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THE FUND OF HEDGE FUNDS

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# GLOBAL 50

The largest 50 funds of hedge funds groups ranked by AUM as at 30th June 2009

IN ASSOCIATION WITH

**Newedge**

PRIME BROKERAGE GROUP

# Funds of Hedge Funds

## Bruised but not broken

PHILIPPA AYLMEYER, CONTRIBUTING EDITOR

If the last decade could be described as the biggest credit party ever, then the end of 2008 brought the mother of all hangovers. The hedge fund industry took a beating along with much else in the financial services sector and funds of hedge funds felt their share of the pain.

A bad situation was made even worse by the uncovering, in mid-December 2008, of Madoff's \$50 billion Ponzi scheme and the realisation that some funds of hedge funds had invested in his portfolios. Investors panicked and the steady stream of redemptions took on tsunami proportions. Funds with favourable liquidity were the first to suffer, while others scrambled to impose gates and lock up the funds.

Has the dust settled nearly eight months on? There is talk of recovery, but figures suggest that the first half of 2009 was equally painful. *The Hedge Fund Journal's* Funds of Hedge Funds GLOBAL50 – produced in association with Newedge Prime Brokerage Group – is testimony to an industry that has gone through a transformational crisis.

With a few exceptions, funds were happy to participate in the survey and submitted their assets under management figures as at 30th June 2009, which goes some way to prove that funds are taking the issue of transparency more seriously. Those funds that declined to participate have been given estimates based on a variety of data and industry sources.

In responding to our survey, many funds wanted to emphasise that liquidity terms were often the key to how a firm had been able to retain assets. Those funds with more generous liquidity terms believed, rightly, that they were victims of what is now aptly-called the 'ATM effect'. We point this out so that investors will take it into account in assessing how different funds of funds firms are faring. Our data show that between 30th September 2008 and 30th June 2009, over \$200 billion was withdrawn from the top 50 funds. Most funds lost an average of between 25% - 30% of their assets under management. However, UBS Alternative and Quantitative Investments remains in pole position, despite losing over 33% of its assets: at 30th June, 2009 assets under management stood at \$31.4 billion (down from \$46.6 billion in September 2008). The top 50 funds are certainly managing less, but they are not out of the game. Smaller funds, of course, are facing an even tougher time. Chicago-based Hedge Fund Research (HFR) has reported that over 200 funds of hedge funds liquidated in 2009. This is a significant increase on the last quarter and represents an annual attrition rate of over 8%; nearly double the previous record set in Q4 2008. Falling assets and rising costs due to heightened due diligence and compliance demands from investors will continue to have a strong impact on the business viability of smaller funds.

### Hitting rock bottom

The crisis has raised some important questions. Having grown at more than 20% a year between 2000 and 2008, the reversal in fortunes has come as a shock to many within the industry. At their peak, assets under management for funds of hedge funds reached \$825 billion according to HFR, but by the end of Q2 2009, assets in the sector had dropped to \$530 billion. Importantly, that marked a \$5 billion gain from 31st March 2009 and may indicate that redemptions have bottomed out.

But is the fund of hedge funds industry a victim of circumstance or is it a flawed business model? The connection between the Madoff scandal and the industry was unfortunate, if not unfair, (although, some notable funds of hedge funds had invested with Madoff) and as investors sought to retrieve money where possible, it was inevitable that funds of hedge funds would be called upon. "What we have seen is the latest phase of an evolutionary process," says Permal's Roberto Giuffrida, Senior Vice President, Regional Director Europe. "Since hedge funds first emerged 60 years ago, there have been three waves of growth and decline, and we are fully expecting to see the fourth wave of growth over the next few years."

“...Investors are able to affect changes and do not have to settle for second best”

But without doubt there are weaknesses within the model. One major area of weakness is the asset liability mismatch. Funds of hedge funds have traditionally managed their portfolios with a mismatch between portfolio liquidity and terms offered to investors. In the event of a sudden rush of redemptions, funds had a credit facility to bridge the two. In reality, this system proved to be wholly unreliable. Funds were unable to meet the redemption requests and were forced to impose gates.

