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HIGHLIGHTS

Owing to a combination of performance and donations, the Student-Managed Investment Fund (SMIF) surpassed $1,000,000 in invested funds during the 2014-15 academic year. During the prior year, the SMIF gained about 3% more than the S&P 500 index. The fund has returned about 50% since the start of 2013, which is about 1.5% greater than the S&P 500 over the same period. With a beta close to 1, the SMIF performed slightly better than the market.

The SMIF was honored to receive two donations during the first half of 2015. Dick and Peggy Railsback gave 300 shares of Duke Energy. Scott Doores gave $25,000. Both donations boosted the value of the SMIF to over $1,000,000.

On April 22, 2015 the portfolio managers presented to the Panhandle Bankers Association in conjunction with the Federal Reserve Bank of Dallas.

The five stock buys are a mix of stocks that have potential growth and no intersection with the stock holdings of the ETFs. The five stocks cover five different sectors.

• AON (AON) – Financial services
• Domtar (UFS) – Basic materials
• Lithia Motors (LAD) – Consumer discretionary
• Micron (MU) – Technology
• Southwestern Energy (SWN) – Energy

The ETFs cover the breadth of the market. The SMIF has exposure to all twelve Morningstar sectors. Compared with the S&P 500, the SMIF is slightly more cyclical but within 2% of the S&P 500 index in almost all sectors. The most significant overweight is in utilities, which is because of the donation of Duke Energy to the fund. The most significant underweight is health care.

In order to practice the value of adding positive alpha stocks to the portfolio, the students choose new stocks each year as part of the class. Because each student is different, the choices vary dramatically and have allowed us to capture some additional gains. For example, Wendy’s and Dollar General have outperformed but Ford has underperformed.

For the 2015-16 year, the students decided to sell six stocks because they had reached their valuation. The six stocks are: Altera, CA, EMC, Ford, Wendy’s, and Xcel.

The fund is a blend with about 55% in growth and 45% in value. The majority is in large-cap stocks, with about 25%-30% is in large-cap growth and another 25%-30% is in large-cap value. The fund maintains over 90% invested in the ETFs, of which 5% of the portfolio is in international ETFs. The largest sector weights are information technology (18%), consumer discretionary (13%), financials (13%), and industrials (10%).

During 2013, the portfolio managers decided to modernize the management of the portfolio. The students chose a diverse set of ETFs to provide a base level of asset allocation. As theory indicates, the risk is divided amongst a much wider group of stocks, damping swings in value. Furthermore, the ETFs help the fund maintain low transaction costs. Luckily, the upward trend of the market has allowed the returns to stay with or slightly above the market.

