

# The Archway Investment Fund - Equity Portfolio

## Bryant University

Monthly Report  
Data as of 2/29/2020

### Portfolio Description

The primary objective of the Archway Investment Equity Portfolio (the Portfolio) is to provide students in Bryant University's Equity Portfolio Management course with a hands-on learning experience. Student portfolio managers are organized into teams responsible for managing the holdings in their assigned sectors. The Portfolio launched in August 2005 with \$200,000. Including subsequent inflows and outflows the net capital contributed has been \$395,000, and the cumulative investment return is \$960,243.

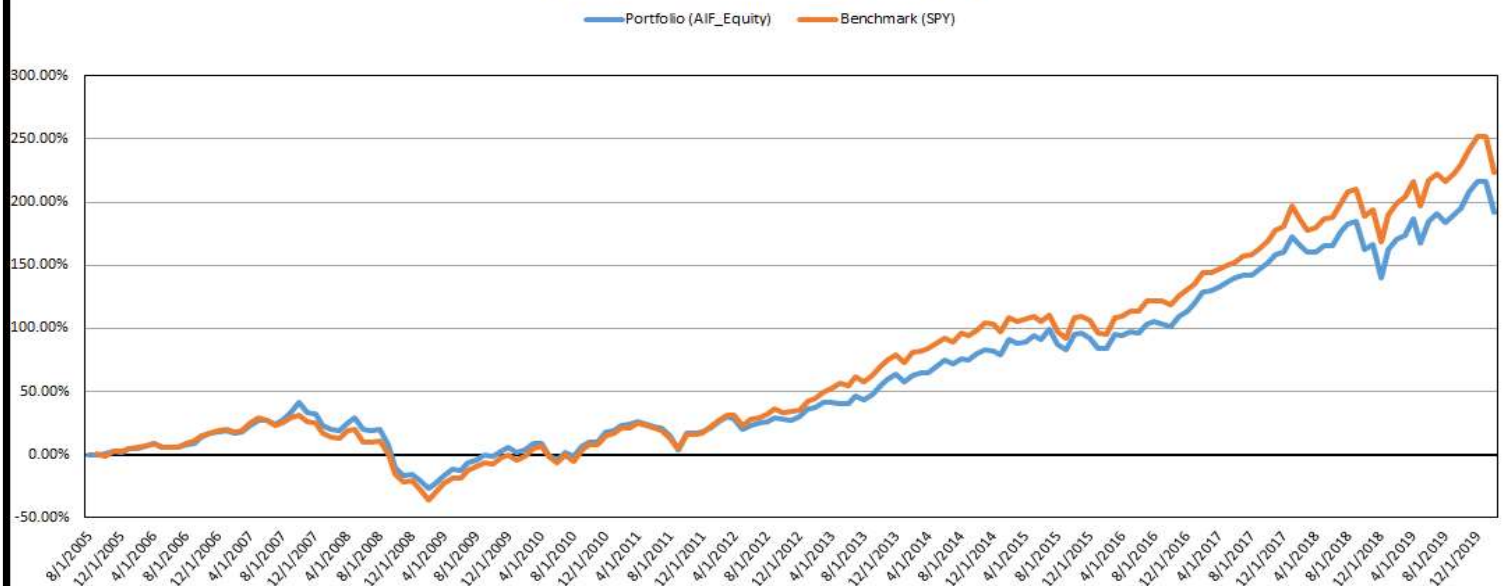
### Investment Strategy

The Portfolio strategy focuses on buying stocks for less than their intrinsic value, based on both value and growth considerations, to achieve risk-adjusted returns that equal or exceed benchmark returns. The investment process is built around sector teams responsible for overseeing the holdings and the weightings of the securities in their sectors. Formal stock pitches are required to add new names to the portfolio. Portfolio managers and security analysts use traditional fundamental analysis and valuation modeling, and they incorporate ESG metrics to identify risk factors and aid in generating risk-adjusted excess returns. The overall benchmark used for performance evaluation is the State Street SPDR S&P 500 Exchange Traded Fund (SPY), while benchmarks used for individual sectors are the corresponding SPDR sector ETFs. Each sector is initially weighted in the portfolio based on their weighting in the S&P 500 Index and are then adjusted to reflect portfolio manager expectations about the performance of each sector. While the purchase of international equities via ADRs is allowed, the Fund remains heavily weighted in domestic assets. Option use is limited to covered call and protective put strategies. Options are used only to control risk and the underlying security must be held in the Fund. Performance attribution analysis, and factor risk modeling are integral parts of the portfolio management and reporting process.

