



CFA Society Columbus

SOCIETY NEWSLETTER
Q1 2023



Dear Readers,

In this edition of the CFA Columbus Newsletter, you'll find:

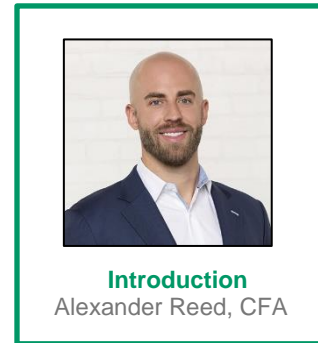
- A programming update from **Chris Brinich, CFA**
- A summary of the top podcasts from **Alexander Reed, CFA**
- NEW* ChartBook – compilation of visuals on the markets and economy

We at CFA Columbus are committed to continuing to provide timely, relevant content that we can share with our membership in ways that are accessible and safe for our membership.

Sincerely,

Alexander Reed, CFA

Communications & Membership Chair, CFA Society Columbus



Follow Our LinkedIn Page for Society Updates!



CFA Society Columbus
Financial Services, Columbus, Ohio,

Click on the picture or [HERE](#) to be taken to the CFA Society Columbus LinkedIn Page

If you would like to submit content for future newsletters, please contact **Alexander Reed, CFA** at alexander.j.reed@ampf.c

IT IS THE MISSION OF THE CFA COLUMBUS SOCIETY TO PROMOTE INVESTMENT EXCELLENCE AND SERVE THE INVESTMENT PROFESSIONAL COMMUNITY IN CENTRAL OHIO.

Programming Update

Chris Brinich, CFA– Programs Committee Chair

Hi all,

We are looking forward to a few key speakers below. As always if you have a speaker idea or topic idea, please reach out to cbrinich@vela-im.com

In addition, we are interested in organizing more **volunteers for a formal programming committee** that can last beyond our current board of directors. If you are vested and interested in the CFA Society Columbus programming long term do not hesitate to bring it up to Jennifer or Chris. The time commitment can be small with a large impact for our local members!

Warm Regards,
Chris Brinich

Speaker	Title	Date
Nicholas Bohnsack Strategas	Not Out of the Woods Yet...Market & Economy in Transition LUNCHEON	March 7th
Jim Park UCLA Law	A History of Securities Fraud LUNCHEON	March 13th
Jillian Climie The Thoughtful Company	Compensation Negotiation WEBINAR	April 4th
Chocolate Tasting @ Diamond Hill	SOCIAL	April 18th

Podcast Roundup

Alexander Reed, CFA – Communications Chair

Invest Like the Best

Jeff Green – Modernizing Advertising

Jeff Green, the CEO and co-founder of advertising platform, The Trade Desk. The Trade Desk is the second advertising exchange Jeff has built, having sold his first venue to Microsoft in 2007. He started The Trade Desk in 2009 and has built it into a \$30 billion public business. In the discussion, they talk about the parallels between The Trade Desk and an equity exchange, why Jeff chose to align with ad buyers not sellers, and how he shapes the culture of his firm.

Business Breakdowns

Constellation Software: Principled, Profitable, Permanent

Constellation is a conglomerate which owns more than five hundred vertical market software businesses. It was founded by Mark Leonard in 1995 and has delivered remarkable returns to shareholders since going public on the Toronto stock exchange in 2006. They discuss Mark Leonard's genius, why Constellation is the gold standard for employee compensation plans, and how the business has perfected its acquisition engine, which allows it to buy dozens of software businesses each year.

Masters in Business

Rick Rieder on Fixed Income Investments

Rick Rieder, who is BlackRock's chief investment officer of global fixed income, head of the fundamental fixed income business, and head of the global allocation investment team. He is responsible for some \$2.4 trillion in assets. Before joining BlackRock in 2009, Rieder was president and chief executive officer of R3 Capital Partners.

Trillions

Are ETF's Killing Future Stock Market Returns?

The rise of index funds, exchange-traded funds and passive investing in recent years has been nothing short of momentous, as investors across the US and around the world learn to rely on slow-and-steady returns. But there's been rising concern over the potential side effects of this sea change in the way stocks are bought and sold. The new worry is that, because index funds (and ETFs) are so cheap and easy to access, more people will use them—and this will push down future expected returns for everyone. Martin Schmalz, professor of finance and economics at the University of Oxford, discusses his latest paper on the topic, "Index Funds, Asset Prices, and the Welfare of Investors."

