

# The Archway Investment Fund - Equity Portfolio

## Bryant University

**Monthly Report**  
**Data as of 12/31/2021**

### 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 \$290,000, and the cumulative investment return is \$1,649,353.

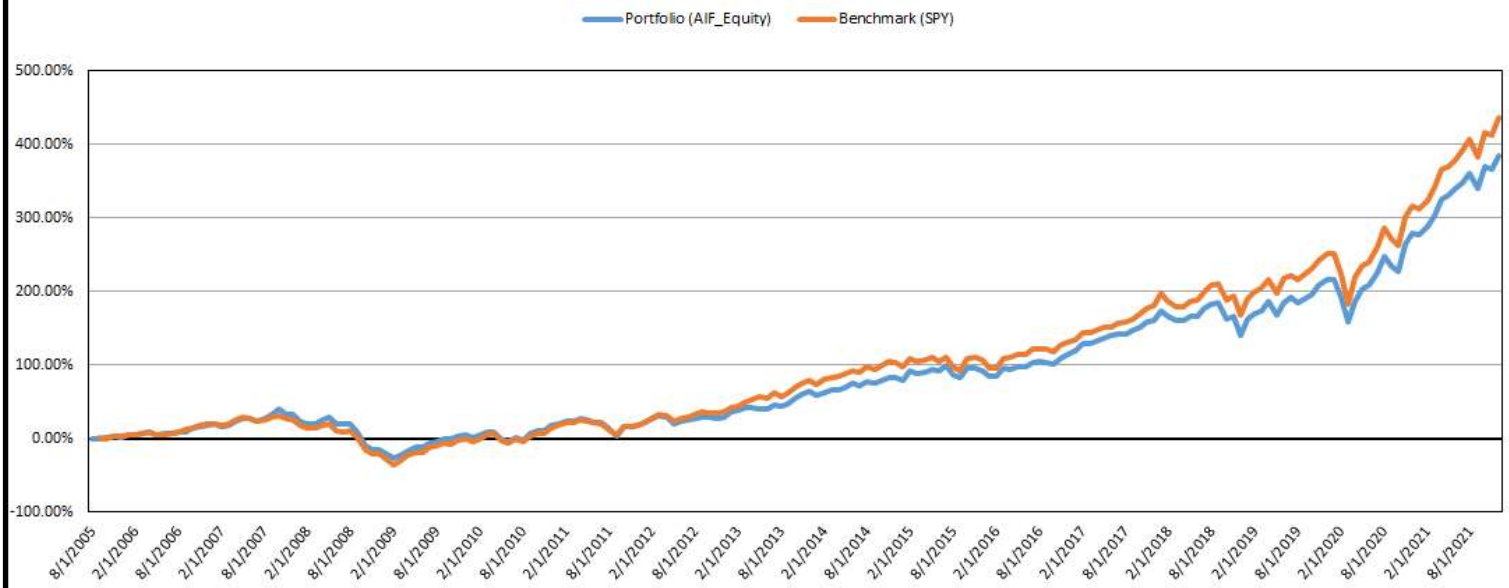
### Investment Strategy

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 4.22% in December, while the benchmark returned 4.62%. Economic growth continued in December as indicated by solid reports on the labor market, and strong retail sales during the holiday season. Inflation remains stubbornly high with the year over year CPI up 6.8% through November. The spread of the highly contagious Omicron variant of COVID-19 had investors on edge, but the market powered through to new highs again during December. Even a more hawkish Federal Reserve could not derail the equity market, although the focus did shift toward more defensive sectors. All 11 sector ETFs had positive returns during December, led by Consumer Staples (+10.5%), Real Estate (+10.3%), Utilities (+9.7%), and Healthcare. Unfortunately, the sector allocation overweights and underweights in the Archway portfolio were focused away from defensive sectors, and those decisions contributed -0.25% in alpha. Overweight exposure in Consumer Discretionary (-6 bps) and Cash (-4 bps), and underweight exposures in Utilities (-5 bps), Consumer Staples (-4 bps), and Real Estate (-4 bps) caused the underperformance. Security Selection also dragged down performance contributing -0.26% of alpha for the month. We had positive security selection alpha contributions in Financials (+9 bps), and Consumer Discretionary, with we had negative alpha contributions from security selection in Healthcare (-17 bps), Energy (-10 bps), and Consumer Staples (-8 bps). Index tracking together contributed 0.10% of alpha during the month. For the calendar year, the portfolio returned 27.83% while the benchmark returned 28.72%. Since the inception of the fund in August 2005, the portfolio has an annualized return of 10.15% and the benchmark has an annualized return of 10.82%. A number of limit orders and stop loss orders were entered as part of semester break trading plans produced by each sector team during December.

