The Mobius Investment Club
Seven years on – Review and some lessons learnt[1]
Investment and performance analysis

"Investment clubs can be a great platform for learning and investing. They can provide much in terms of social and entertainment functions as well as enrich most members in terms of investment confidence, ideas and discipline. We share here some of the lessons learnt in the Mobius club over the years…"

Introduction

An investment club is made up of a group of people who combine their money into a larger pool, then invest collectively in stocks and bonds, making decisions democratically. Over the last ten years, investment clubs have gathered momentum and a movement has developed, leading to the creation of over 10,000 investment clubs in the United Kingdom. This movement has been helped by the assistance of Proshare, an independent, not-for-profit organisation founded in 1992 by HM Treasury, the London Stock Exchange and a consortium of major companies to promote *responsible share based investment.*

The Mobius club[2] has been an active investment club for the past 7 years. It was founded in October 1997, registered with Proshare since January 1998. The club's members have since been keen to develop and improve their investment skills.

As a member of the Mobius club, I have been contemplating for over a year the write-up of an article[3] to explain how the club has evolved over time - I felt that after nearly seven years, there was enough data to make an interesting study. The Mobius club has been a fantastic platform for learning and investing. It has provided much in terms of social and entertainment functions as well as enriched most members in terms of investment ideas and methods. From time to time, I also receive requests to complete questionnaires from various financial organisations (and on some occasions MBA students) on collective investment and private investors' behaviour. Well, this article also goes some way to provide an evaluation, since it provides a trace on the various investment facets of a group of keen private investors. The insights presented here were based on the complete set of investment data generated by the club since its creation in October 1997 to June 2004.

This article provides an analysis of the Mobius club from an investment perspective. First, we examine the evolution of buy/sell transactions over the years. Then, we cover the investment portfolio management and strategies, followed by the markets and sectors in which shares had been purchased. We also investigate the club's investment and market sentiment. After that, we review the club's return on investment (performance). Finally, we discuss some important issues that the club had to address and refine over time; notably stop-loss agreements, monitoring and share recommendations.

Review of Investment Transactions

There are many activities related to an investment club, but one that is central is the investing in the stock market. Investment clubs exist to make these decisions and learn from them; which company to invest in; when to sell; when to accumulate etc. The type and timing of these decisions dictate the profit or loss.

The first indicator we set for examination is the type of transactions; that is the number of purchase or sale transactions that have been executed. The graph below defines the purchase and sale transactions for the Mobius club on a yearly basis.

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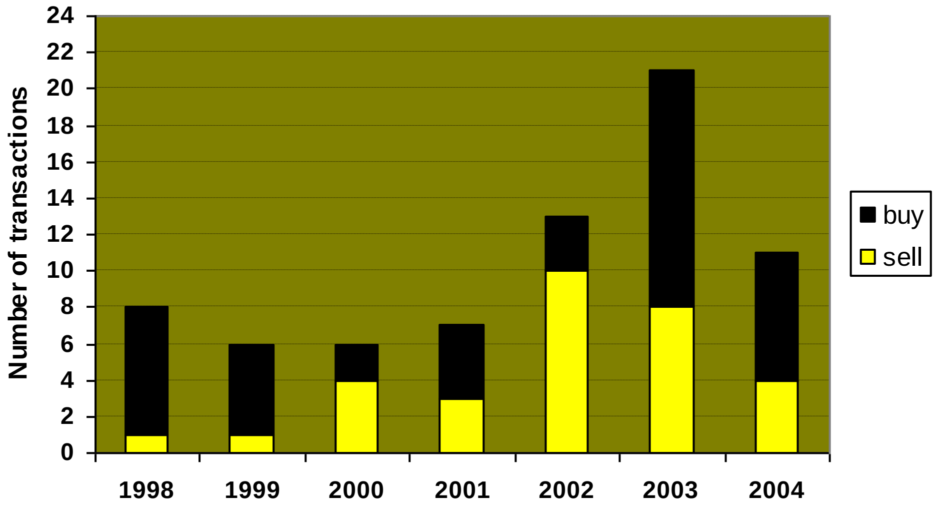
[2] The Mobius club is based in Yorkshire (UK). Details of the club's main activities: club's web site.

[3] A shorter version of this article appeared in the *Bloomberg monthly magazine, January 2005*



Graph 1: Number of investment transactions (on a yearly basis)

