



Queen's Student Managed Fund

Annual Report 2024/25



**QUEEN'S
UNIVERSITY
BELFAST**

**QUEEN'S
BUSINESS
SCHOOL**

Executive Committee 2024/25

Chief Executive Officer
Jason Smyth
BSc Finance



Chief Financial Officer
Lucinda Hudson
BSc Finance



Chief Operating Officer
Olivia Otley
BSc Finance



Chief Investment Officer
Bradley Kumala
BSc Business
Information Technology



Chief Economist
Conor Devenney
BSc Economics
with Finance



Chief Risk Officer
Daniel Sharpe
BSc Actuarial Science
and Risk Management



Chief of Staff
Kealan Solemdal
MSc Financial Analytics



As your Executive Committee, it has been a privilege to lead the Fund through another transformative year. We have been proud to shape its direction, drive new initiatives, and support the continued growth of our members and portfolio this year. As such, we are pleased to present the **QSMF Annual Report 2024/25**.



Table of Contents

Foreword4

Our Values6

Fund Activities and Events7

Student Managed Fund Conference9

Student Testimonials10

Organisational Developments and Governance11

Markets Update13

Fund Performance and Portfolio Rebalance14

Risk Update15

Appendix: Rebalance 2024/2517

Acknowledgements.....19

Foreword

To the current, prospective, and past members of Queen's Student Managed Fund ("QSMF"):

The Executive Committee and I are charged with providing the best possible professional outcomes and university experience to our fund's members. We are truly grateful to be entrusted to guide what is now a 320-person strong organisation to successfully achieve these objectives, and the collaborative environment and mentoring culture that our members foster year-on-year.

It is our belief that our curriculum of trading, equity research, and portfolio management masterclasses, and the practical experience of applying these to our c.£83,000 portfolio provide an unrivalled opportunity for our Analysts to *consistently stand out* in all settings. To this end, a great number of our alumni have succeeded as leaders in investment banks, the private equity and hedge fund industry, wealth management, and corporate finance globally.

What We Do

We actively manage a large, long-only portfolio of listed investment instruments covering individual stocks, equity indices, fixed income, and the alternatives space. Our goal is to outperform our benchmark by strategically overweighting attractive sectors and geographies, tactically exploiting short-term mispricing, and stock picking undervalued companies.

With guidance from Sector Heads, Analyst Teams across our 13 Divisions seek to identify high-conviction investment ideas with large fundamental value gaps. Research reports and stock pitches are presented to the Executive Committee at regular Investment Committee (IC) meetings, where ideas are openly discussed, and investment decisions are actioned. Post-trade, we have a dedicated Risk Team that monitors exposures, correlations, market and operational risk on a monthly rolling basis.

We educate our members on all things relevant to investment management, from idea generation, narrative crafting, equity screening, and valuations. This is achieved through both introductory masterclasses in a lecture-style format, and advanced sessions in small, interactive groups. In this fashion,

our curriculum can be geared to any level of prior knowledge.

The Past Year in Review

QSMF had a transformative year in 2024/25, becoming the *largest fund* of its kind on the island of Ireland¹, introducing quarterly IC reviews, two novel divisions (*FIFX & Risk*), and exponentially increasing the interconnectivity and sophistication of our operations. Some KPIs for this year we are particularly proud of are:

- 30% AUM Growth
- 25% Membership Growth
- 3 Flagship Events
- 40% Contribution Rate
- 59 Professional Research Reports
- 24 Recurring Events

This year we focused on increasing the scope of the Sector Head role and providing Analysts with intra-year progression opportunities through specialist roles and early talent recognition. This strategy proved successful with our most engaged year to date in terms of analyst retention, and the quality and quantity of research reports presented.

We introduced tactical trading in our own portfolio with specialist talks on quantitative trading, and expectation and sentiment analysis, culminating in the QSMF Alpha Team winning the All-Ireland Goodbody SMF Trading Competition. This introduction proved timely with extreme market volatility surrounding 'Liberation Day' providing numerous trading opportunities which our Analysts capitalised on.

Our Executive Committee continued to build upon the progress of last year's with the QSMF Alumni Network. We welcomed four past CEOs to Ireland's largest ever conference for Student Managed Funds; best practice was shared with our members and six university delegations from across the UK & Ireland.

We recognise the unique value that our strong alumni base provides. All our members have the opportunity to receive curated career advice and introductions to senior figures in target firms, providing a leg up in what is an extremely competitive and globalised industry.

Looking Forward

The most impactful role QSMF CEOs and Executive Committees undertake is setting the future trajectory and long-run strategy of the fund. This year we worked tirelessly to restructure both our operations and investment mandate to better promote a wider range skillsets relevant to the evolving financial services industry.

In the years following we aim to implement our new:

- Investment Policy Statement – driven by our CIO and CRO, our new IPS introduces a multitude of new asset allocation levers to pull, professionalising the fund. We envision these changes encouraging much more active participation and allowing our members to specialise early, and into the high-demand finance niches they're most passionate about.
- Organisational Structure – spearheaded by our COO, CFO, Chief Economist, and Chief of Staff, our proposed restructuring aims to further improve the strong mentoring culture of QSMF. By allowing members to formally decide on their own tier of engagement, we believe much more tight-knit relationships within sectors, and between divisions and the Executive Committee can be formed, fostering a more open environment for learning and advice.

We foresee our fund surpassing our £100,000 AUM goal by as soon as 2027, a sustainable 25% increase in our membership count, and a broader pipeline of QSMF alumni joining the top financial services firms across the UK, Ireland, and globally.

