

Happy Anniversary Laurium: Taking off into our 15th year!

MIKE TITLEY

Business Development Fund Manager
at Laurium Capital



The 1st of August 2022 marks the 14th anniversary of our business, Laurium Capital. In August 2008, co-founders Murray Winckler and Gavin Vorweg started Laurium shortly before the start of the Global Financial Crisis, with capital of R100m from friends and family. The market environment was challenging, and the outlook was uncertain; however,

reflecting back 14 years later, the business has exceeded all our expectations.

Today, Laurium manages R46bn in assets across a broad range of specialist and multi-asset products and has a diversified global client base, including some of the most astute allocators in the world. Similar to 2008, we find ourselves in another challenging market environment. Markets are uneasy due to global growth concerns off the back of higher inflation, and still recovering from the global pandemic.

Every August we bring out the cake and candles, then pause to reflect on our history and what has contributed to the success we have had as a firm thus far. While history does not repeat itself, it does tend to rhyme and the recipe for our success can be attributed to three things: our people, our process and our unwavering process.

The people we employ, the people we do business with and, most importantly, the people we partner with, are what makes us who we are. The team has grown to 32 people strong across the business, with 17 people on the investment team and 15 on business development and operations.

The team has diversified over the years by gender and background, which has brought in different perspectives and enhanced the business to the strongest it has ever been. Our team have embraced the Laurium culture, are aligned, and strive for our common goal: to protect capital and generate alpha for our clients. We value our relationships with our clients who understand our process and remain calm in times of short-term underperformance.

Over these past 14 years, our process and investment philosophy has been unwavering. We operate in uncertain market environments with multiple variables impacting instrument pricing. As fundamental stock pickers, we have stuck to our knitting and remained focused on companies' earnings and valuations. This has helped us to block out the noise and navigate through different market cycles, managing the volatility that comes with investing.

When we started Laurium, we first launched our Laurium Long Short Prescient RI Hedge Fund, which we felt was the best strategy to generate alpha in our South African market. Celebrating

its 14-year anniversary on 1 August, the Fund has done just that – returning 10.9% per annum, net of fees, versus the equity market's 8.9% per annum. Our more aggressive hedge fund solution, the Laurium Aggressive Long Short (QIHF), has also generated impressive returns over the past decade, returning 16%, net of fees, while the equity market has returned 8% since inception 1 January 2013. Double!

Over the years, we have built a multi-faceted business with excellent track records across a diverse product offering and have expanded our investment scope to the rest of Africa and, more recently, globally, with the launch of our Laurium Global Active Equity USD Fund. This has proven to be beneficial in building our brand and in providing compelling investment solutions to our clients.

What will Laurium Capital look like in another 14 years? As we all know, past performance is never indicative of future results – but there is a strong probability that our people and process will be the same, and that we will be as dedicated as ever to our existing and new clients who have supported us along the way.