# ALPHA WATCH TOWER

PARAGON Alpha

Keep your business on the cutting edge with Alpha Watch Tower - learn about the latest industry news and trends in the Hedge Fund industry!

# *The 72 Hours That Broke Macro's Consensus*

Macro Edition - How the Iran conflict, the Iraq theatre and a fragile ceasefire rewrote every discretionary macro book in Q1

**IN THIS SPECIAL UPDATE, READ ABOUT:**


1 Macro Performance in Q1 - Winners, Losers, and the March Shock

2 The Macro Landscape - Iran, Iraq, and the Fed's Frozen Path

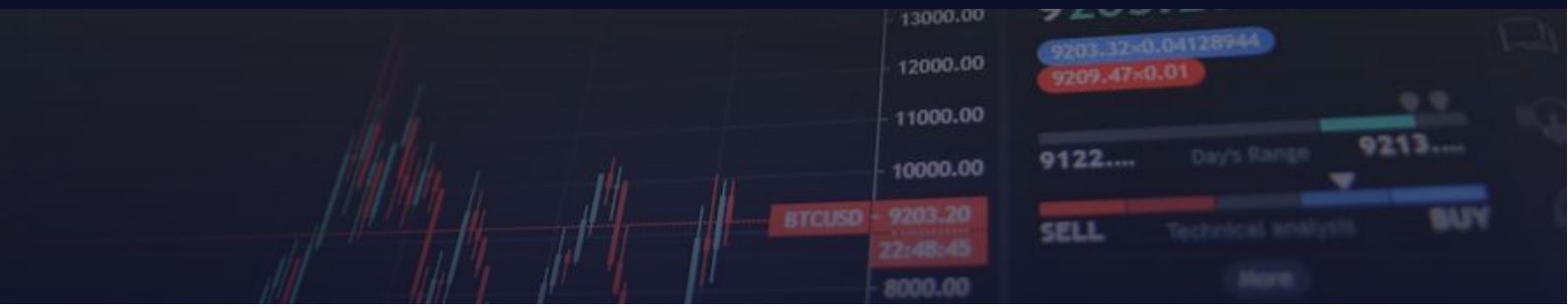
3 Transfer Window - The Rates Arms Race

4 **Introducing Harriet Potter - Global Macro Recruitment at Paragon Alpha**

5 Feature - Ceasefire Whiplash & What The Tape Is Telling PMs

6 Launches, Closures & Where The Capital Is Moving

# MACRO PERFORMANCE IN Q1




January was the best month for discretionary macro in a decade. March was the worst in twenty years. The Iran conflict that opened with US-Israel strikes on 28 February sent Brent past $140, blew apart the consensus "Fed cuts + long duration" trade, and forced some of the industry's most respected PMs into their largest monthly drawdowns on record. HFRI Macro (Total) fell **-2.35% in March**, discretionary thematic macro **-5.1%**, and the cross-strategy scoreboard inverted: systematic quants beat discretionary macro by a wide margin.

ROKOS GLOBAL MACRO ▲

**+4.7%**

YTD through end-March. The only major discretionary macro shop to post a positive March (+2.1%). Capacity discipline paid off.

BREVAN HOWARD MASTER ▼

**-6.6%**

March alone. Largest monthly loss in the fund's 20+ year history. Rates/FX whipsaw from the Middle East shock.

