



## Letter from the President



The Oregon State Investment Group has provided endless opportunities to students eager to learn about investments outside the classroom for the last several years. It began with a small fund raised through alumni donations to the foundation generously entrusting OSIG to oversee \$1.5 million in assets. I was fortunate enough to have the opportunity to join the group early in my college career, allowing me to take full advantage of what the group has to offer. This group has allowed me to develop skills that translate to my position following graduation and every position thereafter. During my time in the group, I have learned invaluable lessons and I've made life long relationships. The investment group takes our education to another level that can't be replicated in the classroom.

As a group we have faced several obstacles throughout the year and the lessons learned from mistakes made are exactly what prepares us for our future endeavors. OSIG offers students an experiential learning opportunity to gain real-world experience that cannot be obtained in any other educational setting. I have witnessed the progression of the group throughout my three-year experience, which is evident in the quality of reports, overall knowledge of the group, and the continued expansion of the OSIG network. I believe that OSIG is playing a fundamental role in the advancement of the college of business. Every year we graduate an increasing number of members with excellent full time positions at top tier firms, increasing our visibility to employers and establishing a strong presence in the financial community.

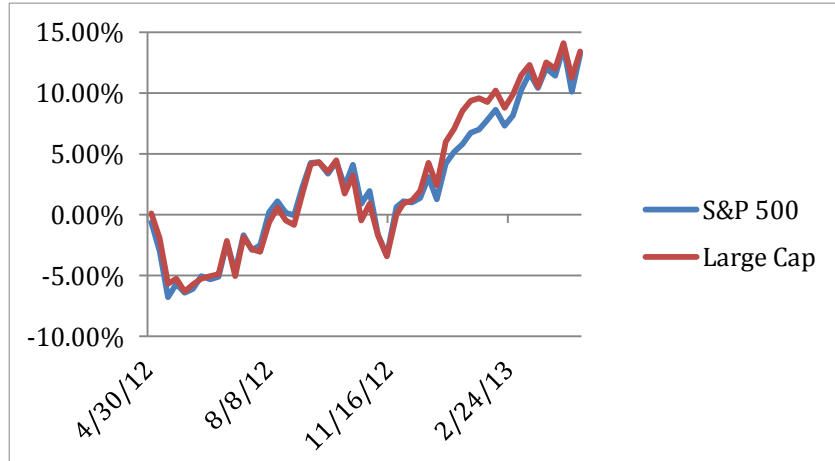
Over the past five years, the global economic environment has created a great opportunity to understand the consequences of severe volatility and this year wasn't any different. Although the U.S. economic outlook has improved there still remains headwinds domestically and internationally. In some countries, we have relatively strong economic performance, while others have been hurled into a crisis with no end in sight. These situations make it challenging to maneuver a portfolio through the volatility however, it creates an unparalleled learning experience. I'm proud to say that our analysts and portfolio managers have done an excellent job in carefully allocating our portfolios given the circumstances. Our performance during challenging and prosperous times is a testament to the effort and dedication of OSIG members. It's difficult to gauge the level of uncertainty in the upcoming year however, I have full confidence that the incoming management team will do an outstanding job.

**Adam Rosa**  
**Finance 13'**  
**President**

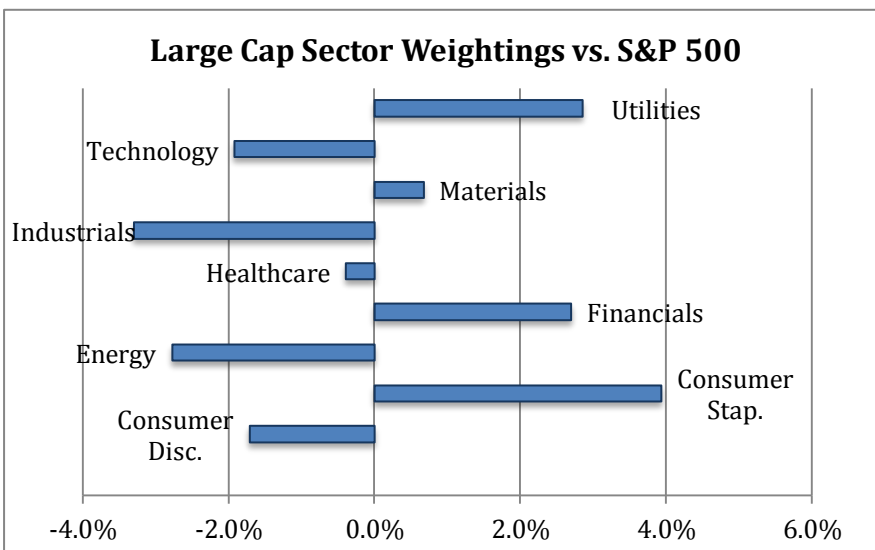
## Domestic Fund Performance – Brad Alvarez, Senior

The Large Cap portfolio started in the latter half of 2008 when the OSU Foundation graciously gave us \$1 million to invest as a group. This has allowed to us to evolve into one of the most prestigious groups on campus, and every member gets an amazing educational and professional experience. With this fund, we only invest in large cap equities. Our cut off is a market capitalization of \$5 billion or higher. As of May 9<sup>th</sup>, our fund has grown to \$1.52 million.

