THE MICHAEL PRICE STUDENT INVESTMENT FUND

MPSIF

The Michael Price Student Investment Fund

The Leonard N. Stern School of Business – New York University

Annual Report

31 August, 2008

NYU STERN'S MICHAEL PRICE STUDENT INVESTMENT FUND
A FAMILY OF FUNDS MANAGED BY
NYU STERN SCHOOL OF BUSINESS MBA STUDENTS

WHAT IS THE MICHAEL PRICE STUDENT INVESTMENT FUND?

With nearly $2 million currently under management, the Michael Price Student Investment Fund ("MPSIF" or "the Funds") is a family of funds managed directly by NYU Stern MBA students. The Funds, part of the overall NYU endowment, were established in 1999 through a generous gift from Michael Price, Managing Partner, MFP Investors, LLC and former Chairman of Franklin Mutual Series Funds.

WHAT IS UNIQUE ABOUT MPSIF?

The Michael Price Student Investment Fund provides Stern MBA students with hands on experience managing real Funds with significant assets. In addition, the Funds are required to pay an annual 5% dividend to the University Of Oklahoma Price School Of Business, Mr. Price's undergraduate alma mater. This dividend pays students' tuition so they can attend summer classes at Stern. Additionally, MPSIF maintains between two and three times the membership relative to other student investment funds at our peer institutions.

WHAT IS THE PORTFOLIO COMPOSITION?

For diversification purposes, MPSIF is divided into three equity Funds - Growth, Value and Small Cap - and one Fixed Income Fund. While each sub-Fund has its own performance benchmark (Russell 1000 Growth Index, Russell 1000 Value Index, Russell 2000 and the Vanguard Total Bond Index, respectively), MPSIF's primary goal is to deliver overall positive returns.

WHAT ROLE DO STERN MBA STUDENTS PLAY IN MANAGING THE FUNDS?

Students must go through a competitive process to become a portfolio manager or analyst with the Funds, which is the basis of Stern's "Managing Investment Funds" course. Stern MBAs must apply to this course, and demand has always exceeded available spots. About 45 students enroll each year and are then responsible for all Fund activities—screening and evaluating stocks, preparing and presenting pitches for buy and sell recommendations and strategizing on broader portfolio issues as they relate to sectors allocation. For the Fixed Income Fund the primary role of analysts is to make tactical allocation recommendations and decisions based on market outlook and economic analyses among various product sectors.

LEADERSHIP OF THE MICHAEL PRICE FUNDS

Executive Committee – Fall 2008

President	Michael Glickstein
COO	Cindy Chan
Treasurer	Joshua Michaels
Co-Portfolio Manager, Fixed Income Fund	Christopher Bolton
Co-Portfolio Manager, Fixed Income Fund	Luiz Caselli
Co-Portfolio Manager, Growth Fund	Derek Apfel
Co-Portfolio Manager, Growth Fund	David Paz
Co-Portfolio Manager, Small Cap Fund	Jaspal Singh
Co-Portfolio Manager, Small Cap Fund	Jorge Trujillo
Co-Portfolio Manager, Value Fund	Ward Jones
Co-Portfolio Manager, Value Fund	Amy Klug
Faculty Advisor	Professor Richard Levish

Executive Committee – Spring 2008

President	Raymond Li
Treasurer	Elizabeth Clouston
Co-Portfolio Manager, Fixed Income Fund	Joel Peña
Co-Portfolio Manager, Fixed Income Fund	Rocco Lisandrelli
Co-Portfolio Manager, Growth Fund	Henry Sham
Co-Portfolio Manager, Growth Fund	Brian Baytosh
Co-Portfolio Manager, Small Cap Fund	Bradley Doyle
Co-Portfolio Manager, Small Cap Fund	Adam Edgell-Bush
Co-Portfolio Manager, Value Fund	Marc Bromberg
Co-Portfolio Manager, Value Fund	Steven Ladany
Faculty Advisor	Professor Anthony Marciano

Internal Leadership – Fall 2008

Vice President, Stern Opportunity	Karim Samra
Vice President, Business Development	Manuel Navas
Vice President, Alumni Relations	Paco (Francisco) Godoy
Vice President, Portfolio Analytics	Emily Smith
Vice President, Economic Strategy	Ahmet Nalcacioglu
Vice President, Sector Strategy	Greg A. Konrad
Vice President, Marketing	Henry J. Barash
Vice President, Account Management	Cedric Silas
Vice President, Annual Report	Nitesh Singla

Management Advisory Council

Nomi Ghez, Co-founder of Circle Financial Group, retired Partner and Managing Director, Goldman Sachs
Randall Haase, Portfolio Manager, Baron Fifth Avenue Growth Fund
Christopher Long, Director of the North American Financing Desk, Tudor Investment Corporation
Ruchi Madan, Citigroup (Spring 2008 only)

Board of Advisors

Dean Thomas Cooley, Stern School of Business, New York University
Duane R. Stock, Professor of Finance, Price College of Business, University of Oklahoma
Michael F. Price, Benefactor
Paul Affuso, Associate Dean, Stern School of Business
Martin Gruber, Professor of Finance, Stern School of Business
Richard Levich, Professor of Finance, Stern School of Business
Arthur Zeikel, Adjunct Professor of Finance, Stern School of Business

Resource Faculty

Aswath Damodaran, Professor of Finance, Stern School of Business
Fred Renwick, Emeritus Professor of Finance, Stern School of Business
Edward Kerschner, Adjunct Professor of Finance, Stern School of Business
Matthew Richardson, Professor of Finance, Stern School of Business

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Letter From the Faculty Advisor

After being on sabbatical leave for one year, I am pleased to be back at Stern this fall as Faculty Advisor to the Michael Price Student Investment Fund (MPSIF). Thanks are due to Professor Anthony Marciano for stepping in as Faculty Advisor and helping the students through a year where markets drifted mostly downward.

MPSIF ended the fiscal year with $1.74 million in assets under management representing a -6.4% annual return. This is only our second year of negative returns, the first being the fiscal year ending August 2002. Our blended benchmark also declined, but by only 5.4% leading to a net underperformance of about 90 basis points. While three of our sub-funds underperformed, Value was a huge bright spot bettering its benchmark by more than 13 percentage points.

Following our mandate, in May 2008 MPSIF paid a 5% distribution which totaled nearly $92,500. Over the last 8 years, MPSIF has paid out more than $756,000 to help support students from the University of Oklahoma attend summer classes in the MBA program at Stern

MPSIF was introduced into the Stern MBA curriculum in the fall 1999. The intent was to offer Stern students an opportunity to apply their knowledge of finance and other business disciplines in a real-world setting making real investment management decisions. As it happened, the launch of MPSIF coincided with a period of great market turbulence.

When the MPSIF brokerage accounts were opened on March 1, 2000 Nasdaq stood at nearly 4,800 and other major indices were close to their historic peaks. By August 31, 2001 the Dow Jones Industrials, S&P 500 and Nasdaq indices had fallen by roughly 15%, 30% and 70% of their respective values on March 1, 2000. Yet over the same period, students managing MPSIF produced a return exceeding 10% -- an admirable record for professional investors, let alone student investors.

We are now living through a period of market turbulence on a global scale that rivals any period since the Great Depression. The crisis that began in the U.S. housing market has spread through all corners of the financial sector. The injured list includes both commercial and investment banks, brokerage firms, insurance companies and lenders of all sorts. Virtually all financial products from overnight bank lending, to commercial paper, to vanilla derivatives have been disrupted. The financial crisis is now circling back to impact the real economy. Without financing, activity slows, consumer spending slows, capital expenditure slows and so on. Policy makers are addressing both the symptoms and root causes of the crisis, but both the complexity of the problem and the complexity of any solution suggest that the crisis, and its aftermath on the real economy, will be with us for some time.

As we enter the 2008-09 fiscal year, fully one-third of the fund's assets are in cash. Deciding when and how to invest those funds, as well as monitoring our prior investment decisions and the fund's overall risk will be an enormous challenge. Without question, the coming months will offer an unforgettable learning experience for MPSIF students. It is our goal to make it a financially profitable experience as well.

Richard M. Levich

Professor of Finance

Deputy Chairman, Department of Finance

October 11, 2008

LETTER FROM THE PRESIDENT

This semester's members of the MPSIF fund are learning to put investment ideas into action during a financial crisis, a crisis described by many senior financial commentators as the deepest since the Great Depression. During September and October the S&P 500 Index declined by 24%. Wall Street's favorite barometer of investor fear, the VIX or volatility index, closed at a record high on Friday October 27, 2008. This is the first financial crisis we, as young investors, have experienced. It will likely not be the last that we will experience in our lifetimes.

Famous value investor Shelby Davis made the following point, "You make most of your money in a bear market, you just don't realize it at the time." As long-only investors we are experiencing the discomfort of losing money (not to mention the real consequences of losing capital). Fortunately, at the time of this writing we are losing less than our benchmarks due to our high levels of cash holdings. Credit for these holdings goes to our MPSIF analysts who, prior to the summer break, instituted stop loss positions for most of the Fund's positions. This proved to be a helpful decision as we were selling as the markets continued lower, with the result that our portfolio did not suffer the full pain felt by many investors.

Starting the semester with one-third of our assets in cash forced us to address in each sub-fund the question whether to stay in cash or to purchase an ETF tracking the appropriate index. It takes a couple of months to work through individual stock pitches (as opposed to purchasing the index) and we did not want to be caught in cash during a rally, unless it reflected our decision to adopt a bearish view.

These debates on the index versus cash varied by fund and were often passionate. Pro-index members cited Buffet's strategy of being "greedy" only when others are "fearful" (now), and, given the inability to time the bottom, the need to look at what levels of disaster are already priced into stocks. The pro-cash and near-term market bears cited hedge funds that have moved to record cash positions, expected further downward earnings revisions by the sell-side, a wave of bankruptcies that has not yet arrived, and the insight that bubbles almost always overcorrect through sharper declines than most expect and fundamentals justify. Most of our sub-funds favored maintaining cash positions over index purchases and looking for stock by stock values as analysts made pitches throughout the semester. This view has been the correct one in the near-term as the portfolio has outperformed our benchmark in the first two months of the semester by more than 6%.

Uncertainty creates opportunity and we have used and will continue to use student economic and sector presentations to help our analysts generate stock specific ideas. Greg Konrad and Ahmet Nalcacioglu encouraged their respective sector strategy and economic teams to meet an early deadline to ensure that analysts had the information needed to pitch stocks consistent with favored sectors and themes. Greg's team has also worked with Emily Smith and her portfolio analytics team to use its data to better position our portfolios in accordance with our current views.

At the stock level, MPSIF portfolio managers and analysts search for high quality value stocks that might have been unfairly punished by the headlines and growth stocks that might benefit from longer-term secular trends, but are less expensively priced due to shorter-term cyclical weakness. Also, given the political season, we added a political strategist role to work with the sector strategy team to educate members on what actual or perceived change in Washington might mean for various sectors and stock prices.

The newly created COO position, held by Cindy Chan, allowed the fund to expand its reach and better leverage the largest MPSIF group ever to meet a host of ambitious operational initiatives ranging from alumni relations, account management transfers and the preparation of the annual report. Manuel Navas led our newly formed business development team with the goal of analyzing a potential new fund strategy (i.e., hedge fund product), including an asset raising approach. His team also looked into best practices from other business school student investment funds that we might be able to learn from.

Henry Barash worked closely with Stern public relations to help our message reach publications such as the New York Times, where our fund was featured in an article this semester. Karim Samra helped to have our research continue to be published in the Stern newspaper, increasing exposure of the fund to other Stern students, including prospective MPSIF members. Work is also being done on the implementation of a code of ethics to be signed by all analysts to increase our awareness and understanding of the ethical responsibilities in the asset management business.

The semester featured guests speakers of the highest quality, including Deutsche Bank Managing Director Ted Tabasso, our advisory board, and two legendary value investors Marty Whitman and Seth Klarman, all sharing their experiences with our class. Thank you to all MPSIF members, Professor Levich and, of course, Michael Price for making this semester an exciting and successful learning experience.

Michael A. Glickstein
MPSIF President
October 31, 2008

THE MICHAEL PRICE STUDENT INVESTMENT FUND

Review of Operations

The Michael Price Student Investment Fund is divided into four autonomous sub-funds: the Fixed Income Fund, the Growth Fund, the Small Cap Fund and the Value Fund. The fund managers employ a well-defined, disciplined investment and diversification strategy.

Our strategic objectives for the first half of the fiscal year were as follows:

- Revise stock pitch feedback form to incorporate and encourage constructive feedback to presenter
- Transition current Merrill Lynch account to a better suited brokerage account
- Invite legendary investors as guest speakers to stimulate learning process
- Enhance stop-loss policies and procedures
- Provide more frequent and timely sector and economic analysis to help drive stock allocations
- Enforce updates on stocks after earnings release
- Expand external and internal public relations

To achieve these objectives, we highlight some of our initiatives below:

We revised the stock pitch feedback form so that voting analysts can provide comments on brief explanation of reason for vote, risks to investment thesis that have not been addressed, and other feedback for the presenting analysts. We believe that this approach would both encourage a higher level of feedback and enhance the learning environment for the class.

Our goal is to transition the Merrill Lynch brokerage account to a more suitable brokerage account by the end of this year. Considerations include the fee structure associated with the accounts, the level and quality of research, and other benefits provided by the brokerage accounts.

We had the privilege of securing a number of speakers who are known as legendary investors on the Street. These events serve as great learning opportunities for students who are able to post insightful questions to the speakers.

This semester, we have scheduled sector analysis presentations at the beginning of the semester so that the sub-funds would be able to leverage the views to generate stock ideas. Given that this is an election year, we have also added political analysis to assess how different sectors would be affected depending on which party is nominated.

The portfolio managers of each fund have taken initiatives to ensure that the stocks in each fund are updated frequently throughout the semester, especially after earning calls and when there has been a substantial move in the market to make sure that the thesis is still intact.

We continued our relationship with the *Stern Opportunity*. We continue our dedicated column called "Educated Investing," in which we feature stock pitches from our analysts. The column has been successful in increasing the fund's awareness among students.

MPSIF continued to engage the investment management industry and improve the overall experience of the fund.

On September 22, we were privileged to have Ted Tabasso, Managing Director and Head of North American Product at Deutsche Bank, speak about his career path and fundamental equity analysis during the prevailing financial crisis. On November 3, MPSIF welcomed Randy Haase and Chris Long from the MPSIF Management Advisory Council.

We look forward to discussing the current state of the fund and the fund's initiatives with the management advisory council.

On November 24, MPSIF is proud to host Marty Whitman, Founder and Co-Chief Investment Officer at Third Avenue Management LLC. Mr. Whitman will discuss distressed investing and the concept of net-nets as a tool for value investing.

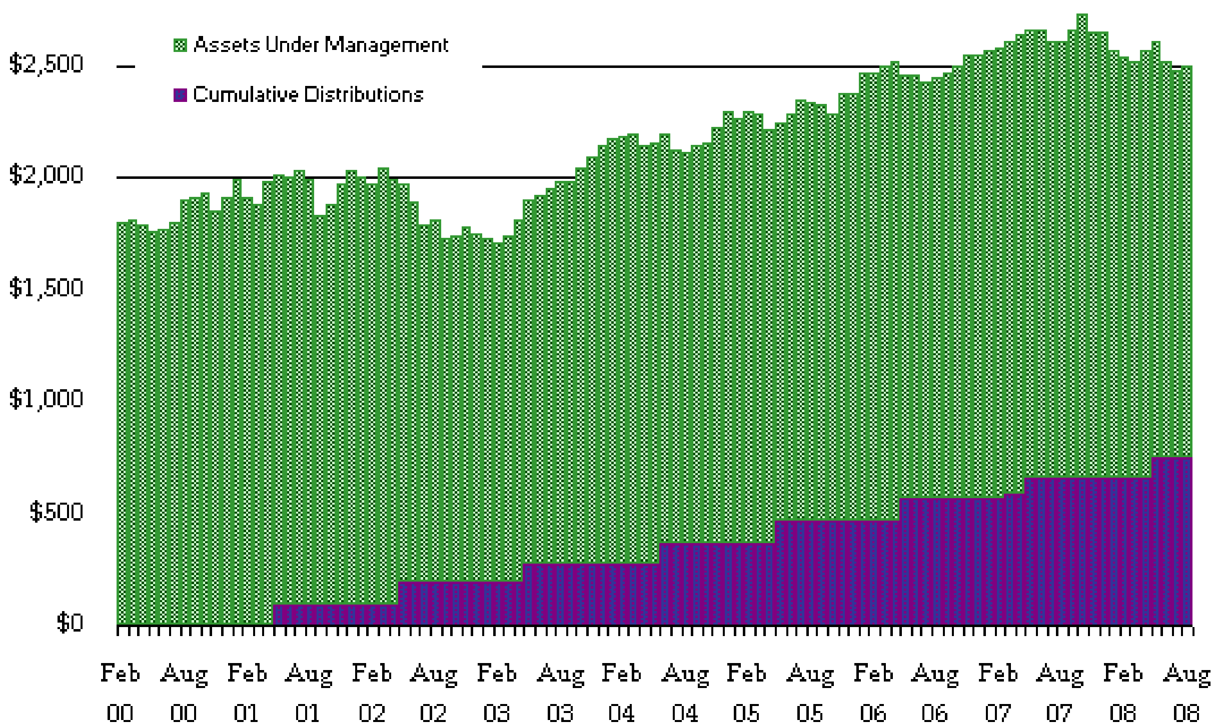
On December 1, MPSIF will have the pleasure of having a conversation with Seth Klarman, Portfolio Manager of The Baupost Group and a mentee of

Michael Price. Recognized on the streets as a value investing legend, the class will be able to gain insights on investing strategies during this distressed environment.

Assets under Management & Cumulative Distributions

The Funds were initially endowed with $1.8 million as we began operations on March 1, 2000. As of our latest fiscal year end, our assets under management stand at $1.75 M having contributed $749,540 to the Michael Price School at the University of Oklahoma.

On an annualized basis since inception, the MPSIF funds have returned 0.98% net of management and administrative fees, allowing us to cover our annual 5% distribution requirement without reducing our asset base. Adjusting for inflation, however, reduces this figure by almost 3% p.a. over the time.

