

# SAEMOR CAPITAL

## *Saemor Capital is a specialist in quantitative investment management, focused on absolute return generation*

### **T**ell us a little about Saemor Capital.

Saemor Capital is a specialist in quantitative investment management and was founded in 2008 with the backing of insurance company AEGON. We manage a market-neutral fund investing in European equities. In addition to the AI Award, the fund also won three awards in 2012 (Hedgeweek, HFMWeek and Hedge Fund Review).

With approximately US\$600m (€500m) under management, we are the second largest hedge fund manager in the Netherlands. The manager is AIFMD-regulated and eligible to passport its distribution activities in the main countries in Europe.

Saemor Capital has a stable culture with a particular eye for innovation. Our DNA is that we are equity investors by nature, not rocket scientists who made a career change into finance. We construct models that do make sense from a statistical and fundamental perspective. Combining a disciplined, process-driven investment philosophy with theoretic insights and creativity allows us to differentiate ourselves.

### **How would you describe the current business environment in your region?**

We expect 2015 to be a year of increasing volatility in European equity markets. Geopolitical uncertainties, the Grexit debate, central bank policies, pronounced dollar strength and oil price weakness may

impact risk appetite. Countries with high debt levels and lacklustre growth will come under pressure. As such we prefer higher quality companies with exposure to North America and domestic Europe.

### **Which sectors in your universe offer good opportunities for investors?**

The evidence of a turn in Eurozone's business cycle is building. During December we have reduced the exposure in defensive stocks and increased the weight of cyclical and value stocks. Defensive stocks have been bid up in 2014, but with our multi-factor model approach we are still able to select quality companies with good earnings momentum at reasonable valuations. Within European equity markets this currently leads us to health care, automobiles, media, IT and telecom stocks. Additionally we also have long positions in a number of banks where we see the benefits of a lower interest rate environment finally kicking in.

### **How would you describe your investment process and philosophy?**

Saemor employs a highly disciplined approach to investing in liquid European equities. By design, our fund is market neutral, so that market movements have a very limited effect on our investment results. Despite the increased volatility of geopolitical events and the abrupt fall in the price of oil, we have been able to generate strong returns for our investors. We do this by creating an approximately 50/50 balance between long and short positions and we

employ robust risk management. The individual stocks are selected using quantitative models. We are ardent believers that quantitative stock rating processes deliver more objective results and that they limit behavioural biases that can hinder buy and sell decisions.

### **How does your business stand out in your field?**

Many investors are looking for investments which behave differently from the market, so that if the market goes down they have sources of return in their portfolios which are not dependent on the market's direction. Market movements have very limited impact on our results. In addition, Saemor has demonstrated very limited correlation with other managers who manage market neutral strategies.

**Web:** [www.saemor.com](http://www.saemor.com)