The Michael Price Student Investment Fund

2005 Semi-Annual Report

September 1, 2004 to February 28, 2005

The Leonard N. Stern School of Business

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THE MPSIF EXECUTIVE COMMITTEES

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MPV Co-Portfolio Manager	-	Tarek Hamid
MPS Co-Portfolio Manager	-	Ariel Bino
MPS Co-Portfolio Manager	-	David Haley, CFA
MPF Portfolio Manager	-	Nathan Jones
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Faculty Advisor	-	Richard Levich

Fall 2004

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MPS Co-Portfolio Manager	-	Steven Pawliczek,CFA
MPF Portfolio Manager	-	David Kamiya, CFA
Faculty Advisor	-	Michael Keenan
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Edward Kerschner, Adjunct Professor of Finance, Stern School of Business
Jennifer Carpenter, Associate Professor of Finance, Stern School of Business

Letter from the MPSIF Faculty Advisor

It is my pleasure to introduce the semi-annual report of the Michael Price Student Investment Fund for the six-month period ending February 28, 2005.

This report marks five years since the inception of our initial investments. During the fall 1999 semester, a small group of Stern students spent many hours in discussion and planning with their faculty advisor, Professor Michael Keenan, and the MPSIF Advisory Board. They reached agreement on a set of operating principles and investment guidelines for the new fund. In the spring semester, on March 1, 2000, the MPSIF brokerage accounts were funded and active stock selection began, guided in all essential respects by Stern MBA students. The initial account balance was $1.8 million.

For the sake of reference, the table below shows the values of the three most popular indices of U.S. equity performance five years ago and now, with returns not adjusted for dividends:

	Then – 3/1/2000	Now – 2/28/2005	Percent Change
Dow Jones Industrials	10,137.93	10,766.23	6.20%
S&P 500	1,379.19	1,203.60	-12.73%
NASDAQ	4,784.08	2,051.72	-57.11%

Against this backdrop where the major indices have shown either lackluster or dismal results, it is satisfying to report that on February 28, 2005 the MPSIF family of funds (Growth, Small Cap, Value and Fixed Income) had a combined value of $1.93 million. Importantly, this figure excludes more than $365,000 in mandated distributions that as an endowment fund MPSIF has paid out. Taking account of these distributions, MPSIF has earned a cumulative return of 31.4% over its five-year history, far outdistancing the popular indices and MPSIF's own blended benchmark.

As an educational vehicle, MPSIF has achieved other notable successes in the last year. New initiatives have been launched such as the new look of our Annual and Semi-Annual reports, a new student-authored newsletter *The Educated Investor*, and a Resume Book showcasing the members of MPSIF. Our students recognized that the fund had become substantially overweighted in Small Cap, and executed a major re-balancing of funds in December. In January, we gained national media exposure when three MPSIF students appeared on a live CNBC interview to discuss the fund and the current stock holdings. In April, I will have the opportunity to speak at a major symposium on student investment funds that will draw educators from more than 100 colleges. It will be enjoyable to relate the MPSIF story to this group and sketch our plans for the future.

In closing, I extend thanks to the MPSIF students whose hard work has helped to enhance our experience in the classroom and our reputation outside of it, and to Michael Price whose initial gift continues to pay dividends to a growing roster of talented students.

Richard M. Levich
Professor of Finance
Deputy Chairman, Department of Finance

THE MPSIF PORTFOLIO

Message From The President

During the first half of fiscal 2005, US equities surged after a decisive Bush victory, reduced uncertainty regarding interest rates and plateauing commodity prices. The MPSIF portfolio grew by 10.16% over the fiscal first half ended February 28, 2005, while its blended benchmark (an equal-weighted average of the Russell 2000, Russell 1000 Growth Index, Russell 1000 Value Index and The Vanguard Total Bond Index) rose by 9.25%. Thus, the Fund outperformed its blended benchmark by a solid 91 basis points for the period. Strong performances from all of the MPSIF funds contributed to first half results, though an outstanding showing by the Growth fund relative to its benchmark drove the outperformance. As we head into our the fiscal second half, we are cautiously optimistic as an improving US economic climate continues to be hampered by staggering oil prices and the threat of accelerating interest rate increases on heightened inflation concerns.

Moreover, Fund members have implemented a number of disciplines and best practices over the past year from which we should continue to benefit well into the future, including a stricter adherence to strategy disciplines, consistent improvements in our reporting practices, and the implementation of a rebalancing policy. Research quality continues to strengthen, and Fund members are more dedicated and held to a higher standard than ever before. In addition, MPSIF also continue to make significant progress in raising its profile within the academic and investment management communities. In January, three MPSIF portfolio managers appeared in a live interview on CNBC's "Closing Bell".

On behalf of all MPSIF members, I would like express our sincere thanks to Michael Price for his generous gift that makes this student investment fund possible. For those interested in pursuing a career in investment management after business school, the Fund provides the most value-added education of any other course or activity, simply because you are learning by doing. I'm delighted that at MPSIF's five year anniversary, we are able to celebrate our incredible success, in both the performance of the Fund and the value participants derive from the experience. I believe that we are well on our way to becoming the premier student-run investment fund among top-tier business schools.

Sincerely,

Angela Chang, MPSIF President

Angela Chang worked as an emerging markets investment analyst at American Century Investments during the summer. Prior to Stern, she was an equity research associate at Alliance Capital Management and subsequently at Citigroup, where she was a member of the Institutional Investor All-America Research Team from 1999-2002. Angela holds a Bachelor of Science in Finance and International Business from New York University's Stern Undergraduate School of Business.

REVIEW OF OPERATIONS

The MPSIF is divided into four autonomous funds: the Growth Fund, the Small Cap Fund, the Value Fund, and the Fixed Income Fund. While the goal of each fund is to purchase under-valued securities within its respective investment universe, each fund is free to determine the best way to identify those opportunities. Portfolio managers and analysts endeavor to improve the stock selection process by applying their own professional experience, learning from their peers, and building upon the knowledge base and previous fund participants.

From an overall portfolio perspective, the MPSIF Executive Committee, which is comprised of the President, the Treasurer, the Portfolio Managers, and the Faculty Advisors, seeks to develop and enhance best practices across the Fund in order to position the overall portfolio for continued success.

Over the past six months, the Executive Committee completed a number of initiatives including:

- The development of a blended benchmark for the Fund which more accurately reflects its results.
- The development of a rebalancing policy and the execution of a Fund rebalancing, which effectively re-weighted each of the four sub-funds to 25% of the total fund.
- A complete redesign of the MPSIF Annual and Semi-Annual Reports.
- The formation of an editorial team and the launch of the MPSIF newsletter, The Educated Investor.

Initiatives which the Executive Committee is currently working to implement include:

- The development of a plan to improve management of the Fund during summer months.
- Improvement and standardization in presenting performance data across the equity funds.
- The ongoing strengthening of relations with Admissions, the Office of Career Development, Stern Alumni, and the investment management community.

We believe that the ongoing success of the MPSIF Fund will depend not only on picking the right investments but also in adequate promotion of the course both within the Stern community and externally. We are confident that with careful planning and ongoing improvement, MPSIF’s success (both financially and within the curriculum) will continue into the future.

MPSIF PORTFOLIO BENCHMARK

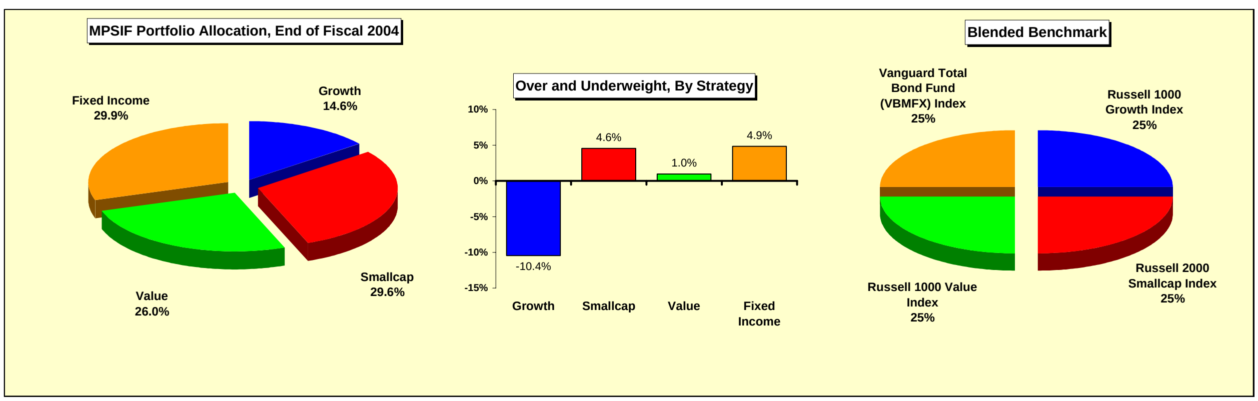
As noted earlier, the overall benchmark for MPSIF is an equal-weighted blend of the individual fund benchmarks, the Russell 2000, Russell 1000 Growth Index, Russell 1000 Value Index and the Vanguard Total Bond Index. The individual funds within MPSIF are benchmarked as follows:

Fund	Benchmark	Six Month Return For Period Ended 02/28/05		
		Portfolio	Index	Over/ (Under) Performance
MPSIF	25% Russell 2000, 25% Russell 1000 Growth, 25% Russell 1000 Value, 25% Vanguard Total Bond Index	10.16%	9.25%	0.91%
Growth Fund	Russell 1000 Growth Index	13.88%	7.12%	6.76%
Value Fund	Russell 1000 Value Index	11.75%	12.31%	-0.56%
Smallcap Fund	Russell 2000 Index	15.76%	16.40%	-0.64%
Fixed Income Fund	Vanguard Total Bond Index	1.10%	1.18%	-0.08%

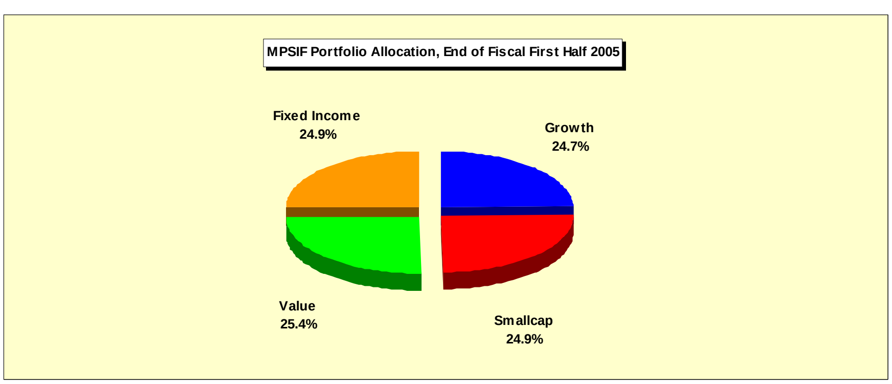
For the fiscal first half ended February 28, 2005, the Fund returned 10.16%, outperforming its blended benchmark by 91 basis points. The outperformance was driven by strong performances by all the funds, but in particular by a strong showing by the Growth fund relative to their benchmark.

In January 2005, the Fund rebalanced its assets across strategies. As of the end of fiscal year 2004, the Fund had no rebalancing policy causing major imbalances within the fund. Thus, the Fund implemented a policy in which the portfolio will rebalance to 25% weightings across funds should any one sub-fund grow to above 30% or below 20% of the Fund.

At the end of Fiscal 2004, the Fund was weighted as illustrated in the chart below.



The Fund executed the rebalancing on December 31, 2004, in which all Funds were equal-weighted to 25%. The Growth Fund was the primary beneficiary of funds from the rebalancing, while Smallcap and Fixed Income relinquished funds. As of February 28, 2005, the Fund was weighted across strategies as follows:



MPSIF PORTFOLIO PERFORMANCE

The following table shows annualized return figures for the MPSIF portfolio and our blended benchmark over various time intervals. Over the past twelve months, the Fund outperformed its blended benchmark by 39 basis points, growing 6.2% on an absolute basis. The Fund produced an annualized relative return of 74 basis points over the past three years and 4.5% since inception, on an annualized basis.

MPSIF Fund Performance
Period Ending February 28, 2005

	1 month	3 month	6 month	1 Year	3 Year	Since Inception (2/29/2000)
MPSIF Returns	-1.66%	3.16%	10.16%	6.15%	6.27%	5.61%
Blended Benchmark	1.72%	1.70%	9.24%	5.76%	5.53%	1.14%
MPSIF Relative Return	-3.38%	1.46%	0.91%	0.39%	0.74%	4.47%

The following table shows a risk snapshot of the fund over its history. As measured by standard deviation of returns over the 3-year and since inception periods, the MPSIF portfolio has been more risky than its blended benchmark, though much of the volatility can be attributed to the past fiscal year. Thus, the Fund’s Sharpe ratio falls short of its benchmark over the three-year period. As stated previously, the Executive Committee is committed to managing the Fund’s risk profile and has initiated several projects that we believe will allow the Fund to make significant progress on that front going forward. That said, the Fund’s Sharpe ratio from inception actually beat that of its benchmark, which failed to outperform risk-free securities over that period.

