Metis Opportunity Fund

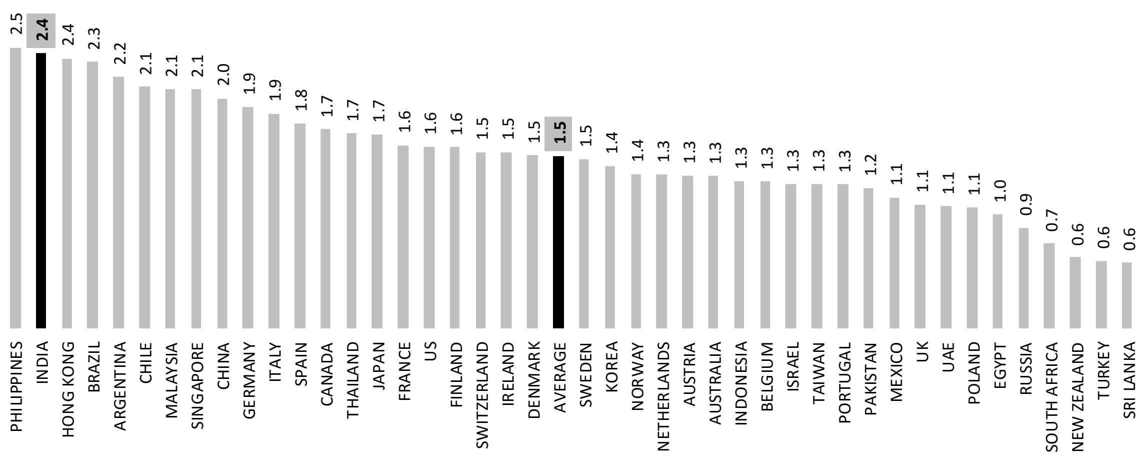
FPI ownerships heavily influence 1Q selloff

April 2016 Newsletter

April 24, 2016

As we write this letter, fellow foreign institutional investors have bought nearly $4 bil in Indian stocks since the beginning of March, which incidentally was the biggest month for such inflows in recent memory. That said, it came off of a very poor start to 2016 with nearly cataclysmic selloffs in the first two months – Overseas investors sold about as much stock in January and February as they had bought in entire 2015. While we remain extremely positive on our book of names, its critical to point out that an overwhelming vast majority of the $4 bil since the beginning of March has come into benchmark names despite what has clearly been a quarter of one of the sharpest downside earnings revisions we have seen since we started deploying capital in late 2010. Regional capital rotations don't create sustainable value; Operating earnings do, and their expectations continue to slide. In terms of sheer breadth and magnitude of downside estimate revisions, only Brazil came close to India's downside revisions in 1Q16, with about 2.4 downside revisions for every one that inched up (see **Exhibit 1**). On average, Indian earnings estimates got dragged back by more than 9% in 1Q, with only a handful of markets reporting sharper downside revisions. Incidentally, this was the sharpest pace of downside revisions we have seen since we started deploying capital more than 5 years ago. In summary, 1Q was characterized not only by sharp downsizing in expectations but also by overseas selling pressure that caused some collateral damage. We elaborate on this later in the letter.

Exhibit 1 – Number of FY1 estimates revised downwards for every upward revision in 1Q16



Source: Thomson Reuters

In absolute terms, 1Q16 was our worst quarter since our inception more than 5 years ago - *Metis Opportunity* was down **-9.0%** (net of all fees; in INR terms), vs **-2.6%**, **-4.2%**, **-1.6%**, **-4.7%**, and **-10.9%** declines in *Nifty*, *BSE 500, Eurekahedge India, BSE Midcap* and *BSE Smallcap* respectively. In relative terms, 1Q16 was our second worst quarter since inception, slightly better than 1Q14 when we underpaced a 6% gain in *BSE 500*. Incidentally, we have now underpaced *BSE 500* in each of the first calendar quarters in last 3 years. We aim to more than catch up again, just as we have done in each of the past two years. Our net exposure at the end of 1Q16 was 99% vs. 97% at the end of 2015. While we didn't add any new position during the quarter, we used the sharp selloff in the first two months to slightly add to our exposure.

