



George Soros Bets on Albania

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On May 27th 2010, [Petromanas Energy](#) (TSX: PMI.V) announced they had oversubscribed their \$75 million private placement with two large investment funds taking down 72% of the offering. It looks like the so called “smart money” investors are starting to take notice of this story.

The legendary George Soros’ fund, Quantum Partners Ltd., a private investment fund based in Curacao and the Cayman islands picked up 72,500,000 units representing 39% of PMI’s private placement. Soros is famous for “breaking” the Bank of England, and forcing it to devalue the pound. In 1992, Soros bet his entire fund in a short sale on the prediction that the British currency would drop in value, earning him a tidy profit of roughly \$ 1 billion. According to Forbes Soros’ net worth is in the upper of \$14 billion which I would say equals “smart money.”

Soros is of Hungarian descent and is very familiar with Albania, his charity the *Open Society Foundation–Albania* “works to strengthen democratic participation and promote more transparent governance in Albania. Most recently, it has focused its energies on helping the country prepare for admission to the European Union, which calls for a broad range of social and political reform and brings together many of the foundation's core areas of concern”.

The other “smart money” investor picking up some PMI was a fund managed by Columbia Wanger Asset Management which subscribed for a total of 65,000,000 Units or 33% of the Private Placement. Columbia Wanger Asset Management is a \$38.5 billion Chicago-based investment advisor and is part of the \$709.9 billion Columbia Management fund family, the investment management division of Bank of America.

George Soros is an informed investor with a very good understanding of the political and social geography in Eastern Europe and Albania. His charitable contributions and business track record suggest he knows the area and he is a successful investor for a reason.

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