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Unemployment is the rate of people who are looking for a job, but cannot get hired. When unemployment is high, it affects the economy in a way that people are not willing to spend since they have no income to spend. For the most part, people rather save the little they have instead of spending it. This adversely affects the economy. The current unemployment rate is sitting at 5.5 percent, which has decreased since January at 5.7 percent. This means about 8.6 million persons are unemployed. Retail trade, construction, health care, financial activities, and manufacturing were all job gains that have come up. As good as this may sound, these are low age jobs, which is not positive news. Low wage jobs are negative towards the economy. “They drive a race to the bottom as people pull back, forcing more layoffs and wage cuts.” (ourfutre.org) Also included in the rate is long-term unemployment, which is anybody who has not been employed for 27 week or more. Long-term unemployed takes up 29.8 percent or 2.6 million people. Within the past year, long-term rate has decreased by 1.1 million. This is a positive change considering that the number at the beginning of the year was 828,000. We also have discouraged workers. These are people who are not currently looking for work because they do not believe there are jobs for them. It is very difficult to get the discouraged workers back on the job market. They have their minds set to not having a job simply because they do not believe there is a job out there for them. In March, there were 738,000 discouraged workers. There are 6.7 million part time workers. Most of the part time workers have had to settle for part time since full time was not available at the time. They do not want to work part time, their goal was to be a full time employee. As far as ethnicity or gender takes up most of the unemployment rate, teens are at 17.5 percent, adult men are 5.3 percent, adult women 4.9 percent, Whites 4.7 percent, Blacks 10.1 percent, Asians 3.2 percent, and Hispanics are at 6.8 percent. Figure 1, shows us what the unemployment has been for the past 6 years and some of 2015. With this graph, we are able to see how the recession affected the economy. In Figure 2, we are also able to see the big jump we had with the unemployment rate from 2008 to 2010 and continues into 2011 because of the recession. After 2011, it begins to decrease slowly to a current rate of 5.5 percent. The rate was close to hit our highest of 10.80, which was in 1982. March had a great month of job growth in different and various industries. Employment in professional and business services provided more jobs in March, which was up to 40,000 jobs. Agriculture and engineering had over 4,000 jobs open. Computer systems design and related services also provided over 4,000 jobs, and management & technical consulting services had over 4,000 job openings as well. Health care had an increase of over 22,000 jobs and has added 363,000 job opportunities over the year. Over 19,000 job openings were offered in ambulatory health care services and 8,000 in hospitals. Unfortunately, in the nursing care facilities, there has been a loss of 6,000 jobs. In retail trade, over 26,000 jobs were offered and within retail, 11,000 jobs opened for general merchandise services. Food services and drinking places increased job opportunities by over 9,000. In the professional and business services industry, there has been a job growth in the first quarter of this year that averaged 34,000 jobs per month. There are a few reasons as to why the unemployment rate has decreased as much as it has. For simple reasons as people are getting job, they are actually putting an effort to find a job, and people getting out of the labor force. 16.2 million people have come out of the labor force in the past 10 years. Luckily the number of people coming out of the labor force into unemployment has been at it’s lowest since 2008. This has helped keep the unemployment rate low. Unemployment and GDP rates are both tied in the sense that they can calculate how the economy is doing for any country. One of the factors that can help or worsen the unemployment rate is the GDP. When GDP decreases, you will usually see a decrease in the employment rate, but it doesn’t necessarily mean that unemployment will always be affected by the increase or decrease in the GDP rate. GDP doesn’t always depend on the unemployment rate and the unemployment rate doesn’t always depend on the GDP. There are other things that factor into the decrease or increase of the unemployment rate, some being what I have mentioned previously. In the past year, employment has grown on an average of 269,000/month. The U.S unemployment rate is at a good rate and continues to decrease. It has done nothing but decrease since the recession.
One of the types of variables that a firm has no control over are macroeconomic variables. Specifically, one firm has no control over a Gross Domestic Product of a country. Gross Domestic Product of a country is captures the monetary value of a county’s finished goods and services within a certain period of time, usually annually.

For the last 10 years, the world’s trend closely follows one of the biggest economies in the world – the U.S. In 2009, a slightly softer dip happened with the world’s GDP (-2.1%), while the U.S. GDP dipped to -2.8%.

The growth rate in the US has been anywhere from 1.6% in 2011 to 2.2% in 2013. The Economist projects a 3.2% GDP growth for the North America (http://www.economist.com/blogs/graphicdetail/2015/01/daily-chart).

Currently (as of 03-01-2015), the US’s GDP is $17,569,861,000,000.00. GDP accounts for 90% of the total national debt. GDP per capita equals $53,042.00 (http://data.worldbank.org/indicator/NY.GDP.PCAP.CD/countries/US?display=graph).

The contributors of the increase in 2014 were consumer spending on both services and goods, business investment (in equipment), exports of goods (industrial supplies and materials). Federal government spending decreased, while the US imports increased, which offsets the above increases (http://www.bea.gov/newsreleases/glance.htm).

49 states recorded an increase of real GDP in 2013. Leading industry contributors were real estate and leasing; nondurable-goods manufacturing; and agriculture, forestry, fishing, and hunting (http://www.bea.gov/newsreleases/glance.htm).

China’s GDP has slowed down to 7.7% in 2014. It leads to an increase GDP in the US, based on the World Bank’s estimates, since the price of imported shipments decline. (http://www.wsj.com/articles/china-gdp-growth-is-slowest-in-24-years-1421719453) The World Bank estimates an economic growth of 3.2% instead of 3.0% for the Unites States in 2015, because of China.