### Cumulative Return Since Inception



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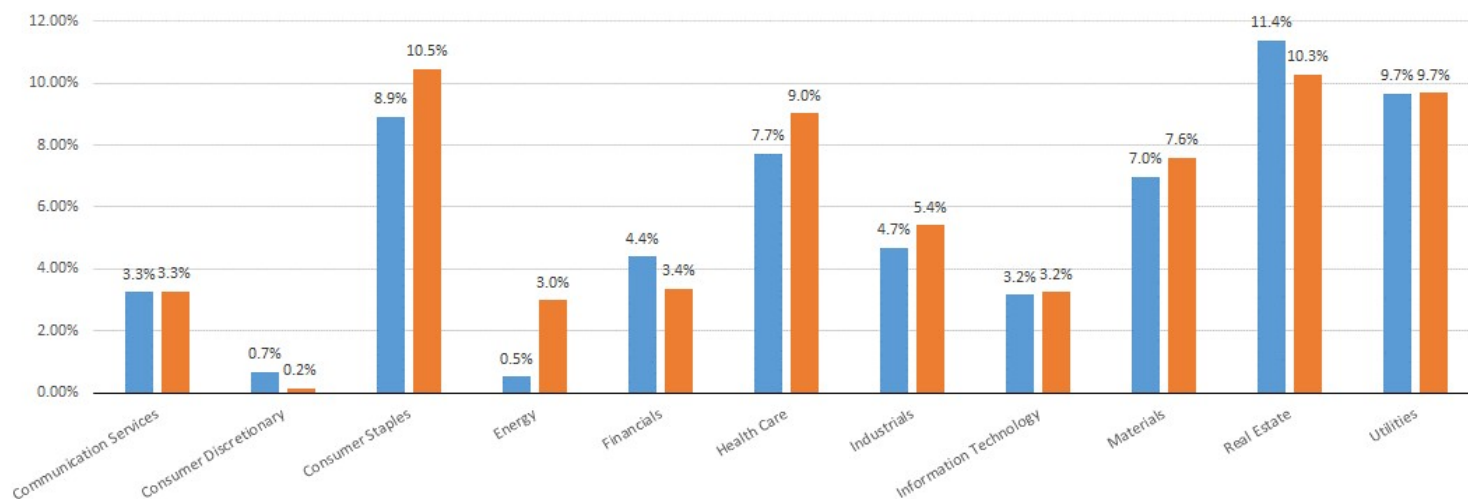
Performance data is calculated from the official portfolio valuation data provided by National Financial Services LLC, the custodian for the Fund's Fidelity Brokerage Account. Additional security price and analytic data has been obtained from Bloomberg LP. Returns for the portfolio and benchmark include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

Investment Performance				Portfolio and Benchmark Characteristics		
Historical Returns through 12/31/2021	Portfolio	Benchmark	Excess	Characteristics as of 12/31/2021	Portfolio	Benchmark
Month to Date Return	4.22%	4.62%	-0.40%	Portfolio Market Value	\$ 2,136,174	
Academic Term to Date Return	5.49%	5.90%	-0.41%	Number of Individual Equities Held	69	506
Year to Date Return	27.83%	28.72%	-0.90%	Number of ETFs Held	21	0
1 Year Trailing Return	27.83%	28.72%	-0.90%	Weight in Individual Equities	75.83%	99.75%
3 Year Trailing Return (Annualized)	26.37%	25.95%	0.42%	Weight in ETFs	22.56%	0.00%
5 Year Trailing Return (Annualized)	17.80%	18.34%	-0.54%	Weight in Options	0.00%	0.00%
Since Inception Return (Annualized)	10.15%	10.82%	-0.67%	Weight in Cash	1.62%	0.25%
				Wtd. Avg. 2 Year Beta to S&P 500	1.00	1.01