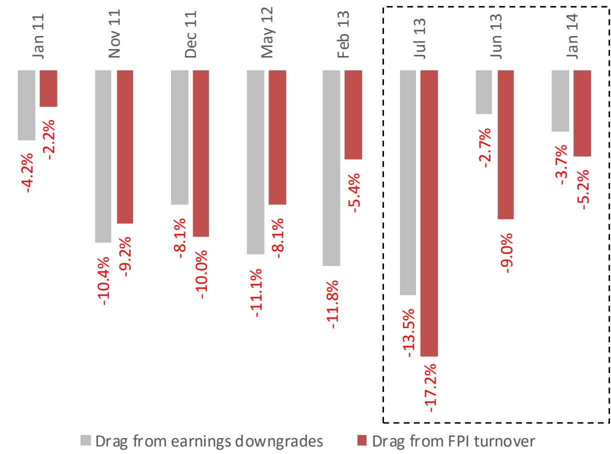
Over trailing 12 months, *Metis Opportunity* was down **-2.5%** (net of all fees; in INR terms). That compares with **-8.9%**, **-7.8%**, **-3.2%**, and **-1.1%** declines in *Nifty, BSE 500, BSE Smallcap*, and *Eurekahedge India* respectively, and **+0.3%** increase in *BSE Midcap*. Over this period, our volatility was **75 bps** below that of *BSE Smallcap*, and **399 bps**, **351 bps**, and **1016 bps** ahead of *BSE 500*, *BSE Midcap* and *Eurekahedge India* respectively.

Over the past 3 years, *Metis Opportunity* is up **+73.2%** (net of all fees; in INR terms) vs. **+36.2%**, **+43.8%**, **+72.9%**, **+81.6%**, and **+40.1%** increases in *Nifty*, *BSE 500*, *BSE Midcap, BSE Smallcap*, and *Eurekahedge India* respectively.

Since inception in April 2011, *Metis Opportunity* is up **+102.7%** (net of fees; in INR) vs. **+32.5%**, **+35.1%**, **+47.7%**, **+19.7%**, and **+21.6%** increases in *Nifty*, *BSE 500*, *BSE Midcap, BSE Smallcap*, and *Eurekahedge India* respectively.

FPI turnover often trounces fundamentals in sharp selloffs. While earnings downgrades are certain to drive material underperformance, it's about equally likely that FPI (Foreign Portfolio Investors) turnover drives an even sharper underperformance – In the 8 deepest selloff months since our inception (prior to 1Q16), stocks with the heaviest FPI turnover (in terms of % of FPI holding sold) interestingly underperformed stocks with the sharpest earnings downgrades on 4 occasions (including during the 3 most recent selloffs), with both sets predictably underperforming the universe (see **Exhibit 2**).

Exhibit 2 – Selloff drag comp between FPI turnover & Earnings



Note: Figures represent monthly return differentials between worst-10 and rest. In Jul-13, for instance, average return of the 10 highest FPI turnover (net sold position) stocks was 17.2% worse than the average return of others; average return of the 10 worst earnings downgrades stocks was 13.5% worse than the average return of others.
Source: Thomson Reuters; Factset

In a quarter where we saw two extremely sharp selloff months, appreciation of FPI ownership influence on performance becomes critical – Our 1Q performance disaggregation clearly bears out how ownerships patterns influenced drawdowns in parts of our book where earnings performance continued to be solid. During the first two months of 2016, average earnings estimate within *BSE 500* drifted nearly 10% lower, which was about as much in our book. With the *Metis* book arguably better placed on valuation, one would expect us to at least keep pace in anything other than a highly disconnected environment. Unfortunately, the deep selloff was hugely influenced by ownership patterns with high FPI/DII holding stocks[1] considerably underperforming, as is often the case during broader selloffs in Indian equities. As a result, a vast majority of our book underpaced in January and February despite far better earnings performance (see **Exhibits 3a** and **3b**).

Exhibit 3a – FPI/DII ownership ratio during prior selloffs

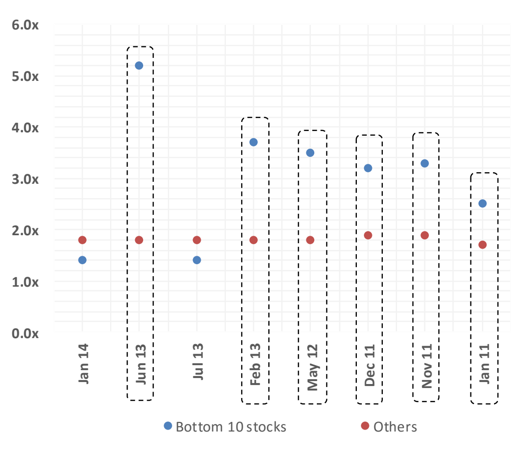
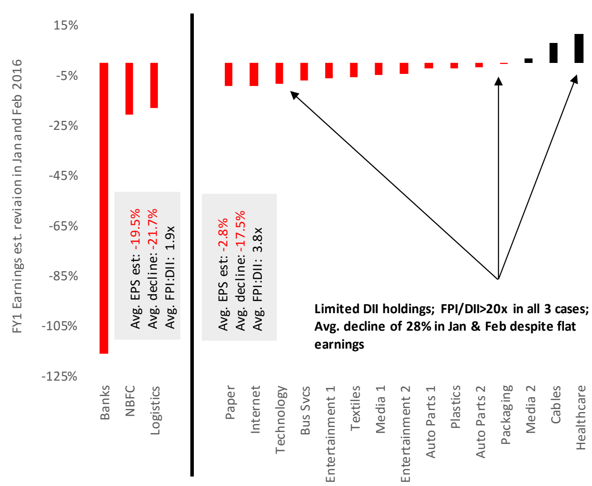


