

# COVERING ALL BASES through public-private partnerships

Accuro Independent Wealth Advisors' **Bart van de Ven** talks to Dalvinder Kular about why investment in PPP projects ticks so many boxes for his risk-averse clients

## FUND SELECTOR SNAPSHOT



### Bart van de Ven

Advisor  
Accuro Independent  
Wealth Advisors

Antwerp-based Bart van de Ven started his career at Dutch bank ING in 1995, holding various positions in private banking. A decade later he moved to UBS in Brussels to work as a portfolio manager and consultant. He has worked at Accuro Independent Wealth Advisors since March 2015.

Bart van de Ven has found a compelling solution to the perennial problem of clients who want a decent stream of investment income without taking on too much risk.

The key to this conundrum comes in the shape of TINC, a listed investment company which holds a wide range of infrastructure projects funded on a public-private partnership (PPP) basis. Many of these PPP schemes are with the Belgian government but TINC also holds projects partnered with governments in Ireland and the Netherlands.

'We have been investing in real estate for some time but at the end of last year we started adding infrastructure,' says van de Ven. 'This asset class fits well with our clients' needs. It is not liquid, but we don't mind since we don't need liquidity as long-term investors. It offers our clients a stable return and diversification.'

This particular opportunity ticks a range of other boxes for van de Ven's clients.

'TINC is invested in infrastructure such as roads, bridges and public transport like trams and railways. Renewable energy is also part of the asset mix and prices are guaranteed for the lifetime of every project. The PPP format makes the investment very defensive,' he says.

'These investments are underwritten by government so there is a very low risk here. Maintenance costs are fixed, and debt maturity matches the lifetime of the projects.'

Van de Ven says this investment is a very effective way to generate consistent, long-term returns with adequate underlying support.

'TINC is small and listed on the Belgian stock market. According to our analysis, it is slightly below our estimated net asset value and provides a stable return for many years ahead,' he says.

### PRIVATE ACCESS

For investors wanting more exposure to private, rather than public, equity, van de Ven has another port of call: holding companies.

'We have invested in holding companies since Accuro was founded 11 years ago. These typically offer diversification over listed and non-listed companies at a discount versus net asset value. Some of these holdings give us access to private equity which we cannot tap into via the normal market,' he says.

'Brederode, for example, is a Belgian holding company that we like. This firm is split between listed companies and private equity via funds.'

## What are **Global New Ideas**?

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Our Global New Ideas initiative will bring you a regular round-up of fresh thinking: a mix of specialist investment strategies from new firms, innovative products from asset managers you know and trust and existing strategies that have been given a new twist.



Van de Ven adds that Brederode has a proven track record in private equity and takes care of the often complicated tax issues involved when investing in this asset class. The company has a discount to net asset value of about 20%, making it appealing from a cost perspective.

#### MIXING IT UP

Much of what drives van de Ven's forays into these different asset classes is a search for diversification. He believes investors should prepare clients for the next crisis, which he thinks might come sooner rather than later and diversification is one way to do this.



## Simple value for money

Van de Ven says new ideas such as cryptocurrencies are too expensive and risky for him to consider and he believes the market is throwing caution to the wind.

'For the moment we are prudent on the market. We think we are far into the cycle. After 10 years of falling interest rates, stimulus by central banks and re-rating of all asset classes, everything we would like to buy is expensive,' he says.

As well as keeping an eye on costs, van den Ven wants funds which don't require a dictionary to decode them. He says he would also like to have more choice in alternative infrastructure and in the alternatives market in general.

'Broadly-diversified equity strategies like pan-European and global equity funds are a substantial part of our investments. We try and find excellent managers with different styles and combine these talented investors with ETFs. We avoid taking big regional bets and broaden our range of managers in terms of style,' he says.

In this respect, van de Ven says that he is constantly having the active versus passive investment debate with his clients and other managers. However, he looks at these approaches as different styles in his portfolio and has a couple of suggestions for investors wanting the best of both worlds.

'We hold a global quant fund called Vector Navigator. It is an excellent fund managed by a small independent asset manager. We have held it for 11 years. It is a very dynamic quant strategy with about 100 global stocks and the model has been continuously improved by the portfolio manager.

'When it comes to a passive global strategy, Vanguard FTSE All World is our favoured pick,' he says.

## ELEVATOR PITCHES

In the fast-paced world of fund management, you only have a short amount of time in which to impress investors, so you need to get your ideas across in as a quick and concise a means as possible. Here we offer a snapshot of four new funds coming to market.

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### Opportunity knocks

#### FUND: **Trium Opportunistic Equity**

London-based boutique Trium Capital has launched a concentrated long/short equity fund comprised mostly of large-cap companies. The fund is a Ucits mirror of a Cayman-domiciled strategy and also has a portion devoted to merger arbitrage.

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### Brexit insurance

#### FUND: **Eleva Euroland Selection**

Citywire AA-rated manager Eric Bendahan has expanded his boutique's fund range by unveiling an equity strategy focused solely on countries in the eurozone. Like Bendahan's existing funds, the new launch will invest in 40-50 companies which are relatively unknown and provide growth opportunities.

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### Robot takeover

#### FUND: **Smith & Williamson Artificial Intelligence**

UK asset manager Smith & Williamson has launched a global artificial intelligence (AI) fund for two managers who joined the firm from Pictet Asset Management. AI is embedded in the investment process and the fund selects stocks across sectors which earn revenue from using AI.

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### Currency conviction

#### FUND: **M&G (Lux) Emerging Markets Hard Currency**

Managed by emerging market bond specialist Claudia Calich, this fund aims to mix high-conviction macro calls with fundamental analysis. At least 80% of the strategy will invest in emerging market bonds issued by governments or quasi-sovereign agencies denominated in hard currency.

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