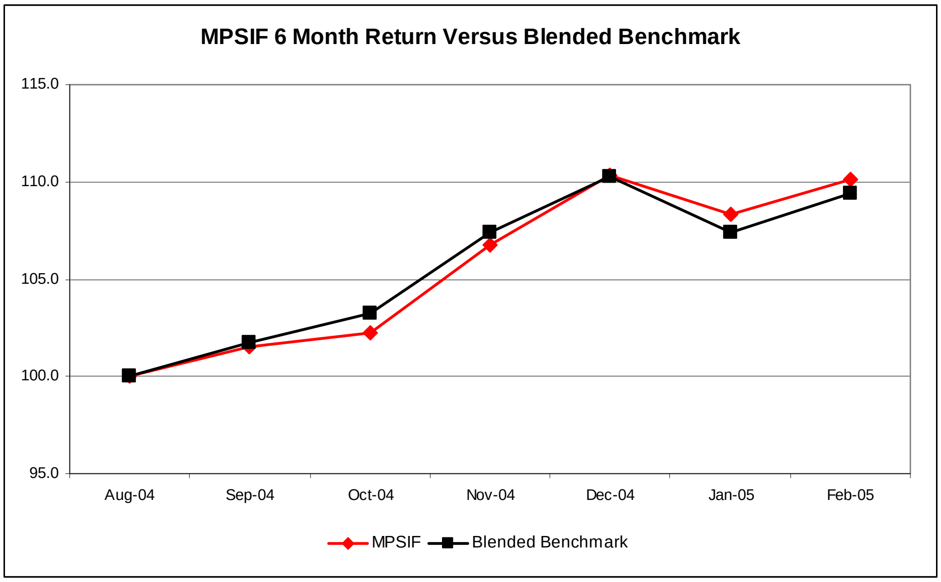
MPSIF Fund Risk Measures
Periods Ending February 28, 2005

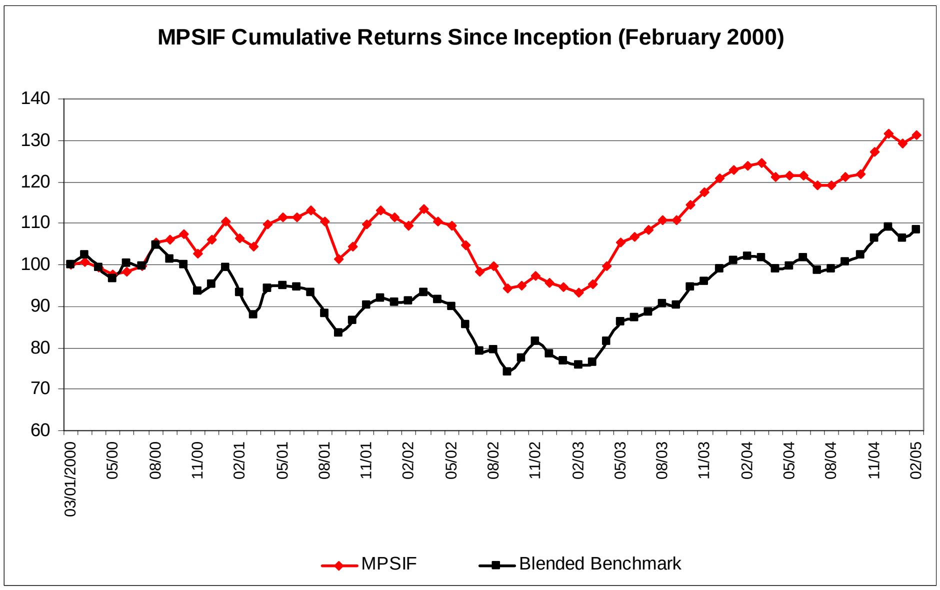
	3 Year Std Deviation	3 Year Sharpe Ratio	Std Deviation Since Inception (60 months)	60 Month Sharpe Ratio
MPSIF	17.69%	0.25	15.97%	0.20
Blended Benchmark	11.50%	0.32	12.72%	(0.10)

MPSIF PORTFOLIO PERFORMANCE

As illustrated in the chart below, the Fund tracked the its blended benchmark very closely through the end of 2004, but began to gain on the index into 2005, and ultimately finished a solid 91 basis points above the benchmark return of 9.25%.

Since inception the Fund has comfortably outpaced the index, rising over 31% on a cumulative basis versus an 8% cumulative blended benchmark return. The MPSIF portfolio return excludes the effect of paying a 5% annual dividend. However, our performance includes brokerage and account fees which depress fund returns by roughly 50-60 basis points per annum.

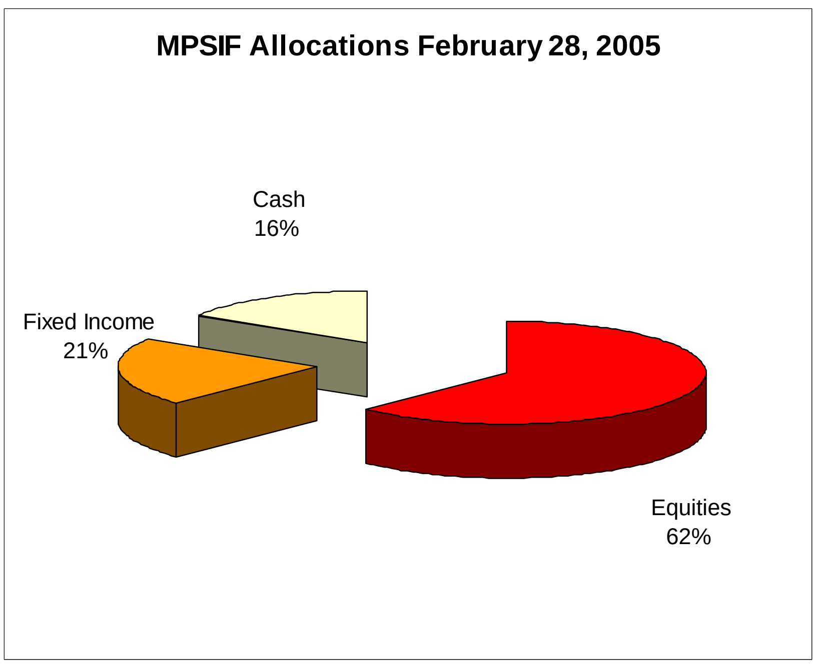




MPSIF PORTFOLIO ALLOCATION

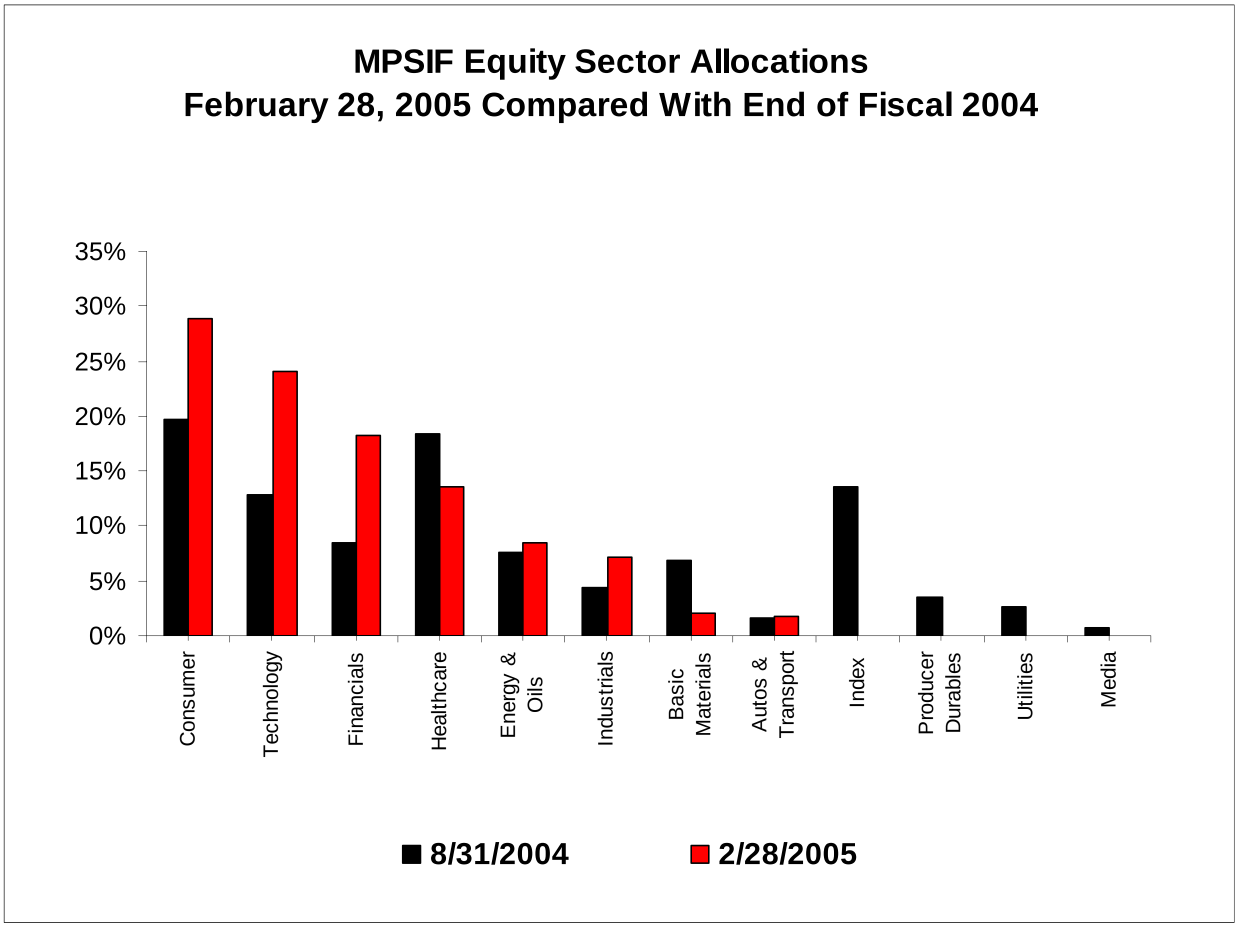
The baseline allocation of the portfolio is 75% equities, and 25% fixed income. The large increase in cash held at the end of the first half of 2005 compared with cash held at the end of fiscal year 2004 is primarily due to increased cash balances in the Fixed Income and Growth funds. For Fixed Income, the cash balance is a function of the fund's positioning. The Growth fund's cash balance grew due to a rebalancing of the MPSIF portfolio in January of 2005 in which Growth received a net $203,750 in additional funds. Of this amount, the Growth fund was able to invest roughly 20%, or $38,000 by the end of the fiscal first half on February 28, 2005.

	February 28, 2005		August 31, 2004	
Fund	**Market Value**	**% Assets**	**Market Value**	**% Assets**
Growth	315,923	16.4%	206,368	11.8%
Value	437,962	22.7%	406,652	23.2%
Small Cap	449,988	23.3%	473,960	27.1%
Equities	1,203,873	62.4%	1,086,980	62.0%
Fixed Income	413,936	21.4%	512,307	29.2%
Cash	312,270	16.2%	152,860	8.7%
Total Portfolio	**1,930,079**	**100.0%**	**1,752,147**	**100.0%**



MPSIF EQUITY SECTOR ALLOCATIONS

The equity portion of the MPSIF funds is broadly diversified across the major business sectors of the economy. The allocations support the Fund's portfolio managers' bullish views on the Consumer, Technology, Financial and Healthcare sectors. As illustrated in the chart below, the MPSIF fund significantly increased allocations to the Consumer, Technology, and Financial sectors, while moderating its Healthcare allocation. Consumer remains the Fund's largest sector allocation, representing nearly 30% of the equity portfolio. We note the complete liquidation of the Fund-wide Index allocation, which comprised nearly 15% of the equity portfolio six months ago.



MPSIF FINANCIAL STATEMENTS

	First Fiscal Half Ending 02/28/2005	Fiscal Year Ending 08/31/2004
CASH FLOW FROM OPERATIONS		
Dividends and MPF Interest	$20,549	$38,010
Bank Interest	1,064	979
[redacted]	$21,613	$38,989
Expenses / Fees	4,867	8,560
[redacted]	**$16,746**	**$30,429**
CHANGE IN NET ASSETS		
Net Investment Income	$16,746	$26,907
Realized Gain (Loss)	112,388	(139,149)
Unrealized Gain (Loss)	79,869	109,525
Annual Withdrawal	0	(77,385)
Net Transfers	0	0
Net Other Adjustments	(31,073)	176,735
[redacted]	**$177,930**	**$96,633**
Net Assets, Beginning of Period	1,752,146	1,619,553
Net Increase (Decrease)	177,930	96,633
[redacted]	**$1,930,076**	**$1,752,146**

MPSIF GROWTH FUND (MPG)

Message From The Co-Portfolio Managers

The MPSIF Growth Fund began fiscal 2005 with solid performance through the first six months. The fund returned 13.88% compared to 7.12% for the Russell 1000 Growth benchmark over this period. The final months of calendar 2004 showed large gains for the growth portfolio and equity markets, which was partially offset in January 2005 with some profit-taking and weakness.

The concern regarding the impact of rising oil prices weighed heavily on the markets as oil prices peaked during the fall. Similarly, the Fed's continued measured increase in interest rates weighed heavily on the minds of investors as they tried to balance a strengthening economy and tightening monetary policy. Concern around rising interest rates was further magnified by a weakening US dollar which raised doubts among some economists that foreign investors in US assets would continue to fund growing deficits thus restricting economic growth.

The Growth Fund continues to be weighted towards the technology and healthcare sectors and, to a lesser degree, the consumer discretionary and financial services sectors. Several of our technology and healthcare companies outperformed the benchmark as many of these growth story plays became fully realized. In line with our investment philosophy, the fund continues to take profits from these stocks as companies become fully valued. In the broader market, the energy and consumer discretionary sectors performed remarkably well due to high oil prices and strong consumer confidence, respectively.

During the first half of fiscal 2005, a fund-wide rebalancing on December 31, 2004 nearly doubled the market value of the growth fund. In response, our team has worked feverishly to apply this new cash to attractive growth opportunities, but has balanced this interest with the need to continue performing diligent research and the commitment to remain highly disciplined in implementing our investment philosophy. Additionally, due to the recent cash infusion, the fund has decided to increase future full positions to $20,000 from $12,500 and has adjusted current holdings accordingly.

Regardless of the fluctuations in the equity markets, the fund steadfastly maintains its investment philosophy of pursuing growth opportunities that are characterized in the following ways: Companies which are pioneering a new product or service that will see dramatic future demand, altering pre-established norms in a static industry and gaining significant market share, or companies which are applying their business model to new regions or leading in an industry that is experiencing high levels of growth.

Finally, the fund would like to thank Michael Price for his generous gift to the Stern School of Business. MPSIF has provided invaluable hands-on experience to students who are eager to apply theory from more traditional classes as they prepare for successful careers in investment management.

Sincerely,

Scott Freeman and Brian Leu, Co-Portfolio Managers

MPG INVESTMENT STYLE AND STRATEGY

Investment Strategy
The goal of the MPSIF Growth Fund is to identify and take advantage of opportunities that exist with equity investments that represent significant growth opportunities. These growth opportunities may be a function of a unique business model or occupying a strong competitive position in a rapidly growing industry. We believe that a company that has these characteristics can achieve abnormally high earnings growth and in turn stock price appreciation. The goal of our fund is to identify these opportunities and capitalize on them. However, the also firmly believe in not overpaying for these growth prospects. These growth opportunities can be uncovered by finding companies that are pioneering a new product or service that will see dramatic future demand. We also try to find companies that may be altering pre-established norms in a static industry and gaining significant market share. Additionally, these companies could be applying their business model to new regions. Companies could simply be a leader in an industry that is experiencing high levels of growth. Our goal is to identify these opportunities and to determine which of these opportunities are attractively priced.

