

Media Release



FOR IMMEDIATE RELEASE

28 SEPTEMBER 2021

GIPF A CATALYST FOR CHANGE IN THE NAMIBIAN INVESTMENT MANAGEMENT INDUSTRY.

The Government Institutions Pension Fund (GIPF) is proud to announce its third incubation asset manager. The programme, which commenced in 2019, aims to address the need for active beneficial participation of Namibian professionals in the asset management industry, expand on their capacity within Namibia and bring in expertise with the necessary skills to mainstream asset management.

“The programme is meant to emulate other large asset owners in the region that have embarked on similar initiatives to empower their own investment professionals to enter the industry and to become active market participants. When successful, this programme will open opportunities in future for more entrants into the industry, therefore completing the investment eco-system loop between asset owners, asset management companies and the stock market. The GIPF is strategically changing the industry and our work through the incubation programme, which is leading the charge in the evolution of the Namibian industry.”, said Leevi Tshoopara, GIPF Listed Investments Manager.

Catalyst Investment Managers, one of six managers who are a part of the GIPF incubation programme, is a privately owned, independent investment management firm that was established in 2017. The firm is founded on the premise of placing clients’ interests first and providing Namibians with the opportunity to manage their own money. Catalyst Investment Managers aims to strengthen the participation of Namibian professionals in the investment management industry by growing skills and capacity.

The GIPF has allocated N\$4.2 billion towards this incubation programme aimed at creating measurable participation by the appointed asset managers with the overall objective of growing our local asset management industry. These managers were appointed following a rigorous tender process that was conducted by our Investment Consultant in collaboration with the GIPF Management and the Board

“Catalyst is walking alongside the GIPF in this endeavour. Our hope is that most investors, clients and asset owners will emulate the work of the GIPF”, said Brown Amuenje, the Founder and Portfolio Manager of Catalyst Investment Managers.

Despite being a newcomer to the local investment landscape, the Catalyst Investment philosophy and process ensured that the GIPF portfolio performed above benchmark, with net value of N\$845 Million, especially during the COVID-19 pandemic that caused panic and losses during the market downturn of 2020.

The firm’s investment philosophy is based on:

1. Investing in companies that earns a high return on invested capital
2. Investing in companies that have low-to-very little debt
3. Investing in companies that are managed by prudent capital allocators that are focused on returning value to shareholders.

“The tenure of the programme is 5 years upon which we will evaluate the overall performance of the asset managers, however to minimize risks associated with performance during the 5 year period, the GIPF tracks the monthly performance reports of these asset managers and also conducts an internal operational due diligence mid-way through the programme. This allows for the GIPF to flag issues of concern and remedy them. Ultimately, this requires a more hands-on approach to other conventional asset managers, but it assures the Fund that it has better insight of the asset managers performance during the programme period”, added Tshoopara.

The Catalyst team is driven to deliver impeccable results to ensure that the GIPF investments are well managed. They have set their sights on building a business that will compete on an equal footing with their South African and global peers. “We want to build a world class business, skills and investment returns. These are three of the fundamentals we hope to achieve. We want clients to choose us, because we

can compete in terms of system, processes, infrastructure, people, investment returns and client service,” Amuenje resolutely added.

Mr. Brown Amuenje first joined the investment management industry in 2004 and that completely changed his life’s perspective and aspiration. He joined the industry as a trainee investment analyst and later became co-portfolio manager and finally CEO. He worked for two large South African owned investment management firms for a period of 13 years. Throughout the years, he manifested his aspiration to set up an investment management firm that is owned, managed and controlled by Namibians.

His steadfast hope to be a catalyst for change in an industry largely dominated by South African companies, was the motivating force, which prompted him to apply for the Government Institutions Pension Fund (GIPF) Incubation Assets Management Programme. “It was a once in a lifetime chance and there was no way I was not going to pursue the opportunity,” Mr. Brown Amuenje, reminisced.

Mr. Amuenje says that what Catalyst endeavours is not only to build the business, but most importantly, to share the skills that he has garnered over time to enrich Namibians who want exposure to the investment management industry. “We are building an investment management firm where clients’ money can be managed and invested here at home in Namibia.

“Most importantly, we are empowering upcoming professionals to become investment analysts, portfolio managers, compliance officers and financial market traders anywhere in Namibia. We have thousands of Namibians graduating with Economic or Finance Degrees but are battling to find work. The structure of the industry is not right because most work is created in South Africa. The work that we are doing under the incubation programme seeks to address the structural imbalances in our country and economy”, added Amuenje.

“We are blazing this trail in the investment space with the hope that more Namibians, corporates, asset owners and custodians of assets will follow the GIPF model” concluded Amuenje. The model works and it benefits Namibia from a job creation, social and economic development point of view.

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