Over the course of the past year, the Large Cap portfolio has returned 13.44%, outperforming our benchmark, the S&P 500, by 0.21%. The past 12 months has been very kind to equities and we have been happy to benefit from that performance. We



We adjust our performance for the amount of risk we take on, and we use the portfolios beta for the adjustment. Currently the beta is at 0.91, and the YTD beta is 0.92. This is a little higher than our long term average beta which has been around 0.87. On a risk adjusted basis, we outperformed our benchmark by 1.39%. Our outperformance was largely attributable to some very strong performers. Blackrock, Disney, and Visa all gained over 40% over the past 12 months. Noble Energy, PPG Industries, and Google all gained over 30% for the year.



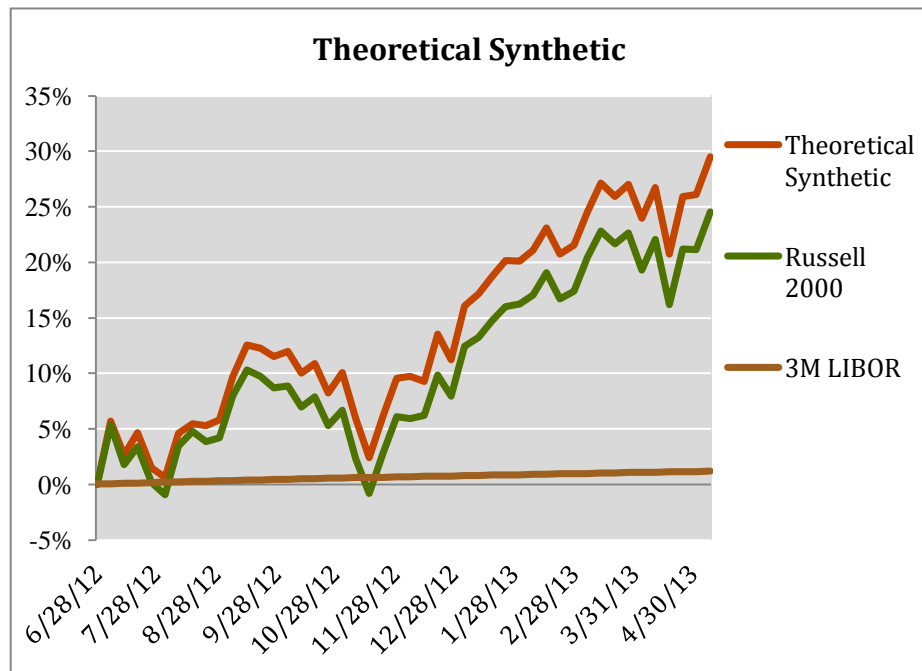
Our target for each holding in the Large Cap is about 3.5%, giving us room for around 25-30 stocks. Currently, we hold 27 stocks and the weightings range from Disney at 5.25% of the fund and American Communities (ACAS) at 1.87%.

A lot of the variation can come from performance of the stock, to our conviction on the stock when we first purchased. For example, if we felt strongly about a stock, we might pick up more of it. Right now cash is just above 7% of the portfolio.

Currently, I'm bullish on the market and I think we could reach new highs on a pretty consistent basis. I believe the markets and economy are much more resilient than people think. I've watched the euro fall out from underneath itself, and 10 year government bonds in Italy and Spain shoot through the 7% threshold like nobody's business, only to fall back a few weeks later. I've seen Greece and Italy nearly elect radicals and go through months of no real government because of severe dissatisfaction with the status quo, and the markets stuttered at first but have still remained on their upwards path. The U.S. has gone through one manufactured crisis after another, whether it is a debt ceiling fight or government continuation. They have also enacted awful policies like the sequestration but our economy continues to add jobs at a solid pace, grow, and the markets keep reaching new highs. I just don't see where the major headwinds could come from domestically, and that's why I think the S&P could reach 1,750 by years end.

