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FUNDS PEOPLE

MANAGEMENT TRENDS by Maddalena Liccione

Italian managers are choosing London

MANY OF THEM HAVE YEARS OF EXPERIENCE, THEY'RE ITALIAN AND THEY'VE CHOSEN TO ESTABLISH A MANAGEMENT FIRM ABROAD. THE FOUNDERS CARRYING THE "MADE IN ITALY" FLAG EXPLAIN WHAT LED THEM THEM TO SET UP OUTSIDE ITALY.

Extremely long time-scales, red tape, infertile terrain for management firms and low visibility at the international level. In short, if you're aiming for success in the world of finance you need to leave Italy. For many managers with years of experience behind them the best place outside Italy to set up an asset management firm is London.



UMBERTO BORGHESI
CEO, ALBEMARLE AM
ASSETS: 400 MILLION
NO. OF FUNDS: 7

Umberto Borghesi, CIO at Albemarle AM, with 35 years of experience in finance as an advisor and manager, confesses that he always had a personal ambition to set up business on his own account. "I looked around and chose a market that would allow me, first and foremost, to gain international visibility, and then to operate in a terrain where it's easy to form alliances and meet people with lots of expertise. The choice was England because London is still Europe's financial capital", says Borghesi.

"It was a personal decision linked to my intention to create an asset management firm that was truly independent of the banks and which provided services for institutional clients. Mainly by outperforming, since asset management only makes sense if you manage to provide good results". The strategy is based on seeking out value mismatches, i.e. companies whose price is substantially under-valued by the market. "We take advantage of obvious asymmetries between between a firm's stock market listing and its value, so that we only invest in the case of positive options to set against low or no risk".

Global vision

GIACOMO MERGONI
CEO, BANOR CAPITAL LTD
ASSETS: 1.7 BILLION
NO. OF FUNDS: 11



"The idea was London from the outset, not just 'abroad'", begins Giacomo Mergoni, CEO at Banor Capital Ltd. "For our asset management work we believe that it's vital today – as it was 17 years ago, when we started out --, to have a global vision of the investible universe and above all to be able to hold discussions with the brilliant minds that in turn have a 360° vision of that universe. London seemed to us to be the obvious, and only, choice. Even though our DNA is fully Italian, it would have looked provincial to stay put in Milan and only see that part of the world", explains the manager.



An international, global vision, many highly skilled managers and an incredible network. These are the reasons for choosing the English capital.

Banor was founded in 2011 by a team of investment professionals who've been working together since 2001. The firm aims to be the preferred partner for institutional and private clients seeking value-based investment management for the liquid part of their assets. "Our hallmark – and our obsession – is the quality of the service we provide to our clients", explains Mergoni. "We offer our investors a truly in-depth approach based on the value of the companies we study. We buy very high quality companies only when they're listed at below their intrinsic value, and vice-versa".



DAVIDE SERRA
CEO & CIO, ALGEBRIS
INVESTMENTS

ASSETS: 12 BILLION
NO. OF FUNDS: 11

Another firm founded by Italians but based abroad that absolutely definitely deserves a mention is Algebris Investments. Founded by Davide Serra in 2006, this asset management firm follows long-only and alternative investment strategies and has offices in London, Boston, Singapore, Milan and Luxembourg.

Inspired by history

Founded in London in 2011, "Tages Capital is called after the prophet of that name who taught the Etruscans the art of predicting the future", explains CIO Salvatore Cordaro. The firm was initially an independent European asset management firm focusing on providing specialist, innovative customer-focused solutions in the absolute-return segment.

SALVATORE CORDARO
CIO, TAGES CAPITAL
ASSETS: 2.3 BILLION
NO. OF FUNDS: 5



"Our rapid growth since the outset bears witness to our ability to innovate, differentiate and cooperate with asset allocators to provide excellent results and solutions, thanks above all to the experience of our team, our in-depth knowledge of alternative investments and an approach to solutions that is based on the utmost quality of the advice provided", underscores Cordaro.

Anavio was a fort built by the Romans in Britannia under the governorship of Agricola, at the junction of three Roman highways. And Anavio is also the name that three friends chose for the firm they set up in London in

late 2014. "Along with Daniel Horsley and Emiliano Leggieri we decided to set up a fund", explains Dario Sacchetti.

"We began by managing the money of our friends and family. Our investments performed very well and the number of investments increased. We're an event-driven fund, so we monitor anything and everything that's an event: from market listings, to capital increases, to mergers and acquisitions, to restructuring, with the focus primarily on Europe.

What we've created is an investment fund that has three underlying strategies with a single book. That means we don't pre-allocate capital on the basis of past performance but in accordance with our expectations of the three strategies".

Who's afraid of Brexit? Not us!

Some people haven't thought about it yet and others have already taken precautionary measures. Brexit? "I don't know: I take each day as it comes", confesses Borghesi. "We're a small firm, and we're also in talks about a joint venture with another, bigger company, so I'm in 'wait and see' mode. Right now, no-one knows what Brexit will be like and what it will bring, so there's no point driving yourself crazy trying to figure out what will happen".

Cordaro and Mergoni, on the other hand, agree on the fact that Brexit will have a certain impact on the business of companies operating in the United Kingdom. But they're relatively relaxed, as they've already got preparations under way and can count on other firms of their groups in various European countries.

Not just London



MICHELE DE MICHELIS
CIO, FRAME AM
ASSETS: 1.01 BILLION

"In 2006 I took over an empty box: all it had was the name", recalls Michele De Michelis, CIO at Frame AM. "Then we began to grow". Today Frame is an asset management and investment advisory firm based in Lugano. "We opened in Switzerland to simplify matters: people speak Italian there and there isn't a lot of red tape. We wanted to create a management hub with a European flavour", he concludes.