



AIM Quarterly



AIM XXIV

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WELCOME TO AIM XXIV

The new year has begun and with it has come a fresh batch of students ready to take on the challenge of AIM. Not all faces are new. Professors Langley, McDonald, Reily and Malpass have once again stepped up to lead us on our way. The members of AIM XXIV come from a variety of backgrounds and professional experiences, but will all enjoy the honor of graduating from the Mendoza School of Business in 2007 with an MBA. We have all seen each other around the halls, at social events, and many of us have teamed up in other classes. This has created a lively and entertaining atmosphere in class, and we always work just as hard as we play.

We recently finished our first round of valuations and are currently in the process of identifying our companies for Round 2. Everyone looks forward to finishing out the year strong and continuing the portfolio's superior track record of performance.

PROFILE OF AIM XXIV

First	Last	Hometown	email	Company	Ticker
Scott	Adams	St. Charles, MO	Madams5	Sotheby's	BID
Aziz	Alikulov	Tashkent, Uzbekistan	Aalikuo	Moody's	MCO
Chris	Bertsch	Stevensville, MI	Cbertsch	Gilead Sciences	GILD
Paul	Dawson	Northridge, CA	Pdawson	XTO Energy	XTO
Adam	Fennel	Ridgefield, CT	Afennel	Petsmart	PETM
Ian	Ferreira	Muscatine, IA	Iferrei1	BJ Services	BJS
Eric	Filipovitz	Cleveland, OH	Efilipov	ExxonMobil	XOM
Erin	Gilroy	Archbald, PA	Egilroy	Sysco	SYU
Eric	Haley	Denver, CO	Ehaley1	UnitedHealth Group	UNH
Alex	Hock	Michigan City, MI	Ahock	Amgen	AMGN
Erik	Keto	Tustin, CA	Eketo	Whirlpool	WHR
Ken	Levine	Nashua, NH	Klevine	Symantec	SYMC
John	Loesch	Columbus, OH	Jloesch	Tupperware	TUP
Chad	Lyne	Auburn, IN	Clyne	Citi	C
Dave	McCaffrey	Denville, NJ	Dmccaff1	McDonald's	MCD
Luke	Obholz	St. Charles, MO	Lobholz	Barrick Gold	ABX
Sarah	Park	Los Angeles, CA	Jpark8	Coach	COH
Brad	Philips	Sturgis, MI	Bphilli2	Medtronic	MDT
Matthew	Quarello	Sherborn, MA	Mquarell	Morgan Stanley	MS
Alan	Rambaldini	Thunder Bay, Ontario	Arambald	Western Union	WU
Carson	Rasmussen	Seattle, WA	Crasmuss	Dell	DELL
Mostafa	Sabet	Anaheim, CA	Msabet	McGraw-Hill	MHP
Kris	Trocki	El Cajon, CA	Ktrocki	Ixia	IXIA
Richard	Vega	McAllen, TX	Rvega1	Cabela's	CAB
Tyler	Ventura	Chicago, IL	Tventura	Getty Images	GYI

ALUMNI UPDATES

Jim Barnes (AIM XXII) works as a Financial Analyst for A.M. Best Company's newly formed banking group, analyzing small and midsized banks. He is scheduled to present at the America Community Bankers Risk Management Conference in Orlando, Florida at the end of April.

UPCOMING BOSTON TRIP

From March 22nd to the 25th AIM XXIV will be visiting Boston to meet with various alumni and other financial professionals. For breakfast on Friday our class will be talking to Mr. Peter Schliemann about U.S. small and micro-caps. Next we'll visit with Mr. Jonathan Lavine of Sankaty Advisors regarding distressed securities with a focus on multi-strategy credit. Ms. Susan Swigor will host us for lunch at Mellon Trust, and the afternoon will be spent with Mr. Joseph Trustey of Summit Partners and Mr. William Jacques of Martingale Asset Management. Mr. George Ireland of Geologic Resources will meet with us the following morning. The crowning event of the trip will be the alumni dinner on Saturday night at the Langham Hotel. Everyone in the class is looking forward to the trip, and we hope to be able to gain some unique insights into particular niches of the investment world which will help us in managing the AIM portfolio and in our careers post-graduation.

CURRENT PORTFOLIO OVERVIEW

With a total return of 3.71% year to date, the AIM portfolio has outperformed the S & P 500 by 1.12%. However, for the twelve months ending January 31st, annualized returns are only 10.11% compared to 14.47% of S&P 500. Over that time period, our holdings in the consumer discretionary and financial sectors performed well, while holdings across all other sectors underperformed the S&P 500 index. The AIM portfolio benefited greatly from overweighting the consumer discretionary sector at 38.36% of the total portfolio. The top five value gainers year to date have been Sotheby's (30%), Getty Images (27%), Coach (16%), Whirlpool (12%) and Gilead Sciences (13%). The bottom five performers have been Symantec (-17%), SYSCO (-8%), BJ Services (-6%), Medtronic (-4%) and Citigroup (-3%). The SPDRs held for our hedge position added minimal value to the portfolio because nearly all of the gains in energy sector were offset by gains in the consumer discretionary sector.