### Adapt or die

Issues such as alignment between investors and managers in terms of fees and investment objectives as well as transparency and the due diligence process are also areas where practices are being reviewed and changed. In the current environment investors are able to affect changes and do not have to settle for second best.

But despite the recriminations, in relative terms, hedge fund investment held up well during the crisis. For example, in 2008 the Hennessee Hedge Fund Index and the Barclay Hedge Index fell 22.42% and 21.63% respectively, while the S&P 500 slid 38.49% and the NASDAQ plunged 40.54%.

"The fact that hedge fund indices outperformed the long only indices proves that hedge funds offer the downside protection. And in 2009 we are seeing investor allocations into hedge funds and funds of hedge funds," explains Optima Managing Director, Graham Martin.

Data clearly shows the rate of redemptions is slowing. They were lower during Q1 2009 than in Q4 2008 according to Standard and Poor's and they were lower still in the second quarter of 2009. HFR notes that in the last year, funds of hedge funds have dropped fees by three basis points to 1.25%. There is also evidence which suggests that funds with lower management fees outperformed the funds with higher fees, although the data on this is fragmentary. What's more, liquidity profiles are improving: funds have reduced leverage and many are showing positive cash balances.

Could this be the nadir for the industry? HFR, BNY Mellon and Casey Quirk believe so. Many managers and not a few studies are projecting that assets will grow further in the second half of this year. And regardless of the industry setbacks, funds of funds will continue to be a major channel into single manager hedge funds. But Craig Stevenson, Senior Investment Consultant, Watson Wyatt believes that while funds of hedge funds will stage a comeback, they will face increased competition from single manager funds. He attributes this to the fact that before the crisis, funds of funds could offer capacity to those funds that were closed. The current state of the industry means that single managers are looking to build their own portfolio of institutional assets and virtually all funds, even the most successful, are now open.

Clearly, investors who have less resources and alternative asset experience will continue to invest through funds of hedge funds. "Allocating to hedge funds is a good way of diversifying portfolios and with funds of funds on a base fee for the foreseeable future they are as cheap as they have ever been," says Stevenson. The business model may indeed be more sound than was thought six months ago since with time investors will return. But some funds that stretched the goodwill of investors may find it is difficult to be fully forgiven. **THFJ**

Please note a figure in the column headed 'Advisory' is included in the total AUM figure

## 01. Alternative and Quantitative Investments (UBS)

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$31.4bn</b> AUM 30 Sept 08 (US\$) <b>\$46.6bn</b> Percentage Change <b>▼ 32.6%</b>	Not disclosed	Not disclosed	US\$16.4bn	Not disclosed
Founded <b>nd</b> Employees <b>nd</b>				
Location (principal office location in bold) <b>Stamford, New York, Zurich</b>				

## 02. Blackstone Alternative Asset Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$25bn (est)</b> AUM 30 Sept 08 (US\$) <b>\$20.0bn (est)</b> Percentage Change <b>▲ 25%</b>	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Founded <b>1990</b> Employees <b>nd</b>				
Location (principal office location in bold) <b>New York, London</b>				

## 03. Union Bancaire Privée

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$23.82bn</b> AUM 31 Dec 08 (US\$) <b>\$33.0bn</b> Percentage Change <b>▼ 27.8%</b>	Selectinvest ARV Selectinvest ARV II Selectinvest MultiStrategy Selectinvest GLOBAL EQUITIES L/S Selectinvest GLOBAL RESOURCES FUND	Multi Strategy Multi Strategy Multi Strategy Equity Long/Short Multi Strategy	Not disclosed	Christophe Bernard (Head of Asset Management and CIO)
Founded <b>1986</b> Employees <b>120</b>				
Location (principal office location in bold) <b>Geneva</b>				

