CITYWIRE
SELECTOR

EURO STARS
THE GUIDE TO EUROPE'S TOP FUND MANAGERS
2020 EDITION

TIDE CONTINUES TO RISE FOR DESERT ISLAND PHILOSOPHY

Granahan's Drew Beja says the investment philosophy for his Focused Growth strategy is pretty simple: 'We seek to identify companies that, if we were stranded on a desert island for five to 10 years, would be much large enterprises upon our return.'

As a result, he gets to know what he refers to as 'desert island-worthy companies' very well. 'We track them closely, and marry the company analysis with a stock valuation discipline that is centred on a probability-weighted expected return and risk/reward methodology.'

Beja says the fund has benefited from a good execution of the investment process over the past 12 months, as well as the fact that investors have broadly gravitated toward the types of companies that fit his stock-picking criteria.

For example, most of the businesses in the portfolio are better-positioned than their rivals when it comes to the Covid-19 pandemic. Many are still being hurt by the pandemic, but they tend to bear up better than competitors.

He highlights positions held within the online insurance market, including EverQuote.

'While there are puts and takes around near-term sales for these companies, broadly speaking, the pandemic is accelerating the trends that were already in place where consumers were shifting to buying insurance online rather than through a traditional bricks-and-mortar agency,' he says.

WE SHALL NOT BE MOVED

Beja accepts that there will be periods when the fund's strategy will face headwinds, such as when investors find themselves drawn toward sectors of the market in which he doesn't invest. These areas currently include energy, banks, and biotech.

'We have a better chance of delivering strong, consistent returns for our Focused Growth investors if we stay true to our philosophy and process, irrespective of the market environment,' he adds.

Beja joined Granahan Investment Management at the end of 2011, bringing 30 years' industry experience to the firm, primarily in the small- and SMID-cap sector of the market.

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DREW BEJA

Granahan Investment Management

BASED
Waltham, Massachusetts, US

FUND
Granahan US Focused Growth A USD Acc

SECTOR
Equity - US small & Medium Companies

MANAGER RATIO **1.85**

PERSONAL PERFORMANCE FOR THREE YEARS TO 31 MAY 2020:
145.3% (average manager 10.2%)

TOP 10 MANAGERS

NAME	MANAGER RATIO	FUND	ASSET MANAGEMENT COMPANY	SECTOR
Marc Rovers	2.3079	L&G Euro High Alpha Corp Bond Z EUR Inc LGIM Euro Corporate Bond B EUR Acc L&G Euro Corporate Bond Z EUR Inc	Legal & General Investment Management	Global - Bonds - Euro Corporates Global - Bonds - Euro Corporates Global - Bonds - Euro Corporates
James Baker	2.2012	MI Chelverton UK Equity Growth B Acc	Chelverton	Global - Equity - UK Smaller Companies
Tiffany Hsia	1.9831	Matthews Asia-Asia Sm Com A USD Acc Matthews China Small Companies Matthews Asia-China Sm Com A USD Acc	Matthews Asia	Global - Equity - Asia Pacific Small & Mediu Companies Global - Equity - Greater China Global - Equity - Greater China
Drew Beja	1.8599	Granahan US Focused Growth A USD Acc	Granahan Investment Management	Global - Equity - US Small & Medium Companies
Eytan Shapiro	1.7113	JPM US Small Cap Growth A Acc JPMorgan Small Cap Blend A JPM US Small Cap Growth A (dist) USD JPMorgan Small Cap Growth A	J.P. Morgan Asset Management	Global - Equity - US Small & Medium Companies Global - Equity - US Small & Medium Companies Global - Equity - US Small & Medium Companies Global - Equity - US Small & Medium Companies
Gaurav Chatley	1.7089	Eastspring Inv European Invmt Grd Bd DE M&G European Credit Investment C EUR Acc	Eastspring M&G Investments	Global - Bonds - Euro Corporates Global - Bonds - Euro Corporates
Bin Shi	1.5875	UBS (Lux) EF Greater China (USD) P UBS(Lux) Invm CHN A Opp USD UX Acc USD UBS (Lux) EF China Oppo(USD) P USD acc UBS (Lux) ES All China (USD) P acc	UBS Asset Management	Global - Equity - Greater China Global - Equity - China Global - Equity - China Global - Equity - Greater China
Alex Magni	1.5755	Montanaro Select Euro Distribution	Montanaro Fund Managers	Global - Equity - European Small & Medium Companies
Sanjay Ayer	1.5229	Heptagon WCM Global Equity CED EUR Inc WCM International Small Cap Growth Instl	Heptagon WCM Investment Management	Global - Equity - Global Global - Equity - Global ex US Small & Medium Companies
Eva Fornadi	1.5132	Comgest Growth Eurp Smlr Coms EUR I Acc Comgest Growth Europe Opps EUR I Acc	Comgest	Global - Equity - European Small & Medium Companies Global - Equity - Europe