


# **McIntire Investment Institute**

**Annual Report  
For the Year Ended  
December 31, 2012**



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[www.uvamii.com](http://www.uvamii.com)



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## MCINTIRE INVESTMENT INSTITUTE

**McIntire Investment Institute:** A student-run long-short equity fund, with a portfolio currently valued at approximately \$550,000, MII operates as a nonprofit organization under the McIntire Foundation. Our mission is to educate present and future University students in securities analysis and portfolio management through investing experience with real money.

**History:** The McIntire Investment Institute was conceived by McIntire alumnus (COMM, '85) John Griffin (President, Blue Ridge Capital). Mr. Griffin donated \$1,000,000 to the University in 1993; \$575,000 was earmarked for a student-run investment organization. An initial \$100,000 was made available to the students in October 1994, and an additional \$200,000 was allocated to the fund in 2000. The Institute has since donated \$150,000 of its gains, including \$75,000 in April 2006 to the new McIntire building on the Lawn.

**Investment Philosophy:** The Institute strives to achieve real capital appreciation through a variant perception of the market within the long-short equity strategy. MII believes this variant perception is gained by focusing on the key drivers of value for our investment idea and establishing credibility with our research through VAR (value-added research). VAR involves contacting stakeholders (including customers, suppliers, competitors, employees, experts, etc.) to understand the business. Our strategy is to go long companies with a sustainable competitive advantage and go short companies with unsustainable business models.

**Involvement:** All University students are welcome and encouraged to actively participate. MII offers a number of programs for engaged students. Students can seek management roles, research and present a company, or simply attend weekly meetings and participate in discussion. The complete list of involvement positions includes: Manager, Associate, Analyst, and Member. Managers are elected for annual terms based on investment memos and prior involvement. Managing Officer elections are held in November and General Manager elections are held in April of each year.



## LETTER FROM THE PRESIDENT

Dear Friends of the McIntire Investment Institute:

The McIntire Investment Institute (MII) had a dynamic year with a motivated management team and robust membership base. As for the portfolio, ending AuM was \$548,671, up from \$519,368 last year. From January 1<sup>st</sup> until December 31<sup>st</sup>, MII's portfolio returned 5.6%.

MII's performance trailed the S&P 500's total returns due to poor timing of positions and holdings that deviated from MII's core strategy. On the long side, multiple compression impacted positions like Chipotle and Apple. Other longs such as VeriFone and Timken did not play out and were covered at losses. While there were a few bright spots on the short side, most shorts were covered at losses such as LinkedIn, Harley Davidson and Gold Resources Corp. Nonetheless, managers found some success in picking stocks, descriptions of which can be found on page five.

Our performance allows us to reflect back on the year and learn. The most valuable asset of MII is our framework, stemming from John Griffin, for evaluating companies. Management teams and analysts come and go but the mission of MII remains the same. We believe that stocks are driven by earnings. To gain an 'edge' over the myopic consensus, we conduct rigorous VAR that gives us a variant view. Though our research-driven conviction we then have the confidence to differ from the consensus in the endeavor to generate alpha. The responsibility of MII is to pass on this framework to future generations which will enable us to outperform the market looking ahead.

MII hosted two blockbuster events in the Fall. First, Kyle Bass came to speak to MII. Mr. Bass was a captivating speaker and shared his unique investment viewpoint with the club. The following day saw the MII Stock Pitch Competition which had a strong turnout from students of all years. The all-star line up of judges were: Sean Boyd, Chas Cocke and MII alums Bill Martin and Joel Ramin. They asked terrific questions and also took the time to share their advice. Lastly, for the second time in three years, a team of managers flew to the University of Michigan to pitch a stock and earned a podium finish. Please see page seven for more detailed descriptions of these events.

MII has outperformed the market since inception and our success hinges on the contributions of MII's managers, members, alumni and friends. John Griffin, our patron, deserves a special recognition, as his generous gift continues to inspire young investors. We would also like to thank Dean Zeithaml, Dean Starsia and our faculty advisor Patrick Dennis.

On a personal note, it is bittersweet to leave MII after being a manager for four years. It has been a wonderful and unique experience to have met and learned so much from all the intelligent people with whom I have worked with. Thank you to all the past MII managers who have provided their counsel and encouragement.

We appreciate your interest in MII and encourage you to reach out with any questions or comments.

Respectfully yours,

Harrison Freund  
President  
hbf5ff@virginia.edu  
540-588-7162

## MII LESSONS LEARNED FROM THE SECOND HALF OF 2012

MII's performance against our benchmark was weak in 2012. However, we did have some success stories both on the long and short side.

### New Long Positions



MII initially longed ADT at \$42.79/share. We believe that ADT is a compelling long as it is the market leader in home security with a durable brand and premium pricing. The Pulse, ADT's integrated security offering, will drive higher ARPU and lower churn, a trend that the sell-side doesn't take into account. Lastly, VAR revealed that the threat of cable and telecom companies entering the home security market is overblown. Valuing ADT using a forward P/E approach and factoring in share buybacks, we are targeting a 43% return. Already, shares are up 7% since entering the position.



SL Green is a REIT that specializes in commercial real estate in New York City. MII believes that SL Green is a leader in this market who owns prime properties that are witnessing declining vacancy rates and increasing rent. Also, SL Green benefits from two tailwinds, the influx of technology firms entering the market and new rezoning laws that permit more expansive building. The fact that SL Green trades at a discount to NAV and at a lower FFO multiple as compared to peers indicates that shares are undervalued. MII took its position in SL Green in October.

### Successful Shorts



MII saw Logitech as a compelling short due to declining unit sales in most product lines, an unprofitable acquisition for which it overpaid and management uncertainty. First, its PC peripherals face stiff headwinds with the decline in PCs and the tablet-related peripheral space is fiercely competitive. Second, its acquisition of LifeSize shows management will waste capital on a non-core acquisition. Lastly, managers were not convinced by the new CEO who has no experience in consumer electronics. MII shorted Logitech in September and covered in December for a 25% return.



Molycorp was a great short as MII saw REEs (rare earth elements) to be in huge oversupply beyond 2012 due to new sources of production and demand destruction as end users switch to other materials. Also, falling REE prices put significant pressure on Molycorp's margins. While the sell side believed that demand would outstrip supply, our copious VAR showed a very different supply and demand picture. Initially shorting in February, we covered our short in October, locking in a 58% gain.

## 2012 MII MEMBERSHIP UPDATE

MII continues to attract talented University students who are interested in investing. This semester, MII drew 160 applicants and we extended membership to 79 new members. In addition, 35 members, nine of which were women, pitched 22 stocks during general meetings. In fact, 20% of the women in MII pitched a stock. The elections saw 19 additional members pitch stocks. In total, 45 members pitched stocks, 26% of all members. Also, 88% of members met attendance requirements this semester, indicating strong interest in MII.



