



Sellinger Applied Portfolio Review

Summer 2021





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Overview



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Background

The Sellinger Applied Portfolio Fund (SAP Fund) at Loyola University is managed by students to provide portfolio management experience. As a class, students make decisions on which stocks to buy and trade, exposing them to portfolio management processes, valuation, diversification, optimization, performance evaluation, and risk management. These funds, provided by the University's endowment, are liquidated annually following the course.

The Summer 2021 fund was managed by 14 students from May 18, 2021 to June 29, 2021. The fund began with total assets of \$653,252 and ended with \$683,805 (increase of \$30,553).

S&P 500 ETF Return: 24.85%

SAP Fund Return: 25.08%





Guidelines and Strategies

Allowable investments include:

- U.S. exchange listed stocks, including ADRs
- Unleveraged ETFs, including stock index ETFs and commodity ETFs
- Only investment grade securities

Moral and social considerations must be taken into consideration throughout the investment process.

Limitations:

- Not more than 10% will be invested in any one stock
- Not more than 25% will be invested in a single index
- Not more than 30% will be invested in a single sector

Strategies:

- Growth (goal 40%)
- Value (goal 40%)
- Dividend (goal 20%)

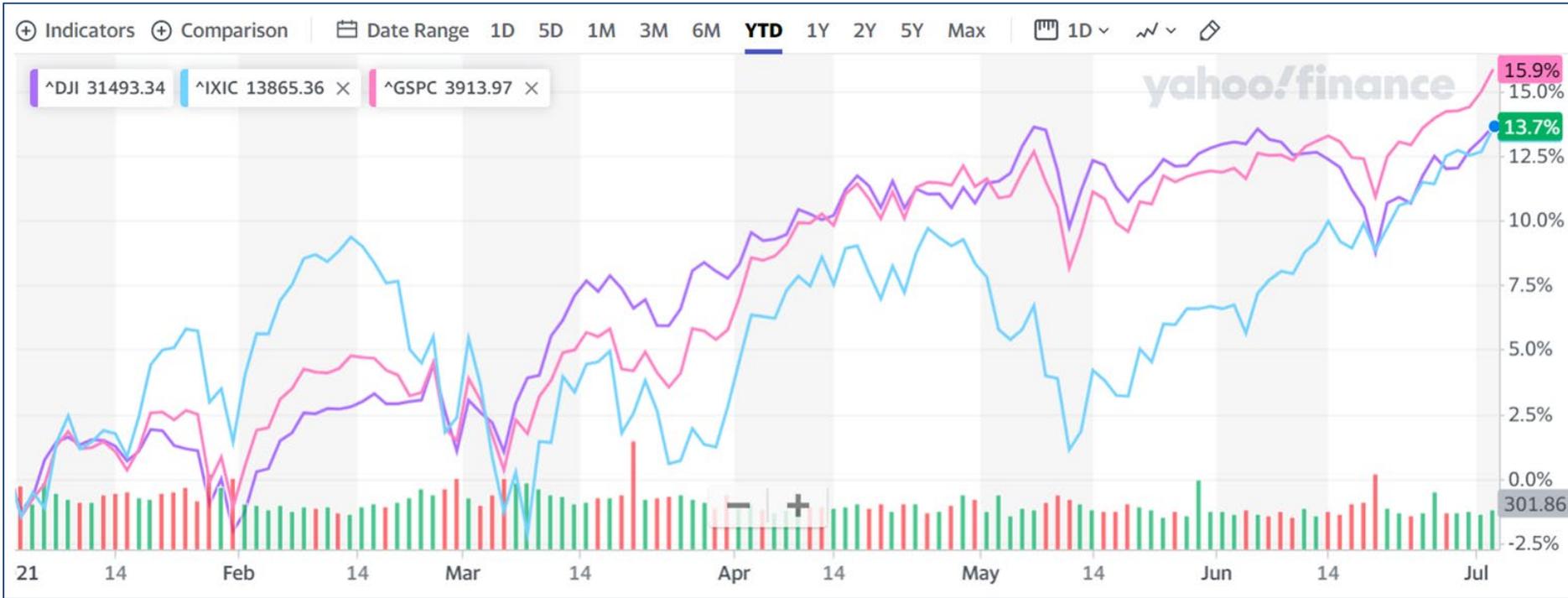
In groups, students will perform in-depth research and provide a stock pitch to the class. If majority of the class votes for the stock, Loyola's SAP Fund will invest. Students will also decide on the funding source to purchase shares.

Sector Weights

Sector	Position Strategy	Target	S&P	Portfolio	Delta to Target
Information Technology	Overweight	28%	24%	29%	1%
Health Care	Neutral	14%	14%	15%	1%
Communication Services	Overweight	12%	11%	12%	0%
Consumer Staples	Underweight	4%	7%	7%	3%
Consumer Discretionary	Overweight	14%	13%	11%	-3%
Financials	Overweight	16%	14%	13%	-3%
Utilities	Underweight	0%	3%	0%	0%
Industrials	Neutral	7%	9%	9%	2%
Materials	Neutral	2%	2%	2%	0%
Energy	Underweight	0%	2%	0%	0%
Real Estate	Neutral	3%	2%	0%	-3%



Major Indices Performance

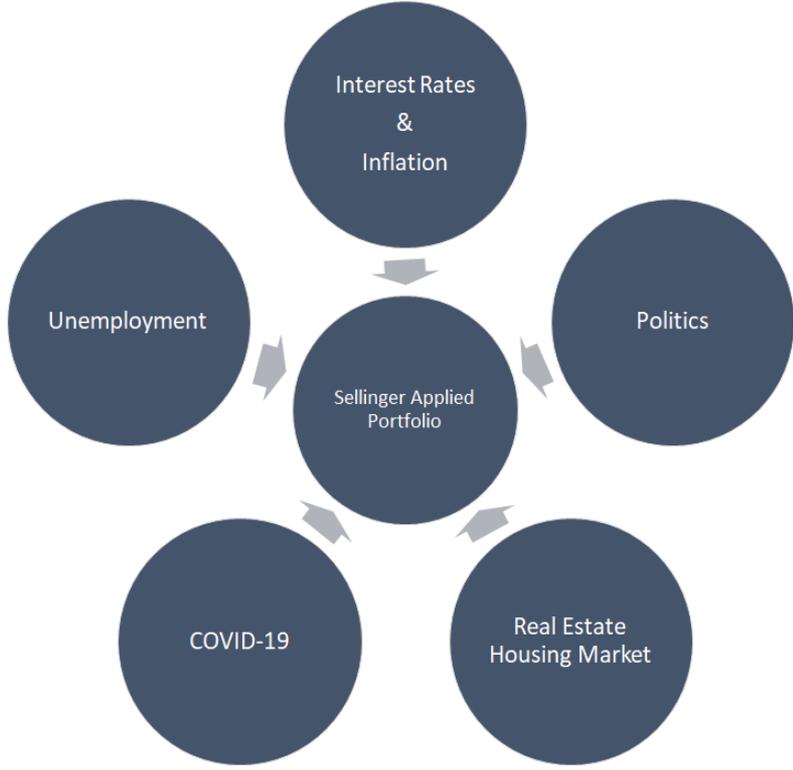




Economic Conditions



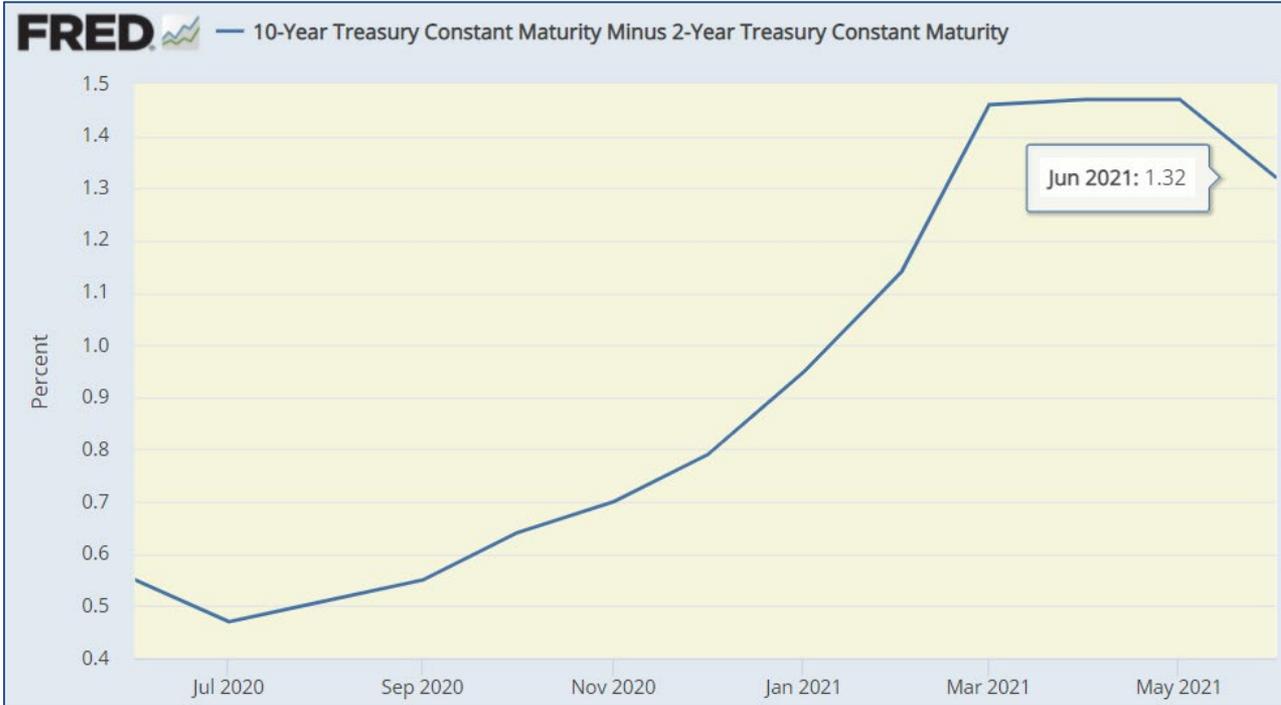
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The markets are influenced by economic factors such as interest rates and inflation, politics, real estate and housing market, COVID-19, and unemployment.

