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Hedge Fund ALERT

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Tiger Writing Bigger Checks for Seeding Deals

Julian Robertson has increased the amount he's willing to invest with new and emerging fund managers.

Robertson's **Tiger Management,** which has been seeding hedge funds for 20 years, typically deployed $20 million to $25 million per deal, usually in exchange for a cut of the manager's fee revenue. But its two most recent transactions were substantially larger.

Tiger invested $50 million to $60 million in **Yarra Square Capital,** which began trading on April 1. And it provided roughly the same amount of "acceleration" capital to **Stony Point Capital,** whose 5-year-old fund previously had $48 million of assets, including leverage. The word is that Tiger now is willing to consider even larger deals.

The increased check sizes reflect the maturation of the industry since Robertson

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Field Street Shutters Fund, Lowers Headcount

Global-macro heavyweight **Field Street Capital** has liquidated a fund that suffered crippling losses last year.

The New York firm, founded in 2007 by former **Lehman Brothers** executive **Rod Gancas,** finished returning investor capital from its Field Street Global Investments fund in the last several months. The vehicle had about $220 million under management at the start of 2018, but lost half its value in May due to a wrong-way bet on Italian debt.

The wind-down leaves the firm with just one other vehicle: the flagship Field Street Partners, which had about $4 billion under management a year ago. The firm's headcount, meanwhile, has shrunk by about a third in the past year or so.

Field Street is among the most highly leveraged firms in the industry, with gross assets of $73.6 billion as of Feb. 28 — down from $93 billion at yearend 2017. It's unclear whether the decrease was the result of redemptions, investment losses,

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Online Platforms Catching On With Investors

Operators of online managed account platforms appear to be capturing an increasing share of the hedge fund market, with combined assets that now exceed $100 billion.

Hedge Fund Alert identified seven firms that use proprietary technology to simplify various aspects of investing in hedge funds, from research and manager selection to portfolio monitoring and risk management (see listing on Page 5). While such platforms first appeared in the late 1990s, asset growth among some of the leading operators has outpaced the industry as a whole in the past five years.

HedgeMark, for example, has seen its assets grow from less than $4 billion when it was acquired by **BNY Mellon** in 2014 to more than $16 billion today. During roughly the same period, **InfraHedge's** assets increased to $35.4 billion, from $15.2 billion. InfraHedge is a unit of **State Street.**

iCapital Network, which launched in 2014, had about $8 billion invested through

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THE GRAPEVINE

Thomas McKiernan joined **Citadel Global Equities** this month as a portfolio manager covering industrial-company stocks. Until September, McKiernan was at **Alyeska Investment** — a firm led by former Citadel Global Equities head **Anand Parekh.** McKiernan also has worked at **Madison Dearborn Partners** and **Deutsche Bank.**

A sales and marketing executive has left **Bridgewater Associates. Shaka Rasheed** had joined the Westport, Conn., firm in 2016 after stops at **Lazard Asset Management** and **Citadel.** Rasheed's resume also includes a long tenure at **J.P. Morgan.** His plans are unknown. Bridgewater is the world's largest hedge fund manager, with some $150 billion under management.

CPP Investment Board hired **Yan Kvitko** this month to head emerging-manager investments. Kvitko had been at **New Holland Capital** of New York since 2006,

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Niche Manager Launches Incubator

A Paris fund shop that trades dividend futures wants to incubate managers running unusual strategies.

Melanion Capital plans to hire an unspecified number of portfolio managers and stake them with about $10 million apiece. If their strategies prove profitable over a period of about two years, Melanion would help them raise additional capital from outside investors — and possibly spin them off as free-standing fund operations.

Melanion is targeting asset classes that don't fit comfortably in the portfolios of institutional investors — whether because they're illiquid, too complex or otherwise too risky. Such strategies typically appeal more to family offices and wealthy individuals who aren't constrained by limits on concentration or leverage.

"We derived this idea from our launch experience," said Melanion founder and chief investment officer **Jad Comair.** "We couldn't fit in existing asset-allocation pockets. A lot of doors were closed to us for the wrong reasons."

Melanion, which launched in 2013, presents itself as the first alternative-investment manager focused on dividend futures. Those instruments, which trade mostly on European exchanges, allow investors to bet on whether public companies will raise their dividend payments. Comair wouldn't disclose how much money Melanion manages.