*President Harrison Freund (right) and Vice President Rob Sampson (left) present at the introductory meeting to a full audience.*

In keeping with the education goals of MII, the managers implemented chalk talks in between the pitches during general body meetings. This semester, we listened to two dynamic chalk talks from Alex Abosi, the 'trader' in MII who brought a fresh perspective about understanding risk and returns. Also, Associate Kate Murtagh shared her real estate background with the club and gave a comprehensive chalk talk on valuing real estate companies.

## MII MEMBERS OBTAIN POSITIONS AT TOP FINANCIAL FIRMS

As an educational organization, one of MII's main goals is to prepare members for successful careers in finance. Below is a list of the firms that MII members will go on to work at, either as summer interns or full-time employees. This outstanding placement once again highlights MII's reputation for being the top UVA organization for launching finance careers.



HOULIHAN LOKEY





## MII HOSTS STOCK PITCH COMPETITION

### Underclassman Division

**1<sup>st</sup> place-Kevin Wang  
(Amazon, Short)**

**2<sup>nd</sup> place-Wade Oakley  
(Pitney Bowes, Long)**

**3<sup>rd</sup> place-Doug Chan  
(Dollar Tree, Long)**

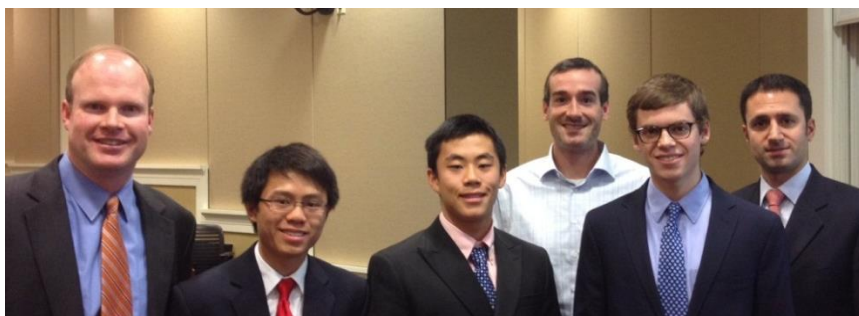
### Upperclassman Division

**1<sup>st</sup> place-Mike Ritinski  
(Zillow, Short)**

**2<sup>nd</sup> place-Harrison  
Freund (ADT, Long)**

**3<sup>rd</sup> place-Ryan  
Rechkemmer (IMAX,  
Short)**

MII hosted its annual Stock Pitch Competition on November 15<sup>th</sup>. The competition saw more than 15 students of all years pitch an idea. An integral part of the success of the competition were the four judges (listed below) who graciously volunteered their time. Not only did they pick the winners, they also provided sage advice. Congratulations to Mike and Kevin, the two victors!



*The judges pose with the underclassman finalists (note: Mr. Boyd not pictured)*

### Thank you to our judges!

- Shawn Boyd
- Chas Cocke
- Bill Martin (MII Pres. '99)
- Joel Ramin (MII Pres. '01)

## MII HOSTS KYLE BASS

MII hosted Kyle Bass of Hayman Capital on November 14<sup>th</sup>. At the event, he spoke to over 60 members and McIntire faculty, sharing his thesis on why he is short Japanese debt. While not in the traditional long-short strategy, we welcomed hearing his unique viewpoint. We would like to thank Mr. Bass for graciously speaking to MII and Professor Smith and the Center for Financial Innovation for arranging the event.

## MII PLACES 2<sup>ND</sup> IN THE U. MICHIGAN STOCK PITCH COMPETITION



*Pictured from left to right: Jonathan Wulkan (CMO),  
Ryan Rechkemmer (CFO) and Haroon Masood  
(General Manager)*

Three managers competed in University of Michigan's Undergraduate Investment Conference by pitching Liquidity Services (see p. 16) as a long. While a controversial name, their VAR indicated that the government sees great value in Liquidity Services, and their convincing recommendation earned them second place out of over 20 colleges. This strong performance means that MII has made it to the final rounds of this competition two out of the last three years.

## Fall 2012 MII STAR ANALYST AWARD

Grong Wang is a second-year student from Chengdu, China, majoring in Mathematics and History. He enjoys following technology trends in the U.S. and China, having pitched RENN, QIHU, and NOK in MII. Outside of MII, Grong is the Treasurer for the undergraduate moot court team of U.Va. and a member of the Burke Society. In his leisure time, Grong likes to play Go, an Asian board game, is an avid photographer and collects fountain pens.

Grong is receiving the Star Analyst Award for his short pitch on Qihoo 360. Grong presented how the company would face challenges breaking into the search engine space, dominated by Baidu. The managers respected the level of research he conducted, especially his VAR that included conducting a poll of over 50 Chinese people and speaking with a leading engineer at a rival firm. While the position did not play out as hoped, we appreciated Grong's process in evaluating investment ideas, hence he earned the Star Analyst Award.



## MII HOLDS SOCIAL EVENT



*Pictured from left to right, Rob Sampson (VP), Kevin Wang (Member) Nick Jones (General Manager), Harrison Freund (President), Jonathan Wulkan (CMO), Kelvin Wey (CIO), Sinan Ulkuatam (Member), Alex Abosi (General Manager), Anisha Thanki (Member), Emily Perego (Member), Selena Kowalski (Member) and Ryan Rechkemmer (CFO)*

MII's social event this semester was a tailgate prior to the Louisiana Tech game on September 29<sup>th</sup>. There was a robust turnout and at the peak of the festivities, over 60 students were at the tailgate. Everybody enjoyed the wings and refreshments. We look forward to hosting more social events in the spring semester.





# PORTFOLIO AS OF December 31, 2012



## McIntire Investment Institute

Officers: Harrison Freund, Rob Sampson, Ryan Rechkemmer, Kelvin Wey, Jonathan Wulkan

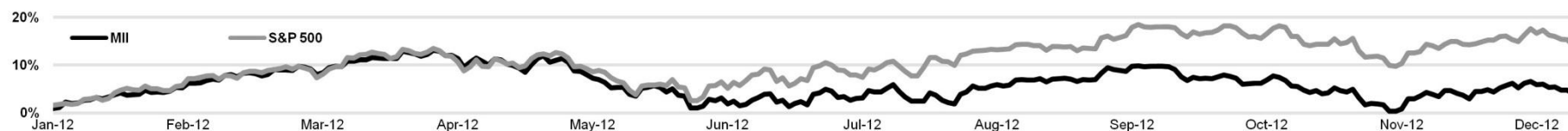
Managers: Alex Abosi, Nick Jones, Haroon Masood, Ajay Sundar

