



# Meet the Manager



## Brian Ferguson

Senior Portfolio Manager at Newton Investment Management, part of BNY Mellon Investment Management– in Boston. Joined BNY Mellon in 1997.

Brian Ferguson has worked at BNY Mellon Investment Management companies since 1997. Before embarking on a career in investment management, he earned a BA in Economics and International Relations at Bucknell University and an MBA at Columbia Business School. Here he discusses his experience and market outlook.

### **Describe your background.**

I've been in the investment business roughly 30 years, 25-and-a-half have been with BNY Mellon Investment Management companies. I've been a portfolio manager since 2000 and specifically for the US Dynamic Large Cap Value Fund (BNY Mellon Dynamic Value Fund) since 2003. I studied at Bucknell University for undergrad where I started the investment club. I went on to earn my MBA at Columbia Business School. Early in my career I had the luxury to work for John Neff – often considered one of the best value portfolio managers in the industry.

### **What influenced you to choose a career in investment management?**

At a very early age I developed a passion for financial markets and equity investing. I got the bug from my grandfather, who was an investor. He is really the one I credit with igniting that fire in me.

At that early age, I took interest in investment books and Warren Buffett's annual letters to shareholders.

### **What made you choose value investing?**

The people that really influenced me along the way and looked up to in this business early on were value investors. It's just something that really resonated with me throughout my investment career. To this day I am in awe and always eager to consume what Warren Buffett, John Neff and others have said or written.

### **How would you characterize your style as a portfolio manager?**

From pretty much the start of my career, I've been intrigued with the investment philosophy that starts with value but doesn't stop there. I firmly appreciate supplementing value with an analysis of business fundamentals and business momentum. The power of that combination can help avoid getting tangled up with the value trap. It also helps find companies that can maintain and enhance their value per share.

### **How do you think about risks?**

I believe that risk is something that



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is very important. My job isn't just to seek good investment returns, but it's also to seek good risk-adjusted returns. One of the best ways to manage portfolio risks starts at the individual stock level by adhering to a process of populating the portfolio with the best risk-reward opportunities.

I believe that one of the great aspects of value investing is buying a stock at a discount to what it's worth.

That discount is often referred to as the margin of safety, thus, the bigger the discount, the bigger the margin of safety. In addition, I have a myriad of internal portfolio risk analytics that are instrumental in the pursuit of strong risk-adjusted returns.

### **What is your favorite metric?**

There are so many, but if I had to call out one favorite it would be uncovering and identifying underappreciated improvements in

returns on and of capital for a given company.

### **Is there a connection between your passions (outside of investing) and value investing?**

I feel blessed my hobby and my passion is also my livelihood. I've been an investor for decades and it's just something I really enjoy. I think country singer Luke Combs says it best in his song, *Doin' This*: "I'd still be doing this if I wasn't doing this."

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