

THE BOSTON SECURITY ANALYSTS SOCIETY, INC.

# 2014

## ANNUAL REPORT



B S A S

THE BOSTON SECURITY ANALYSTS SOCIETY, INC.

 A member society  
of CFA Institute



Fellow BSAS members,

As I mapped out goals to accomplish during my year as BSAS chair, I looked at our mission statement for inspiration. Reading through it, I created a mental checklist: we are a community of investment professionals, we promote the highest ethical standards, and we promote best practices and professional development of current and future members. But what about working for the benefit of our members' clients and the broader investing public?

I immediately thought of a conversation I had with my son, an inner-city high school teacher in Hell's Kitchen in New York City. I was so impressed when he told me that he taught financial basics to his kids whenever he was ahead of the curriculum schedule and had some spare lesson time. If he could do this, why can't our organization and our profession use our expertise to educate others? From here emerged my idea of creating a Financial Literacy program to benefit clients and the broader investing public. Launching this initiative with the help of our Vice-Chair, Pamela Yang, led to over 100 new volunteers to BSAS and new links to other organizations, such as the Commonwealth's Office of the Treasurer. It also aligns with the "Putting Investors First" initiative of CFA Institute.

I'm proud to say that we also made significant progress on my second goal, which was to launch a Mentorship program. Thanks to the efforts of the membership committee, we began with 13 "pairings" and the program will be expanded next year.

But I never lost sight of the first part of our mission. Promoting our sense of community makes us a stronger society and benefits our members. Thanks to our Young Leaders Committee, we introduced new networking opportunities – including the unique "I'm Not Taking the CFA Exam" party on June 5th.

In line with our mission, we continue to promote the highest ethical standards, best practices and professional development for our members. We held over 50 programs and events in the last year, with over 3000 members attending. Our Asset Allocation conference continues to be a must-attend event and we held our first Investment Roundtable in December, with close to 300 members in attendance.

Looking forward, the Board developed a new 3-year strategic plan, emphasizing member engagement and advocacy, and with new data analyses to focus our efforts.

None of this would be possible without the support and dedication of the entire BSAS Board of Directors and the BSAS staff. Thanks to them for their ongoing efforts.

I am pleased to highlight that your Society's financial position also remains strong. With a projected surplus for this fiscal year of \$80,000 and long term reserves of \$4.1 million, our Treasurer and staff leadership maintain excellent planning and controls while not sacrificing the resourcing of important programs and initiatives.

Finally, it has been an honor and a privilege to lead BSAS this past year. I believe we've strengthened the value proposition of our Society for members and our positioning among CFA societies globally. I remain proud of BSAS Strong! I wish our next wave of leadership continued success taking our Society forward in new and exciting directions.

With much gratitude and in service,

**Alice C. Avanian, CFA**  
**2013 – 2014 Chair, BSAS Board of Directors**

# 2013 – 2014 BOSTON SECURITY ANALYSTS SOCIETY BOARD OF DIRECTORS AND STAFF

**Jeffrey B. Augustine, CFA, CFP**  
Argent Wealth Management

**Alice C. Avanian, CFA**  
Leerink Partners

**Damon C. Barglow, CFA, CFP**  
Rockland Trust

**Archana Basi, CFA**  
Capital International

**Ken D'Souza, CFA**  
Batterymarch Financial Management

**Daniel J. Fasciano, CFA, CAIA**  
BNY Mellon

**Christopher R. Foti, CFA**  
BNY Mellon

**George R. Hoguet, CFA, FRM**  
State Street Global Advisors

**Thomas Linkas, CFA**

**Stacey L. Marino, CFA, CAIA**

**George S. Mellman, CFA,  
CIPM, FRM, CFP**

**Lawrence F. Pohlman, Ph.D.**

**Michael W. Roberge, CFA**  
MFS Investment Management

**Scott D. Stewart, CFA**  
Visiting Professor, Cornell University

**Harriett Tee Taggart, Ph.D.**  
Taggart Associates

**Michael G. Trotsky, CFA**  
PRIM

**Pamela G. Yang, CFA, CPA**  
Harvard Management Company

## BSAS STAFF

**Jeanne W. Wolf, CAE**  
Executive Director

**Stephanie Field**  
Managing Director, Learning & Operations

**George Dudley**  
Director of Marketing and Communications

**Amy Pepe**  
Membership Outreach Manager



## CFA INSTITUTE YEAR IN REVIEW

CFA Institute has been engaged in several key projects over the past year and has made momentous strides in involving member societies and the global investment community in these efforts. A strategic theme characterizing CFA Institute's relationship with member societies in FY2014 is "Building Franchise Value through Partnership."

