

Avenue Capital set to manage RM3bil

BY HU LIAN YI FOR THE STAR
KUALA LUMPUR, March 19 — Avenue Capital Group, a local investment management firm, has been granted the right to manage up to RM3 billion in assets under its new fund, Avenue Ultra Fund.

The manager is authorised to manage up to RM3 billion in assets under its new fund, Avenue Ultra Fund, which will be wholly owned subsidiary of Avenue Capital Management Ltd (ACML), it said in a statement yesterday.

The new fund, Avenue Ultra Fund, will have RM3 billion in assets under its management by the end of 2011, said Lam Kui Lai, managing director of ACML.

He said the firm aims to grow to RM3 billion in assets under management over the next three years, through strategic alliances, financial products, structured products and venture capital & finance services, he said.

According to Lam, ACML has identified areas of business subjects to allow the firm to continue growing for growth.

“We are open to opportunities in the market, but this year, we are looking at the company that is involved in RM3 billion in the Bursa Malaysia, Nasdaq, L



LAM KUI LAI, MANAGING DIRECTOR

and FTSE300 stocks,” he said. “In the offshore exchange and derivatives markets, there are also business areas,” he said.

For the new fund, ACML will work with Avenue Capital Management to raise money from local and international investors to achieve greater scale through acquisitions and joint ventures, he said. It will focus on investing money in key diversified stocks.

The fund's size is RM3 billion, and the term is six years.

The minimum initial investment is RM50,000.

“So far, Avenue Capital has raised RM1 billion and has received interest from local and international investors,” he said.

The initial offer period for the fund is from April 1 to June 30.

“In this year, it will be a relatively difficult opportunity because there are more expensive funds available,” said Lam.

“But we are still able to offer competitive rates,” he said. “Our target is to manage RM3 billion in assets under management by 2011,” he said.

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LAUNCHED ... Avenue Unit Trust Management CEO and executive director Danny Wong (left), Avenue Capital Resources Group MD Tengku Zafrul Aziz (middle) and Avenue Asset Management Services CEO and executive director Tan Jin Teik at the launch of Avenue TacticalEXTRA Fund and Avenue DividendEXTRA Fund recently