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Veteran equity manager Saleur goes solo, joins with Serero, Duet and OFI

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Veteran European equity manager Renaud Saleur – an alumnus of Fidelity, Soros, Moore, GLG and Jabre – is going solo for the first time in his long career with the launch of his own firm in Geneva called Anaconda Invest.

Anaconda will take over the management of Saleur's long-running Mangousta long/short equity-focused fund – which he ran for five years at GLG and has been running for the past four years at his close friend Philippe Jabre's Geneva-based JabCap operation.

In addition the newly-established firm is planning to launch three new strategies – in partnership with London-based Duet Asset Management and the Paris-based OFI group, and with the addition of Thierry Serero, an experienced stock-picker and portfolio manager who previously worked with Saleur at Fidelity for several years in the 1990s.

Serero, who has since run long/short and long-only money at C60, New Star and Octopus, will boost the team for the expanded range of strategies – which also includes senior analyst Samson Assefa, a 10-year veteran of UBP and JP Morgan, and COO Vorasith Khieu (formerly of Credit Agricole CIB and Geneva hedge fund Ravel).

Serero will be employed by a newly created Duet-Mangousta joint venture – which will be the registered investment manager for all the new regulated funds that will be run by the team. The offshore Mangousta fund will be managed by Mangousta Partners in Cayman and advised by Anaconda.

Duet co-founder Alain Schibl and Saleur will be co-CIOs of the new Duet-Mangousta JV, with Schibl having particular responsibility for risk control along with Duet colleague Pierre Bruyant, a former risk manager at Deutsche Bank and Caxton.

Saleur's career started in 1985 at Fidelity – where he ended up running the firm's European equity activities for 10 years. In 1998 he joined Soros on the Quantum fund, before moving onto Moore Capital and then to GLG – which he left to join Jabre in 2007.

Since its inception in 2002, Mangousta has delivered a return net of fees of 58% – during a 10-year period when the MSCI Europe index has been flat and the Bloomberg 600 index has lost 7% – on annualised volatility of less than 7%, versus some 18% for long/short managers broadly over the same period and some 25% for the underlying equity markets.

The strategy is generally biased towards mid-cap European equities, often running fairly concentrated positions in its highest-conviction ideas, and can also allocate up to 30% of the portfolio to other asset



Renaud Saleur

Thierry Serero

classes like convertibles and corporate bonds when Saleur believes these offer a better risk/reward profile than equities.

On average the fund has had a net exposure position of some 30-35% over its nearly 10 years in operation – never going above 70% net long or 10-15% net short – and Saleur has set a high priority on low-volatility returns.

He has tended to use the gross exposure as an ‘accelerator’ to increase or cut risk quickly – with the gross varying widely from around 50% in 2008 (when half the fund was in cash) to a high of around 300% in other periods when market volatility has been low.

In addition to the \$50 million Mangousta fund (on which there is ample capacity), Duet-Mangousta plans to launch a new ‘best ideas’ fund run by Saleur with input from Serero – which will focus on mid and large-cap European stocks.

The onshore Maltese-regulated best ideas fund will have capital capped at \$100 million and will not charge performance fees until after three years – to align investors with the fund’s 3-5 year investment horizon.

The joint venture is also partnering with French insurance and investment group OFI – with plans to launch a low-risk growth and income-focused UCITS fund on the group’s Luxembourg fund platform.

The Python Yield Fund has been seeded by OFI and should launch later this summer with initial assets of around \$80 million. There are also plans to launch a UCITS version of Mangousta on the OFI platform.

Saleur will manage the Python product – which will blend a core portfolio of high-yielding equities with a covered options selling strategy in the aim of producing a capital preservation approach suitable for UCITS retail and institutional investors.

He will be assisted by Serero, who will be co-manager of all the funds run by Anaconda and the new JV and who will also run a long/short equity event-driven UCITS strategy similar to that which he ran at New Star and Octopus.

Python Yield will follow the same strategies that Saleur managed from 1989 to 1998 with the multiple award-winning Fidelity European Income unit trust and Fidelity Global Balanced fund – which were taken over by Serero when Saleur left to join Soros in 1998.

