

Avoca Investment Management

Avoca Investment Management (Avoca) was established in May 2011 by John Campbell and Jeremy Bendeich in partnership with Bennelong Funds Management. John and Jeremy have a wealth of investment management experience and worked together as Portfolio Managers at UBS on the UBS Australian Small Companies Fund.

The team manages the Bennelong Avoca Emerging Leaders Fund, which invests in companies listed on the ASX, generally within the S&P/ASX Small Ordinaries Index. The portfolio typically holds between 30-50 stocks (with a maximum of 70 allowable).

Investment philosophy

Avoca's investment philosophy is based on the central principle that any asset's value is solely determined by its likely future cash flows discounted back to today. In the context of equities, the team believes that in order to forecast future corporate cash flows with requisite accuracy, deep fundamental research at both the company and industry level is required. At its heart, Avoca is a research organisation.

Investment style

Avoca is a fundamentally based active, core manager. The team focuses on estimating fundamental values for stocks which forms the basis of all investment decisions.

Investment process

The investment process is based on in-depth, fundamental stock research, detailed financial modeling of stocks and a discounted cash flow (DCF) valuation methodology. Combined, these factors enable the team to arrive at an intrinsic value for each stock, which is then compared to the prevailing stock price to determine relative value.

Given the large number of stocks in the team's investable universe, Avoca also employs quantitative screens and filters that help identify stocks worthy of further analysis through their fundamental research process. Company meetings with a wide range of relevant people and organisations form a key part of their research process.



Investment team

John Campbell

Managing Director and Portfolio Manager

BCom, LLB, MBA

John has a wealth of asset management experience, having spent more than 20 years in a variety of roles within the industry. Prior to joining Bennelong, John spent six years at UBS where he was Portfolio Manager of the UBS Australian Small Companies Fund, which was awarded the Australian Fund Managers' *Best Small Cap Fund Manager of the Year* in 2009. John joined UBS in 2004 from Credit Suisse First Boston where he was a Director of Equity Research Sales.

He has worked in a broad range of roles within the industry including equity analysis, trading and sales at various financial institutions including Maple-Brown Abbott, Bankers Trust Australia and JP Morgan Private.

Prior to working in financial markets, John was employed as an auditor with Price Waterhouse.



Jeremy Bendeich

Chief Investment Officer and Portfolio Manager

BEc (Hons)

Jeremy has over 10 years of experience in the wealth management industry. Most recently, he was Portfolio Manager of the UBS Australian Small Companies Fund, which was awarded the Australian Fund Managers' *Best Small Cap Fund Manager of the Year* in 2009.

Prior to joining UBS, Jeremy worked for four years as an investment analyst at Colonial First State covering the small caps market, as well as large cap telcos, utilities, infrastructure and property trusts. He also worked as an Associate Analyst at Smith Barney Australia Securities where he was responsible for transport and aviation equities research.

Jeremy also spent six years working in the Australian and New Zealand Governments' Treasuries as an economist and policy advisor.



Michael Vidler

Senior Investment Analyst

MApp Fin, B Eng

Michael has over 10 years of asset management experience, the majority in trading and analytic roles. Most recently, he was employed as Associate Portfolio Manager with UBS working on their Australian equity portfolios. During his time at UBS, Michael worked with John Campbell and Jeremy Bendeich on analysis and reporting for the UBS Australian Small Companies Fund.

Prior to joining UBS, Michael worked for Colonial First State as an analyst for the group's index funds, where he was responsible for management and analysis of asset allocation, as well as back-up portfolio management. He also held the roles of Performance Analyst and Adviser Services Officer whilst at Colonial.

Michael has a Masters of Applied Finance and Investment from Securities Institute of Australia.