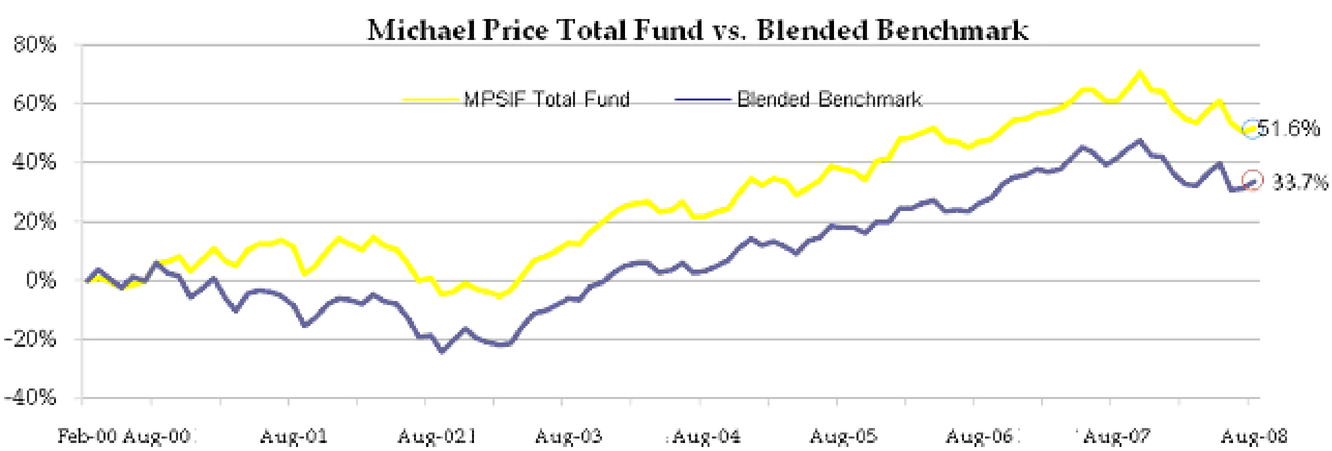


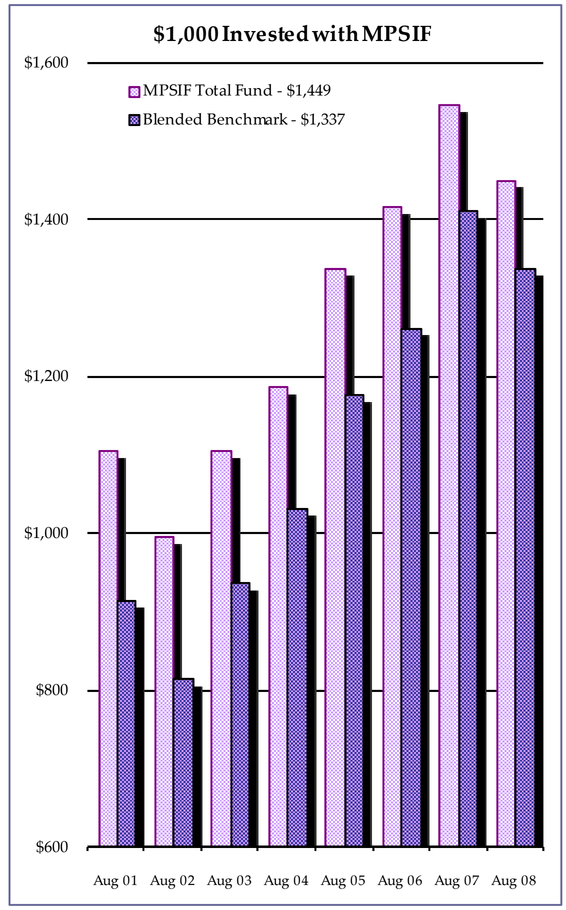
Performance of the Michael Price Student Investment Fund

For the period ending August 31, 2008

	6 Month	1 Year	3 Year		5 Year		Inception	
			Cum.	Annualized	Cum.	Annualized	Cum.	Annualized
The Price Fund	**-2.15%**	**-5.72%**	**10.12%**	**3.27%**	**34.69%**	**6.14%**	**51.59%**	**5.02%**
Management Fees	-0.31%	-0.56%	-1.60%	-0.54%	-2.66%	-0.54%	-4.42%	-0.53%
Blended Benchmark	0.90%	-5.26%	13.66%	4.36%	42.79%	7.38%	33.71%	3.48%
Relative - Gross of Fees	-3.05%	-0.47%	-3.54%	-1.10%	-8.10%	-1.25%	17.88%	1.54%
Relative - Net of Fees	-3.36%	-1.00%	-5.30%	-1.65%	-11.68%	-1.82%	11.18%	0.98%
Small Cap Fund	**-4.01%**	**-16.78%**	**0.31%**	**0.10%**	**49.61%**	**8.39%**	**103.26%**	**8.70%**
Management Fees	-0.26%	-0.54%	-1.73%	-0.58%	-3.07%	-0.62%	-4.88%	-0.59%
Russell 2000 Index	8.53%	-5.48%	15.11%	4.80%	57.79%	9.55%	42.49%	4.25%
Relative - Gross of Fees	-12.54%	-11.29%	-14.80%	-4.70%	-8.18%	-1.16%	60.76%	4.45%
Relative - Net of Fees	-12.80%	-11.74%	-16.53%	-5.28%	-12.77%	-1.83%	50.84%	3.81%
Value Fund	**0.74%**	**-0.51%**	**26.93%**	**8.27%**	**49.08%**	**8.31%**	**82.50%**	**7.33%**
Management Fees	-0.31%	-0.62%	-1.91%	-0.64%	-3.21%	-0.65%	-5.28%	-0.64%
Russell 1000 Value Index	-4.78%	-14.66%	9.75%	3.15%	50.72%	8.55%	65.18%	6.08%
Relative - Gross of Fees	5.51%	14.15%	17.18%	5.12%	-1.63%	-0.24%	17.31%	1.25%
Relative - Net of Fees	5.20%	13.54%	14.75%	4.43%	-6.42%	-0.94%	7.68%	0.57%
Growth Fund	**-6.31%**	**-9.26%**	**1.52%**	**0.50%**	**15.58%**	**2.94%**	**-17.89%**	**-2.29%**
Management Fees	-0.36%	-0.54%	-1.36%	-0.45%	-2.33%	-0.47%	-4.20%	-0.50%
Russell 1000 Growth Index	-0.22%	-6.77%	13.77%	4.39%	34.42%	6.09%	-28.90%	-3.93%
Relative - Gross of Fees	-6.10%	-2.49%	-12.25%	-3.89%	-18.83%	-3.15%	11.01%	1.64%
Relative - Net of Fees	-6.44%	-2.98%	-13.63%	-4.35%	-21.52%	-3.64%	7.56%	1.15%
Fixed Income Fund	**0.54%**	**5.34%**	**12.40%**	**3.97%**	**22.99%**	**4.23%**	**34.04%**	**4.67%**
Management Fees	-0.33%	-0.52%	-1.33%	-0.45%	-1.94%	-1.94%	-2.26%	-0.36%
Vanguard Total Bond Fund	-0.10%	5.79%	13.37%	4.27%	24.90%	7.69%	34.70%	4.82%
Relative - Gross of Fees	0.64%	-0.45%	-0.98%	-0.30%	-1.91%	-3.47%	-0.66%	-0.14%
Relative - Net of Fees	0.31%	-0.99%	-2.48%	-0.76%	-4.30%	-5.49%	-3.69%	-0.52%

** Inception for all equity funds is March 1, 2000. The Fixed Income fund began operations on May 20, 2002.*
All values calculated according to GIPS methodology, and hence adjust for time-weighted & external cash flows.

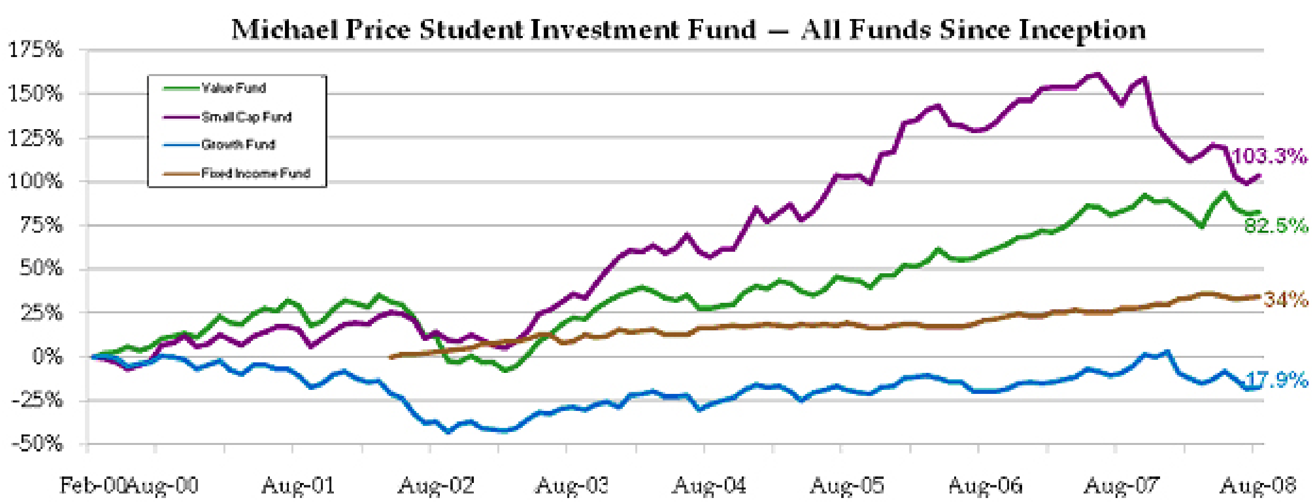




As of August 31, 2008, MPSIF has approximately 35% in cash holdings. The Executive Committee believes that while this is suboptimal in normal circumstances, the high percentage of cash holdings in this current environment has helped our performance against benchmarks. During the summer, many of the fund's stock positions have been stopped out. Portfolio managers are currently working vigorously to identify buying opportunities to reinvest the fund's cash positions. Despite pressure to deploy the funds, the funds have overall maintained a strong sell discipline and continued to exit holdings as required. We will continue to explore new opportunities to effectively invest the remaining cash and we are confident that we will continue to outperform and return to positive absolute returns.

The volatility in the equity markets, caused by deepening credit concerns during the summer and fall of 2008, provided many challenges for the fund. However, over the 6 months of this fiscal year, we generated returns in excess of the individual benchmarks our equity funds are measured against, and we performed better than some professionally managed funds. Overall, the fund returned -2.15% over the past 6 months, 3.39% in excess of the blended benchmark, which was down by 4.78%. The value fund was the top performer, returning 0.74%, beating benchmark by 5.52%. The growth and fixed-income funds returned -6.31% and 0.54%, compared to the benchmark performance of -0.22% and -0.10% respectively. The small cap fund was returned -4.01%, compared to the benchmark of 8.53%.

Since inception, MPSIF has earned a cumulative return of 51.59%, outpacing the blended benchmark by 17.88%.



Benchmark Index Description

- The purpose of benchmarking is to track the Funds' performance relative to the index that most closely resembles the investment mandate of each portfolio. It is important to note that while the Funds are measured against the market, our more critical and overarching goal is to provide an absolute rate of return that exceeds our annual distribution mandate to the University of Oklahoma plus the rate of inflation in a given year. Therefore, although we consider the aforementioned indices our benchmark, we are also keenly focused on risk management in the construction of each sub-Fund.
- Each of the four sub-Funds, Fixed Income, Growth, Small Cap, and Value, are benchmarked to a leading index in order to measure relative performance. The benchmarks are as follows:
  - Fixed Income: Vanguard Total Return Bond Index Fund
  - Growth: Russell 1000 Growth Index
  - Small Cap: Russell 2000 Index
  - Value: Russell 1000 Value Index
- Vanguard Total Return Bond Index Fund measures the performance of fixed income securities. The benchmark has following characteristics: Seeks to track the performance of the Lehman Brothers Aggregate Bond Index, broadly diversified exposure to investment-grade U.S. bond market, passively managed using index sampling, intermediate-duration portfolio and provides moderate current income with high credit quality.

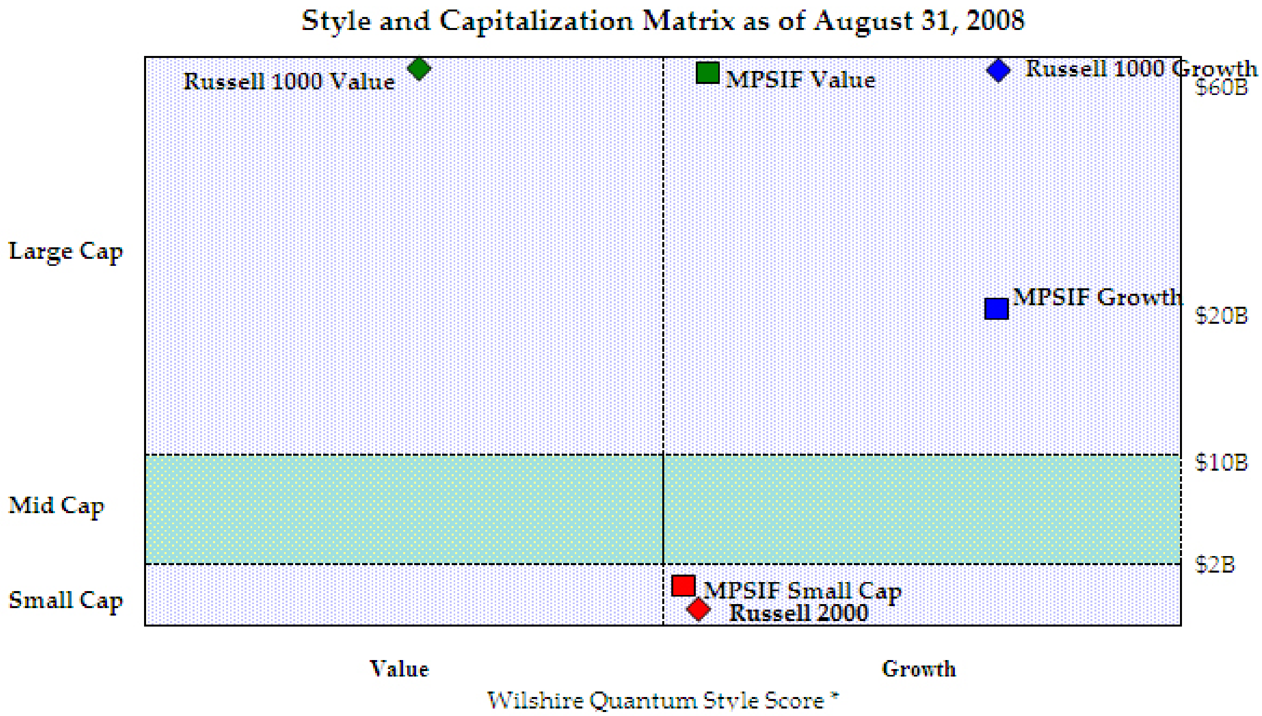
Russell 1000® Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, representing approximately 10% of the total market capitalization of the Russell 3000 Index.

Russell 1000® Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Valuation, Style and Capitalization

The matrix below shows the relative positions of the MPSIF strategies and their benchmarks for both style and average market capitalization. Our stock selection process is based upon security fundamentals and the stated strategy for each portfolio, thus there are no hard restrictions regarding what a particular fund may own. The smaller average market cap of our value and growth strategies is indicative of our total return approach.



Source: Wilshire Analytics

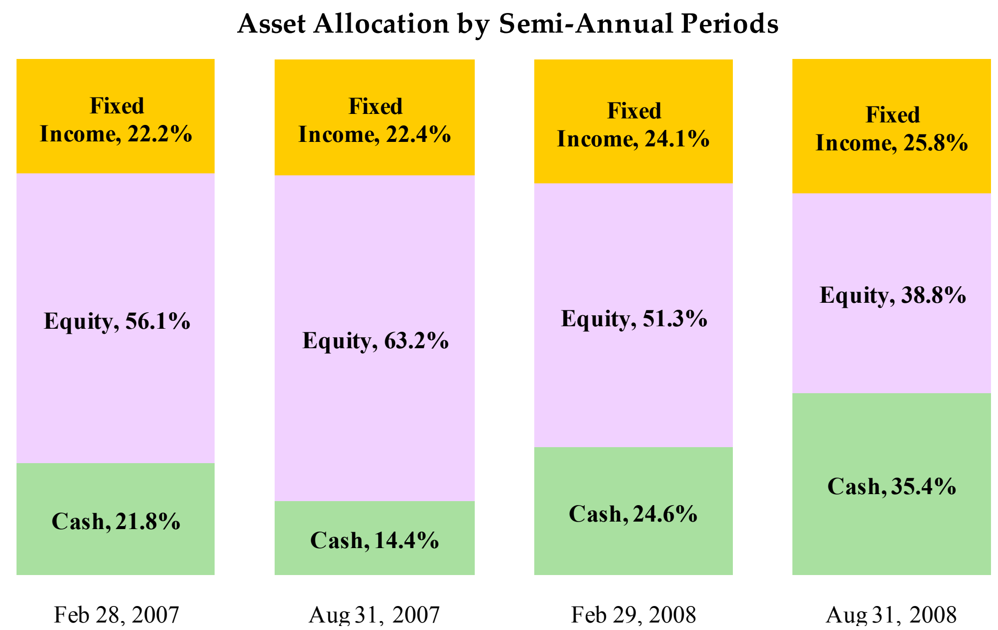
Equity Valuation Characteristics

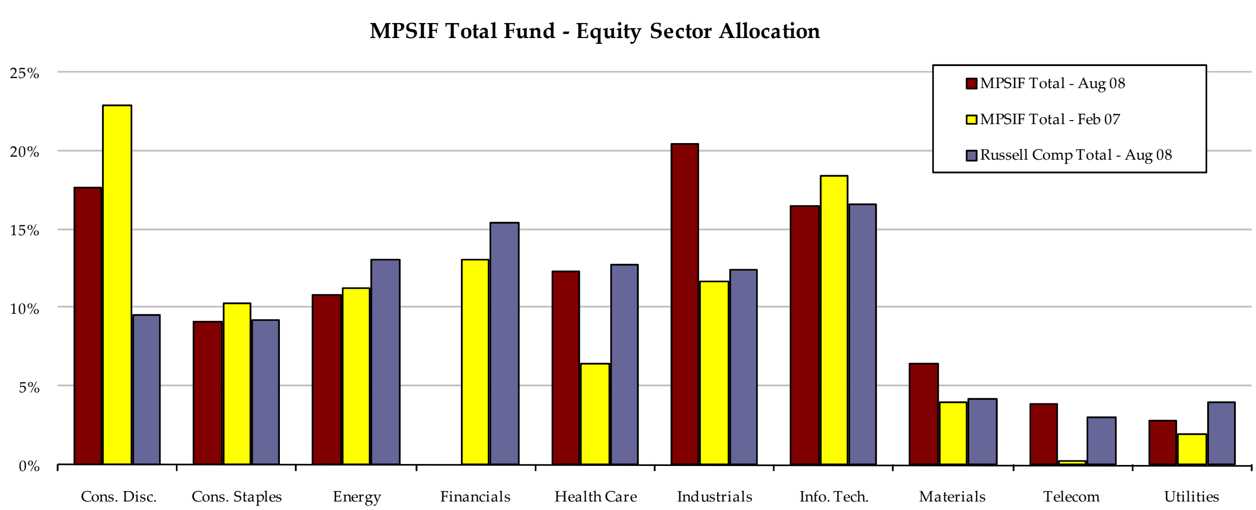
	P/E	ROE	P/BV	Div. Yield
MPSIF Growth	27.4	25.1%	5.4	0.2%
Russell 1000 Growth	17.6	33.9%	3.8	1.3%
Relative	*1.6x*	*0.7x*	*1.4x*	*0.2x*
MPSIF Value	14.6	27.7%	3.1	1.5%
Russell 1000 Value	17.4	18.5%	1.8	1.4%
Relative	*0.8x*	*1.5x*	*1.7x*	*1.1x*
MPSIF Small Cap	18.5	27.1%	2.6	2.3%
Russell 2000	13.6	16.3%	1.6	3.0%
Relative	*1.4x*	*1.7x*	*1.6x*	*0.8x*

Source: Wilshire Analytics

Asset Allocation

The following charts show our total asset allocation by asset class and our composite equity sector allocation. The Executive Committee does not utilize any top-down approach to set a target allocation, however each portfolio group evaluates recommendations made by our economic strategy team.





Source: Wilshire Analytics

Fund Turnover

Portfolio Turnover for the twelve months ending August 31,2008

	Fixed Income Fund	Growth Fund	Small Cap Fund	Value Fund
Total Purchases	84,365	239,851	428,516	135,584
Total Sales	84,261	407,139	391,337	242,807
Minimum (Sales, Purchases)	84,261	239,851	391,337	135,584
Average Invested Assets	453,061	239,685	338,105	370,109
Turnover	19%	100%	116%	37%

Macroeconomic and Market Review

2008 has been the year of Wall Street meets Main Street. The markets were looking for guidance and this year has certainly provided a lot of news flow.

Many were quick to provide estimates of the eventual carnage when write-offs started in Q3 '07. Estimates ranged from $1-2.2 Trillion in write-offs, which signaled challenging times ahead. Wall Street has seen a complete remodeling with little known about what the end result will be. The bankruptcy of Lehman, the government takedown of Fannie and Freddie and the Bank of America and Merrill Lynch merger has created a guessing game of who is next. Some certainty has been provided by the government's massive injection of capital, but this has left the market scared of what the government intervention means to their private investment. Financials have led the carnage, but ultimately it was a precursor for the rest of the market.

The housing bust has been a downward catalyst for both Wall Street and Main Street. The uncertainty over when the bottom and the recovery will start to appear along with the continued deterioration of assets has fueled uncertainty that has prevented any type of closure. The normally resilient consumer has added to the uncertainty, with many indicators turning very negative. With many assuming that we are in a recession the numbers have yet to prove a "technical recession." With same store sales lagging, large consumer purchases put on hold and unemployment rising it has been hard to argue that we are not experiencing a strong contraction. With so much wealth lost in housing and the stock market we will need to see some type of confidence building event to bring the consumer back.