Objective
Our objective is to achieve returns above those of the Russell 1000 Growth Index and to achieve an absolute return in accordance with our positioning as a portion of a university endowment.

Our Investment Process
A Growth Fund analyst begins the investment process by asking a qualitative question, "What is the catalyst for growth?" Once the analyst defines this universe, he or she will apply quantitative analysis. He/she begins with balance sheet analysis, revenue and earnings trends. The analyst will examine relative valuations and then finally perform a fundamental analysis of the company. Analysts in the growth fund take a holistic approach to investing. We examine a company’s strategy, competition, management, industry and marketing to fully understand its catalysts for growth. After the analyst finishes his/her assessment, he/she will present the stock to the class. The class will analyze the data and the cash flow model and debate the merits of the stock. After this rigorous process, the group will decide whether to purchase the stock.

Sell Discipline: We will consider reducing our exposure to a specific stock when:

- The issuer's growth rate deteriorates or its performance otherwise disappoints.
- The price of the security attains our price target or otherwise appears relatively high to our fund's analysts.
- The company publishes negative earnings announcements that could affect the long-term outlook and industry attractiveness.
- Unfavorable changes in management seem likely.
- Changes in our overall economic outlook dictate a re-weighting of our sector allocations.

Why Growth Stocks?

- Growth companies, by definition, are the fastest growing companies in the economy. We believe that earnings growth is the principal factor in determining common stock prices over time.
- Thus, we believe investing in the fastest growing companies that are not currently overpriced should lead to realization of potentially superior investment returns over the long term
- The fastest growing companies also tend to be the most adaptable and dynamic companies within the economy. We believe these qualities should also lead to potentially superior returns for investors over the long term. Growth investing has especially outperformed other strategies when the overall growth rate of the market is positive.

MPG FUND PERFORMANCE

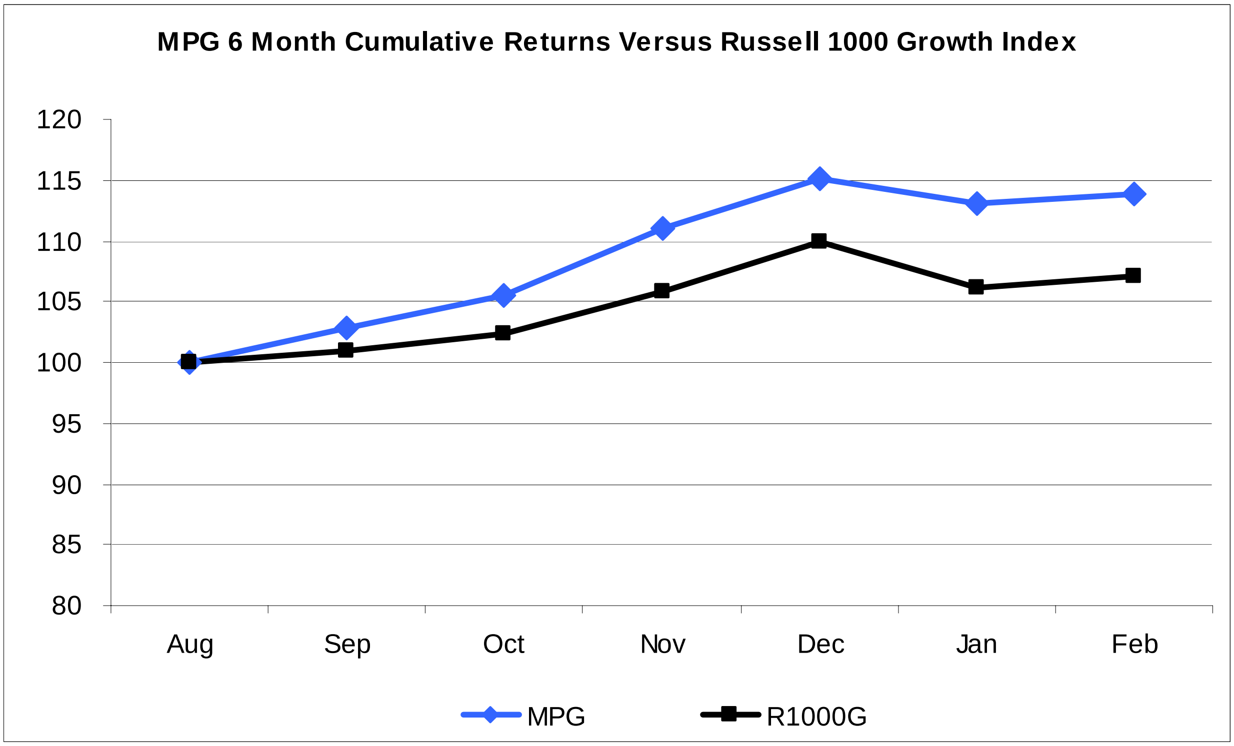
The first half of the 2005 fiscal year brought solid performance to the growth fund as the fund outperformed its benchmark by 676 bps, with an absolute return of 13.88% versus 7.12% for the Russell 1000 Growth index.

Contributing to the fund's positive performance were significant gains from Affymetrix (+54%), Kingboard Chemical (+52%) and Adobe Systems (+35%). Affymetrix and Adobe Systems had been added to our portfolio prior to the beginning of fiscal 2005 and both gained significant price appreciation in the past six months as management for both companies guided fiscal 2005 estimates above analyst consensus. Affymetrix continued to benefit from its market leadership in the use of microarrays for genetic analysis while Adobe Systems had greater than expected success with its new Acrobat 7.0 product family. Finally, Kingboard Chemical, a recent addition to our portfolio in early fiscal 2005, has benefited from strong demand growth for PCB and laminates in China and positive cyclical industry trends.

Despite the fund's success, there were a few disappointments. Specifically, Rightnow Technologies (-14%), Iron Mountain (-12%), and CYTYC (-12%) underperformed the benchmark and were a drag on the fund's early performance. Rightnow and CYTYC were both additions in the first half of fiscal 2005, but their strong growth stories for on-demand Customer Relationship Management and women's health, respectively, have yet to be fully realized. Iron Mountain was added to our portfolio prior to the beginning of fiscal 2005 on the basis of its strong cash flow generation and market leader position, and the fund remains committed to the investment thesis here.

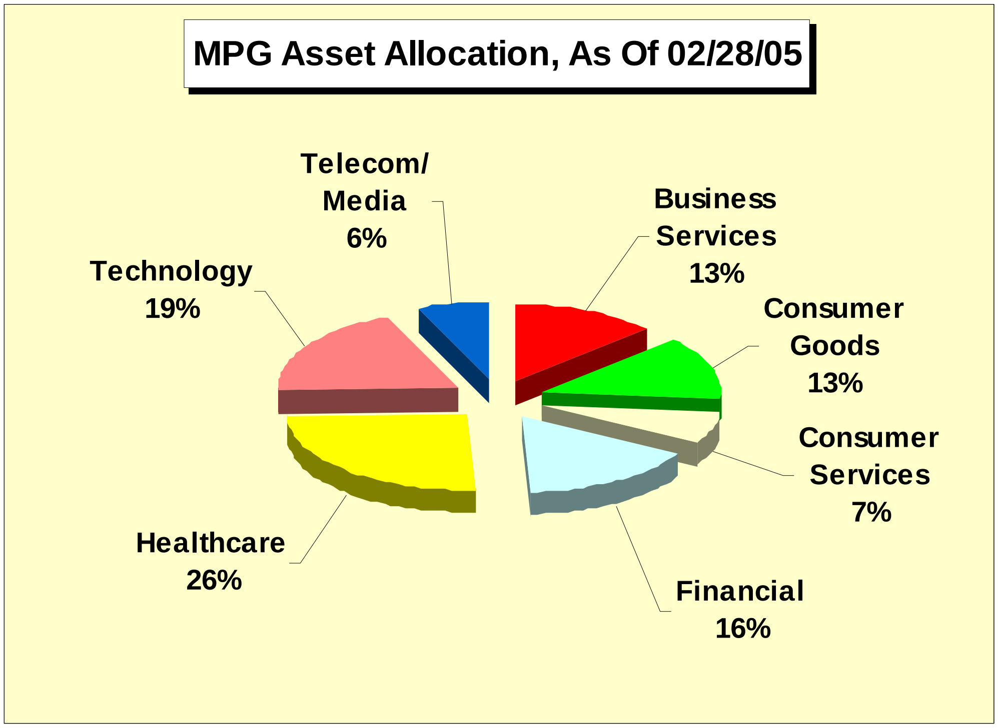
To enhance performance, the fund maintains strict sell discipline based on target prices derived from both DCF and relative valuations. These targets are set at initial purchase and revised as necessary throughout the year based on additional information. With the significant price appreciation experienced in late 2005, the fund turned over 40% of the portfolio during the first six months of fiscal year 2005, primarily driven by full valuation. Four net new positions were also added to the portfolio as the fund searched feverishly for new opportunities and new cash funds were put to work.

The outlook for the remaining six months of fiscal year 2005 is expected to be challenging given the uncertainty surrounding oil prices and the Fed's tightening monetary policy. Nonetheless, the fund believes that its disciplined approach to investing in attractive growth stocks with strong fundamentals will keep the portfolio well positioned for the remainder of fiscal year 2005.


MPG 6 Month Cumulative Returns Versus Russell 1000 Growth Index
120
115
110
105
100
95
90
85
80
Aug
Sep
Oct
Nov
Dec
Jan
Feb
MPG
R1000G

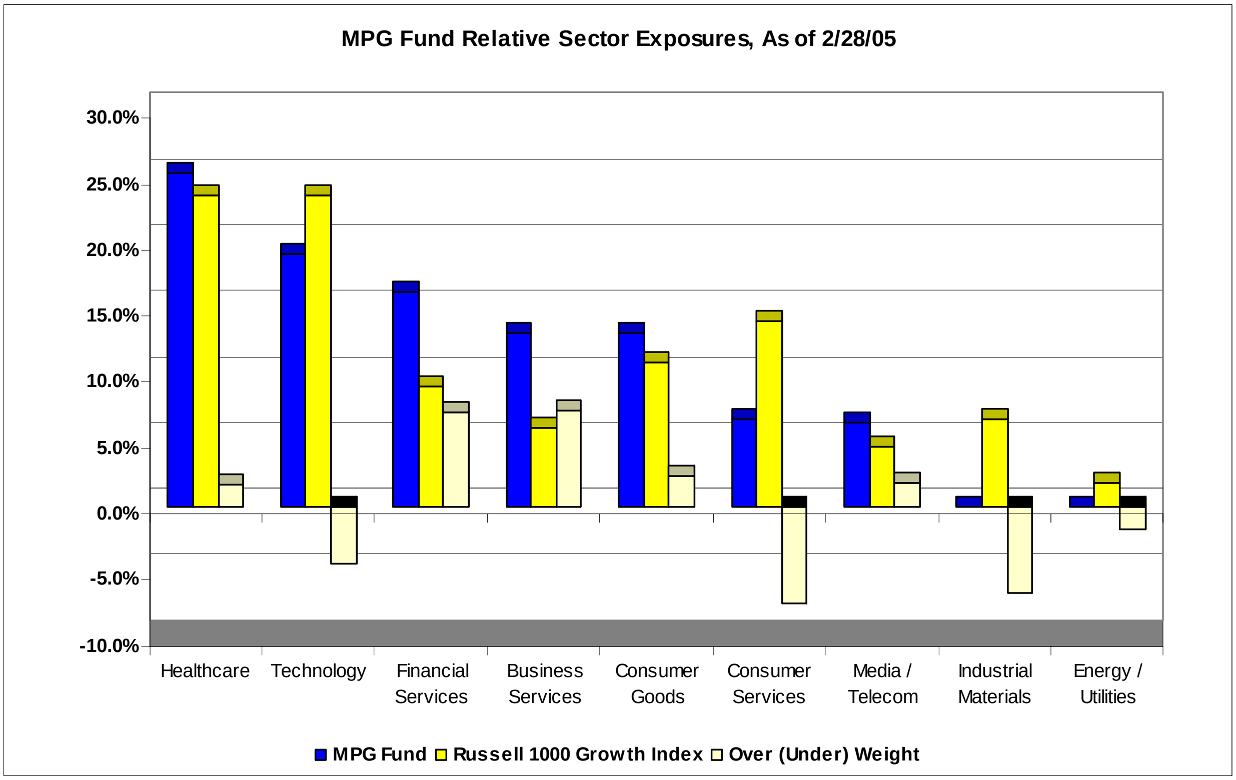
MPG ASSET ALLOCATION

The breakdown of our current holdings by sector as of February 28, 2005, is shown below:



Relative Sector Exposures (MPG)

As of February 28, 2005, compared to our benchmark index, the Russell 1000 Growth Index, the fund was slightly overweight in Financial Services and Business Service. The fund has an approximate market weight exposure to Healthcare, Consumer Goods, and Media/Telecom. The fund is slightly underweight in Technology and Consumer Services. The fund currently has no individual holdings in Industrial Materials or Energy/Utilities. This market exposure is calculated excluding our large cash position from the December 31, 2004 rebalancing. As of February 28, 2005, the fund held approximately 35% of its market value in cash.



MPG FUND PROFILE

The following snapshot reflects the Growth Fund portfolio as of February 28, 2005. It also shows the sector for each holding. While the fund does not expressly try to match exposure with the Russell 1000 Growth Index, we do note where we are taking overweight or underweight sector positions relative to the index.

