

UNIVERSITY OF KENTUCKY BOARD OF TRUSTEES

Student Managed Investment Fund (SMIF)



AN EQUAL OPPORTUNITY UNIVERSITY

Presenters



Samrat Gurung

Portfolio Manager

Junior

Finance and Computer Science



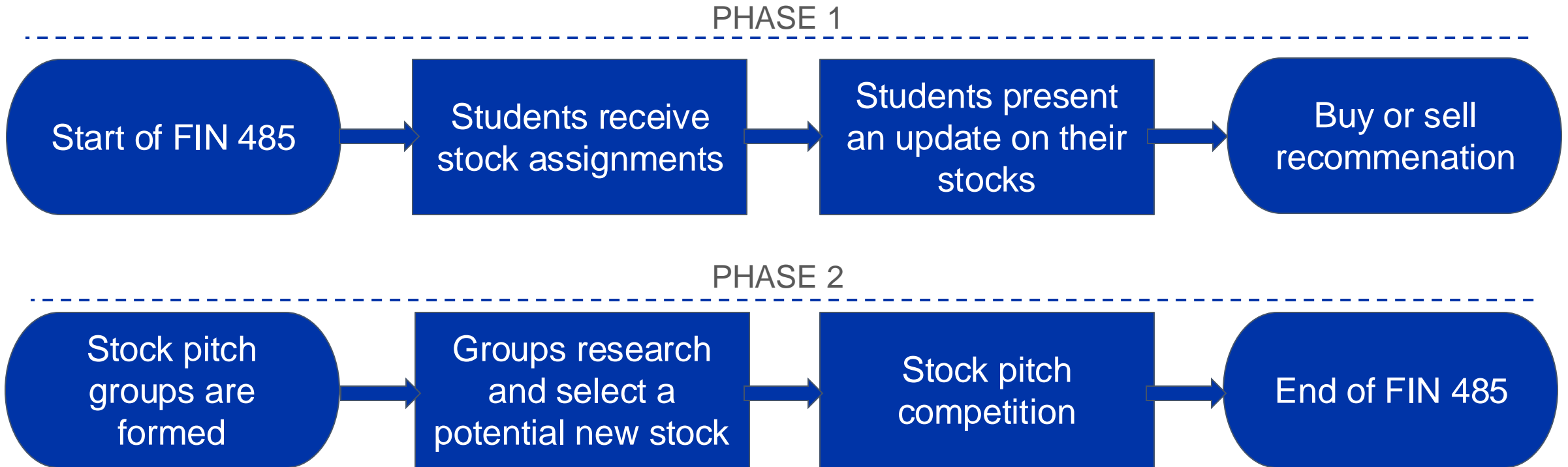
Becky Veid

Chief Compliance Officer

Senior

Finance and Accounting

Class Structure



FIN 490 students assume the role of portfolio managers over the analysts

SMIF PORTFOLIO

Portfolio Breakdown

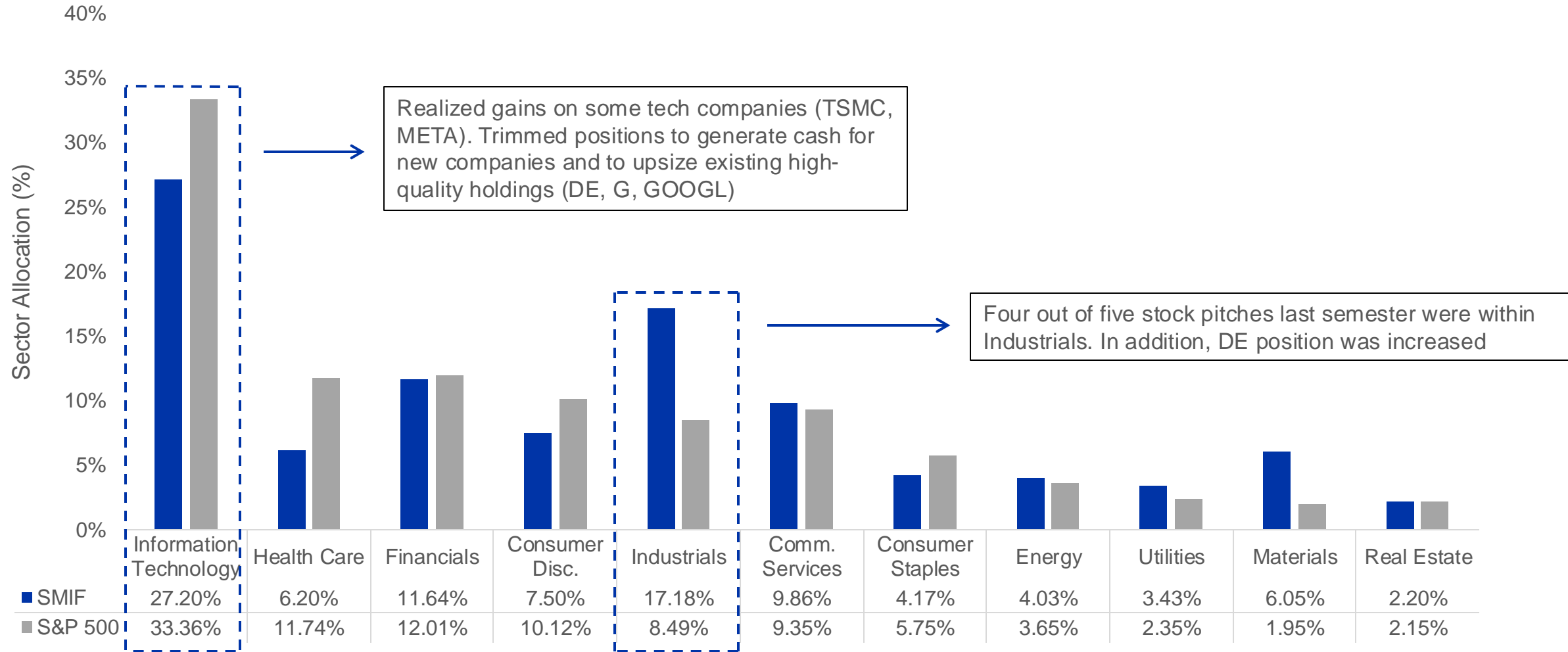
SMIF	Balance
Market Value	~\$5.6M
Cash Balance	~\$32K
Number of Positions	36

Top 10 Holdings	
Ticker	% of Portfolio
JPM	6.1%
FFIV	5.8%
GS	5.6%
GOOGL	5.2%
DE	5.1%
HON	5.0%
MOS	5.0%
G	4.9%
META	4.7%
APH	4.5%

Sector Weightings	
Sector	% of Portfolio
Information Technology	27.2%
Health Care	6.2%
Financials	11.6%
Consumer Discretionary	7.5%
Industrials	17.2%
Communication Services	9.9%
Consumer Staples	4.1%
Energy	4.0%
Utilities	3.4%
Materials	6.1%
Real Estate	2.2%

