

Big Update: November 2014



Bowden Investment Group

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WALKER
COLLEGE OF BUSINESS

Letter from the President:

With the fall semester coming to a close, the BIG members have been working diligently to finish our company valuations and the stock-recommendation presentations that will be made before the end of the semester. This month we had the pleasure of having two visits from special guests in the financial industry. Our first was from Chris Pavese and Mike Loeb of Broyhill Asset Management. They showed us a different way to look at the value of certain companies and discussed groupthink as well as investor psychology with us. Mr. Pavese is a mentor for the CFA team, providing years of expertise for our members to further understand the art of valuing a company.

We were also fortunate to have Eric Evans, a BlackRock Portfolio Manager and Stuart Styles, a Blackrock Portfolio Specialist, come and speak with us. Mr. Evans and Mr. Styles shared their insights on the financial industry, and helped us get a better idea of what to expect as we transition from college to our jobs. In addition, they taught us about portfolio construction and how to achieve the highest return possible with the least risk. Mr. Evans and Mr. Styles showed us intriguing tools available through BlackRock that allow you to test different portfolio styles as well as see how the portfolios would have performed in past markets.

We're grateful for the valuable time and knowledge given to us by these professionals. With the holiday season upon us, the Bowden Investment Group would like to wish everyone happy holidays and safe travels as we close out the 2014 year. We thank you for your continued support and wish you the best in your future endeavors. -

-Stephen Boatman

Fall 2014 Stock Presentations

Nathan Birmingham- BUY for Mattress Firm (**MFRM**)

Stephen Boatman- SELL for Nordstrom (**JWN**)

Danelle Chilcott- HOLD for Tractor Supply Company (**TSCO**)

Brett Featherstone- HOLD for Alcoa (**AA**)

Patrick Fontaine- HOLD for Strum, Ruger & Co (**RGR**)

Andrew Furr- HOLD for Toro Company (**TTC**)

Paul Hee- HOLD for Brown Shoe Co. (**BWS**)

Connor Kelly- HOLD for Monster Beverage Corp (**MNST**)

Jack Ludlow- BUY for Activision Blizzard (**ATVI**)

Caitlin Owings- HOLD for Whole Foods Market (**WFM**)

Zach Pulliam- BUY for Superior Industries (**SUP**)

Matthew Wine- HOLD for Whirlpool Corp (**WHR**)

Economic Outlook:

In the past month we've seen many developments on the macroeconomic front, one of which was the end of Quantitative Easing Three. In the 3 months following the end of the previous two Quantitative Easing's, the stock market dropped more than 10%. However, we have not yet seen this same drop following QE3.

Domestically, economic factors have continued to be good and have shown improved growth. However, some data is still not where the FOMC wants to see it. Employment increased by over 200,000 jobs in October. September employment was revised up, as well as third quarter GDP growth's increased revision to 3.9%. The FOMC still plans to eventually increase rates, but hasn't yet seen the sustainable economic strength needed to do so. I believe that we will see these rate increases around the middle of next year.

Internationally, oil prices have continued to drop, and are now below \$70 per barrel. This is having mixed effects. Gas prices are getting cheaper which should increase the amount of money that consumers have in their pockets. At the same time, this lower price is putting an enormous strain on US oil companies. OPEC has decided not to cut production, which could continue to push down the price of oil.

-Matthew Wine, Economic Analyst

Alumni Spotlight: Alejandro Cazar



Alejandro Cazar
BIG Class: 2004-2005

Alejandro is originally from Ecuador and completed his MBA at Appalachian State University in 2005. Upon graduation, he joined Lloyds Bank as a Trader at their South America office in Quito. After some years in this position, he decided to further his education and personal goals by traveling to Asia to obtain his PhD. He studied Finance at one of China's top ten business schools.

Alejandro is now an economics professor at the Sino-British College, a joint venture between nine British universities and one of Shanghai's largest universities.

If you would like to be featured in this section, please contact Danelle Chilcott (chilcottm@appstate.edu) or Caitlin Owings (owingsca@appstate.edu)

October Returns

Ticker	Return
AAPL	10.18%
ABB	2.19%
ARG	3.67%
CSX	2.41%
CVX	-9.24%
DHR	3.93%
ESRX	8.24%
F	11.64%
FL	2.29%
GOOG	-3.09%
GOOGL	-3.31%
HD	1.93%
IJT	-1.01%
IVV	1.72%
KKD	7.61%
NVS	4.27%
RTN	2.71%
SKT	2.26%
SLYG	0.14%
SPY	1.02%
SSYS	-15.28%
SYK	6.15%
VFH	1.97%
VSI	1.98%
WMT	14.78%
Total	2.78%
S&P	2.69%

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

Bowden Investment Fund YTD Returns

	Bowden Investment Fund	S&P 500 Index
2014 YTD	9.80%	14.00%