



2008 University of Florida Latin American Business Symposium and Career Workshop

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INCA Investments

Fernando X. Donayre

fxd@incaco.com



INCA Investments, LLC

- Founded in 2004 to implement specialized investment strategies in the Latin American equity markets
- Assets under management of approximately US\$225 million
- Clients are mainly U.S. and European based institutions and family offices
- Our investment team is comprised of a Chief Investment Officer, Director of Research and four Investment Analysts
- We are based in Miami due to the city's strategic location for covering all of Latin America

INCA's Assets under Management

Long Only Funds:

- Zephyr Latin American Fund – investment sub-advisor for US\$20 million Latin American Fund launched in February 1997
- Zephyr Aurora Fund – Latin American sub-advisor for US\$30 million invested in the Latin American portion of this Emerging Market manager-of-managers fund

Small Cap Funds/Accounts:

- Small Cap Separate Account – US\$70 million account launched in May 2003 for a U.S. endowment
- INCA Latin American Small Cap Fund – US\$10 million fund launched in January 2008

Long-Short Funds/Accounts:

- Long/Short Separate Account – US\$90 million separate account managed for a European family office



INCA's Investment Philosophy

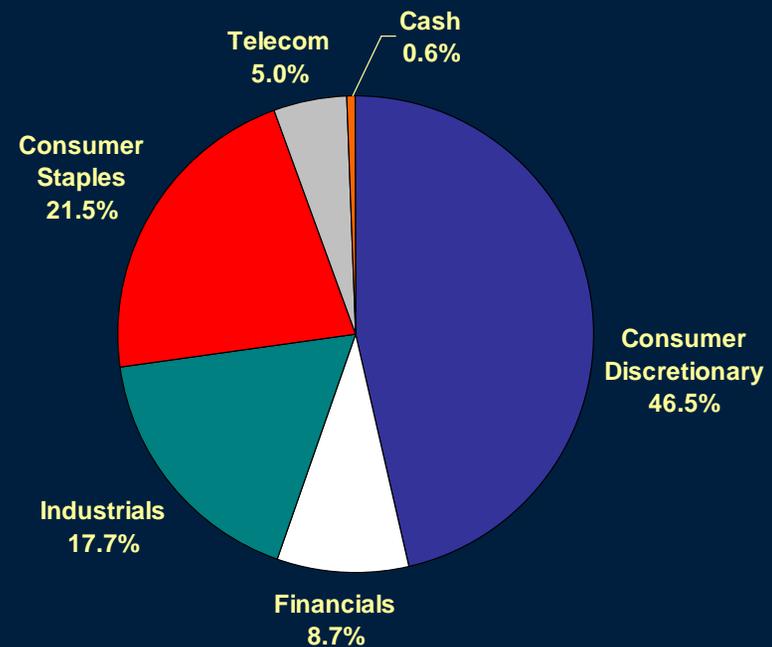
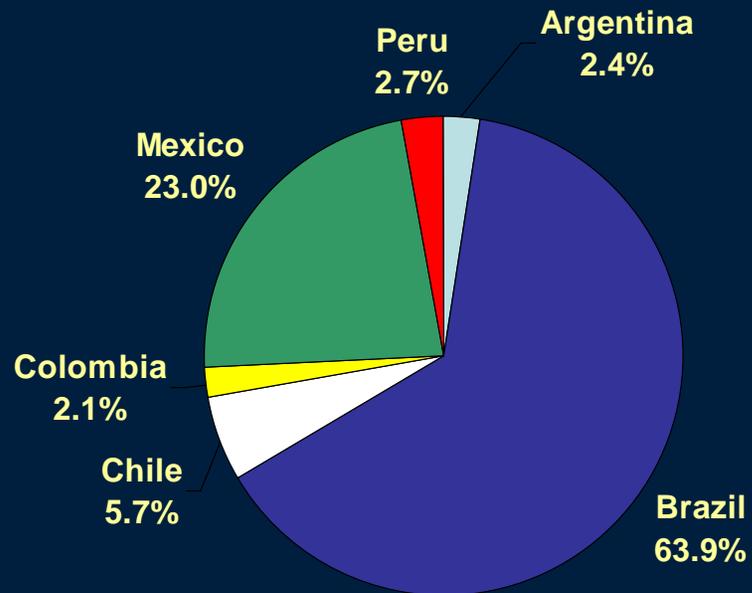
- All investment decisions are based on our internal, bottom-up, fundamental research
- Analysts are specialized according to industries, not countries
- Invest in companies with a strong franchise and understandable business model
- Use a long term investment horizon
- Favor companies with reasonable and below average valuations

