

What's New In Investments, Funds? – TOBAM launches LBRTY®

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Paris-based quantitative asset manager **TOBAM** has just launched LBRTY® Civil and Democratic Rights Equity Strategy, which seeks to mitigate the exposure to countries governed by autocratic regimes.

Portfolios will be constructed to lower the exposure to stocks with significant economic ties to non-democratic countries, the firm said in a statement. LBRTY® is available via three UCITS-Luxembourg-registered equities vehicles, a global fund, a global ex-US fund and an emerging markets fund. All three funds are classified under Article 9 of the EU's Sustainable Financial Disclosure Regulation, the firm added.



TOBAM highlighted that geopolitical tensions and uncertainty fostered by autocracies have increasingly impacted financial markets in recent years, compounding investment risk. The Russian invasion of Ukraine is a case in point, highlighting the risks of investing in countries or companies with exposure to autocratic regimes, where civil rights are consistently infringed.

According to Yale University, more than 1,000 companies listed outside Russia had to close their business operations in Russia, resulting in more than \$250 billion in losses. Even in the absence of acute crisis, autocracies are much less efficient in economic terms. TOBAM believes that these risks should now be central in portfolio construction.

TOBAM previously patented the Maximum Diversification® approach, and launched the world's first bitcoin invested open-ended fund.

"This new strategy is the logical extension of TOBAM's dedication to liberty and diversity, together with its high-tech ability to measure exposures and build portfolios, Yves Choueifaty, president and CIO at TOBAM, said.

"We are convinced that protecting human rights and democracy is one of the two keys to economic growth and innovation alongside diversification. Our only motivation is risk-reward and financial performance. Investing in democracy and civil liberties is financially beneficial for long-term investors, providing attractive risk-reward and financial performance," Choueifaty continued.

TOBAM manages more than \$6 billion, including 44 finance professionals based in Paris, New York and Dublin.