

RUTGERS

BUSINESS SCHOOL

SCARLET FUND

Student-Managed Investment Fund

AUM

\$1,000,000

INCEPTION

Jan 2026

POSITIONS

8 Stocks

INAUGURAL CONFERENCE · APRIL 25, 2026

THE RESILIENCE PIVOT

How disciplined investors adapt, endure, and compound through uncertainty

FEATURING SPEAKERS FROM

Annaly Capital · Prudential · Polen Capital · Pershing Square · Gaia Global Capital

Fund generously donated by Dan Davidowitz

The Scarlet Fund is the product of an industry-academic partnership that started in 2022. In Fall 2025, we launched the fund in conjunction with a capstone two-semester course. Learning investment analysis and portfolio theory through investing real money provides students with the analytical framework, hands-on experience, and communication skills necessary to succeed in their chosen careers.

COURSE ACTIVITY

In 2025-26, 24 equity analysts primarily drawn from the part-time and full-time MBA programs participated in the Scarlet Fund, studying companies across technology, communication services, health care, industrial, consumer, and finance sectors.

The investment process starts with idea generation using quantitative factor screening rules based on the latest academic research, followed by in-depth qualitative fundamental business research, and lively debates. Five student analysts were promoted to portfolio managers (PMs) in December 2025, responsible for back-testing allocation strategies, portfolio construction, risk management, and performance monitoring.

We welcomed five guest speakers: **Craig Safian**, CFO of Gartner; **Jason MacDonald**, CIO of Rutgers Endowment; **Rob Falzon & Nemin Jaya**, co-founders of Brightstreet; **Tom Girardi**, Partner of Spayne Lindsay; and **Dan Fields**, portfolio manager of Polen Capital.



Prof. Rose Liao, Ph.D. · Dan Davidowitz

CONFERENCE EVENTS

In 2026, we are staging our inaugural conference inviting alumni, students, and local companies to bridge the gap between academic theory and institutional practice. We foster open dialogues with multiple stakeholders to appreciate different perspectives and shape the career paths of future Rutgers alums. We value your input to help shape the curriculum.

Sincerely,

Rose Liao, Ph.D.

Faculty Advisor & Program Lead
Rutgers Business School

Dan Davidowitz

Portfolio Manager, Polen Capital
Fund Donor

OUR MISSION

The Scarlet Fund exists to bridge the gap between academic theory and real-world investment practice - giving Rutgers MBA students the experience, discipline, and accountability required to succeed in the investment industry.

Inaugural Scarlet Fund Conference · April 25, 2026



MACROECONOMIC OUTLOOK



Andreas Strzodka

Head of Macro Strategy

Annaly Capital

Head of Macro Strategy at Annaly Capital with 15+ years of buy-side and central banking experience, including prior work at the Federal Reserve Bank of New York where he co-authored published research on GSE reform and Agency MBS markets.



Rick Romano, CFA

Head of Global Real Estate Securities

PGIM Real Estate · Prudential

Managing Director and CIO of Global Real Estate Securities at PGIM Real Estate, co-founded in 2006. An 8-time Lipper Award winner for best global real estate fund. Rutgers College BA, NYU Stern MBA, NAREIT Investment Advisory Council member.



Dan Davidowitz

Portfolio Manager

Polen Capital

Portfolio Manager at Polen Capital - a quality-growth boutique managing \$60B+ in assets - and the generous donor whose \$1,000,000 gift established the Scarlet Fund. His conviction-based philosophy of owning exceptional businesses directly shaped the Fund's investment approach.



AI & PRODUCTIVITY



Raunak Kasera

Research Analyst

Polen Capital

Research Analyst on Polen Capital's Large Company Growth team, Raunak joined in 2024 after serving as a Product Manager at Microsoft on Windows and Surface devices. He holds an MS in Computer Science from Stanford and an MBA from Harvard Business School.



Michael Gonnella

CFO & Partner

Pershing Square Capital Management

CFO and Partner at Pershing Square Capital Management since 2017 — Bill Ackman's high-conviction activist fund. Previously served as CFO of Pershing Square Tontine Holdings (PSTH), one of the largest-ever SPACs at \$4 billion.



Melanie Vangopoulos, CFA

CIO & Co-Founder

Gaia Global Capital Management

CIO and Co-Founder of Gaia Global Capital Management, a long/short market-neutral hedge fund focused on Technology and Communication Services. Two-decade career spans Millennium, Crestline, and Seaport Global (MD, Equity Derivatives). Rutgers Economics alumna.

How We Think. How We Invest.

OUR PHILOSOPHY

The Scarlet Fund was created to provide students with a rigorous investment experience grounded in real responsibility. We help students think like disciplined, long-term investors - curious, accountable, and aware that every investment decision must be weighed against both opportunity and risk.