Stock analysis and investment decisions considered economic conditions.

Interest Rates

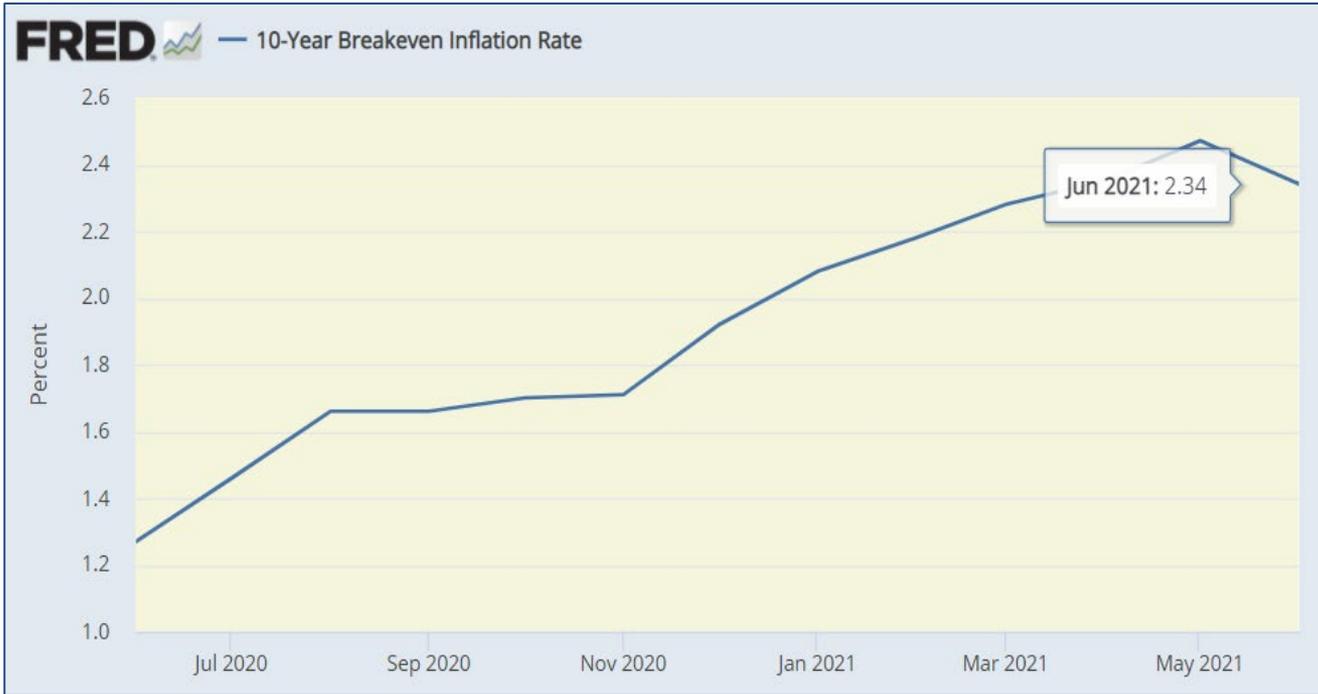


Is the debate moving towards an earlier move?

FOMC members' projections brought forward the expectation for a first rate hike to 2023 from 2024 at the June meeting and a substantial minority of members circled 2022 for the first increase.



Inflation



Some investors remain on edge about inflation.

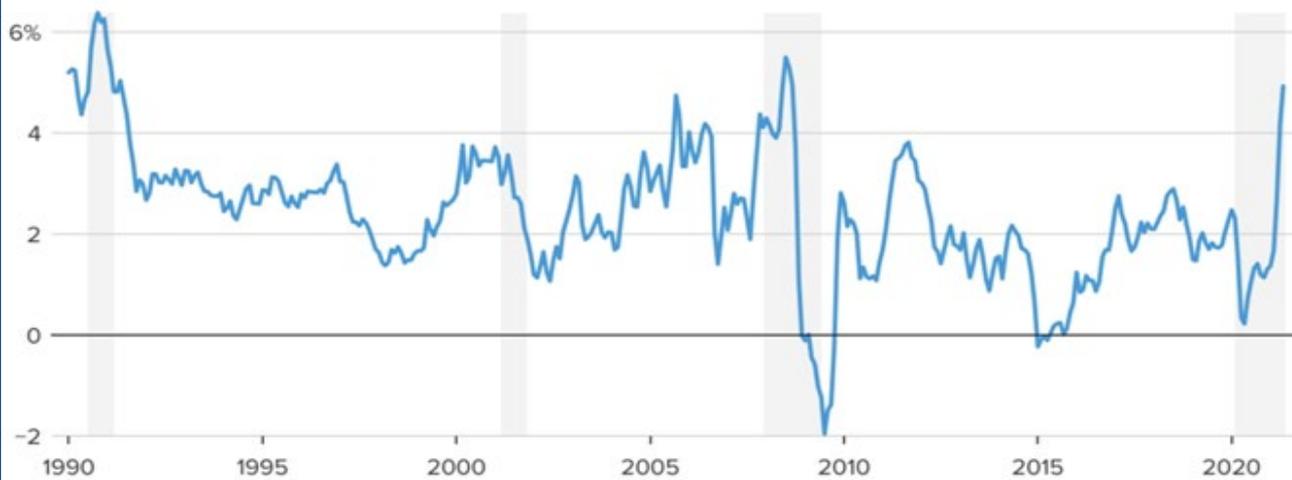
The stock market's strong performance this year has been deemed by easy-money policies from the Federal Reserve.



CPI Report

Consumer Price Index, all items

Percent change from prior year



Note: Shaded areas indicate recessions. Data through May 2021.

Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis. Data is seasonally adjusted.



Consumer prices up 5% YoY. Fastest pace since August 2008.

3.8% rise in core inflation rate, the sharpest increase in nearly three decades.

Surging used car prices drove much of the inflation gains.

Jobless claims at 376,000, lowest of the pandemic era.



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Source: US Department of Labor

U.S. Politics

Biden proposes \$6 trillion budget
for FY 2022



- Highest sustained levels of federal spending since WWII
- Upgrade the nation's infrastructure & expand the social safety net
- Biden must appease moderate Democrats without alienating House progressives to get approval
- Economy would grow 2%/year if full agenda enacted
- Little fear of rapid inflation
- Time is now (low interest rates & nation rebuilding) for large upfront investments

U.S. Politics

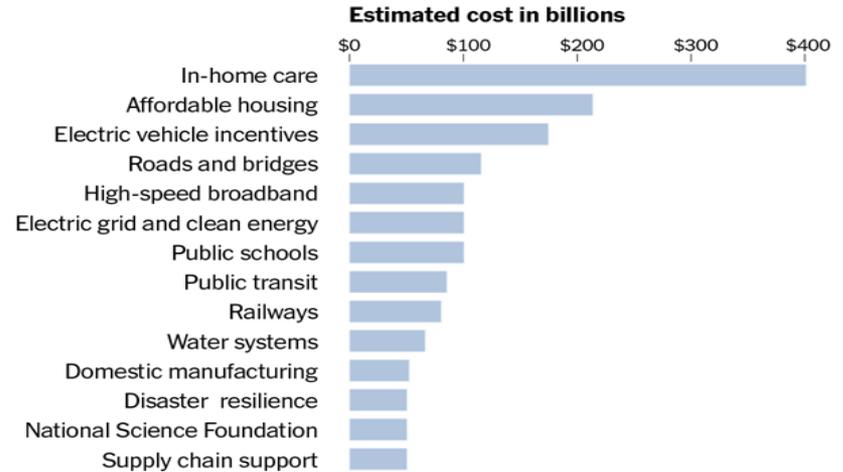
Biden's Infrastructure Plan

Under the bipartisan agreement, by contrast, wages would be 0.1% higher and the economy would be 0.1% larger, according to Wharton estimates.

Biden's original plan was \$2.7 trillion, but a group of moderate Republican and Democratic senators agreed on a smaller spending package, \$1.2 trillion.

What's in Biden's infrastructure plan?

The biggest pieces of the \$2 trillion plan:



Source: The White House



World Politics

G7 Summit Communique on China

- Calls for study of Covid origin in China
- Agreement to consult China's challenging non-market policies and practices
- Call for China "to respect human rights and fundamental freedoms"
- Increasing tensions in East and South China Seas/across Taiwan Strait



Real Estate / Housing Market

Low interest rates are causing a boom in the housing market.

Many sellers are finding it easy to keep up with demand, as many more customers come to offers with more cash & are offering incentives like paying for closing costs or not requiring an appraisal.



While homebuyers have seen a hot market, commercial real estate continues to suffer as many customers continue to avoid malls & crowded places via social distancing.



Real Estate / Housing Market



- US new home sales fell 5.9% in April after big March gain
- Price pressure coming from lack of homes for sale
- Mortgage rates remain low and there has been an increased demand for home ownership as many companies have embraced remote work.

The outlook for new and existing home sales remains very strong in 2021.



COVID-19

About 66.8% of adults have received at least one shot. President Biden set a goal on May 4 of reaching 70 percent of adults by July 4, but has acknowledged the country would need additional time to achieve the national target.



High vaccination rates are leading to a growing economy as the reopening of museums, theaters, retail stores, offices, and restaurants shift from online sales to pre-COVID business.

