Stevens Student Managed Investment Fund

Information Session

10/8/2019

Heads of Fund
David Baldyga, Tamer Asfar, Shrav Kumar
Greg Giordano
Faculty Advisor
Professor Jonathan Kaufman

Introduction

Mission and operations

- The Stevens Student Managed Investment Fund ("SSMIF") was established to combine traditional academic objectives with the practical demands of **hands-on investment management**
- Our mission is to enhance students' academic pursuits by offering exposure to investment research and analysis, portfolio management and strategy, and group decision making
- We do this by managing a long-only equity fund using a portion of the Stevens' endowment
- The fund is **student-run** with the help of our faculty advisor, Dr. Jonathan Kaufman
  - Dr. Kaufman has a wealth of industry experience in banking and finance and has run his own hedge fund since 2004
- The fund—in conjunction with the Quantitative Finance program—was featured in a *Forbes* article: Turnaround University: Quant School on the Hudson
- In 2018, the SSMIF went on CNBC to compete with stars like Kevin O'Leary in an investment challenge - "The CNBC 2018 Stock Draft"
  - Finished 3rd in the competition
- Last semester, Steve Forbes visited the Fund and sat in on a stock Pitch presented by students in the fund

Class Structure

- The class is a two-semester long course
- Students must apply and interview for a role in the equity side of the fund or the quantitative side—the process is as follows:

Applicant Screening	Interested students submit a resume and cover letter
Interview Selection	Those that pass the initial screening are selected for interviews
Interview Process	Behavioral and technical interview tailored towards which side of the fund you applied to
Candidate Selection	The most qualified candidates are allowed entry into the fund and sign up for the course through the registrar

- In the first semester, junior analysts undergo new analyst training and learn how the fund operates
- In their second semester, analysts have the opportunity to take on a larger role or a management position

Roles within the fund

Equity Research Analysts

- Assigned a partner and sector to cover throughout the semester
- Undergo training and orientation in order to develop valuation and modelling skills
    - This includes comparable company analysis and discounted cash flow analysis
- Make scheduled pitches to the fund, then the portfolio managers vote on whether to invest
- The pitch process:
    - Conduct quantitative screening to find stocks with competitive multiples
    - Study industry tailwinds and headwinds, and company specific trends to find companies with strong potential upside catalysts
    - Find a stock to pitch based on the screening process and develop pitch for senior management

