

Volume 8, Issue 3

Welcome to the latest edition of **Hedge Fund Spotlight**, the monthly newsletter from Preqin providing insights into the hedge fund industry, including information on investors, funds, performance and more. Hedge Fund Spotlight combines information from our suite of **Hedge Fund Online** services.

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Featured Publication



2016 Preqin Global Hedge Fund Report

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Hedge Fund Spotlight

March 2016

Feature Article: Fund of Hedge Funds Outlook 3

In this month's feature article, we take a look at the fund of hedge funds industry, examining the challenges faced in 2015, the evolution of industry assets and the outlook for the industry in 2016.

Editor's View: Industry News 8

In Editor's View, we examine in more detail the latest news about funds of hedge funds globally and investor appetite for these vehicles.

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Upcoming hedge fund conferences around the world that Preqin will be attending in the near future, and available discount codes.

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- Michael O'Sullivan, *CIO, International Wealth Management Division, CREDIT SUISSE*
- Gabriel Burstein *PHD, Renowned Investment Strategist Thought leader in Factor Investing & Smart Beta*
- Tom Caddick, *Head of Global Multi Asset Solutions, SANTANDER ASSET MANAGEMENT*

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Feature Article: Fund of Hedge Funds Outlook

In this month's feature article, we take a look at the fund of hedge funds industry, examining the challenges faced in 2015, the evolution of industry assets and the outlook for the industry in 2016.

Overview of the Fund of Hedge Funds Sector

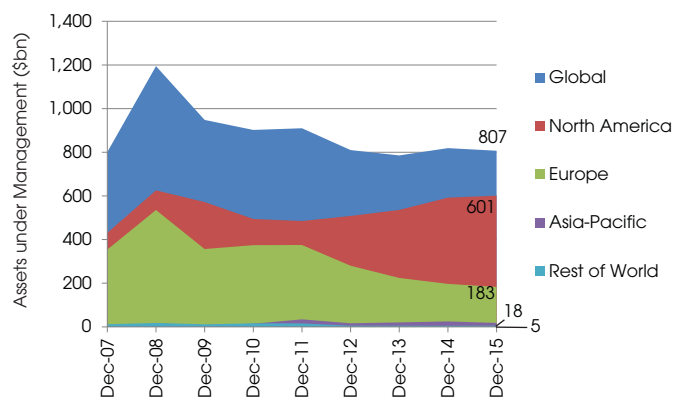
Fund of hedge funds were unable to sustain the growth witnessed in 2014 over the course of 2015. The industry's assets under management (AUM) declined by \$12bn over the year, wiping out over a third of the \$33bn added in 2014. As at 31 December 2015, the fund of hedge funds sector managed \$807bn in capital (Fig. 1). The sector experienced a wide range of activity over the year, from closures to mergers, acquisitions and spin-outs, as fund of hedge funds managers continued to search for solutions that meet the evolving needs and performance demands of institutional investors. In this article, we examine the changing fortunes of funds of hedge funds over recent years.

The Evolution of Industry Assets

The steady decline in fund of hedge funds assets, which began in 2008, was reversed in 2014. However, the sector once again saw outflows in 2015, with \$12bn in capital lost over the course of the year. North America was the only region in which funds of hedge funds showed growth over the year, adding \$9bn in new assets. In fact, North America-based fund of hedge funds managers have experienced year-on-year growth since 2011. In addition, a larger proportion (34%) of North America-based fund managers reported to Prequin that their AUM had increased over 2016 than those that reported declines in AUM (25%), as shown in Fig. 2.

In contrast to their North America-based counterparts, Europe-based fund of hedge funds managers experienced a tough year in 2015 as they recorded a further decline in assets, dropping \$14bn to \$183bn by December 2015. More Europe-based fund managers reported that their AUM had declined over

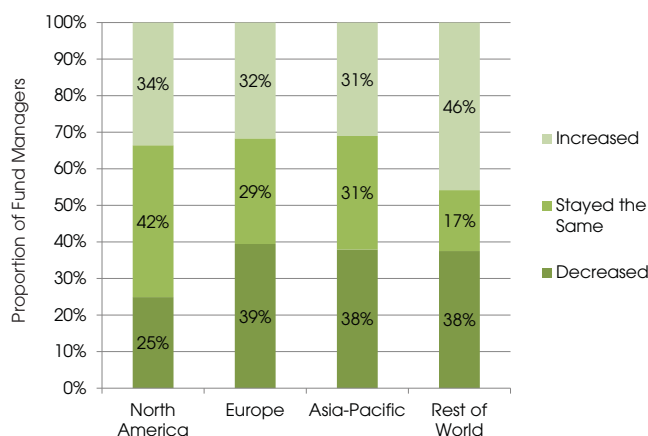
Fig. 1: Fund of Hedge Funds Managers' Assets under Management by Location, December 2007 - December 2015



Source: Prequin Hedge Fund Online

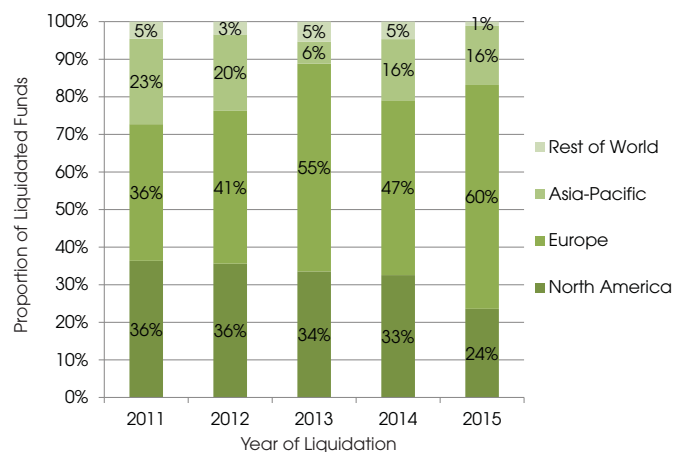
2015 than had increased. Europe-based managers have faced financial uncertainty surrounding the eurozone and regulatory challenges in the shape of the AIFMD. Managers in the region have dropped from a 44% share of multi-manager assets in 2007 to just 23% as at December 2015. The difficulties faced by funds of hedge funds in Europe in 2015 translated into a notable number of fund closures: 60% of the fund of hedge funds liquidations in 2015 were Europe-based vehicles (Fig. 3). The news was not all bad for Europe, however: multi-manager vehicles focused on Europe reported higher returns than vehicles focused on North America (Fig. 4).

Fig. 2: Proportional Change in Fund of Hedge Funds Managers' Assets under Management by Region, 2014-2015



Source: Prequin Hedge Fund Online

Fig. 3: Fund of Hedge Funds Liquidations by Fund Manager Location, 2011-2015



Source: Prequin Hedge Fund Online



Fund of hedge funds managers based in Asia-Pacific saw asset gains of \$5bn in 2014 completely reversed, ending 2015 with \$18bn in AUM. Despite this, there is some cause for optimism in the region; recent regulatory changes, particularly in China, have focused on reducing barriers to entry for overseas investors which may result in inflows in the future. In addition, the performance of funds of hedge funds focused on Asia-Pacific was superior to other regions, despite the threat of a slowing Chinese growth rate contributing to four consecutive months of losses (June-September). The Preqin Asia-Pacific Fund of Hedge Funds benchmark ended 2015 on 5.90%, above other regional benchmarks (Fig. 4).