Source: World Bank
Private Domestic Investment is strongly correlated with corporate profits. Using data from the FRED database and the US Census Bureau, we ran a regression analysis that produced an $R^2$ of 0.60 indicating that 60% of the variation in private investment can be explained by changes in corporate profits. Because private investment in fixed assets, structures, equipment, and software would be financed by these profits, declining corporate profits should lead to lower levels of private investment due to a reduced level of available capital, and also uncertainty regarding future profits which would deter investment.

Shown in the graph below, gross private domestic investment is made up of three primary components, nonresidential, residential, and change in private inventories with the former two making up most of gross private domestic investment. Private investment took a dip during the recession of the early 2000s as well as the most recent Great Recession. However, nonresidential investment declined in the first recession while residential investment continued to grow, and in the second recession both residential and nonresidential declined but residential began to decline sooner and did so over a longer time period. The cause behind the decrease of nonresidential private investment in the first recession was primarily a decrease in investment in equipment and software. In the most recent recession, nonresidential private investment didn’t fall until 2009 but when it did it fell by roughly 18% while residential private investment fell over 50% from 2006 to 2009 declining from $762 billion in 2006 to $352 billion in 2009. These declines are primarily the result of the housing bust and the ensuing recession which stifled corporate profits and by extension private investment.

Government expenditures have shown a large percentage increase during the last two recessions that coincides with decreases in gross private domestic investment. This correlation would support a Keynesian view that governments should increase expenditures during recessions in order to make up for declines in private investment and mitigate the damage of potential recessions.

Source: St. Louis Fed FRED Database
Short-term: The Consumer Price Index (CPI) for November reading was 1.3% lower than expected. The CPI which was at 1.8% in October ticked down in November to 1.7% but the CPI has been relatively stable since August 2014.

Measures of short-term inflation are mixed. According to the university of Michigan’s survey the measures has been declining since July though it increased in December though it increased slightly in December. The one year inflation has also been declining. UM Survey respondents said in December that they expect inflation in 12 months to be 2.9, which is up from the previous reading of 2.8%, the lowest year-ahead inflation rate expected from the UM survey respondents since 2010.

Long-Term: Expected inflation over the next 5 to 10 year looks much more stable than short term inflation. In November, UM survey for inflation over the 5 to 10 years expectation fell to 2.6% the lowest since March of 2009, in December it rebounded to 2.9% which is approximately equal to the average rate from the last three years.

Market Based Measure: Market based measures of inflation is how investors view prospects for future inflation. Two such measures are break-even inflation rates and inflation swap rate. Market-based measures of inflation expectations are experiencing a much sharper decline than the survey based measures. The downward trend began at the end of July and has continued through December. In the first half of the 10-year break even rate was in the range of 2.1% to 2.3% and in the last two months it has remained below 2%. The 10-year swap rate for the first half of the year was in the range of 2.4% to 2.7% and as the breakeven rate this has remained well below this range and continues to fall. At the end of Dec. 2014 the 10-year break-even rate was 1.7% and the 10-year inflation was at 2.0%.
Demographics

Demographics play a critical part of the macroeconomic analysis. The main concern in the United States in terms of demographics is the baby boomer generation. When World War II ended so did the depression and the economy was booming. With the economy doing well families began having a big number of babies. This big generation has been moving through the different life stages at the same time and the economy has catering to the needs of the baby boomer generation. Now the baby boomers are starting to reach the age of retirement with the oldest being the age of 69. With the baby boomer generation approaching retirement comes many new demands for products and services. IBIS World explains that the baby boomers are the largest consumer of healthcare in the United States, and will continue to demand a growing number of in home care services. In five years there will be 54.2 million people 65 or older in the United States, which will increase the demand for healthcare products and services that serve the elderly.

Healthcare firms are already starting to see demands from the aging demographics. The average medical expenses incurred by people 65 and over are just under $10,000 a year. That is more than $3,000 more a year than people who are 45 to 64. Older people need more medical care, and with the baby boomer generation approaching retirement the demand is going to grow dramatically. The types of services that will see the most growth are companies that tend to cater to in-home healthcare. Many of the baby boomers do not want to go to a nursing home. Most of retirees want to still live at home, and have medical services come to them. This style of medical care is becoming increasingly popular and is expected to grow.

