

The Archway Investment Fund - Equity Portfolio

Bryant University

Monthly Report
Data as of 7/31/2019

Portfolio Description

The primary objective of the Archway Investment Equity Portfolio (the Portfolio) is to provide students in Bryant University's Equity Portfolio Management course with a hands-on learning experience. Student portfolio managers are organized into teams responsible for managing the holdings in their assigned sectors. The Portfolio launched in August 2005 with \$200,000.00. Including subsequent inflows and outflows the net capital contributed has been \$450,000.00, and the cumulative investment return is \$958,397.52.

Investment Strategy

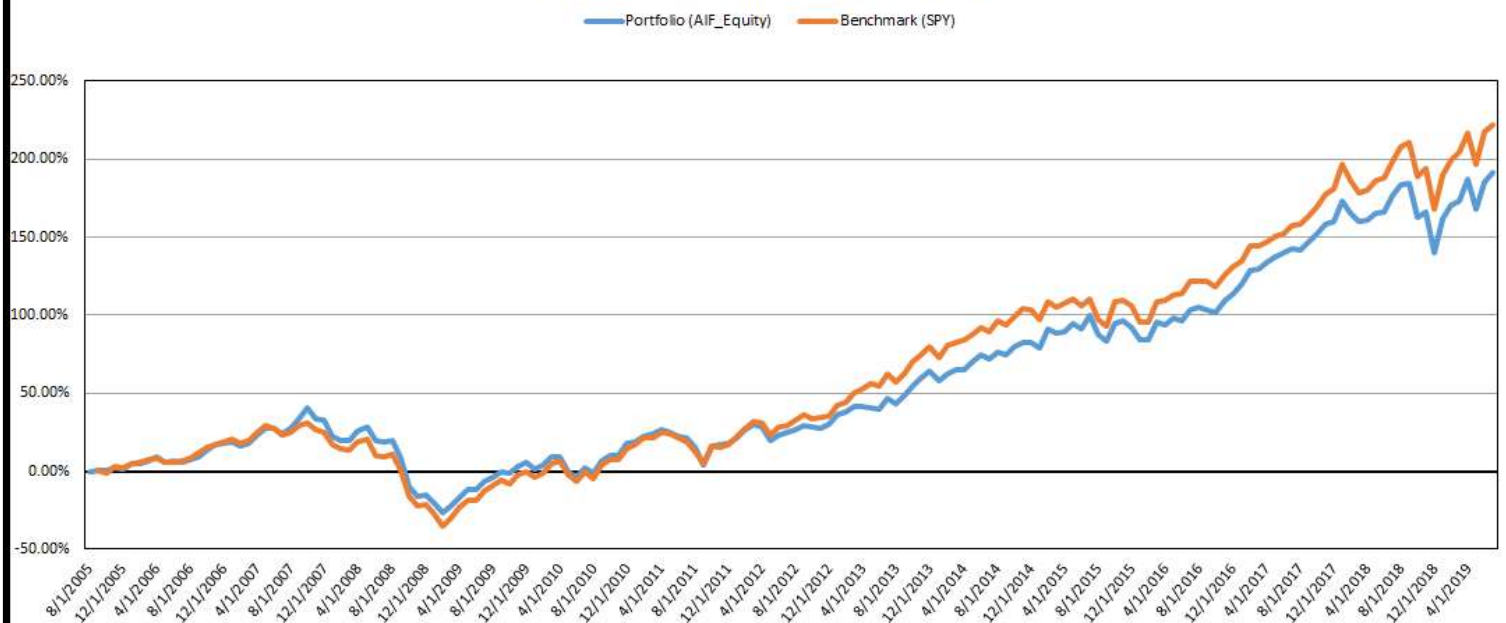
The Portfolio strategy is to purchase stocks for less than their intrinsic value based on both value and growth considerations to achieve risk adjusted returns that equal or exceed benchmark returns. The overall benchmark used for performance evaluation is the State Street SPDR S&P500 Exchange Traded Fund (SPY), while benchmarks used for individual sectors are the corresponding SPDR sector ETFs. Each sector is initially weighted in the portfolio based on their weighting in the S&P500 Index and are then adjusted to reflect portfolio manager expectations about the performance of each sector. While the purchase of foreign equities is allowed, the Fund remains heavily weighted in domestic assets. At times, the Fund uses options as a method to control risk. Option use is limited to covered call and protective put strategies. Options are used only to control risk and the underlying security must be held in the Fund.