Long-Term Perspective

We invest with conviction, not noise. Short-term volatility does not drive our decisions.



Fundamental Research

Bottom-up business analysis drives every position. We read filings, not headlines.



Risk Discipline

Conviction must be matched by disciplined position sizing and continuous monitoring.



Accountability

Every thesis is presented, challenged, defended, and refined in front of peers.

THE FUND IN ACTION

Students debate live investment pitches every week - challenging assumptions, stress-testing valuations, and refining theses before any capital is committed.

THE INVESTMENT PROCESS

01

Idea Generation

Quantitative & qualitative factor screening across sectors.

02

Research Memo

Deep-dive business, industry and valuation analysis.

03

Pitch & Debate

Ideas challenged by peers and PMs before any vote.

04

Vote & PM Review

Structured voting followed by PM deliberation.

05

Capital Allocation

Entry rationale, price target, risk parameters set.

06

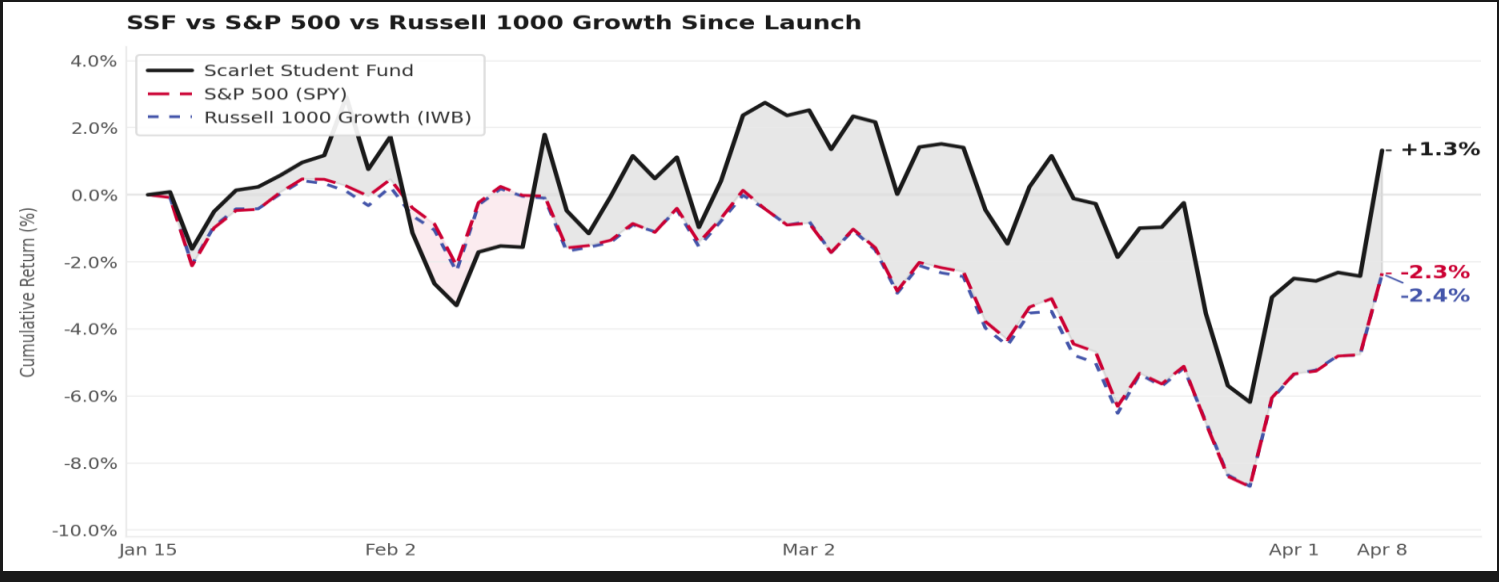
Ongoing Monitoring

Thesis reviewed as fundamentals and conditions evolve.

Holdings & Performance · As of April 8, 2026

RELATIVE PERFORMANCE · SSF vs S&P 500 vs Russell 1000 Growth

Cumulative returns since inception · Jan 15 – Apr 8, 2026 · Equal-weighted 8-stock portfolio



AUM

\$1,000,000

Total fund size

INCEPTION

Jan 15, 2026

Live since

DEPLOYED

\$240,000

8 positions x \$30k

CASH & EQUIV.

