

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 collates information from our **Hedge Fund Online** service.

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Featured Publication



2017 Preqin Private Capital Compensation and Employment Review

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Feature Article: Hedge Funds in the US

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In an extract from the recently launched **Preqin Special Report: Hedge Funds in the US**, we explore the largest managers and sources of capital in the country, as well as the states that are crucial not only to the US but to the global hedge fund universe.



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We take a look at institutional investor asset flows in the hedge fund industry, including how these investors are allocating their capital to various strategies, funds and regions.



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

Did you know...?



You can download all the data in this month's Spotlight in Excel.

Wherever you see this symbol, the data is available for free download on Excel. Just click on the symbol and your download will begin automatically. You are welcome to use the data in any presentations you are preparing; please cite Preqin as the source.



Preqin Acquires Baxon Solutions



I am very pleased to announce that Preqin has now acquired a controlling stake in Baxon Solutions, effective from November. This is the natural next step in the strategic partnership that we formed with them in January 2015, and this second phase will build on the successes of the past two years. Although we have already been working closely alongside the Baxon team, I'm excited to take our partnership to the next level, and fully incorporate Baxon within the Preqin group – best of all, founders Jorge and Paula remain as shareholders and senior members of the management team.

The private equity industry is facing a period of increasing reporting and regulatory challenges, and Baxon's platform is well-placed to help fund managers in navigating them. Its portfolio management and reporting system is a market-leading solution to a real need within the industry, and it has a tremendous reputation with its growing customer base for delivering services of real and enduring value to private equity GPs and their LPs. Preqin's expertise and position within the industry, meanwhile, puts us in an ideal position to support Baxon, and our initial focus following this acquisition will be the further development of the Baxon platform, as well as expanding into a number of other geographic regions.

To customers of both Preqin and Baxon, I would like to share this exciting news with you, and to say that this is simply the next step in a long process. I believe that there is a huge amount of potential for how Preqin and Baxon can work together, and we will look to our clients and partners to show us what their needs are. Both companies stand on their own as offering important services for the industry, and together they offer a powerful array of tools to fund managers, investors, and service providers. We look forward to sharing the next stages of Baxon's development with you, and until then I hope you will continue to gain from the insight, data, and analysis that Preqin offers.

Thank you,

Mark O'Hare, CEO

Portfolio Company Management Made Easy



MONITORING

- Collection of financials and KPIs
- Validations and Sign off
- Reporting and dashboards
- Full traceability
- Drill-Down and Analytics
- Full Excel integration



VALUATION

- Sourcing of comparables
- Integration with company financials
- Waterfall and sensitivities
- Cap tables
- Reporting and dashboards
- Full Excel integration



FUND ANALYSIS

- Slice and dice of IRRs
- Sensitivities and exit planning
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- Full Excel integration



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Hedge Funds in the US

In an extract from the recently launched [Preqin Special Report: Hedge Funds in the US](#), we explore the largest managers and sources of capital in the country, as well as the states that are crucial not only to the US but to the global hedge fund universe.

Key Facts about the Six Leading States for Hedge Funds in the US

California

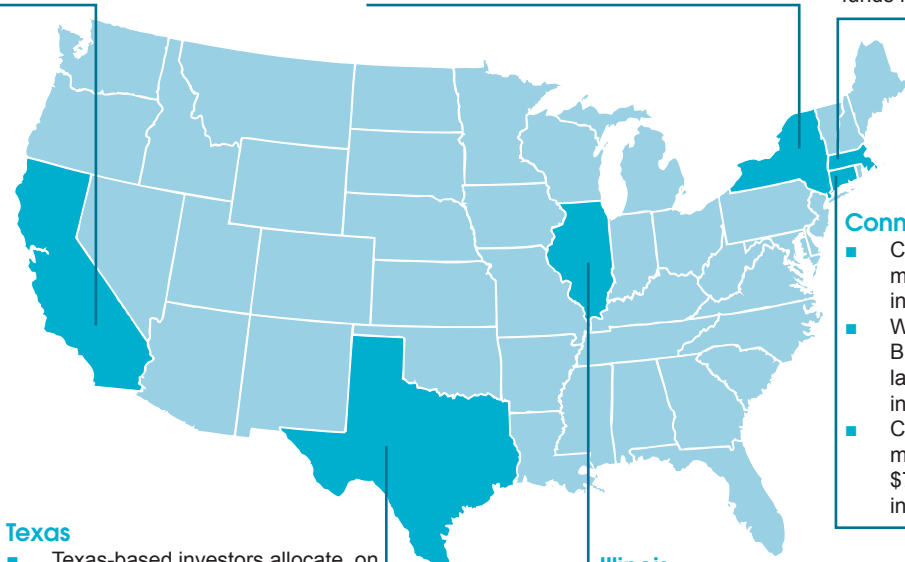
- Nearly one-third of California-based investors are foundations
- California-based investors typically invest \$33mn per fund
- The majority of funds based in the state operate equity strategies

New York

- The \$1.1tn hedge fund industry in New York represents 36% of global assets
- New York-based funds returned 2.42% in H1 2016
- New York-based investors typically allocate 17% of their total assets to hedge funds

Massachusetts

- Massachusetts-based investors typically allocate 11% of their total assets to hedge funds
- On average, managers based in the state charge a 1.25% management fee
- Massachusetts-based hedge funds returned 6.01% in H1 2016



Texas

- Texas-based investors allocate, on average, \$599mn to the industry
- Funds based in the state returned 1.79% in H1 2016
- Foundations represent nearly one-quarter of Texas-based investors

