

# O'NEILL STUDENT INVESTMENT FUND

FALL 2019

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# Overview



HISTORY (MATT)



INHERITED PORTFOLIO  
(MATT)



CURRENT  
PORTFOLIO  
(JORDAN)



PORTFOLIO  
DECISIONS (JORDAN)



MACRO  
ENVIRONMENT  
(JACKSON)



BENCHMARKS  
(SKYLAR)



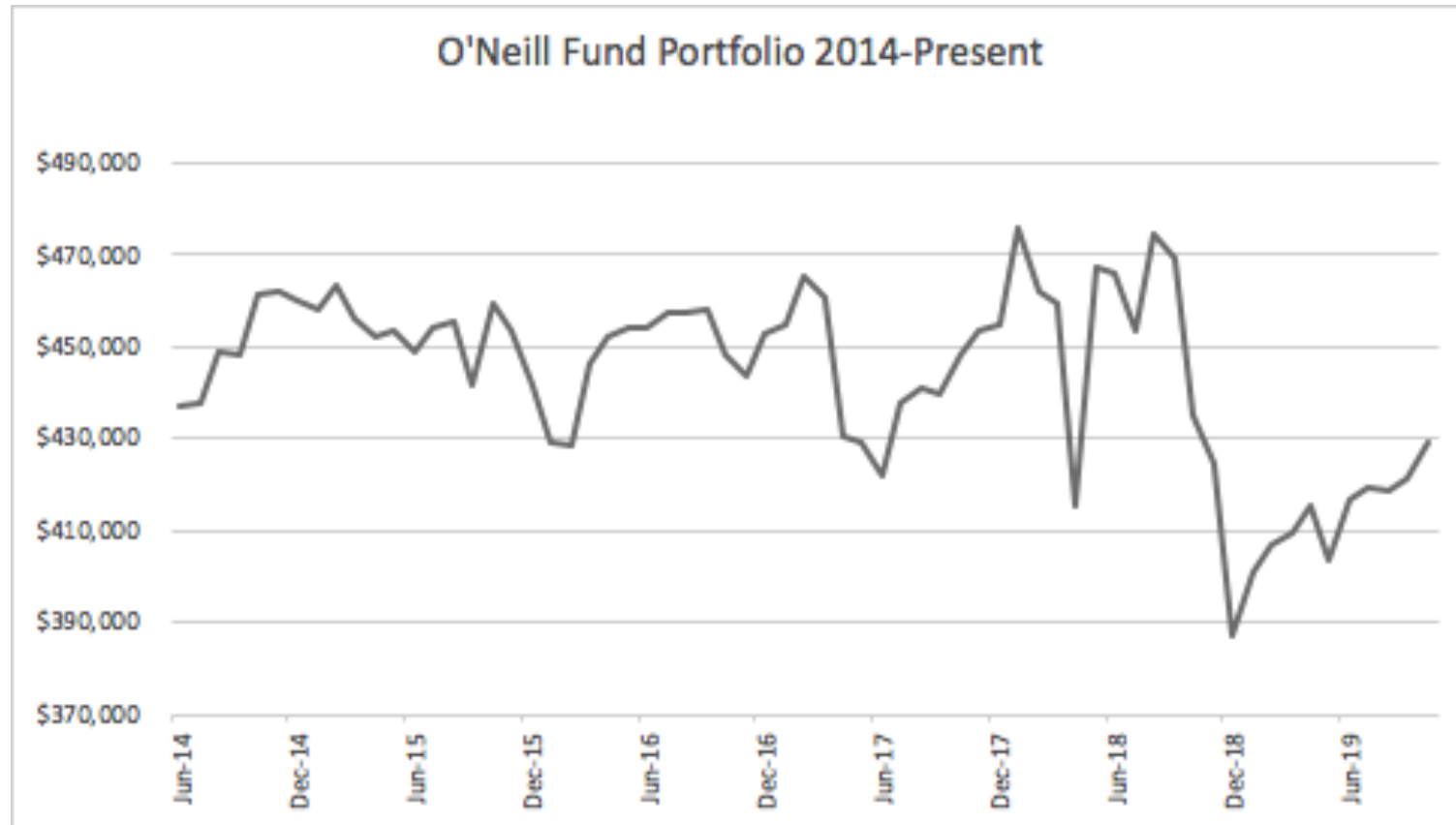
WHAT WE LEARNED  
(SKYLAR)