Wall Street was an enabler of the ultimate liquidity and leverage that allowed so much building. The deleveraging of balance sheets has been felt hard by the market. Investors have been fleeing the market and probably most apparent has been the unwinding of many institutional assets. With hedge funds and mutual funds selling to meet margin calls and redemptions we have seen an unprecedented drop in the markets practically creating a mini bear market in a matter of a week. Some of the hardest hit sectors have been those targeted by the hedge funds. With the unwinding of the short financial/ long commodity trade has come volatility. We have seen the VIX reach unprecedented levels and this volatility has scared many investors and forced them into cash.

A big theme has been the correlation of the credit markets and stock markets. Credit fears have victimized stocks, not only in the financial sector, but any company that looks to the market for funding. Fear has blown out CDS spreads to levels never seen. Ultimately we have seen the credit markets drive the stock markets.

Looking forward there will certainly be opportunity. In a market like this it seems like no stock is a good investment. In many recent weeks it seems like the only buying is of short term treasuries. Going forward we see great value in finding the companies that have been thrown out with the bathwater. As Warren Buffet says "be fearful when others are greedy and to be greedy only when others are fearful." It is with this background of fear and through thorough fundamental analysis that the members of MPSIF hope to find great value in this market.

Sector Initiative

For the second semester in a row MPSIF has constructed a sector strategy team. Consisting of 7 sector analysts and 1 political analyst, the group has strived to be a valuable asset to MPSIF. With the mission statement in place the group hopes to continue the success of last year and further increase its exposure and assistance to the investment making process. The main missions of the group are 1) to provide historical perspectives on sector and subsector strategy 2) to act as a central resource and "industry expert" to MPSIF 3) to help generate investment ideas. The group presented for the first time in September and was able to provide many great investment themes and potential investment opportunities. We believe that this group will continue to be a great asset to the MPSIF team and increase the support they provide in the investment making process.

THE GROWTH FUND

Message from the Portfolio Managers

For the year ended August 29, 2008, the Growth Fund ("the Fund") had an absolute return of -9.26%. While these results were disappointing, given that the Fund strives to generate positive absolute returns, the Fund underperformed its benchmark (the Russell 1000 Growth index) by 249 basis points over this time period.

During fiscal 2008, the Fund was not immune to severe turmoil in the credit and stock markets. In particular, the Fund experienced high volatility in early 2008, which mirrored that of the overall equities market, and economic downturn in the latter part of the summer. The Fund's performance in this period was primarily affected by macroeconomic factors, which had their largest effect on stock performance in the first two months of 2008. This two-month period saw the Dow Jones Industrial Average, S&P 500, and NASDAQ Composite fall 8.14%, 10.35%, and 16.76% respectively (measured from December 31, 2007 to February 29, 2008). Additionally, the Fund's positions had stop-loss orders in place during the January 2008 academic holiday and the high level of volatility during this period triggered a few of the Fund's positions to liquidate. A similar episode occurred over the summer of 2008, when over fifteen of our holdings stopped out; however, the silver lining has been that the Fund has mostly avoided the three-sigma freefall in equities during September and most of October 2008.

The Fund's stop-loss policy serves two purposes. First, it should help avoid what the Fund experienced in prior fiscal years, during which tight stop-loss limits prevented the fund from benefiting from any upside during periods of high volatility. Second, the policy now better takes into account the historically higher level of volatility in growth stocks. However, during these recent market movements, several of the Fund's positions experienced even greater levels of volatility, which allowed lower stop-loss limits to trigger.

While the specific nature of the stop-loss policy will be discussed and possibly revised, the Fund will continue to implement stop-loss orders, as its benefits outweigh its disadvantages. We believe that stop-loss orders are an effective risk management tool but, as with all tools, must be evaluated regularly. Moreover, the Fund operates within an academic setting and stop-loss orders are vital during academic breaks when no meetings are held.

At the end of fiscal 2008, the Fund had a cash position of 65.7%. Although the Fund is always on the lookout for great growth stocks, there is no pressure to deploy this capital hastily; indeed, the Fund has outperformed its benchmark in September and October by more than 1,000 basis points.

The Fund operates as a bottom-up fund and does not have a desired asset allocation. Rather, the analysts focus on identifying the best new growth ideas and allocating cash to stocks in which they have the highest conviction, regardless of sector.

As of fiscal year end 2008, the Fund is heavily weighted in consumer discretionary, information technology and energy.

The Fund would again like to thank Michael Price for his generous gift to the Stern School of Business. MPSIF provides a unique and valuable opportunity to apply the analytic tools learned in the MBA program and help prepare its analysts for careers in investment management.

David Paz and Derek Apfel

Portfolio Managers, Growth Fund

Discussion of Performance

	6 Month	1 Year	3 Year		5 Year		Inception	
			Cum.	Annualized	Cum.	Annualized	Cum.	Annualized
Growth Fund	**-6.31%**	**-9.26%**	**1.52%**	**0.50%**	**15.58%**	**2.94%**	**-17.89%**	**-2.29%**
Management Fees	-0.36%	-0.54%	-1.36%	-0.45%	-2.33%	-0.47%	-4.20%	-0.50%
Russell 1000 Growth Index	-0.22%	-6.77%	13.77%	4.39%	34.42%	6.09%	-28.90%	-3.93%
Relative - Gross of Fees	-6.10%	-2.49%	-12.25%	-3.89%	-18.83%	-3.15%	11.01%	1.64%
Relative - Net of Fees	-6.44%	-2.98%	-13.63%	-4.35%	-21.52%	-3.64%	7.56%	1.15%

** Inception from March 1, 2000*

Performance Overview

During the second half of fiscal year 2008, the Fund underperformed its benchmark, the Russell 1000 Growth Index. As has traditionally been the case, the Fund's holdings are based on fundamental analysis. The stock market of 2008 was not friendly to fundamental analysts.

Stock-Picking

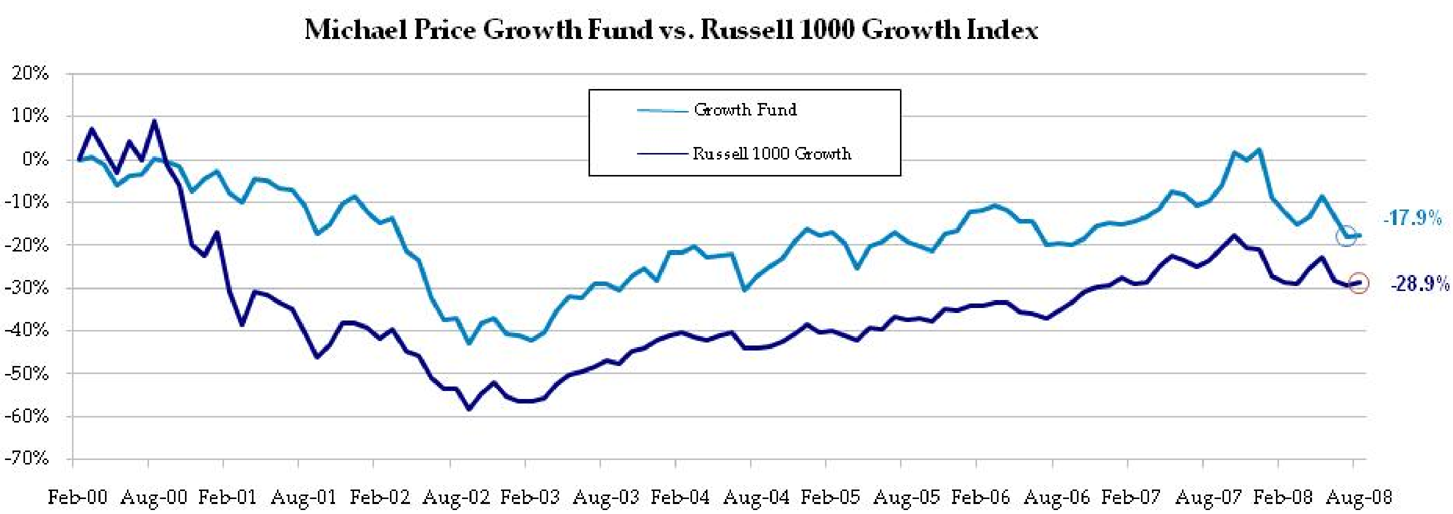
According to our Wilshire Analytics team, stock-selection lowered the Fund's returns relative to its benchmark by 6.5%. Despite the performance, three stocks in particular deserve comment from a performance-contribution perspective: Massey Energy Corp. and Polo Ralph Lauren, both of which were liquidated to lock in gains; and Adobe Systems, Inc., which the Fund continues to hold as we see remaining upside.

Shares in Massey Energy (MEE), a coal company, rose an annualized 26% during the three-month period in which the fund held it. Over the summer, the analyst covering the stock recommended it be sold based on the short-term peak in coal prices. Given the continued drop in coal-linked equities, the liquidation proved prescient.

Polo Ralph Lauren (RL), an upscale retailer, returned an annualized 22% during the second half of fiscal 2008, mostly from its strength internationally. However, our analyst correctly forecasted a weak retail market in the U.S. and in Europe. RL was liquidated in September after the 2008 fiscal year end.

Adobe Systems (ADBE), a software provider, performed well during the second half of fiscal 2008, returning 27% on annual basis. ADBE has been a high conviction stock in the Fund for over a year, primarily for its dominant position in the business software market.

Not all of our holdings yielded such impressive returns as MEE, RL and ADBE, particularly during the severe correction in equities markets last



summer. Some holdings have been very disappointing. For example, based on the strength of the commodity markets through much of the second half of fiscal 2008, we held Cia Vale Rio Doce (RIO), a diverse Brazilian mining company. However, the stock did not rise commensurately with commodity prices and fell sharply after the commodities peak in July 2008. The Fund recognizes that RIO is one of the top three mining companies globally, along with Australian giants BHP and Rio Tinto. Therefore, we believe liquidating RIO at depressed levels would not benefit the Fund.

Top Sectors	Return	Impact
Energy	13.7%	0.9%
Industrials	10.2%	2.3%
Top Contributors		
Massey Energy Corp	26.1%	2.5%
Polo Ralph Lauren Co	22.2%	1.2%
Adobe Sys Inc	27.3%	1.1%
Stock Selection		-6.5%
Allocation Effect		-1.2%

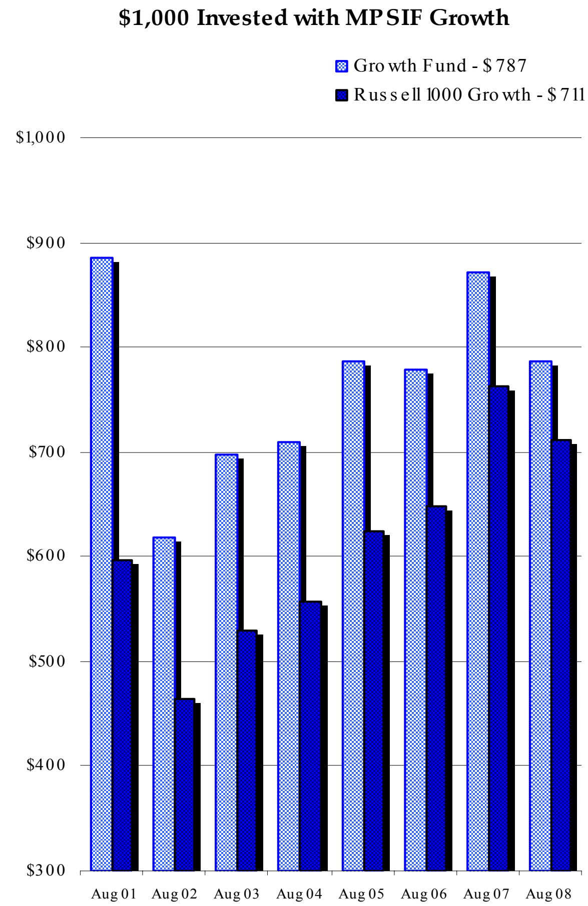
Impact *measures contribution to the portfolio's relative performance vs. the benchmark*

Stock Selection *is the aggregate success of selection decisions within each group vs. the benchmark*

Allocation Effect *is the total impact of sector weighting decisions in each group vs. the benchmark*

Improving Fund Performance

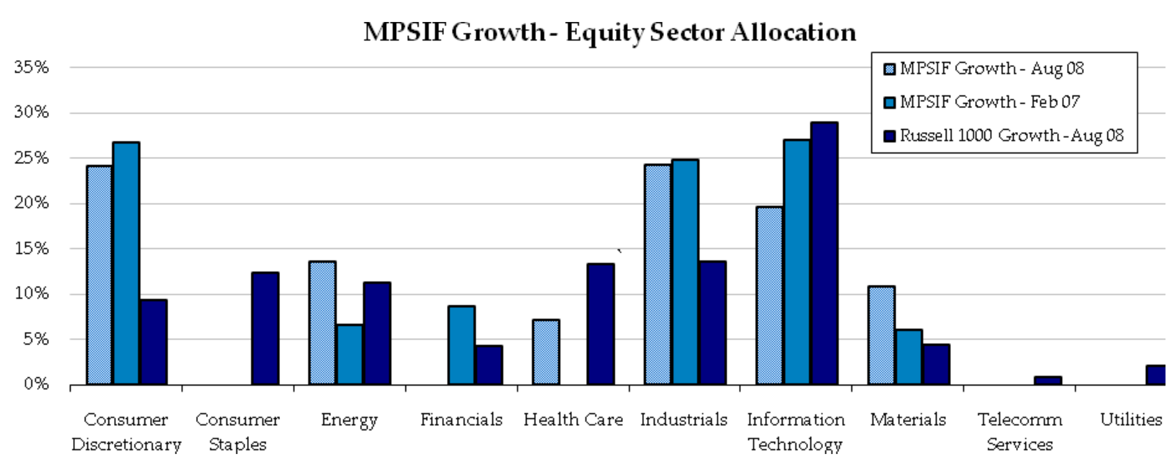
During the second half of fiscal 2008, the Fund made the decision to keep the cash from stop-losses



rather than re-invest in an uncertain market. With markets in turmoil, we decided to take a measured approach toward reinvesting the cash. As we write this report, we are finding attractive buying opportunities given the depressed prices in equities markets.

Asset Allocation

As the Fund focuses on bottom up stock-picking and fundamental analysis, asset allocation is a secondary



priority. As such, not surprisingly, asset allocation was a drag on performance again in the second half of fiscal year 2008. According to our Wilshire Analytics team, asset allocation decisions reduced portfolio performance by 1.2%.

The Fund's commitment to bottom-up stock selection is primarily pedigodical in nature. The Fund is a seminar style course in which students can use and combine skills garnered in their other classes in a professionally practicable manner. We believe the benefits derived from such a course are immeasurable.

That said, it should be clearly understood, that as the central principle of modern portfolio theory, asset allocation should not ignored by the Fund. On an informal basis, the Fund will routinely review the industry allocation of its holdings and encourage analysts to explore underweight industries.

Holdings Profile

Growth Portfolio as of August 31, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
Adobe Sys Inc	ADBE	Information Technology	355	42.83	15,205	3.85%
Amphenol Corp New	APH	Information Technology	241	47.52	11,452	2.90%
Chicago Bridge & Iron	CBI	Industrials	299	32.02	9,574	2.43%
Cia Vale Rio Doce	RIO	Materials	558	26.55	14,815	3.75%
Gamestop Corp New	GME	Consumer Discretionary	230	43.87	10,090	2.56%
Marvel Entertainment	MVL	Consumer Discretionary	339	33.87	11,482	2.91%
Polo Ralph Lauren Co	RL	Consumer Discretionary	148	75.88	11,230	2.85%
Schering Plough Corp	SGP	Health Care	501	19.40	9,719	2.46%
Sunpower Corp	SPWR.A	Industrials	240	97.55	23,412	5.93%
Transocean Inc New	RIG	Energy	65	127.20	8,268	2.09%
Walter Inds Inc	WLT	Energy	109	93.80	10,224	2.59%
Direct Equity Holdings					135,472	34.32%
Total Equity Holdings					135,472	34.32%
Cash as of August 31, 2008					259,219	65.68%
Total Assets					**394,690**	**100.00%**

Growth Portfolio as of February 29, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
Ishares R1000 Growth	IWF	Index	915	55.05	50,371	12.12%
Adobe Sys Inc	ADBE	Information Technology	355	33.65	11,946	2.87%
Aircastle Ltd	AYR	Industrials	555	20.6	11,433	2.75%
Amphenol Corp New	APH	Information Technology	241	36.97	8,910	2.14%
Automatic Data Processing	ADP	Information Technology	612	39.95	24,449	5.88%
Blackrock Inc	BLK	Financials	105	193.25	20,291	4.88%
Cia Vale Rio Doce	RIO	Materials	558	34.84	19,441	4.68%
Citrix Sys Inc	CTXS	Information Technology	489	32.93	16,103	3.87%
Cognizant Technology	CTSH	Information Technology	645	30.21	19,485	4.69%
Gamestop Corp New	GME	Consumer Discretionary	191	42.36	8,091	1.95%
International Game	IGT	Consumer Discretionary	450	45.15	20,318	4.89%
Penn Natl Gaming Inc	PENN	Consumer Discretionary	495	45.83	22,686	5.46%
Petsmart Inc	PETM	Consumer Discretionary	822	21.53	17,698	4.26%
Polo Ralph Lauren Co	RL	Consumer Discretionary	148	62.19	9,204	2.21%
Ritchie Bros Auction	RBA	Industrials	250	71.61	17,903	4.31%
Signature Bk New Yor	SBNY	Financials	286	26.5	7,579	1.82%
Starbucks Corp	SBUX	Consumer Discretionary	441	17.97	7,925	1.91%
Tessera Technologies	TSRA	Information Technology	255	23.56	6,008	1.45%
Transocean Inc New	RIG	Energy	151	140.51	21,217	5.10%
Direct Equity Holdings					270,685	65.11%
Total Equity Holdings					321,056	77.23%
Cash as of February 29, 2008					94,678	22.77%
Total Assets					**415,734**	**100.00%**

Investment Style and Strategy

Our goals: The goal of the Growth Fund is to identify and capitalize on investments that have significant growth potential. The companies we invest in may source their growth from a unique business model or a strong competitive position in a rapidly growing industry. We believe that companies with these characteristics can achieve more than 15% annual EPS growth over the next five years and in turn experience substantial stock price appreciation. These growth opportunities can be uncovered by identifying companies that are pioneering a new product or service that will see significant future demand. Other companies 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 or they could simply be a leader in an industry that is experiencing high levels of growth. Our analysts use comparable and intrinsic valuation techniques to determine if these growth opportunities are available at attractive prices.

Our objective: Outperform the benchmark on a total return basis by investing in securities that provide superior returns on a risk/return basis through capital appreciation and dividends.

Investment Process: Our analysts look at a firm and ask: "What is the catalyst for growth?" Then the analyst considers whether the company's business model will succeed. A valuation analysis follows, which begins with balance sheet analysis as well as revenue and earnings trends. The analyst examines relative valuations and then finally performs a fundamental analysis of the company. The analyst then writes a research report and pitches the stock to the class. The class engages in a debate to challenge the investment rationale. After this rigorous process, the group votes whether or not to purchase the stock.

Sell Discipline: In 2006, the Fund added stop-loss orders to provide more self discipline. The stop-loss price is determined by the analyst and is related to the stock's volatility and downside risk. The Fund's consensus model also helps determine stop-loss orders. Additionally, the stop-loss policy is regularly evaluated to ensure that these risk controls stay relevant. This includes actively reducing our exposure to a specific stock when our investment thesis no longer sees room for upside. Some of the factors that would change our investment thesis are:

- 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.

Why Growth Stocks? Growth companies have above average earnings growth, which we believe will translate into above average price appreciation. Thus, we believe investing in growing companies that are not currently overpriced should lead to realization of potentially superior investment returns over the long term.

THE VALUE FUND

Message from the Portfolio Managers

For the six months ending August 31, 2008, the Value Fund ("the Fund") gained 0.74% gross of fees, outperforming the benchmark Russell 1000 Value Index ("the Benchmark") by 551 basis points. For the trailing twelve months ending August 31, 2008, the Fund declined 0.51%, but once again outperformed the benchmark by 1,415 basis points. We are extremely satisfied with this performance amidst unprecedented market volatility and restrictive credit conditions.

