BOWDEN INVESTMENT GROUP

March 2025 Update

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Collin Sadler

Brenden Wortman

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WALKER COLLEGE OF BUSINESS

Letter From the President

Greetings all,

We have plenty of exciting updates to share! March was filled with activity, including visits to UNCMC in Chapel Hill and the Department of Finance, Banking & Insurance Alumni Event in Charlotte. We also hosted our second annual stock pitch competition—an event we're proud to say was a tremendous success. Most exciting of all, we finally got to welcome the incoming Bowden class of 2025–2026!

After much deliberation within our group, the incoming class received their acceptance letters just before ASU's spring break. We are so excited to have them join our current class for the remainder of this semester, and we look forward to seeing how much they will learn and grow through the Bowden Investment Group.

Both classes had the opportunity to attend the Department of Finance, Banking & Insurance Alumni Event in Charlotte, where members connected with alumni from across the department. The evening was not only an excellent networking opportunity but also a valuable bonding experience for the new and current classes. It gave incoming members early exposure to our alumni network and helped strengthen the sense of community within the group.

We also had the opportunity to interact with the Boyles Distinguished Lecture Series speaker, Mr. Todd Campbell, CEO of Builders Insurance Group. Through this interaction, we gained valuable insights into their investment portfolio and its management, further enhancing our understanding of real-world investment strategies.

Another major highlight was our second annual Sustainable Horizons stock pitch competition. With 11 teams competing, the event offered valuable insights into how different funds approach investment analysis. A BIG thank you to our Portfolio Risk Manager, Luke Barbaryka, and Vice President, Tymber McClellan, for organizing such a well-run and competitive event. Their leadership provided our classes with a unique opportunity to critically assess the strategies of other funds and gain a deeper understanding of the analysis behind each pitch, making it an invaluable experience.

We're looking forward to the final month of the program!

Best,
Keira Andrews

New Bowden Class

From Left to Right:

Jake Womble, Quinten Kupka, Kristina Moore, Matthew Flemming, Ethan Greene, Rian Mofu, Avin Patel, Abigail Ledford, Matt Adkins, Carter Wylie, Pearce Lowry

Not Pictured: Makena Dubois



Visiting UNCMC

In March, our class had the incredible opportunity to visit the UNC Management Company (UNCMC) in Chapel Hill, where we gained valuable insights into the management of the University of North Carolina system's endowment funds. This visit was especially unique for our group, as it was our first exposure to an investment allocator and to an organization investing with an infinite time horizon — a perspective very different from traditional asset management. A special thank you to Patrick Danehy of NewSouth Capital Management, Inc., for spearheading the visit, to Angela Moss for graciously hosting us, and to the UNCMC team for providing a thoughtful presentation on UNCMC's mission and operations. We were also excited to reconnect with Nick Bailey, a Bowden alumnus and Senior Investment Analyst on the Private Markets team. To round out the trip, we caught up with another alumnus, Jack Brown, over a fun round of TopGolf before heading back to Boone.

Stock Pitches



Alex Greaves
(JAZZ)

Spotting overlooked opportunity in the healthcare sector, I presented a successful buy recommendation for Jazz Pharmaceuticals (NASDAQ: JAZZ) this month. Specializing in treatments for rare diseases across oncology and neuroscience, Jazz stood out due to its strategic mergers and acquisitions, robust research pipeline, and favorable demographic trends in the healthcare sector. The key catalyst was its recent acquisition of Chimerix, whose late-stage brain cancer drug is nearing FDA approval. Our group voted to add Jazz to the portfolio, aligning with both this compelling catalyst and our need to increase healthcare exposure. This pitch deepened my understanding of the sector and sharpened my skills in equity research and presentation.



