

APPLIED INVESTMENT MANAGEMENT

AIM LXII NEWSLETTER / SPRING 2026



THE UNIVERSITY OF NOTRE DAME

2

COURSE
OVERVIEW

4

PORTFOLIO
INFORMATION

13

GUEST
SPEAKER
HIGHLIGHTS

16

TRIP
HIGHLIGHTS

20

OTHER
HIGHLIGHTS

24

ANALYSTS
PROFILES

Applied Investment Management (AIM) was created in the fall of 1995 to provide students with live portfolio management experience. Today, AIM manages a portfolio of approximately \$30 million.

Throughout the semester, each student performs fundamental security analysis on two equities. The class collectively determines the composition of the final portfolio.

COURSE *Overview*

02



NOTRE
DAME

ABOUT AIM

The Applied Investment Management (AIM) course was created in the fall of 1995 to give Notre Dame students an opportunity to manage a live portfolio while developing their financial analysis skills through rigorous, fundamental equity research.

AIM is an intensive, 6-credit course that requires substantial work outside of the classroom. Each semester, 25 students are selected through a competitive application process. These students-turned-analysts are charged with conducting the research and decision-making required to manage a live portfolio valued at approximately \$30 million. The course is student-led, built primarily around student presentations and discussion. During the course, each student analyst must complete a series of reports and presentations on two stocks: one from the existing AIM portfolio and one chosen by the analyst as a potential addition to the portfolio. These reports include analyses of business fundamentals, competitive position and strategy, financial forecasts, and valuation, culminating in the analyst's final recommendation on whether to include the stock in the AIM portfolio.

Collectively, the analysts act as a portfolio management team, providing feedback on each other's work and voting on final portfolio decisions. Portfolio decisions are driven by bottom-up fundamental analysis, with top-down portfolio construction considerations. Work in AIM is designed to mirror the portfolio management process of a long-only public equity hedge fund manager, with an emphasis on comprehensive equity research.

Taken together, we believe the rigorous individual security analysis and well-researched trade decisions in AIM contribute to our dual goals of developing our students' analytical and critical thinking skills and outperforming our benchmarks.



JASON REED

*Associate Faculty Director
for the Notre Dame
Institute for Global
Investing & Wade Family
Associate Teaching
Professor of Finance*



MARK DUMICH

*Associate Director for the
Notre Dame Institute for
Global Investing*

PORTFOLIO

information

04



NOTRE
DAME

INVESTMENT DISCUSSION

From the beginning of the semester, AIM LXII was committed to rebalancing a portfolio that became increasingly underexposed to the information technology sector in recent years. The class attributed AIM's five-year underperformance relative to the Russell 3000 primarily to the post-pandemic explosion of the Magnificent 7 stocks, of which the portfolio only owns Alphabet, Amazon, and Microsoft. This was exacerbated by the AIM portfolio's equal weighting relative to the cap-weighted benchmark, which benefited from outsized exposure to technology companies.

The semiconductor industry presented an attractive value chain opportunity to increase AIM's exposure to information technology while also targeting a specific bottleneck in the AI buildout. Our first-round discussions on the ballooning capex spend by hyperscalers suggested that value would increasingly accrue as evidenced by the success of TSMC's position. AIM LXII has high conviction that chip development is the inflection point that will ultimately enable or delay further advances in large language models. The additions of Cadence, a chip design software provider; Applied Materials, a chip equipment supplier; Micron, a memory supplier; and Ecolab, a water provider, in addition to maintaining the TSMC position, underscore this conviction. Nonetheless, AIM LXII evaluated HALO companies (High Asset, Low Obsolescence) selecting asset-heavy firms such as Mosaic, a fertilizer materials supplier, and Ramaco, a metallurgical coal miner, balances our portfolio against the risk of AI disruption.

Rolling, Single-factor Monthly Alpha



Since inception, AIM has generated an average monthly alpha of 0.17%. This is being partially weighed down by recent underperformance resulting from underexposure to information technology stocks like the Magnificent Seven.

