

# Binghamton Investment Fund Newsletter

February 2024 Edition

Authored by Jack Margolius

## Dear Alumni,

We hope everyone is doing well. The Binghamton Investment Fund has kicked off another semester and has had a productive start. Sector Heads continue leading their respective teams in crafting stock pitches, investment ideas, and informative research primers.

We are excited to provide February's update on recent trade activity and other notable events happening through or in connection with the Investment Fund.

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

## Equity Research Case Competition Kickoff

At the start of the semester, the Finance Society kicked off the annual Equity Research Case Competition. This case competition aims to teach students interested in equity investing and research how to develop a thorough investment thesis on a company. Participants sign up as a team of two to three students and work together to pitch a buy or short on a stock of their choice. The Finance Society Executive Board members host weekly education sessions on evaluating stocks from a qualitative and quantitative perspective by reviewing financial modeling and presentation skills. The competition consists of a first, second, and final round where three teams present in front of Binghamton alums at Barclays' NYC office.

## Recent Achievements

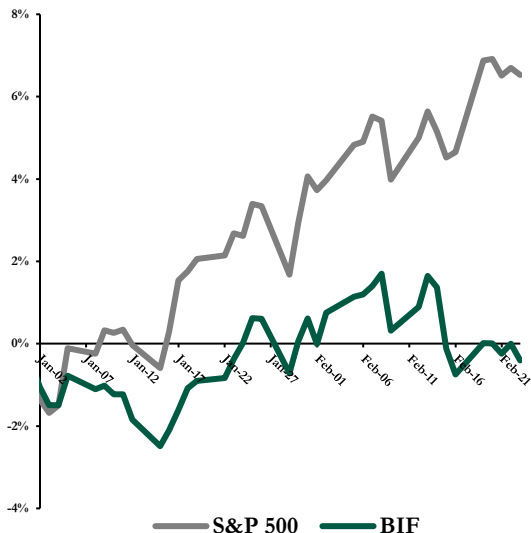
This semester, we welcomed **Max Grossberg**, **Bethany Goldstein**, and **Jack Margolius** to the Investment Fund's Board of Directors. In their new roles, they will lead the Investment Fund's community outreach efforts and performance tracking. They will also assist in allocation decisions and ensuring smooth operations for the organization.

Congratulations to all the newly promoted senior analysts: **Theo D'Onofrio**, **Yoni Menasha**, **Thomas Ujfalvi**, **Raymond Ng**, **Gregory Tasalov**, **Joseph LoRubbio**, **Roman Charan**, **Andino Caminiti**, **Sami Brugger**, **Denis Sadrijaj**, **Mariel Uy**, **Alix Masse**.

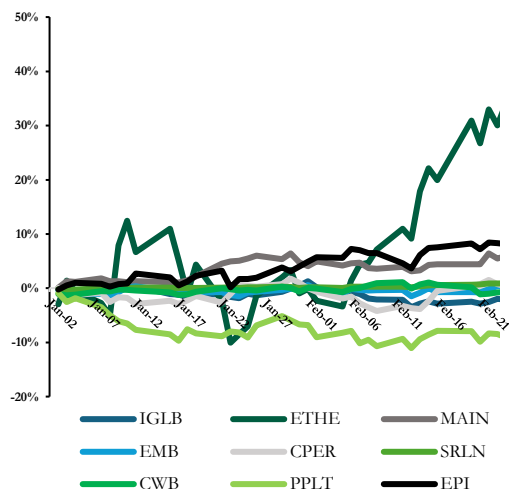
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### Fund Performance



### Alternatives Sleeve Performance

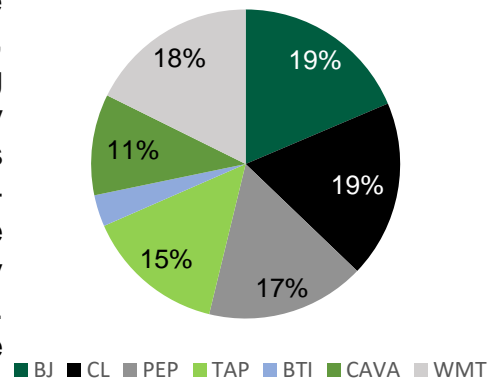


# Trade Activity Breakdown

## Consumer Staples: BUY of Walmart (NYSE: WMT), PT of \$65

In January, the Consumer Staples (Personal & Household Products) sector purchased WMT at an average share price of **\$56**. Due to the rising trend of the “phygital” experience, advancements in new technologies, and the growing popularity of private labels, the sector views the major grocery chain as well-positioned for growth. Factors reinforcing this expectation include WMT’s strategic investments in private-label brands and the integration of artificial intelligence. The investment rationale highlights WMT’s recessionary resistance and strong financial positioning from cost-cutting. The sector believes that \$65 is the first price target for the company. The pitch can be viewed [here](#).