### Sector Returns

#### Monthly Sector Returns: Portfolio vs. Benchmark

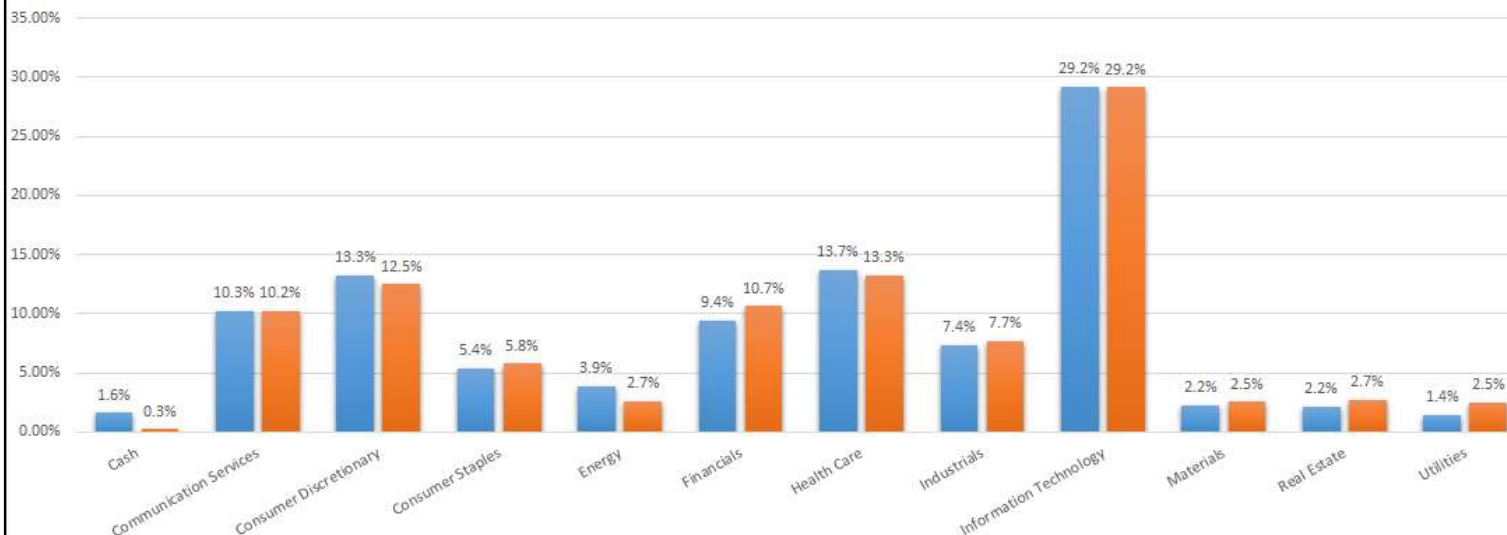
■ Portfolio ■ SPDR Sector ETF



### 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	
APPLE INC		AAPL	760	177.57	\$	134,953.20	6.32%	\$24,332.55	\$110,620.65	
ALPHABET INC CAP STK CL A		GOOGL	36	2897.04	\$	104,293.44	4.88%	\$31,247.15	\$73,046.29	
MISCROSOFT CORP INC		MSFT	302	336.32	\$	101,568.64	4.75%	\$47,308.13	\$54,260.51	
NVIDIA CORP		NVDA	274	294.11	\$	80,586.14	3.77%	\$13,490.10	\$67,096.04	
VISA INC COM CL A		V	336	216.71	\$	72,814.56	3.41%	\$46,797.96	\$26,016.60	
AMAZON INC		AMZN	21	3334.34	\$	70,021.14	3.28%	\$48,709.46	\$21,311.68	
LULULEMON ATHLETICA INC		LULU	100	391.45	\$	39,145.00	1.83%	\$28,524.02	\$10,620.98	
CHIPOTLE MEXICAN GRILL INC		CMG	20	1748.25	\$	34,965.00	1.64%	\$36,374.52	-\$1,409.52	
REGENERON PHARMACEUTICALS INC COM		REGN	49	631.52	\$	30,944.48	1.45%	\$27,366.16	\$3,578.32	
BERKSHIRE HATHAWAY CLASS B		BRK/B	100	299	\$	29,900.00	1.40%	\$21,884.95	\$8,015.05	
Exchange Traded Funds		Ticker	Shares	Price	Market Value		% of Portfolio	Historical Cost	Unrealized Gain/Loss	
SELECT SECTOR SPDR TR HEALTH CARE		XLV	463	\$ 140.89	\$	65,232.07	3.05%	\$44,146.36	\$21,085.71	
SELECT SECTOR SPDR TR CONSUMER DISCRETIONARY		XLY	303	\$ 204.44	\$	61,945.32	2.90%	\$39,805.41	\$22,139.91	
SECTOR SPDR TR SHS BEN INT TECHNOLOGY		XLK	355	\$ 173.87	\$	61,723.85	2.89%	\$34,424.02	\$27,299.83	
ISHARES TR U.S. MED DVC ETF		IHI	538	\$ 65.85	\$	35,427.30	1.66%	\$15,488.79	\$19,938.51	
SPDR SER TR S&P INS ETF		KIE	774	\$ 40.37	\$	31,246.38	1.46%	\$25,121.90	\$6,124.48	
