

BIG UPDATE - September 2012



Bowden Investment Group

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Letter From the President

September was a busy month for the Bowden Investment Group. The activities of the Group included an amazing trip to New York City's financial district, officer elections, CFA team selection, and the development of company-specific financial analysis skills.

While in New York, the group was able to meet with many different financial firms as well as host an alumni event at the Appalachian State Loft. The firms that the Bowden Group was able to visit and meet with included ISI, Guggenheim Investments, Tiger Management, BlackRock, and Bloomberg. In addition, we attended the New York Stock Exchange to watch the closing bell. We were able to learn from many of the best on Wall Street and the trip was a great bonding experience for the team.

Upon returning to Boone, officer elections took place. Each position was carefully selected based on the individual strengths of each member, to add value to the collective group. Newly elected officers can be seen on the left in the member and advisor column.

The CFA Research Challenge Team was also selected with the goal of continuing Appalachian State's winning tradition. Our team consists of Dan Alliss, Alan Clarke, Ellen Morgan, Matthew Vanek, and myself [Jack Gibbs].

In the classroom, each member of the group has conducted research on a stock they feel would make a great addition to the portfolio. We have all written and submitted both industry and company-specific reports for their potential investments and are learning the continuous building process of fundamental stock analysis. At the end of the semester, each group member will present their stock to the class and we will pick the best stocks for inclusion the Fund.

As a group, we would like to thank all who were involved in making the New York trip possible. We would also like to thank you for your continued support of the Bowden Investment Group.

- Jack Gibbs

Economic Outlook

October's economic outlook looks similar to the previous months full of negative data, from political elections to debt worries and fiscal cliffs. Political indecision in both the United States and Europe continues to create instability for markets around the world, as the outcomes are sure to send shockwaves to every corner of the globe. The upcoming presidential election in the United States will play a key role in the direction of the U.S. economy, as the election of either candidate will bring some much needed certainty to business and traders. Furthermore, if Congress is not able to

come to a decision on fiscal policy before the impending Bush-era tax-cuts, after-tax income for the average family will decrease 6.2% according to the CBO. The U.S. could see dramatic job losses in the government sector as a result of their need to cut costs because mandatory government spending is the largest contributor to the United States debt. Mandatory spending includes obligations for the budget that cannot be changed without action from Congress, such as Social Security, Medicare and Medicaid.

In Europe, the inability of Euro Zone leaders to collaborate on key issues continues to hamper progress in the re-

gion. As of the second quarter of this year the entire Euro Zone is officially in a recession because of aforementioned poor collaboration. The excessive spending of the United States, Japan, and countries in the Euro Zone will in time catch up to their national economies, and evidence shows that, in some ways, it already has. It is necessary for these countries to rebalance their budgets and this will lead to less government spending, less consumption, and higher taxes. The higher likelihood of these consequences show a greater potential for a global recession continues to increase as large economies show decline in growth.

-Travis Ott & Julia Spring

New York City Trip

This September, the Bowden Investment Group had the opportunity to travel to New York for an unforgettable experience. We arrived in the city on Wednesday and rested up for a what would prove to be an unforgettable experience.

We started Thursday morning with a taste of the “real-world,” leaving the Loft at 6:30 AM to make a 7:15 AM strategy meeting at ISI Group in Midtown Manhattan. The ability to sit in on this fast-paced meeting provided a very unique experience. We were surprised by tempo of the meeting and by the amount of information conveyed in a very short time period. Dr. Goff and Alan Clarke were given a few minutes to present about the state of the economy from an academic and soon-to-be-graduating student view.

Our next stop was at Guggenheim Securities where we were fortunate enough to spend nearly two hours with seasoned professionals including senior analysts and sales professionals. We received valuable advice and inside perspective of working in financial services and we were overly impressed with what we learned from each professional.

The day’s final meeting was a true once-in-a-lifetime visit to Tiger Management

sitting down with the infamous Julian Robertson’s son and active manager Alex Robertson. Arriving at the top floor of their building and board room overlooking all of New York City was an experience in it of itself. Alex brought in one of his hedge fund managers to speak with us regarding fund composition and equity research. The day could not have ended with a more perfect meeting.



BIG with Alex Robertson at Tiger Management

The evening concluded with an Walker College of Business alumni reception. The group had the opportunity to meet alumni and to learn the value of living in New York City and the advantages the city provides a recent graduate.

Friday consisted of three more equally amazing experiences, starting at BlackRock meeting with ASU alum Parker Johnson. Parker spoke on his unconventional path to employment at BlackRock; from being small-town and

outdoors oriented while at ASU to moving into the big city and falling in love with the fast-paced concrete jungle.

Next we were able to tour the incredible Bloomberg headquarters. It had a very Google-esque feel with all glass windows, modern appointments, and open workspaces as evidence by spotting the President Dan Doctoroff roaming one of the many halls.

Lastly we attended one of the group’s favorite visits, the closing bell at the New York Stock Exchange. We were able to catch a market maker in action at his terminal teaching how humans still play a vital role in today’s electronic trading environment.

The group really came together during this trip as we finished off the weekend visiting tourist hotspots such as the Empire State Building, World Trade Center Memorials, and Central Park.

We cannot adequately express our gratitude towards Dr. Goff, the ASU Loft, and all of the supporters of the Bowden Investment Group and the Walker College of Business for making this experience possible.

- A.J. Romero

Fund Composition

- Apple (**AAPL**)
- ABB (**ABB**)
- Apache (**APA**)
- Buffalo Wild Wings (**BWLD**)
- Chipotle Mexican Grille (**CMG**)
- CSX (**CSX**)
- Danaher (**DHR**)
- Deckers Outdoors (**DECK**)
- PH Glatfelter (**GLT**)
- Google (**GOOG**)
- IBM (**IBM**)
- Intel (**INTC**)
- Novartis (**NVS**)
- Patterson-UTI Energy (**PTEN**)
- Stryker (**SYK**)
- Tupperware (**TUP**)
- Vanguard Energy ETF (**VDE**)
- Vanguard Financials ETF (**VFH**)
- Vanguard Total Stock Market ETF (**VTI**)
- Wal-Mart (**WMT**)
- Exxon Mobil (**XOM**)

Fund Performance

Beginning September Value	\$88,191.66
Ending September Value	\$90,270.96

Sept 2012 Returns	
Bowden	S&P 500 Index
2.36%	2.58%

YTD 2012 Returns	
Bowden	S&P 500 Index
8.79%	16.43%

Recent Fund Activity

Bought	Sold
VTI	N/A

“Time is more valuable than money.

You can get more money, but you cannot get more time.” Jim Rohn