CAXTON MACRO ▼

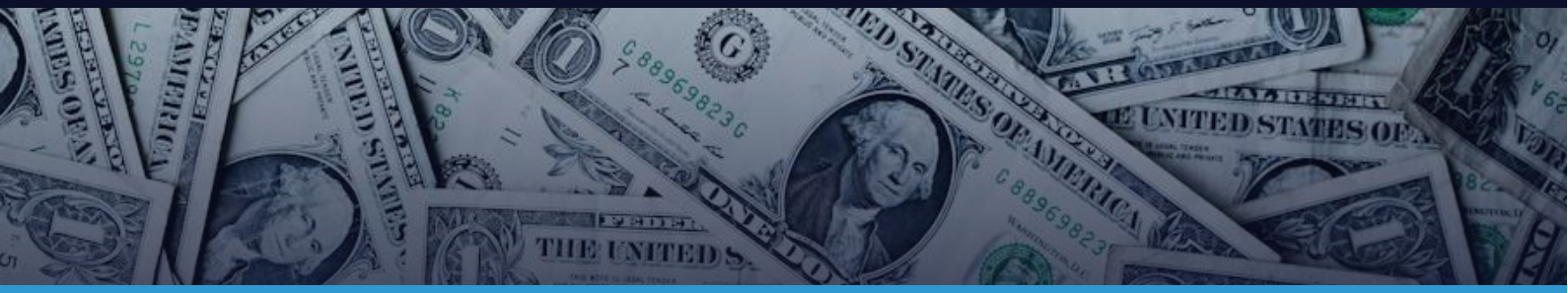
**-$1.3B**

Cumulative losses by 20 March. The $9B macro fund hit -7% in the first week alone. Commodity/rates book crushed.

| FUND | MARCH | 2026 YTD | READ |
|---|---|---|---|
| **Rokos Global Macro** | +2.1% | +4.7% | Standout. Capacity cap at ~$20B vindicated. |
| **Brevan Howard Master** | -6.6% | ~-0.5% | Worst month in fund history. Gave back full YTD gain. |
| **BH Alpha Strategies** | - | +0.6% | Lower-vol sibling held up; defensive positioning. |
| **Caxton Macro** | - | ~-15% | $1.3B loss. Oil/rates crowded trade unwind. |
| **Haidar Jupiter** | - | -17.6% | +16% Jan → -25% April swing. Record volatility. |
| **Taula (BH spinout)** | - | -9.6% | Rates vol caught Diego Megia's book. |
| **Bridgewater Pure Alpha I** | - | -5.5% | Surrendering chunk of 2025's +33%. |
| **Bridgewater Pure Alpha II** | - | -8.4% | Higher-vol version hit harder. |
| **Citadel Global FI** | -8.2% | -5.5% | Worst month since inception. Rates/vol shock. |
| **Citadel Wellington** | -1.9% | +1.0% | Flagship absorbed the shock. Architecture held. |
| **Point72** | - | ~+4.5% | Q1 multi-strat crown. Outperformed peers. |
| **Millennium** | -1 to -3% | ~+1% | Joined the March mini-drawdown. Contained. |
| **Two Sigma Spectrum** | +2.5% | - | Systematic standout. Vol is alpha. |
| **Balyasny Atlas** | -4.3% | -3.8% | UK/EU rate shorts reversed violently. |
| **PIMCO Commodity Alpha** | -26% | - | $3B fund. Oil whipsaw cratered the book. |

! HFRI Macro (Total) **-2.35%** in March; Discretionary Thematic **-5.1%**. The 2025 discretionary macro party is over. Capacity-disciplined specialists (Rokos) and systematic vehicles (Two Sigma) are the new alpha source.

# THE MACRO LANDSCAPE



**Four Simultaneous Shocks Macro PMs Are Pricing Right Now**

| | | |
|---|---|---|
| **$96.51**<br>BRENT CRUDE (11 APR)<br>PEAKED $144 ON 7 APRIL | **3.3%**<br>US CPI YOY (MARCH)<br>HIGHEST SINCE MAY 2024 | **$4,743**<br>GOLD SPOT (9 APR)<br>GS TARGET RAISED TO $5,400 |
| **4.31%**<br>US 10Y TREASURY<br>+21BP MOM | **3.50%**<br>FED FUNDS – FROZEN<br>HOLD AT MARCH FOMC | **98.70**<br>DXY DOLLAR INDEX<br>-1.4% YOY |

## IRAN CONFLICT & IRAQ THEATRE

US-Israel strikes on Iran (28 Feb) triggered a six-week war. A fragile **two-week ceasefire** took effect 8 April, brokered by Pakistan. Iran-aligned militias have continued to hit US assets in Iraq - Baghdad airport, diplomatic support centre - and the US Embassy has advised Americans to leave overland. The Strait of Hormuz remains physically blocked: 600+ vessels including 325 tankers stranded. Goldman: another month of closure puts Brent >$100 through 2026.

