



STUDENT
INVESTMENT FUND
CLAREMONT MCKENNA COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

CLAREMONT MCKENNA COLLEGE STUDENT INVESTMENT FUND | WWW.CMCSIF.ORG



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A LETTER FROM THE CEO

Friends of the Claremont McKenna College Student Investment Fund:

The Claremont McKenna College Student Investment Fund (“SIF” or “the Fund”) has experienced a transformational year. The Fund has taken tremendous strides in the development and enhancement of our organization as well as our capital base. In this letter you will find a brief overview of some of the exciting steps we have taken over the past year.

Alumni Involvement

Our Fund meets weekly in formal meetings where groups of student members present investment ideas to other Fund members and alumni professionals. These alumni professionals not only provide a professional critique on the investment presentation, but also speak about their specific career and provide advice to current members. Their participation is invaluable. Student members are able to sharpen their analytical and presentation skills in having to defend their ideas in front of experienced and successful practitioners. They are also able to develop personal relationships with potential mentors.

Capital Growth and Portfolio Performance

We have achieved over 50% growth over the last year, bringing our capital base to over \$410,000 as of December 31, 2012. This can be attributed to successful long-investments in equities such as Buffalo Wild Wings, Yum Brands, and Google as well as generous contributions from alumni donors. While we are proud of this tremendous growth, we are still eager to catch other peer institutions, particularly our rival Pomona, whose Fund has over \$1.2mm in assets under management. We have officially set a goal of becoming a million dollar fund over the next two years. As long as the Fund continues to enhance the student learning experience, expand contribution methods to the College, and outperform our asset-based benchmarks, we believe this is very achievable.

CFA Challenge

In addition to the learning experience that comes with participation in weekly Fund and asset class meetings, our members are given opportunities to display their skills in national competitions.

Last year, our Fund represented all of the Claremont Colleges in the national Certified Financial Analyst Challenge for the first time. The SIF team performed admirably, placing first in the oral presentation. This year, we built on our success last year in winning the Southern California Regional. Our Fund went on to perform well in the North American CFA Finals, located in Ontario, Canada. More information can be found on page twelve.

Finance Conference

The 2013 Claremont Finance Conference was far and away the most in-depth, collaborative, and well-attended finance conference in the history of the Claremont Colleges. Doug Peterson '80, President of Standard & Poor's, was the keynote speaker. More information can be found at page ten of this report.



Associated Students of Claremont McKenna College (ASCMC) Endowment

This past year, the SIF, along with members of ASCMC, the Dean of Students Office, the Office of Development, and the Chief Investment Officer of the College, worked to create a framework for an endowment intended to enhance the pool for student activities fees. This pool is currently managed by ASCMC in accordance with the Dean of Students Office. The basic infrastructure of such an endowment has been confirmed by all necessary levels of the administration and is in the process of being finalized. Fundraising has now begun, and all parties hope to reach the \$100,000 mark by the end of next year.

ASCMC is the elected student body responsible for governing and enhancing student life on campus. The creation of this endowment is a milestone achievement that we are incredibly excited about. It is particularly exciting for the SIF, as all ASCMC endowment funds will be added to the capital already managed by the SIF. While ASCMC/Dean of Students would wholly own whatever portion they purchase into the SIF, the SIF would have the benefit of additional capital to invest. Not only will the additional capital resource enhance the Fund's reputation, it will also provide additional learning opportunities.

Expanding Learning and Investment Opportunities

The primary goal of the SIF is to provide an incredible learning experience for student members that will prepare them for success in whatever endeavor they pursue in life. In pursuance of this goal, the Fund has sought to vastly increase the size of our capital base, through both organic and gift-related growth. Superior returns and the capital appreciation that follows is reaffirmation of our successful investment decisions. Gift-related growth allows us to vastly expand the size of our Fund outside of market dynamics.

One of the new investment opportunities the Fund has decided to expand into this year is alternative investments. This includes looking at private-equity investments, as well as proposals that short equities among others. Regarding private equity in particular, the size of the Fund currently limits the investment universe and mechanisms for taking certain positions. We hope that a few landmark gifts over the next year will allow us to surpass the \$1 million mark, and really expand the learning experience this Fund will provide with these alternative investments. As the Fund grows, we will also look to invest in venture-capital positions, and possibly provide capital to exciting student initiatives on campus.

Concluding Remarks

As you can see, the SIF has been involved in some incredible initiatives that will tremendously enhance the SIF's mission, learning experience and contribution to the College. In the coming pages, you will be able to find out more about our mission, members, and performance. If you are interested in what we are doing at the SIF and have any comments or questions, please do not hesitate to contact senior leadership and make sure to visit our website at www.cmc-sif.org.

All my best,

David Hirsch

Chief Executive Officer

David Hirsch



THE INCOMING CEO'S VISION AND GOALS

Over the past five years the Student Investment Fund implemented a series of transformational changes that greatly improved the fund experience for all of our members. We now have a faculty advisor, receive class credit in our senior year, participate in global competitions, and host an annual finance conference. These initiatives have allowed the SIF to mature into a professional organization, and to maintain this progress, the newly elected management have proposed a new fund structure that we believe will radically enhance the fund's value proposition. Throughout the 2013-2014 academic year we will be piloting this structure and, if successful, we will vote to adopt it at the end of the spring semester.

The SIF's Current Challenges

- I. Fund structure is not representative of our operating activities; nearly every member pitches equities, but we are structured by asset classes like an index fund or endowment.
- II. Disparate learning experiences across different asset classes
- III. Stale positions and no clearly defined sell procedures
- IV. Inability to pitch and execute alternative investment ideas

The New Structure

To embrace our equity focus, the new structure utilizes industry groups in lieu of asset classes as seen in Appendix A. Industry group MDs are the backbone of the SIF. They are responsible for promoting the skill development of younger members while simultaneously monitoring a considerable subset of the portfolio and its performance. Each MD must work with their group to generate compelling investment ideas and are required to co-sponsor all pitches from within their industry group. During meetings members review investment price targets and liquidate stale positions when necessary according to guidelines outlined in a newly codified sell structure developed by Akbar Mirza '13. Within this structure, members will update each other on critical news related to their industry and companies. This enables members to develop industry expertise that they can call upon in interviews, class discussions, and general fund meetings. The focus on a specific subset of the market will be far more beneficial than trying to track the entire large cap equities sector. Ideally, an industry focus and these new meeting procedures will allow us to overcome challenges I and III.

The learning experience for younger members has been drastically different across the asset class groups. To address this, SIF executive management has created a series of academic tutorials designed for freshman and sophomores looking to build foundational financial knowledge. We will cover 10-Ks, calculating cash flows, finding WACC, DCF modeling and more during 2-3 hour weekend tutorials. All newer members will have the opportunity to learn advanced concepts in a peer-to-peer, collaborative environment. A standardized curriculum ensures the experience is equivalent across all industry groups and allows Professor Hughson to focus on more advanced concepts during fund meetings. These tutorials and the standardized academic programs will address the second challenge.



Finally, to encourage alternative investment ideas and provide a vehicle for event driven plays, we have established a Special Opportunities Group. Directors of the Special Opportunities Group are responsible for pitching unique investment ideas to the SIF. They work directly with the CEO and CIO throughout the semester to identify, plan and execute alternative investments. If the investment involves an industry group, Directors will be responsible for coordinating and informing the respective MD of the investment thesis. In these instances, adding an analyst from the respective industry group is valuable. Moreover, the Special Opportunities Group will invite professors to run advanced tutorials directed to junior and senior members. These changes should provide incentives for seniors to remain involved throughout the year while generating more advanced pitches and investment theses, thereby eliminating our fourth challenge.

I am thrilled to be leading the Student Investment Fund from 2013-2014 with Arjun Kapur '14 and Phil Crawford '15. We've finished the year strong and I cannot wait to see if our new structure effectively solves our current challenges and helps make the SIF more efficient. I hope you will review the detailed organizational chart in Appendix A to better visualize our new structure. As always, please feel free to reach out with any comments, critiques, or feedback on these changes.

Best,

Carter Wilkinson

Chief Executive Officer Elect



FUND OVERVIEW

History

The SIF was founded in 1974 when an anonymous alumnus donated approximately \$500 in securities. His intention was to give qualified students an opportunity to learn the basics of investment management using a “trial by fire” approach while creating value for the college’s endowment. Since inception, the Fund has grown substantially, and now manages approximately \$410,000 of the Claremont McKenna College endowment.

Mission

The SIF aims to earn risk-adjusted excess returns above our benchmark index while providing students with the opportunity to learn about investing in a pre-professional setting. Our primary objective is to prepare student participants for successful careers in investment related fields, and our senior management bears the responsibility of actively promoting the career development for our junior members.

Structure

The SIF holds a formal general fund meeting each week where members present investment ideas in front of the Fund and alumni professionals. These investment ideas are the result of weeks of equity research, culminating in a presentation inclusive of industry and company-specific due diligence, as well as multiple valuation techniques. Investment pitches are voted upon by members, and if approved by simple majority, are executed immediately.

The Fund is further composed of four actively managed asset classes: Large Capitalization Domestic Equities, Small Capitalization Domestic Equities, International Equities, and Fixed Income, Currencies, and Commodities. The objective of each portfolio group is to provide coverage over existing holdings while seeking long-term risk-adjusted return in excess of respective benchmark indexes. Portfolio groups meet weekly to discuss markets, teach valuation methodologies, and provide mentorship in an informal, intimate setting.

Participation in the Fund counts for academic credit during participants’ senior year. The Fund’s advisor, Professor Eric Hughson, incorporates investment-related curriculum into weekly meetings.

Governance

The Fund is managed by student executives. Executive designations include Chief Executive Officer, Chief Investment Officer, Chief Operating Officer, Chief Risk Officer, and Chief Technology Officer.

Portfolio groups are managed by Managing Directors and Vice Presidents. While the executive team is elected on an annual basis, the management team are all appointed positions.

Faculty Advisor Eric Hughson and CMC Chief Investment Officer Jim Floyd provide oversight of the Fund. The CMC Investment Office provides custody over the Fund’s accounts and executes trades on behalf of the Fund.



Membership

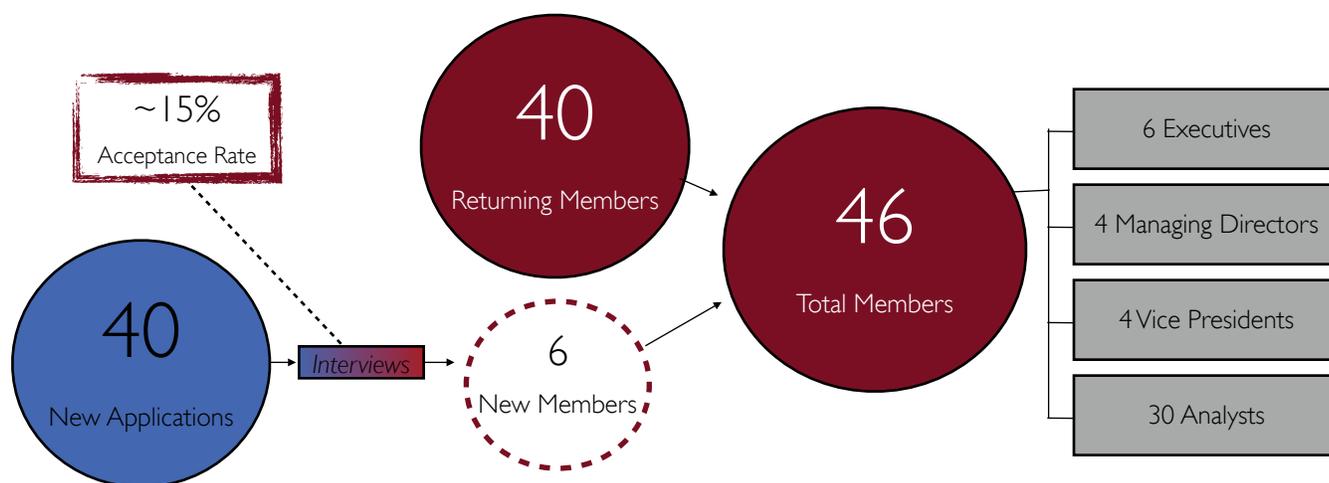
The Fund is composed of 46 students as of Spring 2013. Membership consists of 6 Executive Officers, 4 Managing Directors, 4 Vice Presidents, and 30 Analysts.

Our members are top-performing students, scholars and leaders. Individual members of the Fund have founded major student organizations, received prestigious fellowships and scholarships, led athletic teams, started their own businesses, and worked across multiple continents. The Fund values multi-disciplinary excellence contributed by its members, and believes that a wide variety of perspectives enables a holistic investment process.

Admissions

The Student Investment Fund continues to attract talented CMC students interested in investment-related professions. During the Fall 2012 recruitment cycle, the Fund drew 40 new applicants and extended analyst positions to 6 new members. The SIF has made progress with our ongoing goal of increasing membership diversity; in 2012, 33% of admitted analysts were female.

The Fund received 49 applications in its Spring 2013 recruitment cycle. The Executive team is currently reviewing applications, and expects to extend approximately 7-8 offers.





CAREER DEVELOPMENT

As an educational organization, one of the SIF's primary objectives is to prepare members for successful careers in finance and related professions. In 2012, the SIF created an initiative to increase recruiting efforts and resources available to fund members.

Internship Guides for Junior Members

The Fund published the first annual SIF Internship Book containing descriptions of and information about past internship positions held by fund members. The purpose of the book is to educate the junior members about different internship opportunities available in finance and to provide guidance and helpful tips for the application process.

In addition, the Fund published the first SIF Career Development Guide, which contains information on crafting resumes and cover letters, networking etiquette, and preparing for interviews.

Tutorials for Junior Members

The Large Cap group is currently piloting a series of tutorials targeted at Freshman, Sophomore, and Junior members of the Fund. Tutorials include standardized curriculum on topics ranging from Financial Statements, Spreading Comps, DCF and LBO Modeling, Strategic M&A, to using the Bloomberg Terminal. Tutorials are intended to be exceptionally pragmatic, and are typically led by Senior members with industry experience.

Anecdotal evidence suggests that this programming has improved career development outcomes amongst participants. During the coming year, the Executive team plans to expand tutorials across the entire fund, with standardized curriculum for each level of experience.

Guest Speakers and Firm Visits

The Fund has arranged unique opportunities for its members to learn from and network with investments professionals, both on-campus and in-office.

Guest speakers during the past year include: David Bradley, VP of Sirius Capital Partners; Rohan Rangaraj, Co-Portfolio Manager of Sirius Capital Partners; Russ Greenberg, Managing Partner and Founder of Altus Capital Partners; David Brown, Founder of Hawkrigde Capital; Kyle Casella, Associate at Western Presidio; and Jim McElwee, Venture Capitalist.

Placement History

Students participating in the SIF are extensively prepared for careers in finance and related professions. Experiences amassed in the Fund make our students uniquely positioned to recruit with and join top-tier firms.