## Synthetic Fund Performance – Riley Kinser, Junior

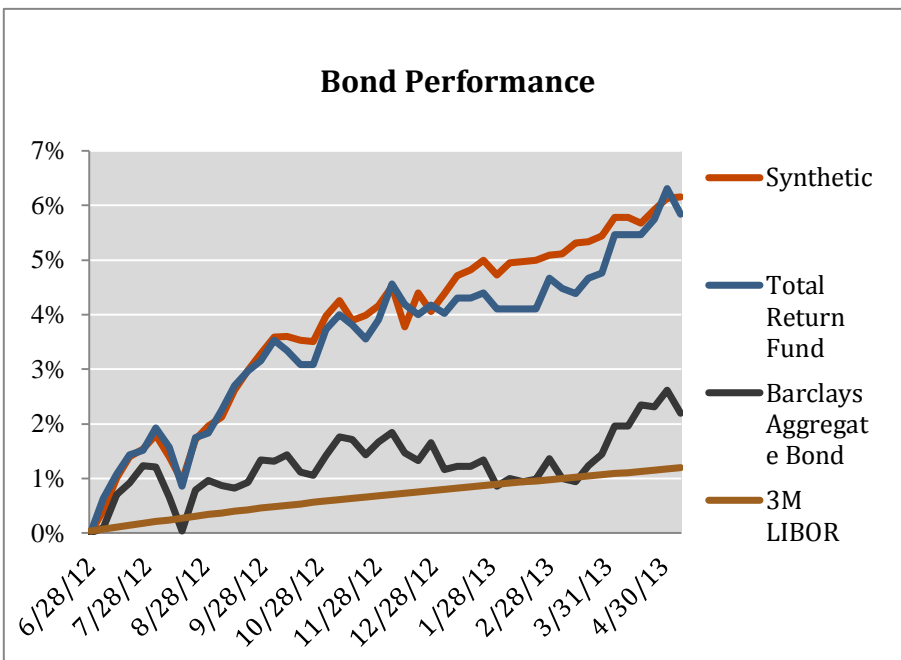
Over the last 2 years I've worked to evolve the OSIG Global Fund into a Synthetic Portfolio and it is with great pleasure that I can finally say that my undertaking is complete. Over the last year the group has managed a portfolio



constructed using fixed income ETF's and mutual funds which not only outperformed our benchmark, the Barclays U.S. Aggregate Bond Index by 395 bps, but also the world's largest mutual fund, the PIMCO Total Return Mutual Fund (PTTRX) by 31 bps! Despite not having been able to trade futures contracts during my time, the portfolio is now in the very final stages of transition to allow it to do so under the next portfolio manager.

It is expected within the coming week that our brokerage account with TD Ameritrade will be opened allowing us to begin trading futures and thus evolving our bond portfolio into a legitimate synthetic portfolio.

The OSIG Synthetic Portfolio is structured using a single Russell 2000 Index Mini Future, representing 15-20% of the portfolio, and fixed income ETF's/mutual funds for the remaining 80-85% of the assets. The objective of the portfolio is to outperform the Russell 2000 index and does so by earning a return on fixed income securities in excess of the implied financing rate of the future. In OSIG we assume 3-month Libor for this financing rate. The two main structural sources in the fixed income market we can take advantage of to outperform this financing rate are term premium, by extending and maintaining exposure further out on the yield curve, and credit premium, by holding securities with lower credit quality. Other structural sources we recognize but are unable to utilize due to our size and sophistication are transactional illiquidity premium and volatility premium. As of May 14<sup>th</sup> the Russell 2000 Index Mini Future provided market exposure of \$98,596 for an initial margin of \$5,280. Unfortunately the Synthetic Portfolio is underfunded as of May 9<sup>th</sup> with only \$67,076 in assets exposing us to 1.47x economic leverage. However economic leverage is not intended to be a part of this portfolio; with an additional \$31,500 we would be able to effectively construct a synthetic portfolio with almost no economic leverage.



The bond component of our portfolio benefited from a number of factors over the last year chief among them the Fed's policies. The U.S. Federal Reserve's promise to not consider raising short term interest rates until unemployment

falls to 6.5% or inflation climbs past 2.5% as well as the quantitative easing programs have helped support the performance of our high quality fixed income holdings. Empowering this is the slow economic growth expectations which have remained stagnant coupled with higher future tax assumptions which have helped support the Fed's current policies to keep rates low. Finally investors' continued search for yield has