AIM LXII also made several targeted investments in companies ranging from aerospace to cybersecurity. In particular, the portfolio's allocation to consumer discretionary was reevaluated to emphasize our conviction that the K-shaped economy will continue to prevail within our investment horizon. Companies that serve luxury end markets were attractive to AIM LXII, with XPEL,

INVESTMENT DISCUSSION

a luxury car protection film manufacturer, remaining in the portfolio, and Vital Farms, a premium pasture-raised egg seller, being added. Aging United States infrastructure was also a topic of discussion in the class, with companies that upgrade water and energy infrastructure favored in the new portfolio. Security was another broad theme that permeated the second round of pitches. Defense value chain player GE Aerospace and law-enforcement equipment supplier Motorola Solutions joined cybersecurity firms Palo Alto Networks and Clear in the list of additions.

Portfolio Exposure

Critical Resource Control



Semiconductor Onshoring



Defense and Security Modernization



Emerging Market Growth



Healthcare Exposure



AIM LXII decided to keep several companies that were inherited from the LXI portfolio. Among these, the class had high conviction in stocks that stand to benefit from the aging population in the United States. The graph on the left illustrates that the number of Americans aged 65 and older is expected to increase in absolute terms and as a proportion of the total population over the next three decades, leading to more elderly patients that require medical care. Companies such as Transmedics, which facilitates organ transplants; Stryker, which manufactures surgical equipment; and IQVIA, which aggregates patient data, provide healthcare exposure that does not compromise the University's commitment to Catholic values. Next semester, AIM LXIII will evaluate these trends and positions with the same rigor and thoughtfulness as LXII.

Chris White
Jack Freeburg
Juan Arcos
Newsletter Editors

PORTFOLIO DECISIONS

The 25-Position AIM LXII portfolio includes 12 positions inherited from the prior class and 13 new positions.

BUY DECISIONS

Inherited

Alphabet
Amazon
IQVIA
Matson
MSCI
Microsoft
NVR
Stryker
TransMedics
TSMC
Uber
XPEL

Newly Proposed

Applied Materials
Cadence
Clear
DNOW
Ecolab
GE Aerospace
Ramaco Resources
Mosaic
Motorola Solutions
Micron
Palo Alto Networks
Vital Farms
Xylem

SELL DECISIONS

Airbnb
Aptar
Casey's
Clean Harbors
Chipotle
Camping World
e.l.f. Beauty
Fiserv
Garmin
Labcorp
NextEra Energy
UPS
Vertiv

American Water Works
Dutch Bros.
Caterpillar
Charter Communications
Entegris
Hubbell
Service Now
Packing Corporation
Republic Services
SiteOne
Waters
Wingstop

COMPANY DESCRIPTIONS



Alphabet is a global tech conglomerate and the parent company of Google. It manages a vast portfolio that includes Search, YouTube, and Cloud, alongside "Other Bets" such as Waymo and Verily, with a focus on AI, hardware, and moonshot innovations.



Amazon is a global technology and retail leader spanning e-commerce, cloud computing, digital streaming, and satellite-based internet. Its extensive logistics network and operational scale support continued innovation and market share growth.



Applied Materials is the world's leading semiconductor equipment supplier. As AI and next-generation nodes drive record fab investment, AMAT is uniquely positioned to capture outsized demand across every major chipmaker globally.



Cadence is a global leader in electronic design automation software, semiconductor IP, and system analysis tools used to design nearly every modern chip. Its entrenched customer relationships and recurring revenue model support durable growth.



CLEAR Secure operates a secure identity platform comprising CLEAR+, a consumer airport subscription, TSA PreCheck Enrollment, and CLEAR1, a B2B identity verification solution serving healthcare, workforce, and government verticals.



DNow is a global distributor of pipe, valves, fittings, and specialized production equipment serving the energy and industrial sectors. The Company expanded its scale and diversified end market exposure through the acquisition of MRC Global in 2025.



Ecolab is a global leader in water, hygiene, and infection prevention solutions, serving customers across industrial and institutional markets. Its integrated services, deep customer relationships, and global scale support its competitive advantage.



General Electric, now GE Aerospace, is the world's only pure-play jet engine manufacturer. GE commands a ~60% market share in the commercial jet engines manufacturing space, and it employs an impressive razor-razorblade business model.

COMPANY DESCRIPTIONS



IQVIA is a global leader in life-science data, analytics, and clinical research. Its advanced AI-enabled insights, software solutions, and real-world data help healthcare organizations improve decision-making and accelerate drug development.



Matson provides freight transportation and logistics across the Pacific, supported by protected routes and strong operational reliability. Its pricing power and steady U.S.-Asia volume help drive consistent financial performance.



