

Introduction

Mark Slattery, CEO 2020/21

Dear SMF Alumni,

It is with great pleasure that I present our first Alumni Newsletter. The 2020/2021 session will mark the SMF's 10th anniversary and just as the fund has grown immensely over its lifetime, so too has our alumni network. We hope that this newsletter can serve as a vehicle to foster engagement between current and former members of the SMF. Included in the newsletter will be updates on recent and upcoming events, investment strategy and other initiatives that we have planned for the coming year.

The SMF has hit several important milestones over the last number of years. Last year, the fund reached over 1,300 members, making us one of the largest and most recognised societies in Trinity. Earlier this year, the fund's AUM hit a peak of just under €250,000 which is attributable to exceptional fundraising efforts and outstanding investment performance. Additionally, our InFocus publication, which was started in 2016, was awarded Best Publication at the Central Society Committee Awards. We have welcomed a wide array of distinguished speakers to Trinity and we have many other exciting speakers scheduled to address the society over the coming months, some of whom we are excited to announce to you today.

The SMF was founded during one of the most challenging economic periods in recent memory. As we face into the challenge of operating our society in a virtual environment, I am confident that the same determination and enthusiasm exists within the fund that was there for its foundation. I am confident that these factors will continue to propel the organisation forward for the coming year. We would not be in the fortunate position that we currently find ourselves in without the dedication and contribution of our former members over the last decade, so on behalf of this year's committee I would like to extend my thanks to you all and I look forward to hopefully meeting with some of you in the future.

Speaker Series

Michael O'Callaghan, COO 2020/21



Denis O'Brien

Founder of Digicel and Communicorp
In-person Speaker Series



David Rubenstein

Founder and Co-Chairman of Carlyle Group
Virtual Speaker Series



Howard Marks

Director and Co-Chairman of Oaktree Capital
Podcast (Available Now)

Speaker Series & Conferences (Continued)

Michael O'Callaghan, COO 2020/21

Our Speaker Series and Conferences are always a highlight of the year for all involved in organising and attending them. Planning for these events in the current environment was challenging in a different manner than in years gone by, however we are very excited to have an excellent line-up of speakers, both virtual and in-person for the year ahead.

For the 2020/2021 session we will be the SMF will be holding three conferences:

- Women in Business
- Leadership Perspectives
- Alternative Investments Conference

A major silver lining to hosting events in a virtual environment is the fact that we can reach and attract a much wider array of speakers to address the society. Our Speaker Series will see us host a range of engaging speakers from around the world giving our members exposure to the leading minds from across the business world.



Bill Browder addresses the SMF, September 2019

Our Speaker Series is also introducing a new initiative, The Trinity SMF Podcast which was founded and is hosted by Will O'Callaghan. Our first three episodes, conversations with legendary investor Howard Marks, with the Chair of our Advisory board, Alan Dargan and with GlenDimplex founder, Martin Naughton are all available to listen to now on all major streaming platforms.



Covid Interns

Shane Tierney, Secretary 2020/21

The Trinity SMF has partnered with Covid Interns, a non-profit initiative set up by SMF alumnus Paddy Ryder to help small/medium sized businesses navigate through the challenges caused by Covid-19.

Our thought process behind this partnership was to help support essential SMEs in our local communities and to give opportunities to our members who have been left without internships due to cancellation as a result of the pandemic. Covid Interns matches skilled students looking for experience, with businesses in need of help during these trying times.

Over 100 businesses and students are involved so far with new positions becoming available everyday. We will have exclusive SMF access to finance related roles and so far we have placed 19 SMF members with a variety of different companies.

The SMF will be supporting Covid Interns with educational resources and training. We believe that this partnership will provide excellent opportunities for our members to gain valuable experience. If you have a business or know of someone with a business who could use a helping hand of eager students, get in contact with us or visit covidinterns.com for more information.



2020/2021 Fund Update & Investment Themes

Luke Ryan, CIO 2020/21

Current NAV : **€251,299**

Fund Session Performance to Date (March): **8.03%**

MSCI World EUR Index Gross TR **11.54%**

Cybersecurity

Total Addressable Market: **\$173bn** Industry CAGR2: **7.7%**

We wanted to explore cybersecurity this year especially due to the risks that work from home will bring in the short run, and businesses becoming more data reliant long term. Will, Sector Manager for Technology (Software), explored opportunities in this space by pitching Palo Alto and Fortinet, following this we went with the former. This theme has worked well for the SMF. Originally, we spoke of long-term risks for businesses that need cybersecurity, citing cyber-attacks on various companies over the years, one of which was FedEx that we previously held. Moreover, the pandemic has added another layer to this theme by giving it a short-term catalyst which we have been able to capitalise on. We are seeking to add more weight to this theme through Palo Alto and possibly an additional holding in place of Salesforce. Since we bought Palo Alto, it has outperformed Fortinet by over 19%.

Quality Bias

MSCI World Quality Weight: **Neutral** SMF Quality Weight: **Overweight**

Given the portfolio transition happened in March during the height of the pandemic, we explored taking a quality bias and boosting the number of holdings in the fund to weather the volatility in markets and decrease idiosyncratic risk. We are looking to reduce the number of holdings over the coming months to take on more idiosyncratic risk, largely targeting quality names which will have a foundational long-term view on. This has led us to companies with strong balance sheets, many of which are in the technology sector which accompanies our overweight position. We currently hold quality names such as Apple, Siemens, Johnson & Johnson, Microsoft, and Nestle, all of which have strong balance sheets and steady free cash flows. For example, Siemens outperformance of the Industrials Sector illustrates why quality has been one of our top themes so far.

Internet of Things

Total Addressable Market 2019: **\$250bn** (Forbes) Industry 2019-27 **CAGR: 24.9%** (Forbes)

Given that a quality bias has led us to a number of mega-cap technology stocks, both the quality theme and internet of things theme have worked in tandem with each other. We are exploring the 'Internet of Things' and overall connectedness of the world as a theme. We wanted exposure to semi-conductor stocks in order to give us necessary exposure but also outperform the Technology Hardware sector. In previous years, a common debate in the SMF is whether to have AMD or Nvidia. This year Cian, Sector Manager for Technology (Hardware), explored both companies in depth and their target markets to identify how much both companies overlapped. We concluded that AMD and Nvidia were not synonymous and that we could hold both with appropriate weights to target various subsegments of this theme such as growth in data centres, gaming, and AI, all of which require some forms of CPUs and GPUs. Our Technology (Hardware) holdings consist of AMD, Nvidia and Apple. We wanted to drive performance from this sector and exploring this theme has yielded strong results so far.

Get Involved

We welcome any feedback of suggestions that you have for this newsletter going forward . We would also love to hear any ideas that you may have for the SMF and how we can further strengthen the connection between our current members and our alumni over the coming years.

Please be sure to follow us on Facebook, Instagram and LinkedIn for regular updates on what is happening with the SMF.

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