Exhibit 3b – Metis' earnings movement in Jan & Feb



Note: In order to prevent skewed ratios from altering Exhibit 3a, we excluded names where FPI or DII ownerships were under 1%.
Source: Thomson Reuters; BSE

[1] During sharp sell-offs, names where FPI ownership is substantially more than limited DII ownership see drawdowns that are largely disconnected with underlying fundamentals.

In **Exhibit 3b**, the right side of the exhibit made about 3/4th of *Metis*' long book and reported far steadier earnings performance than the broader universe. Yet, in January and February, even this part of the book reported a sharper drawdown than *BSE 500*. That was largely driven by 3 names where DII holdings are almost immaterial to absorb selling pressure from FPIs. Interestingly, these 3 names (in Healthcare, Packaging, and Technology) reported flattish earnings during a period when estimates elsewhere got sharply revised lower.

It's still extremely hard to back Nifty's already downsized estimates. Amazingly, despite the continued downgrades, we are unable to reconcile with street's current F2017E (Mar) earnings expectations for the benchmark *Nifty*. If street expectations of 18%+ earnings growth for *Nifty* (ex-financials) do come true, that'll make F2017 the sharpest acceleration year since our 2010 start. While we agree that we are at a point where we wouldn't need a lot of growth to generate material margin expansion, the underlying revenue growth expectations for *Nifty* assume a highly unrealistic turnaround - at least +12% of the projected +18% earnings growth in F2017E is currently being attributed directly to revenue growth (see **Exhibit 4a**). Just to provide a context, that compares with about +4-6% average revenue growth for *Nifty* (ex-financials) over the last 2 years. Another 5%+ of projected earnings growth is currently being attributed to margin expansion, likely driven by a solid acceleration in revenues. We note that 1. Commodity costs would start providing tougher comparisons this year (about 200 bps of *Nifty*'s margin expansion in F2016 YTD came from this source), and 2. Reliance's refining margins are unlikely to benefit as much from low crude prices in F2017E (Mar). As things stand, we are unable to speculate on levers that will drive such a sharp acceleration in this fiscal. With valuations not exactly coming with an 'on sale' placard, we expect revision activity to remain a net drag on *Nifty* over the next few quarters.

Exhibit 4a – F2017E Earnings walk

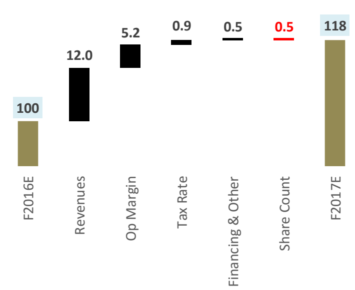


Exhibit 4b – F2016E Earnings walk

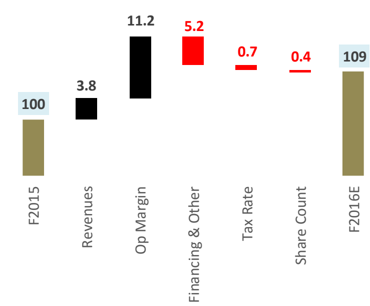


Exhibit 4c – F2015 Earnings walk

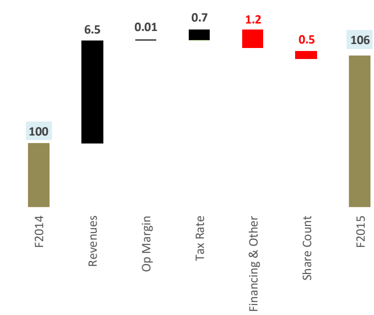


Exhibit 4d – F2014 Earnings walk

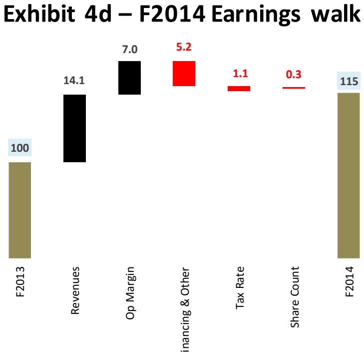


Exhibit 4e – F2013 Earnings walk

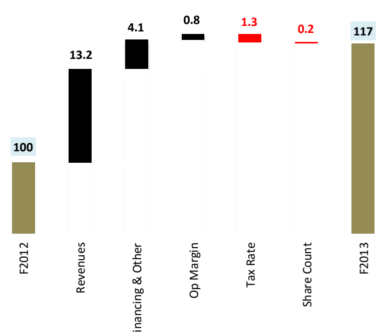
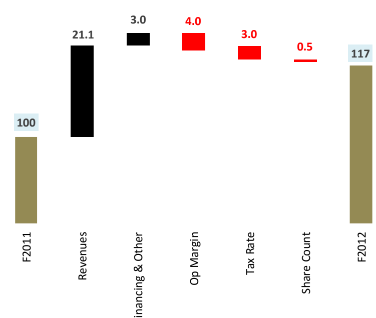