## 04. Man Investments

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$23.0bn</b> AUM 30 Sept 08 (US\$) <b>\$42.9bn</b> Percentage Change <b>▼ 46.4%</b>	Man Investments	Not disclosed	Not disclosed	Not disclosed
Founded <b>2000</b> Employees <b>1700</b>				
Location <b>London, Chicago, Dubai, Dublin, Hong Kong, Luxembourg, Miami, New York, Pfäffikon, Rotterdam, Singapore, Sydney, Toronto, Tokyo</b>				

## 05. HSBC Alternative Investments

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$22.27bn</b> AUM 30 Sept 08 (US\$) <b>\$46.28bn</b> Percentage Change <b>▼ 51.9%</b>	HSBC GH Fund HSBC Multi-Adviser Arbitrage Fund HSBC Special Opportunities Fund HSBC Trading AdvantEdge Fund HSBC Global Absolute Limited	Multi Strategy Arbitrage Multi Strategy Managed Futures and CTAs Equity Long/Short	Substantial	Nigel Webber (CEO, HSBC Alternative Investments & CIO, HSBC Private Bank) Peter Rigg (Head of Investment Group) Tim Gascoigne
Founded <b>1989</b> Employees <b>140</b>				
Location (principal office location in bold) <b>London, Geneva, New York, Hong Kong, Singapore, Paris, Geneva, Tokyo, Zurich</b>				

## 06. Grosvenor Capital Management

AUM 30 June 09 (US\$) \$21.0bn (est) AUM 30 Sept 08 (US\$) \$20.0bn (est) Percentage Change ▲ 5%	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Founded nd Employees nd				
Location (principal office location in bold) <b>Chicago</b>				

## 07. Permal Asset Management

AUM 30 June 09 (US\$) \$18.7bn AUM 30 Sept 08 (US\$) \$36.62bn Percentage Change ▼ 48.9%	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
	Permal Macro Holdings (formerly Permal FX, Financials & Futures) Permal Investment Holdings Permal Fixed Income Holdings	Not disclosed	Not disclosed	Isaac Souede (Chairman & CEO) Jim Hodge (President & CIO)
Founded 1973 Employees 187				
Location (principal office location in bold) <b>New York, London, Hong Kong, Singapore, Bahamas, Paris, Dubai, Boston, Tokyo</b>				

## 08. Goldman Sachs Hedge Fund Strategies

AUM 30 June 09 (US\$) \$18.0bn AUM 30 Sept 08 (US\$) \$23.9bn Percentage Change ▼ 24.7%	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Founded nd Employees nd				
Location (principal office location in bold) <b>New York, London</b>				

## 09. Pacific Alternative Asset Management (PAAMCO)

AUM 30 June 09 (US\$) \$16.23bn AUM 30 Sept 08 (US\$) \$18.1bn Percentage Change ▼ 10.3%	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
	Moderate Multi Strategy Pacific Atlantic Hedged Strategies	Multi Strategy	US\$7.13bn	Not disclosed
Founded 2000 Employees nd				
Location (principal office location in bold) <b>Irvine (CA), London, Singapore</b>				

## 10. Lyxor Asset Management

AUM 30 June 09 (US\$) \$16.1bn* AUM 30 Sept 08 (US\$) \$23.76bn* Percentage Change ▼ 32.2%	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
	<b>Lyxor Asset Management</b> AUM 30/6/09 - \$11.5bn Lyxor Diversified Fund Lyxor Global Arbitrage Lyxor Focus Fund	Multi Strategy Multi Strategy Multi Strategy	Not disclosed	Laurent Seyer (CEO) Alain Dubois (Chairman)
Founded 1998 Employees 364	<b>SGAM Alternative Investments</b> AUM 30/6/09 - \$4.6bn			
Location (principal office location in bold) <b>Paris</b>		* This figure consolidates the data of SGAM AI and Lyxor since the 2 entites will be only one (Lyxor) on 1/9/09		

## 11. BlackRock

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$16.0bn (est) AUM 30 Sept 08 (US\$) \$20.74bn Percentage Change ▼ 22.8%	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Founded nd Employees nd				
Location (principal office location in bold) <b>Seattle</b>				