None of our members' successes would be possible without the ongoing, generous support of our gold sponsors at *Davy* and *Citco*. Each have been instrumental in providing brokerage services, and in helping build out our fund accounting and NAV pack functions, respectively. We are deeply appreciative for this and their active involvement in our flagship events throughout the year.

Our Oversight Committee's unwavering encouragement and frequent advice this year has been invaluable on a personal note and in unleashing our team's confidence in tackling the extremely fulfilling and, often complex, challenges we faced this year. We are honoured to have served as your Executive Committee for 2024/2025.



Jason Smyth
Chief Executive Officer



Our Values

We are committed to demonstrating that Student Managed Funds can and do provide students with the key skills required to thrive both academically and professionally. Supporting this requires continual thought surrounding what we aim to do, how we provide it, and our membership's feedback on their own experiences. The process is dynamic and evolving but some of the core principles we strive to achieve are:

Education

Provide what can be summarised as a crash course in all-things finance and investing. Our curriculum should leave members with relevant knowledge well above their non-member peers.

Accessibility

Cater to all degrees, experience levels, and diverse backgrounds. Our practices should allow everyone to learn and participate at their own pace and connect those in similar circumstances.

Experiential

Provide as many avenues as possible for analysts to practice the skills learnt on the curriculum and shared by their peer mentors. Allow analysts to actively manage our fund and lead in competitions.

Mentorship

Encourage a robust culture of mentorship and peer learning. Support team building within sectors and make experienced members available to provide advice to all who value it.

Philanthropy

Aim to give back to our community, through charitable donations, and to our body of students. The former provides better student experiences without expectation of personal reward.

Jason Smyth

Chief Executive Officer

Fund Activities and Events

Activities and events lie at the heart of QSMF. They enable members to engage and connect with the society - by learning new concepts, applying practical knowledge outside of the classroom, and developing invaluable skills that will support their future careers in finance and beyond.

A Landmark Year of Scale and Innovation

2024-25 marked a defining year for QSMF. With 370 signups, this was our largest year to date, and demanded our most ambitious lineup yet. From day one, we set out to match the scale of our membership with a dynamic calendar of events that would engage, challenge, and inspire. With a record 27 events, from core masterclasses and new competitions to our inaugural Student Managed Fund Conference, this year saw the introduction of bold new initiatives designed to elevate the QSMF experience at every stage.

Core Learning: Masterclasses & Speaker Series

A key pillar of QSMF's offering is our series of core masterclasses, designed to provide structured learning in fundamental areas of finance. These covered topics such as equity research, investment thesis development, finance fundamentals, and economic principles, equipping members with practical knowledge to apply in reports, competitions, and interviews. Several were delivered in tandem with guest speaker sessions, blending conceptual learning with real-world application and giving members a dynamic, engaging experience.

We hosted 10 guest speaker sessions and fireside chats throughout the year. These included discussions with industry leaders across asset management, corporate finance, venture capital, and more, as well as insights into entrepreneurship, quant finance, and global macro strategy. Our focus remained on delivering high-quality, diverse events that not only supported Analysts' technical development but also broadened their understanding of career pathways and industry trends.

A particularly notable highlight came in March, when we were joined by QUB alumnus Russell Napier, one of the world's leading experts on global financial markets, and founder of the Library of Mistakes, to a special fireside chat to QSMF members.

New Experiential Learning

In Semester One, we introduced group equity reports. The aim was to provide Analysts with an engaging, hands-on project early in the year, providing practical experience in investment research from the outset to complement their learning. By making the reports collaborative, we encouraged communication, teamwork, and peer learning within each sector. The group format also lowered the barrier to entry for those new to equity research, making the process more accessible and less intimidating. The response was outstanding, with over 115 Analysts participating and producing more than 30 reports. This strong start contributed to higher-quality individual submissions and increased engagement in Semester Two.

We also introduced the ExCo Pitch Event, where eight analyst teams presented their group reports to the Executive Committee, joined by guests Donal Farnan and Peter Hanna from our Gold Sponsor, Citco. This event served as valuable insight and preparation for our main pitching event with Davy in Semester Two and provided Analysts with the experience of presenting to a live audience of over 100 peers and professionals.



ExCo Pitching Event

Competitions & Challenges

QSMF members participated in several competitions throughout the year. Notably, a team of students travelled to Trinity College Dublin to compete in the Rotman Trading Challenge, and over 60 students took part in the AmplifyMe Accelerator, a fast-paced, simulation-based competition. We also launched the new QSMF Bloomberg Trading Challenge, giving Sector Heads the opportunity to act as Portfolio Managers in a cross-sector paper trading competition, sourcing ideas from their Analyst teams.

In Semester Two, seventeen QSMF members competed across three teams in the Goodbody Student Managed Fund Competition, a major all-island event.

We were proud to see the QSMF Alpha Team advance to the final in Dublin and secure first place overall - a significant achievement that reflects the quality and dedication of our members. Congratulations to all participants, whose exceptional effort and commitment made this success possible.



QSMF Alpha Team following their win at the final in Dublin

Strengthening Internal Leadership

As part of our broader focus on enhancing activities and engagement across all levels of QSMF, we introduced quarterly Investment Committee Meetings - a new initiative aimed at strengthening collaboration, communication, and autonomy among Sector Heads. These new sessions created a formal space for Sector Heads to come together, share updates on their holdings, discuss investment strategy, and engage in cross-sector dialogue with both the Executive Committee and peers. While supporting leadership development and portfolio cohesion, the sessions marked an important step in expanding our internal events and fostering a more connected and collaborative environment.



