Volume 8, Issue 3

Welcome to the latest edition of Hedge Fund Spotlight, the monthly newsletter from Preqin providing insights into the hedge fund industry, including information on investors, funds, performance and more. Hedge Fund Spotlight combines information from our suite of Hedge Fund Online services.

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Featured Publication

2016 Preqin Global Hedge Fund Report

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Hedge Fund Spotlight

March 2016

Feature Article: Fund of Hedge Funds Outlook 3

In this month’s feature article, we take a look at the fund of hedge funds industry, examining the challenges faced in 2015, the evolution of industry assets and the outlook for the industry in 2016.

Editor’s View: Industry News 8

In Editor’s View, we examine in more detail the latest news about funds of hedge funds globally and investor appetite for these vehicles.

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Upcoming hedge fund conferences around the world that Preqin will be attending in the near future, and available discount codes.

Did you know…?

You can download all the data in this month’s Spotlight in Excel.

Wherever you see this symbol, the data is available for free download on Excel. Just click on the symbol and your download will begin automatically. You are welcome to use the data in any presentations you are preparing; please cite Preqin as the source.
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- Alexander Schindler, VP, EFAMA, Member of The Board, UNION INVESTMENT
- Christian Hyldahl, CEO, NORDEA ASSET MANAGEMENT
- Massimo Tosato, Executive Vice Chairman, SCHRODERS
- Silvia Bocchiotti, Investment Director, LCL BANQUE PRIVÉE
- Hans Georgeson, Chief Executive Officer, AXA ARCHITAS
- Manuela Thies, Managing Director and Head of Multi Asset Active Allocation Retail, ALLIANZ GLOBAL INVESTORS
- Bernard Aybran, Deputy CEO & CIO, Multi-Manager Portfolio, INVESCO
- Andy Brown, Head of Manager Research, PRUDENTIAL PORTFOLIO MANAGEMENT GROUP
- Christian Hammes, CFP, CFEP, Managing Director, ETA FAMILY OFFICE
- Michael O’Sullivan, CIO, International Wealth Management Division, CREDIT SUISSE
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Overview of the Fund of Hedge Funds Sector

Fund of hedge funds were unable to sustain the growth witnessed in 2014 over the course of 2015. The industry's assets under management (AUM) declined by $12bn over the year, wiping out over a third of the $33bn added in 2014. As at 31 December 2015, the fund of hedge funds sector managed $807bn in capital (Fig. 1). The sector experienced a wide range of activity over the year, from closures to mergers, acquisitions and spin-outs, as fund of hedge funds managers continued to search for solutions that meet the evolving needs and performance demands of institutional investors. In this article, we examine the changing fortunes of funds of hedge funds over recent years.

The Evolution of Industry Assets

The steady decline in fund of hedge funds assets, which began in 2008, was reversed in 2014. However, the sector once again saw outflows in 2015, with $12bn in capital lost over the course of the year. North America was the only region in which funds of hedge funds showed growth over the year, adding $9bn in new assets. In fact, North America-based fund of hedge funds managers have experienced year-on-year growth since 2011. In addition, a larger proportion (34%) of North America-based fund managers reported to Preqin that their AUM had increased over 2016 than those that reported declines in AUM (25%), as shown in Fig. 2.

In contrast to their North America-based counterparts, Europe-based fund of hedge funds managers experienced a tough year in 2015 as they recorded a further decline in assets, dropping $14bn to $183bn by December 2015. More Europe-based fund managers reported that their AUM had declined over 2015 than had increased. Europe-based managers have faced financial uncertainty surrounding the eurozone and regulatory challenges in the shape of the AIFMD. Managers in the region have dropped from a 44% share of multi-manager assets in 2007 to just 23% as at December 2015. The difficulties faced by funds of hedge funds in Europe in 2015 translated into a notable number of fund closures: 60% of the fund of hedge funds liquidations in 2015 were Europe-based vehicles (Fig. 3). The news was not all bad for Europe, however: multi-manager vehicles focused on Europe reported higher returns than vehicles focused on North America (Fig. 4).

In this month’s feature article, we take a look at the fund of hedge funds industry, examining the challenges faced in 2015, the evolution of industry assets and the outlook for the industry in 2016.
Fund of hedge funds managers based in Asia-Pacific saw asset gains of $5bn in 2014 completely reversed, ending 2015 with $18bn in AUM. Despite this, there is some cause for optimism in the region; recent regulatory changes, particularly in China, have focused on reducing barriers to entry for overseas investors which may result in inflows in the future. In addition, the performance of funds of hedge funds focused on Asia-Pacific was superior to other regions, despite the threat of a slowing Chinese growth rate contributing to four consecutive months of losses (June-September). The Preqin Asia-Pacific Fund of Hedge Funds benchmark ended 2015 on 5.90%, above other regional benchmarks (Fig. 4).