Micron Technology, Inc. is a leading U.S.-based memory and storage provider, producing DRAM, NAND, and HBM for AI, cloud, and advanced computing. Its scale, strong market position, and CHIPS Act alignment support durable growth and margin expansions.



Microsoft is a global provider of software, cloud infrastructure, and hardware. Its deep moat, achieved through entrenching enterprises in the "Microsoft Ecosystem," and strategic expansion of Azure, position it for sustained growth.



Motorola provides end-to-end solutions for public safety, defense, and enterprise customers. This includes critical communication services, video surveillance, and software solutions like dispatch and AI.



MSCI is a major provider of financial indices and portfolio analytics. Its subscription and asset-based revenue model, combined with strong brand recognition, supports consistent growth and high recurring revenue.



NVR is the fourth-largest U.S. homebuilder, operating across 16 states and 36 metro areas in the East. Its capital-light model of buying finished lots instead of holding land leverages strong local expertise and relationships.



Palo Alto Networks is the global leader in enterprise cybersecurity. Its unblemished record across a unified platform of cloud, identity, and endpoint security solutions makes it the most trusted partner for 97 of the Fortune 100 companies.

COMPANY DESCRIPTIONS



Ramaco is a low-cost metallurgical coal producer in Appalachia, with an emerging critical minerals extraction platform that would make it the only domestic source of national security-critical heavy rare earth elements.



Stryker is a leading medical technology company providing orthopedic implants and medical equipment. Its strong physician relationships, product innovation, and execution in M&A and R&D reinforce long-term competitive strength.



TSMC is the world's largest pure-play semiconductor foundry with industry-leading positioning due to its ability to utilize production volume and improve yields faster than its peers.



Mosaic is a leading producer of phosphate and potash, leveraging an extensive production and distribution network across North and South America to deliver the critical crop nutrients for global food security and sustainable agricultural yields.



TransMedics develops the Organ Care System (OCS), a platform that preserves donor organs in near-living conditions, helping improve transplant success for heart, lung, and liver procedures.



Uber is a global mobility and delivery platform generating revenue through rides, freight, and delivery services. Its brand, network scale, and diversification position it well as autonomous and logistics opportunities expand.



Vital Farms is a U.S. pasture-raised egg producer that brings premium eggs from 650+ partner farms to retailers nationwide. They have recently benefited from consumer preference shifts toward high-protein and ethically produced foods.



XPEL offers protective films for automobiles, including paint protection, window tint, and interior coatings. Its strong brand, installer network, and vertically-integrated model support expanding global demand.