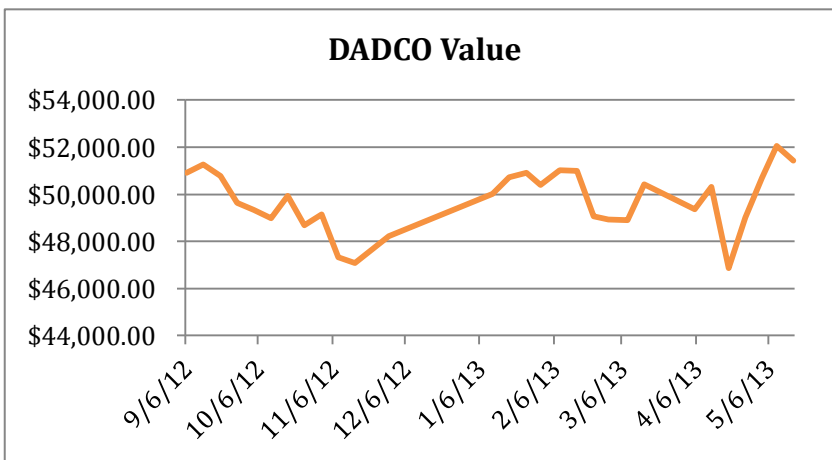
benefited our high yield and corporate bond holdings significantly as investors continue to seek out higher-yielding opportunities within the fixed income market. On the down side one major factor which provided headwinds to our portfolio was the lack of increased inflation expectations in the medium term. We had expected inflation expectations to increase during this period and as a result our TIPS allocation was hindered.

Holdings by size:

Ticker	Weight	Bought	Sold	Return	Description
<b>BOND</b>	29.4%	6/28/2012	-	8.13%	Total Return Fund ETF
<b>STPZ</b>	28.6%	11/27/2012	-	-0.15%	Short-term TIPS
<b>PMRCX</b>	27.2%	6/28/2012	-	2.07%	Intermediate-term MBS
<b>HYLD</b>	12.9%	7/3/2012	-	15.71%	Actively managed high yield
<b>PRPIX</b>	-	6/28/2012	11/19/2012	5.34%	Investment grade corporate debt

## DADCO Fund Performance – Pryce Waites, Senior

The 25<sup>th</sup> annual D.A. Davidson Student Investment Competition started on September 1, 2012. It involves 20 schools competing with \$50,000. Most of the schools have been in the program for many years. This year, OSIG competed for the third time. The schools compete to pick the best equities, and the competition ends August 31 and the portfolios are rebalanced to \$50,000 on September 1. Half of the balance over \$52,500 at the end of the year is given to OSIG. This gives OSIG incentive to pitch holdings for the DADCO portfolio frequently. This competition fund allows OSIG to compete and compare to 19 other student investment groups from the West Coast to Salt Lake City, Utah.

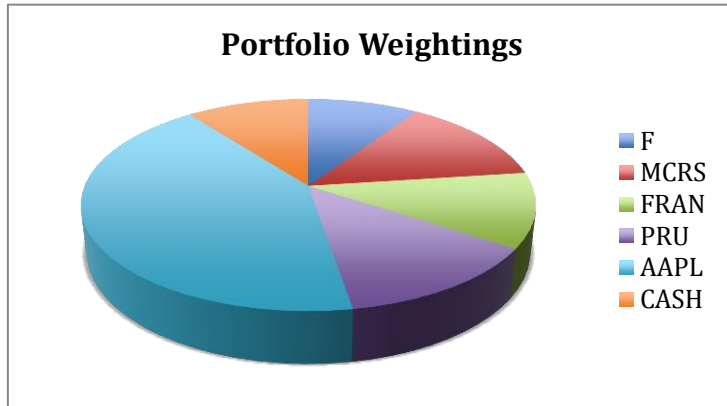


D.A. Davidson allows OSIG to trade stock listed on the NASDAQ and the NYSE. OSIG can also buy equities listed on other exchanges (PINK) but these trades have a large commission. Sometimes OSIG buys ETF's to gain exposure to an

under-allocated sector or an investment opportunity. For example, OSIG bought the 20-year treasury short at the end of 2012 in anticipation of quantitative easing. If

OSIG underperforms, there are no immediate consequences. However, if OSIG drastically underperforms due to overly-risky strategy, we risk that we will be eliminated from the competition. This motivates us to purchase medium-sized companies and to not take on too much risk. This also stops us from using an “all-or-nothing” investment strategy at the end of the year.

The DADCO fund had below-market returns over the summer. This was due to weak performance from Ford, Prudential, and the 20-year T-bond short. OSIG sat in 11<sup>th</sup> position just weeks before the re-balance on September 1. Late August we voted to buy just under \$10,000 worth of Netflix. Netflix performed well and brought us to 9<sup>th</sup> place before we sold it when the portfolio rebalanced to \$50,000. We ended the year just under \$50,000 so we did not receive any profit-sharing.