Melanion joins a small but growing number of hedge fund backers hoping to capitalize on investor demand for niche strategies. In the fourth quarter, for example, the asset-management arm of **BTIG** began offering seed capital to new and emerging managers, with an initial focus on those running such credit strategies as bank loans, equipment leases and structured products. BTIG has backing from **Vista Life & Casualty Reinsurance.**

Other investment firms focused on niche strategies include fund-of-funds manager **Eagle's View Capital** and multi-strategy fund operators **Boothbay Fund Management** and **Verition Fund Management.**

Melanion is accepting applications for its incubation program at managers@melanion.com. ❖

Wilcox Pulls the Plug on Cider Mill

Cider Mill Investments is shutting down.

The $300 million-plus equity shop will return all capital to investors at the end of this month. Most of its 12 employees already have departed.

While there's no official reason for Cider Mill's shutdown, volatile performance likely was a cause. The Greenwich, Conn., firm's Cider Mill Master Fund was up 11.1% in the first quarter, following a 10.8% loss in 2018 and gains of 12.2% in 2017 and 1.1% in 2016.

The S&P 500 Index was up 13.7% during the first quarter, following a 4.4% loss in 2018 and gains of 21.8% in 2017 and 11.6% in 2016. Fundamental equity managers in general have struggled to remain relevant as they have broadly underperformed the S&P 500 in both up and down years.

Cider Mill launched in 2016 with $150 million. Its founder, **Thomas Wilcox,** had been running his own family office since 2011 — when his former employer, **Shumway Capital,** converted to a family office for **Chris Shumway.**

Shumway Capital had identified Wilcox as the "single most profitable individual in our firm's history" after he bet against financial-company stocks in 2008, according to **Reuters.** Cider Mill, meanwhile, hired a number of former Shumway staffers. Among them: chief operating officer **Ken Palumbo,** analyst **Jeff Nykun** and trader **Susan Suh.** ❖

Tourmaline in Talks With Suitors

Outsourced-trading shop **Tourmaline Partners** is seeking to sell part or all of its business.

The Stamford, Conn., firm has been circulating a book describing its business for a few months. Sources said the idea may be to finance a capital-intensive expansion — a project that would be too small and risky to fund through traditional bank debt.

To that end, an undisclosed private equity firm apparently has emerged as Tourmaline's top suitor. While it's unclear how large of a stake might be in play, sources said such a buyer could achieve a solid return even with a minority interest, assuming favorable terms.

Rumors also were swirling last week that Tourmaline was about to strike a deal with **Nomura,** with the idea that such an acquisition would complement the bank's Instinet electronic trade-execution unit. But sources said recent financial troubles at Nomura make a deal unlikely. On April 4, for example, the Tokyo bank said it would cut $1 billion of costs while pulling back from some businesses.

Tourmaline works mainly with fund managers that run $50 million to $100 million apiece. It handles full trading functions for some of those clients, while offering others supplemental assistance, help in special situations or customized in-house services.

Tourmaline was founded in 2011 by **Jonathan Goldstein, Daniel Groff, Aaron Hantman** and **Henry Higdon 3d,** who earlier helped launch **Williams Trading.** The company has 36 staffers in Stamford, New York and London, including 27 traders.

Tourmaline touts its status as a stand-alone trading business as offering an advantage over competitors owned by larger companies. About a dozen trading shops cater to hedge funds, split evenly between those two ownership structures. In February, **Weeden & Co.** agreed to sell itself to **Piper Jaffray** for up to $73.5 million. ❖

End of the Line for Archer Capital

Archer Capital is about to shut its doors after 14 years.

The firm, which invested in the debt of distressed mid-size companies and pursued special-situation equity plays, told limited partners in November that it would begin returning their capital. That process was 80% complete in January and now is just about finished.

Archer was running $1.3 billion of net assets at its peak in 2015. Its gross assets had fallen to $590 million at yearend 2017 and $407 million at yearend 2018. Most of that consisted of debt products held by the flagship Archer Capital Fund.

The decision to disband resulted from a reluctance on the parts of portfolio managers **Eric Edidin** and **Joshua Lobel** to ask investors to approve a new fund structure they were considering.

Most of the firm's other 13 staffers have left, including chief operating officer **Neil Wiesenberg.** But chief financial officer **Kevin Arps** remains. The shop's New York office already has shut down, but a Beverly Hills outpost where Edidin and Lobel are stationed remains open.

Archer's returns don't appear to have substantially deviated from those of similar fund operators in recent years. Archer Capital Fund was up 2.5% for the first 10 months of 2018, modestly outpacing the HFRI Event-Driven Distressed/Restructuring Index and the HFRI Event-Driven Special Situations Index. Its 12.7% gain in 2017 also beat the average of those benchmarks. The fund gained 4.5% in 2016 and lost 7.4% in 2015.

