



Student Investment Fund

Annual Report

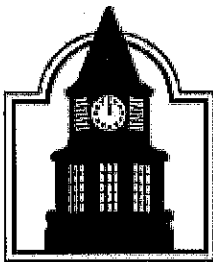
June 30, 2010

A student activity promoted by the

SOUTHERN ILLINOIS UNIVERSITY FOUNDATION

and the

Department of Finance
College of Business
Southern Illinois University



Southern
Illinois University
Carbondale

Objective

The objective of the Saluki Student Investment Fund (SSIF) is to provide SIU undergraduate students with experience in investment management where the students have discretion of a real dollar portfolio. The Fund's investment objective is to maximize long-term capital appreciation by investing in Mid-Cap companies, and seeks to outperform the S&P Mid-Cap 400 Index.

The Fund consists of two managed portfolios: the Foundation and CoBA portfolios. The value of the Foundation portfolio is approximately \$248,000 and the portfolio has paid out almost \$23,000 in dividends since inception. The value of the CoBA portfolio is \$52,907.

Performance Overview

Over the last twelve months ending June 30, the SSIF has achieved a 25% return, compared to a 24% return for the benchmark S&P 400. During the last twelve months the SSIF outperformed most of the major market indexes besides our benchmark, including the Dow Jones Industrial Average (up 18% including dividends), the S&P 500 (up 15% including dividends), and the Nasdaq Composite (up 15%). Please refer to the table on page

3 for a summary of our results over the last 3/6/12 months, and the last 3/5 years.

Among our year-to-date winners are: Netflix (NFLX) up 103%, Psychiatric Solutions (PSYS) up 53%, Airgas (ARG) up 29%, and GSI Technology (GSIT) up 25%. Among our year-to-date losers are: Cabot Oil & Gas (COG) down 32%, Harsco (HSC) down 30%, Cypress Semiconductor (CY) down 23%, Agrium (AGU) down 22%, and NBTY (NTY) down 23%.

Our sector weights, shown on p. 7, show that the fund is over-weighted to information technology. After considerable study and debate the fund members decided to take sector risk as the consensus view was that stocks in this sector would outperform. Although it is too early to tell, the fund is ahead of the benchmark by 3.6% over the last three months. A detailed listing of our stocks in the Foundation portfolio can be found on pp. 4, 5. The CoBA portfolio stock listing is on p. 6.

The last item that needs to be reported is that Prof. Jason Greene has agreed to become the faculty advisor for the SSIF beginning July 1. Jason joined the College of Business in 2009 after three years being on the staff of INTECH Investment Management LLC. More from/about Jason in the next report.

Relative Return Performance for the Fund Over Various Periods*

Investment	Life of Fund† (Annualized)	Last 5 Years (Annualized)	Last 3 Years (Annualized)	Last 12 Months	Last 6 Months	Last 3 Months
Foundation Portfolio	2.8%	3.4%	-5.8%	25.1%	0.2%	-6.2%
CoBA Portfolio	7.6%	5.0%	2.5%	16.8%	-1.7%	-7.5%
S&P 400 (MDY†)	4.5%	1.7%	-6.4%	24.0%	-1.7%	-9.8%
S&P 500 (SPY†)	-1.8%	-1.0%	-9.9%	14.8%	-6.9%	-11.3%
Nasdaq Composite	-5.7%	0.5%	-6.8%	14.9%	-7.1%	-12.0%
DJIA (DIA†)	1.0%	1.2%	-7.9%	18.2%	-5.2%	-9.4%

* Assumes reinvestment of dividends and includes brokerage commissions.

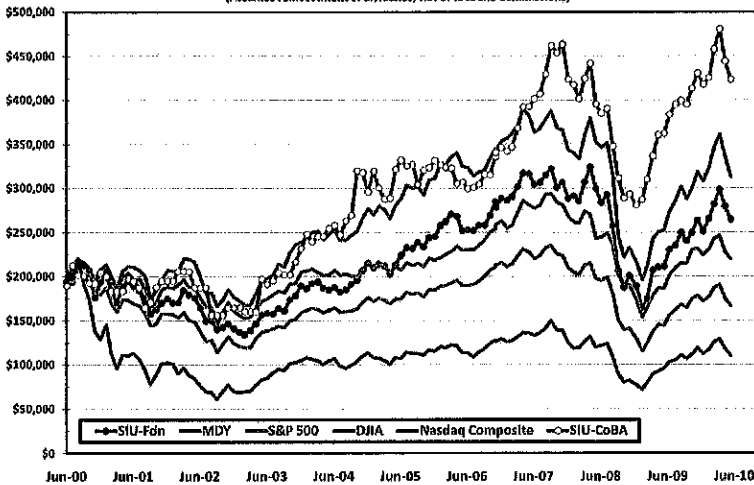
† The CoBA and the Foundation portfolios formed in April and June 2000. The benchmark performance measures for the Life of the Fund are measured from 6/5/2000, the date the Foundation account opened.