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Portfolio Valuation as of December 31, 2012	Historical Information			Entry			Position			Percent Change			
Company	Symbol	Shares	Price Jan 1 or IPO	Date	Price	Value	Price	Value	Total P/L	2012	Total Gain	Annualized	Weight
Apple Inc.	AAPL	77	405.00	Aug-11	480.14	36,971	532.17	40,977	4,006	31.4%	10.8%	7.5%	7.47%
The ADT Corporation	ADT	830	37.18	Nov-12	43.45	36,064	46.49	38,587	2,523	25.0%	7.0%	98.5%	7.03%
Philip Morris International	PM	417	78.48	Oct-09	57.31	23,898	83.64	34,878	10,980	6.6%	45.9%	12.6%	6.36%
Citrix Systems	CTXS	496	60.72	Dec-10	62.67	31,084	65.62	32,548	1,463	8.1%	4.7%	2.3%	5.93%
Danaher Corporation	DHR	509	47.04	Apr-11	53.27	27,113	55.90	28,453	1,340	18.8%	4.9%	2.9%	5.19%
Liquidity Services, Inc.	LQDT	674	36.90	Oct-12	41.03	27,654	40.86	27,540	-115	10.7%	-0.4%	-2.4%	5.02%
SL Green Realty Corp.	SLG	358	66.64	Oct-12	75.80	27,135	76.65	27,441	305	15.0%	1.1%	6.8%	5.00%
Google	GOOG	37	645.90	Apr-09	363.61	13,454	707.38	26,173	12,719	9.5%	94.5%	19.5%	4.77%
American Tower Corp	AMT	326	60.01	Oct-11	56.63	18,461	77.27	25,190	6,729	28.8%	36.4%	30.0%	4.59%
Coach	COH	415	61.04	May-08	35.55	14,753	55.51	23,037	8,283	-9.1%	56.1%	10.0%	4.20%
Banco Latinoamericano de Comercio Exterior SA	BLX	983	16.05	Sep-12	22.97	22,575	21.56	21,193	-1,381	34.3%	-6.1%	-20.8%	3.86%
First Cash Financial Services	FCFS	406	35.09	Oct-11	41.47	16,835	49.62	20,146	3,311	41.4%	19.7%	15.4%	3.67%
Yum! Brands	YUM	300	59.01	Feb-09	31.62	9,486	66.40	19,920	10,434	12.5%	110.0%	21.1%	3.63%
First Republic Bank	FRC	605	30.61	Sep-11	23.64	14,302	32.78	19,832	5,530	7.1%	38.7%	29.3%	3.61%
Applied DNA Sciences Inc.	APDN	71,439	0.06	Oct-12	0.22	15,688	0.21	15,002	-686	250.0%	-4.4%	-20.5%	2.73%
Endo Health Solutions Inc.	ENDP	553	34.53	Sep-11	30.71	16,983	26.23	14,505	-2,477	-24.0%	-14.6%	-11.2%	2.64%

Long Portfolio										415,421	62,964	17.9%	75.71%
Coinstar, Inc.	CSTR	124	45.64	Oct-12	45.15	5,599	52.01	6,449	-851	-14.0%	-15.2%	-75.3%	1.18%
Short Portfolio										6,449	-851	-15.2%	1.18%

### YTD Performance



Portfolio Exposure and Value				Portfolio Performance			Recent Long Transactions			Recent Short Transactions		
Cash Position	\$	126,801	23.1%	MII Portfolio S&P 500 Index* Spread	2012	2011	Date	Company	Order	Date	Company	Order
Gross Exposure	\$	421,870	76.9%		5.6%	4.9%	Dec. 6	McMoRan Exploration Co.	Close	Dec. 31	Qihoo 360 Technology	Cover
Net Exposure	\$	408,972	74.5%		16.0%	2.1%	Dec. 6	SL Green Realty Corp.	Add to 5%	Dec. 3	Logitech International SA	Cover
Total Portfolio Value	\$	548,671	100.0%		-10.4%	2.8%	Dec. 6	Danaher Corporation	Add to 5%	Oct. 15	Qihoo 360 Technology	Initiate at 1%
January 1, 2012	\$	519,368		*S&P 500 total return (SPDR S&P 500 ETF)			Dec. 6	Liquidity Services, Inc.	Add to 5%	Oct. 4	Best Buy Co. Inc.	Cover



## SUMMARY OF MII's YTD TRANSACTIONS

## Long Transactions

Date	Order Type	Company	Price	Shares	Gain / (Loss)
1/18/2012	Close Position	Cadence Pharmaceuticals	\$3.91	2,925	(\$6,288.75)
1/18/2012	Close Position	Adams Golf	7.51	2,009	4,038.09
2/1/2012	Initiate at 3%	Chipotle Mexican Grill	369.41	44	--
2/6/2012	Initiate at 2.5%	Sirius XM Radio	2.16	6,403	--
2/21/2012	Close Position	Madison Square Garden	33.39	454	2,138.34
2/27/2012	Close Position	Steinway Musical Instruments	24.97	1,032	7,358.16
2/27/2012	Close Position	Cal-Maine Foods	38.52	700	7,168.00
2/27/2012	Trim to 5.5%	Coach	74.77	105	4,118.10
2/27/2012	Trim to 5%	Philip Morris International	82.66	103	3,518.48
3/19/2012	Initiate at 4%	Occidental Petroleum	101.82	228	--
3/19/2012	Initiate at 3.5%	The Timken Company	54.33	374	--
4/2/2012	Add to 6%	Apple	617.60	10	--
4/2/2012	Add to 4%	Danaher	56.08	135	--
4/2/2012	Add to 3%	First Cash Financial Services	43.48	125	--
4/3/2012	Initiate at 3.5%	Internet Interactive Japan	8.62	2,378	--
4/9/2012	Close Position	Monsanto	76.60	325	406.25
4/23/2012	Initiate at 3.5%	VeriFone Systems	51.49	384	--
5/8/2012	Close Position	Ulta Salon	84.60	234	4,006.08
5/8/2012	Close Position	Baidu	125.10	114	(1,443.24)
6/12/2012	Add to 5%	The Timken Company	47.22	215	--
6/12/2012	Add to 4.5%	VeriFone Systems	31.84	336	--
9/10/2012	Add to 8%	Apple	682.61	10	--
9/10/2012	Add to 6.5%	Philip Morris International	88.52	77	--
9/10/2012	Add to 5%	VeriFone Systems	32.05	167	--
9/10/2012	Add to 4%	Chipotle Mexican Grill	326.38	26	--
9/10/2012	Close Position	JP Morgan Chase	39.31	635	4,711.70
9/10/2012	Close Position	Cisco Systems	19.25	1,302	520.80
9/17/2012	Close Position	Internet Interactive Japan	11.61	2,378	7,116.88
9/24/2012	Initiate at 4%	Bladex	22.91	983	--
10/15/2012	Close Position	Chipotle Mexican Grill	288.04	70	(4,577.30)
10/22/2012	Initiate at 2%	Applied DNA Sciences	0.24	45,772	--
10/31/2012	Initiate at 4%	Liquidity Services	41.14	525	--
10/31/2012	Initiate at 3.5%	SL Green Realty	75.93	250	--
11/6/2012	Close Position	Sirius XM Radio	2.84	6,403	4,354.04
11/12/2012	Initiate at 3.5%	McMoRan Exploration	12.95	1,429	--
11/12/2012	Close Position	Occidental Petroleum	76.60	228	(5,750.16)
11/19/2012	Add to 2.5%	Applied DNA Sciences	0.19	25,667	--

