

Rory Tomlinson

Loughborough University
UK Investment Challenge 2025



Overview

+ 2.88% Overall

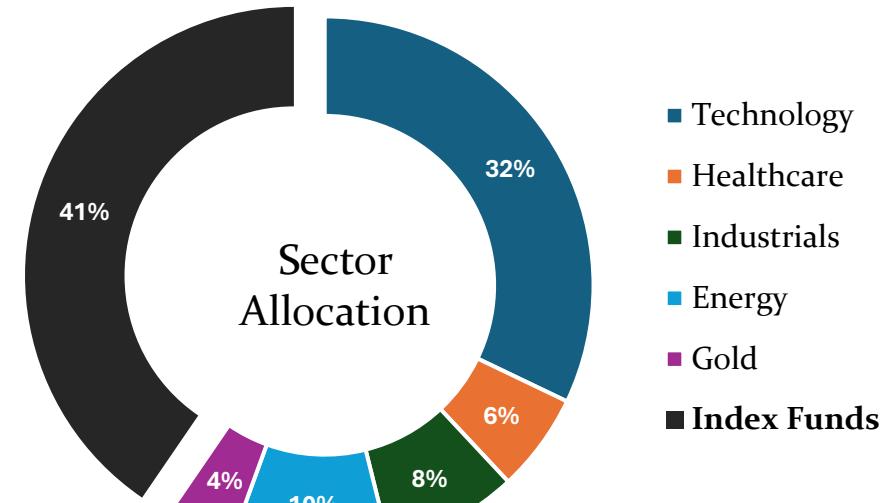
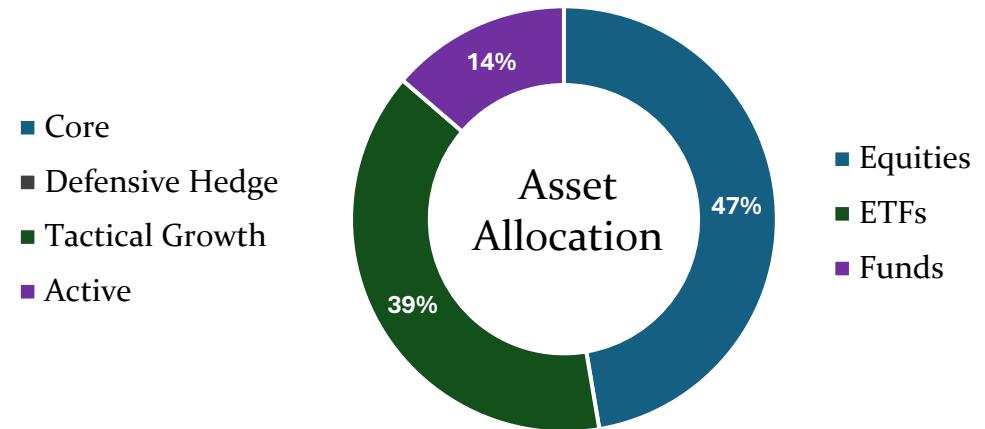
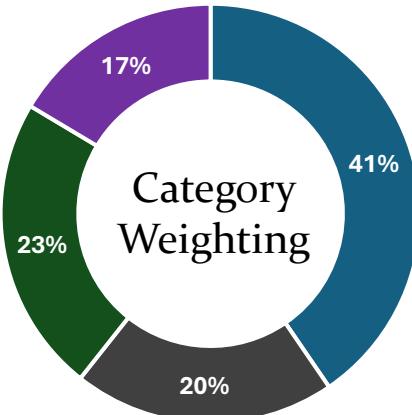
Sharpe Ratio: 1.32 *
Sortino Ratio: 2.14 *

SD (daily): 1.07%
Annualised Volatility: 17.1% **

UMushroom Risk Rating: 5

Objectives:

- Optimise: greatest returns within set risk level
- Stabilise: high confidence in future value creation
- Capitalise: aim to enter when most undervalued



* Calculated using a weighted risk-free rate

** Small sample size may lead to unrealistic projection

Strategy & Thesis

A core-satellite model, supplementing long-term **value** investments with late-stage bull market returns.

