



## ***UMass Lowell Student Managed Fund Remains Unbeaten***

### ***Management Students Best Other Campuses For Second Year***



Student Managed Fund groups from this year and last, along with adviser Ravi Jain, are shown with the UMass Foundation and University of Massachusetts President Jack Wilson at the UMass Club in Boston.

For the second year in a row, UMass Lowell has bested the competition in the system-wide Student Managed Fund contest.

With its second win, the UMass Lowell group retains its title as the only team to ever win the competition, which challenges business students from each of the University of Massachusetts campuses to make the most money on a \$25,000 seed fund through real investing in the stock market.

The winning team was determined by the best return on its investments. UMass Lowell posted a 2 percent decrease in value in the fund (which beat the performance of major stock indexes like the S&P 500 for the same period). UMass Amherst's team came in second in the competition, followed by Dartmouth in third and

Boston in fourth.

“All of these funds ‘beat’ the market quite well and all of the student managers should be quite proud of their accomplishment and significant experience and training in the investment field,” the UMass Foundation states in its announcement of the results.

Each group started off in January 2008 with \$25,000 from the UMass Foundation to establish student-managed funds; the goal was to give students a real-world opportunity to invest in the stock market. While the students make the decisions about which stocks to buy, the actual trades are handled by the foundation.

In the first round of the competition, UMass Lowell ended the academic year with the win, increasing the fund's value by 7 percent, compared with a 12.5 percent drop in the Standard & Poor's 500 index over the same period. The group's investments outperformed the S&P by 19.5 percent.

Although the team saw a small drop in the value of its fund this year (2 percent), it outperformed the S&P 500 by an even larger margin (27 percent) than last year because the stock index lost 29 percent of its value. The original investment of \$25,000 now stands at approximately \$31,000.

Asst. Prof. Ravi Jain, faculty adviser to the students, says as a rule, the group tries not to buy stocks with the goal of selling them in the near future. Instead, they take a long-term view toward investing. However, one rule set by the foundation for the competition is that if any one holding grows to more than 10 percent of the total value of the portfolio, the group must at least reduce their investment.

So what's the secret to the UMass Lowell group's success? The group, which meets as Jain's Portfolio and Security Analysis course, spends hours both in and out of class researching specific companies and industry sectors to evaluate their worthiness of investments. Their approach – to go

for long-term, quality investments over quick gains – is modeled after that of super-investor Warren Buffett and renowned economist and investor Benjamin Graham.

In honor of their win, current and past members of the Student Managed Fund group, along with faculty adviser Jain, were invited to the UMass Club in Boston to meet with the investment committee of the UMass Foundation. While they were there, they also met UMass President Jack Wilson and Treasurer Roy Zuckerman, who chairs the investment committee, as well as other foundation leadership and staff.

“They graciously commended us on our achievements and wished the current group future success,” says alum Amy Osgood ’09, who participated in the first two years of the competition and now works for Fidelity Investments, of the visit.

After meeting with the foundation, the student group enjoyed lunch with their alumni advisers, John Kattar and Warren Isabelle. Both are Boston-based money managers and also serve on the foundation’s investment advisory committee.

Osgood, who now works in the financial services field, is one of the alums staying active with the fund.

“Even though I have graduated, I still genuinely enjoy being involved in the Student Managed Fund,” says Osgood, who stays in touch with the student fund managers through means like its LinkedIn group. “The endowment provides students with the opportunity to gain real-world experience that lasts beyond the classroom. The educational experience and networking platform the group provides is something that students can carry with them post-graduation.”

In addition to Osgood, the students who participated in last year’s winning Student Managed Fund group were Dustin Gieryn, Barry Goers, Sean Goodman, Thomas Kennedy, Michael Krieger, Michel Lamoureux, Brian Lemke, Brian Lesniak, Patrick Livermore, Gregory McCorry, Dipesh Patel, Jonathan Pedi, Nicholas Quintal, Bryan Ratliff, Scott Wilson and Paul Worthington.

Although he’s quiet about the importance of his role as faculty adviser, Jain is praised by students for his teaching style and ability to help them quickly grasp the complex workings of the stock market and various investment strategies.

“Prof. Ravi Jain is an outstanding professor and I would highly recommend participation [in the group] to any hard-working finance student,” says Osgood.

Both Jain and the students are highly regarded in the College of Management.

“The success of the UMass Lowell Student Managed Fund has been a source of tremendous pride for the College of Management. Our students have worked tirelessly performing exceptional investment analysis,” says Frank Andrews, associate dean of the college. “This group of students is lead by Dr. Ravi Jain, who is one of the most revered professors in the College of Management. We and our students are very fortunate to have him.”

This year’s crop of student fund managers say they are already able to measure what they’ve learned although the semester is only a month old.

“It’s not like any other class I’ve taken,” says Jake Connolly, a senior finance major from Wakefield.

“In other classes, you learn how to invest. In this class, you invest in real companies.”

“The idea of trying to do this in such a volatile market, using the fundamentals that, regardless of the conditions, still work, gives us an idea of how to do it. It’s a great way to give us a foundation,” says Javier Rosado, a senior finance major from Lowell, who is one of several students in the current group who says he took the class not just to learn to invest from a professional standpoint, but also a personal one.

“In my whole educational career from high school on, this is the first course that’s taught me how to make money,” says Tim Casaletto, a junior finance major from Leominster.

“This class has made me go back and review my [personal investment] strategy,” says Matthew Fleming of Methuen, a senior finance major. Fleming, 37, adds that there can be a lot of attention around hot stocks, but that he’s learning the focus should be on those that have the best potential for five to 10 years out.

For others, like Liz Boudreau of Ashby, who is in her senior year, the course is validating her decision to major in finance because she is getting a real understanding of what such a career would be like. “Now I know financial analyst is the right job for me,” she says.

“I feel really proud to be in the UMass Lowell business program,” says Tim Butterworth of Haverhill.

Boudreau called the experience of working on the fund so far “inspiring and empowering. They’ve entrusted us with \$25,000. It really builds the confidence of all of the members of the group.”

“The old group set a very high standard for outperforming the S&P 500,” says Casaletto. “These standards don’t change, so we feel confident we can continue their success.”

- [Christine Gillette](#)



This year's Student Managed Fund group, along with Asst. Prof. Ravi Jain and advisers John Kattar and Warren Isabelle are shown with UMass President Jack Wilson and UMass Foundation investment committee members.