Editors Snapshot

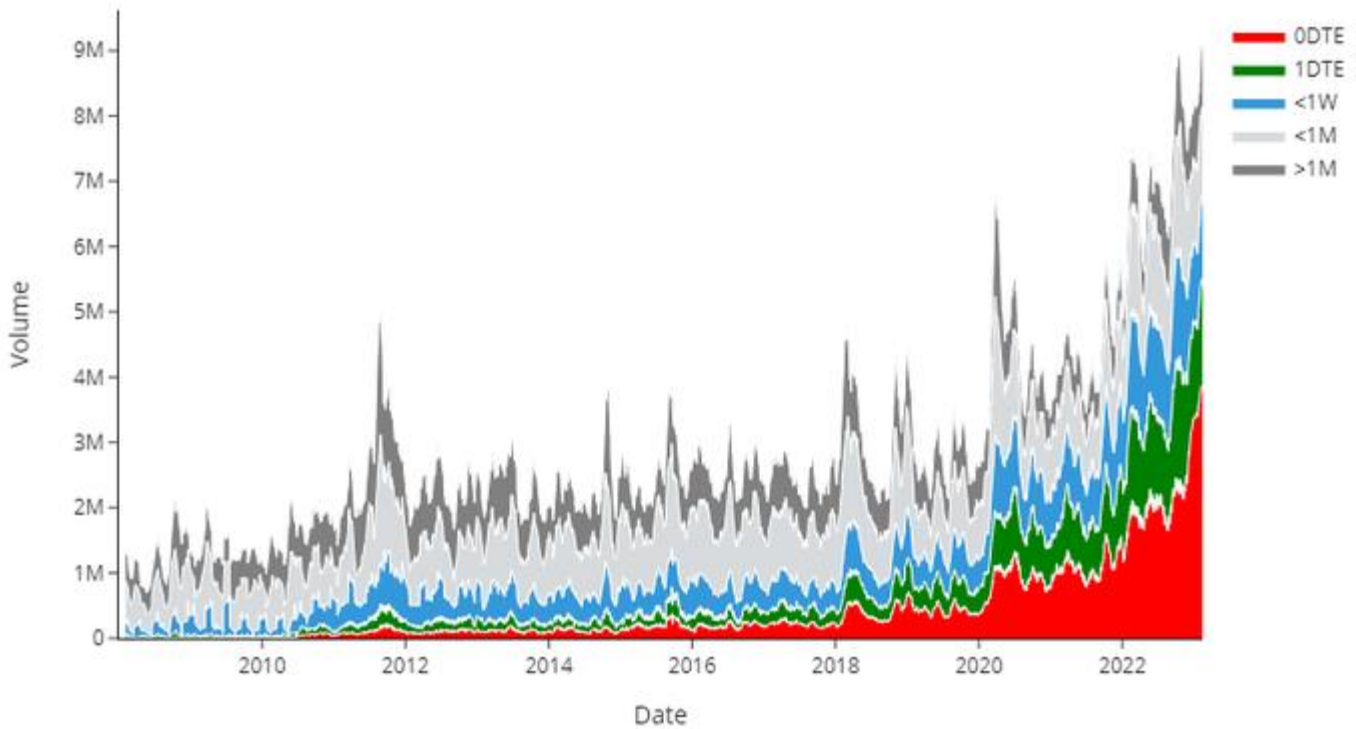
Financial Analysts Journal, 1Q 2023 Vol 79, No 1

[Financial Analysts Journal, First Quarter, 2023, Vol. 79 No. 1 \(cfainstitute.org\)](https://www.cfainstitute.org/financial-analysts-journal/first-quarter-2023-vol-79-no-1)

- I. Redefining the Optimal Retirement Income Strategy
- II. Allocating to Thematic Investments
- III. Targeting Macroeconomic exposures in Equity Portfolios: A Firm-Level Measurement Approach for Out-of-Sample Robustness
- IV. Supply Chain Climate Exposure
- V. Trade Informativeness in Modern Markets
- VI. Option Pricing via Breakeven Volatility