Illinois

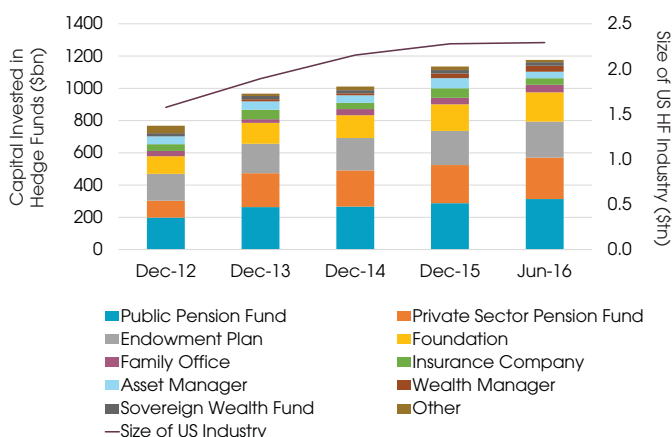
- Managed futures/CTAs represent 30% of all Illinois-based funds
- Chicago is home to 73% of Illinois-based fund managers
- The typical minimum investment of Illinois-based hedge fund investors is \$18.9mn

Connecticut

- Connecticut-based fund managers outnumber investors 2:1
- Westport-based Bridgewater Associates is largest hedge fund manager in the world
- Connecticut-based multi-managers currently have \$72bn invested in the industry

Fig. 1: Capital Invested in Hedge Funds by US-Based Institutional Investors by Type (Excluding Funds of Hedge Funds)

Source: Preqin Hedge Fund Online



Source: Preqin Special Report: Hedge Funds in the US, October 2016

Data Source:

Preqin's **Hedge Fund Online** features over 10,000 detailed profiles of US-based hedge funds, including information on strategic and geographic investment preferences, fund managers, known investors, performance data and much more.

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

www.preqin.com/hedge



The US is home to more hedge fund managers, institutional investors and hedge fund capital than any other country in the world, with nearly three out of every four dollars invested in hedge funds managed by a US-based hedge fund manager.

Since 2013, the performance of hedge funds has come under scrutiny, leading high-profile US-based institutional investors, such as [California Public Employees' Retirement System](#) and [New York City Employees' Retirement System](#), to vote to unwind their hedge fund holdings. However, the US hedge fund industry has shown strong growth in recent years, with assets under management (AUM) increasing by \$13bn in the first half of 2016 and by \$138bn since the start of 2015. In Preqin's recent survey of over 270 hedge fund managers, significantly more US-based

managers reported an increase (26%) in the proportion of their AUM allocated by institutional investors than those that reported a reduction (4%), depicting a more positive outlook for hedge funds in the US.

Within the US, there are vastly different hedge fund industries: from Connecticut, home to the largest hedge fund manager in the world, to the \$76bn allocated to hedge funds by institutional investors based in California; from East Coast New York, containing half of all US hedge fund assets, to Texas, home of the largest single allocator to hedge funds in the US. As seen in Fig. 1, when discounting funds of hedge funds, pension funds are the largest aggregate allocator to the asset class, contributing nearly half of all institutional capital invested in hedge funds by US-based institutions.

Over one-third (37%) of all US-based fund managers reside in New York, with California and Connecticut home to 14% and 5% respectively. Commingled vehicles represent the vast majority (74%) of US-based hedge funds, while multi-manager, managed futures/CTAs and liquid alternative structures represent 12%, 6% and 4% respectively.

Using information on over 3,100 US-based institutional investors and 3,200 hedge fund managers profiled on Preqin's [Hedge Fund Online](#), [Preqin Special Report: Hedge Funds in the US](#) takes a closer look at the hedge fund industry in the country, focusing on the leading 10 states in terms of their hedge fund activity.

Fig. 2: 20 Most Active US States in the Hedge Fund Industry

State	Investors		Fund Managers			
	No. of Active Institutional Investors	Average Current Allocation to HF (%)	No. of Active FoHF Managers	FoHF Manager AUM (\$bn)	No. of Hedge Fund Managers	Industry Size (\$bn)
New York	544	17.1%	145	291	1,177	1,112
Connecticut	101	14.5%	27	72	207	334
California	341	14.4%	35	28	465	230
Massachusetts	206	11.0%	22	27	169	213
Illinois	183	11.8%	25	49	175	107
Texas	150	14.6%	18	14	182	56
New Jersey	77	18.8%	7	1	121	55
Florida	125	13.6%	15	11	139	39
Minnesota	63	14.6%	1	1	31	29
Virginia	92	14.3%	6	6	46	25
Pennsylvania	154	13.8%	14	27	79	18
Colorado	70	15.5%	8	2	53	14
Maryland	75	13.9%	3	2	38	14
Georgia	63	15.0%	6	1	42	10
Michigan	85	13.4%	3	1	10	4
Washington	67	16.8%	13	6	32	4
Ohio	100	15.0%	3	1	23	3
Tennessee	48	15.6%	4	3	30	3
Missouri	58	14.5%	2	0	11	3
North Carolina	60	14.1%	11	11	28	2

Source: Preqin Special Report: Hedge Funds in the US, October 2016

Fig. 3: Largest US-Based Institutional Investors by Current Allocation to Hedge Funds

Investor	Type	Location	Current Allocation to Hedge Funds (\$bn)
Teacher Retirement System of Texas	Public Pension Fund	Austin, Texas	13.2
Ohio Public Employees' Retirement System	Public Pension Fund	Columbus, Ohio	11.1
University of Texas Investment Management Company	Endowment Plan	Austin, Texas	11.0

Source: Preqin Hedge Fund Online

Fig. 4: Largest US-Based Hedge Fund Managers by Assets under Management

Manager	Location	Assets under Management (\$bn)
Bridgewater Associates	Westport, Connecticut	153.1 (As of 31 August 2016)
AQR Capital Management	Greenwich, Connecticut	84.1 (As of 31 March 2016)
Och-Ziff Capital Management	New York City, New York	39.2 (As of 1 September 2016)

Source: Preqin Hedge Fund Online



Q3 2016 Hedge Fund Asset Flows

Gary Broughton takes a look at institutional investor asset flows in the hedge fund industry, including how these investors are allocating their capital to various strategies, funds and regions.

