



STUDENT INVESTMENT FUND

2018-2019 Annual Report



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Acknowledgements

The Student Investment Fund would like to thank the following individuals and organizations for their support of our program.

For their financial support of the Student Investment Fund, we thank

Bill Child

D.A. Davidson

Hal Milner

For underwriting the Trading Floor at the Spencer Fox Eccles Business Building, we thank
The Okland Family

For their financial support of our many programs, we recognize the following donors who are recognized on the Okland Trading Floor

Kurt Larsen

Anne Lee

Hal Milner

Steven Smith

Elizabeth Tashjian

Rex Thornton

David Broadbent

Fernando Campos

D.A. Davidson Companies

Dylan Durham

Burton Flynn

Lawrence Hill

Scott Holley

Danny Loveland

Jamison Manwaring

Richard Pugmire

Maulik Shah

Cindy Vu

Alex Wall

David Warne

Max Wilson

For sponsoring the local CFA Institute Research Challenge, we thank

The CFA Society of Salt Lake

We thank the speakers who addressed our class and the distinguished professionals who attended our presentations. These individuals are named in the report.

Finally, we thank **Dr. Elizabeth Tashjian, Jeff Coles**, and our TAs, **Noah Beery, Ben Caine, and Grace Peterson** for their terrific teaching, feedback, and guidance throughout the year. We could not have done it without them.



Background

History

In October 1998, David Eccles School of Business finance students joined the D.A. Davidson & Co. Student Investment Fund program, which allows students to invest \$50,000 in a working stock portfolio. The program bolsters student learning outside the classroom by allowing them to invest in a real-world setting. The original \$50,000 remains intact year to year, supported by D.A. Davidson. The firm and the Student Investment Fund share any returns above five percent equally. D.A. Davidson guarantees students against any losses that cause the portfolio to fall below the original \$50,000 mark, replenishing the portfolio each year if necessary. Since October 1998, D.A. Davidson has given nearly \$49,000 directly to the Student Investment Fund and Bill Child, then-CEO of R.C. Willey Home Furnishings, donated another \$5,000 to the fund. In March 2004, U students received an additional \$50,000 from Hal Milner in a program similar to D.A. Davidson's. However, Mr. Milner does not reset the portfolio's balance each year. Mr. Milner has donated over \$100,000 to the investment fund program through his profit-sharing program. The Fund received \$25,000 to begin a Socially Responsible Fund in the spring semester of 2011 and received another \$17,000 in the summer of 2013. This new portfolio is devoted to investments in stocks that the fund managers deem to be socially responsible based on a number of criteria. These investments must also meet the analysts' standards in terms of financial and economic performance in order to be held in the portfolio.

Beginning in December 1998, students formed the Student Investment Fund Club and met regularly to develop an investment strategy, research and invest in specific stocks, listen to investment professionals, and track their investments. The original club was comprised of 12 students and their advisor, finance professor Dr. Elizabeth Tashjian.

In the fall of 1999, the Student Investment Fund (SIF) developed from a club into a restricted-enrollment class. Enrollment is capped at 23 students and admission is granted based on a rigorous application process. More than 65 students have applied to join SIF in recent years. Dr. Tashjian teaches the year-round class, which meets once a week to track the Fund and to research potential investments. In 2003, the class became an honors course.

The Student Investment Fund's performance has varied widely from year to year. In 1999, the Fund gained over 60% on a portfolio strong in tech, only to lose 44% in 2001 as the tech bubble burst. In the fall of 2008, the Fund held a relatively large proportion of its holdings in cash and then invested in the spring of 2009 while prices were low, leading to a gain of over 45% in calendar year 2009. The Student Investment Fund has outperformed an investment in SPY, the largest S&P 500 fund, with dividends reinvested, since SIF's inception even after trading costs, fees, and foreign dividend taxes.

In March 2003, the class made a brief live appearance on CNBC's *Power Lunch* and in January 2004, the class again appeared on CNBC in a segment on D.A. Davidson's Investment Fund program. Since 2001, the class has made regular presentations to distinguished members of the Salt Lake business community.

Analyst Profiles

The 2018-2019 Student Investment Fund comprised of a team of 23 student analysts.

Jacob Engstroem

Jacob Engstroem is pursuing his Bachelor's degree in finance and is a student athlete competing in Nordic skiing. He did an internship with Cross Creek Advisors and this summer he will be a summer analyst with Carnegie Investment Banking in Stockholm, Sweden. His goal is to stay on the Investment Banking path after graduation. Prior to coming to the University of Utah, Jacob studied engineering at Umea University while ski racing at the highest level in Sweden. Jacob enjoys skydiving, backcountry skiing, and snowmobiling in his off-time.

Calvin Grimes

Calvin is a junior pursuing a B.S. in Finance with an emphasis in Advanced Financial Analysis and will graduate in May 2020. Upon graduation, he plans on pursuing a career in private wealth management. Outside of the investment fund, Calvin is the President of the University Ambassador program, the Vice President of Marketing for the Finance Club, as well as a board member for the Student Alumni Board. Calvin will be interning this summer at Sundance Bay in Salt Lake City as a debt strategies analyst. Calvin enjoys spending his spare time viewing film and hopes to continue his love and support for the industry after graduation.

Kase Hodgson

Kase is a junior pursuing a H.B.S in Quantitative Analysis of Markets and Organizations with an emphasis in Finance and a minor in Computer Science, and will graduate in May of 2020. Prior to joining the Student Investment Fund Kase interned in private wealth management as well as in healthcare strategy. This summer he will be interning with Goldman Sachs as a bank finance analyst in Salt Lake City, Utah.

Dawson Hughes

Dawson Hughes is a senior graduating with an H.B.S. in Quantitative Analysis of Markets and Organizations with an emphasis in Finance and minor in Economics. During his time at the University of Utah, he was involved across campus with the Center for New Student and Family Programs, Associated Students of the University of Utah, Housing and Residential Education, and Office of Admissions. He served as Vice President of the Residence Hall Association and

as President of the University Ambassadors program. Upon graduating, Dawson will be spending two months traveling through Europe and Australia prior to beginning a career in software consulting with Lumi Consulting Group.

Howie Huynh

Howie Huynh is a junior double majoring in Honors Finance and Economics and will graduate in December 2019. During his time at the University of Utah, Howie has completed internships with the Hinckley Institute of Politics, Goldman Sachs, and Walmart. In addition to the Student Investment Fund, Howie is also involved with the student government of the university, currently serving as the elected senator of the David Eccles School. In his free time, Howie enjoys popping dance, choreography, as well as listening to music and podcasts. This summer, Howie will be interning with Guggenheim Securities as an investment banking analyst in New York City.

Isaac La Bleu

Isaac is double-majoring in Honors Finance and Economics and will graduate in May 2020. Prior to joining the Student Investment Fund, Isaac interned at Platform Accounting Group, a private equity backed firm that acquires independent CPA practices in the Mountain States region. He is currently an intern at University Growth Fund while also participating in the Student Investment Fund. This summer, Isaac will be interning with Credit Suisse as an investment banking analyst in Los Angeles.

Derek Leavitt

Derek is a junior pursuing a B.S. in Finance and will graduate in May of 2020. Prior to joining the Student Investment Fund, Derek interned at various companies in the valley in asset management, late-stage venture capital, private equity real estate, and fixed income. Most recently, Derek has spent his time interning as an equity research analyst at Wasatch Advisors, a \$16 billion AUM asset manager. He also competed in the CFA Research Challenge during his sophomore year has been a leader and active member of the Finance Club since his start at the U. This summer, Derek will be interning with Goldman Sachs as an investment bank analyst in Dallas.

Ethan Lefavor

Ethan Lefavor is a junior pursuing a Bachelor of Science in Finance. He expects to graduate in May of 2020. After switching between several majors, Ethan found his passion for finance at the end of his sophomore year. This summer he has accepted a corporate finance internship with Podium, a fast-growing SaaS company based in Lehi, Utah. While at the University of Utah, Ethan has managed a full-time school schedule while working full-time at Chase Bank. Outside of the classroom, Ethan loves to play music, golf, ski, and travel around the world.

Christian Lundberg

Christian Lundberg is pursuing a B.S. in Finance and will graduate in May 2020. Christian currently works as a private equity analyst at Sundance Bay working on multifamily acquisition deals and will be interning with a private equity firm this summer with a focus on consumer retail. Christian also participated in this year's Week on Wall Street program, traveling to New York City with a cohort of 12 students and several faculty members. Prior to joining the Student Investment Fund, Christian worked in venture capital and corporate finance. Outside of school, Christian is an accomplished violist having recorded with various groups and produced a music video with over 200 million views. Christian also enjoys exploring the world, having lived in Munich and Quito, and hopes to pursue an MBA in Europe.

Cody Maass

Cody Maass is a junior pursuing a B.S. in Finance and will graduate in May 2020. He will be taking the summer off to welcome his new baby girl into the world. Cody is still trying to find his niche, but hopes to transition from the tech sector to the financial industry upon graduation.

James Mecham

James is pursuing a B.S in Finance and will graduate in December of 2020. In addition to the Student Investment Fund, James has been a part of the finance club and the business scholars program. James had the opportunity to intern as a mergers and acquisitions analyst for IndustryPro and hopes to continue learning to pursue a full-time career in investment banking upon graduation. Outside of school, James enjoys playing basketball, lacrosse and running.

Julie Mohagen

Julie is a senior from Norway who will be graduating in May with a Bachelor's of Science in Finance. Julie

has been a part of the University of Utah Ski Team and served as a representative on the Student Athlete Advisory Committee. She is a Business Scholar and the summer of her sophomore year she studied abroad in Paris, France. Last summer, she interned with Wasatch Advisors. This summer Julie will be joining Citigroup's investment banking division for an internship in London. After graduation, Julie will continue her studies at the University of Utah, pursuing a Masters of Finance. Julie enjoys traveling, hiking, biking, skiing, and baking.

Renan Pereira

Renan is a junior pursuing a B.S in Finance and will graduate in May 2020. He has served as a peer advisor for international students at the University of Utah, helping them on the transition from their home countries to the U.S. He has volunteered at the UGrad program, which brings students from Pakistan to learn about the University of Utah and debate differences in culture and education. Renan has worked as an acquisition analyst at IndustryPro, providing deal sourcing services to private equity companies. He has also worked as a financial analyst at Vara 3D, an engineering firm, creating and managing cash flows for the firm. This summer, Renan will intern at D.A. Davidson as an investment banking summer analyst, where he will assist on M&A transactions.

Anna Pillman

Anna Pillman is graduating in December 2019 with an Honors Finance degree. This summer, she will be attending Week on Wall Street and working as a Research Assistant for the MSF program. Prior to graduating, Anna will be working as a TA for Honors Valuation and completing her thesis, entitled "Co-Opted Women on Boards." In her free time, Anna enjoys hiking, traveling, and teaching ski lessons.

Austin Roberts

Born and raised in Salt Lake City, Austin is a finance major graduating in May of 2019. During his time at the University of Utah, Austin has been a part of multiple business school programs including Business Scholars as a freshman and the Goff Strategic Leadership Program where he solved problems for businesses in a variety of industries. Prior to the Student Investment Fund, Austin completed internships in wealth management, venture capital, and real estate private equity where he underwrote multi-family acquisitions. Austin's end goal is to continue in the real estate industry and join a buy-

side private equity firm. Throughout college, his favorite activity has been traveling. He has been on multiple international trips including studying abroad in Europe.

Franck Rosas

Franck is a junior pursuing a B.S. in Finance and will be graduating in May 2020. Prior to joining the Student Investment Fund, he worked as a Project Manager and Manager of Business Development for a start-up land surveying company called Vara 3D as part of the company's initial team. He is currently a venture capital intern at University Growth Fund and plans to remain with that fund during his senior year. This summer, Franck will be interning at Goldman Sachs with the Investment Banking Division as part of the Data Resources Group in Salt Lake City. Some of his hobbies include marksmanship, golfing, and skiing.

Jacob Shanklin

Jacob Shanklin is graduating in spring of 2021 with a Bachelor of Science in Finance and Information Systems and a minor in Mathematics. Jacob has worked as an Analyst at Rock House Financial, a private wealth management firm, since 2018 and this fall, he will be working as a teaching assistant for Professor Jeffrey Coles for Honors Valuation. He is a self-proclaimed "Yelp-reviewing foodie" and enjoys exploring new restaurants in the Salt Lake Valley.

Sam Sholeff

Sam Sholeff is a junior pursuing an Honors B.S. in Finance, and will graduate in May 2020. Since joining the University, Sam has devoted his time to gaining experience in each stage of the business cycle, starting in venture capital at Epic Ventures and finishing his junior year in growth equity at University Growth Fund. The Student Investment fund marked his first experience with public equities. After his time in SIF, Sam will be joining Wells Fargo's mergers and acquisitions group in New York as an intern. In his spare time, Sam enjoys hiking, boxing, and fishing.

Nikita Siddamsettiwar

Nikita Siddamsettiwar will be graduating in May 2020 with an Honors B.S in Finance. She has previously interned with Grandeur Peak Global Advisors, Sorenson Impact Center, Industry Pro, and Maverik during her time as a student. This summer, Nikita will be interning with Microsoft as a Finance Rotational Program Analyst at Microsoft's

headquarters in Seattle. During her time at the University, Nikita has been a part of the University of Utah's Ambassador Program, Corporate Outreach, Finance Club's Executive Board as well as incoming president for next year, Honors College, Eccles Global, and the Lassonde Institute. Nikita's hobbies include traveling, dancing, and badminton.

Lawrence Stubbs

Lawrence is a senior pursuing a B.S. in Finance and will graduate in May 2020. While participating in the Student Investment Fund, Lawrence has simultaneously interned at Continental Bank, a commercial bank specializing in heavy equipment lending, in the underwriting and sales departments. This summer he will be interning as a project manager with Alliance Consulting, an engineering and consulting firm specializing in airport design and development. Upon graduation Lawrence intends to pursue a career in private equity real estate. During his time at the University of Utah he has been an active member in ASUU, Opportunity Scholars, Business Scholars, and Finance Club. Outside of school Lawrence enjoys travelling the world, opera, wine, reading, mountain biking and flying small airplanes.

Preston Tobin

Originally from New Jersey, Preston is a finance major graduating from the University of Utah in spring 2019. Preston was active in the University of Utah Finance Club, Student Investment Fund, and University Growth Fund. He also interned in real estate private equity for two semesters at Sundance Bay and completed an internship in Real Estate Banking with JPMorgan in summer 2018. In July 2019, Preston will be joining JPMorgan's Real Estate Banking team in Dallas, TX where he will underwrite debt on a variety of real estate projects nationwide. In his spare time, Preston enjoys mountain biking, skiing, and rock climbing.

Ian Vanleeuwen

Ian is a junior pursuing an Honors B.S. in Finance and will graduate in May 2020. He has worked in a variety of capacities within the financial services industry including private equity with Queensgate Investments LLC and investment banking with Crewe Capital. In addition, Ian is looking forward to interning in private equity this summer with Mercato Partners in Salt Lake City. In his spare time, Ian enjoys playing competitive golf and caddying at the number-one rated course in Utah, Glenwild Golf

Club, where he has had the privilege to work for the last three years.

Braxton Young

Braxton is a junior pursuing a B.S. in Finance and will graduate in May of 2020. Braxton has always had a passion for numbers, and he enjoys working with Finance concepts and applying them to different models and situations. Braxton is a Mortgage Loan

Officer for D.R. Horton, America's largest home builder, and has been working in mortgages since 2015. Braxton competed in the 2019 CFA Research Challenge and placed in the top 5 for Utah. He also competed in the 2019 Utah Real Estate Challenge and placed in the top 10. When Braxton isn't balancing a full-time school and full-time work schedule, he enjoys snowboarding, motorcycle racing, and scuba diving with sharks.

Portfolio Overview

Our portfolio contains both large and small cap stocks. We benchmark our portfolio against broad-based indexes in which we could invest. Specifically, we use SPDR S&P 500 ETF (ticker SPY) with dividends reinvested to capture an investment in the S&P 500 and the Fidelity NASDAQ Composite Index Tracking Fund (ONEQ) with dividends reinvested to capture an investment in the NASDAQ index. Our reported portfolio-level results are after trading costs, fees, and taxes on some foreign dividends. Thus, our costs exceed the costs associated with our benchmarks. However, our reporting reflects the fact that the cost of active investing exceeds the cost of a passive buy-and-hold approach.

Analysis of Purchases

As of April 5, 2019, the fund added 12 companies across the four funds during the 2018-2019 operating period beginning in August of 2018. One of the purchases has been partially divested. The total cash deployed amounts to \$80,709.95 which, as of April 5, holds a cumulative market value of \$82,882.00 plus a realized gain in the School Fund of \$67.20 from the purchase and sale of 80 shares of CONMED. Total dividends from 2018-2019 new purchases amounts to \$92.71.

Total unrealized return from new purchases stands at 11.57% as of April 5, 2019. The largest gains have come from Freshpet (26.67%) and Pluralsight (49.75%). The largest loss came from Coors (-6.29%).

The Davidson Fund was allocated no additional companies for the 2018-2019 operating year. The Milner Fund was allocated four additional companies: Pluralsight, Costco, PTC and Coors. Unrealized gain in the fund amounts to 19.33%. The School Fund saw the highest allocation of purchases due to generous gifts from D. A. Davidson and Hal Milner as part of our profit-sharing arrangements. Seven companies were added to the fund: Ormat, Waste Management, Service Corporation International, Qualys, CONMED and Sun Communities. Unrealized return in the fund amounts to -0.19% and a 1.05% realized return from sale of 80 shares of CONMED. The Socially Responsible Fund was allocated two purchases: Freshpet and Axon. Unrealized return in the fund amounts to 20.95%.

Purchases are summarized in the table below.

Company	Ticker	Purchase Date	Price	# Shares	Current Price	Dividends	\$ Invested	Current Market Value	Unrealized Gain/Loss	Total return
DAVIDSON FUND										
No Purchases										
MILNER FUND										
Pluralsight, Inc.	PS	14-Nov-18	\$ 20.10	500	\$ 30.10		\$ 10,050.00	\$ 15,050.00	\$ 5,000.00	49.75%
Costco Wholesale Corp.	COST	16-Nov-18	\$ 229.25	45	\$ 245.87	\$ 25.65	\$ 10,316.25	\$ 11,064.15	\$ 747.90	7.50%
PTC Inc.	PTC	16-Nov-18	\$ 88.40	50	\$ 94.16		\$ 4,420.00	\$ 4,708.00	\$ 288.00	6.52%
Molson Coors Brewing Co.	TAP	7-Dec-18	\$ 64.70	75	\$ 60.63	\$ 30.75	\$ 4,852.50	\$ 4,547.25	\$ (305.25)	-5.66%
									UNREALIZED RETURN	19.33%
SCHOOL FUND										
Ormat Technologies, Inc.	ORA	13-Feb-19	\$ 56.60	50	\$ 56.32	\$ 5.50	\$ 2,830.00	\$ 2,816.00	\$ (14.00)	-0.30%
Waste Management, Inc.	WM	13-Feb-19	\$ 98.40	25	\$ 102.20	\$ 12.81	\$ 2,460.00	\$ 2,555.00	\$ 95.00	4.38%
Service Corp. International	SCI	20-Feb-19	\$ 42.60	100	\$ 40.69	\$ 18.00	\$ 4,260.00	\$ 4,069.00	\$ (191.00)	-4.06%
Qualys, Inc.	QLYS	20-Mar-19	\$ 83.89	120	\$ 80.82		\$ 10,066.20	\$ 9,698.40	\$ (367.80)	-3.65%
CONMED Corp.	CNMD	20-Mar-19	\$ 79.50	80	\$ 83.50		\$ 6,360.00	\$ 6,680.00	\$ 320.00	5.03%
CONMED Corp.	CNMD	22-Mar-19	\$ 80.30	80	\$ 81.14		\$ 6,424.00	\$ 6,491.20	sold	1.05%
Sun Communitites, Inc.	SUI	25-Mar-19	\$ 118.00	40	\$ 120.52		\$ 4,720.00	\$ 4,820.80	\$ 100.80	2.14%
									UNREALIZED RETURN	-17.46%
SOCIALLY RESPONSIBLE										
Freshpet, Inc.	FRPT	28-Nov-18	\$ 32.25	300	\$ 40.85		\$ 9,675.00	\$ 12,255.00	\$ 2,580.00	26.67%
Axon Enterprise, Inc.	AAXN	13-Feb-19	\$ 53.45	80	\$ 57.73		\$ 4,276.00	\$ 4,618.40	\$ 342.40	8.01%
									UNREALIZED RETURN	20.95%
									Total return	10.85%
Total performance						\$ 92.71	\$ 80,709.95	\$ 89,373.20	\$ 8,596.05	10.85%

Analysis of Inherited and Held Decisions

We inherited 82 positions from previous years across all four portfolios. The Fund's analysts held 75 of the inherited positions for the full academic year. Of those we held, **55% (41)** had positive returns, including capital gains and dividends. The five stocks with the highest returns were Xilinx (79.7%), Azul (63.8%), Lendingtree (57.1%), Advanced Micro Device (42.1%), and Nexstar (40.2%). The five stocks with the lowest returns were Oasis Petroleum (-48.5%), Grubhub (-46.5%), Activision Blizzard (-31.6%) SVB Financial Group (-27.8%), and Vail Resorts (-45.3%).