Jesse Ferrante
(T) & (MO)

Recognizing gaps in our portfolio's sector allocation and beta exposure, I presented a buy recommendation for AT&T (NYSE: T) to address both. With no telecommunications holdings and an overall high portfolio beta, I identified AT&T as a defensive addition with upside potential. Key drivers included the company's 5G rollout, expansion of tower infrastructure, and a compelling dividend profile. The group agreed with the investment thesis, and we voted to add AT&T to the portfolio. I also pitched Altria Group (NYSE: MO) for its similar defensive qualities; however, after assessing overlap with our existing position in Philip Morris, we chose not to proceed with a vote. These experiences strengthened my ability to assess portfolio needs and align equity recommendations with strategic objectives.



Luke Barbaryka
(SOFI) & (DUK)

This month, I presented buy recommendations for SoFi Technologies (NASDAQ: SOFI) and Duke Energy Corporation (NYSE: DUK) to address opportunities in the financial technology and utilities sectors. SoFi, a digital banking, lending, and investing platform, has shown strong growth potential, fueled by its recent bank charter, acquisitions of Galileo and Technisys, and its repositioning as a full-service financial provider. Duke Energy, a leading utility operator in the Southeast, offered stability and growth through its expanding capital expenditure plans and rising enterprise load in key markets. After discussion, the group voted to add DUK to the portfolio to strengthen our utilities exposure, while we opted against SOFI due to broader market uncertainty. These pitches deepened my understanding of value investing principles and strengthened my ability to analyze value opportunities.



Collin Sadler
(TTWO)

I had the opportunity to present a buy recommendation for Take-Two Interactive Software (NASDAQ: TTWO), a leading video game publisher known for blockbuster franchises like Grand Theft Auto and Red Dead Redemption. My pitch focused on three primary drivers: the highly anticipated release of GTA VI later this year, the company's growing 'recurrent spending' revenue stream, and continued M&A activity. After much discussion, the group ultimately decided not to add TTWO to the portfolio, citing concerns about investing in a cyclical sector amid market uncertainty and the belief that the GTA VI launch was already priced into the stock. This experience enhanced my ability to evaluate macroeconomic trends and analyze company forecasts to develop investment recommendations.

Sustainable Horizons Stock Pitch Competition

On March 28th, the Bowden Investment Group held its second annual stock pitch competition, with this year's theme being Sustainable Horizons. Spearheaded by Portfolio Risk Manager Luke Barbaryka and Vice President Tymber McClellan, the competition invited student-managed investment funds from across the country to showcase their financial analysis and presentation skills—this time with the added challenge of integrating long-term sustainability considerations into their investment theses. The event saw eleven strong submissions and proved to be both competitive and inspiring. We are excited by its continued growth and look forward to the years ahead.

To execute this competition, each member of the Bowden Investment Group evaluated all eleven submissions and selected three finalist teams whose pitches demonstrated both a compelling investment thesis and strong integration of long-term sustainability. These three teams were then invited to present live to the Bowden Investment Group and a distinguished panel of judges for a chance to win cash prizes.

The final round, conducted over Zoom, featured impressive presentations and thorough Q&A sessions. Alongside feedback from our group, we were honored to welcome back four Bowden alumni to serve as judges, each of whom previously participated in the CFA Institute Research Challenge: Maximus Pavone, Finance and Accounting ADP at Trane Technologies; Brandy Crump, Broker at Aon; Derek Mahato, Financial Analyst at Bank of America; and Nathan Hughes, Global Broker and Index Relations Analyst at Vanguard. Their participation elevated the event and brought a professional lens to the evaluation process, providing thoughtful feedback and mentorship to all who presented.

After much deliberation, the judges selected this year's winners: The Wharton School placed third with their pitch of Lululemon (LULU), UC Santa Barbara came in second with their pitch of Amentum (AMTM), and Waterloo University took first place with their pitch of Soltera Health (SHC). We extend our congratulations to these exceptional teams on a job well done.

We also had the privilege of hosting Daniel Bradshaw, Chief Investment Officer at Cornerstone Advisors and a proud Appalachian State alumnus, as our keynote speaker. Mr. Bradshaw shared valuable insights from his career in investment management, addressed emerging challenges facing the financial industry, and emphasized the growing importance of sustainable investing practices. His thoughtful advice and generosity left a lasting impression on our group.

