


## The Global Equity Fund

- The Global Equity Fund (GEF) was established in 2009 as a student-managed investment fund and operated by Flex MBA, M-Fin, and MQF students
- The GEF invests primarily in foreign companies via common stocks (ADRs)
- The Robert H. Smith School Foundation allocated over \$600,000 for the Fund





## Goals & Objectives

- This competitive-enrollment fund provides Smith Flex MBA, M-Fin and MQF students the opportunity to perform fundamental investment research on foreign companies and actively manage a portfolio allocated from the Robert H. Smith School Foundation
- The goal is to outperform the MSCI ACWI ex-US Index primarily through security selection, although it is equally important that each member of the team learns the processes by which investment decisions are made in a professional asset management setting



## Investment Process

- The GEF team is limited to 20 students; all students participate as investment analysts, and there are 1-2 students in leadership roles
- Collaborate through weekly meetings during a two-semester (full academic-year) commitment
- Investment research presented during class meetings uses a top-down ("EIC") approach, including both DCF models and other valuation techniques. Students apply concepts and models from previous coursework, and utilize tools from Maryland Smith's extensive suite of financial databases and information systems.



## Program Benefits

- Highly attractive student experience to potential employers
- Actively apply methods from MBA/M-Fin/MQF coursework
- Utilize and improve financial modeling skills
- Improve communication & presentation skills
- Participate in an actual asset management environment
- Collaborate with other student/investors in a collegial setting
- Opportunities to network (e.g., annual New York City trip)
- Six (6) credits (3 in Fall, 3 in Spring) for Flex MBA students
- Four (4) credits (2 in Fall, 2 in Spring) for M-Fin & MQF students



## Requirements

- Successful completion of BUFN620 (or BUFN741) and BUFN630, or BUSI640
- Take BUFN730 (Applied Equity Analysis) or BUSI641
- Attend weekly GEF meetings (Tues evenings)
- Commit 2 semesters to the Fund class (Fall & Spring)
  - Participate in the year-end presentation to Board
  - Begin oversight of the Fund during May and during the summer prior to the beginning of formal classes
- *Currently under review with changes to M-Fin program*

## Recruiting Timeline

- Information Session: Mid-Jan
- Applications Due: Mid-Feb
- First Round Selections: Candidates invited to interview
- Interviews: Hosted either in-person or via Zoom
- Decisions: Typically by mid-April

## Top 10 Holdings of GEF

*(As of 30 Sept '22)*

- HSBC Holdings PLC (UK)
- L'Oreal SA (France)
- Lululemon Athletica (Canada)
- Nestle SA (Switzerland)
- NextEra Energy (USA)
- Nippon Telegraph & Telephone (Japan)
- Sociedad Quimica Y Minera de Chile SA (Chile)
- WNS Holdings Ltd (India)
- ZTO Express (Hong Kong)
- iShares Global Financials ETF

## Additional Information

- Website: [www.rhsmith.umd.edu/funds/global-equity-fund](http://www.rhsmith.umd.edu/funds/global-equity-fund)
- GEF email: [rhsmith-GlobalEquityFund@umd.edu](mailto:rhsmith-GlobalEquityFund@umd.edu)