Fund of hedge funds managers outside North America, Europe and Asia-Pacific are predominantly based in Brazil and South Africa. The combined AUM of funds of hedge funds in these two countries accounts for 78% of Rest of World capital.

Further growth in 2016 may be driven largely by performance. Institutional investors were asked at the end of 2015 about their plans for their fund of hedge funds investments in 2016 (Fig. 5). Forty percent of institutional investors use funds of hedge funds in their portfolio – of this group, a larger proportion plan to reduce their exposure to these funds than plan to increase. The largest proportion plan to maintain their fund of hedge funds exposure during 2016.

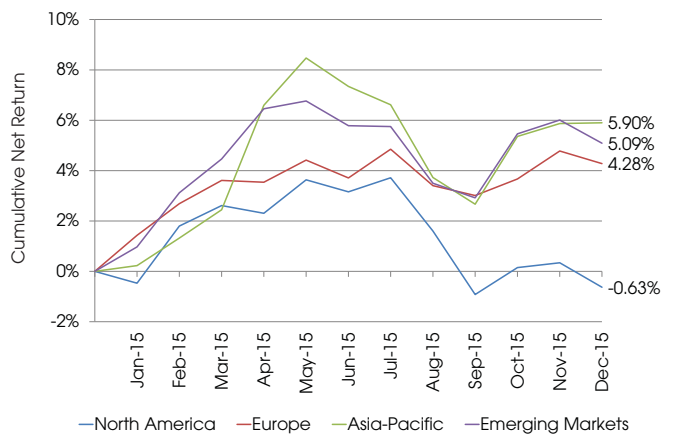
Fund of Hedge Funds Launches in 2015

With the level of capital invested in funds of hedge funds falling, fund managers saw little scope for new products to enter the market in 2015. As a result, just 32 new funds were inceptioned in 2015 (Fig. 6). Although the number of launches recorded for 2015 is likely to increase in the first half of 2016 as more data becomes available, it remains unlikely that this figure will surpass the number of launches (86) in 2014 or outstrip the number of liquidations in 2015, which stands at 97 and is also expected to grow.

The fact that there were more than three times as many fund closures as launches in 2015 confirms that the fund of hedge funds industry remains in a period of consolidation. There were a number of mergers, acquisitions and spin-outs in 2015, including Aberdeen Asset Management announcing the purchase of Arden Asset Management in Q3 2015, which was completed in January 2016, and Investcorp acquiring SSARIS Advisors in Q4 2015. A long period of growth prior to 2008 saw the fund of funds sector mature and institutional investors become more comfortable with hedge fund investments. The environment in recent years has become more competitive, as investors increasingly move towards single-manager portfolios, and many established players in the industry now seek to facilitate innovation by acquiring profitable fund of hedge funds businesses. By marketing new products and investment solutions, managers aim to diversify their offering and attract a wider group of investors.

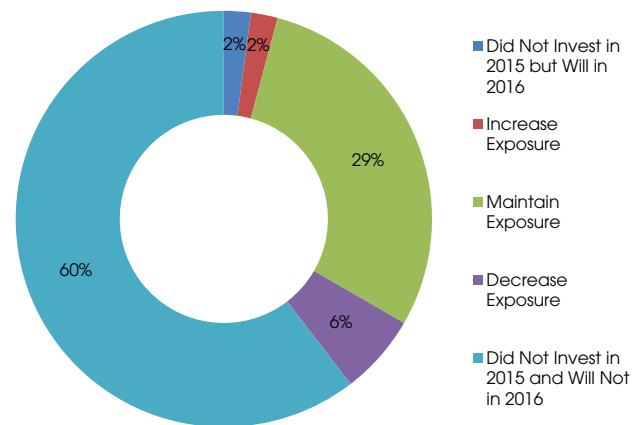
A multi-strategy approach is sought by many fund of hedge funds investors; the majority (54%) of new funds that came to market in 2015 aim to provide strategy diversification (Fig. 7). Almost one-fifth of fund of hedge funds launches focus on equity strategies hedge funds and 12% primarily provide exposure to macro strategies funds. Perhaps encouraged by solid performance in recent years and possible opportunities in fixed income markets in 2016, credit-focused vehicles accounted for a larger proportion of new launches in 2015 (8%) than they did in 2014 (1%).

Fig. 4: Cumulative Returns of Funds of Hedge Funds by Regional Focus, 2015



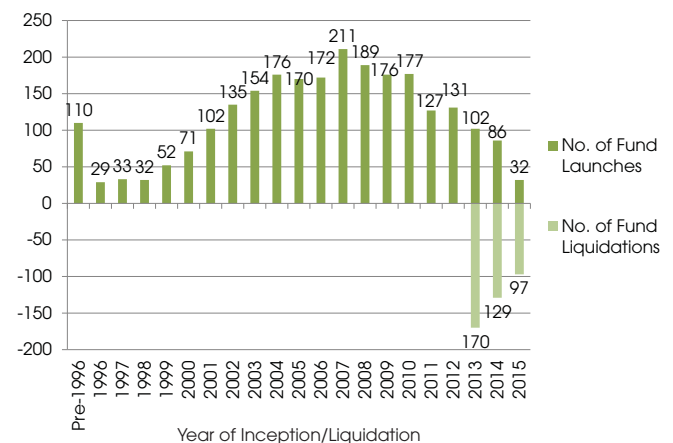
Source: Preqin Hedge Fund Online

Fig. 5: Investors' Fund of Hedge Funds Allocation Plans for 2016



Source: Preqin Hedge Fund Online

Fig. 6: Fund of Hedge Funds Launches by Year of Inception/Liquidation



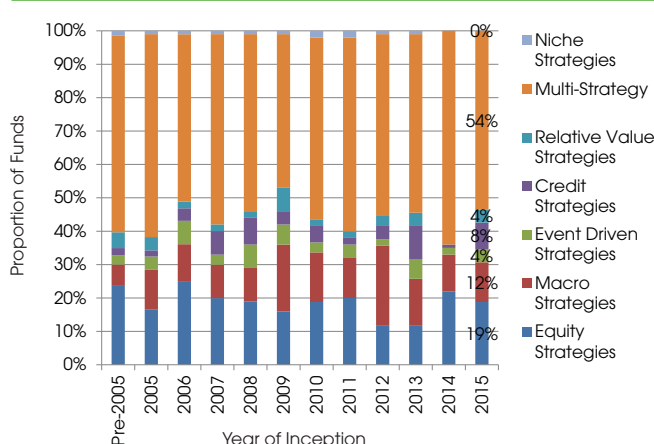
Source: Preqin Hedge Fund Online



Outlook

Funds of hedge funds experienced varying degrees of success in 2015 – a year in which many hedge fund managers struggled to navigate tricky macroeconomic environments. The industry saw a significant amount of consolidation, with overall assets declining slightly amid numerous fund closures, particularly in Europe. North America-based managers enhanced their market share and now control almost three-quarters of global fund of hedge funds assets. Despite this, Europe-focused funds outperformed those targeting North American opportunities for the first time since 2008. It will be interesting to see if this helps the European industry to stabilize in 2016, or whether the trend of fewer funds controlling smaller AUM will continue.