MPG Holdings as of 2/28/05

Company	Russell 1000 Growth Sector	Shares Held	Market Value	% Assets
Rightnow Technologies, Inc.	Technology	1,680	$21,268	4.46%
Pacific Sunwear of California, Inc.	Consumer Discretionary	814	20,968	4.40%
Avid Technology, Inc.	Technology	310	20,739	4.35%
First Data Corp.	Technology	501	20,551	4.31%
Harley Davidson, Inc.	Transportation	330	20,420	4.28%
Varian Medical Systems, Inc.	Healthcare	567	20,372	4.27%
Faro Technologies, Inc.	Technology	769	20,340	4.27%
Doral Financial Corp.	Financial Services	509	20,186	4.23%
Cisco Systems, Inc.	Technology	1,157	20,154	4.23%
Amgen, Inc.	Healthcare	325	20,023	4.20%
Medtronic, Inc.	Healthcare	383	19,961	4.19%
Iron Mountain, Inc.	Consumer Non-Cyclical	738	19,924	4.18%
Adobe Systems	Technology	318	19,636	4.12%
XM Satellite Radio Holdings	Technology	454	14,963	3.14%
Cytyc Corp.	Healthcare	465	10,602	2.22%
MBNA Corp.	Financial Services	399	10,122	2.12%
Sina Corp.	Technology	285	8,131	1.71%
Affymetrix, Inc.	Healthcare	177	7,563	1.59%
Total Equity			$315,923	66.26%
Cash			160,855	33.74%
Total Assets			$476,778	100.00%

MPG FINANCIAL STATEMENTS

CASH FLOW FROM OPERATIONS	Fiscal First Half Ending 02/28/2005	Fiscal Year ending 08/31/2004
Dividends and MPG Interest	$362	$1,050
Bank Interest	599	111
Investment Income	$961	$1,161
Expenses / Fees	726	1,449
Net Investment Income	**$235**	**($288)**
CHANGE IN NET ASSETS		
Net Investment Income	$235	($288)
Realized Gain (Loss)	24,220	(16,938)
Unrealized Gain (Loss)	6,798	23,012
Annual Withdrawal	-	(14,005)
Net Transfers	203,750	-
Net Other Adjustments	-	-
Net Change in Assets	**235,003**	**($8,219)**
Net Assets, Beginning of Period	$241,775	$249,994
Net Increase (Decrease)	235,003	(8,219)
Net Assets, End of Period	**$476,778**	**$241,775**

MPSIF SMALL CAP FUND (MPS)

Message From The Co-Portfolio Managers

For the six month period beginning in September 2004 and ending February 2005, U.S. stocks showed robust returns, led by small-cap stocks. This caps a second consecutive year of strong gains. Furthermore, small-cap returns exceeded large-cap returns for the sixth consecutive year. U.S. stocks were stagnant through the first nine months of 2004, reflecting concerns over interest rates, inflation, the U.S. Presidential election, high energy prices, and conflict in the Middle East. However, the market ultimately began to rally as energy prices began to fall and investors focused on strong corporate earnings and cash flow and the strength of the economy. Following the decisive Presidential election and signs of progress in the Middle East, investors rushed back into the stock market, extending the rally as market leadership transitioned to more speculative stocks. Finally, the rally was sustained late in the year by many high-profile corporate merger and acquisition deals.

The MPSIF Small Cap fund returned 15.8% during the six months ending February 2005, underperforming our benchmark, the Russell 2000 index, by 56 basis points. That said, the fund has substantially outpaced the benchmark on a long-term basis, having produced annualized returns of 14.8% and 12.1% over a three-year and five-year basis, respectively. This compares to 11.9% and 3.2% for the Russell 2000 index.

Major contributors to our performance included Quiksilver (ZQK), Archipelago Holdings (AX) and First Advantage (FADV). Quiksilver, a specialty apparel company, represents a perfect example of what we strive to achieve in the MPSIF Small Cap Fund. The stock has been a very solid long term holding, having doubled since entering the fund in the spring of 2003. The company’s business fundamentals remain strong, but we exited the position in December as the valuation reached a point where we felt the company was fairly valued. Archipelago, as a newly public company, appeared undervalued to us in October. The company appreciated very strongly in November as the overall markets rallied, and we exited the position after a 56% gain in one month. First Advantage, a provider of background screening services, has been benefiting from market share gains, a cyclical recovery in hiring, and expanding margins. Our worst performers for the period were Odyssey Healthcare (ODSY) and Multimedia Games (MGAM). We exited Odyssey Healthcare after losing confidence in the management team, and we exited Multimedia games over concerns about the company’s deteriorating market share in their core market.

Looking forward, we feel strong about the fundamental prospects for all of the companies that we own. We view our stock holdings as actual ownership stakes in businesses, not simply short-term bets. However, we do recognize that we have to remain aware of sector weightings in order to avoid unintentional bets. A quarter of the earnings of the Russell 2000, our benchmark, come from regional banks, REITs, and thrifts and mortgage finance. We have been underweight these interest-rate sensitive companies which we expect will be hurt by rising rates and a flatter yield curve. Recently we have been selectively reducing this underweight bet as it appears that underperformance by the financial sector is a very consensus bet and we have found some compelling valuations in the financials sector. We are also positive on industrials and select technology companies because we expect the economy to remain very strong. U.S. productivity is at 50 year highs, corporate balance sheets are in the best shape in history, corporate returns on equity are at all time highs, and the capital spending cycle, inventory build-up, and trade balance improvement all lie ahead.

We continue to believe that our bottoms-up fundamental research process will lead to superior performance, and we remain optimistic about the fund's prospects for this year and beyond.

Respectfully submitted,

Ariel Bino and David A. Haley, Co-Portfolio Managers

MPS INVESTMENT STYLE AND STRATEGY

The objective of the Small Cap Fund is to achieve a total return in excess of the Russell 2000 Index through both capital appreciation and dividends. As an endowment fund, our longer term goal is to ensure positive returns in excess of our five percent dividend rate plus the annual rate of inflation.

The portfolio will be invested exclusively in U.S.-traded equities, primarily with market capitalizations of less than $1.5 billion or the equivalent of the largest stock in the Russell 2000 Index. While the portfolio does not have an explicit bias toward “growth” or “value” investing, the substantial use of discounted cash flow analysis as a valuation tool may bias our portfolio slightly toward a price-to-earnings ratio lower than that of the Russell benchmark.

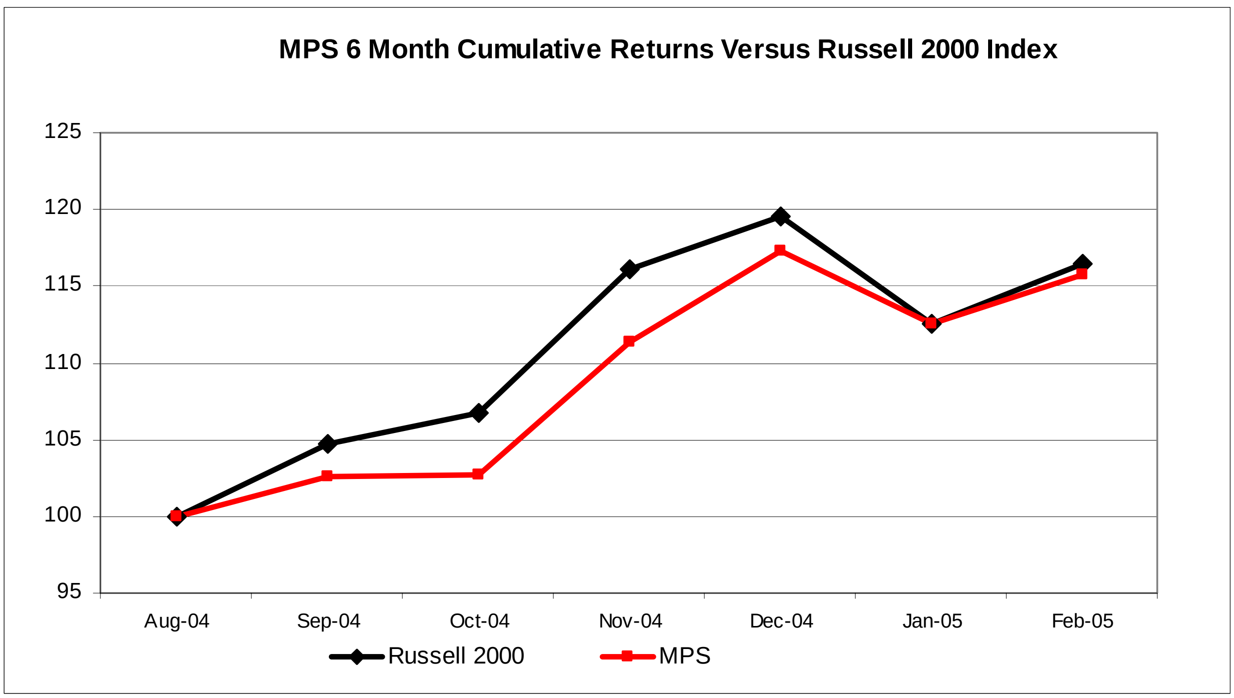
The Small Cap portfolio is intended to be a concentrated portfolio of 20 to 25 positions, with a standard position size of 5% of the portfolio. Security selection is driven by bottom-up fundamental research in conjunction with the team’s overall sector and economic views. While the MPSIF fund is not bound to strict sector guidelines, it is the aim of the portfolio managers to be continually aware of the portfolio’s sector weights versus those of the benchmark; the fund may elect to overweight or underweight specific sectors as appropriate.

MPS FUND PERFORMANCE

The MPSIF Small Cap fund returned 15.8% during the six months ending February 2005, slightly underperforming our benchmark – the Russell 2000 index – which returned 16.4%. Looking at the past 12 months MPS has outperformed the Index in 8 out of the 12 months, outperforming the benchmark by 3.9%. MPS has also outperformed its benchmark on a one, three, and five-year basis. For the last 5 years MPS returned 12.1% on an annualized basis compared to 3.2% annualized returns for the Russell 2000 index.

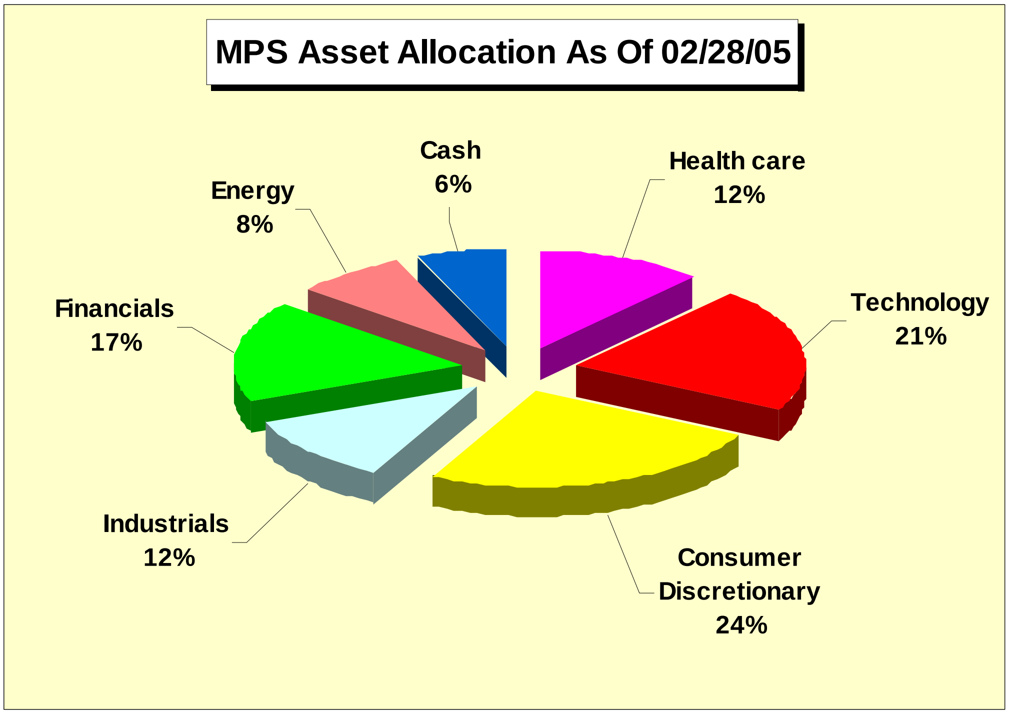
Our bottoms-up value-driven process identified several stocks which were major contributors to performance in the last year, including investments in Quiksilver (ZQK), Archipelago Holdings (AX), First Advantage (FADV) and Retalix (RTLX). At the same time we have exited several unsuccessful investments in companies such as Odyssey Healthcare (ODSY) and Multimedia Games (MGAM) where we felt that there has been a fundamental change for the worse in the company's business model or our initial investment thesis.

Fund assets have gone from $553,700 to $481,162 in the past 6 months, after accounting for a $161,900 rebalancing withdrawal in December 2004.



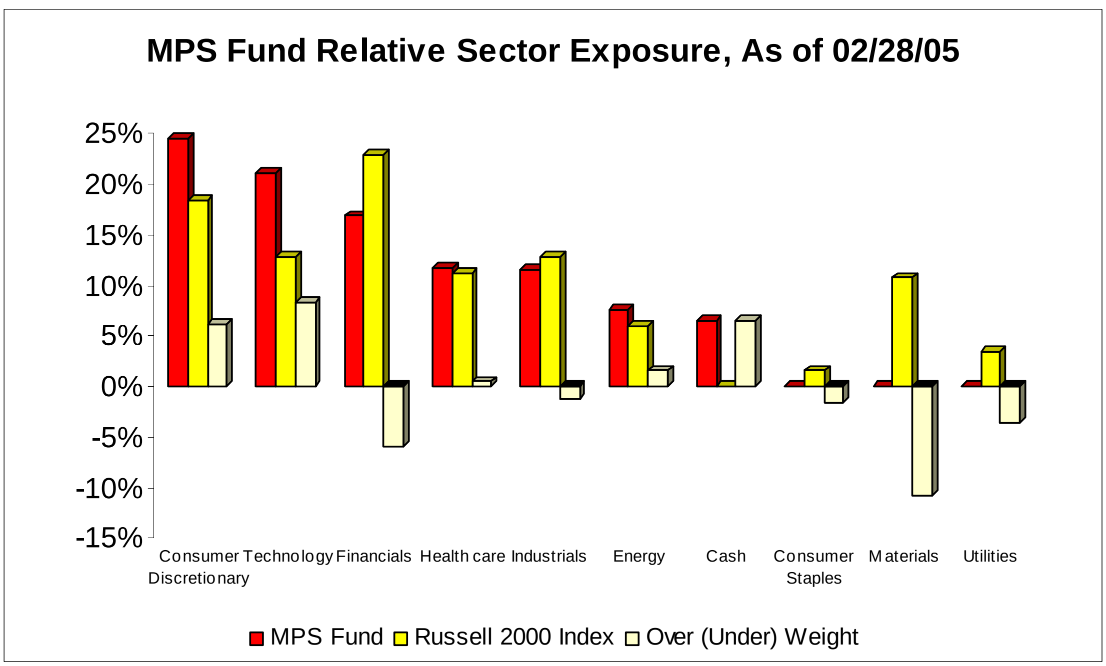
MPS FUND ASSET ALLOCATION

Our asset allocation at the end of February 2005:



The fund does not maintain specific guidelines regarding asset allocation among sectors.