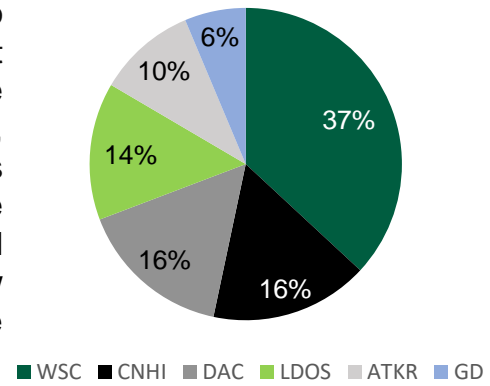
Sector Weighting



## Industrials: BUY of General Dynamic (NYSE: GD), PT of \$305

In January, the Industrials sector purchased GD at an average share price of **\$269**. Due to the industry's high barriers to entry and the escalating global tensions in the Middle East and Asia, the sector anticipates growth opportunities for the defense giant. The increased demand for its products, potential for new contracts, and the expansion of its Gulfstream plane business position GD well to capitalize. The investment rationale highlights GD’s 25 consecutive dividend raises, strong management, and ability to make new acquisitions. The sector believes that \$305 is the first price target for the company. The pitch can be viewed [here](#).

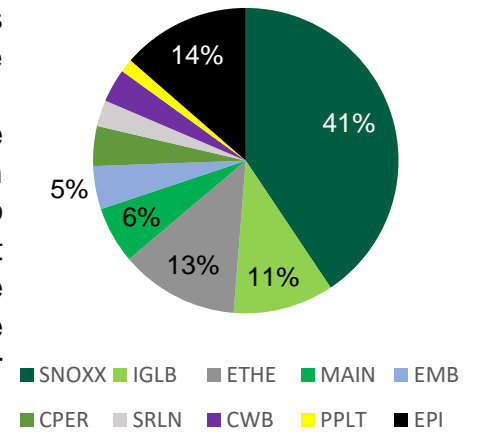
Sector Weighting



## Alternatives: BUY of WisdomTree India Earnings ETF (EPI)

In February, the Alternatives Sleeve purchased EPI at an average share price of **\$44** due to the strong setup of India's economy and policies implemented by PM Modi. The investment rationale highlights India's population growth, middle-class expansion, and the upcoming election. The analysts compared India's form of government, median population age, unemployment levels, and global alliances to China's. They concluded that India is poised to gain market share in manufacturing, lifting India's GDP to \$4 trillion in the next ~18 months. The sector picked EPI over other ETFs due to its earnings-based allocation strategy and stronger historical performance. The pitch can be viewed [here](#).

Sector Weighting

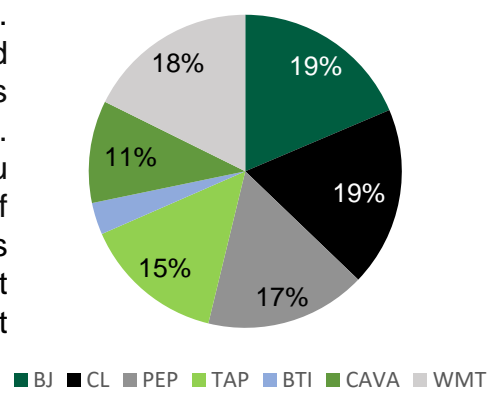


# Trade Activity Breakdown

## Consumer Staples: BUY of Cava Group (NYSE: CAVA), PT of \$85

In February, the Consumer Staples (Food & Beverage) sector purchased CAVA at an average share price of **\$55**. Amidst escalating demand for health-conscious fast-food options and overall market expansion, the sector considers the Mediterranean chain well-positioned to provide alpha. This projection is supported by CAVA's plans for menu diversification, geographic growth, and the rising appeal of Mediterranean cuisine. The investment rationale highlights CAVA's strong ROE, margins, and personalized ingredient options. The sector believes that \$85 is the first price target for the company. The pitch can be viewed [here](#).

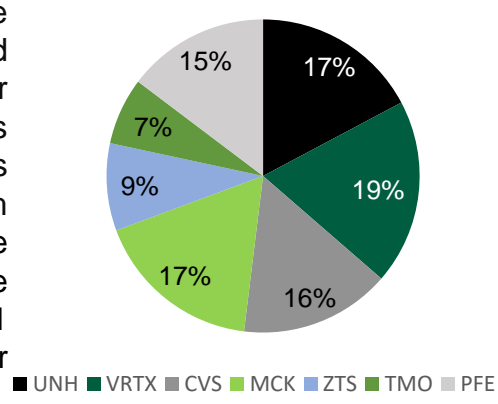
Sector Weighting



## Healthcare: BUY of Pfizer (NYSE: PFE), PT of \$35

In February, the Healthcare sector purchased PFE at an average share price of **\$27**. With the increasing significance of oncology driven by rising cancer diagnosis rates and enhanced COVID-19 vaccination efforts, the sector considers it a strategic time to invest in PFE. This forecast is underpinned by the Oncology Innovation Day, advancements in PFE's drug pipeline, and prospective revenue growth from its newly approved medications. The investment rationale highlights the overreaction to the COVID-19 falloff, the acquisition of Seagen, and possible entry into the GLP-1 market. The sector believes \$35 is the first price target for the company. The pitch can be viewed [here](#).