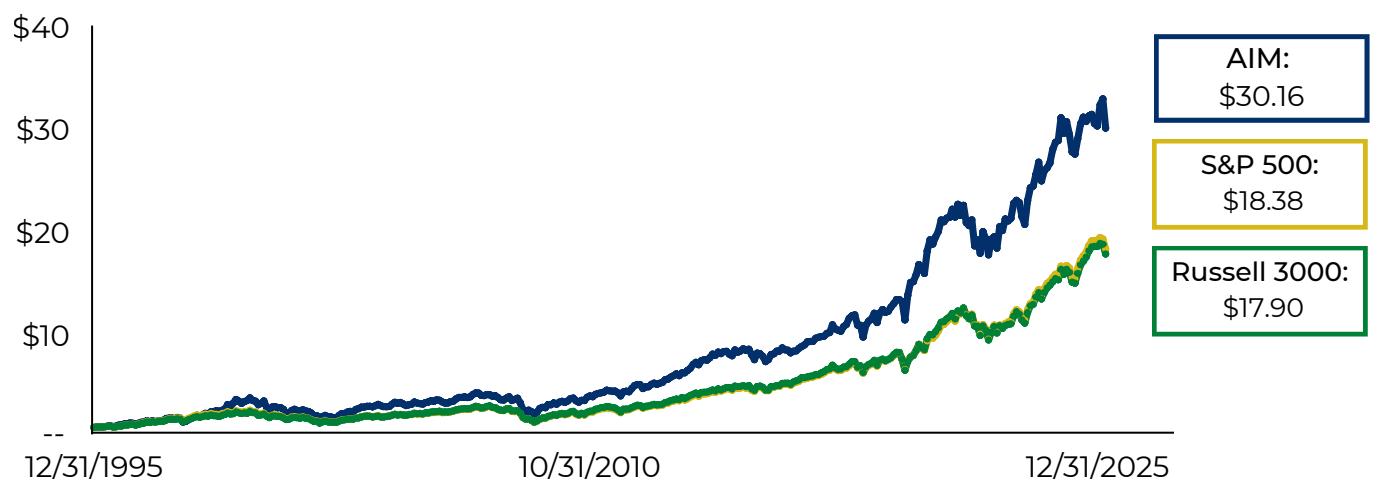


Xylem is a leading global water technology company. It designs, manufactures, and services engineered solutions spanning the full water cycle, moving, treating, measuring, and analyzing water for a various end markets.

PORTFOLIO PERFORMANCE

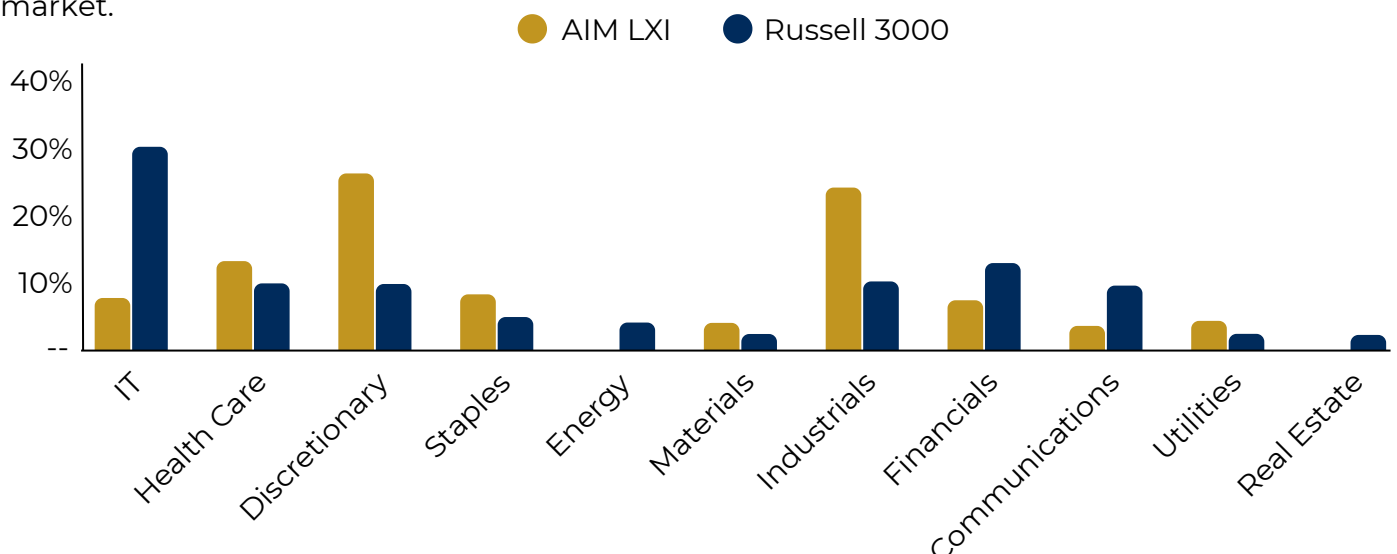
PERFORMANCE (3/31/2026)

The graph below shows the cumulative value of \$1 invested in the AIM portfolio at its 1995 inception. The AIM portfolio has grown to \$30.16, outpacing our benchmarks and nearly doubling the \$18.38 delivered by the EW S&P 500. That margin has narrowed recently, with AIM trailing the Russell 3000 LTM (8.34% vs. 18.09%).