## 12. Credit Suisse Funds and Alternative Solutions

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$14.47bn AUM 30 Sept 08 (US\$) \$25.81bn Percentage Change ▼ 43.9%	Not disclosed	Not disclosed	Not disclosed	Publicly owned
Founded 1994 Employees 200				
Location (principal office location in bold) <b>Zurich</b> , London, New York, Guernsey, Frankfurt, Sydney				

## 13. GAM

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$14.3bn AUM 30 Sept 08 (US\$) Not disclosed Percentage Change -	GAM Diversity GAM Diversity II GAM Multi-Arbitrage GAM Trading II GAM Multi-Emerging Markets	Not disclosed	Not disclosed	Gilbert de Botton (founder)
Founded 1983 Employees nd				
Location (principal office location in bold) <b>London</b> , Bermuda, Zurich, New York, Tokyo, Hong Kong, Dublin, Dubai, and Isle of Man				

## 14. Morgan Stanley Alternative Investment Partners (AIP)

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$13.2bn AUM 30 Sept 08 (US\$) \$17.6bn Percentage Change ▼ 25%	Not disclosed	Not disclosed	US\$1.6bn	Jacques Chappuis (Head of AIP) Mustafa Jama (CIO Hedge Fund of Funds)
Founded 2000 Employees nd				
Location (principal office location in bold) <b>West Conshohocken (PA)</b> , New York, London, Atlanta, San Francisco, Mumbai, Tokyo, Hong Kong				

## 15. Investcorp

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$13.0bn (est) AUM 30 Sept 08 (US\$) Not disclosed Percentage Change -	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Founded 1982 Employees nd				
Location (principal office location in bold) <b>Bahrain</b> , London, New York				

## 16. Crédit Agricole Asset Management Alternative Investments (CAAM AI)

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$12.75bn AUM 30 Sept 08 (US\$) \$20.26bn Percentage Change ▼ 37%	Not disclosed	Not disclosed	Not applicable	Marc Roman (CEO) Luc Martin (CIO) Roland de Demandolx (Managing Director) Teun Johnston (Managing Director)
Founded 1992 Employees 119				

Location (principal office location in bold) **Paris**, London, Milan, Chicago

## 17. Citi Alternative Investments – HFMG

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$10.48bn AUM 30 Sept 08 (US\$) \$11.64bn Percentage Change ▼ 9.9%	Managed Futures (Single & Multi-Manager) HedgeForum Discretionary (FOHFs/Custom Portfolios) Hedge Fund Partners (Incubator Fund)	Not disclosed	US\$2.469bn	Raymond Nolte (CEO) Jerry Pascucci (CIO) Eric Pai (Portfolio Manager, Hedge Fund Partners)
Founded 2000 Employees 56				

Location (principal office location in bold) **New York**, London

## 18. Mesirow Advanced Strategies

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$10.2bn AUM 30 Sept 08 (US\$) \$14.8bn Percentage Change ▼ 31%	Not disclosed	Not disclosed	Not applicable	Howard M. Rossman (Chairman), Martin B. Kaplan (CEO), Stephen C. Vogt (CIO)
Founded 1990 Employees 90				

Location (principal office location in bold) **Chicago**

## 19. LCF Rothschild Group

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$9.7bn AUM 30 Sept 08 (US\$) \$15.3bn Percentage Change ▼ 36.6%	LCF Edmond de Rothschild Prifund range of funds Capital Holdings range of funds Multi Alternatif range of funds	Not disclosed	Not disclosed	Baron Benjamin de Rothschild
Founded 1953 Employees nd				

Location (principal office location in bold) **Geneva**, London, Paris

## 20. Bank of New York Mellon

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$9.5bn (est) AUM 30 Mar 08 (US\$) \$17.3bn Percentage Change ▼ 45%	Ivy Asset Management EACM Advisors	Not disclosed	Not disclosed	Not disclosed
Founded nd Employees nd				