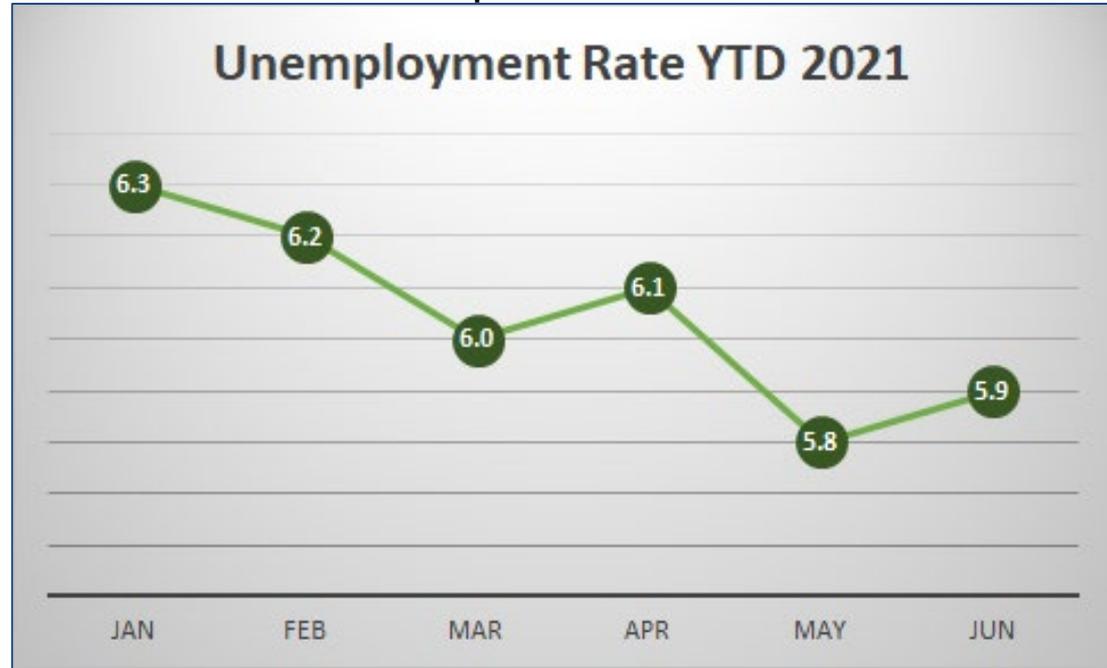
Unemployment

- Unemployment rose 0.1% to 5.9%
- 850,000 jobs were added
- Economy still down 6.8M jobs since April 2020

Most Jobs Added by Industry

Leisure and Hospitality
Local, State, Private Education
Professional and Business Service
Retail
Manufacturing

Latest Report - June 2021



Labor Shortages

- Businesses are reopening and cannot find enough workers
- Many economists point to the federal bonus in unemployment as the main cause for labor shortages
- American Rescue Plan started giving \$300/week in Dec. 2020 to aid unemployment
- As 47% of US citizens are fully vaccinated, states have lifted COVID restrictions, resulting in surging consumer demand





Sector Summaries



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Sector Overview

As mentioned in our introduction, the class took time early in the semester to vote & come to a consensus on our target portfolio weightings via the S&P 500 sector. Throughout our time together, we would periodically review & refine the weightings to ensure we stayed within our projections.

The next section of our presentation will be a sector-by-sector breakdown of each industry, and our analysis of the class sector weightings in the portfolio as of 6/30/21.



The following sectors will be considered:

- Communication Services
- Consumer Discretionary
- Consumer Staples
- Financials
- Health Care
- Industrials
- Information Technology
- Materials
- Utilities

Consumer Staples

The Consumer Staples sector is a combination of manufacturers, food distributors, beverage, non household goods, personal items, and tobacco. This sector focuses in on items that are purchases by the common individual or household. This sector is known to be less sensitive to economic fluctuations, because the demand remains consistent since these are goods that are a need.

Factors to be Considered for Summer 2021:

- (-) Stimulus money could have an affect on consumer spending habits once the unemployment rates level off in the fall
- (+) Sector tends to be noncyclical and relatively safe.

Portfolio Contributions	
Name	Abbreviation
Walmart	WMT
Consumer Staples Select Sector SPDR Fund	ARCX: XLP
Tyson Foods	TSN



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Consumer Staples	Underweight	Overweight	4.00%	6.97%	7.20%	20.63%



Financials

The Financials sector is one of the larger portions that makes up the US economy. This sector involves banks, investment firms, insurance, and real estate companies. This sector usually performs in a direct relationship with the economy. When this sector underperforms, this can signal a recession or underperformance within the US economy.

Factors to be Considered for Summer 2021:

- (-) Fear and worry surrounded by inflation
- (+) Technology has sped up the finance industry and has opened the door for new opportunities for consumers and businesses.

Portfolio Contributions	
Name	Abbreviation
Alliance Bernstein Holding	AB
Discover Financials Services	DFS
PNC Financial Services Group	PNC
S&P Global	SPGI
Financials Select Sector SPDR Fund	XLF



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Financials	Overweight	Underweight	16.00%	13.50%	13.02%	62.11%



Industrials

The Industrials sector is made up of manufacturer and distribution companies for machinery, equipment, and supplies that are used within other industries that are sold or serviced directly by the consumer. This includes aerospace, construction, housing, engineering etc.

Portfolio Contributions	
Name	Abbreviation
Carlisle Companies	CSL
D.R Horton	DHI
L3Harris Technologies	LHX
Industrials Select Sector Fund	XLI
General Motors Company	GM

Factors to be Considered for Summer 2021:

- (-) Highly sensitive to fluctuations within the economy – COVID-19 reduced industrial demand, supply chain issues
- (+) Need for industrial space is growing



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Industrials	Neutral	Overweight	7.00%	8.79%	8.83%	11.97%

Health Care

Portfolio Contributions	
Name	Abbreviation
Alexion Pharmaceuticals	ALXN
Anthem	ANTM
Cigna Corporation	CI
Centene Corporation	CNC
Medtronic Public Limited Company	MDT
MetLife	MET
Pfizer	PFE
Regeneron Pharmaceuticals	REGN
Health Care Select Sector Fund	XLV

The Health Care sector comprises of businesses that provide medical offerings, medical equipment manufacturers, medical drugs, or treatment of care to patients in hospitals, facilities, or doctor's offices.

Factors to be Considered for Summer 2021:

- (-) Still recovering from COVID-19 economic pressures
- (+) Biden administration proposal around tax reforms could support the growth of healthcare.



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Health Care	Neutral	Overweight	14.00%	13.55%	15.39%	11.97%

Communication Services

The Communication Services sector is comprised of companies that provide communications services primarily through a fixed-line, cellular, wireless, high bandwidth and/or fiber optic cable network. The largest companies within this sector are Internet content & information companies, entertainment firms, telecommunications service providers, and electronic gaming companies.

Portfolio Contributions

Name	Abbreviation
Communication Services Select Sector SPDR Fund	XLC
Verizon Communications, Inc.	VZ

Factors to Consider for Summer 2021:

- (+) Increased reliance on communication services as a result of the COVID-19 pandemic has allowed this sector to thrive.
- (+) Increased presence of entertainment in the streaming wars has led to a boom in competition.
- (-) The battle for 5G connectivity in the United States has slowed when compared to other developed nations.



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Communication Services	Overweight	Overweight	12.00%	10.77%	12.37%	19.39%

Consumer Discretionary

The Consumer Discretionary sector is comprised of businesses that sell nonessential products & services. The demand for goods in this business can be considered more elastic, where consumer confidence & income play a large role in the sector success.

Factors to Consider for Summer 2021:

- (+) Consumer confidence
- (+) Amid vaccine rollout & beginning of summer -- many consumers looking to purchase goods & services for leisure.
- (+) Quarantine in the United States gave many citizens the opportunity to save & spend while working from home.
- (-) Spending habits may have dramatically changed due to pandemic pressures on American households.
- (-) Increased competition in the sector can have a trickle down effect on margins.

Portfolio Contributions

Name	Abbreviation
Consumer Discretionary Select Sector SPDR Fund	XLY
AutoNation, Inc.	AN
Etsy, Inc.	ETSY
Amazon.com, Inc.	AMZN
Nike, Inc.	NKE
Lululemon Athletica, Inc.	LULU



Sector	Initial Position Strategy	Final Position Strategy	Target	SP Contribution*	Portfolio Contribution	YTD Performance
Consumer Discretionary	Overweight	Underweight	14.00%	12.50%	11.13%	9.87%



Information Technology

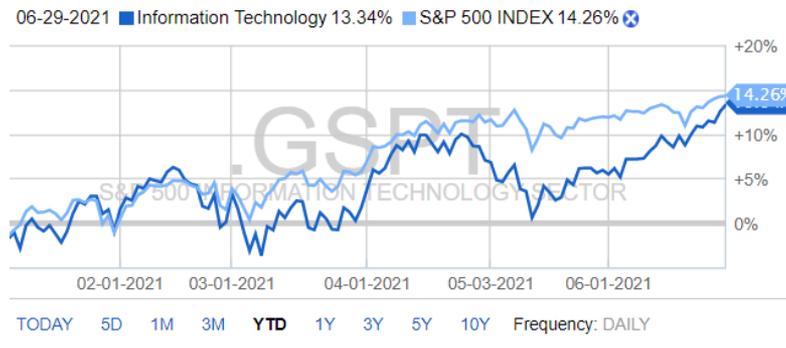
The Information Technology sector is comprised of businesses that revolve around the manufacturing of electronics, creation of software, computers, or products & services related to information technology. Consumer goods here are consistently being improved and sold to consumers with newer features.