Fig. 7: Fund of Hedge Funds Launches by Strategy



Source: Preqin Hedge Fund Online

Fig. 8: 10 Largest Fund of Hedge Funds Managers

Fund Manager	Location	Year Established	Assets under Management
Blackstone Alternative Asset Management	US	1990	\$68.0bn (As at 30 September 2015)
UBS Hedge Fund Solutions	US	2000	\$35.0bn (As at 30 September 2015)
Goldman Sachs Asset Management	US	1997	\$29.2bn (As at 30 June 2015)
HSBC Alternative Investments	UK	1994	\$27.2bn (As at 30 June 2015)
Grosvenor Capital Management	US	1971	\$27.0bn (As at 30 September 2015)
Morgan Stanley Alternative Investment Partners	US	2000	\$22.3bn (As at 30 September 2015)
Permal Group	US	1971	\$22.3bn (As at 30 September 2015)
BlackRock Alternative Advisors	US	1995	\$21.5bn (As at 30 September 2015)
Mesirow Advanced Strategies	US	1983	\$13.5bn (As at 30 September 2015)
SkyBridge Capital	US	2005	\$12.8bn (As at 30 September 2015)

Source: Preqin Hedge Fund Online

This article is based on an extract from the **2016 Preqin Global Hedge Fund Report**, the most comprehensive review of hedge funds ever undertaken.

Covering a wide range of topics, with expert commentary, key trends from recent years, historical statistics, league tables and survey results, the Report offers exclusive insight into the latest developments affecting the industry.

Topics include:

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- Asset flows
- Institutional investors
- Fund managers
- Performance

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Key Facts: Funds of Hedge Funds



40%
Proportion of institutional investors that have exposure to funds of hedge funds.



63%
Proportion of investors in funds of hedge funds that felt performance expectations had been met in 2015.



725
Number of fund of hedge funds managers tracked by Prequin on **Hedge Fund Online**.

North America



\$9bn

Assets added by North America-based funds of hedge funds in 2015.

Europe



\$14bn

Assets lost by Europe-based funds of hedge funds in 2015.



\$68bn

AUM of **Blackstone Alternative Asset Management**, the largest fund of hedge funds manager globally, which is based in the US.

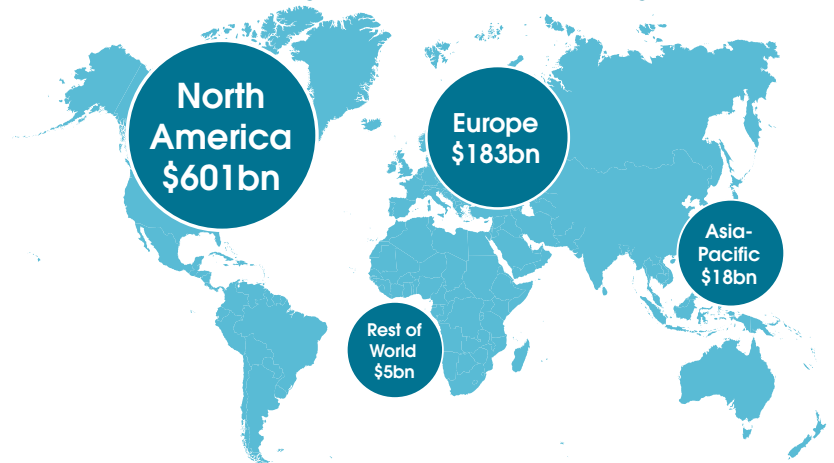
\$27.2bn

AUM of **HSBC Alternative Investments**, the largest fund of hedge funds manager in Europe.

Source: Prequin Hedge Fund Online

Source: Prequin Hedge Fund Online

Fund of Hedge Funds Assets under Management



Source: Prequin Hedge Fund Online

Rest of World



\$0bn

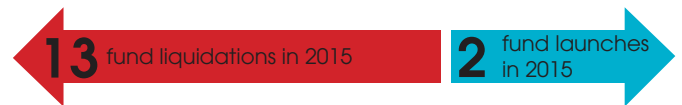
No change in assets of Rest of World-based funds of hedge funds in 2015.

Asia-Pacific



\$7bn

Assets lost by Asia-Pacific-based funds of hedge funds in 2015.



\$0.6bn

AUM of **BSP Funds**, the largest fund of hedge funds manager in Rest of World.

\$5bn

AUM of **MCP Asset Management**, the largest fund of hedge funds manager in Asia-Pacific.

Source: Prequin Hedge Fund Online

Source: Prequin Hedge Fund Online

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May 18, 2016

Hedge Fund

May 19, 2016

Conrad Seoul Hotel

ASK 2016 Global Private Debt & Equity summit and Hedge Fund summit are meeting places for global fund managers and institutional Korean investors who are searching for overseas investment opportunities.

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Editor's View: Industry News

In our feature article this month, we take a closer look at the fund of hedge funds sector and examine the diverging fortunes of North America-based funds of hedge funds from their counterparts across the globe. In Editor's View, we examine in more detail the latest fund of hedge funds news and investor appetite for these vehicles.

Europe-Based Funds of Hedge Funds

London-based [Downing](#) launched a new fund of hedge funds in February 2016; [PFS Downing Diversified Global Managers](#) looks to provide medium- to long-term capital growth on a medium-risk basis. The fund will broadly focus on long-only equity funds; however, it is able to invest up to 35% in funds that are uncorrelated to the broader equity markets, including – but not limited to – short bias, arbitrage, volatility and energy investment strategies. When making new investments through this vehicle it will typically allocate \$500,000 to each fund and will target listed and UCITS funds only. It will not consider seeding opportunities or spin-offs but is open to investing with emerging managers should the opportunity arise.

Geneva-based [Edmond de Rothschild \(Suisse\)](#) is looking to redeem and replace hedge fund investments in its \$2bn Prifund Alpha range of funds over the next 12 months. It will primarily focus on investing in managers that employ relative value strategies, although it is also open to increasing its exposure to CTAs, macro and non-directional strategies to maintain a diversified investment approach.

North America-Based Funds of Hedge Funds

One of the top performing funds of hedge funds managed by a North America-based fund manager over the past year was [Alpha Blend Global Currency Fund](#), managed by Cincinnatti, Ohio-based [Absolute Return Strategies](#). The fund, which is domiciled in Ireland and pursues a foreign exchange theme, returned 10.41% to the 12 months ending 29 February 2016.

