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UA WALTON COLLEGE STUDENTS TAKE TOP PLACE IN UNDERGRADUATE INVESTMENT FUND COMPETITION

FAYETTEVILLE, Ark. – The portfolio management class in the Sam M. Walton College of Business, University of Arkansas, placed first in the student-managed investment fund competition for hybrid funds (undergraduate) at the Redefining Investment Strategy Education 2005.

The symposium was held in Dayton, Ohio, on March 31. More than 1,000 students from 135 universities and business colleges participated in the program, which was co-sponsored by CNBC, The Wall Street Journal, the New York Stock Exchange, Deutsche Asset Management, and the University of Dayton. No overall winner was announced owing to differences in risk between fund categories, but the Walton College team had the highest 2004 total return percentage gain among competition participants.

Students in the Walton College portfolio management class manage a portfolio of actual stocks that have a current market value of approximately $1.25 million.

The class faculty advisor, Craig Rennie, assistant professor of finance, said, “This great honor follows a spectacular investment performance of portfolio management class. In 2004, the class’ total returns were 29.9 percent, compared to only 10.9 percent for the S&P 500. Year to date 2005 total returns (annualized, based on the period ending Feb. 28) were 6.8 percent, compared to a decrease of 2.4 percent for the S&P 500.

"The performance of this year's Walton College portfolio management class is among the best in the investments industry. These students are some of the brightest new talent to be found anywhere."

The portfolio management class also visited the New York Financial District over spring break. Rennie said, "This trip exposes students to the daily activities of some of the top minds of the greatest financial service institutions in the world. This year, students visited senior executives at the New York Stock Exchange, Morgan Stanley, J.P. Morgan, Allied Capital, M2Capital Partners, and C.E. Unterberg & Towbin Asset Management." Students have also received briefings at top firms like Stephens Inc., based in Little Rock, Ark., and local firms in the Fayetteville area (including Stephens Inc., Morgan Stanley, Garrison Financial, Garner Asset Management, Greenwood & Associates, Longer Investments, and Morgan Keegan).

The portfolio management class is a student-managed investment fund created by the gift of $100,000 by the late Raymond Rebsamen of Little Rock in 1971. The Rebsamen Fund, managed by the portfolio class, is the third oldest of its kind in the country. It allows students to learn about investments through their management of a portfolio of equity, fixed-income, fund, and option securities. The class is organized into a team of two portfolio co-managers, an economist, and sector/industry analysts who correspond to the 10 Standard & Poor's economic sectors. The team's objective is to manage the portfolio to consistently outperform the S&P 500 while incurring approximately the same level of risk as the S&P 500. Additional details on the class are available at http://portfolio.waltoncollege.uark.edu on the Web, including current holdings and investment strategies.

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