Portfolio Contributions	
Name	Abbreviation
Applied Materials, Inc.	AMAT
Advanced Micro Devices, Inc.	AMD
CDW Corporation	CDW
FISERV, Inc.	FISV
Intel Corporation	INTC
International Business Machines Corporation	IBM
LAM Research Corporation	LRCX
Microsoft Corporation	MSFT
Information Technology Select Sector SPDR Fund	XLK

Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Information Technology	Overweight	Overweight	28.00%	24.19%	29.07%	13.34%

Factors to Consider for Summer 2021:

- (+) Explosion of IT in COVID-19 pandemic as work and personal life blurred together.
- (+) Increased reliance on personal & work devices has allowed this industry to explode in the last 3 years, with a 108.43% industry return when compared to the 55.79% return of the S&P 500 Index.
- (-) As COVID-19 pandemic slowly fades, potentially could have an initial rejection of use of computers to better balance screen time & mental health.



Materials

The Materials sector is comprised of businesses that provide commodity-related manufacturing industries. This sector will include any firms that manufacture chemicals, construction materials, glass, paper, forest products & related packaging products, as well as metals, minerals & mining companies, including producers of steel.

Factors to Consider for Summer 2021:

- (+) Increased demand picked back up in May as pen-up demand amid the reopening economy boosted orders.
- (-) Unfinished work has piled up due to shortages of raw materials & labor.
- (-) Record-long lead times, rising commodities prices, difficulties in transporting products are affecting all segments of the manufacturing process.

Portfolio Contributions	
Name	Abbreviation
Vale SA	VALE



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Materials	Neutral	Underweight	2.27%	2.27%	1.95%	13.18%

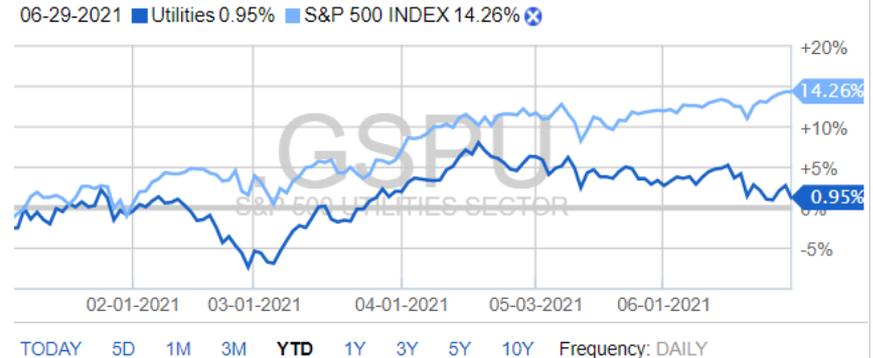
Utilities

The Utilities sector is comprised of businesses considered electric, gas or water utilities, or any companies that operate as independent producers and/or distributors of power.

Factors to Consider for Summer 2021:

- (+) Surge in demand for more advanced technology, smart cities, and electric mobility.
- (+) Growing demand for renewable energy sources & sustainability presents a unique transformational period for this sector.
- (-) Decreased reliance on gasoline-powered vehicles as major companies begin to announce fleets of new, electric vehicles.

Portfolio Contributions	
Name	Abbreviation
Utilities Select Sector SPDR Fund	XLU



Sector	Initial Position Strategy	Final Position Strategy	Target	S&P Contribution*	Portfolio Contribution	YTD Performance
Utilities	Underweight	Underweight	0.00%	2.76%	0.00%	0.95%



Portfolio Strategy & Composition



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Growth Strategy Criteria

- Conservative Mentality – Expect stock to perform better than Industry
- Revenue growth \approx Industry Average and forecasted to continue to grow
- Strong Earnings \sim 5 years of CAGR
- ROE $\approx \geq 15\%$ and $>$ Industry Average
- PEG $\approx \leq 1.2$ and $<$ Industry Average
- Debt / Equity < 1.5 (or Acceptable Interest Coverage Ratio when D/E > 1.0)

Growth Acquisitions

1. Amazon.com, Inc.
2. S&P Global Inc.
3. Etsy, Inc.
4. Regeneron Pharmaceuticals, Inc.
5. AutoNation, Inc.
6. The PNC Financial Services Group, Inc.
7. American Tower Corporation



Amazon.com, Inc.

Ticker: AMZN

Purchase Date: 6/2/2021

Shares: 7

Cost: \$22,580.11



Overview:

- Amazon is a behemoth in the Consumer Cyclical sector, and one of the most popular stocks on the market
- Amazon is the leading giant in the online retail business as well as one of the highest-grossing ecommerce aggregators
- Revenue is represented through retail (83%), Amazon Web Services cloud computing, storage, database, and other offerings (12%) and advertising services and co branded credit cards (6%)

WHY:

- With the promising acquisition of MGM Studios, many technology startups, and the history of success of Amazon, we believe Amazon would be a great investment for our SAP Fund





S&P Global Inc.

Ticker: SPGI

Purchase Date: 6/2/2021

Shares: 40

Cost: \$15,170.80

S&P Global

Overview:

- SPGI has an impressive Growth Score of A. This style score condenses all the essential metrics from a company's financial statements to get a true sense of quality and sustainability of its growth.
- The company has an expected long-term (three to five years) earnings per share growth rate of 10%. Its earnings for 2021 and 2022 are expected to grow 8.8% and 9.4% year over year, respectively.
- The stock has gained 15.5% year to date, significantly outperforming the 5.3% rally of the industry it belongs to.

WHY:

- The INFO merger
- Strong competitive advantages in Market Intelligence; Rating and Indices
- Secular tailwinds which enable growth at around double GDP growth

Etsy, Inc.

Ticker: ETSY

Purchase Date: 6/9/2021

Shares: 90

Cost: \$15,519.60

The Etsy logo is displayed in a stylized, orange, cursive font.

Overview:

- Etsy Inc (ETSY) stock has gained 82.15% over the last 12 months, and the average rating from Wall Street analysts is a Strong Buy.
- Most recently, the company announced plans to acquire Depop for \$1.6 billion, a move that vaults Etsy into the clothing resale business.
- ETSY has gained \$2.96 from the previous closing price of \$181.52 on volume of 1,778,039 shares. Over the past year the S&P 500 is up 38.77% while ETSY has gained 82.15%. ETSY earned \$3.43 a per share in the over the last 12 months, giving it a price-to-earnings ratio of 53.9.

WHY:

- Etsy's growing momentum across marketplace platform.
- Active Q1 buyer base grew 89.9% YoY to 90.6%.
- Strong efforts toward key growth initiatives.
- Reverb acquisition: global marketplace for vintage musical instruments.





Regeneron Pharmaceuticals, Inc.

Ticker: REGN

Purchase Date: 6/11/2021

Shares: 30

Cost: \$15,251.55



Overview:

- Shares of bigwig Regeneron Pharmaceuticals, Inc. REGN have grown 3.5% so far this year against the industry's decline of 4.1%
- Regeneron has had a good run in 2021 so far after putting up a stellar performance in 2020 on the back of a solid product portfolio

WHY:

- REGEN-COV has been grossly underestimated, and sales of the treatment hit over \$2b in the second quarter like analysts are predicting.



AutoNation, Inc.

Ticker: AN

Purchase Date: 6/23/2021

Shares: 110

Cost: \$10,049.60

AutoNation

Overview:

- The company's EPS is expected to grow 42.6% this year, crushing the industry average, which calls for EPS growth of 32%
- The company's annualized cash flow growth rate has been 14.5% over the past 3-5 years versus the industry average of 11.6%
- Year-over-year cash flow growth for AutoNation is 93%, which is higher than many of its peers. In fact, the rate compares to the industry average of 26.1%

WHY:

- The used car market is extremely tight right now, and that's helping to boost prices of vehicles and bolster profit margins for smart dealers.
- AutoNation has been making massive acquisitions to expand its nationwide network and build out an operation that can sell 1 million vehicles each and every year.



The PNC Financial Services Group, Inc.

Ticker: PNC

Purchase Date: 6/23/2021

Shares: 55

Cost: \$10,146.85



Overview:

- Q1 quarter net income was \$1.8B. Increased \$370M (25%). Total revenue of \$4.2B
- PNC completes acquisition of BBVA USA making PNC the 5th largest commercial bank with \$560M assets
- Total revenues rose around 4% from \$16.2 billion in 2018 to about \$16.9 billion in 2020, it translated into a 41% increase in the net income figure
- PNC plans 9% dividend boosts and to reinstate \$2.9B stock buyback

WHY:

- Bullish Market Outlook
- Organic Expansion Opportunities
- Outperforms Industry/Sector Rivals
- Consistent Dividend Growth



American Tower Corporation

Overview:

- As a global Real Estate Investment Trust, AMT is a leading independent owner, operator, and developer of wireless & broadcast communications real estate
- REITs are companies that own or finance income-producing real estate across property sectors
- AMT makes money by leasing space on towers it owns or manages and the land around the site that it either owns or leases.
- Think antenna space as wireless real estate

WHY:

- Market value: \$106B
- 51% of their space is leased out to AT&T, T-Mobile, & Verizon.
- Strong dividends
- Exponential company growth
- Strong long-term performance

Ticker: AMT

Purchase Date: 6/29/2021

Shares: 37

Cost: \$10,000



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LAM Research Corporation

Overview:

- Lam Research Corporation is an American corporation that engages in the design, manufacture, marketing, and service of semiconductor processing equipment used in the fabrication of integrated circuits.
- Leaders in wafer fabrication equipment and services that allow chipmakers to build the best performing electronic devices
- Their customer include Semiconductor memory, logic, and specialty technology chipmakers, Micron Technology, Samsung Electronics Company, and Taiwan Semiconductor Technology

Ticker: LRCX

Purchase Date: 6/18/2021

Shares: 25

Cost: \$15,929.99

WHY:

- 1.30B is coming from the Customer Support Business Line
- US GAAP Operating Margin: 31.1%
- US GAAP Gross Margin: 46.3%
- Financial Rating: A2 from Moody's





Value Strategy Criteria

- Price/Sales < Industry average
- Price/Book Value < Industry average
- Dividends > Industry Average
- Positive Free Cash Flow

Value Acquisitions

1. Metlife Inc.
2. IBM

MetLife

Ticker: MET

Purchase Date: 5/26/2021

Shares: 230

Cost: \$14,703.90



Overview:

- One of the largest global insurance providers in more than 40 countries and serves 90 million customers
- Their products offering are Insurance, Employee Benefits, Investment Management, Retirement and Income Services
- MetLife mission statement is "Our purpose is why we are in business and reflects what we stand for and believe in. Our purpose is to help our customers navigate life's twists and turns."