The inclusion of ESG factors into the stock selection process has been a recent enhancement. Both portfolio managers and security analysts utilize ESG metrics to identify risk factors and aid in generating excess returns after adjusting for risk. Further enhancements to this process were adopted in 2018, as was the introduction of monthly performance reports, performance attribution analysis, and factor risk modeling.

Performance Commentary

The Archway Equity Portfolio returned 2.20% in July, while the benchmark returned 1.51%. Economic data releases confirmed that the global economy is weak, but the US economy continued to grow modestly. The US labor market remains healthy, and that is supporting consumer spending. Uncertainties about trade, weak economic conditions globally, and political uncertainty are limiting capital spending. As expected, the Federal Reserve cut the Fed Funds rate by 25 basis points at its July meeting, but the press conference disappointed investors hoping to hear that this would be the first a series of cuts. For most of July, the stock market had rallied on hopes for an easier Fed, and despite the pull back on its last trading day, the S&P 500 had a strong month. Earnings announcements provided support for both bulls and bears. With approximately 70% of the S&P 500 companies reporting, the average earnings surprise is 5.31% and the 12 month earnings growth rate was 1.82%. Technology (+3.50%), Communication Services (+3.17%), Financials (+2.36%), and Consumer Staples (+2.34%) had the highest sector returns in July, while Health Care (-1.62%), Energy (-1.59%), Materials (-0.27%), and Utilities (-0.13%) had negative returns. Sector Allocation contributed -5 bps of alpha, while Security Selection contributed +79 bps of alpha during the month. Large positive security selection alpha contributions came from Consumer Discretionary (+26 bps), Health Care (+21 bps), and Communication Services (+20 bps), while Energy (-11 bps) had a negative security selection alpha contribution. The Macro team had specified that all cash above a 3.25% threshold resulting from sales due to stop loss or price target triggers should be swept into the SPY ETF. This limited the cash drag on alpha during July. For the Summer, the portfolio returned 8.84% while the benchmark returned 8.58%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 7.98% and the benchmark has an annualized return of 8.77%.

Cumulative Return Since Inception



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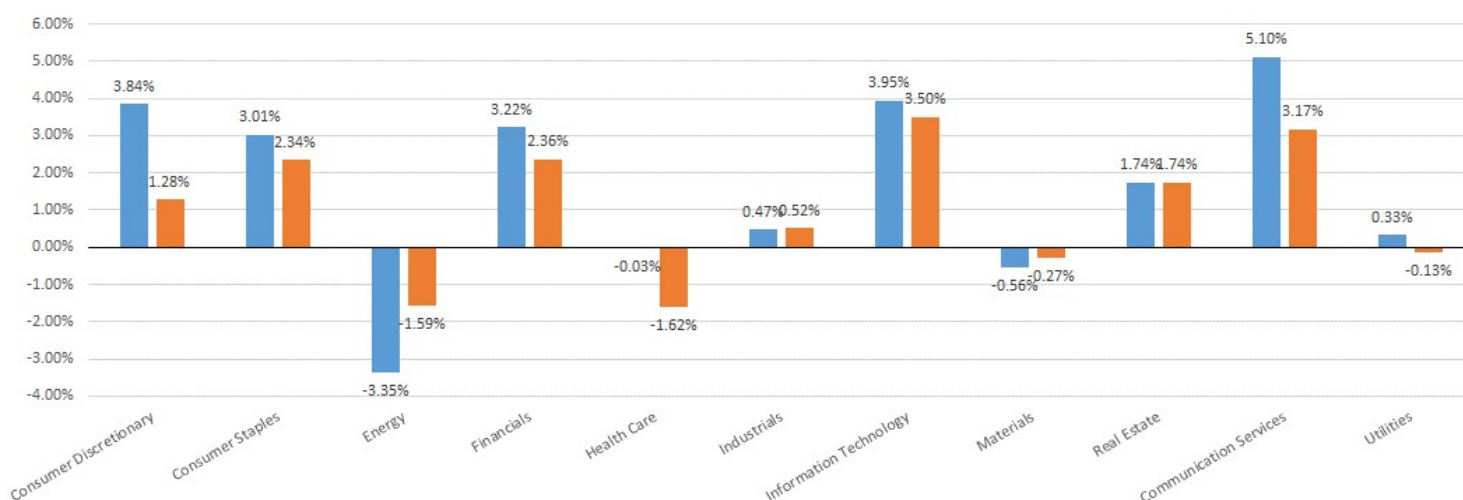
Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for the portfolio and benchmark include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