CONCLUSION  
(SKYLAR)

# History of the Portfolio

\*Ending Nov. 31, 2019



# Inherited Portfolio

	Current Value as of 8/29	Allocation %	Total Allocation %
<b>Cash</b>			
Fidelity Government Money Market (SPAXX)	\$ 128,357	31%	31%
<b>Stock</b>			
iShares MSCI EAFE ETF (EFA)	\$ 24,743	6%	
iShares Russell 2000 ETF (IWM)	\$ 6,561	2%	47%
SPDR SER TR S&P BK ETF (KBE)	\$ 14,447	3%	
SPDR S&P MidCap 400 ETF (MDY)	\$ 25,003	6%	
SPDR S&P 500 ETF (SPY)	\$ 99,185	24%	
Select Sector SPDR TR Healthcare Fund (XLV)	\$ 24,975	6%	
<b>Bond</b>			
Vanguard BD Index FD Short Term Bond (BSV)	\$ 51,268	12%	23%
iShares TR 20 YR TR BD ETF (TLT)	\$ 44,466	11%	
<b>Total Portfolio Value</b>	<b>\$ 419,005</b>	<b>100%</b>	

Date	Company	Buy or Sell	Quantity	Amount
9/27/19	Eli Lilly (LLY)	Buy	90	-\$10,104
9/27/19	S&P 500 (SPY)	Buy	16	-\$4,771
9/27/19	Visa (V)	Buy	45	-\$7,956
10/11/19	Philip Morris (PM)	Buy	125	-\$9,829
10/23/19	Automatic Data Processing (ADP)	Buy	44	-\$7,041
10/25/19	S&P 500 (SPY)	Buy	50	-\$15,097
10/25/19	S&P Bank ETF (KBE)	Sell	-155	\$6,938
11/1/19	S&P Healthcare (XLV)	Buy	105	-\$10,002
11/15/19	Eli Lilly (LLY)	Sell	-18	\$2,004
11/15/19	UnitedHealth Group (UNH)	Buy	31	-\$7,939