Fund of hedge funds managers outside North America, Europe and Asia-Pacific are predominantly based in Brazil and South Africa. The combined AUM of funds of hedge funds in these two countries accounts for 78% of Rest of World capital.

Further growth in 2016 may be driven largely by performance. Institutional investors were asked at the end of 2015 about their plans for their fund of hedge funds investments in 2016 (Fig. 5). Forty percent of institutional investors use funds of hedge funds in their portfolio – of this group, a larger proportion plan to reduce their exposure to these funds than plan to increase. The largest proportion plan to maintain their fund of hedge funds exposure during 2016.

**Fund of Hedge Funds Launches in 2015**

With the level of capital invested in funds of hedge funds falling, fund managers saw little scope for new products to enter the market in 2015. As a result, just 32 new funds were incepted in 2015 (Fig. 6). Although the number of launches recorded for 2015 is likely to increase in the first half of 2016 as more data becomes available, it remains unlikely that this figure will surpass the number of launches (86) in 2014 or outstrip the number of liquidations in 2015, which stands at 97 and is also expected to grow.

The fact that there were more than three times as many fund closures as launches in 2015 confirms that the fund of hedge funds industry remains in a period of consolidation. There were a number of mergers, acquisitions and spin-outs in 2015, including Aberdeen Asset Management announcing the purchase of Arden Asset Management in Q3 2015, which was completed in January 2016, and Investcorp acquiring SSARIS Advisors in Q4 2015. A long period of growth prior to 2008 saw the fund of funds sector mature and institutional investors become more comfortable with hedge fund investments. The environment in recent years has become more competitive, as investors increasingly move towards single-manager portfolios, and many established players in the industry now seek to facilitate innovation by acquiring profitable fund of hedge funds businesses. By marketing new products and investment solutions, managers aim to diversify their offering and attract a wider group of investors.

A multi-strategy approach is sought by many fund of hedge funds investors; the majority (54%) of new funds that came to market in 2015 aim to provide strategy diversification (Fig. 7). Almost one-fifth of fund of hedge funds launches focus on equity strategies hedge funds and 12% primarily provide exposure to macro strategies funds. Perhaps encouraged by solid performance in recent years and possible opportunities in fixed income markets in 2016, credit-focused vehicles accounted for a larger proportion of new launches in 2015 (8%) than they did in 2014 (1%).
Outlook

Funds of hedge funds experienced varying degrees of success in 2015 – a year in which many hedge fund managers struggled to navigate tricky macroeconomic environments. The industry saw a significant amount of consolidation, with overall assets declining slightly amid numerous fund closures, particularly in Europe. North America-based managers enhanced their market share and now control almost three-quarters of global fund of hedge funds assets. Despite this, Europe-focused funds outperformed those targeting North American opportunities for the first time since 2008. It will be interesting to see if this helps the European industry to stabilize in 2016, or whether the trend of fewer funds controlling smaller AUM will continue.

Fig. 8: 10 Largest Fund of Hedge Funds Managers

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Location</th>
<th>Year Established</th>
<th>Assets under Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackstone Alternative Asset Management</td>
<td>US</td>
<td>1990</td>
<td>$68.0bn (As at 30 September 2015)</td>
</tr>
<tr>
<td>UBS Hedge Fund Solutions</td>
<td>US</td>
<td>2000</td>
<td>$35.0bn (As at 30 September 2015)</td>
</tr>
<tr>
<td>HSBC Alternative Investments</td>
<td>UK</td>
<td>1994</td>
<td>$27.2bn (As at 30 June 2015)</td>
</tr>
<tr>
<td>Grosvenor Capital Management</td>
<td>US</td>
<td>1971</td>
<td>$27.0bn (As at 30 September 2015)</td>
</tr>
<tr>
<td>Morgan Stanley Alternative Investment Partners</td>
<td>US</td>
<td>2000</td>
<td>$22.3bn (As at 30 September 2015)</td>
</tr>
<tr>
<td>Permal Group</td>
<td>US</td>
<td>1971</td>
<td>$22.3bn (As at 30 September 2015)</td>
</tr>
<tr>
<td>Mesirow Advanced Strategies</td>
<td>US</td>
<td>1983</td>
<td>$13.5bn (As at 30 September 2015)</td>
</tr>
<tr>
<td>SkyBridge Capital</td>
<td>US</td>
<td>2005</td>
<td>$12.8bn (As at 30 September 2015)</td>
</tr>
</tbody>
</table>

Source: Preqin Hedge Fund Online

This article is based on an extract from the 2016 Preqin Global Hedge Fund Report, the most comprehensive review of hedge funds ever undertaken.