Full Time Placement

Name	Position	Function	Company
Connor Barclay '13	Associate	Tax	Ernst & Young
Rodrigo Bravo '13	Analyst	Investment Banking	Bank of America Merrill Lynch
Viken Douzajian '13	Analyst	Investment Banking	Wells Fargo
David Hirsch '13	Analyst	Investment Banking	J.P. Morgan
Alex Johnson '13	Analyst	Investment Banking	Lazard
Rachel Kitzmiller '13	Analyst	Investment Banking	J.P. Morgan
Akbar Mirza '13	Analyst	Investment Banking	Lincoln International
Daniel Shane '13	Associate Consultant	Consulting	Bain & Company
Kevin Sullivan '13	Analyst	Investment Banking	Moelis & Co.
Samuel Wong '13	Actuarial Analyst	Risk Management	Pacific Life Insurance

Summer Placement

Name	Position	Function	Company
Andrew Bergman '14	Intern	Consulting	Bain & Company
Locke Brown '14	Intern	Investment Management	Cascade Investments
Julian Buckner '14	Summer Analyst	Investment Banking	Morgan Stanley
Evan Casey '14	Intern	Software Engineering	One Kings Lane
Phil Crawford '15	Intern	Corporate Strategy	CME Group
Kartik Das '15	Summer Analyst	Investment Banking	Citi
Felipe Fagundes '14	Intern	Advisory Services	PriceWaterhouseCoopers
Amber Falkner	Analyst Intern	Private Equity	Danville Capital
Edward Leathers '15	Summer Analyst	Investment Management	Kabouter Management
Steven Limandibratha '14	Summer Analyst	Risk Management	Deutsche Bank
Arjun Kapur '14	Summer Analyst	Investment Banking	Bank of America Merrill Lynch
Michael Mavredakis '14	Summer Analyst	Wealth Management	Morgan Stanley Smith Barney
Henry Pellicoro '15	Summer Analyst	Private Equity	Asia Pacific Investment Partners
Andrew Runde '14	Intern	Investment Management	Cascade Investments
Yijing (Artemis) Shen '13	Summer Analyst	Investment Banking	Lazard
Ankit Sud '14	Summer Analyst	Investment Banking	Bank of America Merrill Lynch
Abinaya Thenappan '16	Summer Analyst	Wealth Management	Morgan Stanley Smith Barney
Carter Wilkinson '14	Analyst	Deployment Consulting	Addepar



CLAREMONT FINANCE CONFERENCE



Keynote Speaker: Doug Peterson,
CEO of S&P Ratings Services

Claremont McKenna, Pomona, and Scripps Colleges collectively hosted the Fifth Annual Claremont Finance Conference on February 23, 2013. The Conference connected students with leading alumni in Finance through a series of lectures, panels, and receptions.

Conference Overview

SIF Chief Executive Officer David Hirsch '13 said the Finance Conference was “a great opportunity for students to learn from some of the most successful practitioners in the field.” He added, “It provides a great window into the practical applications of material learned in the classroom.”

Brendan Folan '13, COO of Sagehen Capital Management, Pomona's student investment fund, said the Finance Conference is important for several reasons. “First, it provides students an opportunity to learn about career opportunities in finance from those who can relate the current state of the industry to students.” He also noted that the Conference represents a valuable networking opportunity for students and alumni alike.

“The event was a great way to build lasting relationships between students and prominent members of our community,” says Hirsch. “Furthermore, the Conference increases awareness of the student investment funds both in the Consortium and outside of the Claremont community.”

Conversations with Industry Luminaries

The Conference began with lunch in the Hampton Room at Scripps. Peter Sasaki, Centara Capital Shareholder and CGS Associates Managing Member, spoke about financial product innovation in an uncertain regulatory environment.

Attendees then transitioned to Pomona's Rose Hills Theater for two panel discussions. The first panel focused on investing and regulation. Panelists represented a wide varieties of firms, asset classes, and investment strategies: David Brown, Founding Partner at Hawkridge Capital Group; David Lahar, Managing Partner at Auriga Partners; Leslie Lassiter, Managing Director at J.P. Morgan Private Wealth; Chuck Mounts, Managing Director at Knight Capital Group; and Raymond Webb, Vice President of Investments at PICO Holdings. The talk was moderated by Scripps Professor of Finance Sean Flynn.

“The panel illustrated the lack of clarity in financial regulation,” says Folan. “Practitioners are responsible for adhering to multiple sets of regulations that are imposed by a wide variety of regulators, which makes compliance a challenge.”

Attendees had a brief networking reception before the second panel, which focused on corporate strategy and entrepreneurship. Panelists included: Jonathan Fletcher, Executive Vice President of Business Development at Betable; Kip Hallman, Former President and EO at In Sight Health and Board of Directors



member at VeriCare; Andy Horowitz, Founder at Office Telephone Management and Angel Investor; and Brian Smith, Founding Partner at Partnership Capital Growth. The talk was moderated by CMC Professor of Entrepreneurship Janet Smith.

Attendees then transitioned to the Marian Miner Cook Athenaeum at CMC for a cocktail reception on the Athenaeum patio. Following the reception, dinner was served and Douglas Peterson, President of Standard & Poor's Rating Services, gave a keynote presentation entitled "Risk, Regulation, and Return: The New State of the Financial Services Industry."



The Claremont McKenna College Athenaeum

A Successful Event for The Claremont Colleges

Hirsch said he felt the Finance Conference had a great turnout due to "intense marketing and registration efforts." He added, "The valuable networking sessions intermingled between events incorporated a social element that I think people appreciated."

Organizers of this year's Finance Conference said they have high hopes that the Conference will include more participation from every college in the Claremont Consortium. Even without Pitzer and Harvey Mudd's participation, Hirsch said the Conference has grown tremendously over the past three years.

Hirsch says, "From 2011 to 2012, the Conference improved in regards to the number and diversity of backgrounds of the speakers. For this year's conference, we did a great job of incorporating more of the Claremont Colleges. Next year, we hope to continue building upon the Conference."



CFA INSTITUTE RESEARCH CHALLENGE

Five students represented Claremont McKenna College, the Financial Economics Institute, and the SIF at the 2012-2013 Global Investment Research Challenge hosted by the CFA Institute. The team was ranked 1st in Southern California and placed competitively at the Americas competition.

About the CFA Research Challenge

Hosted each year by the CFA Institute, the Research Challenge teaches participants best practices in equity research through hands-on company analysis. The competition challenges teams of three to five undergraduate and graduate students to prepare a written equity research report and presentation about a local subject company. Students are guided by industry mentors and academic advisors, and are evaluated by



Global Competition in Equity Research

panels of high-profile experts from top financial institutions. Top performing teams advance through Local, Regional, and Global competitions. Last year, over 3000 students from 55 countries competed in the Research Challenge.

The Research Challenge bridges the gap between the CFA Institute and students. Throughout the competition, participants are exposed to industry ethical standards, the CFA certification process, and are given the opportunity to network with current CFA charter holders.

The SIF Joins the Research Challenge

A team of five students represented the SIF in the 2012-2013 Research Challenge. The team was led by Andrew Bergman '14, and included Felipe Fagundes '14, Phil Liao '14, Andrew Runde '14, and Larry Zhong '14. Individual members of the team are actively involved in the Financial Economics Institute, Robert Day School, and Student Investment Fund. This summer, participants will be working across Investment Management, Equity Research, Management Consulting, and Technology.

“I decided to participate in the competition to gain experience in corporate valuation,” says Andrew Bergman '14. “We had the opportunity to construct an extensive model on the subject company.”

Professor Eric Hughson, The Don and Lorraine Freeberg Professor of Finance and Economics at Claremont McKenna College, advised the team throughout the Research Challenge. As the Faculty advisor to the Student Investment Fund and Associate Director of the Financial Economics Institute, Professor Hughson lent a theoretical perspective to the team's analysis. Robert Thomas '99 of the George Kaiser Family Foundation also advised the team. Mr. Thomas provided insight to generally accepted industry practices.



Extensive Research about Edwards Lifesciences

The team was tasked with evaluating Edwards Lifesciences (EW), a mid-cap manufacturer of medical devices. Edwards is a market leader in heart valve replacement (60% of FY2012 sales) and critical care (40%) technologies.

In November 2012, selected members of the team received a presentation from management at Edward's headquarters in Irvine, California. The team also had the opportunity to privately ask questions of management.

Between November 2012 and February 2013, the team researched Edwards and the medical devices industry, including review of numerous reports about clinical trials, medical device approvals, practitioner preferences, and the current regulatory environment. Using this information, the team constructed pro-forma financial statements through 2016, a fully integrated discounted cash flow model, and conducted public trading and precedent transaction multiples analyses.

Students Represent The SIF on a Global Scale

On February 1, 2013, the team submitted a written report that recommended selling shares of EW with a twelve-month price target of \$85.50. The team's thesis was driven largely by pessimism surrounding (a) uptake of Edward's transcatheter aortic valve replacement product as it reaches maturity in US and European markets, (b) execution of products currently in the company's development pipeline, and (c) a tightening regulatory environment.

In late February, the team presented their analysis to a panel of judges at the Orange County / Inland Empire Local Competition. CMC placed first place among a group of five undergraduate and graduate institutions. The competing teams were UC Irvine, Cal Poly Pomona, Cal State Long Beach, and Cal State Fullerton.



The team from CMC advanced to the Regional Competition, which was hosted in Toronto on March 20th and 21st. The team placed competitively against 46 other teams from North and South America. University of Nevada Las Vegas went on to win the Regional Competition with its analysis of Kona Grill, a Vegas-headquartered restaurant chain. Winners from each of Regional Competition gathered one last time in London during early April, where the team representing Wrocław University of Economics was crowned global champion.



A Valuable Learning Experience

The Research Challenge provided students with a unique opportunity to conduct professional-standard investment research, learn about the medical devices industry, and network with finance luminaries. Phil Liao '14 recaps his experience, "the Challenge provided me an opportunity to apply academic material in a competitive and professional setting. I believe each of us developed greatly as a simple consequence of our involvement."

Success within the CFA Research Challenge is reflective of both student and institutional achievement. David Hirsch '13, Chief Executive Officer of the SIF says, "the fact that our team placed first in our local district and represented California in the Regional Final, in just our second year, is a testament to the unparalleled learning experience provided by the Fund." The Student Investment Fund plans to assemble a team to compete in the 2013-2014 CFA Research Challenge.



TECHNOLOGY UPDATE

Introducing The CMC Student Investment Fund Website:

41% | GOLDMAN SACHS GROUP (GS) 149.10 +0.56 0.38% | GOOGLE (GOOG) 880.23 +8.75 1.00% | FORD MOTOR COMPANY (F) 14.11 -0.09 -0.63% | CINTAS (C)



HOME ABOUT US INVESTMENT PORTFOLIO MARKET UPDATES LOGIN

THE 2013 CLAREMONT FINANCE CONFERENCE

February 23, 2013 from 11:30am-7pm

Click here for more details and an event schedule. Advance registration is required.

LEARN MORE

The Claremont McKenna College Student Investment Fund (CMC SIF) was founded in 1974 when an alumnus of the college donated approximately \$500 in securities. His intention was to give qualified students an opportunity to learn the basics of investment management using a "trial by fire" approach while creating value for the college's endowment. The fund has grown substantially since its inception and the CMC SIF now manages approximately \$350,000 of the Claremont McKenna College endowment.

The CMC SIF aims to earn risk-adjusted excess returns above our benchmark index while providing students with the opportunity to learn about investing in a pre-professional setting. Our main goal is to prepare all students for successful careers in investment related fields, and our senior management bears the responsibility of actively promoting the career development of junior members.

FUTURES

NYMEX - Energy:

Crude Oil May 13 (CLK13.NYM)	88.90	+0.14	0.16%
Natural Gas May 1 (NGK13.NYM)	4.152	+0.008	0.19%
Heating Oil May 1 (HOK13.NYM)	2.885	+0.0115	0.40%
RBOB Gasoline May (RBK13.NYM)	2.81	+0.009	0.32%

NYMEX - Metals:

Gold Jun 13 (GCM13.CMX)	1,447.20	-21.40	-1.46%
Silver May 13 (SIK13.CMX)	23.73	-0.149	-0.62%
Copper May 13 (HGK13.CMX)	3.33	-0.0115	-0.34%
Palladium Jun 13 (PAM13.NYM)	707.50	-7.25	-1.01%
Platinum Jul 13 (PLN13.NYM)	1,495.70	-20.80	-1.37%

CNBC LIVE STREAM



First in Business Worldwide.

The CMC SIF site now features live, real-time CNBC streaming so that students can stay current on business and market news. Click on the CNBC logo above to launch the streaming video player on the homepage.

FINANCIAL TWEETS

Former Guatemalan leader jailed | Iron Man 3 and Brave--The faux | Commentary: Bitcoin isn't | Want to make sure you don't tank



The Vision

The SIF's new website has become an integral part of our investment process and is one of the fund's most valuable assets. Before 2011, the SIF did not have a full-featured website and relied on an unreliable internal voting system. Today we are proud to have over 500 unique visitors per month reading about our fund and utilizing our research and quoting tools. In the early stages of development we decided that the SIF website should cater to three distinct groups with unique needs:

- I. Current SIF Members – Members need a well-designed online portal for voting on pitches, monitoring our portfolio and performance, accessing academic or career development resources, and keeping up-to-date on market and business news.
- II. Current and Prospective CMC Students – This group visits the SIF website seeking more information about our organization, admissions process, and general operating procedures. Moreover, we serve as a marketing tool for the college, and as such, we showcase the exceptional opportunities on-campus to potential students.
- III. Employers and Alumni – Similar to the student group, employers and alumni are primarily seeking information, however their goal is to investigate both the validity and professionalism of the Fund. The site will encourage alumni involvement while also promoting the employment of our members.

With this clear vision, first outlined by former SIF CEO Ben Kraus '11, designing and developing a website that satisfied all these requirements was easily executed. We are constantly improving the site and expanding the functionality. Please feel free to visit and explore www.cmcsif.org.

Stock Pitches and Voting

After a team of 3-4 students pitch their investment thesis to the fund we post the proposal online and put it up for a vote. With this system we are able to efficiently assess the fund's opinion and determine if a pitch has support from a simple majority. The pitch deck, model, and a brief company overview are posted below the voting module for record keeping and ease of access. In fact, Jim Floyd, CIO of Claremont McKenna College, uses this portion of the website as a compliance check to confirm that our trades have been approved by the general fund.

Resources Archive

The Resources Archive allows members to access invaluable templates, interview guides, and tutorials created by SIF leadership specifically for our younger members. These materials give concise yet cogent explanations of basic financial concepts. Eager students who supplement their coursework with self-study are sure to have a leg up on their peers after looking through these resources.

Live Quotes and Performance Tracking

A self-contained system that we maintain alongside our custodian was the ideal method for bringing real-time pricing and securities data to our members. This propriety backend was built by an outside developer and has made position and portfolio monitoring a far more efficient process. This also allows us to run a ticker on our homepage that provides useful information while connoting professionalism.