| Investment Performance | | | | Portfolio and Benchmark Characteristics | | |
|--------------------------------------|-----------|-----------|--------|-----------------------------------------|--------------|-----------|
| Historical Returns through 7/31/2019 | Portfolio | Benchmark | Excess | | Portfolio | Benchmark |
| Month to Date Return | 2.20% | 1.51% | 0.69% | Portfolio Market Value | \$ 1,408,398 | |
| Academic Term to Date Return | 8.84% | 8.58% | 0.27% | Number of Individual Equities Held | 43 | 505 |
| Year to Date Return | 21.15% | 20.11% | 1.04% | Number of ETFs Held | 21 | 0 |
| 1 Year Trailing Return | 5.36% | 7.80% | -2.44% | Weight in Individual Equities | 59.11% | 99.95% |
| 3 Year Trailing Return (Annualized) | 12.70% | 13.24% | -0.55% | Weight in ETFs | 37.53% | 0.00% |
| 5 Year Trailing Return (Annualized) | 11.14% | 11.21% | -0.07% | Weight in Options | 0.00% | 0.00% |
| Since Inception Return (Annualized) | 7.98% | 8.77% | -0.79% | Weight in Cash | 3.36% | 0.05% |
| | | | | Wtd. Avg. 2 Year Beta to S&P 500 | 0.97 | 1.00 |