Relative Sector Exposures (MPV)



MPS FUND PROFILE

The table below shows MPS holdings as of February 28, 2005:

MPS Holdings As Of February 28, 2005

Company	Ticker	Sector	Shares	Value	% Assets
Radware Ltd.	RDWR	Technology	1,251	$32,376	6.7%
LKQ Corporation	LKQX	Consumer Discretionary	1,750	$31,833	6.6%
LabOne, Inc.	LABS	Health Care	824	$29,664	6.2%
Comtech Telecomm. Corp.	CMTL	Technology	815	$29,307	6.1%
Life Time Fitness, Inc.	LTM	Consumer Discretionary	1,162	$29,155	6.1%
Briggs & Stratton Corporation	BGG	Industrials	734	$28,934	6.0%
ADVO, Inc.	AD	Consumer Discretionary	780	$28,603	5.9%
Fred's, Inc.	FRED	Consumer Discretionary	1,685	$28,392	5.9%
MGi Pharma, Inc.	MOGN	Health Care	1,177	$26,953	5.6%
Open Solutions Inc.	OPEN	Technology	1,285	$26,214	5.4%
Assured Guaranty Ltd.	AGO	Financials	1,200	$22,728	4.7%
National Financial Partners Corp.	NFP	Financials	512	$20,152	4.2%
KCS Energy, Inc.	KCS	Energy	1,140	$19,574	4.1%
CapitalSource, Inc.	CSE	Financials	870	$19,488	4.0%
ProCentury Corporation	PROS	Financials	1,800	$18,954	3.9%
Stone Energy Corporation	SGY	Energy	340	$17,078	3.5%
Trex Company, Inc.	TWP	Industrials	300	$13,653	2.8%
Globecomm Systems, Inc.	GCOM	Technology	2,205	$13,627	2.8%
First Advantage Corporation	FADV	Industrials	708	$13,303	2.8%
Total Equities				**$449,988**	**93.5%**
Cash				**$31,269**	**6.5%**
Total Assets				**$481,258**	**100.0%**

MPS Fund Financial Statements

	Fiscal First Half Ending 02/28/2005	Fiscal Year Ending 08/31/2004
CASH FLOW FROM OPERATIONS		
Dividends	2,199	$2,384
Interest	247	130
Investment Income	2,446	2,514
Expenses	1,908	3,052
Net Investment income	537	(538)
CHANGE IN NET ASSETS		
Net Investment Income	537	(538)
Realized Gain	76,889	75,181
Unrealized Gain	12,019	1,951
Annual Withdrawal	-	(30,425)
Net Transfers	-161,900	0
Net Other Adjustments	-21	0
Net change in assets	-72,475	46,170
Net Assets, beginning of period	553,733	507,563
Net Increase (Decrease)	-72,475	46,170
Net Assets end of period	481,258	553,733

MPSIF VALUE FUND (MPV)

Message From The Co-Portfolio Managers

Our performance the past six months has been strong as we have continued our focus on tightening and maintaining our definition of value. Given the relatively frothy multiples in the market, we have sought opportunities in companies that have been overly penalized by missed earnings, negative announcements, merger activity and financial restructuring situations. We continue to look for an extra layer of protection by buying undervalued companies with strong cash flows, solid asset bases and improving balance sheets. With this strict value approach in mind, we have looked to eliminate holdings that we believe were no longer value investments and we have added undervalued stocks with strong fundamentals. On the operational front, our team has been working very hard to research new investments and update our portfolio.

Our economic outlook for 2005 is conservatively optimistic. The cloud has cleared a bit after the presidential election; however, inflationary pressure, record high twin deficits, rising commodity prices and relatively low consumer confidence remain concerns for the market. This conservative outlook will guide our investment strategy for the rest of 2005. Our belief is that the best way we can position ourselves for this market is to remain focused on buying solid assets at substantial discounts to intrinsic value. Moreover, we will continue to be opportunistic and take advantage of any hiccups in the market.

For the six months ended February 2005, the value fund has advanced 11.72% while the Russell 1000 Value Index gained 12.31%. We attribute our performance to careful selection of solid value stocks such as Interstate Bakery, Public Services Enterprise Group, and LifePoint Hospitals. Unfortunately, our performance was hurt by some of our financial and consumer discretionary holdings. Nevertheless, we view our double digit performance over the last six months as strong, and would note that we managed to finish essentially in-line with our benchmark despite not holding large capitalization integrated oil stocks such as Exxon Mobil, ChevronTexaco, and ConocoPhillips, which together account for almost 10% of our benchmark and were up 38%, 29% and 51% respectively during the period. We strongly believe our value investment approach will bring attractive returns to our endowment fund.

On behalf of the Value Fund, we would like to thank Michael Price for his generosity and commitment to quality education in the Stern community. This class has provided an opportunity for us to gain asset management skills and apply our knowledge to practical use.

Sincerely,

Simon Chan and Tarek Hamid, Co-Portfolio Managers

MPV INVESTMENT STYLE AND STRATEGY

The basic mission of the Michael Price Student Investment Fund (MPSIF) is to provide financial support to allow selected University of Oklahoma students to attend a summer program at New York University. Thus, our primary charge is to not lose money and preserve the purchasing power of this endowment fund. Given our endowment payments of 5% a year and with the long-term inflation rate estimated to be 3%, our objective therefore is to achieve annual returns over the long-term that exceed 8% through both capital appreciation and dividend payments.

The portfolio is invested in US traded equities that are undervalued on both an absolute and relative basis. Situations we have found attractive include earnings misses, market overreaction, restructurings, management changes, acquisitions, and small cap stocks that are under-followed and have low volume. The metrics we use include P/E, Price/Book, Enterprise Value/EBITDA, Price/Free Cash Flow, dividend yield and ROE. The companies we own must also have proven business models and be able to compete effectively in their sectors. Although we invest predominantly in US stocks, we do not restrict ourselves from investing in American Depository Receipts (ADRs) when we believe the valuations are particularly compelling and provide superior risk-return tradeoffs.

In order to compare how well we perform as a group of stock pickers, we chose the Russell 1000 Value Index as our benchmark. This benchmark serves as a guideline to us, but it is not our primary aim to beat the benchmark. Rather, given the indexes overweighting of large capitalization oil and industrial stocks, we believe aggressively benchmarking would cause the fund to take on unnecessary and excessive risks.

Our security selection is driven by a bottom-up fundamental approach and the need to maintain our balanced portfolio. An analyst will perform rigorous financial, valuation, and qualitative analyses on the company, examine its viability under the current sector and economic environment, and then present his investment idea to the team. We then together will a make decision on the merits of the investment. Regarding sector allocation, MPSIF does not have strict sector allocation guidelines and the sub-funds may choose to overweight or underweight specific sectors in accordance to current economic views.

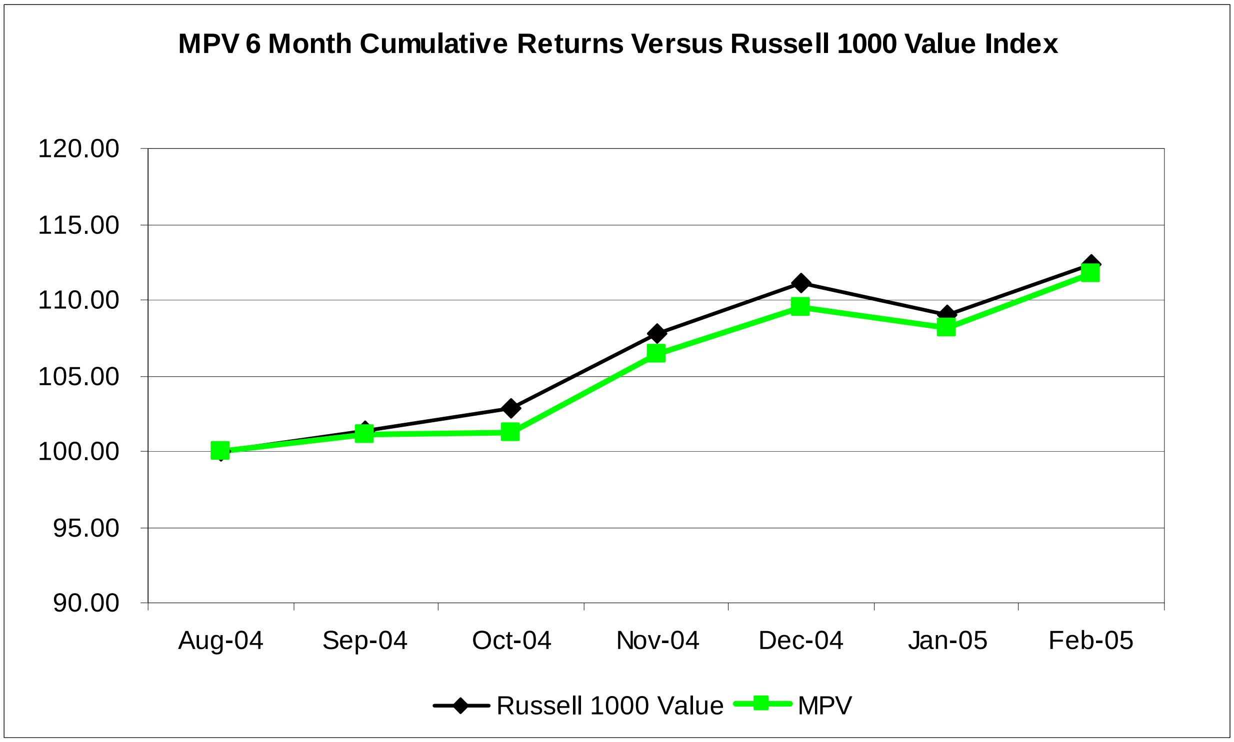
MPV FUND PERFORMANCE

For the first half of 2005, the fund's overall performance largely mirrored that of the Russell 1000 Value index. The fund got off to a slow start in the fall, trailing the index by 159 bp in the end of October. However a strong November and strong relative performance through a difficult January helped the fund close the gap to 56 bp by February 28th. Although on a monthly returns basis we were highly correlated to the index, at 94.1%, we are pleased by the fact that the fund proved more resilient that the benchmark during the January pullback.

As of February 28th 2005, the Value Fund's total assets were $490,723, as compared to $438,420 at the beginning of the fiscal year. Exclusive of the $800 payment we received as part of the overall rebalancing of MPSIF, the value fund was able to increase the total assets of the fund by $51,503. For the fiscal year the Value Fund earned $3,599 in dividends and $164 in interest, and paid $1,507 in expenses and fees. The Value Fund added $630 in realized gains and had unrealized gains of $60,308. The remaining loss of $11,690 was calculated by marking to market the holdings that were held prior the start of the fiscal year.

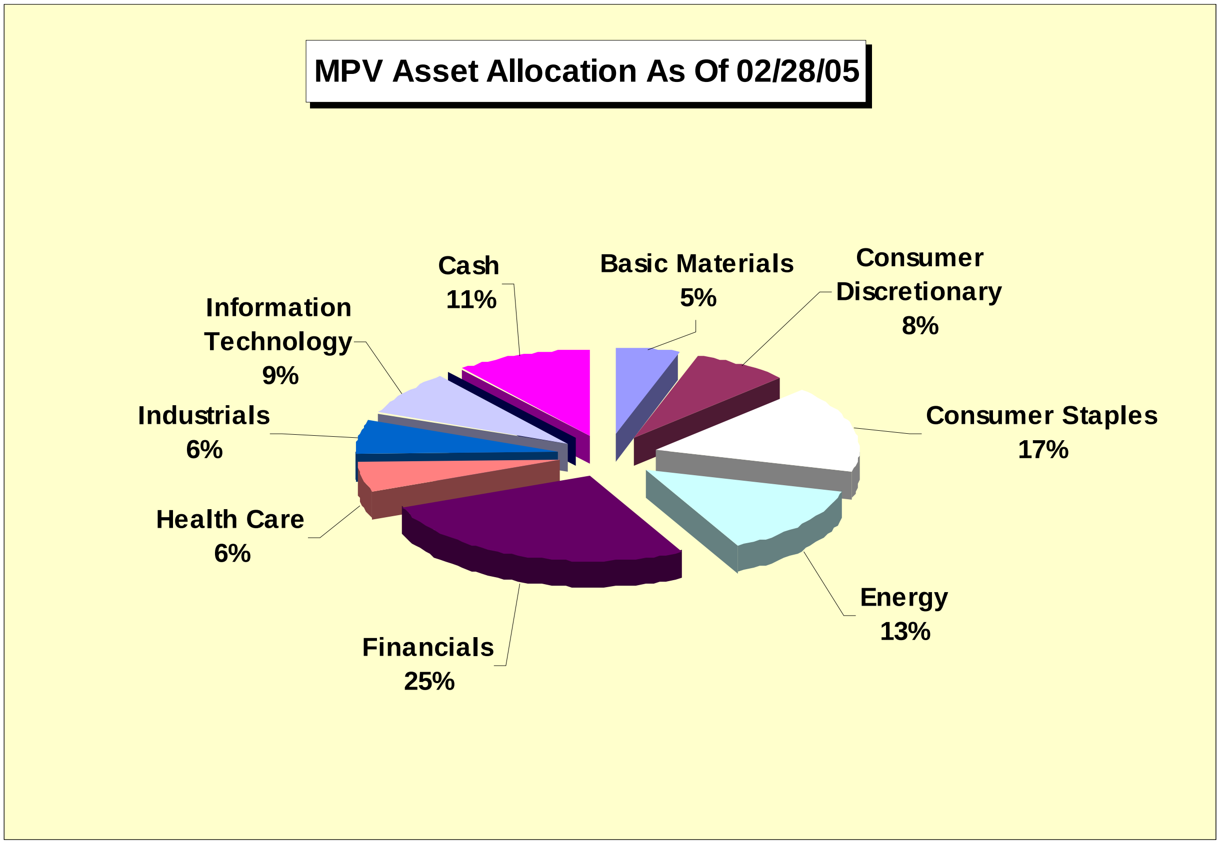
For the six month period ended February 28th, solid gains were recorded on the following stocks: Altria, Amphenol, Interstate Bakery, LifePoint Hospitals, Nextel Communications, and Public Services Enterprise Group, among others. There were some less successful investments, most notably China Yunchai, a Chinese diesel engine manufacturer in which the fund lost 39% following the disclosure of governance and control issues between the holding company and the Chinese operating company management team. Our decision to exit was fortuitous, as the stock has continued to trade lower.