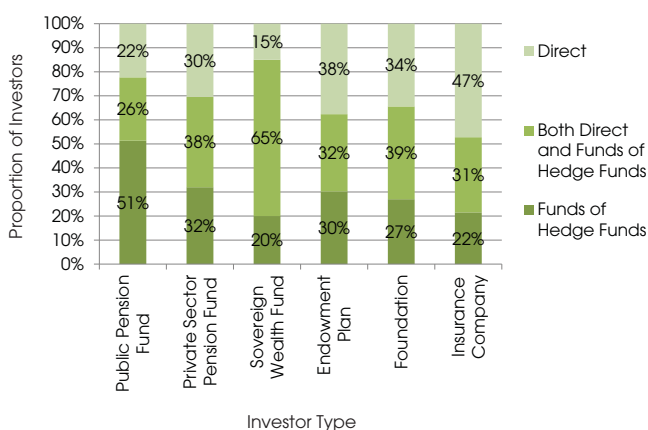
[PreserverPartners](#) launched a new fund of hedge funds vehicle in March 2016. The investment objective of the [Preserver Alternative Opportunities Fund](#) – a liquid alternative mutual fund – is to generate attractive risk-adjusted returns, income generation and diversification with less risk than traditional stocks and bonds. The fund offers daily liquidity and employs a flexible investment approach, which allows investment across multiple asset classes and strategies. The fund targets a 4-5% yield and charges only one layer of investment management fees.

Asia-Pacific- and Rest of World-Based Funds of Hedge Funds

Taiwan-based [Labor Pension Fund \(LPF\)](#) intends to make between one and three new fund investments over the next 12 months. LPF expects to target multi-strategy funds of hedge funds focusing on investment opportunities globally.

Chart of the Month

Institutional Investor Types by Hedge Fund Investment Approach



Source: Preqin Hedge Fund Online

Our Chart of the Month shows the breakdown of institutional investors' approaches to hedge fund investment by the types of products they use. There are clear differences in appetite for funds of hedge funds among the groups of investors assessed. Public pension funds show the greatest appetite for multi-manager funds; 78% use funds of hedge funds either in conjunction with direct investments or as the sole exposure to hedge funds in their portfolio. In contrast, insurance companies show a much reduced appetite for funds of hedge funds. Nearly half (47%) of the insurance companies tracked by Preqin have no exposure to multi-manager funds in their current portfolio.

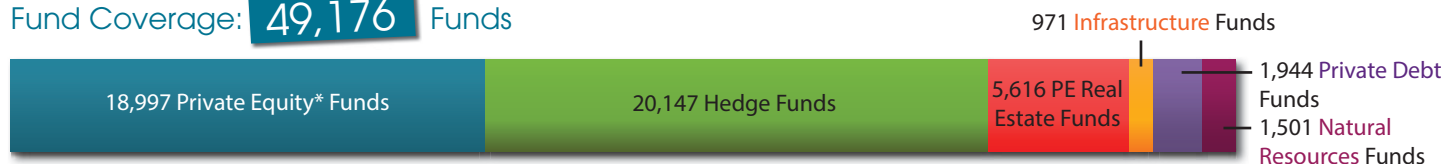
One of the top performing funds of hedge funds over the 12 months to 29 February 2016 is [BTG Pactual PAR Plus](#), managed by Brazil-based [BTG Pactual](#). The fund pursues investment in long/short equity hedge funds and has made gains of 40.27% over this 12-month period.

Do you have any news you would like to share with the readers of Spotlight? Perhaps you're about to launch a new fund, have implemented a new investment strategy, or are considering investments beyond your usual geographic focus?

Send your updates to spotlight@preqin.com and we will endeavour to publish them in the next issue.

alternative assets. intelligent data.

Fund Coverage: **49,176** Funds



Firm Coverage: **23,628** Firms

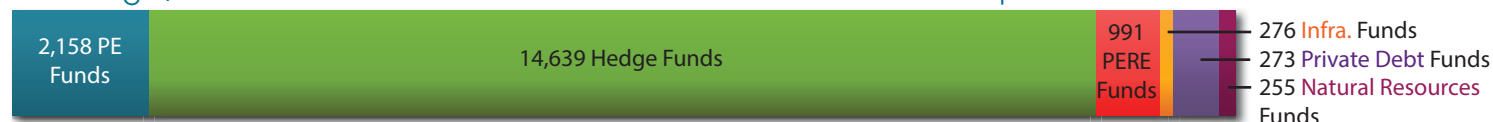


Performance Coverage: **21,863** Funds (IRR Data for 6,414 Funds and Cash Flow Data for 3,101 Funds)



Fundraising Coverage: **18,592** Funds Open for Investment/Launching Soon

Including 3,141 Closed-End Funds in Market and 294 Announced or Expected Funds

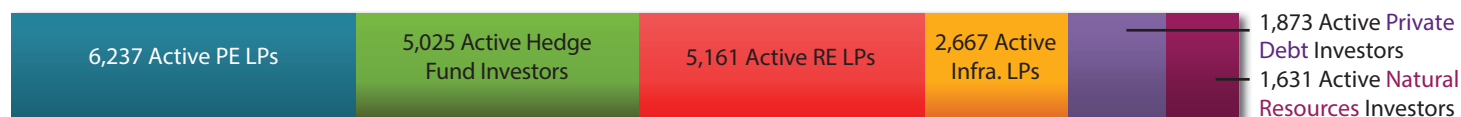


Deals Coverage: **156,165** Deals Covered; All New Deals Tracked



Investor Coverage: **13,816** Institutional Investors Monitored,

Including 9,647 Verified Active**** in Alternatives and 102,345 LP Commitments to Partnerships



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***Venture capital deals: Preqin tracks cash-for-equity investments by professional venture capital firms in companies globally across all venture capital stages, from seed to expansion phase. The deals figures provided by Preqin are based on announced venture capital rounds when the capital is committed to a company.

****Preqin contacts investors directly to ensure their alternatives programs are active. We emphasize active investors, but clients can also view profiles for investors no longer investing or with programs on hold.