Screenshot I: Voting on a Recent Pitch

STUDENT INVESTMENT FUND
CLAREMONT MCKENNA COLLEGE

HOME ABOUT US **INVESTMENT PORTFOLIO** MARKET UPDATES MY SIF LOGOUT

VOTE ON A RECENT PITCH

Tata Motors
Buy 350 shares of Tata (-9200) - 27.8%
Do not buy - 72.2%

Total votes: 18

VOTE ON A RECENT PITCH

Sabra Sell Vote
Sell entire position and realize a 68% gain - 94.4%
Do not sell - 5.6%

Total votes: 18

CNBC LIVE STREAM

The CMC SIF site now features live, real-time CNBC streaming so that students can stay current on business and market news. Click on the CNBC logo above to launch the streaming video player on the homepage.

Screenshot II: Resources Archive

STUDENT INVESTMENT FUND
CLAREMONT MCKENNA COLLEGE

HOME ABOUT US INVESTMENT PORTFOLIO MARKET UPDATES **MY SIF** LOGOUT

Resources Archive

These are resource documents that will help you with interviews, DCFs, pitches, and other general finance inquiries. If you think you have some helpful documents that you would like to add please email Carter with your ideas.

Resources Files

DCF Guide Size: 124.15 KB	Technical Interview Guide Size: 6.20 MB
Compiled Interview Guide Size: 143.58 KB	Stock Pitch Template Size: 903.00 KB
DCF Template Size: 49.50 KB	2012 SIF Roster Size: 13.04 KB



Screenshot III: Live Quotes and Daily Performance

STUDENT INVESTMENT FUND
CLAREMONT MCKENNA COLLEGE

HOME ABOUT US **INVESTMENT PORTFOLIO** MARKET UPDATES MY SIF LOGOUT

Home Investment Portfolio Daily Performance Large Cap

Default order set to Symbol, descending. To use dynamic column ordering you must display all symbols on a single page. Display Num **50**

#Symbol	Description	Last Trade	Change	Change in Percent
1 YUM	Yum Brands	70.36	+1.29	+1.87%
2 VOD	Vodafone	30.12	+0.26	+0.87%
3 V	Visa	178.75	+0.17	+0.10%
4 SPY	SPDR	163.41	+0.529	+0.32%
5 SNDK	Sandisk Corp	57.23	+0.58	+1.02%
6 MCK	McKesson Corp	115.29	-0.48	-0.41%
7 GS	Goldman Sachs Group	149.10	+0.56	+0.38%
8 GOOG	Google	880.23	+8.75	+1.00%
9 F	Ford Motor Company	14.11	-0.09	-0.63%
10 CTAS	Cintas	45.11	+0.24	+0.53%
11 BRK-B	Berkshire Hathaway	111.82	+1.16	+1.05%
12 ATVI	Activision Blizzard	14.95	+0.56	+3.89%

NEWS AND MEDIA



SIF PORTFOLIO AND HOLDINGS

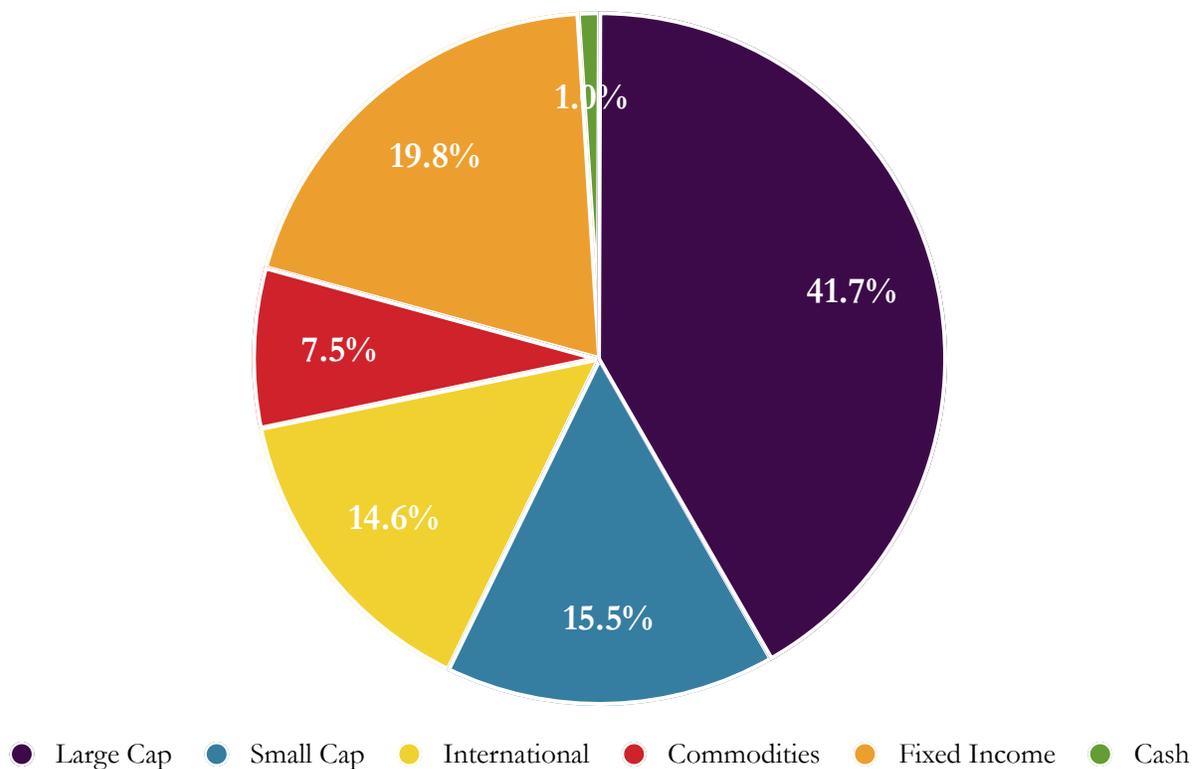
Asset Allocation

The fund aims to maintain the following weights in each asset class:

Asset Class	Target Weight within Portfolio	Max Weight of a Single Position	Benchmark
Large Cap	42.5%	15.0%	S&P 500 Index
Small Cap	15.0%	15.0%	Russell 2000 Index
International	15.0%	15.0%	FTSE All World Ex-US Index
Fixed Income	15.0%	N/A	Barclays Agg Bond Index
Commodities	10.0%	7.5%	Rogers Commodity Index
Cash	2.5%	N/A	Cash

No position may exceed the lesser of 5% of the total fund or 15% of the portfolio group (7.5% for commodities) based on the value at the time of investment. The Chief Risk Officer is tasked with bringing positions that exceed the allowed weight into accordance on a quarterly basis.

Actual Asset Allocation on December 31, 2012





Historical Return and Risk Profile

The past year marked the largest fund increase in the SIF's history with overall assets under management increasing from \$177,540 to \$410,328. The majority of this increase can be attributed to generous donations from various CMC alumni and fund affiliates. We thank everyone for their continued support of the fund and the learning opportunity it provides for our members.

Below, the "Summary of Holdings" table breaks out our holdings into two key categories. The first represents all equity holdings in which the fund was invested as of December 31, 2012. This consists of positions taken both in 2012 and in previous years. As of this date, our largest holdings were Berkshire Hathaway, First Solar, Ford Motor Company, Google, and Schlumberger, all of which have seen respectable realized or unrealized gains. The second category represents our benchmark holdings and ETFs. We use our benchmark investments as vehicles to hold funds that are not currently deployed in investments pitched by fund members.

Next, the "2012 Investment Performance" table analyzes only the investments made by the Fund between December 31, 2011 and December 31, 2012. This analysis allows us to remove the effects of previous fund investments, benchmark and ETF performance, and donations to the fund, in order to better understand the investment selection ability of the fund member FY 2012. Of the 20 investments the Fund made in 2012, 16 saw positive holding period returns. Top among these was an investment in Jamba, Inc. which experienced a 23.9% return between February 2012 and the end of year. The fund enjoyed a 21.9% return on Buffalo Wild Wings Inc. over a period of less than three months, yielding an annualized return of 144.1%.

As a whole the Fund saw a return of 7.1% on \$125,883 of capital initially employed during the calendar year of 2012. Moving forward the Fund looks to create a Special Situations Group tasked with identifying and tactfully executing derivative positions, providing an additional asset class to the largely equity based investment focus. This is another step for the fund as it continues to enhance the learning experience of all our members.

Summary of Holdings

Holding	Market Value 12/31/11	Purchases	Withdrawals and Sales	Realized Gains	Unrealized Gains	Interest Dividends	Market Value 12/31/12
Equity Holdings							
Activision Inc	\$ 4,484		\$ (66)		\$ (619)	\$ 66	\$ 3866
Berkshire Hathaway B	10,377	8,908			2,961		22,246
BorgWarner Inc.		8,146			449		8,594
Buffalo Wild Wings Inc	3,443	5,841	(11,444)	2,159			
China Xiniya Fashion ADR	794		(860)	66			
Cintas Coporation	6,962		(7,548)	586			
First Solar, Inc.		14,470	(7,067)	1,050	2,254		10,707
Ford Motor Company	8,070	7,774	(272)		1,768	272	17,612
Goldman Sachs Group	4,522		(89)		1,857	89	6,378
Google Incorporated	6,459	6,176			1,513		14,148
Helmerick & Payne		5,205	(21)		396	21	5,601



Holding	Market Value 12/31/11	Purchases	Withdrawals and Sales	Realized Gains	Unrealized Gains	Interest Dividends	Market Value 12/31/12
Itron, Inc.	1,538				378		1,916
Jamba, Inc.	1,624	2,537			1,846		6,008
Las Vegas Sands Corp.		10,851	(675)		(1,619)	675	9,232
McKesson HBOC	7,168	3,277	(12,085)	1,614		26	
Novartis AG		8,208			1,287		9,495
Protective Life Corp.	3,384	5,959	(994)	59	1,275	263	9,946
Sabra Healthcare REIT, Inc.	1,814		(198)		1,445	198	3,258
Salesforce.com, Inc.		7,741	(8,520)	779			
SanDisk Corporation	6,496				(754)		5,742
Schlumberger Ltd		9,968	(127)		704	127	10,672
Standard Parking Corporation		5,103			(265)		4,838
VirnetX Holding Corp	3,621		(4,267)	647			
Visa Class A	9,138		(10,997)	1,839		20	
Vodafone Group PLC	4,205	4,245	(462)		(842)	462	7,607
Whole Foods Market, Inc.		7,995	(171)		(702)	171	7,293
Yum Brands Inc	5,901	3,478	(4,468)	768	197	100	5,976

Benchmark Holdings and ETFs

Columbia Treasury Reserve Fund	\$ 23,674	\$ 413,159	\$ (425,131)		\$ 4	\$ 11,707	
Dividend Accrual	192	1,998	(1,982)			208	
Dividend Wash Account(Reinvested L/T Gains		34	(34)				
Dividend Wash Account(Reinvested S/T Gains		169	(169)				
Elements Rogers Total Return Commodity	6,400	24,126			33		30,558
iShares MSCI Brazil	1,148		(29)		(29)	29	1,119
iShares MSCI Canada Index Fund	7,980	8,559	(356)		501	356	17,040
iShares Barclay's US AGG	28,555	19,995	(17,351)	87	(5)	932	32,213
iShares Russell 2000		2,315	(2,323)	(19)		27	
Market Vectors Indonesia Index ETF		7,228	(127)		(68)	127	7,160
PALL US: ETFS Palladium Trust	1,485	1,040	(2,305)	(220)			
PPLT US: ETFS Platinum Trust	1,516	2,084	(3,638)	37			
Powershares DB Base Metals	4,476		(4,303)	(173)			
Standard & Poors Dep Rept UBI		47,712	(14,394)	(254)	(594)		32,469
Vanguard International Equity Index All World Ex-US	5,075	31,483	(566)		2,283	566	38,842



Holding	Market Value 12/31/11	Purchases	Withdrawals and Sales	Realized Gains	Unrealized Gains	Interest Dividends	Market Value 12/31/12
Vanguard Dividend Appreciation ETF		84,783	(85,820)	448		589	
Vanguard REIT ETF		20,064	(247)		334	247	20,398
Vanguard Short-term Corporate Bond ETF VCS		17,728	(84)		(57)	84	17,670
iPath MSCI India Index ETN	2,331				636		2,967
iShares Emerging Mkts Index	3,794		(4,326)	532			
iShares Russell 3000 Index ETF		29,798	(2,875)	(50)	(217)	187	26,844
iShares Silver Trust	916		(1,028)	113			
Total Fund	\$ 177,540	\$ 838,158	\$ (637,416)	\$ 10,067	\$ 16,343	\$ 5,636	\$ 410,328



Holding	Buy Date	Unit Cost	Total Cost	Sell/Hold Date	Unit Cost	Total Value	Div	Gain/ Loss	HPR	Annual Return
2012 Investment Performance										
Berkshire Hathaway B	2/10/12	\$ 80	\$ 8,908	12/31/12	\$ 89	\$ 9,918		\$ 1,010		
BorgWarner Inc.	12/14/12	68	8,146	12/31/12	70	8,406		260	3.20%	96.50%
Buffalo Wild Wings Inc	2/10/12	70	5,841	5/1/12	85	7,121		1,279	21.90%	144.10%
First Solar, Inc.	4/9/12	24	14,470	12/7/12	29	7,067				
First Solar, Inc. (continued)				12/31/12	30	10,341		2,937	20.30%	28.90%
Ford Motor Company	1/31/12	13	7,774	12/31/12	13	7,851	272	348	4.50%	4.90%
Google Incorporated	3/5/12	618	6,176	12/31/12	700	7,000		824	13.30%	16.40%
Helmerick & Payne	4/3/12	52	5,205	12/31/12	55	5,456	21	272	5.20%	7.10%
Jamba, Inc.	2/10/12	2	2,537	12/31/12	2	3,144		607	23.90%	27.20%
Las Vegas Sands Corp.	4/30/12	57	8,614	12/31/12	45	6,708	625	(1,281)	(14.90%)	(21.30%)
Las Vegas Sands Corp.	11/9/12	45	2,237	12/31/12	45	2,236	50	49	2.20%	16.40%
McKesson HBOC	2/10/12	82	3,277	5/1/12	91	3,654	26	404	12.30%	68.80%
Novartis AG	4/12/12	55	8,208	12/31/12	63	9,435		1,227	14.90%	21.30%
Protective Life Corp.	2/10/12	26	5,959	12/7/12	27	732	263			
Protective Life Corp. (continued)				12/31/12	28	5,590		625	10.50%	11.80%
Salesforce.com, Inc.	4/27/12	155	7,741	12/24/12	170	8,520		779	10.10%	15.60%
Schlumberger Ltd	5/24/12	65	9,968	12/31/12	68	10,466	127	624	6.30%	10.60%
Standard Parking Corporation	11/9/12	23	5,103	12/31/12	22	4,796		(307)	(6.00%)	(35.30%)
Vodafone Group PLC	2/10/12	28	4,245	12/31/12	25	3,802	462	18	0.40%	0.50%
Whole Foods Market, Inc.	9/28/12	100	7,995	12/31/12	89	7,136	171	(688)	(8.60%)	(29.50%)
Yum Brands Inc	2/10/12	65	1,300	5/1/12	73	1,456	71	228	17.50%	107.10%
Yum Brands Inc	11/9/12	73	2,179	12/31/12	65	1,942		(237)	(10.90%)	(55.50%)
Total	FY 2012		\$ 125,883	12/31/12		\$ 132,774	\$ 2,088	\$ 8,979	7.1%	