The fund's performance over the six month period is detailed in the following tables and charts.



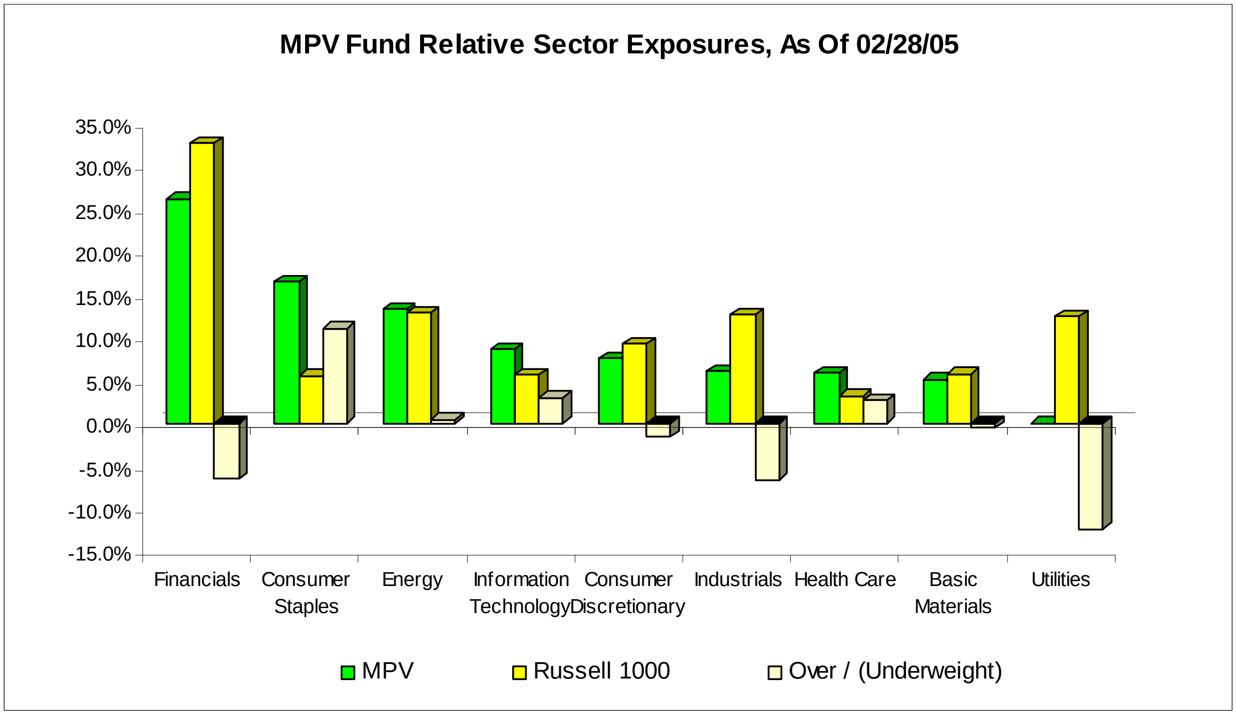
MPV FUND ASSET ALLOCATION

The Value Fund invests across nearly all industry sectors. The fund does not have specific guidelines regarding sector allocation, but seeks to remain balanced in terms of sector exposures, both in absolute terms as well as relative to the Russell 1000 Value Index Benchmark. Nonetheless, the fund is primarily focused on bottoms-up value driven security selection, and therefore some deviation from the benchmark is anticipated and tolerated.



Relative Sector Exposures (MPV)

The Value Fund asset allocation is currently expressing a somewhat more inflationary view on the economy than the benchmark. As compared to the benchmark Russell 1000 Value, the Value Fund was substantially overweight Consumer Staples, and was substantially underweight Industrials, Financials and Utilities. The Fund was essentially in-line with the benchmark in its holdings of Basic Materials, Consumer Discretionary, Energy, Health Care, and Information Technology.



MPV FUND PROFILE

The table below shows MPV equity holdings as of February 28, 2005:

MPV Fund Holdings As Of 02/28/05

Company	Sector	Shares	Value	% Assets
NATIONAL-OILWELL INC	Energy	830	37,632	7.67%
ALTRIA GROUP INC	Consumer Staples	495	32,496	6.62%
UNITED TECHS CORP COM	Industrials	300	29,964	6.11%
HARTFORD FINL SVCS GROUP	Financials	400	28,780	5.86%
MERCK&CO INC	Health Care	900	28,530	5.81%
POGO PRODUCING CO	Energy	570	27,707	5.65%
GOLDMAN SACHS GROUP INC	Financials	250	27,200	5.54%
BOSTON COMM GROUP INC	Information Technology	3450	26,013	5.30%
WELLS FARGO & CO NEW DEL	Financials	435	25,830	5.26%
BANK OF AMERICA CORP	Financials	550	25,657	5.23%
ALDERWOOD GROUP INC COM	Consumer Staples	2080	25,480	5.19%
ENGELHARD CORP	Basic Materials	830	25,107	5.12%
LEAR CORPORATION	Consumer Discretionary	480	24,979	5.09%
DEL MONTE FOODS CO	Consumer Staples	2200	23,298	4.75%
ASTA FUNDING INC	Financials	1000	21,140	4.31%
AMPHENOL CORP CL A NEW	Information Technology	400	15,960	3.25%
ABERCROMBIE & FITCH CO	Consumer Discretionary	227	12,189	2.48%
			437,962	89.25%

Total Equities	**$437,962**	**89.25%**
Cash	**52,761**	**10.75%**
Total Assets	**$490,723**	**100.00%**

MPV FUND FINANCIAL STATEMENTS

CASH FLOW FROM OPERATIONS	Fiscal First Half Ending 02/28/2005	Fiscal Year Ending 08/31/2004
Dividends	$3,599	$6,518
Bank Interest	164	221
Investment Income	$3,763	$6,739
Expenses / Fees	1,507	3,146
Net Investment Income	**$2,256**	**$3,593**
CHANGE IN NET ASSETS		
Net Investment Income	$2,256	$3,593
Realized Gain (Loss)	630	77,464
Unrealized Gain (Loss)	60,308	(4,209)
Annual Withdrawal	0	(24,880)
Net Transfers	800	0
Net Other Adjustments	(11,691)	(59,486)
Net Change in Assets	**$52,303**	**($7,518)**
Net Assets, Beginning of Period	$438,420	$445,938
Net Increase (Decrease)	52,303	(7,518)
Net Assets, End of Period	**$490,723**	**$438,420**

MPSIF FIXED INCOME FUND (MPF)

Message From The Portfolio Manager

The six months ending February 28, 2005 saw monetary tightening by the Federal Reserve and the threat of dollar selling by foreign central banks as the primary drivers of the fixed income markets. The Federal Reserve continued raising its benchmark Fed Funds rate with 25 basis point increases at each of its four meetings during this period, taking the rate from 1.5% to 2.5%. During this period we experienced a flattening of the yield curve of 95 basis points as long term rates barely budged.

Going forward it appears that we finally are going to see the much expected increase in long term rates. Recent speculation that the Fed might increase the pace of its rate increases has begun to drive long term rates higher. Over the past six months we have seen corporate spreads tighten to an almost uncomfortable level and it will be interesting to see if these spreads begin to widen as rate increases continue.

Looking forward, the overall positioning of the Fixed Income fund seems appropriate. We have retained our position at the short end of the Treasury curve. While this has been the area most beaten up by the rate increases, it appears to be the best area of the curve to be at as long bond yields begin to increase more dramatically. Two areas the Fixed Income fund will closely monitor over the coming months are our holdings in mortgages and corporates, as these sectors are richly valued at current levels.

The Fixed Income fund has two main objectives for the upcoming year. The first will be to make Fixed Income a more visible part of the Michael Price Investment Fund. Since a dedicated Fixed Income fund is a relatively new part of the fund structure, it is important to make it a more integral component that all members can leverage and learn from. Second, the fund must develop a better strategy for monitoring our holdings during periods such as summer and winter breaks. Going forward, the Fixed Income fund will continue with its top down approach to investment allocation, with a separate team covering Interest Rates (Government Bonds & Foreign holdings), Mortgages and Corporates.

Nathan Jones, Portfolio Manager

MPF INVESTMENT STYLE AND STRATEGY

The Fixed Income fund seeks to outperform its benchmark, the Vanguard Total Bond Fund. The fund implements its views through a top-down allocation approach to the three main sub sectors of the US Fixed Income investment grade market, namely – Government bonds, Corporate bonds and Mortgages, as well as foreign investment grade options. Due to its tax exempt status, the fund does not invest in Municipal bonds. Also the fund does not engage in shorting, derivatives trading, or other esoteric investment strategies. Currently, the fund does not buy individual securities. Instead, the fund invests in other publicly traded funds to implement its sector allocation.

MACRO AND SECTOR VIEWS

INTEREST RATES

The story for interest rates since the end of our previous fiscal year has been the continuation of the "measured" rate increases by the Federal Reserve that started with the June 30, 2004 FOMC meeting. The Fed Funds rate stood at 2.50% as of February 28, the end of our semi-annual period. Rates were raised by 25 basis points for the seventh time at the March 22, 2005 meeting and now stand at 2.75%, 125 basis points above where they stood at the end of our past fiscal year. During the past six months, we experienced a flattening of the yield curve, as the 10-year broke below the 4.00% mark briefly and the 2-year rose to more than 3.30%, tightening the 2-10 year spread to historically low levels. The spread still has not recovered from these levels and remains at 80 basis points, despite the recent rally in 10 year yields.

The slightly more hawkish tone of the March FOMC meeting suggests that the Fed will continue to tighten monetary policy at least at its current pace, if not faster. This view is further reinforced by increasing inflationary pressure (although the Fed maintains that record energy prices still have not factored into core prices) and slightly more bullish economic data. 2004-Q4 GDP growth turned out to be higher than expected and expectations are growth will continue be strong. The stronger economic data and Fed language emphasizing that the US is experiencing sustainable economic growth as well as stronger job creation in recent months all suggest a more hawkish tone.

During 2005, we expect the Fed Funds rate to finish the year between 3.5% and 4.0%. With 2 and 10-years currently yielding 3.83% and 4.65%, respectively, this leaves little room for a rally in the short end, while upward pressure on rates is likely to continue building on the long end.

MORTGAGE BACKED SECURITIES (MBS)

Through the second-half of 2004, Mortgage-Backed securities continued to benefit somewhat from the relatively low-interest rate environment. Although mortgages are already at a historically rich valuation level, they still outperformed treasuries, being driven by low realized volatility and diminished supply.

Despite some mortgage interest rate volatility late in the year, the housing market continues to show strength as home construction ended the year with its fourth annual increase in a row, as housing starts increased 5.7 percent from 2003. However, as interest rates continue to rise, the mortgage market is definitely shifting out of the heavy refinancing cycle. As refinancing and prepayments slowdown, we will expect to see the lengthening of the average lives on these securities. Consequently, we are exposed to the extension risk where we are unable to reinvest at the higher market interest rate.

As we wish to maintain diversification within the Fixed-Income fund, we believe that further reducing our position in mortgages is prudent. As a result, we have shifted some of our MBS holding into ABS, thus slightly overweighting ABS versus the benchmark. Besides the value of diversification, one favorable factor in the ABS sector has driven the change. Most ABS pay a floating-rate coupon, which appeals to investors who may be concerned with the fixed-income market in a period of rising interest rates.

CORPORATES

Corporate spreads have continued to tighten over the past six months to near record lows, despite the Fed's continued increases in interest rates. According to the Lehman Brothers U.S. corporate investment-grade index, as of the end of February, yield margins on investment-grade corporate bonds stood at an average option-adjusted level of just 77 basis points over Treasuries and risky speculative grade bonds were at a remarkably thin 283 basis point average yield margin.

Investors' search for yield in today's market and the strongly improved credit performance and quality of US companies has driven the decline in risk premiums. Investment-grade corporate bonds have had historically low default rates, companies have experienced steady profits, and investor demand has been extremely high.

However, despite the past positive performance of corporates, we believe that there are threats that may cause spreads to widen going forward. As rates continue to rise, higher borrowing costs to issuers are likely to weaken their credit quality and discourage borrowing, restricting supply to the credit markets. In addition, an unexpected increase to the Fed's "measured" pace of rate increases would increase market volatility, impacting the narrow spreads between Treasuries and corporate bonds. In addition, the weakening dollar may discourage investors from holding dollar-denominated debt.

New corporate bond issuance fell in 2004 to $711 billion, a 7% decrease from 2003. However the decline in issuance was more modest in the fourth quarter of 2004, falling to $169 billion, a 4.2% decrease compared to the previous quarter and 1.3% decrease from the fourth quarter of 2003. This modest decline can be attributed to the rising rates environment and the increase to corporate cash positions following strong corporate performance. According to the Bond Market Association, anticipated M&A growth and increased corporate investment spending are expected to have a positive impact on the demand for capital in 2005.