## INFLATION REACCELERATION

March CPI (released 10 April): headline **3.3% YoY**, +0.9% MoM - gasoline +21.2%, the largest monthly gain since 1967. Core PCE 3.0%. SEP PCE revised up to 2.7%. This is only partial pass-through; April prints are expected to be worse. The "Fed cuts, duration rally" trade that dominated consensus entering 2026 is structurally broken.

## FED PARALYSIS

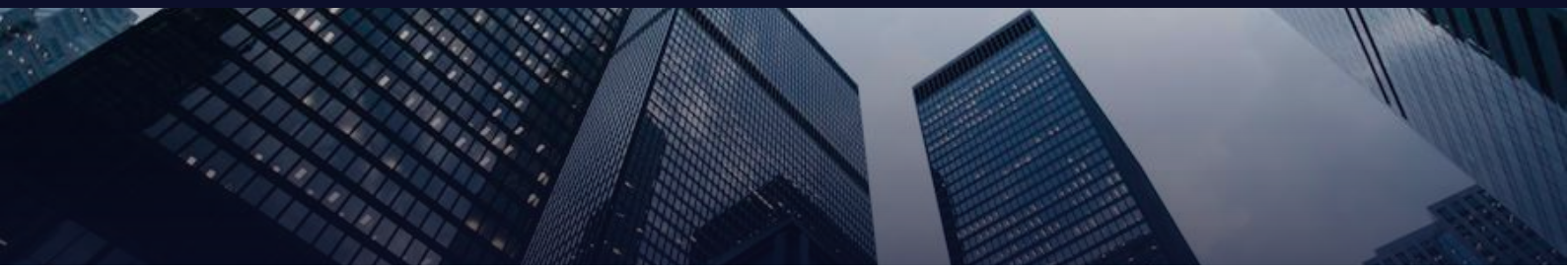
FOMC held 3.50–3.75% on 18 March (11-1, Miran dissent). Dot plot still shows one cut in 2026, but seven of 19 participants now see zero. Oil surge prevents cuts; recession risk prevents hikes. Cut odds swung from 25% pre-ceasefire to 65% on 8 April, then back to 25–43% after the Saudi pipeline strike. The whipsaw is the trade.

## DOLLAR SYSTEM UNDER STRESS

Bloomberg macroscope: the war has caused **"lasting damage to the dollar system."** DXY failed to hold 101 post-strikes and is now 98.70, down YoY. Central banks bought net 27 tonnes of gold in February - 2026 full-year tracking ~755 tonnes. China added 300+ tonnes over two years. GCC reserve managers accelerating diversification. Gold at $4,743 is the cleanest expression of the regime break.

! **Saudi pipeline strike (8 April):** IRGC-linked drones hit the 1,200km East-West Pipeline plus Manifa and Khurais facilities hours after the ceasefire began - removing ~10% of Saudi export capacity (~1.3mbpd). The market is now trading a binary Hormuz re-closure tail. Optionality, not delta, is the winning posture.

# TRANSFER WINDOW



*The transfer window captures significant movements within the global macro vertical. This edition's theme is the rates arms race - Brevan, Rokos, Jain, Verition, ExodusPoint and Citadel all pulled sell-side or peer rates talent inside a 30-day window. The best macro PMs are the most contested hire in finance right now.*

## Zachary Squire & Reed Morrissey

**Brevan Howard → Tekmerion Capital (Launch, 2026) - $1B+ Day-One**

The marquee macro launch of the window. Squire and Morrissey are spinning out of Brevan Howard to launch **Tekmerion Capital Management** with more than $1B in day-one commitments, backed by Engineers Gate and Michael Novogratz. Discretionary global macro (rates / FX / sovereign). Actively fundraising through the March-April window despite the Brevan drawdown. Largest macro-specific launch commitment reported in the quarter.

## Tarik Hsaini

**Deutsche Bank (MD, 8+ yrs) → Rokos Capital - Head of Quantitative Investing, Partner**

Rokos's most important hire of the quarter. Hsaini joins as Head of Quant Investing and Partner, adding a systematic macro overlay to Chris Rokos's discretionary book - the one macro process that actually worked in March. Confirms Rokos's institutionalisation strategy post-$20B capacity cap.

### BREVAN HOWARD

**Robbie Anderson**

Joined as rates PM from Nomura, where he was EMEA Head of Flow Rates Sales. G10 rates focus. A rare senior rates hire into BH during its worst month in 20 years.