WHY:

- Best performing firm within Financial Services (non-bank & Insurance) industry
- Strong earnings and consistent dividend
- Market Capitalization: \$57.2434 billion
- EPS (TTM): \$1.26; P/E Ratio: 53.32; Beta (5-Year): 1.33



IBM

Ticker: IBM

Purchase Date: 5/26/2021

Shares: 70

Cost: \$10,029.60



Overview:

- IBM launched in 1911 by the merging of 3 companies- the Computing Scale Company, the Tabulating Machine Company, and the Time Recording Company.
- IBM operates in 175 countries and employs approximately 350,000 people.
- Their most notable inventions include the tabulating machine, the personal computer, the commercial hard drive, and the electric typewriter.

WHY:

- Cloud reliability has increased exponentially, which has significantly cut the cost of switching from IBM mainframes to the Cloud
- IBM's database will see significant churn as NoSQL databases' applications outweigh the cost of switching database systems
- Even IBM's stickiest customers find it worth to switch to IBM competitors in software and cloud services



Dividend Strategy Criteria

- Dividend Yield \geq SPDR S&P Dividend ETF
- Quick Ratio \geq Industry Average
- Positive total cash dividends paid annually
- Positive total cash from investing activities
- Positive total cash from operating activities
- Constant dividend
- Historical and potential dividend growth

Dividend Acquisitions

1. CDW Corp.
2. JP Morgan Chase

CDW Corporation

Ticker: CDW

Purchase Date: 6/16/2021

Shares: 85

Cost: \$14,583.45



Overview:

- Provides information technology solutions to business, government, education, and healthcare to clients in US, UK, & Canada.
- CDW purpose is to help customers achieve their goals by providing them with the technology advice & products they need, when they need them.
- As a customer-centric organization, they commonly seek the best-serving technology solutions for their partners.

WHY:

- Increased dividend payouts YoY
- Hedge against inflation
- Good source of passive income
- Lower risk investment



JP Morgan Chase

Ticker: JPM

Purchase Date: 6/29/2021

Shares: 98

Cost: \$15,121.40



Overview:

- JPM is one of the biggest global banks and is headquartered in New York
- Assets valued at \$3.69 trillion and stockholders' equity worth \$280.7 billion as of Mar 31, 2021
- Operations in more than 60 countries, the company (incorporated under Delaware law in 1968) is one of the largest financial service firms in the world

WHY:

- Dividend Yield = 2.83%
- Annual cash dividend \$3.60
- Constant dividend since 2010 and increasing annually
- Quick Ratio N/A: no current liabilities
- Positive cash flow and significant cash on hand





SAP Risk Analysis



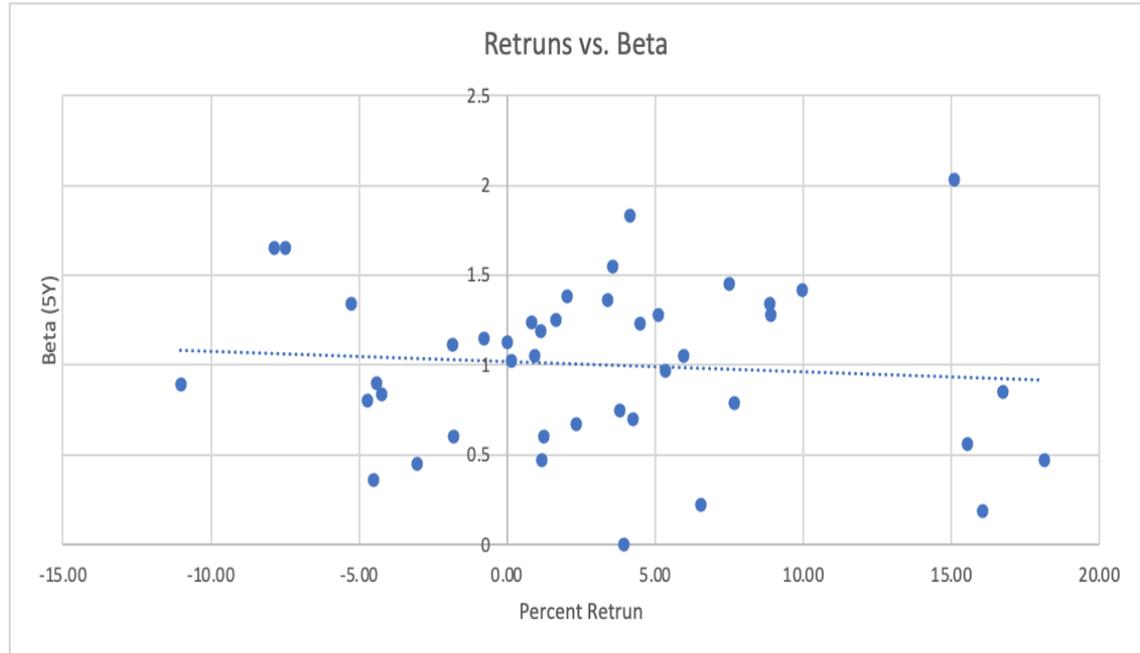
Beta Risk Analysis

Beta of SAP: 1.001

Beta of the S&P 500: 1.00

Highest Beta in the SAP: Advanced
Micro Devices Inc (AMD)

Highest Beta of ETF: US ETF Financial
(XLF)

