

# CFSGAM establishes emerging markets debt team

## Media release

23 August, 2011

Colonial First State Global Asset Management (CFSGAM) has announced the establishment of an Emerging Markets Debt team, which will focus on developing investment capabilities across traditional hard currency sovereign debt as well as emerging corporate debt and local currency debt markets. These capabilities will be accessible to institutional investors in Australia, Europe, the Middle East and Asia.

CFSGAM has been managing fixed income portfolios in Australia for the past 26 years and currently controls AUD\$50.8 billion of assets in credit, fixed interest and cash<sup>1</sup>. In addition, a team of five investment professionals has been based in Hong Kong for 13 years, focussing on Asian fixed interest investments.

Joanna Davison, Colonial First State Global Asset Management's Regional Managing Director, Australia & New Zealand said emerging markets debt holds strong prospects for investors over the next ten years.

"The establishment of an emerging markets debt team marks a significant expansion of our capabilities in Europe, the Middle East and Asia, with intentions to take this offering to other regions in the longer term," said Ms Davison.

"This move will allow us to build on our existing capabilities and investment expertise in the areas of emerging markets and fixed income, providing certainty for investors who are seeking a determined level of income over a set period of time. In addition, we believe this move will deliver significant opportunities for the organic growth of our business globally."

The newly established Emerging Markets Debt team will be based in the United Kingdom and will be headed by Helene Williamson, a 30 year veteran of financial services with 15 years experience in emerging markets debt. The UK team will be supported by the team in Asia. CFSGAM's operations across Europe, the Middle East, Africa and Asia (First State Investments) manage more than AUD\$51 billion across some of the best performing Asia Pacific and global emerging market equity funds and segregated portfolios.

"There is significant institutional interest in emerging markets debt, particularly in Australia and continental Europe but also in Asia, the UK and the US," said Ms Davison.

"Investors are looking to take advantage of a rise in demand for debt from corporate and sovereign borrowers in South America, Russia and Asia – this move has been prompted by concerns over inflation, low government bond yields and the deteriorating creditworthiness of some European countries."

– Ends –

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### About Colonial First State Global Asset Management

Colonial First State Global Asset Management is the consolidated asset management division of the Commonwealth Bank of Australia Group, one of the largest financial institutions in Australia. Colonial First State Global Asset Management is Australia's largest manager of Australian sourced funds, employing more than 200 investment professionals. The Bank and its subsidiaries do not guarantee the performance of any funds invested in by clients of CFSGAM or the repayment of capital. Investments are not deposits or other liabilities of the Bank or its subsidiaries and are subject to investment risk including loss of income and capital invested. At 30 June 2011, Colonial First State Global Asset Management managed more than AUD\$148 billion across a diverse range of asset classes including Australian and global shares, short term investments, fixed interest and credit, property securities, direct property, global resources, unlisted infrastructure and listed infrastructure securities.

<sup>1</sup> As at 30 June 2011