Sector Returns

Monthly Sector Returns: Portfolio vs. Benchmark

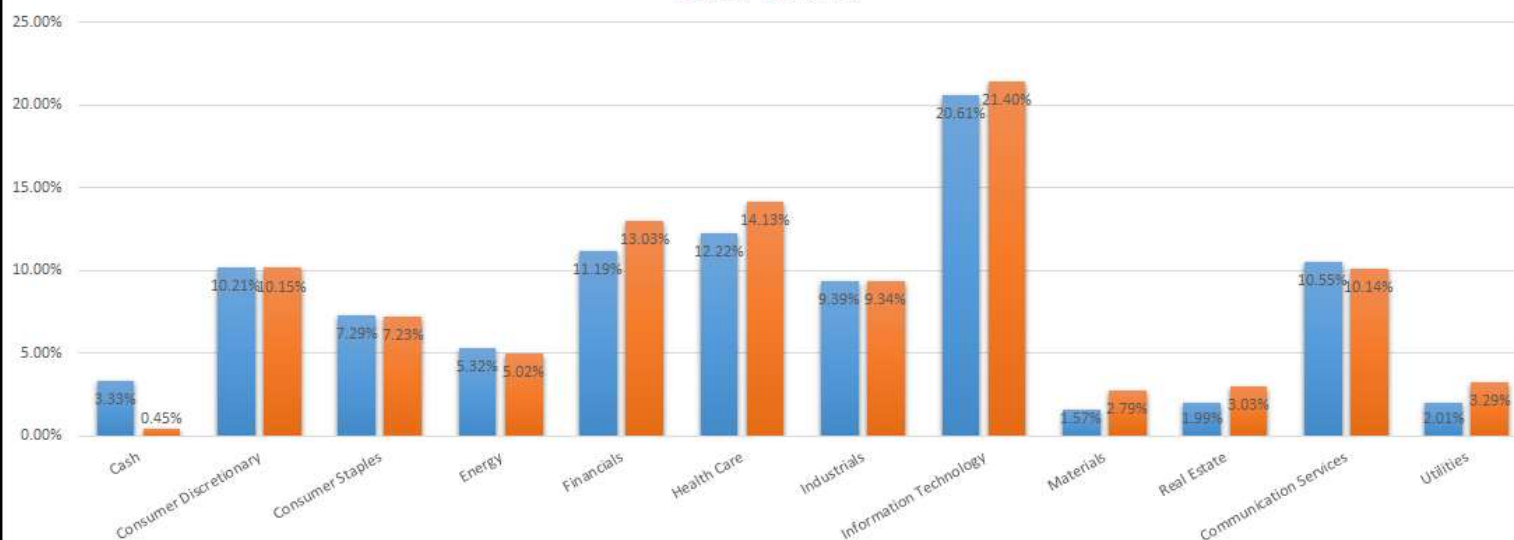
■ Portfolio ■ SPDR Sector ETF



Sector Weights


Sector Weights: Portfolio vs. Benchmark

■ Portfolio ■ Benchmark



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| Top 10 Individual Equity and ETF Holdings | | | | | | | | | | |
|-------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------------|----------------------|-----------------|
| Equities | | Ticker | Shares | Price | Market Value | | % of Portfolio | Historical Cost | Unrealized Gain/Loss | |
| VISA INC COM CL A | | V | 341 | 178 | \$ | 60,698.00 | 4.31% | \$32,810.58 | \$27,887.42 | |
| APPLE INC | | AAPL | 218 | 213.04 | \$ | 46,442.72 | 3.30% | \$27,918.40 | \$18,524.32 | |
| ALPHABET INC CAP STK CL A | | GOOGL | 32 | 1218.2 | \$ | 38,982.40 | 2.77% | \$14,279.82 | \$24,702.58 | |
| DISNEY WALT CO | | DIS | 255 | 143.01 | \$ | 36,467.55 | 2.59% | \$23,405.60 | \$13,061.95 | |
| MISCROSOFT CORP INC | | MSFT | 236 | 136.27 | \$ | 32,159.72 | 2.28% | \$30,505.52 | \$1,654.20 | |
| CISCO SYS INC COM | | CSCO | 570 | 55.4 | \$ | 31,578.00 | 2.24% | \$22,340.94 | \$9,237.06 | |
| BANK OF AMERICA CORP | | BAC | 975 | 30.68 | \$ | 29,913.00 | 2.12% | \$16,140.89 | \$13,772.12 | |
| JPMORGAN CHASE & CO | | JPM | 245 | 116 | \$ | 28,420.00 | 2.02% | \$24,553.70 | \$3,866.30 | |
| AMAZON INC | | AMZN | 15 | 1866.78 | \$ | 28,001.70 | 1.99% | \$27,475.23 | \$526.47 | |
| HONEYWELL INTL INC | | HON | 143 | 172.46 | \$ | 24,661.78 | 1.75% | \$20,045.95 | \$4,615.83 | |
| Exchange Traded Funds | | Ticker | Shares | Price | Market Value | | % of Portfolio | Historical Cost | Unrealized Gain/Loss | |
| SPDR S&P 500 ETF TRUST UNIT SER 1 S&P | | SPY | 204 | \$ 297.43 | \$ | 60,675.72 | 4.31% | \$ 59,228.71 | \$1,447.01 | |
| SECTOR SPDR TR SHS BEN INT TECHNOLOGY | | XLK | 712 | \$ 80.77 | \$ | 57,508.24 | 4.08% | \$ 37,504.36 | \$20,003.88 | |
| SPDR SER TR S&P INS ETF | | KIE | 1225 | \$ 34.63 | \$ | 42,421.75 | 3.01% | \$ 34,410.15 | \$8,011.60 | |
| ISHARES TR U.S. MED DVC ETF | | IHI | 163 | \$ 246.32 | \$ | 40,150.16 | 2.85% | \$ 28,156.20 | \$11,993.96 | |
| SELECT SECTOR SPDR TR HEALTH CARE | | XLV | 407 | \$ 91.14 | \$ | 37,093.98 | 2.63% | \$ 32,192.89 | \$4,901.09 | |
| SELECT SECTOR SPDR TR COMMUNICATION | | XLC | 602 | \$ 50.78 | \$ | 30,569.56 | 2.17% | \$ 27,821.77 | \$2,747.79 | |