ChartBook

SPY Daily Avg Options Volume by Expiries - Rolling 1month



Source: Nomura

Chart 4: Recession fears down sharply

Net % saying recession likely next 12m

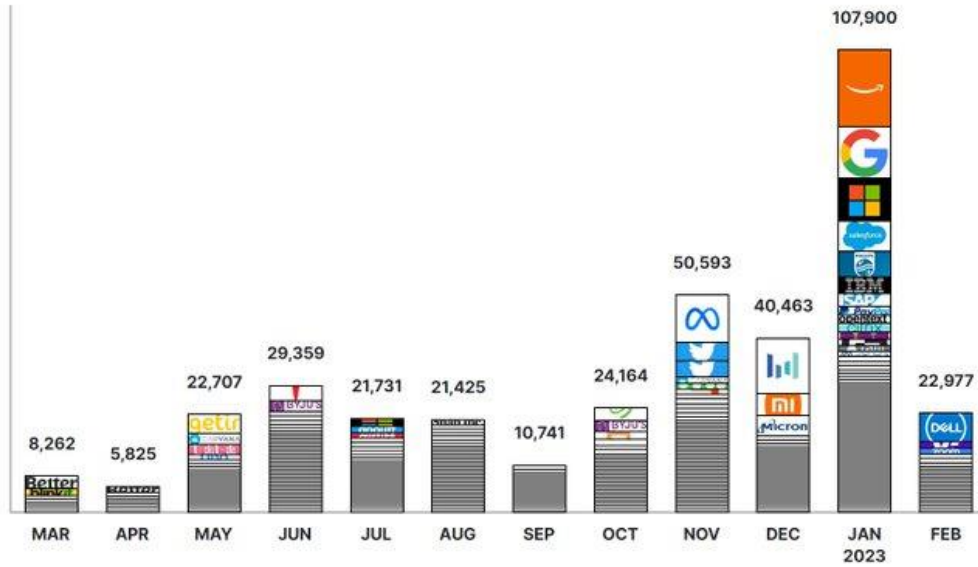


Source: BofA Global Fund Manager Survey.

