

Initial Investment Strategy Guide

To: All Participants

From: The Investment Challenge Judges

Submission Deadline: 5th Jan

Welcome to the Gundlach Investment Prize. This document serves as your guide for the **Initial Investment Strategy submission**.

Your submission must be a maximum of **two pages of A4**. The goal is to articulate a clear, reasoned, and persuasive investment thesis for your chosen portfolio.

Judging Criteria:

Remember, the winning portfolio will be determined by:

- **50% Portfolio Performance**
- **50% Quality of Investment Thesis & Pitch Documents**

A well-researched and clearly argued thesis is just as important as your stock picks.

Part 1: The Big Picture - Your Investment Philosophy (Max. 1-2 Paragraphs)

Briefly describe your overall approach to investing. This sets the context for your specific stock choices.

- What is your overarching strategy?
- What key macro-economic or industry trends are you betting on? (e.g., "We believe the energy transition will create winners in the grid infrastructure space," or "We are cautious on consumer discretionary spending due to inflationary pressures.")

Part 2: The Portfolio - Your Stock Selections

List your portfolio of up to three stocks. For each stock, you will write your analysis in the text boxes provided in the accompanying document. **You must address the following for each stock:**

- **How this stock relates to your thesis.**
- **Key reasons why you believe the stock will perform well.**
- **Important risk(s) that could cause you to be wrong.**

(And feel free to add any other points you feel are important to make your case.)

Part 3: Portfolio Construction & Risk Management (One Paragraph)

Explain the thinking behind your portfolio's composition.

- Why these three stocks together? Do they provide diversification, or are you making a concentrated bet on a specific theme?
- Allocation: How would you split it between your stocks and why? (e.g., "50% in Stock 1, 30% in Stock 2, 20% in Stock 3, reflecting our highest conviction in Stock 1's near-term catalyst.")

Formatting Tips for a Clear Submission (optional):

- **Be Concise:** Use bullet points and headings. Judges will be reviewing many submissions.
- **Show Your Work:** Reference specific data points (e.g., "EBITDA margins have expanded from 15% to 22% over two years," or "The P/E ratio is 10% below its 5-year average").
- **Clarity:** Explain your reasoning in clear terms.
- **Proofread:** SPAG errors detract from a professional presentation.

We look forward to reading your ideas. Good luck!

The Judging Panel,

Anne-Christine Farstad (MFS), Peter Davies (Lansdowne Partners), Matthew Wood (Lancaster Investment Management)