

92% of Hedge Fund Industry Capital Concentrated Among Top 11% of Fund Managers

The 570 firms that make up the \$1bn Club, hedge fund managers that have amassed at least \$1bn in assets, now control \$2.78tn in assets out of the total \$3.16tn* for the industry

The hedge fund industry has now reached \$3.16tn in assets as of the end of Q1 2015, but a growing proportion of these assets are concentrated among a small pool of large managers. The “\$1bn Club”, which now includes 570 managers, represents 11% of the total 5,122 single-manager hedge fund managers across the globe. But these firms command a total of \$2.78tn of industry capital, which amounts to 92% of the total assets in hedge funds.

Other Key Hedge Fund “\$1bn Club” Stats:

- Size Breakdown of the Club: 22 fund managers currently handle **\$20bn or more in assets** under management, and collectively control \$790bn in assets. Members of the Club that manage between \$1bn and \$4.9bn collectively control \$892bn in assets, or 28% of entire industry assets.
- Core Strategies of the Club: At least 27% of funds run by members of the Club are **equity strategies** (41% for managers with between \$1bn and \$4.9bn in assets). For managers with \$20bn or more in assets, almost a quarter of their funds are **multi-strategy funds**.
- Average Year Established: For members of the Club with \$20bn or more in assets, the **average year of establishment is 1992**, highlighting the long track record for a large number of these managers. For managers with between \$1bn and \$4.9bn, the average year of establishment is 2001.
- Prominent Locations: A total of 202 members of the \$1bn Club are located in **New York**, and manage over \$1tn between them. **London** is the second most notable location of managers in the Club, with 83 headquartered there managing \$363bn in assets.
- Largest Fund Managers: **Bridgewater Associates** still commands the largest amount of assets, with a total of \$169.5bn in assets under management. **AQR Capital Management** follows this with \$64.9bn in assets.

To view the further information and analysis of the \$1bn Club, please see the full report below:
<https://www.preqin.com/docs/newsletters/hf/Preqin-Hedge-Fund-Spotlight-May-2015.pdf>

Comment:

“The \$1bn Club, those hedge funds with at least \$1bn or more in assets under management, have continued to grow over the past twelve months, both in terms of the assets they command and their influence on the hedge fund industry. This group of 570 hedge funds now accounts for 92% of the total assets managed by hedge funds.

Within this group of elite fund managers, many have steadily grown their assets over decades demonstrating a consistently strong track record over many market cycles. Some newer entrants have either demonstrated superior performance in a shorter term to accumulate their assets or have spun out of existing \$1bn Club firms to attract significant pools of capital to their new ventures.”

Amy Bensted – Head of Hedge Fund Products, Preqin

**The \$3.16tn in total hedge fund industry assets is Preqin’s latest estimate as of the end of Q1 2015. This is based on fund manager asset levels submitted directly from fund managers, and also estimates for a number of firms that have not submitted their latest asset values.*

Note to Editors:

Preqin is spelled without the letter ‘U’ after the ‘Q’, the company name being an amalgamation of the former name, Private Equity Intelligence.



About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

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For more information, please contact: Amy Bensted +44 (0)20 3207 0230 or abensted@preqin.com

For general press information, please contact: Nicholas Jelfs +44 (0)20 3207 0282 or press@preqin.com

New York: One Grand Central Place, 60 E 42nd Street, Suite 630, New York NY 10165 Tel: +1 212 350 0100

London: 3rd Floor, Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ Tel: +44 (0)20 3207 0200

Singapore: One Finlayson Green, #11-02, Singapore, 049246 Tel: +65 6305 2200

San Francisco: 1700 Montgomery Street, Suite 134, San Francisco, CA 94111 Tel: +1 415 835 9455

Web: www.preqin.com / info@preqin.com