BofA GLOBAL RESEARCH

of Tech Employees Let Go

as of February 10, 2023



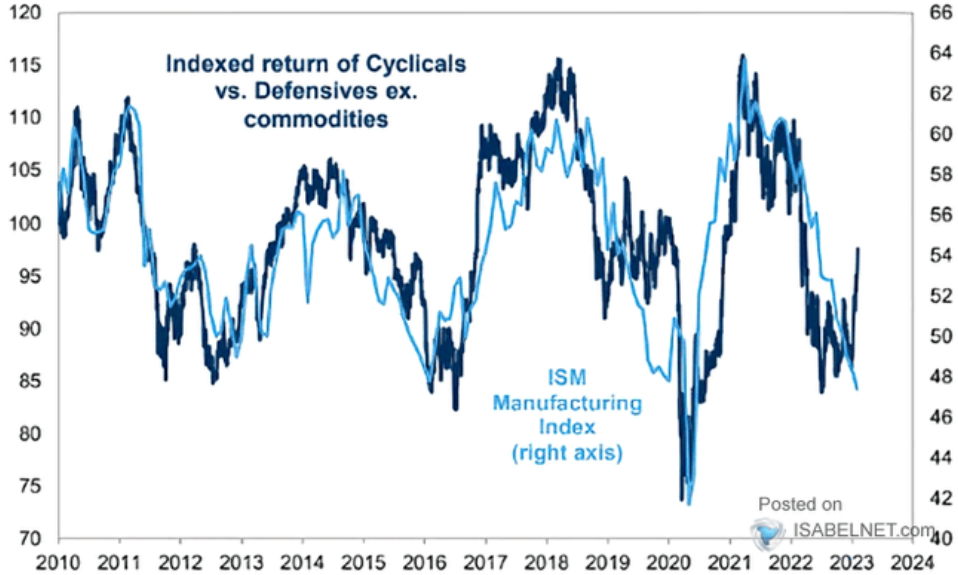
source: trueup.io/layoffs



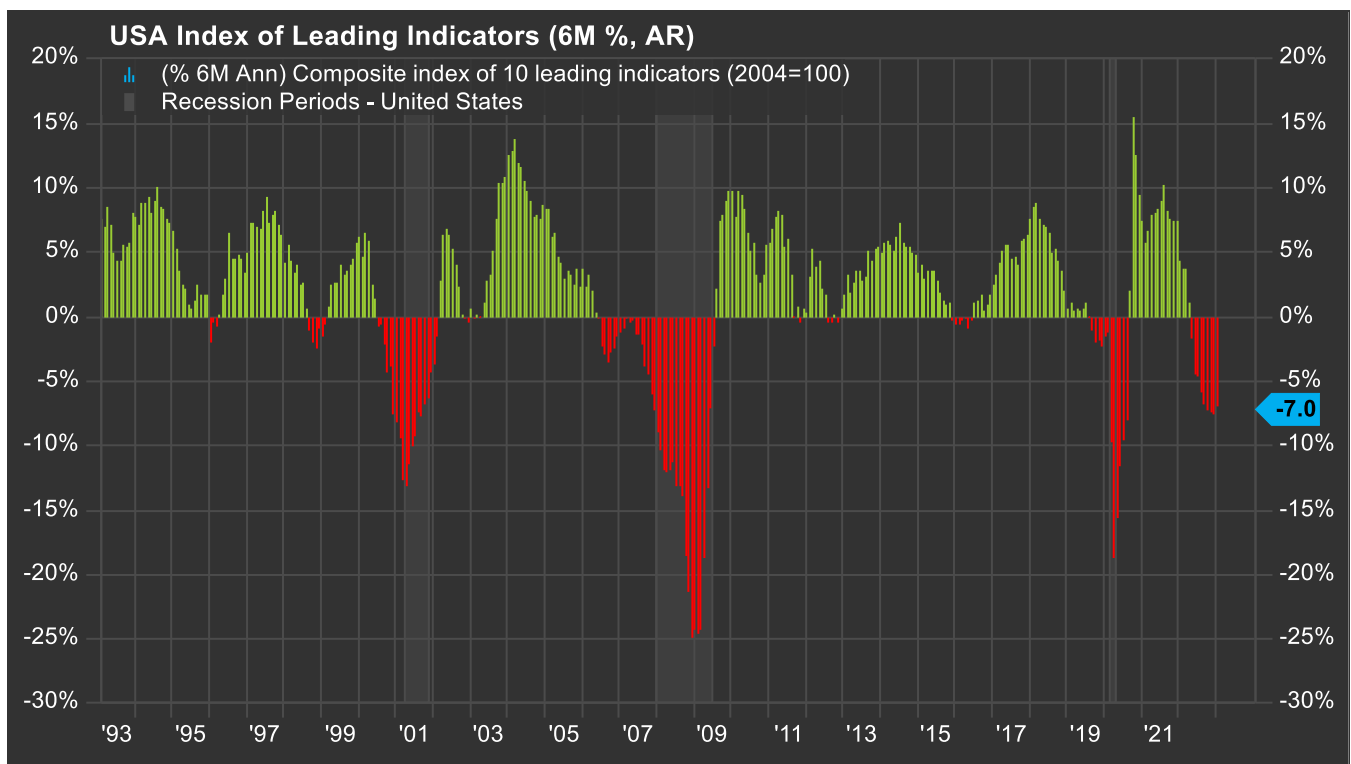