Exhibit 4f – F2012 Earnings walk

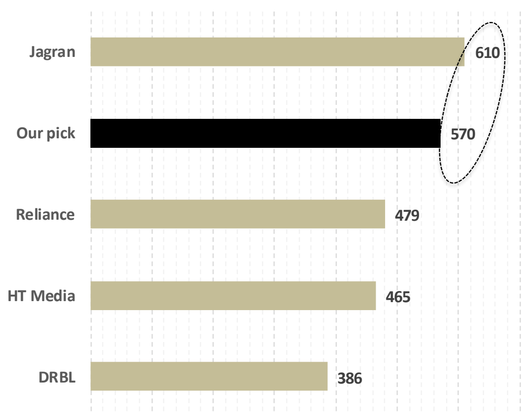


Notes: Margin expansion at refineries accounted for about 2/3rd of Nifty (ex-financials) margin expansion in F2016. Excluding refineries, earnings growth was under 6%; For F2015 disaggregation, we excluded Sun Pharmaceuticals because of the impact of Ranbaxy acquisition. On an unadjusted basis i.e. not adjusting for Ranbaxy acquisition, earnings (ex-financials) grew 9%; For F2014, we excluded Tech Mahindra because of the closure of the Satyam acquisition. On an unadjusted basis, earnings (ex-financials) grew 17%.
Source: Thomson Reuters; Company reports

In 1Q16, we didn't add any new position to the book but added select exposure during the January and February meltdown. We added a bit on an entertainment name where near term revenue visibility looks very strong, the business would likely close a fairly accretive acquisition within the next quarter, and remains one of the strongest beneficiaries of potential GST rollout, whenever that occurs.

Elsewhere, we added in a logistics name that saw one of the sharpest earnings downgrades in our book. F2016 (Mar) has been a bad year for our logistics holding due to a 5% volume drop in CFS and 15% volume drop in rail division due to an extended decline in trade activity. It is important to note that market share is being maintained and EBITDA/TEU for rail division is actually up 9% as cost efficiencies are being realized through various measures. In C201,5 as earnings estimates had continued to come down to match lower volumes, the stock was down 8%. Due to a one-off regulatory scare (suspension order of an important CFS that was revoked in short-order) the stock had taken a big hit in February 2016. Over the last year, even with topline and railway haulage cost expense headwinds, these 2 businesses have managed to earn high double digit margins (EBITDA margin of 22% vs. high-20s seen over the past 5 years). Furthermore, there are early signs of volume pickup in March quarter at the key JNPT port (first quarter in last 5 quarters when neither import nor export YoY volume growth was negative). Given the low capacity utilization, asset value of strategic assets in place/under construction (for example, 120 acres of land at their 6 operational CFS), and proven ability to manage downturns in global trade (by taking advantage of lower land/commodity inflation to build strategic capacity for long-term growth), this business will be a key winner from inevitable uptick in Indian trade volumes and continued growth in containerization as economy rapidly modernizes. Lastly, the sum of parts valuation of even low F2016 (Mar) earnings in each division points to a decent upside with dividend yield of 2.3% being maintained. Thus, it remains a relatively safe long-term growth play on Indian trade and sustained shift of this trade to intermodal containers.

Exhibit 5 – Market reach per INR spent for a par-share



Notes: Figures represent new potential market reach created (assuming par market share; in rupee terms) per rupee spent in Phase III auctions. 'Market reach' here is defined as industry size of major radio advertising industries. We picked the following industries for this work – Healthcare, Financial Svcs, Education, Textiles & Apparel, Retail, Tourism, and Corporate Svcs.
Source: Internal Analysis; MIB

All set for radio's post-Phase III expansion. These are exciting times for our radio broadcasting holding as they begin launching operations on 17 frequencies they won during the Phase III auctions, including 10 frequencies in markets with existing operations. As we write this, operations in 2 of the 7 new towns acquired have already been launched. The pace of launches in remaining 5 new towns, which would contribute a minority of advertising revenues within the to-be expanded frequency footprint of 17, is also obviously dependent on how state-owned *BECIL* (*Broadcast Engineering Consultants India Ltd*.) builds out the transmission network in new cities.