After the rebalance, we decided to choose the Russell 2000 as our benchmark. We do also compare our results to the S&P 500. For the new year of competition we decided to sell out of the 20 year Treasury Bond and Annaly in October. In January OSIG bought Apple and Francesca's. OSIG wanted more exposure to consumer spending because we saw growth in this sector. Francesca's has been up over 21% since purchase and Apple has been down 4% since purchase. Our benchmark, the Russell 2000, has only been up 3.5% since the purchase of these two equities. Year to date, our portfolio has remained at \$50,000 due to a bad investment in Ruger. However, we do not hold that investment any more.

Currently, I think we are well positioned to take advantage of a strong market, and continue to succeed in educating future fund managers in a great one-year competition in portfolio management.

## OSIG Sector Analysis

### Financial Sector – Conrad Bockhop, Senior

The year for the financial sector started off in a less than nurturing environment. The European Debt crisis was in full swing, while not at its peak in terms of turmoil, the situation was in still a rough patch. Along with the situation in Europe, the situation in the U.S. was complicated as the Fiscal Cliff and the debt ceiling started to



make its way into conversations within the news. While the general consensus at the time for future economic growth within the U.S. was promising, quarter-to-quarter GDP growth was very subtle and lacked any momentum. There was also concern about the economic growth within China and concern about if the Chinese economy was finally “running out of steam” after its extremely rapid growth that was witnessed in the recent decades.

More specifically, the financial sector experienced large amounts of volatility due to negative news from the numerous macroeconomic events that occurred during the year. Conversations within the financial sector focused around the Federal Reserve and their bond purchasing program, Quantitative Easing and Operation Twist. Due to the Fed’s large bond purchases, historically interest rates were also a very important conversation. For the most part, the Fed and the Ben Bernanke were very vocal about their future plans for Quantitative Easing and as a result, the market and investors could easily anticipate their future actions.

With everything going on within the global economy, the U.S. economy, and the financial sector, our general strategy for our holdings within the sector was, the “bigger the better”. In regards to being “better”, this mostly refers to the being safer in terms of risk that we wanted to take on and potential volatility going forward with our holdings. Our plan was to invest in companies that were large, well established companies that were well capitalized to mitigate future risks. Our holdings during the year definitely followed this agenda and performed extremely well relative to other sectors. JPMorgan Chase was purchased during the year and JPMorgan is the largest bank in the U.S. in terms of assets. Blackrock was also another holding and this firm is the largest asset manager in the U.S. Along with these two holdings, we also held Visa which is the largest credit card issuer in the world. Annaly Capital was another holding which is a Real Estate Investment Trust (REIT) that invested in agency-mortgage back securities. Annaly provided low volatility and a high dividend yield that we took advantage of. As you can see, our holdings throughout the year definitely followed our general strategy of the “bigger the better” and we feel that we properly mitigated the inherent risk that the financial sector possesses and at the same time performed extremely well relative to other sectors. Also given the market environment that we had to operate in, the strategy that we emplaced took advantage of the growth that financial sector had at the time and throughout the year.

### **Consumer Cyclical and Staples – Scott Schaub, Junior**

An economic indicator of particular interest to the consumer goods sector is Bloomberg’s Consumer Comfort Index. The weekly index is monitored in an attempt to understand Americans’ views on the current state of the economy, allowing the group to tailor our investment strategy accordingly. Over the past year the index has experienced some volatility, yet the overall trend has shown strong improvements.



The index has finally shown some positive momentum, reaching its highest value since before the financial crisis, and breaking out of a four-year pattern of sideways negative sentiment.

Entering the summer of 2012, the group chose to take an overweight position in consumer staples and trim our discretionary position. The moves were designed to mitigate some of the downside risk associated with the European sovereign debt crisis, and also shift into a more defensive position for the summer months of passive management. This plan was executed with the sale of the discretionary SPDR, XLY, whose proceeds were used to purchase a position in Starbucks (SBUX).

The Bloomberg Consumer Comfort Index began gaining traction around mid summer, suggesting that a reallocation was necessary upon arrival back to campus in the fall. In an attempt to capture the improved consumer sentiment, the group opted to increase our position in consumer discretionary holdings. We purchased Francesca's Holdings Corporation (FRAN) in late February for the DADCO portfolio, which has greatly benefited from the recent bull market. Since acquisition, the holding is up 18.73%.

Disney (DIS) has been the sectors top performer, up over 50% in the past year, and more than 30% YTD. In comparison to the S&P 500, the large cap domestic fund is 1.71% underweight in discretionary, and 3.93% overweight in staples. As consumer sentiment continues to show signs of momentum we can expect to see the allocations begin to converge.

