ALPHA WATCH TOWER

Keep your business on the cutting edge with Alpha Watch Tower – learn about the latest industry news and trends as well as a sneak peek into what the team at Paragon have been up to!

What Hedge Funds are having the best year so far?

- Platinum Asset Management's $2.8bn Asia Fund was up 3.4% in March due to strong performance from its Chinese holdings. Platinum's $7.2bn International Fund was up 1.4% last month and is now up 5.4% for 2023.
- Connective Capital aims to grow to $150 million by the end of 2023, having hired investor-relations manager Julian Flores Matrero and business-development manager Ignacio Garcia Santos.
- Fundamental long/short equity funds gained 4.9%, event-driven funds posted a 1.9% return, credit funds increased by 3.2%, and global-macro portfolios climbed 1.2%. However, all strategies underperformed the MSCI World Index's 7.1% gain and the S&P 500 Total Return Index's 6.5% return.

Citadel's multi-strategy flagship Wellington fund gained 0.7% last month, bringing its 2023 performance to 2.8% through February.

BFAM Partners gained more than 4% last month after a 7.5% return in January for its flagship multi-strategy fund.

New launches:

Former Bluefin Capital portfolio manager Aaron Brooks and ex-Odeon Capital research chief Ben Brogadir are launching a multi-strategy credit fund through their firm White Maple Capital in New York, with plans to start operations by mid-year.

A.Line Capital plans to launch its A.Line Reduced Volatility Fund in late Q2 or early Q3, starting with $10 million to $15 million in limited partner capital and three to five subadvisors.

Charles Slotnik, a former Carlson Capital executive, is launching a new hedge fund firm, Slotnik Capital, with an expected $100 million or more in assets.

Spangenberg and Kutcher are launching Sauvegarder Investment Management in the second half of 2023. The duo is targeting $500m in assets.

The Highest-Earning Hedge Fund Managers in Q1 2023:

$4.1 Billion
Kenneth Griffin
Citadel

$3.2 Billion
Israel (Izzy) Englander
Millennium Management

$1.9 Billion
Steven Cohen
Point72 Asset Management

$1.2 Billion
David Tepper
Appaloosa Management

$1.1 Billion
James Simons
Renaissance Technologies

$1 Billion
John Overdeck
David Siegel
Two Sigma Investments

$900 Million
Ray Dalio
Bridgewater Associates

$900 Million
David Shaw
D.E. Shaw Group

$875 Million
Said Haidar
Haidar Capital Management

Which hedge funds had the worst performance so far in 2023?

Global hedge funds struggled in February, ending down 0.5%. However, the S&P 500 was down 2.6% and the Dow Jones was down 4.2% in February, illustrating that hedge funds were still successful in navigating the ongoing global economic turmoil. -on the top.

After a poor 2022 (-7.3%), relative value funds have started 2023 impressively, up 0.4% in February and 2.6% YTD. The strategy is benefitting from wider credit spreads with convertible bond strategies increasingly attractive. Regionally, Europe (1.2%) led the way in February performance even as more North American institutional investors are looking to increase their exposure to the relative value

“The liquidity crisis is probably over, but the solvency crisis is about to begin”

Barry Norris, chief investment officer at Argonaut Capital

In a reversal from January’s stellar returns, long/short equity funds were down 1.1%.

The Palo Alto-based firm has had only three down years since its inception in 2003, and its flagship Connective Capital 1 fund gained 6.8% in 2022.

Quantitative investment funds experienced their worst start to a year since 2016, with an average loss of 1.6% in January, according to a Goldman Sachs report. This was attributed to heavy short positions that were negatively impacted by stock and bond rallies.

The Transfer Window

- **Loren Sauer**, who previously served as the CFO of Slotnik Capital Management, will rejoin Charles Slotnik and head non-investment duties.
- **Walleye Capital** has recruited two portfolio managers from **Schonfeld Strategic Advisors.**
- **Balyasny Asset Management** has hired **Michael Anderson**, a former portfolio manager at Cinctive Capital, who specializes in software company stocks.
- **Contrarian Capital Management** has appointed **Michael Passantino**, a senior fund controller, as CFO. Passantino has taken over for Jeffrey Kravetz, who left the $3.3 billion company this month.
- The founder and former CIO of **Aralian Capital** was hired by multi-strategy **Dymon Asia Capital as** a senior PM for its $2.2 billion flagship fund.
- In February, it was revealed that **Eric Lonergan**, a former M&G Employee, had been hired by **Eisler** as a senior macro manager as part of a shift toward a multi-strategy approach akin to Citadel and Millennium.

THE LATEST NEWS

- Given the impact of bond market volatility on macro strategies, Said Haidar is on pace to suffer his biggest monthly loss in more than 20 years. According to Bloomberg, the Haidar Jupiter fund lost almost 32% MTD through Friday and is down about 44% for the year after increasing by 193% in 2016.
- March's total represents an 11% increase YoY, with a total of 38 funds in development in March 2023.
- Kerberos Capital, led by Joe Siprut, a former class-action lawyer, has extensive relationships with plaintiffs' attorneys and investors in the law firm lending space.
- Tempest, a new hedge fund founded by former Hitchwood Capital employees, plans to capitalize on the shrinking public equity active management sector, aiming to outperform over the long term by focusing on growth companies and employing actively managed hedges.

HEDGE FUNDS IN 2023

As with many industries, outsourcing is a trend on the rise in 2023. The rising costs and lower fees made hedge fund management more complicated, and outsourcing is a way to manage those issues. Many hedge funds have teams of people handling non-core tasks, allowing managers to focus on developing investment strategies and the investors. flip the sides.

The rise of Multi-Strategy Hedge Funds, and why would you choose it as a strategy?

Due to the current market turbulence, many investors are at a loss as to how to allocate their assets. Multi-strategy hedge funds and their diverse investment methods are on the rise and may represent an optimal answer in this environment.

READ THE FULL ARTICLE

Download the report

New opportunities

Hire the best talent

Market news

Is multi-strategy hedge fund the right option?

Over the years, the importance of a diversified, multi-strategy investment has been well proven – Total investment risk can be reduced by spreading it across a number of different strategies. The potential of multi-strategy funds to capitalize on the most successful market approach is the primary benefit of investing in these types of products.

READ THE FULL ARTICLE

Finding AlphaThrough People

What is new with us?

New hires

Meet the newest members of Paragon Alpha team! Gaia and Emma are recent graduates who joined our London office at the beginning of the year.

Hedge Fund's TOP TALENT

As Hedge Funds continue to grow, we continue to seek out the best talent. Our candidates are experts in quantitative finance, data science, machine learning, risk management, and various other fields. Contact us today to find out more about our talent pool!

EuroHedge Awards 2022

We were one of the proud sponsors of the EuroHedge Awards 2022 and had the honour of presenting the winner for the Convertibles and Volatility award.
Congratulations to 36 South Capital Advisors!

Teambuilding at Cheltenham

We were very fortunate to win the draw for a once-in-a-lifetime opportunity to go into the parade ring for the Betway Queen Mother Champion Chase which definitely was the highlight of this memorable day.

Thank you for your time!

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

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