

Sanlam Investments acquires specialist fixed income credit team

What does this acquisition mean?

Sanlam Investments, the boutique asset management arm of Sanlam, today announces that it has been appointed as Investment Manager to the Tideway UCITS Funds ICAV with more than £200 million of fixed income and alternative assets.

Four fixed interest credit specialists are joining Sanlam from Tideway Investment Partners and from April 20th, Sanlam Investments will be managing the Tideway GBP Hybrid Capital Bond Fund, Tideway GBP Credit Fund and the Tideway High Income Real Return Fund, renamed under the Sanlam brand.

The deal substantially strengthens Sanlam Investments' proposition in the fixed income space, and complements its well-established offering across equities and alternatives. It currently manages more than £5.3 billion of client assets.

A word from our Asset Management head

Tom Carroll, Head of Asset Management at Sanlam Investments, said: "One of our key objectives has been to broaden our investment capabilities with the addition of a high-quality fixed income offering, and this initiative is a fantastic opportunity to do just that. They are a highly experienced and award winning team who have delivered strong performance for their clients over many years. They combine a real understanding of client needs with specialist knowledge within the credit markets and we are thrilled to welcome them on board"

"The addition of these new fixed income funds means that Sanlam Investments offers a full range of successful products across the three fundamental building blocks for investment portfolios – equities, fixed income and alternatives. We are very keen to continue adding to our suite of teams and products offering differentiated and compelling capabilities for our clients and remain in growth mode in spite of the current uncertainty"

Who is the team?

Headed by Peter Doherty, as Head of Fixed Interest (formerly Tideway CIO), the team includes fund managers Guillaume Desqueyroux and Darren Reece; and Chris Turdean, portfolio and research assistant.

Peter Doherty said: "We are excited to begin this journey with Sanlam Investments, where our differentiated approach to fixed income credit will add an extra dimension to the Sanlam investment proposition, expanding the offering for investors and complementing the existing range of strong products."

James Baxter, Managing Partner, Tideway Investment Partners said "This is a natural progression for the Tideway UCITS funds business and importantly we expect it to benefit all investors in time through economies of scale and extra research resources to support the asset management process. The migration of the Tideway UCITS Funds to a larger institutional home is something Peter and I have been working on for some time together. The funds have been and will remain an important part of the Tideway Wealth Management proposition, whilst allowing Tideway flexibility to deliver great outcomes through relationships with a variety of other third party asset managers.

Tideway funds to be renamed under the Sanlam brand from 20th April 2020:

The Sanlam GBP Hybrid Capital Bond Fund aims to generate 5% per annum income, net of all expenses, from a hybrid capital fixed income portfolio with medium volatility. The Fund is designed for investors with medium to long-term liquidity requirements (5 years plus). The Fund is a more secure alternative to Equity Income as the assets and expected cash flow are typically ranked senior to equity in the issuing company balance sheet.

The Sanlam GBP Credit Fund is a lower risk credit portfolio, also incorporating Hybrid Capital fixed income securities but with generally shorter maturities and low to medium volatility. The Fund aims to generate income, net of all expenses, equivalent to the Bank of England UK Base Rate plus 1-2%. The Fund is designed for investors with short-term liquidity requirements (0-5 years), with the average duration of the Fund's investments being maintained under five years.

The Sanlam High Income Real Return Fund is a mixed-asset income fund with a target to deliver net income of UK CPI + 3 % on a rolling basis. The Fund invests in fixed income securities including hybrid capital, Equities and

Investment Trusts including Alternative Assets such as Infrastructure, Renewable Energy and Property.