



## **Metis Value Partners, LLC**

### **The Origins of Metis Value Partners, LLC**

Since the economic downturn of 2008-09 and the significant market retreat that accompanied that event, growth stocks have significantly outperformed value stocks. While a part of this value stock underperformance can be attributed to the slowest economic recovery and expansion since World War II, there were other factors in play. In a sluggish economic environment with little growth in the top line (revenue), investors chose to focus on growth stocks in the belief that their characteristics would enable them to grow earnings faster than their value counterparts. Although this strategy has worked well, the differences in valuation levels between growth and value stocks have grown increasingly wide leaving many high quality companies selling at exceptionally low levels.

As the differential between growth and value has persisted for an exceptionally long time, several value managers have seen their assets dwindle and a few have simply closed their doors. Having spent an entire career guided by the cardinal principles of value investing as developed by Graham & Dodd, the current market environment presents a wealth of opportunities for a disciplined value manager. Although there may never be an ideal time to begin a new investment management firm, we feel that the present time presents an opportunity that is difficult to pass up.

More than a dozen years ago, while working for Northern Trust Value Investors, we hired two summer interns. Both individuals were extremely bright and were mentored in the value discipline. In the following years, one of these interns, Long T. Trieu had an opportunity to apply his knowledge to the management of three value strategies. He compiled an impressive six-year record based solely on his independent research. Long left his previous employer at the end of 2016 and began his search for the next big opportunity. Since Long and I had stayed in

touch following our days at Northern Trust, he approached me with an opportunity to join him in the creation of a new firm that is designed to meet the needs of those who desire to have exposure to the value style of investment management.

Metis Value Partners, LLC is the result of our collaboration. We are excited about this new venture and expect to see many former clients join us as we embark upon this quest to adhere to our value discipline in the creation of concentrated portfolios in domestic value, international value and dividend yield strategies.

*Stephen Kent, Jr.*

**Stephen Kent, Jr., CFA**

**Chief Investment Officer & Co-founder, Metis Value Partners, LLC.**

**DISCLOSURES:**

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