# Transaction History

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**VISA**

**UNITEDHEALTH GROUP®**

*Lilly*

Individual Equity  
Positions

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# Eli Lilly and Co *LLY*

Bought at \$112.27

Period close at \$117.35

Return: 4.53%

Visa  
*V*

Bought at \$176.81

Period close at \$184.51

Return: 4.17%





# Philip Morris *PM*

Bought at \$78.63

Period close at \$82.93

Return: 5.47%



# Automatic Data Processing *ADP*

Bought at \$160.03

Period close at \$170.78

Return: 6.72%

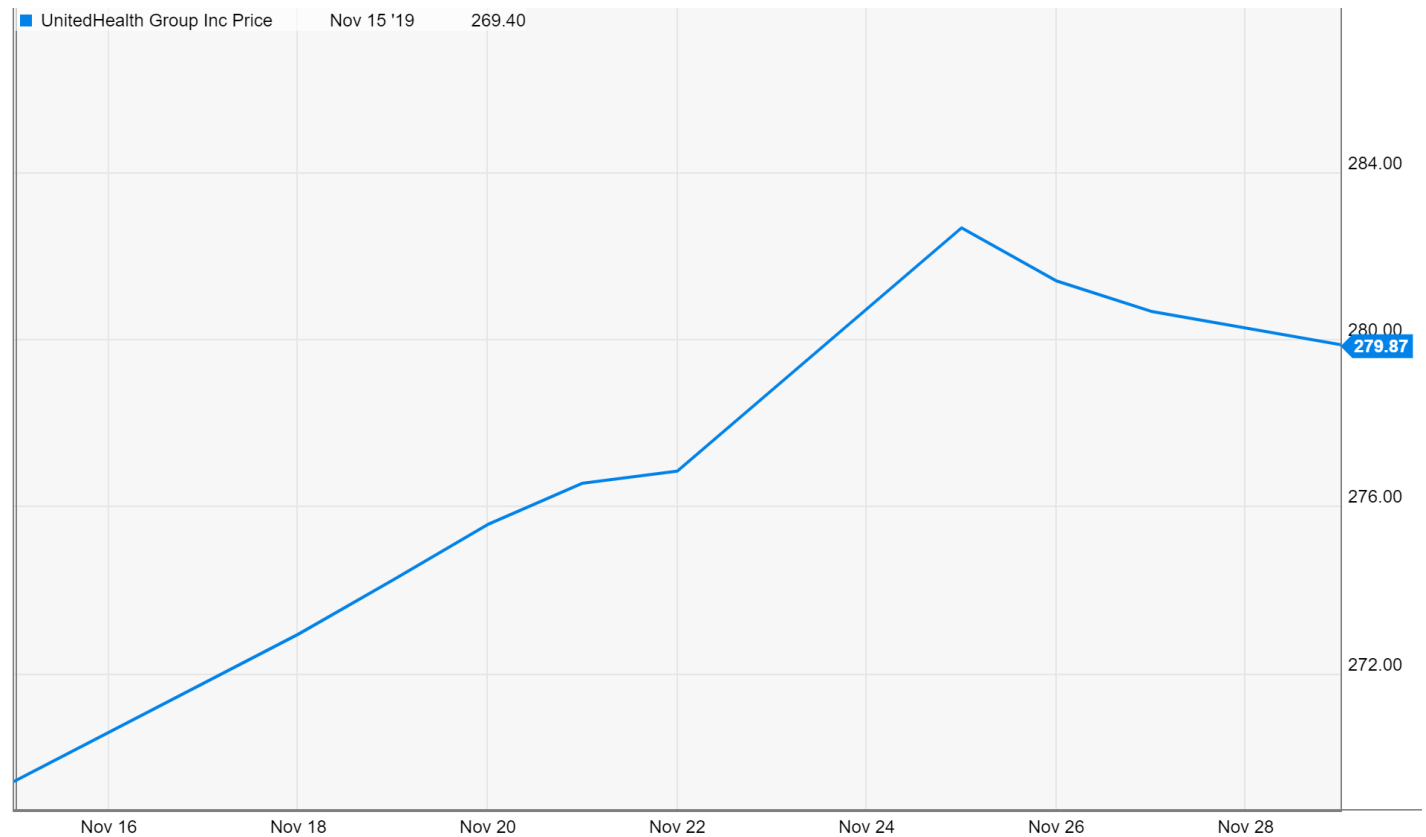


# UnitedHealth Group Inc *UNH*

Bought at \$256.11

Period close at \$279.87

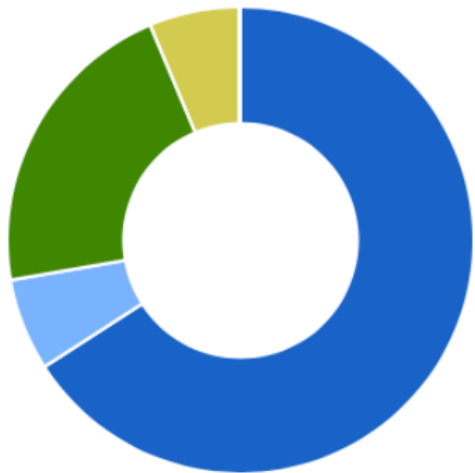
Return: 9.28%



# Portfolio as of November 30, 2019

	Current Value as of 12/5	Allocation %	Total Allocation %
<b>Cash</b>			
Fidelity Government Money Market (SPAXX)	\$ 26,307.29	6%	6%
<b>Stock</b>			
Automatic Data Processing Inc (ADP)	\$ 7,407.84	2%	73%
iShares MSCI EAFE ETF (EFA)	\$ 26,751.51	6%	
iShares Russell 2000 ETF (IWM)	\$ 17,542.46	4%	
SPDR SER TR S&P BK ETF (KBE)	\$ 9,163.95	2%	
Eli Lilly (LLY)	\$ 8,623.44	2%	
SPDR S&P MidCap 400 ETF (MDY)	\$ 26,689.53	6%	
Philip Morris International (PM)	\$ 10,297.50	2%	
SPDR S&P 500 ETF (SPY)	\$ 157,570.10	36%	
UnitedHealth Group (UNH)	\$ 8,742.00	2%	
Visa (V)	\$ 8,185.05	2%	
Select Sector SPDR TR Healthcare Fund (XLV)	\$ 38,004.75	9%	
<b>Bond</b>			
Vanguard BD Index FD Short Term Bond (BSV)	\$ 50,958.16	12%	21%
iShares TR 20 YR TR BD ETF (TLT)	\$ 42,014.24	10%	
<b>Total</b>	<b>\$ 438,257.82</b>		<b>100%</b>

