

## Thistlewhite teams with ex-colleagues at Oakhaven

**B**ruce Thistlewhite has joined Johannesburg-based Oakhaven Capital as of August 1, teaming up with former Standard Bank colleagues Johan Roos and Jeremy Berman on the investment side.

The Oakhaven Strategic Fixed Income Fund opened to outside investors on May 1 with R5 million under management. Assets are now at R30 million, after an inflow from an external investor. The fund has gained a strong net 14.47% this year to the end of July in highly volatile fixed income markets.

Thistlewhite started at Standard Bank in 1999, helping with the euro conversion before joining the money market desk in May 2001, where he became director and head of money market trading and funding by the time he left in 2010. He managed the liquidity, funding and interest rate risk for the rand and foreign currency portfolios for the bank together with asset and liability management. He managed a staff of 25 people, also sit-

ting on the bank's asset and liability management committee.

Thistlewhite has been managing his own money since then, looking to launch a collective investment scheme as his own venture before deciding to join Oakhaven.

Thistlewhite expects an interest-rate hiking cycle to start in the third quarter of next year, predicting about three rate increases from that point. "It is not that we think South Africa is recovering from an economic perspective but the country is faced with structural issues in the form of twin deficits and the central bank may be forced to hike rates to fund those deficits," he said. "This could see the front end of the yield curve move up a bit, depending on how market participants perceive those actions. But we believe the back end of the curve is fairly priced at these levels."

He notes that the global markets have stabilised somewhat since an initial kneejerk reaction in May in response to US Federal Reserve chairman Ben Bernanke beginning to talk

about an end to quantitative easing. The yield curve remains steep however, with real rates of return negative around the world.

Before joining Standard Bank, Thistlewhite spent two years in London as a middle office accountant on the trading desks of various international banks. He has a BCom from Natal University, Pietermaritzburg, and completed his articles at BDO.

Oakhaven has had an all-positive track record since launching the strategy internally in October 2012. It has gained 4.6% in the past three months, including 0.24% in May, 2.18% in June and 2.12% in July. The fund aims to deliver returns blended from cyclical, secular, relative value and directional opportunities across government bonds, credit, cash and interest-rate derivatives.

Roos and Berman previously held senior roles at Standard Bank on the bond and interest-rate desks, teaming up with Michael Creedon, ex-Kepler Capital Markets, to form Oakhaven in 2011.

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