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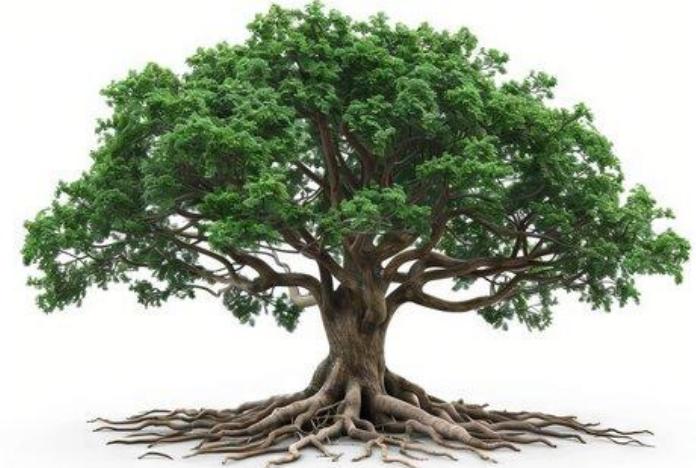
Satellite



Core



Research

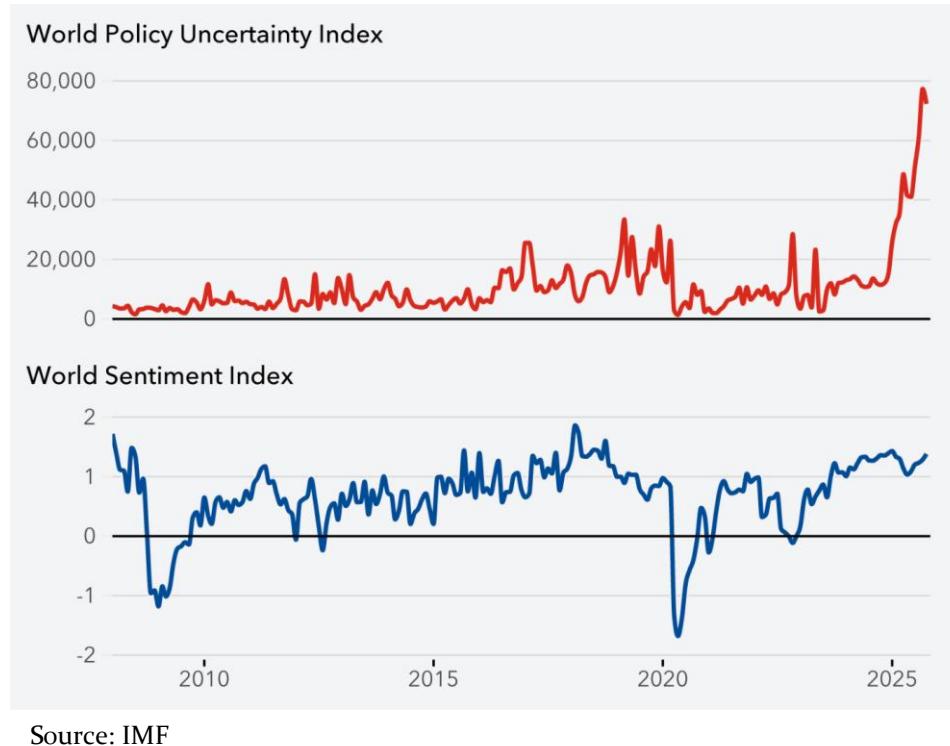


“A stock is not just a ticker symbol or an electronic blip; it is an ownership interest in an actual business, with an **underlying value that does not depend on its share price.**” – Benjamin Graham

Macro Context



Growing Uncertainty



Trade Effects Weigh On Growth

US – risk of rising unemployment, Fed leaning towards rate cuts.

EU – Fiscal expansion and targeted spending in Germany to offset trade drag; a key time for Europe to grow if the right policy moves are made.

Japan – Fiscal and export softness persist; expected rates hike due to a weak yen.

AI Capex Offsets This For Now...

Investment in AI infrastructure, and speculation on its future prospects fuels a valuation boom that has caused technology domination in the US markets. Is there a bubble?

Globally, monetary easing is the theme; except in Japan.

We are at a key point in deciding the future of the global economy.