| SELECT SECTOR SPDR TR CONSUMER DISCRETIONARY | | XLY | 250 | \$ 120.72 | \$ | 30,180.00 | 2.14% | \$ 21,646.91 | \$8,533.09 | |
| SELECT SECTOR SPDR TR RL EST SEL SEC | | XLRE | 750 | \$ 37.41 | \$ | 28,057.50 | 1.99% | \$ 25,734.98 | \$2,322.52 | |
| SECTOR SPDR TR SHS BEN INT CONSUMER STAPLES | | XLP | 448 | \$ 59.43 | \$ | 26,624.64 | 1.89% | \$ 24,140.18 | \$2,484.46 | |
| SELECT SECTOR SPDR TR ENERGY | | XLE | 374 | \$ 62.70 | \$ | 23,449.80 | 1.66% | \$ 26,190.56 | -\$2,740.76 | |
| Cash | | | | | \$ | 47,275.06 | 3.36% | | | |
| Performance Analytics | | | | | | | | | | |
| Historical Risk Statistics and Ratios | | Annualized Portfolio Volatility | Annualized Benchmark Volatility | Annualized Tracking Error | Annualized Information Ratio | Correlation to Benchmark | Beta to Benchmark | Jensen's Alpha | Treynor Ratio | Sharpe Ratio |
| Since Inception | | 13.70% | 14.16% | 3.60% | -0.22 | 0.97 | 0.94 | -1.31% | 7.37 | 0.50 |
| 1 Year Trailing | | 20.07% | 18.64% | 2.47% | -0.99 | 0.99 | 1.07 | -3.00% | 3.02 | 0.16 |
| 3 Year Trailing | | 12.50% | 12.03% | 2.20% | -0.25 | 0.98 | 1.02 | -0.85% | 8.68 | 0.71 |
| 5 Year Trailing | | 11.84% | 11.95% | 2.69% | -0.03 | 0.97 | 0.97 | 0.32% | 7.47 | 0.61 |
| Monthly Performance Attribution Results | | Portfolio | Benchmark | Excess | Top 5 Return Contributors | | | Bottom 5 Return Contributors | | |
| Total | | 2.20% | 1.51% | 0.69% | Ticker | Weight | Return Contrib. | Ticker | Weight | Return Contrib. |
| Return Contribution from Sector Allocation | | 1.41% | 1.46% | -0.05% | GOOGL | 2.77% | 0.3144% | WMB | 1.02% | -0.1441% |
| Alpha from Equity and ETF Selection and Trading | | 0.79% | 0.00% | 0.79% | AAPL | 3.30% | 0.2392% | SNA | 1.08% | -0.0946% |
| Alpha from Option Selection and Trading | | 0.00% | 0.00% | 0.00% | HAS | 1.72% | 0.2247% | XPH | 1.49% | -0.0745% |
| Income from Cash Account | | 0.01% | 0.00% | 0.01% | XLK | 4.08% | 0.1410% | EOG | 0.85% | -0.0713% |
| Tracking/Rounding Difference | | 0.00% | 0.06% | -0.06% | BAC | 2.12% | 0.1189% | ABBV | 0.68% | -0.0633% |
|  | | Bryant University 1150 Douglas Pike Smithfield, RI 02917-1284 http://aif.bryant.edu | | | | Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for the portfolio and benchmark include reinvestment of income distributions, and realized and unrealized gains. Returns have not been audited. | | | | |