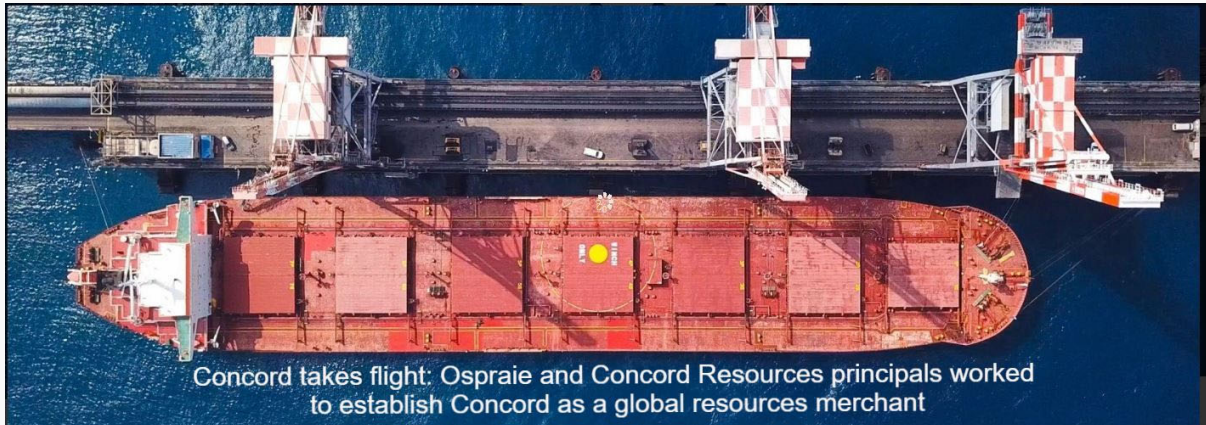


Ospraie becomes the Phoenix

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It is 10 years ago now that former Tiger Cub champion, Dwight Anderson, stunned the hedge fund world by announcing that Ospraie, his \$9 billion landmark commodities behemoth, had exhausted its avenues for return in the post GFC environment.



He decided his best recourse would be to wind down its activities and return the funds under management to its investors.

Did this mean that Anderson would be reducing his public exposure and moving on to greener pastures?

Move the clock forward to 2019. The reemergent Ospraie, with Anderson still firmly at the helm,

has extended the reach of its traditional mining and energy hedge fund business into new areas including the food supply chain, agricultural science and technology.

His interest in food and agriculture goes back to his Tiger Management days when he was encouraged under the tutelage of hedge fund pioneer, Julian Robertson, to immerse himself as he wanted.

This enabled him to devote time to pursue themes that he found of paramount interest ranging from turning over the rocks in various mines across the African continent to building a comprehensive network of global agriculture experts.

Enter Nathan Ebeling, a four-year US Army field artillery officer and Notre Dame graduate who was eager to break into Wall Street. After a five-year stint cutting his teeth in commodities at Goldman Sachs, he secured a place on the Ospraie energy trading desk in 2005.

Since then, he has earned a spot with fellow partner and Ospraie co-founder, Jason Mraz, as a trusted lieutenant working alongside Anderson overseeing the metals and mining portfolio while retaining a significant role in the firm's hedge fund business.

Ebeling stresses the global commodities hedge trading platform and commitment to mining continues to provide the bedrock of the business.

He also believes intelligence gained as a result of the diversification increases the ability of the trading desk to capitalize on opportunities that might not have been anticipated in the past. The model has evolved from the company he first joined through the introduction of more niche strategies in metals and agriculture.

The name Ospraie is derived from the latin word for the bird of prey. The firm was developed within and seeded by Tudor Investment Corporation - Paul Tudor Jones' investment firm - which Anderson joined from Tiger and which became the cornerstone principle of the new venture. The Ospraie has become the phoenix.

Ebeling posits a key momentum advance for the company to have been its 2015 decision to back London-based commodities identity Mark Hansen to set up on his own.

Hansen was leaving his position as head of trading at Noble Group to begin the new enterprise, Concord Resources, during the worst commodity crash in a generation.

Ebeling, fellow Ospraie partner Mraz and Hansen worked hand-in-hand to raise the capital to establish Concord as a global resources merchant with a focus on the supply chain, risk management and non-ferrous metals and raw materials trading.

Ebeling said: "It was a matter of picking the right partner in the right environment. In addition to making what have turned out to be great investments, Dwight and I have retained positions on the Concord board. We are focused on achieving a great outcome together with Mark and his team.

"Concord is achieving returns well in excess of 20% and with just over 50 employees in Hong Kong, London and New York has delivered 2 million tonnes of physical commodities in 2018 to more than 400 customers and counterparties around the world.

"It is poised to continue the upward momentum and consolidate its position as one of the top global commodities traders."

A growing area of interest is the private financing opportunities offered in the smaller metals and mining industry space as a result of Ospraie's network of relationships and experience in the area.

An example is Pandion Mine Finance, one of several companies Ospraie has backed in partnership with the MKS PAMP Group, one of the largest global precious metals trading and refining companies.

Pandion has raised \$175 million and has so far invested half of it across six projects in higher quality jurisdictions.

Ebeling said: "They are in Utah, Arizona, Canada, Brazil, Peru and Finland. We give a premium to a good rule of law and geographies that have a history of promoting mining.

"There is a dearth of capital in smaller deals between \$10-100 million. We see significant opportunities here which may be overlooked by larger private investment firms.

"It is an area where non-traditional capabilities are a distinct advantage and the ability to apply bespoke financing principles to particular situations is essential. To be able to move quickly and decisively is paramount."

Ebeling describes the agricultural sciences business as the third leg of the stool for the group. The new incubator, Ospraie Ag Science, was created just over a year ago to bolster its presence in agricultural technology.

One of its first steps was to zero in on a biopesticide provider, Marrone Bio Innovations, where it became a cornerstone investor before recapitalizing the company. MBI has now become a leading ag tech platform.

"The investment rationale is to look for early stage operating companies with an emphasis on a rigid process to enhance the quality adjusted yield of the crop targets.

"We believe that the introduction of biopesticides by farmers for crop protection will enhance the future growth of organic production and yield quality."

Ebeling believes it is an area that has tremendous upside as farmers move away from the use of synthetic chemicals for pest management to satisfy consumer demand in the organic and gluten free markets.

Although Ospraie has increased its exposure in the food supply sector it has been involved in the agricultural investment space since 2002.

It was an early stage investor in NYSE-listed Adecoagro one of the largest agricultural companies in South America with interests in Argentina, Brazil and Uruguay.

In 2007 it formed Teays River Investments, the largest farming company in the US and played a key role in the restructuring of Nebraska-based grain merchant Gavilon ahead of its sale to Japanese trading house Marubeni for \$3.6 billion in 2012.

"The agricultural science space has several similarities to the metals and mining industry," Ebeling said. "We plan to continue to leverage our network and track record of backing strong management teams to identify niche capital opportunities to provide strong risk-adjusted returns."
