

University Securities Investment Team

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Agenda:

Part I. Operations and Initiatives

Part II. Competitions

Part III. Portfolio Reports

Part IV. Board Department-Specific Initiatives

Part V. Conclusions



PART 1. Operations & Initiatives

General Semester Recap: Retention

USIT ended the school year by breaking many internal and McCombs-wide records. At the end of April, we reached **~350 paid members** and nearly **100% voting participation** at our general meetings. This year USIT was selected for two unprecedented honors: **Finalist for Best Professional Organization on Campus** and **University-wide Distinguished Status for Individual Opportunity**. USIT also drastically expanded its presence on campus and across the country, expanding two of its competitions (Texas Stock Pitch and Texas Shark Tank) to statewide events. Lastly, USIT also achieved its best national competition record in organization history, placing 1st place at the USC Value Investment Conference, 1st at the Stanford University Stock Pitch, 2nd at the College of William & Mary Stock Pitch, and 2nd at the University of Michigan Stock Pitch Competition.



USC Gold – 1st Place

USC Stock Pitch Competition

March 2018

Joseph Buschmann (Sr.)
Bryan Goh (Jr.)
Eric Sun (Soph.)
Dhruv Dhuper (Fr.)
Nick Marchenko (Fr.)

The team pitched a short position on Alliance One International (NYSE: AOI), presenting a variant view on the tobacco merchant's weak balance sheet and pessimistic view of the international marijuana market.

4

Teams Placed 1st
or 2nd at National
Competitions

2

USIT-Hosted
Statewide
Competitions

~100%

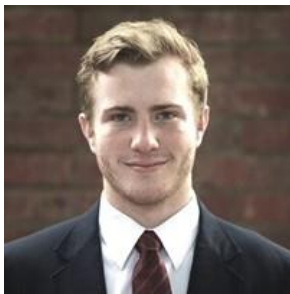
Voting
Participation
during GMs

Initiatives: USIT Scholarship

For the first time in organization history, USIT is awarding a scholarship to its members. The USIT scholarship initiative, which is targeted towards top-performing Analyst Group and Fund members, has provided **four outstanding students with \$500 scholarships**. These funds will be applied to their Fall 2018 tuition bill.

We greatly appreciate all the wonderful USIT members who applied for this scholarship. The scholarship selection committee was blown away by their involvement in this organization via competing in national stock pitches, attending our various socials, playing on the Flag Football team, participating in our three USIT competitions, and more.

Below are this year's selectees:



Ryan Spencer | Junior, Energy Fund Analyst

Ryan has been an active member of USIT since his freshman year. After completing the Analyst Group curriculum freshman year, he joined the Energy Fund and has pitched at several General Meetings over the years. Most notably, in October, Ryan represented USIT and the University of Texas at the University of Michigan National Stock Pitch, where he and a team of other USIT members ultimately placed 2nd in the country.



Prakruti Govindacharyula | Freshman, Analyst Group Member

Prakruti is from Plano, Texas and spent most of her high school time competing on the speech and debate team. During the 2017-2018 school year, Prakruti competed in Texas Charity Pitch (placed 1st), the Analyst Group Stock Pitch (placed 2nd), and Texas Stock Pitch.



Shyam Swaminathan | Freshman, Analyst Group Member

Shyam is originally from San Francisco and has lived abroad for most of his life. This year Shyam was an extremely active member of his Analyst Group and competed in the Analyst Group Stock Pitch (placed 3rd), Texas Stock Pitch, and Texas Charity Pitch.



Eddie Wu | Freshman, Analyst Group Member

Eddie is originally from Plano, Texas and is an avid hip-hop dancer, serving as the leader in his high school's Dancing for a Cause branch. As a USIT member, Eddie competed in the Analyst Group Stock Pitch (placed 1st), Texas Stock Pitch, and Texas Charity Pitch.



SwingOut Status

USIT's Board team undertook a new initiative this year in the form of the Pillars of the Forty Acres Recognition Program and SwingOut Awards. This initiative, headed by Logistics Chair Rhea Nelson and Director of Operations Rebecca Ortiz, involved a semester-long process to establish the credibility of our organization regarding:

- Member engagement and opportunity
- Impact on UT student body
- Collaboration with other student organizations
- Participation in university-wide activities
- Intentional growth opportunities for USIT leadership

In the spring, USIT was honored at the 2018 Evening of the Stars Ceremony among other large and established organizations across campus. USIT was one of 11 student organizations to receive the 2018 Pillars of the Forty Acres Distinguished Status for the Core Value of Individual Opportunity and was named a finalist for Most Professional Organization. The awarding of these two titles marked the first time in USIT history in which the organization applied for and earned awards that were campus-wide honors.