Location (principal office location in bold) **New York (IVY)**, Norwalk, Connecticut (EACM)

## 21. EIM Group

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$9.2bn</b> AUM 30 Sept 08 (US\$) <b>\$12.4bn</b> Percentage Change <b>▼ 25.8%</b>	Not disclosed	Not disclosed	Not applicable	Arki Busson William Glass
Founded <b>1992</b> Employees <b>nd</b>				
Location (principal office location in bold) <b>Nyon, Switzerland</b>				

## 22. Financial Risk Management (FRM)

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$9.01bn</b> AUM 30 Sept 08 (US\$) <b>\$13.5bn</b> Percentage Change <b>▼ 33.3%</b>	Not disclosed	Dirersified Managed Futures Credit Equity Long/Short FCA Catalyst	US\$64m	Blaine Tomlinson (Group Chairman)
Founded <b>1991</b> Employees <b>189</b>				
Location (principal office location in bold) <b>London, New York, Tokyo, Hong Kong, Guernsey, Seoul, Sydney</b>				

## 23. Notz, Stucki & Cie

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$9.0bn</b> AUM 31 Mar 08 (US\$) <b>\$19.0bn</b> Percentage Change <b>▼ 52.6%</b>	DGC Pendulum Hausmann Holdings	Not disclosed	Not disclosed	Christian H Stucki Christoph La Roche
Founded <b>1964</b> Employees <b>nd</b>				
Location (principal office location in bold) <b>Geneva, Zurich, London</b>				

## 24. Aurora Investment Management (formerly Harris Alternatives)

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$8.4bn</b> AUM 30 Sept 08 (US\$) <b>\$11.8bn</b> Percentage Change <b>▼ 28.8%</b>	Aurora Limited Partnership Aurora Offshore Fund Ltd Aurora Offshore Fund Ltd II Aurora Global Opportunities LP Aurora Global Opportunities Offshore Fund Ltd Aurora Hedged Equity LP Aurora Hedged Equity Offshore Fund Ltd	Not disclosed	Not applicable	Roxanne Martino (President & CEO) Scott Schweighauser Justin Sheperd Anne Marie Morley Ronald Rolighed James Hayes Scott Montpas
Founded <b>1988</b> Employees <b>69</b>				
Location (principal office location in bold) <b>Chicago</b>				

## 25. J.P. Morgan Asset Management

AUM 30 Mar 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$8.2bn</b> AUM 30 June 08 (US\$) <b>\$10.7n</b> Percentage Change <b>▼ 23.4%</b>	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Founded <b>1973</b> Employees <b>187</b>				
Location (principal office location in bold) <b>New York</b>				

## 26. Arden Asset Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$8.1bn AUM 30 Sept 08 (US\$) \$10.9bn Percentage Change ▼ 25.7%	Arden manages commingled funds and separately managed accounts primarily for institutional investors	Diversified multi-manager portfolios	Not disclosed	Averell Mortimer (Founder & Investment Committee Chairman) Henry Davis Ian McDonald Matthew Bianco
Founded 1993 Employees 88				

Location (principal office location in bold) **New York**

## 27. Gottex Fund Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$8.07bn AUM 30 Sept 08 (US\$) \$13.52bn Percentage Change ▼ 40.3%	Gottex Market Neutral Fund Gottex Market Neutral Plus Fund Gottex ABI Fund Gottex Tiger Fund	Market Neutral Market Neutral Asset-Based Strategies Directional Strategies	US\$509m	Joachim Gottschalk Max Gottschalk Richard Leibovitch JP Bailey
Founded 1992 Employees 119				

Location (principal office location in bold) **Lausanne, London, New York, Boston, Hong Kong, Luxembourg, Zurich, Dubai**

## 28. Pictet & Cie

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$7.3bn AUM 30 Sept 08 (US\$) \$12.0bn Percentage Change ▼ 39.2%	Mosaic Mosaic Trading Pleiad Mosaic Diversified	Multi Strategy Multi Strategy Multi Strategy Multi Strategy	US\$3.7bn	Not disclosed
Founded 1805 Employees 3000				

