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NY-based Roepers' Atlantic Investment Asian strategies prosper in 2015

By Staff Writer
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Several Asia focused funds run by New York based manager **Alexander Roepers** together with his Tokyo based team at **Atlantic Investment Management** are having a good run this year despite the challenging environment. Atlantic globally manages $1.5 billion in assets, around 10% of which is invested in Asia.

Atlantic Investment′s main strategy involves running a concentrated portfolio of companies identified by Roepers and his investment team as providing good value. Roepers, a Dutch American, used to buy and sell companies for conglomerates before founding Atlantic in the late 1980s.

The firm′s long-only **Cambrian Japan Fund**, a highly concentrated portfolio investing in Japanese companies with midsized market caps, delivered a robust 15.2% growth in the first 10 months of the year while the long/short Quest Japan Fund was up by 9% during the same period.

The $40 million **Pannotia Fund**, an Asia ex-Japan strategy focused on China, India, South Korea, Malaysia and Singapore, meanwhile, returned 12.4% in the first 10 months of this year, after an 8.4% gain last year.

A source noted that the last 24 months have been "quite strong" for Roepers and his team, given their focus on reforms as key investment theme for the three portfolios in the region.

Atlantic pursues a fundamental, bottom up approach to investing with a big focus on valuations. What differentiates the team from other managers is its concentration of capital on best ideas as the long-only funds usually have just six to eight positions.

The team avoids highly volatile sectors such as technology or commodities, and focuses more on industrials, consumers and services, along with some constructive activism.