Analysts chose to hold primarily because the market was still benefiting from the Trump bump and tax reform. Other reasons for continuing to hold positions included analysis of the individual positions including forecasts for continued growth, anticipated acquisitions, attractive industries, and expanding market share. Of the 75 positions, 48% (36) outperformed the SPY total return of 2.2%. The stocks we inherited and continued to hold produced \$17,013.42 in capital gains and dividends for a total return of 2.85%, slightly outperforming the benchmark.

Analysis of Sales

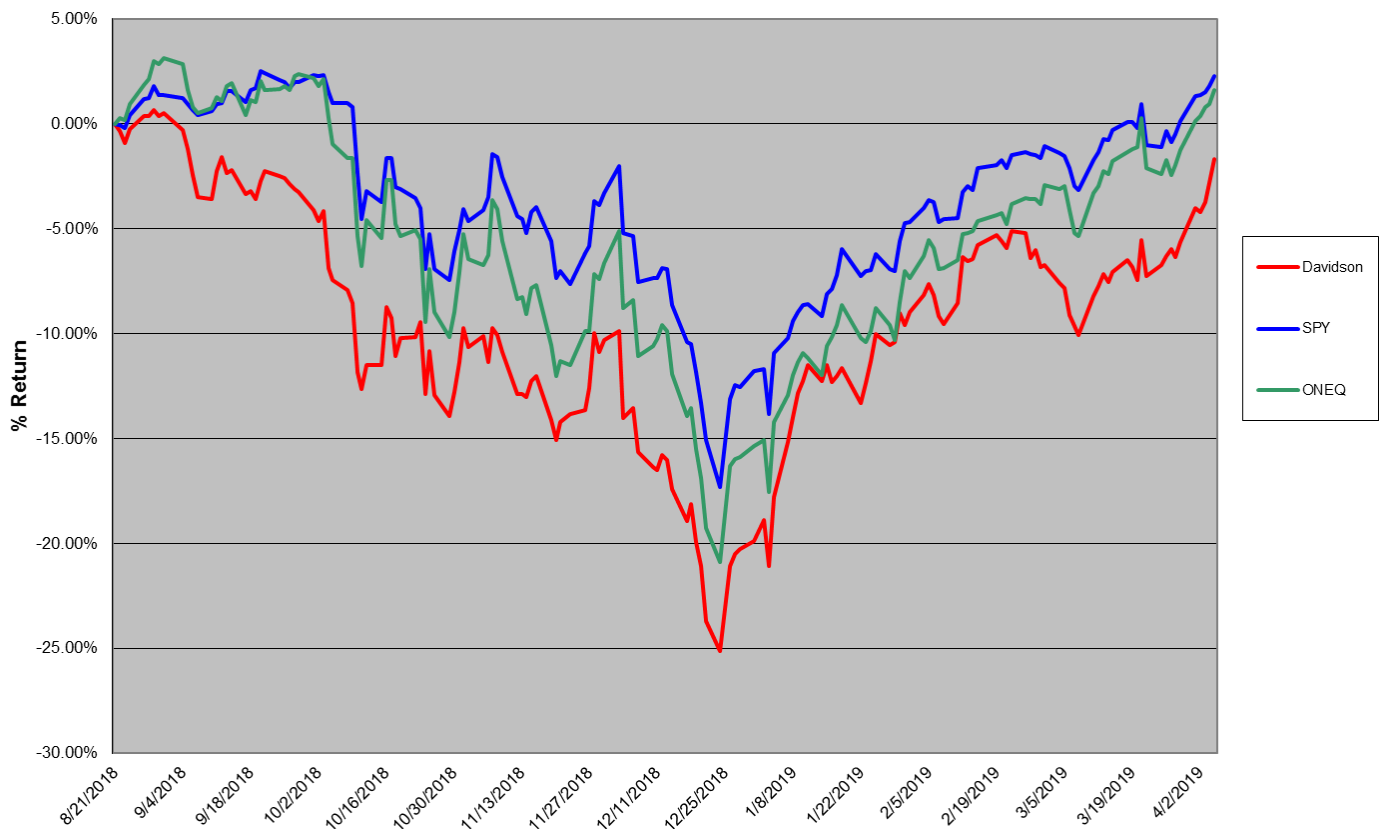
During the time we controlled the fund we made eight sales and had one company acquired for cash. We measure the performance of our sale decisions by looking at the change in the individual stocks between the time we made the sale and the closing of our fund on April 5, 2019, adjusted for dividends forgone. Overall, we avoided losses of \$655.50. Of the eight sales we made, we missed out on gains of \$1,534.06 in five of the stocks and we avoided losses of \$2,189.56 in three stocks. Our best decision, in dollar terms, was to sell Vail Resorts, where we avoided losses of \$1,232.50, after accounting for missed dividends. Our worst decision was to sell LGI Homes, where we missed out on \$905.23 in capital gains.

We made four of the eight sales in the first week we controlled the fund, because we needed cash in the Davidson portfolio, which was due to be reset after the market closed on August 31. Among these stocks there was both missed gains and avoided losses, to a net of avoided losses amounting to a loss in potential gains of \$12.51 after accounting for dividends. During the rest of the year we only sold three stocks on concerns of performance, to a net avoided losses of \$668.01, primarily driven by Vail Resorts. We did not sell more because we generally believed in the inhaled stocks, and we had enough cash throughout the year to purchase all the stocks we wanted.

Portfolio Discussion

Davidson Portfolio

University of Utah Student Investment Fund
Davidson Portfolio Return v. S&P and Nasdaq
2018 - 2019



Strategy

D.A. Davidson maintains the Davidson Portfolio. On September 1, each year, the portfolio resets to a value of \$50,000. When the portfolio experiences gains over 5%, D.A. Davidson donates half the gains over 5% back to the Student Investment Fund. These donations become part of the School Portfolio. SIF's strategy in the Davidson Portfolio is to invest in growth and small- to mid-cap stocks.

Highlights

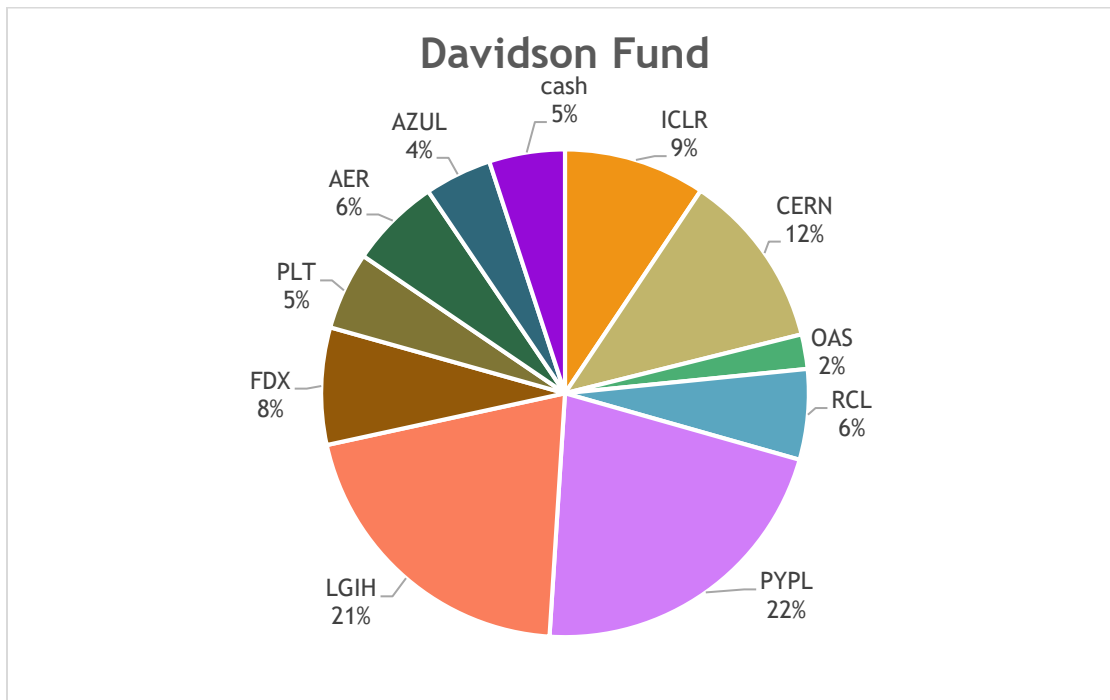
The Davidson Portfolio underperformed both the S&P 500 and the NASDAQ. As of April 5, 2019, the portfolio experienced a loss of -1.68%, while the S&P 500 had a return of +2.29% and the NASDAQ had a return of +1.62%. All of the stocks in the portfolio were inherited and no purchases were made this year. Our worst performers in the portfolio were Oasis Petroleum (OAS), which returned -48.5%, Plantronic (PLT), which returned -24.3%, and FedEx Corporation (FDX), which returned -23.9%. The best performing stocks, were Azul S.A. (AZUL) and PayPal (PYPL), returning +63.8% and +22.6%, respectively. Three partial sales of Royal Caribbean Cruises (RCL), LGI Homes (LGIH), and Plantronics (PLT); and one complete sale of GoPro (GPRO) were made on August 29, 2019 to increase liquidity within the fund before D. A. Davidson withdrew cash to reset the portfolio value to \$50,000. Our cash position began at 1.35% on September 1 and is currently at 5.02%. Our cash position increased to over 22% right before September 1, after the stock sales. The Davidson Portfolio's ending balance as of April 5, 2019, was \$48,913.83.

The table below outlines and acts as a timeline for the holdings of the Davidson Portfolio from August 21, 2018, to April 5, 2019. We have classified the investments into groups of inherited and divested holdings.

Davidson Fund									
<i>Inherited Stocks</i>									
Ticker	Company Name	Inherited Date	Inherited Shares	Inherited Price	Ending Date	Ending Shares	Ending Price	Dividends	Gross Return
ICLR	ICON	21-Aug-18	33	\$ 143.94	5-Apr-19	33	\$ 139.26		-3.25%
CERN	Cerner	21-Aug-18	100	\$ 65.72	5-Apr-19	100	\$ 57.32		-12.78%
OAS	Oasis Petroleum	21-Aug-18	175	\$ 12.42	5-Apr-19	175	\$ 6.40		-48.47%
RCL	Royal Caribbean Cruises	21-Aug-18	50	\$ 118.50	5-Apr-19	25	\$ 117.27		-1.04%
PYPL	PayPal Holdings	21-Aug-18	100	\$ 86.22	5-Apr-19	100	\$ 105.73		22.63%
LGIH	LGI Homes	21-Aug-18	250	\$ 58.63	5-Apr-19	150	\$ 67.11		14.46%
FDX	FedEx Corporation	21-Aug-18	20	\$ 251.11	5-Apr-19	20	\$ 189.90	\$ 1.30	-23.86%
PLT	Plantronics	21-Aug-18	100	\$ 67.25	5-Apr-19	50	\$ 50.45	\$ 0.45	-24.31%
AER	AerCap Holdings	21-Aug-18	60	\$ 57.05	5-Apr-19	60	\$ 49.00		-14.11%
AZUL	Azul S.A.	21-Aug-18	75	\$ 17.72	5-Apr-19	75	\$ 29.03		63.83%
<i>Divested Stocks</i>									
Ticker	Company Name	Inherited Date	Inherited Shares	Inherited Price	Sale Date	Sold Shares	Sale Price	Dividends	Gross Return
GPRO	GoPro Inc.	21-Aug-18	150	\$ 6.25	29-Aug-18	150	\$ 6.21		-0.66%
RCL	Royal Caribbean Cruises	21-Aug-18	50	\$ 118.50	29-Aug-18	25	\$ 124.20		4.81%
LGIH	LGI Homes	21-Aug-18	250	\$ 58.63	29-Aug-18	100	\$ 58.06		-0.98%
PLT	Plantronics	21-Aug-18	100	\$ 67.25	29-Aug-18	50	\$ 57.48	\$ 0.15	-14.31%

Holdings

As of April 5, 2019, the Davidson Portfolio holds \$2,457.25 in cash with holdings in 10 different stocks



Divested Holdings

GoPro Inc. (GPRO)

Portfolio:	Davidson	GoPro develops and sells digital action cameras and camera accessories (such as mountable, wearables, stabilizers) with features such as cloud-connection and waterproof designs. In addition, the company offers cloud-based storage software and video editing/sharing software for desktop and mobile platforms. The initial thesis was that GoPro was a potential target for acquisition. However, the new tariffs imposed by the US on China forced the company to plan on moving its manufacturing from China. The uncertainty on new production facilities and capacity as well as negative cash flows were the support for a sell.
Purchased:	February 18, 2015	
Purchase Price:	\$5.72	
Inherited Price:	\$6.56	
Sale Date:	August 29, 2018	
Sale Price:	\$6.2511	
Analyst:	Renan Pereira	



LGI Homes, Inc. (NASDAQ: LGIH)

Portfolio:	Davidson	LGI Homes is the 21 st largest homebuilder in the United States and sells homes in the \$100-475 thousand range. The company targets first-time homebuyers and current renters through a very successful sales and marketing process, which averages about 100 leads per
Purchased:	March 23, 2016	
Purchase Price:	\$23.60	
Inherited Price:	\$58.63	
Price:		

Sale Date: August 29, 2018
 Sale Price: \$58.0577
 Analyst: Derek Leavitt



community per week. Standardized floor plans allow the company to build simple homes at a low cost, which is favorable for expansion.

The U.S. housing market is highly segmented with fierce competition, but LGI Homes presents a unique business model that expands into the best markets for young Americans. The company has been successfully expanding outside of Texas, as it attempts to capture more market share. LGI Homes' gross margins have begun to suffer due to increased construction costs.

Plantronics Inc. (PLT)

Portfolio: Davidson
 Purchased: November 18, 2016
 Purchase Price: \$54.11
 Inherited Price: \$67.25
 Sale Price: \$67.7456
 Analyst: Howie Huynh

Plantronics designs and sells headsets for personal, business, and gaming uses. The company sells its products through distributors, mass retailers, and online. Due to its recent acquisition of Polycom, Plantronics is now also offering video conferencing services.

We trimmed our position to generate cash for the portfolio reset. Ex post, it was a good choice to reduce our position, as the stock declined by about 25% after we sold.



Royal Caribbean Cruises Ltd (NYSE:RCL)

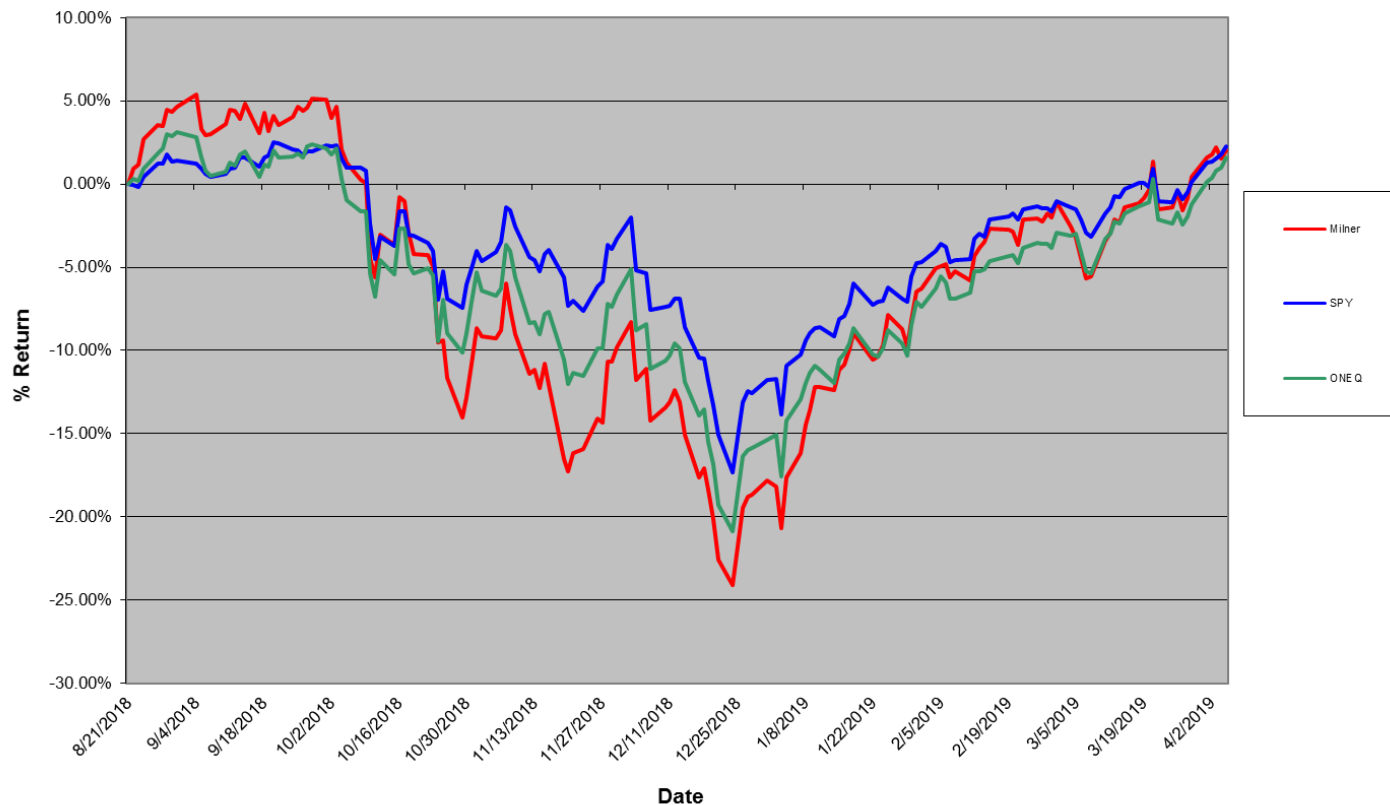
Portfolio: Davidson
 Purchased: December 10, 2014
 Purchase Price: \$78.06
 Inherited Price: \$118.50
 Sale Price: \$124.201
 Analyst: Cody Maass

Royal Caribbean Cruise is the world's second largest cruise line company, and is based in Miami, Florida. Royal Caribbean operates through three different cruise lines: Royal Caribbean International, Celebrity Cruises, and Azamara Club Cruises. Royal Caribbean also holds a joint venture in TUI Cruises, Pullmantur, and SkySea Cruises. Furthermore, Royal Caribbean recently completed an acquisition of Silversea Cruises giving them a two-thirds stake ownership. This acquisition will allow Royal Caribbean to expand in the ultra-luxury markets and further capturing market share with its diversified operating brands. Together, these brands provide a combined total of 60 ships and over 1,000 destinations on all seven continents. Royal Caribbean currently has 8 ships on order that will all be delivered before 2024.