*As of January 27, 2025

Sector Weightings: SMIF vs. S&P 500



*As of January 27, 2025

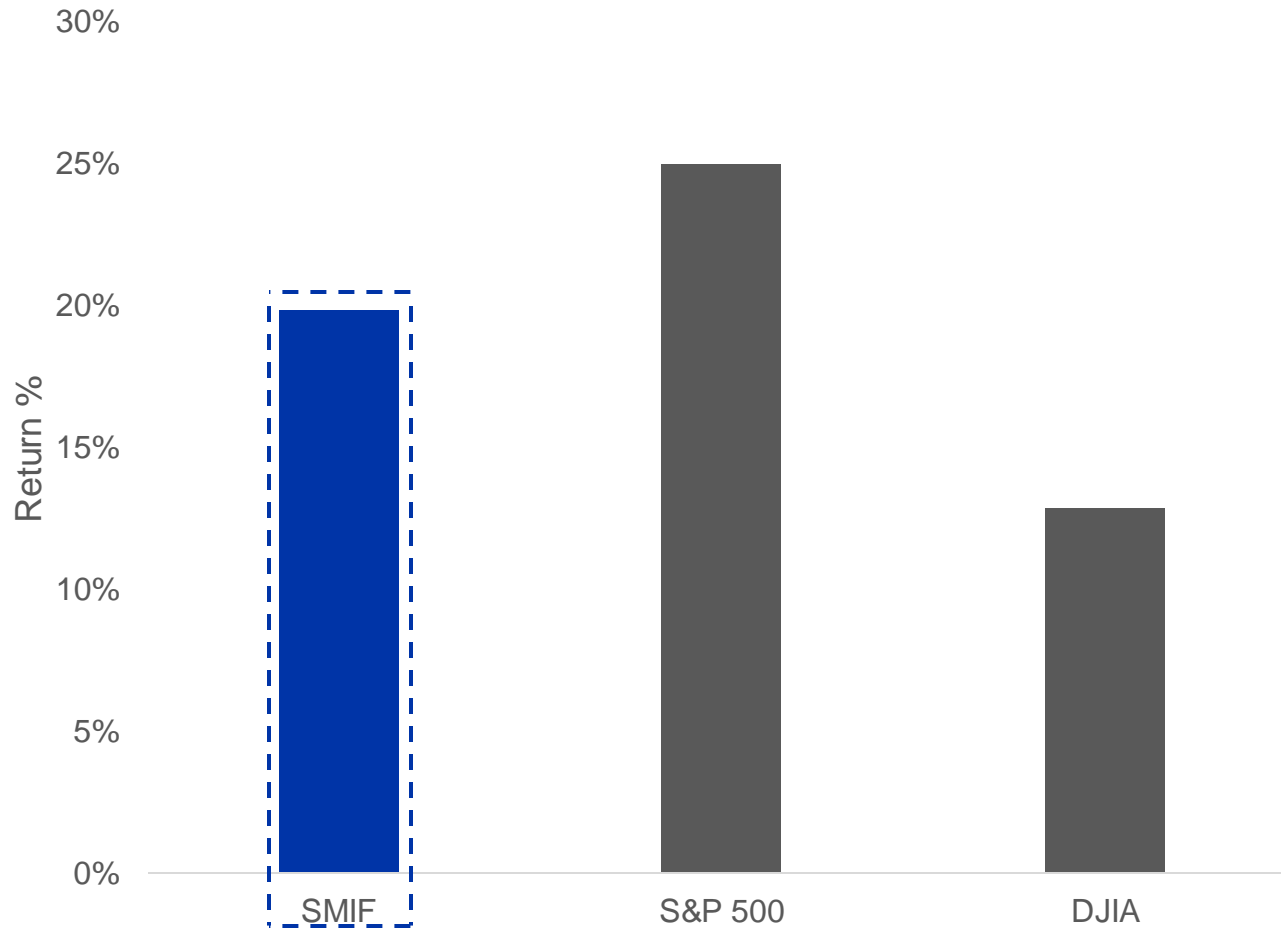
Portfolio Compliance

Compliance Check		
Requirements	SMIF	TVA
Cash equivalents less than 2.5% of Portfolio MV	Compliant	Compliant
Within 3% Sector Margins	Out of compliance	Out of compliance
No Single Stock greater than 8% of Portfolio MV	Compliant	Compliant
Minimum of 20 Stocks	Compliant	Compliant
Weighted Avg. Market Cap above \$10B	Compliant	Compliant
Less than 35% MV invested in equities with less than \$1.5B Market Cap	Compliant	Compliant
Any Positions Below Market Cap of \$500M	Compliant	Compliant
Less than 5% Market Value of Portfolio in equities with Market Cap less than \$250M	Compliant	Compliant
ETF under 7.5% of Portfolio Market Value	Compliant	Compliant
*Companies with a market capitalization below \$500M are prohibited — at the time of purchase	Compliant	Compliant
* At time of purchase, no single issue should exceed 5% (at market value) of the portfolio	Compliant	Compliant

Performance Comparison

2023 Return (12/31/2022-12/31/2023)	
SMIF	30.60%
S&P 500	26.29%
2024 Return (12/31/2023-12/31/2024)	
SMIF	19.78%
S&P 500	25.00%

2024 Performance Comparison



- SMIF notched a near 20% return for 2024 without holding three of the Magnificent 7 stocks (Amazon, Nvidia and Tesla). Average 2024 performance of these three stocks was ~95%
- Beat Dow Jones Industrial Average by ~7%, which holds 30 of the most prominent companies
- Artificial intelligence theme continued throughout 2024 as semi-conductor and chip stocks soared
- Within the SMIF portfolio, financial, energy and retail companies were the major contributors. Banks benefitted from the Federal Reserve’s rate cuts, the expectation of a “normal” yield curve and increased optimism and activity in investment banking. Energy benefitted from demand for power driven by data centers

