

Technology-Focused Global Equity Manager Lifts Out

As technology continues to take a central role in everyday life and business, a new global growth equity manager has launched looking to bring a unique perspective to the markets—and institutions.

The firm, MayTech Global Investments, lifted out of Integre Asset Management on Jan. 1 with approximately \$150 million in assets under management and is led by Nels Wangenstein and Ingrid Yin, co-founders, managing partners and portfolio managers.

“We think we are at a critical juncture in terms of what is going on in how technology is driving the restructuring of the economy,” Wangenstein said, explaining that the pace of change is going to change dramatically over the next five-to-10 years. “It is a great time to bring it out and highlight as a standalone strategy.”

“We are seeing services and products emerge that were only a few years ago considered impossible... change is compounding and will become much faster and much more disruptive than people realize,” he added.

The New York-based firm has a 9-year track record in its strategy, which is a high conviction portfolio with 20-to-30 holdings.

While the strategy’s investment thesis focuses on technology, it is not a technology fund and invests across sectors.

“We are looking for industries that have large addressable markets, meaning they are big with billions of dollars of opportunity and we are looking for disruptive change taking place in that industry and who is driving that change,” Wangenstein said.

The process looks to understand industry dynamics, how companies are competing with each other, relationships between suppliers and customers as well as new entrants and new products coming into the market, he said.

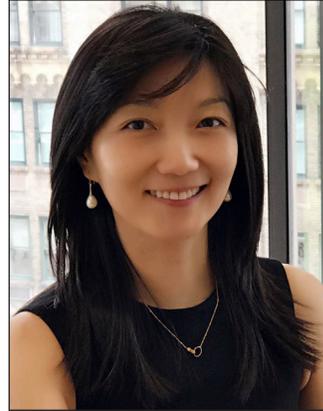
The firm also looks for companies with efficient management teams.

“For that we are talking about if the management team is able to use technology most efficiently to grow the business, offer new services and market its product,” Yin said.

The strategy’s initial position size is on average 4%, with



Nels Wangenstein



Ingrid Yin

holdings allowed to grow to upwards of 15%. “Letting your winners run is part of the strategy,” Wangenstein said.

Yin noted that the firm does not go above 40% in an individual sector and has average annual turnover of less than 20%.

“That gives us a good edge over many competitors. Our investors tend to be very patient and they allow us to really invest if there is a panic about a company,” she said. “That allows us to think for a longer time and be able to pick up good companies

at a lower price.”

That patience has paid off for the firm’s investors, as it has posted a gross annualized return since inception of 14.84% as of March 31, compared to 4.91% by the MSCI ACWI Index. Over the 1-, 3 and 5-year periods, the firm has returned 21.11%, 9.14% and 13.52%, compared to 15.04%, 5.08% and 8.37% by the benchmark, respectively.

The 100% employee-owned and 30% women- and minority-owned firm has signed on third-party marketing firm Arrow

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Partners to assist in its marketing efforts. The marketing focus initially is on institutional investors, including both emerging manager platforms and more traditional investors.

All of the firm’s clients have moved over from Integre and the firm’s track record is GIPS compliant.

“The people at the old firm have been super helpful, very supportive of the whole process,” Wangenstein said, noting that the prior firm does not have economics or a stake in the new firm.

The current client roster largely consists of high-net-worth investors but also includes some institutional clients including foundations and some corporations, Yin said.

Wangenstein said that the firm believes that the world is trending to fewer and larger winners, which has a dramatic impact and implications on the economy.

“A lot of investors are getting left behind,” he said.

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