The Fund closed out the summer with more than 30% of assets parked in cash. That percentage has drifted north of 50% in October as the market decline has been steeper and swifter than anyone would have imagined. Nearly all our portfolio holdings reached stop-loss or floor levels during the market capitulation in September on concerns about the widening credit contagion. However, rather than make hasty decisions, we have elected to address holdings individually, not adding to an already elevated cash position. We will opportunistically redeploy idle cash into stocks with stable earnings streams, solid prospects and unfairly penalized valuations through the traditional pitch and voting process.

It is our strong belief that we are currently in a "stock picker's" market. Investors must be extremely selective in their bets and judicious in their asset allocation. It is all the more critical to identify individual stocks pursuant to the MPSIF Value Fund strategy, whereby either current share prices significantly underestimate long-run intrinsic value or company-specific catalysts will drive value recognition. As such, an index or exchange-traded fund will likely not provide any desired benefit of exposure or diversification that will contribute to outperformance in this market. We will stay the course and double our efforts to find attractively valued investment opportunities.

Potential areas of improvement for Fund operations include addressing style drift away from traditional value investing toward growth and catalyst-oriented momentum investing. As such, we have taken steps to better educate our team at the sub-fund level regarding the basic tenants of value investing through presentations, reading materials, and reminders during the democratic stock selection process. Additional progress is being made in formalizing the research and presentation criteria to ensure consistency of investment style and streamline the selection process.

Furthermore, we seek to bring more structure to the pitch process to ensure an orderly flow of ideas across sectors to achieve desired portfolio rebalancing. To this end, we have instituted a comprehensive portfolio analytics and technical analyst role to provide the team with regular updates regarding portfolio attribution, relative performance and areas of opportunity for future investment. Knowledge is power and we hope that the heightened awareness of this information will increase accountability of analysts in stock selection.

History has proven that great value managers do not outperform in the short-term, if at all, by being early to buy into a market collapse. Rather, they seem to be better at predicting market tops and exiting early, before precipitous declines. Recent research by Clifford S. Asness, Tobias J. Moskowitz, and Lasse H. Pedersen finds that buying cheap stocks does not necessarily yield superior results, even over the long haul. In a *New York Times* article on their report, Mark Hulbert notes, "Fundamental stock analysis takes you only so far. The best time to buy an undervalued stock is not when it's simply cheap, but after it has already outperformed the market for several months." [1] At this stage, it may well be in our best interest to avoid calling an early bottom and, instead,

[1] Hulbert, Mark. *New York Times*, "Value and Momentum Investing, Together at Last"; September 13, 2008.

focus on timely understanding of the fundamentals necessary to restore order to markets and stock valuations. To date, we have not seen the 2009 estimate revisions necessary to bring artificially low valuation metrics into context. However, the sharp-selloff witnessed over the last month certainly gets us closer to the bottom and could be an early sign of investor capitulation.

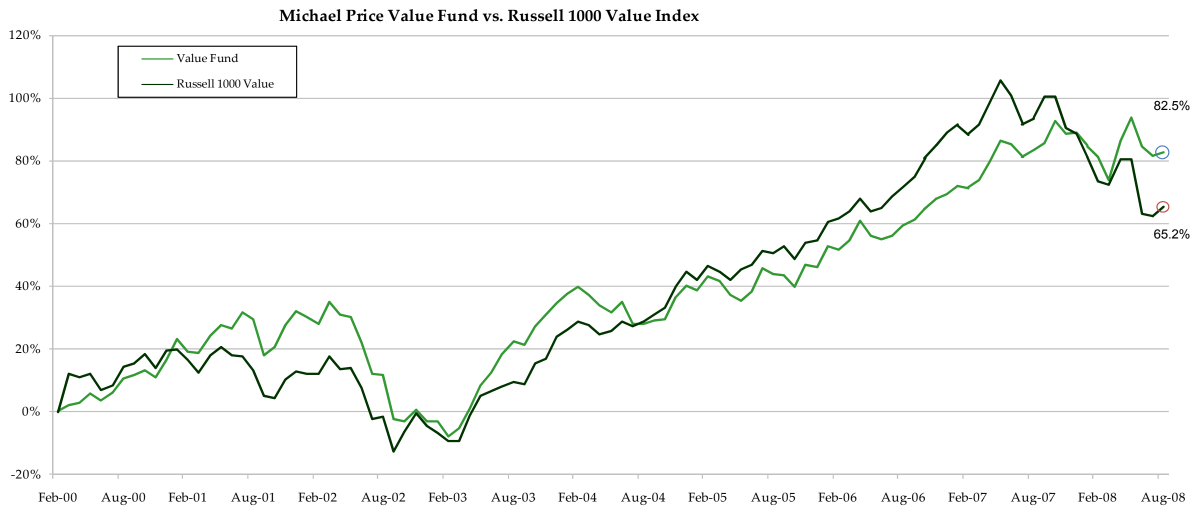
Amy Klug and Ward Jones

Portfolio Managers, Value Fund

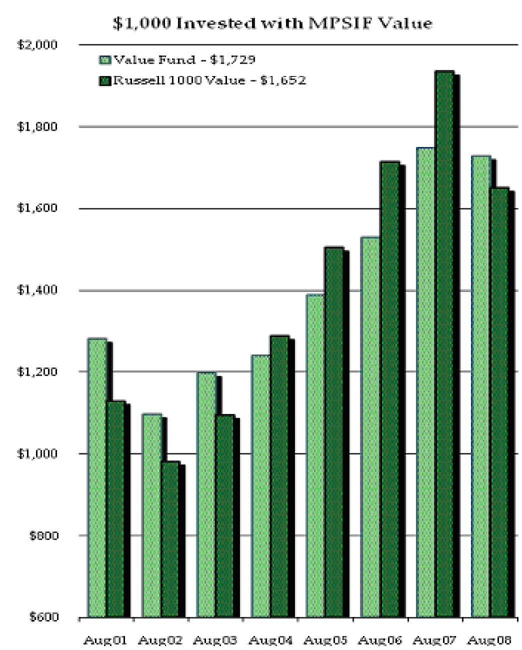
Discussion of Performance

	6 Month	1 Year	3 Year		5 Year		Inception	
			Cum.	Annualized	Cum.	Annualized	Cum.	Annualized
Value Fund	**0.74%**	**-0.51%**	**26.93%**	**8.27%**	**49.08%**	**8.31%**	**82.50%**	**7.33%**
Management Fees	-0.31%	-0.62%	-1.91%	-0.64%	-3.21%	-0.65%	-5.28%	-0.64%
Russell 1000 Value Index	-4.78%	-14.66%	9.75%	3.15%	50.72%	8.55%	65.18%	6.08%
Relative - Gross of Fees	5.51%	14.15%	17.18%	5.12%	-1.63%	-0.24%	17.31%	1.25%
Relative - Net of Fees	5.20%	13.54%	14.75%	4.43%	-6.42%	-0.94%	7.68%	0.57%

** Inception from March 1, 2000*



The sectors which contributed the most to the six-month outperformance are Consumer Discretionary and Energy. These sectors both returned more than 7% and added 1.6% and 2.3% to the overall Fund performance during the period. The highest gainer in the portfolio was Advanced Auto Parts, which jumped 28.8% during the period on a strong earnings report and solid turnaround progress. Halliburton and Charles River Laboratories each gained 15% in the period and contributed 0.7% to the total portfolio performance. Across the portfolio, stock selection accounted for 0.2% of outperformance and allocation for 2.3%. We are now more than a year out from the market peak on October 9, 2007. Since then, the YTD through 10/17/08, the Russell 1000 Value Index was down -35.1%, of which 12.9% was solely and directly attributable to the financial stocks. Needless to say, we dodged a bullet. The Fund sold its entire position in Bank of America (NYSE: BAC) last spring, from which time the stock has declined almost 50%. We also sold our position in Legg Mason (NYSE: LM) in late May. LM is currently trading 64% below the levels at which we sold it.



Asset Allocation

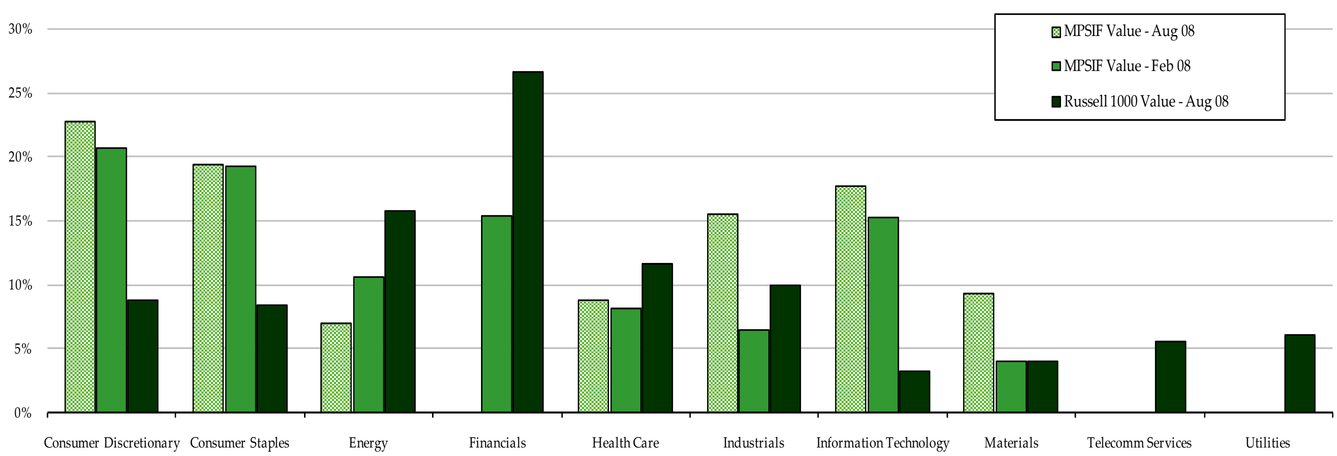
MPV - 2/29/08-8/31/08		
Top Sectors	**Return**	**Impact**
Consumer Discretio	7.4%	1.6%
Energy	7.3%	2.3%
Top Contributors		
Advanced Auto Part	28.8%	1.0%
Halliburton	15.2%	0.7%
Charles River Labor	15.5%	0.7%
Stock Selection		0.2%
Allocation Effect		2.3%

Value Fund analysts take a bottom-up approach to stock selection. While we discuss sector weightings relative to the Russell 1000 Value benchmark, we do not make active sector bets. Instead, we look at all stocks within the range of our investment policy constraints and hold a portfolio of those stocks deemed value opportunities, regardless of sector weights.

Over the last six months, despite keeping portfolio turnover to only 37%, we took the opportunity to pare back our exposure to financials and energy, taking our financial weighting to 0% and energy weighting to 7% vs. the corresponding Benchmark weightings of 26.6% and 15.8%, respectively. We sold several names, including Bank of America (BAC), Legg Mason (LM) and Petro Bras (PBR ADR), in May 2008 at prices significantly higher than today in an effort to harvest gains and reposition the portfolio. These types of late cycle themes are decidedly uncharacteristic for value investors and are largely predicated upon inflated global growth expectations (i.e. Commodities prices). Today, they are crumbling beneath the pressure of downward estimate revisions and a spate of negative economic data.

Much of the Fund's outperformance versus the benchmark can be attributed to this portfolio positioning. On the other hand, we added names in Consumer Discretionary and Materials, taking our relative weighting in those sectors to 2x and 3x the benchmark, respectively. These sectors are typically more vulnerable during times of economic recession and we are seeking to evaluate the relative merits on a stock-by-stock basis. For example, after a period of underperformance, Advance Auto Parts has begun to turn the corner in its restructuring efforts and has much potential in terms of productivity and margin improvement. This is a textbook example of a good house in a bad neighborhood.

MPSIF Value - Equity Sector Allocation



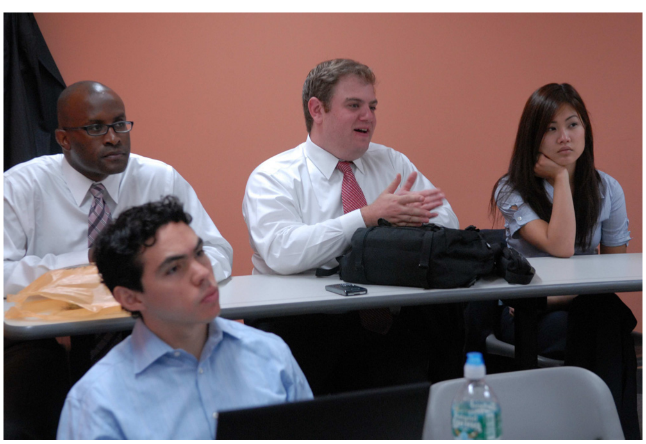
Holdings Profile

Value Portfolio as of August 31, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
Advanced Auto Parts	AAP	Consumer Discretionary	390	43.04	16,786	3.46%
Charles River Laboratories	CRL	Industrials	305	65.19	19,883	4.10%
Cia Vale Rio Doce	RIO	Materials	563	26.55	14,948	3.08%
Corning Inc	GLW	Telecom & Cable	1021	20.54	20,971	4.32%
Cvs Corp	CVS	Consumer Staples	427	36.6	15,628	3.22%
Dell Inc	DELL	Information Technology	892	21.73	19,383	3.99%
Freeport-Mcmoran Cop	FCX	Materials	175	89.32	15,631	3.22%
General Elec Co	GE	Industrials	457	28.1	12,842	2.65%
Halliburton Co	HAL	Energy	204	43.94	8,964	1.85%
Idex Corp	IEX	Industrials	490	37.07	18,164	3.74%
Ims Health Inc	RX	Healthcare	760	22.22	16,887	3.48%
Intuit	INTU	Information Technology	600	30.07	18,042	3.72%
Kinetic Concepts Inc	KCI	Healthcare	335	35.16	11,779	2.43%
Kohls Corp	KSS	Consumer Discretionary	356	49.17	17,505	3.61%
Mattel Inc	MAT	Consumer Discretionary	886	19.33	17,126	3.53%
Mcgraw Hill Inc	MHP	Consumer Discretionary	205	42.84	8,782	1.81%
Pepsico Inc	PEP	Consumer Staples	271	68.48	18,558	3.82%
Philip Morris Intl Inc	PM	Consumer Staples	554	53.7	29,750	6.13%
Talisman Energy Inc	TLM	Energy	800	17.59	14,072	2.90%
Toyota Motor Co	TM	Consumer Discretionary	163	89.59	14,603	3.01%
Direct Equity Holdings					315,700	65.03%
Total Equity Holdings					315,700	65.03%
Cash as of August 31, 2008					169,798	34.97%
Total Assets					**485,498**	**100.00%**

Value Portfolio as of February 29, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
Advanced Auto Parts	AAP	Consumer Discretionary	390	33.54	13,081	2.50%
Altria Group Inc	MO	Consumer Staples	394	73.14	28,817	5.52%
Bank Amer Corp	BAC	Financials	550	39.74	21,857	4.18%
Blackstone Group L P	BX	Financials	700	16.5	11,550	2.21%
Corning Inc	GLW	Information Technology	1021	23.23	23,718	4.54%
Cvs Corp	CVS	Consumer Staples	427	40.38	17,242	3.30%
Dell Inc	DELL	Information Technology	892	19.85	17,706	3.39%
Freeport-Mcmoran Cop	FCX	Materials	175	100.86	17,651	3.38%
Halliburton Co	HAL	Energy	408	38.3	15,626	2.99%
Home Depot Inc	HD	Consumer Discretionary	383	26.55	10,169	1.95%
Kinetic Concepts Inc	KCI	Healthcare	335	51.39	17,216	3.29%
Knight Capital Group	NITE	Financials	1079	16.03	17,296	3.31%
Kohls Corp	KSS	Consumer Discretionary	356	44.44	15,821	3.03%
Legg Mason Inc	LM	Financials	253	66.04	16,708	3.20%
Mattel Inc	MAT	Consumer Discretionary	886	19.32	17,118	3.28%
Pepsico Inc	PEP	Consumer Staples	271	69.56	18,851	3.61%
Petroleo Brasileiro	PBR	Energy	85	117.34	9,974	1.91%
Pfizer Inc	PFE	Healthcare	832	22.28	18,537	3.55%
Toyota Motor Co	TM	Consumer Discretionary	163	108.55	17,694	3.39%
Trinity Inds Inc	TRN	Industrials	420	28.17	11,831	2.26%
Unit Corp	UNT	Energy	380	55.15	20,957	4.01%
Wal Mart Stores Inc	WMT	Consumer Staples	392	49.59	19,439	3.72%
Waste Mgmt Inc Del	WMI	Industrials	511	32.83	16,776	3.21%
Western Un Co	WU	Information Technology	1230	20.8	25,584	4.90%
Yum Brands Inc	YUM	Consumer Discretionary	490	34.45	16,881	3.23%
Direct Equity Holdings					438,098	83.84%
Total Equity Holdings					438,098	83.84%
Cash as of February 29, 2008					84,414	16.16%
Total Assets					**522,513**	100.00%



Investment Style and Strategy

Fund Objective: Outperform the benchmark on a total return basis by investing in securities that provide superior returns on a risk/return basis through capital appreciation and dividends.

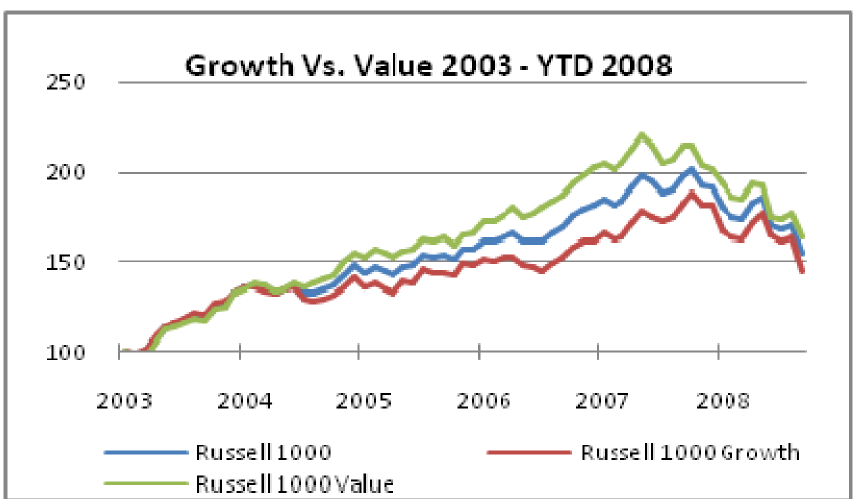
Benchmark: Russell 1000 Value Index

Fund Strategy: The Value Fund utilizes a bottom-up fundamental approach. Our analysts go through a vigorous screening process to select deep value positions. The team pursues this strategy by investing primarily in large capitalization companies with consistent year over year earnings that are trading at a discount relative to their peer group. We estimate the value of our securities primarily through an intrinsic value methodology. Additionally, we examine each security's valuation relative to its peer group. For the purposes of this analysis we utilize many of the following metrics: price-to-earnings, price-to-book, dividend yield, and various free-cash-flow ratios. There is, however, no specific country or region quota. Analysts discuss the Fund's overall sector allocation compared to our benchmark to monitor our exposure, though we do not make actual sector bets. The Fund seeks absolute returns in order to fulfill our distribution requirements and monitors our performance against the Russell 1000 Value index.

Why Value Stocks? Value stocks are stocks that tend to be out of favor. A value stock is one that is underpriced by the market for reasons that may have nothing to do with the business itself. They are undervalued relative to their comparables on various metrics used to value comparable companies. Stocks that are undervalued on metrics compared to the index may not be Value stocks because sectors trade differently. Historical trading multiples are often a good indicator of whether a sector has a favorable perception.

Number of Holdings: Approximately 20 to 25 positions, 3.3% of assets under management per new position.

Cash: The goal of the Fund is to be invested in the best value opportunities in the marketplace. To the extent we have uninvested cash, we will search for opportunities to employ that capital that fits our strategy. We do not have a maximum cash balance and only utilize ETFs to reduce our cash exposure on a short-term basis. These ETFs are focused in sectors that we are underweight and are sold off when investment ideas are added to the portfolio.