The financial services and investment profession have experienced serious setbacks in credibility and trust over the past six years. In response, CFA Institute's Board of Governors and staff identified unique opportunities to help shape the future of finance for generations to come. Recognizing that the global financial industry can be an extraordinary force for good, we believe there is much work to be done to foster an industry that better serves society. Our Board and Leadership Team have developed a blueprint that moves us in that direction, and we have initiated new strategic development projects designed to advance our mission.

The Future of Finance/Bolder Voice is CFA Institute's long-term global effort to shape a trustworthy, forward-thinking financial industry that better serves society. The Future of Finance (FoF) initiative is in its second year and continues to generate strong industry interest. The team is using the FoF framework to help describe other existing CFA Institute offerings that are consistent with the six focus areas of Putting Investors First, Financial Knowledge, Transparency and Fairness, Retirement Security, Regulation and Enforcement, and Safeguarding the System. Societies continue to share their enthusiasm for FoF, and more than 60 societies have held events related to FoF.

FoF featured prominently in our recent global advertising campaign, and the FoF website features video content of members discussing the importance of building a better future of finance together. You can find this website on the home page of [www.cfainstitute.org](http://www.cfainstitute.org).

The focus in the media has shifted since the FoF initiative first began—from articles about the project launch to coverage of the actual themes that we are tackling. Nearly 300 media articles and 3.3 million click-throughs from our advertising to the Future of Finance online hub have revealed an impressive statistic: a click-through rate four times the industry average.

Setting up operations in China and India continues to evolve. Candidate and member growth, the need to raise awareness of our mission and values, and the size and impact of China and India in the global economy, are among the driving forces behind the expansion plans. In March, a tactical work plan was presented to the Board of Governors. The plan contained four recommendations that resulted from global inreach discussion with the New Office Registration Team (NORT) and the staff most affected by the upcoming office openings in Beijing and Mumbai. The team worked with NORT on legal structures for each country; a three-year tactical plan to serve as guidelines for internal staff; a list of recommended positions for each office; and proposed a preliminary budget for FY2015 so the organization can begin to allocate funds to the new offices.

As always, the resources for all of these new initiatives will come from CFA Institute's financial strength, operational excellence, its people, and member societies. As of May 2014, CFA Institute had more than 122,000 members—with 143 societies in 68 countries—and more than 211,000 candidates had registered for the CFA Program.

# BSAS 2013 - 2014 EDUCATION AND PROGRAMS

## EDUCATION AND PROGRAMS

Jeffrey Augustine, CFA, *Argent Wealth Management*, **Chair**

The BSAS Education and Programs Committees oversee the learning opportunities for BSAS members, CFA® and Claritas® candidates, and investment professionals at large. Both strive to offer opportunities to help both members and candidates maintain professional excellence.

The Programs Committee is comprised of six sub-committees that plan and implement over 50 programs each year. Each subcommittee has a chair (and occasionally a co-chair) and committee members who develop programs on relevant industry topics and recruit speakers. Programs consist of live presentations and webinars.

The Bringing Theory to Practice Advisory Board welcomed two new members this year – Alison Kelly Hawke, CFA, Suffolk University and Billy Soo, Boston College. The group continued its work creating programs for this series. These forums showcase cutting edge investment research from both the CFA Institute's Research Foundation and locally and nationally recognized academics and practitioners. A new initiative this year for the Advisory Board was university outreach. This year, BSAS was a proud sponsor of the 6th Annual Boston Area Finance Symposium held at Suffolk University and looks forward to participation at future symposiums.

In order to bring high-quality instruction and valuable learning opportunities to its members, BSAS has forged partnerships with professional development providers such as Kaplan Schweser and Wall Street Prep. BSAS also expanded its seminar offerings by offering a full-day Sustainable Investing seminar along with the 3rd Annual Asset Allocation seminar.

BSAS continues to be the local leader in candidate education with the Claritas® Review Program for the Claritas® curriculum by CFA Institute. For candidates in the CFA® program, the BSAS Practice Exam continues to be a key success in 2014 – 2015 on both a local and global level with society, firm and university participation. BSAS is currently in the third year of its co-branded agreement with leading Prep Provider Kaplan Schweser. This partnership provides candidates with the most comprehensive program, combining the strengths of both organizations for an optimal CFA Exam preparation experience.