Across both the large cap domestic fund and the DA Davidson portfolio, our holdings within the consumer goods sector currently include: Coca-Cola (KO), Amazon (AMZN), Bunge (BG), Starbucks (SBUX), Colgate (CL) and Francesca's Holdings Corporation (FRAN).

## **Technology – Stephen Halligan, Senior**

The last half of 2012 and beginning of 2013 have marked a very positive time for the U.S. stock market as a whole, showing its resilience and ability to rebound from negative pressures coming from within and abroad. The extensive use of easing movements from the Federal Reserve and the plethora of other countries around the world have begun to lift certain markets and make for favorable equity conditions. The capital inflow from abroad, increasing employment rates, low-interest rates, and improving housing market have resulted in a very positive response by the S&P 500, up ~28% TTM and ~17% YTD. However, the tremendous gains attained in the overall market have not been paralleled in all of the sectors. An example of this is the technology sector, recording a TTM gain of ~24% and a YTD performance of ~13.5%. The inherent sensitive nature of technology stocks generally would imply a larger gain (loss) than the market as a whole, but this year

has not been a normal year. The effects of the European debt crisis and quantitative easing have had mixed results on the technology sector, providing headwinds in some sectors and tailwinds in others. The following is a quick review of the four major segments under the technology umbrella and how our technology holdings have been affected:

**Semiconductors:** The performance of the semiconductor sub-industry has been pleasantly positive in 2013 after what may be considered a dismal 2011 and 2012. The industry in general suffers from capacity issues and this has proved to be the dominating factor in previous years, dragging down prices and earnings. The industry reached an inflection point for semiconductor prices in 2012, and as such, has started to see an increase in demand and prices. The increasing consumer confidence and retail spending, in conjunction with a decreasing unemployment rate, have prompted firms to start increasing capacity and production to meet the future demand estimated for the 2013 holiday season. In relation to our portfolio we have seen our holdings in Applied Materials appreciate over 28% YTD, due to the large increase in demand for semiconductor producing capital equipment.

**Software:** The software sub-industry has had to overcome many issues in the previous year, with the main detriment to sub-industry performance being the suffering global economy and the tendency of companies and national governments to constrict their software budgets in uncertain times. Within the previous year we have experienced a growth in software spending in the United States and an unfortunate muting of software spending in some of the larger countries in Europe. The national and local governments in key European countries are typically large software buyers and their budgetary constraints are hurting the overall growth of this sector. The softening of software spending is further compounded by currency fluctuations, which can either add or detract from software company growth rates. In reference to our holdings, we have seen the effects of slumping software spending through our holdings in IBM, where software sales account for nearly 25% of their overall sales. The TTM performance of IBM is only +1.75%.

**Internet:** In 2012 the Internet sub-industry continued to become a more prevalent and pervasive force in our daily lives, continuing to facilitate our communications, transactions, and relationships for both personal and professional purposes. The improving mobile technologies and devices have continued to push this sub-sector higher, even amidst the global economic recovery. Conventional knowledge would assume that the Internet economy should have been able to capitalize on the somewhat ubiquitous economic issues and that companies would accelerate their transitions to and usage of the internet to communicate with their customers; interestingly enough this hasn't necessarily been the case. Many Internet companies have announced or provided disappointing earnings recently and have also lowered future expectations. Despite some lackluster performance within the sub-sector, one company managed to stand out from the rest, and that company is Google Inc. Luckily for the large cap domestic fund, Google is one of our largest technology

holdings and has made great strides in the previous year, posting annual growth rates well above 20% and stock price appreciation of ~50% TTM.

**Hardware:** Following a slow growth 2011, the computer hardware industry has continued to see declines in year-over-year growth, with stagnating demand coming from the Asia-Pacific region. The slow growth and declining prices within the industry have hinted that in the long-term we should expect revenue growth rates to be outpaced by unit sales growth for the industry as a whole. This is a current issue hardware companies are facing, as there is immense competition within this sector, and price has become one of the largest factors. Another major issue within this industry has been the erosion of sales from the introduction of media tablets to the industry. The largest player in this sector has been Apple Inc., and until very recently had Apple had outperformed the market by large margins. Unfortunately for Apple, their company has been having a public relations fiasco, with lawsuits coming from their own shareholders. The negative media portrayed on this company, mixed with some less than stellar earnings results have resulted in a YTD stock price depreciation of ~18%. The now seemingly undervalued stock afforded our group the opportunity to add this to our portfolio and hopefully reap the gains from a diversified competitor within this segment.

