Quant/Risk Report: Comparison

Georgio Najm and Tevin Parathattal

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Executive Summary

- Portfolio declined $23,254 (-2.93%) since February report
- Cash increased from 7.38% to 7.99% as equity positions declined in value
- Concentration slightly increased; top 5 now represent 50.57% of total portfolio
- VEA remains largest single position at 16.59%
- Portfolio underperformed SPY (-1.59%) by 134 bps over the period
- 4 new positions initiated: DUOL, RUN, ANF, and MRK

Portfolio Snapshot

	February 2026	March 2026
AUM	$793,186	$769,932
Cash (SNOXX)	$58,514	$61,486
Equity	$734,672	$708,446
Positions	21	21

Risk Metrics

PORTFOLIO RISK COMPARISON | Feb 2026 vs Mar 2026

Metric	February	March	Change
Total Portfolio Value	$793,186	$769,932	-$23,254
Cash Value (SNOXX)	$58,514	$61,486	+$2,972
Equity Value	$734,672	$708,446	-$26,226
Cash %	7.38%	7.99%	+0.61pp
# Equity Positions	21	21	+0
Largest Position	VEA	VEA	---
Largest Position Wt.	16.88%	16.59%	-0.29pp
Top 5 Concentration	48.76%	50.57%	+1.81pp
Top 10 Concentration	70.56%	70.53%	-0.03pp
ETF Share of Equity	29.38%	28.94%	-0.44pp

Advanced Risk Metrics

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  RISK METRICS  |  Feb 2026 Weights vs Mar 2026 Weights
  Price history: 2025-11-07 to 2026-03-17 (same for both)
  Change = effect of rebalancing decisions + market movement
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  Metric                     February     March        Change
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  -- Portfolio Value --
  Total Value                 $793,186     $769,932     -$23,254

  -- Returns (Feb 17 → Mar 17) --
  Period Return               6.02%        2.93%*       -3.09pp
  Benchmark (SPY)             1.91%        0.26%**      -1.65pp
  Excess Return               4.12%        2.67%        -1.45pp

  -- Risk --
  Beta (vs SPY)               0.725        0.861        +0.136
  Annual Volatility           11.18%       11.18%       +0.00pp
  Max Drawdown                -3.71%       -4.18%       -0.47pp

  -- VaR (95% confidence, daily) --
  VaR (%)                     0.94%        1.16%        +0.22pp
  VaR ($)                     $7,458       $8,920       +$1,462

  -- Return / Risk --
  Sharpe Ratio                1.684        1.21         -0.474
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**Both snapshots computed over the same price history (Nov 7 – Mar 17), so the change column reflects portfolio composition decisions + market movement.*

UNC CHARLOTTE STUDENT MANAGED INVESTMENT FUND

Interpretation

Portfolio declined and underperformed the benchmark

Beta increased from 0.725 → 0.861 (+0.136) Portfolio became more sensitive to market movements. DUOL (beta 1.98) and RUN (beta 3.13) are the primary drivers. RUN's beta is over 3x the market — any downturn hits this position hard.

Portfolio underperformed SPY by 134bps SPY fell −1.59% over the same period; our portfolio fell −2.93%. The high-beta positions DUOL and RUN dragged down relative performance. The core book held up but these two positions cost us alpha.

VaR increased from $7,458 → $8,920 (+$1,462) On a bad day, we now stand to lose $1,462 more than under the February portfolio. The higher portfolio beta is the primary driver of the increased downside exposure.

Max Drawdown: −2.93% (Feb peak to Mar 17 current) The portfolio has declined from its Feb 17 peak. Worst-case day is more exposed given RUN and DUOL's high betas.

Bottom line: DUOL and RUN introduced meaningful risk that has not been rewarded — both are down significantly since entry, and both carry betas that amplify losses in risk-off environments. The core portfolio remains sound.

Top Holdings

Top 10 Equity Positions by Market Value

Rank	Symbol (Feb)	Mkt Val (Feb)	Wt (Feb)	Symbol (Mar)	Mkt Val (Mar)	Wt (Mar)
1	VEA	$133,925	16.88%	VEA	$127,734	16.59%
2	VOO	$80,205	10.11%	VOO	$78,787	10.23%
3	WMT	$62,106	7.83%	WMT	$60,289	7.83%
4	META	$59,262	7.47%	META	$57,721	7.50%
5	AAPL	$51,291	6.47%	AAPL	$49,415	6.42%
6	V	$41,298	5.21%	V	$39,955	5.19%
7	T	$36,089	4.55%	T	$35,045	4.55%
8	HII	$35,655	4.50%	HII	$36,212	4.70%
9	UNH	$33,971	4.28%	UNH	$34,052	4.42%
10	QCOM	$25,904	3.27%	QCOM	$23,899	3.10%

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Problem Positions: DUOL & RUN

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  POSITION RISK DETAIL   |   March 17, 2026
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  Metric                       DUOL               RUN
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  Market Value                 $17,532            $13,955
  Portfolio Weight             2.28%              1.81%
  Cost Basis                   $19,916            $19,950
  Unrealized Gain/Loss         -$2,384 (-12.0%)   -$5,996 (-30.1%)
  Analyst Rating               F                  F
  Beta (GuruFocus, 2026)       1.98               3.13
  Est. Daily VaR (95%)         ~$347              ~$438
  Combined Loss Since Entry:   -$8,380
  Combined Beta Contribution:  +0.136 to portfolio beta
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  WHY THESE ARE HIGH RISK:
  DUOL: Issued weak 2026 guidance (bookings +10-12% vs +20% prior).
        Down ~68% over 12 months. Beta 1.98 = nearly 2x market moves.

  RUN:  Beta 3.13 = extreme sensitivity to macro/rate environment.
        Down 30% since entry. Altman Z-Score in distress zone.
        Delayed rate cuts are a direct headwind to the thesis.
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Notable Transactions

Action	Ticker	Details
Initiated	DUOL	New position, $18,829 (cost basis $19,916 → now -12.0%)
Initiated	RUN	New position, $20,307 (cost basis $19,950 → now -30.1%)
Added	PSA	Increased by ~$8,323 ($13,140 → $21,463)
Exited	MMM	Full exit, proceeds ~$21,293
Exited	XLU	Full exit, proceeds ~$8,794
Reduced	LNG	Cut ~50 shares, reduced by ~$11,739 ($24,948 → $13,209)
Initiated	ANF	New position, $16,619 cost basis (now $16,247, -2.2%)
Initiated	MRK	New position, $9,888 cost basis (now $9,617, -2.7%)

Forward Outlook

Macro Environment

- Fed held rates at 3.5–3.75% at January meeting; Fed rate cuts now pushed to mid-2027 as Iran war complicates the inflation outlook
- New Fed chair likely to be named as Powell's term expires May 2026
- The US and Israel attacked Iran on Feb 28 — oil prices spiked and investors pulled money out of stocks, which hit our more volatile positions the hardest

Implications for Our Portfolio

- VEA may take a short-term hit as the war strengthened the dollar, but should recover once the conflict settles
- HII (Huntington Ingalls) is a direct beneficiary of the war — defense spending increases as the conflict continues

Watchlist / Risks

- DUOL & RUN: High downside
- UNH: Down 23.4% from cost, legal/regulatory headwinds persist
- If the Iran conflict escalates further, VEA's international exposure (16.59%) remains our biggest concentration risk