



MAKE A PLAY
FOUNDATION

MORGAN STANLEY X MAKE A PLAY

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Agenda



Our Team

PESTEL Analysis

Feasibility Study and Recommendation Report

Target Persona

Investment Thesis

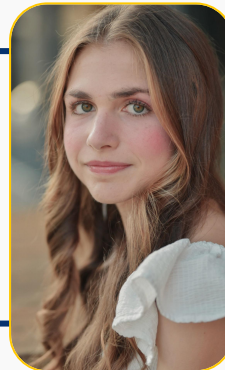
Risk Assessment Matrix and Mitigation Strategy

Profit & Loss Scenario Analysis

Q & A



Jack Stahl
Scrum Master



Morgan Boonshaft
Planning Phase



Rachel Li
Execution Phase



Clara Yu
Monitoring Phase

PESTEL Analysis



P

Midterm elections

Regulation shifts (ESG)

E

High interest rates

Recession risk shapes asset choices

S

Aging population

Rising interest in ESG investing

T

AI and automation

Fintech and cybersecurity

E

Climate risk impacts real estate and insurance

Green bonds, clean energy

L

ESG and crypto regulations

Fiduciary laws



Feasibility Study and Recommendation Report



Evaluation Criteria

- Diversification
- Inflation protection
- Liquidity
- Tax efficiency
- Risk-adjusted returns
- Macro alignment



Options Reviewed

- **Passive Core** - Simple, low-cost, but less flexible

ESG + Thematic Tilt -
Well-aligned with macro trends

- **Active + Alts** - Higher return potential, higher risk and complexity



Target Persona



Demographics

- Age: 55–65
- Gender: all genders
- College-educated, high net worth
- Nearing or just entered retirement

Goals

- Preserve capital
- Generate reliable income
- Moderate, steady growth

Challenges

- Inflation concerns
- Market volatility
- Longevity risk (outliving savings)

Values

- Stability and diversification
- Professional, transparent advice
- Low-risk, long-term planning

Potential Objections

1) **Losing money if the market drops**

Offer diversified mix with low-risk fixed income, dividend-paying stocks, and inflation-resistant assets

2) **Too risky for their stage in life**

Emphasize 60/40 balance, highlight the lower-risk fixed income investments, and provide historical performance showing how diversified portfolios protect against downsides

3) **Having worked with another firm for years**

Use thought leadership content to demonstrate cutting-edge market insight and risk management tools that outperform other firms

4) **Unpredictable market**

Publish timely updates on how our team is actively adjusting strategy in response to inflation, interest rate policy, and geopolitical issues

5) **Question alignment with their values**

Highlight Morgan Stanley's impact-oriented initiatives, ESG options, and investment solutions that reflect purpose-driven goals. Share stories of clients who are making a difference through their portfolios



Investment Thesis



Portfolio Allocation – 60/40 Split **\$1.5M Equities (Growth & Dividends)**

- Tech ETF (e.g., QQQ)
- Dividend ETF (e.g., VIG)
- Consumer Staples ETF (e.g., XLP)

\$1.0M Fixed Income – Primary Asset: AGG

- \$700K in AGG
- \$200K in U.S. Treasuries
- \$100K in Investment-Grade Corporate Bonds

5 KEY INVESTMENT QUESTIONS:

- 1) Do we understand how AGG generates returns through interest payments from a diversified basket of U.S. investment-grade bonds?
- 2) Does AGG provide broad exposure to fixed income markets, including U.S. Treasuries, corporate bonds, and mortgage-backed securities, making it well-diversified and low-risk?
- 3) Is AGG well-positioned to benefit from potential future interest rate cuts, which could increase bond prices and total returns?
- 4) Does AGG fit the risk profile and income needs of a retirement-focused investor, offering both capital preservation and steady income?
- 5) Have we evaluated AGG's long-term performance and low-cost structure, and would we still hold this asset even if short-term interest rate movements caused volatility?



Risk Assessment Matrix & Mitigation Strategy

Risk #1: Equity Market Volatility	Risk #2: Interest Rate Risk	Risk #3: Inflation Risk
Critical Risk : Equity (60%) vulnerable to sudden downturns from recessions, geopolitical instability, or global events.	Major Risk : Fixed income (40%) sensitive to rising interest rates, which can lower bond prices and impact portfolio stability.	Moderate Risk : Erodes real purchasing power of retirement savings, making it harder to maintain income over time.
51-75% Likely	26-50% Likely	26-50% Likely
Mitigate with a cash buffer, low-volatility funds, & rebalancing.	Mitigate by using short-duration bonds, TIPS, & bond ladders.	Mitigate with with equities, real assets, & global bonds

Profit & Loss Scenario Analysis

Base Case Scenario

Fed holds rates steady, inflation eases.

- Gross Return: +\$117.5K (~4.5%)
- Net Return (after taxes): +\$99.9K (~4.0%)
- Portfolio Value: ~\$2.6M

Stable, moderate-growth outlook.

Worst Case Scenario

Inflation spikes, Fed increases interest rate, recession hits.

- Total Gross Loss: -\$215K (~-8.6%)
- Portfolio Value: ~\$2.29M

Diversification cushions the downside in this “stress” scenario.

Best Case Scenario

Economy in recession, Fed decreases interest rate, growth rebounds.

- Total Gross Return: +\$235K (~+8.7%)
- Net Return (after taxes): +\$199.8K (~+8.0%)
- Portfolio Value: ~\$2.7M

Strong upside with both income and appreciation.

Future Value Stream



1



Client Intake



Research

2



**Portfolio
Construction**

3



Monitoring

4



**Reporting &
Adjustments**

5

THANK YOU!

Any Questions? Contact Us!



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