## SUMMARY OF MII's YTD TRANSACTIONS

## Long Transactions

Date	Order Type	Company	Price	Shares	Gain / (Loss)
11/26/2012	Initiate at 5%	ADT	42.76	631	--
12/3/2012	Close Position	The Timken Company	45.27	589	(3,807.69)
12/3/2012	Close Position	VeriFone Systems	30.15	887	(9,082.88)
12/3/2012	Add to 7%	ADT	45.64	199	--
12/6/2012	Add to 7.5%	Apple	528.47	10	--
12/6/2012	Add to 5.5%	Citrix Systems	59.96	136	--
12/6/2012	Add to 5%	Liquidity Services	40.54	149	--
12/6/2012	Add to 5%	Danaher	53.02	90	--
12/6/2012	Add to 5%	SL Green Realty	75.49	108	--
12/6/2012	Close Position	McMoRan Exploration	15.46	1,429	3,586.79

## Short Transactions

Date	Order Type	Company	Price	Shares	Gain / (Loss)
2/6/2012	Initiate at 1%	Molycorp	\$37.85	197	--
2/14/2012	Initiate at 1.5%	Shutterfly	36.76	314	--
2/27/2012	Cover Position	Garmin	47.81	190	(\$1,896.20)
2/27/2012	Cover Position	DineEquity	51.71	140	(148.40)
2/27/2012	Initiate at 1%	LinkedIn	89.54	63	--
4/9/2012	Initiate at 1%	American Greatings	15.26	379	--
4/13/2012	Cover Position	LinkedIn	107.58	63	(1,136.52)
4/20/2012	Cover Position	Harley-Davidson	51.32	183	(1,895.88)
4/23/2012	Cover Position	Gold Resources Corp	27.00	255	(2,147.10)
5/8/2012	Initiate at 1.25%	Best Buy	20.09	348	--
5/8/2012	Initiate at 1%	KIT Digital	4.84	1,156	--
5/8/2012	Initiate at 1%	AOL	24.76	226	--
7/26/2012	Cover Position	AOL	31.03	226	(1,417.02)
9/4/2012	Cover Position	Shutterfly	29.83	314	(963.98)
9/10/2013	Cover Position	KIT Digital	3.15	1,156	1,953.64
9/17/2012	Initiate at 1%	Logitech	9.49	902	--
9/26/2012	Cover Position	American Greatings	16.79	379	(579.87)
10/1/2012	Initiate at 1%	Coinstar	45.15	124	--
10/1/2012	Cover Position	Molycorp	11.60	197	3,201.25
10/4/2012	Cover Position	Best Buy	17.90	348	762.12
10/15/2012	Initiate at 1%	Qihoo 360 Technology	22.01	251	--
12/3/2012	Cover Position	Logitech	7.15	902	2,110.68
12/31/2012	Cover Position	Qihoo 360 Technology	28.65	251	(1,666.34)



## LONG POSITIONS

### **Apple (NASDAQ: AAPL)**



Apple designs and markets brand name personal computers, mobile phones, portable digital music and video players, and tablet computers; and sells a variety of related software, services, peripherals, and networking solutions. Apple currently dominates in the fast growing tablet market with the iPad, even as new entrants threaten to dilute Apple's market share.

MII is encouraged by current trends in consumer preferences for Apple devices, particularly survey results finding that 41% of North American cell phone users plan on buying an iPhone as their next phone, compared to 27% market penetration in the United States for the iPhone at present. Currently, 28.7% of all smartphone users have Apple's iPhone, a number we believe will continue to grow due to Apple's constant innovation each year.

An often overlooked growth opportunity for Apple is the Asia-Pacific market, of which China is by far the largest component, where year over year growth in Apple's net sales was a staggering 160% and 174% in 2010 and 2011, respectively, accounting for 7% of Apple's net sales in 2009 and 21% in 2011. An expanding middle class, improving cellular networks and carrier distribution deals, and a strong brand image among consumers bode well for sustained growth in sales of Apple products, particularly the iPhone, in the Asia-Pacific region, especially China.

With cash equivalents of \$81.57B and no debt at the end of FY 2011, Apple has substantial reserves with which to fund future research and development, make acquisitions, and launch new products. In particular, recent executive turnover is a catalyst for strategic deployments of cash resources, including a dividend. The health of Apple's balance sheet and its sustained revenue growth also makes it attractive as a safe-haven investment, limiting its downside risk.

MII is optimistic about the success of Apple's product pipeline, including the next generation iPhones, iPads – particularly the iPad mini and the iPhone 5 - and potential new product categories. In particular, a novel internet-enabled Apple TV has the potential to disrupt traditional cable providers and media creation companies as iTunes previously did to the music industry, thus strengthening the network effect for Apple's existing digital distribution channels of iTunes, App Store, and iBooks.

### **ADT (NYSE: ADT)**



ADT was founded in 1874 and is the largest provider of home security in the United States. It was spun off from Tyco on October 1, 2012. MII's thesis focuses on the company's scale and brand awareness, the adoption of smartphones in the industry and future expansion of the home security industry.

First, ADT is well placed in the home security industry based on their scale and brand, which gives them a large amount of pricing power. The company has been able to raise prices in the past with very few customers leaving for low-cost providers. On top of this, when the low-cost providers do become big enough, ADT has been able to buy them. In the future, we believe ADT will be able to continue to use its muscle to grow its market share.

Additionally, a large part of this market share growth will come from the adoption of smartphones in the home security industry. ADT now offers its Pulse service to customers, which allows them to remotely control their home security system. This service provides higher average revenue per user and continues to set ADT apart from its competitors. With this increased revenue per user also comes less customer attrition. In the future, smaller home security providers without a smartphone application will not be able to compete with ADT.

Finally, there are outside drivers that will drive people to install home security systems. Insurance companies offer a discount to homeowners with security systems, many new customers have home security systems because they are pre-installed in their house when it was built, and the new mobile app allows people to cancel false alarms. We believe ADT is well positioned to succeed in the home security market and is an excellent holding for our portfolio.



### ***Philip Morris International (NYSE: PM)***

Philip Morris International (“Philip Morris”) produces, markets and sells cigarettes in countries outside of the United States. MII’s thesis focuses on Philip Morris’ leadership position in an industry characterized by high barriers to entry, the Company’s consistent growth in cigarette volumes and its stable cash flows.