Milner Portfolio

University of Utah Student Investment Fund Milner Portfolio Return v. S&P and Nasdaq 2018- 2019



Strategy

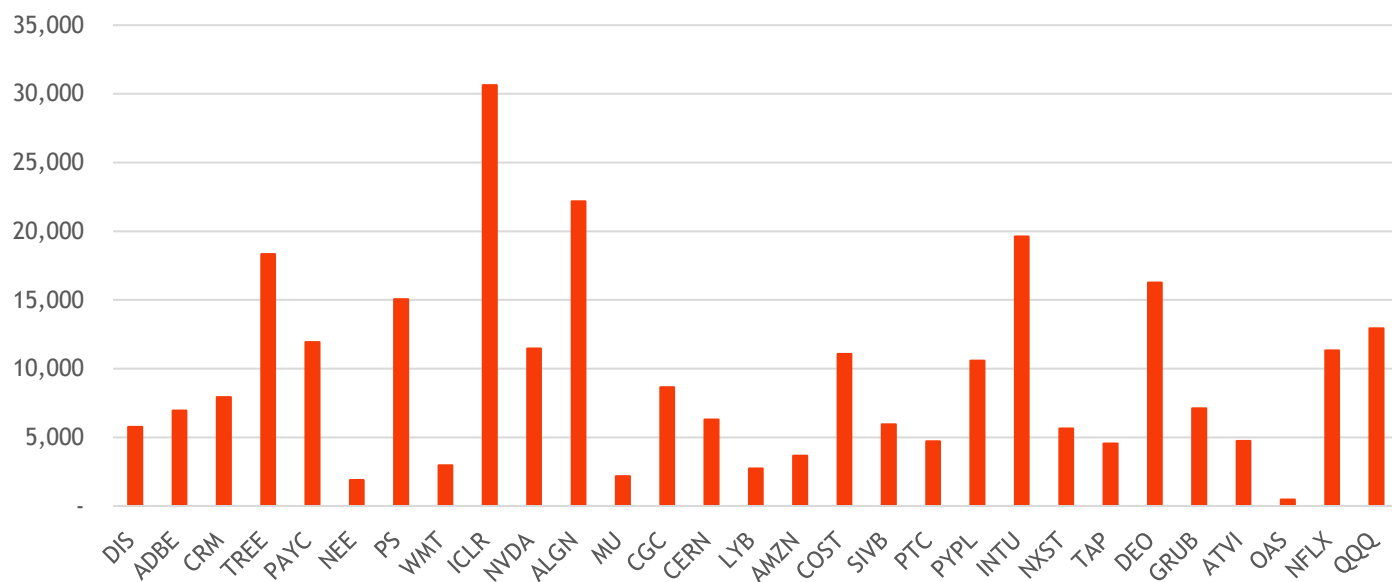
The Milner Portfolio was formed in March 2006 when Hal Milner placed \$50,000 in the Student Investment Fund. With no money leaving the Milner Portfolio and no money going into the portfolio, it has grown to \$280,881.42 as of close April 5, 2019; that equates to a 2.02% return over the academic year. The S&P 500 had an 2.29% return over the same period. The Milner Portfolio's returns are a result of the portfolio focusing on high growth companies. Hal Milner said, "I have a deal with the Student Fund depending on how much they gain. If they gain, we share the gains. If they lose, I eat it." Mr. Milner makes a donation equal to half of the returns in excess of 5% each year to the school; we invest those donations in the school portfolio.

Highlights

The Milner fund had a total portfolio value of \$275,311 as of August 21, 2018. The fund returned 2% over the period ending April 5, 2019, with a total value of \$280,881. Out of the 30 investments; Lending Tree (TREE) +57%, Pluralsight (PS) +50% and Nextstar (NXST) +40% performed the best. Oasis Petroleum (OAS) -48%, Grubhub (GRUB) -47% and Tata Motors (TTM) -35% were the worst performers. The fund currently holds \$7,307 of cash which represents 2.60% of the total value.

The chart below shows the current holdings of the Milner Portfolio.

Milner Equity Holdings, April 5, 2019



Divested Holdings

Tata Motors (NYSE: TTM)

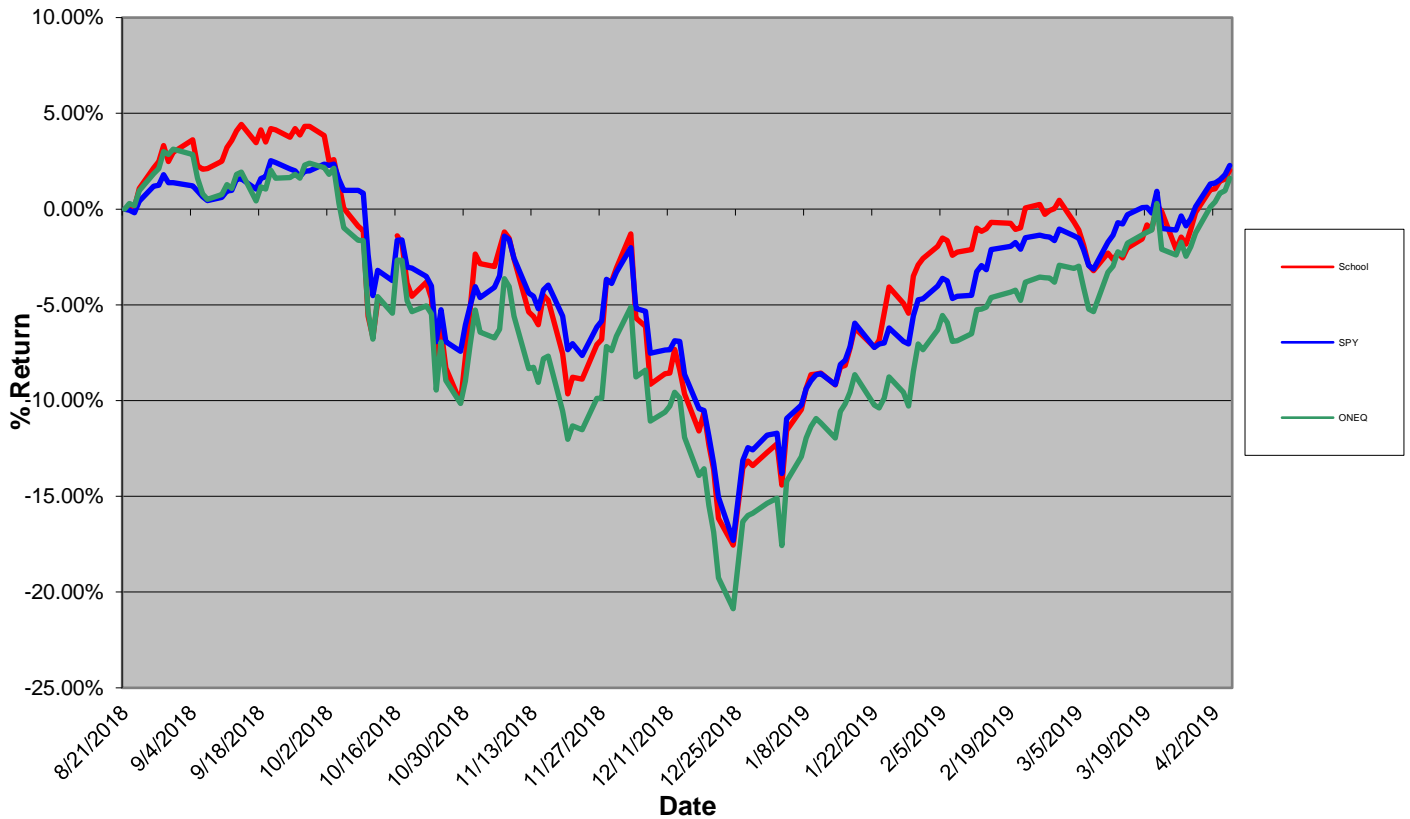
Portfolio: Milner
Purchased: April 22, 2009
Purchase Price: \$7.05
Inherited Price: \$29.28
Sale Date: Oct. 17, 2018
Sale Price: \$12.12
Analyst: Ethan Lefavor

Tata Motor is an automobile developer, designer, and manufacturer based in India. Tata's brands include Land Rover, Jaguar, Tata Motors, and Daewoo. In addition to offering multiple well-known automobile brands, Tata Motors also provides factory automation and insurance services.

As Tata Motors has held and continues to hold a large portion of the Indian and European automobile market share, some of its brands have begun to struggle. Jaguar Land Rover has seen losses in European sales as the trend of electric cars is on the rise. As the European governments continue to push initiatives and incentives for driving electric cars, JLR diesel sales will continue to decline. Even with the potential growth in new markets including the U.S, we decided to sell the remaining shares of Tata Motors with the potential to reevaluate when Tata Motors starts to adapt to consumer trends.

School Portfolio

University of Utah Student Investment Fund School Portfolio Return v. S&P and Nasdaq 2018 - 2019



Strategy

The funds from the School Portfolio come from donations to the Student Investment Fund and returns generated by the portfolio. This portfolio has historically focused on a long-term (3-5 year holding periods), large-cap blended strategy. During the 2018-2019 school year, we invested in six stocks and divested one of 29 inherited stocks.

Highlights

The School Portfolio achieved a 2.01% return from August 21, 2018 to April 5, 2019. Of the funds 35 positions held throughout the year, 20 produced positive returns with six over 15%. The top three performing stock were Xilinx (6.65% of portfolio value), Advanced Micro Devices Inc. (3.98% of portfolio value), and Lululemon Athletica Inc. (0.87% of portfolio value) generating returns of 78.24%, 42.06%, and 24.89% respectively. The three worst performing stocks were SVB Financial Group (4.08% of portfolio value), FedEx corporation (1.30% of portfolio value), and Lazard Ltd. (1.31% of portfolio value) generating losses of -27.76%, -24.38%, and -21.82% respectively. During this period, the S&P was up 2.26% while the NASDAQ was up 1.60%.

School Fund

Inherited and Held Stocks

Ticker	Inherited Date	Inherited Price	Ending Date	Shares	Ending Price	Dividends	Total Return
AJRD	21-Aug-18	36.62	5-Apr-19	300	34.18		-6.66%
AMD	21-Aug-18	20.40	5-Apr-19	400	28.98		42.06%
AMN	21-Aug-18	58.30	5-Apr-19	240	49.37		-15.32%
AMZN	21-Aug-18	1,883.42	5-Apr-19	8	1,837.28		-2.45%
AVAV	21-Aug-18	86.18	5-Apr-19	75	68.60		-20.40%
BA	21-Aug-18	353.77	5-Apr-19	55	391.93	5.48	12.33%
BWXT	21-Aug-18	64.46	5-Apr-19	125	50.90	0.49	-20.28%
CMCSA	21-Aug-18	35.74	5-Apr-19	150	40.42	0.38	14.16%
CONE	21-Aug-18	67.39	5-Apr-19	37	55.33	0.92	-16.53%
DAL	21-Aug-18	57.60	5-Apr-19	175	57.73	0.70	1.44%
DECK	21-Aug-18	118.75	5-Apr-19	65	146.92		23.72%
DIS	21-Aug-18	112.39	5-Apr-19	50	115.00	0.88	3.11%
EDU	21-Aug-18	79.05	5-Apr-19	100	88.94		12.51%
FDX	21-Aug-18	251.11	5-Apr-19	20	189.90	1.95	-23.60%
GILD	21-Aug-18	73.32	5-Apr-19	75	67.54	1.77	-5.47%
IAC	21-Aug-18	189.24	5-Apr-19	40	207.40		9.60%
INST	21-Aug-18	37.45	5-Apr-19	300	45.74		22.14%
LAZ	21-Aug-18	48.63	5-Apr-19	100	38.02	1.38	-18.98%
LULU	21-Aug-18	135.61	5-Apr-19	15	169.37		24.89%
MDXG	21-Aug-18	3.89	5-Apr-19	350	3.95		1.54%
MSFT	21-Aug-18	105.98	5-Apr-19	100	119.89	1.34	14.39%
PYPL	21-Aug-18	86.22	5-Apr-19	135	105.73		22.63%
RACE	21-Aug-18	126.33	5-Apr-19	41	136.94	0.12	8.50%
SIVB	21-Aug-18	328.73	5-Apr-19	50	237.46		-27.76%
SKYW	21-Aug-18	64.25	5-Apr-19	50	58.09	0.32	-9.09%
TMUS	21-Aug-18	66.51	5-Apr-19	40	70.35		5.77%
V	21-Aug-18	140.04	5-Apr-19	65	157.65	0.71	13.08%
XLNX	21-Aug-18	72.42	5-Apr-19	150	129.08	1.08	79.73%

Purchased Stocks

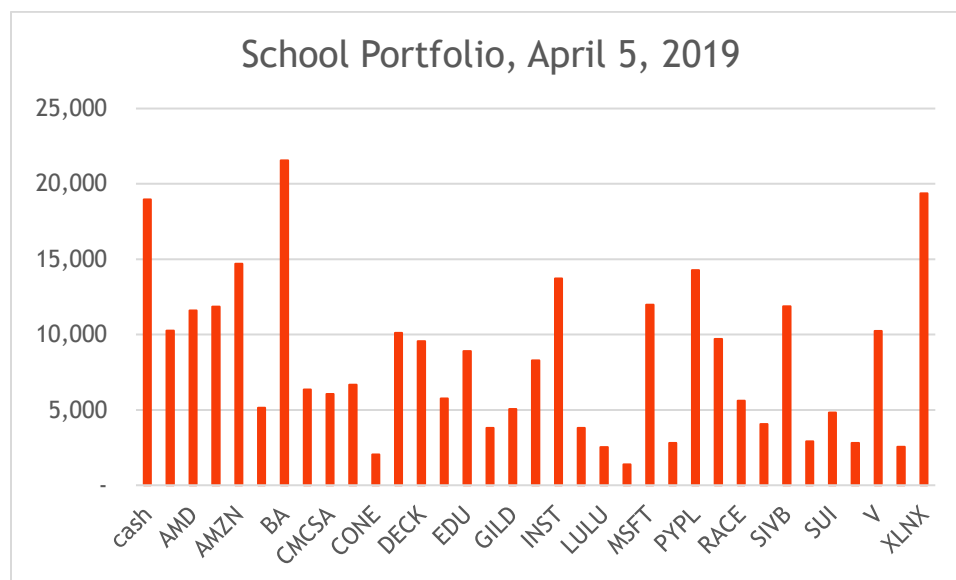
Ticker	Purchase Date	Purchase Price	Ending Date	Shares	Ending Price	Dividends	Total Return
ORA	13-Feb-19	56.60	5-Apr-19	50	56.32	0.11	-0.30%
WM	13-Feb-19	98.40	5-Apr-19	25	102.20	0.51	4.38%
SCI	20-Feb-19	42.60	5-Apr-19	100	40.69	0.18	-4.06%

Divested Stocks

Ticker	Inherited Date	Inherited Price	Sale Date	Sold Shares	Sale Price	Dividends	Total Return
AYI	21-Aug-18	148.10	19-Oct-18	8	124.35	0.13	-15.95%

As of April 5, 2019, the School Portfolio holds \$18,957.34 in cash and \$272,187.04 in equity investments for a total value of \$291,144.38.

The graph below shows dollar holdings of cash and equity investments in the School Portfolio as of April 5, 2019.



Divested Holdings

Acuity Brands (NYSE: AYI)

Portfolio: School
Purchased: February 22, 2017
Purchase Price: \$217.80
Sale Date: October 19, 2018
Sale Price: \$124.35
Analyst: Derek Leavitt

Acuity Brands, Inc. is a global company and market leader in commercial and industrial lighting. It is a diversified holder of a wide range of electronic companies and products. Acuity Brands designs, produces, and distributes a full range of indoor and outdoor lighting control systems for commercial and institutional, industrial, and residential applications. We purchased eight shares of Acuity Brands based on its strong market position, resilience during the downturn of its business cycle, and the construction trend of companies switching to LED lighting. Acuity Brands also has a history of successful acquisitions and we believed that recent acquisitions at the time would help capture the growing IoT market.



Recently Acuity Brands announced plans to increase prices to offset wage pressures and tariffs. Along with this, gross margin fell as a result of increased prices of electronic and oil-based components, freight, and steel. The competition has also changed as the industry is facing pressure from low-end products made in Asia. Because of this, the anticipated trend of high-end lighting has shifted to low-end products going against the initial investment thesis. Acuity Brands has also become overvalued compared to seven of its closest competitors. We believe that Acuity Brands no longer has the upside potential and is at greater risk than initially believed in the investment thesis.

Socially Responsible Portfolio

Strategy

The Socially Responsible Portfolio (SRP) was formed in the spring of 2011 to give students in the Student Investment Fund the opportunity to build and manage a portfolio of companies they believe create positive change in the world. The Fund analysts of the 2010-2011 academic year proposed the following mission statement.

The Student Investment Fund's Socially Responsible Portfolio targets equities that provide maximum returns while meeting our social investing criteria---ethical labor practices, respect for the environment, and equitable distribution of wealth.

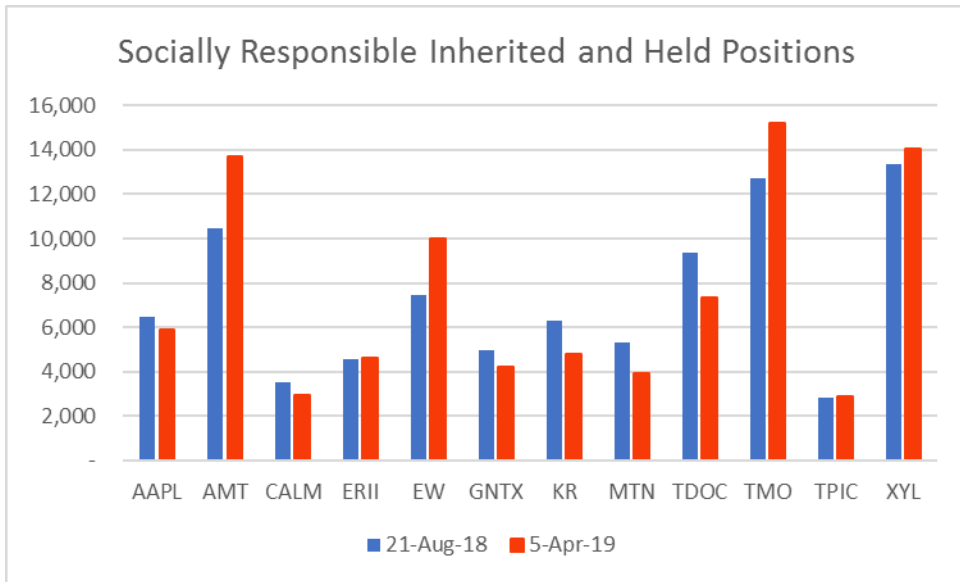
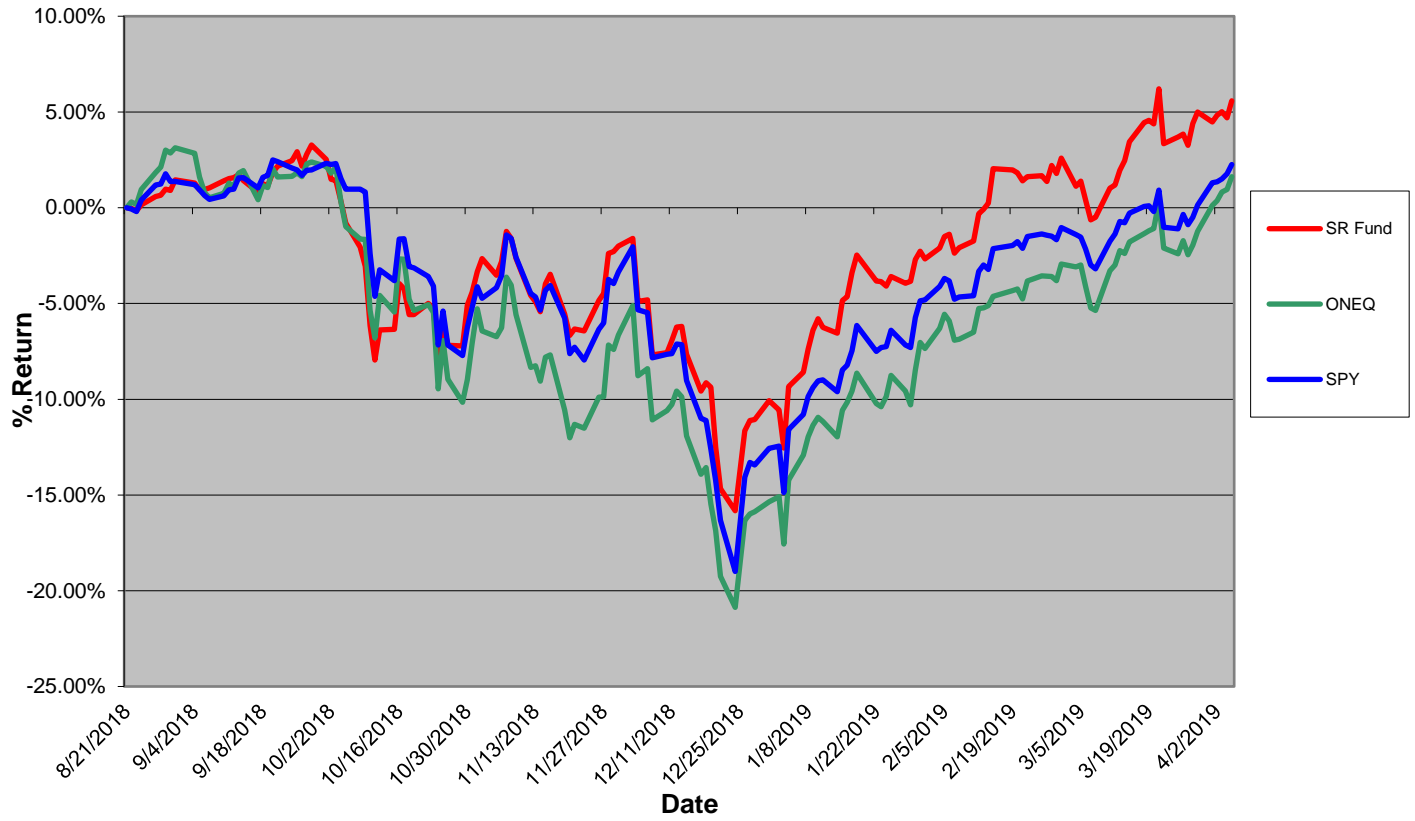
Fund analysts explored a variety of ways to define a socially responsible investment. One concept Fund analysts developed to capture a socially responsible company is the idea of social alpha, defined by the 2011-2012 SIF as:

A benefit to stakeholders above what is normally expected for a company with a similar set of stakeholders. Positive social alpha indicates a social good, whereas negative social alpha represents a social ill. Social alpha may be measured both quantitatively and qualitatively.