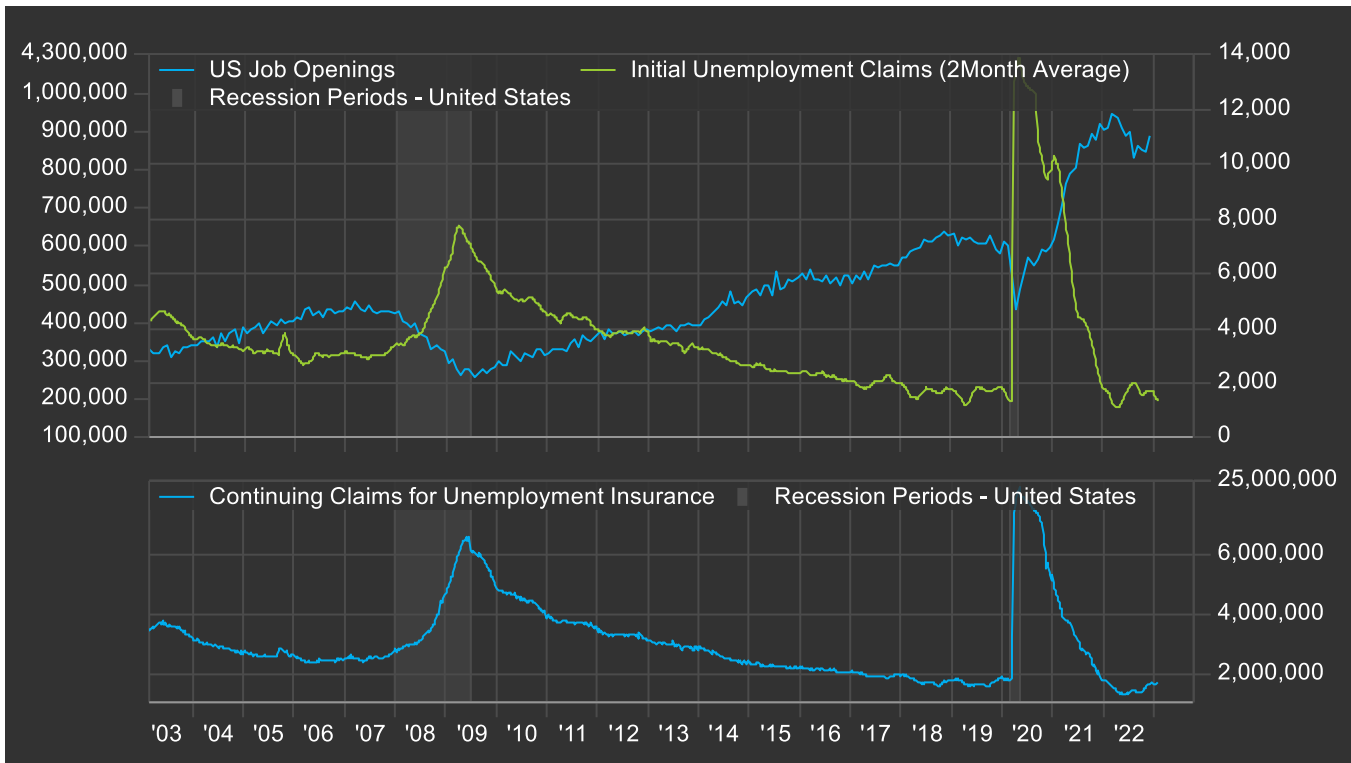
Data source: FMRCo, Bloomberg, Haver Analytics, FactSet. Data as of 02/12/2023. Past performance is no guarantee of future results.