\$760,000

76% of AUM

CURRENT HOLDINGS

\$30,000 per position at inception · As of April 8, 2026

Ticker	Company	Sector
UBER	Uber Technologies	Technology
VRT	Vertiv Holdings	Industrials
ISRG	Intuitive Surgical	Healthcare
JNJ	Johnson & Johnson	Healthcare
BLK	BlackRock	Financials
V	Visa	Financials
BKNG	Booking Holdings	Cons. Discret.
META	Meta Platforms	Technology
CASH	Cash & Equiv.	Uninvested

Long-Term Investment Theses



Consumer Discretionary

RETURN SINCE INCEPTION

-12.9%

Apr 8, 2026

INVESTMENT THESIS

The world's dominant online travel platform - asset-light, 220+ countries, EBITDA margins of 35-38%. The market treats it as a cyclical agency; the reality is structural: 72% of transactions flow through its merchant-of-record model, generating fintech-like float income and working capital leverage. Q4 2025 revenue grew 16.1% YoY to \$6.35B, full-year FCF hit \$9.1B, and management guides mid-teens EPS growth for 2026.

KEY PILLARS

- 72% merchant-of-record - fintech economics, not cyclical travel exposure
- Q4 2025: +16.1% revenue, \$9.1B FCF - business accelerating through macro noise
- 55M+ loyalty members, AI-driven personalization deepening platform stickiness



Financials

RETURN SINCE INCEPTION

-5.7%

Apr 8, 2026

INVESTMENT THESIS

Operates VisaNet - connecting 4.7B cards, 200 countries, 258B annual transactions with no credit risk on its balance sheet. Structural advantages are unmatched: 97.8% gross margins, a 60-year first-mover network effect, and a \$20T+ undigitized payments opportunity ahead. Current valuation reflects overblown blockchain disruption fears that Visa is already neutralizing by settling USDC stablecoin. Q1 FY2026 revenue and EPS each grew 15%.

KEY PILLARS

- 97.8% gross margins, 51% net margins - best-in-class capital-light toll-booth
- Q1 FY2026: +15% revenue, +15% EPS - durable growth despite macro sentiment headwinds
- Stablecoin settlement at \$2.5B+ run rate - Visa leading, not threatened, by new rails



Technology

RETURN SINCE INCEPTION

-1.3%

Apr 8, 2026

INVESTMENT THESIS

The world's dominant social ecosystem - 3.58B daily active users monetized through the most sophisticated AI-driven ad engine in digital media. Controls 60%+ of social advertising and compounds that moat with proprietary AI (Advantage+) delivering 14% lower cost-per-lead for advertisers. At ~19x forward earnings, META trades well below its 10-year average of 23x despite +24% Q4 2025 revenue growth.

KEY PILLARS

- 3.58B daily active users - unrivaled scale for advertising reach and AI deployment
- Cheapest Mag 7 at ~19x forward P/E vs. 23x historical avg, mispriced on capex fear
- Advantage+ AI driving +14% advertiser ROI; Threads and WhatsApp Business emerging revenue



Healthcare

RETURN SINCE INCEPTION

-14.6%

Apr 8, 2026

INVESTMENT THESIS

The unchallenged pioneer of robotic-assisted surgery - 60%+ global share, 9,900+ installed da Vinci systems, 16M+ procedures in 74 countries. Its razor-and-blade model generates 85%+ recurring revenue (\$600-\$3,000 per procedure), creating extraordinary cash flow predictability. Revenue has compounded at a 15% CAGR over a decade with near-zero debt and \$1B+ FCF. The new da Vinci 5 just received FDA cardiac clearance and EU/Japan approval.

KEY PILLARS

- 85%+ recurring revenue - razor-and-blade: instruments and service per procedure
- da Vinci 5: FDA cardiac approval + EU/Japan clearance - new procedure pipeline now open
- 15% revenue CAGR over 10 years, \$8.4B cash, near-zero debt - elite compounder

Portfolio Managers & Analyst Team

PORTFOLIO MANAGERS



Alex Gaeta

Portfolio Manager



Caliph Mohammed

Portfolio Manager



Eric Nieves

Portfolio Manager



Erick Sanchez Suasnabar

Portfolio Manager



Vishwa Muthuraman

Portfolio Manager

ANALYSTS



Berdine Sainterme



Drite Rexhepi



Elica Gavrilova



John Landosca



Karan Jain



Matthew Calo



Michael Brick



Michael Daly



Nicholas Brando



Praneel Patel



Sahil Reshamdalal

THANK YOU

for joining us at the Scarlet Fund Conference

April 25, 2026 · Rutgers Business School · New Brunswick, NJ



THE SCARLET FUND TEAM · RUTGERS BUSINESS SCHOOL · 2025-2026

Institution: Rutgers Business School

Program: Student-Managed Investment Fund (Fin 700)

AUM: \$1,000,000 (donated by Dan Davidowitz)

Inception: January 15, 2026

Faculty Advisor: Prof. Rose Liao, Ph.D.



SCAN TO LEARN MORE