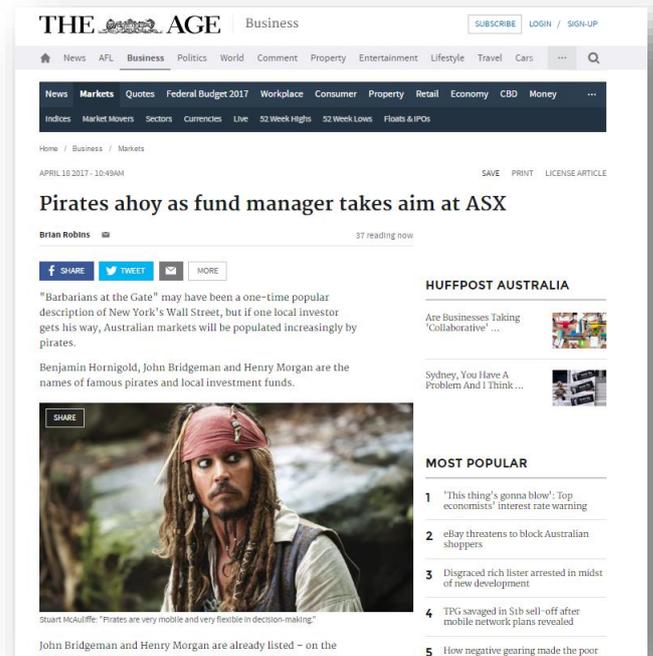


Pirates ahoy as fund manager takes aim at ASX

By Brian Robins

"Barbarians at the Gate" may have been a one-time popular description of New York's Wall Street, but if one local investor gets his way, Australian markets will be populated increasingly by pirates.



Text under image: *Stuart McAuliffe: "Pirates are very mobile and very flexible in decision-making."*

"Barbarians at the Gate" may have been a one-time popular description of New York's Wall Street, but if one local investor gets his way, Australian markets will be populated increasingly by pirates.

Benjamin Hornigold, John Bridgeman and Henry Morgan are the names of famous pirates and local investment funds.

Stuart McAuliffe: "Pirates are very mobile and very flexible in decision-making." John Bridgeman and Henry Morgan are already listed – on the National and Australian stock exchanges respectively – while Benjamin Hornigold is in the final stages of completing a small sharemarket float, raising an initial \$20 million.

The funds' namesakes were mostly active in the Atlantic, although Bridgeman, an alias for John Avery, was also engaged for a time in the Indian Ocean, where he achieved notoriety for carrying out one of the most successful heists of the era, seizing booty from an Indian fleet.



Stuart McAuliffe, left, has a penchant for military history
Photo: Darren Pateman DJP

The common link for all three investment vehicles is fund manager Stuart McAuliffe, an associate professor at Bond University.

"Pirates are very mobile and very flexible in decision-making," McAuliffe said. "And have a very democratic system: if the leader is unpopular, he is voted out and goes back to join the rest of the sailors."

"And the whole focus is on profit."

Benjamin Hornigold is intended to be a "high conviction" investment vehicle, focusing on "five to 10 key trading ideas", he said, while Henry Morgan is focused on as many as 20-25 key ideas, carrying with it less risk.

John Bridgeman, which is listed on the NSX, is the management company for the group. McAuliffe wants to shift its listing to the ASX at some stage.

You could be forgiven for thinking he is obsessed with pirates – and you'd be wrong.



McAuliffe tips Emmanuel Macron, France's independent presidential candidate, to win the election. Photo: Christophe Morin

"My fixation is actually military strategy," he said, having studied the military campaigns of Julius Caesar, Napoleon and General George Patton, crediting this interest for his approach to investment markets.

As investors, as you're looking for a bigger piece of the pie, speed is essential. Pirates were opportunists.

McAuliffe and his listed vehicles have enjoyed outsized returns over the past year, with several months spent in Britain ahead of the 'Brexit' vote last year to quit the European Union convincing him of the outcome, with the same approach also seeing him call the US presidential outcome last year, with the success of Donald Trump.

Now, he is convinced that Emmanuel Macron will win the French presidential elections, the technocrat who has never stood for public office, despite the relative showing of Marine le Pen, the head of the National Front.

"I'm very keen on Europe," McAuliffe said. "The Europe economy is doing well this year. Stocks there could rally as much as 30 per cent going into the end of the year."

"In France, Macron will win [the presidential elections] and the market will react strongly to that – maybe not immediately but over the following few months. Europe is the real wild card."

The first round vote gets under way in France this weekend, with the run-off vote in early May.

