

Binghamton Investment Fund Newsletter

December, 2023 Edition

Authored by Yehuda Silverman

Dear Alumni,

We hope you all are doing well! As a part of the Binghamton Investment Fund’s new initiatives for this semester, we are excited to launch the first edition of our Binghamton Investment Fund Newsletter. In the future, this will cover recent news, accomplishments by our analysts, recent pitches, and more. With the end of Fall 2023, this first newsletter will serve as a semester recap.

We hope this will serve as a new medium for keeping our valued alumni updated on Binghamton finance. We thank you for all you have done to give back to our students!

Best,
 Lauren Levine & Adrian Ng
Binghamton Investment Fund Portfolio Managers

Equities Sleeve

The Equities sleeve, led by **Lauren Levine**, has expanded its traditional structure. The Consumer Staples sector has been sectioned into ‘Food & Beverage’ and ‘Household & Personal Products’. Additionally, the Technology sector has been sectioned into ‘Hardware’ and ‘Software’. These changes provide us with more in-depth research in each space, gives us the opportunity to promote more deserving members to Sector Head, and allows us to accept more students in future classes of Junior Analysts.

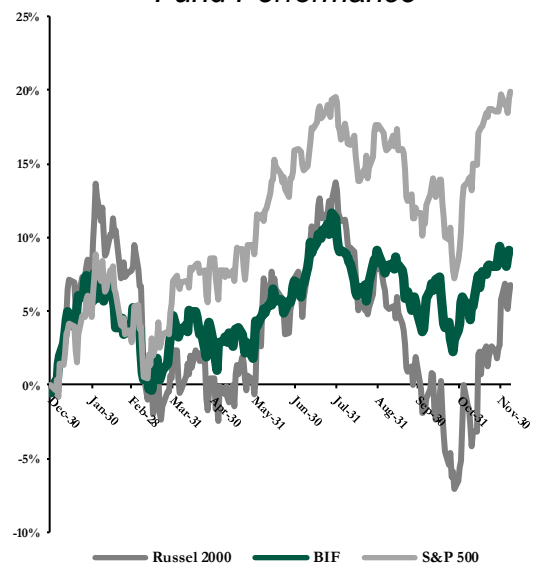
Alternatives Sleeve

The Alternatives sleeve, led by **Adrian Ng**, has been reconstructed to not only act as an outlet for alternative investments for the investment fund, but to provide fixed-income and macroeconomic research for the entire investment fund. To help us through this shift, the Alternatives sleeve has been sectioned into Fixed Income, Commodities, Currencies, Asset Backed Securities, Mortgages, and Treasuries asset class sectors. The implementation of a rotational program allows select equities analysts to contribute to their desired class.

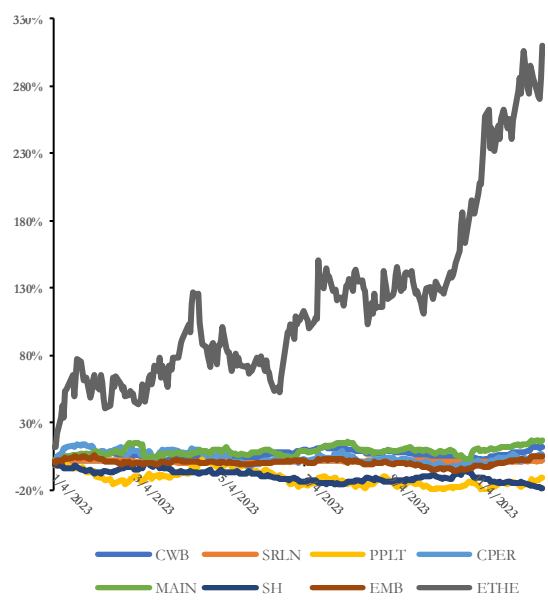
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Fund Performance