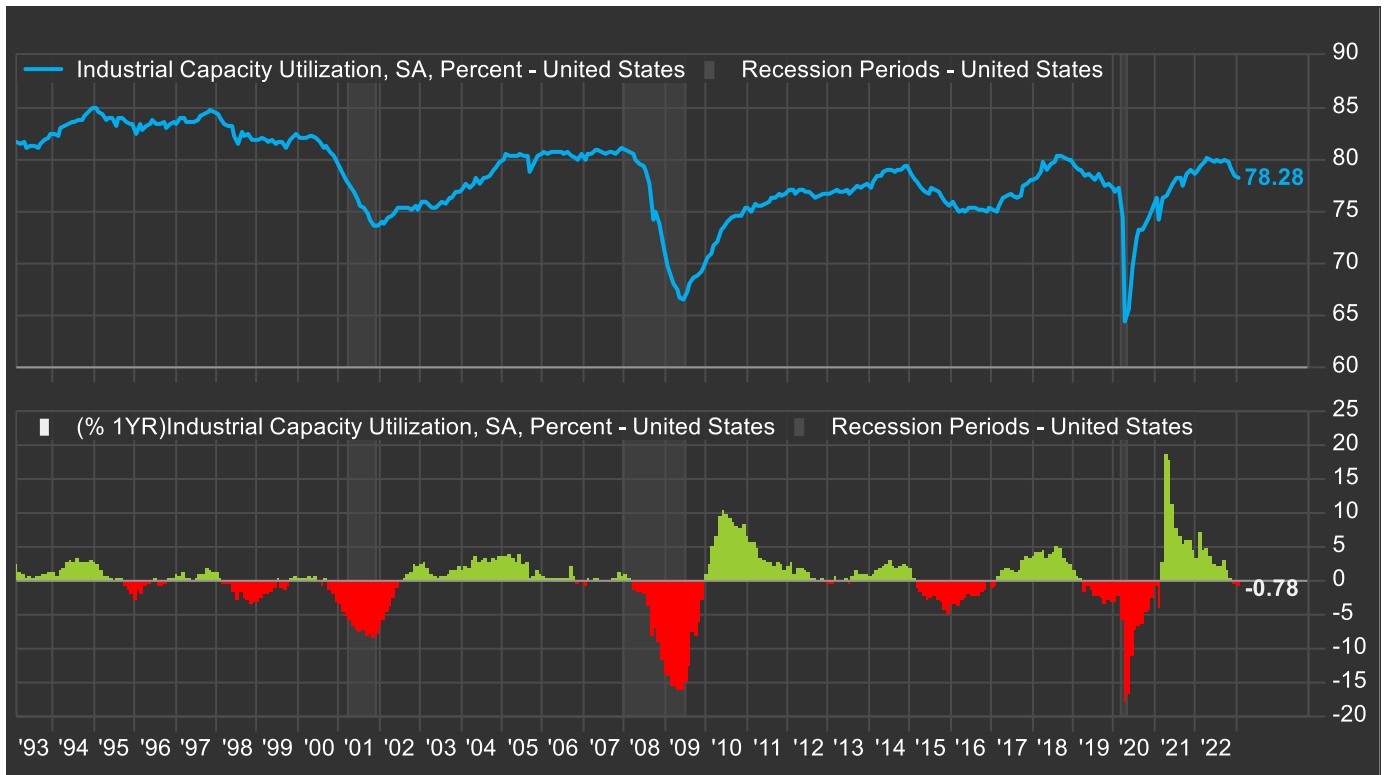
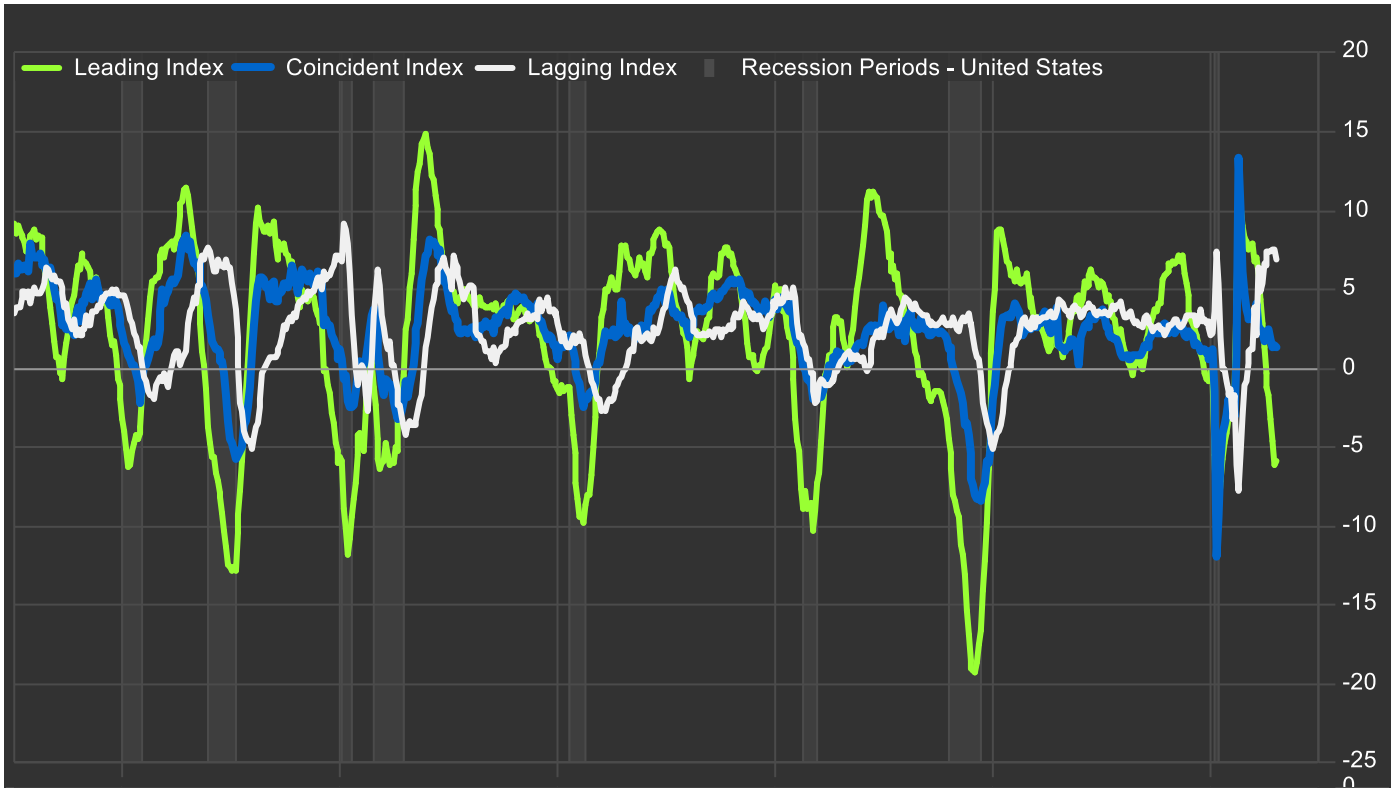