Covering a wide range of topics, with expert commentary, key trends from recent years, historical statistics, league tables and survey results, the Report offers exclusive insight into the latest developments affecting the industry.

Topics include:

- Commentary from key industry bodies and figures
- Asset flows
- Institutional investors
- Fund managers
- Performance

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Key Facts: Funds of Hedge Funds

North America

- 28 fund liquidations in 2015
- $68bn: AUM of Blackstone Alternative Asset Management, the largest fund of hedge funds manager globally, which is based in the US.

Europe

- $14bn: Assets lost by Europe-based funds of hedge funds in 2015.
- 51 fund liquidations in 2015
- $27.2bn: AUM of HSBC Alternative Investments, the largest fund of hedge funds manager in Europe.

Rest of World

- $0bn: No change in assets of Rest of World-based funds of hedge funds in 2015.
- 5 fund liquidations in 2015
- $0.6bn: AUM of BSP Funds, the largest fund of hedge funds manager in Rest of World.

Asia-Pacific

- $7bn: Assets lost by Asia-Pacific-based funds of hedge funds in 2015.
- 13 fund liquidations in 2015
- $5bn: AUM of MCP Asset Management, the largest fund of hedge funds manager in Asia-Pacific.

Proportion of institutional investors that have exposure to funds of hedge funds: 40%
Proportion of investors in funds of hedge funds that felt performance expectations had been met in 2015: 63%
Number of fund of hedge funds managers tracked by Preqin on Hedge Fund Online: 725

Fund of Hedge Funds Assets under Management

North America $601bn
Europe $183bn
Asiapacific $18bn
Rest of World $5bn

Source: Preqin Hedge Fund Online
ASK 2016 Global Private Debt & Equity summit and Hedge Fund summit are meeting places for global fund managers and institutional Korean investors who are searching for overseas investment opportunities.

As South Korea’s low-interest and low-growth rate is projected to continue, institutional investors have been turning away from fixed income investment. Instead, they are now showing interest in global alternative assets as they face difficulty with earning a stable return.

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Editor’s View: Industry News

In our feature article this month, we take a closer look at the fund of hedge funds sector and examine the diverging fortunes of North America-based funds of hedge funds from their counterparts across the globe. In Editor’s View, we examine in more detail the latest fund of hedge funds news and investor appetite for these vehicles.

Europe-Based Funds of Hedge Funds

London-based Downing launched a new fund of hedge funds in February 2016; PFS Downing Diversified Global Managers looks to provide medium- to long-term capital growth on a medium-risk basis. The fund will broadly focus on long-only equity funds; however, it is able to invest up to 35% in funds that are uncorrelated to the broader equity markets, including – but not limited to – short bias, arbitrage, volatility and energy investment strategies. When making new investments through this vehicle it will typically allocate $500,000 to each fund and will target listed and UCITS funds only. It will not consider seeding opportunities or spin-offs but is open to investing with emerging managers should the opportunity arise.

Geneva-based Edmond de Rothschild (Suisse) is looking to redeem and replace hedge fund investments in its $2bn Prifund Alpha range of funds over the next 12 months. It will primarily focus on investing in managers that employ relative value strategies, although it is also open to increasing its exposure to CTAs, macro and non-directional strategies to maintain a diversified investment approach.

North America-Based Funds of Hedge Funds

One of the top performing funds of hedge funds managed by a North America-based fund manager over the past year was Alpha Blend Global Currency Fund, managed by Cincinnati, Ohio-based Absolute Return Strategies. The fund, which is domiciled in Ireland and pursues a foreign exchange theme, returned 10.41% to the 12 months ending 29 February 2016.

PreserverPartners launched a new fund of hedge funds vehicle in March 2016. The investment objective of the Preserver Alternative Opportunities Fund – a liquid alternative mutual fund – is to generate attractive risk-adjusted returns, income generation and diversification with less risk than traditional stocks and bonds. The fund offers daily liquidity and employs a flexible investment approach, which allows investment across multiple asset classes and strategies. The fund targets a 4.5% yield and charges only one layer of investment management fees.