We want to express our sincere gratitude to Dennis Covington of Savant Wealth Management for his sponsorship of this competition. We also thank the Walker College of Business and the Department of Finance, Banking & Insurance for their continued support of the Bowden Investment Group and our events. Their backing helps make opportunities like this competition possible and meaningful.

This event provided a transformative learning opportunity for Bowden members. Evaluating submissions from peer institutions offered rare exposure to diverse investment philosophies, valuation techniques, and communication styles. It also challenged us to refine our analytical lens and broaden our perspective on what it means to identify long-term value in today's market.

For our Portfolio Risk Manager and Vice President, the event served as a hands-on leadership experience, requiring logistical coordination, professional communication, and the ability to manage a multi-stage, national competition. Organizing the competition was both demanding and rewarding, and we take pride in the professionalism and collaboration it inspired within our group. The graduating members of the Bowden Investment Group are excited to see the continued success and evolution of the stock pitch competition in the years ahead.

- Luke Barbaryka, Portfolio Risk Manager

Industry Analysis on Market Volatility

In March, markets experienced one of the swiftest corrections in recent history, with the S&P 500 declining over 10% from its February peak. This abrupt downturn, driven by tariff concerns and broader macroeconomic uncertainty, highlighted the need for intentional sector positioning and risk management within our portfolio. In response, the Bowden Investment Group has focused on identifying undervalued, defensive opportunities that offer downside protection and long-term resilience.

Given persistent volatility and economic headwinds in the first quarter, the group has made a strategic shift toward defensive sectors in our recent stock pitches. While many of the fall and early spring pitches targeted cyclical and consumer discretionary companies, we have since pivoted in response to market conditions. Although names like WING and TAP were pitched in February, they were ultimately not approved due to their risk profiles and limited alignment with our current portfolio objectives. Instead, we approved DUK (utilities), T (communications), and JAZZ (healthcare) to reduce portfolio beta, enhance diversification, and increase exposure to more stable sectors. Pitches such as TTWO and MO were also rejected for similar reasons.

This shift reflects our conviction that defensive sectors will provide more consistent returns amid ongoing market stress. Through careful analysis and strategic positioning, the Bowden Investment Group continues to prioritize long-term performance and portfolio resilience.

Alex Greaves and Davis Pharr, Industry Analysts

Global Case Competition at Harvard

Bowden members participated in the Global Case Competition at Harvard (GCCH) for the first time this March. In this competition, students are tasked with analyzing a potential company acquisition based on the companies' strategic drivers and synergies. This year's case focused on whether Ferrari should acquire Pirelli, its tire manufacturer. The team, led by Accountant James Buck and Vice President Tymber McClellan, concluded that Ferrari should not pursue the acquisition of Pirelli, citing the companies' divergent strategies. Ferrari is known for its focus on quality and exclusivity, producing fewer than 15,000 vehicles annually, which contrasts sharply with Pirelli's growth-oriented strategy.

Instead, the team proposed that Ferrari acquire luxury electric vehicle (EV) manufacturer Lucid. With Ferrari set to introduce its first EV in fall 2025, Lucid's expertise in efficient batteries — including supplying F1 EV racing — aligns better with Ferrari's luxury brand and EV ambitions. Additionally, Lucid's CEO recently resigned, and the company has been facing financial difficulties.

The team's thorough financial modeling and strategic analysis revealed that Lucid's challenges presented an opportunity for Ferrari to acquire a cutting-edge player in the EV market at a favorable valuation. This competition provided the team with a unique opportunity to assess synergies, acquisitions, and corporate strategies, deepening our understanding of strategic fit in the context of mergers and acquisitions.

