



Bowden Investment Group

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Letter from the President

The month of April was bittersweet for the Bowden Investment Group. Our time together is coming to an end. With this in mind, the current members are beginning to prepare the portfolio for the dormant summer months. During the month of April, we added Cameco (CCJ), Compass Minerals (CMP), Micron (MU) and Ulta (ULTA) to our holdings. We believe these companies possess sustainable competitive advantages within their industries and will leave the portfolio in a great position for future growth.

Also during April, the Broyhill Fellows represented Appalachian State in the CFA Americas regional competition in Seattle. Although the team did not make it to the global competition, they represented BIG and Appalachian extremely well. We are very proud of the Broyhill Fellows and would like to thank them for showcasing the high standards of the Bowden Investment Group on a national stage.

In this final Update, the 2016-2017 Bowden Investment Group would like to extend our sincerest gratitude to all that have been involved with our experience. First, we would like to thank Dr. Goff and Mr. Thompson for all that they do for the Bowden Investment Group. The hard work and selfless dedication that these two gentlemen give to BIG is what makes this experience so beneficial. I know I speak for every member when I say that both Dr. Goff and Mr. Thompson are outstanding role models and we will carry with us the lessons they have taught throughout our lives.

The Bowden Investment Group would also like to thank all of the speakers who took time to share their experiences within the industry. Lastly, we would like to thank all supporters for your continued involvement with the Bowden Investment Group. Your encouragement and contributions have given us numerous life-changing experiences that we will be forever grateful for. We hope that you stay connected with BIG, just as we plan to do.

In this last letter, I would like to leave you with this quote:

“Knowledge comes, but wisdom lingers. It may not be difficult to store knowledge in the mind within a comparatively short time, but the ability to form judgments requires the severe discipline of hard work and the tempering heat of experience and maturity.”

- Calvin Coolidge

I believe these words embody the skills one gains in the Bowden Investment Group. The discipline of hard work and dedication to learning from experiences is what BIG members will remember, and I believe these are the values that will allow us to achieve our goals in the future.

Thank you all for your continued support.

Regards,

Logan Newman, President

Economic Outlook

Relations in Asia — With the looming threat of nuclear ability in North Korea, President Trump sat down with the President of China, Xi Jinping, to discuss the suppression of this threat. Shortly after this meeting, China placed economic sanctions on North Korea, severely limiting the coal trade between the two countries. Jinping also moved approximately 175K troops to the North Korean Border. For several days the markets reacted negatively to this news, but the general consensus is that tense geopolitical relationships will not lead to overt conflict.

Executive Orders — President Trump signed the “America First” executive order in April with the sole intention of promoting American goods and jobs. To that effect, a significant aspect of this order is that H-1B visas will be awarded to only the most qualified foreign workers. Another executive order signed during the month is intended to promote American energy. This order reversed the previous administration’s Arctic Leasing ban to allow more exploration and production of oil in approximately 94% of the United States’ untapped reserves. This has the potential to provide opportunities for oil refiners, such as Marathon Petroleum, to widen profit margins given an influx of oil supply in the market.

Key Economic Factors — The United States’ 1st Quarter GDP of 0.7% came in under analysts’ consensus, and well below the growth we saw in Q4 2016. This is a typical trend for the U.S., primarily driven by a decrease in the growth of consumer spending, which was only 0.3%. However, we believe that GDP growth for 2017 will be relatively in line with the last few years, at roughly 2.2%. We believe there will be a rebound in consumer spending driven by increased wages and benefits in the U.S. Additionally, the Employment Costs Index rose 0.8% in Q1 2017, which is the largest quarterly growth since December 2007. Treasury Secretary Steve Mnuchin believes that the original growth figures the current administration set may be achievable if the Tax Reform bill passes. However, we think that the effects of this bill will most likely take place in 2018, since passage is not likely until the end of this year.

Government Shutdown — The House and the Senate passed a bipartisan \$1.1 trillion funding bill, avoiding a potential government shutdown through September. The bill excluded many things promoted by President Trump, primarily money for building a wall on the southern border of the U.S. This introduces uncertainty about whether or not the bill will be vetoed.

Charles Plummer and Matt Burns, Economic Analysts



April Returns

Ticker	Return
AAPL	-0.01%
CCJ	-13.37%
CMG	6.50%
CMP	-2.73%
COST	5.69%
FIS	5.74%
FUN	5.69%
GOOGL	9.05%
IAT	-0.83%
JBLU	5.92%
MPC	0.79%
MU	-4.26%
NVS	3.72%
NWL	1.21%
RHS	1.38%
SYK	3.59%
TTEK	7.59%
ULTA	4.85%
V	2.64%
VFH	-0.68%
VRX	-16.14%
^GSPC	0.91%

Meet the Members



Ana Silverstein

Ana is a native of Charlotte, North Carolina. After graduating in May with a double major in Finance & Banking and Risk Management & Insurance, Ana will be returning to her hometown to begin work at Bank of America in the Financial Management Analyst Program. Ana believes the Bowden Investment Group has been the ultimate collegiate experience, and feels that Dr. Goff and Mr. Thompson are a dynamic teaching duo! Her favorite part of Bowden has been learning from their endless wisdom in both analytical and soft skills. In her free time, Ana enjoys eating at the variety of restaurants Boone has to offer, with Cobo being a notable favorite.



Jewell Ward

Jewell is from Colfax, NC and will graduate this May with a degree in Finance & Banking. During her time at Appalachian, Jewell has served as an Appalachian Student Ambassador, catered with Red Moon Catering, and worked in the Office of the Chancellor. Following last summer’s internship with the Finance Management Analyst Program at Bank of America in Charlotte, Jewell accepted the offer of full time employment with FMAP and will begin her career this June. Participating in the Bowden Investment Group has been the highlight of Jewell’s senior year, and she greatly appreciates all the ways members are able to develop their critical analysis and professional skills.