Top Performers in 2024

Ticker	2024 Performance	Performance Since Inclusion
ONON	103.1%	135.6%
CEG	92.7%	138.0%
META	66.1%	148.0%
GS	52.0%	86.7%
APH	51.3%	55.4%
NOW	50.1%	61.2%
JPM	44.3%	78.5%
FFIV	40.5%	62.1%

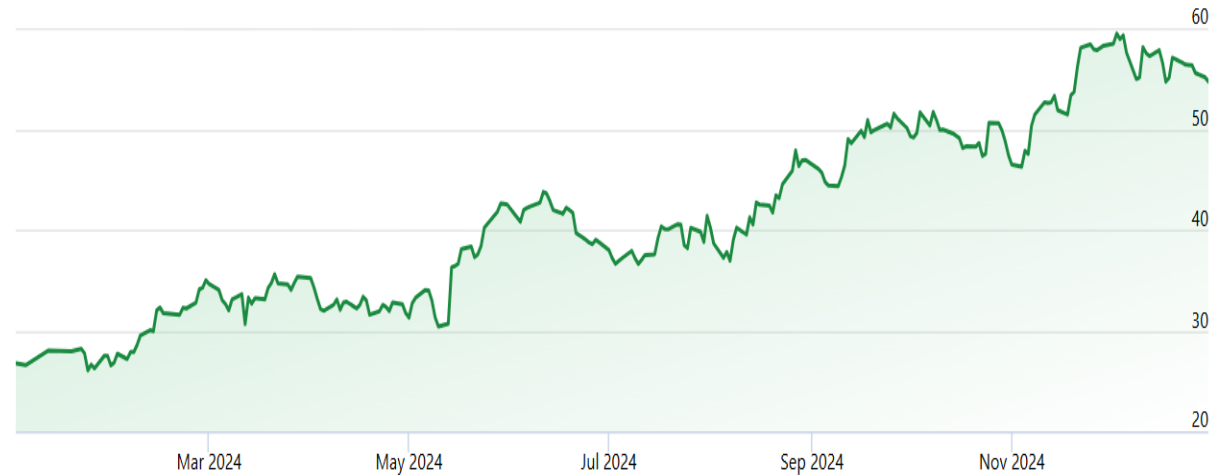
*Performance Since Inclusion as of January 27, 2025



On Holding AG (ONON)

- On Holdings is an athletic footwear and apparel company founded in 2010
- Recent growth has been driven by rapid expansion in North American and Asian markets as well as product diversification
- Competitive Advantages:
 - Strong brand appeal among consumers
 - Strategic collaborations
 - Focus on sustainability and innovation

Key Metrics	
Price	\$62.16
1Y Return	136.80%
P/E Ratio	144.56
Beta	2.25
52 WK Range	(26.22-62.55)





Constellation Energy Corporation (CEG)

- CEG is a company focused on clean and sustainable energy
- Competitive Advantages:
 - Leading nuclear energy producer
 - Proven expertise in energy efficiency
 - Strong commitment to sustainability
- Future growth is rooted in continued investment in clean energy, developing innovative energy storage technologies and advanced energy solutions

Key Metrics	
Price	\$278.80
1Y Return	129.90%
P/E Ratio	30.77
Beta	0.78
52 WK Range	(121.36-352.00)



Variables Shaping the SMIF Portfolio

- **Interest rates and economic data** remain one of our focal points as a potential tariff battle and contrasting economic data point toward a hawkish tone by the Federal Reserve.
- Most of the companies in the SMIF portfolio had outstanding **earnings** in Q3 2024, but we are closely monitoring Q4 reports for 2025 guidance, adjustments to the new administration and the change (or lack of) in rates. Good or bad conditions, we aim to invest in high-quality businesses. Earnings allow us to gauge the quality of a company.
- **Geopolitical relations** across the world continue to pose a risk to the equity market and remains a talking point in our class.
- From a political lens, we are cautious and humble looking at the broader market as **new major policies** regarding tariffs and tax cuts under President Trump are yet unknown.
- We understand the magnitude that **DeepSeek** can have on our portfolio (especially to ASML, CEG and mega/large caps). It is crucial to stay informed and act on facts, rather than sentiment and speculation.



Initial Jobless Clm*

Jan 30, 2025, 8:30 AM EST

P: 223 N: 207

Core CPI MM, SA*

Feb 12, 2025, 8:30 AM EST

P: 0.2 N: -



QUESTIONS