USIT Intramural Flag Football

USIT has yet again had a successful flag football season this spring! This has been our third semester as an official intramural participating team. During the team's first season (Spring 2017), they advanced to the playoffs, made it through octo-finals, but were beaten during quarterfinals. During the Fall of 2017 the team did not advance to finals but trained hard to prepare for the following season. During this past Spring 2018 season, the team yet again advanced to playoffs, and won their octo- and quarter-finals game.



Back Row Left to Right: Hans Uy, Arjun Penna, Taha Siddiki, August Kuhn, Harin Sabhaya, Barton Showalter, Spencer Silver, Megan Tran-Olmsted, Karna Venkatraj, Sunny Pamidimukkala

Front Row Left to Right: Rebecca Ortiz, Eileen Bau, Kendra Zhi, Ananya Rajesh, Devika Kapoor, Phoebe Lin (Cheerleader), Not Pictured: Destiny Alvarez, Zoe Truong

This upcoming season, the team hopes to finally bring home the illusive Intramural Champion T-Shirt. On behalf of all of USIT and the USIT IM Flag Football Team, we congratulate and give our thanks to our 3x Captain and MVP, senior finance student August Kuhn (left photo: top of pyramid). August has led the team for three seasons and we are excited to have him cheer us on during future seasons.



Part II. Competitions

Texas Shark Tank

The third annual Texas Shark Tank was a state-wide success, with applications from over 50 teams across eight Texas universities. Competitors were asked to pitch a pre-revenue, pre-funding startup idea. Partnering with the Longhorn Entrepreneurship Agency, USIT hosted a week-long incubator that culminated on April 14, 2018, when 24 teams pitched to a panel of esteemed judges. Our keynote speaker for the event was Bob Metcalfe, co-inventor of the ethernet and Director of Innovation at the University of Texas at Austin. We had over 20 professionals and angel investors/VCs from the Austin entrepreneurship community volunteer as judges. Our winners were Switchcast (1st), Forestrike (2nd), SolverIQ (3rd), and Seekr (4th). All four members of the 1st place team were offered coworking space at the esteemed Capital Factory. Each competing team also received at least \$100 in GCP credits, resulting in a total giveaway of \$3,000 in GCP credits. At least two of the placing teams are in further talks with our VC judges for funding advancements.

Switchcast – 1 st	Forestrike – 2 nd	SolverIQ – 3 rd	Seekr – 4 th
Service that replaces national ads with local ads targeted towards sports bars	Personal shoe device that monitors running form to maximize fitness potential	Service that streamlines company recruiting specifically for startups	Application that functions as an “Uber” for experiences to connect people with similar interests



Texas Stock Pitch

This past February, USIT hosted Texas Stock Pitch, the largest undergraduate stock pitch competition in Texas. USIT expanded this year's event to a state-wide competition. Teams from Texas A&M and the University of Houston participated, with one University of Houston team placing fourth overall.

Students were asked to pitch a long or short investment thesis of their choice and present it to a panel of judges consisting of USIT alumni, Point72 and Vista investment professionals, UT finance faculty members, and more. This was our most successful Texas Stock Pitch, with almost 100 students competing and over 20 volunteer judges. Our keynote speaker was USIT's very own Matthew Rindelaub, who served as USIT president three years ago and currently works as a Tech-Media-Telecom Analyst at Point72 Asset Management in New York City. Our winners were long Cambrex Corporation (1st), Match Group (2nd), and iRobot (3rd). Our All-Freshman Team winner was long Groupon. The top three teams and best freshman team were awarded a total of \$5,000 in prizes.

First Place: Matt Hopp (Soph.), Saagar Patedar (Soph.), Peter Huang (Fr.), and Basel Cheema (Fr.)



TEXAS STOCK PITCH

PRIZE POOL

1ST:	\$2000
2ND:	\$1500
3RD:	\$1000
FRESHMAN PRIZE:	\$500

February 24, 2018
It's all about perspective.





