

Big Update: **September 2019**



Bowden **Investment** Group

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Mr. Shawn Poole, CPA

BIG Members:

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James Cornett

Vice President

Nathan Hughes

Accountants

Jack Lewis
Jacob Wiley

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Letter From The President –

Hello,

My name is James Cornett, and I am the recently elected President of the Bowden Investment Group for 2019-2020. I am extremely excited to lead this group of young professionals and continue the strong legacy the previous BIG classes have left behind. Over the next year, I will be keeping you up-to-date on all BIG activities, current events, and accomplishments.

Through the year, we will be introducing a very talented class of individuals that compose this year's Bowden Class. Our members have diverse backgrounds and experiences that I believe will allow us to thrive and continue building a strong foundation for future classes. To this point, we had a trip to Charlotte and multiple social events that have helped us learn about each other and build a strong bond within the group.

During September, the class has quickly made BIG strides. While on the Charlotte Trip, the group visited MSC Industrials, Lowe's, Barings, Dimensional Fund Advisors, and Bank of America. At these visits, the class was exposed to career opportunities, economic research, and how what we are learning in class is applied in the financial industry.

In-mid September, the BIG had practice BUY presentations to help with our professional presentation skills. After rigorous late-night practices, I am proud to say that every member of the group performed extremely well. From the 12 stocks that were presented, we elected to move forward with six: AAON Heating and Cooling (AAON), Align Technologies (ALGN), The Brink's Company (BCO), Flowers Foods (FLO), XPO Logistics (XPO), and Zebra Technologies (ZBRA).

At the end of September, we held elections for officers in the classroom. Historically, elections take place during the New York trip, however, we held them early due to a later-than-normal NY trip.

Also, this year's CFA Research Challenge Team has been selected. This year's team consists of David Franco, Allie Hammond, Nathan Hughes, Ana Melone, and Jacob Wiley. The CFA institute has yet to select the company, but the BIG has high expectations for this group, as they will be starting their research soon. Non-CFA members will be assisting the team in their efforts to win the global competition.

Finally, I would like to thank all the BIG alumni for their continued support. Attending the Charlotte trip and speaking with alumni allowed the group to see the long-term impact The Bowden Investment Group makes on young individuals starting their career. This impact would not be possible without your backing.

Sincerely,

James Cornett

September Highlights

BIG and BIG Juniors at Dimensional Fund Advisors in Charlotte, NC



2019-2020 Broyhill Fellows



Economic and Capital Markets Update

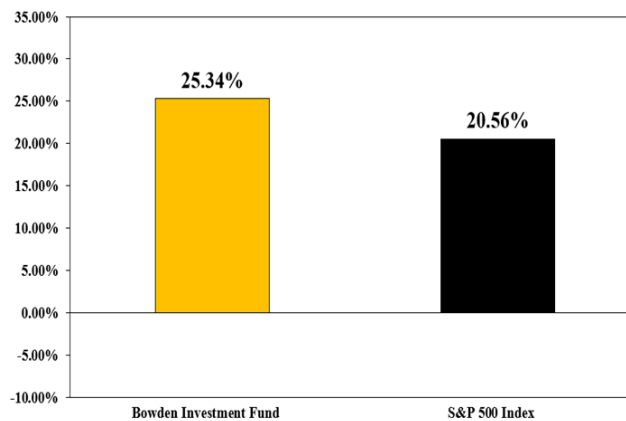
"Economy is the method by which we prepare today to afford the improvements of tomorrow" - Calvin Coolidge

This year has been an interesting time for the markets as we continue to see global and domestic economies slowing down across the board. Recently, global economies have begun utilizing newly equipped monetary tools to combat slowdowns, namely negative interest rates. More specifically, this month we have seen U.S. monetary policy changes and repo rate spikes that have riddled the domestic markets with volatility. The U.S. economy is still moving forward among our global peers, but on September 19th, the Federal Reserve decided to reduce rates by 25 basis points, signaling potential easing cycles moving forward. Additionally, repo rates spiked up to nearly 10%, away from their range of 2% to 2.25%. These spikes were caused by liquidity shortages and excess demand, requiring the Fed to step in and inject a short term remedy. Is this an anomaly or an indicator of looming threats? Only time will tell....

Portfolio Update

In September, the S&P 500 returned 1.87%, outpacing the Bowden Investment Fund, as the BIF returned .0025%. Year to date the BIF is still outpacing the S&P by roughly 5%. The underlying catalyst for underperformance this month can be primarily attributed to Shopify. News around a Seasoned Equity Offering and talks of entering into the fulfillment center arena have driven investors away from Shopify. In September, Shopify (SHOP) was down -19.13%, which drove the entire portfolio down. The BIF had its biggest returns through Acuity (AYI) with a 7.48% return and Southern Company (SO) with a 6.02% return.

**Bowden Investment Fund
YTD Returns for 2019**



YTD Returns

| | |
|---------|--------|
| BIF | 25.34% |
| S&P 500 | 20.56% |

September Returns

| Ticker | Return |
|--------|---------|
| AYI | 7.48% |
| AMZN | -2.27% |
| FB | -4.09% |
| GOOGL | 2.57% |
| LH | 0.26% |
| NVDA | 3.92% |
| SO | 6.02% |
| SHOP | -19.13% |
| STZ | 1.43% |
| SYK | -1.98% |
| V | -4.87% |
| WM | -3.64% |
| GLD | -3.39% |
| IAT | 6.37% |
| IVV | 1.44% |

Total BIF Value

\$176,199.60

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

Meet the Members



Nathan Hughes

Nathan is a Finance and Banking major planning to graduate in May 2020. This past summer he stayed in Boone working as a full-time manager at Papa John's. During his time at App, Nathan has sat on the executive board of the Finance Student Association as Treasurer, and has thoroughly enjoyed his time here, while wishing it didn't all go so fast. Nathan believes

that Bowden has challenged him beyond anything else, but he is very much reaping the benefits of the challenge. He is incredibly optimistic about the coming year and cannot wait to see all that BIG has to offer.



David Franco

David is a Finance and Banking major with a minor in Accounting. He is expecting to graduate in May 2020. Over the last two years, David has been working for Bank of America first in Charlotte, then in Boone as a Client Service Representative. At App, David is a member of the Hispanic Student Association and came to App with sights set on

BIG. He has so far enjoyed the overwhelming amount of resources and knowledge gained from this experience. He is looking forward to growing this knowledge throughout the remainder of the year.