Roles within the fund

Quantitative Analysts

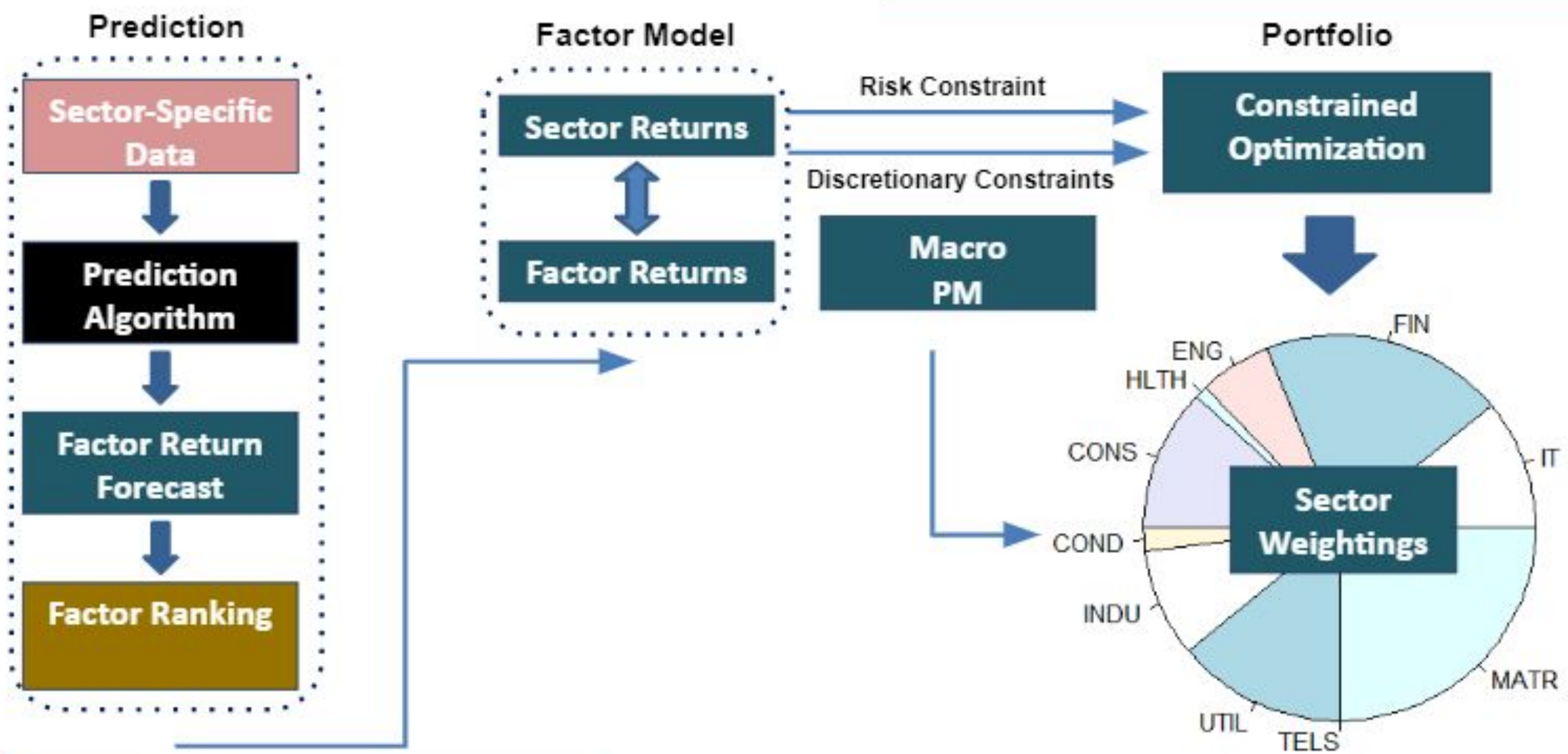
Risk Analysts

- Collaborate on managing and monitoring portfolio risk
- Develop and maintain an equity risk screen
  - Uses quantitative methods to filter stocks that fit our portfolio
  - Built out through a flask environment
  - Utilize Python and R with a recent shift towards a more python-oriented fund
- Research topics that interest you

Asset Allocation Analysts

- Research and implement asset allocation and portfolio optimization routines
  - Incorporate inputs from Macroeconomic PMs and investment policy constraints with historical data, machine learning predictions, and minimum variance optimization
  - R is the primary programming language
  - Topics covered:
    - Nonlinear and constrained optimization
    - Machine learning techniques
    - Macroeconomic estimations
    - Data science
    - Web development

Multi-Factor Model



Career Outcomes

- As mentioned, students in the SSMIF develop robust skill sets in equity research, valuation and financial modelling, and quantitative and risk management
- Current and former members of the fund have leveraged these skills and earned front-office roles at premier Wall Street firms

Goldman Sachs | Deutsche Bank | EY | citi | Credit Suisse

Scotiabank | J.P.Morgan | MIZUHO | BNY MELLON

Who Can Apply?

- We accept applications from **all majors**

- For equity, typically students who have taken (or are taking) BT-321 or have prior financial experience

- For quant, typically students with a strong background in either mathematics, computer science, or other quantitative discipline

- Usually do not accept freshmen, but we still recommend that you apply because it will give you experience as to how our interview process works and the more times you apply the better it looks

Next Steps

- We are now **accepting** applications for the Spring 2020 - Fall 2020

- To apply for the equity side or QIS side of the fund, you must email the Head of SSMIF - David Baldyga a copy of your resume and cover letter
    - dbaldyga@stevens.edu

- Be sure to indicate which side of the fund you are applying to in the body of the email(Equity, Quantitative Investment Solutions, or both)

- Brandon Griffin has sent this out in an email and will send a reminder as time gets closer

Important Dates

October 3, 2019

- Applications are now open

October 18, 2019

- Applications are closed (at midnight)

October 21, 2019

- Senior Management will inform you if you have been selected for an interview

October 30 - November 1,2019 (Wednesday-Friday)

- Will be conducting our interviews on these dates

November 3, 2019

- Will release our final decisions (before registration for classes)

Questions?

Portfolio Managers

- David Baldyga ’20
  - Head of Fund
  - Operations Portfolio Manager
  - dbaldyga@stevens.edu

- Shrav Kumar ’21
  - Head of Performance
  - skumar19@stevens.edu

- Tamer Asfar ’21
  - Head of Macroeconomic Strategy
  - tasfar@stevens.edu

- Greg Giordano ’21
  - Head of Quantitative Investment Solutions
  - ggiorda1@stevens.edu