

Big Update: August 2015



Bowden Investment Group

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Mr. David Thompson,
CFA

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WALKER
COLLEGE OF BUSINESS

Letter from Advisors

“May you live in interesting times.” For anyone teaching investments, August definitely lived up to that expression. On Monday of the second week of classes, the Bowden Investment Group members were in the midst of their portfolio review when the market opened with a dramatic decline. At one point early in the trading day, the portfolio was down over 10%. Fortunately that large drop was short lived and, while the portfolio ended down for the day, it outperformed the benchmark. The major market moves provided good basis for class discussions and vastly increased the interest of the students. What a great, if somewhat scary, way to begin the semester.

Once again, we are honored to welcome new members to the Bowden Investment Group. The students entered the fall semester after a busy summer. In addition to the summer work assignments required for the Bowden Investment Group, all students participated in internships or other meaningful summer employment. Two of the students have received career job offers that resulted from their internships and other students have good job prospects as a result of their summer work.

For the fifth consecutive year we kicked off the semester with The BIG Day, a full-day experience with a focus on team building and professional development. Students started the day with discussions on business professional skills followed by an etiquette luncheon. The afternoon was filled with a team building exercise organized by the ASU Outdoor Programs Department. This exercise involved climbing the Alpine Tower, a fifty-foot, pyramid-shaped climbing structure. The exercise requires teamwork and trust, because each climber’s safety is in the hands of other team members. Finally, we completed the day with a reception and dinner where the students had the opportunity to interact with colleagues, professors, and administrators in a relaxed, informal atmosphere.

We are at the beginning of our sixth year working together on the Bowden Investment Group. By combining our strengths we have been able to give students in the BIG an experience that is unparalleled. We are very pleased that the participants have responded well to the program and have excelled both as students and as alumni. We are excited about the new group of students and look forward to working with them in the coming months. We also look forward to the challenge that they will give us as we push them to excel and reach their full potential.

Delbert Goff, Ph.D.
David Thompson, CFA



Pictured starting from back left: Eric, Nick,
Andrew, Nathan, Aaron, Christian, Amanda,
Hunter, MacGregor, Darrow, Chris, and Dillon



Letter from the BIG Students

The members of the 2015 – 2016 Bowden Investment Group are geared up for a successful year. During the summer we each worked as interns for various companies throughout North Carolina. We also studied, gaining more in-depth knowledge about accounting, and created our first financial models. We are thankful for the contributions from donors that enabled us to learn about these subjects through Wall Street Prep.

The 5th Annual Big Day proved to be a great bonding experience for the Bowden Investment Group. We had the opportunity to receive professional advice from our advisors and from Ms. Linda Matney, retired General Partner of WEDGE Capital Management. In addition, we were treated to a dining etiquette luncheon led by Ms. Janet Woodson of La-tea-da Catering.

Although the semester is young, we have already covered industry analysis and learned the importance of understanding company strategy. Our first research report of the semester is due in a few days and everyone is working hard to reach this first milestone. In a couple of weeks we will apply skills learned in the classroom when we make our first stock presentation of the year.

We are excited about our upcoming trip to New York and look forward to the opportunities that we will have to visit Wall Street and meet with finance professionals. While in New York we will vote on leadership positions within the group and we are happy to announce there are new positions this year that will allow each member to contribute in BIG ways.

We are motivated to work hard and outperform the S&P 500. We look forward to the many challenges we will face this year and are thankful for the opportunity to learn from Dr. Goff and Mr. Thompson.

-BIG Class of 2015 - 2016

Summer Portfolio Review

The four months since the last BIG Update went out have been exciting times for the market and the Bowden portfolio. Between the Greek panic, the Chinese market meltdown, and the continued drop in commodities, led by oil, there was plenty of negative news. Both the market and the portfolio have dropped in the last few months as a result. But, due to a strong July, the portfolio has beaten the market by 0.82%.

For the summer, the highest gainers in the portfolio were Foot Locker and Google, and the worst performer in the portfolio was Micron. In addition, the summer was tough on stocks in the portfolio with exposure to oil, such as Chevron and Haliburton, and on CSX due to the railroad's exposure to coal.

Looking forward, some of the important economic issues we are watching are the price of oil, the Chinese economy's slowdown, and the potential of an interest rate hike from the Fed.

	Bowden Investment Fund	S&P 500 Index
YTD Return	-4.06%	-2.87%

August Returns

Ticker	Return
AAPL	-7.09%
CSX	-13.48%
CVS	-9.83%
CVX	-7.89%
DHR	-5.22%
ESRX	-7.74%
FL	0.34%
GOOG	-1.19%
GOOGL	-1.49%
HAL	-5.72%
HBI	-2.72%
IJT	-6.18%
IVV	-6.53%
KKD	-8.75%
MU	-12.80%
NVS	-6.72%
SYK	-3.67%
TSN	-4.66%
UFPI	-5.73%
VEA	-7.80%
VFH	-7.08%
WMT	-10.44%

Total BIF Value
\$115,870.80

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

Alumni Spotlight: Jeremy Butts

BIG Class: 2009 – 2010

After graduating from Appalachian, Jeremy joined Liberty Mutual Insurance in Charlotte for a brief period working as an insurance underwriter. In January of 2011 he entered BB&T's Leadership Development Program, and after completion of the program, was placed in Charlotte which he now considers "home" (Go Hornets!). Jeremy has worked with BB&T in various positions including Retail Services Officer, Financial Center Leader, and currently serves as Vice President and Market Leader. His focus is business development within the community, where he works with business owners as a consultant to assist with capital formation, payment solutions, employee benefits, business insurance, and depository services.

In October of 2014, Jeremy married Breanne whom he met five years ago at the beginning of the BB&T LDP Program. His wife is still elated to be married to him, "simply because she is SO happy to have taken on such a wonderful last name!"