Overall, the technology sector has underperformed the market as a whole on a yearly basis, but as discussed above there are many other unsystematic factors ranging from public relations to budgetary constraints that are influencing the underperformance. As consumer demand and confidence continue to increase, and the European markets begin to calm, the demand for products offered by our holdings should begin to revitalize and provide some long-term gains.

## Healthcare – Chelsea Garza, Junior

The healthcare industry has faced many challenges and advancements this past year. The sustainability of the United States Health Care industry has been in the national spotlight. The nations concerns and priorities are imbedded in politics, social construction, technological advancements, and economic progression. In 2012, the healthcare industry weaved through economic, regulatory and political ambiguity. In 2014, America will be expected to purchase health insurance through newly established markets after the Supreme Court reviewed the Affordable Care Act. But the healthcare industry is evolving and changing, and not just because of government intervention.

While the United States economic recovery has been slower than desirable, many in the health care industry have found alternative markets to pursue, increasing in the global market and offshore operating opportunities. This past year we have focused on companies pursuing developments in medical devices and technology, expecting major growth in these two areas.

Current U.S. health care expenditures are estimated to be \$2.8 trillion in 2012, and are projected to increase to \$3.5 trillion by 2016. Health spending in the U.S. made up about 17.9% of Gross Domestic Product in 2012 and is expected to increase at a rapid pace to reach nearly 20% by 2021. While these numbers are growing, in 2011, the era of the baby boomers began to make contributions as well, more than 10,000 people will reach the age of 65 per day, and will continue to age at this rate for the next 19 years.

Research by the National Center for Chronic Disease Prevention and Health Promotion shows that the three leading causes of death in the U.S. are heart disease, cancer and stroke and nearly one-fourth of America's annual health expenditures go for treatment of these three killers. While improved medical care and healthier habits are helping more of us live longer, the average life expectancies are around 80 years. The health care industry has many reasons to expand and not just through medical devices and technology. Research and development departments for many health care companies are quickly joining the race and expanding faster than ever.

Not only is there major demand and need in the United States for medical advancements, but also mobile healthcare and healthcare overseas are becoming increasingly demanding and much more available. Following years of major mergers and acquisitions in the healthcare industry, big players are rethinking their approaches to R&D. Some maintain R&D divisions by separating them into independent units, something we saw in the divide of ABT and ABBV. Also, we see companies contracting out or investing in smaller companies to research for them, an example of how BAX is maintaining constant R&D growth. Research and development in biomedical and pharmaceuticals will be major growth areas abroad while medical devices and technological advancements will make great contributions to our portfolio in the future. The potential of new data and improved techniques will enhance future innovation and continue to feed the drug development pipeline.

Our current holdings and their performance since inception, include: AbbVie Inc. (ABBV), up 35% since obtained in January 2013; Abbott Laboratories (ABT), up 36% before spin off and 18% after spin off; Allergen (AGN), up 70% and purchased in Mary of 2010; Edwards Life Sciences (EW), down 10%.

## **Industrials, Materials, Energy, and Utilities – Andrew Luckman, Junior**

During the 2012 fiscal year, the IMEU sectors slightly underperformed. Our strategy for this sector was to capitalize on the recovering economy. We did this by increasing our position in energy and industrial companies. Also we decided to bring our material holdings back to equal weight. During the spring we decided to update Ultra Petroleum (UPL) and Industrial Select Sector SPDR (XLI). After review we sold both of these

holdings because they did not match the goals of our portfolio going forward. PPG Industries (PPG) was pitched and purchased to replace XLI as one of our industrial holdings. We also purchased Stanley Black and Decker (SWK), Noble Energy (NE), and Caterpillar (CAT). We believe that these companies match our goals for the portfolio based on the pitches that were made by our analysts. By making these purchases and sales we kept our weightings near our SP 500 targets. This concluded our activity for the spring term. The summer was uneventful for IMEU with no trades or updates.

We only had one update for the fall term. We updated on our Noble Energy holding which was voted a Hold. During the winter term we had both a pitch for Union Pacific (UNP) and an update on Exelon Corp. (EXC). We decided not to purchase Union Pacific due to our belief that it was currently overvalued. However, after a review of Exelon we decided that we should replace it with another utility holding. In addition, management decided to sell our Cliff (CLF) holding. After the sale CLF fell to 52-week lows as the mining industry faced strong headwinds. Southern Company (SO) was pitched as a potential replacement for EXC. Southern was reviewed and purchased by management. During spring term we updated Exxon (XOM) and Kinder Morgan Partners (KMP). After review management felt that both of these positions should continue to be held. During the 2012 fiscal year, the IMEU sector continued to focus on staying diversified and providing top quality companies for the portfolio. Going into 2013, we are underweight in industrials and energy. We are also evenweight in materials and overweight in industrials. We believe these weightings combined with our holdings will provide the best benefits to the portfolio going forward.

