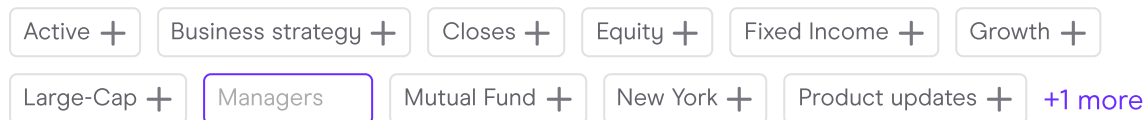


12 OCT 2023 Jennifer Grybowski

Aperture hard closes MFs as it focuses on inst'l growth

Ex-AB CEO Peter Kraus' boutique has launched several private strategies

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Boutique manager Aperture Investors is stopping new investments into its \$1bn mutual fund roster as it looks to the institutional channel for growth after recently achieving three-year track records across the strategies.

Founded by former AllianceBernstein CEO Peter Kraus in 2018, the Generali-backed \$4.4bn New York-based firm has hard closed its actively managed line-up, including \$308m Aperture New World Opportunities Fund (ANWOX), the \$283m Aperture International Equity Fund (AFORX), the \$276m Aperture Discovery Equity Fund (ADISX) and the \$123m Aperture Endeavor Equity Fund (ATOMX).

The funds were closed to new investments by both new and existing shareholders on October 10, including systematic investments from existing investors, although automatic reinvestments of distributions will still be processed.

Now that track records have been established for all of Aperture's strategies, including US small cap, international, global equity as well as global credit long/short and value credit, the firm has rolled out commingled private vehicles for eligible institutional investors.

Execs said the firm will continue expanding its alts offerings and is growing its PM team as a result.

Each of the mutual funds hold neutral Morningstar ratings and have collectively seen outflows of \$133m over the past year. Except for the international equity fund that was launched in 2020, the rest of the three funds were launched in 2019.

The funds are solely managed by four different PMs, including William Kornitzer, Brad McGill, Thomas Tully and EM head Peter Marber.

Kraus has over four decades of industry experience, once working as co-head of investment management at Goldman Sachs and head of global strategy at Merrill Lynch. Most recently he served as chairman and CEO at AllianceBernstein.

Five years ago, Kraus teamed up with Generali, who agreed to contribute up to \$4bn of strategic investment capital for individual investment strategies, to launch Aperture on the idea that there are too many active managers managing too much money and that a performance-linked fee manager compensation structure would incentivize alpha generation.

The firm's mutual fund line-up operates fulcrum fees to offer a performance fee within the fund wrapper, a fee structure much talked about in recent years but one that has failed to gain significant traction across the sector.

Besides the mutual fund business, the firm also provides advisory services to a group of Ucits, private funds and subadvised portfolios.

Last week, Aperture was removed as a subadviser from the \$4.1bn Blackstone Alternative Multi-Strategy Fund (BXMIX); it has been responsible for an equity hedge sleeve.