THE SMALL CAP FUND

Message From the Portfolio Managers

"Look at market fluctuations as your friend rather than your enemy."

The Small Cap Fund has been trying to keep this quote from Warren Buffet in mind in a market environment where 5-6% changes have become a regular occurrence. The deterioration of the financial markets over the summer and continuing into the fall has brought the level of fear in the market to unprecedented levels. The mission of MPSIF is centered on the concept of experiential learning and in this current environment, the potential for learning increases significantly. Greater uncertainty brings about increasingly spirited debates with regards to fund strategy and fund holdings. With this increase in scrutiny comes increased accountability, and a greater emphasis on thorough research and analysis. The Michael Price Student Investment Fund was established in 1999, and while the fund has experienced numerous market conditions in its long history, the market conditions of the current period have created a unique experience for us as Portfolio Managers and Analysts. That is not to say that we would have objected to participating in the fund during the late 1990s era bull market, but the fact remains that managing a portfolio in the current market environment has been an invaluable educational experience for everyone involved with the Small Cap Fund.

Given the long break periods during school holidays, the fund has implemented stop loss policies to better manage the risk associated with the volatility in today's markets. The execution of stop-loss orders over the course of the summer break left the fund with a large cash position. Given what some members of the fund perceived as an oversold situation, we discussed the merits of investing this cash in a Russell 2000 tracking ETF in order to bridge the gap between our updates on existing positions and the pitches for new portfolio additions, and allow us to participate in a potential upswing in the markets. After more than an hour of discussion and two rounds of votes where individuals switched sides based on the compelling arguments of their peers, we decided to invest one third of our cash position in the ETF. With the potential for any given holding in our portfolio to rise or fall by 10% on a given day, this level of discussion has been extended to our individual equity holdings as well. The members of the small cap fund have managed to rise to this challenge through their thorough due diligence an analysis on the stocks that they are presenting.

This level of analysis is particularly important given the fact that the performance of the small cap fund in the past few semesters has not been stellar. In order to remedy the situation, and improve the performance of the fund going forward, we have revamped many of the fund procedures as of the start of the semester. First, we decided to emphasize that analysts keep up to date with their stock selections throughout the semester by adding additional update presentations on holdings for earnings calls and significant events to complement the traditional update at the beginning of the semester. We also added a final update at the end of the semester to allow for a more seamless transition to next semester's portfolio managers and to set an accurate stop loss price over the course of winter break. Second, we kept sector weightings in mind when evaluating the stocks that were to be pitched over the course of the semester. In the past, the fund has often had an overweighting of consumer cyclical stocks, since analysts follow a bottom-up approach and gravitate toward familiar brands and products. This semester, we have increased awareness of the fund's sector allocation through regular postings of the portfolio weightings, and encouraged analysts to choose stocks in other sectors to pitch. We hope to balance the funds weightings, improve the fund's diversification and performance under all market conditions. Of course, value-minded investors may view some stocks in currently unpopular sectors as opportunities given the current market conditions, and maintain an open mind to these types of investments. Third, we have increased the emphasis on performance attribution and risk monitoring for the portfolio. This includes regularly calculating and presenting the fund's volatility and Value-at-Risk, as well as maintaining an online portfolio so that all members of the Small Cap fund are able to obtain real-time updates on our portfolio at any time. Over the period covered by this report, our fund has unfortunately underperformed the benchmark. However, given the new measures we have put in place, and our strong cash position, we have no doubt that we shall significantly outperform the benchmark in the coming term. That said, absolute performance is also a critically important measure for us, and on that front we know that we need to improve further. We feel that we have a very talented and motivated analyst team and eventually we will make inroads into improving our absolute performance as well.

Jaspal Singh and Jorge Trujillo

Portfolio Managers of the Small Cap Portfolio

Discussion of Performance

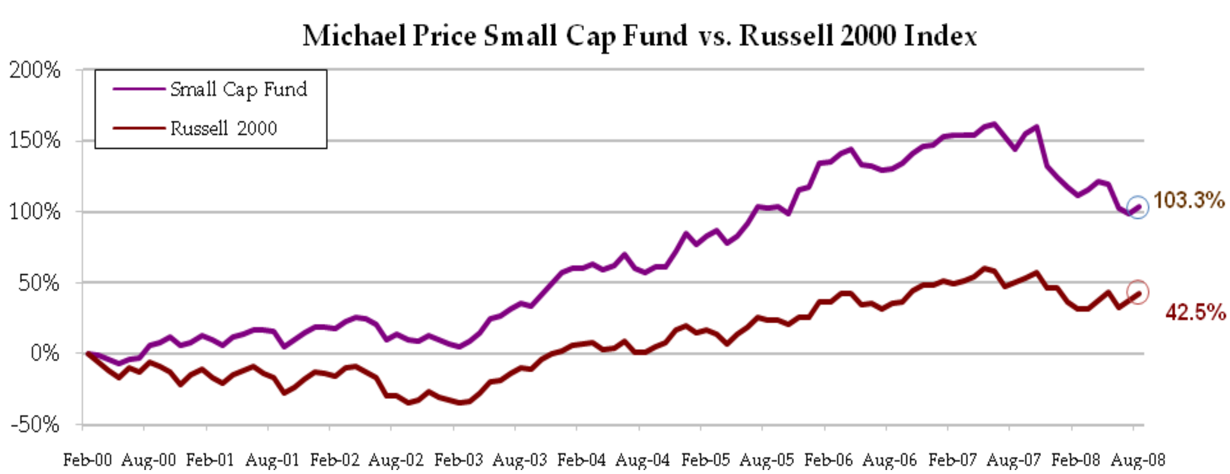
	6 Month	1 Year	3 Year Cum.	3 Year Annualized	5 Year Cum.	5 Year Annualized	Inception Cum.	Inception Annualized
Small Cap Fund	**-4.01%**	**-16.78%**	**0.31%**	**0.10%**	**49.61%**	**8.39%**	**103.26%**	**8.70%**
Management Fees	-0.26%	-0.54%	-1.73%	-0.58%	-3.07%	-0.62%	-4.88%	-0.59%
Russell 2000 Index	8.53%	-5.48%	15.11%	4.80%	57.79%	9.55%	42.49%	4.25%
Relative - Gross of Fees	-12.54%	-11.29%	-14.80%	-4.70%	-8.18%	-1.16%	60.76%	4.45%
Relative - Net of Fees	-12.80%	-11.74%	-16.53%	-5.28%	-12.77%	-1.83%	50.84%	3.81%

** Inception for all equity funds is March 1, 2000. The Fixed Income fund began operations on May 20, 2002.*

Beginning in spring of this year, the deepening crisis in the world credit markets has weighed heavily on investors and has brought market volatility to levels not seen in over 20 years. Over the 12-month period beginning on September 1st, 2008 and ending August 31st, 2008, the Small Cap fund had a disappointing performance return of -16.78%. Traditionally, the fund's bottom-up strategy has focused on finding the best-in-sector firms with strong management and growth prospects. Unfortunately, this strategy led to overexposure to sectors that were more severely impacted by the credit crunch and economic slowdown, primarily the financial, consumer discretionary and industrial sectors.

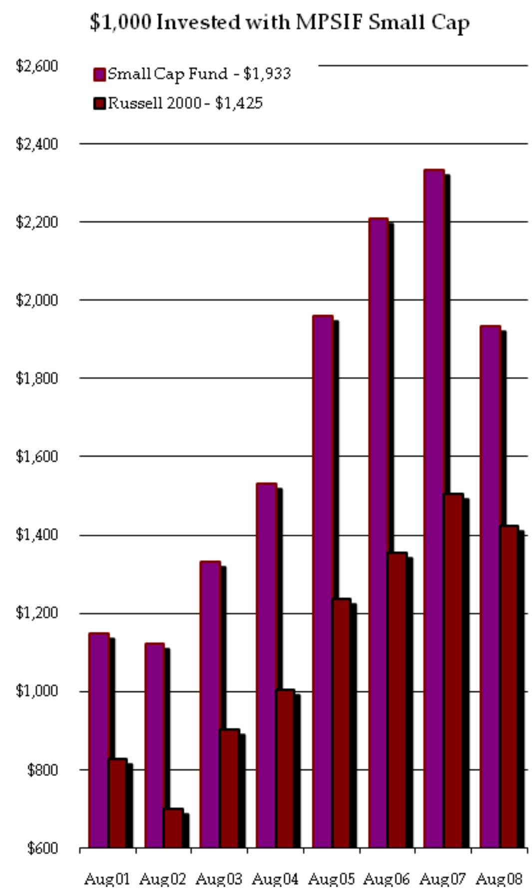
The Small Cap fund aimed to position itself to capitalize on the tough economic conditions. For example, in the industrials area we invested in Hexcel (HXL), a firm which produces light-weight materials for use in the next-generation of fuel-efficient aircraft from Boeing and EADS. The fund also entered a position in Sketchers (SKX), which produces and sells high-quality fashionable shoes at low prices. However, the precipitous drop in consumer sentiment and the record rise in energy prices and slowing capital expenditures significantly dimmed the prospects of these companies, despite the relative strength of their respective businesses.

That being said, several firms in the portfolio did manage to outperform the market despite the adverse economic conditions. The fund's investments in the energy sector performed very well during this period, as evidenced by our position in Alliance Resource Partners (ARLP). Alliance Resource Partners is a major producer of low-sulfur coal in the United States and with commodity prices rising, the firm was able to capitalize on this trend allowing the stock to yield a 19% return during this period. We found that firms with strong cash flows and non-cyclical businesses also performed very well during this tumultuous period. Frontier Communications (FTR) is a rural provider of telecommunications services, including long-distance phone, high-speed Internet and digital television through partnerships. The investment in FTR returned over 22% in this period. Knoll Inc (KNL), a manufacturer of office furniture, textiles



and fine leathers, was another excellent performer with a return of over 27%.

The fund's stop-loss policy had a significant effect on the fund over the course of the summer, as eight positions were automatically sold due to large declines. While the losses are unfortunate, the fund was left with a large cash position, which we believe will enable us to solidly outperform the index in the next term. The large sell-off during the summer, which has continued into the fall, has left many stocks with outstanding fundamentals trading below their intrinsic value. Going forward, we plan to add several of these stocks to our portfolio, fueling the fund's outperformance during and after the eventual economic recovery. In addition, we plan to increase the focus on top-down analysis and sector allocation, as this has been the primary driver of stock performance in the current market.

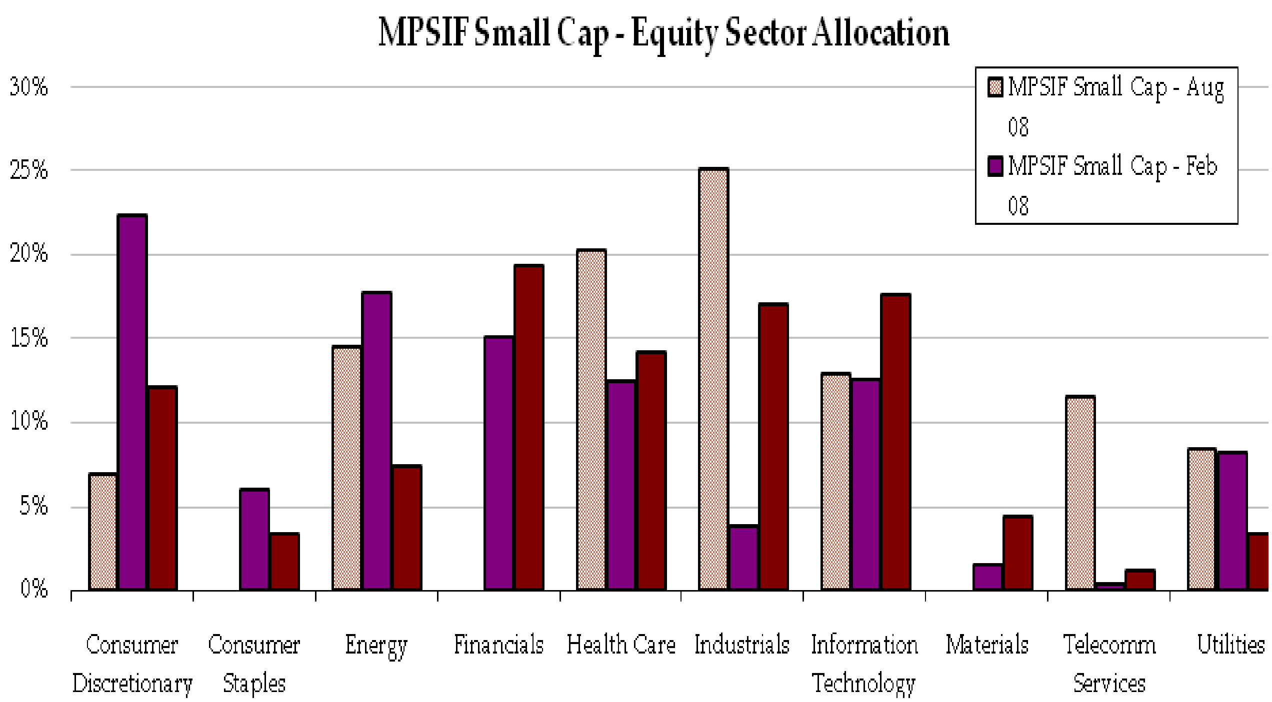


Top Contributors		
Knoll Inc	27.7%	2.5%
Frontier Communicatic	22.4%	1.5%
Alliance Resource Pa	19.0%	0.9%
Stock Selection		-11.9%
Allocation Effect		-1.4%

Asset Allocation

While the Fund primarily employs a bottom-up approach to analyzing potential investments, optimal sector allocations are taken into consideration for any additions to the portfolio. In addition, the Fund's use of price targets and lack of bias towards either growth or value contributes to turnover, which in turn leads to significant changes in sector allocation. The Fund seeks to be fully invested as opportunities avail themselves but due to the committee structure, the extent of equity participation may vary significantly, especially during the winter and summer months when liquidations may occur because of stop-losses without the benefit of having new stock pitches to take the original position's place. This situation was the case during the summer of 2008. The Fund's small number of holdings means that diversification is difficult to maintain across sectors and within the sector. For the current period, the Fund has an over-exposure to information technology, utilities, consumer discretionary, healthcare, and telecommunications but is underweight financials, industrials, energy, materials, and consumer staples.

Below is the asset allocation at the start of FY 08 and the midpoint of FY 08. Please note that the Fund does not maintain mandatory guidelines regarding asset allocation among sectors.



Holdings Profile

Small Cap Portfolio as of August 31, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
Allete Inc	ALE	Utilities	470	42.22	19,843	4.65%
Blackboard Inc	BBBB	Information Technology	370	39.96	14,785	3.46%
Epiq Sys Inc	EPIQ	Information Technology	1400	11.29	15,806	3.70%
Frontier Communications	FTR	Telecomm Services	2172	12.57	27,302	6.39%
Global Inds Ltd	GLBL	Energy	1255	9.67	12,136	2.84%
Hexcel Corp New	HXL	Industrials	897	20.78	18,640	4.36%
Icf Intl Inc	ICFI	Industrials	524	18.47	9,678	2.27%
Kendle International	KNDL	Health Care	460	49.45	22,747	5.33%
Knoll Inc	KNL	Industrials	1900	16.47	31,293	7.33%
Regency Energy Partn	RGNC	Energy	900	24.92	22,428	5.25%
Sirona Dental System	SIRO	Health Care	925	27.49	25,428	5.95%
Skechers U S A Inc	SKX	Consumer Discretionary	865	19.12	16,539	3.87%
Direct Equity Holdings					236,625	55.40%
Total Equity Holdings					236,625	55.40%
Cash as of August 31, 2008					190,479	44.60%
Total Assets					**427,104**	**100.00%**

Small Cap Portfolio as of February 29, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
Ishares Russell 2000	IWM	Index	836	68.86	57,567	12.06%
Allete Inc	ALE	Utilities	470	36.04	16,939	3.55%
Alliance Resource Pa	ARLP	Energy	955	37.92	36,214	7.59%
American Dairy Inc	ADY	Consumer Staples	1378	8.71	12,002	2.52%
Asta Fdg Inc	ASFI	Financials	1432	16.18	23,170	4.86%
Epiq Sys Inc	EPIQ	Information Technology	1400	13.6	19,040	3.99%
Kendle International	KNDL	Health Care	460	44.81	20,613	4.32%
Wms Industries Inc	WMS	Information Technology	1145	37.97	43,476	9.11%
Direct Equity Holdings					171,453	35.93%
Total Equity Holdings					229,020	47.99%
Cash as of February 29, 2008					248,165	52.01%
Total Assets					**477,185**	**100.00%**

Investment Style and Strategy

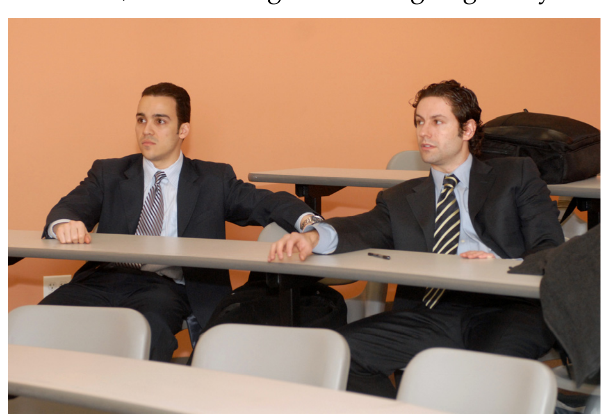
Objectives. The objectives of the Small Cap Fund are to achieve total returns in excess of the Russell 2000 Index and to achieve an absolute return in accordance with the Fund's role as a part of the university endowment.

Style. The Small Cap Fund combines a bottom-up approach for security selection and portfolio construction with consideration of the Fund's current sector weightings for any new additions to the portfolio. The Fund invests primarily in domestic equities with market capitalizations of less than $4 billion and benchmarks its returns against the Russell 2000 Index. The portfolio does not have a value or growth bias or primarily utilize a top-down methodology. Rather, individual company analysis is conducted in conjunction with economic and sector outlooks provided by the MPSIF Economic team and evaluated in the context of the consensus economic opinion of the Fund. Various criteria may be reviewed to determine the attractiveness of an investment, including, but not limited to, the company's earnings outlook, valuation, M&A activity, management team, and/or other specific catalysts or events.

Strategy. The Small Cap Fund targets a relatively concentrated portfolio comprised of twenty to twenty-five investments. Depending on both market and security-specific conditions, the turnover of the Fund may vary. Throughout the semester, Fund analysts will provide both updates on existing positions and pitches for new investments. With regard to existing allocations, each semester the analyst assigned to a particular stock provides updates to the Small Cap Fund throughout the course of the semester. At that time, the entire Fund votes on the analyst's recommended course of action. Options include selling all or half of the position, holding the position, or accumulating more of the position, subject to portfolio size constraints. New pitches are also presented to the Fund throughout the semester. During new investment deliberations, the Fund analyzes investment highlights and weighs them against any potential macro or company-specific risks. Furthermore, the analyst and the Fund review the expected timing of the investment as well as all upside price targets and downside stop-losses if applicable. When implementing a stop-loss order, the Fund tries to differentiate between firm specific negative events and a general market downturn. When considering a new position, the Fund may vote for a full (approximately $20,000), half, or zero allocation or wait and watch the position until there is a more attractive entry point. Additionally, while there are neither specific sector guidelines nor sector concentration limits, the Portfolio Managers continually monitor and assess the Fund's sector weightings on an absolute basis and relative to the benchmark.

Why Small Cap Stocks? Small cap stocks are defined by the fund as stocks that have market capitalization of less than $4 billion. They have proven to offer the greatest returns to investors over time based on historical data. However, these stocks may take longer to be recognized and valued by the market and tend to plunge upon negative earnings announcements.

Risk Management. As stated earlier, stop-loss prices are implemented during the winter and summer breaks. Stop-loss prices are established using various techniques, including the stock's trading volatility, technical analysis, or fundamental analysis by modeling downside scenarios. When class is in session, all members continuously monitor the selected stock, particularly during earnings season. Considering the volatility of Small Cap stocks, it is very important to take action immediately against price movement and market sentiment. Every position is assigned to a particular analyst. In order to maintain continuity between semesters, stocks assigned to outgoing analysts are



temporarily assigned to second-semester Small Cap analysts (over the recess periods) until new analysts join the Fund and the stock coverage may be re-assigned.