McAuliffe is not afraid to switch his investment focus, concentrating on equities then, as markets shifts, changing to favour foreign exchange markets, if that is where he can see outsized returns.

"I was focused on the opportunity of that time," he said of his shifting focus as he eyes prospects to profit across the realm of investment markets locally and abroad.

That free-ranging scope saw him snap up a 6 per cent shareholding in Hunter Hall International this year, when the founder Peter Hall sold out to Washington H. Soul Pattinson and Co, with McAuliffe optimistic of the outlook for this fund manager which is yet to finalise a planned merger with another fund manager, Pengana Capital.

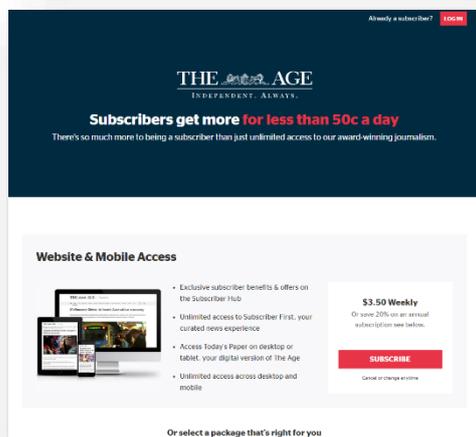
NOTES

ARTICLE WEBLINK:

<http://www.theage.com.au/business/markets/pirates-ahoy-as-fund-manager-takes-aim-at-asx-20170413-gvkgtp.htmls>

SUBSCRIBE TO THE AGE

<https://subscribers.theage.com.au>



Already a subscriber? **LOG IN**

THE AGE
INDEPENDENT. ALWAYS.

Subscribers get more for less than 50c a day
There's so much more to being a subscriber than just unlimited access to our award-winning journalism.

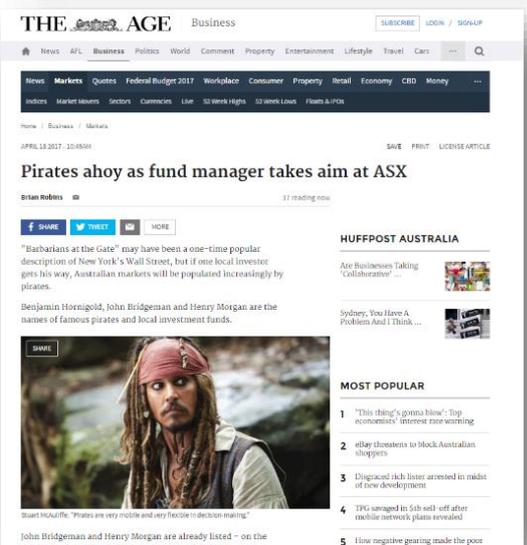
Website & Mobile Access

- Exclusive subscriber benefits & offers on the Subscriber Hub
- Unlimited access to Subscriber First, your curated news experience
- Access Today's Paper on desktop or tablet, your digital version of The Age
- Unlimited access across desktop and mobile

\$3.50 Weekly
Or save 20% on an annual subscription see below.

SUBSCRIBE
Cancel or change anytime

Or select a package that's right for you



THE AGE Business **SUBSCRIBE** **LOG IN** / **SIGN UP**

News Markets Quotes Federal Budget 2017 Workplace Consumer Property Retail Economy CBD Money

Industries Market Insights Sections Commerce Live 52 Week Highs 52 Week Low Points A/PIs

Home / Business / Markets

APRIL 13 2017 10:58AM **SAVE** **PRINT** **LICENSE ARTICLE**

Pirates ahoy as fund manager takes aim at ASX

Brian Robins **@** 17 reading now

SHARE **TWEET** **+** **MORE**

HUFFPOST AUSTRALIA

"Barbarians at the Gate" may have been a one-time popular description of New York's Wall Street, but if one local investor gets his way, Australian markets will be populated increasingly by pirates.

Benjamin Hornigold, John Bridgeman and Henry Morgan are the names of famous pirates and local investment funds.



MOST POPULAR

- 1 "This thing's gonna blow": Top economists' interest rate warning
- 2 eBay threatens to block Australian shoppers
- 3 Disgraced rich lister arrested in midst of new development
- 4 TPG salvaged in \$4b sell-off after mobile network plans revealed
- 5 How negative gearing made the poor

Stuart McAuliffe, "Pirates are very mobile and very flexible in decision-making."

John Bridgeman and Henry Morgan are already listed – on the National and Australian stock exchange, respectively, while