REGISTRATION DEADLINE
Tuesday, Feb. 20th @ 11:59 P.M.
register at texasusit.org

INFORMATION SESSION
Thursday, Feb. 1st 7-8 P.M.
Located in GSB 2.122

usit University Securities Investment Team

National Stock Pitch Competitions

This semester, USIT placed phenomenally in each of the competitions that it sent members to:

Michigan Interactive Investments Stock Pitch	William and Mary Women's Stock Pitch	USC Value Investing Group Stock Pitch	Stanford University Stock Pitch
2nd Place	2nd Place	1st Place	1st Place
			
Long: HA, October 2017	Long: NPO, March 2018	Short: AOI, April 2018	Long: COHR, May 2018
Team Members (Left to Right): Ananya Rajesh, Ryan Spencer, Catherine Cheng, Karna Venkatraj	Team Members (Left to Right): Phoebe Lin, Ananya Rajesh, Catherine Cheng, Megan Tran-Olmsted	Team Members (Left to Right): Eric Sun, Nick Marchenko, Dhruv Dhuper, Bryan Goh, Joseph Buschmann	Team Members (Left to Right): Angela Yang, Catherine Cheng, Eric Sun, Zander Van Geenen

Other Competition Successes:

Throughout this semester, USIT has seen tremendous successes from our members! It seems that at least once per week we have reason to celebrate from our members placing at local, national, and even international competitions.

Here are a couple of this year's highlights:

Local (UT) Competitions

Competition Name	USIT Team Members	Place
Sense Corp Hack-a-Case	Catherine Cheng	1 st
Longhorn Entrepreneurship Agency Startup Simulation	Catherine Cheng, Eric Sun, Nick Marchenko, Stephenson Gokingco	1 st
Deloitte Undergraduate Case Competition Regionals	Catherine Cheng, Eric Sun	1 st

BHP Sense Corp Case Competition	Catherine Cheng	1 st
McCombs Healthcare Case Competition	Angela Yang	1 st
Deloitte Regional R.I.S.E. Risk and Financial Advisory Case Competition	Angela Yang	1 st and National Qualifier
McCombs Fall Case Competition	Aaron Raj, Angela Yang, Peter Huang	4 th
UT Intramural Flag Football Playoffs	See Page 4	Semifinalist

National/International Competitions

Competition Name	Team Members	Place
University of Washington Global Business Case Competition	Rebecca Ortiz	1 st
Tennis On-Campus National Championships	Nick Marchenko	24 th out of 64 qualifying national teams

PART II. Portfolio Reports

Investments in the All-Star Fund

The All-Star Fund is the compilation of investments from General Meeting pitches. For an investment to be made during the school year, a pitch must be presented at a General Meeting and passed by a simple majority through the membership vote. Throughout the course of this semester, **USIT hosted 14 General Meetings**. Of those meetings, **11 included a stock pitch, with 8 pitches passing the general member vote**. Pitches are prepared by a 4-6-person team, led by our SCG Portfolio Managers and Senior Analysts, and assisted by Junior Analysts and General Members. Each of our funds had the opportunity to pitch once or twice this past semester, presenting the strongest theses from their funds. From these pitches, we took a long position in eight companies in industries ranging from video game design to oil and gas production to pharmaceuticals. One of our General Meeting pitches that passed was a presentation from the William & Mary National Stock Pitch Competition team, and another was from the winning TSP team. Since the date of the first spring semester stock pitch, the All-Star fund has seen a return on invested capital of 7.43%, compared to an SP500 -5.05% return (returns from January 16, 2018 – June 1, 2018). See more at texasusit.org

Figure 1: All-Star Fund Individual Investment Simple Returns

Date	Fund	Ticker	Simple Return
23-Jan	Emerging Markets	EVTC	25.96%
6-Feb	Industrials	ASIX (short)	2.49%
13-Feb	Technology	ADSK	26.05%
27-Feb	TSP Winner (Pharma)	CBM	-11.53%
20-Mar	W&M Competition (Industrials)	NPO	-3.52%
27-Mar	Consumer Retail	IRBT	2.06%
24-Apr	Media	TTWO	15.16%
1-May	Energy	SWN	10.85%

Part IV. Board Department-Specific Initiatives

Finance / Accounting: Usmaan Hasan (Director), Basel Cheema (Chair)

This past semester, the Finance department secured over \$2,600 in funding for Texas Shark Tank. The grants were given by the BBA Alumni Excellence Endowment Fund as well as Student Government, Senate of College Councils, and the Event Co-Sponsorship Board. These grants allowed USIT to expand the scope of Texas Shark Tank to a regional competition involving teams from across the state.