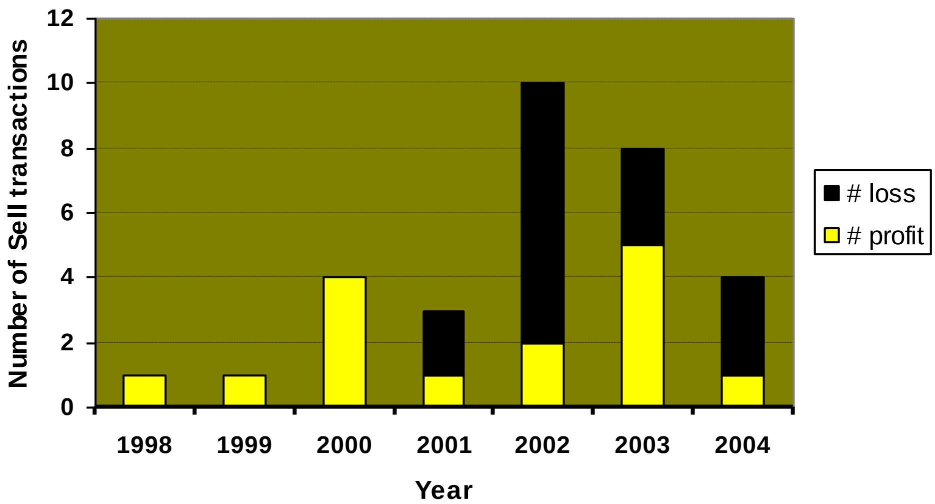
In the early years, most of the transactions were purchase transactions, in effect to build a portfolio. Also in the early years, members were new (novice) investors and so were “emotionally” attached to their proposed shares. Hence not enough shares were sold (even when S/L were hit). The rationale at the time was that some quality shares (e.g. FTSE 100) were for the long-term. Between 2000 and 2002, the reverse trend developed as the stock market became bearish and it was better to hold cash, that why is the chart shows little in terms of share purchases. From late 2002, a better discipline in S/L coupled with a stock market uptrend and confidence in the market led to more investments being made.

Whilst the graph above covers the actual transactions, what is also really important is whether these decisions have resulted in profit or loss. We have used two charts to review the performance of these decisions. The focus is on sale transactions only, i.e. we examine whether a sale of particular share has resulted in profit or loss.

To assess such performance, we actually use two performance measures:

1. The number of sale transactions that resulted in profits.
2. The cost value returns of sell transactions.

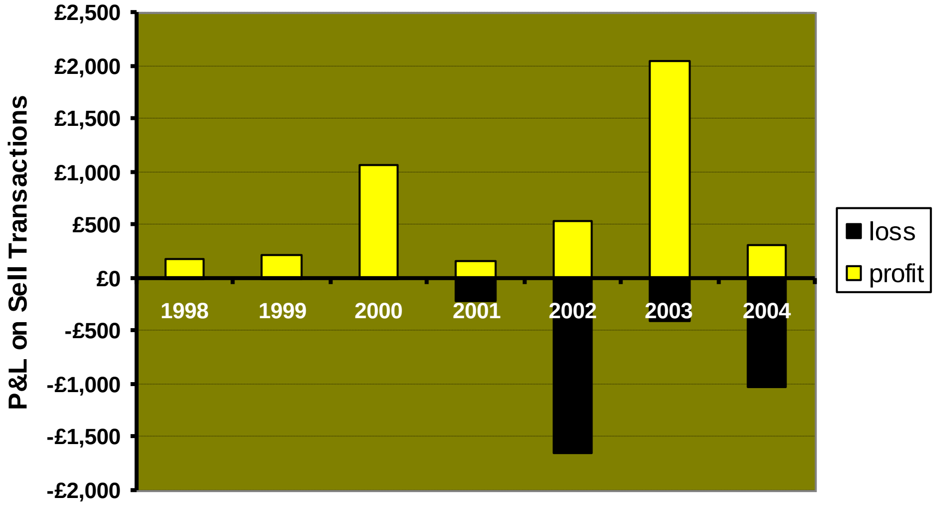
To illustrate each of these measures, we use the bar charts below.



Graph 2: Number of Profit & Loss transactions per year

The bar chart above shows the number of sale transactions that resulted in profit and loss. As explained previously, a trend with emotional investing was to sell only shares that had made good profits. Although between 1998 and 2001, there were a good number of shares that warranted a sale, the emotional attachment coupled with the notion of long-term investment meant that members just watched the share prices drop. Hence as can be seen in the bar chart, the club started to effectively execute long overdue "paper" losses from 2001 - only when members accepted to sell at a loss (a foreign concept before then, since the hope was that the share would eventually recover).

Whilst knowing the number of sale transactions that led to profit/loss provides a meaningful insight to the sale decision-making process - ultimately we are interested in the actual pound value resulting from these sales. For example, we might be in a situation were a few profitable sale transactions may not outweigh one single heavy loss sale transaction.

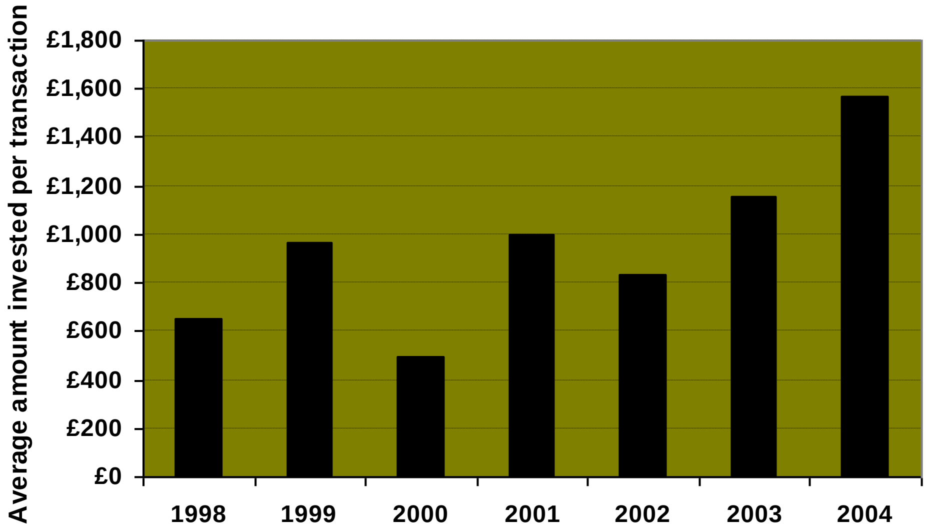


Graph 3: Profit & Loss value on Sale Transactions (on a yearly basis)