SECTOR ALLOCATION (3/31/2026)

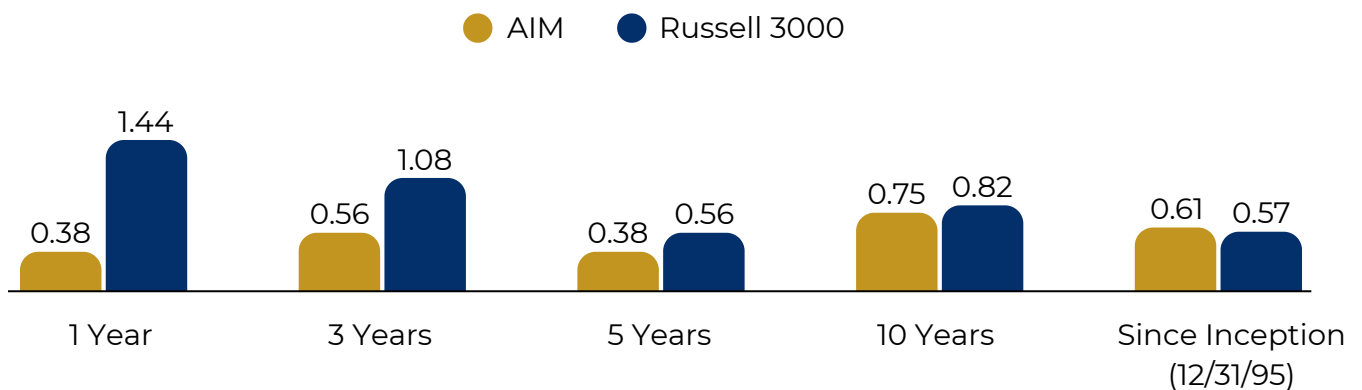
The portfolio is overweight Consumer Discretionary and Industrials while underweight Information Technology, Energy, Financials, and Real Estate relative to the Russell 3000. This positioning reflects the class's conviction in companies resulting in this sector allocation where AIM believes our analytical expertise can most credibly generate alpha relative to the market.



PORTFOLIO PERFORMANCE

SHARPE RATIO (3/31/2026)

Though the portfolio's 0.63 Sharpe ratio since inception remains above the benchmark's 0.58, AIM has trailed the Russell 3000 on a risk-adjusted basis in recent periods. This underperformance is driven primarily by significant underexposure to the Mag 7. The 1-year Sharpe ratio of 0.64 exhibits a similar standard deviation of returns relative to the but a significant decline in annualized returns.



3-MONTH TOP PERFORMERS (3/31/2026)

Industrials led quarterly outperformance, driven by AI infrastructure tailwinds and continued strength in defensive consumer and utility names.



3-MONTH BOTTOM PERFORMERS (3/31/2026)

Consumer Discretionary and Healthcare names underperformed in the most recent quarter. The declines were idiosyncratic rather than driven by a single thematic downturn.



SPEAKER

highlights

13



NOTRE
DAME

GUEST SPEAKER HIGHLIGHTS

Throughout the semester, AIM LXII welcomed a range of guest speakers representing diverse corners of the financial industry—from c-suite to public equity to private credit. These conversations offered students meaningful insights into career discernment, idea generation, and the importance of mentorship, along with practical investment guidance.

MIKE DIAMOND

CHIEF FINANCIAL OFFICER, DRIVEN BRANDS

Mike Diamond is the CFO of Driven Brands, which is the largest automotive services company in North America, providing a range of need-based services including paint, collision, glass, vehicle repair, oil change, and maintenance. Before joining Driven Brands, Mr. Diamond served as Executive Vice President and CFO of The Michaels Companies from August 2020 through July 2024. Prior to Michaels, he spent six years at Yum! Brands in roles of increasing responsibility, including as CFO, Pizza Hut U.S. and Chief Growth Officer, Pizza Hut U.K. and Europe. During the discussion, Mr. Diamond emphasized the need to balance family, personal development, and compensation in a successful career.



“My biggest takeaway from our discussion with Mr. Diamond was the importance of asking the right questions. I kept this in mind throughout my AIM coursework, class discussion, and primary research, striving to ask questions about the topics that truly matter for our investment decisions”

Colin Ardise

JACOB BENEDICT

MANAGING DIRECTOR, NOTRE DAME INVESTMENT OFFICE

Jacob Benedict is a managing director at the Notre Dame Investment Office. Mr. Benedict co-manages the University’s long-only public equity portfolio. Prior to joining Notre Dame, Mr. Benedict spent 13 years at AMI Investment Management. Mr. Benedict received his bachelor’s degree in Mathematics and Economics from Notre Dame in 2007 and received his Masters in Applied Mathematics from Purdue University Fort Wayne in 2015. Mr. Benedict’s lecture in AIM stressed the need to distinguish alpha from beta when deciding which managers to allocate capital towards.

