

Hi Dubai: Soros, Others Moving Operations To Arab Paradise

By Caroline Waxler

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Wealth-Bulletin: Yesterday **UBS** launched its first buyout fund focused on the Middle East, in collaboration with regional firm **MerchantBridge**, in an effort to diversify its operations. **ING**, **Barings** and **Investec** have all launched funds in the region in recent months, with **Deloitte** moving its global head of corporate finance advisory to Dubai, highlighting the importance the industry places on the region.

...Pharos Financial Advisors, founded on seed capital from billionaire **George Soros**, has become the first Russia-focused funds house to join the **Dubai International Financial Centre** as the asset management industry steps up its presence in the region.

...Pharos intends to retain its existing portfolio management team in its Moscow base and create a local investment team in Dubai. The company will scale down back office functions in Russia and form a new team in its Middle Eastern holding.

There's a reason the Soros fund is going to Dubai.

...Despite producing at least a negative 30% over in the year to date, all three Pharos funds, focused on Russian companies, have out performed the **MSCI** Russia Index, which returned -65.6%.

Peter Halloran, founder of the Pharos Financial Group, said: "A year ago we saw moving into this region as the natural next step as Dubai is fast becoming one of the hubs for finance and commerce.

"We are developing products to target investors in the region, but it is too early to say what shape these might take as we are going through such a severe dislocation."

Halloran said the local property sector was under pressure, so there could be opportunities in the next six months.

He also said investors from the Gulf region had already shown interest in Pharos' Russia-focused products.