Asia-Pacific- and Rest of World-Based Funds of Hedge Funds

Taiwan-based Labor Pension Fund (LPF) intends to make between one and three new fund investments over the next 12 months. LPF expects to target multi-strategy funds of hedge funds focusing on investment opportunities globally.

Chart of the Month

Institutional Investor Types by Hedge Fund Investment Approach

Our Chart of the Month shows the breakdown of institutional investors’ approaches to hedge fund investment by the types of products they use. There are clear differences in appetite for funds of hedge funds among the groups of investors assessed. Public pension funds show the greatest appetite for multi-manager funds; 78% use funds of hedge funds either in conjunction with direct investments or as the sole exposure to hedge funds in their portfolio. In contrast, insurance companies show a much reduced appetite for funds of hedge funds. Nearly half (47%) of the insurance companies tracked by Preqin have no exposure to multi-manager funds in their current portfolio.

One of the top performing funds of hedge funds over the 12 months to 29 February 2016 is BTG Pactual PAR Plus, managed by Brazil-based BTG Pactual. The fund pursues investment in long/short equity hedge funds and has made gains of 40.27% over this 12-month period.

Do you have any news you would like to share with the readers of Spotlight? Perhaps you’re about to launch a new fund, have implemented a new investment strategy, or are considering investments beyond your usual geographic focus?

Send your updates to spotlight@preqin.com and we will endeavour to publish them in the next issue.
Preqin Global Data Coverage

Fund Coverage: 49,176 Funds

- 18,997 Private Equity* Funds
- 20,147 Hedge Funds
- 5,616 PE Real Estate Funds
- 1,944 Private Debt Funds
- 1,501 Natural Resources Funds

Firm Coverage: 23,628 Firms

- 9,978 PE Firms
- 8,190 Hedge Fund Firms
- 3,246 PERE Firms
- 478 Infrastructure Firms
- 909 Private Debt Firms
- 827 Natural Resources Firms

Performance Coverage: 21,863 Funds (IRR Data for 6,414 Funds and Cash Flow Data for 3,101 Funds)

- 6,252 PE Funds
- 13,246 Hedge Funds
- 1,443 PERE Funds
- 201 Infrastructure
- 721 Private Debt

Fundraising Coverage: 18,592 Funds Open for Investment/Launching Soon Including 3,141 Closed-End Funds in Market and 294 Announced or Expected Funds

- 2,158 PE Funds
- 14,639 Hedge Funds
- 991 PERE Funds
- 276 Infra. Funds
- 273 Private Debt Funds
- 255 Natural Resources Funds

Deals Coverage: 156,165 Deals Covered; All New Deals Tracked

- 45,862 Buyout Deals**
- 98,230 Venture Capital Deals***
- 12,073 Infra. Deals

Investor Coverage: 13,816 Institutional Investors Monitored, Including 9,647 Verified Active**** in Alternatives and 102,345 LP Commitments to Partnerships

- 6,237 Active PE LPs
- 5,025 Active Hedge Fund Investors
- 5,161 Active RE LPs
- 2,667 Active Infra. LPs
- 1,873 Active Private Debt Investors
- 1,631 Active Natural Resources Investors

Alternatives Investment Consultant Coverage: 530 Consultants Tracked

Fund Terms Coverage: Analysis Based on Data for Around 12,660 Funds

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*Private Equity includes buyout, venture capital, distressed, growth, natural resource and mezzanine funds.

**Buyout deals: Preqin tracks private equity backed buyout deals globally, including LBOs, growth capital, public-to-private deals, and recapitalizations. Our coverage does not include private debt and mezzanine deals.

***Venture capital deals: Preqin tracks cash-for-equity investments by professional venture capital firms in companies globally across all venture capital stages, from seed to expansion phase. The deals figures provided by Preqin are based on announced venture capital rounds when the capital is committed to a company.

****Preqin contacts investors directly to ensure their alternatives programs are active. We emphasize active investors, but clients can also view profiles for investors no longer investing or with programs on hold.
Hedge funds remain in negative territory for the second consecutive month this year, with the Preqin All-Strategies Hedge Fund benchmark posting a return of just -0.21% for February, bringing the year-to-date figure to a disappointing -2.88%. Equity strategies continued to be the worst performing, posting -0.27%. In contrast, macro strategies remain the top performing over the last 12-month period, generating a 12-month figure of 1.19% and a modest year-to-date figure of 0.66% – the only strategy to be in positive territory so far this year.