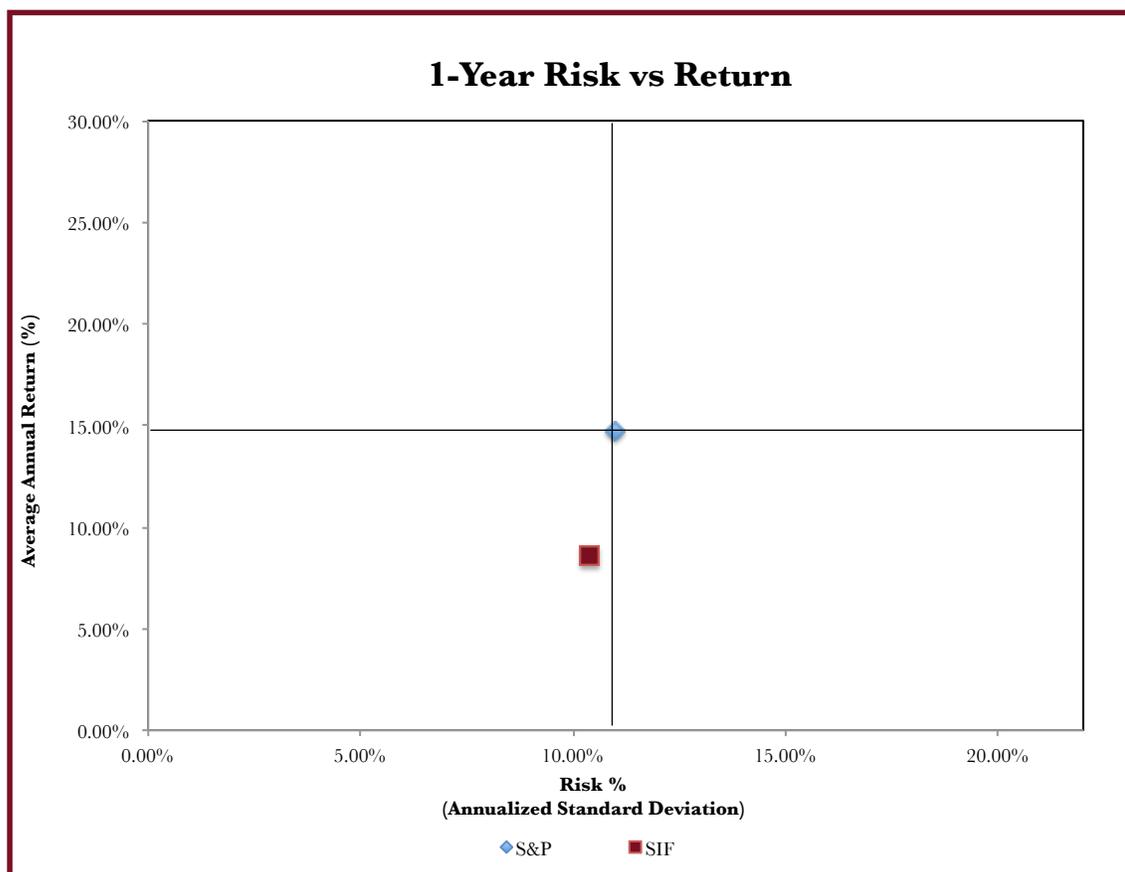


Risk Overview

The vast majority of the fund at any given time is long equities. Below is a brief analysis of the fund's risk adjusted performance:

*The three month treasury bill was used as a proxy for the risk free rate

	Fund		S&P	
	Monthly	Annualized	Monthly	Annualized
Average Return				
1-Year	0.69%	8.57%	1.15%	14.76%
5-Year	0.2%	2.41%	0.29%	3.53%
Average Excess Return*				
1-Year	0.6%	7.46%	1.06%	13.55%
5-Year	-0.16%	-1.89%	-0.02%	-0.28%
Standard Deviation				
1-Year	3.01%	10.41%	3.17%	10.98%
5-Year	4.39%	15.2%	5.57%	19.29%
Sharpe Ratio				
1-Year	0.2	0.72	0.34	1.23
5-Year	-0.04	-0.12	0.00	-0.01
Volatility				
1-Year	0.87	N/A	0.91	N/A
5-Year	0.57	N/A	0.72	N/A





ASSET CLASS - LARGE CAPITALIZATION DOMESTIC EQUITIES

Summary

The Large Capitalization Asset Class is the largest asset class in our portfolio, comprising just under 42% of the fund's total allocation. The group is responsible for any domestic equities with a market capitalization larger than \$10 billion. The group does not focus on any particular industry, but rather diversifies the holdings among different sectors. We currently own 16 equities and one ETF to keep the remainder of our uninvested capital exposed to the broader market.

The SIF uses the S&P 500's total returns instead of its price returns to benchmark the Fund's performance. Comparing our results to the S&P 500's price returns is not an accurate comparison due to the impact of dividends in our total performance; consequently, we use total returns to ensure that our benchmark reflects the dividend adjusted returns.

Activision Blizzard, Inc. (NYSE: ATVI)

Activision Blizzard, Inc. (ATVI) is an international publisher of online, mobile, personal computer, handheld, console, and interactive entertainment products. The Corporation is the result of an \$18 billion merger between Activision and Blizzard in 2008, with Activision as the dominant partner. ATVI operates three business segments: Activision, which focuses on the development and publishing of software products; Blizzard, which develops, markets, and sells online multiplayer role-playing games and strategy games for PC; and Distribution, whose primary function is to provide storage and logistical services.

Activision enjoys consistent and huge earnings from its wildly popular online games such as World of Warcraft, which now boasts over 9.6 million monthly subscribers. Moreover, the highly anticipated title Diablo III broke PC gaming records by selling more than 12 million copies from its launch last May through the end of the year. Activision Blizzard is also prepared for an exciting year in 2013, with a host of strong titles set to debut throughout the year. These include an expansion of Starcraft II, a new Walking Dead, an entry in the Call of Duty franchise and the addition of Diablo III onto console systems.

In 2012, Activision Blizzard posted its strongest year, setting records for both GAAP net revenue of \$4.86 billion and earnings per share of \$1.01. ATVI saw net income increase by almost 6% from the prior year. The company began 2013 with \$4.4 billion in cash on its books, and increased its annual dividend in February for the third year in a row to its current level of \$0.19 per share. The price target set for ATVI is \$14.50.

American Tower Corporation (NYSE: AMT)

American Tower Corporation (AMT) is a real estate investment trust that owns and operates wireless and broadcast communication sites. Its rental and management operations include leasing antenna space on multi-tenant communications sites to wireless service providers, wireless data providers, radio and television broadcast companies, government agencies and municipalities and tenants in a number of other industries. It also offers tower-related logistical services domestically, which primarily support its site leasing business and the addition of new tenants and equipment on its sites. AMT owns over 40,000 towers in the United States, Mexico, Brazil, India, and over the past few years has been expanding internationally.



In January 2012, American Tower merged with, and became, American Tower REIT, Inc. AMT is now one of the largest players in an industry that lends itself towards consolidation. Furthermore, because of growth in demand for wireless data, telecommunications carriers are eager to strengthen network capacity. AMT is in a prime position to increase revenues in coming years, apparent in its expectations for total rental and management revenue in 2013 to be between \$3.16 billion and \$3.21 billion, an increase of roughly ten percent.

Since the company boasts one of the lowest net leverage ratios in its industry, it is well poised to continue expanding its holdings via mergers and acquisitions as it has done in the past. AMT increased profits by over 60% between 2011 and 2012, with higher gross and operating margins than its competitors. The company reported \$0.72 earnings per share (EPS) for the most recent quarter, beating the consensus estimate of \$0.42 by \$0.30. The Fund set a price target for AMT of \$90.32.

Berkshire Hathaway (NYSE: BRK-B)

Berkshire Hathaway (BRK-B) is an investment manager and conglomerate holding company that wholly or partially owns a diverse portfolio of companies engaged in a variety of businesses. Berkshire Hathaway wholly owns GEICO, Fruit of the Loom, Heinz, and Dairy Queen, with minority holdings in a handful of other well-known companies, including but not limited to Procter & Gamble, IBM, and American Express. Largely due to the charismatic and legendary investor Warren Buffett, Berkshire has experienced, on average, annualized growth in book value of 20.3% for the last 44 years.

Over time, the Company's focus has shifted from passive investment to full or partial ownership of companies; Berkshire and its subsidiary companies have engaged in a number of mergers and acquisitions in recent years, including purchases of the Lubrizol Corporation, Wesco Financial Corporation, and 63 daily and weekly newspaper titles. Much of the media attention on Berkshire Hathaway has been surrounding the retirement of Warren Buffett, who is arguably one of the most valuable assets to the company. The details of the leadership transition over the next few years will be critical to assessing Berkshire Hathaway's future.

Despite an underwhelming year in 2011, net income bounced back in 2012 to experience an incredible 45% increase from the year prior. Moreover, Berkshire Hathaway's market capitalization of over \$255 billion dwarfs that of any comparable corporations such as KKR or Blackstone. Berkshire had a rare year in which its book value grew less than the S&P's returns (14.4% compared to 16%). However, in his annual letter to stockholders, Buffett attributes this to the fact that Berkshire maintains fairly consistent earnings during economic downturns, but it might not compare as well when the S&P has high (>15%) returns. On that basis, BRK-B is a long-term value investment that we believe should be better insulated from a retreat in the market. The fund currently has a price target for BRK-B of \$100.

BorgWarner (NYSE: BWA)

BorgWarner Inc. (BWA) is a global original equipment manufacturer and aftermarket supplier of engineered automotive systems and components, primarily for power-train applications. They have a diversified consumer base and sell directly to manufacturers of light vehicles, passenger cars, sport-utility vehicles, vans and light-trucks. BorgWarner is well-known for their strong executive leadership; under current CEO Timothy Manganello, the company has received eleven PACE awards. Additionally, they have averaged an astounding 28% revenue growth per year since 2010 and over 10% growth in the past ten years.



We expect margins to widen during 2013 as sales volume is projected to rise at a slightly faster pace than costs, following facility closures and restructuring decisions. BorgWarner's prices and expenses are positively correlated to the expenses of commodities; however, we believe that raw material expenses are not expected to increase in 2013. Research and development spending is expected to increase to support BWA's expansion into China and India.

Since the funds purchase of BorgWarner in December, the company stock price has appreciated over ten percent. We believe that BorgWarner will be able to reach our current price target of \$80 per share.

Ford (NYSE: F)

Ford Motor Company (F) engages in the development, manufacture, distribution, and service of vehicles, parts, and accessories worldwide. The company operates in two industry sectors, Automotive and Financial Services. The company's core and affiliated automotive brands include Ford, Lincoln, and Mazda. Its automotive-related services include Ford Motor Credit, a general consumer auto financing arm.

Ford is currently one of the best-positioned automotive companies in the industry in terms of product lineup and manufacturing capability. Its recent 'One Ford' plan will further streamline the manufacturing processes, allowing the company to lower costs and speed up the development of new vehicles. Additionally, Ford's financial position is stronger than that of most peers, with cash far exceeding debt levels and an investment-grade credit rating for the first time in years. More recently, the company posted better-than-expected 4Q12 earnings. North American revenue increased around 13% above the industry average. While the company reported that they expect to lose \$2 billion in Europe in 2013, this will be offset by their strong performance in North America, South America and the Asia Pacific/Africa region.

We believe that the losses in Europe are already reflected in the stock's price. Another positive sign is that Ford was able to handle the worst of the recession without any government financing and is continually paying down debt. Even with high debt and losses in Europe the company recently doubled their dividend which we see as a positive sign. The Fund currently has a price target set at \$14.50 and feels confident that Ford will appreciate to the predicted value.

Goldman Sachs Group, Inc. (NYSE:GS)

Goldman Sachs is an investment banking, securities and investment management firm that provides a wide range of services to corporations, financial institutions, governments and high-net-worth individuals. The company's major business segments are Investment Banking, Trading and Principal Investments, and Asset Management and Securities Services. The Trading and Principal Investments segment is divided into three components: Fixed Income, Currency and Commodities (FICC); Equities; and Principal Investments.

In 2012, nearly half of Goldman's revenues came from fixed-income trading and proprietary investing or lending. It is unclear how the Volcker Rule and other regulations surrounding derivatives trading will impact these businesses, but we believe that ROE will have limited upside in 2013 unless equity markets continue to rally and equity capital markets revive from their currently depressed levels. Many of Goldman's proprietary activities will be eliminated, prompting a shift toward steadier bank revenues will likely occur that may help Goldman's multiples in the long run. Goldman remains one of the most prestigious investment banks in the



world and is well positioned as many European banks are rapidly downsizing. The fund has set the price target for GS at \$155.

Google (NASDAQ: GOOG)

Google is a global technology company that builds and organizes information to make it universally accessible. Well known for its search engine, the company also boasts the most revolutionary and profitable auction-based advertisement program currently on the market known as Adwords. Google's products also extend into the social networking, video entertainment (YouTube), web browsing, mobile payments, and GPS industries.

Approximately 95% of Google's Y2012 revenue stems from online advertisements, in which they currently have 65.3% of the U.S. market share. The company has dominated the industry with its pioneer strategies of charging companies in pay-per-click and other auction-like formats.

The Fund believes that Google will continue to dominate within the technology industry. Just as it has found success in revolutionizing the internet advertising business, it has creatively entered into many new markets. Recently, they have released cloud computing services, smart phones, and Google Play, an Android-based web store similar to that of Apple's App Store. We have come to see that the most successful companies are the companies with the most innovative, persistent, and hard-working employees. Google, despite many people thinking otherwise, continues to find ways to grow and improve through its ingenuity. Following their recent quarterly earnings report company sentiment continues to appear bullish as Google announces a capital raising, issuing 3 billion shares of Class C capital stock and increasing the authorized shares of Class A common stock from 6 to 9 billion. The Fund holds 20 shares that were purchased for \$529.50.

Helmerich & Payne Inc. (NYSE: HP)

Helmerich & Payne is an international energy company that is engaged in contract drilling of oil and gas wells for exploration and production companies. The company operates in three reportable business segments; U.S. Land, Offshore and International Land. During fiscal 2012, U.S. Land operations drilled primarily in Oklahoma, California, Texas, Wyoming, Colorado, Louisiana, Pennsylvania, Ohio, Utah, Arkansas, New Mexico, Montana, North Dakota and West Virginia. Offshore operations were conducted in the Gulf of Mexico, and offshore of California, Trinidad and Equatorial Guinea. The International Land segment operated in six international locations during fiscal 2012: Ecuador, Colombia, Argentina, Tunisia, Bahrain and United Arab Emirates ("UAE").

The volatility of the international oil market and recent focus on high efficiency rigs have helped bring steady cash flows to HP over the past few years as evidenced by their ROI of above 10%. Management acknowledges that future operating results are largely driven by changes in natural gas and crude oil prices, early termination of drilling contracts, forfeiture of early termination payments under fixed term contracts due to subpar performance, and other macroeconomic factors.