Despite further improvement in returns over Q3 (see [Preqin Quarterly Update: Hedge Funds, Q3 2016](#)), the hedge fund industry could not stem the outflows seen over Q2 and as shown in Fig. 1, actually surpassed that level, with \$32.5bn in outflows occurring in Q3 2016, 1.6x the amount recorded in Q2. Furthermore, inflows seen over full-year 2015 (\$71.4bn) have been nearly wiped out, with \$66.7bn in outflows witnessed in the industry over 2016 so far.

Most of the net outflow of capital in Q3 was from multi-strategy funds and relative value vehicles, which lost

\$25.0bn and \$16.4bn respectively over the quarter. Both strategies have been the worst performing top-level strategies up to the end of Q3 2016, with relative value strategies returning 3.06% and multi-strategy funds generating 4.28%. While most other strategies saw very little change in assets under management over the quarter, CTAs negated some of the outflows from the industry and gained \$10.5bn in Q3.

While posting some of the strongest returns in 2016 and over Q3, both equity and event driven strategies saw outflows of \$2.2bn and \$0.6bn respectively,

although these figures are much lower than corresponding Q1 and Q2 figures.

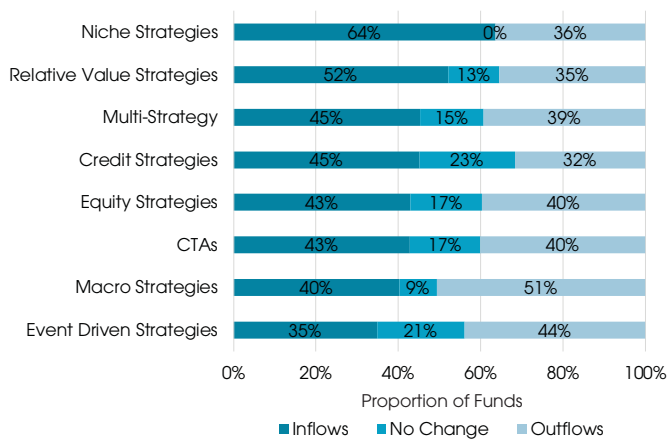
Fig. 5 shows the correlation between strong past performance and the likelihood of attracting new capital. With 55% of funds achieving a return of more than 5.00% in 2015 also receiving a large proportion of inflows in Q2 2016, track records are a prominent consideration for investors when allocating capital to the industry today. This is also evident when examining H1 2016 performance: 52% of funds that generated 5.00% or more over the first half of 2016 gained inflows (Fig. 6).

Fig. 1: Asset Flows* by Strategy, 2015 - Q3 2016

Strategy	2015 Asset Flows (\$bn)	Q1 2016 Asset Flows (\$bn)	Q2 2016 Asset Flows (\$bn)	Q3 2016 Asset Flows (\$bn)	2016 YTD Asset Flows (\$bn)	Q3 2016 AUM (\$bn)	Percentage Change in AUM over 2016
CTAs	24.6	13.7	2.9	10.5	27.1	253	13.5%
Credit Strategies	4.2	-11.9	-14.3	2.0	-24.2	235	-2.8%
Equity Strategies	60.3	-9.7	-15.6	-2.2	-27.4	831	2.9%
Event Driven Strategies	-1.8	-2.8	3.4	-0.6	0.1	174	5.2%
Macro Strategies	-25.8	-6.4	-4.9	-1.2	-12.5	959	4.3%
Multi-Strategy	27.5	12.8	-1.6	-25.0	-13.8	429	-0.4%
Niche Strategies	1.3	-1.5	-0.2	0.3	-1.4	13	-7.7%
Relative Value Strategies	-18.8	-8.7	10.4	-16.4	-14.6	343	-0.3%
Total Industry	71.4	-14.3	-19.9	-32.5	-66.7	3,236	2.9%