# Portfolio Allocation



<span style="color: blue;">■</span> Domestic Stock	66%
<span style="color: lightblue;">■</span> Foreign Stock	6%
<span style="color: green;">■</span> Bonds	21%
<span style="color: yellow;">■</span> Short-Term	6%

## Your Balance History

**1-Month** | [1-Year](#) | [2-Year](#) | [Year-to-Date](#)



# Market Performance

## ACWI Performance



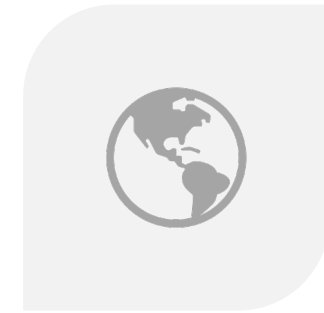
## S&P 500 Performance



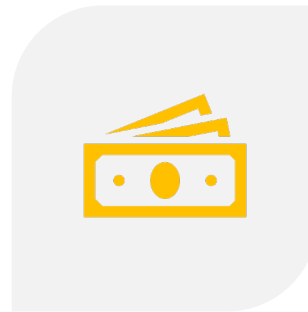
# Macroeconomic Conditions



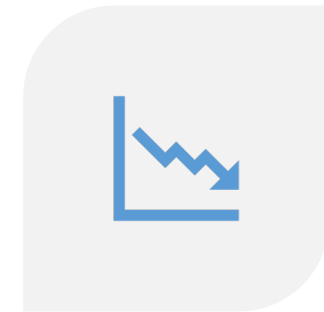
BULL MARKET CONTINUES,  
BUT LOOKS TO BE SLOWING