The Fund acknowledges this volatility and believes our largely uncorrelated portfolio provides an implicit hedge. Nevertheless, the investment has been a great performer over the last two years. 2013 operating revenues and fiscal income are up from 2012 Q1 by 17% and 83%, respectively. Our purchase price was \$52.05 and the Fund has the current price target set at \$69.



Las Vegas Sands Corp. (NYSE: LVS)

Las Vegas Sands (LVS) is the world's largest operator of fully integrated resorts featuring casino, hotel, entertainment, food and beverage, retail, and convention center operations. The company prides itself on its premium accommodations, world-class gaming, exhibition facilities, celebrity chef restaurants and other upscale amenities. LVS operates centers in the United States, Macau and Singapore. The company generates 82% of its revenue from these international locations, and 75% of its revenue from casino operations.

A huge portion of this company is located in Macau where they operate four fully integrated resorts. Because of compelling growth opportunities in East Asia, significant barriers to entry, and demonstrated performance, the Fund saw LVS as a great investment to get international exposure. On the 2012F 10-K, the management has acknowledged that over 80% of revenues in Macau come from gaming activities compared to the 75% mark in Singapore and 65% mark in Las Vegas. The other portion of the company's revenue comes largely from food and beverage service.

With this observation, LVS is looking to adapt its business model to each of its three segments, and the Fund is bullish on their management's ability to do so. Furthermore, LVS has nearly \$4 billion of adjusted property EBITDA, and thus, the equity gives us great exposure to the booming real estate market in East Asia. We purchased the equity for \$54.26 per share, and our price target is set at \$77.

Sandisk Corporation (NYSE: SNDK)

Sandisk Corporation (SNDK) is a global leader in flash memory storage solutions, from research and development, product design and manufacturing to branding and distribution for OEM and retail channels. Since 1988, SanDisk's innovations in flash memory and storage system technologies have provided customers with new and transformational digital experiences. SanDisk's diverse product portfolio includes flash memory cards and embedded solutions used in smart phones, tablets, digital cameras, camcorders, digital media players and other consumer electronic devices, as well as USB flash drives and solid-state drives (SSD) for the computing market.

SanDisk has seen significant growth in its embedded multichip (MCP) solutions, including the custom embedded chip in Apple's iPhone 5. Sandisk is also helping drive the Solid State Drive (SSD) revolution for consumers and the enterprise with hardware, software and integrated SSD solutions. Sandisk's SSD offerings provide consumers, tablet and Ultrabook manufacturers, and enterprise companies with a quicker and more efficient solution. Solid-state drives have come in better than expected, on track to represent 15% of sales in 2013 and 25% in 2014.

The success of Sandisk's SSD products is evidenced by the companies reported fourth-quarter results that were much better than projected, beating top line estimates and coming in roughly 30 cents above the bottom line due to exceptionally strong gross margins. SanDisk reported a 21% sequential growth in total revenue, which amounted to \$1.54 billion. The real story however was the 900 basis points of non-GAAP gross-margin expansion, which brought gross margins to 40%. The impact on the bottom line was significant as non-GAAP EPS of \$1.05 came in well above Wallstreet's \$0.74 consensus. Gross-margin expansion was driven by in part by a shift toward solid-state drives, which carry a higher margin, and a favorable NAND pricing environment. Sandisk's growth is fueled by the emergence of the more efficient



solid state drive products and will only continue as the SSD market grows. The Fund has a price target for Sandisk set at \$49.

Novartis International AG (NYSE: NVS)

Novartis AG (NVS) is the third-largest pharmaceutical company in the world and offers a wide product portfolio, which combats illnesses in four areas—pharmaceuticals, vaccines, generics and consumer health. Novartis was the first healthcare company to establish a major global presence in both patented and generic pharmaceuticals, and its Sandoz generic pharmacy division plays a crucial role in the company's strategy of making affordable, high-quality medicines available to a greater number of patients. Novartis is the No. 1 provider of generics worldwide, which is the fastest-growing industry in the world. Novartis should continue to increase in value as a leading player in the generic pharmaceutical market; a market that is predicted to grow by 38 percent to \$72.7 billion over the next five years.

The company is heavily investing in R&D and rapidly growing. It has recently been acquiring patents and receiving FDA approvals for its newest drugs. Management says that 31 products are in the pipeline for Novartis within the next three years, and by 2017, the company will have added 14 'blockbuster' drugs to its portfolio of cancer, heart and respiratory treatments. Currently, 139 of its projects are under clinical development and the company will be sending 9 new-patented products for FDA approval in the coming 12 months.

Novartis has consistently increased their dividend, which now stands at \$2.46 per share. The dividend yield of 3.9% is among the highest in the industry. With a market cap of \$152 billion, the company also boasts very healthy financials. Latest quarter revenues were over \$14 billion and the company holds around \$5 billion in cash. Free cash flows of \$11.56 billion are the highest amongst peers such as Abbott, Sanofi, Glaxo SmithKline and Merck. The company has seen its share of volatility, but Novartis appears ready to head higher in the months to come. The Fund's price target for Novartis AG is \$79.

Schlumberger Limited (NYSE: SLB)

Schlumberger Limited (SLB) provides a range of oil and gas products and services, ranging from exploration to production. They supply integrated project management and information technology solutions to customers in the oil and gas industry globally. The Company operates in three segments: Reservoir Characterization Group, Drilling Group and Reservoir Production Group. Reservoir Characterization Group consists of the technologies involved in finding and defining hydrocarbon deposits. These include WesternGeco, Wireline, Testing Services, Schlumberger Information Services, and Data Consulting Services. The Drilling Group consists of the principal technologies involved in the drilling and positioning of oil and gas wells. Finally, the Reservoir Production Group is comprised of the principal technologies involved in the lifetime production of oil and gas reservoirs.

Schlumberger is a clear industry leader in wireline logging, well testing, drilling and completion fluids, coiled tubing, distribution, measurement-while-drilling, logging-while-drilling, directional drilling services, mud logging, computerized logging and geoscience software and computing. Schlumberger experienced growth in Q4 2012 revenue that was driven by expansion in key markets as well as typical year-end product, software and multi-client sales cycles. Significant growth was posted in Latin America and Asia, particularly in revenue and operating margins, offsetting the 1% decline in Europe, CIS, and Africa due to slowdowns in the North



Sea and Russia as well as contract delays in North Africa. Meanwhile, North America posted increases in revenue and margins thanks to deep-water drilling operations in the Gulf of Mexico. The Fund has Schlumberger's price target set to \$81.

Salesforce.com Inc. (NYSE:CRM)

Salesforce.com, Inc. (CRM) provides cloud computing and social enterprise solutions to various businesses and industries worldwide. Its cloud computing services enable customers to connect, engage, sell, service, and collaborate with customers. By using a cloud platform, businesses can implement Salesforce.com's applications cheaper and quicker than competitors, allowing customers to achieve significant upfront savings relative to the traditional enterprise software model. Led by visionary founder and CEO Marc Benioff, Salesforce.com has done an incredible job making strategic acquisitions and innovating in order to stay ahead of their competition. Salesforce has also anchored itself at the center of the cloud computing industry by allowing third parties to develop on its Force.com platform and promote the cloud-computing apps on its AppExchange marketplace. The company markets its services primarily through its direct sales, and referral and indirect sales. Over 100,000 business, ranging from small startups to large companies like NBC, Avon, GE Capital, Electronic Arts and Burberry use Salesforce.com software to manage their sales, marketing, finance and development teams on a variety of verticals.

Salesforce.com is now trading at new all-time highs after a strong quarterly report (Q4 2012). The stock rallied 7.55% after beating on both the top and bottom line with revenue growth of 32% year-over-year. Overall profit rose to \$0.51. Furthermore, the company increased guidance for its upcoming quarter and 2013, saw free cash-flow increase 18%, and increased its headcount an incredible 482% over the previous quarter of Q4 2012. The cloud computing industry is expected to grow 25% annually over the next seven years. These industry tailwinds will allow the company to post double-digit earnings growth through 2020. The fund currently has a price target for Salesforce.com set at \$207.

Vodafone Group Plc (NASDAQ: VOD)

Vodafone Group Plc is one of the world's leading mobile telecommunications companies. It offers a range of products and services, including voice, messaging, data, and fixed-line solutions and devices to assist over 403 million customers around the world. With equity interests in over 30 countries and over 50 partner markets worldwide, the Company has a global presence most apparent in Europe, the Middle East, Africa, and Asia Pacific.

The Fund believes Vodafone is still an attractive proposition for investors for two main reasons: firstly, its innovative strategy of grabbing key footholds in developing markets, and secondly, for its generous dividend policy. Vodafone is set to launch its 4G service later this year after a much-awaited 4G mobile auction in February. Additionally, the Company has formed a five-year agreement with BAE Systems, a global company providing development, delivery, and support of advanced defense, security, and aerospace systems. BAE Systems will provide Vodafone's customers with security and products and services for their smartphones and tablets. The Company is expected to carry a 6.2% yield for the year ending March 2013, and this is expected to increase to 6.4% in 2014 and 6.5% in 2015.

Verizon Wireless is a joint venture of Vodafone and Verizon Communications Inc., Vodafone's telecom rival. In March 2013, discussion of a possible buyout of Vodafone by Verizon Wireless was revealed, causing the



Vodafone stock to reach a five-month high. The Fund currently has a price target set at \$30.00, and the Fund intends to keep a close eye on this stock as further reports between the two telecom powerhouses are available.

Whole Foods Market, Inc. (NASDAQ: WFM)

Whole Foods Market, Inc. is the world's leader in natural and organic foods. Beginning with just one store in Austin, Texas in 1980, the Company now has over 340 stores in North America and the United Kingdom. Its stores are supported by its Austin headquarters, 12 regional offices, distribution center, baking facilities, commissary kitchens, seafood-processing facilities, meat and produce procurement center, and a specialty coffee, tea procurement and roasting operation. The Company's product selection focuses on perishable foods and includes produce, seafood, meat and poultry, grocery, bakery, prepared foods and catering, as well as specialty (wine, beer, and cheese), tea and coffee, nutritional supplements, vitamins, body care, educational products, flower bouquets, and pet and household products.

Whole Foods appeals to its customers through its devotion to its core values: providing quality food, caring for communities, and enhancing environmental stewardship. Its newest operating strategy is to decrease prices in order to make natural and organic food more affordable. Most recently, Whole Foods Market demonstrated its commitment to its health-conscious customers when it announced that it would adopt genetically modified organism (GMO) labeling. By 2018, all products in its Canadian and U.S. stores will be required to include labels specifying whether the food contains GMOs.

The Fund acquired the stock with belief in its strong fundamentals and growth profile. Whole Foods Market has reputable brand recognition and customer loyalty, which the SIF believes will only increase as consumers become more concerned with and better educated on the effects of healthy foods. With its increasing growth into new consumer markets and internationally, the Fund has a set price target of \$105.

Yum! Brands, Inc. (NYSE: YUM)

Yum! Brands, Inc. is the world's largest quick service restaurant company in terms of system units. With nearly 38,000 restaurants in more than 120 countries and over one million associates, Yum! is ranked #113 on S&P 500's largest market capitalization rankings. Their brands – Pizza Hut, KFC, and Taco Bell – are worldwide leaders in the fast food industry. Through these three brands, Yum! develops, operates, franchises, and licenses a global system of restaurants, which prepare, package, and sell a menu of value items. In addition, the Company owns a non-controlling interest in China-based Little Sheep Group Limited and more non-controlling interests in Chinese entities that operate similarly to KFC franchisees.

Yum! builds its business around four key strategies: building leading brands in China, driving aggressive international expansion, pushing for long-term shareholder and franchisee value, and greatly improving U.S. brand positions, consistency, and returns. Despite a chicken safety scare at KFC restaurants in China at the end of last year, February sales rose an unexpected 2% abroad.

The Fund believes Yum!'s immediate success hinges on its ability to regain trust in China. With 5,300 restaurants in China, most of these KFC, the Chinese market generated 44% of Yum!'s revenue last year. Low cost of operation in China as compared to in the U.S. makes the Chinese market increasingly more attractive. Last year, 889 of its 2,000 new store openings—a record number—were in China. Emerging



markets accounted for 83% of the new development. With this plan in mind, the Fund set a price target of \$76 for Yum! Brands, Inc.

SPDR S&P 500 ETF Trust (NYSE: SPY)

SPDR S&P 500 ETF Trust is an exchange-traded fund managed by State Street Global Advisors. The Trust tracks the price and yield performance of the S&P 500 Index. The S&P 500 Index is a stock market index based on 500 selected stocks spanning over 24 separate industry groups. Each share of SPDR contains one-tenth of the S&P index and trades at approximately one-tenth of the dollar value of the S&P 500. Because SPDR trades like stocks, it has continuous liquidity, can provide regular dividend payments, be sold short, bought on margin, and incur regular brokerage commissions. The fund uses SPDR as the “benchmark” index for the Large Cap Domestic Equities asset class.



ASSET CLASS - SMALL CAPITALIZATION DOMESTIC EQUITIES

Summary

The Small Capitalization Group aims to invest in securities of companies with market capitalizations of less than \$1 billion. This asset class has been an emphasis for the fund this year because companies in this asset class often have minimal research available and require students to develop their own thesis and analysis, thereby representing excellent learning opportunities. Our investments within this asset class typically have an investment thesis centered around potential growth and most companies are seeking exposure to under-penetrated markets or have created cutting-edge proprietary technologies. In 2012 our Small Capitalization investments outperformed the Russell 2000 by 1.3%.

Protective Life Corp (NYSE: PL)

The Protective Life Corporation is a holding company that, along with its subsidiaries, provides financial services through the production, distribution, and administration of insurance and investment products. Its largest holding is The Protective Life Insurance Company (PLICO). Its business segments include Life Marketing, Acquisitions, Annuities, Stable Value Products and Asset Protection. The Life Marketing segment consists of variable universal life, premium term insurance, and bank-owned life insurance. These products are distributed through a national network of brokerage agents and independent personal producing agents. The Acquisition segment focuses on acquiring, converting, and servicing policies acquired from other companies. The Annuities segment markets fixed and variable annuity products through broker-dealers, financial institutions, and independent agents and brokers. The Stable Value Products segment sells fixed and floating rate funding agreements directly to the trustees of municipal bond proceeds, institutional investors, bank trust departments, and money market funds. Further, this segment funds agreements with the Federal Home Loan Bank and markets other guaranteed investment contracts to qualified retirement saving plans. Lastly, the Asset Protection segment markets extended service contracts and credit life and disability insurance to protect consumers' investments in automobiles, watercraft, and recreational vehicles through a national network of automobile, marine, and RV dealers.

In 2012, the CEO John D. Johns announced that the company was planning to invest \$15 to \$20 million in a campaign to rebrand Protective Life and shift some of its corporate strategies. These changes include a new logo, mission statement, and a new business plan, all of which were designed to simplify the company's operations. These changes are directly in response to customer complaints that the company's products had become difficult to understand. John D. Johns believes that these rebranding strategies coupled with improved consumer-friendly products will lead to the further growth.

The Fund appreciates Protective Life's ability to acquire and integrate companies. Although the company has a considerable level of financial leverage in its capital structure, the insurer's capacity to serve its debt obligations is strong. The company also maintains adequate financial flexibility witnessed by healthy cash flows from its subsidiaries and has an unused \$750 million credit facility. We expect Protective Life will continue to grow through the repricing of certain products, the discontinuance of some others, and the introduction of new, straightforward options that consumers can easily understand.



