

Ashburton Investments acquires Atlantic Asset Management

Ashburton Investments has acquired 100% of fixed income asset manager, Atlantic Asset Management, which includes the Atlantic Specialised Finance division, effective 1 January 2016.

The acquisition will complement Ashburton Investments' existing new generation fixed income business by adding to its range of traditional fixed income funds as well as introducing Atlantic's expertise in managing social impact investments. The amount paid for the acquisition has not been disclosed.

"Atlantic has some of South Africa's best expertise in the traditional fixed income and money market space, as well as being pioneers in social impact investing," Ashburton Investments' CEO, Boshoff Grobler, said.

"We believe their entrepreneurial spirit and their investment philosophy is a perfect match for ours and that our combined experience consolidates Ashburton's ability to offer clients a stand apart fixed income offering."

Mandates remain the same

Atlantic's funds will be incorporated into the Ashburton Investments' stable but the mandates and teams will remain exactly the same. Arno Lawrenz, Atlantic Asset Management's chief investment officer, will be appointed head of Fixed Income Portfolio Management at Ashburton Investments.

Heather Jackson, CEO of Atlantic Specialised Finance, will be working with the strong alternatives capability within Ashburton. Her focus on solutions across the non-profit, private and government sectors is a differentiated approach to the complex financing challenges that South Africa faces, and one which few asset managers are able to offer.

Atlantic Asset Management co-founder and MD, Murray Anderson, said that there was a strong cultural fit along with clear synergies and that he expected the Atlantic team to flourish at Ashburton Investments.

"The Atlantic team will continue to provide clients with our unwavering commitment to investment excellence. The additional investment and distribution reach within Ashburton will enhance our ability to apply our approach."

Institutional investors

Grobler added that Ashburton Investments was now very well placed for the ongoing shift in asset allocation by institutional investors. "We've seen a move away from fixed income mandates that include just government and state-owned companies

bonds towards mandates that also include unlisted and listed corporate credit.

"In particular we believe that South African unlisted credit represents a high quality and under-invested opportunity for institutional investors to earn attractive, stable long-term real returns at relatively low levels of risk."

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