

Fact File

EQUILIBRIA
CAPITAL

Company: Equilibria Capital Management Limited
 Email: infobda@eqcapm.com
 Web: www.equilibriacapital.com
 Address: O'Hara House
 One Bermudiana Road
 Hamilton HM08, Bermuda
 Phone: +1 441 295 2233

Asset Manager of the Year - Bermuda

Equilibria Capital Management Limited

Since its inception in 2011, Equilibria Capital has grown to US\$250m in AuM, and has offices in Geneva and Bermuda. We caught up with Fabio Lopez Ceron and Daniel Tafur, the firm's founding partners, to find out more

Equilibria Capital is an alternative asset management firm that manages global macro-based funds across various asset classes. The firm was founded by Lopez Ceron and Tafur, who spent the majority of their careers with Morgan Stanley in London.

"Our funds invest in global equities, fixed income and currencies as well as agricultural commodities," says Fabio Lopez Ceron. "We provide full transparency to investors and the liquidity of our funds ranges from daily in our UCITS funds to monthly in our Bermuda offshore funds."

The firm's flagship product is its global, multi-asset class fund (called Avance Global), which Daniel Tafur and Fabio Lopez have been managing since 2003. The fund, which has both onshore (UCITS) and offshore versions, follows macro-driven themes and follows a value-driven approach to investing. The fund invests globally across different asset classes.

"We avoid overly diversified portfolios or any sort of index-driven investing, whilst we strive to obtain superior returns combined with capital preservation. Our funds typically hold 40 to 60 high-conviction and deeply-researched investments," says Daniel Tafur.

The Fund has achieved annualized returns of over 6.2% since its launch in January 2003, and has run an annualised volatility of just over 4% during the last 3 years. These numbers handily surpass those delivered by global equities, global fixed income and hedge

funds over the same period - both in terms of absolute returns and risk-adjusted returns.

In 2014, Equilibria added a senior portfolio manager to manage a new fund focused on agricultural commodities. The fund was launched in February of 2014 and invests across different asset classes (equities, bonds, loans, ETFs and real assets) in the agriculture space.

"We believe that the agriculture space offers unique opportunities for achieving superior long-term returns combined with limited correlation with traditional strategies", says Lopez Ceron.

"Our agriculture fund offers a unique value proposition," adds Tafur. "Unlike other agriculture-themed funds, which normally trade only futures and are more short-term and highly speculative in nature, we view agriculture investing as a long-term theme and prefer to own shares of public companies or bonds/loans in conjunction with having exposure to real assets, where possible."

The fund has delivered a return of +5.5% in its first year, with only one negative month, despite choppy markets and rising volatility.

Equilibria Capital has grown steadily since its launch in 2011. In 2014, the firm surpassed the US\$200m mark in assets under management.

"We look forward to continuing to deliver superior returns and in taking Equilibria Capital to the next level," concludes Lopez Ceron. ■