As shown in Fig. 2, CTAs continue to outperform hedge funds in 2016; February saw them post their highest monthly return (+2.07%) since January 2015, bringing the year-to-date figure to 3.07%, their best start to the year since 2008 (+10.72%).
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Texas Hedge Fund Industry

In this factsheet, Preqin takes a closer look at the hedge fund industry in the Lone Star State. Using data taken from Preqin’s Hedge Fund Online, we examine the investor and fund landscape in more detail.

Investor Activity in Texas

- **3rd**: Texas is the third largest state in the US in terms of institutional capital invested in hedge funds.
- **277**: Number of institutional investors tracked by Preqin that are based in Texas.
- **61%**: Proportion of Texas-based institutions tracked on Hedge Fund Online that invest in hedge funds.
- **16.6%**: The average allocation to hedge funds of a Texas-based institution.

Five Key Places to Visit in Texas (By Number of Investors in Each City)

- **Fort Worth**: 36
- **Dallas**: 22
- **Houston**: 40
- **Austin**: 15
- **Richmond**: 25

Three Investors to Watch in Texas

<table>
<thead>
<tr>
<th>Name</th>
<th>About</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teachers Retirement System of Texas</td>
<td>With nearly $15bn invested in hedge funds, this is the largest investor in Texas, and in fact, the whole of the US.</td>
</tr>
<tr>
<td>University of Texas Investment Management Company</td>
<td>Having invested in hedge funds since 1997, UTIMCO now invests more than 30% of its AUM in hedge funds and has one of the largest portfolios, in terms of number of funds invested in, tracked by Preqin.</td>
</tr>
<tr>
<td>Crestline Investors</td>
<td>The $7bn fund of hedge funds manager is the largest multi-manager in Texas and is searching for new funds in 2016.</td>
</tr>
</tbody>
</table>

Hedge Funds in Texas

- **$50bn**: With $50bn managed within Texas, it is the eighth largest state in terms of AUM in the US.
- **220**: Number of Texas-based hedge fund managers tracked by Preqin.
- **44**: Number of new hedge funds launched by Texas-based firms in 2015.
- **1.45%/20.11%**: The mean management and performance fees of hedge funds managed out of Texas.

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Managed Accounts

Fig. 1: Managed Account Terms & Conditions vs. Overall Hedge Fund Industry

<table>
<thead>
<tr>
<th>Structure</th>
<th>Mean Management Fee (%)</th>
<th>Mean Performance Fee (%)</th>
<th>Employs a Hurdle Rate</th>
<th>Employs a High-Water Mark</th>
<th>Average Minimum Investment</th>
<th>Median Redemption Frequency (Days)</th>
<th>Mean Lock-up Period (Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Accounts</td>
<td>1.46</td>
<td>19.56</td>
<td>27%</td>
<td>92%</td>
<td>$4.4mn</td>
<td>30</td>
<td>2.7</td>
</tr>
<tr>
<td>Overall Hedge Fund Industry</td>
<td>1.58</td>
<td>19.40</td>
<td>46%</td>
<td>97%</td>
<td>$2.0mn</td>
<td>30</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Source: Preqin Hedge Fund Online

Fig. 2: Managed Accounts by Manager Location

North America: 62%
Europe: 21%
Asia-Pacific: 14%
Rest of World: 4%

Source: Preqin Hedge Fund Online

Fig. 3: Managed Accounts by Top-Level Strategy

- Equity Strategies: 38%
- Macro Strategies: 16%
- Event Driven Strategies: 10%
- Credit Strategies: 7%
- Relative Value Strategies: 5%
- Multi-Strategy: 3%
- Niche Strategies: 21%

Source: Preqin Hedge Fund Online

Fig. 4: Investors in Managed Accounts by Assets under Management

- Less than $10mn: 1%
- $11-50mn: 6%
- $51-100mn: 6%
- $101-200mn: 13%
- $201-500mn: 11%
- $501mn-$1bn: 8%
- More than $1bn: 4%

Source: Preqin Hedge Fund Online

Fig. 5: Investors that Invest in Hedge Funds via Managed Accounts by Type

- Sovereign Wealth Fund Manager: 45%
- Hedge Fund: 42%
- Bank: 30%
- Public Pension Fund: 21%
- Asset Manager: 16%
- Insurance Company: 11%
- Private Sector Fund: 11%
- Superannuation Scheme: 8%
- Family Office: 7%
- Endowment Plan: 4%
- Charitable Foundation: 4%
- Wealth Manager: 3%

Source: Preqin Hedge Fund Online

Data Source:

Preqin’s Hedge Fund Online features information on over 566 fund managers that offer managed accounts to their investors. This includes comprehensive profiles for 511 investors interested in managed accounts, featuring assets under management, allocation to hedge funds, investment preferences and more.

