

# MANAGER PROFILE

## ODEY

### Manager Background

- > Established in 1991 by Crispin Odey to focus on active investment management at a time when the industry was dominated by investment indices.
- > Odey Asset Management is based in London and emphasises preservation of capital and the generation of superior returns, rather than relative-to-index returns.
- > Thanks to an exceptional performance record across both its conventional share portfolios and its hedge fund portfolios, assets under management now total approximately US\$6.2 billion<sup>1</sup>.

### Allegra International Fund / OEI Mac Inc

- > The Allegra International Fund aims to achieve long-term capital appreciation by investing predominantly in shares and share-related global securities. The Fund frequently has a European bias, in contrast to the United States-centric portfolios of many global share managers.
- > The OEI Mac Inc is a hedge fund which aims to achieve long-term capital appreciation by investing in European securities and bonds, as well as currencies and commodities.
- > Both funds are personally overseen by Crispin Odey, who is supported by a team of 50 employees and fellow partners.

### Manager Attributes

- > Critical of the deskilling effects of indexation and the relentless asset gathering in the early 1990s, Odey was, and remains today, determined that original research and rigorous analysis should drive the investment process.
- > Odey's investment style cannot be strictly defined, rather it adapts over time as the opportunity set changes. That said, it is best viewed as a macro-driven investor that places particular emphasis on asset and sector allocation.
- > Portfolio construction begins by looking at the business cycle. Portfolios are then usually populated with securities from sectors where an established trend of increasing value is present.
- > More specifically, Crispin looks to find "corners of the market in the shade where a change at the enterprise or sector level can return a stock to favour and generate supernormal returns for investors."
- > Managers at Odey will identify firms from the 'shady corner' that have a management team with a vision of recovery, improving fundamentals or improving market sentiment as potential investment opportunities.
- > Odey invests in liquid securities, making it unlikely that investors in its funds will face any redemption risk.

<sup>1</sup> As at 31 March 2010 (this information is updated quarterly).