2024-25 Sector Heads and Executive Committee

Flagship Events

Whilst we introduced new and exciting headline events this year, our established flagship events remained as important as ever. Offering key moments for reflection, development, and professional engagement for our members, they remain key pillars of the QSMF calendar.

We held our Annual General Meeting (AGM) in January. The event drew record attendance and provided members with a comprehensive overview of both the fund's performance and QSMF's strategic direction. We were also joined by Terence Hann, Portfolio Manager from our Gold Sponsor, Davy, who provided a 2025 Market Outlook.

Our AGM served as a valuable opportunity to reflect on our achievements, share updates on key new initiatives, and outline our vision for the future.

QSMF 2025 AGM



Our final event of the year was held in April; our Gold Sponsor Davy hosted our annual pitching event in their Belfast office. Seven members were chosen to pitch their stock to a panel of Davy professionals, with Q&A on each pitch, followed by refreshments and networking.



Davy Pitch Event 2025

Looking Ahead

Overall, this year's activities reflect QSMF's most ambitious and dynamic calendar to date - one defined by innovation, participation, and purpose. While the fund's portfolio remains central to our mission, QSMF is ultimately about more than investment decisions - it's about empowering our members through learning, collaboration, and real-world experience. From analyst development to leadership growth, competitions to career insight, every initiative was designed to support our members' journeys.

The scale and success of what was achieved this year is a testament to the drive, creativity, and commitment of our members at all levels, including our Executive Committee, Sector Heads, Specialists, and Analysts, and sets a powerful foundation for the future of QSMF in the years to come.



Olivia Otley
Chief Operating Officer

Student Managed Fund Conference



Nominated for Best Student-Led Activity of the Year

SU Awards 2025

This year, QSMF made history by launching the first-ever Student Managed Fund (“SMF”) Conference on the island of Ireland - and the largest event of its kind to date. Hosted in February at Riddel Hall, the inaugural UK & Ireland SMF Conference brought together students, alumni, and leading professionals for a full day of insightful sessions, intervarsity collaboration, networking, and industry engagement.

The conference was themed to ‘*Developing Student Managed Funds*’, which underscored QSMF’s core mission of experiential learning. We welcomed around 100 attendees, including students from QUB and other universities across Ireland, and speakers from top firms including Morgan Stanley, Citadel, Mediolanum, Citco, and Davy. Throughout the day, attendees engaged with panel discussions, keynotes, and a high-energy intervarsity stock pitch competition, judged by senior investment professionals, with Trinity’s team taking first place.

Every session, speaker, and detail reflected months of preparation, driven by shared ambition: advancing the concept of student-led investing, showcasing the talent and success of members and alumni, and building a lasting platform for SMFs across the region.

The conference was highly successful as we strengthened our relationships with institutions such as Ulster University, Trinity SMF, and ISMF. Delegates found the event insightful and engaging. This landmark event solidified our status as a leading institution for SMFs in the UK and Ireland, setting the stage for future recurring events, an expanded profile for QUB, and future opportunities for QSMF members.

We would like to thank Queen’s Annual Fund for their contribution and support in bringing this event to life. We are also grateful to all our guest speakers and attendees for their time, insights, and participation.

Ultimately, by bringing students together in this landmark inaugural event, we’ve sparked a new community of ideas, ambition, and collaboration. This conference laid the foundations not just for future events, but for a growing network ready to shape what comes next.

We believe QSMF is poised to shape the future of Student Managed Funds - and we hope this event marks the beginning of a bright future.

Olivia Otley

Chief Operating Officer



QSMF Conference 2025 Speakers

Conference Highlights



A History of QSMF presented
by Dr Alan Hanna (QSMF
Oversight Committee)



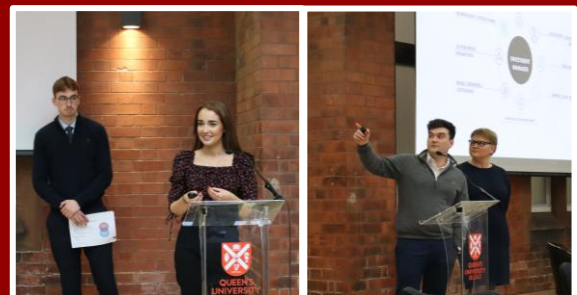
QSMF Alumni Panel, featuring past QSMF
CEOs, Moh Musa (2016-17), Katie Megarry
(2022-23), Rory McMullan (2023-24)



Intervarsity Stock Pitching Event
Judging Panel: Terence Hann (Davy), Dr
Philip Fliers (QUB), Moh Musa (Citadel)



**Keynote Discussion with Caroline
McLaughlin**, Executive Director and
Relationship Manager at Morgan Stanley



Keynote sessions from our Gold Sponsors.
Aisling Megarity and Fearghal McKenna from **Davy** (Left),
Peter Hanna and Jurgita Mockute from **Citco** (Right)

Student Testimonials

I joined QSMF as an Analyst in the Industrials Sector progressing to Risk Specialist this year. In this role, I gained valuable insights into risk and portfolio management by updating risk metrics, compiling risk reports, and staying informed on industry news.

I feel the fund has been instrumental in my development over the past two years; significantly broadening my research and communication skills, as well as deepening my understanding and outlook on financial markets.

The standout events for me throughout the year have undoubtedly been the pitching events. These experiences offer members a fantastic opportunity to refine their analytical and critical thinking skills when researching a chosen company, and to develop their communication abilities when presenting in front of industry professionals and fellow members.