GUEST SPEAKER HIGHLIGHTS

JASON VAN DUSSEN

SENIOR MANAGING DIRECTOR, GOLUB CAPITAL

Jason Van Dussen joined Golub Capital in 2010 and is a Senior Managing Director and a member of the firm's investment committee, leads strategic client relationship management, and oversees the Debt Capital Markets team. Prior to joining Golub, he worked at GE Capital and FirstLight Financial Corporation. He earned his bachelor's degree from Michigan State University and his MBA from Columbia Business School.



"Mr. Van Dussen emphasized the importance of consistently showing up everyday as the first person in the office and the last one to leave. Displaying hunger and grit are areas that require nearly zero talent, yet they pay dividends in the long-run"

Jack Davis

NATE BURGGRAF

EQUITY INVESTMENT ANALYST, CAPITAL GROUP

Nate Burggraf is an equity investment analyst with research responsibility for United States small and mid-cap industrial companies. Prior to joining Capital Group, he spent five years as an equity research professional at Fidelity Investments. He received his bachelor's degree from the University of Notre Dame in 2015.



"Mr. Burggraf had an honest take on how stock valuation works in practice--how professionals truly evaluate great businesses and think about long-term value. I appreciated the transparency about his process and the way he approaches investing with discipline and curiosity. Beyond that, he was incredibly receptive to questions and showed a genuine interest in helping us learn"

Zach Harber



TRIP *highlights*

16



NOTRE
DAME

LOS ANGELES FIRM VISITS

The class had the opportunity to travel to Los Angeles, California to meet with professionals in private equity, growth equity, and private credit.

Ares Management

Andy Jurkowski '00 & Sam Chen '20

Ares Management is a leading global alternative investment manager that specializes in private credit markets, while also maintaining significant scale across private equity, real estate, secondary investments, and infrastructure. The trip to Ares underlined the vastness of the investment landscape for the class.

Butterfly Equity

Eric Tommarello '15

Butterfly Equity is a specialized private equity firm that targets high-growth companies across agriculture, food and beverage products, distribution, and foodservice. With a portfolio featuring notable brands like QDOBA, Bolthouse Farms, and Chosen Foods. Butterfly framed the class discussion around consumer discretionary and underscored the importance of staying within your circle of confidence.

Freeman Spogli

Sara Gilson '11

Freeman Spogli is a private equity firm focused on middle-market buyouts within the consumer and distribution sectors. The class benefited from a discussion of several investment case studies, including Easy Ice.



Leonard Green Partners

John Baumer '90, Brendan O'Reilly '12, Andrew Lee '16, & Garrett Smith '21

Leonard Green is a preeminent private equity firm specializing in buyout and growth equity investments in the services sector, with a focus on consumer, healthcare, business services, distribution, and industrials. The firm is known for frequently working alongside founders to drive long-term value.

LOS ANGELES FIRM VISITS

Oaktree Capital

Mark Jacobs & Dave Smalens '12

Oaktree Capital Management is a leading global alternative investment manager, widely recognized as the world's largest distressed-debt investor. AIM enjoyed learning about the firm's strategy across real estate, private credit, and growth equity.

Shamrock Capital

Mike LaSalle '95 & Blair Brenton '09

Shamrock Capital is a private equity firm that spun out of Roy E. Disney's family office. This legacy informs Shamrock's media and entertainment strategy. The class had a unique and informative discussion about investing in entertainment IP and media rights, such as Taylor Swift's master recordings.

Stone Canyon Industries

Mike Neumann '98

Stone Canyon Industries is an industrial holding company that acquires market-leading businesses in mission-critical industries characterized by defensible moats and stable cash flows. The class enjoyed hearing about Stone Canyon's unique ability to hold portfolio companies over the long term, which sets it apart from traditional private equity.



TCW

Anisha Goodly & Steve Purdy

TCW is a leading global asset manager, widely respected for its disciplined, research-driven approach across fixed income, equities, and alternative credit, with public fixed income and private credit being its specialties. The class was able to learn, in real time, the effects on private credit markets during the software-as-a-service sell-off in Q1 of this year.

Vance Street Capital

Chuck Hughes '19 & Tanner Condon '23

Vance Street Capital is a middle-market private equity firm that specializes in medical, life sciences, industrial technology, and aerospace & defense sectors, specifically targeting businesses that produce mission-critical components with high failure costs.