## 2014 BSAS Practice Exam

### Advisor:

Christopher Argyrople, CFA, *Triad Alpha Partners LLC*

### Level Coordinators:

David Hines, CFA, *HM Payson & Co.*

William Richardson, CFA, *Constitution Capital Partners*

William Keim, CFA, *BNY Mellon*

### Writers:

David Brecht, CFA, *Pioneer Investments*

Adam Cook, CFA, *Natixis Global Asset Management*

Abbas Kazemi, CFA, *Rhode Island College*

Christopher Lagan, CFA, *Congress Asset Management*

Michelle Li, CFA, *MIT Sloan*

Richard McCarthy, CFA, *Net Worth Management*

Steve Ng, CFA, *Woodland Investment Consulting*

Dharmesh Parikh, CFA, *Edenred*

William Richardson, CFA, *Constitution Capital Partners*

Ruth Rowan, CFA, *Clark University*

Lester Satlow, CFA

Billy Soo, *Boston College*

Sharon Stark, CFA, *State Street Corporation*

Ching Tan, CFA, *Fidelity Investments*

Christine Tshudy, CFA, *Nixon Peabody*

Jennifer Voldins, CFA

Maria Zarro, CFA, *National Bank Examiner*

## Claritas® Planning Committee

Daniel Fasciano, CFA, *BNY Mellon*

Alison Kelly Hawke, CFA, *Suffolk University*

Richard McCarthy, CFA, *Net Worth Management*

John O'Reilly, CFA, *Congress Asset Management*

Billy Soo, *Boston College*

## Bringing Theory to Practice Advisory Board

Alison Kelly Hawke, CFA, *Suffolk University*

George Mellman, CFA

John Minahan, CFA, *Massachusetts Institute of Technology*

Billy Soo, *Boston College*

Scott Stewart, CFA, *Cornell University*

# BSAS 2013 - 2014 COMMITTEES

## ALTERNATIVES

Brent Bell, CFA, *State Street Global Advisors*, **Co-Chair**  
Christopher Foti, CFA, *BNY Mellon*, **Co-Chair**

The Alternatives subcommittee focuses on non-traditional investments such as hedge funds, venture capital and private equity.

### Committee Members

Jon Jared Anello, *The Baupost Group*  
Thomas Atwood, CFA, *Pentucket Capital Management, LLC*  
Ghazanfer Baig, CFA, *Northfield Information Services*  
Brendan Lang, *AllianceBernstein*  
John Hamilton Meyer, CFA, CAIA, FRM, *Loomis Sayles*  
Douglas V. Moon, CFA, *JPMorgan Private Bank*  
Lisa Sebesta, CFA, *Fresh Source Capital*  
Eric Simas, CFA, *HarbourVest Partners*  
Kendrick Wakeman, CFA, *Badon Hill Asset Management*

## FIXED INCOME

Erinn King, CFA, *Payden & Rygel*, **Chair**

The Fixed Income subcommittee provides programs on topics related to investment strategies, tools and techniques in the area of fixed income.

### Committee Members

Aileen Barbiellini Amidei, CFA, *State Street Corp.*  
Akshay Anand, CFA, *Longfellow Investment Management*  
Jeffrey Brown, *John Hancock Investments*  
Mark Fitzgerald, CFA, *Property & Portfolio Research*  
Matthew Guleserian, CFA, *Lee Munder*  
John Kasameyer, CFA, *Fidelity Institutional Services*  
Lee Souter, CFA, *FactSet*  
Lee Wallingford, CFA, *State Street Bank and Trust*

## GLOBAL EQUITIES

Michael Greis, *Riverbend Advisors*, **Co-Chair**  
Shana Sissel, CAIA, *Fidelity Investments*, **Co-Chair**

The Global Equities subcommittee focuses on International, Socially Responsible Investing and Value Investing topics.

### Committee Members

Noel E. Friedman, CFA, *MSCI, Inc.*  
Eric Uchida Henderson, CFA, *East Horizon Investments*  
Nathaniel J. Riley, CFA, *Boston Trust & Investment Management Co.*  
Matt Ristuccia, *Argent Wealth Management*  
Christine Tshudy, CFA, *Nixon Peabody*

## PRIVATE WEALTH MANAGEMENT

George Kimball, CFA, **Chair**

The Private Wealth Management subcommittee provides a forum for the exchange of ideas and discussion about current practices for advisors of high-net-worth individuals. Their programs also focus on the latest tools and techniques in wealth management.

