



TUFTS  
FINANCIAL  
GROUP

# ANNUAL REPORT

# 2023

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# LETTER FROM THE PRESIDENT

Luca Broder '24 served as the President of TFG in 2023. He will return to Guggenheim Partners as an Investment Banking Analyst in New York City where he interned last year.

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As I reflect on my time in Tufts Financial Group, I feel grateful to have been a part of such a supportive and motivated community. The growth and evolution of our club over the past three years have been both inspiring and rewarding.

This year has marked a significant milestone for TFG, demonstrating notable growth and establishing a stronger presence among the Tufts



I extend my heartfelt appreciation to our executive board, alumni supporters, and all participants in our various programs.

# LETTER FROM THE PRESIDENT

community and the broader financial sector.

Membership and participation in TFG have seen remarkable growth—our Career Development Course membership tripled, Tufts Trading Club attendance more than doubled, applications for the Alpha Fund doubled, and the Diversity Accelerator Program's membership increased by 50%. The Tufts Investment Banking Club (TIBC) achieved a 90% investment banking placement rate for the last two cohorts, totaling 40 individuals. Students received offers from top investment banks, including Goldman Sachs, Evercore, JPMorgan, Morgan Stanley, Centerview Partners, Moelis & Co., Lazard, Guggenheim Partners, Perella Weinberg Partners, PJT Partners, William Blair, Rothschild & Co., Citi, and Bank of America.

One of the highlights of the past year was the resumption of our in-person trips to New York, where we visited firms like JPMorgan, Morgan Stanley, Guggenheim, Moelis, and Nomura. These trips also included hosting two major networking events, each attended by over 50 individuals, offering exceptional networking and learning opportunities. We also launched a new initiative in Boston focusing on diversity, which reflects our commitment to inclusivity in the finance sector. Back at Tufts, our on-campus events this year brought industry leaders directly to our members, with firms like JPMorgan, Morgan Stanley, Baird, Nomura, and Jefferies sharing insights and opportunities.

We were also honored to host distinguished speakers like Alyana Verjee and Tram Foster from Sixth Street, Eashan Bagia from Rothschild & Co., Jeremy Javidi from Columbia Threadneedle, Justin Nelson from JPMorgan, and Justin Nyweide from HMI Capital, who provided invaluable perspectives to our members.



# LETTER FROM THE PRESIDENT

As I transition out of my role, it is with great excitement that I introduce Andrew Dodson as the new President of TFG. Andrew, who previously served as TFG's Vice President, has played a crucial role in TFG's growth and has a vision that promises to propel TFG to new heights.

In closing, I extend my heartfelt appreciation to our executive board, alumni supporters, and all participants in our various programs. Your dedication and support have been instrumental in our success and will continue to be the backbone of TFG's future achievements.

Luca Broder  
President

# LETTER FROM THE PORTFOLIO MANAGER

Chance Bootstaylor '24 served as the Co-PM of the Alpha Fund 2022-present. He spent last summer at Holocene Advisors as a long/short equity summer analyst.

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In 2022, we witnessed the first bear market of our lives induced by the fastest central bank tightening regime in 40 years. On the flipside, in 2023, we have been able to observe how quickly (recessionary) narratives can change and how violent price swings can happen as a result. Since late 2022, members of the Alpha Fund have gotten a true taste of putting capital to work when fiscal and monetary policies are not there to save the day. Over the past year we have added ~10 new



We began reevaluating our existing positions... to ensure our theses were still tracking.

# LETTER FROM THE PORTFOLIO MANAGER

analysts to the team, weighted towards underclassmen, all of whom have contributed to spirited market debates and produced excellent work products. More specifically, we worked through different stages of the fundamental research process, including screening, reading and analyzing reports, understanding compensation structures, utilizing primary sources, and financial modeling. We are always excited to learn about something new or research a name, and the Alpha Fund's weekly meetings give members a forum to introduce new ideas and receive feedback from their peers.

In late 2022, we began reevaluating our existing positions to familiarize members with the portfolio and ensure our theses were still tracking. Our first point of focus, and first mistake, was Chinese equities. Going into President Xi's reelection, it was easy to think that onshore private investment could come to a halt, ADRs would be delisted, and, just maybe, real estate would tumble further. While we didn't sell, the opportunity cost of not adding to Alibaba, Tencent, or Prosus was severe as nearly all large tech Chinese equities doubled over the ensuing months.

