

FEATURING: PUTIN'S BANKER; FISCHER'S PLANS FOR WESTLB

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Institutional Investor

INTERNATIONAL EDITION
FEBRUARY 2005

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PICKING THE TEAM

To select the members of *Institutional Investor's* 20th annual All-Europe Research Team, we sent questionnaires to the directors of research and heads of investment at institutions worldwide. Included were the money managers in the Euro 100, our ranking of Europe's 100 biggest institutional investors, as well as other key U.S., European and Asian investors. We also contacted key institutional clients from lists submitted by brokerage firms. The results reflect the opinions of more than 1,700 buy-side analysts and portfolio managers at 450 institutions managing an estimated \$3.9 trillion in European equities.

In the European survey respondents vote for both individual analysts and for a firm's entire team; these votes are combined for firms in each category. A numerical score is produced by weighting each vote based on the respondent's European equity assets under management —

or convertible securities, if the voter participated in that category — and on the place it awarded to the house (first, second, third, fourth). Rankings were determined by using those scores. Teams were designated runners-up when their scores came within 35 percent of the third-teamers' scores. Firms also had to meet a minimum vote count: Three categories, Austria, Belgium and Greece, do not field full teams (first, second, third), while a fourth, Portugal, fields no team at all. We present the results of voting for a total of 51 pan-European industries, macro categories and Western European countries. (In March we will present the results for 12 emerging Europe, Middle East and Africa industries, countries and macro categories.)

Typically, the researcher featured for each winning group is either the head of the firm's team or the analyst recognized most frequently by investors. To meet this magazine's pro-

duction schedule, analysts who switched firms after November 19, 2004, are cited at their previous organizations.

This year we have added Pan-European Small- & Midcapitalization Stocks to our list of macro categories. The Engineering & Machinery category has been renamed Capital Goods; the Health Care category becomes Medical Technologies & Services.

This ranking was overseen by // Director of Research Operations Group Sathya Rajavelu, Assistant Managing Editor for Research Lewis Knox and Senior Editor Jane B. Kenney, with Senior Associate Editor Tucker Ewing. Contributing Editors Pam Abramowitz, John Hintze, Ben Mattlin and Miriam Stickler and Contributors Will Ainger, Pam Baker, Eric Baum, Suzanne Lorge, Scott Martin, Craig McGuire, Martin Owens, Paul Sweeney and Victoria Zunitich wrote the sector reports.

October 2004, at which point the team downgraded on valuation. ENI traded at €18.35 in mid-January. **Matteo Ghilotti** and **Stefano Lustig** of Euromobiliare in Milan move with their 11-member team to second place from third for their strong fundamental work and attentive daily service, investors say. One successful stock pick: a mid-January 2004 buy on utility Snam Rete Gas at €3.3, based on the fact that as a regulated utility the company locks in a rate. A year later the stock was up 33.9 percent. One investor appreciates Euromobiliare's communications. "The way they call whenever there's something going on" is a real help, he says. **Roberto Casoni** and the three-member crew at Citigroup in London drop to third place from first despite a continued chorus of praise from clients. "I've followed pretty much all of their recommendations and made quite a bit of money," an investor says. One selection, clothes maker Manifattura Lane Gaetano Marzotto & Figli (owner of the Valentino Group brand), had gained 121.5 percent from the firm's July 2003 nod through mid-January 2005.

THE NETHERLANDS

Erwin Kooij & team
ABN Amro

SECOND TEAM **Jan-Kees Mons & team** CA Cheuvreux ■ THIRD TEAM **David Tailleux & team** Rabo