LOS ANGELES ACTIVITIES

ALUMNI DINNER

On Friday evening, analysts dined with ND alumni at Socalo near Downtown Santa Monica. Analysts had the opportunity to meet a number of ND alumni who recounted stories from their time at Notre Dame and shared career advice about the investment industry.



CLASS DINNER & OTHER ACTIVITIES

On Saturday, faculty and students enjoyed free time in Malibu. Later that evening, the class ended the trip with a dinner at Panda Inn, the original Panda Express in Downtown Glendale. In their downtime, students built lasting friendships as they went to In-N-Out Burger, church, and a hole-in-the-wall hibachi restaurant near the hotel.



[Left] AIM students went to a Hibachi restaurant. [Above] Newsletter authors Chris & Jack at the Malibu beach.

OTHER *highlights*

20



NOTRE
DAME

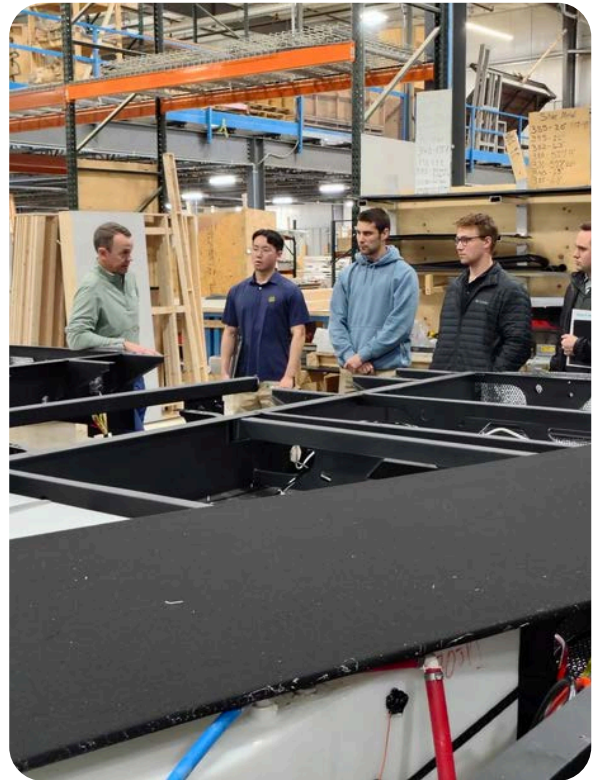
ALLIANCE RV

The class had the opportunity to visit the headquarters of Alliance RV in Elkhart, Indiana. During the visit, AIM students spoke with CEO Coley Brady and CFO Andy Kominowsky.

FACILITY TOUR

As part of the visit in March, the class toured the various buildings across the Alliance RV campus. We learned the step-by-step process through which RVs are assembled and tested before being sold. Coley and his team highlighted several technological upgrades within their facilities that enabled them to cut down on mistakes and increase productivity.

AIM also spent an hour asking questions of the CEO and CFO. This was a unique opportunity for the analysts to learn how c-suite executives approach capital allocation, talent management, and business growth.



[Above] Coley talks to Chris Y., Simon, and Will. [Below] Class photo at Alliance RV.



PRIMARY RESEARCH

Primary research is a critical component of our analysis. By interacting with products, services, customers, and employees, AIM analysts uncover insights that often inform our investment decisions.

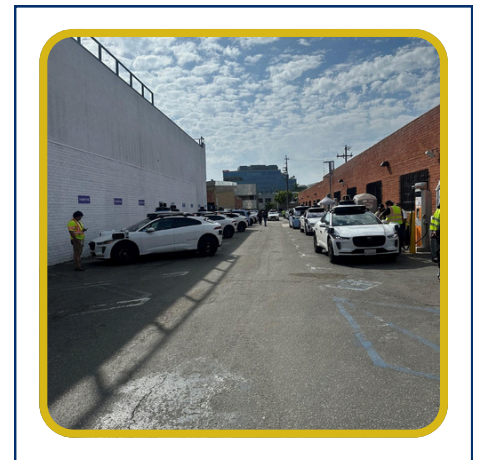
DEVON HALLIDAY & CJ SHELLENBERGER

Devon and CJ visited all three Wingstop locations in the South Bend area, providing insight into the company's quality control across its franchises. The class enjoyed Wingstop's signature Lemon Pepper Wings during the portfolio discussion days. Ultimately, Devon and CJ's primary research informed the final decision, as the class was uncomfortable with the lack of quality control, given the chain's expanding network of restaurants.