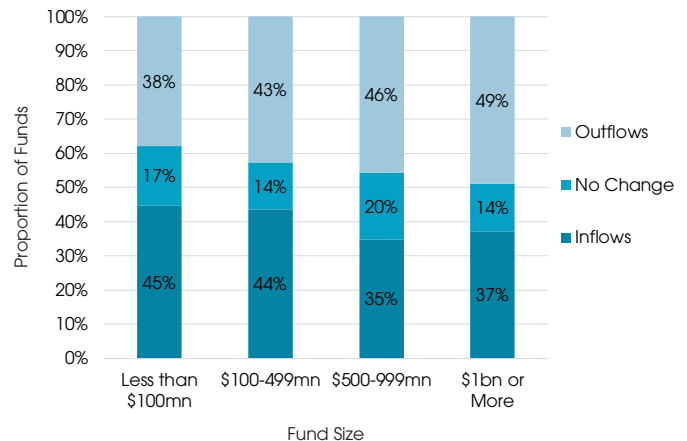
Source: Preqin Hedge Fund Online

Fig. 2: Asset Flows* over Q3 2016 by Core Strategy



Source: Preqin Hedge Fund Online

Fig. 3: Asset Flows* over Q3 2016 by Fund Size

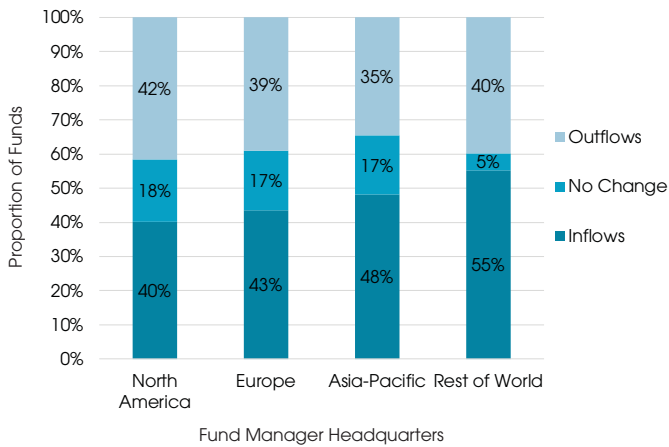


Source: Preqin Hedge Fund Online

*Preqin estimates industry asset flows from performance and asset growth information for over 14,000 hedge fund track records. Flows are estimated based on a sample of funds with available size and performance data and scaled up based on the proportion of represented capital by strategy, headquarters location and fund classification.

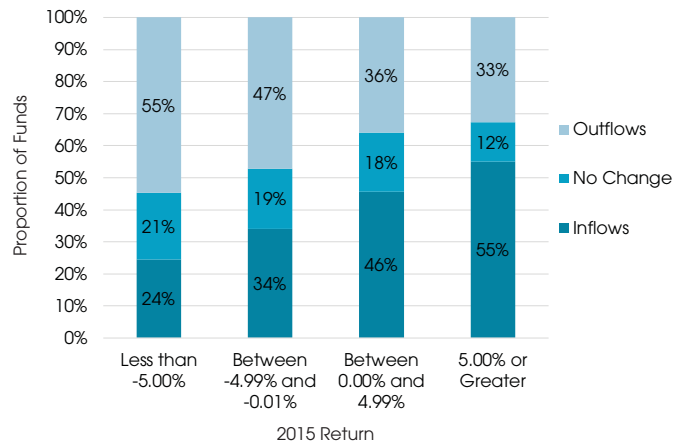


Fig. 4: Asset Flows* over Q3 2016 by Fund Manager Headquarters



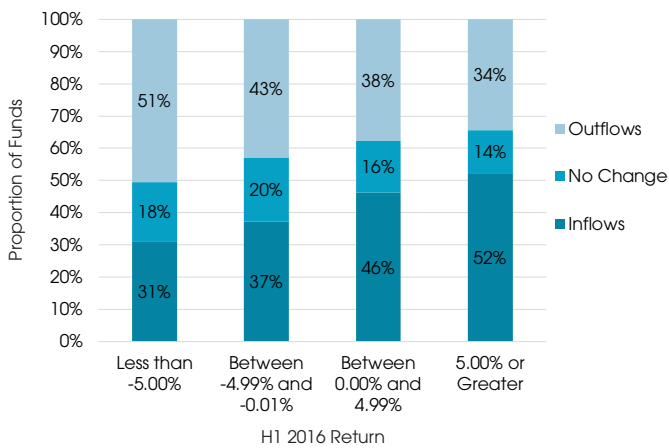
Source: Preqin Hedge Fund Online

Fig. 5: Asset Flows* over Q3 2016 by 2015 Performance



Source: Preqin Hedge Fund Online

Fig. 6: Asset Flows* over Q3 2016 by H1 2016 Performance



Source: Preqin Hedge Fund Online

Preqin Hedge Fund Online: The Leading Source of Intelligence on the Hedge Fund 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.







Hedge Fund Online is updated on a daily basis by teams of skilled research analysts based around the globe, providing extremely reliable data and information for fund managers, investors, service providers and a host of other professionals with an interest in the industry.

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*Preqin estimates industry asset flows from performance and asset growth information for over 14,000 hedge fund track records. Flows are estimated based on a sample of funds with available size and performance data and scaled up based on the proportion of represented capital by strategy, headquarters location and fund classification.

PREQIN GLOBAL DATA COVERAGE

 INVESTOR COVERAGE	PRIVATE EQUITY* 6,344 Active Private Equity LPs	HEDGE FUNDS 5,087 Active Hedge Fund Investors	REAL ESTATE 5,477 Active Real Estate LPs	INFRASTRUCTURE 2,891 Active Infrastructure LPs	PRIVATE DEBT 2,403 Active Private Debt Investors	NATURAL RESOURCES 2,260 Active Natural Resources Investors
	FUND COVERAGE  20,687 Private Equity Funds	22,860 Hedge Funds	6,011 PE Real Estate Funds	1,124 Infrastructure Funds	2,155 Private Debt Funds	1,611 Natural Resources Funds
FIRM COVERAGE  10,537 Private Equity Firms	8,602 Hedge Fund Firms	3,690 PE Real Estate Firms	513 Infrastructure Firms	1,375 Private Debt Firms	864 Natural Resources Firms	
PERFORMANCE COVERAGE  6,566 Private Equity Funds	14,867 Hedge Funds	1,595 PE Real Estate Funds	222 Infrastructure Funds	774 Private Debt Funds	447 Natural Resources Funds	
FUNDRAISING COVERAGE  2,395 Private Equity Funds	15,965 Hedge Funds	1,034 PE Real Estate Funds	196 Infrastructure Funds	297 Private Debt Funds	258 Natural Resources Funds	
DEALS COVERAGE 	BUYOUT 49,383 + 22,866 Buyout Deals** Exits	VENTURE CAPITAL 108,569 + 13,153 Venture Deals*** Exits	REAL ESTATE 23,610 Real Estate Deals	INFRASTRUCTURE 21,629 Infrastructure Deals		

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 Consultants Tracked

Funds Terms Coverage: Analysis Based on Data for Around
15,200
 Funds

Best Contacts: Carefully Selected from our Database of over
378,511
 Contacts



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*Private Equity includes buyout, venture capital, distressed, growth, natural resources and mezzanine funds.
 **Buyout deals: Preqin tracks private equity-backed buyout deals globally, including LBOs, growth capital, public-to-private deals, and recapitalizations. Our coverage does not include private debt and mezzanine deals.
 ***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.





