GLOBAL EQUITY FUND
BUFN 738Z / BUSI 758F
2020 - 2021
The Global Equity Fund

- A student-run investment fund managed by P/T MBA, M-Fin, and MQF students
- The University of Maryland Foundation allocated over $500,000 for the Fund
- The Global Equity Fund was established in 2009 and invests primarily in global companies via common stocks (ADRs) and ETFs
Goals & Objectives

• This competitive-enrollment Fund provides students the opportunity to perform investment research on global companies and actively manage a portfolio of over $500k allocated from the University of Maryland Foundation.

• The goal is to outperform the MSCI ACWI ex-US Index, although it is equally important that each member of the team learns the processes by which investment decisions are made in a professional asset management setting.
Process

• The GEF team is 20 students; most students participate as investment analysts, and there are 1-2 portfolio managers.

• Collaborate through weekly meetings of GEF team during a two-semester (full academic calendar year) commitment.

• Stock pitches during class meetings use a top-down ("EIC") approach, including both DCF models and other valuation techniques. Students apply concepts and models from previous coursework, and utilize tools from Maryland Smith's extensive suite of financial databases and information systems.
Benefits

• Highly attractive experience for potential employers
• Actively applying methods from MBA/MFin/MQF coursework
• Utilize and improve financial modeling skills
• Participate in an actual asset management environment
• Collaborate with other student-investors in a collegial setting
• Improve communication & presentation skills
• Opportunities to network (e.g., annual New York City trip)

• Six (6) credits (3 in Fall, 3 in Spring) for P/T MBA students
• Four (4) credits (2 in Fall, 2 in Spring) for MFin & MQF students
Requirements

- Successful completion of BUFN640 or BUSI610 and BUFN620 or BUFN741 or BUSI758W, and scheduled to graduate by May 2021
- Take BUFN 730 or BUSI 730 (Applied Equity Analysis) before or during Term A or B of 2020
- Attend weekly GEF meetings (Tuesday evenings in DC)
- Commit 2 semesters to the Fund (Fall ‘20 and Spring ‘21)
  - Participate in the Year-end GEF presentation in May ‘21
  - Begin managing the Fund during the Summer 2020

Application deadline: Sunday, March 8th at 11:59 PM
The Application

1. **Cover Letter**
   - Brief academic and finance background and experience
   - Reasons for interest in the Global Equity Fund

2. **Stock Report on an ADR (Foreign company trading in USA)**
   * Up to 3 pages typed, double-spaced, 12pt, Times New Roman font; no more than four exhibits
   - Economic Overview
   - Industry Analysis
   - Company Selection / Analysis & Recommendation
   - DCF Model (Excel)
The Application (continued)

3. Resume or C.V.
4. Copy of Current Transcript
   • Unofficial copy from Testudo is acceptable (must include grades from all completed classes)
5. List of registered courses for Summer and Fall 2020
6. If applicable: If your current employer has any compliance restrictions, please provide details along with name of company

* Each application package will be reviewed by both the Faculty Advisor and a subset of the current GEF Team as part of the evaluation and selection process
Some Advice

• Start thinking about your stock pick **now**
  – Be sure to choose an ADR
• Select an industry and company you are comfortable with
• Analysis should be both qualitative and quantitative
  – **Qualitative:** Describe the company’s business model, strategy, key operating segments and why you believe it will be successful
  – **Quantitative:** Use historical financial statements, management guidance, and other sources to build a DCF model and relative or comparative valuations
• Strive to be clear and concise
Timeline

- Applications Due: Sunday, March 8th, at 11:59 PM
- First Round Selections: Notification via e-mail no later than Saturday, March 21
- Interviews: Saturday, April 4th, at Van Munching Hall
- Decisions: By Sunday, April 19
Additional Information

- Website:  www.rhsmith.umd.edu/globalfund
- GEF Email:  GlobalEquityFund@rhsmith.umd.edu

- Current GEF Portfolio Manager’s Email Address
  - Dan Yuan:  xiecheng.yuan@rhsmith.umd.edu