ALPHA WATCH TOWER

PARAGON Alpha

Keep your business on the cutting edge with Alpha Watch Tower - the latest news, talent movement and trends across the hedge fund industry.

RISK EDITION • Q2 2026

Risk Is Now the Alpha

The most volatile quarter since 2020 has moved risk from the back office to the heart of every investment decision - and reset the compensation benchmarks for buy-side risk talent.

15–25%
COMP UPLIFT CANDIDATES NOW EXPECT TO MOVE

22.7%
2025 WEIGHTED-AVERAGE MULTI-STRAT RETURN

Top 3
RISK NAMED A DEFINING PLATFORM CHALLENGE

IN THIS EDITION

1 Talent & Compensation

2 The Risk Mandate Expands

3 Market Conditions

4 Transfer Window

Risk Compensation Continues to Rise

The competition for experienced hedge fund risk professionals remains intense, particularly across Market Risk, Portfolio Risk and strategy-aligned Risk teams. While hiring activity has become more selective, compensation expectations have continued to rise as firms compete for a limited pool of candidates with relevant buy-side experience.

HIGHER SALARY EXPECTATIONS 01

Candidates typically seek 15–25% increases in total compensation to justify a move, with top performers commanding materially larger uplifts.

BUY-SIDE PREMIUM 02

Professionals with proven hedge fund experience receive multiple approaches and negotiate from a position of strength, securing stronger offers.

COUNTEROFFERS PREVALENT 03

Firms are increasingly willing to raise compensation or accelerate promotions to retain high performers before they reach the market.

SPEED MATTERS 04

Lengthy interview processes lose candidates to competitors prepared to move faster - and with stronger packages on the table.

> *Compensation is no longer the only differentiator. Candidates increasingly weigh direct exposure to Portfolio Managers, commercial impact, career progression, and the chance to work on complex strategies.*
>
> PARAGON ALPHA - RISK DESK, Q2 2026

MARKET INSIGHT

The most successful firms recognise that securing top-tier risk talent often requires paying ahead of the market rather than at it. Waiting for compensation expectations to soften has generally proven more costly than investing in the right hire early.

Multi-Strategy Funds Drive Risk Hiring

Despite a more volatile market backdrop in Q2, the world's largest multi-strategy hedge funds continued to expand, reinforcing their position as the primary drivers of hiring across hedge fund risk management - with 2025 multi-strategy returns averaging **22.7%** on a weighted basis amid record net inflows.

PLATFORM DEMAND — FOUR FORCES DRIVING RISK HEADCOUNT

01 PLATFORMS MOST ACTIVE

Multi-strat hirers continue building out Market, Portfolio and Trading Risk coverage as they grow globally across new and existing strategies.

02 EACH LAUNCH ADDS DEMAND

Every new PM launch creates incremental hiring need - dedicated risk coverage is now a necessity rather than a shared resource.

03 SPECIALISATION RISING

Firms seek risk professionals fluent in Credit, Macro, Equities, Commodities, Quant and Convertible Arbitrage risk profiles.

04 GLOBAL EXPANSION

Hiring spans the world's major financial centres to support new teams and broaden strategy coverage across regions and time zones.

LONDON · NEW YORK · MIAMI · DUBAI · SINGAPORE · HONG KONG

MARKET INSIGHT

Competition between leading platforms has intensified, driving increased movement of experienced risk professionals as firms seek individuals who can add immediate value. Candidates with direct hedge fund experience, strong stakeholder management skills and expertise in specific investment strategies remain the most sought-after, commanding increasingly competitive packages.

FEATURE ANALYSIS

Volatility Returns Risk to Centre Stage

Tariff policy, an uncertain rate path, geopolitical tension and sharp cross-asset rotations have reinforced risk's role at the heart of investment decision-making - not in a purely monitoring capacity.