Amid Archer's unwinding, Lobel started a separate company called **Focus RoQ Holdings** in November. That operation invests in private enterprises in sectors including real estate, healthcare, aerospace and eSports, with an initial deal involving a team in **Blizzard Entertainment's** Overwatch League. Edidin has invested in some deals with Lobel.

Lobel and Edidin started Archer in 2005. Lobel previously was a principal at **Redwood Capital.** Edidin co-headed credit-product investing at **York Capital.** ❖

Minnesota Startup Gaining Traction

Hunter Street Partners has landed anchor investors for its debut fund, which targets niche investments in financially stressed businesses and real estate.

The Minneapolis firm seeks to raise $250 million of equity for Hunter Street Fund 1. The drawdown vehicle recently closed on commitments from its first two backers — a multi-billion-dollar foundation and a family office. A second close is penciled in for June.

Meanwhile, the fund has made its first two investments, deploying $9 million for the purchase of a portfolio of commercial buildings and committing $10 million to a program that will provide housing for people with disabilities. And it has signed letters of intent for two more deals, in which it would pay $6 million for a deeply discounted pool of workers' compensation receivables and provide a $15 million senior-secured loan to a company that offers sales-training services.

"Our strategy of smaller, off-the-run opportunities . . . is resonating with LPs seeking private-equity returns but concerned about market cycles and hyper-competition in more conventional strategies and larger deal sizes," Hunter Street partner **Andrew Platt** wrote last week in a note to prospective investors.

The firm's management team, led by chief executive **Neal Johnson,** is made up of alumni from well-known Minnesota-based hedge fund operations including **CarVal Investors, Pine River Capital, Varde Partners** and **Whitebox Advisors.** ❖

Australia Manager Touts 'Best Ideas'

An Australia-focused equity shop has stopped accepting capital for its highly profitable flagship fund, but continues to market another vehicle whose returns are no less impressive.

Ophir Asset Management of Sydney, which takes a long-only approach to picking stocks of mostly small- and mid-cap companies, is showing a 21.2% annualized return for its Ophir High Conviction Fund since inception in August 2015. The "best ideas" portfolio gained 6.9% in February and also was up in March.

Ophir founders **Andrew Mitchell** and **Steven Ng** are marketing the high-conviction fund to family offices and wealthy individuals around the world, with assistance from investment director **George Chirakis.** Meanwhile, the firm recently closed the subscription window for its flagship Ophir Opportunities Fund, which has produced an annualized return of 25.3% since August 2012. That compares to a 7.5% annualized gain for the S&P/ASX Small Ordinaries Accumulation Index, which tracks small-cap Australian stocks.

In a letter to investors last month, Mitchell and Ng said the latest semi-annual reporting period for Australian companies was "somewhat disappointing."

"The key takeaway after meeting with over 60 companies directly and a further 38 in group settings has been the continuing tough conditions facing businesses reliant on the underlying strength of the Australian economy and/or consumer," the letter said. But "while the outlook for the Australian economy near-term remains challenging, we continue to feel the broader small- and mid-cap equities space continues to provide attractive investment opportunities."

Ophir's flagship vehicle typically holds 30-50 small-cap stocks, while the high-conviction fund is a more-concentrated portfolio of 15-30 small- and mid-cap companies. ❖

Platform Pros Prep New Offering

Two former **Aon Hewitt Investment** executives who had been developing a managed account platform for the consulting giant have teamed up with a former **HFR** executive to build one on their own.

After Aon scrapped its Vision Hedge Fund Platform late last year, **Rishi Awatramani** and **Paul Sylvia** began work on a business called **4Alts Platform** that would provide investors easy access to new and emerging fund managers. Joining them in the effort is **John Klimek,** who served as president of HFR Asset Management before resigning in mid-2018.

The Arlington Heights, Ill., startup aims to begin adding managers to its platform in the second quarter. It would join seven other firms that use proprietary technology to simplify the process of researching, selecting and monitoring fund managers across a range of alternative-investment strategies (see listing on Page 5).

Marketing materials 4Alts has distributed both to managers and investors say the platform will offer "easier, less-costly and more risk-controlled access to alpha from emerging managers." Among its features: relatively low minimum-investment requirements and daily risk reports. 4Alts also touts a "fiduciary posture" that sets it apart from most other platform operators.

It's unclear why Aon dismantled its Vision initiative. By 2017, it had signed up at least 50 small and mid-size fund-management companies that were hoping to raise capital via the platform. While most were hedge fund operators, Vision encompassed other types of alternative investments including private equity and real estate vehicles. Vision charged a platform fee of 15 bp, on top of the managers' fees.