In defining social alpha more precisely, Fund analysts examine internal factors for a candidate firm, as well as the firm's external activities. Items identified as important internally to a prospective investment include ethical and equitable treatment of employees, employee benefits, executive pay, corporate culture, and support for work-life balance. Important external qualities of a target firm include human rights, environmental impact, contracting with socially responsible suppliers and customers, community involvement, ethical dealings with suppliers and governments, anti-corruption policies, and animal rights.

Each investment in the SRP must clear two hurdles. When a new investment is proposed, it must first meet the Student Investment Fund's criteria for a good investment with strong potential for capital appreciation. Once the analysts determine, with a majority vote, that these criteria are met, a second vote is taken to decide whether the company qualifies as socially responsible. This second hurdle requires a two-thirds majority before an investment can be made.

University of Utah Student Investment Fund Socially Responsible Portfolio Return v. S&P and Nasdaq 2018 - 2019



Highlights

The Socially Responsible Portfolio performed well over the 2018-2019 academic year despite the general slowing of the market. The portfolio returned 5.59% while the S&P 500 returned 2.29% over the same period. While eight of the 14 stocks we were holding at the end of the year underperformed the S&P 500, the overall performance was strong. The portfolio's two top performers were Edwards Lifescience (EW) and American Tower Corp (AMT) returning 34.1% and 32.2% respectively. The worst performing stock in the portfolio was Vail (MTN) which returned -24.3%.

We made two divestitures in the portfolio during the year: Mindbody Inc. (MB) and Vail (MTN). Mind Body was acquired by a San Francisco firm called Vista Capital Partners. We trimmed our position in Vail; given the stock's subsequent performance, it is unfortunate that we did not fully divest. We added two companies to the portfolio during the year: Freshpet Inc (FRPT), and Axon Enterprise Inc (AAXN). Both investments outperformed the market.

Socially Responsible Fund							
<i>Inherited and Held Stocks</i>							
Ticker	Inherited Date	Inherited Price	Ending Date	Shares	Ending Price	Dividends	Total Return
AAPL	21-Aug-18	215.04	5-Apr-19	30	197.00	1.46	-7.71%
AMT	21-Aug-18	149.28	5-Apr-19	70	195.76	1.63	32.23%
CALM	21-Aug-18	50.00	5-Apr-19	70	42.04	0.59	-14.75%
ERII	21-Aug-18	9.16	5-Apr-19	500	9.26	-	1.09%
EW	21-Aug-18	140.40	5-Apr-19	53	188.31	-	34.12%
GNTX	21-Aug-18	24.85	5-Apr-19	200	21.20	0.22	-13.80%
KR	21-Aug-18	31.36	5-Apr-19	200	23.90	0.42	-22.45%
MTN	21-Aug-18	293.81	5-Apr-19	18	219.48	2.94	-24.30%
TDOC	21-Aug-18	74.85	5-Apr-19	125	58.49		-21.86%
TMO	21-Aug-18	231.43	5-Apr-19	55	276.49	0.34	19.62%
TPIC	21-Aug-18	28.22	5-Apr-19	100	28.71		1.74%
XYL	21-Aug-18	76.16	5-Apr-19	175	80.34	0.66	6.36%
<i>Purchased Stocks</i>							
Ticker	Purchase Date	Purchase Price	Ending Date	Shares	Ending Price	Dividends	Total Return
FRPT	28-Nov-18	32.25	5-Apr-19	300	40.85		26.67%
AAXN	13-Feb-19	53.45	5-Apr-19	80	57.73		8.01%
<i>Divested Stocks</i>							
Ticker	Inherited Date	Inherited Price	Sale Date	Sold Shares	Sale Price	Dividends	Total Return
MTN	21-Aug-18	293.81	12-Sep-18	17	293.22		-0.20%
MB	21-Aug-18	35.15	13-Feb-19	85	36.50		3.84%

Divested Holdings

MINDBODY, Inc. (MB)

Portfolio:	Socially Responsible	<p>MINDBODY is the largest global provider of cloud-based business management software to the beauty, health, and wellness industry. It provides business management software and online scheduling platforms for over 58,000 health and wellness businesses globally. MindBody has a Software as a Service (SaaS) model, and it generates revenue through subscriptions as well as payment processing services. Fund analysts chose to hold this stock because they believed that MindBody's true growth would stem from the network effect.</p> <p>MINDBODY was acquired by Vista Equity Partners in an all-cash transaction.</p>
Purchased:	February 7, 2017	
Purchase Price:	\$24.70	
Inherited Price:	\$35.15	
Sale Date:	February 13, 2019	
Sale Price:	\$36.50	
Analyst:	Renan Pereira	



Vail Resorts, Inc. (MTN)

Portfolio:	Socially Responsible	<p>Vail resorts is the world-leading operator of mountain resorts; owning more than 20 premier resorts in the US, Canada, and Australia. In addition to operating ski and summer resorts, Vail owns and operates luxury hotels and restaurants. Vail resorts pioneered the use of the network season pass, the EPIC pass, which creates one season pass for multiple resorts in the Vail portfolio. The EPIC pass was unrivaled for the last 5 years.</p> <p>We sold half out holdings of Vail Resorts on September 12, 2018. We were concerned with the poor operations of the resorts, the decline in visitors, decline in quality of experience, and competition from the newly introduced ICON pass. Vail resorts was trading at above median multiples in September 2018. By selling half our position we avoided losses of \$1,203.60 (accounting for dividends) after the stock declined 40 percent from its high at the beginning of September to its low in mid-January. We keep holding a position in Vail as we believe that the stock is due for a recovery after its correction last year.</p>
Purchased:	December 9, 2015	
Purchase Price:	\$128.07	
Inherited Price:	\$293.81	
Sale Price:	\$293.22	
Analyst:	Julie Flo Mohagen	



Current Holdings

Activision Blizzard Inc. (NASDAQ: ATVI)

Portfolio:	Milner	<p>Activision is traded on the NASDAQ stock exchange with the ticker symbol ATVI. Since 2015, the company has been one of the stocks that make up the S&P 500. Activision Blizzard, Inc. is an American video game developer and was purchased with the thesis stemming from the company's ability to generate multiple streams of revenue.</p>
Purchased:	November 18, 2016	
Purchase Price:	\$38.20	
Inherited Price:	\$69.66	
Current Price:	\$47.29	
Analyst:	James Mecham	



Activision has found additional revenue streams since we purchased the stock in 2016. Activision continues to expand its mobile gaming presence most notably with its acquisition of King Digital Entertainment which was a leader in mobile entertainment. With low levels of debt and high cash and equivalents on hand, Activision has also been able to establish itself as a leader in E-sports through investments in recent years. With its diversified revenue strategy and expansion into mobile gaming we believe there is opportunity for growth.

Advanced Micro Devices, Inc. (NASDAQ: AMD)

Portfolio:	School	AMD is one of the leading companies developing semiconductors for use in computers, servers, and other devices. Its primary products include CPUs, GPUs, and APUs. China, Japan, and the United States, which account for over 80% of sales, are the company’s largest markets. The company faces fierce competition from its largest rivals—Intel and Nvidia. Intel’s decision to enter the GPU market could result in a substantial loss of market share for AMD.
Purchased:	April 11, 2017	
Purchase Price:	\$13.03	
Inherited Price:	\$20.40	
Current Price:	\$28.98	
Analyst:	Dawson Hughes	



AMD was added to the fund in 2017 due to its narrow development focus, and strategic partnerships with large technology firms such as Google and Microsoft. The partnerships and new product offerings were expected to increase the share price and market share.

Aerojet Rocketdyne Holdings, Inc. (NYSE: AJRD)

Portfolio:	School	Aerojet Rocketdyne primarily designs, manufactures, and sells aerospace and defense products for the US government with a specialty in propulsion and armament systems. The company also has a real estate arm that focuses on entitlement, sale, and leasing excess land.
Purchased:	April 26, 2017	
Purchase Price:	\$23.15	
Inherited Price:	\$36.62	
Current Price:	\$34.18	
Analyst:	Franck Rosas	The fund initially purchased the stock based on the strong backlog of long-term contracts and YoY growth. Recently, the company has had successful tests on hypersonic engines which are in demand given the increase in the US defense spending bill, the attention to a proposed Space Force, and NASA’s initiative to revamp space exploration. Some drawbacks include slower revenue growth against competitors and several players fighting for hypersonic technology market share.



AeroVironment, Inc. (NASDAQ: AVAV)

Portfolio: School
 Purchased: Feb 17, 2016
 Purchase Price: \$25.32
 Inherited Price: \$86.18
 Current Price: \$68.65
 Analyst: Sam Sholeff



AeroVironment is a drone manufacturing company that builds military-grade equipment for the U.S. DoD. It also has an electrical charging segment (15% of sales) that services electric vehicle producers. The company has recently partnered with General Dynamics to design a new tactical drone for armored combat vehicles.

During the holding period, the US awarded AVAV with a \$13 million indefinite contract for Raven Drones in Latin America. The fund decided to hold our position in AVAV due to new government contract opportunities, increased government spending and increasing geopolitical tensions.

Align Technology, Inc. (NASDAQ: ALGN)

Portfolio: Milner
 Purchased: Nov 30, 2016
 Purchase Price: \$93.50
 Inherited Price: \$355.89
 Current Price: \$295.88
 Analyst: Jacob Shanklin



Align Technology is a dental alignment medical device company that produces 3D scanning products and oral trays. The company is known for its Invisalign alignment trays, which it markets with a channel sales system of dentists and orthodontists who have purchased Align Technology's 3D iTero Intraoral Scanner. The company has paired traditional orthodontic care with technology to provide customers and professionals a clear process for treating teeth misalignment.

In late October, the company released third-quarter results and the stock quickly dropped by 23.2%. The drop in stock price is due to management misgauging the Invisalign tray's price elasticity. Align Technology ran a promotional program—a discount on the Invisalign clear aligners—to target the lower-end segment of the potential customer base with the strategy of increased sales offsetting the decrease in price. However, the lower-end segment did not respond with an increase in purchased aligners during the promotional period, and it decreased the overall company revenue. The Fund Analyst chose to hold this stock due to Align Technology creating an innovative, holistic orthodontic care platform, strong year-to-date revenue growth of 35%, and opportunities for growth in global markets—mainly, Asia.

Amazon (NASDAQ: AMZN)

Portfolio: Milner, School
 Purchased: May 3, 2018
 Purchase Price: April 26, 2018
 Purchase Price: \$1,555.00
 Inherited Price: \$1,520.54
 Current Price: \$1,883.42
 Analyst: \$1,837.23
 James Mecham

Amazon.com, which has its headquarters in Seattle, Washington, is an online retailer. The company offers a wide range of products both directly and through approved vendors. The site contains online reviews and has a variety of shipping options. Amazon sells the Kindle electronic reader. Amazon is the largest supplier of cloud computing platforms, which it markets through its Amazon Web Services subsidiary. The company offers a subscription service, Amazon Prime, which offers free shipping and access to online content.



Amazon's share of online retail sales continues to grow. Recently, Amazon also unveiled its Whole Foods delivery program via Amazon Prime which is available throughout the United States. With its dominance in online retail and plan to expand whole foods delivery program into Mexico, Amazon could continue its growth.

American Tower Corporation (NYSE: AMT)

Portfolio: Socially Responsible
 Purchased: November 6, 2013
 Purchase Price: \$79.62
 Inherited Price: \$149.28
 Current Price: \$195.76
 Analyst: Isaac La Bleu

American Tower is a leading independent owner, operator, and developer of multitenant communications real estate. As one of the largest global REITs, American Tower owns and operates roughly 170,000 communications sites.

Increased demand for mobile video streaming and unlimited data plans has driven wireless communication to rapid growth throughout the world. With its strong market share, American Tower is positioned to benefit from the increased demand and technological advancements such as 5G.



AMERICAN TOWER®

AMN Healthcare Services (NYSE: AMN)

Portfolio: School Fund
 Purchased: March 3, 2016
 October 19, 2016
 Purchase Price: \$32.16
 \$34.20
 Current Price: \$49.37
 Analyst: Jacob Engstroem

AMN Healthcare is a healthcare staffing and workplace solutions company. AMN's broad service portfolio allows it to leverage its salesforce effectively and cross sell to existing clients. The company partners with some of the most prestigious hospitals in the country, including Kaiser Foundation Hospitals, John Hopkins Health System and Stanford Hospital and Clinics. The company reported increased revenues of 4% and diluted adjusted EPS grew by 29% in its Q4 earnings 2018, which underperformed expectations and led to a drop in price of 15%. SIF analysts decided to hold AMN due to its quality relationships and predictable cash flows which creates a low-risk, steady earner. The fund assesses that the market outlook is uncertain which makes a steady company like AMN attractive.



Apple Inc. (NASDAQ: AAPL)

Portfolio: Socially Responsible
 Purchased: April 28, 2011
 October 8, 2014
 Purchase Price: \$49.43
 98.56
 Inherited Price: \$215.04
 Current Price: \$197.00

Apple Inc. designs, manufactures and markets mobile communication and media devices, personal computers and portable digital music players. Its products and services include iPhone, iPad, Mac, iPod, Apple Watch, Apple TV, a portfolio of consumer and professional software applications, iPhone OS (iOS), OS X and watchOS operating systems, iCloud, Apple Pay and a range of accessory, service and support offerings. The company also sells a range of related software, services, accessories, networking

Analyst: Cody Maass



solutions, and third-party digital content and applications. With the help of Apple's stock buyback initiative, Apple was the first publicly traded U.S. company to reach a market cap of \$1 trillion. Apple was added to the fund in 2011 and 2014 due to its history of innovation, superior return on equity, and iPhone growth potential. Although iPhone sales have been declining substantially, the fund decided to hold Apple because of Apple's impressive ecosystem and the growing software and services revenue segments.

Axon Enterprises, Inc. (NASDAQ: AAXN)

Portfolio: Socially Responsible
Purchased: February 13, 2019
Purchase Price: \$53.45
Current Price: \$57.73
Analyst: Derek Leavitt



Axon designs and manufactures conducted electrical weapons (Tasers) and body cameras which are integrated with the company's electronic evidence management system.

With the tense atmosphere surrounding police encounters with suspects, law enforcement agencies, municipalities, and society in general are seeking ways to deescalate police-public encounters and ways to document encounters. Axon creates a strong value proposition for customers and cities. Axon has recently begun selling its products as a bundled service while will lead to stable cash flows. Axon is currently the market leader and is expanding into new markets, both internationally with existing products, and domestically in related areas. Studies show that CEWs and the presence of cameras deescalate potentially violent situations and increase accountability of both suspects and police, making Axon a suitable investment for the SR fund.

Azul S.A. (NYSE: AZUL)

Portfolio: Davidson
Purchased: Feb 19, 2017
Purchase Price: \$26.66
Inherited Price: \$17.72
Current Price: \$29.03
Analyst: Franck Rosas



Azul is the largest airline in Brazil in terms of destinations served transporting passengers and cargo to every region in Brazil. The company was founded in 2008 by David Neeleman, a University of Utah alumnus.

The fund purchased the stock on the basis of a positive performance indicators YoY, growth potential in an emerging market, and a strong management team with many years of industry experience. Recent political tensions in Brazil surrounding the new administration and accusations of government corruption have depreciated the currency which has placed downward pressure on the stock coupled with volatility in oil prices. However, the addition of international destinations and a code-share arrangement with TAP offer new opportunities.

Boeing Co (NYSE: BA)

Portfolio: School
 Purchased: December 27, 2010
 Purchase Price: \$64.37
 Inherited Price: \$353.77
 Current Price: \$391.93
 Analyst: Renan Pereira



Boeing is the world's leading aerospace company and the largest manufacturer of commercial jetliners and military aircraft. Although the two fatal accidents within the last six months damaged investors' and clients' confidence in the company, there is no statistical data that supports a continuous decline on the company's stock. Previous accidents in 2013, 1996, 1994 and 1991 involving a Boeing jet show that after an initial decline, the stock tends to increase over the next year and new contracts with the US military will increase revenue, offsetting the losses from the accidents. Moreover, the Embraer acquisition will consolidate Boeing's market share and increase the production capacity as the company improves economies of scale.

BWX Technologies (NYSE: BWXT)

Portfolio: School
 Purchased: October 4, 2017
 Purchase Price: \$40.00
 Inherited Price: \$64.46
 Current Price: \$52.70
 Analyst: Sam Sholeff



BWX Technologies is a manufacturer of nuclear power components and operations management for government entities. It also supplies nuclear reactors for US nuclear submarines and aircraft carriers. During the holding period, the company announced an extended \$850 million government contract with JV partner FBP.

The fund decided to hold its position in BWXT due to new government contracts and increased upselling for nuclear operations management services. Furthermore, recent contract acquisitions point to predictable revenue growth going forward.

Cal-Maine Foods, Inc. (NASDAQ: CALM)

Portfolio: Socially Responsible
 Purchased: January 28, 2015
 Purchase Price: \$36.39
 Inherited Price: \$50.00
 Current Price: \$42.04
 Analyst: Jacob Engstroem



Cal-Maine Foods is a fully integrated producer, grader, packager, marketer, and seller of fresh chicken eggs. The company is the largest player in the space with 20% market share in the United States. It has completed 20 acquisitions since 1989, further strengthening its position in a rapidly consolidating industry. Specialty egg (e.g., free range, omega 3, cage free) demand has increased as customers have more discretionary income and are becoming more health conscious. Consequently, the company has placed an increased focus on this segment via joint ventures as the number of dozens sold and revenue have both dramatically increased for the company. The company grew revenues by 29% year-over-year in Q3 but fell short of street estimates and the stock got punished 7%. Overall, the company is an attractive investment due to its dominant position in a rapidly consolidating industry, its consistent record of growth, and predictability in uncertain market times.

Canopy Growth Corporation (NYSE: CGC)

Portfolio: Milner
 Purchased: April 26, 2018
 Purchase Price: \$21.50
 Inherited Price: \$38.67
 Current Price: \$43.24
 Analyst: Anna Pillman



Canopy Growth Corporation is a world-leading cannabis and hemp producer based in Canada. The fund invested in order to gain access to the rapidly growing medical and recreational marijuana markets. The company took on a series of acquisitions and partnerships in 2018, allowing it to expand its global footprint as well as to expand into new product areas. We believe that CGC is well positioned to take advantage of continued market growth in the U.S., Canada, and globally due to its numerous patents, relationships, and contracts. Due to the excitement and uncertainty surrounding the industry we expect that CGC will remain a volatile stock. However, we recommend holding CGC over the long term in order to profit from the future growth of markets including cannabis-infused beverages and food items.

Cerner Corporation (NASDAQ: CERN)

Portfolio: Davidson, Milner
 Purchased: February 10, 2006
 Purchase Price: \$10.53*
 Inherited Price: \$65.72
 Current Price: \$57.32
 Analyst: Kase Hodgson



*split-adjusted

Cerner Corporation is a global company focusing on information technology within the healthcare industry. Rated the most admired company in healthcare by FORTUNE in 2015, Cerner provides solutions to over 20,000 facilities worldwide. The company provides everything from medical devices to efficient electronic medical record platforms for patients. We believe that the decision to hold this position allows the Fund to capitalize on Cerner's significant growth outlook. Additionally, the company has a strong backlog and recently secured a competitive 10-year contract with the U.S. Department of Defense. The company also announced a restricting of the board and new strategic management.

Comcast Corporation (NASDAQ: CMCSA)

Portfolio: School Fund
 Purchased: January 1, 2007
 Purchase Price: \$15.00
 Inherited Price: \$35.74
 Current Price: \$40.42
 Analyst: Jacob Engstroem



Comcast operates in five segments: cable communication and networks, broadcast television, filmed entertainment, and theme parks. Cable communications dominates the company's adjusted EBITDA at 70%, followed by cable networks at 14%. Comcast launched Xfinity Mobile in 2017—cellphone plans through Verizon's network. The stock fell in 2018 to a nearly two-year low due to threats from market disruptors like Netflix. We believe that the acquisition of Sky makes sense long-term and investors are punishing the stock in the short term for the \$29B purchase, the stock fell 8% on the bid which makes it cheap currently.