### Committee Members

Thomas R. Brennecke, *Timber Creek Capital Management*  
Jeffrey Buyak, CFA, *U.S. Trust*  
Brian T. Eddy, CFA, CFP, *Cape Ann Savings Bank*  
Susan E. Farris, CFA, *Windward Investment Management*  
Christopher Gauthier, CFA, *Wealth Management Group LLC*  
Christopher E. Houston, CFA, *Cambridge Associates*  
Steven R. Mark, CFA, *Fidelity Investments*  
Michael C. McManus, CFA, CFP  
Jay Morad, *Capital Formation Group*  
Douglas Rogers, CFA, *Wells Fargo Private Bank*  
David H. Thompson, CFA, *Highmount Capital*

## QUANTITATIVE INVESTING

James Anderson, CFA, *ClearMomentum*, **Chair**

The Quantitative Investing subcommittee arranges programs focusing on the analysis and discussion of performance measurement techniques as well as the latest quantitative techniques impacting investment management and analysis.

### Committee Members

Petr Chovanec  
Hugh L. Crowther, *Crowther Investment*  
Daniel E. Itano, *Natixis*  
Sri Krishnamurthy, CFA, *Quant University, LLC*  
Peter Lert, CFA  
Kenneth P. Robinson, CFA, *CFA Institute*  
John Ryle, CFA, *Highfields Capital Management*  
H. Anthony S. Shufflebotham, CFA  
Sonia H. Spirling, CFA, *F-Squared Investments*  
Mark C. Szigety, CFA, *Harvard Management Company*  
Sreeram Thirukkonda, CFA, *Batterymarch Financial Management*



## STRATEGIST/ECONOMIST

Vitaly Veksler, CFA, *Beyond Borders Investment Strategies*, **Chair**

The Strategist/Economist subcommittee brings renowned strategists, economists, analysts and portfolio managers to discuss the market and economic outlook.

### Committee Members

John O. Barnett, *Ironwood Investment Management*  
Justin H. Bourgette, CFA, *Eaton Vance*  
Paul S. Edelstein, *IHS Global Insight*  
Constance M. Everson, CFA, *Capital Markets Outlook Group*  
Stephen Kolano, CFA, *BNY Mellon Asset Management*  
Jared Lou, CFA, *GMO*  
Ling Luo, CFA, *Fidelity Investments*  
Michael E. Mullin, CFA, *MEM Capital Advisors*  
Bret Valerio, CFA, *BNY Mellon*

## YOUNG LEADERS

Christopher Foti, CFA, *BNY Mellon*, **Chair**

The Young Leaders Committee serves to address the value of membership for BSAS's ever-growing younger demographic. Where networking and education for professional development was noted as the most compelling reason for involvement with one's local society, the goal of this year's committee was to increase involvement of young members by offering a wider range of networking opportunities via education and social events. Volunteers continue to identify areas in which diverse networking may be found, such as partnering with other professional organizations in the Boston area.

### Committee Members

Ken Anadu, CFA, *Federal Reserve Bank of Boston*  
Leah Hirshfield, CFA, *MSCI, Inc.*  
Michael Joyce, CFA, *Pioneer Investments*  
Gregory Lewis, CFA, *Siharum Advisors*  
Nathan Myers, CFA, *MSCI, Inc.*  
Susana Ngan, CFA, *Baystate Financial Services*  
Matthew Solomon, CFA  
Ozge Vatansever, *Boston University*  
Linying Zou, CFA, *Longfellow Investment Management*

## CAREER DEVELOPMENT

Mr. Edwin D. Everett, CFA, **Co-Chair**  
Mr. Andrew S. Rubin, CFA, *Fidelity Management & Research*, **Co-Chair**

Endeavoring to identify the professional needs of members in stages of both career transition and career growth, the Career Development Committee works to offer opportunities in the form of programs and workshops by which BSAS members may benefit. This year's committee has outlined many ideas including a "Skills Seminar Series" and "Job Summit Panel" that will kick off in 2015. Volunteers continue to select relevant industry fields and plan "Career Chats" - smaller, less formalized programs - that showcase a particular industry function or role. These continue to be well received by members and serve to be a great opportunity for networking.

### Committee Members

Lindsay Cook, *New England Canada Business Council*  
Jeremy A. Cote, CFA, *FM Global*  
Joseph P. Devlin, CFA  
Betty H. Lo, *JP Morgan*  
Brian A. Rasizer, CFA  
Sharada Regmi, *Bank of America*  
Yue Xu, *Boston University*  
John Zicaro, *Cell Signaling Technology*

## MEMBERSHIP

Archana Basi, CFA, *Capital International*, **Chair**

The Membership Committee is tasked with the goal of determining areas of potential member outreach and increasing member engagement based on recommendations from an analysis performed by the 2012 Career Development Committee. To accomplish both goals, the membership committee established the BSAS Mentorship Program. The first of its kind, this program offered the occasion for less senior members to connect with more senior industry professionals. With 13 mentor/mentee pairings, it has already seen great success. The committee looks forward to further growing this program and increasing BSAS member participation.