Sylvia had been at Aon since 2010. He earlier worked with Klimek at HFR Asset Management, an arm of data tracker Hedge Fund Research that offers a variety of investable products. Awatramani, who was head of technology for Aon's Vision platform, also spent time at HFR Asset Management, where from 2007 to 2012 he was a managing director for investment technology. Klimek had worked at HFR since 2004. ❖

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its platform at yearend 2018. Since then, it has taken over the feeder-fund operations of both **Bank of America** and **Morgan Stanley.** As a result, iCapital currently services tens of thousands of investors with a combined $40 billion committed to hedge funds and other alternative-investment strategies.

Global hedge fund assets, meanwhile, increased 18% to $3.1 trillion during the five years ended Dec. 31, according to **HFR,** while assets in funds of funds fell by about 8% to $621 billion.

Joseph Burns, a managing director who oversees hedge fund due-diligence at iCapital, said more investors are recognizing the benefits of accessing private funds via electronic investment platforms — which make it easy for clients to create customized multi-manager portfolios. "It improves the transparency, improves the liquidity, drives down the minimum investments, streamlines the process," Burns said. "Leveraging technology is a key differentiator for the growth of our business."

The seven online investment platforms identified by Hedge Fund Alert currently host investors with a total of about $108 billion deployed mostly to hedge funds, with some exposure to private equity and other alternative-investment strategies. From 2010 to 2018, assets invested via managed account platforms increased at an annualized rate of 13%, versus 9% for the hedge fund industry as a whole, according to a report **Credit Suisse** published last year.

The precise size and scope of the online-platform sector is difficult to measure because it encompasses firms with a wide range of business models and product offerings. Some, like **Kettera Strategies,** offer a set menu of hedge fund managers, along with data and analytical tools investors can use to research the options.

"We have conducted a rigorous due-diligence process on these managers and provide several means of accessing this manager information so investors can start their own research process," said Kettera founder **Jon Stein.** "Once an investor has decided on a strategy, we simplify the investment process by moving to an online system. Once an investor invests, they are able to monitor risks and see performance on a daily basis."

Other platform operators, including InfraHedge and HedgeMark, take a more customized approach. InfraHedge, for example, allows investors to choose any manager they want, without limit to strategy or region.

"The open architecture nature of InfraHedge helps investors allocate to any manager in any jurisdiction, negotiate bespoke fees and terms . . . and work with their service providers of choice," said **Robert Vanderpool,** president of InfraHedge's North American operations.

In some respects, InfraHedge's business model has more in common with traditional multi-manager operations like **Pacific Alternative Asset Management** than it does with iCapital, say, or Kettera. Paamco also helps clients assemble customized portfolios of hedge funds. But to varying degrees, HedgeMark, InfraHedge and their peers put a big emphasis on technology.

Lyxor Asset Management, for example, has an online portal called MyLyxorMAP.com that allows clients to monitor profits and losses, market exposures and tracking errors, plus perform stress tests and other risk-analysis functions. Lyxor, a unit of **Societe Generale,** offers access to 35 hedge fund managers running strategies including long/short equity, long/short credit, event-driven, global macro and managed futures.

SocGen was among a handful of banks and asset managers, including **RBC,** that pioneered managed account platforms in the 1990s, creating "structured products" that offered leveraged exposure to hedge funds. The Lyxor Managed Account Platform launched in 2002.

"Lyxor became the dominant player in the market," said **Robert Picard,** a former InfraHedge president who now runs consulting firm **Rumson Ridge Group** of Rumson, N.J. "But the credit crisis and **Bernard Madoff** scandal conspired to undercut the growth of these businesses."

Then, around 2010, firms like HedgeMark and InfraHedge

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Operators of Online Platforms for Hedge Fund Investors