CONMED Corporation (NASDAQ: CNMD)

Portfolio: School
 Purchased: March 20, 2019
 Purchase Price: \$79.50
 Current Price: \$83.50
 Analyst: James Mecham

ConMed Corporation is a medical technology company that develops, manufactures, and sells surgical devices and related equipment for minimally invasive procedures. ConMed markets its products directly to over 6,000 hospitals and surgery centers worldwide.



ConMed recently acquired Buffalo filter which greatly improved its product pipeline and market share. As a result, revenues grew 8% in the last year, and with a plan to expand into South America, we believe ConMed has a lot of room for growth.

Costco Wholesale Corporation (NASDAQ: COST)

Portfolio: Milner
 Purchased: Nov 16, 2018
 Purchase Price: \$229.25
 Inherited Price: NAP
 Current Price: \$246.87
 Analyst: Austin Roberts

Founded in 1976, Costco is the world's largest consumer wholesaler. Costco provides its 94 million members with low-priced everyday goods both online and from its 800 warehouse stores. Costco sells products ranging from raw meat to car tires.



Fund analysts chose to purchase this stock because of its innovative business model, strong membership base, and its ability to grow in the declining retail industry. Costco holding 72% market share, has outpaced competition by maintain an industry high inventory turnover of 11.4x. With this high turnover, it has grown net operating income while competitors Target and Walmart have shrunk. This allows Costco to continuously undercut its competition. The company has achieved a 90% membership renewal rate for the past five years, far greater than other consumer wholesalers. This is due to the company's ability to provide its vast range of products in one place. Finally, Costco experienced over 9% same store sales growth in 2018, higher than the previous three years.

CyrusOne Inc. (NASDAQ: CONE)

Portfolio: School
 Purchased: February 23, 2017
 Purchase Price: \$46.90
 Inherited Price: \$67.39
 Current Price: \$55.33
 Analyst: Preston Tobin

CyrusOne, Inc. (CONE) is a real estate investment trust (REIT) that owns, operates, and develops multi-tenant data center facilities. The company leases server space within its property to store information for its customers. As of 2019, CyrusOne's portfolio includes 45 data centers and two recovery centers in the United States, United Kingdom, and Singapore. CONE currently serves 185 of the global 1,000 companies. Management has continued to exceed expectations throughout the year. Target customers include enterprise businesses and cloud companies. Many of the company's current and prospective customers are expanding business overseas, which has driven an increased focus on expansion into Europe and Asia. As a result, CyrusOne made a \$100 million investment into GDS, a leading provider of data center infrastructure and services, specifically in China. In addition, the company agreed to acquire Zenium, a data center provider, closed



on the transaction in August of 2018. Given CyrusOne's leading market position, increased investment into GDS, and acquisition of Zenium, the Fund continues to see CyrusOne, Inc. as a strong investment moving into the second half of 2019.

Deckers Outdoor Corporation (NYSE: DECK)

Portfolio: School
 Purchased: Nov 20, 2015
 Purchase Price: \$49.98
 Inherited Price: \$118.75
 Current Price: \$146.92
 Analyst: Julie Flo Mohagen



Deckers Outdoor is a wholesaler of 5 brands: Ugg's Australia, Koolaburra by Ugg, Teva, Sanuk, and Hoka One. It produces men's and women's footwear, as well as women's apparel/loungewear under its various brands. It has global outreach with customers in more than 80 countries. Decker's also owns and operates retail stores.

We continue to believe in Decker's strong brands and growth in a disrupted industry. Deckers is increasing direct-to-customer sales and is rapidly growing its smaller lifestyle brands, while Ugg's Australia revenues and margins remain strong. We also believe that the market is underappreciating Deckers as it is still trading below median multiples to its comps. Deckers was a strong performer this year; outperforming the SP500 by 22.94% during the time we controlled the fund.

Delta Air Lines, Inc. (NYSE: DAL)

Portfolio: School
 Purchased: March 5, 2014
 Purchase Price: \$34.85
 Inherited Price: \$54.80
 Current Price: \$57.49
 Analyst: Ian VanLeeuwen



Delta Air Lines provides scheduled air transportation for passengers and cargo worldwide. The company operates about 900 aircraft and has a major hub in Salt Lake City. One of the world's largest airlines, DAL has rebounded from bankruptcy and generated \$760 million in free cash flow last quarter.

Delta recently was achieved its highest overall ranking in Fortune's Most Admired Companies for 2019 and ranked first for the eighth time in the past nine years as Fortune's Most Admired Airline. We believe DAL remains attractive because of strong global brand recognition and impressive financial performance despite recent events with Boeing 737 malfunctions.

DexCom, Inc. (NASDAQ: DXCM)

Portfolio: Socially Responsible
 Purchased: April 11, 2019
 Purchase Price: \$117.50
 Current Price: \$118.03
 Analyst: Austin Roberts

Dexcom was one of the pioneering diabetes companies to switch from selling traditional glucometers to monitor insulin levels to selling CGMs (Continuous Glucose Monitors). CGMs have taken over the diabetes market and will continue to grow as diabetics are introduced to them at a young age.

Dexcom®

SIF analysts believe that the market is misunderstanding the insurance implications in the industry and underestimating DexCom's competitive advantages. The market sold off DexCom stock in early 2019 resulting in a 22% dip in price. We purchased the stock immediately after. This was in response to DexCom competitor, Abbott Labs, announcing a CGM model that will have similar features to DexCom's G7 at a lower price in early 2020. However, while DexCom is currently the industry technology leader, it will hold this position as it is also set to release a new model (G8) in early 2020. This model is expected to have more connectivity and be more user friendly as it was designed through a partnership with Alphabet. After researching insurance implications, the vast majority of Dexcom users pay \$50 per month out of pocket and DexCom's CGMs are completely covered for those with supplemental insurance. Because the majority of DexCom customers already have basic insurance, the fact that Abbott Labs new model is cheaper out of pocket cost will not take away from DexCom's customer base.

Diageo plc (NYSE: DEO)

Portfolio: Milner
Purchased: Feb. 4, 2009
Purchase Price: \$55.43
Inherited Price: \$142.11
Current Price: \$162.68
Analyst: Isaac La Bleu

Diageo is a global producer and seller of alcoholic beverages. Holding 8 of the world's top 20 spirits brands, Diageo is the spirits leader by volume, net sales, and operating profit. With rising profits over the past 5 years, Diageo dominates the most important markets in the world, including India, which is responsible for half of the world's consumption of whiskey, Diageo's best-selling drink. Diageo will attempt to capitalize on cannabis-infused drinks, a \$150B market.

DIAGEO

Edwards Lifesciences Corp. (NYSE: EW)

Portfolio: Socially Responsible
Purchased: March 1, 2017
Purchase Price: \$94.25
Inherited Price: \$140.40
Current Price: \$188.31
Analyst: Julie Flo Mohagen

Edwards Lifesciences manufactures, distributes, designs, and sells heart valves and critical care monitors. It is the global market leader in medical innovations related to heart disease and critical care monitoring. Edwards main product lines are the Transcatheter Aortic Valve Replacement, the Transcatheter Mitral and Tricuspid Therapies, the Surgical Structural Heart, and the Critical Care systems.

We continue to hold Edwards Lifesciences. We believe in Edwards' continued ability to innovate in the heart valve and critical care fields, as well as its capability in gaining CE and FDA approval for its products. Industry statistics are also favorable for Edwards; the population is aging and expenditures are rising in the healthcare field. Edwards was one of our strong stocks this year: it outperformed the market by 33.35% in the time we controlled the fund.



Edwards

Encompass Health Corporation (NYSE: EHC)

Portfolio:	Milner	Encompass Health is a provider of post-acute healthcare through inpatient rehabilitation hospitals, home health agencies, and outpatient hospice agencies. We anticipate that demand for the company's services will grow with the growth in aging population. Hospitals have an incentive to refer patients for post-acute care, as Medicare cuts reimbursements for hospitals with excessive readmissions following a hospitalization. Encompass Health Corp currently serves 30% of Medicare patients needing post-acute care.
Purchased:	April 11, 2019	
Purchase Price:	\$60.70	
Inherited Price:	NAP	
Current Price:	\$60.43	
Analyst:	Franck Rosas	



Energy Recovery, Inc. (NASDAQ: ERII)

Portfolio:	Socially Responsible	Energy Recovery operates in the water desalination industry as a provider of energy recovery devices. The company states that their product can lower energy waste in a desalination plant by 60% using its product. The company is unique in its space, as it controls 100% of mega-development water projects worldwide. During the holding period, the company announced a \$10.1 million contract with Saudi Arabia, as well as the hiring of a new CFO. ERII is unique in its space, as it controls 100% of mega-development water projects worldwide.
Purchased:	April 26, 2018	
Purchase Price:	\$8.22	
Inherited Price:	\$9.07	
Current Price:	\$9.53	
Analyst:	Sam Sholeff	



Encompass Health (NYSE:EHC)

Portfolio:	Milner	Encompass Health is a provider of post-acute healthcare through inpatient rehabilitation hospitals, home health agencies, and outpatient hospice agencies.
Purchased:	April 11, 2019	
Purchase Price:	\$60.70	
Analyst:	Franck Rosas	



We anticipate that demand for the company's services will grow with the growth in aging population. Hospitals have an incentive to refer patients for post-acute care, as Medicare cuts reimbursements for hospitals with excessive readmissions following a hospitalization. Encompass Health Corp currently serves 30% of Medicare patients needing post-acute care.

FedEx Corporation (NYSE:FDX)

Portfolio:	School & Davidson	FedEx is an international courier of packages and freight. The company operates about 27,000 vehicles and 370 service centers while providing back-office support systems. FedEx was originally purchased in the School Fund because of the company's consistent top-line growth. Our position in FedEx was increased in October of 2015 because of its expansion into international markets through its deal with TNT Express.
Purchased:	March 5, 2014 October 7, 2015	
Purchase Price:	\$168.01 \$152.97	FedEx's stock has been hit hard recently as a result of the news that Amazon will be entering into the package delivery space.
Inherited Price:	\$251.11	
Current Price:	\$189.90	
Analyst:	Calvin Grimes	



Ferrari NV (NYSE:RACE)

Portfolio:	School	Ferrari was founded in 1947 and is recognized as the quintessential luxury performance car. Ferrari is an Italian company that designs, manufactures, and sells luxury performance automobiles. The company's product landscape includes formula one, sports car, gran turismo, and limited-edition vehicles. Currently the company has two major revenue segments: cars and engines, which account for over 80% of its total revenue.
Purchased:	April 4, 2018	
Purchase Price:	\$121.75	
Inherited Price:	\$126.33	
Current Price:	\$136.94	
Analyst:	Austin Roberts	



The market currently believes that the major future growth drivers of the revenue will be contributed by two models: the 812 superfast and GTC4 Lusso. However, SIF analysts found out that there were several spy photos of Ferrari's new SUV (Sports Utility Vehicle) available in auto blogs which, from the analyst's experience and research, indicates the model is very likely to be available within one or two years (late 2019 or early 2020). Contrary to our belief, most investors estimate the new SUV model will not be ready until 2021, as the typical development time is 5-8 years for a new model. From the analyst's research, the new luxury performance SUV will become a hit to the market, based on the surprising number of orders on the new Urus of Lamborghini. The new SUV model will not only improve the total number of sales for Ferrari, but will help to incorporate the luxury and elegant element into its future models as an additional option. The additional options are believed to help Ferrari raise the prices of its future vehicles, improving the profit margin.

Freshpet Inc (FRPT)

Portfolio: Socially Responsible
 Purchased: November 28, 2018
 Purchase Price: \$32.25
 Current Price: \$40.85
 Analyst: Howie Huynh

Freshpet is a company that manufactures, markets, and distributes organic, natural, and refrigerated pet food across North America and the United Kingdom. Products are sold through five channels including grocery stores, pet stores, mass & club stores, natural stores, and online.

We bought Freshpet for several reasons: because of the recent strong growth in the market for organic pet food, Freshpet's value proposition of offering organic pet foods at affordable prices, the company's effective Freshpet Fridges marketing strategy, and finally, Freshpet is becoming an attractive acquisition target for bigger companies looking to buy their way into the organic pet food market. Organic pet foods command an average 33% premium over regular pet food.



Gentex Corporation (GNTX)

Portfolio: Socially Responsible
 Purchased: February 21, 2018
 Purchase Price: \$23.15
 Inherited Price: \$24.85
 Current Price: \$21.20
 Analyst: Austin Roberts

Gentex started out making fire protection products in 1974 but shifted its focus into the automotive industry which accounted for 98% of 2017 sales. The company has a worldwide market share on auto-dimming rearview mirrors. Gentex showcased its 2018 auto-dimming window technology by incorporating it into a concept car's moon roof, rear windscreen, head-up display, and many other



components. This has been the main value driver of the company since its purchase.

Gentex was added to the Socially Responsible fund due to the company's focus on producing safety equipment and its commitment to the environment. The company continues to innovate, which could be very profitable in the near future due to the growing demand for high tech automobiles. Growth in the primary revenue segment combined with the potential for new business segments, such as auto-dimming automotive windows, led to a purchase of 200 shares.

Gilead Sciences (GILD)

Portfolio: School
 Purchased: February 5, 2014
 April 5, 2014
 Purchase Price: \$80.76
 \$73.83
 Inherited Price: \$73.32
 Current Price: \$67.54
 Analyst: Lawrence Stubbs

Gilead Sciences is a research-based biopharmaceutical company that discovers, develops, and commercializes innovative medicines in areas of unmet medical need with a specific focus on HIV, oncology, and liver diseases.

The company's stock was originally purchased with the belief that the recent FDA approval of its hepatitis C drug, Solvadi, would be a major growth catalyst. This has yet to materialize and the NASH drug, developed to cure fatty liver disease has just failed its second test as of the end of April 2019. Gilead has several ground-breaking drugs under development with substantial potential upside, thus the recommendation to hold.



GrubHub Inc. (GRUB)

Portfolio: Milner
 Purchased: November 22, 2017
 Purchase Price: \$66.55
 Inherited Price: \$133.11
 Current Price: \$71.18
 Analyst: Isaac La Bleu

Grubhub is an online and mobile platform for restaurant pick-up and delivery. Operating in the United States and United Kingdom, Grubhub serves 80,000 restaurants in 1,600 cities. Grubhub has strong partnerships such as Yum! Brands and Yelp, an early mover and scale advantage, and continues to broaden its portfolio of restaurants.



ICON PLC (NASDAQ:ICLR)

Portfolio: Davidson
 Milner
 Purchased: February 3, 2005
 Purchase Price: \$8.48 (split adj.)
 Inherited Price: \$143.94
 Current Price: \$139.26

ICON plc is a global contract research organization which provides outsourced development services to pharmaceutical, biotechnology and medical device firms. The company assists firms throughout all stages of the clinical development process by providing expertise in strategic development, management, and analysis of projects. ICON has industry-leading margins with a gross margin and net margin of

Analyst: Ethan Lefavor



38.09% and 16.01%, respectively. ICON operates within the highly fragmented clinical research organization industry. Although the company has mainly grown organically, the fragmented industry provides an opportunity for ICON to grow through acquisitions.

Even though ICON has been through its largest growth phase, second quarter earnings in 2019 are expected to be up 13.4% year-over-year while revenues are expected to be up 8.3%. This is partially due to its newly released software ADDPLAN which improved algorithms and speed allowing for better integration. Not only are earnings and revenue expected to continue to beat expectations over the next year, but the street sees ICON as an undervalued stock. We will continue to hold ICON as there is still a positive outlook on its future and stock price.

Instructure Inc. (INST)

Portfolio: School
Purchased: March 3, 2016
October 26, 2016
Purchase Price: \$16.48
\$26.45
Inherited Price: \$37.45
Current Price: \$45.74
Analyst: Dawson Hughes



Instructure offers learnings management software for K-12 and higher education, in addition to recently entering the corporate training software market. Instructure aims to bridge the gap between technology and education by connecting students and instructors on their platform. Its product, Canvas, continues to gain market share at the expense of other players thanks to its easy-to-use interface. A series of contract wins, including greenfield and conversions, along with churn rates below 5% have positioned the firm as the new market leader in the U.S and the company aims to replicate this success internationally. Instructure's corporate training software, Bridge, is also enjoying fast adoption despite tougher competition. By integrating its software offerings, the firm is positioned to continue growing revenues, and we foresee it achieving profitability in the near future.

InterActiveCorp (NASDAQ:IAC)

Portfolio: School
Purchased: March 14, 2018
Purchase Price: \$161.20
Inherited Price: \$189.24
Current Price: \$207.40
Analyst: Ian VanLeeuwen



InterActiveCorp (IAC) is an internet and media conglomerate composed of over 150 brands. After incorporation in 1986 under the name Silver King Broadcasting Company, Inc., the company transformed itself into a leading internet and media company by acquiring promising start-up brands and developing them into high performing business and category leaders.

IAC still remains attractive because it holds controlling interest in Match Group and ANGI HomeServices. Tinder, one of Match's brands, possesses sustainable competitive advantages that will expand Match Group's market share. We expect the upcoming generation will be highly dependent on online contact of social interaction and dating and expect subscribers to double over the next five years.

Intuit Inc. (INTU)

Portfolio: Milner
 Purchased: April 7, 2015
 Purchase Price: \$98.15
 Inherited Price: \$209.01
 Current Price: \$261.7
 Analyst: Nikita Sidamsettiwar

Intuit Inc. is a business and financial software company that develops and sells financial, accounting, and tax preparation software and related services for small businesses, accountants, and individuals. Intuit's fiscal second-quarter revenue in 2019 rose 12% to \$1.5 billion year over year. Additionally, revenue in the company's self-employed group, which includes Intuit's popular QuickBooks accounting software, grew 17% to \$833 million year over year. We believe that the company's online ecosystem revenue growth will aid the company going forward.



Kinder Morgan, Inc. (NYSE:KMI)

Portfolio: School
 Purchased: April 15, 2019
 Purchase Price: \$19.75
 Current Price: \$23.58
 Analyst: Jacob Shanklin

Kinder Morgan, Incorporated is the largest natural gas transmission provider in North America with a network of 70,000 miles of natural gas pipeline. The company currently transports 40% of all natural gas consumed in the United States and is the largest independent transporter of refined products. The company has an expansive position of pipelines across key markets and a \$5.7 billion backlog of pipeline growth projects projected through 2022. Kinder Morgan, and many other energy and oil-based companies, experienced a significant decline in stock price in 2015 due to a 50% decline in oil prices. Since the decline, Kinder Morgan's stock price has remained relatively stable at approximately \$20 per share; however, going forward, the Fund Analysts recommended that the School Fund purchase 500 shares due to shortages of oil in Asia which the Analysts predict will drive demand for oil and gas production in the United States. As a result, this will increase the demand for Kinder Morgan's pipeline network as the United States increases its position as the largest oil producing country in the world.



Kroger (NYSE: KR)

Portfolio: Socially Responsible
 Purchased: March 3 2015, September 20, 2017
 Purchase Price: \$37.04; \$20.87
 Inherited Price: \$31.36
 Current Price: \$23.90
 Analyst: Jacob Shanklin

The Kroger Company operates nationally as a grocery store, jeweler, and fuel provider in the United States. The company is known for its local brand-recognition which it amasses by acquiring small and local grocery store chains which operate under their pre-acquisition names. Kroger offers a series of house-branded products and has expanded into organic health foods. This year, the stock price reached a high of \$32.74 in the third quarter; however, the stock price declined significantly as the company's fourth-quarter performance missed Wall Street revenue projections because of low company fuel sales due to gas prices dropping roughly 10 cents. Although the company had lackluster fourth-quarter performance, the Fund Analyst chose to hold this stock due to its growing green initiatives and local brand identity.



Lazard Ltd. (LAZ)

Portfolio: School
 Purchased: October 9, 2010
 Purchase Price: \$46.80
 Inherited Price: \$48.63
 Current Price: \$38.02
 Analyst: James Mecham



Lazard is an independent financial advisory and asset management firm. The firm's revenues are split evenly between advisory fees and asset management fees. The company competes for deals against large investment banks and other independent advisors. Optimism over U.S. President Trump's economic agenda and easing of bank regulations has had a positive impact on the stock market and especially on bank stocks. One of the reasons we bought Lazard was its position in the European market and other international markets, and the future potential growth this position could bring once international M&A activity started to pick up. The appreciation of the dollar made foreign acquisitions cheaper than many U.S. targets, allowing Lazard to secure 4 out of the 10 largest global M&A deals in the first half of 2018. Combined with a prudent expense management team, Lazard has been able to increase its free cash flow at a CAGR of 20.5% since 2013. While cash is flowing through the business at healthy rates and compensation making up the majority of operating expenses, Lazard can continue to scale its margins while keeping an efficient team. However, Lazard missed earnings in September 2018 and analysts have scaled back earnings forecasts.