Performance Benchmarks

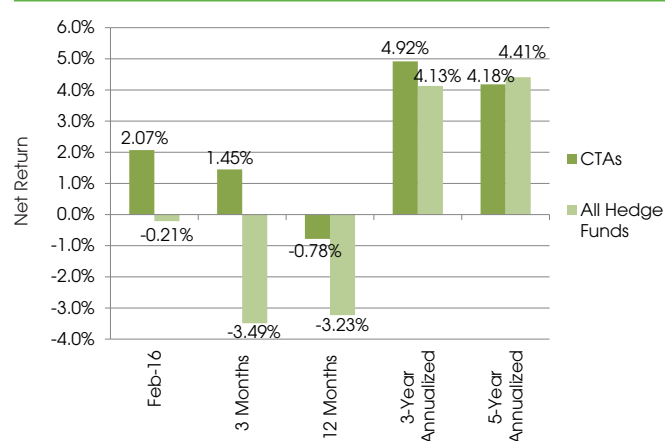
Fig. 1: Summary of Preliminary February 2016 Performance Benchmarks (Net Return, %)*

Benchmark Name	Feb-16	Jan-16	2016 YTD	12 Months
Hedge Funds	-0.21	-2.68	-2.88	-3.23
HF - Equity Strategies	-0.27	-4.29	-4.55	-6.35
HF - Event Driven Strategies	0.19	-2.91	-2.73	-5.27
HF - Relative Value Strategies	-0.22	-1.10	-1.31	2.09
HF - Macro Strategies	0.36	0.29	0.66	1.19
HF - Multi-Strategy	0.18	-1.10	-0.92	0.31
HF - Credit Strategies	-0.94	-1.09	-2.02	-1.26
Activist	-0.60	-4.25	-4.82	-4.71
Volatility	0.94	-0.13	0.81	4.62
Discretionary	-0.47	-3.17	-3.63	-4.12
Systematic	0.73	-0.88	-0.16	3.53
HF - North America	0.02	-3.31	-3.29	-5.11
HF - Europe	-0.46	-2.20	-2.65	-0.85
HF - Asia-Pacific	-2.21	-4.21	-6.33	-1.48
HF - Developed Markets	0.23	-0.78	-0.56	-0.08
HF - Emerging Markets	0.97	-3.12	-2.18	-2.53
HF - USD	-0.14	-2.98	-3.11	-4.44
HF - EUR	-0.45	-1.81	-2.25	-2.56
HF - GBP	0.74	-1.17	-0.44	-1.15
HF - JPY	-3.41	-2.38	-5.71	1.08
HF - BRL	2.29	0.40	2.70	9.70
HF - Emerging (Less than \$100mn)	-0.17	-2.51	-2.68	-3.34
HF - Small (\$100-\$499mn)	-0.34	-2.80	-3.13	-2.97
HF - Medium (\$500-999mn)	-1.00	-2.64	-3.61	-3.33
HF - Large (\$1bn plus)	-0.79	-2.14	-2.92	-3.39
Funds of Hedge Funds	-1.01	-2.43	-3.42	-4.56
FOHF - Equity Strategies	-1.28	-4.04	-5.26	-6.72
FOHF - Macro Strategies	1.31	0.15	1.46	-1.88
FOHF - Multi-Strategy	-1.03	-1.98	-2.99	-3.90
Funds of CTAs	3.46	3.23	6.79	-4.81
FOHF - USD	-1.13	-2.74	-3.84	-5.56
FOHF - EUR	-1.70	-2.47	-4.13	-5.59
Alternative Mutual Funds	-0.21	-2.32	-2.52	-6.52
UCITS	-0.90	-2.69	-3.57	-5.56
UCITS - Equity Strategies	-1.56	-4.07	-5.57	-6.79
UCITS - Relative Value Strategies	-0.26	-1.12	-1.38	-1.51
UCITS - Macro Strategies	-0.29	-1.53	-1.81	-7.02
UCITS - USD	-1.07	-3.20	-4.24	-7.53
UCITS - EUR	-0.98	-2.47	-3.42	-4.93
CTAs	2.07	0.98	3.07	-0.78
Discretionary	0.43	-1.23	-0.81	0.33
Systematic	2.29	1.58	3.91	-2.02
CTA - USD	2.44	1.14	3.61	-0.46
CTA - EUR	1.83	0.04	1.87	-1.03

*Please note, all performance information includes preliminary data for February 2016 based upon net returns reported to Preqin in early March 2016. Although stated trends and comparisons are not expected to alter significantly, final benchmark values are subject to change.

Source: Preqin Hedge Fund Online

Fig. 2: Performance of Hedge Funds vs. CTAs (As at February 2016)



Source: Preqin Hedge Fund Online

Hedge funds remain in negative territory for the second consecutive month this year, with the Preqin All-Strategies Hedge Fund benchmark posting a return of just -0.21% for February, bringing the year-to-date figure to a disappointing -2.88%. Equity strategies continued to be the worst performing, posting -0.27%. In contrast, macro strategies remain the top performing over the last 12-month period, generating a 12-month figure of 1.19% and a modest year-to-date figure of 0.66% – the only strategy to be in positive territory so far this year.

As shown in Fig. 2, CTAs continue to outperform hedge funds in 2016; February saw them post their highest monthly return (+2.07%) since January 2015, bringing the year-to-date figure to 3.07%, their best start to the year since 2008 (+10.72%).

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Texas Hedge Fund Industry

In this factsheet, Preqin takes a closer look at the hedge fund industry in the Lone Star State. Using data taken from Preqin's [Hedge Fund Online](#), we examine the investor and fund landscape in more detail.

Investor Activity in Texas

3rd

Texas is the third largest state in the US in terms of institutional capital invested in hedge funds.

277

Number of institutional investors tracked by Preqin that are based in Texas.

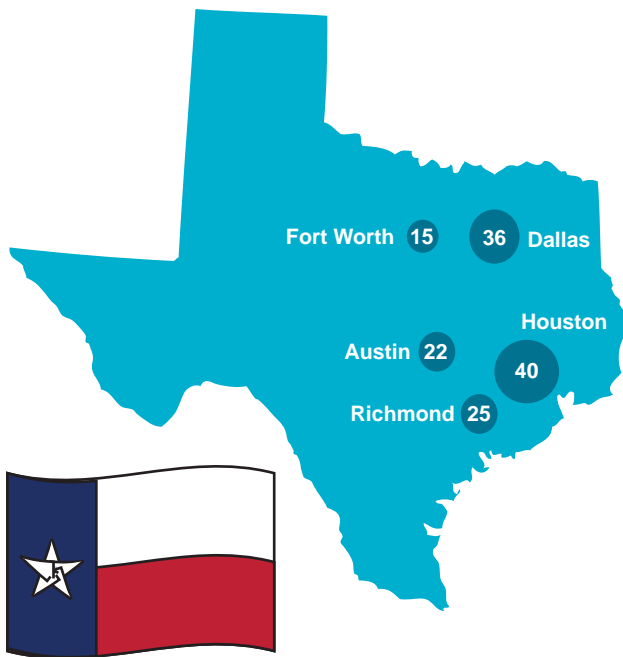
61%

Proportion of Texas-based institutions tracked on **Hedge Fund Online** that invest in hedge funds.

16.6%

The average allocation to hedge funds of a Texas-based institution.

Five Key Places to Visit in Texas (By Number of Investors in Each City)



Three Investors to Watch in Texas

Name	About
Teachers Retirement System of Texas	With nearly \$15bn invested in hedge funds, this is the largest investor in Texas, and in fact, the whole of the US.
University of Texas Investment Management Company	Having invested in hedge funds since 1997, UTIMCO now invests more than 30% of its AUM in hedge funds and has one of the largest portfolios, in terms of number of funds invested in, tracked by Preqin.
Crestline Investors	The \$7bn fund of hedge funds manager is the largest multi-manager in Texas and is searching for new funds in 2016.