Editor's View: Industry News

We present the latest hedge fund industry news, including recent investor allocations, emerging markets-focused fund launches and hedge fund employment figures.

Recent Investor Allocations

Despite investors withdrawing \$32.5bn from hedge funds in Q3 2016 (see page 5), a number of investors have allocated new capital to hedge funds in past few months, indicating that investors still recognize the benefits of holding hedge funds in their portfolios.

Towards the end of October, [Oregon State Treasury](#) allocated \$3.2bn to four low-volatility hedge fund managers: [Acadian Asset Management](#), [Arrowstreet Capital](#), [Los Angeles Capital](#) and [AQR Capital Management](#).

Also in October, the \$9.7bn [University of Michigan Endowment](#) committed \$20mn to [Prince Street Latin America Offshore Fund](#), a hedge fund managed by New York-based [Prince Street Capital Management](#). Prince Street Latin America Offshore Fund utilizes a long/short equity strategy focusing on investments in Latin American markets.

In the final week of September, [Alaska Permanent Fund Corporation](#) committed \$150mn to [Alyeska Investment Group](#); the Chicago-based hedge fund manager is a fundamental equity market neutral manager.

Emerging Markets-Focused Funds Launched in H2 2016

Maryland-based [Monsoon Capital](#) launched its India-focused [Monsoon India Dynamic Alpha Fund](#) structure in the first week of November, offering both an onshore and offshore vehicle. The fund's strategy seeks to combine a fundamental long-only stock selection process with an active dynamic hedging model, which is implemented via a combination of 11 price-based equity and currency hedging models.

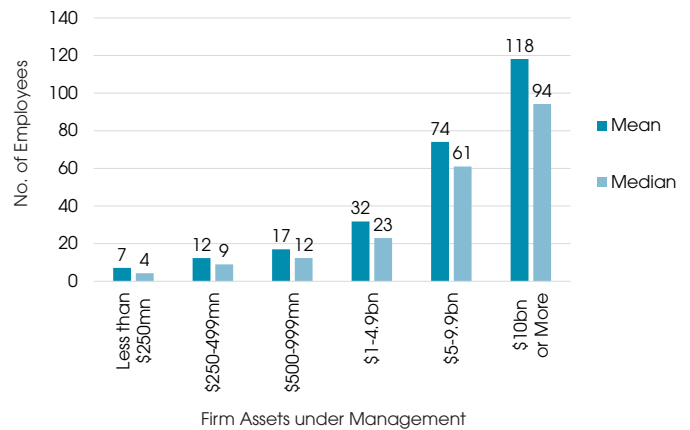
In October 2016, Guernsey-based [Harness Investment Group](#) launched [Harness Emerging Market Currency Fund - UCITS \(Lux\)](#). The UCITS-compliant vehicle takes long and short positions in emerging market currencies; however, the net currency exposure will be generally long emerging market currencies. The investment style is a combination of bottom-up macro analysis with position size moderated by top-down input.

Five months after the launch of Hong-Kong-based [Parantoux Capital](#), the firm launched its flagship vehicle, [Parantoux Vintage Fund I](#) in August. The fund operates an event driven strategy and is China-centric, investing in companies on the mainland as well as in other markets such as Hong Kong, the US and Japan. The vehicle targets China-related M&A, merger arbitrage and active corporate engagement, with a bias towards TMT and consumer sectors.

Chart of the Month



Average Number of Employees by Hedge Fund Manager Assets under Management



Source: 2017 Preqin Private Capital Compensation and Employment Review

Produced in collaboration with leading compensation specialists FPL Associates, the [2017 Preqin Private Capital Compensation and Employment Review](#) is the industry's leading guide to compensation practice, featuring detailed benchmark remuneration data for 69 positions at firms spanning the private capital industry. The analysis covers firms operating in all major areas of the private capital industry, and for the first time ever the book includes brand new employment data for the hedge fund industry.

Preqin estimates that there are over 117,000 professionals working in the hedge fund industry today. The future looks uncertain for some of these employees, with many funds in the industry struggling to survive in the current climate: 687 hedge funds and funds of hedge funds have been liquidated so far this year, surpassing the 612 for the whole of 2012 – and many others are straining to curry favour with investors in a fiercely competitive fundraising environment.

Managers must ensure that they have the resources in place to manage fund assets, particularly in the case of larger managers if they are pursuing different strategies or running numerous funds simultaneously. Our Chart of the Month shows that direct hedge fund managers with more than \$10bn in assets under management employ an average of 118 employees.

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.



Performance Benchmarks

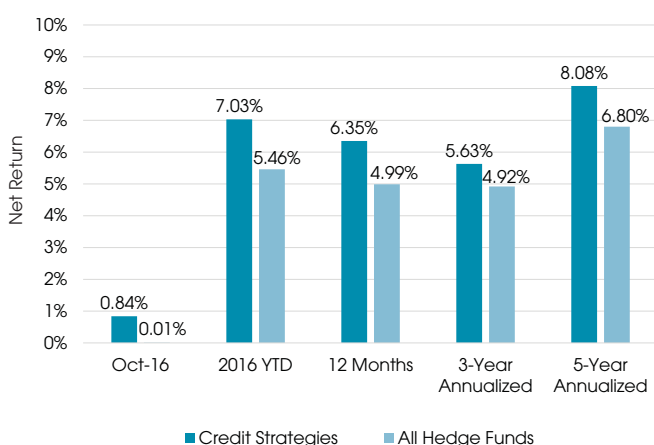
Fig. 1: Summary of Preliminary October 2016 Performance Benchmarks (Net Return, %)*