MPF FUND PERFORMANCE

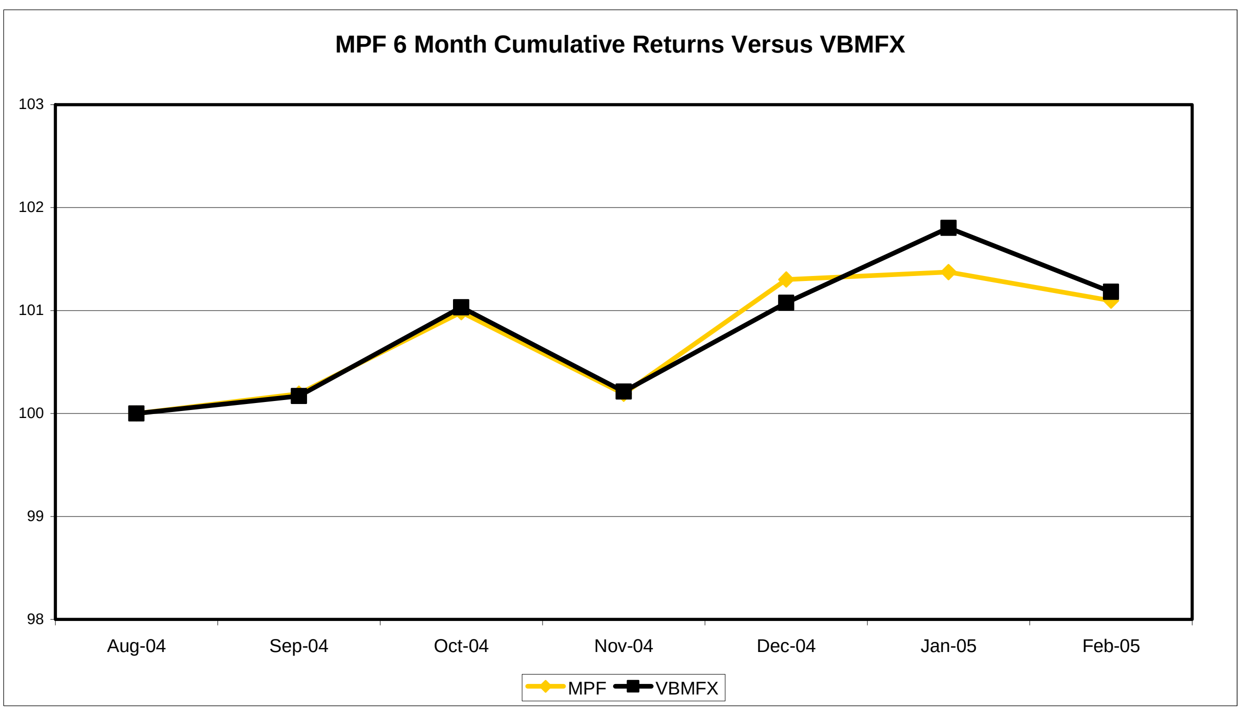
Though the value of the fund appreciated by 110 basis points over the six month period, we slightly underperformed our benchmark, the Vanguard Total Bond Fund, by 8 basis points. Our most disappointing month was January, in which we underperformed the benchmark by 65 basis points. However, the fund rebounded with a positive finishing note, as we outperformed our benchmark by 34 basis points during the final month of our semi-annual period.

During the six month period, the Fixed Income fund made one significant portfolio reallocation. Concerned with being fully exposed to the domestic markets in light of dollar weakness and Fed movements, the fund decided we needed to gain exposure to foreign markets. In December, the fund purchased the American Century International Bond Fund (BEGBX), making it 19% of our holdings. Funds were allocated for this investment by reducing our holdings in corporate bonds, which we had been substantially overweight previously.

Our performance in the months of January and February can be attributed to this reallocation decision as corporates had their best month in January right after our sell-off at the same time as our foreign position dipped. Fortunately, our foreign holding began to rebound in February.

Month End Date	PMRAX	LQD	SHY	BEGBX	**MPF**	**VBMFX**	**Difference**
4-Sep	0.17%	0.31%	-0.09%		0.19%	0.17%	0.02%
4-Oct	0.67%	1.18%	0.30%		0.79%	0.86%	-0.07%
4-Nov	-0.36%	-1.21%	-0.58%		-0.78%	-0.81%	0.03%
4-Dec	0.72%	1.21%	0.05%	1.19%	1.11%	0.86%	0.25%
5-Jan	0.62%	1.62%	0.15%	-2.03%	0.07%	0.72%	-0.65%
5-Feb	-0.44%	-0.93%	-0.26%	0.62%	-0.27%	-0.61%	0.34%
Cumulative Totals (Compounded)					**1.096%**	**1.18%**	**-0.08%**

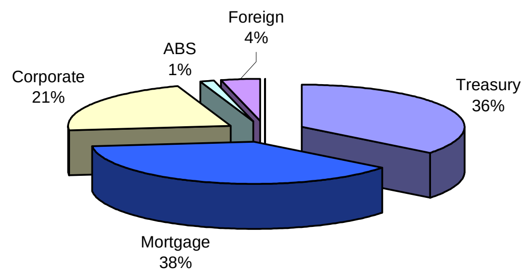
PMRAX – PIMCO Total Return Mortgage A, LQD - Barclays iShares GS$ InvesTop Corporate Bond Fund, SHY - Barclays iShares Lehman 1-3 year Treasury Bond Fund, BEGBX - American Century International Bond Fund



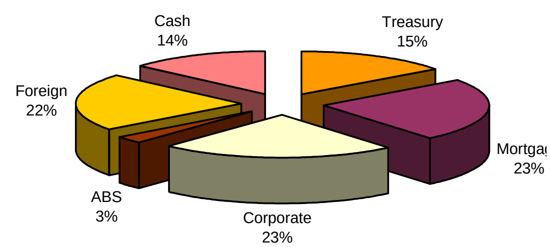
MPF ALLOCATION AND FUND PROFILE

At first glance it appears that MPF is significantly underweight in mortgages and treasuries while being overweight foreign holdings. However, if you break out our foreign holdings by sector, then we are significantly underweight MBS while being heavily overweight in cash. As far as corporates, governments/agencies and ABS, we are fairly in line with our benchmark.

VBMFX 2/28/2005



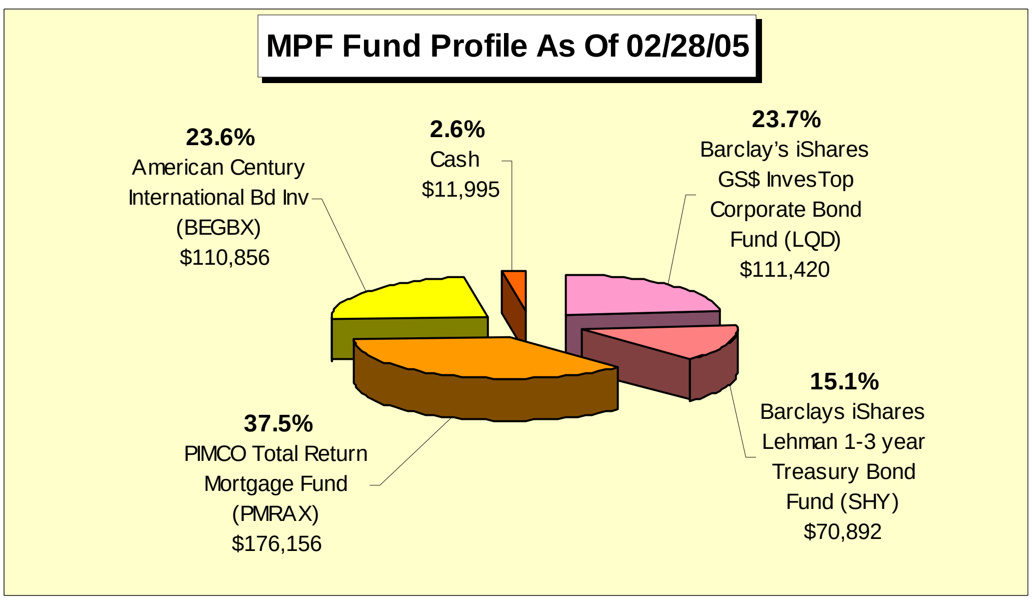
MPF 2/28/2005



Foreign (BEGBX) Breakdown by Sector:

MBS	Corporates	Cash	Govt/Agencies
3.9%	2.7%	5.5%	87.9%

As of February 28, 2005, MPF owned the following funds:



MPF FINANCIAL STATEMENTS

CASH FLOW FROM OPERATIONS	**Fiscal First Half Ending 2/28/05**	**Fiscal Year Ending 8/31/04**
Dividends and MPF Interest	$14,389	$20,155
Bank Interest	54	104
Investment Income	$14,443	$20,259
Expenses/Fees	726	1,449
Net Investment Income	**$13,717**	**$18,810**
CHANGE IN NET ASSETS		
Net Investment Income	$13,717	$18,810
Realized Gain (Loss)	10,649	2,950
Unrealized Gain (Loss)	744	19,357
Annual Withdrawal		(27,130)
Net Transfers	(42,650)	0
Net Other Adjustments	(19,361)	(8,458)
Net Change in Assets	**($36,901)**	**$5,529**
Net Assets, Beginning of Period	$518,220	$512,691
Net Increase (Decrease)	(36,900)	5,529
Net Assets, End of Period	**$481,321**	**$518,220**

MPSIF Growth Fund

Top row, left to right: Gordon Seah, Rama Nemani, Helio Romero de Diego, Robert Du Boff, Bob Peruzzi, Jinsong Du, Scott Freeman.
Bottom row, left to right: Alex Orozco, Devin Nomellini, Polly Sung, Brian Leu, Steven Fu.

Portfolio Managers

Scott Freeman, CPA – Portfolio Manager; Analyst, Financial Services
Scott has worked in Corporate Finance at Mercer Human Resource Consulting since 1999. He has previously been employed at PriceWaterhouseCoopers and is a CPA. Scott holds a Bachelor of Science in Finance and Accounting from Boston College.

Brian Leu – Portfolio Manager; Analyst, Healthcare
Brian currently works as an investment analyst at a small-cap focused long/short equity hedge fund on a part-time basis. During the past summer, Brian worked at Deutsche Bank in the Equity Research group covering the Food Manufacturing industry. Prior to Stern, he was part of AT&T's Corporate Finance division analyzing the telecom industry. He holds a B.A. in Economics from Duke University.

Analysts

Andrea Baldino – Analyst, Telecom
Andrea grew up in Cedar Grove, New Jersey and graduated from Seton Hall University with a Bachelor's Degree in Finance. Prior to Stern, she was working as a Technology Project Management Analyst at Goldman Sachs. This summer Andrea worked as a Municipal Credit Research Analyst for XL Capital Assurance. She is currently pursuing her MBA in Finance and will graduate in May 2005.

Aramie Dimm- Analyst, Technology; Economic Strategist
Aramie completed her summer internship in Equity Research at Adams Harkness and is currently working as an Equity Research intern at MacKay Shields. Prior to Stern she was a Senior Business Analyst for Citigroup's International Equity Finance group. Aramie received a B.S. in Economics from The Wharton School of The University of Pennsylvania and is a Level II Candidate in the CFA Program.

Jinsong Du – Analyst, Financial Services
Jinsong worked in Merrill Lynch Equity Research last summer and will join Credit Suisse First Boston after graduation. Prior to Stern, Jinsong was a service manager at Hewlett-Packard focusing on strategic planning and service portfolio management. Most of his 7 years' working experience was in consulting, where he advised clients on industry trends and operations, and published market research papers in regional journals. Jinsong received a Master of Science degree from the National University of Singapore. He is a certified auditor and a CFA level II candidate.

Robert Du Boff, CFA – Analyst
Prior to Stern, Robert was a Research Analyst at Value Line, with coverage of equities in the Software, Machinery, Medical Services, and Metal Fabrication industries. He earned a BA degree in Economics from the University of Chicago in 1999 and also holds the CFA designation.

Steven Fu – Analyst; Consumer Services
Prior to Stern, Steven was a Research Associate at Driehaus Capital Management where he supported a Portfolio Manager and an Analyst on Small- and Mid-Cap Growth funds. Steven is a Level III CFA Candidate and received his BA in Economics from the University of Chicago.

Sooyun Hong – Director of Communications; Analyst, International
Sooyun spent the past summer working in the investment banking division at JPMorgan, concentrating on M&A transactions. Prior to Stern, she was an equity research analyst at KGI Securities specializing in consumer stocks. Sooyun received her B.A. in Communications and Journalism from Ewha Womans University located in Seoul, Korea.

Rama Nemani – Analyst, Retail
Rama is a first-year student studying Finance and Economics. Prior to Stern, Rama worked as an auditor for three years in the healthcare groups at Ernst & Young, LLP and Arthur Andersen, LLP. Rama received her B.S. in Commerce with concentrations in Accounting and Management Information Systems (MIS) from the University of Virginia’s McIntire School of Commerce.

Devin Nomellini, CFA- Analyst, Financial Services
Devin will spend the summer of 2005 working in fixed income trading and research with Banc of America Securities. Prior to attending Stern he was a junior portfolio manager with Parametric Portfolio Associates in Seattle Washington. Devin received his B.A. in Economics from Washington and Lee University and is a CFA Charterholder.

Alex Orozco – Trader; Analyst, Mid-cap
Alex spent the past summer working at Tradition Asiel Securities as an Equity Research Analyst covering retail and apparel. Prior to Stern, Alex was a Brokerage Operations Specialist at Strong Capital Management. He holds a B.B.A in Finance from the University of Wisconsin at Milwaukee.

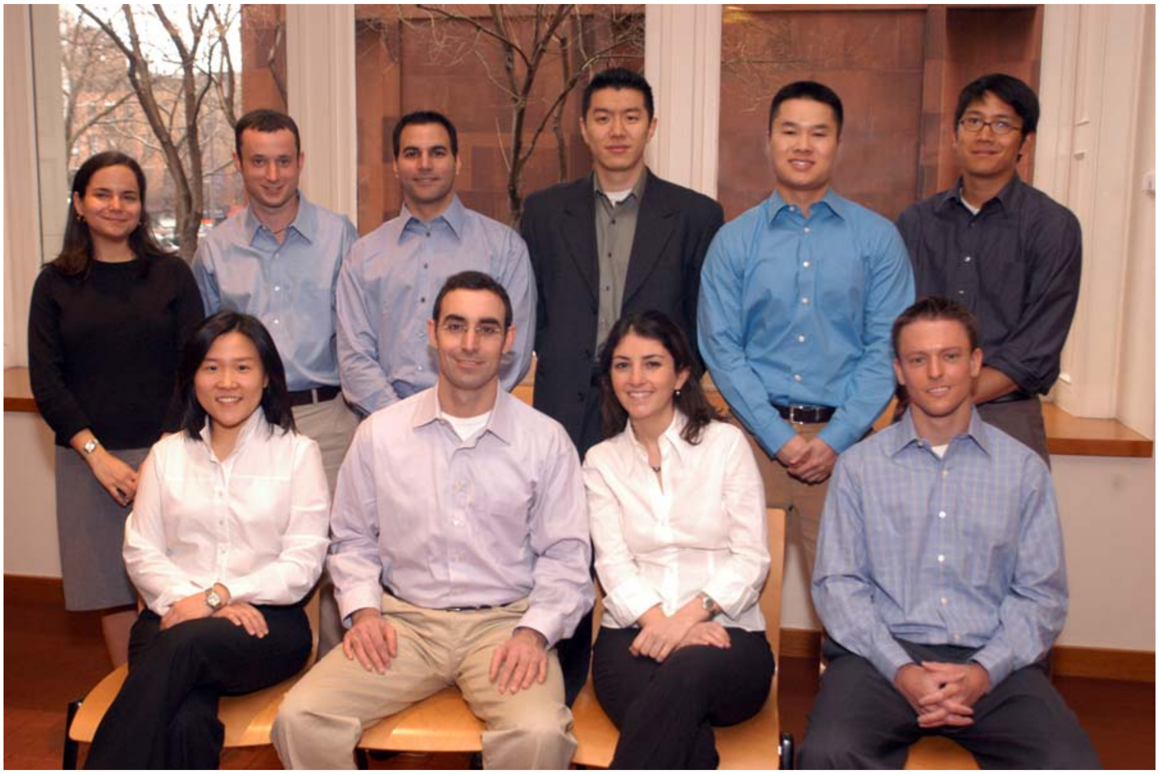
Bob Peruzzi – Analyst, Business Services
Bob is a first year MBA student at NYU Stern. Prior to Stern, he worked as a financial analyst for Capital One Financial Corporation, specializing in balance sheet planning and asset-backed securitization. He received a B.S. in Finance from The Pennsylvania State University, and has passed Levels I and II of the CFA program. Bob will be spending this summer working in Equity Research for UBS Investment Bank.

