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Lloyd's List

Harvard University victim of GMI's collapse

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Harvard University's \$32bn endowment fund has emerged as a major shareholder of GMI

HARVARD Management Company, which manages Harvard University's \$32bn endowment fund, has emerged as a major shareholder of Global Maritime Investments, the London-based dry bulk owner and operator.

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Given the size of the university's endowment fund, it appears that its investment in GMI represented well under 1% of total assets under management. Still, it is interesting that Harvard Management had elected to gain exposure in the shipping industry through an alternative hedge fund.

GMI had a unique approach to investing in shipping markets trying to capture the spread

between the physical dry bulk market and the corresponding forward freight agreements market. GMI had originally launched its fund in 2006 and by 2010 its assets under management reportedly had topped \$650m.

But, as reported earlier, the once high-flying hedge fund had fallen in hard times in recent years, having amassed losses of almost \$150m in the three-year period from 2012 to 2014.

GMI filed for chapter 11 protection at New York's Southern District Bankruptcy Court on Wednesday. The company did not file for protection seeking a second act. Its intention is to wind down its business operations and liquidate any remaining assets in an orderly fashion.

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