Another (personal) mistake was Amadeus IT Group which has risen 30% since pitched by analyst and now Co-Portfolio Manager, Cam Cokinos. Amadeus IT is a travel-oriented software company that provides booking websites with unified access to air fares, hotel rooms, car rentals, cruises, etc. They also provide airlines with a network of software applications that helps manage passenger-related operations from ticketing to boarding. The bet was simple. Due to the stickiness of its software, Amadeus would not be quickly disintermediated by the development of software systems created by airlines themselves. Furthermore, airline industry recovery past pre-COVID levels provided a tailwind. Pushback was based on the lack of a margin of safety (+25% upside, -10% downside), correlation to airline

# LETTER FROM THE PORTFOLIO MANAGER

stock prices considering the industry's history of value destruction, and concerns around the effect of a potential consumer spending slowdown within a highly cyclical industry.

This spring, the Fund entered a position in Amarin Corporation which has gone from 1.5% to ~1% of the portfolio and we will average down. We found the risk/reward compelling. Amarin is a commercial-stage cardiovascular company with a single drug, Vascepa. Down 94% from its high after IP loss in the U.S., it now has negative net debt, excluding valuable inventory, with a free portfolio of real options on expansions that represent a \$2 billion revenue opportunity. A biotech activist with a history selling cardiovascular companies recently became chairperson of the board and we think this story will end like his past campaigns - a sale at a premium greater than 200%. Most importantly, we think downside is limited in conservative DCF scenarios and we would receive significant equity returns in a liquidation. In a year full of macro noise, it is extremely refreshing to work on a classic net-net deep value situation, and we look forward to shareholder value realization.

Above all else, the Alpha Fund would like to extend a sincere thank you to our Jumbo alums for their unwavering support of finance at Tufts. Due to your support, the Fund has been, and continues to be, an excellent organization and discussion point in interviews. Over the coming months, analysts will be joining Ares Management, Audax, Morgan Stanley, and PJT Partners. Thank you again for your extreme generosity.

Chance Bootstaylor  
Co-Portfolio Manager



A blue-tinted photograph of a city street, likely in New York City, with the Freedom Tower (One World Trade Center) prominently visible in the background. The street is lined with multi-story buildings, and various signs and streetlights are visible in the foreground. The overall scene is captured from a low angle, looking up the street towards the tower.

# STOCK SPOTLIGHT

# ENTERPRISE PRODUCTS PARTNERS (EPD)

Austin Kee '26 is an Analyst on the Alpha Fund. He is a sophomore studying Computer Science and Quantitative Economics. He is also a member of TIBC.

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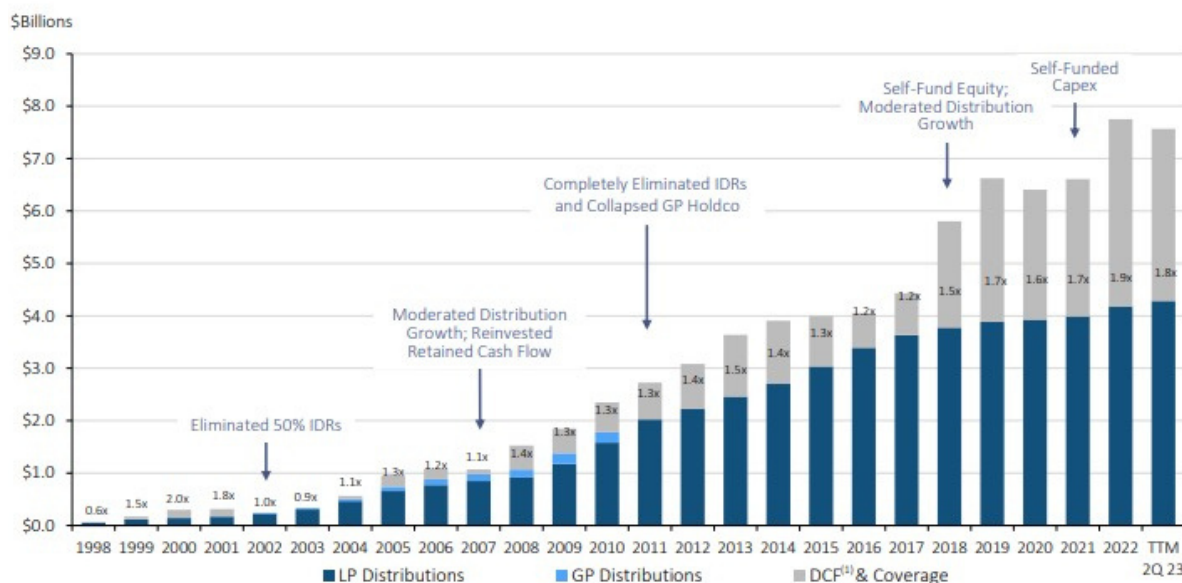
This past winter, we increased our position in the major midstream energy player Enterprise Products Partners (EPD) from 1% to 8%. Our decision was rooted upon the attractive returns consistently distributed to shareholders, represented by an 8.04% yield and a distribution that has increased for the past 25 years.