### JAIN GLOBAL

**Jiujiu Xiong**

Joined Singapore from Barclays (15+ yrs, APAC Head of Rates Options). Part of Bobby Jain's Asia build-out: five additional PMs added in Q1.

### JAIN GLOBAL

**Nicanor Trano**

From Squarepoint Capital. Singapore rates/macro PM. Jain continues to staff up aggressively despite J-curve drag (+0.2% YTD, $250m GIC redemption).

### CITADEL GFIM

**Oscar Bird**

London-based Global Fixed Income & Macro trader. Part of the Sam Finkelstein-led PM development programme inside the worst-performing Citadel book this quarter.

### VERITION

**Preben Ramm**

Ex-Graham Capital rates PM. London desk build. Verition continues its macro expansion with ten energy hires already in the Q1 window.

### EXODUSPOINT

**Rob Buckle**

Senior quant infrastructure lead. Former Balyasny Head of Core Quants; earlier Brevan Howard, Rokos, Eisler. A quant-macro CV that tracks the last decade of platform evolution.

PARAGON ALPHA - GLOBAL MACRO RECRUITMENT

# *Harriet Potter: Leading Global Macro Recruitment Across the World's Top Hedge Funds*

In the most complex macro environment in two decades, Paragon Alpha has placed its Global Macro coverage with a specialist who knows every relevant seat in the industry.

## Harriet Potter

**Global Macro Recruitment Specialist, Paragon Alpha**

Harriet leads global macro recruitment coverage across all of Paragon Alpha's hedge fund clients. Her coverage spans discretionary macro, rates, FX, sovereign, and cross-asset PMs at single-manager shops, multi-strategy platforms, and new launches. She works directly with CIOs, heads of macro, and senior PMs at the world's top funds.

## Why Macro, Why Now

Q1 2026 has shown exactly why discretionary macro talent is the most contested hire in hedge funds. In a six-week window, the Iran conflict, the inflation reacceleration, the Fed's paralysis, and the 8 April ceasefire whipsaw have exposed which PMs can trade regime change - and which were positioned for the consensus that no longer exists.

The spread between the best and worst macro books in March was extraordinary: Rokos **+2.1%**, Brevan Howard Master **-6.6%**, PIMCO Commodity Alpha **-26%**. Nine points separate the top and bottom of the discretionary peer group in a single month. The PMs who delivered are now the most sought-after hires in the industry.

Allocators are taking note. Barclays' 2026 outlook found that 21% of LPs expected discretionary macro to lead in 2026. Q1 has forced that consensus to be repriced in real time - and the seats that matter are changing hands.

