

# Canara Robeco to manage €150 mn for Dutch pension fund

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**C**anara Robeco Asset Management Co. Ltd has won a mandate to manage €150 million (₹953 crore) for a Dutch pension fund, giving its fledgling offshore business a boost. This is the first major investment mandate for the asset manager since the Netherlands-based Robeco came on board three years ago.

Canara Robeco managed a little under ₹7,400 crore in assets at the end of December. Of this, ₹1,273 crore is in nine equity schemes.

Investments by foreign pension funds are difficult to get, but much sought after by fund managers and regulators alike as they are known to be “sticky”, coming with a long-term investment horizon.

Roderick Munsters, CEO, Robeco Group, declined to name the pension fund due to compliance reasons. The Robeco Group manages about \$15 billion in assets.

The money from the pension fund will be invested in Indian listed companies, Munsters said in an interview.

“India, like China, is a high-growth part of the emerging market universe,” Munsters said. “From the portfolio context, it makes sense to allocate to India specifically. That’s where



**Growth prospects:** *Robeco Group CEO Roderick Munsters.*

we offer our clients a vehicle now.”

Robeco has also identified India as a potential market for its upcoming line of products based on food and agriculture. Robeco will partner parent Rabobank Plc to launch them.

“In setting up an investment product range, we have combined the knowledge of our parent and our investment capabilities, which do not aim to defeat the MSCI indices, but to offer an attractive long-term return,” Munsters said. “The idea is that the world population will grow fast. Food habits are changing. People consume differently when they become wealthy. There is a shortage of soil, water and fertilizer”, which makes for interesting opportunities.

Robeco also plans to bring customised investment solu-

tions to India.

“We have investment solutions available in the Netherlands,” Munsters said.

“If there is a market in India, may be nascent, we will structure it and offer it to the Indian markets.”

Canara Robeco currently manages \$25 million in an offshore fund—Robeco Indian Equities fund.

Munsters said the Indian offshore business can be expanded to “several hundreds of millions of dollars, if you look at the opportunities we see... We will grow the current assets a number of times in the next three years. And two (times) would be low”.

He said more money will come into the country because of the long-term growth prospects of its stock markets.

“We will feed through our own international network more international money into India,” he said. “We expect more money to come in.”

Munsters said **Canara Bank** and Robeco plan to strengthen their alliance.

“We have achieved all our goals in terms of assets and profitability that we set when we came together three years ago,” he said.

“We are looking to take it to the next level wherein the bank would focus more on leveraging its vast network and presence,” he added.

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