As we anticipated, our 'radio broadcasting' pick was among the top two most effective bidders (among bidders with national footprint) in Phase III auctions – We conservatively define effectiveness as the size grab of the potential end-market (industry size of some of the biggest advertisers) per rupee spent in auctions (see **Exhibit 5**). This is of course predicated on the bidder being a par player in a certain market. Effectively, our work understates the true effectiveness of bidders that typically corner above-par listenership share in the markets they serve, like our holding does. Similarly, this metric would make a typically sub-par market share broadcaster appear a more effective bidder than it really was. On this occasion though, this adjustment isn't required because the two most effective bidders (among national players) incidentally own an above-par listenership share in nearly all the markets that they are engaged in.

Performance and Attribution summary

First calendar quarters have routinely become irritants in our otherwise broad-based move ahead towards capturing sustainable shareholder value creation across our holdings. Critically however, execution across a wide portion of our book remains solid and we don't need a major upward shift in broader economic environment in order to deliver alpha in 2016.

Just under a fifth of our names gained in 1Q. Our two best performing positions in the quarter were a recently added *Auto Parts* name (**+16%**) and a *Fiber Optics Cables* name (**+11%**). Our two worst performing positions during the quarter were a *Business Services* and a *Medical Devices* name (both down **-29%**), with none of the leaders and laggards featuring among our top-5 holdings. For our historical position-wise benchmarking vs. peers and *BSE 500*, please see **Exhibit 6d**.

In 1Q16, *Metis Opportunity* was down **-9.0%** (net of all fees; in INR terms), vs **-2.6%**, **-4.2%**, **-1.6%**, **-4.7%**, and **-10.9%** declines in *Nifty*, *BSE 500, Eurekahedge India, BSE Midcap* and *BSE Smallcap* respectively. Since inception in April 2011, *Metis Opportunity* is up **+102.7%** (net of fees; in INR) vs. **+32.5%**, **+35.1%**, **+47.7%**, **+19.7%**, and **+21.6%** increases in *Nifty*, *BSE 500*, *BSE Midcap, BSE Smallcap*, and *Eurekahedge India* respectively (see **Exhibit 6a** and **6c**). Over trailing 12 months, our volatility was **75 bps** below that of *BSE Smallcap*, and **399 bps**, **351 bps**, and **1016 bps** ahead of *BSE 500*, *BSE Midcap* and *Eurekahedge India* respectively (see **Exhibit 6b**).