Standard Parking Corporation (NASDAQ:STAN)

After announcing the merger with parent company Central Parking Corporation on Oct. 2, 2012, Standard Parking became a leading national provider of parking facility management, ground transportation and other ancillary services. Standard Parking along with its wholly-owned subsidiary, Central Parking Corporation, has approximately 25,000 employees and manages more than 4,200 facilities with more than 2.2 million parking spaces in North America. Its operations include parking-related and shuttle bus operations serving more than 75 airports. USA Parking System, a wholly-owned subsidiary of Central Parking, is one of the premier valet operators in the nation with more four and five diamond luxury properties, including hotels and resorts, than any other valet competitor.

Standard Parking's business model generates visible and predictable cash flows due to fixed fee and reverse management contracts, which are not dependent upon the level of utilization of those parking facilities. Management contracts represent 92% of locations and 86% of gross profit and serve to moderate the impact of a weakened domestic economy. In addition, the contract retention rate over the past five years is approximately 91%.

The Fund believes there are a number of positive industry trends that will directly benefit Standard Parking directly. Firstly, a significant number of national property managers and developers own or manage multiple locations as a result of recent industry consolidation. They are likely to favor larger parking facility operators, such as Standard Parking, that can provide specialized, value-added professional services with nationwide coverage. Secondly, there is an emerging trend of vendor consolidation in which parking facility owners and managers reduce the number of parking facility management relationships they maintain in order to cut costs. Parking facility owners, especially state and local governments, are increasingly outsourcing the management of their parking and related operations to independent operators as a way of reducing their operating budgets during these tough economic times. Standard Parking's acquisition of Gameday Industries, a leading organizer of parking for large events such as the 2012 London Olympics and Super Bowl, will allow the company to expand its products offerings and technology assets, like Gameday's one-click and park online service, that it can market across all of its operations to improve customer satisfaction and retention rates. Standard Parking has a stellar earnings and cash flow record, boasting positive net income and free cash flows for eight consecutive years since 2004. Moreover, since the company's IPO, Standard Parking's gross profit and EPS have grown by a rate of a CAGR of 3.9% and 9.2% respectively. Fortunately the Fund was able to acquire a position within Standard Parking before it finalized its merger with Central Parking Corporation, which gives the SIF the opportunity to see a greater return on its long-term investment in the company.

Sabra (NASDAQ:SBRA)

Sabra Health Care REIT, Inc. (Sabra) is a subsidiary of Sun Healthcare Group, Inc., which provides healthcare services including nursing and rehabilitative services to United States' senior citizens.

Sabra achieved \$28.3 million and \$103.2 million in 2012 revenues for Q4 and the year, respectively, representing an increase of 21.3% and 27% from the same periods in 2011. 64.5% of Sabra's revenues are derived from leases and rents stemming from the subsidiary Genesis HealthCare LLC. \$97.4 million of acquisitions were completed in 2012 Q4, with 60% spent on senior housing. Senior housing deals will



continue to be Sabra's priority and the REIT is forecasted to spend \$200 million in 2013 on this market alone.

Sabra has continuously upgraded its portfolio and plans to continue this trend in the future. Sabra has already reached a mortgage loan agreement worth \$12.8 million mortgage loan agreement with New Dawn Holding Company that includes the option to buy their Arizona memory care facility. The addition of these assets to the portfolio help to ensure Sabra's bright future and will support the company's ambitious long term growth targets because these new facilities have a longer life than the previous purchases.

The current asset base of \$250 million is approximately composed of 70% senior housing and 30% skill facilities. These numbers are expected to grow as the company adds to their robust acquisition pipeline and as current assets go beyond their investment level numbers and appreciate in value.

Jamba, Inc. (NASDAQ: JMBA)

Jamba, Inc. owns and franchises Jamba Juice stores. It offers a variety of beverages including smoothies, juices, and teas along with baked goods and snacks. The company was founded in 1990 and the corporate headquarters is located in Emeryville, CA. The company has over 770 stores across 26 different states and in other countries such as Canada and the Bahamas. Locations vary from genuine retail stores to smaller kiosks in popular areas such as college campuses and airports.

As of February 28, 2013, our investment in Jamba has grown 27.15% (+\$0.60). During the past year, Jamba demonstrated that they are able to expand and grow sales at impressive rates while maintaining profitability and quality. Jamba has also announced potential deals with companies like Nestle and ShowMe Smoothie to broaden their product offerings and attract a diverse customer base. Recently, Starbucks has explored plans of opening up a similar company, but despite the threat of competition the stock price continues to appreciate. We are confident Jamba's strong brand recognition will minimize the impact of new entrants into the market.

First Solar (NASDAQ: FLSR)

First Solar Inc. manufactures and sells photovoltaic solar modules with an advanced thin-film semiconductor technology. The company is divided into two main business units: the components segment and the systems segment. The components segment involves the design, manufacture, and sale of solar modules. This was First Solar's first and primary business segment until recently when the company shifted their focus to the systems business, which involves the sale of its solar modules coupled with the engineering, procurement and construction of the solar PV power plant.

The Fund invested in First Solar in March 2012 at \$24.36 a share. Given the massive selloffs that the solar industry experienced in 2011 and early 2012, the Fund felt that First Solar offered a compelling value play due to its strong market position and healthy debt to equity ratio. Over the course of 2012, the solar industry experienced continued negative growth, which severely hurt First Solar's market value. More recently, however, investors have grown bullish again on First Solar, which has resulted in a 14% price appreciation from the Fund's cost basis on First Solar. The fund believes that First Solar will achieve continued growth as the renewable energy market continues to grow and First Solar's undervaluation is realized by the market. The fund has set a revised price target for First Solar of \$80.



Itron (NASDAQ: ITRI)

Itron Inc. focuses on the burgeoning industry of smart grid and smart metering and caters to utilities. The Company is a global supplier of a broad range of standard, advanced, and smart meters and meter communication systems, including networks and communication modules, software and services. Itron's communications network platform supports robust and standards-based Internet protocol, power-line-carrier, and cellular networks supporting multiple protocols according to its customers' needs around the world. Through efficient communication for the electric, gas and water industries, usage can be carefully monitored and savings can be realized for utilities and consumers alike. Strategic positioning of these smart meters enables utility providers to collect valuable information that leads to more efficient use of resources by these companies and their customers.

Due to both the exponential growth of this industry and Itron's leadership in the field, we believe the company provides an excellent way to gain exposure to this relatively niche market. We are confident in the sector because rising energy costs coupled with scarce resources means that intelligent metering will be a critical technology for the management of the nation's gas, water and electricity infrastructure.



ASSET CLASS - INTERNATIONAL EQUITIES

Summary

The Fund's international holdings currently consist of four ETFs: three country-specific ETFs tracking the stock markets in Brazil, Canada, and India; and the benchmark Vanguard All-World ex-U.S. ETF, which seeks to replicate the performance of all non-domestic markets. While the benchmark index is up 6.6% YoY, Brazil has decreased 13.1%, Canada is essentially flat, and India is up 7.7%. The overall YoY return on the asset class' initial invested capital base is 1.9% (as part of a portfolio reallocation in the summer of 2012, the Fund increased its holdings in the benchmark international index from ~\$6,000 to over \$30,000).

The lack of company-specific securities is the result of the Fund's efforts to avoid idiosyncratic risk in light of the turbulence in international markets caused by the European debt crisis. However, with the likelihood of sovereign defaults steadily decreasing in recent months, the Fund hopes to soon gain more exposure to foreign companies that can capitalize on the higher economic growth rates present outside of the U.S. in areas such as China and Latin America. A focus on generating alpha within the international segment, as opposed to simply tracking broad-based country ETFs, can lead to much higher returns in the remainder of 2013 than the modest 2% return that the international group's investments have earned in the past twelve months.

Vanguard FTSE All-World Ex-US Index Fund (NYSEARCA:VEU)

Vanguard FTSE All-World Ex-US Index Fund (VEU) is an exchange-traded fund incorporated in the United States. The Fund seeks to track the performance of the FTSE All-World ex-US Index Fund, which measures the investment return of stocks of companies located in developing and emerging markets around the world.

Our fund purchased 294 shares of Vanguard FTSE All World Equity ex-US ETF at \$45.59 on 10/4/2010 and purchased an additional 49 shares at \$50.24 on 5/31/2011.

The index has positioned itself to profit from the emerging markets which are showing robust growth while uncertainty surrounds the more developed market places in Europe and US. This can be seen through the positive growth of their top holdings such as Nestle SA and HSBC Holdings PLC. Consequently, Vanguard All-World Ex-US ETF is the best way for the Fund to take advantage of the rapidly growing emerging markets.

iShares MSCI Canada Index Fund (NYSEARCA: EWC)

iShares MSCI Canada Index Fund (EWC) expresses a single country view and is exposed to Canadian large and mid cap stocks. Financials, Energy and Materials compose more than 75% of the fund with Royal Bank of Canada, Toronto-Dominion Bank and Bank of Nova Scotia as its largest three holdings. Over the last twelve months, it has traded between \$24.42 and \$29.63. In 2012 the Fund's investment earned an annualized return of 8.84%, trailing the index by 25bps. The Fund holds 600 shares of the ETF: 300 shares were purchased at \$27.82 on 9/20/2010 and an additional 300 shares were purchased at \$28.53 on 2/7/2012. With an average purchase price of \$28.18, our position in the ETF is up \$0.19, or 0.08%.



iShares MSCI Brazil Capped Fund (NYSEARCA: EWZ)

The iShares MSCI Brazil Capped Fund (EWZ) is an ETF exposed to a broad range of large and mid cap Brazilian stocks, investing most heavily in Financials, Materials, and Consumer Staples. With nearly \$8.4 billion dollars in net assets, EWZ has returned an average annualized return of 11.57% since its July 2000 inception date. In addition, EWZ currently boasts a 3.16% dividend yield. The Fund purchased 20 shares of EWZ at a price of \$78.33 per share on 10/12/2010. Unfortunately, the ETF has lost 16.8% of its value in the last twelve months. Rising Brazilian interest rates, along with falling inflation rates, are positive economic trends that suggest stable economic growth and a higher demand for the Brazilian currency. The country is also well positioned to benefit from the 2014 World Cup and 2016 Summer Olympic Games, both of which will be held in Rio de Janeiro.

iPath MSCI India Index ETN (NYSEARCA:INP)

Barclay's iPath MSCI India Index ETN was created to track the total returns of the MSCI Emerging Markets Index Fund. The SIF bought 50 shares of the India ETN at \$78.99 on November 2, 2010. Despite a strong outlook on the Indian economy in November 2010, share price has fallen to \$60.30 as of March 8, 2013. The drop in value was originally catalyzed by declining consumer demand and concerns regarding the Indian government's fiscal crisis which caused share price to fall to a low of around \$46 at the beginning of 2012. Over the course of the year improving conditions in Indian markets as well as calls for reform in government have driven up the value of the iPath India ETN. The Fund has decided to cut its losses and recently sold off the entire position for a loss.



ASSET CLASS - FIXED INCOME, CURRENCIES, AND COMMODITIES

Summary

The FICC activities within the last year have been extremely instrumental in re-aligning the group's positions with the goals of the SIF. After the crash in commodity prices during the summer of 2012, mostly due to the slow-down in China, the belief that the commodity super cycle was coming to an end spurred management to reevaluate the fund's exposure. Early in the school year, the fund agreed to exit a significant portion of our commodities exposure by selling ETFs that tracked silver, platinum, palladium, and general base metals. Commodities positions did not fit the structure of the fund because the prices are cyclical and respond to sudden demand and supply shocks. The Fund's investment process makes it difficult to take on any quick speculative positions and as a result it is challenging for the fund to have an actively managed portion of the portfolio dedicated to commodities.

Another significant change was the inclusion of the short-term corporate bond fund VCSH, and the REIT ETF VNQ. The Fund purchased VCSH to supplement our exposure to fixed income securities, especially the higher yielding instruments, based upon the belief that depressed yields due to the central bank purchases would increase the risk-appetite of investors, in turn benefiting the higher-yielding securities. Furthermore, VNQ was the fund's first exposure to the broad real estate market that has been slowly rebounding from the 2008 crisis due to low interest rates and the recovering home prices. The fixed income like characteristics of REITs made the purchase a logical addition to the FICC portfolio.

In conclusion, over the last year the fund has been extremely conscientious in changing the positions of the FICC division. While the structure will change next year, given the circumstances, the current positions give the fund a stable base that supplements the equity portion of the portfolio.

iShares Barclays Capital Aggregate Bond Index ETF (NYSEARCA: AGG)

The returns of all fixed income holdings in our portfolio are compared against the iShares Barclays Bond ETF (AGG), which tracks the Barclays Capital Aggregate Bond Index. AGG offers a comprehensive benchmark of U.S. Treasury securities, investment grade corporate bonds, mortgage-backed bonds, and some foreign bonds traded in U.S. markets. Additionally, the wide range of sectors covered within the index's corporate debt holdings offer a diversified reference point for our current and future holdings with a 6.5 year weighted average maturity. The Index has year to date total return of just under 4% which is similar to comparable bond indexes, and the expense ratio of 0.08% makes it inexpensive for us to hold as a benchmark.

AGG's 12-month yield of 50 basis points above the risk free rate is consistent with the persistently low yield across the market for investment grade debt. These low rates have been supported by the Federal Reserve's low-rate policy, which has led to some speculation as to the formation of a bubble in the United States bond market. With yields at such historically low levels, there is significant price downside should market conditions change for the worse.

Vanguard Short-Term Corporate Bond Fund ETF (NYSEARCA: VCSH)



The investment thesis still holds as general macroeconomic conditions are still uncertain and our appetite for risk is still being fulfilled by VCSH, Vanguard's Short-Term US Corporate Bond ETF. In an effort to reallocate our inherited fixed income positions in order to reflect our view of moderate growth in US and European economies in 2014, the Fund purchased Vanguard Short-Term Corporate Bond ETF for \$80.70 a share. High Yield debt does well in the suppressed growth economic environment that we predict for the next year and the ETF we selected captures the U.S. capital debt exposure well. This position is a conservative play on an uncertain macroeconomic future. We reduced FICC's exposure to changing interest rates by selling treasuries to purchase our position in VCSH. We believe VCSH with a 2.77 year duration gives our team of analysts enough time to reevaluate the position and sell should economic conditions raise the outlook on corporate credit risk.

Vanguard REIT ETF (NYSEARCA: VNQ)

VNQ is an ETF that manages a portfolio of REITs. VNQ holds 34.68 billion dollars in total assets, making it one of the nation's largest Real Estate ETFs. The investment was made based off of positive indicators from the real estate sector, and tax-exempt status of the SIF. Previously, the Fund has no exposure to the general real estate sector. Since the sector is so dependent on location however, the SIF required an investment with a large and diversified asset base in order to minimize risk. Our fund purchased 310 shares of VNQ at a price of \$64.72 per share on 11/6/2012. The real estate sector is still only a fraction of its strength pre-crisis and the ETF has positioned itself well to benefit from rising demand for residential and commercial real estate. VNQ has become an important part of the FICC asset class and provides both diversification and steady dividends.