Research and Valuation

Equities

	Weighting (%)
Nvidia Corp	12.97
Microsoft Corp	10.15
Caterpillar Inc	8.49
ASML Holding	5.59
Micron Technology	4.89
Stoke Therapeutics	3.15
Novo Nordisk	2.07
Southern Co.	1.3
Unitedhealth Group Inc.	0.71

ETFs

iShares Core S&P 500	29.31
iShares STOXX Europe 600	
Oil & Gas	8.38
UBS Core MSCI Japan	2.41

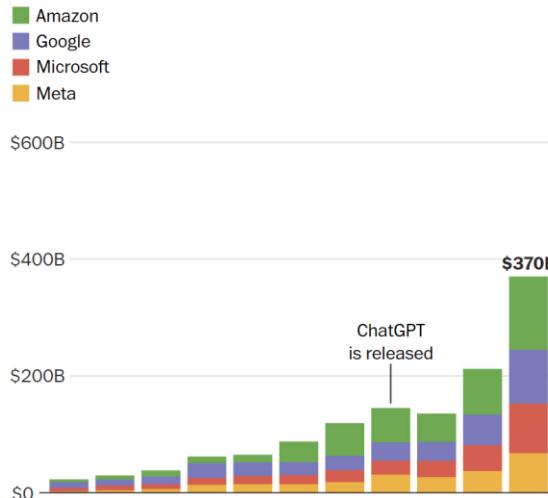
Funds

iShares Continental Europe Index	9.93
UBS Gold Inc Max Index	4.07

- 1 Research focus and the resources used varied by asset class.
- 2 Macroeconomic conditions were mainly referenced in the valuation of more volatile positions, particularly in technology.
- 3 PEG, PE, EV/EBITDA and other key metrics were important for fundamental analysis, and decisions were underpinned by the Owners' Earnings.
- 4 Long-term value assessment must also consider the structure, 'moat,' industry position, and other qualitative aspects of a business to be useful.

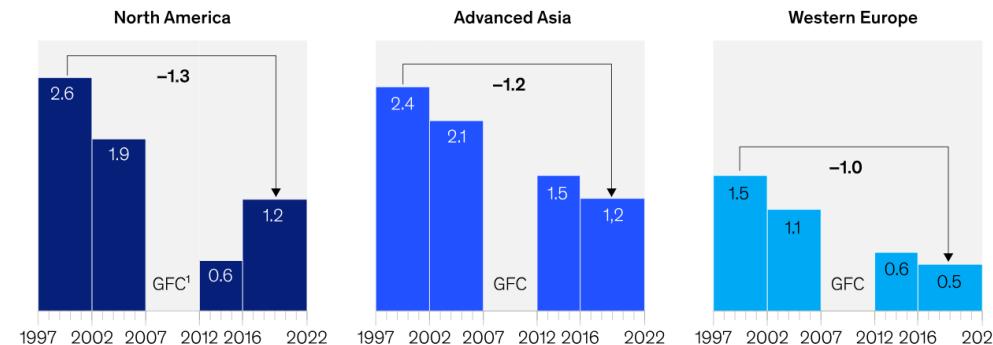
Risks

Capital expenditures of major tech companies



Source: JPMorgan

Productivity growth per hour worked per period, 2022 international dollars (purchasing-power parity)



¹Global financial crisis.

Source: Total Economy Database: Output, Labor and Labor Productivity, The Conference Board

McKinsey & Company

1

Quantitative risk controls:

- Category specific weight limit on equities
- Per-equity downside volatility thresholds
- Minimum weighting set for core and hedging categories etc.
- UMushroom risk cap

2

Qualitative risk controls:

- Structure and Management monitoring
- Bidding war monitoring (NVO)
- Changes to moat
- Press release monitoring
- Analysis of competition

Execution

- 1 Diversification driven research; qualitative and quantitative valuation.
- 2 Weighting adjusted for risk and categorisation.
- 3 Timed entry and continued monitoring, particularly in active positions.

Performance

+ 2.88% Overall
- 0.21% Benchmark



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Self-Rating:

- 6/10
- 9/10, with new adjustments
- 5/10, partly due to timescale

* Calculated using a weighted risk-free rate, between 13/10/25 and 19/11/25

** Small sample size may lead to inaccurate projection

	My Portfolio	Weighted Index	
Sharpe Ratio *	1.32	- 0.46	
Sortino Ratio *	2.14	- 0.7	
SD (daily)	1.07%		
Annualised Volatility **	17.1%		
Index	Return	Weight	Contribution
S&P 500	- 0.19 %	74.67 %	- 0.14 %
STOXX Europe 600	- 0.87 %	17.86 %	- 0.16 %
Nikkei 225	+ 3.61 %	2.42 %	+ 0.09 %
Weighted Benchmark	≈ -0.21 %		

Thank you.

