



# THE NOTRE DAME INSTITUTE FOR GLOBAL INVESTING

Demystifying Investing at Notre Dame  
Summer 2020

## Agenda for July 23, 2020


1. NDIGI – Our Role to Support You
2. Investing @ Notre Dame
3. Draft Roadmap for Students
4. Course Example – AIM
5. Open Questions for NDIGI & Faculty Members

# Demystifying Investing @ ND

Academic Opportunities	Professional Clubs	Career Discernment	Resources
<p>Mendoza</p> <ul style="list-style-type: none"> <li>• AIM/APEP</li> <li>• AOI</li> <li>• IPM</li> <li>• EMI</li> <li>• Behavioral Finance</li> <li>• Private Equity</li> <li>• Security Analysis</li> <li>• Advanced Investment Strategies</li> </ul> <p>Non-Mendoza</p> <ul style="list-style-type: none"> <li>• Financial Economics</li> <li>• Stock Markets and Investors: A Global History</li> <li>• Financial Markets in History</li> </ul>	<ul style="list-style-type: none"> <li>• Wall Street Club</li> <li>• SIBC Finance</li> <li>• Investment Management Club</li> <li>• Unleashed Social Ventures</li> <li>• ND Venture Capital Club</li> <li>• Corporate Finance Club</li> <li>• Smart Woman Securities</li> <li>• BlackND Capital</li> <li>• MBA Finance &amp; Investments Club</li> </ul>	<ul style="list-style-type: none"> <li>• Career Services: Mock interviews and all career services and events</li> <li>• Executive Fellows</li> <li>• Office Hours with NDIGI</li> <li>• Career Treks</li> <li>• Network with upperclassmen and recent graduates</li> <li>• WIS</li> </ul>	<ul style="list-style-type: none"> <li>• NDIGI</li> <li>• Malpass Scholars</li> <li>• IDEA Center</li> <li>• Wall Street Prep</li> <li>• Mahaffey Business Library</li> <li>• GWI</li> <li>• Podcasts</li> <li>• Books</li> <li>• Articles</li> <li>• Self-Directed Research</li> </ul>



# Roadmap to Investing @ ND

Freshman	Sophomore	Junior	Senior
<p>Join Student Clubs</p> <ul style="list-style-type: none"> <li>• See NDIGI Club List</li> <li>• Join an SIBC Project</li> <li>• NDIGI Career Trek (winter break)</li> <li>• NDIGI Guest Speakers and Events – Wilmouth Speakers Series, WIS</li> <li>• Consider second major or minor (can be unrelated to business)</li> <li>• Join LinkedIn</li> </ul>	<ul style="list-style-type: none"> <li>• WSC Career Trek (winter break)</li> <li>• SIBC Project – Travel Team Participant</li> <li>• Investment Management Club – Pitch a Stock</li> <li>• Connect with NDCCD (Bob Rischar)</li> <li>• Sophomore internship</li> <li>• Discern Buy-side or Sell-side</li> <li>• WSC Mock Interviews</li> <li>• Modelling Workshop</li> </ul>	<ul style="list-style-type: none"> <li>• SIBC Project – Leader</li> <li>• Junior Internship</li> <li>• NDIGI Executive Fellows</li> </ul>	<p>Extracurricular</p> <ul style="list-style-type: none"> <li>• Leadership Role for a Student Club</li> </ul> <p>What's Next?</p> <ul style="list-style-type: none"> <li>• Connect with recent alumni</li> <li>• Buy-side recruiting preparation</li> </ul>
<p><b>ND Center for Career Development:</b></p> <ul style="list-style-type: none"> <li>• Resume Review</li> <li>• Mock Interviews</li> <li>• Handshake Postings</li> <li>• Company Events</li> <li>• Information Panels</li> </ul> <p><b>ALL 4 YEARS</b></p>	<p><b>Academic Courses:</b>            Core Finance Classes – Fundamentals of Finance, Corporate Finance, Investment Theory            Finance Electives            NDIGI Courses: AIM, APEP, EMI, IPM, AOI (application process during the semester prior to enrollment)</p>  <p style="text-align: center; font-size: 24px; font-weight: bold;">Sophomore – Senior</p>		

