

**FINANCIAL REVIEW****Treasury venture to focus on Asian equities**

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Asset management holding company Treasury Group will launch a fund manager focused on Asian equities and headed by former Credit Suisse Asset Management chief investment officer Peter Sartori.

The new manager, Treasury Asia Asset Management, will be 40 per cent owned by Treasury Group and 60 per cent by its staff. Treasury also owns 50 per cent of Investors Mutual, 35 per cent of Confluence Asset Management, 36 per cent of Orion Asset Management and 50 per cent of individually managed accounts provider Armytage. In March it started another group, Global Value Investors.

The new venture will be distinctive not only for putting its money into emerging markets but also for trying to source it from overseas.

Treasury chief executive David Cooper said the client base could include investors from London and Hong Kong, and several institutional clients were likely to invest by August.

The new manager will be based in Sydney and will start life with a team of three investment analysts investing in Asia ex-Japan, with a focus on mid- to large-cap companies.

There will be two funds, one based around typical benchmark weightings, and one "total return" product (meaning it will not seek to match a benchmark but to make money in any market conditions).

"There's more cash flexibility in that product," Mr Sartori said.

The funds will feature input from Marc Faber, one of the most well-known investment analysts covering Asia, where he is known as "Dr Doom" (although Asia is one of the few parts of the world he feels positive about).

Mr Cooper said the fund would have about \$20 million under management by September and grow from there, and that plans were afoot to offer it to retail investors. Fees for institutions are likely to be about 60 basis points, with retail fees under negotiation.

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