Alternatives Sleeve Performance



Recent Updates

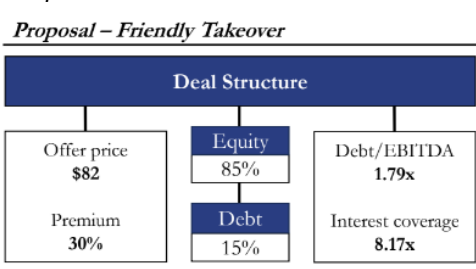
MarketWatch Trading Competition

In October, we kicked off an 8-week long trading competition between 23 members of the Investment Fund, where each member acted as their own portfolio manager. Each member had access to 100% margin, short selling, and various risk parameters such as stop-losses. Throughout the competition, several members shifted through the rankings with very differentiated strategies. By week 7, two members boasted gains of nearly 1,500%, but could not hold onto those returns by the completion of the competition. **Ryan Levine**, member of the Board of Directors, claimed first place with gains of 398% on just 7 trades. Well done, Ryan!

Rankings

Ryan Levine (7 trades)	+398%
Torrey Jacobson-Evans (53 trades)	+175%
Adrian Ng (17 trades)	+124%
Jack Margolius (127 trades)	+57%
Yehuda Silverman (66 trades)	+56%

Snapshot from their Presentation:



- Acquisition Rationale*
- Opportunity Due to Market Devaluation
 - Value Chain Disintermediation
 - Increased Geographic Capabilities
 - Symbiotic Cross-Selling Opportunities

M&A Competition

This past semester, the Finance Society hosted the annual Mergers and Acquisitions Case Competition alongside Bank of America. This year's case was a fictitious proposed acquisition of PayPal by Intuit. We were fortunate to have BIF representation of all 12 members of the three teams that qualified for the finals. We would like to congratulate 'Escalate Capital Advisors', which included Junior Analysts **Joseph LoRubbio**, **Gregory Tasalov**, **Denis Sadrijaj**, and **Roman Charan**! We would also like to congratulate Junior Analyst **Blake Owen** on receiving the 'Best Presenter' award! Thank you to all the alumni that were present at the finals as judges.

New BIF Members

We are delighted to welcome **23 new Junior Analysts** to the fund, bringing our total headcount to **95 members**. Each admitted member will go through a sector placement process at the beginning of next semester, followed by an intensive, weekly 'Junior Analyst Training' program hosted by various members of the Board of Directors and Sector Heads. We are very proud of the incoming class and look forward to their growth! Lastly, we would like to acknowledge and congratulate **Yehuda Silverman**, **Torrey Jacobson-Evans**, and **Noah Milrod** on their graduation. We wish them the best of luck in the future!

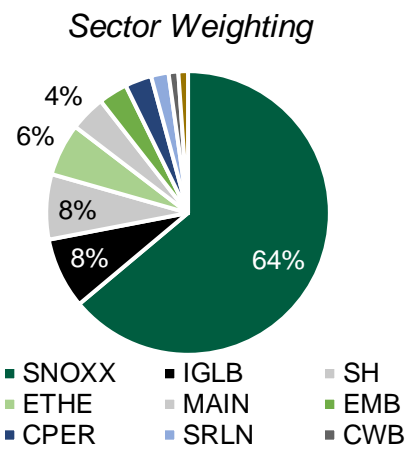
Beyond the Numbers

Portfolio Managers: 2
Equities Sector Heads: 13
Alternatives Class Heads: 6
Number of Investments: 63

Trade Activity Breakdown

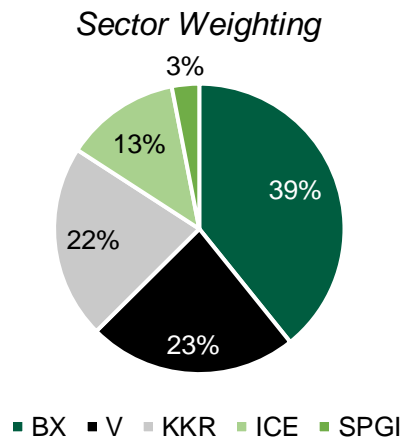
Alternatives: BUY of Schwab Treasury Obligation Money Fund (SNOXX)