Location (principal office location in bold) **Geneva, Basel, Barcelona, Dubai, London,, Luxembourg, Frankfurt, Hong Kong, Paris, Singapore, Tokyo, Zurich**

## 29. K2 Advisors

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$7.1bn AUM 30 Sept 08 (US\$) \$6.9bn Percentage Change ▲ 2.9%	Master (Balanced) Strategy Long/short Strategy Diversified Strategy	Not disclosed	Not applicable	Not disclosed
Founded 1994 Employees nd				

Location (principal office location in bold) **Stamford, CT**

## 30. Silver Creek Capital Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$6.8bn AUM 30 Sept 08 (US\$) \$8.2bn Percentage Change ▼ 17%	Silver Creek Low Vol Strategies Silver Creek Long/Short Partners Silver Creek Early Advantage Fund Silver Creek Insurance Dedicated Fund LP	Multi Strategy Multi Strategy Emerging Manager Multi Strategy	Not applicable	Eric Dillon (Founder & CIO)
Founded 1999 Employees 43				

Location (principal office location in bold) **Seattle, New York, London**

## 31. RBS Asset Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$6.21bn</b> AUM 30 Sept 08 (US\$) <b>\$11.83bn</b> Percentage Change <b>▼ 47.5%</b>	Orbita Global Opportunities Strategy Ltd Orbita Capital Return Strategy Ltd Orbita European Growth Strategy Ltd Orbita Asian Growth Strategy Ltd Novus Natural Resources Strategy Ltd	Not disclosed	Not applicable	Dr Robert Dawkins (Managing Director) Dr Michiel Timmerman (CIO) Neil Dolby Andrew Bell
Founded <b>2004</b> Employees <b>74</b>				
Location (principal office location in bold) <b>London</b> , Hong Kong, New York, Tokyo				

## 32. Fauchier Partners

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$6.11bn</b> AUM 30 Sept 08 (US\$) <b>\$7.76bn</b> Percentage Change <b>▼ 21.2%</b>	Jubilee Absolute Return Fund Jubilee Absolute Equity Fund	Not disclosed	Not applicable	Patrick Fauchier Christopher Fawcett
Founded <b>1994</b> Employees <b>57</b>				
Location (principal office location in bold) <b>London</b> , New York, Guernsey				

## 33. LGT Capital Partners

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$4.75bn</b> AUM 30 Sept 08 (US\$) <b>\$5.7bn</b> Percentage Change <b>▼ 16.7%</b>	Castle Alternative Invest Crown Fund range	Not disclosed	Not applicable	Stefan Muehleemann Roberto Paganoni Werner von Baum Thomas Weber
Founded <b>1998</b> Employees <b>152</b>				
Location (principal office location in bold) <b>Pfäffikon</b> , Dublin, Hong Kong, London, New York				

## 34. AXA Investment Managers

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$4.26bn</b> AUM 30 Sept 08 (US\$) <b>\$4.64bn</b> Percentage Change <b>▼ 8.2%</b>	AXA Alternative Premium AXA Select Alpha AXA Alternative Asian Fund	Diversified, Global, Multi Strategy Diversified, Global, Multi Strategy Diversified, Asian incl Japan Multi Strategy	US\$563m	Chris Manser (CIO) Roman Berri Raza Hussain
Founded <b>2005</b> Employees <b>34</b>				
Location (principal office location in bold) <b>London</b> , Paris, Zurich, Hong Kong				

## 35. The Archstone Partnerships

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
<b>\$4.19bn</b> AUM 30 Sept 08 (US\$) <b>\$4.86bn</b> Percentage Change <b>▼ 13.8%</b>	Archstone Partners Offshore Fund Opportunities Fund Market Neutral Strategies Fund Equity Strategies Fund	Not disclosed	Not applicable	Not disclosed
Founded <b>1991</b> Employees <b>nd</b>				
Location (principal office location in bold) <b>New York</b>				