## The Year In Review

The Oregon State Investment Group strives to provide unique opportunities for its members that will enhance professional development and financial knowledge. We had the opportunity to take part in a number of activities in the last year that further exposed students to the world of finance and increased their knowledge in the field of investing.

### 4<sup>th</sup> Annual New York Trip

For the fourth year, six of our strongest and most dedicated members were selected to travel to New York to meet with a number of alumni to discuss careers in finance, as well as network. This yearly trip has been an invaluable experience for the students attending, providing a perspective of firms of all sizes. Through this opportunity, interests in different parts of the industry have been sparked and wonderful connections have been made. Last year's trip allowed members to meet with influential members of the finance community such as Stephen Schwarzman of the Blackstone Group, Tod Perkins of Barclays Capital, Bruce Ritter of Yannix Capital, and Wes Edens of Fortress, just to name a few.



This September, 10 OSIG members will once again travel to New York to meet with alumni and others in the financial industry. There are few cities that provide exposure to so many financial firms, and are an outlet for students in OSIG that aspire to have

careers in a U.S. financial hub. The number of participants has been increased due to the number of members that have demonstrated recognizable effort and dedication.

### OSIG & UOIG Civil War Meeting

Each year, the Oregon State Investment Group and the University of Oregon Investment Group meet to pitch companies for possible investment into our funds and network. This year, Conrad Bockhop pitched D.R. Horton (DHI), representing OSIG, while UOIG members pitched Facebook (FB). D.R. Horton is one of the leading

companies that constructs and sells residential homes in 26 states. Facebook is the largest social networking website that builds products to create utility for users, developers, and advertisers. The final result was a hold on both companies for our funds.

## **CFA Society Global Equity Research Competition**

Five members of OSIG competed in the CFA Society Global Equity Research Competition. Our group competed in a northwest preliminary round where the winner would proceed to the Western Region competition in Toronto, Canada. The participants included the University of Oregon, Portland State University, Washington State University-Vancouver, and the University of Portland.

The group of five students from OSIG consisted of Riley Kinser, Scott Schaub, Jessica Kim, Stephan Halligan, and Andrew Luckman. All participating teams evaluated Nike, Inc. (NKE), which engages in the design, development, and worldwide marketing and selling of footwear, apparel, equipment, and accessories. This competition is meant to improve fundamental analysis and valuation skills.

## **Special Thanks**

We would like to extend a special thanks to Dean Kleinsorge for all of the support she has shown the group throughout the last several years. We would also like to thank the finance faculty, specifically Jimmy Yang for advising our group, and assisting members with OSIG matters. Finally, we would like to extend our thanks to D.A. Davidson, alumni, and the OSU Foundation Board members.

## **Management Team and Analyst Recognition**

**Outstanding Analyst:** Michelle Hulquist

**Outstanding Sector Leader:** Scott Schaub

We are confident the 2013-2014 management team will create an environment that will further enhance the minds of the analysts, especially the handful of sophomores recruited throughout the year. The management team includes:

**President:** Riley Kinser – Senior

**Domestic Fund:** Andrew Luckman – Senior

**Synthetic Fund:** Jessica Kim – Senior



**DADCO Fund:** Scott Schaub – Senior

**Internal and External Relations:** Haleigh Rhea – Junior

**Web Administrator:** Jordan Hopper - Senior

## Exiting Members

Adam Rosa (3 years experience – Bank of America GCB Credit Analyst, Los Angeles), Brad Alvarez (4 years experience – JP Morgan Risk Management Analyst, New York), Pryce Waits (2 years experience – PricewaterhouseCoopers, New York), Stephan Halligan (3 years experience – CFA Candidate), Conrad Bockhop (3 years experience), Gerald Gale (3 year experience – Kershner Trading, Austin), Malia Mottet (2 years experience – PricewaterhouseCoopers, Portland)

## 2013 Summer Internship and Full-Time Locations

JP Morgan (New York, NY), Bank of America (Los Angeles, CA), Union Square Advisors (San Francisco, CA), PWC (New York, NY), TED Investments LLC (Portland, OR), Geffen Mesher (Portland, OR), Wells Fargo (Portland, OR), Boeing (Seattle, WA), Harrison Street Real Estate Capital (Chicago, IL), Kershner Trading (Austin, TX), PWC (Portland, OR)