On top of the increase in people nearing retirement, the life expectancy is increasing. In 2001 the life expectancy was 76.5 and now in 2014 is 78.5. There will not only be an increase in people demanding healthcare but also an increase in the time the person will need the healthcare. Health care companies will have to prepare for more people and expect the person to live longer. With both of the factors increasing the demand for health care services the growth for the healthcare industry in potentially very strong.

Also with the aging demographics, there is an increase in demand for leisure activities. With many of the baby boomers nearing retirement, a majority of the population will begin to have more time. A survey conducted by Statista revealed that many of the baby boomers what to spend more time doing activities they did growing up. Reading books, playing in the park, and many other leisure activities popular in the 1970s and 1980s are predicted to grow in the coming years as well.
A strong economy has a strong currency. The US/Euro rate is $1.13. Japan/US rate is 118.08. Mexico/US is $14.78. China/US rate $6.299. Oil prices being at a low price means that the strength of the U.S dollar is strong. Oil and the exchange rate have a high correlation weighted between each other. When the oil prices are down, the U.S. dollar becomes stronger. On the other hand with oil prices rising, this will make the dollar weaker. The U.S. dollar is stronger against the other currencies. The graph above shows the strength of the dollar to the euro. Since the euro is at its lowest in several years, many American’s are taking advantage of traveling to Europe at low prices and saving money on vacations or trips.

When the economy is facing periods of high economic turbulences, the economy can expect to see higher levels of volatility occurring. Slower growth and economic situations abroad are causing other countries difficulties in trading. Exporters to the U.S. are seeing growth while U.S. exporters are experiencing sluggish revenue.

Source: St. Louis Fed FRED Database
The distribution of household income in the U.S has been more unequal during the post-2008 economic recovery. The income distribution in the U.S. is highly accumulated toward the top, with the top 10% earning more than half of country’s total income, and the top 1% of household received 22.46 percent of all pre-tax income in 2012. This is based on the difference in experienced growth of income among different quintiles of household. According to the Bureau of Labor Statistic’s Consumer Expenditure Survey, there were an increase in nominal income of about $7,100 for the highest income quintile in the U.S, while the lowest income quintile witnessed a decline of approximately $360 from 2007 to 2012. This results in more than 80 percent of the increase in household income accounted by the top 20 percent of earners between 2008 and 2012. Therefore, the share of income earned by the top-income household went up sharply when the share accounted by the bottom-income household reduced.

The other indicators of income inequality which should be closely watched is the Gini index. The Gini index, ranging between 0 and 1 as the distribution of income becomes more dispersed, is equal to half the relative mean income difference. The Gini index indicates the increase in income inequality during the entire period from 1967 to 2012. Using the Census Bureau data, the Gini index increased from 0.40 in 1967 to 0.48 in 2011, meaning that the difference in income between household was 80 percent on average in 1967, while the figure is 96 percent in 2011.

In order to understand the causes of income inequality, it is better to know what includes in household income. Household income usually includes labor income, which is consisted of wages, salaries and other work-related compensation, and capital income, which includes interest, dividends and other investment returns. During the last three decades, labor’s share of total income has decreased in favor of capital income. According to Bureau of Economic Analysis, Bureau of Labor Statistics, and CBO, there were a significant drop of 3 to 8 percentage points in labor’s share of total income since the early 1980s and the trend would continue accelerating until recently. The decline in labor income share of total income would negatively affect the income inequality. The distribution of labor income is more even across U.S household than that of capital income since a disproportionately huge share of capital income accrues to the top income households. As a result, the total income becomes less evenly distributed and more concentrated at the top, which create the larger income inequality. In fact, with every percentage point decline in the labor share of total income, the Gini index rises by about 0.15 to 0.33 percentage (Congressional Budget Office).
The largest trading partners of the U.S. are the European Union, Canada, China, Mexico, and Japan. These countries account for about two-thirds of U.S. merchandise trade. Canada’s and Mexico’s high trading volumes are consequences of the North American Free Trade Agreement (NAFTA). The total value of trade in goods and services is sensitive to factors including exchange rates, global economic conditions, income, and domestic consumer confidence.

