RECRUITING PRESENTATION

2013-2014

UNIVERSITY OF MARYLAND
ROBERT H. SMITH SCHOOL OF BUSINESS
AGENDA

- General Information
- Members & Responsibilities
- Application Process
- Q & A
GENERAL INFORMATION
Background

- Created as part of the Smith Fellows program targeting high-achieving undergraduate finance majors
- Opportunity to research real companies and manage a portfolio of real money
- Modeled after MBA Mayer Fund
FUND OVERVIEW

- Year-long, advanced finance course available to senior finance majors
- Twelve students will be selected to participate on the fund
  - 2 Portfolio Managers
  - 10 Analysts
- $750,000+ real University money
LEARNING EXPERIENCE

- Topics to be discussed include:
  - Portfolio Management Theory and Practice
  - Security Screening and Selection
  - Economic and Industry Analysis
  - Corporate Qualitative and Financial Analysis
  - Valuation Analysis
  - Trading Strategies

- At the end of the year-long commitment, Fund members will present their performance to Fund donors
INVESTMENT STRATEGY

- “Top down” approach
- GARP (Growth At a Reasonable Price)
- Target allocations across ten sectors
- Fund Goals:
  - Capital appreciation and preservation
  - Education
  - Enhance school’s reputation
Organizations & Culture

- Run by a selected group of 12 seniors with various finance career goals
- Students will be selected by the current Senbet Fund members based on several criteria including:
  - Analytical abilities
  - Communication skills
  - Commitment
BENEFITS FOR STUDENTS

- Exposure to a real-life asset management environment
- Financial modeling skills
- Fulfillment of senior-level finance elective (BMGT449F) – 6 credits
- Attractive experience to employers
- Opportunities to network with previous fund members
- Annual New York trip
Senbet Offer History

General Information

Members & Responsibilities

Application Process

Q & A
MEMBERS & RESPONSIBILITIES
Portfolio Managers (2):
- Marketing and External Relations
- Performance

Equity Analysts (10):
- Basic Materials
- Industrials
- Consumer Discretionary
- Consumer Staples
- Energy and Utilities
- Financials
- Health Care
- Technology
- Telecommunications
PORTFOLIO MANAGER RESPONSIBILITIES

- Run meetings
- Facilitate buy / sell / hold decisions
- Track the markets
- Track the economy
- Track performance
- Manage external relations
- Oversee brokerage accounts
- Budgeting responsibilities
- Administrative items
**Analyst Responsibilities**

- Evaluate and monitor sector
- Track industry trends and current events
- Screen industry for potential buying opportunities
- Develop DCF and relative value models to value companies
- Make buy / hold / sell recommendations
  - Detailed equity research reports
  - Presented to other members of the Fund at meetings
APPLICATION PROCESS
COURSE REQUIREMENTS

- Applicants will be required to complete the following courses before fall semester of their senior year:
  - BMGT 340 – Business Finance (Core)
  - BMGT 343 – Investments
- Applicants will be required to complete BMGT 443 – Applied Equity Analysis and Portfolio Management either before or during the fall semester
- In general, course requirements for graduation remain unchanged
Apply for a general position on the Fund
- You will not specify a particular position

Time availability
- Must schedule classes around Senbet Fund meetings
- Must have 90 credits and be a Finance major to apply

Requires a two semester commitment
- From 2nd summer session 2010 to May of 2011
- Being abroad in the summer will not disqualify applicants

Counts as two senior level electives (3 credits per semester)
Why an Application?

- Opportunity for us to determine who is serious about being a member of the Senbet Fund
- Allows us to determine who has the skills and drive to make a significant contribution
- Very competitive; need to select the right skill mix
- Analytical, communication & leadership qualities
- Ability to represent the Smith School
APPLICATION REQUIREMENTS

- Cover Letter
  - Brief background/experience
  - Reasons why you want to be in the Senbet Fund
- Analyst Report (no more than 3 pages typed, not including exhibits, double-spaced, 12 pt, Times New Roman font)
  - Economic Overview
  - Industry Overview
  - Company Selection & Overview
- Resume
  - Minimum GPA of 3.0
  - Current and past electives
- Honor Code
APPLICATION SCHEDULE

- **Application Due Date ~ February 1-15 (TBD)**
  - Online at UNet
  - You will receive email confirming receipt

- **First Round Picks & Interview Signup**
  - Signups on a first come, first serve basis
  - Signup sheet will be posted outside of Fund office in basement of VMH

- **Interviews Held ~ End of February (TBD)**
  - 2 hours, various times (fit/market/technical)

- **Final Selections ~ March**
  - Decisions will be emailed

*Any changes will be announced via email*
MORE INFORMATION

- Visit the Senbet Fund web site (www.rhsmith.umd.edu/senbetfund)
- Contents of the web site include:
  - Holdings and sector weightings
  - History
  - Member profiles
  - Performance
  - Investment approach and guidelines
  - This presentation