The bar chart above indicates the actual profit and loss realised from all sale transactions on a yearly basis. As explained above, sale in the early years were only made on profitable shares. The year 2002 witnessed some heavy losses: this is due to a couple of shares missing their S/L values and also the stock market in general heading in a downward-trend. Similarly in 2004, we have identified companies with good fundamentals; members call these "solid" companies (e.g. Hydro and Dicom). But the point is that the club bought these at a premium (their P/E was already high). With the discipline of S/L well in place, many of these had to be sold within months of their acquisition. So this has triggered a review of the S/L calculation within the club (see Section on Stop-Loss).

Amount Per Investment

In this section, we continue to discuss indicators relevant to investment transactions by examining the question of "How much to invest per share?". The amount for investment has often been set during monthly meetings. The bar chart below provides the average amount invested per transaction on a yearly basis. In the first 18 months, as the Subs funds were slowly building up, so the investment per share was relatively low (just above £600). As the club had more funds available and some confidence in selecting shares, this rose to £1000. At that time (1999), there was a consensus to invest in blocks of £1000. It was possible to increase the club's holding in an existing stock, but usually that was in blocks of £500 (accumulate). In year 2000, the club registered the lowest number of purchase transactions (see Graph 1): Only two investments were made in blocks of £500 (3iBio and Traffic Master). The years of 2001/02 were more or less a repeat of 1999/2000.



Graph 4: Average amount invested per stock (yearly)

By mid 2003, the club agreed to set the level of investment to £1500, with the option of investing £1000 if the share was deemed a high risk and the accumulate option (increase in existing stock) remained at £500. Towards the end of 2003, the investment level has been increased to £2000 per transaction; In part this is due to the club's confidence in undertaking investment decisions; coupled with the high level of cash assets available in the club (see Graph 7 where it is shown that a good proportion of the NAV has been retained in cash in 2002).

Portfolio Management

The club has tried for sometime various strategies for managing its portfolio. Discussions have centred on a basic approach, with the aim of identifying an appropriate portfolio investment policy: This would set the objectives and constraints of the portfolio in terms of risk/return trade-offs, diversification, market conditions, asset allocation and security selection (markets & sectors).

Although that was initially the aim (a top down approach, Sector/market led investments), in most cases over the years, the portfolio has more or less been bottom-up driven. That is shares were proposed, selected and then made up the portfolio. Often the club discusses both approaches and comes to an agreement that a combination of both methods (top-down and bottom-up) is desirable. For example the main constituents of the portfolio at the time of writing are shown below. Note the bias towards the Health Sector, nearly 40% of the portfolio, though not by design.

Major holdings	Percentage of the portfolio	Markets	Sectors
Synergy Healthcare	27.56%	AIM	Health
Victrex	16.80%	FTSE Small Cap	Chemicals
e-gold	14.77%	Commodities	Commodities
Air Partner	14.57%	FTSE Fledgling	Transport
Celsis	12.21%	FTSE Fledgling	Health
Alphameric	11.34%	FTSE Small Cap	Software & Computer Services

Table 1: Portfolio with main holdings in June 2004

The club has often engaged discussions to address asset allocation of the portfolio; that is what proportions of the club funds to invest in broad asset categories such as shares, bonds, commodities and money market securities. Our investment in Gold in the table above is an example (using an e-gold account[4] as a vehicle). The club had also considered in the early years investments in bonds and Unit trusts. Both were rejected at the time on the ground that an investment club is about learning to select equities on the stock market.

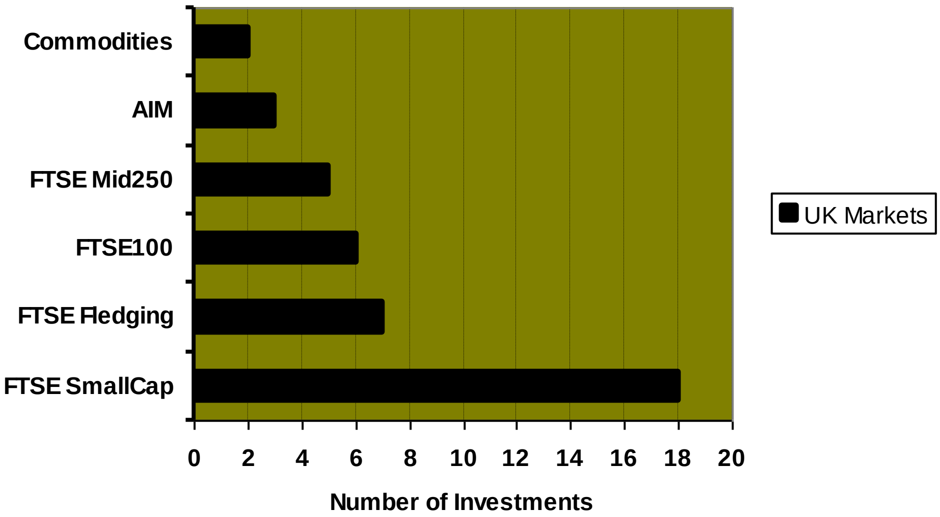
More recently, the club has revisited the proposition of unit trusts and OEIC[5] for the Chinese market and lately the Japanese market. Over the last 18 months, the club has dedicated a time-slot in every monthly meeting to “investment strategy” where members can voices issues such as risk/return trade-offs, inflation, currencies and interest rates. Whilst these discussions have risen awareness, no concrete proposals have emerged yet that would translate into a set of objectives. The club needs to first develop an understanding of portfolio management processes and then move onto portfolio analysis, monitoring and performance reviews.