ILASC's Investment Process



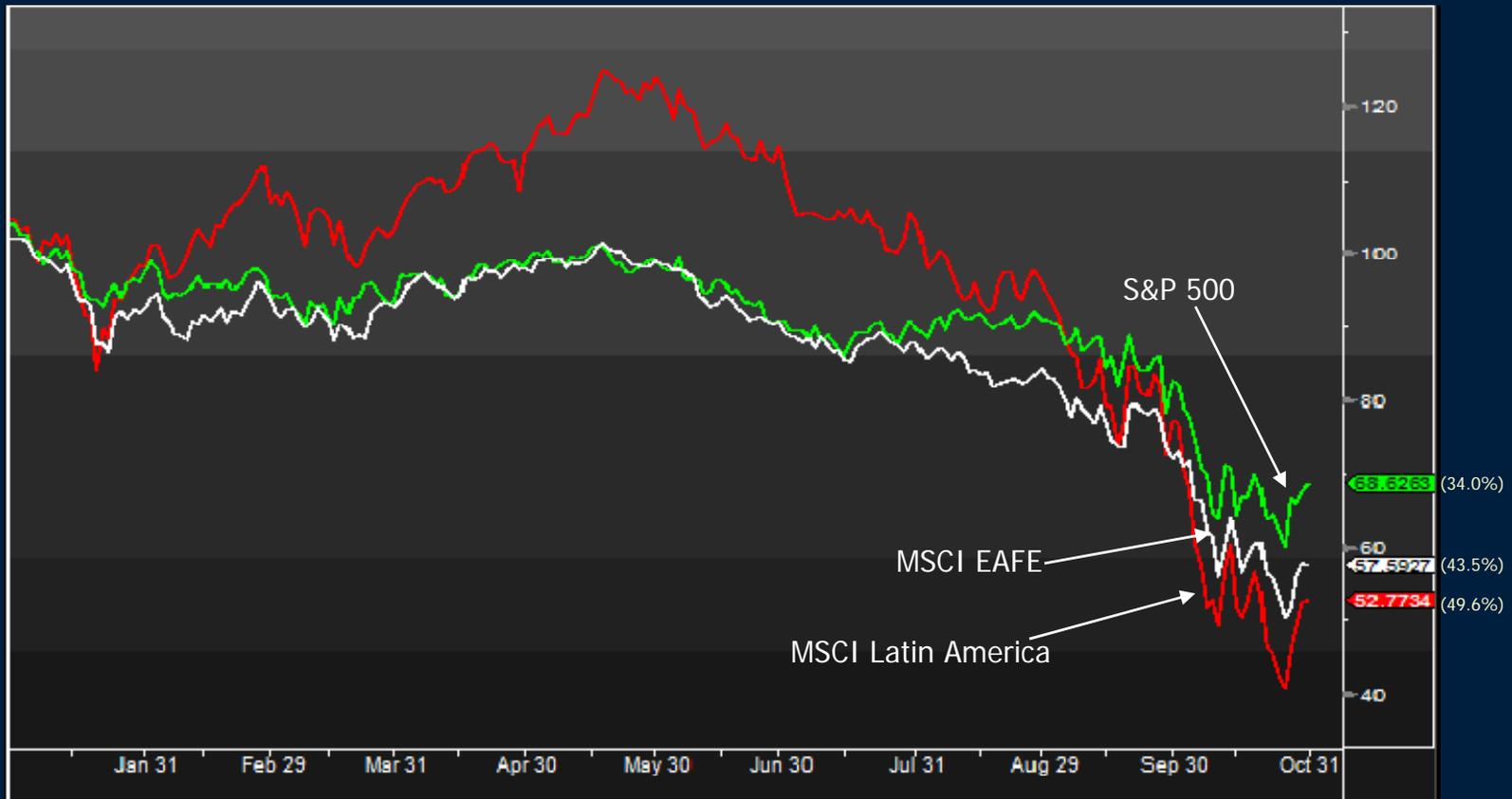
The Latin American Equity Market

MSCI Latin American Index



Source: MSCI (September 30, 2008)