### Performance Commentary

The Archway Equity Portfolio returned -7.90% in February, while the benchmark returned -7.92%. For the Spring term thus far, the portfolio returned -8.00% while the benchmark returned -7.95%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 7.66% and the benchmark has an annualized return of 8.44%. The losses in February occurred in the last week, as markets fell globally due to Coronavirus-related fears. The spread of the virus is not slowing down, with cases popping up in European countries and the United States. If this continues, firms are likely to experience supply chain issues, depending on their exposure. The market correction has slashed stock prices that had previously seen extreme highs. As investors rushed out of the equity markets and into investment grade bonds, bond yields dipped to levels last seen following the financial crisis. The Communication Sector SPDR ETF had the best return of -5.84% followed by Real Estate (-6.22%) and Health Care (-6.59%). The Energy Sector SPDR ETF had the worst return of February with a -15.29% followed by Financials (-11.25%), Industrials (-9.90%) and Utilities (-9.86%). Sector Allocation contributed +0.10% of excess return, due primarily to our overweight in cash. Security Selection contributed +0.27% of excess return in February, while Cash, Options and Index Tracking contributed -0.35% of alpha during the month. We saw positive security selection alpha in Energy (+58 bps) due to our alternative energy ETF holdings. We also saw strong alpha in Consumer Discretionary (+11 bps), and Utilities (+8 bps), while the portfolio experienced negative security selection alpha in Communication Services (-24 bps), Consumer Staples (-18 bps), and Information Technology (-12bps). On February 18th, we moved \$55,000 to the Archway Fixed Income Portfolio, based on the recommendation by the macro team to reduce equity exposure and increase fixed income exposure. We sold ETF holdings in a number of equity sectors and aligned them to the new target weights. Other trades included the sale of 91 shares of the XAR to purchase 251 shares of Quanta Services (PWR).

### Cumulative Return Since Inception



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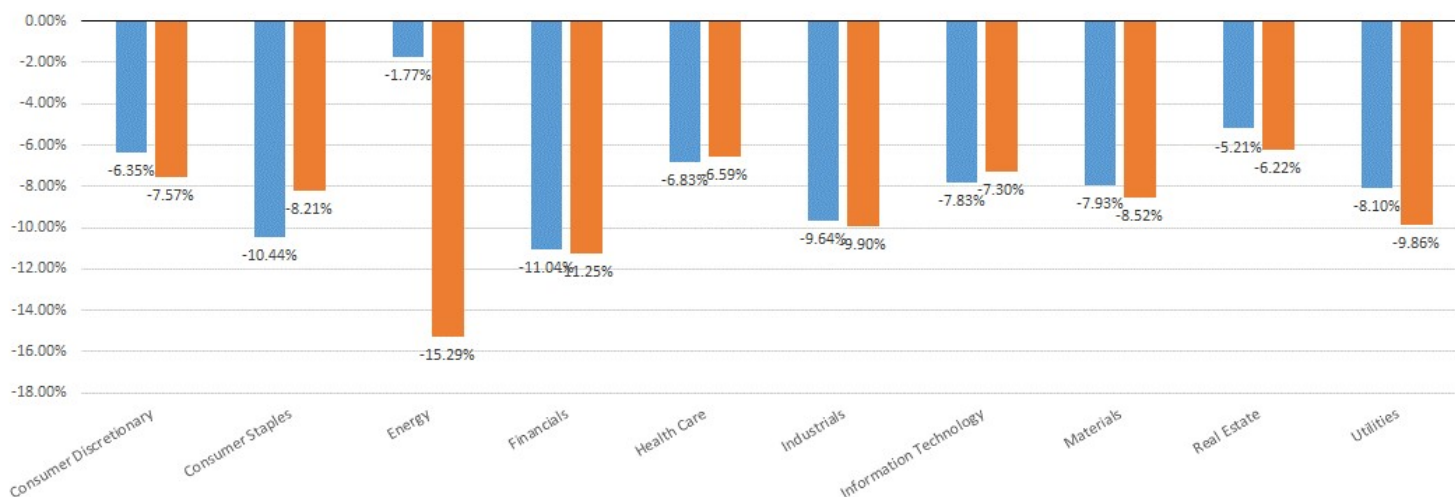
Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for the portfolio and benchmark include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