THE FIXED INCOME FUND

Message from the Portfolio Manager

While the performance covered in this report extends only through August 2008, the fixed income fund's current investment strategy and economic outlook remain consistent with that of the first half of 2008. Volatility in the fixed income markets seems to redefine "all time high" on a monthly basis and has been driven by a variety of factors. Strong evidence of impending economic weakness, both domestically and abroad, and a freeze in credit liquidity amongst financial institutions have resulted in widening credit spreads as the market continually reprices risk. In response, the Federal Reserve Board, in concert with other developed countries' central banks, has implemented a variety of responses to cope with the crisis - the impact of which remain to be seen. While the fund anticipated and was able to profit from some of these developments, other factors detracted from the fund's profitability in the most recent period

During the period from 2/29/08 through 8/29/08, the fund maintained an overweight position in the front end of the treasury yield curve in anticipation of further steepening as a result of the Fed's continued attempts to stimulate the economy and relieve tension in the overnight lending markets. While the spread between 2 and 10-year treasury notes, a reflection of the steepness of the curve, was volatile over the summer months, we believe our positioning remains appropriate given our outlook. More recently, our positioning in the 1-3 year duration has allowed us to take advantage of the latest round of yield curve steepening implemented by the Fed and other central banks, ultimately benefiting the fund's returns. The spread between to 2 and 10-year treasury notes was 187bps as of 2/29/08, 147bps as of 8/29/08, and 218bps as of 10/21/08. We believe going forward investors will continue to find favor in the front end of the yield curve due to rising inflation expectations in anticipation of more rate cuts by the Fed.

While seemingly in contrast to our move to overweight the front end of the yield curve, in May 2008 we liquidated our position in TIPs as yields approached zero (and were reported to be negative in intraday trading). We liquidated this position in realization of limited further gains. Our judgment proved correct as yields in TIPS have since pushed back above 2.25% across maturities as investors' inflation expectations have been dramatically tempered due to acknowledgement of an impending domestic recession. The fund has recently re-established a position in TIPs as we believe the implied inflation expectations of 19bps over the next five years is unrealistically low and that market expectations of inflation will return to levels more in line with past figures

Most recently, credit market volatility caused us to liquidate our position in our investment grade corporate bonds at a loss. We originated this investment to take advantage of widening spreads in high-quality securities with strong fundamentals that had been unfairly beaten down by market turmoil. This reallocation of assets was in recognition that inherent in the credit markets crisis is the unlikely, yet real, possibility that certain events may become massively destabilizing to the domestic lending system and cause catastrophic loss in anything but the most high quality assets

Going forward we believe the crisis in the credit and financial markets will cause developed economies to operate well below potential for some time. Further, we believe select emerging economies will continue to experience partial decoupling with respect to growth though as they struggle to credibly battle inflation in their respective economies. As a result we have added positions in higher quality emerging markets bonds as we have seen spreads widen in this arena despite improving fundamentals in many regions. In addition we are maintaining our position in a Global Bond Fund, to protect against the falling U.S. dollar and to hedge against potential increase in U.S. inflation and inflation expectations – consistent with our position in TIPS.

Regarding fund structure, we remain at 10 active members with sector specific coverage responsibilities, although have added commodities sector coverage primarily to supplement our views on global inflation, currencies, and trade balances.

Christopher Bolton and Luiz Caselli

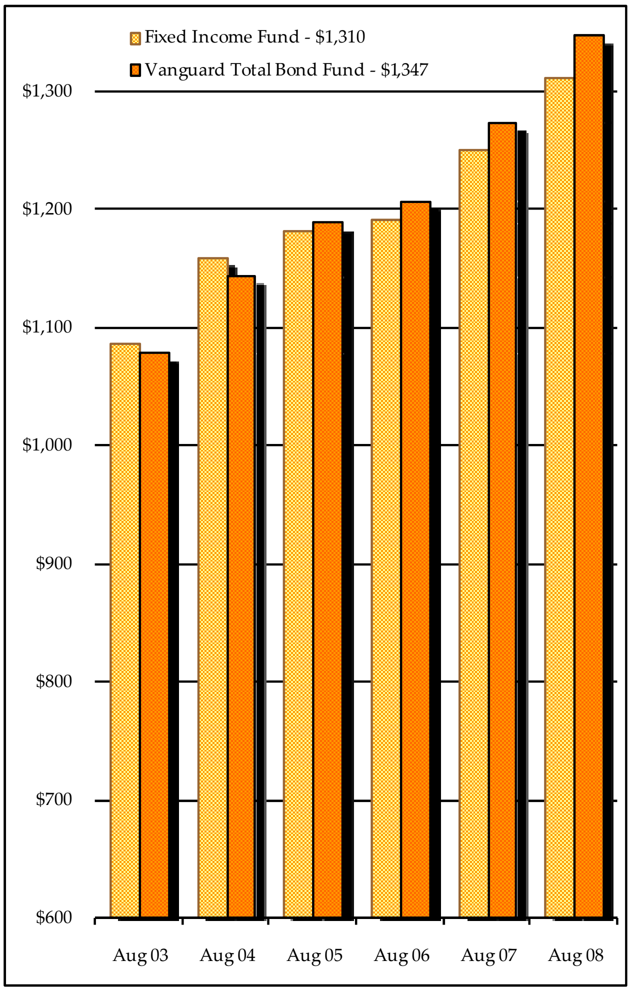
Portfolio Managers, Fixed Income Fund

Discussion of Performance

	6 Month	1 Year	3 Year Cum.	3 Year Annualized	5 Year Cum.	5 Year Annualized	Inception Cum.	Inception Annualized
Fixed Income Fund	**0.54%**	**5.34%**	**12.40%**	**3.97%**	**22.99%**	**4.23%**	**34.04%**	**4.67%**
Management Fees	-0.33%	-0.52%	-1.33%	-0.45%	-1.94%	-1.94%	-2.26%	-0.36%
Vanguard Total Bond Fund	-0.10%	5.79%	13.37%	4.27%	24.90%	7.69%	34.70%	4.82%
Relative - Gross of Fees	0.64%	-0.45%	-0.98%	-0.30%	-1.91%	-3.47%	-0.66%	-0.14%
Relative - Net of Fees	0.31%	-0.99%	-2.48%	-0.76%	-4.30%	-5.49%	-3.69%	-0.52%

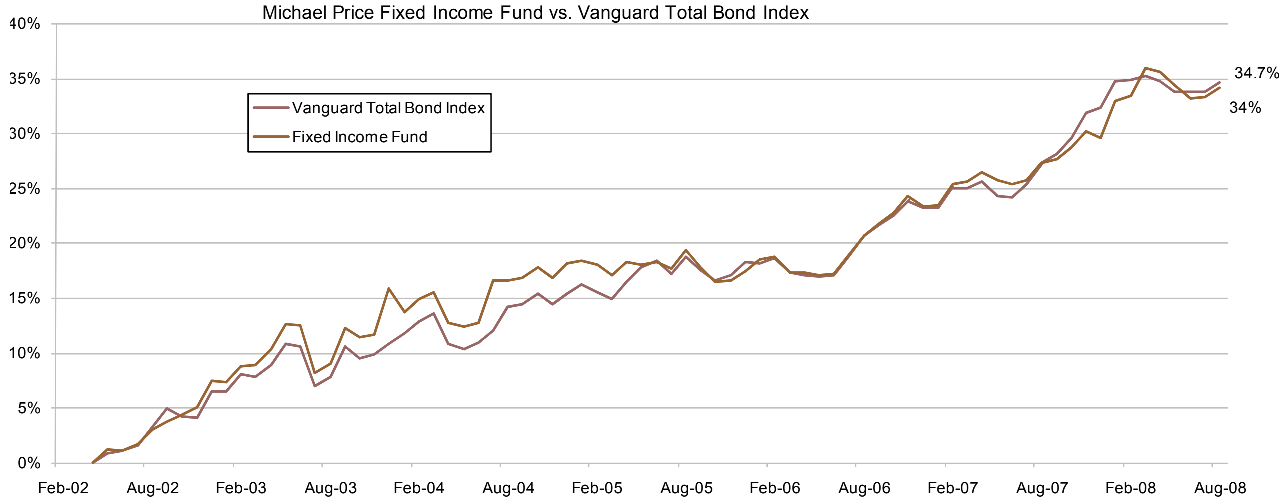
** Inception from May 20, 2002*

Over the past 6 and 12 months, the Fixed Income Fund has experienced a 0.54% and 5.34% return respectively. These numbers indicate an improvement in the relative return over the most recent 6-month period as compared to the full 12-month period. During the most recent 6-month period the Fixed Income Fund gained 0.64% in excess of the benchmark Vanguard Total Bond Fund. For the full 12 months timeframe, the fund return was 0.45% below the benchmark.



During the past 6 months, we have made 2 changes in the portfolio. We eliminated our position in the Inflation Protected Treasury securities and replaced it with an Emerging Market Bonds position (through PIMCO Emerging Markets Bond Fund). This movement was to reduce our exposure to the near zero real interest rate in the TIPS and take advantage of increased credibility among certain emerging market names (a number of emerging market countries have achieved Investment Grade status this year).

In April 2008 we adjusted our treasury yield curve exposure to take advantage of anticipated further steepening, specifically a decrease in yield in the shortest part of the curve, an increase in yield in the middle of the curve, and a flat environment on the long end. To implement this, we cut our entire position in the Rydex Inverse Government Bond Fund, increased our exposure to the short-term (investing in the iShares Lehman 1- 3 Year Treasury Bond), slightly reduced exposure to the mid-term (withdrawing both the iShares Lehman 3 - 7 Year Treasury Bond and the iShares Lehman 7 - 10 Year Treasury Bond) and increased exposure to the long-term (increasing the position in the iShares Lehman 20+ Year Treasury Bond). These positional changes have been driven by our continued investment approach in which we take a top-down macro view of the economy and position the fund to benefit from anticipated developments. Factors driving our positional changes in the most recent period have included an anticipated recession, rising inflation expectations, and continued credit scarcity amongst financial and non-financial corporate names. We believe the probability a deep recession in the near-term will the FED to further cut its target rate, ultimately raising inflation expectations, impacting the yield curve in middle durations.


Michael Price Fixed Income Fund vs. Vanguard Total Bond Index
40%
35%
30%
25%
20%
15%
10%
5%
0%
Vanguard Total Bond Index
Fixed Income Fund
34.7%
34%
Feb-02
Aug-02
Feb-03
Aug-03
Feb-04
Aug-04
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Aug-05
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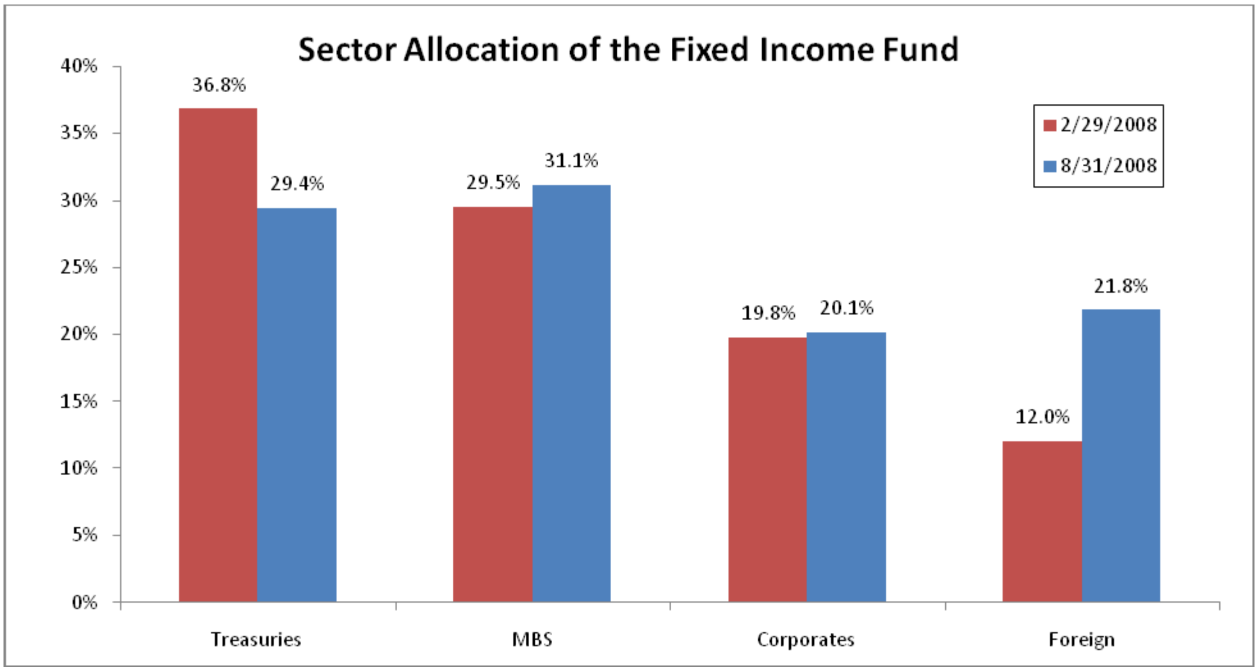
Aug-06
Feb-07
Aug-07
Feb-08
Aug-08

Asset Allocation

Each of the bond mutual funds in our portfolio achieves our goals as the investment vehicle for exposure to a particular sector. The Fund under-weights the MBS, Corporate and Treasuries sectors and over-weights the foreign sector. As we go forward, we intend to continue making investments consistent with our view (which currently contemplates reducing our exposure to Corporate and closely following our exposure in foreign markets debt). Although our actual allocation in each fixed income product may differ from our intended sector percentages, we are prepared to take a more active investment approach.



Holdings Profile

Fixed Income Portfolio as of August 31, 2008

Company Name	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Assets
PIMCO Total Return Mortgage A	PMRAX	MBS	13,031	10.49	136,705	29.1%
Templeton Global Bond Fund	TPINX	Foreign	4,806	11.41	54,843	11.7%
iShares Lehman 1- 3 Year Treasury Bond	SHY	Treasuries	400	83.15	33,260	7.1%
iShares Lehman 3 - 7 Year Treasury Bond	IEI	Treasuries	368	108.02	39,751	8.5%
iShares Lehman 7 - 10 Year Treasury Bond	IEF	Treasuries	445	89.38	39,774	8.5%
iShares Lehman 20+ Year Treasury Bond	TLT	Treasuries	175	93.84	16,422	3.5%
iShares GS $ Invest Grade Corp Bond Fund	LQD	Corporates	875	101.04	88,410	18.8%
PIMCO Emerging Markets Bond Cl A	PAEMX	Foreign	3,976	10.31	40,995	8.7%
Total Securities					450,160	102.5%
Cash as of August 31, 2008					-11006.7	-2.5%
Total Assets					**439,154**	**100.0%**

Fixed Income Portfolio as of February 29, 2008

Company	Ticker	Sector	Shares Held	Closing Price	Position Value	% of Portfolio
PIMCO Total Return Mortgage A	PMRAX	MBS/ABS	12,729	10.90	138,748	29.5%
Templeton Global Bond Fund	TPINX	Foreign	4,697	12.03	56,506	12.0%
iShares Lehman 3 - 7 Year Treasury Bond	IEI	Treasuries	455	110.02	50,059	10.7%
iShares Lehman 7 - 10 Year Treasury Bond	IEF	Treasuries	550	90.76	49,918	10.6%
iShares Lehman 20+ Year Treasury Bond	TLT	Treasuries	75	94.23	7,067	1.5%
iShares Trust Lehman Treasury Inflation Bond	TIP	Treasuries	385	110.57	42,569	9.1%
iShares GS $ Invest Grade Corp Bond Fund	LQD	Corporate	875	106.28	92,995	19.8%
Rydex Inverse Government Bond Fund	RYJUX	Treasuries	1,368	17.18	23,509	5.0%
Total Securities					461,372	98.2%
Cash					8,491	1.8%
Total Assets					**469,864**	**100.0%**

Investment Style & Strategy

The Fund seeks to outperform its benchmark, the Vanguard Total Bond Fund (VBMFX). 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 – US Treasuries, Corporate bonds, Mortgage-backed/Asset-backed securities and Foreign investment grade bonds (Emerging Markets and Developed Markets). Due to its tax-exempt status, the fund does not invest in any Municipal bonds. Also, the Fund does not engage in shorting, derivatives trading, or other non-linear investment strategies. Currently, the Fund does not buy individual securities, due to the limited size of our trades and market spreads associated with buying individual securities. Instead the Fund invests in other publicly traded funds to implement its sector allocation.

Due to Fund's inability to take positions in specific bond issues (limited dollar resources, the need to maintain a diversified fixed income portfolio and the limitations of our trading account), we use the Vanguard Total Bond Fund as our benchmark, as opposed to the more widely used Lehman Brothers Aggregate Bond Index. Instead, we make sector allocation decisions and invest through established mutual fund management fees, and thus benchmark to an index whose performance is also adversely impacted by mutual fund management fees. We feel it most appropriate to benchmark to the bond mutual fund index with the least tracking error to the Lehman Aggregate Bond Index, and thus chose the Vanguard Fund. Going forward, when the Fund gains the capability to choose individual bond issues, a shift of our benchmark will be considered.

Sector Review & Outlook

US Treasuries: We expect the Federal Open Market Committee will continue to cut the Federal Funds target rate in an effort to spur lending and aid banks in rebuilding their balance sheets. While we are reluctant to make a point estimate for what the target will be in the months ahead, we note that the Fed futures market's implied probabilities are greatest for a rate of 0.50% by January 2009. This is consistent with our portfolio positioning to take advantage of further steepening in the curve.

Near zero yields in the shortest tenor (1-12 month) of the yield curve make it clear that upside potential for treasuries in this range is limited. In contrast, we believe that Treasuries in the 1-3 year tenor on the curve still provides a short term yield that will continue to attract increasingly risk averse investors seeking generate some returns by rolling down the curve.

We believe the market's 3-5 year inflation expectations, as evidenced by the yield differential between TIPs and CMTs, is unrealistically low. While a recessionary environment certainly will restrain inflation in the year ahead, we do not believe that inflation will be completely absent from the domestic economy in the five years ahead. Currently the breakeven on five year TIPs is 8bps and the breakeven on ten year TIPs is 94bps. Based on historical inflationary averages and our skepticism that the country is entering a decade recession, we believe TIPs are currently undervalued and the 5-10 year duration of the yield curve is overvalued.

Corporate Bonds: Spreads on corporate bonds remain at record high, with the current default spread for a 10 year AAA rated name at 243bps up from 146bps only a month ago. Similarly, the spread for a 10 year A rated corporate bond is currently 344 bps up from 266bps the month before. We continue to believe that certain high quality corporate names represent an attractive investment opportunity for investors with credit expertise and an ability to take a position in select names that have been unfairly beaten down by recent market turmoil. We anticipate the corporate default rate to continue to climb from its record low of 1% a year ago and approach its historical average of 5%. However, we believe the opportunity to earn close to 8% on a high quality AAA rated corporate bond remains an attractive investment.

Mortgage-Backed/Asset-Backed Securities: Similar to our views on high quality corporate names, we continue to believe that certain mortgage assets represent appealing investment opportunities as high quality assets that have been unreasonably penalized by broad market turmoil. Agency mortgage pass-throughs represent high quality securities that carry an explicit U.S. government credit guaranty and trade at a healthy premium to Treasuries. Further, mortgage rates remain sufficiently high to make refinance an unrealistic possibility for the foreseeable future adding to the attractiveness of these securities. We anticipate that as the stigma of mortgage related securities recedes these positions will appreciate strongly.

Foreign Investment Grade: We believe that the credit crisis will cause developed countries to produce below potential for the medium term. Moreover, we believe that the recent dislocation in the global financial markets is a reflection of market capitulation and investment opportunities are beginning to reflect this. We also believe that decoupling in certain areas of the global economy is sufficient to allow certain emerging economies to maintain higher growth rates, albeit at a slower pace than the recent past.