### Committee Members

Damon C. Barglow, CFA, *Rockland Trust*  
Paul John Curley, CFA, *Financial Research Corporation*  
Ken D'Souza, CFA, *Batterymarch Financial Management*  
Brian Eisenstein, CFA, *JP Morgan Chase*  
Marilyn Mendel Han, *Boston Wharf Investment Management*  
Walter Hartford, CFA, *F-Squared Investments*  
Michelle Li, CFA, *MIT Sloan School of Management*  
Scott R. Peterson, CFA, *JP Morgan*  
Debi Deyo Rossi, CIPM, *Kyza Performance*  
Bradley J. Ursillo, CFA, *MSCI, Inc.*  
Johnny Y. Yong, CFA, *NEPC*



## NETWORKING EVENTS

### **Boston Red Sox Outing**

July 25 • 80 attendees

### **Young Leaders' New Year Social Event**

January 9 • 79 Attendees

### **Annual Market Dinner**

*Mr. Paul Volcker, Former Chairman,  
Federal Reserve System*  
February 6 • 618 attendees

### **Basketball Statistics & Boston Celtics vs. Miami Heat**

March 19 • 80 attendees

### **BSAS Young Leaders Present: Discussing Investment Landscapes**

*William H. Eigen, III, CFA*  
April 10 • 60 Attendees

### **Annual Meeting - Election of Officers & Volunteer Recognition Ceremony**

June 11

## CAREER PROGRAMS

### **BSAS Career Chat: Buy-Side Equity Analyst**

*Jeremy A. Cote, CFA*  
*Trillium Asset Management*  
January 7 • 22 attendees

### **BSAS Career Chat: Consulting/Manager Research**

*Gregory C. DeSisto, CFA*  
*Prime, Buchholz & Associates, Inc.*  
January 29 • 30 attendees