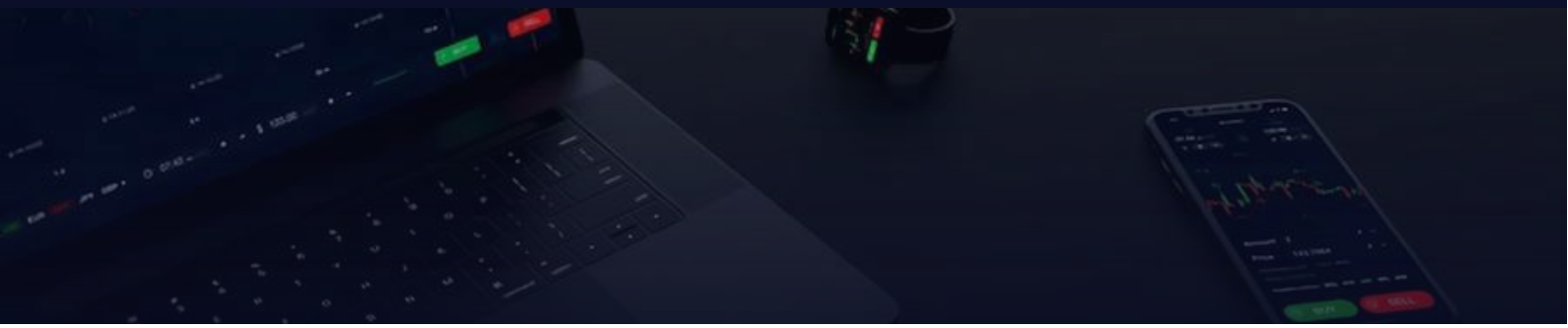
## What Harriet Covers

Harriet's coverage spans the full global macro spectrum: discretionary macro PMs, rates PMs (G10 and EM), FX PMs, sovereign and cross-asset PMs, macro quants and systematic overlays, and heads of macro. Her network extends across every major single-manager shop (Brevan Howard, Rokos, Caxton, Bridgewater, Haidar, Discovery, Moore, Element) and every multi-strategy platform with a macro book (Citadel GFIM, Millennium, Point72, ExodusPoint, Balyasny, Jain, Verition, Schonfeld, Eisler).

The funds that will outperform in the next regime shift are the ones hiring macro talent now - while the rest are still re-pricing their books. That is why Harriet's role exists.

✉ To discuss global macro recruitment across hedge fund platforms, contact Harriet Potter via **info@paragonalpha.com** or **+44 20 3582 1407**

# CEASEFIRE WHIPLASH



*For 72 hours between 7 and 10 April 2026, global macro books whipsawed through the largest one-day moves of the year - twice. The ceasefire was real. The pipeline strike hours later was also real. Optionality, not delta, is the only winning posture.*

## The Setup

Entering April, the discretionary macro consensus trade was long oil, short duration, long dollar, long gold - a structural bet that the Iran conflict would keep Brent bid, inflation sticky, and the Fed pinned. Through 20 March that trade had delivered: Rokos +4.7%, Haidar +16% in January, Discovery +7.5% in January. By late March it had crowded.

## Monday 7 April

US-Iran two-week ceasefire speculation leaks. WTI posts its biggest one-day drop since 2020. The crowded long-oil / short-duration / long-USD book begins to unwind. Dated Brent still prints a record **$144.42** on physical tightness, but futures crack. Caxton reportedly sheds another tranche of its commodity and rates book.

## Tuesday 8 April - The Ceasefire

The ceasefire takes effect at 0600 GMT, brokered by Pakistan. Markets explode higher:

> *Dow +2.85% (best day since April 2025). VIX -5.8 points to 20.13. 10Y UST plunges from 4.48% to ~4.30%. Airlines +11 to +12%. Fed cut odds spike from 25% to 65%.*
>
> Market response to US-Iran ceasefire, 8 April 2026

It is the largest single-day mean reversion of the war. Brevan Howard, Bridgewater Pure Alpha, and the multi-strat pods that had been trading the consensus structural trade retrace hard. The relief is violent and it is brief.

## Hours Later - The Saudi Pipeline

IRGC-linked drones hit Saudi Arabia's East-West Pipeline, Manifa and Khurais. Roughly **10% of Saudi export capacity** (~1.3mbpd) goes offline. One Saudi killed, seven wounded. The ceasefire is now technically holding - but the market is pricing Iran-aligned proxies as an independent risk factor.

## Thursday 9-10 April

WTI +3% to $97.87. Brent +1% to $95.92. Iran's parliamentary speaker accuses the US of breaching the ceasefire on three grounds. Iran-aligned Iraqi militias strike the diplomatic support centre at Baghdad International Airport. The US Embassy tells Americans to leave overland. Fed cut odds fade from 65% back to 25-43%.

## What The Tape Is Telling PMs

**Crowding kills:** the long-oil / short-duration / long-USD trade was correct for six weeks and catastrophic in six hours. Position sizing matters more than thesis.

**Optionality beats delta:** the books that survived 7-8 April were the ones running convexity, not linear exposure. Gamma is alpha when every headline is a 3-sigma event.

**Systematic beat discretionary:** Two Sigma Spectrum +2.5% and Absolute Return +3.0% in March, while discretionary thematic macro was -5.1%. Models do not hesitate at headlines.

**Hormuz is the binary:** with 600+ vessels stranded and IRGC charging up to $2M per tanker transit, a re-closure is the left tail that still has not been priced.