Operator, Platform	Contact	Commitments Via Platform ($Mil.)	The Skinny
Family Office Networks, FON Alts	**Andrew Schneider** andrew@pbfoa.org		Still-developing initiative of Family Office Networks, representing some 10,000 family offices globally. Plans to launch with an initial 50-100 hedge funds, with a focus on small to mid-size managers running capacity-constrained strategies. FON members will get first crack, but platform will be opened to other investors down the road.
HedgeMark	**Ben Yaffee** ben.yaffee@bnymellon.com	$16,000	Creates bespoke platforms for institutional investors, with virtually unlimited selection of strategies to choose from. Robust technology provides daily performance, exposure and risk metrics. Counts more than 100 clients. HedgeMark acquired by BNY Mellon in 2014.
iCapital Network	**Lawrence Calcano** lcalcano@icapitalnetwork.com	40,000	Agreed in March 2019 to buy Morgan Stanley's alternatives feeder-fund operation, lifting assets on iCapital's platform by more than 40%. Acquired Bank of America's feeder-fund operation in 2018. Currently offers access to 25 fund managers running strategies including long/short equity, hedged credit, event-driven, global macro and private equity. Due-diligence chief Joe Burns previously worked at Ivy Asset Management and Soros Fund Management. Launched in 2014.
InfraHedge	**Rob Vanderpool** rvanderpool@statestreet.com	35,000	State Street unit, which launched in 2011, has more than doubled its assets since 2015. Allows investors to construct customized portfolios, with no limits on jurisdiction, strategy or manager selection. All assets are held in separate accounts or funds of one. Chief executive Andrew Allright previously worked at Man Group.
Kettera Strategies, Hydra	**Jon Stein** jstein@ketterastrategies.com	125	Currently offers access to 44 managers of macro, managed-futures, long/short equity, FX and other liquid strategies, with relatively low investment minimums. Managers charge same or lower fees as they do for individual separate accounts. Kettera maintains independence by charging only a platform fee, while avoiding conflicts of interest that can arise from sharing in managers' revenues, brokerage rebates and other sources of income.
Lyxor Asset Management, Lyxor Managed Account Platform	**Dan Rizzuto** daniel.rizzuto@lyxor.com	16,000	Societe Generale unit developed one of the first platforms for investing in hedge funds. Offers access to 35 funds running multiple strategies including event-driven, futures trading, global-macro, long/short credit, long/short equity and risk arbitrage. Via MyLyxorMAP.com, investors can view performance measures and access risk-management tools including stress tests and tracking-error analysis.
Willis Towers Watson, AMX	**Oliver Jaegemann** oliver.jaegemann@theamx.com	750+	Consulting giant launched Asset Management Exchange (AMX) in 2017 to give institutional clients easier access to hedge fund managers. Initially offered to clients in the U.K., with plans to roll out in the U.S. in 2019. Marketing pitch emphasizes reduced complexity and economies of scale that make it both easier and cheaper to invest in hedge funds.

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emerged as "infrastructure plays," offering investors easy access to hedge funds through a managed-account format, Picard said.

Compared to traditional multi-manager vehicles such as funds of funds, managed account platforms give investors more control when it comes to strategy and manager selection. An investment executive at a university endowment said they offer the "ability to hunt with a rifle rather than a shotgun — that is, gain exposure to specific opportunities rather than a general blank check."

And in most cases, client capital is invested through separate accounts or "funds of one," rather than commingled vehicles. That's why platform operators often highlight transparency, flexibility and control in their marketing efforts.

"The control and transparency afforded to investors provide the ultimate protection against Madoff-like risk," said HedgeMark chief executive **Andrew Lapkin.** "In addition, when investors form and control the investment vehicle itself, managers have no ability to suspend, gate or otherwise impede redemptions."

Some operators also advertise relatively low minimum-investment requirements. Investors can access managers on iCapital's platform for as little as $100,000, for example.

And most platform operators tout reduced costs for investors, though their fee structures vary widely. Some take a cut of the fees investors pay to the underlying managers, while others charge a platform fee. Some do both.

Kettera's marketing pitch emphasizes the fact that its Hydra platform only charges a flat platform fee. "We do not derive revenue from brokerage rebates, administration fee-sharing, interest income or sharing in managers' performance fees," Stein said. "Some of our competitors have what we view as conflicting revenue models."

Even as some platform operators have notched impressive growth in recent years, one major company retreated from the field. **Aon Hewitt Investment** had been developing a program called Vision Hedge Fund Platform to give investors access to new and emerging managers. But Aon suddenly scrapped the effort late last year.

Now, two former Aon executives who were spearheading that initiative are in the early stages of building a new online investment system called **4Alts Platform** (see article on Page 4). ❖

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Capital Flowing to AI Startup

A startup equity manager that employs artificial intelligence is attracting large amounts of capital.

FORA Capital recently landed an unidentified limited partner that brought the San Francisco firm's total commitments to $300 million. The operation already had reported to the **SEC** in March that its lone fund, Fora Capital Partners, was running $116 million of gross assets for 13 investors.

Sources said the inflows reflect strong early returns for FORA, which chief investment officer **Stanislav "Stas" Shalunov** and portfolio manager **Iosif "Joe" Petviashvili** launched in the fourth quarter of 2018. The commitments also demonstrate that certain investors are willing to devote substantial capital to artificial-intelligence funds, despite deep skepticism in some circles about whether the strategy can deliver consistent profits.