Sectors and Markets

In the previous sections, we discussed the evolution of decision-making strategies over the years. This Section reviews where these investments have been made, that is which markets and which sectors.

The two bar charts below capture the club investments since October 1997 (club’s creation). The club has so far invested in the UK stock market only. Though recently the club has extended its current trading account to trade on the NASDAQ too.

The chart shows the distribution of shares purchased. The entry “number of investments” in the bar charts is actually the number the purchase transactions. In the early years, many shares featured in the FTSE-100, whilst gradually as confidence grew, other markets were explored. The commodities investment is Gold. The club decided to diversify into commodities by purchasing Gold: In 2002, some members have been expressing negative sentiments about the stock markets and even currencies. These members have been pushing to invest in Gold for over a year before the actual investment was made (year 2003). However, since then the club has considered this investment more of an insurance policy than an actual investment.



Graph 5: Distribution of shares purchased per market

There has often been the argument from various members that “an investment club” should be more adventurous in its investment. This argument was present in particular in the early years when some investments were made in the FTSE-100. Members in their own private/personal portfolio should define their own financial policy, but the club might be expected to try shares with a higher potential

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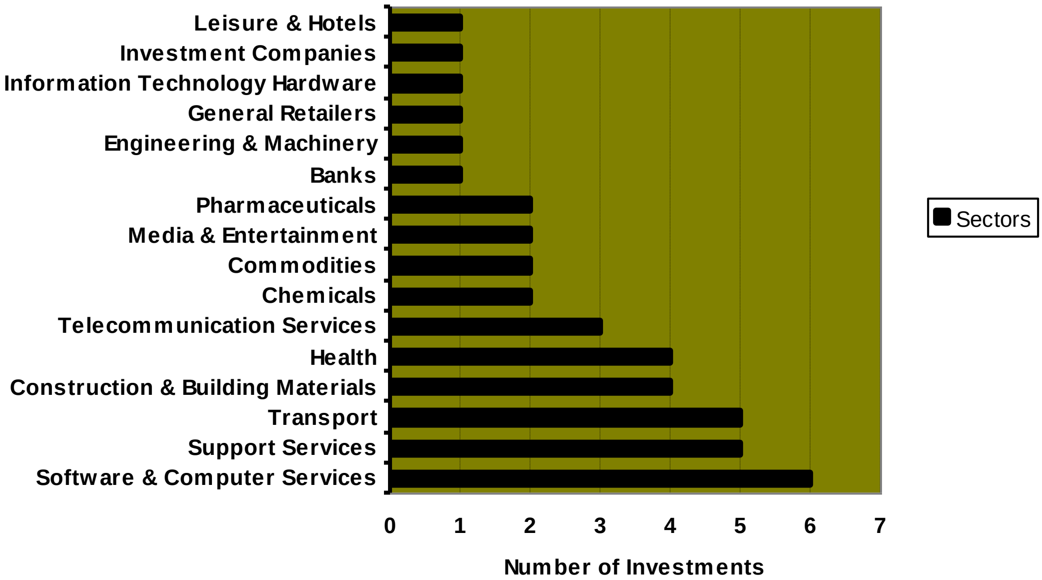
4 E-gold is an electronic currency, issued by e-gold Ltd., a Nevis corporation, 100% backed at all times by gold bullion in allocated storage.

5 OEIC: Open Ended Investment Company

growth (with a higher degree of risk). One can see bias in the chart above towards the FTSE Fledgling and FTSE SmallCap.

The Sectors bar chart below also shows quite a diversification, with the “Software & Computer services” marginally ahead. The club has been investing in a range of sectors. The club has a list of preferred companies that it reviews regularly. Some of these companies have been purchased a few times such as Persimmon (Construction & Building Materials), DRS (Software and Computer Services) and Synergy Healthcare (Heath).