We believe that interest rates will drop in developed countries, particularly the EU and UK, in response to policy action by these countries' central banks. Given the outlook for further cuts on behalf of the ECB and BOE we believe exposure to short term rates in these areas is a continuation of our U.S. Treasury outlook. Moreover, we believe exposure to the EU with its Central Banks singular inflation-targeting mandate, will provide an added vehicle by which to benefit from an increase in domestic inflation.

Emerging Market Credit: We believe growth in certain emerging markets, lead by China, will maintain sufficient momentum despite the global financial crisis. While we believe that Chinese growth will inevitably pull back as a result of reduced demand from developed countries, this constrain in growth is off of astounding growth in the recent past, making the outlook very positive relative to developed economies. Continued domestic demand and large financial reserves, built up over the past 5 years will be sufficient to enable certain developed economies to maintain a solid rate of growth. Moreover, we believe the global slowdown may even benefit some of theses economies in the form of reduced commodity prices, which should translate into lower inflation. Given this outlook, the fund maintains a position in certain emerging market credit.

Fund Management

The Executive Committee

Back Row: Jaspal Singh, Derek Apfel, Ward Jones, Professor Levich
Second Row: Michael Glickstein, Christopher Bolton, Luiz Caselli, Joshua Michaels, Amy Klug
Front Row: Jorge Trujillo, Cindy Chan, David Paz

Professor Richard Levich – *Faculty Advisor*
Richard Levich is Professor of Finance and International Business and Deputy Chairman of the Department of Finance at New York University's Leonard N. Stern School of Business. Previously, he served as chairman of the International Business Program at Stern. He is also a Research Associate with the National Bureau of Economic Research and he is a founding editor of the Journal of International Financial Management and Accounting. Professor Levich has been a visiting faculty member at many distinguished universities in the United States and abroad. He has published more than fifty articles and is the author or editor of fifteen books on various topics dealing with international finance. In 1997, Professor Levich received a CDC Award for Excellence in Applied Portfolio Theory from the Caisse Des Dépôts Group, France. Professor Levich received his Ph.D. from the University of Chicago.

Michael Glickstein – *President*
This past summer Mike interned at Pequot Capital as an equity research analyst for the core investment team. Before Stern, Mike was a Vice President at Mercer Partners, a global long-short equity hedge fund. Prior to Mercer, he was a research analyst at Goldman Sachs, primarily covering the automotive industry. He started his career in research at Friedman Billings Ramsey. He holds a BA from Skidmore College (Summa Cum Laude). Michael is a CFA level III candidate.

Joshua Michaels – Treasurer
Over the summer, Joshua worked in the Mergers and Acquisitions group at Rothschild Inc. Prior to this, he worked in the Mergers and Acquisitions group at Sumitomo Corporation of America, the US subsidiary of the Japanese trading house Sumitomo Corporation. His work was primarily focused on evaluating, structuring and executing cross-border acquisitions in the Industrial Goods and Energy sectors. Prior to Sumitomo, Joshua was a strategy and finance analyst at BlackRock, Inc. He holds a BA in Economics from Hamilton College.

Derek Apfel – Co Po*rtfolio Manager, Growth Fund*
Derek worked in Equity Research at Lehman Brothers covering cable and satellite companies over the past summer. Prior to Stern he worked as a Budget Analyst for the Social Security Administration in Baltimore, MD. This involved analyzing historical workload trends and funding scenarios to forecast and allocate agency resources. Derek earned his B.S. in Management with a concentration in Economics from Boston College in 2004. In addition, Derek currently serves as President of the Stern Basketball Association.

David Paz – Co *Portfolio Manager, Growth Fund*
Last summer, David worked in the Energy, Power and Infrastructure Equities Group at Highbridge Capital Management, a New York-based hedge fund majority owned by JPMorgan. Prior to attending Stern, David worked as a senior financial analyst in the CFO organization at Pacific Gas & Electric Company. Prior to joining PG&E, he worked as a senior analyst in the energy practice of Analysis Group, an economic consulting firm, where he performed quantitative research for energy economists who testified on behalf of clients in complex litigated matters. David is currently the Co-President of the Association of Investment Management & Research. He received his BA in economics and statistics, magna cum laude , from the University of California, Berkeley.

Ward Jones – Co *Portfolio Manager, Value Fund*
Ward Jones spent the summer as an Associate in the Investment Banking Division at Citi, primarily in the Industrial and Consumer coverage groups, where he will be returning full-time upon graduation. Prior to attending NYU Stern, he was a Research Analyst at Friess Associates, $15 billion asset manager of the Brandywine Funds, covering a wide array of growth companies. Prior to Friess, Ward was an Account Manager at SEI Investments, servicing fund-of-funds wrap accounts. He holds a BA in Economics from Cornell University, where he graduated in 2001.

Amy Klug – Co *Portfolio Manager, Value Fund*
Amy Klug spent the summer as a Research Associate in the Credit Portfolio Group at JPMorgan, where she covered energy and power. Prior to attending NYU Stern, Amy was a Senior Research Assistant at King Street Capital Management, L.L.C., a New York based hedge fund focused on special situations and value investing. There she focused on researching investment opportunities across the capital structure in several industries, including healthcare, aerospace and defense, and paper and packaging. She holds a B.A. in Political Economy from Georgetown University, where she graduated in 2004.

Jaspal Singh – ***Co Portfolio Manager, Small Cap Fund***
Over the past summer and during the course of the school year, Jaspal Singh is working in the Investment Management Division of Merrill Lynch on the Managed Solutions Team. Prior to attending Stern, Jaspal spent 6 years in Merrill Lynch Technology focusing on the firm's online brokerage and Financial Advisor Workstation. He received his BA in Economics from Swarthmore College.

Jorge Trujillo – Co ***Portfolio Manager, Small Cap Fund***
Jorge works at Morgan Stanley in the technology space. His day-to-day duties involve interacting with a variety of software vendors in the information management and search sector, evaluating their product offerings and guiding the technology strategy for the firm. Currently, he is an MBA candidate at New York University's Stern School of Business, focusing on Corporate Finance and Financial Instruments and Markets. He holds a BS in Computer Engineering and a MS in Telecommunications and Networking from the University of Pennsylvania.

Christopher Bolton – ***Co Portfolio Manager, Fixed Income Fund***
Chris worked this past summer at Barclays Capital in Fixed Income Sales and Trading. Prior to attending Stern, Chris was a consultant in the Corporate and Institutional Banking Practice at Oliver Wyman, a management consulting firm. Prior to joining Oliver Wyman, Chris worked as a Senior Analyst in the Securities and Financial Risk Management Practice at National Economic Research Associates, an Economic Consulting firm. Chris received a MA in Economics from Johns Hopkins University and a BA in Economics from Duke University.

Luiz Caselli – ***Co Portfolio Manager, Fixed Income Fund***
Over the summer, Luiz worked as a summer associate at McKinsey & Company, Brazilian Office. Prior to attending Stern, Luiz was a risk analyst at Banco Santander Asset Management, managing the market risk of approximately 30 billion dollars in assets under management. Luiz Caselli is a CFA charterholder and a member of the CFA Society of Brazil. He holds a BSc in industrial engineering from the University of Sao Paulo, at Sao Paulo, Brazil.

The Growth Fund

Back Row: Stephen Katchur, Sun K. Park, Pauline Hubert, Seth Weiss, Nilesh Mandhare
Second Row: Derek Apfel, Carlos Amaya, Joshua Michaels, Marina Rokhman, Nadia Lovell
Front Row: Jiorden Sanchez, Cindy Chan, Nitesh Singla, David Paz
Not pictured: Lester Lie, Arjun Mehra

Carlos Amaya
Carlos Amaya spent the summer working at the Fixed Income Research-Investment Grade desk of Bank of America. Prior to attending NYU Stern, he spent 3 years as a Financial Sector Specialist for the Colombian Central where he was reponsible for providing the Board of Governors advice on issues related to the stability of the Colombian financial system. Carlos holds a MA and BA in economics from Universidad de los Andes.

Derek Apfel
Derek worked in Equity Research at Lehman Brothers covering cable and satellite companies over the past summer. Prior to Stern he worked as a Budget Analyst for the Social Security Administration in Baltimore, MD. This involved analyzing historical workload trends and funding scenarios to forecast and allocate agency resources. Derek earned his B.S. in Management with a concentration in Economics from Boston College in 2004. In addition, Derek currently serves as President of the Stern Basketball Association.

Cindy Chan
Cindy Chan spent last summer as a Senior Associate in the Financial Markets group at Charles River Associates International where she performed engagements on Transfer Pricing, Valuation, and securities litigations. Before coming to Stern, Cindy was a Senior Auditor at Gap Inc. where her core focus was on forensic accounting and

investigations of internal fraud. Prior to joining Gap Inc., Cindy was a Senior Associate in the Forensic Practice at KPMG, LLP where she assisted clients in identifying journal entry or payroll fraud, methodology and application issues related to Government Pricing Calculations, and stock backdating schemes. Cindy received a BA degree in Business Economics from the University of California, Los Angeles.

Pauline Hubert

Pauline Hubert--Prior to Stern, Pauline founded BookMovement, LLC a web services company for book clubs. Prior to starting BookMovement, Pauline worked in the Literary and New Media Departments at the William Morris Agency. She holds a BA in English Literature from Barnard College. This past summer, Pauline was a summer associate in Equity research at UBS.

Stephen Katchur

Steve Katchur worked at Veotoro Management LLC, a commodities-based hedge fund during the summer. Prior to attending NYU Stern, he was a Fund Supervisor at Citco Fund Services where he led a back office group for a $10BN hedge fund client. Steve holds a Finance degree from the University of Central Florida.

Lester Lie

Lester Lie is a second year MBA student and a member of the Growth Fund of the Michael Price Student Investment Fund. Last summer, he interned at Citi Investment Research and at MCR Development LLC, a real estate private equity firm. Prior to business school, Lester Lie worked in commercial real estate on both the finance and acquisition sides.

Nadia Lovell

During the summer, Nadia interned in equity research at JPMorgan. Prior to attending Stern, she worked as an institutional client services associate in the American Funds Institutional Group at Capital Research & Management Company. While there, she served as a conduit for information between the company's investment professionals and clients, which included its sales force, broker/dealers' mutual funds research group, investment management consultants and institutional clients. She received a BA in Math and Physics from Smith College.

Nilesh Mandhare

Prior to Stern, Nilesh worked for Verizon Business where he specialized in business strategy and process integration. The post-merger operational integration work that Nilesh did after Verizon bought MCI got him interest in finance. Nilesh spent his spring interning at an investment bank and summer interning at a middle market private equity firm. Currently, Nilesh is an associate at LJH Linley Capital, a middle market buyout and private equity firm and also a research assistant to Dr. Edward Altman in the NYU Salomon Center. Nilesh holds a bachelors and a masters degree in computer science and engineering from the University of Pune.

Arjun Mehra

Arjun Mehra is currently an Associate in the US Equity Research department at Merrill Lynch. His job duties include managing Merrill Lynch's Global Valuation & Analytics team and choosing stocks for a long-only portfolio of the division's highest conviction stock picks. Prior to attending NYU Stern, he was a Senior Analyst at AMI-Partners where he worked as a consultant for Fortune 100 technology companies for three years. Arjun holds a Bachelor of Arts degree in Mathematics from Colgate University.

Joshua Michaels

Over the summer, Joshua worked in the Mergers and Acquisitions group at Rothschild Inc. Prior to this, he worked in the Mergers and Acquisitions group at Sumitomo Corporation of America, the US subsidiary of the Japanese trading house Sumitomo Corporation. His work was primarily focused on evaluating, structuring and executing cross-border acquisitions in the Industrial Goods and Energy sectors. Prior to Sumitomo, Joshua was a strategy and finance analyst at BlackRock, Inc. He holds a BA in Economics from Hamilton College.

Sun Park
During the summer, Sun worked at Credit Suisse Asset Management in Singapore, covering emerging market equities. Prior to attending Stern, Sun was an assistant portfolio manager at asset management division of Samsung Securities in Seoul, Korea. He also worked as an equity research analyst at Samsung Securities in the past. He received his BA in Computer Science from University of Texas at Austin.

David Paz
Last summer, David worked in the Energy, Power and Infrastructure Equities Group at Highbridge Capital Management, a New York-based hedge fund majority owned by JPMorgan. Prior to attending Stern, David worked as a senior financial analyst in the CFO organization at Pacific Gas & Electric Company. Prior to joining PG&E, he worked as a senior analyst in the energy practice of Analysis Group, an economic consulting firm, where he performed quantitative research for energy economists who testified on behalf of clients in complex litigated matters. David is currently the Co-President of the Association of Investment Management & Research. He received his BA in economics and statistics, magna cum laude , from the University of California, Berkeley.

Marina Rokhman
Marina Rokhman was working within Credit Research, covering Financials, at Barclays Capital over the summer. Prior to attending NYU Stern, she was a Quality Assurance Engineer at Crunchtime Information Systems. Prior to Crunchtime Information Systems, Marina spent two years at Saba Software as a Software Quality Engineer, where she created and implemented strategies to test the company's software applications. Marina Rokhman holds a Computer Science BA degree from Boston University.

Jiorden Sanchez
Jiorden Sanchez spent his summer at Deutche Bank equity research covering Oil Equipment & Services companies and plans to resume employment at Deutche Bank upon graduation. Prior to his time at NYU Stern, Jiorden worked for Pinnacle Associates Ltd as an assistant portfolio manager.

Nitesh Singla
Nitesh currently works as Manager in the Financial Advisory practice of Deloitte. There he focuses on pricing and valuation strategies in their M&A group. He is the VP for MPSIF Annual Report and an MBA representative on NYU Senate. He received his MS in Computer Engineering with minor in Finance from University of Southern California, Los Angeles.

Seth Weiss
Seth Weiss worked as an intern in equity research at Goldman Sachs over the summer. Prior to attending NYU Stern, Seth spent two and a half years as a consultant with Accenture and two and a half years as a financial controller with Citigroup. Seth graduated from the University of Michigan in 2002 with a Bachelors in Business and Administration.

The Value Fund

Back row: Joon Kim, Gayathri Sundaram, Christopher Bolton, Diego Parra, Luiz Caselli, Chris MoneyPenny
Middle row: Matthias Rusinki, Benjamin Canet, Greg Konrad, Henry Barash, Peifang Sun
Front row: Ward Jones, Amy Klug, Carolyn Park, Imaan Kabir,
Not Pictured: Cedric Silas, Lorenzo Garza

Matthias Rusinki

Last summer, Matt worked at GM Asset Management as an investment analyst in the Alternative Investments group and focused on equity structures and quantitative analysis. Currently, he continues to work for GMAM in fixed income investments. Prior to Stern, Matt was developing trading systems for proprietary trading desks at Deutsche Bank and later for an interest rates derivatives desk at Merrill Lynch. He holds MS in Computer Science from Columbia University.

Greg Konrad

Before coming to Stern, Greg worked in various roles at John Hancock Financial Services and MFS Investment Management. Most recently he was an investment analyst at John Hancock, where he analyzed third party money managers. Greg has completed all three levels of the CFA program and holds a BS in Finance from the University of Maryland College Park. At Stern he is a member of the Michael Price Student Investment Fund (MPSIF) and is vice president of sell side recruiting for AIMR. This summer he interned for the equity research department at UBS.

Chris Moneypenny

Chris Moneypenny worked for Plainfield Asset Management, a $6 billion distressed debt-focused hedge fund, over the past summer as a research analyst. Prior to attending NYU Stern, he worked in the Leveraged Finance Group and Technology Group in the Investment Banking Division of Credit Suisse in Tokyo. Chris holds a bachelors degree from Colgate University.

Christopher Bolton

Chris worked this past summer at Barclays Capital in Fixed Income Sales and Trading. Prior to attending Stern, Chris was a consultant in the Corporate and Institutional Banking Practice at Oliver Wyman, a management consulting firm. Prior to joining Oliver Wyman, Chris worked as a Senior Analyst in the Securities and Financial Risk Management Practice at National Economic Research Associates, an Economic Consulting firm. Chris received a MA in Economics from Johns Hopkins University and a BA in Economics from Duke University.

Cedric Silas

Cedric interned as an Equity Research Associate at UBS this summer, covering Enterprise Software. He is currently co-President of the Association of Investment Management and Research, a student run organization which focuses on assisting students interested in areas of equity and fixed income research and asset management. Prior to attending Stern, Cedric has worked in various capacities as a technology professional. In his most recent position, he was responsible for enterprise application development at BBDO NY. Cedric received his Bachelors of Science in Computer Science from Central Washington University.

Amy Klug

Amy Klug spent the summer as a Research Associate in the Credit Portfolio Group at JPMorgan, where she covered energy and power. Prior to attending NYU Stern, Amy was a Senior Research Assistant at King Street Capital Management, L.L.C., a New York based hedge fund focused on special situations and value investing. There she focused on researching investment opportunities across the capital structure in several industries, including healthcare, aerospace and defense, and paper and packaging. She holds a B.A. in Political Economy from Georgetown University, where she graduated in 2004.

Luiz A. Caselli, CFA - Analyst

Over the summer, Luiz worked as a summer associate at McKinsey & Company, Brazilian Office. Prior to attending Stern, Luiz was a risk analyst at Banco Santander Asset Management, managing the market risk of approximately 30 billion dollars in assets under management. Luiz Caselli is a CFA charterholder and a member of the CFA Society of Brazil. He holds a BSc in industrial engineering from the University of Sao Paulo, at Sao Paulo, Brazil.

Henry Barash

Henry currently works at Standard and Poor's as a credit analyst in their Structured Finance group. Here he focuses on evaluating the performance of RMBS transactions and researches current market trends. Prior to joining S&P, Henry worked at Bear Stearns, in their Financial Analytics group and at Citigroup, in their Mortgage Analytics group. At Bear Stearns, Henry structured ABS deals and analyzed bonds for potential trading opportunities. At Citigroup, Henry modeled CMO Agency deals and analyzed structured transactions. He holds a B.S. in Computer Science and a B.A. in Economics from Binghamton University.

Peifang Sun

Peifang is a 2nd year MBA student at NYU Stern. Last summer, she worked at Fidelity Investments as a Research Analyst Intern. Prior to Stern, Peifang was a Deputy Representative of Hannover Reinsurance Company Shanghai Representative Office. Prior to joining Hannover Re, Peifang worked as a Senior Associate at PricewaterhouseCoopers Shanghai Office. Peifang received a Bachelor's degree from Shanghai Jiao Tong University.

Ward Jones

Ward Jones spent the summer as an Associate in the Investment Banking Division at Citi, primarily in the Industrial and Consumer coverage groups, where he will be returning full-time upon graduation. Prior to attending NYU Stern, he was a Research Analyst at Friess Associates, $15 billion asset manager of the Brandywine Funds, covering a wide array of growth companies. Prior to Friess, Ward was an Account Manager at SEI Investments, servicing fund-of-funds wrap accounts. He holds a BA in Economics from Cornell University, where he graduated in 2001.

Joon Kim

Joon Kim started a retail apparel business in 2007. Prior to attending NYU Stern, he was an equity research analyst at RBC Capital Markets. Starting his career at Lehman Brothers and Goldman Sachs, Joon worked in Equity Research for 10 years covering sectors such as Energy, Industrials, and Communications Equipment. Joon Kim holds a B.S. in Finance and International Business from the NYU Stern School of Business.

Gayathri Sundaram

Gayathri Sundaram worked as a buy-side equity research analyst, covering technology stocks, at Neuberger Berman over the summer. Prior to attending NYU Stern, she was a software engineer at Microsoft Corporation for four years, working on Windows Vista and XBOX products. Gayathri holds a Masters in Chemistry and a bachelors in Computer Science from Birla Institute of Technology and Sciences in India.

Imaan Kabir

Imaan Kabir worked for Caveat Emptor Capital LLC, a long-only value fund, over the past summer as a research associate. Prior to attending NYU Stern, she was the Marketing Director of a New York based asset management firm, Mason Hill Advisors LLC. Imaan graduated from Amherst College in 2003 with a BA in Economics.

Diego Parra

Diego Parra worked for Standard & Poor's during the summer of 2008 in the Latin American Structured Finance Division. Prior to attending NYU Stern, he was a portfolio manager at the Central Bank of Colombia of the foreign reserves of the country. Diego spent five years at the Central Bank, where he started as an investment analyst and performed various treasury functions such as cash management and trading. Diego holds a double-degree in Mechanical and Industrial Engineering from Universidad de Los Andes - Bogota, Colombia.