The second quarter marked a notable shift in market conditions, with heightened volatility driven by evolving tariff policies, uncertainty surrounding the path of interest rates, ongoing geopolitical tensions and sharp rotations across asset classes. The cumulative effect has been to pull risk teams forward into the investment process itself, reinforcing risk's role at the heart of decision-making.

Closer PM Collaboration

Risk teams now give greater input on position sizing, leverage, concentration limits and trade implementation - shaping decisions earlier rather than reviewing them after the fact.

Liquidity Risk in Focus

Particularly within credit and less liquid assets, firms are stress-testing whether portfolios can withstand sustained periods of market stress without forced unwinds.

Concentration & Correlation

Volatile markets have exposed the risks of crowded trades and highly correlated positions across books, putting cross-portfolio risk firmly back on the agenda.

Real-Time Monitoring

Intraday risk reporting has become essential, enabling teams to respond as conditions shift rapidly rather than waiting for end-of-day marks.

> *Risk professionals are now advisers, not gatekeepers. Stress testing and scenario analysis are used more extensively, with risk increasingly present in investment committee discussions.*
>
> PARAGON ALPHA - RISK DESK, Q2 2026

Periods of heightened volatility consistently elevate the importance of experienced risk professionals. Hedge funds increasingly seek individuals who combine strong technical risk expertise with commercial judgement - and candidates who demonstrate both investment acumen and stakeholder management remain among the most sought-after profiles in the market.

SENIOR LEVEL TRANSFER NEWS — Q2 2026

Kenneth Pregnell joins Citadel

Chief Risk Officer, Eisler Capital → Head of Market Risk, Citadel

One of the most senior risk transitions of the quarter, Pregnell moves from the CRO seat at Eisler Capital to lead Market Risk at Citadel - underlining the premium platforms are placing on proven, strategy-aligned market risk leadership.

MILLENNIUM

John Russo

Global Head, Quant Equity Risk → Head of Equity Risk

Russo steps up internally at Millennium, moving from Global Head of Quantitative Equity Risk to Head of Equity Risk.

SYMMETRY INVESTMENTS

Rupen Nagda

CRO, BlueCrest → Head of Risk Management

Nagda moves from Chief Risk Officer at BlueCrest Capital Management to Head of Risk Management at Symmetry Investments.

REGENTS GATE CAPITAL

Michael Wahnich

Risk Manager, RisQuanta → Chief Risk Officer

Wahnich advances from Risk Manager at RisQuanta to the Chief Risk Officer position at Regents Gate Capital.

SHIPROCK CAPITAL MANAGEMENT

Nicolai Vickman

Director, King Street → Chief Risk Officer

Previously Director of Risk Management at King Street Capital, Vickman now holds the CRO position at Shiprock Capital Management.

Michael Wagg joins Millennium

Chief Risk Officer, Schonfeld → Global Head of Equity Risk, Millennium

Wagg leaves the CRO role at Schonfeld to take on Global Head of Equity Risk at Millennium - the second senior equity-risk appointment at the platform this quarter, reflecting how aggressively the largest multi-strats are reinforcing their risk benches.

OPEN MANDATES — NOW HIRING ACROSS THE PARAGON ALPHA RISK DESK

Systematic Trading Risk Manager	New York
Macro Risk Manager	London
Commodity Risk Manager	Singapore / Hong Kong
Multi-Asset Arbitrage Risk Manager	New York
Risk Manager (Credit Strategies)	New York
Convertible Arbitrage Risk Manager	New York

HIRING RISK TALENT, OR EXPLORING A MOVE?

Find your next Alpha with us.

Reach out for a confidential conversation about the best risk, compliance and operations talent across the world's leading hedge funds.

Robert Murphy

Consultant | Head of Risk Management

Award-winning global hedge fund search firm, recognised as the Best UK & Global Hedge Fund Recruiter 2025/26. Paragon Alpha partners with Risk, Compliance and Operations leaders at the world's leading hedge funds, delivering mandates from first-line Risk Managers to Chief Risk Officers.

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