Investment Performance				Portfolio and Benchmark Characteristics		
Historical Returns through 2/29/2020	Portfolio	Benchmark	Excess	Characteristics as of 2/29/2020	Portfolio	Benchmark
Month to Date Return	-7.90%	-7.92%	0.02%	Portfolio Market Value	\$ 1,354,986	
Academic Term to Date Return	-8.00%	-7.95%	-0.05%	Number of Individual Equities Held	51	506
Year to Date Return	-8.00%	-7.95%	-0.05%	Number of ETFs Held	21	0
1 Year Trailing Return	7.90%	8.32%	-0.42%	Weight in Individual Equities	67.08%	99.85%
3 Year Trailing Return (Annualized)	8.44%	9.87%	-1.42%	Weight in ETFs	29.88%	0.00%
5 Year Trailing Return (Annualized)	8.82%	9.19%	-0.38%	Weight in Options	0.00%	0.00%
Since Inception Return (Annualized)	7.66%	8.44%	-0.79%	Weight in Cash	3.04%	0.15%
				Wtd. Avg. 2 Year Beta to S&P 500	0.98	1.00

### Sector Returns

Monthly Sector Returns: Portfolio vs. Benchmark

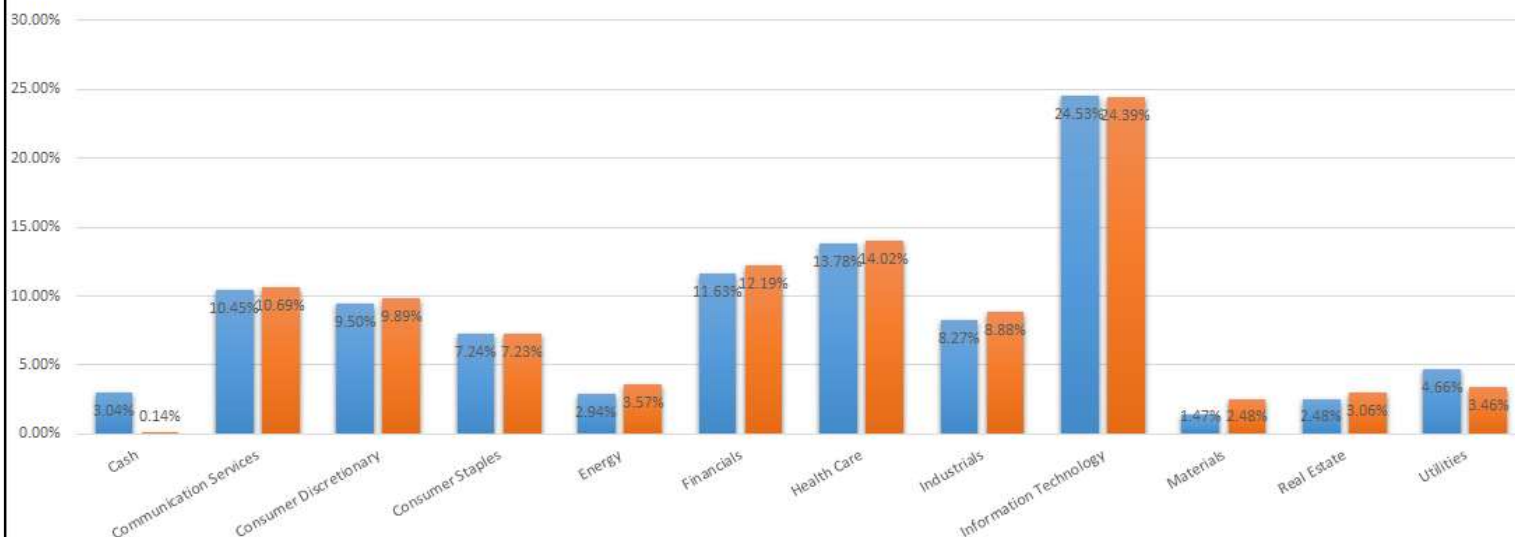
■ Portfolio ■ SPDR Sector ETF



### 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	181.76	\$	61,980.16	4.57%	\$32,810.58	\$29,169.58	
APPLE INC		AAPL	218	273.36	\$	59,592.48	4.40%	\$27,918.40	\$31,674.08	
MISCROSOFT CORP INC		MSFT	287	162.01	\$	46,496.87	3.43%	\$38,122.37	\$8,374.50	
ALPHABET INC CAP STK CL A		GOOGL	32	1339.25	\$	42,856.00	3.16%	\$14,279.82	\$28,576.18	
DISNEY WALT CO		DIS	247	117.65	\$	29,059.55	2.14%	\$22,671.31	\$6,388.24	
JPMORGAN CHASE & CO		JPM	245	116.11	\$	28,446.95	2.10%	\$24,553.70	\$3,893.25	
AMAZON INC		AMZN	15	1883.75	\$	28,256.25	2.09%	\$27,064.64	\$1,191.61	
BANK OF AMERICA CORP		BAC	975	\$ 28.50	\$	27,787.50	2.05%	\$16,140.89	\$11,646.62	
NVIDIA CORP		NVDA	100	\$ 270.07	\$	27,007.00	1.99%	\$19,693.57	\$7,313.43	
TJX COS INC NEW COM		TJX	440	\$ 59.80	\$	26,312.00	1.94%	\$15,514.95	\$10,797.05	
Exchange Traded Funds		Ticker	Shares	Price	Market Value		% of Portfolio	Historical Cost	Unrealized Gain/Loss	
SECTOR SPDR TR SHS BEN INT TECHNOLOGY		XLK	590	\$ 88.37	\$	52,138.30	3.85%	\$ 31,078.05	\$21,060.25	
SELECT SECTOR SPDR TR HEALTH CARE		XLV	418	\$ 92.61	\$	38,710.98	2.86%	\$ 33,453.84	\$5,257.14	