I've thoroughly enjoyed the past year with QSMF, thanks to the numerous talks from top professionals, including CV and LinkedIn workshops, the variety of events throughout the year developed my interpersonal skills, contributing to obtaining my placement in Investment Banking. The practical skills I developed in QSMF, such as analysis and valuation, were instrumental in this achievement, as they provided hands-on experience beyond the classroom.

Our events kicked off with a stock pitching event, where the Real Estate team presented Welltower winning the overall best pitch. Additionally, QSMF hosted a conference, allowing us to interact with students from across Ireland and the UK. These interactions strengthened friendships I had already

My main motivation for joining QSMF was to gain practical experience with the concepts I was learning in my modules and to become more commercially aware in the process. This year, I was appointed Consumer Discretionary Sector Head. The role has significantly developed my communication and leadership skills.

A key highlight was attending the inaugural QSMF Conference. It was a fantastic opportunity to connect with like-minded students from other universities. I particularly valued the experience of participating in a Stock Pitch competition during the conference, which greatly improved my public speaking skills.

Over the year, I had the opportunity to pitch twice at the ExCo Pitch and the inaugural QSMF Conference. These experiences greatly improved my ability to form and articulate ideas and boosted my confidence in public speaking. They were outstanding learning moments and can help members distinguish themselves.

Being part of QSMF has been incredibly rewarding. I've built connections with like-minded individuals who I believe will remain valuable contacts for years to come. I highly recommend QSMF to any student interested in Finance, as it's a fantastic opportunity to gain an edge in the ever-competitive job market.

Jamie Porter
Risk Specialist

formed at the Rotman Trading Challenge, where I met 200 finance enthusiasts. I also participated in a Goodbody-sponsored portfolio construction competition, which was highly insightful.

While I've highlighted many professional aspects of QSMF, I must mention the networking opportunities. Although the term "networking" is often overused, I genuinely met many industry professionals from whom I can learn. More importantly, I've made numerous friends from different courses and year groups, which has made the year even more enjoyable. I highly recommend that any student at QUB, regardless of their discipline, consider joining QSMF.

Caroline Kennedy
Real Estate Sector Head

Another standout experience was competing in the Goodbody Student Managed Fund Portfolio Management Competition. As a Fund Manager, alongside Ellen O'Hara, we led a team of Analysts and presented our investment strategy to a panel of experienced judges. This was my first experience focusing on broader portfolio management rather than individual stock selection.

Being part of the QSMF has made me much more employable and helped me stand out in applications to global firms. I would highly recommend the QSMF to any student with an interest in the financial markets as it's a unique opportunity not available at many universities.

Sean McKelvey
Consumer Discretionary Sector Head

Organisational Developments and Governance

During the past year, QSMF has implemented several updates highlighting the commitment of the fund's members, structuring a robust framework for future committees and fostering sustainable growth. As an Executive Committee our goals for our tenure were:

- Achieve a return exceeding the benchmark, maintaining acceptable risk parameters.
- Updating the Investment Policy Statement, re-aligning objectives, and updating the benchmark and investment universe.
- Providing students, across a variety of degree programmes, with the learning and experience opportunities to develop skills and knowledge of the industry.
- Maintaining relations with QSMF alumni and building upon the network of guest speakers and opportunities to learn from industry professionals.

Reflecting the upcoming 10th anniversary of the fund as a “real-money” fund, we aimed to strengthen policies and controls improving operational efficiency, clarification of Executive roles and responsibilities and the introduction of new promotional pathways, with an ongoing commitment to developing future leaders and smooth succession within the fund.

Together, these initiatives have fostered engagement, retention, and development of talent within QSMF. Our updated policies have allowed for strategic decision making and streamlining the portfolio, along with focused engagement from Sector Heads and Specialist Analysts.

Organisational Developments – Fund Structure and Roles

To foster talent development, student engagement and efficient decision making within the fund, an updated structure was implemented this year, with the introduction of specialised roles and promotional opportunities for exceptional Analysts. These initiatives were introduced with the expectations of furthering Analyst development, motivation and active engagement.

New Roles and Divisions

To reflect the fund's growth and maturity, we added new divisions, Fixed Income and FX (FIFX), Risk and Operations and Global Research Sector to strengthen risk oversight and the introduction of new potential asset allocations. Working alongside our sponsors and spearheaded by our CRO, we have built a formal risk function monitoring the portfolio risk and production of NAV packs for Executive and Oversight Committees.

New Membership Structure

Looking forward to the next focus for QSMF, the Executive Committee have taken the opportunity to develop a new engagement structure which will help to encourage active participation and drive analyst commitment to the fund. As part of the initiative, we are introducing a new “Member” position. This will allow students to passively participate in the fund, utilising the educational opportunities and events to further their knowledge of the industry and drive their interest.

A step above this engagement level, will be our “Analyst” position, open for those who are encouraged to actively participate in the fund, committing to responsibilities including developing investment theses, conducting analysis and making recommendations for the fund.

Sector Head Selection and Promotional Initiative

Alongside the QSMF formal application process for Executive Committee members, we implemented an application and interview process for Sector Heads, given our significant interest from new and previous members. This allowed for a selection of highly driven and motivated members to help guide and lead new Analysts to complete selected Bloomberg Market Concept modules, research reports and networking during work shops.



A further development this year was our specialist initiative, allowing Analysts to gain further responsibility and engage with the Executive Committee to meet our goals for the year. A few of the specialist roles that were introduced this year were:

- Head of Risk & Analytics
- Risk Reporting Specialists
- Head of Communications
- Head of Fixed Income & FX

Governance – Oversight, Controls and Policy Updates

As the fund continues to grow, both by AUM and membership, it was essential to update the fund's governance and policies, enabling alignment of the portfolio strategy, essential risk management and an updated benchmarking and asset allocation outline.