SELECT SECTOR SPDR TR ENERGY		XLE	457	\$ 55.50	\$	25,363.50	1.19%	\$22,899.70	\$2,463.80	
SELECT SECTOR SPDR TR FINANCIALS		XLF	571	\$ 39.05	\$	22,297.55	1.04%	\$20,168.38	\$2,129.17	
SECTOR SPDR TR SHS BEN INT CONSUMER STAPLES		XLP	290	\$ 77.11	\$	22,361.90	1.05%	\$17,144.51	\$5,217.39	
SECTOR SPDR TR SHS BEN INT INDUSTRIAL		XLI	186	\$ 105.81	\$	19,680.66	0.92%	\$13,978.70	\$5,701.96	
SELECT SECTOR SPDR TR RL EST SEL SEC		XLRE	344	\$ 51.81	\$	17,822.64	0.83%	\$11,876.91	\$5,945.73	
Cash					\$	34,544.41	1.62%			
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		14.24%	14.73%	3.39%	-0.20	0.97	0.94	-0.10%	0.10	0.64
1 Year Trailing		9.85%	10.66%	1.28%	-0.70	1.00	0.92	1.42%	0.30	2.82
3 Year Trailing		16.76%	17.11%	2.08%	0.20	0.99	0.97	1.12%	0.26	1.52
5 Year Trailing		15.04%	15.19%	2.08%	-0.26	0.99	0.98	-0.21%	0.17	1.11
Monthly Performance Attribution Results		Portfolio	Benchmark	Excess	Top 5 Return Contributors			Bottom 5 Return Contributors		
Total		4.22%	4.62%	-0.40%	Ticker	Weight	Return Contrib.	Ticker	Weight	Return Contrib.
Return Contribution from Sector Allocation		4.43%		-0.25%	AAPL	6.13%	0.4550%	NVDA	4.37%	-0.4359%
Alpha from Equity and ETF Selection and Trading		-0.26%		-0.26%	V	3.18%	0.3822%	ADBE	1.67%	-0.2558%
Alpha from Option Selection and Trading		0.00%		0.00%	XLV	2.63%	0.2449%	AMZN	3.59%	-0.1770%
Income from Cash Account		0.00%		0.00%	ABBV	1.21%	0.1979%	LULU	1.11%	-0.1358%
Tracking/Rounding Difference		0.04%	-0.06%	0.10%	CSCO	1.22%	0.1898%	TAN	0.35%	-0.0489%
		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.				