

# SSIF/GSIF Newsletter

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## CFA Research Challenge

Five students have competed in the CFA Institute Research Challenge, a global competition that involves student teams performing financial analysis on a publicly traded company. The SIU Carbondale team competed in the mid-west local pool against 7 universities such as University of Missouri – Columbia, St. Louis University, Washington University, etc. The team, (mentored by Edward Jones Senior Analyst and SIU Carbondale Alumnus, Matt Arnold, as well as Dr. Xiaoxin Beardsley, associate professor of Finance and an advisor of the SSIF), provided coverage on Huttig Building Products Inc. (HBP), a wholesale distributor of building materials based out of St. Louis. The coverage consisted of a written report, providing an opinion whether to buy, sell, or hold, shares of HBP. The team then defended their opinion by presenting in front of a panel of industry professionals, (as seen to the left). Placing second in the local pool, the team comments on their experience saying, “We all had a fantastic time working with the group, and learned an incredible amount about financial analysis.”

**-Kaid Koester**



**Pictured to the Left** is the CFA research team that presented in St. Louis in the Spring 2016: **Angela Qu, Duncan Reidner, Nathan Ray, James Noonan, and Kaid Koester**

# COBA Challenge

The COBA Challenge is a stock analysis competition in which three teams consisting of three members of the SSIF work to identify the best stock purchase from a randomly selected sector of the Russell 1000 index. These teams also work to conduct the best sell recommendation from the holdings in the current COBA portfolio: all within the span of three days. On the day of the presentation, March 1<sup>st</sup>, the teams each conducted a 10-minute buy/sell presentation, followed by a 10-minute Q&A session. In the end, audience attending the challenge determine the winners by majority vote. The team with the winning buy recommendation has the honor of having their names displayed in the trading room, Rehn 326. This year the winners for both the buy and sell recommendations were Jace Munselle, Katherine Gallick, and Joshua Davis. They recommended to sell Amec Foster Wheeler (AMFW) and buy Jarden Corp. (JAH).

**Pictured from left to right are the SSIF members who recommended to buy Jarden Corp. winning the Spring 2016 COBA Challenge: Joshua Davis, Katherine Gallick, and Jace Munselle**



# Fund Performance

**SIU SALUKI STUDENT INVESTMENT FUND**  
CARBONDALE

**SIU Foundation Portfolio**  
Mid Cap Core Strategy  
Benchmark: S&P 400 Midcap Index

**Performance Summary**

As of March 31, 2016

	Quarter	Fiscal YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
SSIF	4.61%	1.94%	1.01%	11.66%	11.33%	21.00%	9.38%	7.87%
S&P 400 Benchmark*	3.79%	-2.56%	-3.60%	9.46%	9.52%	18.51%	7.78%	8.73%
Difference	0.82%	4.50%	4.61%	2.21%	1.80%	2.49%	1.60%	-0.86%
Tracking Error**			2.83%	3.19%	2.83%	3.36%	4.15%	5.41%
Information Ratio***			1.63	0.69	0.64	0.74	0.39	-0.16
Months > Benchmark			67%	56%	50%	55%	53%	49%

Periods greater than one year are annualized.

Inception: June 30, 2000  
\* Performance of the benchmark is reported for the S&P Midcap 400 Total Return Index (Source: Bloomberg SPTRMDCP Index)  
\*\* Tracking error is annualized and based on monthly return differences relative to the benchmark.  
\*\*\* Information ratio is the ratio of the annualized relative return divided by the tracking error

SIU Foundation Portfolio value as of March 31, 2016: **\$1,587,361.74**

**SIU GRADUATE STUDENT INVESTMENT FUND**  
CARBONDALE

**SIU Foundation Portfolio**  
Large Cap Core Strategy  
Benchmark: S&P 500 Index

**Performance Summary**

As of March 31, 2016

	Quarter	Fiscal YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
GSIF	3.11%	9.45%	7.15%					12.72%
Benchmark*	1.35%	1.50%	1.78%					10.58%
Difference	1.76%	7.95%	5.37%					2.14%
Tracking Error**								
Information Ratio***								
Months > Benchmark								

Periods greater than one year are annualized.

Inception: August 23, 2013  
\* Performance of the benchmark is reported for S&P 500 Total Return Index (Source: Bloomberg SPTR Index)  
\*\* Tracking error is annualized and based on monthly return differences relative to the benchmark.  
\*\*\* Information ratio is the ratio of the annualized relative return divided by the tracking error

SIU Foundation portfolio value as of March 31, 2016: **\$654,785.65**

**SIU SALUKI STUDENT INVESTMENT FUND**  
CARBONDALE

**COBA Portfolio**

**Performance Summary**

As of March 31, 2016

	Quarter	Fiscal YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
SSIF	0.74%	0.33%	-0.46%	14.23%	7.57%	15.21%	9.98%	9.40%
S&P 500 Index*	1.35%	1.50%	1.78%	11.82%	11.58%	16.97%	7.01%	4.38%
Difference	-0.61%	-1.17%	-2.24%	2.41%	-4.01%	-1.76%	2.97%	5.02%
Tracking Error**			6.41%	5.20%	7.55%	8.00%	9.52%	14.26%
Information Ratio***			-0.35	0.46	-0.53	-0.22	0.31	0.35
Months > Benchmark			33%	47%	45%	49%	52%	53%

Periods greater than one year are annualized.