Elements International Commodity Index ETF (NYSEARCA: RJI)

RJI is an ETF that tracks the Rogers International Commodity Index (RICI), which is composed of 37 different commodities futures contracts. The index has significant exposure to oil, with BRENT and WTI futures accounting for 35% of the index, RJI largest allocation by a wide margin. Each of the remaining 35 contracts individually make up less than five percent of the index, and encompass metals, agriculture and energy.

Most of the recent fluctuation in RJI is due to the drop in oil and gold prices, as well as the drop in natural gas prices due to the over supply from the new shale boom. With oversupply in many of the sectors, this position is extremely cyclical and very hard to fundamentally value. On that basis, the Fund will likely exit this position.



EXECUTIVE COMMITTEE

David Hirsch | Chief Executive Officer | dhirsch13@cmc.edu

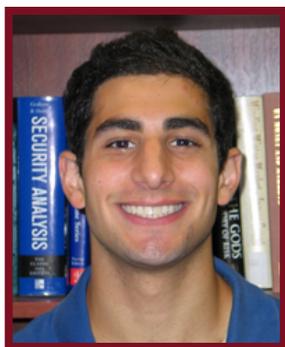


David is a senior at Claremont McKenna College majoring in Economics with a sequence in Financial Economics. Born and raised in Evanston, Illinois, David is a 2011-2012 Bill Gates Investment Fellow and 2012-2013 Robert Day Scholar.

On campus, David is currently working as a research analyst at the Financial Economics institute. David has worked for the Kravis Leadership Institute as a consultant to not-for-profits and currently serves on the Associated Students of Claremont McKenna College (ASCMC) executive board as financial adviser to the President. He also serves as a student representative on the Board of Trustees College Advancement Committee and the Student Alumni Relations Council. After his freshman year, David spent the summer interning for the President and CEO of The Habitat Company, a multi-billion dollar residential real estate management and development company. This past summer David worked in equity research for Morningstar in Chicago and this coming summer David will work in investment banking at J.P. Morgan. He is interested in pursuing a career in financial services or management consulting.

David hopes The Student Investment Fund experience will continue to develop into a compelling academic and professional opportunity to apply intellectual business interests in a real world setting.

Viken Douzdjian | Chief Investment Officer | vdouzdjian13@cmc.edu



Viken is a senior at CMC, dual majoring in Economics and plans to complete the Finance Sequence. Currently residing in Portland, OR, Viken is a 2012-2013 Bill Gates Investment Fellow and 2012-2013 Robert Day Scholar.

On campus, Viken is the captain and president of the Claremont Men's Lacrosse Team, works for the Financial Economics Institute as a Research Analyst and the Career Services Center as a Career Consultant, and the President and Chief Investment Officer of CMC's Student Investment Fund. Viken spent last summer at Wells Fargo's Investment Banks Technology, Media, and Telecommunications group in San Francisco, CA and will be returning to Wells Fargo's full-time.

Rachel Kitzmiller | Chief Development Officer | rkitzmiller13@cmc.edu



Rachel is a senior at Claremont McKenna College pursuing a degree in Economics. She is a Robert Day Scholar and a recipient, for the second year, of the BGI/Michael Larson Asset Management Fellowship. In addition to her academic pursuits, Rachel serves as the Chief Development Officer for the CMC Student Investment Fund. In this role Rachel is responsible for promoting the career development of our members and assists the CEO by promoting the Fund externally to employers and alumni. Further, Rachel was one of the student coordinators for the FEI's 2013 New York City Networking Trip. After graduation, she will be working as an investment banking analyst at J.P. Morgan.



Arjun Kapur | Chief Operating Officer | akapur14@cmc.edu



Arjun Kapur is a junior from Dubai, United Arab Emirates who is completing his undergraduate degree in Economics and International Relations along with the Financial Economics Sequence. This coming summer Arjun will join Bank of America Merrill Lynch as a summer analyst in their New York office. On campus, Arjun works at the Financial Economics Institute and has served on the Board of Trustees' Committee for Academic Affairs and Research. He is also a passionate golfer and enjoys mountain climbing in the Himalayas.

Carter Wilkinson | Chief Technology Officer | cwilkinson14@cmc.edu



Carter, originally from Ridgefield, CT, is a junior at Claremont McKenna College majoring in Economics-Accounting and pursuing the Finance Sequence. At CMC, Carter is the Editor of the Balance Sheet for the Claremont Accounting Association, a financial advisor to the ASCMC President, and a member of the Academic Computing Committee. During the Fall of 2012 he was off campus working for Addepar, a financial technology startup that is fomenting a technology revolution within the wealth management industry. Carter will be returning to the Deployment Team at Addepar again this summer. Before Addepar, Carter spent a summer with Houlihan Lokey's Corporate Finance Group and Asia Pacific Investment Partners, a private equity firm in Mongolia.

Kevin Sullivan | Managing Director of Risk | ksullivan13@cmc.edu



Kevin Sullivan is a senior from Beaverton, Oregon who completed his undergraduate degree in Economics and Mathematics and will graduate this May with a Masters in Finance.

After graduation Kevin will join Moelis & Company in their technology banking group located in Palo Alto, CA. Kevin is a member of the CMS Men's Basketball team and enjoys hiking and playing the piano.



MANAGEMENT TEAM

Akbar Mirza | Co-Managing Director of Large Cap | amirza13@cmc.edu



Akbar is a current senior originally from Westport, CT majoring in Economics-Accounting at CMC. This past summer, Akbar worked in New York, NY as an analyst for Gleacher and Company in their investment banking department, where he worked as a generalist on a variety of M&A and capital raising advisory roles. Prior to that, Akbar previously held internships at Kohlberg Capital Corporation and Odyssey Investment Partners working on financial sponsor-related transactions. Post-graduation, Akbar will be joining the New York office of Lincoln International, a global investment bank focused on M&A advisory and financing transactions for the middle market.

Rodrigo Bravo Benitez | Co-Managing Director of Large Cap | rbravo13@cmc.edu



Rodrigo, a senior from Mexico City, Mexico, is part of the new Robert Day BA/MA program where he is pursuing his Bachelor's in Economics and Government as well as a Master's in Finance, within four years. Rodrigo serves as the Managing Director for the Large Capitalization equities group for CMC's Student Investment Fund, is the president for the Latin American Business Council at CMC, and is the starting left-midfielder for the CMS Men's Soccer team. This past summer Rodrigo lived in New York City and worked for UBS in their Investment Banking Division. After graduation, Rodrigo will pursue a career in finance and will be working in New York City as an Investment Banking analyst in the Leveraged Finance group for Bank of America Merrill Lynch.

Daniel Shane | Managing Director of Small Cap | dshane13@cmc.edu



Daniel Shane is a senior at CMC, dual-majoring in Philosophy, Politics, and Economics (PPE) and Accounting. He grew up in Irvine, California and remains an avid Southern California sports fan. On campus, he participates in Model United Nations, researches at the Rose Institute of State and Local Government, in addition to serving as an MD in the Student Investment Fund. This year Daniel organized the first ever HS Model United Nations conference on CMC's campus and it was a resounding success. The event is likely to attract more top applicants to the college and Daniel handled all cumbersome logistics. After graduation, he will be working as an Associate Consultant for Bain & Company.



Yijing (Artemis) Shen | Managing Director of International | yshen13@cmc.edu



Artemis is an international student from Shanghai, China and a senior at CMC pursuing a double major in Mathematics and Economics and a Master's degree in Finance. In addition to serving as the MD of International Equities at the SIF, Artemis is a research analyst at the Financial Economics Institute and was the Student Manager of the Lowe Institute of Political Economy and the Student Editor of the Inland Empire Outlook for the past two years. Last summer, Artemis worked at an activist investment fund, Relational Investors, and during the upcoming summer, she will be an investment banking intern at Lazard.

Connor Barclay | Managing Director of FICC | cbarclay13@cmc.edu



Connor is a senior at CMC pursuing a Economics-Accounting dual major. Although originally from the great state of Washington, Connor has taken up residency in Southern California and will be working for Ernst & Young as a Tax Associate in their Los Angeles office. Outside of the SIF, Connor works as a Resident Technology Assistant and as the Chief Financial Officer of the ASCMC Forum. Moreover, Connor served as a student representative on the CMC Board of Trustees and CMC Athenaeum Advisory Committee. He recently won first place in Intuit's IdeaJam competition and the Strategic Humor Contest sponsored by the Harvard Business Review.



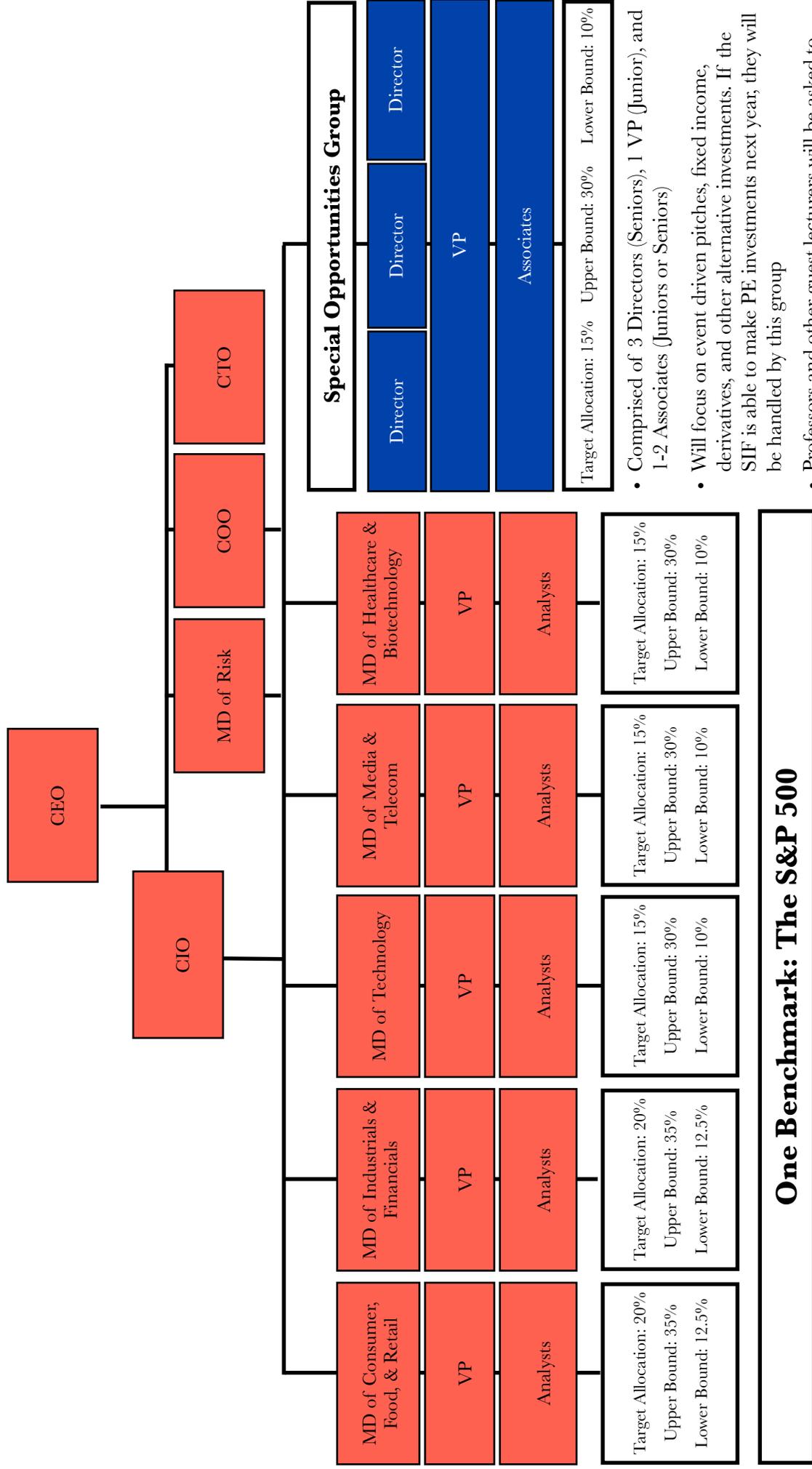
ACKNOWLEDGEMENTS

We graciously thank Professor Eric Hughson, Jim Floyd and Ernie Iseminger for their continued support of the fund. We also greatly appreciate the Financial Economics Institute and Terri Van Eaton for providing access to the FEI Lab and for the administrative support. We sincerely appreciate your contributions and sustained involvement.



Eric Hughson received an undergraduate degree in mechanical engineering from MIT and a PhD in financial economics from Carnegie Mellon University. He has served on the faculties in both economics and finance at the California Institute of Technology, the University of British Columbia, the University of Utah, and the University of Colorado, Boulder. His current research interests include market microstructure, financial econometrics, and decision theory. His publications have appeared in such journals as *The American Economic Review*, *The Review of Financial Studies*, *The Journal of Financial Economics*, *The Journal of Economic Theory*, the *Financial Analysts Journal* and *The Journal of Financial Markets*. At CMC, Professor Hughson teaches derivatives and investments.