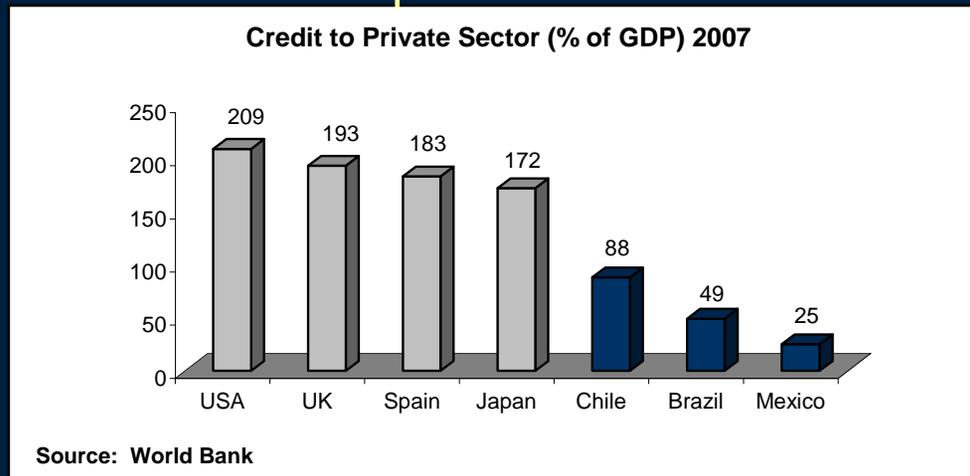
Latin American markets were deeply affected by the crisis in the developed world...



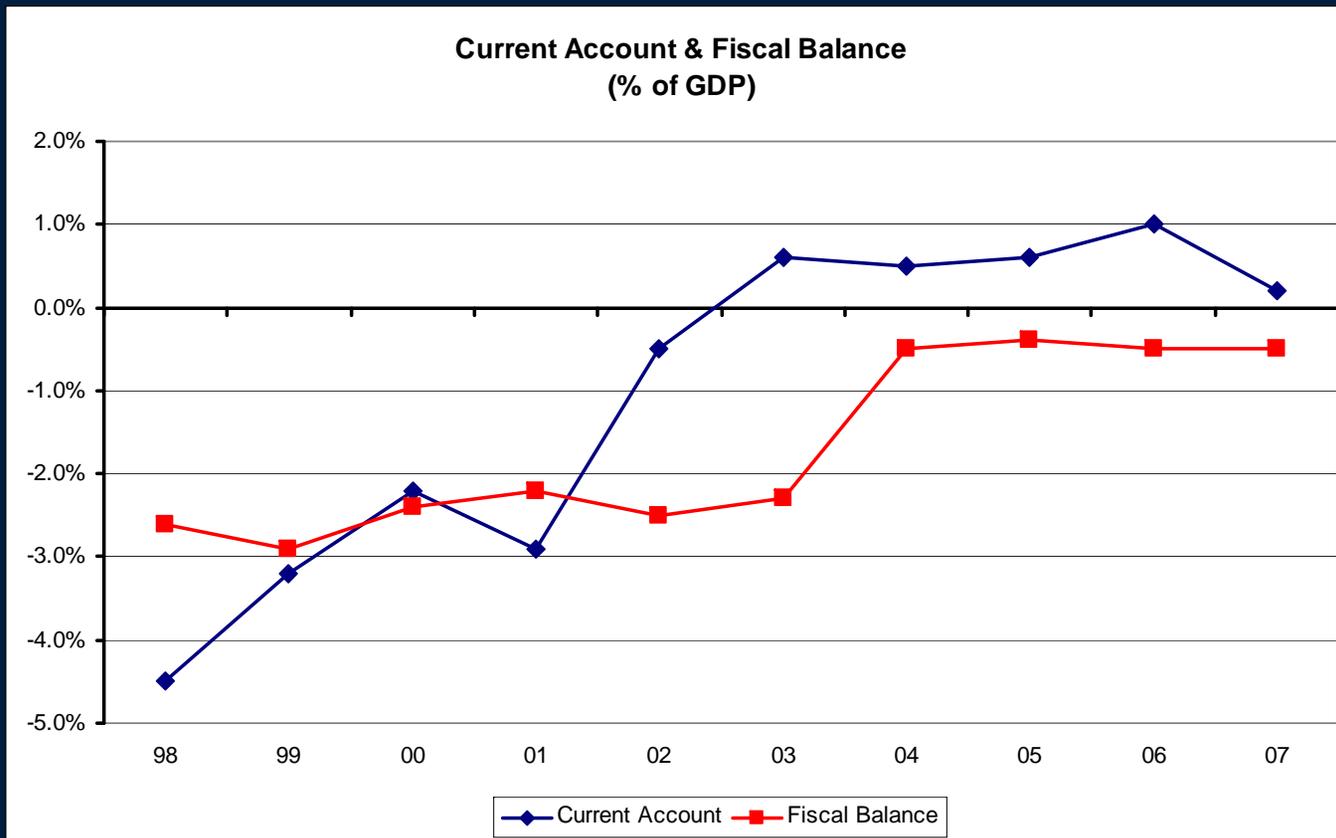
Source: Bloomberg

...however, unlike their developed world counterparts, Latin American companies and individuals were not highly levered due to:

- Relatively high interest costs
- Lower availability of credit
- Conservative attitude of companies toward debt

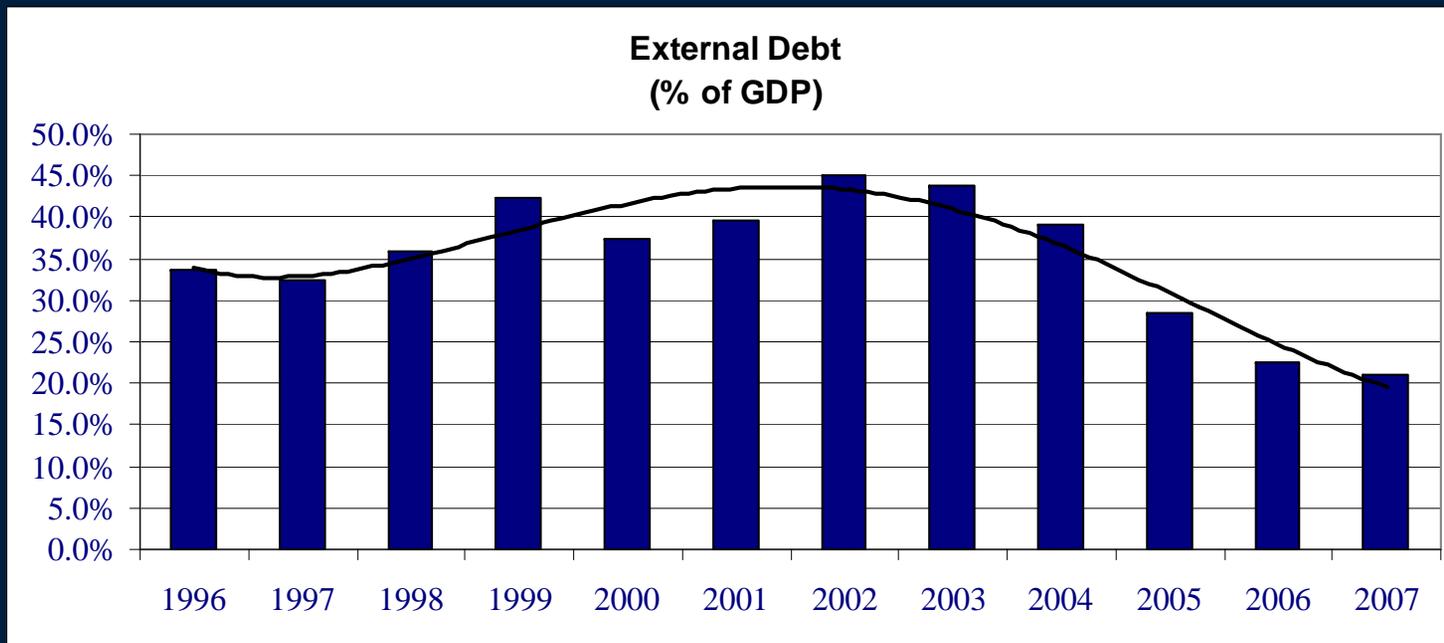


Latin American countries have been improving their economic posture



Source: Citi Investment Research

...which has allowed a significant lowering of External Debt



Source: Citi Investment Research

Compared to other market declines in Latin America the current one has been more severe...

Bear Market Period	<u>Emerging Market Crisis</u> 10/21/97 to 9/10/98	<u>Brazilian Devaluation</u> 11/27/98 to 1/14/99	<u>Burst of Tech Bubble</u> 3/9/00 to 9/30/02	<u>Global Credit Crisis</u> 5/19/08 to 10/27/08
Market Drop	-64.1%	-30.9%	-55.4%	-67.5%
Duration (months)	10.5	1.5	31	5.3
Low P/E	7.3	10.8	9.5	5.8

Source: Citi Investment Research

...and valuations have reached an all time low in spite of an improved economic back drop

Our View on the Latin American Investment Environment

- The global credit crisis will moderate GDP growth, but Latin America will not enter a crisis scenario
- Given the very low valuation levels, we believe Latin American equities present an attractive investment opportunity
- We believe the best opportunities are in the domestic, consumption oriented sectors (construction, banking, consumer brands) and not the export, commodity oriented sectors (oil, iron ore, steel)