# Overview of AIM

Applied Investment Management

# AIM is a concentrated public equity portfolio

- \$19.6 million (6/30/20) of the ND Endowment
- 25 carefully chosen companies
  - Strategy & Competitive Position
  - Fundamental Analysis
  - Valuation
- Class is 2 rounds
  - Analyze inherited portfolio
  - Identify, analyze new investments
  - Select as a class 25 stocks
- “Wide diversification is only required when investors do not understand what they are doing.” - Warren Buffett



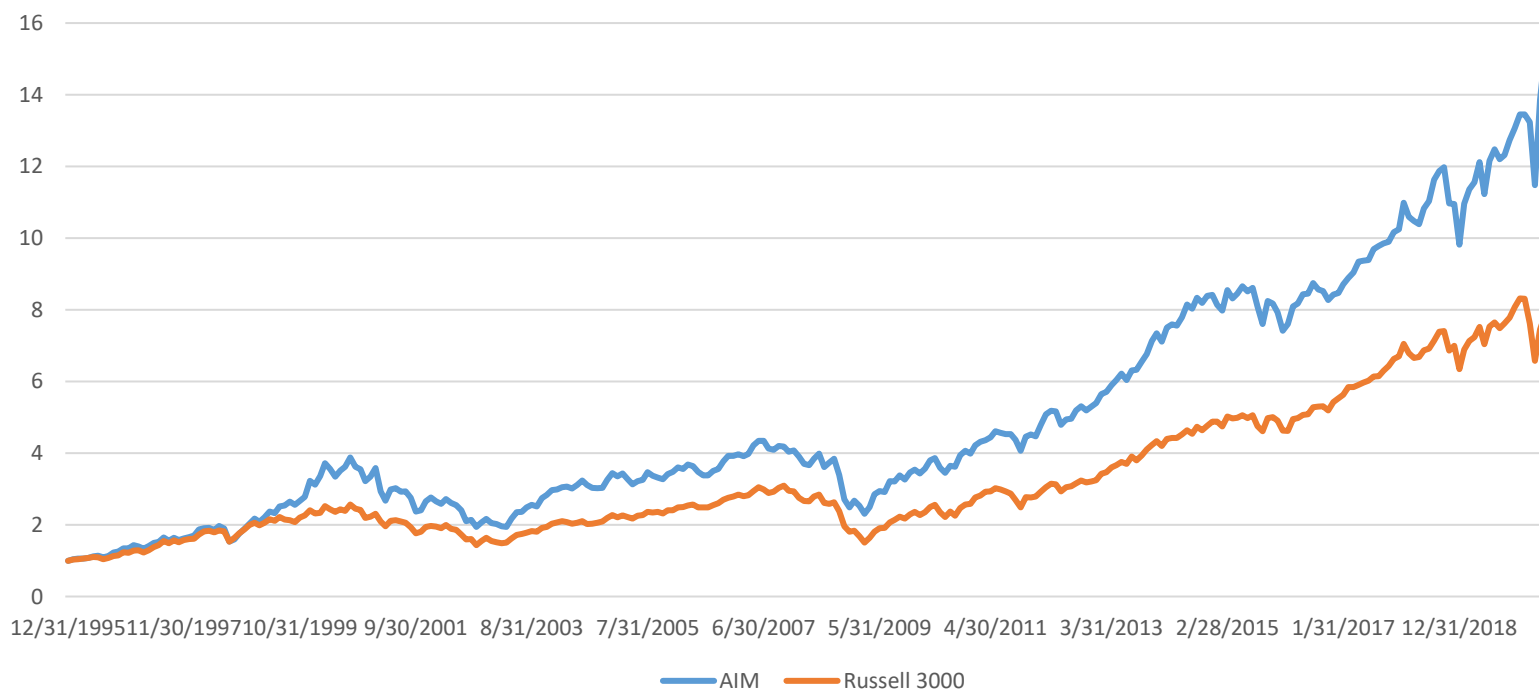
# The More You Know...