	Oct-16	Sep-16	2016 YTD	12 Months
Hedge Funds	0.01	0.81	5.46	4.99
HF - Equity Strategies	-0.27	0.98	5.00	4.35
HF - Event Driven Strategies	-0.26	0.84	7.89	6.71
HF - Relative Value Strategies	0.49	0.49	3.31	3.54
HF - Macro Strategies	0.21	0.52	5.74	5.30
HF - Multi-Strategy	0.30	0.72	5.35	5.48
HF - Credit Strategies	0.84	0.75	7.03	6.35
Activist	0.28	0.88	6.94	6.81
Volatility	-0.18	0.27	5.78	5.69
Discretionary	0.13	0.76	4.94	4.51
Systematic	-0.52	0.55	3.34	3.59
HF - North America	-0.76	1.17	6.07	4.87
HF - Europe	-0.39	0.54	0.58	1.43
HF - Asia-Pacific	0.46	0.52	2.17	3.07
HF - Developed Markets	0.24	0.84	4.85	4.60
HF - Emerging Markets	2.35	0.68	11.23	11.06
HF - Emerging (Less than \$100mn)	0.30	0.96	6.17	5.80
HF - Small (\$100-499mn)	-0.04	0.81	4.50	4.16
HF - Medium (\$500-999mn)	-0.03	0.49	2.80	2.66
HF - Large (\$1bn or More)	0.08	0.56	2.73	2.32
Funds of Hedge Funds	0.11	0.31	-1.08	-1.21
FOHF - Equity Strategies	-0.17	0.55	-0.91	-1.22
FOHF - Macro Strategies	0.67	0.17	0.04	0.24
FOHF - Multi-Strategy	0.21	0.23	-1.28	-1.30
Funds of CTAs	-4.61	-0.08	-4.74	-4.14
FOHF - USD	-0.19	0.39	-1.05	-1.31
FOHF - EUR	-0.18	0.15	-3.18	-3.26
Alternative Mutual Funds	-1.40	0.13	0.84	-0.93
UCITS	-0.15	0.20	0.35	-0.23
UCITS - Equity Strategies	-0.40	0.44	-0.67	-0.98
UCITS - Relative Value Strategies	0.38	0.15	0.72	0.53
UCITS - Macro Strategies	0.30	-0.37	0.80	-0.41
UCITS - USD	-0.25	0.34	0.85	0.02
UCITS - EUR	-0.33	0.13	-0.44	-0.86
CTAs	-1.74	-0.36	-0.86	-0.47
Discretionary	1.53	0.29	3.85	4.71
Systematic	-2.65	-0.46	-2.11	-1.63
CTA - USD	-1.78	-0.29	-0.27	-0.01
CTA - EUR	-1.97	0.25	-7.02	-5.33

Source: Preqin Hedge Fund Online

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

Fig. 2: Performance of Credit Strategies vs. All Hedge Funds (As at November 2016)



Source: Preqin Hedge Fund Online

The Preqin All-Strategies Hedge Fund benchmark remained relatively unchanged throughout October 2016, posting positive returns of 0.01% for the month. Credit strategies are the top performer across core strategies for October 2016, returning 0.84%, which has helped to bring the cumulative year-to-date figure to 7.03%, only behind event driven strategies (+7.89%). Over three- and five-year annualized periods, credit strategies have exceeded the Preqin All-Strategies Hedge Fund benchmark, posting returns of 5.63% and 8.08% respectively.

Although equity strategies had a poor start to the year, all core strategies have posted positive cumulative returns in 2016 so far. Volatility hedge funds posted their first negative return (-0.18%) since January 2016, ending a run of eight consecutive months of positive performance, while activist hedge funds continued a strong 2016 resulting in a cumulative year-to-date figure of 6.94%.



2017 Preqin Private Capital Compensation & Employment Review

The **2017 Preqin Private Capital Compensation & Employment Review** is the industry's leading guide to compensation practice. Using data from 175 private capital firms, the book features detailed benchmark remuneration data for 69 positions across the industry.

How can you use the book?

- Compare existing compensation practices against wider industry benchmarks.
- View compensation data by position, including base salary, bonus, carry, and quartile splits.
- See how compensation varies by firm type, region and size.
- Track employment in the industry and the number of firms over time.
- Review reliable and accurate information on the latest trends in private capital compensation.

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The **2017 Preqin Private Capital Compensation & Employment Review** is produced in collaboration with compensation specialists FPL Associates. For more information and sample pages, please visit:

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Emerging Markets Performance

Jamie Fisher analyzes the performance of emerging markets-focused hedge funds by recent and long-term returns, sub-strategy and risk/return metrics.

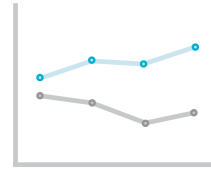


3.66%

Net return posted by the Preqin All-Emerging Markets Hedge Fund benchmark in March 2016, the benchmark's highest return since January 2012.

22.29%

Cumulative return of Latin America hedge funds since January 2016, the best performing emerging market.



113.20%

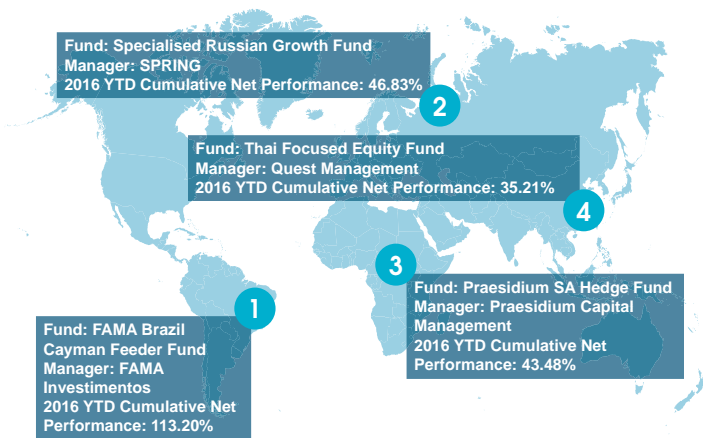
Net return of FAMA Brazil Cayman Feeder Fund of FAMA Investimentos, the best performing emerging markets hedge fund in 2016 so far.