Philip Morris is a leader in an industry characterized by high barriers to entry and commands an array of strong brands. Marlboro, the Company’s flagship brand and world’s most popular cigarette, leads the way by consistently increasing market share. The Company is able to sustain the strength of its brands because high capital requirements and government regulations limiting cigarette advertising eliminate any threat from new competitors.

Philip Morris has also driven cigarette volumes growth in many of its markets. It has a first mover status among foreign tobacco companies in China and significant exposure to the high growth Indonesian and Eastern European markets. The Company’s expansive brand portfolio effectively segments the market and is well positioned for a consumer shift toward higher margin premium brands like Marlboro and Parliament. VAR conducted during a study abroad and through interviews with foreign students confirms that Philip Morris brands are among the most desirable cigarettes.

Philip Morris also commands strong and steady cash flows. It is selling a product with nearly inelastic demand. Furthermore, Philip Morris has significant operating leverage, which allows it to increase volumes without a significant increase in fixed costs. Management has proven its willingness to return cash flows to shareholders through a combination of dividends and share buybacks.

Looking forward, Philip Morris stands to gain from its steady volume, solid brand, growth of market share, and competitive pricing. However, increasing regulations on labels and packaging are preventing companies like Philip Morris to continue building loyalty and gaining new customers and also increasing printing expenses. For instance, the Australian government recently banned anything but plain packaging. This deprives companies like Philip Morris a key advertising medium.



**Citrix Systems (NASDAQ: CTXS)**

Citrix Systems, Inc. ("Citrix") develops and markets virtualization software, solutions, and services that allow clients to access remote data and to collaborate on its secure platform. MII regards Citrix as a solid investment due to the growth potential of the virtualization industry, Citrix's technological superiority over its competitors, and its focus on mobile clouding solutions.

Our research indicates that the virtualization industry is under-penetrated. Virtualization has an attractive ROI for customers, as it reduces IT management costs, aids IT updates and maintenance, and provides greater mobility and ease of access for employees. As estimated by IDC, the Virtualization Solutions market is expected to grow 12.3% year over year in 2013, and the Cloud System Software sub-segment is forecast to grow 15.5% in 2013.

Citrix is best positioned to profit from virtualization growth against its main competitor, VMware. Research contacts attested Citrix FlexCast's technology superiority to VMware Virtual Desktop Interface solution. Citrix products use less bandwidth and processor time than VMware View Products and provides better Flash video viewing. Research indicates Citrix's product appeals to IT professionals due to its reliability and superiority, and this is evidenced by the 22% revenue increase from Citrix's license updates and maintenance in Q4 2012.

Moreover, following its recent acquisition of Zenprise, a leading mobile device management company, Citrix further differentiates itself by establishing a complete mobile virtualization solution which includes GoToMeeting, Podio, and ShareFile. Mobile clouding solution is the present trend for the virtualization industry, and Citrix's focus on mobile virtualization leads to a clear edge over VMware.

Overall, MII regards Citrix enjoying long-term technological and strategic advantage over VMware, its primary competitor in the rapidly growing virtualization industry. MII anticipates Citrix will consolidate its current robust revenue and to sustain its fast growth pace in 2013.

**Danaher Corporation (NYSE: DHR)**

Danaher Corporation ("Danaher") is an industrial conglomerate that designs, manufactures, and markets a wide range of professional, medical, industrial, and consumer products. The company is organized into five business segments: Test & Measurement, Environmental, Life Sciences & Diagnostics, Dental, and Industrial Technologies. The company's deep arsenal of strong brands, proven track record of strategic acquisitions, and lucrative position in emerging markets leads MII's conviction in this stock as a long position.

The strength of Danaher's brands can best be illustrated by the fact that Danaher holds one of the top positions in every one of its business segments. Because of the firm's dominance in each of its business segments, we expect Danaher to benefit from the growth of the global economy. Danaher focuses on continuing its dominance through two major paths: research and development and acquisitions. While many firms try to use M&A activities to find growth opportunities, very few companies have been as successful as Danaher in finding companies that successfully create synergies. As almost all of the firm's acquisitions in recent history have created hundreds of millions of dollars in synergies, we expect Danaher to continue making value-adding acquisitions in the future.

The company has a considerable amount of exposure to emerging markets with 22% of all sales coming from those areas. China and Southeast Asia are the two largest subsectors of their emerging market sales. As the overall standard of living continues to increase across the globe, MII expects these nations to purchase an increasing amount of industrial products. Naturally, we expect Danaher to capture a large amount of this spending. Furthermore, the strength of the emerging markets poses a refuge from the potential risks currently embedded in the European markets. As a result of the firm's strong portfolio of brands and success in M&A activity, we expect Danaher to continue to perform well for us throughout 2013.



### ***Liquidity Services (NASDAQ : LQDT)***

Liquidity Services, Inc. ("Liquidity") is a reverse supply chain management company providing liquidation services for multiple Fortune 500 companies, the Department of Defense (DoD), and Federal, State and Local governments. Liquidity provides one of the largest marketplaces for wholesale and surplus assets, boasting the largest network of pre-qualified buyers for such assets. The company generates revenues from selling these assets on consignment or through purchasing these assets at a fixed price and reselling them through its marketplace.

Liquidity's stock has experienced substantial downward pressure because of market doubts regarding its ability to retain its largest DoD contracts. The market perceives competition from Genco and Ebay as threatening Liquidity's ability to hold the DoD contracts. However, the DoD has already exercised extension rights multiple times with Liquidity. Further, extensive value added research conducted by MII showed that the DoD values vendor compliance above any other component of a contract bid. Liquidity has had a 0% compliance failure rate in its 11 year DoD contract, placing it far ahead of its competition.

MIl believes that Liquidity will see its contracts with the DoD renewed by 2014, with Liquidity retaining its current profit margins on these contracts. Further, MII expects Liquidity to benefit from tailwinds in the DoD business as U.S. engagement in the Middle-East declines. MII also sees strong tailwinds in Liquidity's commercial business as Liquidity continues to sign new contracts with Fortune 500 companies and builds out its buyer network. Finally, MII believes that Liquidity's competitors (Genco, Ebay, and Ritchie Bros.) are misunderstood by the market, and pose very little threat to Liquidity's future profitability.



### ***SL Green Realty Corp. (NYSE: SLG)***

SL Green Realty Corp. ("SL Green") is a mid-cap real estate investment trust (REIT) focused primarily on acquiring, repositioning, and managing Manhattan commercial properties. As of September 30, 2012, SL Green owned 77 Manhattan properties totaling more than 39.3 million square feet, with about 95% currently leased. Other assets include properties in adjacent geographies such as Brooklyn, land development rights, and structured finance products like mezzanine debt. MII considers SL Green to be undervalued relative to the intrinsic value of its real estate holdings, the strength of its leasing operations, and opportunities to profitably redevelop key properties in Midtown Manhattan.