# LAUNCHES & CLOSURES

| $2.9B+ | $1B+ | $3B |
|---|---|---|
| MACRO LAUNCH CAPITAL DEPLOYED VIA MILLENNIUM ALONE | TEKMERION DAY-ONE BREVAN HOWARD SPINOUT | DEEM GLOBAL - HARD CLOSE ASFANDYAR NADEEM, 1 MARCH |

The macro platform seed machine is back on. Millennium alone deployed more than $2.9B of launch capital in Q1 (Echion $1.5B + two unnamed spinouts targeting $1.4B combined). Tekmerion's $1B Brevan Howard spinout is the largest macro-specific launch commitment of the window. At the same time, Eisler Capital's March comp-deferral cliff has triggered the single largest talent-release event of the quarter.

## CLOSURES & WIND-DOWNS

### Eisler Capital - March Comp Cliff Triggers PM Release

**March 2026 - Wind-down Continues**

Edward Eisler imposed a March 2026 retention threshold - leave before the date and lose 30% of deferred comp. The cliff has now passed. Multiple macro PMs are expected to surface at Brevan Howard, Citadel GFIM, and ExodusPoint in April-May. Eisler ended 2025 down -14.3%; firm is winding down.

### Deem Global - Soft Close at $3B

**1 March 2026 - Capacity Discipline**

Asfandyar Nadeem's London-based global macro fund stopped accepting new capital at $3B AUM. Not a closure but a capacity event - Deem joins Rokos in the "disciplined gatekeepers" camp that performed through the March shock.

### Millennium / Engineers Gate SMA Terminated

**26 March 2026 - Liquidity Dispute**

End of a 3+ year SMA partnership. $3.6B leveraged exposure vs $1.5B direct capital unwound by end-March. Engineers Gate starts April with ~$4B AUM, down ~7% YTD. Macro-adjacent systematic risk, but a case study in counterparty terms.

## LAUNCH TRENDS

### Tekmerion Capital

SQUIRE & MORRISSEY - EX-BH

$1B+ day-one. Discretionary macro. Backed by Engineers Gate and Novogratz. Biggest macro spinout of Q1.

### Echion Capital

CHAITANYA MEHRA - EX-MILLENNIUM

$1.5B day-one, MLP-exclusive through 2026. Energy / commodities macro overlay. Miami + London.

### Millennium Spinouts

TWO UNNAMED - COMBINED

$1.4B combined target from ex-Millennium commodities/macro team. Active raise through Q2.

! **The rotation is structural:** single-manager macro (Rokos, Brevan, Element, Tekmerion) is best placed to absorb PM talent from pod shops that cut risk post-drawdown. Capacity-disciplined specialists are where the alpha - and the seats - are moving.

# SOURCES & REFERENCES

## GEOPOLITICS & OIL

Wikipedia – 2026 Iran war / Iraq in the 2026 Iran war / 2026 Strait of Hormuz crisis

CFR – The U.S. and Iran Struck a Two-Week Truce

CNBC – Oil prices Apr 7-10 2026, Dated Brent $144.42

Bloomberg – Saudi East-West pipeline drone attack (8 Apr), Saudi output -600kbpd (9 Apr)

Middle East Eye – Saudi pipeline 10% capacity hit

Al Jazeera – Day 40 Iran war, Iraq celebrates ceasefire

OilPrice / Goldman Sachs – $100+ Brent through 2026 if Hormuz stays closed

Iraqi News – Sudani / Macron call, Erbil drone arrests

FDD – Kataib Hezbollah US embassy ceasefire

JINSA – Operations Epic Fury & Roaring Lion (6 April)

ACLED – Middle East Overview April 2026

US Embassy Baghdad – Security Alert 8 April 2026

## MACRO & CENTRAL BANKS

Federal Reserve – FOMC statement 18 March 2026 + SEP

CNBC – CPI March 2026 (3.3% headline, gasoline +21.2%)

CNN – US CPI inflation March 2026

QZ – Fed FOMC minutes March 2026 Iran war implications

Morningstar – Fed holds, oil spike shrinks 2026 cut odds

Investing.com – Morgan Stanley, Fed still likely to cut

ECB – Monetary policy decisions 19 March 2026

Central Banking – ECB holds, 2.6% 2026 inflation forecast

Japan Times / Bloomberg – BoJ holds 0.75% (19 March), hawkish hold

Bank of England – March 2026 minutes

Trading Economics / Gov.cn – PBoC LPR hold, further cuts signal

BondSavvy – March 2026 dot plot

FoxBusiness – Feb 2026 PCE (3.0% YoY)