‡ Performance of the benchmarks measured using various exchange traded funds. The funds incur expenses on the order of 0.2% and the reported performance reflects such expenses.

Saluki Student Investment Fund

\$200,000 Over Life of Fund vs. Major Indexes

(Assumes reinvestment of dividends, net of fees and commissions)



Foundation Portfolio, June 30, 2010

	Cost	Value	Weight
CONSUMER DISCRETIONARY(15.4%)			
Under Armour, Inc. (UA)	\$6,073	\$7,454	3.0%
Netflix, Inc. (NFLX)	\$2,468	\$16,298	6.6%
Panera Bread Co. (PNRA)	\$4,280	\$7,529	3.0%
Urban Outfitters Inc. (URBN)	\$3,801	\$6,878	2.8%
CONSUMER STAPLES (4.5%)			
NBTY, Inc. (NTY)	\$3,563	\$8,503	3.4%
McCormick & Company (MKC)	\$2,429	\$2,657	1.1%
ENERGY (6.9%)			
Helmerich & Payne Inc. (HP)	\$7,835	\$10,773	4.3%
Cabot Oil & Gas Corporation (COG)	\$4,091	\$6,264	2.5%
FINANCIALS (15.8%)			
Affiliated Managers Group, Inc. (AMG)	\$8,685	\$9,116	3.7%
New York Community Bancorp (NYB)	\$10,241	\$10,689	4.3%
W R Berkley Corporation (WRB)	\$8,528	\$10,584	4.3%
Alliance Data Systems Corp (ADS)	\$10,312	\$8,928	3.6%
HEALTHCARE (8.3%)			
Laboratory Corp. of America Hold. (LH)	\$3,949	\$3,768	1.5%
Psychiatric Solutions, Inc. (PSYS)	\$9,232	\$8,180	3.3%
Health Net Inc. (HNT)	\$2,399	\$2,437	1.0%
Omnicare, Inc. (OCR)	\$7,832	\$4,740	1.9%
Mylan, Inc. (MYL)	\$1,435	\$1,363	0.5%

Foundation Portfolio (continued)

	Cost	Value	Weight
INDUSTRIALS (12.2%)			
PowerShares Dynamic Industrials (PRN)	\$6,256	\$8,608	3.5%
Dun & Bradstreet Corp. (DNB)	\$3,574	\$3,356	1.4%
Harsco Corporation (HSC)	\$3,330	\$3,525	1.4%
AGCO Corp. (AGCO)	\$5,681	\$5,394	2.2%
Westport Innovations (WPRT)	\$11,465	\$9,414	3.8%
INFORMATION TECH (20.3%)			
Lam Research Corporation (LRCX)	\$10,562	\$7,612	3.1%
Teledyne Technologies (TDY)	\$4,863	\$7,716	3.1%
Itron Inc. (ITRI)	\$6,495	\$6,182	2.5%
Harris Corporation (HRS)	\$6,311	\$5,206	2.1%
Trimble Navigation Ltd. (TRMB)	\$3,628	\$5,600	2.3%
GSI Technology (GSIT)	\$8,183	\$10,296	4.1%
Cypress Semiconductor (CY)	\$6,545	\$5,020	2.0%
MATERIALS (5.7%)			
Airgas, Inc. (ARG)	\$6,074	\$9,330	3.8%
Agrium, Inc. (AGU)	\$3,897	\$4,894	2.0%
TELECOMMUNICATIONS (0.5%)			
Telephone & Data Services, Inc. (TDS)	\$2,635	\$1,216	0.5%
Aviat networks Inc (AVNW)	\$166	\$113	0.0%
UTILITIES (3.6%)			
Alliant Energy Corporation (LNT)	\$2,758	\$3,174	1.3%
CMS Energy Corporation (CMS)	\$4,384	\$5,860	2.4%
S & P 400 ETF (MDY) (9.0%)	\$15,873	\$16,145	6.5%
CASH (0.2%)		\$513	0.2%
TOTAL (100.0%)	\$213,688	\$248,133	100.0%

CoBA Portfolio, June 30, 2010

	Cost	Value	Weight
Apple, Inc. (AAPL)	\$2,968	\$7,546	14.3%
Archer Daniels Midland, Corp. (ADM)	\$2,930	\$1,937	3.7%
Netflix Inc. (NFLX)	\$2,794	\$5,433	10.3%
General Electric Company (GE)	\$1,666	\$1,442	2.7%
Google Inc. (GOOG)	\$1,081	\$890	1.7%
Teva Pharmaceutical Ind. Inc. (TEVA)	\$3,757	\$5,199	9.8%
UGI Corporation (UGI)	\$2,836	\$3,104	5.9%
Reynolds American, Inc. (RAI)	\$4,472	\$3,909	7.4%
Cree Inc. (CREE)	\$5,136	\$4,502	8.5%
Visa Inc. (V)	\$2,949	\$3,538	6.7%
Oracle Corp. (ORCL)	\$3,140	\$4,292	8.1%
Foster Wheeler, Ltd. (FWLT)	\$3,050	\$4,633	8.8%
Thermo Fisher Scientific (TMO)	\$3,033	\$4,169	7.9%
Boeing Co (BA)	\$1,842	\$1,883	3.6%
Cash	\$432	\$432	0.8%
Total	\$42,085	\$52,907	100.0%