SL Green has a record of attracting and retaining top-notch tenants. In fact, the company signed around 60 Manhattan office leases with renowned firms like Capital One Financial Corp. and Young & Rubicam, Inc. just in the third quarter of 2012. MII expects that SL Green's long-term lease agreements with a diversified high-end tenant base in favorable geographies will lessen the impact of any recession. Nonetheless, an expected increase in the supply of Class A office space at competing locations such as the World Trade Center may force SL Green to offer greater concessions to tenants.

The variant perception held by MII stems from the lack of recognition for SL Green's capacity to redevelop its major properties in Midtown Manhattan, principally the block bounded by Madison Avenue, 42nd and 43rd Streets, and Vanderbilt Avenue adjacent to Grand Central Terminal. Following a rezoning proposal in July 2012 from the New York City Planning Commission, which Mayor Bloomberg fast-tracked for approval, SL Green has announced plans to build a new skyscraper in this location that may also connect to an underground subway.

Catalysts for outperformance by SL Green include additional dividend increases, leveraging of its larger credit facility with lower borrowing costs and extended maturity, and strategic portfolio restructuring. Meanwhile, MII expects that investors will reconcile the unjustified discount in SL Green shares relative to peers on the basis of net asset value and funds from operations.

### ***Google (NASDAQ: GOOG)***



Google is a global technology company that maintains the largest, most comprehensive index of websites and associated online content. The company's major divisions include search, advertising, operating systems, cloud computing, and enterprise. MII's investment thesis is focused on Google's dominant advertising position, its R&D capabilities and strategic flexibility, and the projected future of new ventures.

Google holds almost 67% of the search engine market in the United States, and approximately 96% of the company's revenue comes from online advertisements. The company's dominance of online advertising is rooted in the Google Matrix, a search algorithm that yields relevant results for users and allows advertisers to provide targeted messages.

The market does not feel comfortable with Google's declining average cost-per-click in its advertising business. However, MII sees this decline as a natural progression towards more mobile advertisements, which have a lower price, and we are also reassured by Google's growing mobile advertising revenue. Furthermore, we noticed a growing demand for cloud computing. To meet growing demand for cloud computing, Google has created its very own Netbook computer and cloud-based operating system. Google+, Google's own social network, is becoming more popular and is poised to take advantage of the Social Media Optimization of online searches and content. Lastly, the growing popularity of Google's Android operating system for both smartphones and tablets represents another growth avenue for the company.

We believe Google is one of the most dynamic and agile companies we have seen in recent years. Its ability to adjust to the major shifts in the tech industry and effectively meet customer demand makes Google an excellent core holding for MII.



AMERICAN TOWER

## **American Tower (NYSE: AMT)**

American Tower Corporation is an infrastructure company that owns, operates, and develops sites related to wireless and broadband communication. Its main business consists of leasing antenna space to multiple wireless service providers, radio companies, and TV companies on the communications towers that it owns. American Tower also operates antenna systems within buildings and offers services relevant to supporting its rental and management services. As of September 30, 2012, AMT managed a total of 50,699 communication towers globally. American Tower's strategy focuses on capturing the growth in wireless communications services and the required infrastructure in relation to wireless communication technologies.

MII believes that American Tower will outperform the market because of three key points: its history of acquisitions and growth, its strong competitive position, and its REIT status. American Tower has been growing substantially both internationally and domestically and is benefiting from the increased use of 3G and 4G phones. Last fiscal year, 26% of the company's total revenue came from Brazil, Chile, India, and South Africa. We believe the company is poised for growth in these areas as the penetration of mobile technology rises.

In addition, American Tower has demonstrated strong growth after its merger with Spectra. American Tower's market leading position with the largest tower portfolio in the U.S. allows it to overcome tower-zoning requirements, which represents a significant barrier to entry for competitors. MII believes American Tower Corporation is well positioned to capitalize on the lucrative domestic market and expanding international market, making this stock a compelling long.



## **Coach (NYSE: COH)**

Coach, Inc. is a luxury retailer of high end accessories primarily for women in the United States and abroad. Coach designs, markets and distributes accessories ranging from handbags to eyeglasses and jewelry. MII's investment thesis focuses on Coach realizing its potential growth as it exploits opportunities in emerging markets, expanding within existing markets and strengthening its brand equity.

Since its IPO in 2000, Coach has exhibited strong growth in the premium accessories market, fueled largely by its luxury handbags. The company is expanding rapidly with plans to achieve a long-term target of around 500 stores in North America. As Coach products are being well received abroad, particular in Japan, international expansion is important to Coach's continued growth strategy. MII believes that China holds tremendous potential as a burgeoning luxury goods market where Coach now operates 96 stores and has consistently generated a double-digit growth in comparable store sales. Moving forward, Coach's growth prospects in China look strong because the company's accessible luxury product proposition gives it greater access to the growing middle class and steers it away from direct competition with established ultra-luxury brands.

Beyond its expansion into new markets, Coach is also growing its existing product lines. The women's handbag business has grown from \$2.5 billion in 2001 to over \$5 billion today. Women now buy an average of four handbags per year, twice what they purchased in 2001. Coach is well positioned to capture repeat handbag purchases because it fills the void between moderate brands and ultra-luxury designer labels. The company's brand positioning and product offering give it a string moat and are the reasons for its outperformance in a modestly improving retail environment.



Coach's management has also been successful in translating its sales growth into incremental earnings by shifting its product mix towards higher margin items and improving its sourcing to reduce costs, contributing to operating margins of approximately 30%. With its proven ability to turn sales into free cash flow, Coach is in an excellent position to fund sustained growth and capture emerging opportunities worldwide.

### ***Banco Latinoamericano de Comercio Exterior (NYSE: BLX)***



Banco Latinoamericano de Comercio Exterior (Foreign Trade Bank of Latin America), which does business as "Bladex," is a special-status, supranational trade bank that was originally established in 1975 by 23 Latin American and Caribbean central banks in order to promote trade financing in the region. Investors own 76.42% of Bladex through class "E" shares, which currently carry a 5.80% dividend yield. MII believes that shares are undervalued considering the company's practically unassailable competitive moat and burgeoning Latin American trade volume.

Bladex's primary source of revenue is its Commercial Division, which provides a full range of financial intermediation services and fee generation activities tied to foreign trade transactions. Bladex's competitive advantage stems from its 30+ years of regional market expertise, a coordinated network of foreign trade specialists that serves as a single point of contact for both importers and exporters, and income tax exemption on account of a special contract with its home country of Panama. Furthermore, because of its unique institutional backing, robust capitalization, and prudent risk management, many counterparties recognize Bladex as a preferred creditor, thus affording ample and inexpensive funding.