10.27%

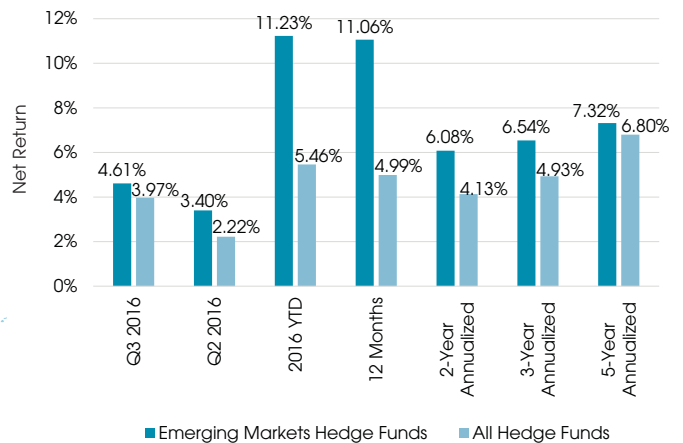
Three-year annualized return of funds focused on Asian emerging markets, the highest of all emerging markets over a three-year period.

Fig. 1: Cumulative Performance of Top Performing Emerging Markets Hedge Funds, 2016 YTD (As at October 2016)

Fig. 2: Performance of Emerging Markets Hedge Funds vs. All Hedge Funds (As at October 2016)



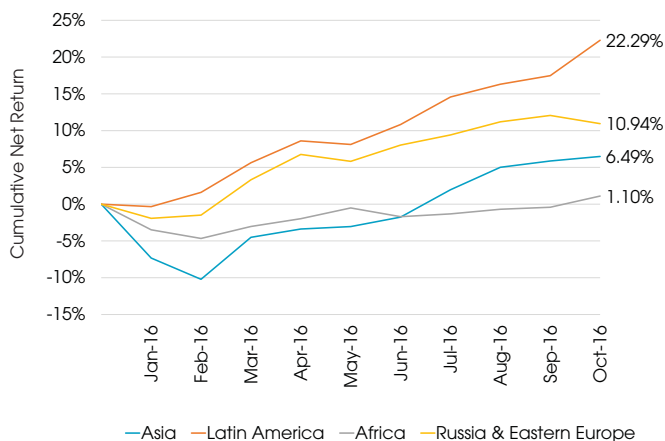
Source: Preqin Hedge Fund Online



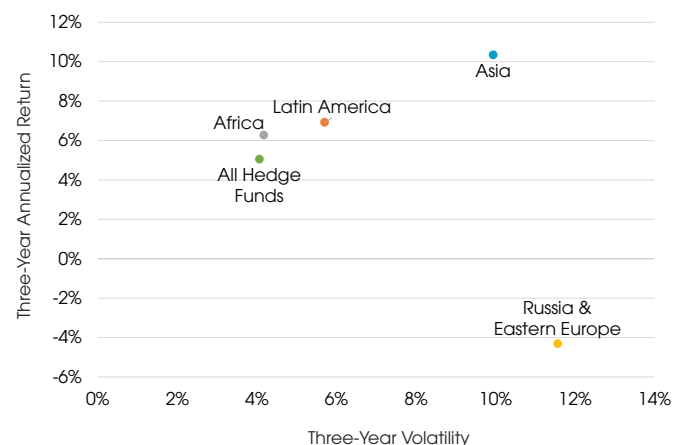
Source: Preqin Hedge Fund Online

Fig. 3: Cumulative Performance of Emerging Markets Hedge Funds by Region, January 2016 - October 2016 (As at October 2016)

Fig. 4: Risk/Return by Region: Emerging Markets Hedge Funds vs. All Hedge Funds (As at October 2016)



Source: Preqin Hedge Fund Online



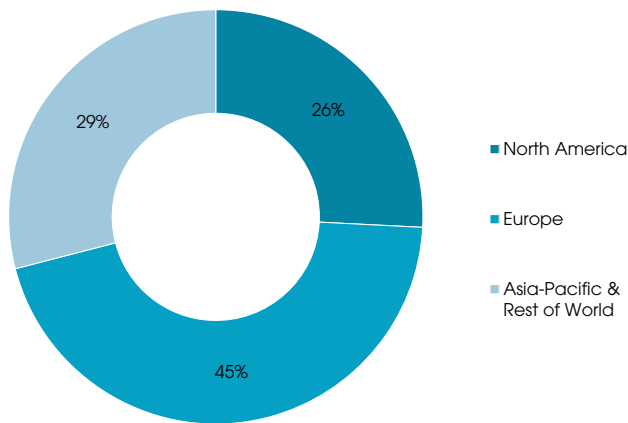
Source: Preqin Hedge Fund Online



Fund Searches and Mandates

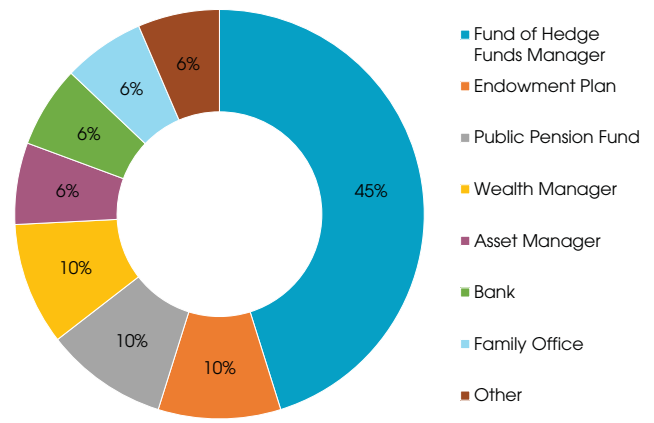
We look at the strategies and regions hedge fund investors plan to target in the next 12 months, as well as investors planning new investments.

