



## Cover Story



### **TI Intercept Capital Fund Utilises TechInvest's Investment Strategy to Provide a Fund that is Not Dependent on the Overall Rise and Fall of the Share Markets**

*TechInvest is an innovative Australian-licensed boutique fund manager that specialises in investing in global share markets, with a particular focus on capitalising on the impact that technology has on the likely success or failure of companies – a rapidly growing factor.*

One of the Company's key funds – the TI Intercept Capital Fund – utilises this strategy while leveraging off TechInvest's expertise to create a global equity market neutral fund that seeks to outperform the Australian bank bill rate by a significant margin, with the key advantage of not being dependent on the overall rise and fall of sharemarkets.

I had the opportunity to speak with TechInvest's Chief Executive Officer, Mr. Rick Steele who gladly found the time to explain the key attributes of the Fund to the Australian Investor.

"TechInvest is committed to investing in companies in such a way as to benefit from both rising and falling share prices," Mr. Steele informed the Australian Investor, "This enables us to profit from both these opportunities, a point that differentiates us from traditional fund managers."

This underlying investment strategy and focus has not changed since TechInvest's inception in 1998.

"The TI Intercept Capital Fund has been formed on the back of this strategy," Mr. Steele explained to the Australian Investor, "It has been designed to achieve long-term capital appreciation while minimising exposure to share market movements. Typically, the fund will be 100% invested, with market risk offset by short sales."

TechInvest has utilised its wealth of knowledge within the industry to create a disciplined process that seeks to identify successful or unsuccessful companies and places a value on their position. The Company then decides to invest or short sell these companies based on a thorough assessment of the prospects for that company, adjusted for risk. The TI Intercept Capital Fund adheres to this process.

"We analyse a large universe of global companies looking for those with the best prospects and those with the worst prospects," Mr. Steele informed the Australian Investor, "We invest in those that we believe will outperform and offset our risks by selling the companies that have the poorer prospects."

According to Mr. Steele another appealing attribute of the Fund is that it enhances the reach for Australian investors, enabling them to invest in international companies that they would not typically have access to.

The value in the strategy behind the TI Intercept Capital Fund is reflected in its returns. For the year to the 31st of March 2008, the Fund returns were 17% after fees. From its inception in March 2004, the returns were 10.8% per annum.

The comparative return based on the Fund's benchmark of cash was 6.1% per annum since its inception and 7% in the year to March.

Mr. Steele concluded, "TechInvest has the advantage of an exceptionally experienced team that is able to deliver a product that analyses companies that are quite different compared to those traditionally held by investors, but that have the ability to be independent of the overall share markets and offer steady returns for the medium term."

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