Exhibit 6a – Perf. since inception

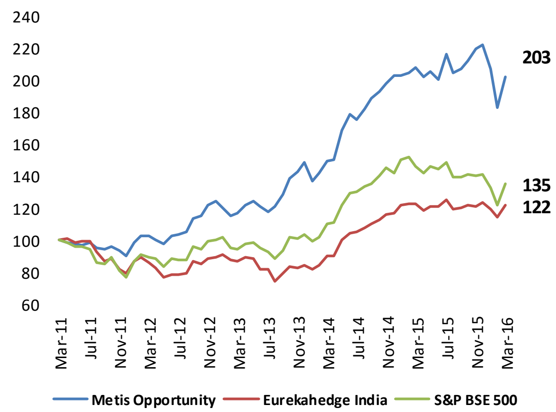


Exhibit 6b – TTM volatility

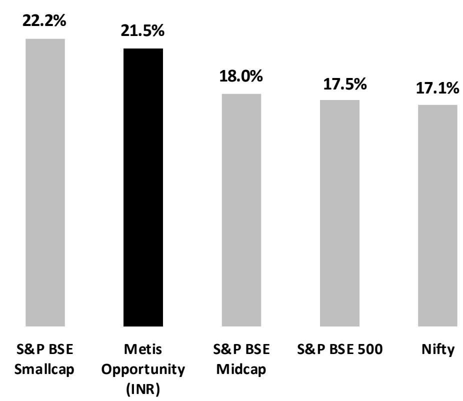


Exhibit 6c – Annuals and average –ve month returns

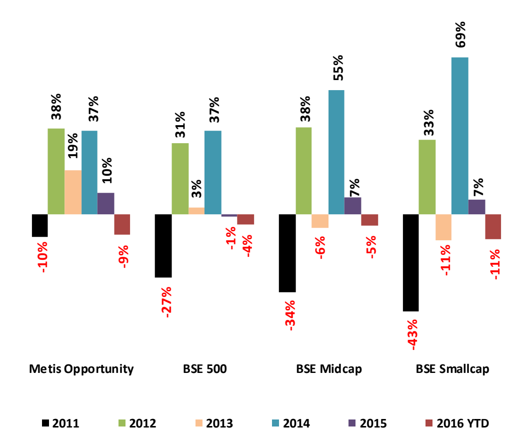
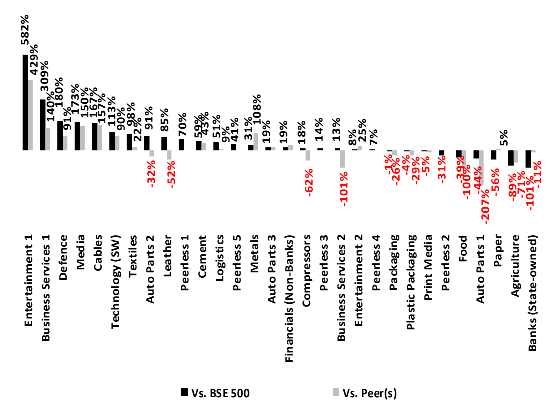


Exhibit 6d – Industry-wise benchmarking for positions



Note: Metis Opportunity went live on Mar 11th 2014; Industry-wise benchmarking compares position-wise performance (relative to BSE 500 and Industry-peers) from initial cost basis (NOT average cost basis) to present/exit.
Source: Internal Sources; NSE, BSE, Eurekahedge

Exhibit 7a – Relative rolling 12-mth returns

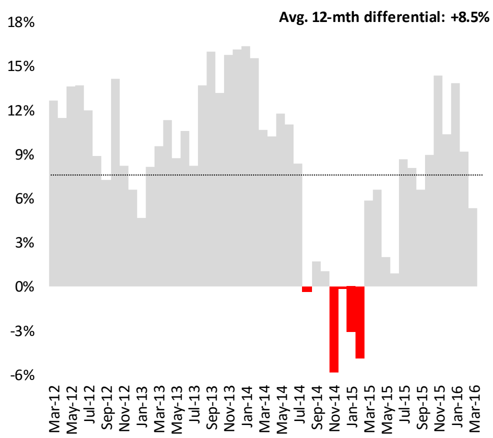
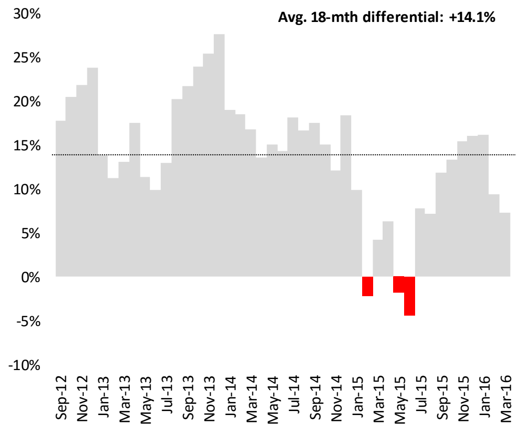


Exhibit 7b – Relative rolling 18-mth returns



Note: Relative return differentials are in INR terms and are calculated vs. BSE 500
Source: Internal Sources

Exhibit 8 – Time window analysis for our sub-strategies

	India Underserved		*India Undervalued*	
	3 Month	*12 Month*	*3 Month*	*12 Month*
Number of periods	58	49	63	54
Average period return	**4.7%**	**23.8%**	**3.3%**	**20.2%**
Number of profitable periods	41	47	37	47
% profitable periods	**71%**	**96%**	**59%**	**87%**
Best period	24%	55%	26%	66%
Gain Standard Deviation	6.5%	14.2%	6.6%	18.6%
Sharpe Ratio @10%	0.29	0.93	0.10	0.48
Sharpe Ratio @5%	0.44	1.27	0.23	0.72
Sharpe Ratio @0%	0.60	1.60	0.37	0.96
Loss Standard Deviation	2.7%	0.4%	4.4%	5.2%
Downside Deviation @10%	3.7%	3.1%	5.3%	7.8%
Downside Deviation @5%	3.1%	1.4%	4.7%	5.8%
Downside Deviation @0%	2.5%	0.2%	4.0%	4.1%
Sortino Ratio @10%	0.62	4.47	0.17	1.30
Sortino Ratio @5%	1.14	13.05	0.44	2.62
Sortino Ratio @0%	1.90	132.10	0.81	4.94
Average Gain/Loss	2.2	29.1	1.9	2.4
Profit/Loss Ratio	5.3	682.7	2.7	16.2

Note: Metis Opportunity is a direct blend of above two sub-strategies
Source: HedgeAlytix

Exhibit 9 – Long-book snapshot

Top position as % of book	11%
Smallest position as % of book	0.9%
Top 5 positions as % of book	48%
Avg. weighted market cap of book (mil)	$555
Avg. weighted free float of book	39%
Net Exposure	99%
# of positions	21