For more information, or to arrange a demonstration, please visit: www.preqin.com/hfo
Macro Strategies Funds

We look at the strategies and regions hedge fund investors plan to target in the year ahead, as well as which investors are planning new investments.

Key Facts

- **Number of hedge fund managers offering a macro strategies fund:** 642
- **Number of active macro strategies funds in market:** 1,071
- **Number of institutions investing in macro strategies funds:** 2,100

**Fig. 1:** Macro Strategies Fund Launches by Strategy and Year of Inception

- The highest monthly return generated by macro strategies hedge funds in 2015 (posted in March): +1.32%
- Commodities hedge funds returned -7.24% in 2015; in comparison, macro funds made gains of 4.24%.

**Fig. 2:** Macro Strategies Funds by Strategy

- **Fig. 3:** Investors in Macro Strategies Funds by Type

Data Source:

Prequin’s Hedge Fund Online provides detailed information on over 1,000 macro strategies hedge funds.

Comprehensive profiles include assets under management, monthly returns, strategy and regional preferences, and much more.

For more information, please visit: www.preqin.com/hfo
On April 28th many of the world’s most influential hedge fund marketing experts, including most of the top heads of capital introduction from the largest prime brokerage firms, will gather to discuss “How to Enhance the Asset Raising Capability of Your Hedge Fund Organization.” Registration for hedge fund employees is free, although they are asked to make a voluntary donation.

APGainingTheEdge.com
APRIL 28th | NYC

GAINING THE EDGE | 2016
HEDGE FUND MARKETING LEADERSHIP SUMMIT
Benefiting Hedge Funds Care and World Pediatric Project

17th annual
Middle East
Investment
Summit 2016
2-3 May 2016
Ritz-Carlton, Dubai, UAE

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www.terrapinn.com/MEIS/info
Fund Searches and Mandates

We look at the strategies and regions hedge fund investors plan to target in the year ahead, as well as which investors are planning new investments.

**Fig. 1: Hedge Fund Searches Issued by Investor Location, February 2016**

- North America: 41%
- Europe: 49%
- Asia-Pacific: 6%
- Rest of World: 4%

**Fig. 2: Hedge Fund Searches Issued by Investor Type, February 2016**

- Fund of Hedge Funds Manager: 25%
- Public Pension Fund: 18%
- Wealth Manager: 12%
- Asset Manager: 9%
- Private Sector Pension Fund: 9%
- Family Office: 6%
- Foundation: 3%
- Investment Company: 2%
- Sovereign Wealth Fund: 2%
- Endowment Plan: 2%
- Other: 4%

**Fig. 3: Hedge Fund Searches Issued by Strategy, February 2016**

- Long/Short Equity: 47%
- Macro: 42%
- Managed Futures/CTA: 17%
- Distressed: 14%
- Event Driven: 11%
- Equity Market Neutral: 11%
- Relative Value Arbitrage: 11%
- Statistical Arbitrage: 8%
- Long/Short Credit: 6%

**Fig. 4: Examples of Fund Searches Issued in February 2016**

<table>
<thead>
<tr>
<th>Investor</th>
<th>Investor Type</th>
<th>Location</th>
<th>Fund Search Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skënderbeg Alternative Investments AG</td>
<td>Fund of Hedge Funds Manager</td>
<td>Switzerland</td>
<td>Skënderbeg plans to add up to three new funds to its portfolio over the course of the next 12 months. The firm invests with low-net, medium-sized long/short equity and market-neutral managers that possess at least a three-year track record and hold at least $50mn in AUM.</td>
</tr>
<tr>
<td>Texas Municipal Retirement System</td>
<td>Public Pension Fund</td>
<td>US</td>
<td>Texas Municipal Retirement System will commit to five or six hedge funds in the next 12 months. It has a preference for managers with at least a three-year track record and a minimum of $500mn in AUM.</td>
</tr>
<tr>
<td>Sompo Japan Nipponkoa Asset Management</td>
<td>Fund of Hedge Funds Manager</td>
<td>Japan</td>
<td>Sompo Japan Nipponkoa Asset Management (SNAM) will be making up to eight new investments in hedge funds over the next 12 months. It is interested in Asia and Japan-focused funds employing long/short equity strategies; it will also consider equity market neutral, macro and event driven strategies.</td>
</tr>
</tbody>
</table>

Source: Preqin Hedge Fund Online

Subscriber Quicklink:

Subscribers can click [here](#) to view detailed profiles of 391 institutional investors in hedge funds searching for new investments via the Fund Searches and Mandates feature on Preqin’s Hedge Fund Online.