ISHARES TR U.S. MED DVC ETF		IHI	150	\$ 241.51	\$	36,226.50	2.67%	\$ 25,910.61	\$10,315.89	
SELECT SECTOR SPDR TR CONSUMER DISCRETIONARY		XLY	250	\$ 115.83	\$	28,957.50	2.14%	\$ 21,646.91	\$7,310.59	
SPDR SER TR S&P INS ETF		KIE	825	\$ 31.75	\$	26,193.75	1.93%	\$ 23,174.18	\$3,019.57	
SECTOR SPDR TR SHS BEN INT UTILITIES		XLU	405	\$ 62.18	\$	25,182.90	1.86%	\$ 22,114.25	\$3,068.65	
SECTOR SPDR TR SHS BEN INT CONSUMER STAPLES		XLP	426	\$ 57.99	\$	24,703.74	1.82%	\$ 23,329.78	\$1,373.96	
SELECT SECTOR SPDR TR COMMUNICATION		XLC	422	\$ 50.76	\$	21,420.72	1.58%	\$ 19,502.97	\$1,917.75	
SPDR SER TR S&P PHARMACEUTICALS ETF		XPH	505	\$ 41.22	\$	20,816.10	1.54%	\$ 21,846.14	-\$1,030.04	
SELECT SECTOR SPDR TR RL EST SEL SEC		XLRE	455	\$ 36.79	\$	16,739.45	1.24%	\$ 15,612.55	\$1,126.90	
Cash					\$	41,125.45	3.04%			
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		13.69%	14.11%	3.53%	-0.22	0.97	0.94	-1.47%	6.88	0.47
1 Year Trailing		15.42%	14.78%	1.97%	-0.21	0.99	1.04	-0.71%	5.66	0.38
3 Year Trailing		13.53%	13.04%	2.02%	-0.70	0.99	1.03	-1.69%	3.31	0.25
5 Year Trailing		12.32%	12.29%	2.49%	-0.15	0.98	0.98	-0.21%	3.53	0.28
Monthly Performance Attribution Results		Portfolio	Benchmark	Excess	Top 5 Return Contributors			Bottom 5 Return Contributors		
Total		-7.88%	-7.92%	0.03%	Ticker	Weight	Return Contrib.	Ticker	Weight	Return Contrib.
Return Contribution from Sector Allocation		-8.18%	-8.27%	0.10%	NVDA	1.99%	0.2197%	AAPL	4.40%	-0.5038%
Alpha from Equity and ETF Selection and Trading		0.27%	0.00%	0.27%	TAN	0.90%	0.0945%	V	4.57%	-0.3833%
Alpha from Option Selection and Trading		0.00%	0.00%	0.00%	GILD	0.76%	0.0596%	DIS	2.14%	-0.3333%
Income from Cash Account		0.00%	0.00%	0.00%	ABBV	0.68%	0.0414%	BAC	2.05%	-0.2758%
Tracking/Rounding Difference		0.02%	0.35%	-0.34%	TJX	1.94%	0.0218%	XLK	3.85%	-0.2682%
		Bryant University 1150 Douglas Pike Smithfield, RI 02917-1284 <a href="http://aif.bryant.edu">http://aif.bryant.edu</a>				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.				