Source: Internal Sources

Exhibit 10 – Historical Monthly Performance

	Metis Opportunity (INR)	Nifty	S&P BSE 500	S&P BSE Midcap	S&P BSE Smallcap	Eurekahedge India	India-focused CE Funds*
Apr-11	-1.3%	-1.6%	-1.5%	-1.3%	-1.0%	1.4%	-3.0%
May-11	-1.3%	-3.3%	-2.6%	-2.6%	-5.5%	-2.6%	-2.5%
Jun-11	-0.3%	1.6%	0.4%	-0.8%	-1.0%	0.2%	-0.4%
Jul-11	1.6%	-2.9%	-2.1%	0.9%	1.8%	0.7%	-2.7%
Aug-11	-3.7%	-8.8%	-8.8%	-9.3%	-14.1%	-7.4%	-7.1%
Sep-11	-0.7%	-1.2%	-1.6%	-2.3%	-3.5%	-6.3%	-5.5%
Oct-11	2.0%	7.8%	5.9%	2.7%	1.4%	2.1%	5.7%
Nov-11	-2.8%	-9.3%	-9.6%	-10.6%	-12.6%	-7.9%	-5.7%
Dec-11	-3.4%	-4.3%	-5.5%	-8.8%	-9.0%	-2.7%	-8.6%
Jan-12	9.2%	12.4%	13.3%	14.3%	16.5%	9.5%	10.4%
Feb-12	4.0%	3.6%	4.7%	8.8%	6.1%	3.3%	3.5%
Mar-12	-0.3%	-1.7%	-1.4%	-0.6%	-3.4%	-4.1%	0.8%
Apr-12	-1.9%	-0.9%	-0.9%	-0.5%	2.0%	-3.4%	-1.6%
May-12	-2.5%	-6.2%	-6.2%	-6.8%	-7.3%	-7.9%	-4.6%
Jun-12	4.9%	7.2%	6.4%	4.5%	4.3%	2.8%	7.8%
Jul-12	0.9%	-0.9%	-1.1%	-2.3%	-1.5%	0.0%	-1.7%
Aug-12	2.0%	0.6%	0.4%	-0.2%	-0.8%	0.4%	1.8%
Sep-12	7.4%	8.5%	8.7%	10.1%	9.7%	10.2%	6.7%
Oct-12	1.4%	-1.5%	-1.2%	-0.6%	-0.4%	-2.1%	0.1%
Nov-12	6.1%	4.6%	5.0%	5.1%	4.1%	4.0%	3.5%
Dec-12	2.0%	0.4%	1.5%	3.1%	1.4%	0.6%	-0.5%
Jan-13	-3.5%	2.2%	1.1%	-2.0%	-4.1%	2.2%	0.0%
Feb-13	-3.8%	-5.7%	-6.5%	-9.6%	-12.3%	-3.9%	-4.4%
Mar-13	1.3%	-0.2%	-1.1%	-2.6%	-6.5%	-0.9%	1.1%
Apr-13	4.2%	3.9%	4.2%	3.3%	3.7%	3.0%	3.1%
May-13	2.0%	1.4%	0.8%	0.7%	-1.3%	-1.0%	0.3%
Jun-13	-2.8%	-2.4%	-3.7%	-6.7%	-5.0%	-7.4%	-3.9%
Jul-13	-2.5%	-1.7%	-2.5%	-7.1%	-5.9%	-0.6%	0.8%
Aug-13	2.3%	-4.7%	-4.5%	-4.4%	-2.3%	-9.1%	-5.0%
Sep-13	6.5%	4.8%	5.2%	5.8%	5.3%	7.1%	4.8%
Oct-13	7.9%	9.8%	9.1%	8.9%	7.9%	5.1%	8.7%
Nov-13	3.3%	-2.0%	-0.8%	3.6%	3.4%	-0.9%	-1.0%
Dec-13	3.7%	2.1%	3.0%	6.0%	7.4%	2.0%	1.7%
Jan-14	-7.7%	-3.4%	-4.2%	-5.9%	-4.4%	-2.4%	-4.0%
Feb-14	3.8%	3.1%	2.8%	3.1%	2.9%	2.1%	5.8%
Mar-14	5.0%	6.8%	7.6%	9.0%	9.7%	7.1%	8.0%
Apr-14	0.5%	-0.1%	0.6%	3.4%	5.9%	0.6%	-0.9%
May-14	12.2%	8.0%	10.4%	15.6%	20.4%	10.5%	9.2%
Jun-14	5.9%	5.3%	6.4%	10.8%	13.2%	4.6%	6.6%
Jul-14	-1.5%	1.4%	0.4%	-2.0%	-2.1%	0.4%	1.4%
Aug-14	3.5%	3.0%	2.7%	1.2%	2.8%	2.4%	4.6%
Sep-14	3.5%	0.1%	0.8%	2.5%	4.1%	2.8%	4.3%
Oct-14	2.6%	4.5%	4.1%	3.2%	2.3%	2.5%	3.1%
Nov-14	2.5%	1.9%	3.4%	4.4%	3.1%	2.9%	5.5%
Dec-14	2.5%	-2.3%	-2.1%	1.0%	-1.6%	0.2%	-2.5%
Jan-15	0.0%	6.4%	5.8%	3.5%	2.2%	4.8%	6.2%
Feb-15	0.6%	1.1%	1.0%	0.7%	-0.6%	0.6%	2.4%
Mar-15	1.6%	-4.6%	-3.5%	-2.0%	-3.3%	-0.1%	-2.1%
Apr-15	-2.5%	-3.6%	-3.2%	-1.7%	0.5%	-3.2%	-5.6%
May-15	1.3%	3.1%	3.1%	2.9%	3.1%	2.1%	4.7%
Jun-15	-2.3%	-0.8%	-1.1%	-0.3%	-1.8%	-0.1%	-0.6%
Jul-15	7.8%	2.0%	3.0%	5.6%	6.8%	3.0%	3.3%
Aug-15	-5.3%	-6.6%	-6.2%	-4.8%	-7.3%	-4.4%	-6.4%
Sep-15	1.1%	-0.3%	-0.4%	0.6%	0.5%	0.4%	0.6%
Oct-15	2.5%	1.5%	1.7%	1.6%	2.7%	1.5%	0.2%
Nov-15	3.6%	-1.6%	-0.8%	0.1%	2.8%	-0.4%	-1.9%
Dec-15	1.3%	0.1%	0.5%	1.4%	1.7%	1.8%	-1.5%
Jan-16	-6.8%	-4.8%	-5.8%	-6.5%	-8.2%	-3.4%	-4.0%
Feb-16	-11.8%	-7.6%	-8.1%	-8.1%	-12.2%	-4.2%	-6.8%
Mar-16	10.7%	10.8%	10.6%	10.9%	10.4%	6.3%	9.5%
Trailing 1 year	-2%	-9%	-8%	0%	-3%	-1%	-9%
Trailing 2 years	36%	15%	23%	50%	49%	35%	31%
Trailing 3 years	73%	36%	44%	73%	82%	40%	57%
Since inception	**103%**	**32%**	**35%**	**48%**	**20%**	**22%**	**42%**
2016 YTD	-9%	-3%	-4%	-5%	-11%	-2%	-2%
2015	10%	-4%	-1%	7%	7%	6%	-1%
2014	37%	31%	37%	55%	69%	39%	49%
2013	19%	7%	3%	-6%	-11%	-6%	6%
2012	38%	28%	31%	38%	33%	14%	28%
2011	-10%	-25%	-27%	-34%	-43%	-25%	-31%
Annualized Volatility (TTM)	21%	17%	17%	18%	22%	11%	17%
Sharpe Ratio	0.81	0.24	0.26	0.34	0.14	0.13	0.33
Calmar Ratio (3-yr/3%)	1.14	0.36	0.50	1.13	0.99	0.60	0.70

