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Verity Markets Tactical Asset Allocation Strategy To Institutions

Verity Investments has begun its push into the institutional investment space, hoping to take advantage of increased interest in global tactical asset allocation strategies. To help with the move to the institutional world, the firm has brought on Steve Lewis as director of institutional marketing.

“We’ve been thinking about it for a period of time and one of the things that we have recognized based upon the style of management we have used and the manner of implementation...we have been implementing with a more institutional style...we felt like it would give us the ability ultimately to transition into an institutional marketplace,” President Gordon Wegwart said.

That style, as well as the increased interest in GTAA styles from institutional investors, has made the transition fairly smooth, Lewis said. He said initially he has focused on foundations, endowments and family offices and is also marketing to investment consulting firms and emerging manager consultants.

“No one wants to ignore an investment manager that can add value to their clients’ portfolios, so it’s just simply a matter of

understanding our strategy,” he said.

That strategy begins with a broad global macroeconomic and market analysis that helps develop a broad base perspective on both evolving trends, which can either have just developed or are just beginning to develop, and entrenched trends, said Brian Kurtzer, portfolio manager at the firm.

From there, the firm looks at inter-market correlations, looking to identify positive or negative correlations for a certain time period, with the ultimate goal being to create a broadly-based portfolio with various asset classes and strategies with weak correlations.

“We try to pay very close attention to correlations,” Wegwart said.

The firm, which is 27% woman-owned, is based in Durham, N.C. and recently moved into a building overlooking the city’s Triple A baseball field. It currently has approximately \$160 million in assets under management, with about \$35 million in the GTAA portfolio.



Clockwise from top left: Gordon Wegwart, Brian Kurtzer and Steve Lewis; Diamond View II; Durham Bulls Athletic Park; downtown Durham.

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