### **BSAS Career Chat: Quantitative Equity Research**

*James Darby Nielson, CFA*  
*Fidelity Investments*  
May 21 • 16 attendees

## PROGRAMS AND WEBINARS

### **De-Equitization: Equities Have Derated**

*Panel of Speakers*  
September 16 • 46 attendees

### **2013 Estate Planning Conference**

*Panel of Speakers*  
October 17 • 51 attendees

### **Natural Resource Investing: Opportunities, Challenges and Outlook for the Institutional Investor**

*Panel of Speakers*  
October 30 • 60 attendees

### **Emerging Market Debt in the Rising Interest Rate Environment**

*Alexander Kozhemiakin, Ph.D., CFA*  
November 6 • 66 attendees

### **Webinar - Building Financial Infrastructure in Emerging Markets: Special Focus on Mongolia**

*Patrick O'Connell*  
December 3 • 10 attendees

### **Effective Uses and Integration of Life Insurance in Estate, Income and Investment Planning**

*Panel of Speakers*  
December 4 • 33 attendees

### **Behavioral Investing: Demystifying the Psychological Drivers of Global Asset Prices**

*Richard Peterson*  
December 12 • 58 attendees

### **BSAS Investment Roundtable: Looking At 2014 and Beyond**

*Panel of Speakers*  
December 18 • 266 attendees

### **Opportunities and Threats for Emerging Market Investors**

*Michael Kass*  
January 21 • 45 attendees

### **The Fed's Quantitative Easing Exit and Implications for Global Finance**

*Catherine Mann*  
January 23 • 44 attendees

### **Uncovering the Role of Hedge Funds in Investment Portfolios**

*Robert Labell*  
January 30 • 35 attendees

### **The Year of the Horse - Breaking Out of the Gates**

*David Rosenberg*  
February 27 • 70 attendees

### **All in the Family – How Single and Multi-family Offices Invest in Today's Economic Climate**

*Panel of Speakers*  
April 8 • 82 attendees

### **Correlation Surprise**

*Panel of Speakers*  
April 16 • 31 attendees

### **Closed-End Funds - The World at a Discount**

*Edward Keating*  
April 17 • 20 attendees

### **Countries on the Brink: Value or Value Trap?**

*Tina Vandersteel*  
April 28 • 42 attendees

### **Demographics and Dividends**

*Greg Thomas*  
April 30 • 36 attendees

### **Liquidity Management: Beyond Quantitative Easing**

*Kerry Pope, CFA*  
May 6 • 17 attendees

### **Launching a Successful Private Wealth Management Firm: What It Takes**

*Panel of Speakers*  
May 7 • 36 attendees

### **Stress-Testing Your Way to Better Portfolio Management**

*Steven Greiner*  
May 13 • 18 attendees

### **Think Function, Not Form! – The Role of Fixed Income in Asset Allocation**

*Nanette Abuhoff Jacobson*  
May 20 • 34 attendees

### **Webinar - Smart Beta: Smart Marketing or a Smart Investment Philosophy**

*Amitabh Duggar*  
May 28 • 10 attendees

### **Constructing Portfolios of Dynamic Strategies using Downside Risk Measures**

*Peter Carl*  
May 29 • 32 attendees

### **Understanding the ETF Ecosystem**

*Ryan Szakacs*  
June 4

### **Webinar – Performance Attribution**

*Carl Bacon, CIPM*  
June 9



### **Webinar - How to Use SASB's Sustainability Standards in Investment Analysis**

*Panel of Speakers*  
June 12

### **How to Write Investment Commentary People Will Read**

*Susan Weiner, CFA*  
June 17

### **Investing from the Top Down**

*Ken Fisher*  
June 18

### **Convergence of Alternative and Traditional Asset Management**

*Panel of Speakers*  
June 19

### **Energy Trends as Leading Indicators for the Economy and Stock Markets**

*(A joint evening program with the Chartered Alternative Investment Analyst Association.)*  
*Mike Smolinski*  
June 25

### **RECOGNITION**

#### **VIP Charterholder Recognition Ceremony**

November 7 • 301 attendees

#### **CFA Institute Research Challenge hosted by BSAS**

February 10

*Annual educational initiative that promotes best practices in equity research through hands-on mentoring and intensive training in company analysis and presentation skills. Students gain real-world experience as they assume the role of a research analyst and are tested on their ability to value a stock, write an initiation-of-coverage report, and present their recommendations.*

*Participating schools include: Babson College, Boston College, Boston University, Brandeis University, The Fletcher School at Tufts University, MIT, Northeastern University, Suffolk University and University of Massachusetts – Boston.*

### **EDUCATIONAL SEMINARS**

#### **CIPM: How Will This Program Benefit my Clients and Firm?**

September 11 • 13 attendees

#### **Claritas Review Program**

November 5, 7, 12, 14 and  
February 23, March 4, 11, 18  
25 attendees

#### **Sustainable Investing: Moving from the Margin to Mainstream**

November 19 • 75 attendees

#### **Level I Practice Exam**

November 23 • 27 attendees

#### **Asset Allocation 2014: Warning: Structural Changes Ahead!**

January 14 • 195 attendees

#### **Wall Street Prep Series: Financial Statement Modeling**

January 31 • 36 attendees

#### **Bringing Theory to Practice: Deconstructing Black-Litterman: How to Get the Portfolio You Already Knew You Wanted**

March 24 • 37 attendees

#### **Wall Street Prep Series: Discounted Cash Flow Modeling**

March 28 • 17 attendees

#### **Bringing Theory to Practice: Does Academic Research Destroy Stock Return Predictability?**

April 15 • 19 attendees

#### **Level I Boot Camp**

May 2, 3 • 23 attendees

#### **Level II Boot Camp**

May 2, 3 • 29 attendees

#### **Bringing Theory to Practice: Manager Selection**

May 14 • 42 attendees

#### **Levels I, II and III Practice Exam**

May 17





# FINANCIAL LITERACY

The BSAS Financial Literacy Initiative was born out of Alice Avanian's goals for her year as Chair of the BSAS Board of Directors. Noting that there is a lack of financial knowledge among people and that a strong component of the BSAS mission to serve the general investing public, she proposed a BSAS program to educate the public. BSAS has been a strong leader in providing its members professional development via education and programs; however, BSAS has never stepped out of its members circle and engaged a broader society. The Financial Literacy Initiative, pioneered by Alice Avanian, CFA, and led by Vice Chair, Pamela Yang, CFA, aims to reach a much broader audience outside of the membership as a new BSAS focus. The program, now branded as "Financially Puzzled? Ask BSAS" directly supports BSAS' mission of serving the general investing public and CFA Institute's mission of promoting education for the ultimate benefit of society. We have engaged over 100 member volunteers who are focused on content development for 17 financial topics in two categories: Personal Finance and Investment 101.

## Financial Literacy Task Force

Pamela G. Yang, CFA, **Chair**, *Harvard Management Company*  
Alice C. Avanian, CFA, *Leerink Partners*  
Gayle Buff, CFA, *Buff Capital Management*  
Leah Hirshfield, CFA, *MSCI, Inc.*  
Lawrence Pohlman, Ph.D.