The Leading Source of Intelligence on the Industry

Hedge Fund Online is Preqin's award-winning hedge fund information resource, incorporating all of our hedge fund data, intelligence and functionality, providing you with the most comprehensive coverage of the asset class available.

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Hedge Funds in Texas



\$50bn

With \$50bn managed within Texas, it is the eighth largest state in terms of AUM in the US.

220

Number of Texas-based hedge fund managers tracked by Preqin.



44

Number of new hedge funds launched by Texas-based firms in 2015.



1.45%/20.11%

The mean management and performance fees of hedge funds managed out of Texas.



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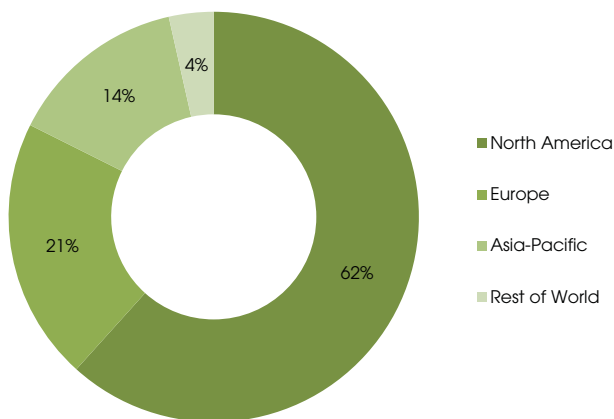
Managed Accounts

Fig. 1: Managed Account Terms & Conditions vs. Overall Hedge Fund Industry

Structure	Mean Management Fee (%)	Mean Performance Fee (%)	Employs a Hurdle Rate	Employs a High-Water Mark	Average Minimum Investment	Median Redemption Frequency (Days)	Mean Lock-up Period (Months)
Managed Accounts	1.46	19.56	27%	92%	\$4.4mn	30	2.7
Overall Hedge Fund Industry	1.58	19.40	46%	97%	\$2.0mn	30	7.3

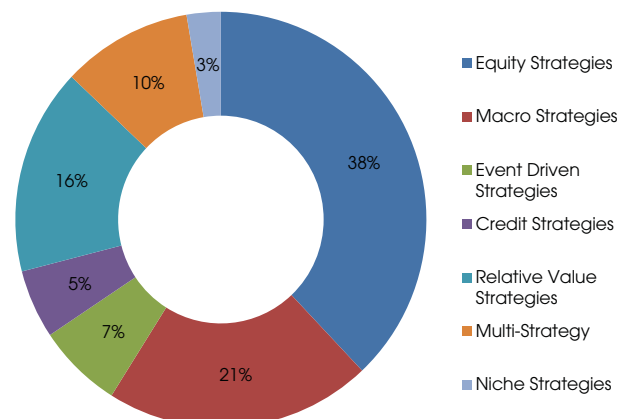
Source: Preqin Hedge Fund Online

Fig. 2: Managed Accounts by Manager Location



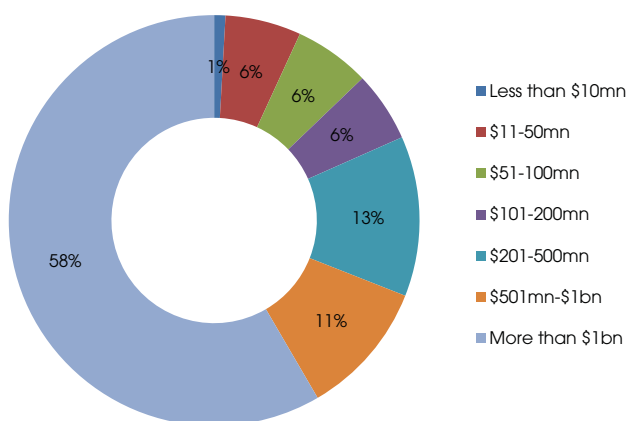
Source: Preqin Hedge Fund Online

Fig. 3: Managed Accounts by Top-Level Strategy



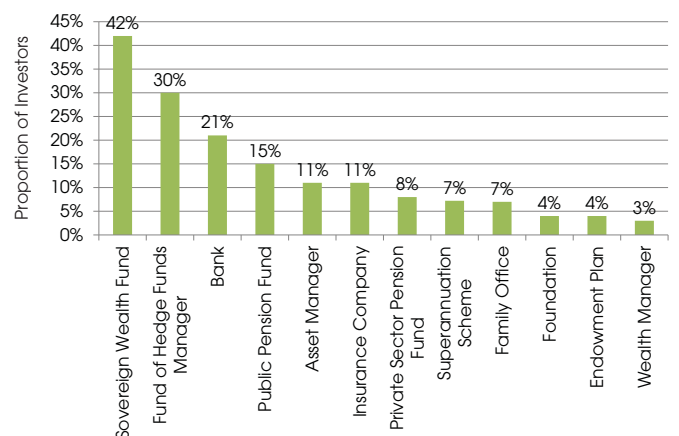
Source: Preqin Hedge Fund Online

Fig. 4: Investors in Managed Accounts by Assets under Management



Source: Preqin Hedge Fund Online

Fig. 5: Investors that Invest in Hedge Funds via Managed Accounts by Type



Source: Preqin Hedge Fund Online

Data Source:

Preqin's **Hedge Fund Online** features information on over 566 fund managers that offer managed accounts to their investors. This includes comprehensive profiles for 511 investors interested in managed accounts, featuring assets under management, allocation to hedge funds, investment preferences and more.

For more information, or to arrange a demonstration, please visit:

www.preqin.com/hfo



Macro Strategies Funds

We look at the strategies and regions hedge fund investors plan to target in the year ahead, as well as which investors are planning new investments.

Key Facts



642

Number of hedge fund managers offering a macro strategies fund.



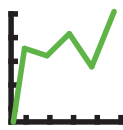
1,071

Number of active macro strategies funds in market.



2,100

Number of institutions investing in macro strategies funds.



+1.32%

The highest monthly return generated by macro strategies hedge funds in 2015 (posted in March).



-7.24%

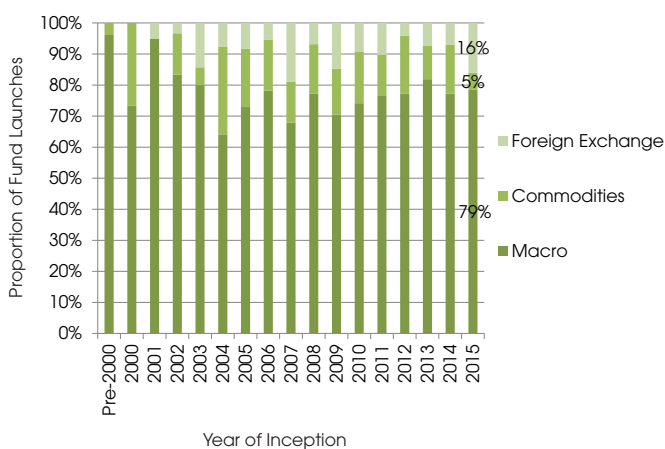
Commodities hedge funds returned -7.24% in 2015; in comparison, macro funds made gains of 4.24%.