Investors are wary of Bladex because its Asset Management Unit has lost a quarter of its value over the past two years, yet funds under management represent less than 2% of total assets, and Bladex is in advanced stages of negotiating a transaction to divest the Unit. A more viable concern is the strong positive correlation between inter-regional exports and the volatile demand for raw materials – especially metals, fuel, and food – by emerging economies in Asia. Nonetheless, downside risk is relatively limited given the parity between Bladex's share price and book value and Bladex's capacity to withstand a recession, as seen during the Global Financial Crisis when Bladex's net income contracted just 22.4% from 2007 to 2009 and Bladex shares promptly rebounded to pre-recession levels. At the same time, MII sees strong catalysts for future growth in the recent addition of Venezuela to the Mercosur trade bloc and the expected completion of the Panama Canal expansion project in 2014.

### **First Cash Financial Services (NASDAQ: FCFS)**



First Cash Financial Services ("First Cash"), through its pawn and cash advance stores, provides specialty consumer financial services and related retail products. First Cash Pawn and Famous Pawn, the Company's two pawn store brands, offer small loans that are secured by personal property and generate about 90% of the Company's gross revenue. First Cash Advance and Cash & Go, the Company's two short-term cash advance brands, offer combinations of short term loans, check cashing, credit services, money orders, wire transfers and other financial services. These stores generate revenues from the receipt of interest payments and the sale of pledged collateral from defaulted loans.

Mexico, with its favorable regulatory and credit environments, continues to provide tremendous growth opportunities for First Cash. The Company aims to leverage its first-mover advantage in Mexico to double its existing store-base of over 500 in the next five to six years, as well as expand its presence in the United States. MII believes that First Cash will achieve these goals because of the strong demand for small consumer loans in Mexico, the Company's stellar financial position and the barriers to entry that exist for competitors that try to emulate First Cash's highly successful full format retail pawn business. Same-store sales driven by existing store-base maturation and a tight credit environment in the U.S. should further propel First Cash's top-line performance.

In the past, First Cash has traded closely with gold – far closer than its competitors. This pattern reveals a misperception among investors that First Cash's operating performance is dependent on gold prices. As a percentage, the Company has significantly less gold jewelry in its inventory than any of its direct competitors. Thus, MII believe its stock price will appreciate as the Company continues to show strong long-term growth despite gold-price fluctuations.



### ***Yum! Brands (NYSE: YUM)***

("Yum!") was incorporated in 1997 and is a quick service restaurant company with over 37,000 units in more than 110 countries. Through the three concepts of KFC, Pizza Hut, and Taco Bell, the company develops, operates, franchises, and licenses a global system of restaurants. The company either operates units or contracts with independent franchisees or licensees. In addition, the company owns non-controlling interests in unconsolidated affiliates in China who operate similarly to franchisees.

Yum's continued growth in key markets has recently been challenged by a weaker demand environment in both China and the U.S. Concern has grown with regards to margin compression in China. However, Yum's business in China has historically been susceptible to input costs. In addition, commodity deflation will allow Yum to capture increased food margins. The combination of this, along with slower wage rate inflation, should allow Yum to maintain margins despite decelerating comps. Last, solid results from emerging markets support international growth.

MIl's second thesis point focuses on the company's superior management. VAR contacts noted that senior managers visit the company's restaurants periodically to ensure product quality and mentor staffers. Yum's cash generation and impressive return on invested capital demonstrate management's abilities to create shareholder value. Yum's recent decision to focus on its core brands by divesting its Long John Silver's and A&W Root Beer chains reaffirms MII's view of management. Overall, MII believes that Yum! will continue to realize strong organic growth and high efficiency due to management's proven judgment and ability to enter new markets. Going forward, Yum! stands to benefit from sustainable growth in key markets like China and the U.S. as well as accelerating growth in emerging markets as a result of Yum's mix shift.





FIRST REPUBLIC BANK

### ***First Republic Bank (NYSE: FRC)***

First Republic Bank ("First Republic") is a California state-chartered commercial bank that provides personalized, relationship-based, preferred banking, preferred business banking, real estate lending, trust and wealth management services to clients in metropolitan areas of the United States. The Company was taken public in 2010 after a management and private equity-led buyout from Bank of America Merrill Lynch.

First Republic focuses on providing banking and wealth management services to high net worth individuals, leveraging its relationship expertise to cross-sell home and business loan services and to grow its asset base. By catering to this wealthy, stable client base, First Republic maintains a significantly higher level of asset quality in relation to its peers, strengthening the bank's ability to effectively commit its assets towards safely and efficiently generating interest income. As a result, the bank continued to grow its balance sheet throughout the financial crisis and never requested or accepted TARP funds.

MII has begun to take advantage of a price correction in the stock as First Republic separates itself from its peers and distinguishes itself as a strong performer in a turbulent market sector. MII expects to generate further returns as First Republic continues to expand into large high net worth household markets in New York and Boston while developing its presence in its established markets.

### ***Endo Health Solutions (NASDAQ: ENDP)***



Endo Health Solutions ("Endo") is a specialty health care company focused on providing high-value branded products, specialty generics, and medical devices for pain management, pelvic health, urology, endocrinology and oncology.

With an FDA investigation into Lidoderm and settlements with Watson Pharmaceuticals and other pharmaceutical companies, ENDP is facing revenue loss and government penalties. Its current stock price is down 32% from its 52 week high. However, in November of 2012, the company's CEO, David Holveck, purchased \$199,287 worth of ENDP shares which indicates that insiders expect higher earnings. The company has a price to book ratio of 1.6, which is well below the industry average of 3, suggesting the stock price should rise.

A combination of ENDP's diversified product portfolio of both branded and generic prescription products, health solution services, and medical devices can help the company offset the impact of declining contributions from Opana ER after the company lost the bid. Moreover, ENDP's generics business, Qualitest, which represented about 21% of sales in 2012 and continues to grow at double-digit rates, is expected to have stable to expanding gross margins. With no new business or product acquisitions, ENDP's branded drug sales are expected to account for 40% of sales by 2014. With a nearly 10% current cash yield, ENDP will be able to continue to pay down debt to further drive down its leverage.

MII recognizes the potential risks posed by its high leverage and management turnover. ENDP is highly leveraged with a capitalization ratio of 62.6%, hurting its profitability with high interest costs. ENDP announced that its CEO would retire in May 2013, which might decrease investor confidence. MII will keep an eye on these risks, but we believe these risks are minor compared to the attractiveness of the overall business.

**Applied DNA Sciences (NASDAQ: APDN)**

Applied DNA Sciences (APDN) is a high-tech company that develops and provides anti-counterfeiting technology. By utilizing its unique DNA technology, APDN helps protect the legitimacy of a wide variety of products, ranging from wine and musical instruments to currency and military equipment. Its most successful product to date is Cashfield™, a Cash-in-transit theft-deterrent system that has thousands of units in circulation. As a comparatively overlooked micro-cap stock, APDN has the potential to attract much greater investor recognition.