In October, the Alternatives sleeve collaborated with members of the Currencies, Commodities, Asset-Backed Securities, Mortgages, Fixed Income, and Treasuries sector to propose the idea to place all un-allocated cash into SNOXX, Schwab's money market fund. Given the high yields provided by treasury bonds in the current environment, the sector believes that the fund can benefit by yielding over 5.00% on its idle cash. They felt that SNOXX was the best option as it provides fast liquidity options for when capital needs to be used in reallocations and the purchase of new holdings within both the Equities and Alternatives Sleeves.



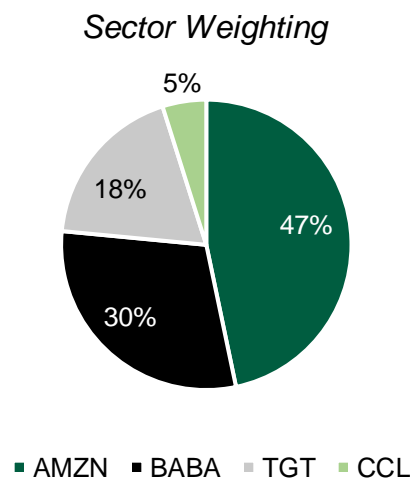
Financials: BUY of Visa (NYSE: V), PT of \$270

In October, the Financials sector purchased V at an average share price of **\$234.40**. Based on the current macroeconomic environment that features strong E-commerce payment and P2P growth, the resilience of the consumer spending trends, and the continued digitization of payments, the sector feels that the global leader in digital payment technology offers upside at current levels. The investment rationale highlights Visa's expansion of value-add services, the capitalization of emerging market growth, and further growth in cross-border payments. The sector believes that \$270 is the first price target for the company. The pitch can be viewed [here](#).



Consumer Discretionary: BUY of Carnival Corp (NYSE: CCL), PT of \$15

In November, the Consumer Discretionary sector purchased CCL at an average share price of **\$12.10**. Based on strong future bookings through 2023 thus far and its focus on the younger generation of travelers, the sector believes that the cruise line offers upside at current levels. The investment rationale focuses on the depression of CCL's share price since the pandemic albeit strong signs of recovery, a bolstered financial position, a unique cost cutting yet refocused strategy, and a near-term shift in consumer demand trends. The first price target of \$15 has been hit for in less than one month. The pitch can be viewed [here](#).

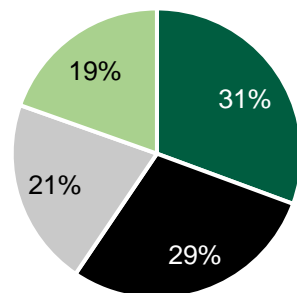


Trade Activity Breakdown

Real Estate: BUY of Americold Realty Trust (NYSE: COLD), PT of \$40

In November, the Real Estate sector purchased COLD at an average share price of **\$25.00**. Based on its strong leadership, differentiated business segments compared to current sector holdings, and a consistent dividend, the sector believes that the global leader in temperature-controlled logistics real estate offers upside at current levels. The investment rationale highlights COLD's usage of floating rate bonds, its expansion domestically and internationally, and increased control over their supply chain and warehouses. The sector believes that \$40 is the first price target for the company. The pitch can be viewed [here](#).