Lendingtree Inc (TREE)

Portfolio: Milner
 Purchased: Dec 7, 2016
 Purchase Price: \$98.65
 Inherited Price: \$233.50
 Current Price: \$366.90
 Analyst: Derek Leavitt



LendingTree is the leading online financial marketplace for connecting consumers with lenders and financial service providers. LendingTree does not originate any loans, but rather facilitates comparison-shopping for a variety of financial products including mortgages, auto loans, student loans, reverse mortgages, home equity loans, and small business loans. TREE reached GAAP profitability in early 2015. LendingTree's business model of generating matches between borrowers and lenders gives it exposure to the fast-growing online consumer borrowing market, without assuming default risk. In addition, recent acquisitions will continue to expand LendingTree's available services and its total addressable market. Lastly, we believe that LendingTree will continue to benefit from increased competition between financial institutions and credit card companies.

LGI Homes, Inc. (NASDAQ: LGIH)

Portfolio: Davidson
 Purchased: March 23, 2016
 Purchase Price: \$23.60
 Inherited Price: \$58.63
 Sale Date: August 29, 2018
 Sale Price: \$58.0577
 Analyst: Derek Leavitt

LGI Homes is the 21st largest homebuilder in the United States and sells homes in the \$100-475 thousand range. The company targets first-time homebuyers and current renters through a very successful sales and marketing process, which averages about 100 leads per community per week. Standardized floor plans allow the company to build simple homes at a low cost, which is favorable for expansion.



The U.S. housing market is highly segmented with fierce competition, but LGI Homes presents a unique business model that expands into the best markets for young Americans. The company has been successfully expanding outside of Texas, as it attempts to capture more market share. LGI Homes' gross margins have begun to suffer due to increased construction costs.

Lululemon Athletica (LULU)

Portfolio: School
 Purchased: October 15, 2017
 Purchase Price: \$61.30
 Inherited Price: \$135.61
 Current Price: \$169.37
 Analyst: Austin Roberts

Lululemon is an athletic apparel company that designs clothing for women, men and girls. However, the majority of its children's stores were closed in 2018.

Lululemon has over 400 stores around the world and has been rapidly expanding in Europe and Asia over the past year. The company sells clothing in-store, online, and through various wholesale channels. Management has set substantial goals for the company in the next couple of years. The company aims to reach \$4bn in revenues and double earnings by 2020. This goal will be accomplished in a variety of ways however, the company's emphasis has focused on worldwide expansion into what Lululemon calls "strategic cities," including London, Hong Kong, and New York. The company continues to improve its website design and user functionality, seeking a channel-agnostic model.



LyondellBasell Industries (LYB)

Portfolio: Milner
 Purchased: March 21, 2011
 Purchase Price: \$39.22
 Inherited Price: \$114.94
 Current Price: \$91.06
 Analyst: Jacob Shanklin

LyondellBasell is a global oil refinery and chemical manufacturing firm. The company is currently the largest licensor of polyethylene and polypropylene plastics; however, LyondellBasell has a diversified product portfolio of refining crude oil and its byproducts into diesel, paints, and various chemicals. In 2019, there was significant fluctuation in the price of crude oil due to political conflicts and various supply factors which led the stock price to decline from the high of \$118.08 to a low of \$78.52. The stock price has partially recovered and is trending upward as the company possesses industry-leading margins and a strong product suite. LyondellBasell is highly macro-dependent to the cyclical prices of oil and natural gas but outperforms other petrochemical companies in both overall production quantities and cost-effectiveness.



Micron Technologies (MU)

Portfolio: Milner
 Purchased: January 27, 2016
 Purchase Price: \$10.63
 Inherited Price: \$49.94
 Current Price: \$43.32

Micron Technology, Inc. is an American global corporation based in Boise, Idaho which produces many forms of semiconductor devices, including dynamic random-access memory, flash memory, and solid-state memory drives.

Analyst: Dawson Hughes



The thesis to buy Micron Technology came from the increase in demand for dynamic RAM, solid-state drives, and flash memory. The demand has increased because of the drone industry, and virtual reality. When we bought Micron, it was at its 52-week low.

Microsoft (MSFT)

Portfolio: School
Purchased: March 15, 2014
Purchase Price: \$25.33
Inherited Price: \$105.98
Current Price: \$119.89
Analyst: Nikita Sidamsettiwar



Microsoft is a multinational provider of software, hardware, and services. Microsoft operates in key segments which include productivity and business processes (including Office 365 and Dynamics), intelligent cloud (including Azure and SQL Server), and more personal computing (including Xbox and Surface). Microsoft has aggressively expanded its intelligent cloud segment with Azure, with about 90% of Fortune 500 companies using Azure in 2017. For the company's fiscal second quarter, it reported \$32.5 billion in revenue which was up 12% year over year. We see growth potential for the company through its new product offerings such as Cortana, the Surface Centaurus, and partnerships with Adobe and SAP for the company's new CRM platform.

MiMedx (MDXG)

Portfolio: School
Purchased: January 6, 2018
Purchase Price: \$15.85
Inherited Price: \$3.89
Current Price: \$3.95
Analyst: Christian Lundberg



MiMedx is a biopharmaceutical company developing, manufacturing and marketing regenerative biologics utilizing human placental allografts for multiple sectors of healthcare. MiMedx has supplied over 1.5 million placental tissue-based allografts to date for application in the Wound Care, Burn, Surgical, Orthopedic, Spine, Sports Medicine, Ophthalmic and Dental sectors of healthcare.

The Student Investment Fund purchased MDXG on the premise that the opioid crisis had made demand for non-opioid pain treatments attractive. The expanded suite of products were anticipated to increase sales force efficiency, leading to improved margins. Upon purchase, we believed the market was overreacting to a lawsuit and heavy short sales, leading to an attractive entry point. Shortly after purchase, the integrity of MDXG financial statements were brought into question. The company announced in February of 2018 that release of Q4 results would be postponed to investigate sales and distribution practices and review accounting treatment of distributor contracts. The NASDAQ suspended trading of the stock following the announcement. Three members of the company's speaker group were indicted in May of 2018 on allegations of excessive use of products on VA patients. In June of 2018, the company announced it would restate six years of financial statements and several key executives resigned, sending the stock in a spiral.

The Nasdaq Hearings Panel reviewed an interim progress report submitted by MiMedx in late 2018 and came to reevaluate MiMedx's grant for continued listing. MiMedx was slated for delisting effective November 8th. Shares were subsequently traded OTC. We continue to hold MDXG to avoid market panic that may have overly punished the stock price. As restated financial statements are released, it is important that the future analyst reevaluate the integrity of the company and make a recommendation for the fund regarding our holding of MDXG.

Molson Coors Brewing Co (TAP)

Portfolio: Milner
 Purchased: December 7, 2018
 Purchase Price: \$64.70
 Current Price: \$60.63
 Analyst: Ian Vanleeuwen



Molson Coors Brewing Company is the fifth largest producer of beer in the world and second in the United States. We purchased TAP in December of 2018 because the market had become increasingly volatile and the yield curve was close to inverting. Generally, alcohol sales are reasonably recession proof. The recent acquisition of MillerCoors LLC has increased the number of brands offered by TAP. The company has a number of historical, lower-priced offering which should do well in a recession. As well, the company has expanded its premium lines which tend to have higher margins which have contributed to improved EBITDA margins.

Nasdaq 100 Trust (QQQ)

Portfolio: Milner
 Purchased: April 29, 2009
 Purchase Price: \$34.03
 Inherited Price: \$180.36
 Current Price: \$184366
 Analyst: Derek Leavitt



QQQ is an ETF that consists of the top 100 largest international and domestic companies listed on Nasdaq. We made the purchase in 2009 to get market exposure during the summer. We have gradually reduced our position as new investment opportunities have arisen.

Netflix, Inc. (NFLX)

Portfolio: Milner
 Purchased: December 9, 2015
 Purchased: September 28, 2016
 Purchase Price: \$123.24
 Price: \$96.03
 Inherited Price: \$338.02
 Current Price: \$365.49

Netflix Inc. is an internet subscription service company, which provides streaming services for movies and television shows. Netflix operates globally and was originally bought because of the potential growth opportunities into international markets. Along with expanding into new markets, Netflix is investing heavily in original content to further attract domestic and international subscribers. Netflix streaming revenues have increased 30% y-o-y as the subscriber base for domestic and internationally grew substantially. Netflix will face increased competition moving forward from Disney's new

Analyst: Cody Maass

streaming service, but should still see a significant stock price appreciation with increased subscription rates, continuous international growth, and original award winning content.

NETFLIX

New Oriental Education & Tech Group (EDU)

Portfolio: School Fund
Purchased: April 23, 2014
Purchase Price: \$26.57
Inherited Price: \$79.05
Current Price: \$88.94
Analyst: Howie Huynh

New Oriental Education & Technology Group is a Chinese company that offers private education in China. The company offers prepping services for college entrance examinations in English, including the SAT, ACT, GMAT, and TOEFL.

We decided to hold the stock for several reasons. First, New Oriental is the most well-known private education company in China. Over the past 5 years, the number of Chinese students studying abroad has been increasing on average at 5% a year. We expect this growth to continue going forward. Secondly, new regulations, which requires bigger classrooms and stricter licenses for instructors, will make it harder for small companies to break into the industry.



Nexstar Media Group Inc (NXST)

Portfolio: Milner
Purchased: October 20, 2013
Purchase Price: \$45.93
Inherited Price: \$81.40
Current Price: \$112.73
Analyst: Lawrence Stubbs

Nexstar Media Group is an American telecommunications company and the largest TV station operator in the country. The company owns many local television stations throughout the United States and has 38.7% U.S. household reach. Part of what makes Nexstar unique is its commitment to local news stations and focus on the importance of catering to local audiences.

With continued expansion into new markets, reaching 100 markets in December of 2018 by merging with Tribune Media Company, and strategic divestment of underperforming markets, NextStar continues to set record share prices currently.



NextEra Energy Inc (NEE)

Portfolio: Milner
Purchased: March 23, 2016
Purchase Price: \$117.10

NextEra Energy Inc. is the third-largest public utility company by revenue. It operates through its Florida Power and Light subsidiary, the largest power company in Florida, and its NextEra Energy Resources

Inherited Price: \$172.63
 Current Price: \$190.08
 Analyst: Anna Pillman



subsidiary, the world's largest producer of wind and solar energy. The fund purchased NEE to take advantage of its low beta and stable cash flows to gain low-risk exposure to the energy utilities industry. We believe that the company's position in the renewable energy sector will prove favorable over the long term, as the U.S. moves away from environmentally degrading energy sources.

NVIDIA Corporation (NASDAQ:NVDA)

Portfolio: Milner
 Purchased: December 7, 2016
 Purchase Price: \$94.00
 Inherited Price: \$253.32
 Current Price: \$190.95
 Analyst: Ethan Lefavor



NVIDIA is a computer hardware and platform company that operates in two main divisions: GPUs and mobile Tegra processors. In its GPU business, it is the market leader in supplying high-end graphics cards for use in gaming, CAD, and video editing. In addition to traditional GPU applications, NVIDIA has also begun supplying hardware and software for use in AI and VR applications.

On November 15, 2018, NVIDIA shares fell 28.5% as a result of a market overreaction to missed earnings, revenue numbers, and poor guidance for 2019. However, chip stocks have rallied back up in general since this time and NVIDIA has seen an increase of 31.96% since this date. As NVIDIA and other chip stocks have been surging back from lows late last year, we are holding NVIDIA with a plan to reevaluate in six months. NVIDIA's recent acquisition of Mellanox is expected to contribute \$1.4 billion of top line revenue by 2020.

Oasis Petroleum Inc (OAS)

Portfolio: Davidson,
 Milner
 Purchased: February 13,
 2015
 February 19,
 2014
 Purchase Price: \$31.89
 \$42.80
 Inherited Price: \$12.42
 Current Price: \$6.40
 Analyst: Lawrence Stubbs



Oasis Petroleum is an exploration and production energy company that focuses on unconventional oil and natural gas. The company owns more than 500,000 acres of land with rights to oil in Montana and North Dakota, as well as acreage in Texas. With large fluctuations in crude oil prices over the past 5 years, Oasis Petroleum has seen its share price drop nearly 86%, with a 23% decline in just the past twelve months. Through this all, Oasis has been able to grow revenues at 8.3% per year and is well positioned to take advantage of the recent uptick in crude oil prices with its position in unconventional shale plays and improvement in oil extraction technology efficiency.

Ormat Technologies Inc. (ORA)

Portfolio: School
 Purchased: Feb 13, 2019
 Purchase Price: \$56.60
 Current Price: \$56.32
 Analyst: Kase Hodgson



Ormat Technologies is one of the largest geothermal companies in the United States. It is vertically integrated in terms of the technologies and products it uses in its facilities. It also sells these products to other geothermal projects.

We believe that Ormat is well-suited to take advantage of potential market growth, as clean energy becomes more of a focus. Potential geothermal energy that is currently under-utilized. Ormat's recent expansion into energy storage is also a positive development.

Paycom Software Inc (PAYC)

Portfolio: Milner
 Purchased: March 23, 2016
 Purchase Price: \$33.80
 Inherited Price: \$144.05
 Current Price: \$183.48
 Analyst: Preston Tobin



Paycom provides cloud-based human capital management (HCM) software for small to mid- sized companies in the United States. The company has a Software as a Service (SaaS) model and makes money by charging businesses a subscription fee per employee per month to utilize Paycom's services. SIF analysts decided to hold Paycom because the company is one of the most innovative HCM software solutions for small to medium sized businesses, and they believe that it will continue to out-innovate ADP and Paychex which currently have the biggest market share in the space. As younger generations join the workforce, employers will need to provide more employees with mobile management solutions. Paycom's competitive advantage is its impressive software solutions which are similar to those offered by much larger players in the industry; Paycom focuses on small to medium sized companies (50-1,000 employees).

PayPal (PYPL)

Portfolio: Davidson
 Milner
 Purchased: October 1, 2015
 July 20, 2015
 Purchase Price: \$31.51
 \$27.17
 Inherited Price: \$86.22
 Current Price: \$105.73
 Analyst: Derek Leavitt



PayPal is a digital payment company that enables payment across multiple platforms and in many currencies. The company has four main business segments: PayPal, PayPal Credit (Bill Me Later), Venmo, and Braintree. Last year, Ebay announced that it would be ending its partnership with PayPal which accounts for roughly 10% of PayPal's revenue. However, SIF analysts decided to hold PayPal because the ending of the exclusive relationship between PayPal and Ebay allows PayPal to seek out new customers when it was not able to do so in the past. In addition, SIF analysts believe that Venmo, PayPal's peer mobile payment application, provides significant opportunity to drive the business as younger generations are increasingly dependent on smartphones.

Plantronics Inc. (PLT)

Portfolio: Davidson
 Purchased: November 18, 2016
 Purchase Price: \$54.11
 Inherited Price: \$67.25
 Current Price: \$50.45
 Analyst: Howie Huynh

Plantronics designs and sells headsets for personal, business, and gaming uses. The company sells its products through distributors, mass retailers, and online. Due to its recent acquisition of Polycom, Plantronics is now also offering video conferencing services.

We decided to hold the stock for several reasons. First, we believe the Polycom acquisition is the right move for Plantronics to both diversify its revenue source and also to enhance its services by integrating its headphone products into its video conferencing services. Secondly, despite the decline of its stock price, the company grew its revenue by 122% and reached its target EPS Y/Y. The company is also very liquid compared to its peers so it can afford to make additional investments in the future.



Pluralsight Inc. (PS)

Portfolio: Milner
 Purchased: November 14, 2018
 Purchase Price: \$20.10
 Inherited Price: \$20.10
 Current Price: \$30.10
 Analyst: Isaac La Bleu

Pluralsight is an enterprise software company that helps companies and individuals keep up with the fast-paced changes in the technology industry by offering a wide range of trainings, assessments, and learning tools via subscriptions to its online platform. As a young company, Pluralsight has proven its ability to deliver a high-quality product to its customers and scale quickly within its customers' organizations.



PTC Inc (PTC)

Portfolio: Milner
 Purchased: November 16, 2018
 Purchase Price: \$88.40
 Current Price: \$94.16
 Analyst: Derek Leavitt

PTC is a software company that serves the industrial IoT and AR and CAD markets. The company's ThingWorx product allows manufacturing companies to use the Internet of Things to monitor manufacturing and manage the entire product life cycle.



PTC has a strong presence in the rapidly growing IoT market. The company is switching to a SaaS model that will make revenue more predictable. The company recently formed a partnership with Rockwell which we believe reflects the quality of PTC's products.

Qualys (QLYS)

Portfolio: School
 Purchased: March 20, 2019
 Purchase Price: \$83.89
 Current Price: \$80.82
 Analyst: Jacob Shanklin

Qualys is a cyber-security company that focuses on identifying system vulnerabilities.

Qualys provides a cloud-based cybersecurity platform which identifies and manages vulnerabilities in its customers' information technology (IT) systems and allows customers to manage all other aspects of their systems from one place. Qualys's large product suite gives it an advantage over competitors which have more fragmented, less comprehensive solutions; a typical company uses 20 to 50 different cybersecurity firms at any given time, but Qualys works to reduce this number. Qualys has a sustained competitive advantage due to its market-leading proprietary database of over 35,000 IT vulnerability data points, large product suite of 19 applications, and because of its position as the market leader in government-level security solutions.



Royal Caribbean Cruises Ltd (RCL)

Portfolio: Davidson
 Purchased: December 10, 2014
 Purchase Price: \$78.06
 Inherited Price: \$118.50
 Current Price: \$117.27
 Analyst: Cody Maass

Royal Caribbean Cruise is the world's second largest cruise line company, and is based in Miami, Florida. Royal Caribbean operates through three different cruise lines: Royal Caribbean International, Celebrity Cruises, and Azamara Club Cruises. Royal Caribbean also holds a joint venture in TUI Cruises, Pullmantur, and SkySea Cruises. Furthermore, Royal Caribbean recently completed an acquisition of Silversea Cruises giving them a two-thirds stake ownership. This acquisition will allow Royal Caribbean to expand in the ultra-luxury markets and further capturing market share with its diversified operating brands. Together, these brands provide a combined total of 60 ships and over 1,000 destinations on all seven continents. Royal Caribbean currently has 8 ships on order that will all be delivered before 2024.



Salesforce.com, Inc. (CRM)

Portfolio: Milner
 Purchased: October 5, 2016
 Purchase Price: \$67.10

Salesforce is a market leader in customer relationship management (CRM) software, and it continues to increase its market share year over year. Salesforce delivers cloud-based enterprise software and continues

Inherited Price: \$145.53
 Current Price: \$158.56
 Analyst: Braxton Young



to expand into new service offerings through its dynamic acquisition strategy. Salesforce's business model requires a high upfront investment from its customers, and renewals are relatively inexpensive resulting in great retention rates. Despite high year-over-year growth, along with increased operating leverage, Salesforce continues to trade at reasonable multiples among its peer group. This company is a strong hold moving forward.

Service Corporation International (SCI)

Portfolio: School
 Purchased: February 20, 2019
 Purchase Price: \$42.60
 Current Price: \$40.69
 Analyst: Franck Rosas



Service Corporation International is the largest death care company in the US with 15% of the market share. The company buys funeral and cemetery businesses in geographical clusters to create shared services, leading to economies of scale.

We bought the stock due to the positive industry trends and strong business metrics. An aging baby boomer population will lead to an increase in death care services. The company also has strong operating cash flows, a good business model, and significant backlog of unrecognized revenue in relation to pre-need services which we believe the market is undervaluing.

SkyWest, Inc. (SKYW)

Portfolio: School
 Purchased: December 6, 2017
 Purchase Price: \$51.05
 Inherited Price: \$64.25
 Current Price: \$58.09
 Analyst: Ian VanLeeuwen



SkyWest, Inc., is a regional airline operating in the western United States. SkyWest operates in 91 cities and is a codeshare partner with Delta in Salt Lake and with United in Los Angeles. A significant portion of SkyWest's revenue comes in the form of fixed fee contracts with legacy airlines leaving SkyWest less vulnerable to fluctuations in fuel prices or other variable expenses. SkyWest has adopted a strategy of replacing its aircraft with new larger, more fuel-efficient planes leading to rising margins. The new aircraft have lower maintenance costs and more seats per flight. The company has a strong management team with a strong record of delivering on initiatives. Our analyst believes that the market has undervalued the company's strategic plan and misunderstands the lower risk inherent in the fixed fee contract structure.

SolarEdge Technologies (SEDG)

Portfolio: School
 Purchased: April 10, 2019
 Purchase Price: \$40.70
 Current Price: \$40.70
 Analyst: Ian VanLeeuwen

SolarEdge designs and sells inverters for solar systems. We believe that the market is underestimating strong organic and industry growth. Currently, renewable electricity production only accounts for 24% of total electricity generation worldwide. We also believe that the market has still not priced in the potential of SolarEdge's new battery segment. We also believe that the market is currently overreacting to a decrease in margins associated with temporary supply chain issues and recent acquisitions, providing excellent timing for an investment in SolarEdge.