Exhibit 1: Cyclical vs. Defensives already pricing a soft landing
as of February 2, 2023

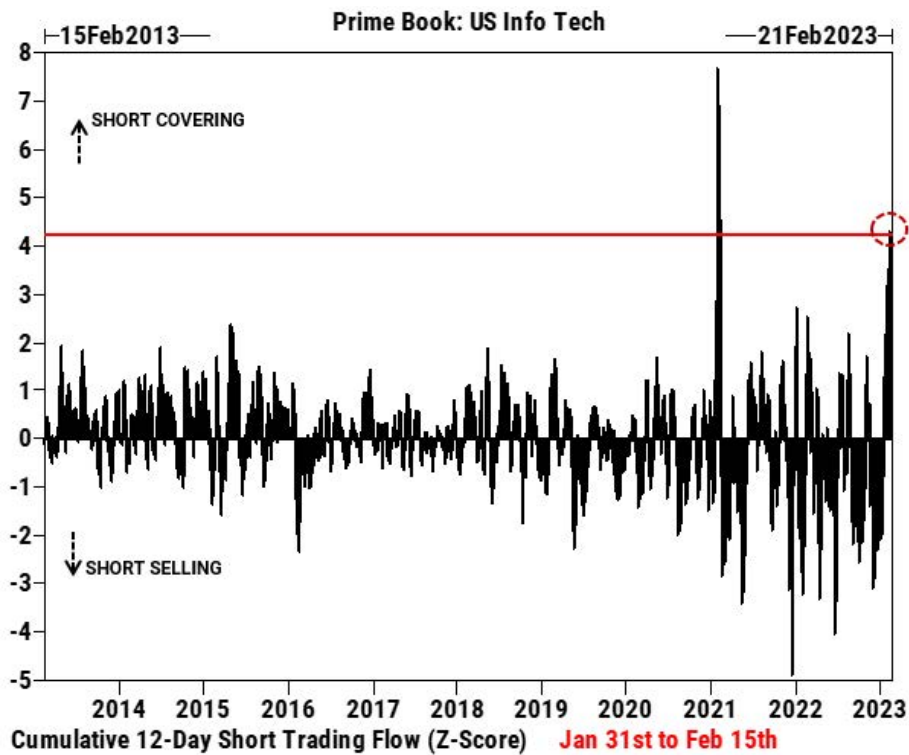


Source: Goldman Sachs Global Investment Research



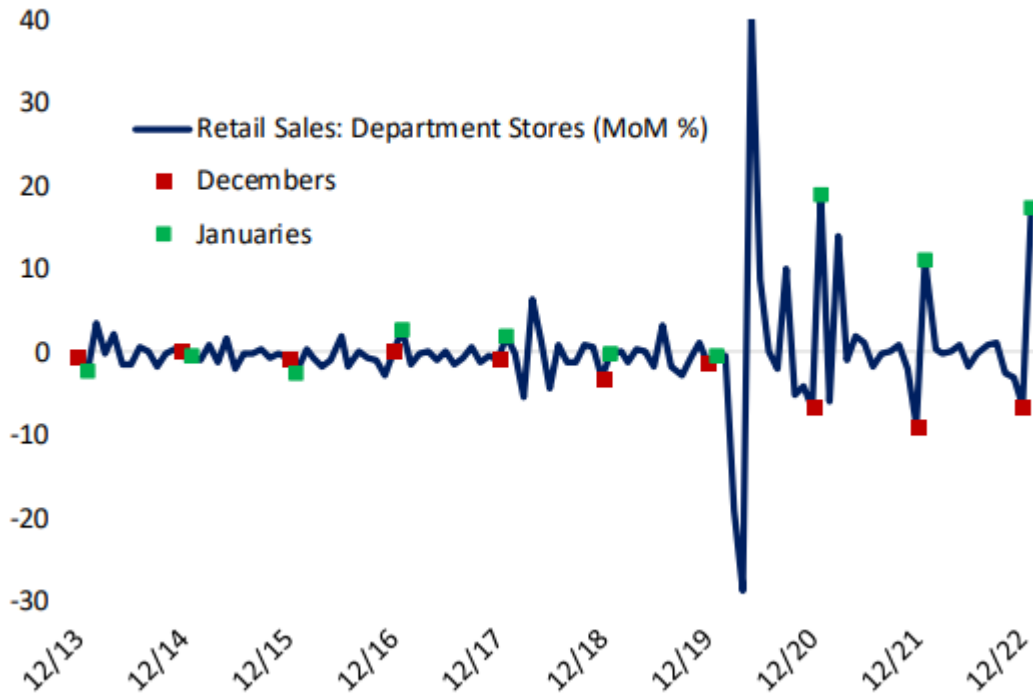


IT IS THE MISSION OF THE CFA COLUMBUS SOCIETY TO PROMOTE INVESTMENT EXCELLENCE AND SERVE THE INVESTMENT PROFESSIONAL COMMUNITY IN CENTRAL OHIO.



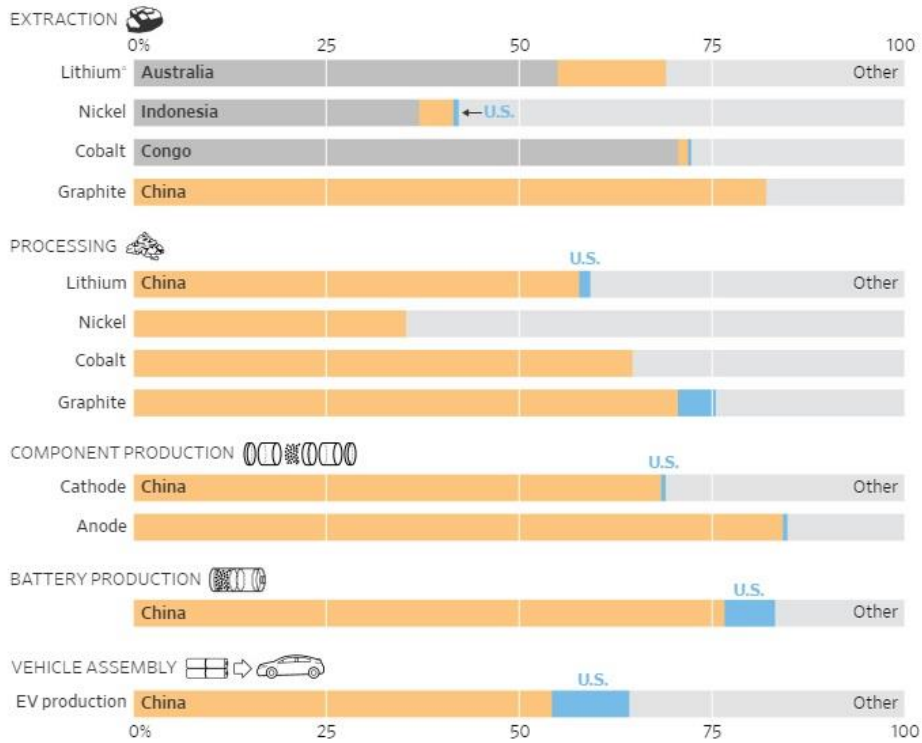
Source: Goldman Sachs

Retail Sales Has A Seasonality Problem (SA, By Category)



Source: Bespoke

EV battery-supply chain, production, by source country



*The U.S. mines a relatively small amount of lithium and its production isn't visible on this chart.
 Source: International Energy Agency analysis of data from EV Volumes, U.S. Geological Survey, Benchmark Mineral Intelligence and BloombergNEF

2022-2023 Columbus Board Members

Christian Hviid, CFA –President

Vince Petitti, CFA –Secretary

Daniel Hadden, CFA – Vice President, Treasurer

Chris Brinich, CFA – Programming Chair

Aron Lau, CFA – Asst. Treasurer

Brandon Kremer, CFA, CAIA – Financial Literacy

Alexander Reed, CFA – Membership & Communications Chair

Lara Hoffmans, CFA – Mentorship Chair

Neha Parashar, CFA – Research Challenge

Bolon Cao, CFA – Assistant Research Challenge