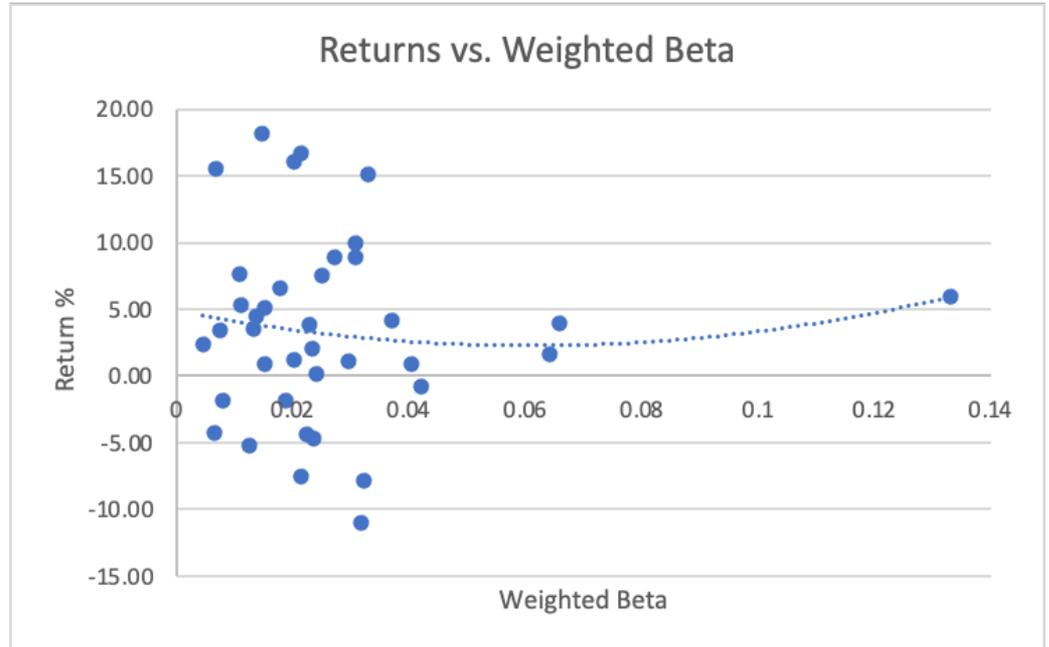


Weighted Beta Risk Analysis

Weighted Beta of SAP- 1.0148
Weighted Beta of S&P 500- 1.00

Highest Weighted Beta (ETF)
Technology Select Sector
SPDR ETF (XLK)- .1331

Highest Weighted Beta (Non-ETF)
Amazon- .042



Correlation Matrix

Weekly Performance May 1 - June 30, 2021		AMD	ALXN	AB	AMZN	AMT	ANTM	AMAT	AN	CSL	CDW	CNC	CI	DHI	DFS	ETSY	FISV	GM	INTC	IBM	JPM	LHX	LRCX	LULU	MDT	MET	MSFT	NKE	PFE	PNC	REGN	SPGI	TSN	VALE	VZ	WMT		
Advanced Micro Devices Inc	AMD	1.00																																				
Alexion Pharmaceuticals Inc	ALXN	-0.45	1.00																																			
AllianceBernstein Holding LP	AB	-0.37	0.33	1.00																																		
Amazon.com Inc	AMZN	0.33	-0.10	-0.56	1.00																																	
American Tower Corp	AMT	0.54	-0.13	-0.22	0.33	1.00																																
Anthem Inc	ANTM	-0.31	0.14	0.86	-0.83	-0.42	1.00																															
Applied Materials Inc	AMAT	0.56	-0.27	0.44	-0.25	0.40	0.43	1.00																														
AutoNation Inc	AN	-0.42	0.17	0.31	-0.46	-0.24	0.75	0.38	1.00																													
Carlisle Companies Inc	CSL	-0.48	0.37	0.84	-0.51	-0.17	0.67	0.22	0.90	1.00																												
CDW Corp	CDW	0.36	0.09	0.43	-0.09	0.39	0.20	0.44	0.32	0.44	1.00																											
Centene Corp	CNC	-0.08	0.14	0.37	-0.65	-0.61	0.63	0.22	0.16	0.07	-0.01	1.00																										
Cigna Corp	CI	-0.54	0.16	0.71	-0.90	-0.60	0.93	0.18	0.64	0.63	-0.03	0.66	1.00																									
D.R. Horton Inc	DHI	0.18	-0.63	0.21	-0.11	-0.32	0.36	0.41	0.27	-0.11	-0.13	0.36	0.26	1.00																								
Discover Financial Services	DFS	-0.23	-0.01	0.77	-0.23	0.08	0.54	0.39	0.69	0.63	0.33	-0.12	0.42	0.28	1.00																							
Etsy Inc	ETSY	0.54	0.06	-0.24	0.28	0.51	-0.35	0.15	-0.15	0.10	0.61	-0.37	-0.45	-0.51	-0.26	1.00																						
Fiserv Inc	FISV	0.52	-0.19	0.29	-0.43	0.27	0.45	0.79	0.30	0.30	0.56	0.34	0.24	0.14	0.01	0.49	1.00																					
General Motors Co	GM	0.32	-0.31	0.48	-0.44	0.43	0.51	0.80	0.30	0.17	0.44	0.21	0.29	0.39	0.58	-0.13	0.53	1.00																				
Intel Corp	INTC	0.35	0.11	0.54	-0.30	0.32	0.50	0.82	0.37	0.20	0.51	0.42	0.18	0.24	0.27	0.01	0.64	0.73	1.00																			
International Business Machines Corp	IBM	-0.33	0.46	0.84	-0.54	0.03	0.65	0.30	0.66	0.64	0.49	0.31	0.51	-0.03	0.60	-0.24	0.17	0.53	0.63	1.00																		
JPMorgan Chase & Co	JPM	-0.50	0.12	0.83	-0.75	-0.16	0.84	0.36	0.76	0.76	0.12	0.24	0.83	0.17	0.78	-0.38	0.20	0.55	0.29	0.68	1.00																	
L3Harris Technologies Inc	LHX	-0.21	-0.09	0.67	-0.67	-0.15	0.74	0.44	0.51	0.30	0.22	0.59	0.62	0.53	0.46	-0.55	0.27	0.72	0.65	0.76	0.63	1.00																
Lam Research Corp	LRCX	0.38	-0.23	0.58	-0.40	0.28	0.63	0.98	0.51	0.32	0.38	0.31	0.35	0.46	0.49	-0.02	0.75	0.84	0.83	0.43	0.52	0.53	1.00															
Lululemon Athletica Inc	LULU	0.74	-0.38	0.05	0.28	0.40	-0.08	0.54	0.08	-0.02	0.75	-0.06	-0.37	0.30	0.06	0.56	0.57	0.36	0.47	0.02	-0.29	0.08	0.42	1.00														
Medtronic PLC	MDT	0.44	0.31	0.04	0.28	0.21	-0.08	0.27	0.07	0.26	0.43	-0.18	-0.21	-0.40	-0.04	0.78	0.41	-0.18	0.09	-0.19	-0.19	-0.57	0.14	0.37	1.00													
MetLife Inc	MET	-0.37	0.06	0.89	-0.72	-0.10	0.87	0.49	0.79	0.73	0.28	0.31	0.78	0.29	0.83	-0.37	0.29	0.68	0.46	0.77	0.97	0.76	0.64	-0.09	-0.21	1.00												
Microsoft Corp	MSFT	0.40	-0.14	0.16	0.01	0.20	0.06	0.39	0.23	0.10	0.65	0.19	-0.17	0.21	-0.16	0.40	0.58	0.22	0.57	0.26	-0.23	0.30	0.34	0.80	0.13	-0.04	1.00											
Nike Inc	NKE	-0.03	-0.05	0.72	-0.40	-0.20	0.65	0.43	0.78	0.80	0.63	0.20	0.54	0.25	0.57	0.26	0.54	0.30	0.25	0.38	0.55	0.28	0.47	0.42	0.38	0.61	0.33	1.00										
Pfizer Inc	PFE	-0.71	0.68	0.61	-0.44	-0.29	0.44	-0.25	0.41	0.47	0.15	0.33	0.47	-0.24	0.33	-0.41	-0.28	0.07	0.22	0.83	0.48	0.54	-0.10	-0.36	-0.34	0.50	-0.02	0.08	1.00									
PNC Financial Services Group Inc	PNC	-0.45	0.04	0.88	-0.56	-0.35	0.81	0.23	0.86	0.82	0.26	0.23	0.78	0.34	0.85	-0.31	0.15	0.40	0.18	0.53	0.88	0.54	0.43	-0.06	-0.05	0.89	-0.10	0.73	0.41	1.00								
Regeneron Pharmaceuticals Inc	REGN	-0.52	0.06	0.03	-0.31	-0.39	0.03	-0.55	0.13	0.19	0.11	0.17	0.21	-0.09	-0.24	-0.05	-0.14	-0.31	-0.28	0.20	-0.01	0.21	-0.47	-0.08	-0.43	-0.02	0.32	0.11	0.45	0.07	1.00							
S&P Global Inc	SPGI	0.32	-0.03	0.58	0.00	0.20	0.32	0.51	0.53	0.52	0.90	0.01	0.06	0.18	0.55	0.41	0.47	0.44	0.49	0.46	0.22	0.27	0.48	0.78	0.42	0.39	0.53	0.76	0.10	0.48	-0.03	1.00						
Tyson Foods Inc	TSN	-0.55	0.48	0.78	-0.82	-0.20	0.81	0.25	0.72	0.83	0.20	0.37	0.82	-0.18	0.44	-0.13	0.35	0.30	0.34	0.71	0.85	0.49	0.40	-0.33	0.03	0.73	-0.06	0.51	0.59	0.68	0.16	0.15	1.00					
Vale SA	VALE	-0.06	-0.26	0.73	-0.50	-0.11	0.76	0.60	0.70	0.48	0.41	0.38	0.58	0.67	0.75	-0.37	0.35	0.76	0.59	0.67	0.70	0.86	0.71	0.32	-0.28	0.84	0.30	0.63	0.31	0.78	0.02	0.60	0.42	1.00				
Verizon Communications Inc	VZ	-0.58	0.01	0.68	-0.38	-0.08	0.46	0.02	0.66	0.60	0.26	-0.05	0.46	0.22	0.77	-0.41	-0.17	0.40	0.13	0.73	0.72	0.64	0.17	-0.07	-0.48	0.76	0.02	0.42	0.64	0.75	0.38	0.37	0.47	0.71	1.00			
Walmart Inc	WMT	-0.13	0.42	0.83	-0.61	0.08	0.78	0.60	0.69	0.77	0.45	0.29	0.63	-0.10	0.63	0.05	0.52	0.56	0.60	0.71	0.79	0.45	0.68	0.00	0.33	0.80	0.02	0.61	0.40	0.67	-0.27	0.46	0.85	0.53	0.36	1.00		

