



Second Annual

# STOCK ANALYSIS COMPETITION

Hosted by Alpha Kappa Psi

FALL 2008

Featuring judges from

**Goldman Sachs**  
**J.P. Morgan**

**KKR Financial**  
**Merrill Lynch**

**Dodge & Cox Funds**



## COMPETITION OVERVIEW

Alpha Kappa Psi cordially invites you to participate in the Second Annual Stock Analysis Competition. Students will present an investment thesis to a panel of judges, thereby gaining exposure to company valuation and investment principles through a case competition scenario. Industry experts from Goldman Sachs, KKR Financial, Dodge & Cox Funds, J.P. Morgan, and Merrill Lynch will serve as judges and provide feedback to the teams.

Students interested in investment banking, consulting, investing, and finance should find this case study exercise very rewarding. The finalists will have an opportunity to discuss their thesis with the judges during the final round, and the winning team will have the opportunity to eat dinner with the judges afterwards.

### Teams

Students should form their own teams. Each team should meet the following eligibility requirements:

- Students must be enrolled at UC Berkeley and must be working towards their undergraduate degree
- Each team will consist of three to four students
- At least one team member must be an underclassman
- The ideal team will be balanced in areas of study, technical expertise and business acumen

### Registration and Submission

Teams should register online at <http://calakpsi.com/stockanalysis/registration.php>. The deadline for registration is at 11:59 PM on November 21.

Each group should submit their presentation by November 26 at 11:59PM. Please submit online via email to [stockanalysis@calakpsi.com](mailto:stockanalysis@calakpsi.com). The final deliverable should be saved in either a PowerPoint presentation or PDF format. Please use a maximum of 10 pages (including appendix slides).

The panel of judges will review the presentations and invite the top teams to present in the final round. Finalists will be notified via email by December 4.

### Final Presentation and Prizes

The finalist teams will present on December 8 at the Stephens Lounge in the MLK Student Union.



During the final round, teams will deliver a **15-minute** presentation to the panel of judges. Each group is expected to identify and present a persuasive investment thesis. At the end of the presentation, the judges will provide feedback during a brief Q&A session.

The winning team will be awarded a dinner with the judges after the event at Adagia. This is an opportunity to interact with a very accomplished group and gain from their professional perspective.

### Judging Criteria

Teams will be evaluated on a variety of factors. Please note that there is no single correct answer, and that each presentation will be judged based on both its thesis and its supporting analysis. Judges will take the following into consideration:

- Quantitative and qualitative analysis
- Thought process
- Written and oral presentation
- Creativity
- Teamwork

### Summary Timeline

November 18: Kick-off event at Haas C320 at 8:30PM

November 18: Case and registration instructions posted online

November 21: Deadline to register online at [www.calakpsi.com/stockanalysis](http://www.calakpsi.com/stockanalysis)

November 26: Submissions due at 11:59PM

December 4: Finalists notified via email

December 8: Final presentation at Stephens Lounge in MLK Student Union at 7:00PM

December 8: Award dinner with judges at Adagia at 9:00PM

### CASE STUDY

The ability to identify intriguing investment opportunities in the market is an important skill that is widely applicable in many fields. Investment professionals rely on both quantitative and qualitative analysis in order to form a solid thesis. Fundamental analysis is widely used by investment and finance professionals working at investment banks, private equity firms, hedge funds, and asset managers. Equally important is the ability to understand market trends and a company's position within its space to identify growth prospects and room for additional profitability.

In this competition, your team will be asked to select a public company and form an investment thesis relying on both financial and strategic analysis. **Please note that the company should be listed on an American exchange.** Successful analysis should provide



insight to the team's view of the company's value versus its publicly traded value.

Below are some suggested guidelines or tips. Please remember that creativity will be considered, so teams are encouraged to use their best judgment as to how to best support their thesis.

#### Suggested guidelines

- Teams can rely on various forms of valuation methods such as a discounted cash flow, comparable company analysis, discounted multiple analysis, etc
- Some factors to consider in a company's pricing are
  - How it is priced relative to its peers
  - What multiples are used in that particular industry
  - If recent news events have influenced its price
  - Whether it is a growth or value stock
- Particular industry trends and the company's specific strengths within that industry may be considered as well
- Growth prospects or merger/acquisition prospects may also be taken into consideration

## JUDGE BIOS

**Name:** Sean Rumrill  
**Current Position:** Goldman Sachs Private Wealth Management, Financial Analyst  
**Education:** UC Berkeley, Business Administration BS and German minor

Sean graduated from Berkeley in 2005 with a major in Business Administration and a minor in German. He currently works as a financial analyst at Goldman Sachs in the Private Wealth Management division. While at Cal, Sean was an active member in Alpha Kappa Psi.

**Name:** William Yu  
**Current Position:** KKR Financial, Associate  
**Past Experience:** Lazard & Frères, Summer Analyst  
**Education:** UC Berkeley, BS Business Administration, BS Environmental Econ

Will graduated from UC Berkeley in December 2007 with majors in Business Administration and Environmental Economics and was an active member of Alpha Kappa Psi. He currently is an Associate at KKR Financial in their Energy & Automotive group in San Francisco. He previously was a summer intern at Lazard and Deloitte. During his free time, he enjoys playing basketball and reading.



**Name:** Hung-Liang Yen  
**Current Position:** Dodge & Cox Funds  
**Past Experience:** Lehman Brothers, Healthcare  
**Education:** UC Berkeley, BS Electrical Engineering & Computer Science

Hung graduated from UC Berkeley in 2006 with a major in Electrical Engineering & Computer Science. He currently works at Dodge & Cox Funds, an investment management firm in San Francisco and was previously a financial analyst in healthcare for Lehman Brothers. While at Cal, Hung was an active member in Alpha Kappa Psi.

**Name:** Alexi Chialtas  
**Current Position:** J.P. Morgan, Healthcare Financial Analyst  
**Education:** UC Berkeley, BS Business Administration & BA Economics

Alexi graduated from UC Berkeley in 2007 with majors in Business Administration and Economics. He interned at J.P. Morgan as a summer analyst and upon graduation joined their Healthcare division as a financial analyst. Alexi was an active member of Alpha Kappa Psi while at UC Berkeley.

**Name:** Ryan Jue  
**Current Position:** Merrill Lynch, Technology  
**Education:** UC Berkeley, BS EECS & BS IEOR

Ryan graduated from UC Berkeley in 2007 with majors in Electrical Engineering & Computer Science and Industrial Engineering & Operations Research. Upon graduation, Ryan joined the Technology division as an M&A financial analyst. While at Cal Ryan was an active member of Alpha Kappa Psi.