

## Paramés: equities still place to be in divided world

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By Jonathan Miller

Speaking at a conference in Madrid, [Francisco García Paramés](#) of Bestinver said he sees a global divide but believes equities are the place to be, according to Spanish funds website [Cotizalia](#).

Looking at the current global picture, [Paramés](#), who is arguably Spain's best-known fund manager, believes different circumstances exist across the world.

'We have to realise that the credit and real estate bubbles which caused the crisis are particularly relevant to Western economies,' he said. 'But this doesn't extend to all countries as two thirds of the world haven't suffered from this bubble. For any of the remaining third who have suffered they will be inclined to change, and quickly', he says.

The China factor is also a central driver to global developments, and he thinks it has been built on a solid base. 'We have seen sustained levels of growth but it has been based on savings and work. Not expansive phenomena of dubious credibility.'

In the West, [Paramés](#) sees the US as an agile and transparent economy in which problems can not be hidden, as happens in other parts of the world. This means rapid adjustments are required for it to regain competitiveness, credibility and efficiency.

Meanwhile he is cautious on the health of the Spanish financial system thinking it wise to be prudent because of the high growth in credit over the last few years.

Over the medium to long term he sees equities as the best option. 'You have to be in equities', says [Paramés](#) who runs [Bestinver Bolsa](#), [Bestinver Internacional](#) and [Bestinver Mixto Internacional](#). [Alvaro Guzmán de Lazaro](#) and [Fernado Bernad Marrase](#) act as co-managers on the funds.

Over 5 years, [Paramés](#) is [ranked 2/115 by Citywire in the Equity Eurozone sector](#). He has returned 33.04% to the end of June 2009 against a fall of 7.11% for the average manager.