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Investor profile at InvestingByTheBooks: The book *The World's 99 Greatest Investors: The Secret of Success* provides a unique opportunity to learn from the most prominent investors globally. In the book they generously share their experiences, advice and insights and we are proud to present these excerpts. Magnus Angenfelt, previously a top ranked sell side analyst and hedge fund manager, will be presenting one investor per month. For those who cannot wait for the monthly columns, we strongly recommend you to buy the book. The investor himself writes the first section below and then Angenfelt describes the background of the investor and comments on his investment philosophy. Enjoy.

Value investing makes sense and it works – over time. Benjamin Graham's book *The Intelligent Investor* and Warren Buffett's letters to shareholders in Berkshire Hathaway's annual

report are not about complex mathematical models; they're about common sense.

In 1984, Buffett showed that the returns – over time – of the value investors were much above average. In a 2004 update, the late Lou Lowenstein showed again that the returns over time of ten value funds (including our own First Eagle Global) were much above average. So why so few value investors? They're patient, long-term investors who therefore every now and then lag behind their peers and the benchmark. And to lag is to suffer. Value investors understand that the rewards come over time. No immediate gratification.

In the recent (and continuing) financial crisis, many value investors learned a lesson: it's no longer enough to be entirely bottom-up investors. A key question today is whether we are still in the economic and financial landscape of the post-Second World War period or are we in a new, so far undefined landscape?

BORN Poitiers, France, 1940.

EDUCATION Eveillard is a graduate of Écoles des Hautes Études Commerciales, an esteemed French graduate school for business studies.

CAREER He started his career in 1962 with the French bank Société Générale until relocating to the US in 1968. Two years later, Eveillard began as an analyst with the SoGen International Fund. In 1979, he was appointed as the portfolio manager of the fund, later renamed the First Eagle Global Fund. After managing it for over thirty years, he now serves as senior adviser.

INVESTMENT PHILOSOPHY Eveillard is a long-term international stock market value investor, with a history of investing against the herd. In contrast to most value investors, he also has a top-down scenario. Another difference is in valuations, where he focuses on the enterprise value to EBIT. Preservation of capital is of highest priority. In general he buys stocks of companies that are financially safe, where there is very little or no debt, and whose intrinsic value is seen as being well above the current stock price. He is suspicious of low tax, which he thinks is usually a sign that profits are overstated. His remark 'I know the argument that you should only own your best 30 or 40 ideas, but I've never proven over time that I actually know in advance what those are' explains why he usually has more than 100 positions in his portfolios. He has kept a gold position in his funds as 'calamity insurance' for several years. He regards his investment style to be sometimes in the Benjamin Graham (deep-value) mode, but more often in the Warren Buffett mode.

OTHER Eveillard took the First Eagle Global Fund from \$15 million to its current \$20 billion in assets. He managed the fund alone for the first seven years. When Eveillard's successor abruptly resigned, he made a comeback aged 67. He is fond of the Austrian School of economics. In 2003, together with Ralph Wanger, he was the first to receive the Lifetime Achievement Award from Morningstar for building one of the most successful long-term records in the investment business. Through the Eveillard Family Charitable Trust he has provided support to a wide range of institutions in the arts, education, and social services. He enjoys going to the opera, and collects drawings in the same contrarian manner as he acquires securities.

Sources: Jean-Marie Eveillard; First Eagle Global Fund 1979–2011; Forbes, September 2009; Wikipedia.