\$64.94bn

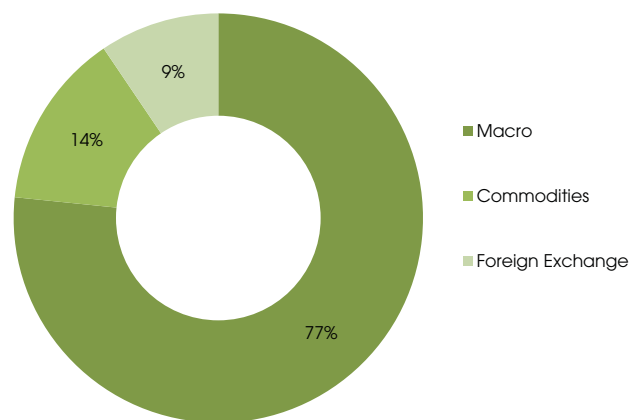
Size of the largest macro strategies fund, Bridgewater Pure Alpha Strategy 12%.

Fig. 1: Macro Strategies Fund Launches by Strategy and Year of Inception



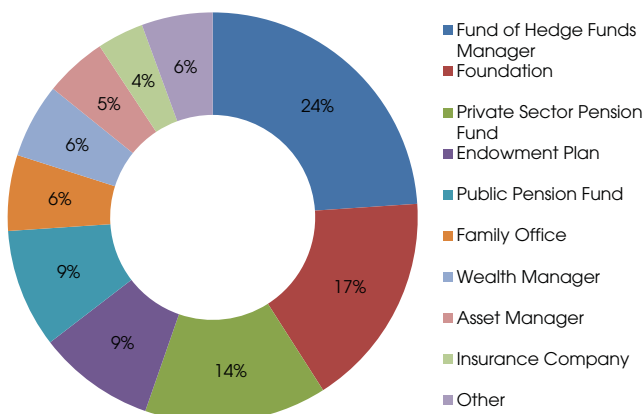
Source: Preqin Hedge Fund Online

Fig. 2: Macro Strategies Funds by Strategy



Source: Preqin Hedge Fund Online

Fig. 3: Investors in Macro Strategies Funds by Type



Source: Preqin Hedge Fund Online

Data Source:

Preqin's **Hedge Fund Online** provides detailed information on over 1,000 macro strategies hedge funds.

Comprehensive profiles include assets under management, monthly returns, strategy and regional preferences, and much more.

For more information, please visit:

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Strategic Advisor
Middle East Sovereign Wealth Fund
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CFO
Bahrain National Holding
(Sovereign wealth fund) | Sharmila C Kassam
Deputy CIO
Employees Retirement System of Texas
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CIO
Bahrain Mumtalakat Holding Co.
(Sovereign wealth fund) | Ciarán Barr
Investment Director
Railpen
(Pension funds) | Dr John Rutledge
Chief Investment Strategist
SAFANAD
(Principal investment house) |

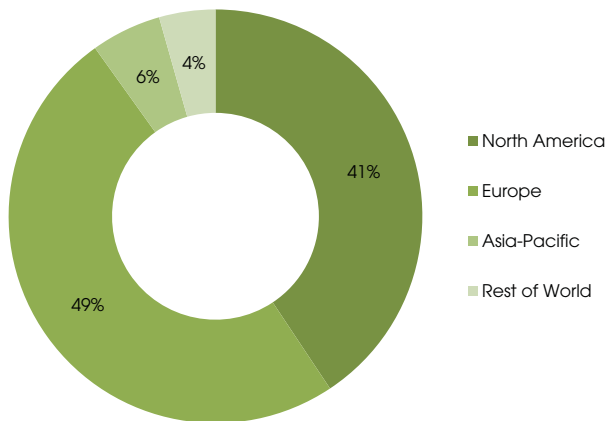
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Fund Searches and Mandates

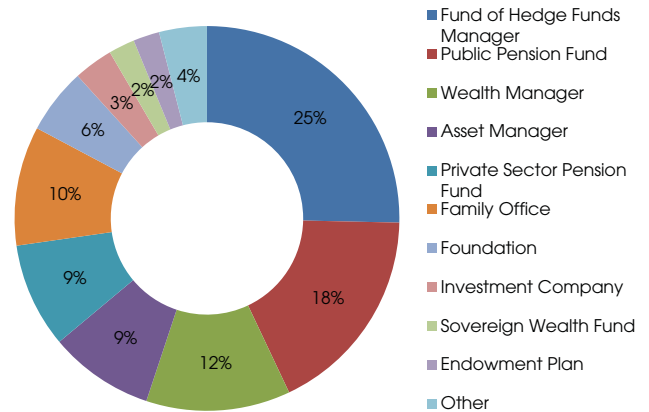
We look at the strategies and regions hedge fund investors plan to target in the year ahead, as well as which investors are planning new investments.

Fig. 1: Hedge Fund Searches Issued by Investor Location, February 2016



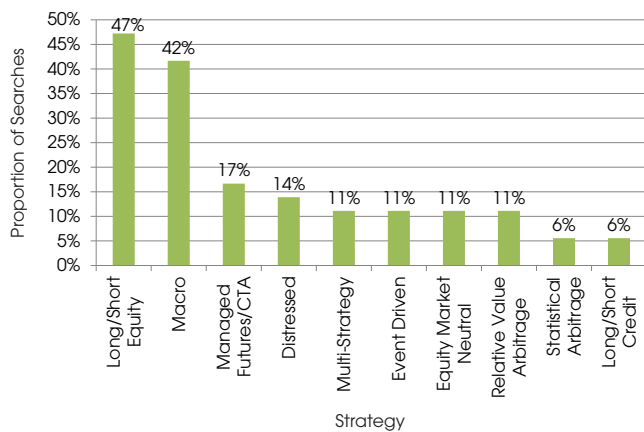
Source: Preqin Hedge Fund Online

Fig. 2: Hedge Fund Searches Issued by Investor Type, February 2016



Source: Preqin Hedge Fund Online

Fig. 3: Hedge Fund Searches Issued by Strategy, February 2016



Source: Preqin Hedge Fund Online

Subscriber Quicklink:

Subscribers can click [here](#) to view detailed profiles of 391 institutional investors in hedge funds searching for new investments via the **Fund Searches and Mandates** feature on Preqin's **Hedge Fund Online**.

Preqin tracks the future investment plans of investors in hedge funds, allowing subscribers to source investors actively seeking to invest capital in new hedge fund investments.

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Fig. 4: Examples of Fund Searches Issued in February 2016

Investor	Investor Type	Location	Fund Search Details
Skënderbeg Alternative Investments AG	Fund of Hedge Funds Manager	Switzerland	Skënderbeg plans to add up to three new funds to its portfolio over the course of the next 12 months. The firm invests with low-net, medium-sized long/short equity and market-neutral managers that possess at least a three-year track record and hold at least \$50mn in AUM.
Texas Municipal Retirement System	Public Pension Fund	US	Texas Municipal Retirement System will commit to five or six hedge funds in the next 12 months. It has a preference for managers with at least a three-year track record and a minimum of \$500mn in AUM.
Sompo Japan Nipponkoa Asset Management	Fund of Hedge Funds Manager	Japan	Sompo Japan Nipponkoa Asset Management (SNAM) will be making up to eight new investments in hedge funds over the next 12 months. It is interested in Asia and Japan-focused funds employing long/short equity strategies; it will also consider equity market neutral, macro and event driven strategies.

