looking to begin a financial, risk, or tech consulting career, upon graduation, and is considering a cross-country move.



Matthew Watson

Matt is an undergraduate student pursuing a Bachelors of Business Administration with a concentration in Finance and a minor in Information Systems at Loyola University Maryland. In addition to his studies, Matt is President of the Loyola Fixed Income Society and a member of Beta Gamma Sigma. After graduation in December of 2021, he would like to join a company in either a wealth management or as a financial advisor.



Daniel Wigley

Dan is a senior from Medford, New Jersey pursuing a B.B.A. with a concentration in Finance and a minor in Information Systems. Dan is a member of Beta Gamma Sigma, an international honor society for top business school students. Dan studied in Prague, Czech Republic in the summer of 2019. In addition to his studies, he is a member of the Men's Lacrosse Team. In the summer of 2020, Dan worked as an intern in the Private Wealth Management division at Stifel Financial Corporation in which he supported a Private Client team. In his free time, he enjoys golfing, fishing, and coaching lacrosse. After graduation, Dan will pursue a master's degree in Data Science with a specialization in Data Analytics while competing in his fifth year of eligibility in lacrosse.