Inception: June 30, 2000  
\* Performance of the S&P 500 Total Return Index (Source: Bloomberg SPTR Index) is used for comparison purposes only. The COBA Portfolio does not have a formal mandated benchmark against which it is managed.  
\*\* Tracking error is annualized and based on monthly return differences relative to the S&P 500 Index. Due to incomplete monthly data for the portfolio during the period December 2001 through April 2004, S&P 500 Index returns were used in twelve separate months for the purposes of calculating tracking error. Therefore, tracking error is likely underestimated for periods that include the December 2001 through April 2004 period.  
\*\*\* Information ratio is the ratio of the annualized relative return divided by the tracking error. See note regarding tracking error.

COBA Portfolio value as of March 31, 2016: **\$102,452.95**

**The above tables reflect the current performance of the Saluki Student Investment Fund, Graduate Student Investment Fund, and the COBA Portfolio as of March 31, 2016.**

## Senior Spotlight

### Melissa Murphy

**Finance and Business Economics major; member since August 2014**

**What did you enjoy most about your experience?**

I really enjoyed the real life experience of it. It taught me the knowledge of investing, which I will be able to use for the rest of my life. Overall, it taught me teamwork, communication skills, and professionalism.

**Where are you heading after graduation?**

Examiner for the Chicago Mercantile Exchange (CME)

### James Noonan

**Marketing major; member since Spring 2015**

**What did you enjoy most about your experience?**

I enjoyed having the opportunity to contribute to the management of a real investment portfolio, as well as the responsibilities and challenges associated with the analysis and research of equities. It was also a privilege to have the expert counsel of Dr. Beardsley and Dr. Greene when working on difficult projects. The camaraderie experienced and friendships gained with the individuals involved with the SSIF/GSIF however, is by far the aspect that I will cherish most.

**Where are you heading after graduation?**

I hope to pursue an MBA with a finance concentration here at SIU Carbondale and serve as a Graduate Assistant.

### Kaid Koester

**Accounting major; member since Fall 2014**

**What did you enjoy most about your experience?**

Competing in the CFA Institute Research Challenge. Applying everything I have learned from the investment fund and from coursework, to a global competition was something I will remember forever. I was fortunate to work with a great team, consisting of four fellow senior SSIF members, and receive mentoring from an SIU Carbondale Alumnus, now senior analyst at Edward Jones, Matt Arnold, as well as Dr. Xiaoxin Beardsley, a SIU Carbondale professor of Finance, and faculty advisor of the SSIF.

**Where are you heading after graduation?**

I plan to attend law school here at SIU Carbondale, pursuing the JD and Masters of Accountancy. SSIF/GSIF however, is by far the aspect that I will cherish most.

### Xiaomei Pang

**Accounting major; member since August 2014**

**What did you enjoy most about your experience?**

The most enjoyable and valuable experience is that I got to work with others as a team and that we got to support and back each other up. I also enjoyed learning from my team members.

**Where are you heading after graduation?**

Graduate School

### Angela Qu

**Finance major; member since Fall 2013**

**What did you enjoy most about your experience?**

The fund helped me find out what I really want to do as a career. I learned a lot of things from this group. I learned how to do fundamental research, how to be more professional, and I found my strong passion in being an analyst. Besides this, I made a lot of great friends in this group. They are all interesting and kind people that I also learned a lot from.

**Where are you heading after graduation?**

I want to find a job in research or in the corporate finance area. If I cannot find a job within a year, I will pursue a financial engineering Masters degree.

## Senior Spotlight Cont.

### Eric Liaboe

**Accounting major; member since Fall 2013**

**What did you enjoy most about your experience?**

Having a great opportunity to learn about the stock market on my free time.

**Where are you heading after graduation?**

Career in a company

### Duncan Reidner

**Financial management major; member since Fall 2014**

**What did you enjoy most about your experience?**

I enjoyed the competitions the most. The COBA challenge and the CFA challenge really test your knowledge of the concepts you learn in class and make them applicable to real world scenarios. The team work and finished results make winning or losing well worth the time spent.

**Where are you heading after graduation?**

I've been accepted into the FACD program for Edward Jones Financial Advisor Position.

### Timothy Holl

**Law, MBA; member since Fall 2015**

**What did you enjoy most about your experience?**

I have enjoyed working with my sector to understand everything that goes into analyzing stocks.

**Where are you heading after graduation?**

I plan to work as a corporate attorney, hopefully in corporate compliance.

### Sandeep Komuravelli

**Computer Science major, MBA; member since Spring 2015**

**What did you enjoy most about your experience?**

I enjoyed the buy/sell presentations because that gives more in depth insight into the companies. I also enjoyed participating in the annual report presentation to the SIU Foundation as well as preparing the annual report for 2015-16 year.

**Where are you heading after graduation?**

I am hoping to work as a data scientist/data analyst. Currently, I am building the skillsets required for various target companies such as Amazon, Google, Microsoft, etc.

### Nabil Salik

**Mechanical Engineering major, member since August 2015**

**What did you enjoy most about your experience?**

The COBA Challenge. Doing the challenge within a few weeks of joining the fund was quite challenging. I enjoyed every bit and have learned a lot from the challenge and the fund.

**Where are you heading after graduation?**

I haven't yet decided. I am looking for jobs in both business and engineering.

Pictured to the right are SSIF and GSIF members doing research and collaborating on the different sector units within the investment fund. Also, our sector updates are being presented here.