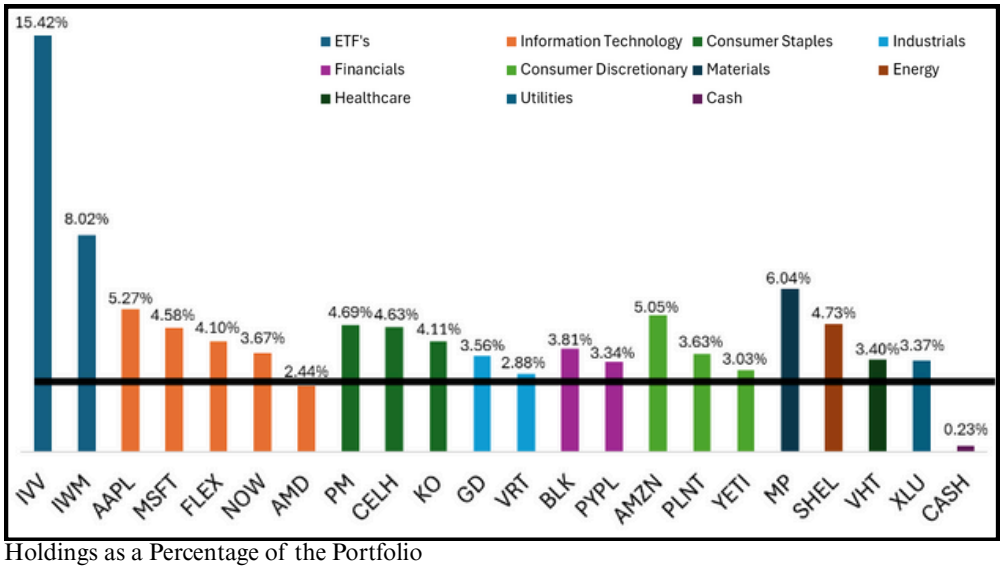


Performance Analysis

March presented a challenging environment for the market, as President Trump proposed tariffs across a wide range of industries and countries. These announcements raised concerns about rising manufacturing costs and the potential for increased consumer prices, both of which fueled fears of inflation and even stagflation. Despite this volatility, several of our holdings posted strong returns. Celsius Holdings (CELH), Shell (SHEL), and General Dynamics (GD) rose 38.6%, 9.3%, and 8.8%, respectively. Investor preference shifted toward Consumer Staples, and CELH benefited from both sector strength and company-specific optimism following the announcement of a new distribution partner and updates to leadership. SHEL also performed well on the back of positive forward guidance and an expanded share buyback program. GD saw gains after announcing a dividend increase and securing new contracts in its electric boat division.

Not all positions fared as well. Vertiv (VRT), ServiceNow (NOW), and Flex (FLEX) experienced declines of 24.2%, 12.9%, and 12.7%, respectively. Vertiv struggled amid broader concerns about a slowdown in data center infrastructure growth, news that surfaced just as the stock began to recover from the DeepSeek disruption in February. ServiceNow was impacted by similar fears, as well as uncertainty around government contract renewals due to cost-cutting initiatives under the new administration. Although Flex did not release significant company-specific news, broader weakness in its sector contributed to its decline.

Despite these challenges, the Bowden Investment Fund outperformed the S&P 500 in March, returning -3.0% compared to the index's -5.6%. As we approach our final portfolio turnover, we have developed a sector-color-coded portfolio graph (below) to evaluate which holdings may need to be reduced. The black line on the graph represents our 2.5% minimum position benchmark.



Holdings as a Percentage of the Portfolio

-Jack Parquette and James Buck, Accountants

YTD Returns

BIF	**(3.0%)**
S&P 500	**(4.3%)**

Mar Returns

BIF	**(3.0%)**
S&P 500	**(5.6%)**
AAPL	(8.2%)
AMD	2.8%
AMZN	(10.4%)
BLK	(3.1%)
CELH	38.6%
FLEX	(12.7%)
GD	8.8%
KO	0.6%
MP	1.5%
MSFT	(5.5%)
NOW	(12.9%)
PLNT	4.3%
PM	3.3%
PYPL	(8.2%)
SHEL	9.3%
VRT	(24.2%)
YETI	(7.2%)
VHT	(2.6%)
IWM	(7.1%)
IVV	(5.9%)

For an up-to-date view of the BIF, Click Here

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