Dallas Fed – Trimmed Mean PCE Feb 2026

IconFX / Verified Investing – March NFP +178K

## RATES, FX & GOLD

Advisor Perspectives – Treasury yields snapshot 10 April 2026

FinancialContent – 10Y shock to 4.34%

Swingfish – 30Y auction 9 April (4.876%, 2.39x b/c, 64.1% foreign)

Swingfish – 10Y auction April 2026

CNBC – UST yields plunge on ceasefire

Bloomberg – DXY ceasefire, dollar system damage macroscope

FX Leaders – Gold $4,700 safe-haven surge

World Gold Council – Central bank gold stats February 2026

FXStreet – Saudi gold price 10 April 2026

FinancialContent – Safe haven no more, gold resilience

CRFB – CBO FY26 deficit tracker ($1.9T)

Fortune – $39T national debt (March 2026)

## HEDGE FUND PERFORMANCE

Bloomberg – Rokos +2.1% March, +4.7% YTD (9 April)

Bloomberg – Citadel GFI -8.2% March, Wellington -1.9%

Bloomberg – Macro traders slump most in March (7 April)

Bloomberg – Two Sigma profits from chaotic March

Bloomberg – Balyasny, Millennium, Point72 hit by Iran conflict

Nishant Kumar / X – Brevan / Caxton / Taula MTD 20 March

Hedgeweek – Caxton $1.3B losses Middle East turmoil

Hedgeweek – Macro hedge funds worst hit in March

Hedgeweek – Q1 winners and losers

Hedgeweek – Macro funds struggle to diversify

Hedgeweek – Brevan Howard worst month in 20+ years

HFR / WealthBriefing – HFRI Macro -2.35% March, Discretionary Thematic -5.1%

HFR – HFRI-I Macro UCITS March 2026 notes

Institutional Investor – Bridgewater Pure Alpha losses

Institutional Investor – Haidar Jupiter losses, Discovery strong start

Alternatives Watch – PivotalPath March L/S equity worst since 2020

HedgeCo – Point72 Q1 crown, Balyasny/ExodusPoint struggles, March Malaise

Roic News – Citadel GFI / Wellington March

AOL / Business Insider – Jan/Feb hedge fund returns

Funds Europe / Citco – Global macro +6.5% January 2026

Disruption Banking – PIMCO Commodity Alpha -26%

Disruption Banking – How Brevan Howard flagship stopped making big returns

## LAUNCHES & TALENT MOVES

Bloomberg – Tekmerion spins out of Brevan Howard with $1B

Hedgeweek – Tekmerion $1B commitments

Bloomberg – Millennium backs Mehra commodities spinout $1.5B (Echion)

Bloomberg – Millennium exit spawns two new hedge funds $1.4B

Bloomberg – Deem Global closing to new cash at $3B

Hedgeweek – Brevan Howard taps Nomura rates veteran (Anderson)

Hedgeweek – Rokos hires Deutsche Bank MD for quant (Hsaini)

Hedgeweek – Jain Global adds former Barclays rates (Xiong)

eFinancialCareers – Jain Global hires Squarepoint PM (Trano)

Bloomberg – Jain Global adds five more PMs for Asia

The TRADE – Citadel appoints new GFIM trader (Bird)

Hedgeweek – Citadel key hires in GFIM

eFinancialCareers – Ex-Goldman Sachs ED leaves friendly hedge fund (Verition / Ramm)

Hedgeweek – ExodusPoint hires Balyasny quant head (Buckle)

eFinancialCareers / Hedgeweek – Eisler Capital bonus retention cliff, -14.3% 2025

eFinancialCareers – Dymon Asia hiring

Hedgeweek – Hedge funds ramp up hiring for 2026

Bloomberg – Macro hedge funds surged in January (Haidar +19%, Discovery strong start)

# *Find your next Alpha with us!*

Reach out to our team for a confidential conversation about the best global macro talent for your business.

info@paragonalpha.com +44 20 3582 1407 www.paragonalpha.com

**LONDON**
34-37 Liverpool Street
London EC2M 7PP

**NEW YORK**
147 Prince St
Brooklyn, NY 11201

PARAGON Alpha
*A hedge fund talent business*