

Big Update: **March 2020**



Bowden **Investment** Group

Faculty Advisors:

Dr. Delbert Goff
Mr. Shawn Poole, CPA

BIG Members:

President

James Cornett

Vice President

Nathan Hughes

Accountants

Jack Lewis
Jacob Wiley

Economic Analysts

Nick Bailey
Allie Hammond

Update Editors

Maddie Beardsley
Tanner McCandless

Annual Update Editor

James Hopkins

Industry Analysts

Christian Britt
David Franco
Ana Melone

For information about the Bowden Investment Group, please contact:

Dr. Delbert Goff
Goffdc@appstate.edu
(828) 262-6188

For more information on this update, please contact:

Maddie Beardsley
beardsleymj@appstate.edu

Tanner McCandless
mccandlesstn@appstate.edu



Letter From the President—

As COVID-19 spreads across the globe, the markets have continued to decline with businesses shutting down around the world. The Bowden Investment Group has gone through many changes as Appalachian State University has responded to the spreading pandemic. Our spring break was extended one week, and our BIG meetings have been moved online. Although this has provided a challenge, the online meetings we have held so far have been very successful. We are prepared to finish this semester strong and carry out our fiduciary duty despite the obstacles we are faced with.

During the month of March, we held interviews to select the 2020-2021 Bowden Investment Group members. We are confident that these new members will continue to carry on the strong legacy the BIG has built over the years, and we are excited to watch them grow.

Looking ahead, April marks our last month to make active decisions on the portfolio. During this next month, the BIG plans to actively discuss our holdings and construct the portfolio to be best positioned moving forward. In this time, we also hope to serve as mentors to the new class as they make the transition into our former roles. This year has flown by, but we will savor every moment of our time left in the BIG and our undergraduate experience.

Lastly, thank you for your continued support of the Bowden Investment Group!

Sincerely,

James

Congrats to the new BIG—



We would like to extend a formal congratulations to next year's Bowden Investment Group class. There were a number of impressive applicants, and it was certainly a challenge to select only twelve students. Over the next month, the current BIG class is excited to mentor the new members and share our knowledge to best equip them to take on the portfolio.

Economic and Portfolio Update—

As the novel coronavirus spreads around the world, global economies have seen sharp declines in business activity and economic development. Domestically, the Fed has adopted a “by any means necessary” approach in an attempt to curb the economic effects of the virus and set the landscape for an economic rebound. Also, the Federal Government has issued nearly \$2 trillion in fiscal stimulus, giving support to individuals, small businesses, and affected industries to limit some of the damages to the economy. Businesses all across the United States have taken the brunt of the effects, with mass restaurant and bar closures, event cancellations, and nationwide school closures. Additionally, unemployment data revealed a steep increase in jobless claims, as more and more Americans have filed for unemployment as a result of the virus. Lastly, social distancing and stay-at-home orders have sharply contracted consumer spending activity. This has caused GDP forecasts to significantly decrease as consumer spending makes up a large majority of GDP. With many of these signals pointing towards a near-term global recession, economies across the world have stepped up to inject monetary easing and fiscal stimulus packages to control the economic implications of this virus. Hopefully, as the coronavirus becomes contained, business activity will slowly resume and result in a quick turnaround near the third quarter.

The market impact did not go unnoticed for the Bowden Investment Fund as we saw sharp declines in the S&P 500 index as well as many of our holdings. March was a historical month of selling, as the coronavirus roiled through the financial markets and drove panic-selling throughout nearly all equity classes. During March, the Bowden Investment Fund marginally underperformed the S&P Index posting a -12.68% decline relative to the S&P’s -12.51% return. While our March returns have relatively underperformed, we still manage to outperform the market YTD posting a -16.80% decline relative to -19.74% decline from the S&P. This unprecedented event has caused us to re-examine our portfolio and discuss our forward strategy heading into the near-term.

YTD Returns

BIF	-16.80%
S&P 500	-19.74%

March Returns

Ticker	Return
ALGN	-20.33%
AMZN	3.50%
CCL	-62.28%
FB	-13.34%
GOOGL	-13.24%
LH	-28.06%
LMT	-8.36%
NKE	-7.43%
NVDA	-2.40%
SO	-10.30%
SHOP	-10.01%
STZ	-16.83%
SYK	-12.64%
V	-11.36%
WM	-16.47%
ZBRA	-12.97%
IVV	-12.68%

Total BIF Value

\$170,319.67

For an up-to-date view of the BIF, [click here](#)

Meet the Members

James Cornett



James Cornett is the current president of the Bowden Investment Group. He will be graduating in May 2020 with a double major in Finance & Banking and Economics and a minor in Accounting. Last summer, James spent his time in Charlotte as an intern in the Financial Management Analyst Program (FMAP) at Bank

of America. During his time at Appalachian, he has served as the President of the Interfraternity Council and as the CFO of the Student Government Association. While in the BIG, James has evolved his leadership skills, expanded his analytical skills, and developed professionally.

James Hopkins



James Hopkins is a Finance & Banking and Risk Management and Insurance double major graduating in May 2020. Last summer, James spent time studying abroad in Australia as well as studying to take his SIE exam (which he passed!). During his time at Appalachian, James quickly fell in love with snowboarding and has

become very involved on campus in organizations like Pi Kappa Alpha, Walker Fellows, and Pi Sigma Epsilon. During his time in the BIG, James has valued developing his professional skills like interviewing and public speaking, as well as building connections and friendships in the group.