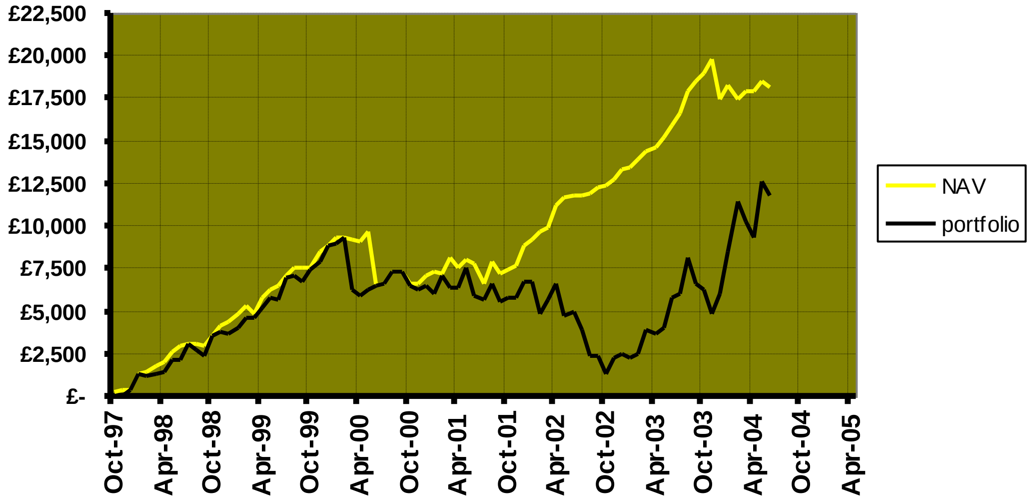


Graph 6: Distribution of shares purchased per sector

Investment Sentiment

In order to understand the club’s appreciation of the market conditions (e.g. bearish or bullish), we use the graph below (Net Asset Value (NAV) versus portfolio) as a measure of its investment sentiment. The portfolio entry is the total value of all the investments held by the club. This value like the NAV is computed on a monthly basis (in part to derive the club’s monthly unit value UV).

The difference between the Net Asset Value (NAV) and portfolio is usually kept in cash in the club’s account. A small gap between the two charts often reflects the club’s high confidence in investing in equities (bullish). A large gap indicates that the club is “bearish” and it believes that (temporarily) it is better to hold assets in cash rather than equity.



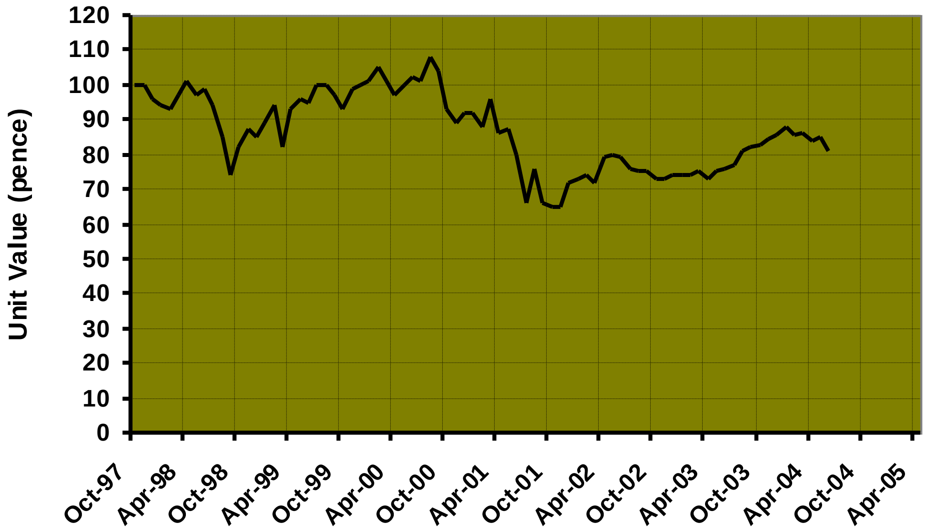
Graph 7: Comparison of NAV and portfolio values over time

In the early years, the club needed to build its portfolio and hence all the cash fund available was spent in investing. The behaviour up to the year 2001 is understandable. As the club started to see a downturn in the UK stock market, members felt that holding cash was better than investing (a bearish mood). This is reflected in the wide gap developed from April 2002 between the two charts. There are two other secondary reasons to justify this gap. For one, the club then ruled that a Proshare toolkit should be completed for each proposal. So this has created a delay as members developed the confidence in completing the reports (and becoming more proficient in analysing annual reports charts etc.). Secondly, the club started a series of technical charting tutorials so that fundamentals and charting could be used for investment.

From early 2003, the club has built on its confidence in charting and fundamentals, coupled with a general uptrend in most UK markets to invest (hence the growth from 2003). In addition from 2002, the club agreed on a reorganisation of the monthly meeting agendas so that far more time be allocated to discuss investment strategies and individual shares. This created a confidence mood and we are starting to see the portfolio chart catching up with the NAV.

The Unit Value

Since the club's creation, the Mobius club had adopted the Unit Valuation System (UVS) as its method of accounting. UVS has been Proshare's recommended method and is widely adopted by investment clubs worldwide. When members invest in the club (via monthly subscriptions), they buy units, which means a portion of the total fund. The UV is calculated by dividing the club's NAV by the number of units issued. The UV defines the current price for buying or selling units in the club. At the start of every month, members pay in a fixed amount (subscription) that is converted into units using the current UV in force. The club has one UV buying price and charges a 2% levy for unit sale. The chart below illustrates the UV for the club. It started at a 100p (£1) at the club's creation in October 1997.