Sector Weighting

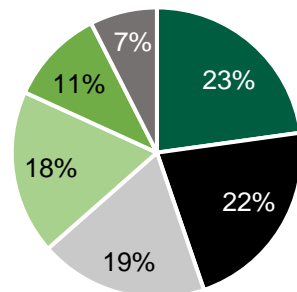


■ AMT ■ COLD ■ ADC ■ EQIX

Healthcare: REALLOCATION of Zoetis (NYSE: ZTS), PT of \$210

In November, the Healthcare sector added to their position in ZTS by purchasing the company at a share price of **\$168.16**. Based on the continued rise of pet ownership contributing to an increase in animal health spending and the focus on animal welfare, the sector believes that the largest producer of medicine & vaccines for animals offers upside. The investment rationale focuses on the full launch of Librela, its investment into R&D, and Simparica Trio's positioning in the parasitological market. The first price target has been lowered to \$210 from \$224. The reallocation request can be found [here](#) and the original pitch can be found [here](#).

Sector Weighting

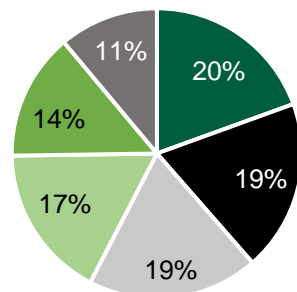


■ UNH ■ VRTX ■ CVS ■ MCK ■ ZTS ■ TMO

Consumer Staples: BUY of Colgate-Palmolive (NYSE: CL), PT of \$90

In November, the Consumer Staples sector purchased CL at an average share price of **\$78.83**. Based on the increased focus on personal hygiene and health, the rise in clean beauty in consumer products, and innovations in oral care technology and skincare smart devices, the consumer product giant offers upside at current levels. The investment rationale features a strong focus on growth in Latin America, expansion across different price points with its dual customer base, and the strengthening of its financial position through decreasing its operating leverage. The first price target is \$90 for the company. The pitch can be viewed [here](#).

Sector Weighting



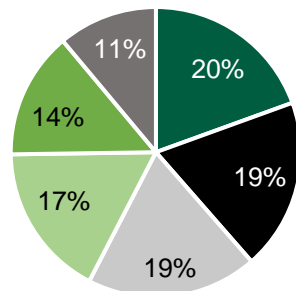
■ BJ ■ CL ■ PEP ■ TAP ■ DAR ■ BTI

Trade Activity Breakdown

Consumer Staples: BUY of PepsiCo (NASDAQ: PEP), PT of \$195

In December, the Consumer Staples sector purchased PEP at an average share price of **\$169.69**. Based on the lack of M&A activity in the current rate environment, the company's positive momentum during inflationary environments, and the diversified business model of PEP, the sector sees upside for the food & beverage company. The investment rationale highlights the household/grocery sector's continued strength during weaker economic times, a market overreaction to Ozempic, and forward looking positioning geographically, compared to diet trends and to private labels. The first price target is \$195 for the company. The pitch can be found [here](#).

Sector Weighting

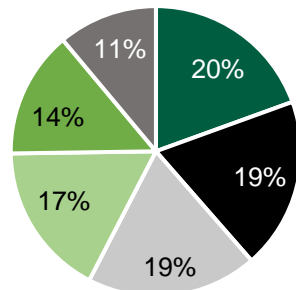


■ BJ ■ CL ■ PEP ■ TAP ■ DAR ■ BTI

Consumer Staples: BUY of BJ's Wholesale Club (NYSE: BJ), PT of \$85

In December, the Consumer Staples purchased BJ at an average share price of **\$66.03**. Based on the internal and external perks of being a wholesale retailer, its location concentration focused in the northeast/southeast US, and its competitive pricing, the sector believes that the American warehouse retailers offers upside at current levels. The investment rationale focuses on monetizing on gasoline headwinds, its optimal geographic positioning to profit off gas prices, its one-stop-shop business model, and its general merchandise segment turnaround. The first price target is \$85 and the pitch can be found [here](#).