Covariance Matrix

	AMD	ALN	AB	AMN	AMT	ANM	AMAT	AN	CL	LOW	CNC	CI	DH	DS	DSY	DSV	GM	NIC	IBM	JFM	LHS	LACK	LULU	MOF	MEF	MOY	NKE	PFE	PNC	REGN	SPGI	SW	VALE	VZ	WMF	
AMD	0.001111																																			
ALN	-0.001155	0.001115																																		
AB	-0.000416	0.000136	0.000913																																	
AMN	0.000342	-0.000441	-0.000563	0.000844																																
AMT	0.000345	-0.000118	-0.000009	0.001021																																
ANM	-0.000224	0.000030	0.000536	-0.000593	-0.000142	0.000537																														
AMAT	-0.000815	-0.000111	0.000460	-0.000165	0.000372	0.000817	0.001853																													
AN	-0.000631	0.000088	0.001312	-0.000764	0.000103	0.000884	0.000705	0.002218																												
CL	-0.000410	0.000125	0.000827	-0.000491	-0.000014	0.000472	0.000297	0.001240	0.000138																											
CNC	-0.000316	0.000019	0.000243	-0.000074	0.000215	0.000070	0.000432	0.000240	0.000154	0.000444																										
CNC	-0.000311	0.000082	0.000183	-0.000073	-0.000591	0.000756	0.000503	0.000248	0.000179	-0.000203	0.002200																									
CI	-0.000438	0.000034	0.000527	-0.000744	0.000052	0.000597	0.000206	0.000704	0.000490	-0.000033	0.000818	0.000752																								
DH	0.000419	-0.000334	-0.000021	-0.000133	-0.000134	0.000380	0.000832	0.000475	-0.000158	0.000009	0.000746	0.000315	0.000392																							
DS	-0.000449	0.000000	0.001172	-0.000848	0.000078	0.000744	0.000828	0.001704	0.000952	0.000313	0.000454	0.000607	0.000345	0.002453																						
DSY	0.000145	0.000029	-0.000354	0.000126	0.000926	-0.000775	0.000609	-0.000702	0.000126	0.001022	-0.002249	-0.001014	-0.001300	-0.001212	0.002822																					
DSV	0.000198	-0.000035	0.000198	-0.000122	0.000078	0.000174	0.000466	0.000301	0.000185	0.000102	0.000107	0.000132	0.000435	0.000792	0.000229	0.000380	0.000583	0.001145	-0.000819	0.000380	0.000180	0.000538														
GM	0.000248	-0.000117	0.000502	-0.000324	0.000029	0.000479	0.001137	0.000681	0.000249	0.000235	0.000197	0.000299	0.000593	0.000145	-0.000819	0.000380	0.000583	0.001145	-0.000819	0.000380	0.000180	0.000538	0.000402													
GM	0.000257	0.000031	0.000316	-0.000056	0.000183	0.000206	0.000702	0.000417	0.000186	0.000224	0.000144	0.000059	0.000227	0.000441	0.000094	0.000149	0.000504	0.000149	0.000504	0.000149	0.000504	0.000402	0.000645	0.000645												
NIC	-0.000416	0.000146	0.000659	-0.000195	0.000062	0.000102	0.000195	0.000813	0.000197	0.000185	0.000161	0.000175	-0.000248	0.000984	-0.000536	0.000057	0.000488	0.000308	0.000700	0.000423																
JFM	-0.000459	-0.000019	0.000963	-0.000972	0.000019	0.000771	0.000611	0.000379	0.000851	0.000138	0.000857	0.000203	0.001401	-0.001002	0.000029	0.000857	0.000308	0.000700	0.000423																	
LHS	-0.000282	-0.000009	0.000336	-0.000199	0.000088	0.000195	0.000168	0.000465	0.000184	-0.000024	0.000472	0.000173	0.000286	0.000865	-0.001218	0.000064	0.000222	0.000133	0.000318	0.000488	0.000441															
LACK	-0.000474	-0.000071	0.000528	-0.000306	0.000043	0.000500	0.000138	0.000825	0.000172	0.000321	0.000149	0.000131	0.000739	0.000851	0.000109	0.000169	0.000977	0.000590	0.000276	0.000723	0.000226	0.001118	0.001118	0.001138												
LULU	-0.000474	-0.000071	0.000528	-0.000306	0.000043	0.000500	0.000138	0.000825	0.000172	0.000321	0.000149	0.000131	0.000739	0.000851	0.000109	0.000169	0.000977	0.000590	0.000276	0.000723	0.000226	0.001118	0.001118	0.001138	0.000221											
MOF	0.000292	0.000047	0.000020	0.000160	0.000091	-0.000044	0.000173	-0.000016	0.000080	0.000133	-0.000117	-0.000101	-0.000242	-0.000173	0.000953	-0.000105	0.000135	0.000060	-0.000072	0.000143	-0.000196	0.000040	0.000080	0.000080	0.000080											
MEF	-0.000470	0.000051	0.001133	-0.001057	0.000002	0.000901	0.000988	0.001590	0.000020	0.000026	0.000019	0.000888	0.000397	0.001324	-0.001361	0.000339	0.000110	0.000472	0.000876	0.001161	0.000721	0.000959	0.000959	-0.000146	0.001931											
MOY	0.000227	-0.000038	0.000091	0.000194	-0.000092	0.000259	0.000286	0.000029	0.000076	0.000211	-0.000159	-0.000119	0.000316	0.000135	0.000399	0.000044	0.000071	0.000151	0.000034	-0.000061	-0.000015	0.000213	0.000213	0.000048	0.000007	0.000029										
NKE	-0.000095	-0.000017	0.001263	-0.000767	0.000123	0.000989	0.000100	0.001185	0.000652	0.000045	0.000881	0.000709	0.001869	0.000603	0.000176	0.000777	0.000397	0.000519	0.000187	0.000351	0.000916	0.000916	0.000216	0.001583	0.000145	0.001161										
PFE	-0.000496	0.000166	0.000370	-0.000218	0.000052	0.000150	-0.000255	0.000485	0.000118	0.000064	0.000142	0.000204	-0.000183	0.000133	-0.000500	-0.000127	-0.000031	0.000046	0.000422	0.000378	0.000168	-0.000107	-0.000107	-0.000089	0.000188	-0.000047	0.000070	0.000032								
PNC	-0.000594	0.000023	0.001079	-0.000864	-0.000199	0.000814	0.000215	0.001702	0.001001	0.000228	0.000805	0.000917	0.000506	0.001484	-0.001082	0.000286	0.000809	0.000239	0.000693	0.001160	0.000570	0.000651	0.000651	-0.000127	0.001684	0.000071	0.000199	0.000316	0.000601							
REGN	-0.000487	0.000018	0.000760	-0.000119	0.000089	0.000146	0.001113	-0.000881	0.000013	0.000077	0.000114	0.000021	-0.000118	0.000010	-0.000245	0.000116	0.000050	0.000225	0.000420	-0.000148	0.000029	0.000029	0.000041	0.000147	0.000187	0.000318	0.000372									
SPGI	0.000188	-0.000003	0.000331	-0.000009	0.000042	0.000143	0.000396	0.000441	0.000101	0.000348	0.000006	0.000004	0.000146	0.000085	0.000449	0.000183	0.000415	0.000194	0.000218	0.000170	0.000156	0.000303	0.000303	0.000095	0.000391	0.000208	0.000916	0.000018	0.000438	0.000017	0.000439					
SW	-0.000017	0.000039	0.000067	-0.000014	0.000048	0.000043	0.000161	0.000882	0.000017	0.000054	0.000169	0.000023	-0.000292	0.000021	-0.000511	0.000116	0.000143	0.000015	0.000816	0.000265	0.000273	0.000273	-0.000024	0.000919	-0.000108	0.000726	0.000310	0.000810	0.000079	0.000816	0.000638					
VALE	-0.000292	0.000004	0.000321	-0.000249	0.000013	0.000176	0.000019	0.000502	0.000074	0.000090	0.000030	0.000189	0.000117	0.000001	-0.000515	-0.000004	0.000078	0.000056	0.000312	0.000042	0.000244	0.000097	0.000097	-0.000137	0.000496	0.000050	0.000421	0.000204	0.000490	0.000177	0.000118	0.000228	0.000228	0.000292		
VZ	0.000112	0.000087	0.000450	-0.000372	0.000037	0.000281	0.000357	0.000103	0.000103	0.000029	0.000029	0.000183	0.000103	0.000002	0.000111	0.000011	0.000171	0.000018	0.000212	0.000117	0.000117	0.000070	0.000417	0.000018	0.000181	0.000111	0.000100	0.000069	0.000111	0.000181	0.000181	0.000221	0.000221	0.000221		





SAP Performance Review



LOYOLA
UNIVERSITY MARYLAND



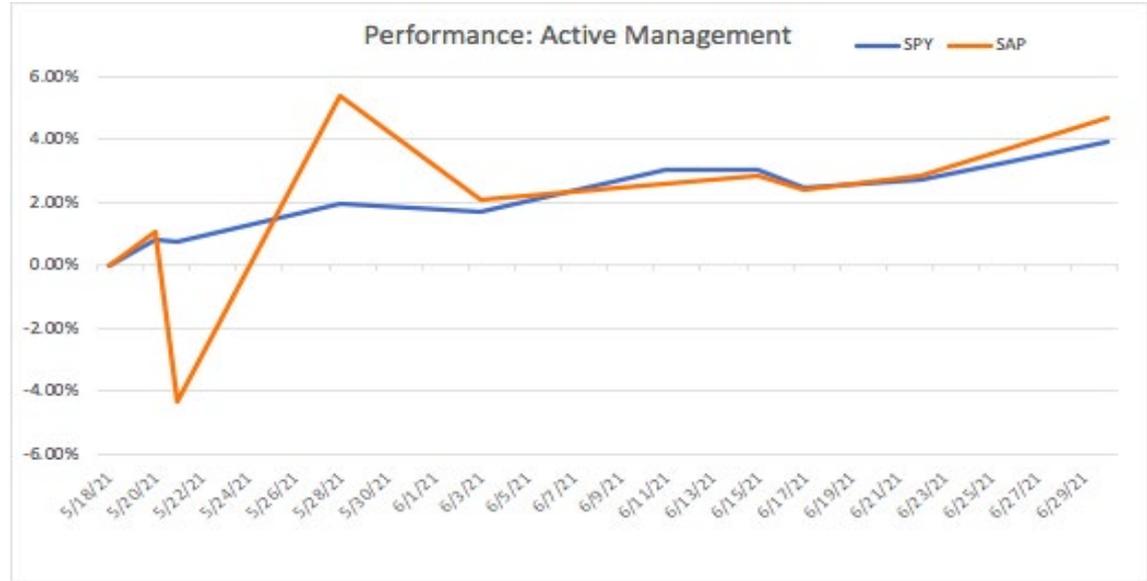
Performance Review

- The performance review will analyze the portfolio for the Summer Session of 2021
- This section will detail the following:
 - Performance against the index
 - Overview of the best and worst performers
- This review will analyze from 5/1/2021 through 6/30/2021
- Active management began with the first recommendations on 5/25/2021 and trades executed on 5/26/2021



SAP vs. S&P 500 Index

The SAP Portfolio outperformed the S&P 500 Index for the Summer Session of 2021. The SAP Portfolio did fall behind the index briefly early in the session, prior to the first trade being executed on 5/26/21.



SAP vs. S&P 500	5/18/21	6/30/21	Raw Return	Annualized
SAP Portfolio	\$ 653,252.42	\$ 683,805.38	4.68%	31.53%
SPDR S&P 500 ETF (SPY)	\$ 411.94	\$ 428.06	3.91%	31.24%



Portfolio Contributions

Sector	Position Strategy	Target	S&P Contribution*	Portfolio Contribution
Information Technology	Overweight	28.00%	24.19%	28.80%
Health Care	Neutral	14.00%	13.55%	15.39%
Communication Services	Overweight	12.00%	10.77%	12.44%
Consumer Staples	Underweight	4.00%	6.97%	7.20%
Consumer Discretionary	Overweight	14.00%	12.50%	10.75%
Financials	Overweight	16.00%	13.50%	13.02%
Utilities	Underweight	0.00%	2.76%	0.00%
Industrials	Neutral	7.00%	8.79%	8.83%
Materials	Neutral	2.27%	2.27%	1.96%
Energy	Underweight	0.00%	2.28%	0.00%
Real Estate	Neutral	2.50%	2.42%	0.00%
			*as of 30/01/2021	\$-
Cash		1.50%		1.61%

SAP Portfolio Contribution



- Information Technology
- Health Care
- Communication Services
- Consumer Staples
- Consumer Discretionary
- Financials
- Utilities
- Industrials
- Materials
- Energy
- Real Estate
- Cash

After the end of the performance review period, the class purchase shares of both AMT and JPM. This balanced our contributions in the Real Estate and Financial Sectors



Best Returns: Overall Holdings

Reflects total return from 5/1/21 through 6/30/21

1.  **CENTENE**
Corporation
+18.12%
2.  **NIKE**
+16.73%
3.  **VALE**
+15.54%
4.  **AMD**
+15.08%
5.  **[A]**
[B]
ALLIANCEBERNSTEIN
+9.95%
6.  **ALEXION**
+8.91%



Worst Returns: Overall Holdings

Reflects total return from 5/1/21 through 6/30/21

1.