Historically, since the 1970s the United States had a negative balance of trade. In 2014 the goods and services deficit amounted to $505 billion. The deficit increased by about $28.7 billion compared to 2013, where the balance of trade was a negative $476.4 billion. As a percentage of the U.S. GDP, the deficit increased slightly from 2.8 percent in 2013 to 2.9 percent in 2014. In the last years, the U.S. recorded the biggest trade deficits with China, Japan, Germany and Mexico. The biggest trade surpluses were recorded with Hong Kong, Netherlands, United Arab Emirates and Australia.

The graph shows the monthly trade balance in the last five years. The $46.6 billion deficit in December of 2014 was the widest deficit since November 2012. This increase can be partly attributed to the 31.7% increase in the imports of crude oil. Many domestic firms were trying to take advantage of the cheap oil.

According to IBIS World the volume of trade is expected to grow to $6.15 trillion by 2020, at an annualized rate of 4.95%. Exports are expected to grow at a compound rate of 4.89% to $2.75 trillion by 2020, and imports are expected to grow at a compound rate of 5% to $3.4 trillion. As a result, the trade deficit is expected to rise to $650 billion by 2020, compared with a trade deficit of $505 billion in 2014. Exports are currently influenced by the bad economy in Europe and the revisions of growth expectations from China. Coming along with that the current strong value of the dollar lowers the export volume. Policies of the European Central Bank and the Bank of Japan have caused the dollar to strengthen in the past months and could be a reason for the further boosting of the dollar value. This would indicate that imports become cheaper and exports become more expensive what contributes to a higher trade deficit. It is also unlikely that the reported 2.6% gain in fourth-quarter GDP of 2014 will be revised higher due to the increase trade deficit.

**United States Balance of Trade**

Source: St. Louis Fed FRED Database
Last September, the FOMC issued its statement on Policy Normalization Principles and Plans. This statement provides information about the committees likely approach to raising short-term interest rates and reducing the Federal Reserve’s securities holdings. The committee intends to reduce its securities holdings in a gradual and predictable manner primarily by ceasing to reinvest repayments of principle from securities held by the Federal Reserve.

The FOMC’s assessment that it can be patient in beginning to normalize policy means that the committee considers it unlikely that economic conditions will warrant an increase in the target range for the federal funds rate for at least the next couple of FOMC meetings.
A government’s budget balance is the difference in government revenues (primarily from taxes) and spending. If spending is greater than revenue, there is a deficit. If revenue is greater than spending, there is a surplus. Deficit is the added debt in the current period (month, quarter, and year). Government debt is the stock of outstanding IOUs issued by the government at any time in the past and not yet repaid. Whenever the governments borrow money from the public, they issue debt. Outstanding debt is cumulated net borrowing that the government has done over time. As the national debt grows, that means consequentially private investments are going to shrink which means lowering future growth and future wages. At the moment, United States national debt is well over 18 trillion dollars which is the highest national debt in the world. Simple math reveals that each citizen of the US has almost $57,000 share in the national debt and that U.S. government has been increasing the debt by $2.4 billion per day for the last three years. Because the U.S. is one of the most powerful economies of the world, its debt negatively affects other economies around the world that are relying on the U.S.’ output and growth. Figure 1.1 shows the most indebted nations in the world when it comes to debt-to-GDP ratio.

There are two different deficits; cyclical deficit and structural deficit. In the case of cyclical deficit there is high level of unemployment at the lowest level of the business cycle which means that tax revenues are low and expenditures are high leading to a budget deficit. This kind of deficit is a stabilizer in the economy as it can have stimulating effects on the economy by increasing demand, spending and investing. Structural deficit remains throughout the whole business cycle due to general level of government spending exceeding prevailing tax levels. It happens when the economy is at full employment and is producing at full output levels. The only way this gap can be closed is to increase revenues or cut spending. In structural deficit, government must issue more bonds which reduces the price of bonds and increases interest rates and that means reduction in private investment demand (crowding out). Higher interest rates also increase demand for the dollars and reduces its supply in the foreign exchange market which raises the exchange rate and that leads to reduced net exports. High structural debt has negative consequences for the economy.