Operations: Rebecca Ortiz (Director), Leela Brassil (Chair), Rhea Nelson (Chair)



In addition to planning and executing Texas Shark Tank, the Operations team has continued old and new social traditions that have brought members closer. USIT hosted its annual paintball social and recently hosted a new annual tradition: the end-of-year boat party. With a record number of attendees last year, this social has become a much-anticipated celebration of our members' commitment to the organization. We also recognized two of our most involved graduating seniors: Hans Uy (former Director of Investment, Industrials Portfolio Manager) and August Kuhn (captain of USIT Flag Football team). Finally, USIT launched an internal initiative to help

bridge the gap between Board and SCG members through casual, smaller social groups. These groups share a meal together and rotate on a bi-weekly basis to encourage mingling amongst different years and leadership backgrounds. Lunch Buddies was previously implemented to provide greater member access to leadership, and this new twist on the initiative has been a crowd favorite so far.

Marketing: Eileen Bau (Director), Athena Zeng (Chair), Ashley Liu (Chair)



This semester, the marketing department actively developed USIT's online presence. With every new announcement, we have emphasized the need for online coverage, such as on Facebook or through MailChimp, to keep our organization's members well-informed. This semester, we partnered with the USIT Technology department and the Longhorn Entrepreneurship Agency to develop modern and engaging visuals for Texas Shark Tank. Additionally, our social engagement has increased substantially this semester. Our overall reach has yielded a 185% increase to over 4,000 people, our post engagement has yielded a 49% increase, and our video viewership has improved tremendously.

Technology: Arnav Jain (Director), Jessica Huang (Chair)



This semester, the Technology department was focused on building a centralized access portal for USIT general members, analyst group members, and fund analysts. Over the past semester, we have been busy making the platform stable and adding features to support file sharing and voting on the platform itself. We successfully tested out both features at the end of the semester and plan a roll out of the full platform next year. This centralized portal will allow USIT paid members to sign in to general meetings, interact with analyst group or fund content, and track the performance of their individualized portfolios. The Technology department also rolled out a website design refresh

to be more consistent with USIT's new marketing aesthetic. Check it out at texasusit.org



USIT 2017-2018 Board

(excluding Rebecca Ortiz, Jessica Huang, and Usmaan Hasan)

Part V. Conclusions

New Executive Board Elections

USIT is very excited to announce the new Executive Board for the 2018-2019 school year!



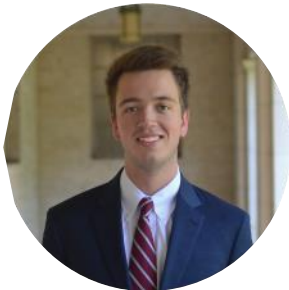
Catherine Cheng | President | president@usiteam.org

Catherine is a rising junior from Austin, TX with majors in Business Honors and Finance and a certificate in Computer Science. Catherine joined a USIT Analyst Group her freshman year and later joined SCG as a Senior Analyst during her sophomore year. Catherine has placed 1st at one national stock pitch competition (Stanford) and 2nd at two national stock pitches (University of Michigan and William & Mary) this year. On the campus-wide level, Catherine has also won numerous stock pitch and case competitions. Catherine brings her extensive leadership and public speaking experience to her new Presidential role.



Eric Sun | Vice President | vicepresident@usiteam.org

Eric is a rising junior from Allen, TX with a Business Honors, Finance, and Mathematics triple-major. During his freshman year, Eric served as Marketing Analytics Chair on USIT's Board. His sophomore year, Eric transitioned into the SCG Senior Analyst role. Eric recently placed 1st in the country at both the USC National Value Investing Conference in March and the Stanford Stock Pitch Competition in May. As the first USIT member to serve in both SCG and Board, Eric brings a great deal of educational and operational knowledge to the Vice President role.



Matt Hopp | Director of Investment | investment@usiteam.org

Matt is a rising junior from Tennessee majoring in Business Honors and Finance. Like Catherine, Matt started as a USIT Analyst Group member his freshman year before becoming an SCG Senior Analyst his sophomore year. Matt has a tremendous competition record, placing 1st at both Texas Charity Pitch and Texas Stock Pitch this year. As a Fund Analyst on the Industrials and Emerging Market funds this year, Matt brings great financial expertise to his new role as DOI.

Concluding words from 2017-2018 Board (Phoebe, Megan, and Meenakshi)

On behalf of the 2017-2018 USIT Executive Board, we are so happy and proud of the improvements and initiatives USIT has pursued this year. From expanded competitions to better member engagement to larger social events, USIT has grown to be one of the preeminent organizations not only within the McCombs community, but throughout campus.

Thank you,

The 2017-2018 USIT Executive Board



Phoebe Lin | President

Email: phoebe.lin@utexas.edu



Meenakshi Baddela | Vice President

Email: meenakshi@utexas.edu



Megan Tran-Olmsted | Director of Investment

Email: Mtran-olmsted@utexas.edu