Helio Romero de Diego – Analyst, Smallcap
Helio spent the last summer working at Deutsche Bank in the Structured Derivatives group. Prior to Stern, Helio co-founded and managed his own company since 2000. Preceding this, he spent two years at FIBANC (Mediolanum Banking Group) in the Corporate Finance group. Helio received a B.S from the Universidad de Valladolid, Spain, in economics and Business Administration. He holds CEFA and CIIA charterholder and is a CFA level III candidate. Helio has been a member of the board of directors of an open-end mutual fund company since 1997.

Gordon Seah, CFA, CPA - Inter MBA Liaison; Analyst, Consumer Goods
Gordon graduated with honors from Nanyang Technological University with a bachelor of Accountancy and a minor in Business Law. Prior to Stern, he worked in Corporate Treasury at Singapore Airlines Limited and as an Auditor at Arthur Andersen. This summer, Gordon will be working at Merrill Lynch in the Global Private Client Group.

Polly Sung – Treasurer; Analyst, Technology
Prior to Stern, Polly worked as a corporate banker at Bank of America, formerly Fleet National Bank, covering the technology industry. She will spend the upcoming summer as an equity research associate at J.P. Morgan. Polly received her B.S. in Business and Finance from Babson College.

MPSIF Small Cap



Top row, left to right: Stephanie Lee, Tyler Gaylord, Chad Vanacore, Ricky L. J. Sun, Darren Yip, Vin Chao. Bottom row, left to right: Angela Chi-Kwan Chiu, Ariel Bino, Solita Kalaora, Nathan Jones.

Portfolio Managers

Ariel Bino – Analyst, Technology
This past summer Ariel worked as an associate at Laurus Funds, a New York based Hedge Fund specializing in convertible PIPE investments. Before coming to Stern, Ariel worked as a Portfolio Manager at Clal Insurance and as an Analyst at Evergreen Investment Management in Israel. Ariel earned a B.A. Magna Cum Laude in Business and Economics from Hebrew University in Jerusalem.

David A. Haley, CFA – Analyst, Technology
Prior to attending Stern, David Haley worked as an equity analyst for six years at T. Rowe Price. At T. Rowe Price, David initially covered emerging market firms from London, and later covered domestic small-cap stocks from Baltimore. David earned a B.S. (Finance and Management) at the University of Delaware. He is a CFA charterholder.

Analysts

Eric Bertrand – Analyst, Financial Services
Over the summer, Eric worked as an equity research associate at Lehman Brothers covering transaction processing and financial technology firms. Prior to Stern, Eric worked in several startup technology companies in San Diego as an IT manager. Eric received a Bachelors of Science in Management Science from the University of California at San Diego.

Vincent Chao –Analyst, Consumer Discretionary
Over the summer, Vin worked as an equity research associate at Deutsche Bank covering the Broadline Retail sector and will be returning to Deutsche Bank after graduation. Prior to Stern, Vin was a manager in Procter & Gamble's Baby Care Division. He worked as a process engineer, production manager, and project manager over his six years with the company. Vin holds a Bachelors of Science in Mechanical Engineering from Cornell University.

Chi Kwan (Angela) Chiu, CFA – Analyst, Utilities & Energy
Prior to attending Stern, Angela was Senior Analyst at Securitization Transaction Team, Deloitte & Touche LLP, where she was responsible for financial modeling of various structured finance products. Angela has a B.B.A. degree from University of Michigan Ross School of Business. Angela is a Charted Financial Analyst.

Tyler Gaylord – Communications Director; Analyst, Industrials
Tyler is a first year MBA student focusing on Finance and Accounting. Prior to attending Stern, Tyler was a Hedge Fund Accountant with Bank of New York Alternative Investment Services. Tyler received his BS in Business Administration with *Cum Laude* honors from the University of Colorado at Boulder.

Nathan Jones – Analyst, Healthcare
Nathan spent the summer working in sales and trading at Lehman Brothers. Prior to Stern, Nathan worked for three years in IT consulting for Accenture within its communications and high tech market unit. He received his BS in Industrial Engineering from the Georgia Institute of Technology.

Solita Kalaora- Market Strategist; Analyst, Consumer Discretionary
Prior to attending Stern, Solita worked at Thomas Weisel Partners as an Equity Research Associate covering the Beverage and Restaurant sectors. Previously, she spent two years at Credit Suisse First Boston in a similar capacity covering the Electronics industry. She graduated from Brandeis University in 2000 with a Bachelor of Arts in both Economics and History.

Stephanie Lee – Data systems; Analyst, Consumer Discretionary
Prior to attending Stern, Stephanie worked at National Economics Research Associates, an economic consulting firm, providing expert testimony for securities litigation. She is a CFA charterholder and has a BA in Economics from Dartmouth College.

Matthew Nirenberg- Director of Communications; Analyst, Technology
Before Stern, Matthew spent five years at American High Growth Equities Corp., a small buy-side firm which invested private funds in equities, convertible bonds and private placements. He received his BS/BA in Finance and International Business from Washington University in St. Louis.

Donald Sauber, CFA - Analyst, Financial Services
After graduating in 2000 from the University of Michigan with a BA in Economics, Donald spent two years as a credit analyst with Comerica Bank. He then spent two years at Comerica Securities as an investment banking analyst. He is a CFA Charter holder and is Series 7 and 66 licensed.

Jisong Sohn – Analyst, Utilities & Energy
Jisong spent the summer at the investment banking division of UBS Investment Bank in Hong Kong. Prior to Stern, Jisong worked at Deloitte & Touche Corporate Finance in Seoul and the Bank of Korea. Jisong is a CFA level III candidate and holds a BA in Economics from Seoul National University.

Ricky Sun – Analyst, Healthcare
Before joining the small cap fund, Ricky worked as a sell-side research analyst at Tradition Asiel Securities. Prior to Stern, Ricky spent three years at Microbia Inc., a biopharmaceutical company as a senior scientist. Before Microbia, Ricky was a post-doctoral fellow at Harvard Medical School, focusing on the research of anti-cancer drugs. He is also the co-founder of ACI Group Inc., a successful IT outsourcing company and has worked with clients across North American and Asia. Ricky is the author of 8 research papers in internationally renowned journals and holds 2 patents. He holds a Ph.D. degree in chemistry from Harvard University.

Chad Vanacore – Trader; Analyst, Utilities & Energy
Over the summer, Chad worked as analyst for Ridgecrest Partners, a long/short equities hedge fund with $500 million in assets. Prior to business school, Chad spent 3 years with Morgan Stanley in the Fixed Income Division. Chad holds a Bachelor's degree from Boston College's Carroll School of Management. He is a level II CFA candidate.

Darren Yip – AIM Liaison; Analyst, Industrials
Darren graduated from the University of California, Berkeley in 1998 with a B.A. in Economics and a Minor in Business Administration from the Haas School of Business. From there he went on to work at Ernst & Young LLP as a senior economic consultant. He spent the summer at Lehman Brothers as an equity research associate where he will return this fall.

MPSIF Value Fund

Top row, left to right: Brian Giuliani, Stephen Rose, Johny Tan, Simon Chan, Tarek Hamid, Joshua Kennedy
Bottom row, left to right: Rifke Zable, Michael Stohler, Pamela Dow, Michael Turgel

Portfolio Managers

Simon Chan
Simon interned for ThinkStrategy Capital Partners LLC, a long/short equity hedge fund in New York City during the spring of 2004. Prior to Stern, Simon worked as an investment associate at W.P. Carey LLC for two years. He received a BA in Economics from the University of Western Ontario and a MA in Economics from the University of Toronto.

Tarek Hamid –Technology Analyst
Tarek spent last summer working in Airline Credit Research at JPMorgan, where he will be returning full time in the fall. Before attending Stern, Tarek was a Corporate Finance and M&A analyst at Hambrecht and Quist and JPMorgan in Technology, Media and Telecom. Tarek received his AB degree in History from Harvard College.

Analysts

Laura Bergonzini – Discretionary/Staple Goods Consumer Analyst, Portfolio Strategist
Prior to Stern, Laura was working as an equity analyst for the leading local broker on the Italian market, covering consumer goods. Last summer, Laura was a summer associate at Lehman Brothers in London, working in M&A on consumer goods. Laura will be going back to the same bank and position after graduation.

Pamela Dow - Healthcare Analyst
Prior to Stern, Pamela was a Senior Business Analyst at SunGard Securities Processing and spent several years in the financial software industry. Pamela received her B.S. in Finance from Boston College and is a CFA charterholder.

Brian Giuliani – Industrials Analyst
Prior to starting the MBA program at the Stern School of Business at New York University, Brian Giuliani spent several years in investment banking at Piper Jaffray. While at Piper Jaffray, he focused on private placements of both debt and equity. Prior to joining Piper Jaffray, Brian worked for The Dreyfus Corporation in Strategic and Business Analysis. Brian graduated from the University of Colorado at Boulder with an emphasis in finance.

David Intoppa – Energy Analyst, Assistant Trader
David will spend the summer of 2005 working as an analyst at MetLife Investments in the Portfolio Management Unit. Prior to coming to Stern, David was an equity research associate covering the energy sector at State Street Research and Management Company in Boston, MA. David received his B.A. in economics from Tufts University.

Joshua Kennedy -- Senior Editor, *The Educated Investor*
Joshua works as an equity analyst on a mid-cap international fund at American Century Investments in New York. Prior to attending Stern, Joshua spent several years on the editorial staff at the online division of *The Wall Street Journal*. He holds a B.A. from Brown University.

M. Hasan Kokenli – Market Strategist and Energy Sector Analyst
Hasan spent the summer of 2004 working for Deutsche Bank, London as a Sales & Trading Generalist Summer Associate. Prior to Stern, Hasan traded crude oil and oil products, and managed projects in 15 countries in the former Soviet Union, Eastern Europe and Middle East for Tradecom Oils and Minerals Ltd, Istanbul. He received his BA in Economics and his BA in International Relations from Koc University, Istanbul, Turkey.

Andrew Park – Materials Analyst
Andrew spent the summer of 2004 working as an analyst at Sire Management, a fund of hedge funds focusing on the long-short equity niche. Prior to Stern, Andrew was a proprietary trader on the international equities desk at First New York Securities and an analyst in Arthur Andersen's Corporate Finance Consulting division. Andrew received his B.S. in Management and Finance from SUNY Binghamton's School of Management.

Stephen Rose – Financials Analyst
Prior to Stern, Steve was an equity research associate covering specialty finance and mortgage finance at Prudential Securities. Steve holds a B.S. from Bucknell University.

Michael Stohler – Portfolio Strategist
Michael Stohler comes to the MPSIF from a career in theoretical physics. Michael received his Ph.D. in physics from Purdue University in 2002 and was most recently an assistant professor of physics at Wabash College in Crawfordsville, Indiana. He is studying quantitative finance at Stern.

Johny Tan – Basic Materials Analyst, Trader, Portfolio Strategist
Johny spent the summer of 2004 as a research analyst at Southpoint Capital, a long/short fund with a fundamental deep value approach located in New York City. Before attending Stern, Johny was with Mercer Investment Consulting for three years. He received his B.Bus (Hons) from Monash University in Australia and holds the Chartered Financial Analyst designation.

Michael J. Turgel, CPA –Telecom Analyst & Contributing Editor, *The Educated Investor*
Prior to attending Stern, Mike was the SEC Reporting Analyst for Boston Communications Group, a telecom services provider. Prior to that, Mike spent five years as an assurance advisory professional with Deloitte, where he earned his CPA license. Mike received his BBA in accounting from the School of Management at the University of Massachusetts (Amherst), graduating with honors. Mike will be spending the summer with Standard & Poor's as a credit research intern.

Rifki Zable – Consumer Staples Analyst
Rifki received a BS/BA from the University of Pennsylvania. Prior to Stern, she worked at Milestone Capital Management and Goldman, Sachs & Co. This summer, Rifki worked at American Express in Risk, Information & Banking. After graduation, she plans to join the Financial Management Associate program at Citigroup.

MPSIF Fixed Income

(for member profiles, see appropriate equity fund section)

From left to right: Michael Turgel, Pamela Dow, Simon Chan, Nathan Jones, Angela Chiu, Chad Vanacore

Nathan Jones (Small Cap) – Portfolio Manager

Mehmet Hasan Kokenli (Value) – Interest Rates and Foreign Bonds

Chad Vanacore (Small Cap) – Mortgage-Backed Securities

Simon Chan (Value) - Corporates

Angela Chiu (Small Cap) – Mortgage-Backed Securities

Pamela Dow (Value) - Corporates

Mike Turgel (Value) – Interest Rates and Foreign Bonds

The Michael Price
Student Investment Fund

The Funds
Growth
Small Cap
Value
Fixed Income

The Michael Price
Student Investment Fund
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New York, NY 10012
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