



ALERT: Own a Value Fund for Billionaires

Description

Cymbria Corporation ([TSX:CYB](#)) is an investment company whose objective is to provide shareholders with [long-term capital appreciation](#) primarily through a concentrated portfolio of global equities. The company has a large investment in EdgePoint, which through financial advisors offers mutual funds, institutional investments and other investments. The company also invests in various forms of debt instruments, private companies and derivatives.

Cymbria is a disciplined value fund that approaches all investment decisions with the view that each investment will be a long-term ownership interest in a business. The company [acquires ownership interests](#) in quality businesses at prices that are below the Cymbria's assessment of the business's intrinsic value. Cymbria does not have any geographic, sector or market capitalization constraints, which provides the company's investment managers with significant investment flexibility.

The company develops insights into portfolio investments and is focused on longer periods which enables it to develop company views not reflected in current stock prices. Investments held by Cymbria mainly reflect view of the long term prospects of each business. Businesses are chosen that are led by a competent management team, have long term growth prospects, and significant barriers to entry.

The company sells investments if previous views and insights are no longer hold true. In addition, Cymbria continually strives to upgrade the quality of the company's portfolio with better ideas. In general, Cymbria does not actively engage in the management or operations of portfolio investments. However, the company does take an activist approach to managing investments and has individuals join the board of directors of investee companies.

Cymbria gets involved itself with the management or operations of its investments when it believes that the company's involvement is beneficial to the investment in the investee company. All members of the investment team source and contribute investment ideas for Cymbria, using publicly available information or other information sourced by the investment team.

In addition to ongoing monitoring by the investment team, Cymbria's performance and investment activities are monitored by a committee, which includes members of senior management. This

committee meets quarterly to consider matters relating to Cymbria and the board of directors reviews investment decisions.

Recently, Cymbria entered into a loan facility to allow for borrowing to enhance returns. When the facility is drawn upon, Cymbria is allowed to make a selection of eligible securities in the company's investment portfolio that will be used as collateral to secure the loan facility.

Cymbria currently trades near the net asset value. Securities of investment companies in Canada have traded at a discount to the net asset value so there is always the risk of Cymbria's discount expanding. The market price of the shares will likely be affected by macroeconomic developments around the world and market perceptions of the attractiveness of various economies, industries or companies.

Cymbria has outperformed the general market over the long term and the probability is high that this will continue to be the case. The market price of shares will be a function of investment performance, and investor perception of the company's overall attractiveness as an investment as compared with other investment alternatives.

CATEGORY

1. Investing

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1. long term growth

TICKERS GLOBAL

1. TSX:CYB (Cymbria Corporation)

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