The key for MLPs like Enterprise Products Partners is the ability to access capital to fund projects.

# ENTERPRISE PRODUCTS PARTNERS (EPD)

EPD is a midstream company that benefits throughout the energy value chain from its diversified assets across Natural Gas Liquids, Crude Oil, Natural Gas, and Petrochemicals. The key for MLPs like Enterprise Products Partners is accessing capital to fund projects. EPD distinguishes itself from competitors as it internally funds profitable projects from yearly cash flows that consistently create future value above the industry average (2022 ROC 21.7%). Finally, Enterprise Products Partners has an extremely sticky shareholder base, ~87% of units have been held for over 1 year, providing price/unit stability and ultimately allowing for significant tax-exempt returns each year.



EPD Distributions Have Grown for 25 Years

7.28%  
Dividend Yield

\$2.00  
Annual Dividend

11.13  
P/E Ratio

Source: EPD Aug 2023 Investor Presentation and Nasdaq



A blue-tinted photograph of a city street, likely in New York City, with the Freedom Tower (1 World Trade Center) as the central focus. The tower is a tall, slender skyscraper with a distinctive spire, standing out among older, more ornate buildings. The street is lined with multi-story buildings, and there are some signs and streetlights visible. The overall scene is captured in a low-angle shot, looking up at the buildings.

# FUND PERFORMANCE



# ANNUAL PERFORMANCE

YEARS	ALPHA FUND	BENCHMARK	S&P 500 TR	LBUS TRUU
2019	27.71%	29.06%	31.32%	8.72%
2020	18.48%	17.31%	18.40%	7.51%
2021	24.07%	25.67%	28.71%	-1.64%
2022	-19.69%	-17.61%	-18.11%	-13.06%
2023	19.04%	23.43%	25.85%	1.64%

# QUARTERLY PERFORMANCE

QTRS	ALPHA FUND	BENCHMARK	S&P 500 TR	LBUSTRUU
2020Q4	14.52%	11.00%	12.15%	-3.25%
2021Q1	10.82%	5.23%	6.17%	1.43%
2021Q2	11.85%	7.84%	8.55%	1.43%
2021Q3	-0.15%	0.53%	0.58%	0.04%
2021Q4	0.25%	9.88%	11.03%	-0.40%
2022Q1	-7.90%	-4.69%	-4.60%	-5.47%
2022Q2	-14.56%	-15.00%	-16.10%	-5.06%
2022Q3	-3.34%	-4.92%	-4.88%	-5.25%
2022Q4	5.58%	6.93%	7.56%	1.27%
2023Q1	7.89%	6.96%	7.50%	2.13%
2023Q2	1.81%	7.70%	8.74%	-1.70%
2023Q3	-1.26%	-3.35%	-3.27%	-3.99%
2023Q4	9.76%	10.69%	11.31%	5.09%

# LARGEST TEN POSITIONS

POSITION	% OF NET ASSETS
Fidelity Government Cash Reserves	13.76%
iSHARES S&P 500 ETF	10.95%
Axon Enterprise Inc.	8.48%
Enterprise Product Partners L.P.	7.42%
Visa Inc.	7.39%
Blackstone Inc.	6.91%
iSHARES Core US Aggregate Bond ETF	4.85%
Starbucks Corp	4.84%
Alphabet Inc.	4.45%
Micron Technology	3.40%
<b>TOTAL</b>	<b>72.45%</b>

# INDUSTRY BREAKDOWN

SECTOR	% OF NET ASSETS
Financials	21%
Technology, Media & Telecommunications	18%
Consumer Discretionary	12%
Industrials and Materials	10%
Energy	8%
Healthcare	5%
Real Estate	4%
Consumer Staples	3%
Utilities	2%
Cash	14%
Fixed Income	5%





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