



Tennessee Valley Authority

# INVESTMENT CHALLENGE

## TRADING IN FUTURES

The TVA Investment Challenge is an **innovative and unique partnership** between the Tennessee Valley Authority and 25 universities in its service territory that provides a **real world learning experience** in stock portfolio management.

The TVA Investment Challenge is one of the largest student-managed investment programs in the nation

### How it works

**Students** actively manage TVA funds by designing long-term investment strategies, placing trades, and providing performance reports to TVA. Investment guidelines are similar to those used by TVA's professional investment managers.

**Universities** can earn performance awards based on their returns versus the benchmark S&P 500 index.

**TVA** supports the program by utilizing some of its most experienced financial managers and analysts to provide guidance and resources to help students apply investment management concepts.

**TVA** periodically visits the classrooms to discuss the strategy behind the students' portfolio management decisions and offer constructive feedback.

### Purpose

**TVA** is dedicated to partnering with colleges and universities in the region – investing in the community is part of its mission. By offering this rare learning opportunity to assist in molding the region's next generation of financial leaders, TVA is doing its part to help the Valley prosper for years to come.

### Facts

- **Established** in 1998 with \$1.9 million and 19 universities
- **Expanded** to \$10 million and 25 universities in 2003
- **Outperformed** the S&P 500 by 0.4% since inception
- **Over** \$13 million in assets currently managed by students
- **Part** of TVA's Asset Retirement Trust, which was created to offset the future cost of decommissioning TVA's non-nuclear assets

### Partner Universities