![Graph showing the 7 highest debt-to-GDP ratios](image-url)

*Source: WHERE DID THIS COME FROM?!?!*
Global oil prices impact domestic growth, and during 2014 into 2015, oil prices dropped nearly 50%. Typically, when oil prices are low, the U.S. economy is able to take advantage of this and enjoy significant growth in production levels, especially in the petrochemical and new cars industries. However, recently, the demand has been mostly unresponsive to the lower prices. This is due primarily to increased production in North America, unsubstantial global demand growth, & sustained high levels of production by OPEC. Since the U.S. has restrictions on exporting oil, producers lack the ability to seek out the highest price available for their production, placing additional downward pressure on U.S. prices. Also, prices may face further downward pressure due to the likely increase in production by Iran if nuclear sanctions against them are lifted.

Outlook and Implications
High oil price volatility will likely persist through the next five years. Demand is catching back up to the supply levels, and prices are expected to gradually rebound, and trend slightly upward through 2020. As oil is a major input for many industries products, and global production levels are expected to be more than sufficient, there will continue to be an increasing intensity of competition on the national and global levels. The industry in the U.S. will continue to move through a phase of consolidation, so shale producing, plus other E&P’s are expected to remain at discount levels. Industrial manufacturers will benefit from the lower prices, and growth in the petro industry should also continue to gain attraction.

The chart below displays the co-movements in oil futures prices and financial markets such as the S&P500, USD exchange rate, and U.S. Treasury bonds on a daily basis. Typically, the S&P500 and oil prices move together, while oil prices have conversely moved in the opposite direction of Treasury bonds, and the dollar’s exchange rate. The market responds to risk/return levels similarly between stocks and oil, so as can be expected, when there is significant risk in the market, less money flows into stocks and oil, while bonds experience an inflow.

**Correlations (+ or - ) Between Daily Returns on Crude Oil Futures and Financial Investments**

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**WTI Crude Oil Price Peak**

Source: U.S. Energy Information Administration
### Buy/Sell Decisions

The portfolio managers started with over 150 stocks. Throughout the spring 2015 semester, the students analyzed the stocks and decided on buying the following five stocks.

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<th>Stock</th>
<th>Reason</th>
<th>Risk</th>
<th>Expected Future Price</th>
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<tbody>
<tr>
<td><strong>Aon Plc. (AON)</strong></td>
<td>Growing Sales, Diversified Client Base, Global Presence, Strong Acquisitions</td>
<td>Large pension obligation, Dividend Yield: 1.2%</td>
<td>$145</td>
</tr>
<tr>
<td><strong>Lithia Motors (LAD)</strong></td>
<td>Diversified Business, Industry Leader, Strong Ratios Versus Industry, Control of Every Sales Stage, Low P/E and Debt/Equity, High Revenue Growth</td>
<td>Volatile Oil Prices</td>
<td>$150</td>
</tr>
<tr>
<td><strong>Micron Technology (MU)</strong></td>
<td>Strong R&amp;D, Growth Opportunities from Solid State Drives, Industry Leader in DRAM &amp; NAND Manufacturing, Positive Outlook from Smartphone and Tablet Market</td>
<td>Cyclical Industry</td>
<td>$50</td>
</tr>
<tr>
<td><strong>Southwestern Energy Co. (SWN)</strong></td>
<td>Growing Revenues, Excellent Management, Involved in Low Cost Plays, Risk: Increased Debt Levels</td>
<td>Increased Debt Levels</td>
<td>$45</td>
</tr>
<tr>
<td><strong>Domtar Corporation (UFS)</strong></td>
<td>Wide Range of Recognized Products, High Dividend Growth, Steady EPS Growth, Extensive Distribution Network</td>
<td>Short-term Price Volatility, Dividend Yield: 3.7%</td>
<td>$60</td>
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**Sells:** The following stocks reached valuation and were sold

- Altera
- CA
- EMC
- Ford
- Wendy’s
- Xcel
PORTFOLIO MANAGERS

Karina is a senior finance major from Texhoma, OK. She is currently a finance intern at Street Toyota. She enjoys lifting weights and watching movies in her spare time. Karina competed in the West Texas Strong Man Competition and placed in the top three.

