

Press Release – For Immediate Release



GAM launches GAM Star Emerging Market Rates

London, 15 April 2010: GAM has launched its sixth UCITS III alternative fund in the last six months and now has one of the industry's widest ranges of strategies in this area. GAM has expanded its range to include an onshore version of its successful emerging market interest rate and currency strategy managed by Paul McNamara and Caroline Gorman.

GAM Star Emerging Market Rates provides daily liquidity and is tax efficient for UK onshore clients. The fund aims to generate returns of 10% per annum above LIBOR. The managers employ a top-down, thematic, approach to invest in emerging market sovereign debt, currencies and related instruments. Their offshore fund has generated significant returns through the active selection of country, currency, credit quality, interest rate and duration positioning since launch in 2004.

Commenting on the fund Paul McNamara said: "We believe that common indicators exist for systematically identifying imminent inflection points in the economies of emerging markets. Through our proprietary 'crisis cycle' filter, we can use these indicators to gain a clear view on which countries are about to experience significant recoveries or violent currency devaluations or economic defaults."

The managers' extensive experience of navigating often turbulent economic cycles of crisis and recovery, and the in-depth understanding they have developed through participating in the evolution of these markets, form the foundation of their investment approach. The resulting investment process distils key economic factors and market signals to enable the managers to anticipate future behaviour in a structured and repeatable way.

Craig Wallis, Group Head of Institutional and Fund Distribution at GAM, said: "Paul and Caroline have a combined experience of 25+ years' managing emerging market debt and FX strategies and run over USD 3 billion in assets. Their investment approach has resulted in a track record of extracting significant returns irrespective of the market backdrop. The launch of GAM Star Emerging Market Rates provides investors with access to these impressive returns combined with the reassurance and liquidity of a UCITS III structure."

Ends

Paul McNamara

Paul McNamara is an Investment Director at GAM, where he is the lead manager on an emerging markets hedge fund and an emerging markets bond fund. Paul joined GAM following its acquisition of the fixed income and foreign exchange specialist, Augustus, in May 2009. Paul joined Augustus (then Julius Baer Investments Limited) in 1997 from Julius Baer Holdings' Export Credits Guarantee department, where he was an economist. Paul began his career as a lecturer at the University of Warsaw. He holds a Masters degree in Economics from the London School of Economics and is a CFA charterholder. He is based in London.

Caroline Gorman

Caroline Gorman is an Investment Manager at GAM, where she co-manages an emerging markets hedge fund and an emerging markets bond fund. Caroline joined GAM following its acquisition of the fixed income and foreign exchange specialist, Augustus, in May 2009. She joined Augustus (then Julius Baer Investments Limited) in March 2006 from 4Cast Limited (London), where she worked for eight years as an emerging markets analyst. Prior to that, she was an economist in the Australian department of the UK Treasury. Caroline holds an MSc in Investment Management from the Cass Business School in London and a B.Comm (Hons) from the University of Melbourne. She is based in London.

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Notes to Editors

GAM

GAM delivers active investment management to private clients, institutions and intermediaries. Its goal is to produce outstanding results for clients by providing access to great investment talent throughout the world. All of GAM's fund managers, whether employed by GAM or contracted to GAM, are unconstrained in their investment management process and decisions. As well as active management within funds, GAM uses active asset allocation to combine funds in managed portfolios that meet clients' diverse needs.

GAM's funds and strategies cover a broad range of asset classes, currencies and market conditions. It has long experience of hedge funds and funds of hedge funds. With rigorous attention to detail and client-friendly technology, GAM provides excellent service to its clients. It manages some CHF 54.1 billion¹ of clients' assets.

¹ *Data as at 31 March 2010.*