Allan Gray

South Africa's Quiet Billionaire — Contrarian Value Investor

8 April 1938, East London — 10 November 2019, Bermuda · Founder, Allan Gray Ltd & Orbis

AT A GLANCE

Full name	Allan William Buchanan Gray
Born / Died	8 Apr 1938, East London, SA — 10 Nov 2019, Bermuda (heart attack, aged 81)
Education	Selborne College · Rhodes University (accounting) · Harvard MBA, 1965
Early career	Fidelity Management & Research, Boston — 8 years; built a contrarian reputation through the 1962 downturn
Firms founded	Allan Gray Limited (1973, Cape Town) · Orbis Investment Management (1989)
Assets managed	Allan Gray Ltd >$35B · Orbis >$30B (by 2015) — SA's largest privately held manager
Net worth	US$1.8B (Forbes, 2017; #1,161 globally) · on the Forbes list 2017–19
Style	Contrarian value — buy well below intrinsic value, sell as price reaches fair value
Lineage	Benjamin Graham's margin of safety; independent thinking; patience over forecasting
Verified quote	"Superior results … only if one can withstand uncomfortably long periods of underperformance." (client letter, 2015)

CAREER TIMELINE

1938	Born in East London; an early influence is his grandmother — an Aberdeen-educated entrepreneur, a "maths boffin," and South Africa's first woman mayor.
1962	At Fidelity in Boston, makes his name as a contrarian during the year's market downturn.
1965	Earns his Harvard MBA, having worked around dyslexia throughout his education.
1973	Returns to SA; founds Allan Gray Limited in Cape Town as a one-man firm, pricing companies on intrinsic value versus share price.
1989	Founds Orbis Investment Management to run the same philosophy in global markets (later headquartered in Bermuda).
2007	Endows the Allan Gray Orbis Foundation with US$130M — the largest single charitable donation recorded in SA at the time.
2015	In a client letter, restates the doctrine: superior results require withstanding "uncomfortably long periods of underperformance."
Final	Transfers his controlling stakes in Allan Gray Ltd and Orbis to the charitable Allan & Gill Gray Trust, locking future profit to philanthropy.
2019	Dies in Bermuda, aged 81.

THE METHOD

Gray ran one idea for five decades: buy a stake in a business at a market price well below what careful, bottom-up research says it is worth, then wait for the price to converge on that intrinsic value. He was, in his firm's own words, "not contrarian for contrarian's sake" — the unpopular positions were simply where undervaluation collects. It is Benjamin Graham's margin of safety applied first to the Johannesburg market and later to the world: buy at a discount, run a below-average risk of loss, and let independent thinking — not the crowd, not a forecast of the next price move — drive every decision. The firm's private, perpetual ownership was itself part of the method: with no external shareholders demanding quarterly results, it could hold unloved positions through years of looking wrong.

VERIFIED TRACK RECORD

- The episode that sealed his reputation: in an early bear market his book rose about 10% while the market fell 21.7%. (Sunday Times)
- Long-run returns at Allan Gray and Orbis have been compared to Warren Buffett's Berkshire Hathaway. (Wikipedia)
- By 2015, Allan Gray Ltd managed over $35B and Orbis over $30B — together the roughly $65B empire, and SA's largest privately held manager.
- The record is consistency, not any single spectacular year: the same framework applied across five decades and multiple market regimes.

WHAT HE GOT WRONG — THE HONEST LIMITS

Gray never blew up; there is no crater in this record. The honest cost sits elsewhere, and he named it himself. His 2015 client letter admits the approach only works "if one can withstand uncomfortably long periods of underperformance." Contrarian value, by construction, buys what everyone else is selling, so the funds can look markedly unlike their peers and can lag for years before a thesis pays — a stretch that has ended many investors who tried to copy the style without the temperament or the perpetual capital base to survive it. The second limit is transparency: because Allan Gray Ltd and Orbis are privately held, the biggest headline figures about his fortune are estimates. Forbes anchored his net worth at US$1.8B in 2017; broader valuations that price in the full private worth of both firms have run higher, but no public figure can be treated as precise. Where the numbers are uncertain, this dossier says so rather than inventing a total.

PHILANTHROPY & LEGACY

In 2007 Gray endowed the Allan Gray Orbis Foundation with US$130M — the largest single charitable donation recorded in South Africa at the time — to fund bursaries and develop high-potential young entrepreneurs. In his final years he went further, transferring his controlling stakes in both Allan Gray Ltd and Orbis to the charitable Allan & Gill Gray Trust, so the firms' future profits are locked to philanthropy in perpetuity. The ownership structure that protected his investment discipline in life now funds education and enterprise across Southern Africa after it.

THE PERSON

Gray worked around dyslexia to earn a Harvard MBA. He credited his grandmother — an Aberdeen-educated entrepreneur, a "maths boffin," and South Africa's first woman mayor — as an early influence. Colleagues describe an exhaustive attention to detail, a habit of finding value in what others dismissed as insignificant, and a private, low-key, almost invisible public presence. He was married to Gill Gray; they had three children — sons William and Trevor and daughter Jennifer.

MIND · METHOD · MONEY

MIND

Independent thinking is the edge. The whole record rests on the temperament to hold an unpopular, wrong-looking position through years of underperformance because the research — not the crowd — said it was right.

METHOD

Price relative to intrinsic value is the entire game. Buy a business well below what disciplined, bottom-up analysis says it is worth; sell as price converges on value; ignore the next price move.

MONEY

Structure protects discipline. Perpetual, patient capital — plus an obsessive focus on a below-average risk of loss — is what let the method survive the long dry spells that break impatient money.

KEY SOURCES

Forbes (profile; 2017 Billionaires list; Nov 2019 obituary) · Wikipedia, "Allan Gray (investor)" · TimesLive / Sunday Times (Nov 2019 obituary & profile — incl. the 2015 client-letter quote and the –21.7% / +10% record) · Daily Maverick (Nov 2019) · Allan Gray Limited (published investment philosophy). Figures reflect the most recent reporting available; all private-company valuations are estimates.

Read the full profile · completetradersedge.com/allan-gray-south-africa-investor/

The Complete Trader's Edge codifies the Mind · Method · Money framework Gray lived by:
edge from disciplined value analysis, structural risk control, and the temperament to act against the crowd.