Eddie is a senior finance major from Amarillo, TX. Eddie works in a family financial services business and enjoys non-profit board work. Eddie and his wife Lisa have five children ages 21 through 25.

Chelci is a senior finance and accounting major from Amarillo, TX. She currently works as a part time teller at Wells Fargo Bank in Amarillo. In her spare time she enjoys playing volleyball, being outdoors, and spending time with family and friends.

Hunter Ham is a senior MSFE student from Houston, Texas, who is only two electives away from graduating. He was induced into Beta Gamma Sigma in October of 2013 here at WT, where he completed his undergrad in August of 2014. Hunter has found Canyon a wonderful place to remain focused on only the task at hand, since he loves to fish and surf, and not even “SIRI” knows where the closest beach is from Canyon. His professional passion is geared toward corporate strategy within the oil and gas industry, either upstream, or midstream.

Klemen is a senior finance major from Ljubljana, Slovenia. Before coming to WTAMU, he was a member of a national championship soccer team. He is also a member of Sigma Nu fraternity, and honor societies such as Order of Omega and IFC. In his spare time he likes to play soccer and enjoys the outdoors.

Hongyu is an MSFE student from Tianjin, China. He will be graduating in December of 2015.
PORTFOLIO MANAGERS

**Fabian Muller**

Fabian is a senior finance major from Amtzell, Germany. He is a student-athlete that runs Track & Field for WTAMU. In 2011 he was also a member of the Junior National Team of Germany for Track & Field. His hobbies include skiing and wind-surfing.

**Phuc Nguyen**

Phuc is a graduate student from Vietnam and is in the MSFE program at WTAMU. He is a member of this years CFA Research Challenge Team, a member of Enactus, and the National Society of Leadership and Success. In his spare time, he likes to play soccer or exercise.

**Ethan Peterson**

Ethan is a Senior Finance major from Texico, New Mexico. He will graduate in August and plans to enter the MSFE program. He is also a member of the West Texas A&M golf team and plans to finish out his last year of eligibility while going through the MSFE program.

**Sahil Prasla**

Sahil is senior Health Science major with a minor in Finance. He is planning to attend WT to pursue the Masters in Finance and Economics. He will be graduating from the LEAD WT program, he is also a President’s Ambassador and served on various student affair’s committee. In his spare time he likes to play cricket.

**Vitaliy Skorodziyevskiy**

Vitaliy is a graduate student, pursuing the MSFE degree at WTAMU. He graduated with a bachelor’s degree from WT in International Business. He is a part of the university’s CFA Research Challenge team. Vitaliy was a part of Honor’s Programs, LEAD WT, and COB’s Student Advisory Board. In his spare time he likes to play volleyball.

**Tyler J. Young**

Tyler is a Canyon native and a graduate student at WTAMU majoring in Finance and Economics. He is also a member of the university’s CFA Research Challenge team, Omicron Delta Epsilon honor society, and Beta Gamma Sigma honor society. Tyler enjoys skiing and watching movies in his down time.
**Scholarship Winners**

For the 2015-16 academic year, the Student-Managed Investment Fund awarded $15,000 in scholarships. Scholarships ranged from $1,000 to $2,000 in value. Since 2001, the SMIF has awarded $132,500 in scholarships.

Paul Alongo, a senior Marketing major from Canyon, Texas

Adriana Gallegos, an MBA student from Amarillo, Texas

Alexander Korn, an MBA student from Kehl, Germany

Michelle McFadden, a freshman General Business major from Amarillo, Texas

Baptiste Moreu, an MSFE student from Auray, France; Fabian Mueller, an MSFE student from Amtzell, Germany

Nicholas Shelton, an MSFE student from Amarillo, Texas

Phuc Nguyen, an MPA student from Vietnam

Ethan Peterson, an MSFE student from Canyon, Texas;

**Doore Athletic Scholarships**

Jamie Boyd, a junior Marketing major from Abilene, Texas; baseball

Michaela Neuhaus, a senior International Business major from Lone Tree, Colorado; basketball

Christian Suthers, a junior General Business major from Preston, England, United Kingdom; soccer

Jordan Evans, a sophomore General Business major from Houston, Texas; basketball

Eric Mosley, a sophomore General Business major from Gilbert, Arizona; basketball