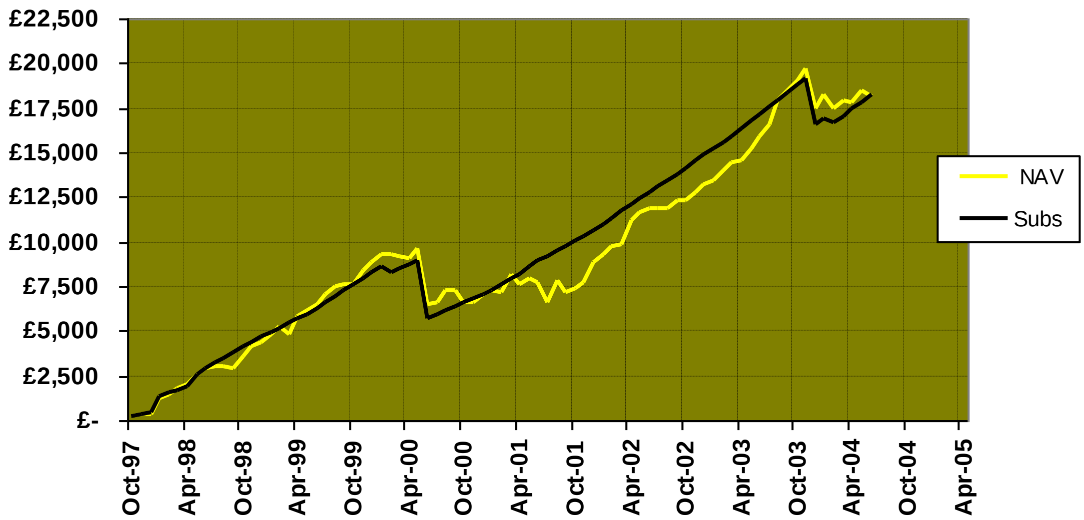
Graph 8: The Unit Value movement since club's creation

Return on Investment

In order to assess the performance of the club in terms of investment return, one might start by looking into a return in simplest terms: To compare the NAV and Subs. "Subs" is the member's funds; that is the total amount paid in by members over the months (and years) minus any units repaid or refunded to members. In effect, subs tell you how much the members have invested in so far.

The profit/loss values from sale transactions chart discussed above (Graph 3) also gives a good indication of the club's investment performance but only reflects the results from executed/completed sale transactions and does not encapsulate any nominal profit or loss from the current investment portfolio.

In the graph below, the chart in black (Subs) shows the members subscriptions over time. In most cases, these are monthly payments (hence the linear growth). There have been times when members have bought additional shares. There have also been times when members have left and units have been refunded. This is for example the case in May/June 2000 when two members left the club and in December 2003 when another member left the club.



Graph 9: NAV versus Subs over time

The NAV chart is the performance chart (evaluated at the end of every month, in part to compute the unit value (UV)). Successful investments would lead to a NAV chart well above and gradually moving upwards relative the Subs chart.

It is clear that the club has not gone into the great success of realising 40% or 50% growth. One can see that the Subs and NAV charts have not been greatly apart, baring a period between April 2001 and April 2002 and a short spell in 2002/03. On the other hand, the club has also been able to remain resilient and sustain turbulent times in stock markets. Of course, one might argue that converting a large proportion of the club's asset into cash has prevented heavy losses.

Return and Performance: When (private) investors invest in mutual funds such as unit trusts, investment trusts or OEIC, usually two sets of metrics are used to evaluate performance. The first one is of interest to the investor and is measured in terms of rate of return of a particular fund, i.e. what is the return on the payments made (over a period of time)? The second set of metrics tracks the performance of a fund against an appropriate index or benchmark. The second set in effect measures how well the professional fund managers have done with the investors' money. It compares the performance of the fund managers and their associated portfolios with other similar funds (competitors) and/or an underlying benchmark. In the case of an investment club[6], the "investors" and "fund managers" are the same people. Both sets of metrics are briefly presented below in the remainder of this section:

Measure of return: An accurate way of measuring the return on investment is to use the internal rate of return (IRR). This metric takes into account the value of earlier payments, cash flows as well as periods of payments. We have calculated the annual IRR for every complete year and also the average annual return[7] since the club's creation up to that year. The table below depicts the Mobius results for the complete years [1998-2003].

Year (to 31st Dec)	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
IRR (annual)	-12.75%	13.13%	-10.00%	-10.00%	-2.42%	20.87%
average annual rate	-12.26%	5.71%	0.17%	-7.57%	-4.37%	1.46%

Table 2 : Annual rate of return

All these rates have been compiled up to the 31st of December for every year. Let's take the year 2002 as an example. The annual IRR for the year 2002 is *–2.42%.* For the period October 1997 to December 2002, the annual average rate is *-4.37%*.

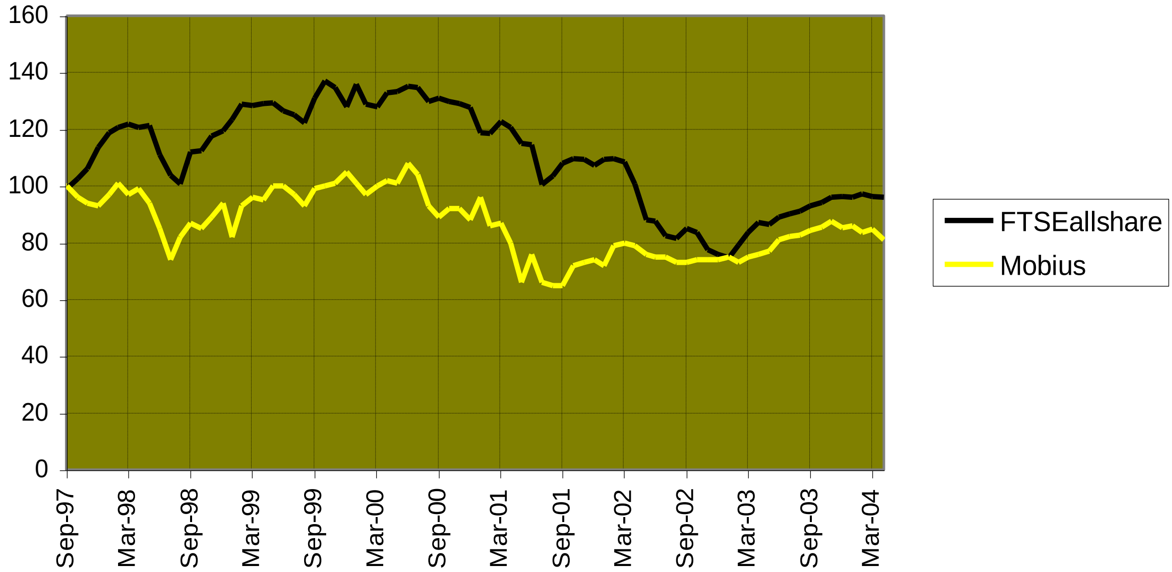
It is clear that the years 1999 and 2003 have been good years for return on investment. This has helped the average annual rate to gradually improve. So for example, this average rate of return has come from –12.26% in 1998 to positive (though marginal) territories by 2003[8].