- “Painting is easy when you don’t know how, but very difficult when you do.” –Edgar Degas
- Nearly all mutual funds underperform a passive index over time
- Stock picking is an audacious endeavor

# A Legacy of Performance

Growth of \$1 Invested 12/31/1995 - 6/30/2020

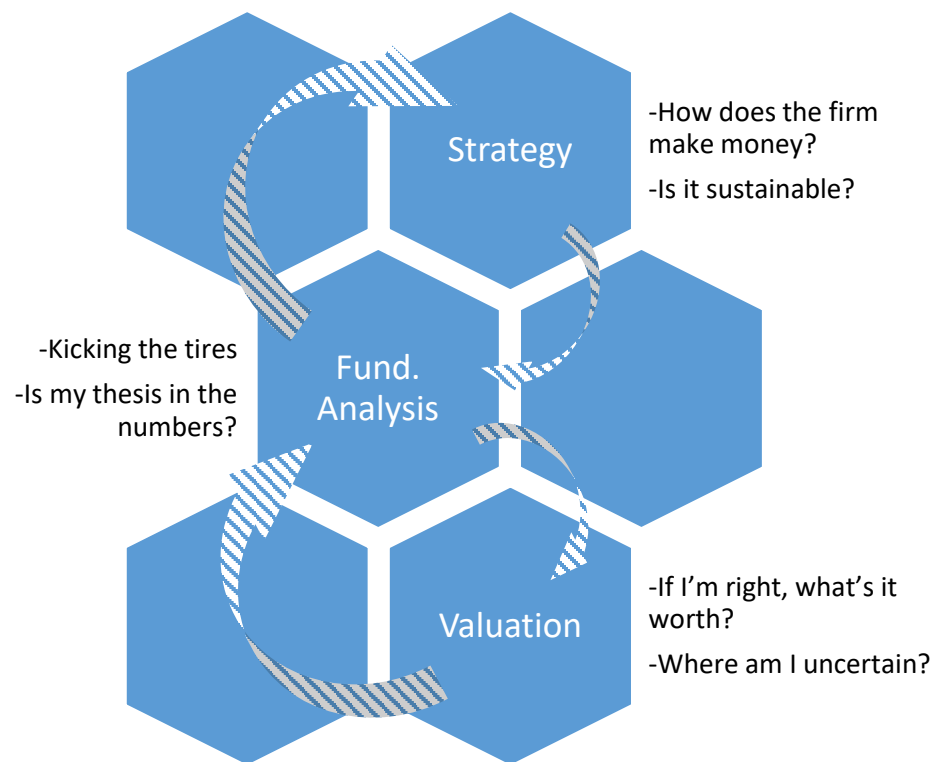




# The AIM Investment Process

- Rd 1
  - Company Strategy Report
  - Fundamental Analysis Report
  - Valuation Part 1
  - Valuation Part 2
- Rd 2
  - Company Strategy and Fundamental Analysis Report
  - Valuation Report
- Team Presentations & Projects
  - Idea Sourcing & Generation
  - Portfolio Performance
  - Economic Outlook
  - AIM Newsletter
  - Trading Day Coordinators
- Advisory Board Presentation

# Accumulation of analysis



# AIM is not just about investing

- Deep dive on companies

- Strategy
- Competitive Position
- Industry Dynamics
- Societal Trends
- Leadership
- Unit Economics
- Supply Chain
- Financial Performance
- Valuation

- Great preparation

- Private Equity
- Venture Capital
- Investment Banking
- Startups
- Corporate Finance
- Corporate Development
- Non-profits
- And yes, Public Equity Investing

# Other courses to build investing skillsets

- Advanced Investment Strategies (AIS)
  - A lot has happened since the 1960s...
  - Covers as much of the last 50 years of investment thinking as possible
  - Basically a tour of hedge fund strategies and alternative investment products
  - Lots of small team projects and data work, not much firm level analysis
- Security Analysis (could be called Valuation & Financial Modeling)
  - Essentially AIM without money
  - Great course to build skillsets similar to AIM

# Extracurricular: ND Investment Club

- Also a concentrated equity portfolio
- About \$800k of the ND Endowment
- Open to everyone, all years, all majors
- Great opportunity to build investing skillsets, interact with other interested students, hear guest speakers, and put real money to work
- <https://investmentclub.nd.edu/>