Change in Oversight Committee

We were thrilled to introduce our new Oversight Committee Member, Dr Philip Fliers, a Senior Lecturer in Finance within Queen's Business School. Philip brings vast expertise across corporate finance, banking and research, alongside our current Oversight Committee, Áine Gallagher and Dr Alan Hanna. Additionally, we would like to wish Dr Barry Quinn, a key founder of QSMF all the very best in his new role outside of QUB. His attention and contribution to the construction and development of the SMF over the past 13 years has been an invaluable learning experience for students.

Introduction of Strategic Investment Committee Meetings

To formalise the Sector Head role, we wanted to empower each sector to have greater responsibility, oversight and awareness of their holdings, performance, and attributions. The introduction of Investment Committee Meetings provided a collaborative forum for discussion on each fund holding, with Sector Heads conducting and presenting analysis and recommendations for the Executive Committee.

These meetings successfully fostered an open network to discuss market outlooks, monitor uncertain macroeconomic environments and oversee fund contributions and engagement. Building on this framework, strategic holding decisions were made collectively throughout the year, allowing for consistent collaboration between the Sector Heads and the Executive Committee.

Review and Updates to the Investment Policy Statement ("IPS")

The final main governance development this year was the reviewing and updating of the IPS led by our CIO and CRO. This included:

- Building a diversified investment philosophy, through strategic and tactical asset allocation.
- Updating the benchmark and investment universe, allowing for global equities and fixed income benchmarking to match the investment philosophy.
- Employing extensive risk management, through risk tolerance, risk monitoring and rebalancing policies.

As part of the updated IPS, the fund objectives were redefined highlighting its educational, performance and charitable aims. Using a long-term horizon, the integration of a strategic asset allocation, with focus on global equities and increased fixed income allocation, will balance risk and reward. Additionally, an updated tactical shift allocation has been established to allow for capitalisation on short-term opportunities.

This year has allowed for significant progress for QSMF. Through implementation of a new fund structure, specialised roles and promotional opportunities, we have fostered greater engagement, talent development and expertise. Furthermore, the updated IPS and introduction of IC meetings collectively reflects the fund's goals and objectives for future opportunities with discipline and diligence.

Together these initiatives will help to prepare QSMF for sustainable growth and development, strengthening the educational and practical experience for all members.



Lucinda Hudson
Chief Financial Officer

Markets Update

The 2024-25 period was marked by a dynamic and often unpredictable global economic environment. Despite early fears of a hard landing, developed economies demonstrated surprising resilience, helped by strong labour markets and easing inflationary pressures. The U.S. economy led the charge with robust GDP growth in early 2024, allowing the Federal Reserve to hold rates steady for much of the year before signalling a more dovish stance in early 2025. This led to equities responding positively, with a tech-led rally surging the S&P 500 to record highs.

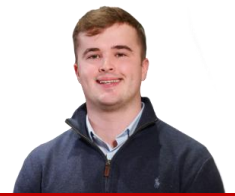
In Europe, the Euro area flirted with stagnation for much of 2024, as weakened demand and geopolitical tensions continued to weigh on investor confidence. However, lower energy prices and a gradual easing of monetary policy helped stabilise sentiment entering 2025. Meanwhile, the UK's inflation fell back within target range, offering the Bank of England scope to ease monetary conditions in the months ahead.

Emerging Markets, particularly in Asia and Latin America, benefited this year thanks to steadier U.S. dollar and renewed investor interest. China's recovery was mixed. Growth picked up in some areas, but long-term challenges like weakness in the property sector and low consumer confidence kept a lid on momentum. Still, government support and stronger exports helped steady the recovery.

Throughout the year, a few key themes stood out: Central Banks slowly shifting away from aggressive rate hikes, a boom in AI-driven stocks, and investors shifting focus to growth from inflation. Bond markets were turbulent as rate expectations kept changing, while commodity prices remained fairly stable. Oil prices were volatile but stayed within a tight range, as shifting supply-demand dynamics and global tensions kept markets cautious.

Looking ahead, global markets will continue to be shaped by the path Central Banks take on interest rates, as inflation trends lower and the focus shifts back toward supporting growth. Fiscal policy is also likely to come under the spotlight, with high debt levels in many economies raising questions about long-term sustainability. Geopolitical risks remain a key factor - from ongoing tensions in Eastern Europe and the Middle East to broader global instability.

Markets are expected to remain highly responsive to changes in economic data, Central Bank signals, and geopolitical events. With inflation easing but growth outlooks still uncertain, investors face a complex environment where sentiment can shift quickly. Navigating this landscape will require a focus on fundamentals, a disciplined approach to risk, and the flexibility to adjust as new information emerges.



Conor Devenney
Chief Economist

Fund Performance and Portfolio Rebalance

Since inception, QSMF has delivered an annualised return of approximately 6.5% with annualised volatility of 13.3%. Over this period, the Fund has trailed a traditional 60/40 benchmark portfolio in outright performance. However, this track record was achieved with relatively low turnover, minimal transaction costs, and without a formal rebalancing mechanism. By allowing sector and style biases to run, the portfolio captured multi-year thematic trends with discipline and patience.