MICHAEL FOLEY

During the class trip to Los Angeles, Michael discovered a Waymo charging station, where he talked to some workers. His insights informed the class discussion around Uber, an inherited position that competes directly with Waymo in LA. This primary research also informed the upside case for Alphabet, an inherited position that partially owns Waymo, providing the company with the potential to capture this self-driving taxi-service market.



SARAH GRACE BOWYER

Sarah Grace met with members of Notre Dame's engineering faculty, along with a PhD researcher that specializes in semiconductor design. These experts were able to explain technical aspects of TSMC and Cadence's businesses which allowed Sarah Grace to give the class a better understanding of the semiconductor industry. AIM learned that chip making and design is a wide moat space where incumbents are difficult to displace.



SAINT OLAF ICE CHAPEL

In February 2026, thousands of students and South Bend community members gathered on Notre Dame's North Quad for a candlelight Candlemas Mass held at the student-built St. Olaf's Ice Chapel. Created by seniors in Coyle Hall using 50 hours of labor and experimental ice-block techniques, the project served as a unique evangelization effort that drew such a large crowd that clergy ran out of consecrated hosts during the service.



HOLY HALF MARATHON

The Holy Half has truly become one of the greatest traditions at the University of Notre Dame. Over 1,700 runners help to make a difference to the South Bend community on behalf of the University.

Chris White (left), Will Steadman (middle), and Alex Kent (right) ran the annual Holy Half Marathon in April. Alex leads the MBA Veterans Club and raised \$900 for Salute from a group of runners that included AIM students.



ANALYST *profiles*

24



NOTRE
DAME

ANALYSTS

The AIM LXII analysts are highlighted on the following pages.

Each analyst's class year is followed by the firm they are heading to this summer. The analyst's inherited stock from AIM LXI and the stock they pitched to the AIM LXII class are listed at the bottom.



JUAN ARCOS

MBA

iNDustry Labs

Vertiv, Hubbell



COLIN ARDISE

Senior

Ducera

Labcorp, SiteOne



SARAH GRACE BOWYER

Senior

Evercore

TSMC, Cadence



JACK DAVIS

Junior

Blackstone

UPS, Entegris



DEAN FANGMAN

Junior

Scotiabank

Matson, Ramaco



MICHAEL FOLEY

Senior

Blackstone

Uber, Dnow



JACK FREEBURG

Junior

Gate City Capital

NVR, Mosaic

ANALYSTS



ANDREW GIDDINGS

MBA
W&S Financial Group
Chipotle, Charter



DEVON HALLIDAY

MBA
BCG
Camping World, Wingstop



ZACH HARBER

MBA
Deloitte
TransMedics, Micron



HECTOR HERRERA

MBA
Notre Dame Idea Center
Stryker, Republic Services



ANNE KELLY

Junior
JP Morgan
Xpel, Waters Corporation



ALEX KENT

MBA
Undecided
MSCI, GE Aerospace



DIANA LARA

MBA
Federal Reserve Bank NY
Clean Harbors, ServiceNow



WILL OLAFSSON, CFA

MBA
Moelis
Casey's, Packing Corp.



SIMON PELS

Senior
BCG
e.l.f. Beauty, Xylem

ANALYSTS



MATTHEW REUTER

MBA
W&S Financial Group
Fiserv, Ecolab



MICHAEL RICHELSEN

Junior
Evercore
Airbnb, Vital Farms



LAURA RYSZKOWSKI

Senior
Lincoln International
Garmin, Applied Materials



CJ SHELLENBERGER

MBA
AlixPartners
Alphabet, Caterpillar



WILL STEADMAN

Senior
Lazard
NextEra, Clear



JONATHAN SU

Junior
Evercore
IQVIA, Motorola Solutions



ATHENA WESTLAND

Junior
Shore Capital Partners
Aptar Group, Dutch Bros



CHRIS WHITE

Junior
Goldman Sachs
Amazon, Palo Alto



CHRIS YANG

Junior
Edgemont Partners
Microsoft, American Water

CLASS PHOTO



APPLIED INVESTMENT MANAGEMENT LXII