Source: Preqin Hedge Fund Online



Conferences Spotlight

Conference	Dates	Location	Organizer	Preqin Speaker	Discount Code
AIMA Alternative Investment Management Summit	30 - 31 March 2016	Abu Dhabi	AIMA	Amy Bensted	–
Family Office & Endowment Investment Forum	4 - 5 April 2016	Toronto	Opal Finance Group	–	–
Impact Investing Forum	17 - 19 April 2016	Palm Beach Gardens, FL	Opal Finance Group	–	–
FundForum Asia	18 - 21 April 2016	Hong Kong	Informa	Amy Bensted	15% Discount - FKN2472PNWB
Cap Intro: Hedge Fund Investing West	18 April 2016	San Francisco, CA	Catalyst Financial Partners	–	–
IFG Wealth Management Forum	18 - 19 April 2016	Scottsdale, AZ	International Forum Group	–	–
The Elite Summit	20 - 22 April 2016	Montreux, Switzerland	Marcus Evans Summits	–	–
CTAExpo/Emerging Manager Forum New York	21 April 2016	New York	CTA Expo	–	–
2nd Annual Hedge Fund China Summit	23 April 2016	Shanghai	Finfo Global Ltd	–	–
Private Wealth Management APAC Summit	25 - 27 April 2016	Kuala Lumpur	Marcus Evans Summits	–	–
Gaining the Edge 2016 Hedge Fund Marketing Leadership Summit	28 April 2016	New York	Agecroft Partners	–	–
Middle East Investment Summit 2016	2 - 3 May 2016	Dubai	Terrapinn	–	–
Hedge Fund Emerging & Startup Manager Forum London	4 May 2016	London	Informa	–	–
The SALT Conference	10 - 13 May 2016	Las Vegas, NV	SkyBridge Capital	–	–
Latin Private Wealth Management Summit	12 - 13 May 2016	Panama City, FL	Marcus Evans Summits	–	–
Cap Intro: Macro, Merger Arb. & Activist Investing	16 May 2016	New York	Catalyst Financial Partners	–	–
ASK 2016 Global Private Debt & Equity Summit	18 May 2016	Korea	IK Summit	Ryan Flanders	–
ASK 2016 Hedge Fund Summit	19 May 2016	Korea	IK Summit	Amy Bensted	–
Emerging Managers Summit	23 - 25 May 2016	Chicago, IL	Opal Finance Group	–	–

Access Free Conference Slide Decks and Presentations

Preqin attends and speaks at many different alternative assets conferences throughout the year, covering topics from infrastructure fundraising trends to alternative UCITS.

All of the conference presentations given by Preqin speakers, which feature charts and league tables from Preqin's online products, can be viewed and downloaded from Preqin's **Research Center Premium**, for free.

For more information, and to register for Preqin's **Research Center Premium**, please visit:

www.preqin.com/rcp



Impact Investing Forum

Date: 17 - 19 April 2016
Information: <http://www.opalgroup.net/trk/iifee1608.html>
Location: Palm Beach Gardens, FL
Organizer: Opal Group

This conference will bring together top influencers, experienced investors, money managers, and service providers that are leading the way. Themes including defining impact investing, portfolio construction, asset class opportunities, and investor roles will be discussed at this three day event.

IFG Wealth Management Forum

Date: 18- 19 April 2016
Information: <http://events.marcusevansna.com/ifg-2016pr/>
Location: Scottsdale Marriott at McDowell Mountains, Arizona
Organizer: International Forum Group

IFG's Wealth Management Forum provides a unique platform for investment decision makers from single and multi-family offices to engage in vibrant benchmarking sessions and gain practical solutions and best practices to achieve optimal portfolio returns. The result? Two days of intense targeted networking sessions which will rejuvenate your business and your referral pipeline.

CTAExpo/Emerging Manager Forum New York

Date: 21 April 2016
Information: www.CTAExpo.com
Location: The Roosevelt Hotel, 45 East 45th Street New York, NY 10017
Organizer: CTAExpo LLC

CTAExpo/Emerging Manager Forum New York is an alternative investment conference where money raisers, asset allocators, emerging traders and industry professionals can meet and interact. The conference represents a cost efficient, effective way to enhance the visibility of traders, investors and service providers in the alternative investment community.

Gaining the Edge 2016 Hedge Fund Marketing Leadership Summit

Date: 28 April 2016
Information: www.apgainingtheedge.com
Location: The Roosevelt Hotel, New York City, NY
Organizer: Agecroft Partners

On April 28th, many of the world's most influential hedge fund marketing experts, including most of the top heads of capital introduction from the largest prime brokerage firms will gather in NYC at Gaining the Edge 2016 Hedge Fund Marketing Leadership Summit to discuss "How to Enhance the Asset Raising Capability of Your Hedge Fund Organization."



Hedge Fund Emerging & Startup Manager Forum London

Date: 4 May 2016
Information: <http://www.iiribcfinance.com/FKW53324PL>
Location: London
Organizer: IIR & IBC Events

IIR's Hedge Fund Startup & Emerging Manager Forum London is the leading event for the next generation of Hedge Fund managers. This event has been put together to provide those looking to start and grow a Hedge Fund with an in depth guide to setting up a fund, gaining investment and successfully run an institutional business.

Cap Intro: Macro, Merger Arb. & Activist Investing

Date: 16 May 2016
Information: <http://catalystforum.com/node/363>
Location: New York City
Organizer: Catalyst Financial Partners

Catalyst Cap Intro Events are exclusive, sector focused, investor driven events that host hand-picked investors and investment managers that intend to become investment partners. This Catalyst Cap Intro Event focuses only on the Macro, Merger Arb. & Activist alternative investing sectors. Introductions are accomplished through private meetings which are arranged prior the events, where investors request meetings based on the merits of each investment manager. Investors are pre-screened and pre-qualified prior the events and constitute mainly single and multi-family offices, HNWs, endowment and foundations, and their advisors, located in the Eastern US, but also internationally.

ASK 2016 Global Private Debt & Equity Summit

Date: 18 May 2016

ASK 2016 Hedge Fund Summit

Date: 19 May 2016
Location: Conrad Seoul Hotel
Organizer: The Korea Economic Daily

ASK Summits in May are meeting places for private debt, equity and hedge fund where you could meet both global fund managers and Korean institutional investors. The ASK Summits provide best access to respected investors and qualified and competitive global managers by inviting more than 30 speakers including investors and managers and around 600 investors at floor for both summits. Also there is a meeting opportunity with top 20 CIOs at VIP dinner.

Information: www.kedask.com