

Initial Investment Strategy Guide

To: All Participants

From: The Investment Challenge Judges

Submission Deadline: 5th Jan

Welcome to our Investment Award. 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 kind of investor will you capture? Are you investing for growth, value, dividends, or other factors?
- What specifically do you think the market has misunderstood, and how will you capitalise on it?
- This is the most critical part of your strategy, so make sure it is strong.

Part 2: Portfolio Construction & Risk Management (One Paragraph)

Explain the thinking behind your portfolio's composition.

- 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.")
- Why these three stocks together? Do they provide diversification, or are you making a concentrated bet on a specific theme?

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Part 3: 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.)

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)