U.S. CAPITAL MARKETS  
OUTPERFORMED  
INTERNATIONAL PEERS

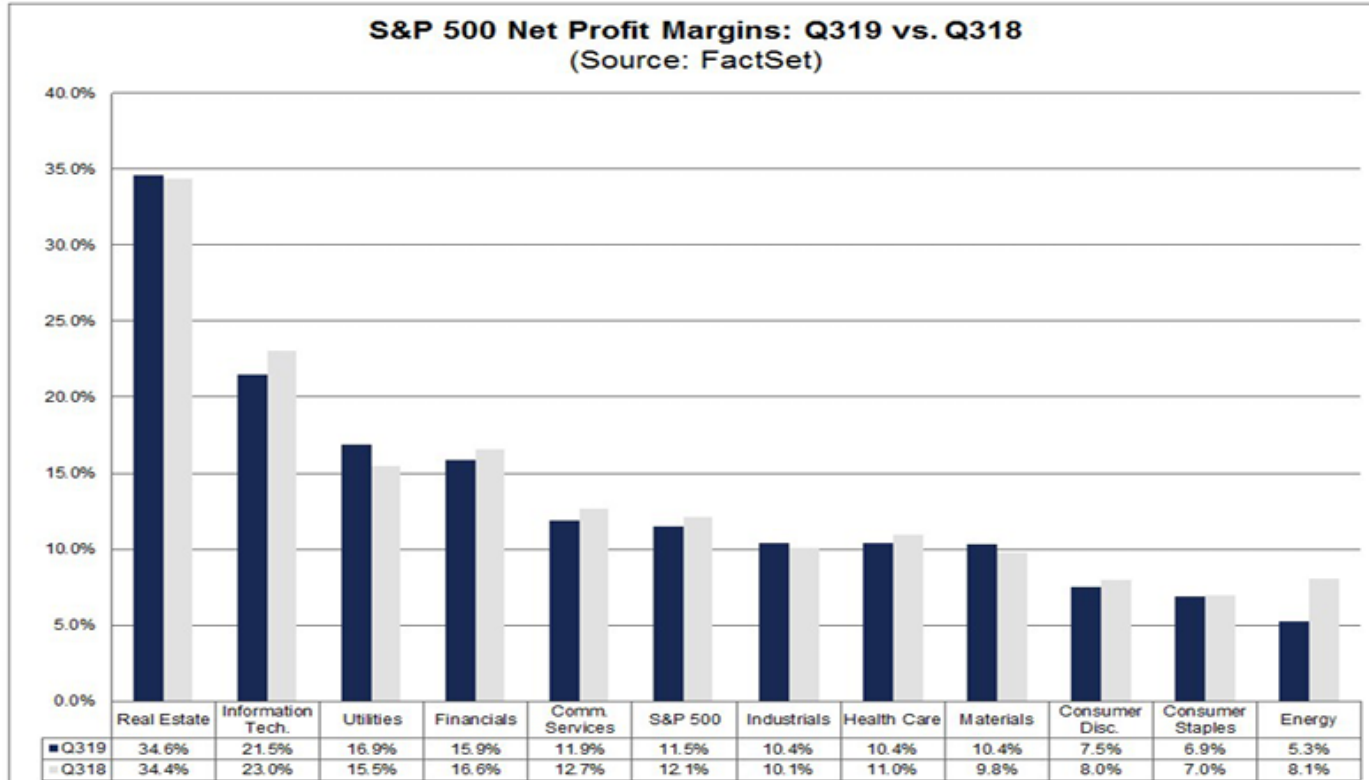


INTEREST RATE CUTS



INFLATION STILL LOW

