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## FONDI SICAV

### VOICES FROM THE MARKETS

#### Banor Capital

#### We're putting our trust in MiFID II



GIACOMO MERGONI, Chief  
Executive Officer of Banor Capital

**Giacomo Mergoni**, CEO of **Banor Capital**, describes where his company is on its growth trajectory. He underscores its strong points and remarks that he has great confidence in the Markets in Financial Instruments (MiFID II) Directive, hoping that it will reduce potential conflicts of interest between distributors and producers without further polarising the market.

#### **What were your aims as you made your debut at the Salone del Risparmio 2018 event?**

"Banor Capital is a London-based independent asset management company that has been present on the Italian retail and institutional market since 2010. The turning point for retail came in 2017, when we signed two important distribution agreements with Banca Generali and FinecoBank. I feel it's important to underline that we entered the networks of these leading players in the Italian financial advisory industry just a few months before MiFID II came into force. This happened, of course, because, in the current situation, distributors are even more concerned with identifying quality and are no longer satisfied with the same old names. In practice, they're looking out for new managers and innovative instruments that can provide better results than the mass of big funds.

Even though the numbers, for now, are still only relative with respect to our potential, entering the networks of these two players, like taking part in the Salone del Risparmio, should give us a platform to publicise our strong points and increase people's appreciation of them. It goes without saying that we have great confidence in MiFID II. We hope it moves in the right direction, by reducing potential conflicts of interest between distributors and producers without further polarising the market. However, some players are interpreting MiFID II as an opportunity to remove smaller asset managers from their product range to the benefit of the big global players".

**In what segments do you feel you can offer distributors true added value?**

"We're value investors and are appreciated on the market for our absolute return, and in particular for our long/short, strategies. Investors don't contact us to obtain neutral market solutions. On the contrary, from us they're looking for decorrelation from the market and protection in the medium and long term – which are part of our baggage of expertise and experience. In short, they ask us for new, high-quality ideas to illustrate to their clients. Banor Capital is a young, flexible firm and for that reason we're able – more than others – to provide ongoing support by organising ad hoc events on the network and frequent conference calls with our managers".

**How does a small firm manage to gain accreditation without making big investments in marketing on the most important networks?**

"We entered the two networks I mentioned by insisting on our quality and working on different elements. First, on the people responsible for management the banks' funds, who are the first to understand our portfolios. Next, through them, we worked on the people in charge of the networks' products. And then we approached some advisors who act as opinion leaders in certain geographical regions".

**In general terms, what's the typical business structure you'd like to enter?**

We're working to sign, very soon, another two distribution agreements with two leading distribution networks for the Italian market. The ideal structure we'd like to share a common pathway with must have at its disposal private bankers and advisers who are true entrepreneurs, who place their bets on the strength of their network's brand and at the same time have gained clients' loyalty over the years by ensuring quality. We're successful in these networks and can say with some satisfaction that their advisors view us a benchmark for certain areas of the portfolio".