Despite Dutch stocks' disappointing performance relative to the rest of Europe's and accounting scandals at companies like Royal Ahold, ABN Amro's nine-member team led by **Erwin Kooij** managed to steer clients toward

profitable plays. The team ranks first for an eighth consecutive year. Overall, Dutch shares rose 2.5 percent in the 12 months through mid-January, well behind Europe's 8.0 percent gain. "ABN Amro really understands what's going on in the local market," says an investor. Among the first team's strong calls was construction company Royal BAM Groep. Amsterdam-based Kooij, 32, a graduate of Erasmus University in Rotterdam, was positive on BAM throughout 2004, but in September his enthusiasm intensified on the expectation of strong profits. By mid-January 2005 the shares had popped 33.2 percent. In another late-year move, ABN Amro in November upgraded Stork, a technology company that operates materials testing labs, based on projected strong sales growth in its aerospace division. By mid-January, Stork had jumped 23.1 percent from its €21.75 November level. Recognized for the first time for its coverage of Dutch stocks, France's CA Cheuvreux boasts eight analysts in Amsterdam guided by **Jan-Kees Mons**. "Their view is local — they see what bubbles up from the bottom," says a buy-sider. In January 2004 the team singled out Dutch temporary employment company Randstad Holding as a potentially strong performer based on rising revenues and operational leverage. Through mid-January 2005 the shares were up 39 percent. In September the firm, which opened a local office four years ago, tagged food company CSM after it divested its sugar confectionery division, and by mid-January its stock was up 25.4 percent. In third place newcomer Rabo Securities' 17-person team led by **David Tailleux** in

Amsterdam offers unusually deep coverage. One backer cites the team's work on financial holding company Almanij. The team picked the stock in June 2004 at €49 and downgraded in December at €76.4. "They're good stock pickers," says a client.

NORDIC COUNTRIES

Björn Jansson & team
Enskilda

SECOND TEAM **Mats Kummelstedt & team** ABG Sundal Collier ■

THIRD TEAM **Magnus Matstoms & team** Carnegie ■ RUNNERS-UP **ABN Amro Alfred Berg**; **Sean Lindsay & team** CA Cheuvreux

Well before last year's oil price run-up — on August 29, 2003, to be exact — Enskilda Securities head of research **Björn Jansson** and his 45-member team recommended the shares of Norwegian tanker operator Frontline. As of mid-January 2005 the stock had climbed 150.8 percent, eclipsing the MSCI Norway index's 52.8 percent rise in local-currency terms. Calls like Frontline, say investors, help lift Jansson and company back into first place — its perch from 2001 to 2003 — after a year in second. "As Asia demanded more oil, shipping rates have gone up," explains Jansson, 41, a onetime pulp and paper analyst who is based in Stockholm. His Enskilda team has "depth of company knowledge and breadth of coverage and is quick in transmitting news flow," says a client. Although sliding from first place to second, ABG Sundal Collier research chief **Mats Kummelstedt** and his 26-analyst team are "strong in both Norway and Sweden," says a customer,

who adds, "I like their research and their writing." And there was much to like in the Oslo-based firm's bet on Swedish medical technology company Gambro, a buy reaffirmation at Skr59 in March. They cited a corporate restructuring and a new blood-cleansing process called Pathogen Reduction Technology. ABG did its homework on PRT by polling blood banks and consulting scientists. The stock was up 69.5 percent by mid-January. **Magnus Matstoms** leads a 60-person research squad at Carnegie in Stockholm to a repeat third-place finish on the strength of his Carnegie Movers portfolio — eight stocks from a universe of roughly 80 Nordic companies — which he revises at least once a quarter. From November 2003 through mid-January, the portfolio rose 29.1 percent, while the MSCI Norway index gained 13.6 percent. Matstoms' favorites include Swedish construction company Skanska and Stockholm-based Nordea Bank. Put in the portfolio in early May, they climbed 34 percent and 32.4 percent, respectively, by mid-January.

SPAIN

Jesús Gómez & team
SCH Bolsa

SECOND TEAM **Borja Castro & team** UBS ■ THIRD TEAM **Juan Ramón Correas & team** Deutsche Bank ■ RUNNER-UP **Alfonso Higuero & team** CA Cheuvreux

March's deadly terrorist attack near Madrid and a surprising Socialist Party electoral victory, together with the strengthening euro, held back