## Q3 2019: Net Profit Margin

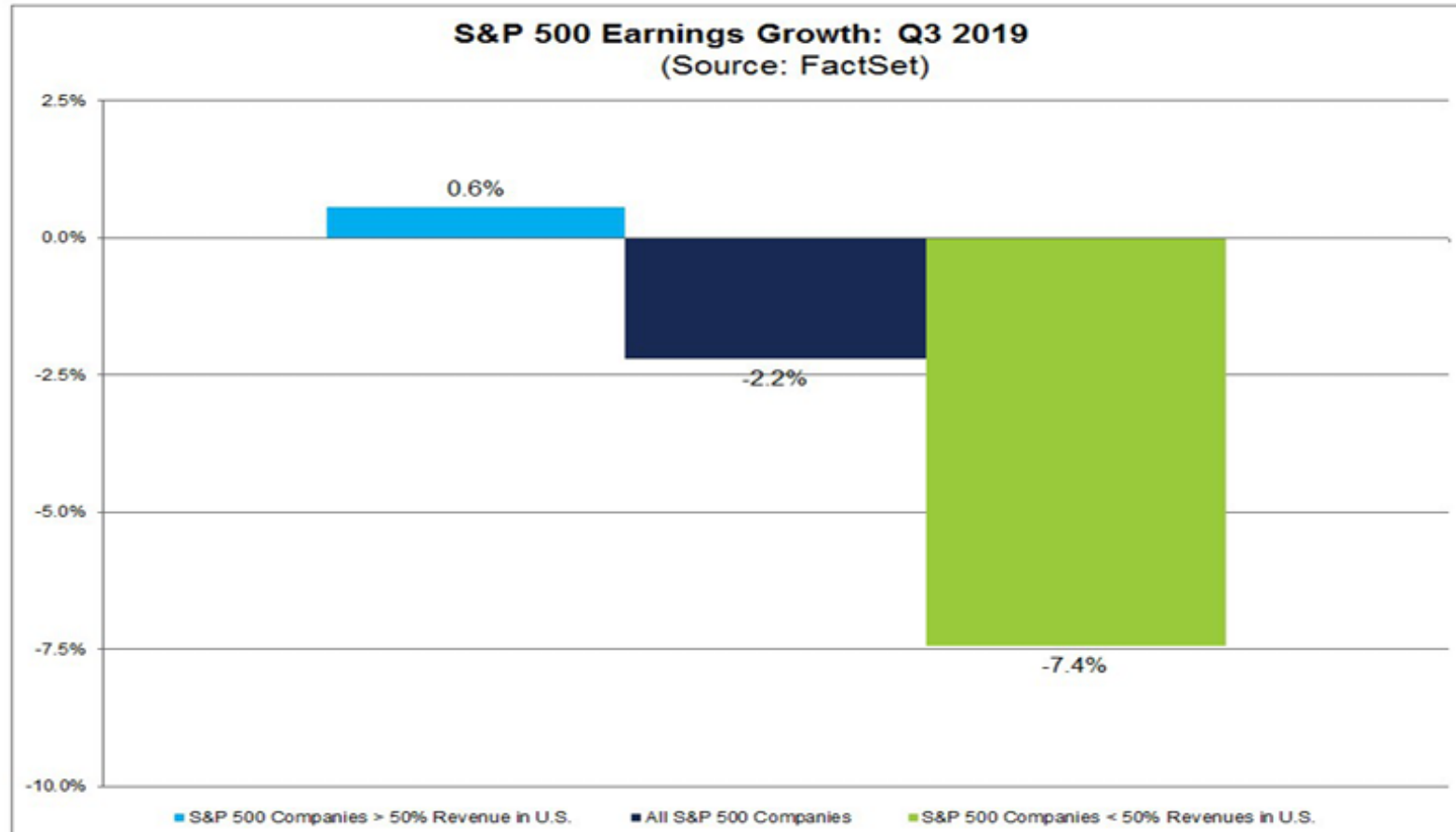


U.S. company earnings are expected to grow at a higher rate than revenue for CY 2020

