



Boutique launches EM fund for veteran former BNP Paribas manager

By [Atholl Simpson](#) on Oct 29, 2010 at 10:32

French boutique Lutetia Capital has taken its first step into the emerging markets equity sector with the launch of a fund for veteran former BNP Paribas manager [Claude Tiramani](#).

Tiramani, who has 20 years experience in the emerging markets and [joined the boutique in June](#), will run the new Lutetia Emerging Opportunities fund, which will put a particular focus on domestic demand in the region.

Tiramani is focusing on the consumer and infrastructure sectors as urbanisation continues to increase. Over 125 million people across India and China are expected to move to the cities in the next five years, according to Tiramani, creating many opportunities within the domestic property and infrastructure markets.

China is his biggest country position with over a quarter of his holdings currently in the world's second largest economy. Rising wages in China is just one of the reasons Tiramani is confident on this consumer sector in the country. He says its car industry is also booming with 'one car bought every two seconds with a market penetration of only 4%'.

Outside the BRIC markets, which constitute a large part his portfolio, Tiramani is betting on countries such as the Philippines, where he is overweight compared to his MSCI Global EM benchmark by 3%. He is also overweight in Indonesia, where he likes its cement producers, and Thailand.

Some of his top holdings are Russian supermarket chain Magnit, Philippine property group Vistaland and Indian car manufacturer Tata Motors.

The competition within this market is rife but the French group believes the 20-year track record of Tiramani, who managed a total of \$10 billion for BNP Paribas, gives him an edge over many of its rivals.

'We are very happy to have one of Europe's most distinguished emerging-markets investors launching a fund with us,' said Fabrice Seiman, the firm's co-founder. 'In a sector where most PMs have perhaps five years of experience, Claude offers the benefit of 20 years in the sector – and his accomplishments have won him deserved industry recognition.'