Comparison against a relevant benchmark: To measure the performance of the club in terms of investment portfolio, we need to set it against an appropriate benchmark or index. Given that the majority of the Mobius club investments have been made in UK securities, with a spread in various markets such as the FTSE-100, FTSE Smallcap and AIM, it is natural to compare it against the FTSE Allshare. The graph below shows the Mobius UV and the FTSE-allshare index re-based:

[6] Note that investment clubs are not permitted to offer investment advice. Members of an investment club can only invest their own collective funds.

[7] The average annual return is a hypothetical rate of return that, if achieved annually, would have produced the same cumulative total return if performance has been constant over the entire period.

[8] We have omitted in this section discussions on inflation and interest rates over the 1997-2003 period.



Graph 10: Mobius UV versus the FTSE-allshare (re-based)

From an investment perspective, the UV chart above is quite disappointing and it highlights the need for a better control of the club's investment strategy. One would expect that after several years of investing, beating the FTSE-allshare index is not an unreasonable target. By the same token, we should also mention that many professional fund managers have not managed to outperform the index either. It seems that a 20% gap has developed from the early years (1997-98) and since then the club's investment has pseudo-mirrored the FTSE-allshare. There was an opportunity in early 2003 where the Mobius UV and the index have converged, but a gap is widening again.

The club is on a continuous path seeking to improve its investment performance. Learning from past mistakes as well as gradually becoming more proficient in investment techniques are examples of what the club is working on. However, it is important to note that the aims of the club are educational, social (entertainment) and return on investment (in that order). Whenever a potential member approaches the club, this latter is keen to emphasize that members should only invest money they would be prepared to loose (surplus cash). So whilst members thrive to better the return on investment, they should not depend on it for their personal financial portfolio.

Recovery Investment

Over the years, we accumulated some shares whose prices have gone so low that it was painful every time we reviewed the portfolio during monthly meetings. Note that the club acquired these shares before an S/L discipline was well in place. Usually, these under-achievers got less than a few minutes in the portfolio review time-slot of the monthly meetings. Among these shares were Danka Business group, Traffic Master and Character Group.

After sometime we decided not just skip discussing these but rather see if there are opportunities for a recovery. So the club embarked into a positive and recovery mode of thinking. Champions were assigned to these shares and technical analysis was used to define trends. This led to further purchases to the point where the club actually made a profit on these shares. First it was Danka Business and then Traffic Master. Unfortunately, we did not catch the momentum for Character Group at the right time so we missed the opportunity for this one.

Below is a table showing the transactions for Danka Business Group (sector: support services, market: FTSE small cap). After the second purchase (Feb 2002) the break-even price was calculated (£0.51) and the club agreed that a threshold for sale. The profit from the sale was 34.96%.

Name	Transaction	Date	#Units	Unit price	Total cost
DankaBus	buy	30-Jan-98	160	£ 2.84	£ 471.67
DankaBus	buy	07-Feb-02	2723	£ 0.36	£ 999.70
DankaBus	sell	29-Apr-02	2883	£ 0.70	£ 1,985.79

Table 3: Danka Business transactions

The same principle was applied to Traffic Master, but two further purchases were made, one in 2002 and the other in 2003. In May 2003, this has reduced the average purchase price from £5.94 to £0.49p. The table below shows all the transactions for Traffic Master (sector: transport, market: FTSE small cap). In November 2003, the club decided to take profit, by selling all its stock and realising a 33.27% profit.

Name	Transaction	Date	# units	Unit value	Total cost
TrafficMaster	buy	30-Jun-00	81	£ 5.94	£ 498.55
TrafficMaster	buy	01-Jun-02	1240	£ 0.38	£ 493.05
TrafficMaster	buy	23-May-03	1728	£ 0.28	£ 499.84
TrafficMaster	sell	17-Dec-03	3049	£ 0.66	£ 1,987.64

Table 4: Traffic Master Transactions

These are two examples that the club likes to mention from time to time to remind itself that monitoring recovery shares (in particular from good companies) is essential. Members were somehow disappointed not to have applied the same principle to Character Group. Although the share price was discussed briefly at every monthly meeting, no decision was made in accumulating this share. We witnessed the share price going from 12p all the way to over 160p.