Preqin tracks the future investment plans of investors in hedge funds, allowing subscribers to source investors actively seeking to invest capital in new hedge fund investments.

Not yet a subscriber? For more information, or to register for a demo, please visit:

[www.preqin.com/hfo](http://www.preqin.com/hfo)
# Conferences Spotlight

<table>
<thead>
<tr>
<th>Conference</th>
<th>Dates</th>
<th>Location</th>
<th>Organizer</th>
<th>Preqin Speaker</th>
<th>Discount Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIMA Alternative Investment Management Summit</td>
<td>30 - 31 March 2016</td>
<td>Abu Dhabi</td>
<td>AIMA</td>
<td>Amy Bensted</td>
<td>–</td>
</tr>
<tr>
<td>Family Office &amp; Endowment Investment Forum</td>
<td>4 - 5 April 2016</td>
<td>Toronto</td>
<td>Opal Finance Group</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Impact Investing Forum</td>
<td>17 - 19 April 2016</td>
<td>Palm Beach Gardens, FL</td>
<td>Opal Finance Group</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>FundForum Asia</td>
<td>18 - 21 April 2016</td>
<td>Hong Kong</td>
<td>Informa</td>
<td>Amy Bensted</td>
<td>15% Discount – FKN2472PNWB</td>
</tr>
<tr>
<td>AIMAAfrica &amp; Endowment Investment Forum</td>
<td>18 April 2016</td>
<td>San Francisco, CA</td>
<td>Catalyst Financial Partners</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>IFG Wealth Management Forum</td>
<td>18 - 19 April 2016</td>
<td>Scottsdale, AZ</td>
<td>International Forum Group</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>The Elite Summit</td>
<td>20 - 22 April 2016</td>
<td>Montreux, Switzerland</td>
<td>Marcus Evans Summits</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>CTAExpo/Emerging Manager Forum New York</td>
<td>21 April 2016</td>
<td>New York</td>
<td>CTA Expo</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>2nd Annual Hedge Fund China Summit</td>
<td>23 April 2016</td>
<td>Shanghai</td>
<td>Fininfo Global Ltd</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Private Wealth Management APAC Summit</td>
<td>25 - 27 April 2016</td>
<td>Kuala Lumpur</td>
<td>Marcus Evans Summits</td>
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<td>–</td>
</tr>
<tr>
<td>Gaining the Edge 2016 Hedge Fund Marketing Leadership Summit</td>
<td>28 April 2016</td>
<td>New York</td>
<td>Agecroft Partners</td>
<td>–</td>
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<tr>
<td>Middle East Investment Summit 2016</td>
<td>2 - 3 May 2016</td>
<td>Dubai</td>
<td>Terrapinn</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Hedge Fund Emerging &amp; Startup Manager Forum London</td>
<td>4 May 2016</td>
<td>London</td>
<td>Informa</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>The SALT Conference</td>
<td>10 - 13 May 2016</td>
<td>Las Vegas, NV</td>
<td>SkyBridge Capital</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Latin Private Wealth Management Summit</td>
<td>12 - 13 May 2016</td>
<td>Panama City, FL</td>
<td>Marcus Evans Summits</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Cap Intro: Macro, Merger Arb. &amp; Activist Investing</td>
<td>16 May 2016</td>
<td>New York</td>
<td>Catalyst Financial Partners</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>ASK 2016 Global Private Debt &amp; Equity Summit</td>
<td>18 May 2016</td>
<td>Korea</td>
<td>IK Summit</td>
<td>Ryan Flanders</td>
<td>–</td>
</tr>
<tr>
<td>ASK 2016 Hedge Fund Summit</td>
<td>19 May 2016</td>
<td>Korea</td>
<td>IK Summit</td>
<td>Amy Bensted</td>
<td>–</td>
</tr>
<tr>
<td>Emerging Managers Summit</td>
<td>23 - 25 May 2016</td>
<td>Chicago, IL</td>
<td>Opal Finance Group</td>
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</tr>
</tbody>
</table>

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**Access Free Conference Slide Decks and Presentations**

Preqin attends and speaks at many different alternative assets conferences throughout the year, covering topics from infrastructure fundraising trends to alternative UCITS.

All of the conference presentations given by Preqin speakers, which feature charts and league tables from Preqin’s online products, can be viewed and downloaded from Preqin’s [Research Center Premium](https://www.preqin.com/rcp), for free.