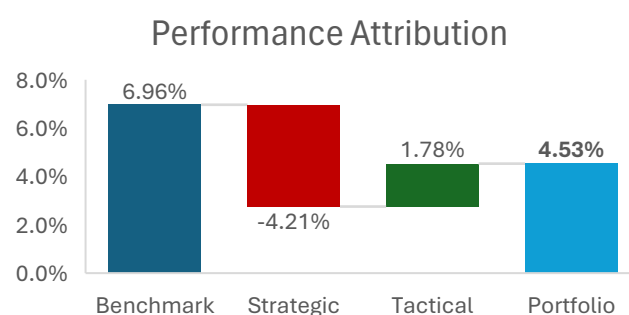
In June 2025, the Fund executed a formal strategic rebalance. This marked the first comprehensive portfolio realignment of our term and reflects a clear step forward in how we intend to allocate capital. The decision was driven by several structural considerations. Most notably, our legacy benchmark, the FTSE 350, has become increasingly unfit for purpose. It's limited sector exposure and domestic concentration distorted our performance signal and introduced elevated tracking error. As a result, we often found ourselves measuring a global multi-asset portfolio against a narrow, idiosyncratic index. This limited the clarity of attribution and made strategic positioning harder to evaluate. Going forward, we will transition to a benchmark that is more consistent with our global opportunity set and diversified mandate.

This rebalance also reflects a forward-looking macro view. Interest rates appear to have peaked, inflation is moderating across key economies, and liquidity conditions are gradually shifting from tightening to accommodation. In this environment, we believe capital should be allocated toward structural growth, global diversification, and resilience. Equities will remain the primary return driver, but we are actively evaluating shorter duration credit and real asset exposures as potential diversifiers in a late-cycle environment for inclusion within the new framework.

On a year-on-year basis, the Fund delivered a total return of 4.53%, compared with 6.96% for the FTSE 350. While absolute returns remained positive, relative performance was weighed down by our structural underweights in domestic UK equities and selective exposure to cyclicals. The Fund navigated a complex environment marked by volatility in rate-sensitive sectors and a shifting macro backdrop. Our active trading decisions have added value, with two positions standing out.

In February 2025, we initiated a position in First Solar after a sharp pullback. The company benefits from strong patent protection, significant exposure to the Inflation Reduction Act, and tailwinds from AI-driven demand for power infrastructure. We saw the selloff as dislocated from fundamentals and used it as an opportunity to enter at attractive levels.

Conversely, we exited Stellantis in November 2024, ahead of further deterioration in both fundamentals and sentiment. The company faced operational challenges, legal overhangs, and a downgrade in guidance from major brokers. While European subsidies offered long-term optionality, we assessed the short-term risk as asymmetric. The stock has since declined more than 30.0%. This outcome reinforced our risk management framework and underscored the importance of swift and decisive positioning.



Looking ahead, we see this rebalancing not as an end point but as a structural evolution. We are building toward a more dynamic, data-informed portfolio process that incorporates macro scenario testing, forward-looking factor analysis, and robust asset allocation principles. The objective is not simply to match market beta but to create a durable, repeatable investment process that compounds over time.

As our committee transitions, we leave behind a Fund that is more aligned, more disciplined, and better positioned for what comes next. In a shifting market environment, staying forward-looking and grounded in process will be the key to sustained outperformance.



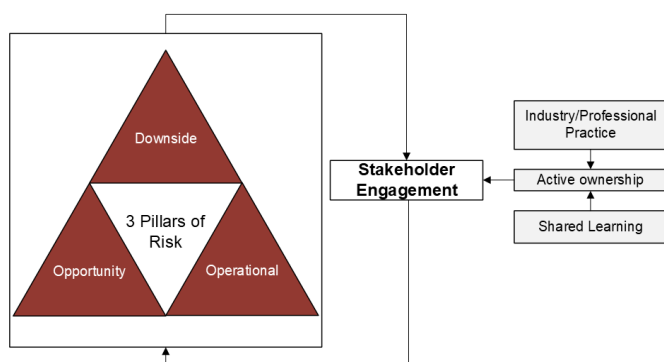
Bradley Kumala
Chief Investment Officer

Risk Update

With any investment decision, risk remains a material consideration. Given the backdrop of an increasingly multipolar world, uncertainty has surrounded financial markets; increasing volatility and hampering investor sentiment. As the intrinsic characteristics of risk have developed in this more turbulent world the Fund has decided to fundamentally evaluate its principles and processes in response to risk.

A New Holistic Approach to Risk

With the introduction of the IPS, the Fund has formalised its updated responses to risk in all its forms. These fundamental changes are based on a new approach to risk as summarised below.



Looking at these elements in turn:

- **Downside Risk:** Mitigating the possibility of capital loss and avoiding negative extremes of the return distribution.
- **Opportunity Risk:** Ensuring QSMF remains adequately positioned to benefit given the inherent and everchanging risk-reward trade-offs.
- **Operational Risk:** The idiosyncrasies of a SMF, be it split demands on member's time or the constant annual cycle of expertise, requires a strong focus on good governance.

The importance of this element of risk was a pivotal outcome of a wider engagement exercise with SMFs from across the UK and Ireland to see how they respond to similar challenges.

Ultimately, these risks are monitored and maintained by a high level of stakeholder engagement. Return on capital investments is an important factor for any SMF however, providing a positive return on the time dedicated week-on-week by our members and wider stakeholders is equally if not more important.

Risk Profile

With the directional shift away from an equity-only portfolio to multi-asset the Fund's intrinsic risk profile has materially transitioned from a focus on single

holding risks to overarching portfolio risks. This includes a higher-level view of risks linked to inter-holding interactions especially across asset classes and an overall lower tolerance for risk on an absolute basis.

This change has been accompanied by a formalised watchlist and review process for holdings falling below specified thresholds.