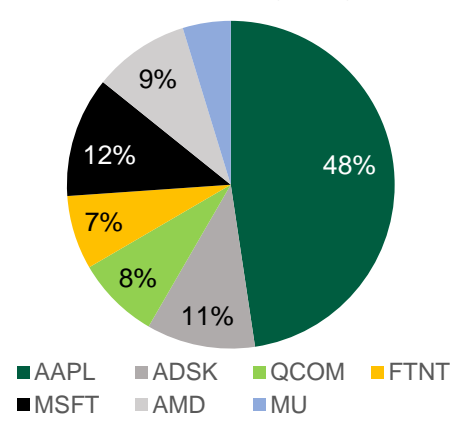
Sector Weighting



## Technology: BUY of Advanced Micro Devices (NASDAQ: AMD), PT of \$220

In February, the Technology (Hardware) purchased AMD at an average share price of **\$202**. The sector recognizes AMD as a strong investment driven by the increasing semiconductor demand. AMD is in a position to capitalize due to the introduction of its new MI300 series chips, the popularity of ROCm 6.0, and an expanding client base. The investment rationale highlights taking market share from Nvidia, the expected PC market recovery, and global artificial intelligence demand. The first price target is \$220 for the company. The pitch can be found [here](#).

Sector Weighting

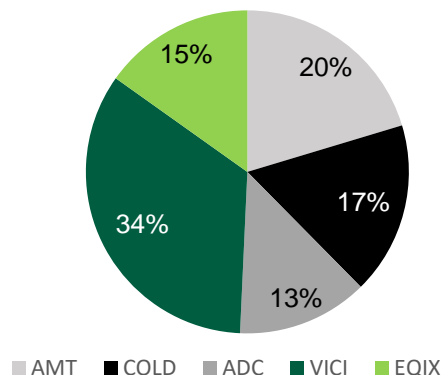


# Trade Activity Breakdown

## Real Estate: BUY of VICI Properties (NASDAQ: VICI), PT of \$40

In February, the Real Estate sector purchased VICI at an average share price of **\$29**. Based on growth in the hotel and gaming industries and increasing interest in gambling, the sector believes the Caesars Entertainment spin-off is poised to grow. This stance is supported by VICI's acquisition of MGM Growth Properties, its right of first refusal, and diversification through Bowlero and Chelsea Piers. The investment rationale highlights an average of 39 years left on current leases, overreaction due to cyber attacks, and 100% rent collection since formation. The first price target is \$40. The pitch can be found [here](#).

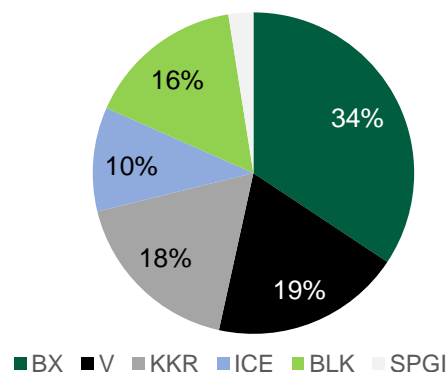
Sector Weighting



## Financials: BUY of BlackRock (NYSE: BLK), PT of \$875

In February, the Financials sector purchased BLK at an average share price of **\$826**. Given BLK's technology adoption and industry dominance, the sector believes the stock is poised for continued growth. Contributing factors to this outlook include diversification in its ETF offerings, Aladdin's artificial intelligence integration, and marketing to younger clients. The investment rationale highlights the release of IYR and IBIT and further opportunities to aid the aging population. The sector believes that \$875 is the first price target for the company. The pitch can be found [here](#).

Sector Weighting



## Technology: BUY of Microsoft (NASDAQ: MSFT), PT of \$480

In February, the Technology (Software) sector purchased MSFT at an average share price of **\$415**. As a result of the projected impact of artificial intelligence and cloud technology, the sector believes the technology giant has positioned itself for further growth. This view is backed by growth in Azure, impactful investments in artificial intelligence, and proven management. The investment rationale highlights improving margins, strategic partnerships, and the prioritization of cybersecurity. The sector believes that \$480 is the first price target for the company. The pitch can be found [here](#).

Sector Weighting

