

## **GAM launches UCITS III global convertible bond fund**

London, 26 January 2011: GAM continues to expand its UCITS III absolute return range with the launch of GAM Star Global Convertible Bond. The fund is co-managed by experienced in-house managers Ben Helm and Alex McKnight and is backed by the resources of the wider GAM fixed income team.

The managers employ a flexible, value-driven investment approach designed to perform across market environments and to have low correlation to both equities and bonds. Their 35 years' combined experience in convertibles enables them to extract value during different stages of the market cycle using an active non-benchmarked style. This approach is well established and has been successful in their offshore convertible bond hedge fund, which has outperformed its benchmark from inception in July 2005 to December 2010.

Ben Helm, Investment Manager, said: "We believe that convertible bond markets are ultimately driven by economic fundamentals, so first and foremost we establish a global macro outlook in cooperation with the broader fixed income team. Since growth areas are often accompanied by volatility, and volatility creates opportunities for convertibles, we then analyse what is driving growth from a micro, geographical and industry sector level. These areas of growth are where we focus our bottom-up fundamental company analysis to select convertible bond issuers that are attractive from both an equity analysis and a credit analysis perspective."

Commenting on the outlook for convertibles in 2011, Alex McKnight, Investment Manager said: "The convertibles market is enjoying structural growth thanks to a widening set of investors who recognise that the asset class gives them the potential to capture equity upside in bull markets while protecting the downside during equity bear markets. In addition, the current optimism surrounding equity markets due to expectations of rising interest rates, coupled with longer-term economic uncertainty mean that cyclical conditions are also very supportive for convertibles investors over the next 12 months."

The team has been running long only, absolute return and hedge fund convertible products for the last five years and is responsible for assets of approximately USD 1.7 billion as at 31 December 2010.

Ends

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### **GAM Star Global Convertible Bond: Key Facts**

Fund type:	UCITS III, Dublin domiciled
Investment Managers:	Ben Helm and Alex McKnight
Return objective:	Net returns of cash plus 10% pa
Minimum subscription:	USD 10,000
Dealing:	Daily

## **Ben Helm**

Ben Helm is an Investment Manager, co-managing a convertible bond hedge fund and is a convertible bond sector specialist. Ben joined GAM following its acquisition of the fixed income and foreign exchange specialist, Augustus, in May 2009. Ben joined Augustus (then Julius Baer Investments Limited) in 2005. Prior to joining Augustus, he worked in a number of roles primarily in convertible bonds sales and trading at ING Barings from 1991 and HSBC from 2001. He started his career at Morgan Stanley International in 1986. Ben holds a BSc from the University of Edinburgh. He is based in London.

## **Alex McKnight**

Alex McKnight is an Investment Manager, co-managing a convertible bond hedge fund and is a convertible bond sector specialist. Alex joined GAM following its acquisition of the fixed income and foreign exchange specialist, Augustus, in May 2009. Alex joined Augustus in 2007 from Allied Irish Bank (AIB), where he was a senior trader for European convertible bonds within the fixed income group. Prior to this he was a credit analyst at AIB and began his career in markets there as a foreign exchange trader in 1996. Alex holds a BComm from the University College Dublin and is a CFA charterholder. He is based in London

## **Notes to Editors**

### **GAM**

GAM delivers active investment management to private clients, institutions and intermediaries. Its goal is to produce outstanding results for clients by providing access to great investment talent throughout the world. All of GAM's fund managers, whether employed by GAM or contracted to GAM, are unconstrained in their investment management process and decisions. As well as active management within funds, GAM uses active asset allocation to combine funds in managed portfolios that meet clients' diverse needs.

GAM's funds and strategies cover a broad range of asset classes, currencies and market conditions. It has long experience of hedge funds and funds of hedge funds. With rigorous attention to detail and client-friendly technology, GAM provides excellent service to its clients. It manages some CHF 53.8 billion<sup>1</sup> of clients' assets.

<sup>1</sup> Data as at 30 September 2010