Little is known about the equity-focused strategy of FORA, which presumably would turn over positions frequently based on expectations that it would handle billions of dollars of trades annually. Also unclear is how FORA is defining artificial intelligence, given a description in Shalunov's LinkedIn profile of an "AI fund that uses machine learning and mathematics." While artificial intelligence and machine learning often are used interchangeably, many view artificial intelligence as guiding broad decision-making processes and machine learning as suitable for narrower tasks.

Only a few managers bill themselves as pure artificial-intelligence investors. **Sentient Investment,** which was among those operations, liquidated in the second half of 2018 amid poor performance.

Others employ artificial intelligence as part of a broader mix of quantitative strategies. They include the high-flying **Voloridge Investment,** which was running $3.9 billion of gross assets at yearend 2018.

The Eurekahedge AI Hedge Fund Index, which tracks just 13 funds, is showing an annualized return of 9.6% since 2011, versus a 6.7% rise for the the Eurekahedge Hedge Fund Index. The AI index's only down year was last year, when it declined 5.3%.

FORA's chief operating officer is **Jeffrey Bowers**, who previously worked at hedge fund managers **Coastland Capital** and **Passport Capital.** But neither Shalunov nor Petviashvili appear to have investment-management experience, and instead have spent their careers mainly as technology entrepreneurs.

In addition to FORA, Shalunov runs an artificial-intelligence company called **Clostra** that he founded in 2016. He also created a widely used way to transfer data on the internet, co-founded messaging-application business **Open Garden,** served as chief executive of **Prionic Labs** and worked at **BitTorrent.**

Petviashvili founded a firm called **NewsAlpha** that uses machine-learning techniques to perform risk-factor and news-sentiment analysis in the stock market. He left in 2018. Earlier, Petviashvili founded technology firm **Jaanix.** ❖

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shuttered his own hedge fund in 2000 and converted Tiger to a family office focused on backing hedge fund startups. Before the financial crisis, when hedge funds had no problem charging a 2% management fee, $25 million of day-one capital was enough to get a firm off the ground. That's no longer the case, now that the average management fee is closer to 1.5% and startup costs have risen sharply — especially for compliance and technology.

Meanwhile, other seed-capital investors including **Blackstone, Goldman Sachs** and **Paloma Partners** have long shown a willingness to commit $100 million or more. Still others, including **Stable Asset Management,** routinely invest $50 million or more. Against that backdrop, Tiger's standard offer no longer looked so appealing. A spokesman for Tiger Management declined to comment.

Robertson, who is 86, has backed about 50 hedge fund launches over the years. While many of those firms subsequently bought out Tiger's interest or shut down, the 20 or so remaining funds run a combined $33 billion to $34 billion — with **Tiger Global** accounting for about two-thirds of the total.

Separate from its seed-investment program, Tiger launched a fund in 2011 that deployed acceleration capital to six managers it had previously seeded. That vehicle, Tiger Acceleration Fund, raised $450 million from outside investors — mostly clients of **Morgan Stanley.** The fund, which has since unwound, invested about $75 million per deal.

Yarra Square, led by **Victor Ho,** is the new home for an investment team that previously worked at **Sutton Square Capital.** Sutton Square founder **Ken Brody** told investors last August that he was shutting down the firm for health reasons. Some of Sutton Square's investors were expected to follow Ho and his team to Yarra Square. Sutton Square was running $206 million, on a gross basis, as of Aug. 1, 2018, and the word was that Yarra Square had about $75 million of commitments as of the fourth quarter.

Before Sutton Square, Ho worked at **Conatus Capital** and **Och-Ziff Capital.** Yarra Square's investment staff also includes managing directors **Arthuros Mangriotis, Jonathan Pines** and **Will Simonton**. Like many Tiger seeds, the Yarra Square team has relocated to 101 Park Avenue in Manhattan, the home of Tiger Management.

Stony Point is led by chief investment officer **Richard Walters,** formerly an analyst at **JAT Capital.** The New York firm invests in technology and consumer stocks. Walters is joined by former JAT colleagues **Cameron Williams,** who oversees research, and operations chief **Matthew Zweig.** Both left JAT in 2015, the year it closed.

Tiger's seed investments are directed by chief investment officer **Gil Caffray** and president **Alex Robertson,** Julian Robertson's son. ❖

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reduced leverage or some combination of those factors.

Field Street Global Investments was holding a sizable long position in Italian debt when fresh concerns about the country's political stability sent bond values plummeting in May 2018. The fund, which employed leverage of about nine times equity capital, lost 15% in the first three weeks of the month, then fell even more precipitously — for a one-month loss of 50%, **Bloomberg** reported.