S&P 500 companies are reporting a 2.2% decline in earnings for Q3 2019



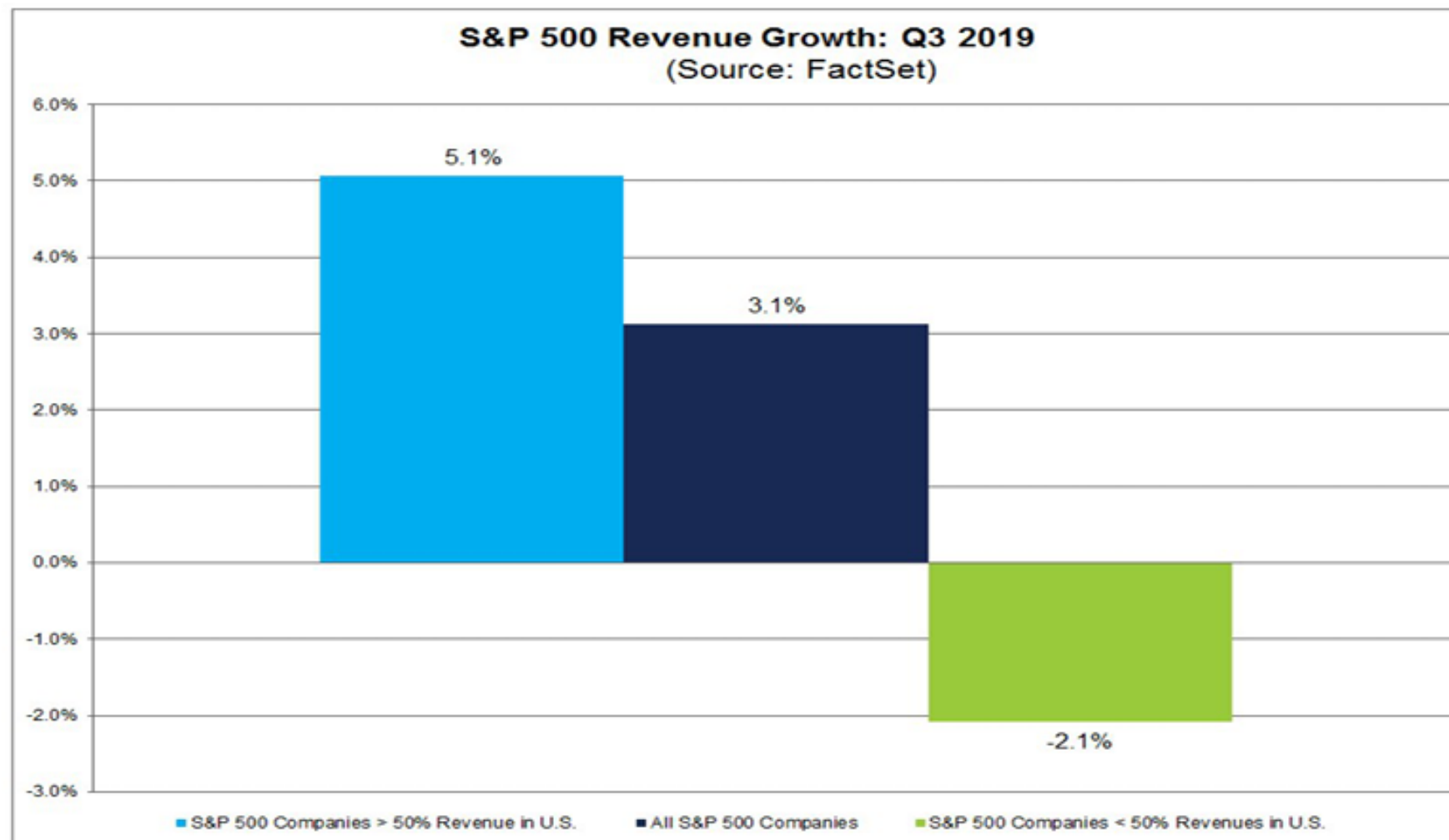
## Q3 2019: Growth



Outside of the United States, growth is slowing

Growth by Revenue Composition

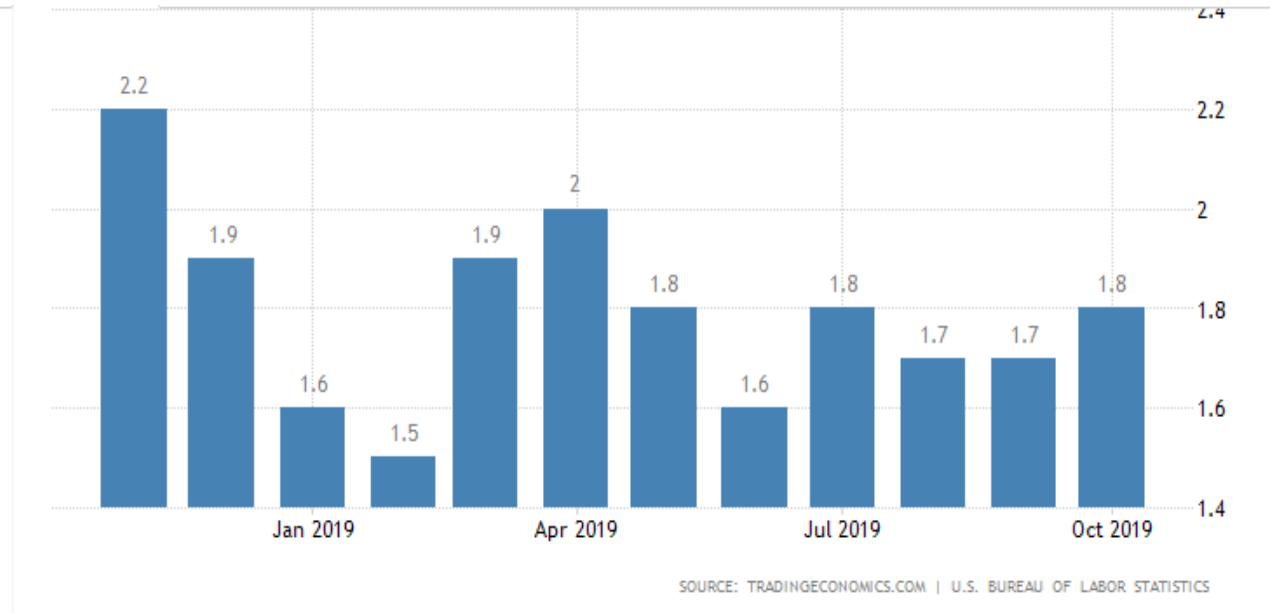
# Growth by Revenue Composition Continued



# Consistently Low Inflation

"We're not thinking about raising rates right now."