-11.01%

2.



-7.86%

3.



-4.71%

4.



-4.39%

5.



-4.23%

6.

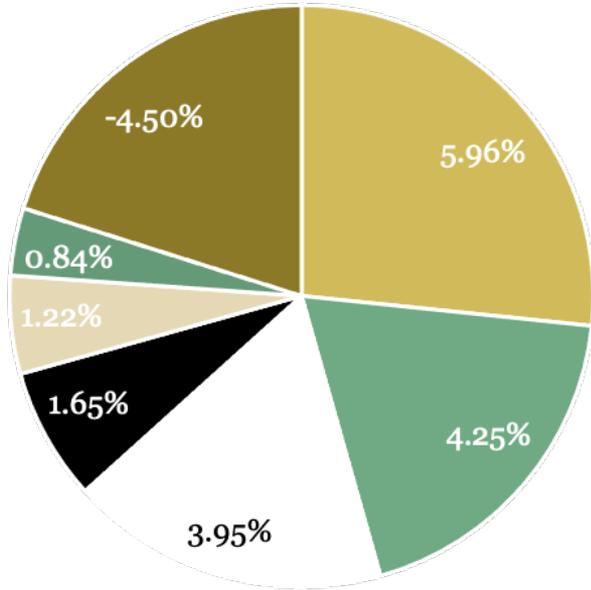


-3.05%



Sector ETF Performance: Summer 2021

Reflects total return from 5/1/21 through 6/30/21

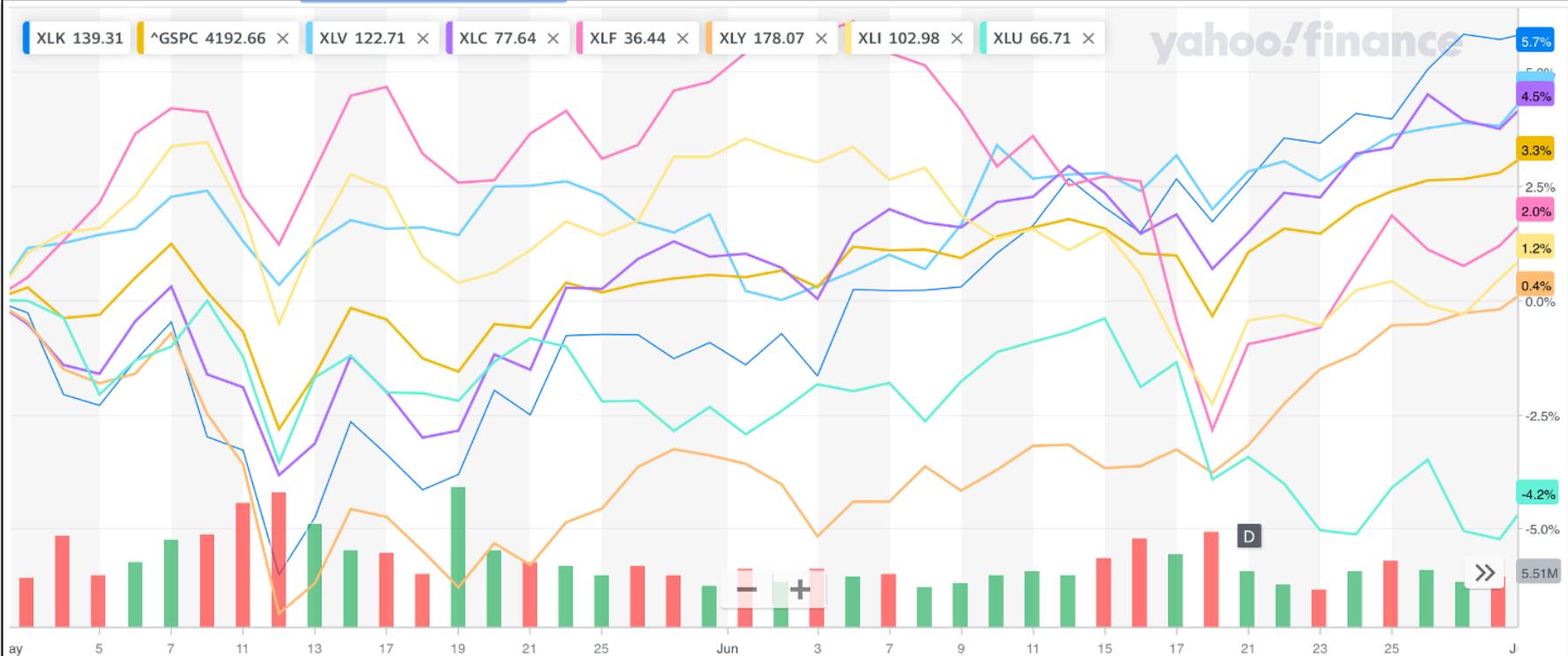


- Technology Select Sector SPDR® ETF
- Health Care Select Sector SPDR® ETF
- Communication Services Select Sector SPDR® ETF
- Financial Select Sector SPDR® ETF
- Consumer Staples Select Sector SPDR® ETF
- Industrial Select Sector SPDR® ETF
- Utilities Select Sector SPDR® ETF



Sector ETF Performance: Summer 2021

Reflects total return compared to S&P 500 from 5/1/21 through 6/30/21





Overall Return Analysis

- ❖ Top overall performers benefited from longer term appreciation and strong economic recovery post covid-19.
- ❖ All but one of the sector ETF's had strong performance. Utilities sector experienced decline due to volatile oil and commodity pricing.
- ❖ Underperforming stocks were independently affected by varying market conditions and changes in consumption.



Best Returns: Summer 2021

Reflects total return from acquisition date to the end of the quarter (6/30/21)



+17.89%
6/9 - 6/30



+9.90%
6/2 - 6/30



+6.74%
6/2 - 6/30



+4.91%
6/11 - 6/30



+3.72%
6/23 - 6/30

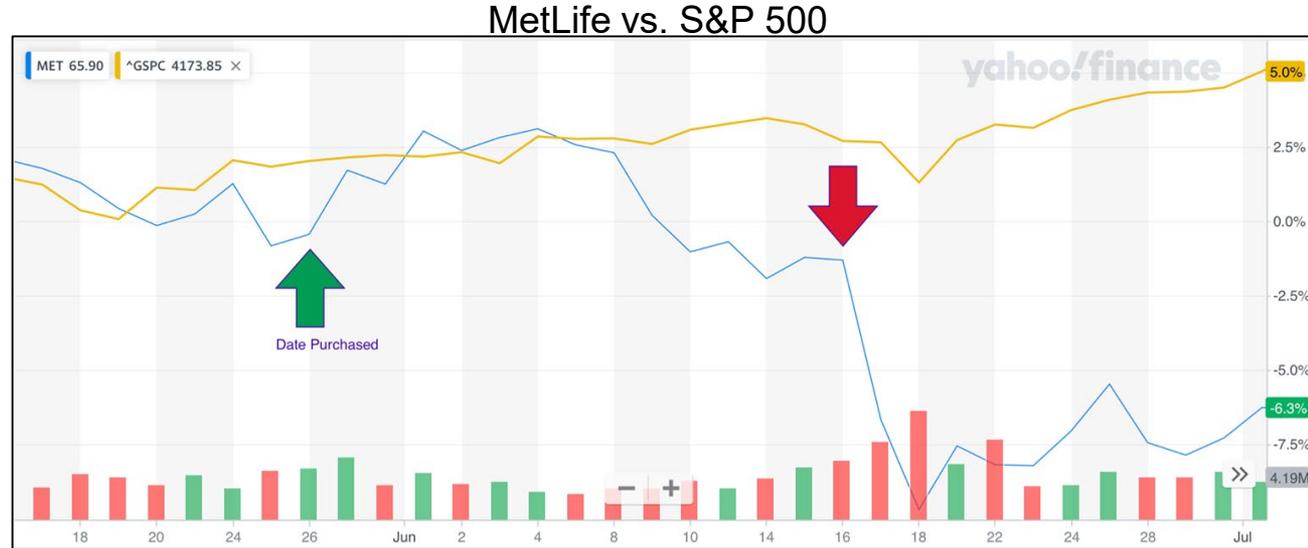


Worst Returns: Summer 2021

Reflects total return from acquisition date to the end of the quarter (6/30/21)

1.  **MetLife** -0.21%
5/26 - 6/30

- MetLife was pitched in accordance with the SAP Value Strategy.
- MetLife significantly declined two weeks after the 5/26 purchase. The short-term performance has underperformed; however, MetLife has a strong outlook.





Performance Review Conclusions

- ❖ Investments were primarily based on Growth and Value strategies, and therefore time dependent resulting in limited gains over the short run.
- ❖ All the portfolio's top performers benefited from strong economic recovery and/or covid-19.
- ❖ Short time horizon makes overall conclusions from analysis difficult.
- ❖ The portfolio's worst performer was subject to timing issues, with purchase price near highs.