## Financial Literacy Volunteers

Jack Abbott  
Jared Ansell, *The Baupost Group*  
Matthew Bank, CFA, *Windhorse Capital Management*  
John Barnett, *Ironwood Investment Management*  
John Bay, CFA, *U.S. Trust*  
Brent Bell, CFA, *SSgA*  
Eric Biegeleisen, CFA, *Broadmeadow Capital*  
Michael Black, CFA, *NEPC*  
Craig Blackwell, CFA, *Fidelity Investments*  
Jeff Brown, CFA, *Wellington Management*  
Janet Bullard, CFA, *A. T. Whitehead, Inc.*  
Brendan Butler, CFA, *Deloitte Financial Advisory Services LLP*  
Christy Capriccio, CFA, *Wellington Management*  
Jennifer Carter, CFA, *MFS Investment Management*  
Gary Ciminero, CFA, *GLC Financial Economics*  
Patricia Clarke, *Emmanuel College*  
William Condon, CFA, *Commonwealth Planning Group*  
Matthew Coolidge, CFA, *MetLife*  
Jeffrey Crampton, CFA, *Ameriprise Financial*  
Joseph Devlin, CFA  
Kate Dumas, CFA, *Prime Bucholz & Associates, Inc.*  
Michael Dunn, CFA, *Forsan Investing*  
Tim Dunn, CFA, *Fidelity Investments*  
Dan Dynan, CFA, *Meketa Investment Group*  
Devin Earl, CFA, *Hyperion Funding, LLC*  
Brian Eddy, CFA, *Cape Ann Savings*  
Ursula Engler Larson, CFA, *Wellington Management*  
Dan Flannery, CFA, *Balanced Rock Investment Advisors*  
David Francis  
Fadi Freiha, CFA, *JP Morgan*  
Rod Gallagher, CFA, *Independent Investor/Consultant*  
Stephen Gaudette, CFA, *Northfield Information Services*

Chris Gauthier, CFA, *Wealth Management Group*  
Kimberly Gluck, CFA, *Walden Asset Management*  
Arun Gorur, CFA, *Garch Capital LLC*  
Adam Grossman, CFA, *Middleton & Company*  
William Hall, CFA, *Natixis*  
Colin Hamer, CFA, *Fidelity Investments*  
Christopher Higgins, CFA, *UBS*  
Jamie Hollis, CFA, *Cutter Associates*  
James Horne, CFA, *IBS Capital LLC*  
Laura Howenstine, CFA, *Wellington Management*  
John Hsu, CFA, *Cerulli Associates*  
Ernest Jacob, CFA, *Longnook Capital Management*  
Doug Jiang, CFA, *Arrowstreet Capital LP*  
Rachel Johnson, CFA, *SSgA*  
Katherine Judge, CFA, *Federal Home Loan Bank of Boston*  
Elaine Kan, CFA, *Loomis Sayles*  
Gregory Kanarian, CFA, *Natixis Global Asset Management*  
Sven Karlsson, CFA,  
William Keim, CFA, *BNY Mellon*  
Will Krause, CFA, *Moody Lynn and Lieberston*  
Bhushan Kulkarni, CFA, *State Street Bank*  
Mark LaMonica, CFA, *Ernst & Young*  
Grace Li, CFA, *Devonshire Investors*  
Richard Litchfield, CFA, *Opus Investment Management*  
Chip Lowry, CFA, *State Street Bank*  
Jean Lu, CFA, *Cambridge Associates*  
Tom Lynch, CFA, *EmphaSys Technologies, Inc.*  
Robert MacIntosh, CFA  
W. David Malone, CFA, *Advocacy Investments LLC*  
Nevin Markwart, CFA, *Canoe Financial*  
Sergio Martin, CFA, *Covidien*  
Allysen Mattison, CFA, *Income Research + Management*  
Jim McCartney, CFA, *Net Lease Capital Advisors*  
Yotam Mendlinger  
Shirley Mills, CFA, *BNY Mellon*  
Bill Nemerever, CFA  
Pamela Nottingham, CFA, *Wells Fargo Advisors*  
Firoza Panthaki, CFA, *John Hancock*  
Dharmesh Parikh, CFA, *Edenred USA*  
Drew Peterson, CFA, *CIPM, Appleton Partners*  
Bob Petry, CFA, *SEC*  
John Pollock, CFA, *HarbourVest Partners*  
Brian Quinn, CFA, *Centinel Financial Group*  
Michael Regan, *Liberty Mutual*  
Catherine Ryan, CFA, *Cedar Rock Investment Advisors*  
Robert Segal, CFA, *Atlantic Capital*  
Mardy Shapland, CFA  
Josh Smith, CFA, *CIPM, MFS Investment Management*  
Catherine Smith, CFA, *Minot DeBlois Advisors*  
Jacob Steubing, *EDP Renewables North America LLC*  
Liz Su, CFA, *Batterymarch Financial Management*  
Pauliina Swartz, CFA  
Victor Tavares, CFA, *Standish*  
Thomas Terraccino, CFA, *Wilkins Investment Counsel*  
Stephanie Torski, CFA, *Infology, Inc*  
Alice Tsang, CFA, *Gordon College*  
Crystal Turner, CFA, *Loomis Sayles*  
Brian Waldner, CFA, *Ballentine Partners*  
Deborah Wheeler, CFA, *Fidelity Management and Research Co*  
Angela Williams, CFA, *Prime Bucholz & Associates, Inc.*  
Rick Wynn, CFA, *Inspire Capital Partners, LLC*  
Maria Zarro, CFA, *Department of the Treasury*