## 36. Aetos Capital

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$4.04bn AUM 30 Sept 08 (US\$) \$5.6bn Percentage Change ▼ 27.9%	Aetos Capital Prime Portfolio Aetos Capital Growth Portfolio Aetos Capital Balanced Portfolio Aetos Capital Long/Short Portfolio	Multi Strategy Multi Strategy Multi Strategy Equity Long/Short	Not applicable	Anne Casscells (Co-President & CIO) Michael Klein Andrea Bollyky James Gibbons Harold Schaaff
Founded 1999 Employees 42				
Location (principal office location in bold) <b>New York, Menlo Park (CA)</b>				

## 37. Harcourt Investment Consulting

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.9bn AUM 30 Sept 08 (US\$) \$5.4bn Percentage Change ▼ 27.8%	Belmont Trading Ltd Belmont Long/Short Equity Ltd Belmont Asia Ltd Belmont (Lux) Trading Belmont (Lux) Long/Short Equity	CTAs Directional Equity Multi Strategy Geographical CTAs Directional Equity	Not disclosed	Stephan Fritz (2009)
Founded 1997 Employees 70				
Location (principal office location in bold) <b>Zurich, New York, Stockholm, Genève, Madrid, Hong Kong, Cayman Islands</b>				

## 38. Neuberger Berman Alternative Investment Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.84bn AUM 31 Mar 09 (US\$) \$2.66bn Percentage Change ▲ 44.4%	NB Diversified Arbitrage Funds NB Long/Short Funds NB SelectAccess Funds	Arbitrage/ Event driven Equity Long/Short Multi Strategy	US\$1.3bn	Eric Weinstein
Founded 2001 Employees 68				
Location (principal office location in bold) <b>New York, London, Zurich, Melbourne, Hong Kong, Tokyo, Singapore, Shanghai</b>				

## 39. Pioneer Alternative Investments

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.72bn AUM 31 Mar 09 (US\$) \$3.6bn Percentage Change ▲ 3.3%	Momentum AllWeather Fund Orbit Global Strategy Fund	Master fund Long/ short Equity	Not disclosed	Alberto La Rocca (CEO)
Founded 1999 Employees nd				
Location (principal office location in bold) <b>Dublin</b>				

## 40. Cadogan Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.65bn AUM 30 Sept 08 (US\$) \$6.27bn Percentage Change ▼ 41.8%	Cadogan Alternative Strategies Trust Cadogan Alternative Strategies II Trust Cadogan Opportunistic Alternatives Fund Cadogan Kurihama Japan Fund, Ltd. Undiscovered Managers Multi Strategy Fund	Not disclosed	US\$111m	Stuart Leaf Paul Isaac Michael Waldron Richard Collier
Founded 1994 Employees 60				
Location (principal office location in bold) <b>New York, London, Tokyo</b>				

## 41. Prisma Capital Partners

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.5bn AUM 31 Mar 09 (US\$) \$3.7bn Percentage Change ▼ 5.4%	Prisma Spectrum Fund Prisma Select Fund Prisma Select Fund II Prisma Genesis Fund	Not disclosed	Not applicable	Girish Reddy, Thomas Healey, Gavyn Davies
Founded 2004 Employees 30				
Location (principal office location in bold) <b>New York, London</b>				

## 42. Allianz Alternative Asset Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.2bn AUM 30 Sept 08 (US\$) \$8.35bn Percentage Change ▼ 61.7%	Phenix Alternative Holding Heracles Argos AGF Multi Alternatives W Finance Arbitrage Allianz AAAM Long/Short Equity	Multi Strategy Multi Strategy Multi Strategy Multi Strategy Multi Strategy Equity Long/Short	US\$366m	Jean-François Vert (CEO)
Founded 1989 Employees 39				
Location (principal office location in bold) <b>Paris, New York</b>				