At the same time, a number of other prominent global-macro shops including **Brevan Howard Asset Management** and **Element Capital** booked hefty profits in May because they had been short Italian debt.

Field Street's professional staff has shrunk from 60 in the first quarter of 2018 to less than 40 today. Among the latest departures: client-relations manager **Jesse Silver,** who has since joined **Mariner Investment;** portfolio manager **Kevin Breen,** now working at **Citadel;** and portfolio manager **Jayraj Chokshi,** now at Brevan Howard. Fixed-income strategist **Benjamin Martens,** rate-product trader **Maximilian Niddam** and research head **Boris Senderovich** also have left in recent months. ❖

CALENDAR

Main Events

Dates	Event	Location	Organizer	Information
May 6	Sohn Investment Conference	New York	Sohn Conference	www.sohnconference.org
May 7-10	SALT 2019	Las Vegas	SkyBridge Capital	www.saltconference.com
Nov. 4-5	Gaining the Edge-Hedge Fund Conference	New York	Agecroft Partners	www.apgainingtheedge.com

Events in US

Dates	Event	Location	Organizer	Information
April 15-17	Ascendant Compliance Solutions Strategies Spring 2019	Miami	CSS/Ascendant	compliancesolutionstrategies.com
April 16	Active Passive Investor Summit	New York	13D Monitor	www.13dmonitor.com
April 16	Independent Sponsors & Capital Providers Dealmakers	New York	iGlobal Forum	www.iglobalforum.com
April 16	After the Bell-Blockchain as a Disruptor in Global Mkts.	New York	Mankoff Company	themankoffcompany.us
April 24	Legal & Compliance Conference	New York	MFA	www.managedfunds.org
April 25	Credit Risk Transfer Symposium	New York	IMN	www.imn.org
April 25	HFA Symposium: Top Hedge Fund Strategies	New York	Hedge Fund Assn.	www.hedgefundassoc.org
April 29-30	Real Estate Family Office & Private Wealth Mgmt. Forum	Dana Point, Calif	IMN	www.imn.org
April 30-May 1	AI, Blockchain & Cryptocurrency Forum	Hollywood, Fla.	FLAIA	www.flaia.org
May 1	Private Debt Deal Flow Summit	New York	iIBIG	www.iibig.com
May 2	HFA Reception: Miami Launch Celebration	Miami	Hedge Fund Assn.	www.hedgefundassoc.org
May 2-3	Finadium Investors in Securities Lending Conference	New York	Finadium	www.finadiumc.com
May 6-9	Operations Conference & Exhibition	Boca Raton, Fla.	SIFMA	www.sifma.org
May 7	Qualified Opportunity Zones	Chicago	Hedge Fund Assn.	www.hedgefundassoc.org
May 8-9	Trading Show Chicago 2019	Chicago	Terrapinn	www.terrapinn.com
May 9-10	Institutional Capital & Cannabis Conf.	Los Angeles	IMN	www.imn.org
May 13-15	Consensus 2019	New York	CoinDesk	www.coindesk.com
May 15	Digital Asset Summit	New York	Block Works Group	Blockworksgroup.io
May 16-17	AI & Fintech Conference	San Francisco	Markets and Markets	www.marketsandmarkets.com
May 20	Cap Intro: Alternative Investing Funds West	San Francisco	Catalyst Financial	www.catalystforum.com
May 21-22	Battle of the Quants	New York	Global Capital Acq.	battleofthequants.com
May 22	Closed End Funds & Global ETFs Forum	New York	Capital Link	www.capitallink.com
June 2-4	Context Summits West 2019	Los Angeles	Context Summits	www.contextsummits.com
June 3	Private Debt Forum	New York	Opal Group	www.opalgroup.com
June 3-4	Inside Smart Beta & Active ETFs	Boston	KNect365	www.knect365.com
June 4	Financing, Structuring & Investing in Litigation Finance	New York	IMN	www.imn.org
June 11	ALTSCHI 2019	Chicago	Markets Group	www.marketsgroup.org
June 11	Advanced Topics in Hedge Fund Practices Conference	New York	Morgan Lewis	www.morganlewis.com
June 13	TSAM New York	New York	Osney Media	www.tsam.net

To view the complete conference calendar, visit the Market section of HFAlert.com

Forte Offers Prime Services in US

Forte Securities launched a U.S. prime-brokerage unit on April 1.

The New York group caters mainly to hedge fund managers that run $5 million to $50 million, offering them services including execution of stock and options trades. It also handles some capital-introduction services and helps clients set up electronic-trading infrastructures.