# BSAS 2013 - 2014 FINANCIALS AND MEMBERSHIP TRENDS

## BSAS FINANCIALS

	FY2014 Budget	FY2014 YTD Forecast	FY2013 Year End Actual
<b>REVENUES</b>			
Dues	\$750,000	\$771,000	\$760,500
Programs & Events	\$330,000	\$265,000	\$312,286
Education	\$440,000	\$443,000	\$420,949
Other	\$114,000	\$119,240	\$118,500
<b>Total Revenue</b>	<b>\$1,634,000</b>	<b>\$1,598,240</b>	<b>\$1,612,235</b>
<b>EXPENSES</b>			
Programs & Events	\$485,000	\$450,000	\$466,902
Education	\$200,000	\$170,000	\$175,900
G&A/Operations	\$946,000	\$891,763	\$889,971
<b>Total Expenses</b>	<b>\$1,631,000</b>	<b>\$1,511,763</b>	<b>\$1,532,774</b>
<b>Surplus/(Deficit)</b>	<b>\$3,000</b>	<b>\$86,477</b>	<b>\$79,461</b>

## BSAS MEMBERSHIP TRENDS

Member Year	Total Members	Growth	% Growth
2000	3122	n/a	n/a
2001	3459	337	10.8%
2002	3778	319	9.2%
2003	3996	218	5.8%
2004	4131	135	3.4%
2005	4301	170	4.1%
2006	4465	164	3.8%
2007	4714	249	5.6%
2008	4798	84	1.8%
2009	4814	16	0.33%
2010	4898	84	1.7%
2011	4932	34	0.7%
2012	5045	113	2%
2013	5270	225	4%
2014	5344	142	1.3%

# BSAS 2014 - 2016 STRATEGIC PLAN

## MISSION

To be a community of investment professionals which promotes the highest ethical standards, best practices, and professional development of current and future members to benefit clients and the broader investing public.

## VISION

We envision a BSAS committed to the professional development and networking needs of its membership and the greater Boston investment management profession. Viewed as a valuable resource by its growing membership, our members are actively engaged in the Society as we consistently deliver high quality professional development programs and create a proactive forum that fosters best practices.

We also envision that BSAS attains further prominence and influence with key external constituencies based on the outstanding thought leadership and high ethical standards that the Society represents and promotes.

## GOALS

### **1. Strengthen the BSAS Value Proposition & Ensure the Society's On-Going Relevance**

Foster stronger and more active participation from members and other key constituents in BSAS programs and other activities. Achieve this goal by continuously enhancing and building awareness of the value proposition that BSAS offers, especially as a leading provider of high-quality professional development content and networking opportunities that connect members with one another.

### **2. Continuously Grow the Membership**

Through both proactive acquisition of new members and improved retention of existing members, continuously expand BSAS's membership base with CFA charterholders, CFA Program candidates and other investment professionals with fiduciary responsibilities.

### **3. Actively Apply Data Analysis & Market Research for Well-Informed Decision-Making**

Utilize data gathering, analysis and market research to gain a better understanding of the demographics of the BSAS membership and their participation in the Society. Evaluate the results of the data analysis and research to assess potential actions that will strengthen BSAS's offerings and more effectively service and engage the membership. Identify additional research that could enhance the understanding of membership growth, retention and engagement, along with further opportunities and challenges for BSAS.

### **4. Position BSAS as a Thought Leader and Industry Advocate**

Establish BSAS as a thought leader in the areas of ethics and capital market integrity, as well as a respected resource for financial literacy initiatives. In so doing, build a greater level of connection and trust with members' clients, the broader investing public, universities and policy-makers.

# B S A S

THE BOSTON SECURITY ANALYSTS SOCIETY, INC



Boston Security Analysts Society, Inc.

Two Financial Center, Suite 1010

60 South Street

Boston, MA 02111