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



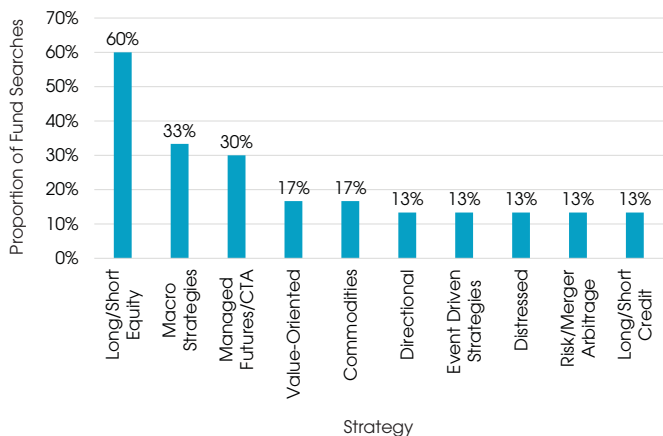
Source: Preqin Hedge Fund Online

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



Source: Preqin Hedge Fund Online

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



Source: Preqin Hedge Fund Online

Subscriber Quicklink:

Subscribers can click [here](#) to view detailed profiles of 390 institutional investors in hedge funds actively 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.

Not yet a subscriber? For more information, or to arrange a demonstration, please visit:

www.preqin.com/hedge

Fig. 4: Sample of Fund Searches Issued in October 2016

Investor	Type	Location	Fund Search Details
Lyrical Partners	Fund of Hedge Funds Manager	New York, US	Lyrical Partners is expecting to add up to two new hedge fund managers to its portfolio; the investor is particularly interested in value equity-oriented, long/short managers and invests in commingled hedge fund structures.
Prisminvest	Asset Manager	Morges, Switzerland	Prisminvest will invest in 5-8 hedge funds over the next 12 months. It is seeking funds that will provide exposure to long/short equity, long/short credit, macro strategies, managed futures/CTAs and event driven strategies on a global scale.
CIMB Private Banking	Wealth Manager	Kuala Lumpur, Malaysia	The wealth manager will consider all hedge fund strategies over the next 12 months and looks to invest on a global basis. The investor is open to forming new fund manager relationships as well as investing with managers from within its existing portfolio.

Source: Preqin Hedge Fund Online



Conferences Spotlight

Conference	Dates	Location	Organizer	Preqin Speaker	Discount Code
Private Wealth Management Summit	4 - 6 December 2016	Las Vegas, NV	marcus evans Summits	-	-
Alternative Investing Summit	4 - 6 December 2016	Dana Point, CA	Opal Financial Group	-	-
CLO Summit	4 - 6 December 2016	Dana Point, CA	Opal Financial Group	-	-
Gaining the Edge Hedge Fund Investor Leadership Summit	7 December 2016	New York	Agecroft Partners	-	\$100 Discount - GTEpreqin16
Emerging Manager Forum	8 December 2016	Miami, FL	CTA Expo	Amy Bensted	-
California Institutional Investor Forum	8 December 2016	Napa, CA	Markets Group	-	-
Distressed Energy & Real Estate: Investments & Workouts	12 - 13 January 2017	Houston, TX	IMN	-	15% Discount - PQ15
Cap Intro: L/S Equity Quant Alternative Investing	30 January 2017	New York	Catalyst Financial Partners	-	-
MFA Network	30 January - 1 February 2017	Miami, FL	MFA	Amy Bensted	-
European Family Office Winter Symposium 2017	1 - 2 February 2017	London	Opal Financial Group	-	-
Preqin Breakfast Seminar 2017 - London	21 February 2017	London	Preqin	-	-
Preqin Breakfast Seminar 2017 - New York	23 February 2017	New York	Preqin	-	-
SuperReturn International	27 February - 2 March 2017	Berlin	KNect365	-	10% Discount - FKR2428PRQW
Family Office Winter Forum 2017	1 March 2017	New York	Opal Financial Group	-	-
North American Pensions Summit	20 - 21 March 2017	Chicago, IL	marcus evans Summits	-	-
Cap Intro: Credit Fixed Income Alternative Investing	3 April 2017	New York	Catalyst Financial Partners	-	-
The 4th Annual Real Estate Private Equity Forum on Land, Homebuilding & Condo Development (East)	4 - 5 April 2017	Miami, FL	IMN	-	15% Discount - PQ15
Impact Investing Forum 2017	23 - 25 April 2017	Boca Raton, FL	Opal Financial Group	-	-

Catalyst Cap Intro: L/S Equity | Quant Investing

Date: 30 January 2017

Information: <http://catalystforum.com/events/l-s-equity-quant-investing-2/>

Location: New York City

Organizer: Catalyst Financial Partners

Catalyst Cap Intro Events are sector focused, investor driven events that host hand-picked investment managers and investors that are introduced to each other with a view to become investment partners.

This Catalyst Cap Intro Event focuses only on the L/S Equity | Quant Investing sectors. Strategies covered include, among others: fundamental research, global equity, merger arbitrage, small/micro caps, regional/international, industry specific, trend/signals, as well as options, volatility/statistical arbitrage, high-frequency, and model/systematic funds.