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LA STAMPA

EXPERTISE IN VALUE INVESTING

Banor: put your money on high-quality companies underrated by the market

"In Banor we're value investors. That means we buy high-quality companies when the market underestimates their value and growth potential", says Luca Riboldi, Chief Investment Officer at Banor SIM.

Where should we be looking for opportunities now?

"In the last 6-12 months we've identified fewer investment opportunities than 24 or 36 months ago. That's because stock market prices in sectors like technology, industry and luxury goods have reached extremely high levels, in historic terms. The very positive momentum on earnings growth expectations has generated a driver effect. That's underpinned by quantitative easing thanks to negative or very low real interest rates; the strong growth of the financial markets, especially stock markets; and the robust growth of the global economy. Right now, we're finding interesting opportunities in European domestic stocks in sectors like media, telecoms and some retail chains. And at the global level we think pharma is a very attractive option. Energy stocks are also trading at interesting prices, but we're observing that sector cautiously as it's exposed to the US-China tariff war".

Have you a specific strategy for the coming months?

"Our funds' long/short value strategy is helping us find some great opportunities to generate Alphas. We've increased our long positions on some defensive stocks and also increased the short part of some industrial and luxury goods stocks where prices have risen a bit too far".

Right now, what's the ideal private portfolio?

"At the moment we'd suggest a portfolio underweighted with respect to credit, stocks, duration and foreign currency risk. We'd advise investors to take a close look at the emerging markets, an asset class that can generate very positive returns right now, especially using alternative absolute return products".

What do your customers seek most from you right now?

"Our clients' focus is on protecting their capital, which is our key asset management goal when the markets are generally dear. We have a relationship of deep trust with our clients. They know that there's no need to be in a hurry and that under the guidance of a specialist with expertise in the sector, double-digit returns can still be found".

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