Risk Budgeting

Benchmarking risk via the IPS has been a significant challenge to select metrics which are lenient enough to encourage innovation and positive returns at an appropriate level of risk-reward. With this in mind, the portfolio was capped at an annual volatility of 20% measured retrospectively. The current equity/cash portfolio has an annualised volatility of ~21% due to a significant cash holding and legacy UK bias. This cap is fully envisioned to decrease over time as the new IPS takes phased effect from Summer 2025.

Similarly, sectors are capped at 25% of the overall portfolio risk. The revised IPS places the onus of monitoring this on Sector Heads, but this is supplemented by an existing reporting function within the Risk and Analytics Division to ensure a standardised measurement alongside sector estimates.

These risk budgets are accompanied by prudent diversification and asset allocation requirements covered previously.

Regular Reporting and Engagement

Measuring risk is an ongoing process and so a series of regular reporting on various cadences has been formally mandated in the IPS.

Report	Time	Purpose
NAV Pack	Monthly	A performance document outlining changes over the reporting period.
Portfolio Overview and Performance ("POP") Pack	Monthly	A detailed internal stakeholder report outlining key performance and risk measures alongside timely assessments of the going concern portfolio.
Allocation Insights Pack	Half Yearly	An enhanced version of the POP pack to inform allocation and rebalance decisions.
Risk Radars	Fort-nightly	Regular stakeholder updates on emerging items under the risk pillars and formal watchlist.

The preparation of these reports has been greatly supported by our sponsors at the Citco Group who have helped build out a replication of our portfolio and enhance our ability to measure and attribute performance and resulting risks.

These reports have been accompanied by the implementation of an industry standard “Do-Check-Review” process where documents are prepared by a junior colleague, checked by the Risk and Analytics Division Heads and approved by the CRO before being issued to stakeholders. This helps foster peer learning around complex topics and ensures the quality of the final output.

Enhanced Operational Support

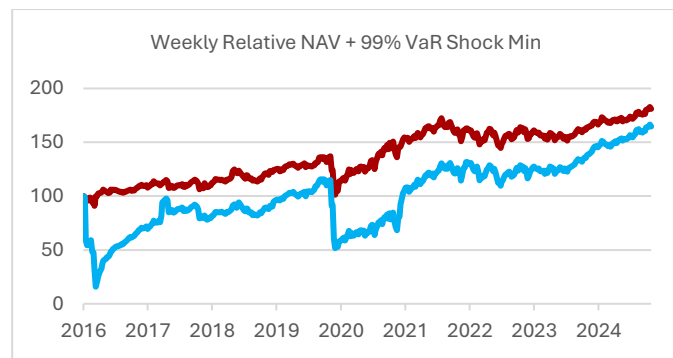
These enhanced responsibilities have increased the amount of time the Fund requires to facilitate these activities and projects. As a result, this year saw the rebranding of the Macro sector to the Global Research Sector which encompassed a dedicated Risk and Analytics Division (R&A). This sector was supplemented by several Specialists who were Senior Analysts in other sectors who expressed an interest in enhanced responsibilities within the Fund. This change set out to reduce any knowledge deficits across more junior cohorts of the Fund and foster a similar nature of peer learning which has served QSMF well throughout its history.

I would like to take this opportunity to thank those who embraced this new challenge; notably our Division Heads for the year Ross McVicker and Nikita Jain, and our specialists Jamie Porter and Ronan McIlvenny.

A few further developments to enable real time tracking, performance attribution and modelling capabilities continue to be explored for future years to promote an institutionalised fund.

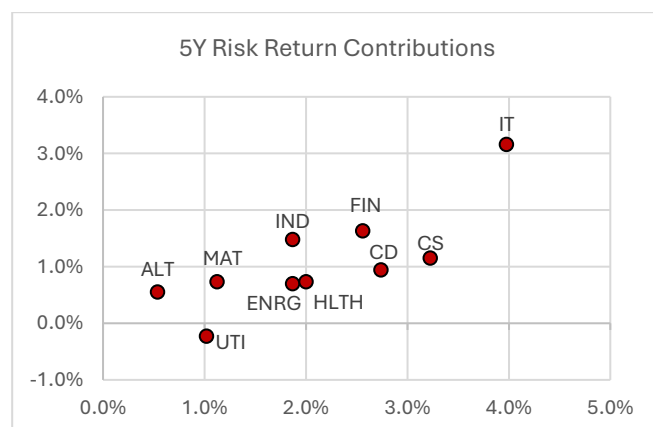
Current Risk Position

Overall, at the last valuation in June 2025, the Fund’s 99% 52-week rolling VaR remains around 23% of assets. This is expected to decrease sharply with the shift to multi-asset. The annualised volatility has consistently floated around the 20% limit with the Fund ending the year at 22% with the slight elevation resulting in US Trade Policy shifts and continued geopolitical conflict.



The 5Y Risk Return distribution remains positive but does not see an equal compensation for the level of risk which remains concerning.

The expected shift towards a multi-asset portfolio should limit the reliance on single stock selection for driving alpha. It should be noted the period does still include COVID-19 and the resulting volatility from the subsequent inflation spike which may skew some of these observations. However, similar trends exist on a 1Y term and can therefore be mainly attributed to sub-optimal allocation or expression of the underlying investment thesis.



The overall reduction of VaR alongside the reduction in volatility confirms the allocation decisions to derisk and diversify the Fund has significantly benefitted our stakeholders. As we enter this new phase, these expectations will need to be significantly rebased to reflect the new reality of the underlying risk and changing nature of QSMF.



