

INTRODUCTION

During the quarter that ended on December 31, 2023, the GW Investment Institute (GWII) hosted an alumni reception in NYC, took a group of students for a recruiting visit to Sands Capital, and took a class for an industry visit to Cushman & Wakefield, hosted 14 guest lecturers in classes, and held three Stock Pitch Days. Further, we awarded the first three Charles Schwab Foundation Awards to students with the best pitches for a total of \$1,250. The following commentary was written by Yaseen Shah, a GWSB senior graduating in 2024 with a major in Finance. Yaseen will be an Investment Banking Analyst at ClearSight Advisors after graduation.

MARKET COMMENTARY



Yaseen Shah

2023 concluded with a strong rally in the equity markets - the S&P 500 Index jumped (11.70%) in the fourth quarter and grew (26.30%) for the year. The main driver behind this quarter's growth was the market's anticipation of interest rate cuts by the Federal Reserve in the coming year. Given inflation easing closer to 2.00% (3.10%) and low unemployment (3.70%), the Fed has maintained a federal funds target rate of 5.25% and 5.50%.

All sectors, with the exception of Energy, ended 2023's final quarter in the green. Real Estate (18.83%) was the top-performing sector in the quarter as optimism brews for a 2024 comeback for residential and commercial real estate. Technology (17.71%) also performed exceptionally, with the Magnificent Seven (AAPL, AMZN, GOOG, META,

MSFT, NVDA, TSLA) and large-cap tech names advancing in the AI space. Other notable sectors that grew were Consumer Discretionary (11.33%), Consumer Staples (5.47%), Financials (14.03%), Health Care (6.41%), Industrials (13.05%), Materials (9.68%), Utilities (8.56%), and Communication Services (11.04%); Energy (-6.35%) was the only sector in the red as oil prices declined below \$80 per barrel amid geopolitical tensions.

For the fourth quarter of 2023, GWII's Student Investment Funds underperformed the benchmark by 40 basis points at (11.30%) vs. (11.70%) for the S&P 500 Index. However, individually for the quarter, the GW Ramsey Fund (11.80%) and the GW Real Estate Fund (16.30%) surpassed the S&P 500's growth. For the calendar year of 2023, GWII's portfolios outperformed the benchmark (31.10%) vs. (26.30%) for the S&P 500 Index.

PERFORMANCE AS OF DECEMBER 31, 2023

Rate of Return (%)

Student Investment Fund (SIF)	Market Value (mill)	1 Month	3 Month	Calendar Year to Date	1 Year	3 Year	5 Year	10 Year	Inception to Date	S&P 500 Inception to Date	Inception Date
GW Ramsey	\$4.817	4.2	11.8	34.5	34.5	9.2	18.0	11.4	10.4	10.1	30-Apr-05
GW Phillips	\$2.817	4.2	10.3	26.7	26.7	8.0	15.3	11.7	11.8	13.3	31-Oct-08
GW Real Estate	\$0.160	11.4	16.3	7.8	7.8	3.5	4.6	-	3.0	-	30-Jun-17
GW Quant	\$0.103	2.5	9.8	25.9	25.9	-	-	-	3.9	1.7	31-Dec-21
GWII SIFs Total	\$7.897	4.3	11.3	31.1	31.1	8.6	16.7	11.5			

