

December 8th, 2017

Columbia University
550 W. 120th St., Northwest Corner 1401, New York
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To Whom It May Concern:

It is with great enthusiasm that I recommend Mr. Minsu Yeom for the Master of Science in Data Science program at Columbia University. I currently work as a risk manager in the Employment Insurance Fund Unit ("EIF Unit" hereafter) of Korea Investment & Securities that was officially appointed¹ by the Minister of Employment and Labor in Korea in 2015. The EIF Unit has managed the Employment Insurance Fund ("EIF" hereafter) by investing in diverse funds since that time. Mr. Yeom serves as a portfolio manager at the Korea Investment Management Company Limited, and the EIF Unit selected him to work in global equity investments in August of 2016. He has worked under my supervision for sixteen months.

One of my primary duties is to provide periodic evaluations of five global equity funds including the one that Mr. Yeom oversees. I categorize each fund into a peer group and then select the best-performing ones for additional investments. Prior to undertaking this role, I chose five portfolio managers out of more than fifty asset management companies so that they could be tasked with supervising those funds. One out of those five acts as a portfolio manager working for a Korean branch of Deutsch Asset Management, one of the largest European asset management companies, which indicates the highly-competitive nature of our recruitment campaigns. Given my direct involvement in the rigorous evaluation and selection processes, I am certain that I am well-positioned to assess Mr. Yeom's achievements as a portfolio manager.

Above all, Mr. Yeom has the most outstanding track record out of the five managers. More precisely, his fund has drastically outperformed its benchmark (the equity market) by 4.3%p from its inception in October of 2016 to the end of November of 2017, whereas the performances of the remaining four are in the range of 0.0%p to 2.9%p. From a risk-adjusted perspective, his performance is also noteworthy. His portfolio's information ratio of 2.0 is good enough to classify him as exceptional, the highest ranking according to the CFA institute which is the most well-respected society in our industry. In terms of return persistency, by counting the number of consecutive quarters that a portfolio ranks in the first half within a given peer group, I can separate superior funds from weaker ones in order to evaluate their sustainability. In that regard, Mr. Yeom has been in the upper echelon for four straight quarters. Out of approximately one hundred funds that the EIF Unit invests in, very few managers have managed to sustain that high level of performance for so many consecutive quarters. As such, he has consistently maximized profits for his investors, an achievement that distinguishes him as a top-tier portfolio manager.

Mr. Yeom resides in a capital market where his performance is numerically evaluated on a daily basis. For this reason, only elite managers can survive in this cutthroat environment. His unblemished track record proves his meaningful contributions to the organization, and I am fortunate to have him working as my portfolio manager. In that respect, he has my strongest endorsement.

Additionally, Mr. Yeom's quantitative skills are unparalleled. I receive monthly reports from each of the five portfolio managers, and I interview each one on a quarterly basis. Through those submissions and interactions, Mr. Yeom has distinguished himself in two important areas: his mathematical talent for creating his own economic indicators and his statistical prowess in trend cycle analysis. For instance, he created his own index capable of tracking real economic growth. In his view, the index incorporates many publicly-known economic sub-indicators and, therefore, it is a reliable index on which he shapes his market view. Earlier this year, he maintained that the global real economy would expand - contrary to the view of some pessimists. He confidently asserted that he would manage his portfolio in order to benefit from the forthcoming bull markets that emerged from the growing economy. In his analysis, he supported his stance by creating a chart that plotted real investment cycles which complimented his view. While it is true that most portfolio managers have highly-developed mathematical abilities, Mr. Yeom's prominent skill set includes math, statistics, economics, and investments. Most importantly, he knows how to effectively deploy those abilities in the management of his portfolio. Such versatility bodes well for his future research in academia.

To summarize, Mr. Yeom's admirable portfolio achievements and diverse analytic experience is nothing short of magnificent. His accomplishments as a portfolio manager qualify him as a phenomenal candidate for study in your graduate school. While I am dismayed to lose such a gifted manager, I firmly believe that he will be a great asset to your program. Should you have any questions, please feel free to contact me any time.

Sincerely yours,

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ⁱ You may find this from a report issued by an independent research institute, assessing public funds in Korea. See: Nam, Chaewoo (2016). Public Funds' Lead Manager System: Meaning and Implications. *p. 4*. Retrieved from <https://goo.gl/QYC4Xw>