Sun Communities (SUI)

Portfolio: School
 Purchased: March 25, 2019
 Purchase Price: \$118.00
 Current Price: \$120.52
 Analyst: Christian Lundberg

Sun Communities, Inc. is a REIT that, as of March 31, 2019, owned, operated, or had an interest in a portfolio of 379 communities comprising over 132,000 developed sites in 31 states and Ontario, Canada. Specifically, SUI invests in RV parks and sites for mobile homes. 80% of revenues come from real property while the remaining 20% comes from home sales and rental.



SUN COMMUNITIES, INC.®

We purchased SUI for five main reasons: increasing occupancy rates, a growing number of retirees, strong same community sales growth, rising interest rates driving demand for manufactured housing, and the high capitalization rates of the SUI portfolio relative to its peers.

SBV Financial Group (SIVB)

Portfolio: School/Milner
 Purchased: January 28, 2015,
 October 7, 2015
 Purchase Price: \$114.71
 Inherited Price: \$117.90
 Current Price: \$328.73
 Analyst: Braxton Young

SVB Financial Group is the holding company of Silicon Valley Bank. SVB Financial has private and commercial banking units to serve clients in the technology, life sciences, venture capital, private equity, and premium wine industries. The firm develops relationships with early-stage entrepreneurs and provides wealth management services as their enterprises grow.

SIVB has experienced tremendous growth through 2017 and 2018. Due to the company's success and large increase in market capitalization, SIVB



was added to the S&P 500 on March 15, 2018. SIVB has a Beta between 2 and 2.5, and the market correction in October 2018 resulted in a sharp decline in stock price. Moving forward, SIVB is a strong company. However, its stock price is heavily dependent on success of existing business and startups looking for capital, wealth management services, etc. We believe that this stock should be watched closely for an exit opportunity in the second half of 2019. This stock should also be on a watch list for a buy opportunity after a market correction as it has proven to outperform during a bull market.

T-Mobile Inc (TMUS)

Portfolio: School
 Purchased: February 24, 2016
 Purchase Price: \$36.65
 Inherited Price: \$66.51
 Current Price: \$70.35
 Analyst: Calvin Grimes

T-Mobile is a telecommunications company that provides voice, messaging, and data services in the wholesale, prepaid, and postpaid markets. T-Mobile's market share is behind only Verizon and AT&T in a market that is primarily dominated by the top four carriers. The fund holds T-Mobile because its strong market penetration and implementation of its "Un-Carrier" plan.

T-Mobile has seen stock price fluctuations recently with the potential for a merger with Sprint Corporation, the fourth largest company in the space. If the deal were to go through, the combined company would be able to compete with AT&T and Verizon for market share.



Teladoc Health Inc (TDOC)

Portfolio: Socially Responsible
 Purchased: February 8, 2016
 Purchase Price: \$12.73
 Inherited Price: \$74.85
 Current Price: \$58.49
 Analyst: Anna Pillman

Teladoc Health Inc. is the largest provider of telehealth services, serving over 22.8 million members. The company allows members to consult with licensed physicians via telephone and video conference, allowing more people access to medical help. The fund continues to hold TDOC due to the company's increasing membership growth, gross margin, visit fees, and total visits. The company acquired Advance Medical Health Care Management Services, S.A. in 2018, expanding its offerings to over 130 countries in more than 20 languages. We believe that TDOC is the best positioned firm to take advantage of the growing convenience trend and telehealth industry due to its strong performance and global footprint.



Thermo Fisher Scientific Inc. (TMO)

Portfolio:	Socially Responsible	<p>Thermo Fisher Scientific Inc. provides analytical instruments, equipment, reagents and consumables, software, and services. Its products and services are used in research and diagnostics.</p> <p>The fund purchased the stock with the thesis that the company had made some attractive acquisitions. TMO also had a strong position in supplying materials for chromatography.</p> <p>We continued to hold TMO due to several contributing factors. First, TMO has healthy exposure to emerging markets, including China which represents 10% of revenue. This exposure will provide opportunity for growth as health standards around the world improve. Further, TMO is well diversified into several segments, providing a buffer to sudden shifts in the market. The largest segment is consumables, offering opportunity for recurring revenue. TMO acquired PATHEON, a move into the high-growth and fragmented CDMO market. As the world population continues to age, TMO is poised to continually grow and provide value to investors. Risks include a shift in the healthcare industry from volume to value, causing pricing pressures, as well as the trade war with China.</p>
Purchased:	April 20, 2011	
Purchase Price:	\$55.69	
Inherited Price:	\$231.43	
Current Price:	\$276.49	
Analyst:	Christian Lundberg	



TPI Composites (TPIC)

Portfolio:	Socially Responsible	<p>TPI Composites is the leading manufacturer of wind turbine blades. The continuous public and private investments into renewable energy around the world will help wind power grow into a sizable market, estimated to be \$170 billion by 2024 according to Global Market Insights. Given this information, SIF analysts believe that demand for the product will rise, and TPIC is poised to benefit as the market leader. TPIC currently serves 4 of the 10 largest wind turbine manufacturers, with contracts providing \$5 billion in revenue through 2023. TPIC is continuing to expand its production capabilities in response to current demand and high growth outlook in its sector.</p>
Purchased:	April 19, 2017	
Purchase Price:	\$20.25	
Inherited Price:	\$28.22	
Current Price:	\$28.71	
Analyst:	Kase Hodgson	



Vail Resorts, Inc. (MTN)

Portfolio:	Socially Responsible	<p>Vail resorts is the world-leading operator of mountain resorts; owning more than 20 premier resorts in the US, Canada, and Australia. In addition to operating ski and summer resorts, Vail owns and operates luxury hotels and restaurants. Vail resorts pioneered the use of the network season pass, the EPIC pass, which creates one season pass for multiple resorts in the Vail portfolio. The EPIC pass was unrivaled for the last 5 years.</p>
Purchased:	December 9, 2015	
Purchase Price:	\$128.07	
Inherited Price:	\$293.81	
Current Price:	\$219.48	
Analyst:	Julie Flo Mohagen	



We sold half out holdings of Vail Resorts on September 12, 2018. We were concerned with the poor operations of the resorts, the decline in visitors, decline in quality of experience, and competition from the newly introduced ICON pass. Vail resorts was trading at above median multiples in September 2018. By selling half our position we avoided losses of \$1,203.60 (accounting for dividends) after the stock declined 40 percent from its high at the beginning of September to its low in mid-January. We keep holding a position in Vail as we believe that the stock is due for a recovery after its correction last year.

Visa Inc (V)

Portfolio: School
 Purchased: November 16, 2016
 Purchase Price: \$79.50
 Inherited Price: \$140.04
 Current Price: \$157.65
 Analyst: Calvin Grimes

Visa Inc. is a payments technology company that processes data and transactions for consumers, businesses, strategic partners, and government entities. Visa is one of the two major payment processing companies and is in a space that has strong growth opportunities. The fund invested in Visa because of its P2P services as well as telephone payment methods. The fund also believes that there are significant growth opportunities in developing markets where cash-based transactions remain the dominant form of payment.



Walmart Inc (WMT)

Portfolio: Milner
 Purchased: February 21, 2018
 Purchase Price: \$91.80
 Inherited Price: \$96.08
 Current Price: \$98.83
 Analyst: Howie Huynh

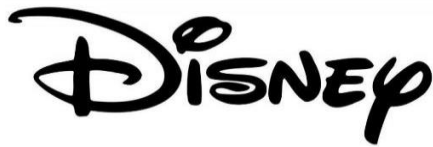
Walmart is the largest retailer in the world. The company operates Wal-Mart and Sam's Club retail stores. Wal-Mart stores offers a broad collection of low-priced products. Sam's Club is a warehouse membership club that sells food and merchandises.

We decided to hold the stock for several reasons. First, despite disruptions in the industry from Amazon, Walmart still holds approximately 20% of the retail market. With a consistent 2.2% dividend yield, the company provides a good hedging strategy against the current bullish market. Secondly, Walmart's e-commerce investment is paying off, with 40% growth in the sector in the last fiscal year. Going forward, we expect Walmart to continue expanding its online presence while maintaining its leading brick-and-mortar retail position.



Walt Disney Co (DIS)

Portfolio:	School, Milner	<p>The Walt Disney Company is a massive entertainment and media company operating a variety of segments throughout the world including television and broadcast networks, theme parks, resorts, and a movie studio.</p> <p>The initial investment in the stock was due to technical analysis around the stock momentum and strong earnings. The previous price target of \$112.00 was met, however, the fund chose to hold given the recent growth opportunities and strong financial metrics. Disney acquired 21st Century Fox for \$71B giving it a 60% stake in Hulu and additional coverage of the entertainment market. The company has decided to launch its own streaming service, competing directly with Netflix and other streaming services, which gave the stock a positive boost recently.</p>
Purchased:	February 18, 2015 October 9, 2015	
Purchase Price:	\$104.00 \$105.40	
Inherited Price:	\$112.39	
Current Price:	\$115.00	
Analyst:	Franck Rosas	



Waste Management (WM)

Portfolio:	School	<p>Waste Management is the market leading waste management company in the US. Waste Management collects, transfers, sorts and stores waste for residential, commercial and industrial customers. The company owns and operates more than 249 active solid and hazardous waste landfills in the US and Canada. Waste Management also operates 102 traditional recycling facilities, 127 landfill gas-to-energy facilities, 43 organics processing facilities, and 305 transfer facilities.</p> <p>We purchased Waste Management in February 2019 as we were attracted by the stable recurring cash flows, the market leading position in the environmental industry, the company's acquisitions contributing to streamlining existing operations, and the growth potential for the recycling industry. The waste management industry is continuing to consolidate, while recycling is growing rapidly. We believe Waste Management as a market leader with a strong balance sheet is in a great position to take advantage of these opportunities, while trading at an attractive price. Waste Management underperformed compared to the SP500 by 1.25% from the time of purchase to the close of the fund on April 5, 2019.</p>
Purchased:	February 13, 2019	
Purchase Price:	\$98.40	
Current Price:	\$102.20	
Analyst:	Julie Flo Mohagen	



Xilinx, Inc. (XLNX)

Portfolio:	School	<p>Xilinx designs programmable integrated circuits which are used for applications including machine learning and 5G wireless. Xilinx is the inventor of the FPGA, programmable SoCs, and now, the ACAP. XLNX's highly-flexible programmable silicon, enabled by a suite of advanced software and tools, drives rapid innovation across a wide span of industries and technologies, from consumer to cars to the cloud.</p>
Purchased:	February 14, 2018	
Purchase Price:	\$66.60	
Inherited Price:	\$72.42	
Current Price:	\$129.08	

Analyst: Christian Lundberg



We continued to hold XLNX on the premise that the company would continually be able to drive growth and bring value to investors. XLNX has a superior bottom-line and cash flow compared to its peers. Further, the company acquired DeePhi and partnered with Daimler, a move to develop customer AI platforms for future vehicles. XLNX is also well diversified with revenues coming from North America (30%), Asia Pacific (41%), Europe (20%) and Japan (9%). Risks include the increase in debt-to-assets and the cyclicity of the semiconductor market.

Xylem (XYL)

Portfolio: Socially Responsible
Purchased: Jan 25, 2017
Purchase Price: \$50.15
Inherited Price: \$76.16
Current Price: \$80.34
Analyst: Kase Hodgson



Xylem is a water technology company that creates products for various water uses including infrastructure, wastewater and energy resources. Additionally, Xylem helps companies with water technology solutions to ensure efficient use of water. Xylem's innovative technology helps reduce energy use and cost. With the intense destruction and flooding in the natural disasters this year, Xylem experienced strong growth and improved performance. We still believe that there are large opportunities in the water utilities sector that will benefit Xylem, including replacement of aging US infrastructure and growth in developing nations.

Presentation to Professionals

February - Axon Enterprises, Inc.

Analysts: Nikita Siddamsettiwar, Franck Rosas, Derek Leavitt, Renan Pereira, Austin Roberts, Ian VanLeeuwen, Isaac La Bleu, Howie Huynh

On February 5, 2019, the Student Investment Fund made a presentation to industry professionals. At the presentation, the team of analysts pitched a “buy” recommendation for Axon Enterprise (NYSE: AAXN). Axon is engaged in the development, manufacture, and sale of conducted electrical weapons (CEWs) for use by law enforcement, military, corrections and private security personnel, and by private individuals for personal defense. The company’s main engagement is the development of connected wearable on-officer cameras, which utilizes its cloud-based digital evidence management solution.

The investment thesis for buying Axon stock was based on four points.

- Axon reduces misconduct costs for law enforcement agencies
- The high demand for digital evidence storage and Evidence.com
- Seamless product integration and connectivity to drive upsales
- Axon as an industry leader and its ability to expand into new markets

The analysts focused on the market’s high demand for its digital evidence storage system, Evidence.com. This system provides the interconnectivity for all of Axon’s products which is what the analysts believed the market was missing. The analysts also focused on the company’s acquisitions and partnerships that will allow the company to expand into the paramedics and civilian and government drone market. The analysts predicted a target price of \$62.92 with an upside of 19% from the presentation day price of \$52.68.

March - Qualys, Inc.

Analysts: Jacob Engström, Ethan Lefavor, Cody Maass, Anna Pillman, Jacob Shanklin, Sam Sholeff, Preston Tobin

On March 5, 2018, the Student Investment Fund presented a “buy” recommendation for Qualys, Incorporated (NASDAQ: QLYS). Qualys is a cloud-based software-as-a-service (SaaS) cybersecurity platform which identifies and manages vulnerabilities in its customers’ information technology (IT) systems. Qualys offers 19 cybersecurity applications to over 12,200 customers globally with a simplified user interface for IT administrators. The investment thesis for buying Qualys, Inc. stock was based on three main points.

- Cloud-based cybersecurity companies are vying to be the first all-in-one platform. Qualys is positioned well within the cloud cybersecurity market as a budding all-in-one solution for customers.
- Qualys is the only company within the vulnerability management segment that has a strong cash balance and zero-debt position to acquire additional complementary applications to add to its existing product suite.
- By 2025, the proliferation of the Internet of Things (IoT) devices entering secure networks is estimated to be over 532 billion. This will place a greater demand on network infrastructure and therefore a need for cybersecurity products.

Qualys has a sustained competitive advantage due to its market-leading proprietary database of over 35,000 IT vulnerability data points.

April - SolarEdge

Analysts: Calvin Grimes, Kase Hodgson, Christian Lundberg, James Meacham, Julie Mohagen, Lawrence Stubbs, Braxton Young

On April 2, 2019, the Student Investment Fund made a presentation to industry professionals. At the presentation, the team of analysts pitched a “buy” recommendation for SolarEdge Technologies (NASDAQ: SEDG).

SolarEdge Technologies, Inc., together with its subsidiaries, designs, develops, and sells direct current (DC) optimized inverter systems for solar photovoltaic (PV) installations worldwide. The SolarEdge system consists of power optimizers, inverters, communication and smart energy management solutions, all controlled through a cloud based monitoring platform. SolarEdge products are used in a range of solar market segments including residential, commercial and utility scale solar installations. The company sells its products to providers of photovoltaic systems including installers, distributors, wholesalers and photovoltaic module manufacturers.

The investment thesis for buying SolarEdge stock was based on three points.

- Strong organic growth and low debt
- Battery storage potential
- Rapid industry growth across all segments of the solar industry

The analysts focused on SolarEdge's ability to optimize existing and newly installed photovoltaic systems. This process includes installing optimizers on the photovoltaic solar panel modules, shrinking the size and improving the efficiency of AC to DC electricity inverters, storing excess electricity in battery systems for use during off-peak hours, and being able to monitor and adjust the entire system from a cloud-based monitoring platform. The analysts believe the recent acquisitions of battery manufacturer Kokam Industries and Uninterrupted Power Supply (UPS) manufacturer Gamatronic Electronic Industries Ltd have been overlooked by the market. Ultimately, the analysts believe this will provide the technology and manufacturing capabilities to expand the SolarEdge product suite into a one stop shop for smart homes power by solar energy. The analysts predicted a target price of \$47.09 with an upside of 24.4% from the presentation day price of \$37.85.

Professional Attendees

Our presentations would not be possible without the participation of the many professionals who come to critique our investment theses. We thank the following professionals who participated in this year's presentations.

Evelyn Beguiristain	Goldman Sachs
Katie Cartee	Goldman Sachs
Bill Child	Koloa Landing
Flynn Dawson	Zions Bank
Mark DeWald	Freeport West
Isaac Ewaleifoh	Goldman Sachs
Jack Gertino	Wayne M. Rogers & Co.
Kevin Greer	Goldman Sachs
Ty Hansen	Sprout Financial
Connor Howard	Goldman Sachs
Miranda Jacobs	Grandeur Peak
Thor Kallerud	Wasatch Advisors
Ana Kobal	Goldman Sachs
Matt Krull	Olympus Wealth Management
Anh Le	Rondure Global Advisors
Nirvon Mahdavi	Alta Capital
Brent Maxfield	KPMG (retired)
Stacey Miller	Goldman Sachs
Hal Milner	Kensington Company
Lois Milner	Kensington Company
Brian Mccallion	Goldman Sachs
Tyler Morin	Charles Schwab
Thomas Osmond	Goldman Sachs
Natalie Pesque	Wasatch Advisors
Rich Potashner	Morgan Stanley
Beth Pratt	
Dick Pratt	Richard T. Pratt Associates
Connor Robbins	Goldman Sachs
Nate Rhees	Alta Capital
Mason Seehusen	Savage Services
Michal Shearer	DMBA
Rick Skidmore	Goldman Sachs
Steve Smith	Tower Arch
Ragnhild Stoeer	Goldman Sachs
Ramona Stromness	Richard T. Pratt Associates
Rex Thornton	D.A. Davidson
Michael Thornton	Milcreek Asset Management
Preston Williams	Grandeur Peak
Henry Wurts	Consultant

Recognition

CFA International Research Challenge

In October 2017, there were nine University of Utah students chosen and divided into two groups to represent the University in the 2018-19 CFA Institute Research Challenge. One current Student Investment Fund analyst chose to represent the Fund. The remaining team members are either undergraduate business students or students of the Masters of Science in Finance.

Team 1

Mark'Anthony Sharpe
Alex Geren
Maddie O'Farrell
Braxton Young*
Tanner Debry

Team 2

Jacky Lam
Sulaiman Alomayri
Tingwei Zhou
Xinyi Zhang

*Current SIF analyst

Each team performed detailed due diligence, analysis, and valuation on Pluralsight (NASDAQ: PS), a cloud-based learning platform. Team 1 concluded through their research that Pluralsight has a market mover advantage, and it has a superior product that would be extremely difficult to replicate. The company has a strong customer retention rate and focuses on business subscriptions. Team 1 used conservative growth assumptions coming in under management's expectations. Team 1 and concluded a buy recommendation with an upside of 28%. Through a sensitivity analysis, Team 1 found that decreasing expenses, especially sales and marketing, would cause a large increase in stock price rather than increasing revenue. This is due to Pluralsight's explosive growth. Its expenditures have increased at a higher rate than its revenue and decreasing those expenses should become a main focus for management over the next few years.

In February 2018, Team 1 advanced to the Utah final round presentation to pitch to a judging panel of local finance professionals. The final evaluation was based on the quality of the written report, analysis, investment thesis, and a presentation that included a Q&A session. Team 1 placed in the top 5 in Utah. This achievement would not have been possible without the help of the faculty advisor professor, Ms. Elizabeth Tashjian, and the industry advisor, Mr. Burton Flynn.

Speakers

Ryan Snow, a portfolio manager from Wasatch Advisors, was a guest lecturer for our class. Ryan introduced us to the mutual fund Wasatch Advisors and his job as a portfolio manager. Mr. Snow held a quiz where he gave us clues and insight relating to public companies of his choice and made us guess what company he was describing. Ryan discussed the Wasatch Way of investing and what Wasatch believes makes a good investment. It included: a strong management team and an ability to grow in the future. Mr. Snow explained that a company with a strong management team should be able to outperform its peers in both good and bad market conditions. He gave us tips for success in the fund and shared a book list. One unique bit of advice Mr. Snow had for our class was to keep an investment journal with notes on why you originally invested in a company. He believed it was good to look back at your thoughts prior to the investment and see if your initial thesis proved correct. Mr. Snow also shared an interesting strategy on how to source potential investments.