For trade clearing, Forte has formed an introducing-broker relationship in which it steers clients to **Mirae Asset Securities** — a unit of Seoul-based Mirae Asset Financial that launched its own prime-brokerage unit in 2017. With a healthy balance sheet and a relatively small roster of accounts, Mirae has found appeal among fund operators that feel it can devote more attention to them than the major prime brokers.

Forte's group is led by **Joseph Vencil,** who returned to the firm in February as chief operating officer for its broader business in the U.S. Vencil previously was on board from May 2017 to December 2018 — with his exit briefly stalling the London company's efforts to start a prime-brokerage business in the States.

During his short absence, Vencil was working to launch a prime-brokerage group at **R.F. Lafferty.** His resume also includes a stint as head of prime services at the former **Albert Fried & Co.,** now part of **TD Bank.**

Forte Securities formed in 2008 as a conventional brokerage business specializing in equities, equity derivatives and bonds. The firm offers prime-brokerage services in the U.K. and Australia, but until now hasn't been active on that front in the U.S. ❖

Correction

An April 3 article, "Bridgewater Installs Dalby as Finance Chief," mischaracterized the responsibilities of newly hired **Bridgewater Associates** chief financial officer **John Dalby.** He will oversee the firm's corporate finances, but not financing for its investment portfolios. That responsibility lies with Bridgewater's co-chief investment officers, **Ray Dalio, Greg Jensen** and **Bob Prince.** ❖

LATEST LAUNCHES

Fund	Portfolio managers, Management company	Strategy	Service providers	Launch	Equity at Launch (Mil.)
AFC Uzbekistan Fund Domicile: Cayman Islands	Thomas Hugger and Scott Osheroff AFC Frontier Capital, Hong Kong 85-23-904-1015	Equity: Uzbekistan and neighboring countries		March 29	

To view all past Latest Launches entries, subscribers can click on the Databases tab at HFAlert.com

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and before that worked at **Ziff Brothers Investments.** The board oversees investments for the C$386.5 billion ($290 billion) **Canada Pension Plan** — among the world's largest hedge fund investors, with an $18 billion portfolio.

Elliott Management has a new head of human resources. **Amy Yates** previously spent two stints running her own human-resources consulting firm, with a stop as **Hutchin Hill Capital's** chief of staff in between. She also has worked as **Highbridge Capital's** chief administrative officer and spent time at **Andor Capital.**

Portfolio manager **Jeff Hires** left **Citadel** unit **Surveyor Capital** in March to become head of public-market investments for the **University of Richmond's** investment arm, **Spider Management.** Hires covered financial-company stocks at Surveyor, which he joined from affiliate **Aptigon Capital.** His former employers also include **Visium Asset Management, Independence Capital Asset Partners** and **Partner Fund Management.** Spider manages the University of Richmond's $2.5 billion endowment and runs money for other nonprofit entities. All told, the Richmond, Va., operation had $4.8 billion of assets on June 30, 2018.

Carlyle Group has hired a vice president for its opportunistic credit-product team. **Jesse Hou,** who focuses on the debt of industrial and materials companies, arrived in the Washington firm's New York office in March from **Apollo Global.** Hou also has spent time at **Citigroup.**

Legg Mason unit **ClearBridge Investments** added an analyst to its technology, media and telecommunications stock team this month. **Erica Furfaro** previously covered the same areas at **Millennium Management,** and before that was at **York Capital** and **Carlyle Group.**

Senior compliance officer **Jonathan Hantler** left **Och-Ziff Capital** this month to join **ExodusPoint Capital.** Hantler, whose duties at Och-Ziff included trade surveillance, also has spent time at **Bridgewater Associates, UBS** and **Deutsche Bank.** Former **Millennium Management** executive **Michael Gelband** launched ExodusPoint in June 2018 with $8 billion. The New York multi-strategy shop's staff has since grown to more than 270.

Whitebox Advisors brought in **Andrew Ruth** in March as a credit-product analyst. Ruth most recently worked at **Wayzata Investment** from 2015 to October 2018, and before that was at **Houlihan Lokey.** Whitebox's investments are overseen by **Paul Twitchell** and **Robert Vogel.** The Minneapolis multi-strategy firm had $9.3 billion of gross assets at yearend 2018.

Marble Ridge Capital hired **Gregory Pearson** this month as chief financial officer. Pearson previously worked at **Adler Hill Management** and **Gracie Asset Management.** Marble Ridge, a New York distressed-debt shop led by **Dan Kamensky,** reported $1 billion of gross assets at the end of last year.

Distressed-debt investor **Knighthead Capital** added a trader to its staff in March. The recruit, **Brendan Wright,** previously was a leveraged-finance analyst at **MetLife.**

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