



Europe's biggest fund manager stars make their comebacks

24 July 2009

By Philip Haddon

Some of Europe's most well-known global equity managers suffered rare periods of underperformance during the financial crisis, but as the tide has turned for global markets some prominent stars have returned to form.

Looking at the rankings for the global equity sector over the past six months, formerly Citywire AAA-rated stars such as [Francisco García Paramés](#), [Rolf Stout](#), [Charles Firmin-Didot](#), [Frank Lingohr](#) and [François Badelon](#) all appear once again in the top 5% of fund managers after almost two years of pronounced underperformance.

Value investor Paramés, dubbed 'the Spanish Warren Buffett', is ranked 11/949 over six months, having returned 31.8% with his €530 million global fund [Bestinver Internacional, FI](#). The market conditions in the period after the financial crisis struck did not suit pure value investors such as Paramés, but when the market bottomed his steadfast loyalty to value investing was rewarded. In three months from the end of March to the end of June, the Bestinver fund returned 43.2%, while the index rose just 15.6%.

This brings to the end a period of sub-par returns for the Spanish boutique founder. In the 18 months up to the end of December 2008, the [Bestinver Internacional, FI](#) fund lost 54.5% while the FTSE World index lost 42%. But Paramés' strong performance during the rebound has seen him make up the lost ground and over five years the fund is well ahead of its index again.

Not only has Spain's most famous fund manager made a comeback, but so too has Holland's. Fortis veteran [Rolf Stout](#) (pictured above), manager of the [Fortis L OBAM Equity World](#) fund, lost 63% in 18 months and had fallen way down the global ranking table by the end of last year.

But since December, Stout has clawed back some losses to return 32.3%, seeing him rise to 10/949 in the six month rankings and back on the brink of the top quartile over [five years](#). Using data from Style Research, one can see that throughout 2008 Stout stuck to his long-term conviction on the oil and gas and materials sectors. These overweights cost him relative performance during the crisis, but have helped him during the rebound.

In Paris, the founder of Amiral Gestion, [François Badelon](#), is another leading manager whose exposure to the oil sector dragged him down during the crisis. But like Stout he has recovered strongly in the past six months and is ranked 5/429 for his 34.2% returns since December with the [Sextant Autour du Monde](#) fund.

In Germany, [Frank Lingohr](#) – one of the country's most highly regarded fund managers – has also made a comeback in 2009. His underperformance in the 18 months up to the end of 2008 was less pronounced than Stout and Badelon, but he still lost over 10% more than the index. For the past six months he has been ranked 42/949 for his returns of 22.6% with the [Keppler Lingohr Global Equity INKA](#) and [LINGOHR-SYSTEMATIC-LBB-INVEST](#) funds.

[Charles Firmin Didot](#) of AXA is another former star of the global equity sector whose performance slumped in 2008. Indeed, in the year-and-a-half up to the end of 2008, he lost 59.3% with his [AXA WF Talents](#) fund. But his high beta portfolio made up of companies run by talented entrepreneurs has led him to a strong 2009 so far, with returns of 23.11%.

Over six months the top global equity performer out of the 949 active managers in the sector has been little-known Austrian manager [Udo Sutterlüty](#), who has returned an impressive 53.6% with his [Walser Portfolio Classic](#) and Vision funds.