- Jerome Powell, October, 2019



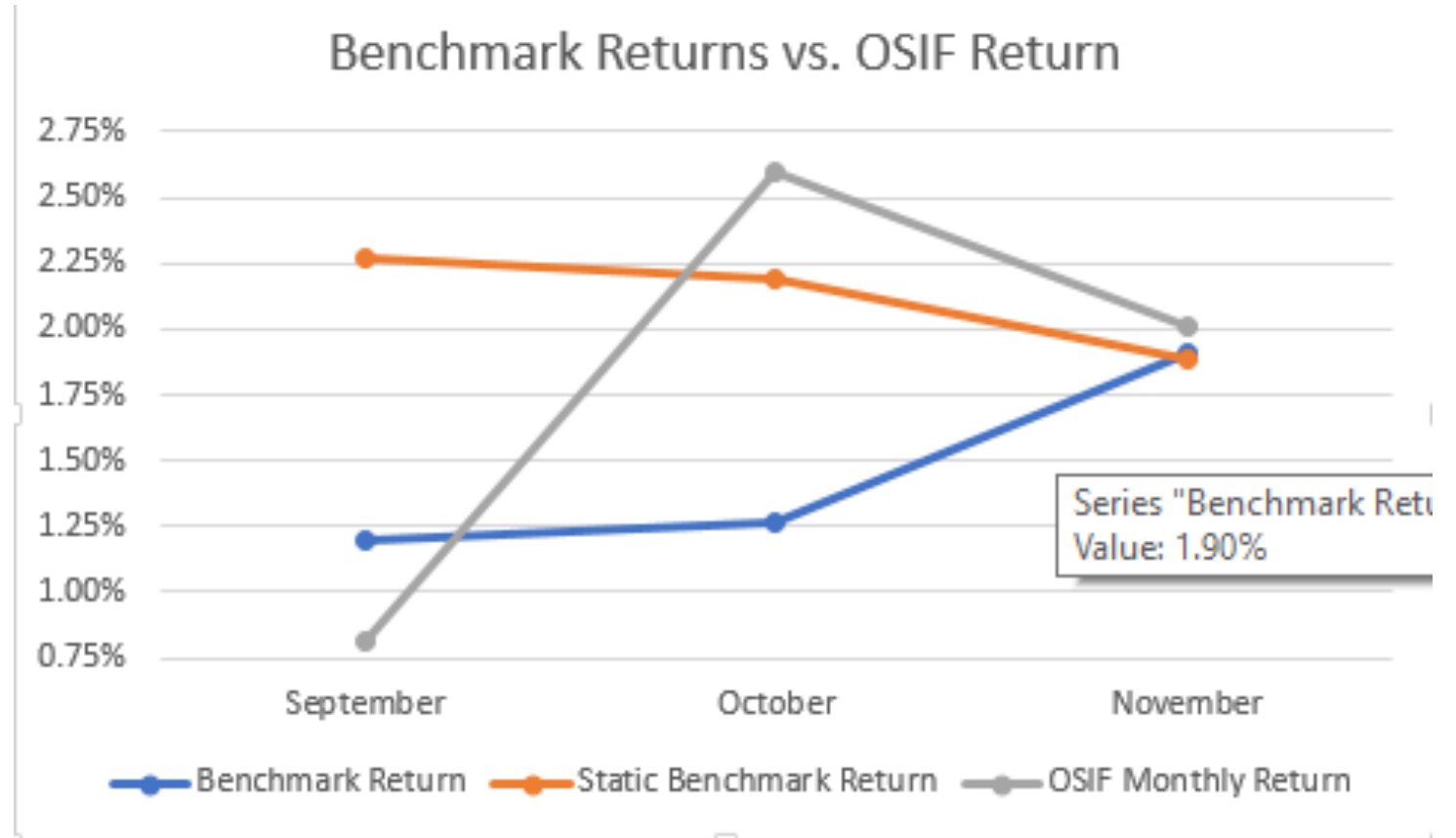
Calendar	GMT		Actual	Previous	Consensus	TEForecast
2019-08-13	12:30 PM	Inflation Rate YoY Jul	1.8%	1.6%	1.7%	1.7%
2019-09-12	12:30 PM	Inflation Rate YoY Aug	1.7%	1.8%	1.8%	1.9%
2019-10-10	12:30 PM	Inflation Rate YoY Sep	1.7%	1.7%	1.8%	1.9%
2019-11-13	01:30 PM	Inflation Rate YoY Oct	1.8%	1.7%	1.7%	1.6%
2019-12-11	01:30 PM	Inflation Rate YoY Nov		1.8%	2%	1.7%
2020-01-14	01:30 PM	Inflation Rate YoY Dec				

# Benchmarks

- 66% in U.S Equities
- 6% in International Equities
- 21% in Bonds
- Remaining in Cash

# Performance

Outperformance in  
October and November



# Learning Highlights



In the long run, asset allocation is more important than security selection



It is impossible to know what will happen



It is valuable to be able to anticipate and invest in the right sectors