APDN's growth will stem from increasing demand for authentication security, and as the provider and developer of the world's strongest full-proof authentications, APDN is at a great position in the market. With counterfeiting increasing 10,000% over the past 20 years, governments and other organizations will need more efficient technology to protect the authenticity of their wares. The key for APDN's superior product is the simple but powerful fact that DNA is virtually impossible to copy. According to our VAR, the Director of the US Bureau of Engraving and Printing and a US Secret Service agent have independently confirmed that the US Treasury is currently considering adding DNA technology to bank notes. This development can turn into a strong catalyst for APDN.

MII believes that the lack of data for APDN makes it extremely undervalued with a lot of growth. Given the increase in demand for anti-counterfeiting technology, its value will increase as the market becomes more aware of its unrecognized potential.

## SHORT POSITIONS

### ***Coinstar (NASDAQ : CSTR)***



Coinstar, Inc. ("Coinstar") is the owner of "Redbox" DVD rental kiosks, "Coinstar" coin-counting machines, video game rental kiosks, and a limited number of coffee-dispensing kiosks. Coinstar also sells prepaid card products from Green-Dot and MasterCard, as well as prepaid gift cards from many retail chains. The company's largest source of revenue is its Redbox DVD rental service, generating 85% of Coinstar's revenues.

MII currently holds a short position in Coinstar based on long-term trends towards online streaming leading to a decline in Coinstar's Redbox revenues. Although Coinstar successfully gained market share in the DVD rental business throughout Blockbuster's decline, streaming services such as Netflix will hurt Redbox revenues, having a dramatic effect on Coinstar's profitability. Although Coinstar provides diversified kiosk services, these make up a small percentage of the company's revenues and will not sufficiently cover slowdowns in the DVD rental business. With the majority of Coinstar's 15% non-Redbox revenues coming from its coin-counting business, diversified kiosks have so far failed to diversify Coinstar's revenues.

Although Coinstar recently missed earnings estimates, Redbox revenues have continued to grow at a steady rate. Furthermore, Coinstar will begin an online streaming service with Verizon (Redbox Instant). Coinstar has also begun diversifying into coffee vending in test markets, with a fair degree of success. Coinstar recently hired a top Starbucks executive, suggesting Coinstar is attempting to turn coffee into its next core business. However, MII anticipates that Redbox Instant will fall short of market expectations, and Coinstar's coffee vending services will fail to gain traction, leading to substantial gains on our short position.



## Fall 2012 MANAGEMENT TEAM

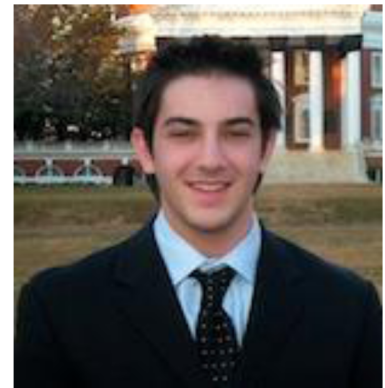


**Harrison Freund**

President

Harrison is a fourth-year from Salem, VA majoring in Commerce (Finance), with a minor in Art History. In addition to serving as President of MII, he is involved with the UVA Sailing Association and this past semester, took John Griffin's Analyst's Edge class. He spent last summer at Greenhill & Co. in New York and accepted his offer to return full time.

Robert is fourth-year from Stony Brook, NY majoring in Biology. Outside of MII, Robert is the President and Founder of TJ Tea LLC—an entirely student-run company that serves over 100 customers each day, researches Focused Ultrasound and Immunology, plays the cello, is an EMT, and is a member of Pi Lambda Phi fraternity. In his free time, Robert fences, plays ping-pong, manages his private portfolio and is an entrepreneur. Next year, he will work for Focused Ultrasound Surgery Foundation (FUS) as a research scientist and apply to medical school. In the future, Robert would like to combine medicine, research, and entrepreneurship to better serve patients and discover the best therapies.



**Robert Sampson**

Vice President



**Ryan Rechkemmer**

Chief Financial Officer

Ryan is a third-year Commerce and Economics student from Virginia Beach, VA. In addition to his involvement with MII, Ryan participates in activities with the Intervarsity Christian Fellowship and plays the violin. He is an avid reader and a constant follower of developments in the global financial markets. Ryan also writes regularly for his blog on Economics, Finance, and Investing and publishes stock-specific content as a Director of Wikinvest. This summer he will be interning at WEDGE Capital Management.



**Kelvin Wey**

Chief Information Officer

Jonathan is a third-year from Highland Park, IL majoring in Commerce (Finance and Accounting). Outside of MII, Jonathan is an active member of Sigma Alpha Mu fraternity. Jonathan also manages his own investment portfolio, and uses the proceeds to fund his car modifications. He will be working at J.P. Morgan in Investment Banking this summer.



**Jonathan Wulkan**

Chief Marketing Officer



**Alex Abosi**

Manager

Alex is a fourth-year from Gaborone, Botswana majoring in Commerce (Finance and Management). Outside of MII, Alex rowed for UVA's Men's Crew team for two years and serves as president for McIntire's Sales and Trading Group. Also, he is a crack shot and is a member of UVA's rifle, pistol and shotgun clubs. Last summer, Alex interned in Morgan Stanley's Fixed Income Sales and Trading department. Following graduation he will work as an Investment Analyst at the PFM Group.

Nick is a third year from Woodbridge, VA majoring in Commerce (Finance and Accounting) and Economics. Outside of MII, Nick is an active member of the business fraternity, is a member of the University Judiciary Committee and enjoys running cross-country. This summer he will be working as an intern at 12 West Capital.



**Nick Jones**

Manager



**Haroon Masood**

Manager

Haroon is a rising third-year from Sialkot, Pakistan. Outside of MII, Haroon serves as the president of the Islamic Finance Association. In his free time, he enjoys playing basketball and drawing. Haroon will intern with Moelis & Company this summer in New York.

Ajay is a third-year from Richmond, VA majoring in Commerce (Finance and Accounting) and Economics. Outside of MII, Ajay is an officer of the Economics Club, a member of the Virginia Club Tennis team and a volunteer tax preparer for Madison House. Last summer, Ajay was an Underwriting Intern at Allianz Global Assistance in Richmond, VA. This summer, he will be joining Citigroup's Investment Banking Division in New York.



**Ajay Sundar**

Manager



Thank you to our advisers John Griffin, Dean Zeithaml, Dean Starsia and Professor Dennis for their support of the fund. We sincerely appreciate this learning opportunity and your continued involvement.



**John Griffin**  
MII Benefactor



**Dean Carl Zeithaml**  
Dean, McIntire School of Commerce



**Dean Gerald Starsia**  
Treasurer, McIntire Foundation



**Professor Patrick Dennis**  
MII Faculty Adviser