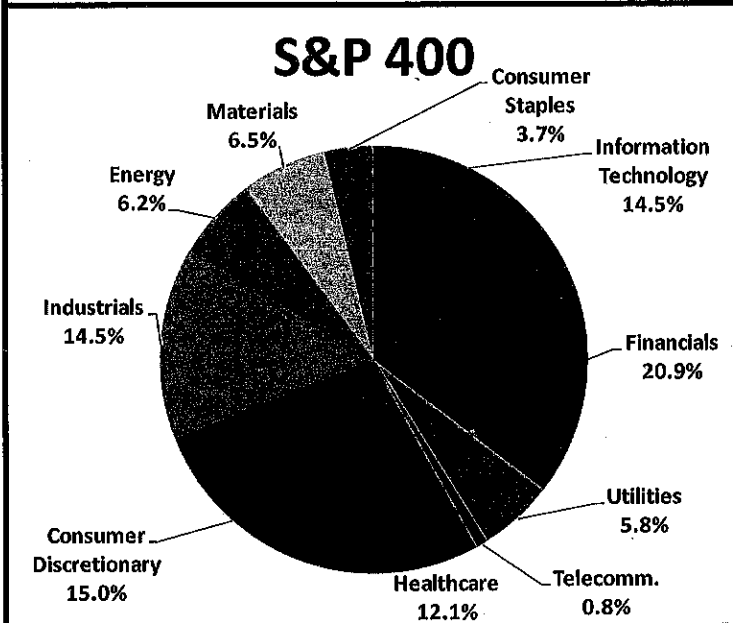
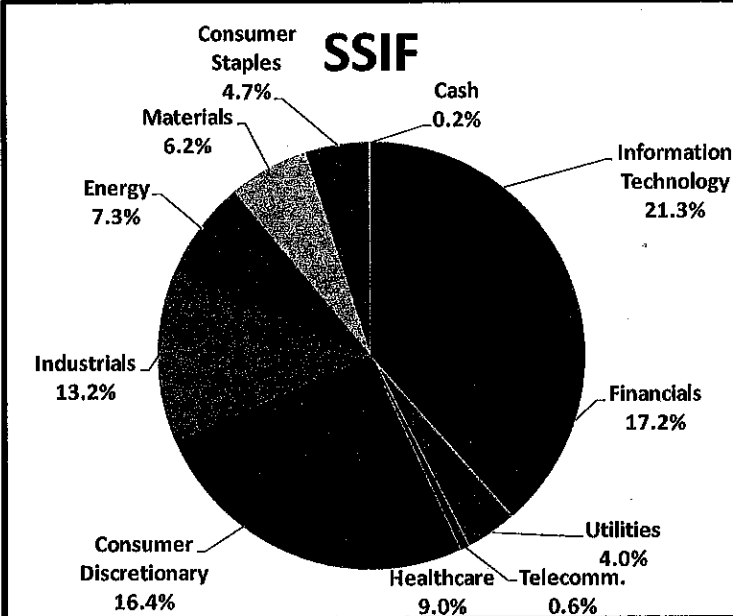
Foundation Portfolio (Morningstar) Style Allocation

0.0%	1.1%	2.0%	Large Cap.
14.3%	28.1%	28.9%	Medium Cap.
3.2%	3.3%	18.9%	Small Cap.
Value	Blend	Growth	

Source: Morningstar.

Note: Designation of market capitalization groupings by Morningstar does not necessarily correspond to the market capitalization designation of S & P. As of 6/30/2010 the average market capitalization of the S&P 400 firms was \$2.2B, and the range was \$0.2B to \$6.7B.

Sector Weightings



*Weights of the SSIF portfolio do not appear to match the weights on pp. 4, 5 because the investment in the index has been allocated back to the sectors.

Student Managers Spring 2010

Name	Sector
Paul Balskus	Financials / Telecommunications
Ross Tenczar	CoBA Portfolio
Sarisa Hall	Consumer Discretionary
Weiran Wang	Healthcare / Materials
Landon Bremer	Industrials
Kyle Harruff	CoBA Portfolio / Utilities
Kolby Smithpeters	Consumer Staples
Kevin Ericksen	Energy

For More Information

SIU undergraduate students interested in participating in the SSIF should inquire with the Department of Finance or the Faculty Advisor.

Faculty Advisor:

Prof. Jason Greene

Southern Illinois University

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The Saluki Fund members wish to thank the SIU Foundation for continuing to support this program.

SOUTHERN ILLINOIS UNIVERSITY FOUNDATION