For more information, and to register for Preqin’s [Research Center Premium](https://www.preqin.com/rcp), please visit:

[www.preqin.com/rcp](http://www.preqin.com/rcp)
### Impact Investing Forum

**Date:** 17 - 19 April 2016  
**Information:** [http://www.opalgroup.net/trk/iifee1608.html](http://www.opalgroup.net/trk/iifee1608.html)  
**Location:** Palm Beach Gardens, FL  
**Organizer:** Opal Group  

This conference will bring together top influencers, experienced investors, money managers, and service providers that are leading the way. Themes including defining impact investing, portfolio construction, asset class opportunities, and investor roles will be discussed at this three day event.

### IFG Wealth Management Forum

**Date:** 18- 19 April 2016  
**Information:** [http://events.marcusevansna.com/ifg-2016pr/](http://events.marcusevansna.com/ifg-2016pr/)  
**Location:** Scottsdale Marriott at McDowell Mountains, Arizona  
**Organizer:** International Forum Group  

IFG’s Wealth Management Forum provides a unique platform for investment decision makers from single and multi-family offices to engage in vibrant benchmarking sessions and gain practical solutions and best practices to achieve optimal portfolio returns. The result? Two days of intense targeted networking sessions which will rejuvenate your business and your referral pipeline.

### CTAExpo/Emerging Manager Forum New York

**Date:** 21 April 2016  
**Information:** [www.CTAExpo.com](http://www.CTAExpo.com)  
**Location:** The Roosevelt Hotel, 45 East 45th Street New York, NY 10017  
**Organizer:** CTAExpo LLC  

CTAExpo/Emerging Manager Forum New York is an alternative investment conference where money raisers, asset allocators, emerging traders and industry professionals can meet and interact. The conference represents a cost efficient, effective way to enhance the visibility of traders, investors and service providers in the alternative investment community.

### Gaining the Edge 2016 Hedge Fund Marketing Leadership Summit

**Date:** 28 April 2016  
**Information:** [www.apgainingtheedge.com](http://www.apgainingtheedge.com)  
**Location:** The Roosevelt Hotel, New York City, NY  
**Organizer:** Agecroft Partners  

On April 28th, many of the world’s most influential hedge fund marketing experts, including most of the top heads of capital introduction from the largest prime brokerage firms will gather in NYC at Gaining the Edge 2016 Hedge Fund Marketing Leadership Summit to discuss “How to Enhance the Asset Raising Capability of Your Hedge Fund Organization.”
## Hedge Fund Emerging & Startup Manager Forum London

**Date:** 4 May 2016  
**Information:** [http://www.iirbcfinance.com/FKW53324PL](http://www.iirbcfinance.com/FKW53324PL)  
**Location:** London  
**Organizer:** IIR & IBC Events

IIIR’s Hedge Fund Startup & Emerging Manager Forum London is the leading event for the next generation of Hedge Fund managers. This event has been put together to provide those looking to start and grow a Hedge Fund with an in depth guide to setting up a fund, gaining investment and successfully run an institutional business.

## Cap Intro: Macro, Merger Arb. & Activist Investing

**Date:** 16 May 2016  
**Information:** [http://catalystforum.com/node/363](http://catalystforum.com/node/363)  
**Location:** New York City  
**Organizer:** Catalyst Financial Partners

Catalyst Cap Intro Events are exclusive, sector focused, investor driven events that host hand-picked investors and investment managers that intend to become investment partners. This Catalyst Cap Intro Event focuses only on the Macro, Merger Arb. & Activist alternative investing sectors. Introductions are accomplished through private meetings which are arranged prior the events, where investors request meetings based on the merits of each investment manager. Investors are pre-screened and pre-qualified prior the events and constitute mainly single and multi-family offices, HNWs, endowment and foundations, and their advisors, located in the Eastern US, but also internationally.

## ASK 2016 Global Private Debt & Equity Summit

**Date:** 18 May 2016

**ASK 2016 Hedge Fund Summit**

**Date:** 19 May 2016  
**Location:** Conrad Seoul Hotel  
**Organizer:** The Korea Economic Daily

ASK Summits in May are meeting places for private debt, equity and hedge fund where you could meet both global fund managers and Korean institutional investors. The ASK Summits provide best access to respected investors and qualified and competitive global managers by inviting more than 30 speakers including investors and managers and around 600 investors at floor for both summits. Also there is a meeting opportunity with top 20 CIOs at VIP dinner.  
**Information:** [www.kedask.com](http://www.kedask.com)