Stop-Loss

The stop-loss (S/L) has been a topic of much conversation on a monthly basis since the early days of the club. In the first few years, no S/L had really been effectively applied, only talked about. The debate varied then from the argument that good shares are for the long-term, so who needs S/L. An example of a share that suffered from this argument was M&S (purchased by the club in February1998 and sold in July 2002 with a loss of over 36%). Another share that did not have an S/L for the first few years is Character Group, bought in at £4.39 per share in May 1999 and saw the share price drop to below 17p.

By mid 2001, the argument was finally settled that there is no such thing as a share for the long-term (that is after the bubble burst and it badly hurt the club's NAV), the club started to seriously talk about S/L. The club's definition was then (around 2000) to set an S/L at 20 to 25% below the purchase price. However, although S/L were defined and reviewed on a monthly basis, members lacked the discipline to observe and execute these S/Ls. So it emerged that the only way to track S/L was to assign responsibility and accountability: share champions were expected to monitor S/L and report to the club dealer if a share price went below its S/L.

From late 2002, the club had significantly enhanced its S/L targets, resulting in fewer losses. This also corresponded to the fact that most members were available by email and hence the notification of a share hitting its S/L was more effective. The club had also improved in its definition of the S/L value by looking at charting techniques (technical analysis) to determine when trends were clearly broken (leading to a possible definition of an S/L). Defining S/L is a continuous source of debates in the club, as share champions are pushing for some slack for their shares whilst other members are looking to minimise the risk. There have been a number of occasions where the S/L was too close to the trend and the club had sold the share just to see the price go up again. The S/L are reviewed and discussed for every share at every monthly meeting.

Monitoring

Conscious of the importance of monitoring the main parameters of the shares held within its portfolio (e.g. S/L), the club has been thinking since the year 2000 about developing a new role (the performance monitor). In the 2001 AGM, this new role has been approved. The member responsible for this role would complete an up-to-date spreadsheet with key variables for every share in the current portfolio, including previous S/L and champion's name. This worksheet is prepared for the day of the monthly meeting and is used as a reference when reviewing each share. In addition, champions are expected to bring up-to-date charts to discuss trends.

Another issue related to monitoring and portfolio review is the ratio of members to the number of shares in the portfolio. Up to 2001, members raised concern about shares in the club's portfolio not being properly monitored by their champions. As shares were not sold in the early years (for reasons explained above), the portfolio started to grow and reach 10 to 13 shares. Amid this concern, the club defined in October 2001 guidelines of 1:1 ratio of shares to club members. The decision was to reach the 1:1 ratio by the 2002 AGM. The club argued it was better to increase its investment per share than diversify too much. This guideline was defined to ensure that the club started to sell some if its investment. But this turned out not to be an issue from 2002, as members became more experienced, the discipline in S/L was established, and signs of a bearish stock market, meant that the ratio had hardly gone beyond 1:1. At the time of writing, the portfolio has 6 main holdings (see Table 1) and a membership count of 8.

Company Share Recommendations

Like with other activities, members have improved in the preparation, presentation and submission of material to recommend a share purchase. At every monthly meeting, there is a special time-slot where members put forward new companies to invest in. For the first two years, members could just throw company names and provide (verbal) arguments for that particular company and sector. The proposals varied from very little to comprehensive packs with reports from various information sources, analyst reports, charts and accounts.

The club has been looking for a coherent way to present the information about a particular share to the other members. This became available with the Proshare toolkit. The club was quick to adopt the toolkit as the framework for presenting company's information. Various tutorials were run internally in the club to initiate other members to the toolkit. In 2003, members agreed to define a rule, by which a company could only be recommended for purchase if a toolkit had been prepared and the share presented at a meeting. In 2004, some of these company reports started to be prepared in electronic format (such as MS Word) and circulated by e-mail to club members ahead of a monthly meeting. The aim is that it will enhance the quality of evaluation by other members of the club, thereby fostering quality peer-review, ultimately leading to a better decision-making process.

Summary and Outlook

This article has gone through the club's investment history since its foundation in October 1997. It is clear that the Mobius club has made a lot of progress over the past 7 years. Many facets of investment-related activities have been improved through refinement and experience. The club has also been able to learn from past mistakes.

This article has reviewed the club's progress in terms of investment transactions, the proportion and evolution of the buy/sale transactions over time; a well as analysing the profit and loss resulting from these transactions. It also discussed the club's portfolio strategies as well as the markets and sectors targeted for investment. We also highlighted the club's investment performance, in terms of rate of returns and comparison to the FTSE-allshare index. Finally, we examined some key features for investment-making decisions such as a determination in achieving a stop-loss policy, a commitment to put in place monitoring processes and how to put forward share proposals.

The club has proven to be a fantastic platform for individual (private) investors getting together to learn from each other. Different members contributed in different ways; from the religious chartist to the fundamental specialist. Some contributed their experience from different sectors and market segments. Others were policing the club's processes, always finding a balance between professional conduct and a social function. In addition, other members were also happy to provide tutorials to the others (e.g. charting, toolkit, commodity investment). This blend has proven to be a major strength for the Mobius club. The club has served the purpose of bringing together all these ideas, principles and discipline, something hard to put in practice as a sole private investor.

There are so many areas where progress has been impressive; ways of proposing companies for investment, tracking and monitoring, discipline in meetings (to name a few). One important area requiring further improvement is the portfolio investment strategy (and focus on portfolio analysis and performance). The club aims to continue on its path seeking better ways to invest more efficiently, probably looking at more effective strategies for its portfolio, as well as new markets (outside UK) and other investment instruments (e.g. warrants etc.).