Sector Weighting

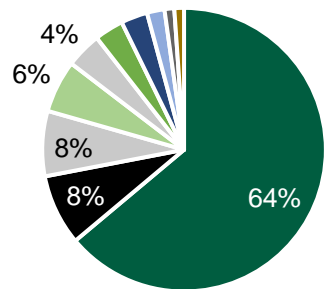


■ BJ ■ CL ■ PEP ■ TAP ■ DAR ■ BTI

Alternatives: BUY of 10+ Year Investment Grade Corp Bond ETF (IGLB)

In December, the Alternatives sleeve added to their corporate bond exposure by purchasing IGLB, at an average share price of **\$61.31**. This position aims to take advantage of the appreciation of corporate bonds as the central banks conduct rate cuts over the next few years and has a long term investment horizon. The sector believes that the current weak economic outlook gives high-duration bonds the spotlight, bonds are currently more compelling than equities as equity ETF overexposure persists, and now is the optimal timing as equities have only been this expensive twice in the past 100 years.

Sector Weighting



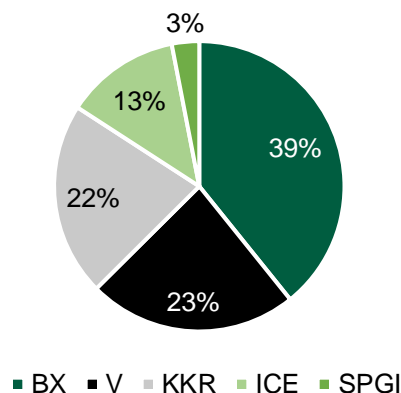
■ SNOXX ■ IGLB ■ SH
 ■ ETHE ■ MAIN ■ EMB
 ■ CPER ■ SRLN ■ CWB

Trade Activity Breakdown

Financials: BUY of KKR & Co (NYSE: KKR), PT of \$90

In December, the Financials sector purchased KKR at an average share price of **\$77.77**. Based on the emerging trends surrounding private credit and direct lending, an increased focus on international markets, and ESG becoming a greater priority, the sector believes that the multinational alternative investment management firm offers upside at current levels. The investment rationale highlights the predicted surge in demand for private credit, KKR's increased international presence in key markets like Asia, and its competitive advantage due to its capital intensive balance sheet. The first price target is \$88 and the pitch can be found [here](#).

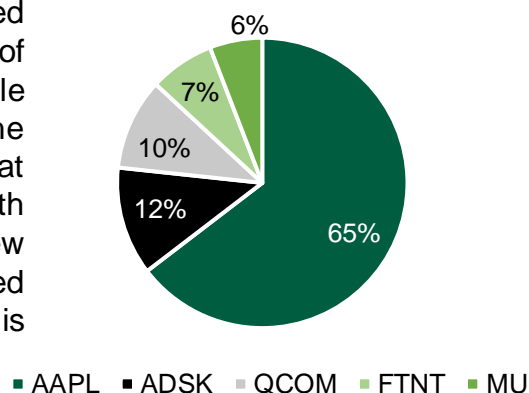
Sector Weighting



Technology: BUY of Autodesk (NASDAQ: ADSK), PT of \$265

In December, the Technology sector purchased ADSK at an average share price of **\$228.65**. Based on the increased effectiveness of cloud-based software, the popularization of subscription models that feature cost-effective and scalable solutions, and the acceleration of innovation via AI & ML, the sector believes that the software corporation offers upside at current levels. The investment rationale focuses on growth within the construction infrastructure industry, new agreements with the EBA and their Flex model, and continued educational adoption with AutoCAD. The first price target is \$265 for the company and the pitch can be found [here](#).

Sector Weighting



Industrials: BUY of Atkore (NYSE: ATKR), PT of \$185

In November, the Industrials sector purchased ATKR at an average share price of **\$137.35**. Based on government programs focused on infrastructure and strengthening the grid, as well as the continuation of recently seen onshoring trends, the sector believes that the electrical component and industrial safety product manufacturer offers upside at current levels. The investment rationale highlights strong tailwinds across key product areas, expansion into data centers, forward profitability through its management strategy, and potential pricing normalization. The first price target is \$185 and the pitch can be found [here](#).

Sector Weighting