Lorenzo Garza

Lorenzo Garza currently works within the Finance Division at Goldman Sachs and is expected to complete the Langone MBA program in May 2009. Prior to working at Goldman Sachs, he spent five years as a Supervisory

Financial Analyst at the Federal Reserve Board in Washington, D.C.. Prior to the Fed, Lorenzo completed a year in investment banking at Scotiabank Inverlat while serving as a Fulbright Scholar in Mexico. Lorenzo holds a Bachelor's degree from the University of Texas at San Antonio and a Master's degree from Syracuse University's Maxwell School of Public Affairs.

Benjamin Canet
Benjamin is currently pursuing an MBA from New York University. Over the summer, he complete a Sales & Trading rotation at UBS Equities in New York. Prior to business school, Benjamin spent five and half years as analyst and associate in the M&A department of Calyon Securities (Credit Agricole Group's investment bank) in New York. Benjamin worked on various M&A transactions in the U.S., France and Brazil for various clients including KB Home, EnergySolutions, Fidelity National Information Services, Braskem, Quiksilver and Dow Corning Corp. He holds a B.A. from the Institut d'Etudes Politiques de Paris and a M.S. from ESSEC Business School Paris.

The Small Cap Fund

Back Row: Samuel Du, Michael Glickstein, Francisco Godoy, Jaspal Singh, Ameet Prabhu Salgaonker
Middle Row: Ruplu Bhattacharya, Satyadeep Jain, Emily Smith, Ahmet Nalcaioglu, Joseph Longobardi, Karim Samra, Aditi Chandarana
Front Row: Jorge Trujillo, Helvecio Borges Guimaraes, Candice Diaz, Manuel Navas
Not pictured: Annamalai Veerappan, Shaun (Shun-ning) Wong

Ruplu Bhattacharya
Ruplu has nine years of experience in the technology sector, having worked in Product Management, Sales and Marketing, and Manufacturing Operations at Hughes Network Systems. At Hughes, Ruplu was a Senior Analyst for the global market for satellite telecommunications and wireless Internet access. As a product manager, he launched seven product lines for data, voice and video communications, and advised the sales force on growth opportunities for Satellite, DSL and Fiber in Emerging Markets (BRIC). Ruplu worked this past summer at Barclays Capital in Commodities Research, focusing on Natural Gas, and Power. Ruplu was also lead analyst for the Telecom, Energy and Restaurant sectors at an investment club he helped organize. At Stern, he is majoring in accounting and financial instruments & markets, and is a member of the Michael Price Student Investment Fund - focusing on small cap stocks. Ruplu holds BSEE, BSCS and MSEE degrees from the University of Maryland, College Park.

Aditi Chandarana
Aditi worked in JPMorgan Chase's "Financial Associate Leadership Program" over summer. She has over 5 years of work experience in the financial services sector where she has worked both as a private banker and as an auditor in Mumbai, New York and Singapore. Prior to attending NYU Stern, she worked as an auditor

in Pricewaterhouse Coopers in the Alternative Funds Group. Aditi holds a Masters degree in Commerce from the University of Mumbai and is a Chartered Accountant (India) as well as a CPA (US).

Candice Diaz
Candice Diaz currently interns with Colgate-Palmolive in Corporate Finance. Prior to attending NYU Stern, she was Manager of Operations, Control and Reporting at BiscayneAmericas Advisers, LLC. Candice holds a BS in Finance from University of Florida.

Samuel Du
Samuel works as a research analyst at JP Morgan Asset Management. There he focuses on fixed income portfolio performance analysis and derivatives pricing. Prior to joining JP Morgan, Samuel worked as a research analyst on market risk in Citigroup. Before joining Citigroup, Samuel worked as a credit and ratings analyst in Standard and Poor's. He holds a MS from Peking University and a PhD in Genetics from Cornell University.

Helvecio Borges Guimaraes
Helvecio is a second year MBA student majoring in Finance and Accounting. Prior to enrolling at Stern, Helvecio worked for about 2 years as Junior Professional Associate at the World Bank in Washington, DC, with sustainable development and carbon credits projects. Before joining the bank, he managed operations at Econergy International's office in Brazil for 3 years, developing a portfolio of more than 20 carbon credit projects in several sectors, including renewable energy and waste management. In the past summer, Helvecio interned at Merrill Lynch's Global Markets division in London, rotating through three areas: interest rates products sales, emissions trading and agriculture commodities.

Michael Glickstein
This past summer Mike interned at Pequot Capital as an equity research analyst for the core investment team. Before Stern, Mike was a Vice President at Mercer Partners, a global long-short equity hedge fund. Prior to Mercer, he was a research analyst at Goldman Sachs, primarily covering the automotive industry. He started his career in research at Friedman Billings Ramsey. He is an MBA candidate at Stern and holds a BA from Skidmore College (Summa Cum Laude). Michael is a CFA level III candidate.

Francisco Godoy
Francisco worked within FX and Debt Sales & Structuring at BNP Paribas over the summer. Prior to attending NYU Stern, he was Manager of the Investment Consulting Practice at Watson Wyatt in Mexico City. In his consulting role, he was adviser of the board of several pension funds on governance, asset allocation and investment manager selection. Francisco holds a Bs. in Actuarial Science from Instituto Tecnologico Autonomo de Mexico.

Satyadeep Jain
Last summer, Satyadeep worked as Investment Banking Summer Associate at Akin Bay. Prior to attending Stern, Satyadeep was an Equity Research Analyst at SMC Global Securities in India where he covered Metals and Mining stocks. He received his bachelor's degree in management from University of Delhi.

Joseph Longobardi
Prior to attending NYU Stern, Joseph spent six years at JPMorgan Chase most recently as an Associate in the Mid-Corporate Banking Group. He maintained relationships with corporate clients and executed capital markets transactions. Joseph holds a BS in Finance from Siena College.

Ahmet Nalcaioglu
Ahmet Nalcacioglu is in the Langone program. He works as a Quantitative Trader/Researcher at R.G.Niederhoffer Capital Management where he currently runs the Asia desk. Prior to RGNCM, he spent two years at Goldman Sachs where he developed high performance equities and futures trading servers. He holds an MS from University of Florida and received his BSc in Computer Science from Bilkent University, Turkey.

Manuel Navas
Over the summer, Manuel interned as a research associate for Gravity Partners, a long/short equity hedge fund focused on financial institutions, media, and energy. Prior to attending Stern, Manuel was a financial adviser with MetLife Resources. He designed retirement solutions for both organizations and individuals in the non-profit market place. Previously, Manuel worked with Wachovia Securities and created investment plans for high-net worth individuals. He holds a BS in Business Administration from the University of Maryland at College Park.

Ameet Prabhu Salgaonker
Ameet worked within the Investment Banking and Buyside Research groups at Axiom Capital Management over the summer. Prior to attending NYU Stern, he spent time on Portfolio Analytics at Lehman Brothers. He also worked on the integration of Neuberger Berman there. Prior to Lehman Brothers, Ameet spent a couple of years as a Consultant at Cognizant, where he designed business processes for the EMEA region of JPMorganChase. Ameet holds an Engineering degree from Goa University.

Karim Samra
Karim Samra is a full time MBA student and Merit-based scholarship recipient at NYU's Stern School of Business, majoring in Accounting and Finance. He spent the summer at GE Capital in their Renewable Energy division. Before business school, Karim spent a number of years with a Swiss boutique investment bank covering emerging market transactions, was the co-founder of a business incubator, and spent some time with a private equity fund focused on consumer growth driven companies. Karim has a Bachelor of Arts in History from Boston College.

Jaspal Singh
Over the past summer and during the course of the school year, Jaspal Singh is working in the Investment Management Division of Merrill Lynch on the Managed Solutions Team. Prior to attending Stern, Jaspal spent 6 years in Merrill Lynch Technology focusing on the firm's online brokerage and Financial Advisor Workstation. He received his BA in Economics from Swarthmore College.

Emily Smith
Emily interned this past summer as a International Equity Research Analyst at American Century Investments. Prior to attending Stern, Emily worked as a Senior Client Service Manager at Sands Capital Management. There she focused on managing institutional client relationships and performing portfolio analysis. Prior to joining Sands Capital Management, Emily worked as an Investment Performance Associate at Cambridge Associates. She received a BS in Finance and a BS in Marketing from the University of Maryland - College Park.

Jorge Trujillo
Jorge works at Morgan Stanley in the technology space. His day-to-day duties involve interacting with a variety of software vendors in the information management and search sector, evaluating their product offerings and guiding the technology strategy for the firm. Currently, he is an MBA candidate at New York University's Stern School of Business, focusing on Corporate Finance and Financial Instruments and Markets.

He holds a BS in Computer Engineering and a MS in Telecommunications and Networking from the University of Pennsylvania.

Shaun (Shun-ning) Wong
Shaun will be joining Credit Suisse's Leveraged Finance group, where he was most recently a summer associate, upon graduation in May 2009. Prior to attending NYU Stern, he was Senior Director of Finance at EcoKool Inc. Prior to EcoKool, Shaun spent four years at Goldman Sachs, first as an Analyst in Corporate Treasury and then as an Associate on the Fixed Income Money Markets Trading Desk. Shaun holds a BA from Princeton University.

Annamalai Veerappan
Annan Veerappan will be working in risk management at Citigroup through the next year. Prior to attending NYU Stern, he was at Mckinsey & Co as an information systems architect in global services division. Annan has extensive experience in deploying solutions for FInancial Services, Healthcare and e-commerce industry. He holds a M.S in Computer Science from University of Houston. Annan serves as the presiding partner in small investment management firm.

The Fixed Income Fund

Back Row: Samuel Du, Luiz Caselli, Nilesh Mandhare
Middle Row: Nitesh Singla, Greg Konrad, Henry Barash
Front Row: Lester Lie, Christopher Bolton, Manuel Navas, David Paz,
Not in picture: Karim Samra, Shaun (Shun-ning) Wong

Bios for Fixed Income team members are listed under their respective Equity Fund

FINANCIAL STATEMENTS

Michael Price Student Investment Fund
Consolidated Financial Statement

	Fiscal Year Ending 8/31/07	Six Months Ending 2/29/08	Fiscal Year Ending 8/31/08
Investment Income			
Dividends - Fixed Income	20,519	12,156	20,983
Dividends - Growth	2,143	1,682	2,393
Dividends - Small Cap	2,620	1,212	4,597
Dividends - Value	7,655	5,242	9,016
Total Dividends	32,937	20,292	36,987
Interest - Fixed Income	337	75	57
Interest - Growth	4,470	951	1,966
Interest - Small Cap	5,725	2,508	3,226
Interest - Value	2,905	2,008	3,044
Total Interest	13,438	5,542	8,293
Investment Income - Fixed Income	20,856	12,231	21,039
Investment Income - Growth	6,613	2,634	4,359
Investment Income - Small Cap	8,345	3,720	7,823
Investment Income - Value	10,560	7,250	12,059
Total Investment Income	46,375	25,834	45,280
Expenses - Fixed Income	(1,740)	(1,300)	(2,780)
Expenses - Growth	(1,740)	(1,300)	(2,780)
Expenses - Small Cap	(3,196)	(1,510)	(2,677)
Expenses - Value	(3,266)	(1,683)	(3,258)
Total Expenses	(9,943)	(5,794)	(11,495)
Net Investment Income - Fixed Income	19,116	10,930	18,260
Net Investment Income - Growth	4,873	1,333	1,579
Net Investment Income - Small Cap	5,149	2,210	5,146
Net Investment Income - Value	7,294	5,567	8,801
Total Net Investment Income	36,432	20,040	33,786

Cash Flow from Operations			
Cash Balance, beginning of period - Fixed Income	7,332	3,383	3,383
Cash Balance, beginning of period – Growth	226,701	149,490	149,490
Cash Balance, beginning of period - Small Cap	227,349	78,815	78,815
Cash Balance, beginning of period – Value	50,399	49,218	49,218
Total Cash Balance, beginning of period	511,781	280,906	280,906
Annual 5% Distribution - Fixed Income	(23,805)	0	(23,754)
Annual 5% Distribution – Growth	(22,317)	0	(21,089)
Annual 5% Distribution - Small Cap	(19,855)	0	(23,442)
Annual 5% Distribution – Value	(26,515)	0	(25,063)
Total Annual 5% Distribution	(92,493)	0	(93,348)
Cash Flow from Operations (cont.)			
Sales of Securities - Fixed Income	81,492	53,800	138,061
Sales of Securities – Growth	683,457	307,146	714,285
Sales of Securities - Small Cap	685,099	599,080	990,417
Sales of Securities – Value	427,677	241,966	484,773
Total Sales of Securities	1,877,725	1,201,992	2,327,536
Purchases of Securities - Fixed Income	(70,987)	(52,778)	(137,143)
Purchases of Securities – Growth	(743,065)	(355,940)	(595,791)
Purchases of Securities - Small Cap	(818,927)	(422,615)	(851,131)
Purchases of Securities – Value	(410,085)	(213,241)	(348,825)
Total Purchases of Securities	(2,043,064)	(1,044,574)	(1,932,890)
Net Other Adjustments - Fixed Income	(9,765)	(6,843)	(9,813)
Net Other Adjustments – Growth	(158)	10,727	10,745
Net Other Adjustments - Small Cap	0	0	0
Net Other Adjustments – Value	447	10	(46)
Total Net Other Adjustments *	(9,476)	3,894	886
Net Change in Cash - Fixed Income	(3,949)	5,109	(14,389)
Net Change in Cash – Growth	(77,211)	(36,733)	109,729
Net Change in Cash - Small Cap	(148,534)	178,674	120,990
Net Change in Cash – Value	(1,181)	34,303	119,640
Total Net Change in Cash	(230,875)	181,352	335,969
Cash Balance, end of period - Fixed Income	3,383	8,491	(11,007)
Cash Balance, end of period – Growth	149,490	112,757	259,219
Cash Balance, end of period - Small Cap	78,815	257,489	199,805
Cash Balance, end of period – Value	49,218	83,521	168,859
Total Cash Balance, end of period	280,906	462,258	616,875

Fixed Income Fund Financial Statements

	Six Months Ended 2/28/06	Twelve Months Ended 8/31/06	Six Months Ended 2/28/07	Twelve Months Ended 8/31/07	Six Months Ended 2/29/08	Twelve Months Ended 8/31/08
Investment Income						
Dividends	9,010	18,771	10,546	20,519	12,156	20,983
Interest	102	231	209	337	75	57
Total Investment Income	9,112	19,002	10,756	20,856	12,231	21,039
Expenses	(977)	(1,948)	(759)	(1,740)	(1,300)	(2,780)
Net Investment Income	8,135	17,054	9,997	19,116	10,930	18,260
Cash Flow from Operations						
Cash Balance, beginning of period	4,695	4,695	7,332	7,332	3,383	3,383
Net Investment Income	8,135	17,054	9,997	19,116	10,930	18,260
Annual 5% Distribution	0	(23,459)	0	(23,805)	0	(23,754)
Transfer for MPSIF-Wide Rebalancing	0	0	0	0	0	0
Sales of Securities	103,595	161,254	0	81,492	53,800	138,061
Purchases of Securities	(101,744)	(142,733)	0	(70,987)	(52,778)	(137,143)
Net Other Adjustments *	(5,572)	(9,479)	(5,447)	(9,765)	(6,843)	(9,813)
Net Change in Cash	4,414	2,637	4,550	(3,949)	5,109	(14,389)
Cash Balance, end of period	9,109	7,332	11,882	3,383	8,491	(11,007)

* Reinvestment of dividends on bond funds.

Growth Fund Financial Statements

	Six Months Ended 2/28/06	Twelve Months Ended 8/31/06	Six Months Ended 2/28/07	Twelve Months Ended 8/31/07	Six Months Ended 2/29/08	Twelve Months Ended 8/31/08
Investment Income						
Dividends	780	1,649	1,113	2,143	1,682	2,393
Interest	678	3,241	2,779	4,470	951	1,966
Total Investment Income	1,458	4,891	3,892	6,613	2,634	4,359
Expenses	(977)	(1,948)	(759)	(1,740)	(1,300)	(2,780)
Net Investment Income	481	2,943	3,133	4,873	1,333	1,579
Cash Flow from Operations						
Cash Balance, beginning of period	68,933	68,933	226,701	226,701	149,490	149,490
Net Investment Income	481	2,943	3,133	4,873	1,333	1,579
Annual 5% Distribution	0	(24,200)	0	(22,317)	0	(21,089)
Transfer for MPSIF-Wide Rebalancing	0	0	0	0	0	0
Sales of Securities	240,904	597,689	220,696	683,457	307,146	714,285
Purchases of Securities	(248,784)	(418,664)	(329,987)	(743,065)	(355,940)	(595,791)
Net Other Adjustments *	0	0	(153)	(158)	10,727	10,745
Net Change in Cash	(7,398)	157,768	(106,311)	(77,211)	(36,733)	109,729
Cash Balance, end of period	61,535	226,701	120,389	149,490	112,757	259,219

* Taxes owed on foreign securities' dividends.

Small Cap Fund Financial Statements

	Six Months Ended 2/28/06	Twelve Months Ended 8/31/06	Six Months Ended 2/28/07	Twelve Months Ended 8/31/07	Six Months Ended 2/29/08	Twelve Months Ended 8/31/08
stment Income						
Dividends	2,018	3,758	1,484	2,620	1,212	4,597
Interest	650	3,326	4,133	5,725	2,508	3,226
Total Investment Income	2,668	7,083	5,617	8,345	3,720	7,823
Expenses	(1,707)	(3,509)	(1,450)	(3,196)	(1,510)	(2,677)
Net Investment Income	960	3,575	4,168	5,149	2,210	5,146
Flow from Operations						
Cash Balance, beginning of period	47,310	47,310	227,349	227,349	78,815	78,815
Net Investment Income	960	3,575	4,168	5,149	2,210	5,146
Annual 5% Distribution	0	(29,985)	0	(19,855)	0	(23,442)
Transfer for MPSIF-Wide Rebalancing	0	0	0	0	0	0
Sales of Securities	341,115	1,345,398	420,559	685,099	599,080	990,417
Purchases of Securities	(387,684)	(1,138,948)	(450,462)	(818,927)	(422,615)	(851,131)
Net Other Adjustments *	0	0	0	0	0	0
Net Change in Cash	(45,608)	180,039	(25,735)	(148,534)	178,674	120,990
Cash Balance, end of period	1,701	227,349	201,614	78,815	257,489	199,805
* Taxes owed on foreign securities' dividends.						
check	*1,701*	*227,349*	*201,614*	*78,815*	*257,489*	*199,805*

Value Fund Financial Statements

Ended 2/28/06	Months Ended	Six Months Ended 2/28/06	Twelve Months Ended 8/31/06	Six Months Ended 2/28/07	Twelve Months Ended 8/31/07	Six Months Ended 2/29/08	Twelve Months Ended 8/31/08
3,071	7,402	3,071	6,569	3,641	7,655	5,242	9,016
893	613	893	1,302	2,084	2,905	2,008	3,044
3,965	8,015	3,965	7,871	5,724	10,560	7,250	12,059
(1,525)	(3,110)	(1,525)	(3,155)	(1,534)	(3,266)	(1,683)	(3,258)
2,440	4,905	2,440	4,716	4,190	7,294	5,567	8,801
50,622	31,767	50,622	50,622	50,399	50,399	49,218	49,218
2,440	4,905	2,440	4,716	4,190	7,294	5,567	8,801
0	(24,250)	0	(24,895)	0	(26,515)	0	(25,063)
0	800	0	0	0	0	0	0
375,138	696,071	375,138	598,661	241,782	427,677	241,966	484,773
(379,007)	(658,648)	(379,007)	(578,906)	(192,070)	(410,085)	(213,241)	(348,825)
135	(23)	135	201	447	447	10	(46)
(1,295)	18,855	(1,295)	(223)	54,349	(1,181)	34,303	119,640
49,327	50,622	49,327	50,399	104,748	49,218	83,521	168,859
49,327	*50,622*	*49,327*	*50,399*	*104,748*	*49,218*	*83,521*	*168,859*

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