*Note: Metis Opportunity Fund's INR track record was a live blend of our running onshore strategies till March 31, 2014; Fund went live on March 11, 2014 and reports net of all fees; *Close-ended funds in US, with USD returns converted into INR.*
Source: Internal Sources; NSE; BSE; Bloomberg; Eurekahedge

Investment Managers

Piyush Sharma, is the co-investment manager of Metis Opportunity Fund. Having spent time with Citigroup and Bombay Stock Exchange in India, he moved to United States in 2002, where he covered stocks within Business Services, Autos, Consumer Products and Financials with Sanford Bernstein, Longbow Research, and Avondale Partners, working in teams that received accolades by leading institutional research arbiters, including Institutional Investor (II) and Greenwich Associates. Piyush received an MBA from University of North Carolina at Chapel Hill, MS from MNNIT, and BS in Accounting from University of Allahabad.

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Gaurav Aggarwal, CFA, CPA, CIPM is the co-investment manager of Metis Opportunity Fund. He was a senior analyst with portfolio management duties over $50 million in fund of fund assets at a leading regional investment bank (Global Investment House) in the Middle East. Prior to this, he was with Bay Harbour Management, a $1.2 billion distressed debt and equity hedge fund in New York City. He has also served as an analyst with Polen Capital Management, a $2 billion long-only value money manager in Florida. He received an M.S. in Accounting (specializing in Finance) and B.S. in Business Administration from the University of North Carolina at Chapel Hill. He is a Chartered Financial Analyst and a Certified Public Accountant.

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