## 43. Protégé Partners

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$3.0bn AUM 30 Sept 08 (US\$) \$3.47bn Percentage Change ▼ 13.5%	Protégé Partners Funds Protégé Direct Funds Protégé Partners Opportunistic Funds	Smaller managers, seeding High Conviction, Best Ideas Seeding, Direct-hybrid approach	Not disclosed	Jeffrey Tarrant (CEO, CIO) Ted Seides
Founded 2002 Employees 43				
Location (principal office location in bold) <b>New York</b>				

## 44. Gems Advisors

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.93bn AUM 30 Sept 08 (US\$) \$6.7bn Percentage Change ▼ 58%	Gems Low Volatility Gems Recovery Gems Perennial Gems Global	Multi Strategy, Relative-Value Distressed, Credit 'Best Ideas' Multi Strategy incl Macro, Deep Value, Equity Long/Short	Not applicable	Miguel Abadi Dr David Goldfarb
Founded 1987 Employees 56				
Location (principal office location in bold) <b>Nassau, London, Tel Aviv, Buenos Aires, Sao Paolo, Singapore</b>				

## 45. Optimal Investment Services

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.62bn AUM 30 Sept 08 (US\$) \$9.94bn Percentage Change ▼ 73.6%	Optimal Arbitrage Fund Optimal European Opportunities (Ireland) Fund Optimal Global Opportunities (Ireland) Fund Optimal Global Trading (Ireland) Fund Optimal Multistrategy Ireland Fund	Relative Value Equity Long/Short Equity Long/Short Global Macro Multi Strategy	US\$606.4m	Grupo Santander
Founded 1995 Employees 61				
Location (principal office location in bold) <b>Geneva, Madrid, London, New York</b>				

## =46. Unigestion

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.6bn AUM 30 Sept 08 (US\$) \$3.0bn Percentage Change ▼ 13.3%	Uni-Hedge Diversified Uni-Hedge Tactical Trading Uni-Hedge Arbitrage Uni-Hedge Global Equity Uni-Hedge Commodity Alpha	Not disclosed	Not applicable	Bernard Sabrier (Chairman) Patrick Fenal (CEO)
Founded 1971 Employees 151				

Location (principal office location in bold) **Geneva**, London, New York, Paris, Singapore, Guernsey

## =46. Optima Investment Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.6bn AUM 30 Sept 08 (US\$) \$3.6bn Percentage Change ▼ 27.8%	Not disclosed	Not disclosed	Not disclosed	D Dixon Boardman (Founder) Fabio Savoldelli Johnny Yee
Founded 1988 Employees 47				

Location (principal office location in bold) **New York**, London, Bermuda

## =48. Kairos Investment Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.35bn AUM 01 Jan 09 (US\$) \$2.3bn Percentage Change ▲ 2.1%	Not disclosed	Not disclosed	US\$150m	Not disclosed
Founded 1999 Employees 115				

Location (principal office location in bold) **Milan**, London, New York

## =48. Olympia Capital Management

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.35bn (est) AUM 31 Mar 09 (US\$) \$5.6bn Percentage Change ▼ 58%	Olympia Star Olympia Special Opportunities Olympia Strategies Diversified Olympia Global Macro Fund Olympia Energy Fund	Multi Strategy Multi Strategy Multi Strategy Global Macro Energy	US\$300m	Marc Landeau (Founder) Laurent Dupeyron (CEO) Guido Bolliger (CIO) Arnaud Beysen (CFO)
Founded 1989 Employees 70				

Location (principal office location in bold) **Paris**, London, New York, Zurich

## 50. International Asset Management Limited (IAM)

AUM 30 June 09 (US\$)	Fund Name(s)	Strategy/Style	Advisory	Founders/Principals
\$2.3bn AUM 30 Sept 08 (US\$) \$3.3bn Percentage Change ▼ 30.3%	Alternative Investment Strategies Ltd IAM Trading Fund IAM Global Long/Short Equity Strategy Fund	Global, Opportunity-Driven CTAs Equity Long/Short	US\$623m	Albert Fuss Tony Forward Alan Djanogly
Founded 1989 Employees 41				

Location (principal office location in bold) **London**, New York, Stockholm