Hal Milner spoke to us at one of our last classes in April. Mr. Milner has been very involved in the Student Investment fund; he considers himself an investor rather than a donor in the program. Mr. Milner began by asking questions about what it means to be human in this age where genetic modification is becoming possible. He lectured on business ethics, its importance, his own experiences and thoughts. Mr. Milner then proceeded to take our group through various exercises where we go to decide if a manager or employee was acting in an ethical way or not. He related interesting anecdotes from his career and how he often was forced to make tough decisions. Mr. Milner emphasized perseverance in all that we do, especially something that we are passionate

about. He talked about a book he particularly enjoyed called *Evolving Ourselves* which is about how unnatural events have shaped life on earth.

What We Learned

Advice to the Incoming Fund Analysts

Dear Incoming SIF Analysts,

Congratulations on being accepted into the 2019-2020 Student Investment Fund. This program is a unique one that will teach you a great deal about equity research, help you build new friendships, test your limits, and ultimately change you for the better.

The Fund has performed well under our stewardship, through a year of dramatic swings and political uncertainty. Although we could have done a better job taking advantage of December's drop and January's boom, we learned from our mistakes and are now more capable because of it. We would like to share a few insights with you, in hopes that you will be able to maintain the Fund's market-beating tradition while making the most of this valuable experience.

#1 Put in the work

We'll be honest, this year is going to challenge you. You will need to look deep inside yourself, deeper than you have ever looked before, to find the motivation and dedication you need to be successful in this class. You may feel overwhelmed at times, but the best way to get a handle on things is to start working. Take advantage of the trading room and the friendships you will build in there during the inevitable long nights characterized by blurry computer vision and tables littered with boxes of lukewarm coffee. Don't procrastinate! Stay motivated, love what you're doing, and you'll thank yourself later.

#2 Keep an open mind

The Student Investment Fund has changed the way some of us think about finance. The Fund taught us that finance is a whole lot more than just numbers; equity research requires us to make a lot of projections based on analysis as well as educated assumptions. We learned how important it is to look at all possible angles of an industry and a company to get to know it in a way that will allow you to make those projections with confidence. Throughout the year, we learned how to develop and ask valuable questions to help us simplify complicated information and explore possibilities that we hadn't thought of before. We also learned that there is no right way to structure a recommendation; the best analysts were those who allowed themselves to think outside of the box, and answer questions that their reader hadn't even thought of yet.

#3 Be a team player

One of the best things about the Student Investment Fund is that everyone is hardworking and aims high. The hundreds of hours of group work you will do over the course of the year will be shared with other top students who are motivated and eager to do great work, making the teamwork really quite enjoyable. That said, don't be the person who lets others down; we all expect a lot from one another in this community.

In addition to the importance of teamwork, we also learned more about its complexities. As it turns out, everybody works and thinks differently, and there is more than one path to take to the final destination. Rather than let these differences turn into barriers, use them to your advantage. You are surrounded by smart and motivated students who have all different backgrounds, opinions, and ways of thinking. Share ideas with one another, teach one another, and foster the strengths of each individual to contribute to the success of the group overall. Yes, many of us are competitive in nature. But we are not competing against each other, rather we are here to support and challenge one another to be our best.

#4 Don't take it for granted

You were chosen to be here because you show potential and hold yourself to high standards. Remember that! The Student Investment Fund is one of (if not *the*) most valuable experiences our school has to offer, and you are one

of the select few chosen to participate. Take this opportunity to push your limits, make connections, and produce stand-out work. We promise you won't regret it.

Best of luck to you,

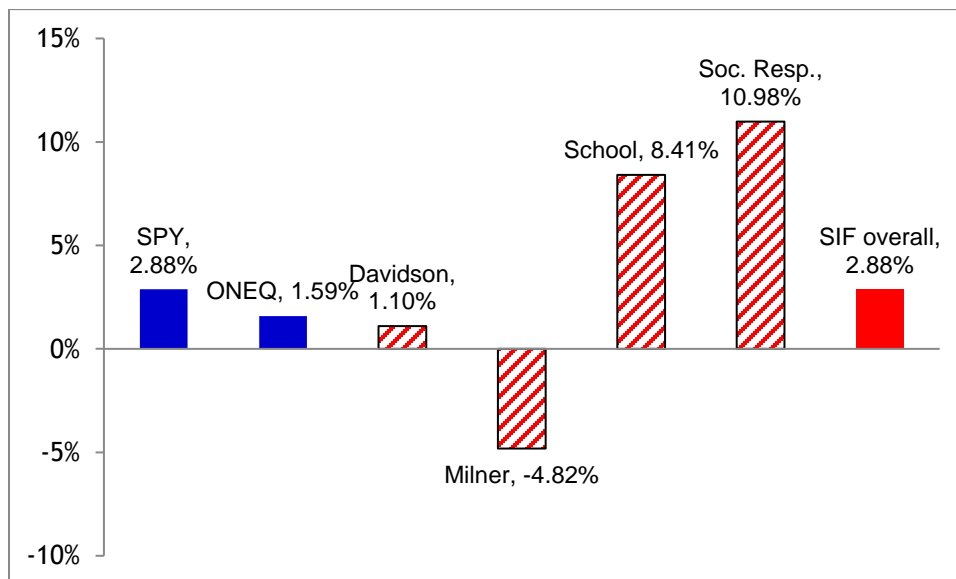
The Student Investment Fund 2018-2019

Performance Update (August 16, 2019)

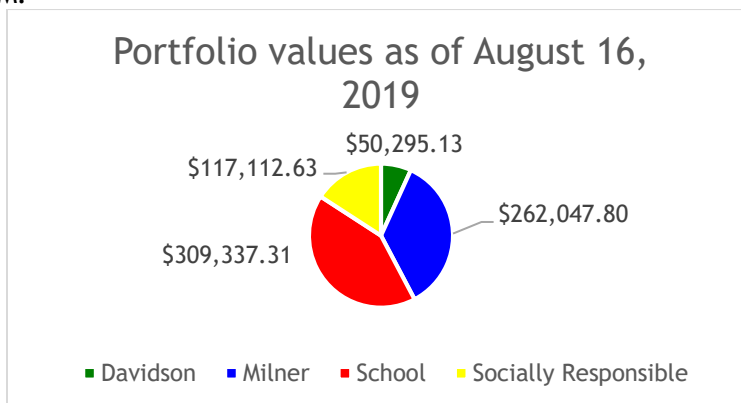
Performance Summary

Although the market is at about the same level as it was on April 5, 2019, the date on which the earlier portion of this report was written, volatility over the summer has been relatively high. New tariffs for Chinese goods, a lack of progress on an orderly Brexit, signs of a possible recession in Europe, and an inverted yield curve pushed down stock prices, while the first cut in the Fed Funds rate since the Great Recession in 2008 buoyed the market. The 30-year Treasury rate fell below 2% briefly for the first time. Over the summer, the SIF portfolio ranged from a low of \$712,851 on June 3 to a high of \$791,054 on July 24. The portfolio has fallen by almost 7% in the last few weeks. In just 23 days, six stocks in the Milner portfolio lost over 20%: ALGN was down 36% after reducing guidance in the critical Asian market, CGC fell 21% following disappointing earnings, OAS declined 35% after announcing it was expanding operations despite a weak oil market, PS lost 48% on concerns that sales numbers may have been manipulated which has led to a number of shareholder lawsuits, PTC declined by 29% after announcing challenges in converting to a subscriber model, and TREE was down 29% after missing earnings.

We benchmark our portfolio against broad-based indexes in which we could invest. Specifically, we use SPDR S&P 500 ETF (ticker SPY) with dividends reinvested to capture an investment in the S&P 500 and the Fidelity NASDAQ Composite Index Tracking Fund (ONEQ) with dividends reinvested to capture an investment in the NASDAQ index. Our reported portfolio-level results are after trading costs, fees, and taxes on some foreign dividends. Thus, our costs exceed the costs associated with our benchmarks. However, our reporting reflects the fact that the cost of active investing exceeds the cost of a passive buy-and-hold approach. Overall, the Student Investment Fund returned 2.88%, which matched the return on our S&P 500 proxy and exceeded the return on the NASDAQ proxy, which returned only 1.59%. Two of the four portfolios outperformed the indexes.



On September 1, 2018, D.A. Davidson withdrew just over \$11,000 to reset that Davidson portfolio back to \$50,000. We liquidated a number of stocks in the Davidson portfolio at the beginning of the academic year to cover the withdrawals. We received over \$42,000 in profit sharing gifts, which was added to the school fund in December. We invested those funds over the spring semester. The total Fund had assets under management (AUM) of \$738,792.87 as of August 16, 2019. At the start of the academic year, the School portfolio made up about 35% of our AUM. Between the new investment and the stronger performance, the School portfolio now comprises about 42% of AUM.



Our new investments continued to perform well over the summer, with 12 of 17 new investments outperforming an investment in the market since we purchased the stocks.

Company	Date Purchased	Purchase Price	Sale Price	Current Price	Dividends	# Shares	\$ Invested	Gain/Loss	Excess performance
Milner									
Pluralsight	14-Nov-18	20.10		15.69		500	10,050.00	(2,205.00)	-30.36%
Costco	16-Nov-18	229.25		274.10	1.22	45	10,316.25	2,073.15	13.07%
PTC	16-Nov-18	88.40		65.38		50	4,420.00	(1,151.00)	-33.06%
Molson Coors	7-Dec-18	64.70		51.88	0.82	75	4,852.50	(900.00)	-29.69%
Encompass Health	11-Apr-19	60.70		61.99	0.27	80	4,856.00	124.80	1.85%
School									
Ormat	13-Feb-19	56.60		73.22	0.11	50	2,830.00	836.50	23.55%
Waste Management	13-Feb-19	98.40		119.12	1.02	25	2,460.00	543.62	16.09%
Service Corp Intl	20-Feb-19	42.60		48.03	0.54	100	4,260.00	597.00	9.31%
CONMED	20-Mar-19	79.50		95.02	0.40	80	6,360.00	1,273.60	16.49%
Qualyx	20-Mar-19	83.89		84.30		120	10,066.20	49.80	-3.04%
CONMED	22-Mar-19	80.30	81.14			80	6,424.00	67.20	1.12%
Sun Communities	25-Mar-19	118.00		146.03	1.50	40	4,720.00	1,181.20	20.55%
SolarEdge	10-Apr-19	40.70		83.80		220	8,954.00	9,482.00	105.21%
Kinder Morgan	15-Apr-19	19.75		20.13	0.50	500	9,875.00	440.00	4.35%
Socially Responsible									
Freshpet	28-Nov-18	32.25		41.16		300	9,675.00	2,673.00	20.94%
Axon	13-Feb-19	53.45		59.22		80	4,276.00	461.60	4.79%
DexCom	11-Apr-19	117.50		163.68		40	4,700.00	1,847.20	38.58%

Altogether, the capital gains plus dividends exceeded our investment by about 16%.

We liquidated all or part of nine positions over the year. In one case, we received cash in an acquisition. Overall, our sell decisions proved to be good. We avoided losses of \$1,068.39 we would have faced by holding onto these positions. Another way to evaluate our sell decisions is to compute what we would have made in capital gains and dividends had we held and compare that to what we would have made by investing the sale proceeds in the S&P index. Had we continued to hold six of the eight positions we sold, we would have underperformed the market. Plantronics lost nearly 60% of its value after we sold; unfortunately, we trimmed our position rather than selling the whole amount.

Company	Date Sold	Sale Price	# shares	\$ Proceeds	Current price*	Dividends forgone	Loss avoided	Excess performance
Davidson								
GoPro	29-Aug-18	6.25	150	937.67	4.01		336.17	36.81%
Royal Caribbean Cr.	29-Aug-18	124.20	25	3,105.03	105.18	2.80	405.53	14.02%
LGI Homes	29-Aug-18	58.06	100	5,805.77	75.18		(1,712.23)	-28.53%
Plantronics	29-Aug-18	67.48	50	3,373.78	27.36	0.45	1,983.28	59.74%
Milner								
Tata Motors	17-Oct-18	12.12	91	1,102.92	8.56		323.96	33.83%
School								
Acuity Brands	19-Oct-18	124.35	8	994.80	123.99	0.39	(0.24)	6.02%
CONMED	25-Mar-19	81.14	80	6,491.20	95.02	0.20	(1,126.40)	-13.32%
Socially Responsible								
Vail Resorts	12-Sep-18	293.22	17	4,984.74	236.27	6.46	858.33	19.00%
Mindbody	13-Feb-19	36.50	85	3,102.50			cash acquisition	

Our results for the positions by inherited and held were slightly less favorable.

Ticker	Company	Inherited price	Current Price	Dividends	# shares	Gain (loss)	Current Value	Excess performance
Davidson								
AER	AerCap	57.05	52.11		60	(296.40)	3,126.60	-11.43%
AZUL	Azul	17.72	37.64		75	1,494.00	2,823.00	109.64%
CERN	Cerner	65.72	70.65	0.18	100	511.00	7,065.00	5.01%
FDX	FedEx	251.11	156.00	2.60	20	(1,850.20)	3,120.00	-39.61%
ICLR	ICON	143.94	157.17		33	436.59	5,186.61	6.42%
LGIH	LGI Homes	58.63	75.18		150	2,482.50	11,277.00	25.46%
OAS	Oasis Petroleum	12.42	3.04		175	(1,641.50)	532.00	-78.29%
PLT	Plantronics	67.25	27.36	0.60	50	(1,964.50)	1,368.00	-61.19%
PYPL	PayPal	86.22	106.16		100	1,994.00	10,616.00	20.36%
RCL	Royal Caribbean Cr. C	118.50	105.18	2.80	25	(263.00)	2,629.50	-11.65%
Milner								
ADBE	Adobe	251.50	287.45		26	934.70	7,473.70	11.52%
ALGN	Align Technologies	355.89	177.29		75	(13,395.00)	13,296.75	-52.95%
AMZN	Amazon	1883.42	1792.57		2	(181.70)	3,585.14	-7.59%
ATVI	Activision Blizzard	69.66	46.66	0.37	100	(2,263.00)	4,666.00	-35.26%
CERN	Cerner	65.72	70.65	0.18	110	562.10	7,771.50	5.01%
CGC	Canopy Growth	38.67	28.11		200	(2,112.00)	5,622.00	-30.08%
CRM	salesforce.com	145.53	143.89		50	(82.00)	7,194.50	-3.90%
DEO	Diageo	142.11	167.69	3.45	100	2,902.52	16,769.00	17.65%
DIS	Walt Disney	112.39	135.20	1.76	50	1,228.50	6,760.00	19.09%
GRUB	Grubhub	133.11	59.94		100	(7,317.00)	5,994.00	-57.74%
ICLR	ICON	143.94	157.17		220	2,910.60	34,577.40	6.42%
INTU	Inuit	209.01	270.96	1.88	75	4,787.25	20,322.00	27.77%
LYB	LyondellBasell	114.94	74.25	4.05	30	(1,099.20)	2,227.50	-34.65%
MU	Micron	49.94	43.55		50	(319.50)	2,177.50	-15.57%
NEE	NextEra Energy	172.63	217.53	3.61	10	485.10	2,175.30	25.33%
NFLX	Netflix	338.02	302.80		31	(1,091.82)	9,386.80	-13.19%
NVDA	Nvidia	253.32	159.56	0.63	60	(5,587.80)	9,573.60	-39.53%
NXST	Nextstar Media	81.40	94.02	1.87	50	724.60	4,701.00	15.03%
OAS	Oasis Petroleum	12.42	3.04		75	(703.50)	228.00	-78.29%
PAYC	Paycom	144.05	241.42		65	6,329.05	15,692.30	64.82%
PYPL	PayPal	86.22	106.16		100	1,994.00	10,616.00	20.36%
QQQ	QQQ Trust	180.36	185.48	1.49	50	330.50	9,274.00	0.89%
SIVB	SVB Financial	328.73	191.71		25	(3,425.50)	4,792.75	-44.45%
TREE	LendingTree	233.50	295.79		50	3,114.50	14,789.50	23.91%
WMT	Walmart	96.08	112.99	2.10	30	570.30	3,389.70	17.02%
School								
AJRD	Aerojet Rocketdyne	36.62	49.30		300	3,804.00	14,790.00	31.86%
AMD	Advanced Micro Dev	20.40	31.18		400	4,312.00	12,472.00	50.07%
AMN	AMN Healthcare	58.30	56.09		240	(530.40)	13,461.60	-6.56%
AMZN	Amazon	1883.42	1792.57		8	(726.80)	14,340.56	-7.59%

AVAV	AeroVironment	86.18	52.52		75	(2,524.50)	3,939.00	-41.83%
BA	Boeing	353.77	330.45	7.53	55	(868.44)	18,174.75	-7.23%
BWXT	BWX Technologies	64.46	56.07	0.66	125	(966.25)	7,008.75	-14.76%
CMCSA	Comcast	35.74	43.18	0.80	150	1,236.00	6,477.00	20.29%
CONE	CyrusOne	67.39	69.99	1.84	37	164.28	2,589.63	3.82%
DAL	Delta Air Lines	57.60	58.04	1.45	175	331.19	10,157.00	0.52%
DECK	Deckers Outdoor	118.75	134.29		65	1,010.10	8,728.85	10.32%
DIS	Walt Disney	112.39	135.20	1.76	50	1,228.50	6,760.00	19.09%
EDU	New Oriental Education	79.05	104.60		100	2,555.00	10,460.00	29.55%
FDX	FedEx	251.11	156.00	2.60	20	(1,850.20)	3,120.00	-39.61%
GILD	Gilead	73.32	63.14	2.40	75	(583.50)	4,735.50	-13.38%
IAC	IAC/InterActive	189.24	249.17		40	2,397.20	9,966.80	28.90%
INST	Instructure	37.45	41.83		300	1,314.00	12,549.00	8.93%
LAZ	Lazard	48.63	33.12	1.85	100	(1,366.00)	3,312.00	-30.86%
LULU	Lululemon Athletica	135.61	177.83		15	633.30	2,667.45	28.36%
MDXG	MiMedx	3.89	5.03		350	399.00	1,760.50	26.54%
MSFT	Microsoft	105.98	136.13	1.80	100	3,195.00	13,613.00	27.38%
PYPL	PayPal	86.22	106.16		135	2,691.90	14,331.60	20.36%
RACE	Ferrari	126.33	155.83	0.98	41	1,249.60	6,389.03	21.36%
SIVB	SVB Financial	328.73	191.71		50	(6,851.00)	9,585.50	-44.45%
SKYW	SkyWest	64.25	55.63	0.44	50	(409.00)	2,781.50	-15.50%
TMUS	T-Mobile US	66.51	77.75		40	449.60	3,110.00	14.13%
V	Visa	140.04	178.23	0.96	65	2,544.75	11,584.95	25.19%
XLNX	Xilinx	72.42	105.46	1.45	150	5,173.50	15,819.00	44.85%
Socially Responsible								
AAPL	Apple	215.04	206.50	3.00	30	(166.20)	6,195.00	-5.35%
AMT	American Tower	149.28	222.93	3.45	70	5,397.00	15,605.10	48.88%
CALM	Cal-Maine Foods	50.00	43.06	0.86	70	(425.81)	3,014.20	-14.94%
ERII	Energy Recovery	9.16	8.82		500	(170.00)	4,410.00	-6.48%
EW	Edwards Lifesciences	140.40	219.34		53	4,183.82	11,625.02	53.45%
GNTX	Gentex	24.85	26.43	0.45	200	406.00	5,286.00	5.40%
KR	Kroger	31.36	22.66	0.56	200	(1,628.00)	4,532.00	-28.73%
MTN	Vail Resorts	293.81	236.27	6.46	18	(919.44)	4,252.86	-20.16%
TDOC	Teladoc Health	74.85	60.43		125	(1,802.50)	7,553.75	-22.04%
TMO	Thermo Fisher Sci.	231.43	276.15	0.72	55	2,499.20	15,188.25	16.86%
TPIC	TPI Composites	28.22	17.69		100	(1,053.00)	1,769.00	-40.08%
XYL	Xylem	76.16	76.57	0.90	175	229.25	13,399.75	-1.05%

In terms of returns on the stocks we inherited and held, our top three performers were Azul (112%), Paycom (68%), and Edwards Lifesciences (56%). Our three worst performers were Oasis Petroleum (-75%), Plantronics (-58%), and Grubhub (-55%). Grubhub was one of our largest winners last year. In total dollars, we were up over \$5,000 in American Towers and Xilinx and over \$6,000 in Paycom. We lost more than \$13,000 in Align Technologies, over \$7,000 in Grubhub, and nearly \$7,000 on SVB Financial. Slightly more than half of our inherited stocks (40 of 75) out-performed the market. However, our weights in some of the losers were considerably higher than weights in some of our winners. While the performance in the inherited-and-held stocks was positive, it lagged the market by a few basis points.

Turnover this year was exceptionally low, at 4.3%. Overall, the class made excellent investment decisions when buying or selling stocks. We ended the year with 83 names in our portfolio. It can be challenging for 23 students to follow that many companies closely while continuing to investigate new potential investments and while managing life's competing demands.