APPENDIX A: ORGANIZATIONAL CHART OF PILOT STRUCTURE





APPENDIX B: TRANSACTION LOG

Security	Transaction Type	Trade Date	Settle Date	Qty	Unit Cost	Trade Amount
Dividend Accrual	wd	1/3/12	1/3/12			18.40
ISHARES TR BARCLY USAGG B	dv	1/4/12	1/4/12		1.00	7.18
Columbia Treasury Reserve Fund	li	1/6/12				75,000.00
Yum Brands Inc	dv	1/11/12	2/3/12		1.00	28.50
Ford Motor Company	by	1/26/12	1/31/12	610	12.74	7,774.45
Ford Motor Company	dv	1/27/12	3/1/12		1.00	68.00
Dividend Accrual	wd	2/3/12	2/3/12			28.50
Dividend Accrual	wd	2/3/12	2/3/12			164.20
Foreign Tax Withheld	dp	2/3/12	2/3/12			1.50
ISHARES TR BARCLY USAGG B	dv	2/7/12	2/7/12		1.00	71.21
Berkshire Hathaway B	by	2/7/12	2/10/12	112	79.53	8,907.72
Buffalo Wild Wings Inc	by	2/7/12	2/10/12	84	69.54	5,841.36
ISHARES TR RUSSELL 2000	by	2/7/12	2/10/12	28	82.68	2,315.04
ISHARES MSCI Canada Index Fund	by	2/7/12	2/10/12	300	28.53	8,559.00
Jamba, Inc.	by	2/7/12	2/10/12	1442	1.76	2,537.05
McKesson HBOC	by	2/7/12	2/10/12	40	81.93	3,277.20
Protective Life Corp.	by	2/7/12	2/10/12	225	26.49	5,959.26
Vodafone Group PLC	by	2/7/12	2/10/12	152	27.93	4,245.36
Yum Brands Inc	by	2/7/12	2/10/12	20	64.97	1,299.50
PALL US: ETFS Palladium Trust	by	2/7/12	2/10/12	15	69.32	1,039.80
Cintas Coporation	sl	2/7/12	2/10/12	200	37.74	7,548.35
iShares Emerging Mkts Index	sl	2/7/12	2/10/12	100	43.26	4,325.92
China Xiniya Fashion ADR	sl	2/7/12	2/10/12	400	2.15	859.98
PPLT US: ETFS Palladium Trust	by	2/7/12	2/10/12	13	160.33	2,084.29
Protective Life Corp.	dv	2/27/12	2/27/12		1.00	60.00
Google Incorporated	by	2/29/12	3/5/12	10	617.61	6,176.10
Dividend Accrual	wd	3/1/12	3/1/12			68.00
Vanguard Dividend Appreciation ETF	by	3/1/12	3/5/12	795	57.70	45,871.50
Visa Class A	dv	3/5/12	3/5/12		\$1.00	\$19.80
ISHARES TR BARCLY USAGG B	dv	3/7/12	3/7/12		\$1.00	\$71.65
Sabra Healthcare REIT, Inc.	dv	3/13/12	3/13/12		\$1.00	\$49.50
Activision Inc	dv	3/19/12	5/16/12		\$1.00	\$65.52



Security	Transaction Type	Trade Date	Settle Date	Qty	Unit Cost	Trade Amount
ISHARES TR RUSSELL 2000	dv	3/29/12	3/29/12		\$1.00	\$7.04
Helmerick & Payne	by	3/29/12	4/3/12	100	52.05	5,205.00
Goldman Sachs Group	dv	3/29/12	3/29/12		1.00	17.50
Dividend Accrual	wd	3/30/12	3/30/12			49.50
Vanguard Dividend Appreciation ETF	dv	3/30/12	3/30/12		1.00	216.24
McKesson HBOC	dv	4/2/12	4/2/12		1.00	26.40
First Solar, Inc.	by	4/3/12	4/9/12	594	24.36	14,469.84
Vanguard Dividend Appreciation ETF	sl	4/3/12	4/9/12	273	58.80	16,052.04
ISHARES TR BARCLY USAGG B	dv	4/9/12	4/9/12		1.00	63.00
Novartis AG	by	4/9/12	4/12/12	150	54.72	8,208.00
Vanguard Dividend Appreciation ETF	sl	4/9/12	4/12/12	142	57.34	8,141.66
Yum Brands Inc	dv	4/11/12	5/4/12		1.00	34.20
Salesforce.com, Inc.	by	4/24/12	4/27/12	50	154.81	7,740.50
Vanguard Dividend Appreciation ETF	sl	4/24/12	4/27/12	135	57.46	7,756.92
Las Vegas Sands Corp.	by	4/25/12	4/30/12	150	57.43	8,614.01
Vanguard Dividend Appreciation ETF	sl	4/25/12	4/30/12	150	57.84	8,676.55
Buffalo Wild Wings Inc	sl	4/26/12	5/1/12	135	84.77	11,443.69
McKesson HBOC	sl	4/26/12	5/1/12	132	91.36	12,058.92
Visa Class A	sl	4/26/12	5/1/12	90	121.97	10,977.05
Yum Brands Inc	sl	4/26/12	5/1/12	60	72.80	4,367.90
Vanguard Dividend Appreciation ETF	by	4/26/12	5/1/12	671	57.99	38,911.29
Ford Motor Company	dv	4/30/12	6/1/12		1.00	68.00
Dividend Accrual	wd	5/4/12	5/4/12			34.20
ISHARES TR BARCLY USAGG B	dv	5/7/12	5/7/12		1.00	59.68
Helmerick & Payne	dv	5/11/12	6/1/12		1.00	7.00
Sabra Healthcare REIT, Inc.	dv	5/11/12	5/31/12		1.00	49.50
Dividend Accrual	wd	5/16/12	5/16/12			65.52
Schlumberger Ltd	by	5/21/12	5/24/12	154	64.73	9,968.47
VirnetX Holding Corp	sl	5/21/12	5/24/12	145	29.43	4,267.25
Vanguard Dividend Appreciation ETF	sl	5/21/12	5/24/12	183	55.04	10,073.10
Protective Life Corp.	dv	5/23/12	6/11/12		1.00	67.50
Goldman Sachs Group	dv	5/29/12	6/28/12		1.00	23.00
Schlumberger Ltd	dv	5/30/12	7/13/12		1.00	42.35
Dividend Accrual	wd	5/31/12	5/31/12			49.50
Dividend Accrual	wd	6/1/12	6/1/12			68.00



Security	Transaction Type	Trade Date	Settle Date	Qty	Unit Cost	Trade Amount
Dividend Accrual	wd	6/1/12	6/1/12			7.00
ISHARES TR BARCLY USAGG B	dv	6/7/12	6/7/12		1.00	61.74
Dividend Accrual	wd	6/11/12	6/11/12			67.50
Las Vegas Sands Corp.	dv	6/18/12	6/29/12		1.00	37.50
Columbia Treasury Reserve Fund	li	6/21/12				100,750.00
Dividend Accrual	wd	6/28/12	6/28/12			23.00
ISHARES INC MSCI BRAZIL	dv	6/28/12	6/28/12		1.00	21.16
ISHARES MSCI Canada Index Fund	dv	6/28/12	6/28/12		1.00	129.53
Dividend Accrual	wd	6/29/12	6/29/12			37.50
Vanguard Dividend Appreciation ETF	dv	6/29/12	6/29/12		1.00	184.81
Columbia Treasury Reserve Fund	li	6/29/12				25,000.00
ISHARES TR RUSSELL 2000	dv	7/2/12	7/2/12		1.00	10.56
Columbia Treasury Reserve Fund	in	7/2/12	7/2/12			0.27
ISHARES TR BARCLY USAGG B	dv	7/9/12	7/9/12		1.00	57.82
Yum Brands Inc	dv	7/11/12	8/3/12		1.00	17.10
Dividend Accrual	wd	7/13/12	7/13/12			42.35
Columbia Treasury Reserve Fund	in	8/1/12	8/1/12			1.23
Ford Motor Company	dv	8/1/12	9/4/12		1.00	68.00
Vodafone Group PLC	dv	8/1/12	8/1/12		1.00	305.26
Foreign Tax Withheld	dp	8/1/12	8/1/12			6.04
Dividend Accrual	wd	8/3/12	8/3/12			17.10
ISHARES TR BARCLY USAGG B	dv	8/7/12	8/7/12		1.00	57.00
Helmerick & Payne	dv	8/13/12	8/31/12		1.00	7.00
Sabra Healthcare REIT, Inc.	dv	8/13/12	8/31/12		1.00	49.50
Protective Life Corp.	dv	8/15/12	9/4/12		1.00	67.50
Goldman Sachs Group	dv	8/28/12	9/27/12		1.00	23.00
Schlumberger Ltd	dv	8/29/12	10/12/12		1.00	42.35
Dividend Accrual	wd	8/31/12	8/31/12			7.00
Dividend Accrual	wd	8/31/12	8/31/12			49.50
Dividend Accrual	wd	9/4/12	9/4/12			68.00
Dividend Accrual	wd	9/4/12	9/4/12			67.50
Columbia Treasury Reserve Fund	in	9/4/12	9/4/12			1.24



Security	Transaction Type	Trade Date	Settle Date	Qty	Unit Cost	Trade Amount
ISHARES TR BARCLY USAGG B	dv	9/10/12	9/10/12		1.00	56.60
Las Vegas Sands Corp.	dv	9/18/12	9/28/12		1.00	37.50
Whole Foods Market, Inc.	by	9/25/12	9/28/12	80	99.94	7,994.90
Dividend Accrual	wd	9/27/12	9/27/12			23.00
Dividend Accrual	wd	9/28/12	9/28/12			37.50
Vanguard Dividend Appreciation ETF	dv	9/28/12	9/28/12		1.00	188.31
VANGUARD INTL EQTY IDX ALLWRLD EX US	dv	9/28/12	9/28/12		1.00	102.27
ISHARES TR RUSSELL 2000	dv	9/28/12	9/28/12		1.00	9.29
Columbia Treasury Reserve Fund	in	10/1/12	10/1/12			1.17
ISHARES TR BARCLY USAGG B	by	10/3/12	10/9/12	178	112.33	19,994.74
VANGUARD INTL EQTY IDX ALLWRLD EX US	by	10/3/12	10/9/12	461	43.31	19,965.91
Standard & Poors Dep Rcpt UBI	by	10/3/12	10/9/12	318	145.03	46,119.54
iShares Russell 3000 Index ETF	by	10/3/12	10/9/12	317	85.57	27,125.69
ISHARES TR BARCLY USAGG B	dv	10/5/12	10/5/12		1.00	53.60
Whole Foods Market, Inc.	dv	10/9/12	10/9/12		1.00	11.20
Yum Brands Inc	dv	10/10/12	11/2/12		1.00	20.10
Dividend Accrual	wd	10/12/12	10/12/12			42.35
Ford Motor Company	dv	10/31/12	12/3/12		1.00	68.00
Columbia Treasury Reserve Fund	in	11/1/12	11/1/12			0.24
Dividend Accrual	wd	11/2/12	11/2/12			20.10
ISHARES TR BARCLY USAGG B	sl	11/6/12	11/9/12	37	111.91	4,140.57
Las Vegas Sands Corp.	by	11/6/12	11/9/12	50	44.74	2,237.00
Standard Parking Corporation	by	11/6/12	11/9/12	220	23.20	5,103.01
Elements Rogers Total Return Commodity	by	11/6/12	11/9/12	1324	8.58	11,359.92
Vanguard Short-term Corporate Bond ETF VCS	by	11/6/12	11/9/12	220	80.58	17,727.60
Yum Brands Inc	by	11/6/12	11/9/12	30	72.63	2,178.90
Powershares DB Base Metals	sl	11/6/12	11/9/12	240	17.93	4,303.10
ISHARES TR RUSSELL 2000	sl	11/6/12	11/9/12	28	81.99	2,295.66
iShares Russell 3000 Index ETF	sl	11/6/12	11/9/12	32	84.01	2,688.25
PALL US: ETFS Palladium Trust	sl	11/6/12	11/9/12	38	60.65	2,304.64



Security	Transaction Type	Trade Date	Settle Date	Qty	Unit Cost	Trade Amount
PPLT US: ETFS Palladium Trust	sl	11/6/12	11/9/12	24	151.57	3,637.59
iShares Silver Trust	sl	11/6/12	11/9/12	34	30.25	1,028.47
Standard & Poors Dep Rcpt UBI	sl	11/6/12	11/9/12	32	142.20	4,550.29
Vodafone Group PLC	dv	11/6/12	2/6/13		1.00	156.45
ISHARES TR BARCLY USAGG B	dv	11/7/12	11/7/12		1.00	106.03
Helmerick & Payne	dv	11/13/12	11/30/12		1.00	7.00
Sabra Healthcare REIT, Inc.	dv	11/13/12	11/30/12		1.00	49.50
Protective Life Corp.	dv	11/14/12	12/3/12		1.00	67.50
Goldman Sachs Group	dv	11/28/12	12/28/12		1.00	25.00
Schlumberger Ltd	dv	11/29/12	1/11/13		1.00	42.35
Dividend Accrual	wd	11/30/12	11/30/12			7.00
Dividend Accrual	wd	11/30/12	11/30/12			49.50
Dividend Accrual	wd	12/3/12	12/3/12			68.00
Dividend Accrual	wd	12/3/12	12/3/12			67.50
First Solar, Inc.	sl	12/4/12	12/7/12	247	28.61	7,066.51
ISHARES TR BARCLY USAGG B	sl	12/4/12	12/7/12	110	111.62	12,277.92
Protective Life Corp.	sl	12/4/12	12/7/12	27	27.11	731.95
Elements Rogers Total Return Commodity	by	12/4/12	12/7/12	1469	8.69	12,765.61
VANGUARD INTL EQTY IDX ALLWRLD EX US	by	12/4/12	12/7/12	260	44.30	11,517.51
iShares Russell 3000 Index ETF	by	12/4/12	12/7/12	32	83.52	2,672.64
Standard & Poors Dep Rcpt UBI	sl	12/4/12	12/7/12	12	140.95	1,691.36
Vanguard Dividend Appreciation ETF	sl	12/4/12	12/7/12	583	59.23	34,530.31
Vanguard REIT ETF	by	12/4/12	12/7/12	310	64.72	20,064.29
Vanguard Short-term Corporate Bond ETF VCS	dv	12/6/12	12/6/12		1.00	29.04
Whole Foods Market, Inc.	dv	12/6/12	12/21/12		1.00	160.00
Las Vegas Sands Corp.	dv	12/6/12	12/18/12		1.00	550.00
ISHARES TR BARCLY USAGG B	dv	12/7/12	12/7/12		1.00	88.93
ISHARES TR BARCLY USAGG B	dv	12/7/12	12/7/12		1.00	15.91
ISHARES TR BARCLY USAGG B	dv	12/7/12	12/7/12		1.00	161.74
Columbia Treasury Reserve Fund	dp	12/7/12	12/7/12			15.91
Columbia Treasury Reserve Fund	dp	12/7/12	12/7/12			161.74
BorgWarner Inc.	by	12/11/12	12/14/12	120	67.88	8,145.60



Security	Transaction Type	Trade Date	Settle Date	Qty	Unit Cost	Trade Amount
Standard & Poors Dep Rcpt UBI	sl	12/11/12	12/14/12	57	143.02	8,151.95
Dividend Accrual	wd	12/18/12	12/18/12			550.00
Salesforce.com, Inc.	sl	12/19/12	12/24/12	50	170.40	8,519.80
Standard & Poors Dep Rcpt UBI	by	12/19/12	12/24/12	11	144.76	1,592.36
Market Vectors Indonesia Index ETF	by	12/19/12	12/24/12	250	28.91	7,227.50
Dividend Accrual	wd	12/21/12	12/21/12			160.00
iShares Russell 3000 Index ETF	dv	12/26/12	12/26/12		1.00	186.65
ISHARES INC MSCI BRAZIL	dv	12/27/12	12/27/12		1.00	7.64
ISHARES MSCI Canada Index Fund	dv	12/27/12	12/27/12		1.00	226.04
VANGUARD INTL EQTY IDX ALLWRLD EX US	dv	12/27/12	12/27/12		1.00	463.55
Dividend Accrual	wd	12/28/12	12/28/12			25.00
Las Vegas Sands Corp.	dv	12/28/12	12/28/12		1.00	50.00
Vanguard REIT ETF	dv	12/31/12	12/31/12		1.00	247.07
Vanguard Short-term Corporate Bond ETF VCS	dv	12/31/12	12/31/12		1.00	29.04
Vanguard Short-term Corporate Bond ETF VCS	dv	12/31/12	12/31/12		1.00	18.48
Vanguard Short-term Corporate Bond ETF VCS	dv	12/31/12	12/31/12		1.00	7.26
Columbia Treasury Reserve Fund	lo	12/31/12				2,325.71
Columbia Treasury Reserve Fund	li	12/31/12				2,325.71
Columbia Treasury Reserve Fund	dp	12/31/12	12/31/12			18.48
Columbia Treasury Reserve Fund	dp	12/31/12	12/31/12			7.26
Market Vectors Indonesia Index ETF	dv	12/31/12	12/31/12		1.00	127.25