Daniel Sharpe
Chief Risk Officer

Appendix: Rebalance 2024/25

Holding	Type	Action	Current Weight	New Weight	Change
American Tower	Active Equity	Buy	0.0%	2.5%	2.5%
AT&T	Active Equity	Buy	0.0%	2.5%	2.5%
Aviva	Active Equity	Buy	0.0%	2.5%	2.5%
Clarkson	Active Equity	Buy	0.0%	2.5%	2.5%
Constellation Energy Group	Active Equity	Buy	0.0%	2.5%	2.5%
Eli Lilly	Active Equity	Buy	0.0%	2.5%	2.5%
Intercontinental Hotel Group	Active Equity	Buy	2.0%	2.5%	0.5%
Kainos	Active Equity	Buy	1.2%	2.5%	1.3%
NXP	Active Equity	Buy	0.0%	2.5%	2.5%
Royalty Pharma	Active Equity	Buy	0.0%	2.5%	2.5%
iShares Broad Global Govt Bond UCITS ETF	Fixed Income	Buy	0.0%	12.4%	12.4%
iShares ESG Screened Overseas Corporate Bond Index Fund (UK)	Fixed Income	Buy	0.0%	2.5%	2.5%
iShares Global Corp Bond UCITS ETF	Fixed Income	Buy	0.0%	9.9%	9.9%
iShares Continental European Equity ESG Screened and Optimised Index Fund (UK)	Passive Equity	Buy	0.0%	3.5%	3.5%
iShares Emerging Markets Equity ESG Screened and Optimised Index Fund (UK)	Passive Equity	Buy	0.0%	4.0%	4.0%
iShares Japan Equity ESG Screened and Optimised Index Fund (UK)	Passive Equity	Buy	0.0%	1.5%	1.5%
iShares Pacific ex Japan Equity ESG Screened and Optimised Index Fund (UK)	Passive Equity	Buy	0.0%	1.0%	1.0%
iShares UK Equity ESG Screened and Optimised Index Fund (UK)	Passive Equity	Buy	0.0%	1.0%	1.0%
iShares US Equity ESG Screened and Optimised Index Fund (UK)	Passive Equity	Buy	0.0%	7.9%	7.9%
CRH	Active Equity	Hold	2.3%	2.2%	-0.1%
GSK	Active Equity	Hold	2.7%	2.7%	0.0%
Lululemon	Active Equity	Hold	1.6%	1.6%	-0.1%
Mastercard	Active Equity	Hold	3.3%	3.2%	-0.1%
Palo Alto	Active Equity	Hold	2.4%	2.5%	0.1%
Unilever	Active Equity	Hold	2.6%	2.5%	-0.1%
iShares Gold	Alternative	Hold	3.6%	3.6%	-0.1%
JP Morgan	Active Equity	Partial Sell	3.4%	3.1%	-0.4%
Ryanair	Active Equity	Partial Sell	3.0%	2.5%	-0.5%
Shell	Active Equity	Partial Sell	4.3%	2.5%	-1.8%
Tesco	Active Equity	Partial Sell	4.8%	2.5%	-2.3%
Cash	Cash & FX	Partial Sell	8.0%	2.9%	-5.1%
AstraZeneca	Active Equity	Sell	3.1%	0.0%	-3.1%
Diageo	Active Equity	Sell	2.0%	0.0%	-2.0%
Dunelm	Active Equity	Sell	1.2%	0.0%	-1.2%
First Solar	Active Equity	Sell	1.5%	0.0%	-1.5%
Glencore	Active Equity	Sell	1.3%	0.0%	-1.3%
Greggs	Active Equity	Sell	1.3%	0.0%	-1.3%
Investec	Active Equity	Sell	1.2%	0.0%	-1.2%
iShares S&P Industrials	Active Equity	Sell	4.4%	0.0%	-4.4%
Kroger	Active Equity	Sell	5.2%	0.0%	-5.2%

Legal & General	Active Equity	Sell	1.5%	0.0%	-1.5%
Marriott International	Active Equity	Sell	1.9%	0.0%	-1.9%
Microsoft	Active Equity	Sell	4.0%	0.0%	-4.0%
Smiths Group	Active Equity	Sell	2.2%	0.0%	-2.2%
Spire Healthcare	Active Equity	Sell	2.4%	0.0%	-2.4%
GBP Money Market	Fixed Income	Sell	6.1%	0.0%	-6.1%
Invesco US Treasury Bond 0-1 Year	Fixed Income	Sell	5.4%	0.0%	-5.4%
iShares Global Clean Energy ETF	Passive Equity	Sell	2.5%	0.0%	-2.5%
iShares Global Infrastructure	Passive Equity	Sell	2.1%	0.0%	-2.1%
iShares S&P 500 Information Technology	Passive Equity	Sell	2.7%	0.0%	-2.7%
L&G Russell 2000 US Small Cap ETF	Passive Equity	Sell	3.0%	0.0%	-3.0%

Acknowledgements

We would like to express our gratitude to all those who have supported QSMF in various ways through its development, launch, and ongoing operations.

GOLD SPONSORS





SMF CONFERENCE

QSMF gratefully acknowledges the financial support from Queen's Annual Fund.



CONNECT

 <http://go.qub.ac.uk/qubsmf>

 [Queen's Student Managed Fund](#)

 qsmf@qub.ac.uk

DISCLAIMER

The material in this presentation has been prepared by students of Queen's Student Managed Fund (QSMF) and provides background information on QSMF activities. The Fund is operated on the basis of philanthropic donations and has an educational focus. Information contained within should not be considered as advice or a recommendation to investors. Past performance is not a reliable indication of future performance.