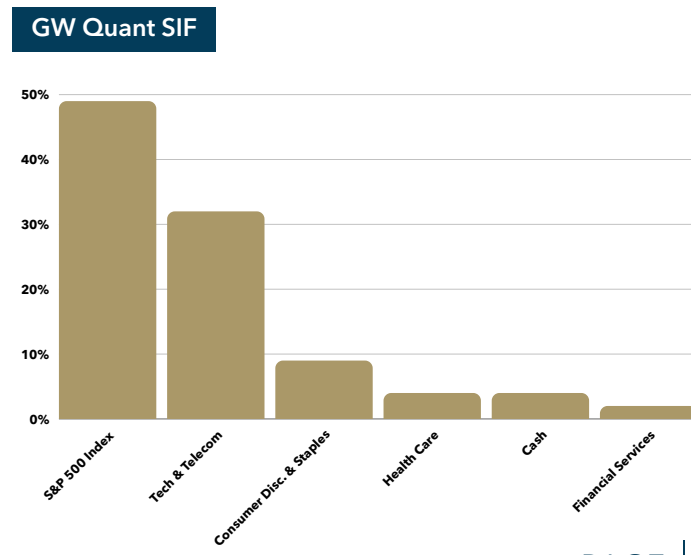
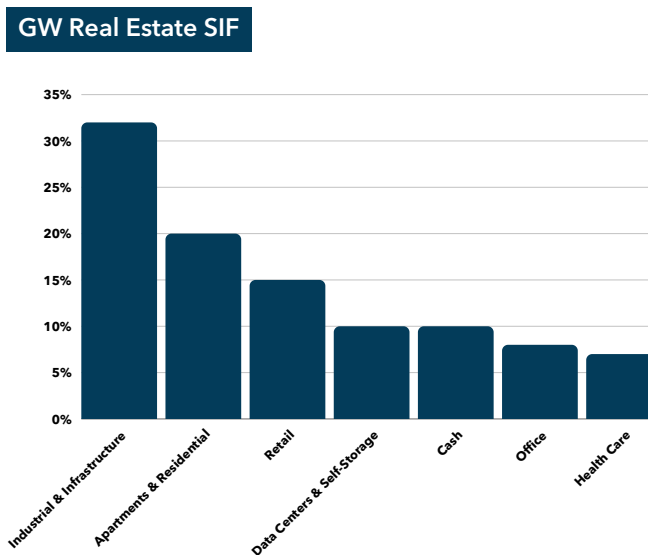
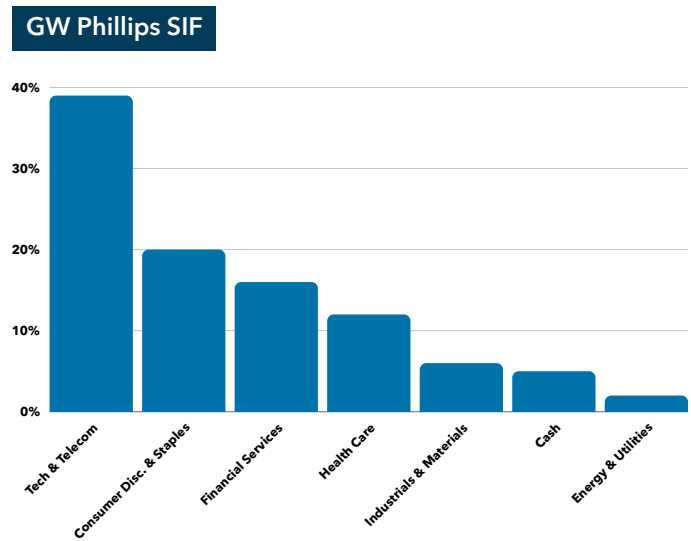
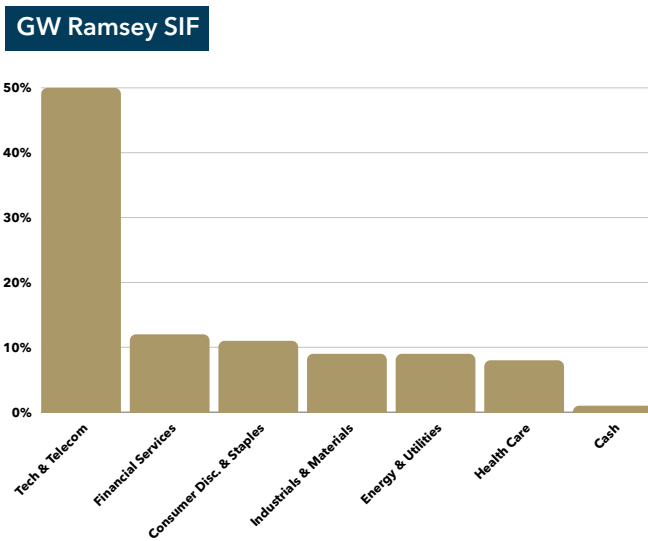
Benchmark data

SPX Index	4.5	11.7	26.3	26.3	10.0	15.7	12.0	
FNERT Index	8.9	18.0	11.4	11.4	5.7	7.6	8.0	

TOP POSITIONS AND CHARACTERISTICS

Student Investment Fund	Top Position #1	Top Position #2	Top Position #3	Dividend Yield	P/E
GW Ramsey	Nvidia (NVDA) 13.02%	Apple (AAPL) 12.31%	Microsoft (MSFT) 7.81%	1.18	23.34
GW Phillips	Apple (AAPL) 17.30%	Fortinet (FTNT) 6.19%	Costco (COST) 5.82%	1.24	26.84
GW Real Estate	Prologis (PLD) 11.38%	Camden Property (CPT) 6.68%	Avalon Bay (AVB) 5.57%	3.96	-
GW Quant	Vanguard S&P 500 (VOO) 48.54%	Arista Networks (ANET) 6.60%	Alphabet (GOOGL) 5.09%	1.66	26.42

SECTOR DISTRIBUTION



ABOUT THE GW INVESTMENT INSTITUTE

The GW Investment Institute teaches students at George Washington University how to think about investing and how to invest. GWII shares market insights and research, links students to industry and industry professionals, and provides a platform where our students, alumni, and friends connect.

Undergraduate and graduate students learn by doing - they serve as analysts and portfolio managers, managing over \$7.9 million in university endowment funds across four student investment funds (SIF). The objective of these funds is to preserve and grow the capital through long-only investments in publicly-listed companies in the U.S. The GWII courses cover: equities, real estate, venture capital, and quantitative investing. Students analyze companies using the GWII Framework of BMPB: Business, Management, Price/Valuation, and Balance Sheet. The Quant SIF allocates capital based on quantitative models built by our students.

GWII was founded in 2005 with a seed donation of \$1 million by Russell and Norma Ramsey to establish the GW Ramsey Student Investment Fund. From the payout associated from the fund, \$266,000 has been awarded to 66 exceptional students.

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Disclaimer: Performance figures are provided by Strategic Investment Group and are not audited. Numbers have been adjusted for cash infusions/outflows. Benchmark, fund characteristics, and sector distribution data are from Bloomberg. REIT sector distribution data is from NAREIT.