Individual Stock Returns
As of 01/31/2007

Top 5 individual performers	
Stock	Return (TTM or *HPR)
Morgan Stanley	49.6%
McDonalds	34.7%
Exxon Mobile	34.3%
Coach*	30.1%
Moody's	21.3%

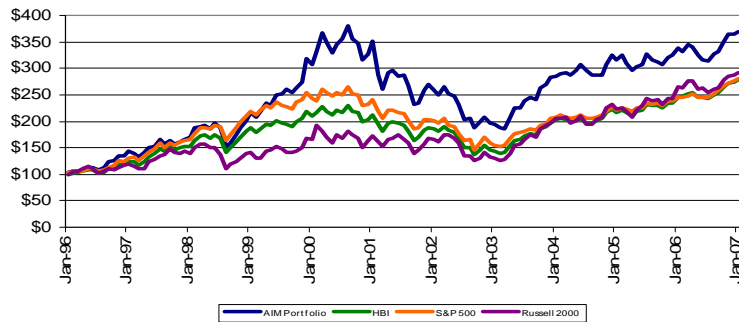
Individual Stock Returns
As of 01/31/2007

Bottom 5 individual performers	
Stock	Return (TTM or *HPR)
IXIA	(36.1%)
BJ Services	(24.1%)
Dell	(16.8%)
UnitedHealth Group	(15.0%)
Symantec*	(14.1%)

Portfolio vs. S&P500 & HBI

As of 01/31/2007

\$100 Investment at Inception



QUICK U.S. ECONOMIC SNAPSHOT

On February 12, 2007, AIM XXIV presented its first economic report, outlining overall trends in the economy, including inflationary pressures, GDP growth, housing, oil and international trade.

As of that date, the Fed Funds rates remained unchanged at 5.25%, a level at which it has been since May 2006. With the Federal Reserve continually expressing its concerns of “uncomfortably high” inflation, Personal Consumption Expenditures continued to grow at 0.7% in December 2006 while the personal savings rate remains negative. Real GDP growth dropped sharply lower to 2.2% in the 4th Quarter.

Ongoing concern about housing persists with January housing starts down 14.3% from December as climbing default rates impact the sub-prime market. However, January existing home sales were the highest in seven months, partially due to warmer weather across the country. Crude oil and natural gas prices have increased steadily since January 2007, positively impacting the basic materials positions in the AIM portfolio.

The trade deficit continues to grow at a slow pace, while a weakened dollar has helped narrow the gap slightly. On balance, the AIM portfolio has benefited from the growing economy in the consumer discretionary industry and has been negatively affected by the decrease in oil and natural gas prices since June 2006. The consensus of the presenting team was that the economy would continue to grow over the next year at a decreasing rate.

CURRENT AIM PORTFOLIO

AIM Portfolio holdings (as of 2/23/2007)

Company Name	Ticker Symbol	# of Shares	Value	Weight	Unrealized Gain/Loss	Analyst
BARRICK GOLD	ABX	5,700	\$177,042	4.46%	\$6,424	Luke Obholz
AMGEN	AMGN	2,100	\$139,083	3.50%	(\$3,276)	Alex Hock
SOTHEBYS	BID	5,000	\$201,200	5.07%	\$49,802	Scott Adams
BJ SERVICES	BJS	4,800	\$131,616	3.31%	\$8,210	Ian Ferreira
CITIGROUP	C	2,840	\$152,707	3.85%	\$16,191	Chad Lyne
CABELAS	CAB	6,500	\$165,490	4.17%	\$5,070	Richard Vega
COACH	COH	4,000	\$199,880	5.03%	\$58,847	Sarah Park
DELL	DELL	6,000	\$145,140	3.65%	(\$55,967)	Carson Rasmussen
GILEAD SCIENCES	GILD	2,000	\$147,260	3.71%	\$11,385	Chris Bertsch
GETTY IMAGES	GYI	3,500	\$190,575	4.80%	\$29,883	Tyler Ventura
MCDONALDS	MCD	3,400	\$156,434	3.94%	\$69,088	Dave McCaffrey
MOODYS	MCO	2,200	\$148,346	3.74%	\$82,741	Aziz Alikulov
MEDTRONIC	MDT	3,000	\$154,050	3.88%	\$5,760	Brad Phillips
MCGRAW HILL	MHP	1,500	\$100,170	2.52%	\$1,590	Mo Sabet
MORGAN STANLEY	MS	2,000	\$161,940	4.08%	\$65,022	Matt Quarello
PETSMART	PETM	5,600	\$177,800	4.48%	\$77,823	Adam Fennel
SYMANTEC	SYMC	7,500	\$130,200	3.28%	(\$24,444)	Ken Levine
SYSCO	SYU	4,100	\$138,375	3.48%	\$3,126	Erin Gilroy
TUPPERWARE	TUP	5,555	\$133,820	3.37%	\$8,548	John Loesch
UNITED HEALTH	UNH	3,700	\$196,211	4.94%	\$39,706	Eric Haley
WHIRLPOOL	WHR	1,800	\$168,030	4.23%	\$12,597	Erik Keto
WESTERN UNION	WU	8,000	\$175,120	4.41%	(\$6,670)	Alan Rambaldini
EXXON MOBIL	XOM	2,450	\$184,289	4.64%	\$91,447	Erick Filipovitz
XTO ENERGY	XTO	3,000	\$157,710	3.97%	\$14,698	Paul Dawson
IXIA	XXIA	10,400	\$114,296	2.88%	(\$24,014)	Kris Trocki
Energy Select Sector SPDR	XLE	60	\$3,519	0.09%	\$1,008	
Consumer Discretionary SPDR	XLY	-70	(\$2,790)	-0.07%	(\$448)	
Cash and Cash equivalents			\$23,504	0.59%	\$0	
Total			\$ 3,971,017	100%	\$ 544,149	