

Welcome to the latest edition of Hedge Fund Spotlight, the monthly newsletter from Preqin providing insights into hedge fund investors. Hedge Fund Spotlight uses information from our online product Hedge Fund Investor Profiles.

June 2012
Volume 4 - Issue 6

FEATURED PUBLICATION:

The 2012 Preqin Sovereign Wealth Fund Review



More information available at:
www.preqin.com/swf

New York:
One Grand Central Place
60 E 42nd Street
Suite 2544
New York
NY 10165
+1 212 350 0100

London:
Equitable House
47 King William Street
London, EC4R 9AF
+44 (0)20 7645 8888

Singapore:
Asia Square Tower 1
#07-04 8 Marina View
Singapore
018960
+65 6407 1011

www.preqin.com
info@preqin.com

Twitter: www.twitter.com/preqin
LinkedIn: www.linkedin.com
Search for Preqin

Hedge Fund Spotlight

June 2012

Feature Article

European Investors in Hedge Funds

European institutional investors are under unprecedented pressure due to the volatility, uncertainty and fat tail risk caused by the ongoing eurozone sovereign debt crisis; however, the region is home to a large proportion of investors in hedge funds. Are European institutions going to remain committed to the asset class? This month's feature article explores the European investor space and analyzes the outlook for the future.

Page 2.

Industry News

In this month's news section we turn our attention to latest news to come out of Europe. Which institutions are looking to move into hedge funds for the first time? Which investors are planning a change in their approach to hedge funds?

Page 7.

Fundraising Assignment

You're a UK long/short equity manager looking to come to market with a UCITS-compliant fund. How should you proceed?

Page 8.

The Facts

Key facts regarding European investors that invest in North America: [Page 10](#).

Details of the forthcoming hedge fund conferences from around the world: [Page 11](#).

Data



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. Feel free to use the data in any presentations, but please remember to cite Preqin as your source.



European Investors in Hedge Funds

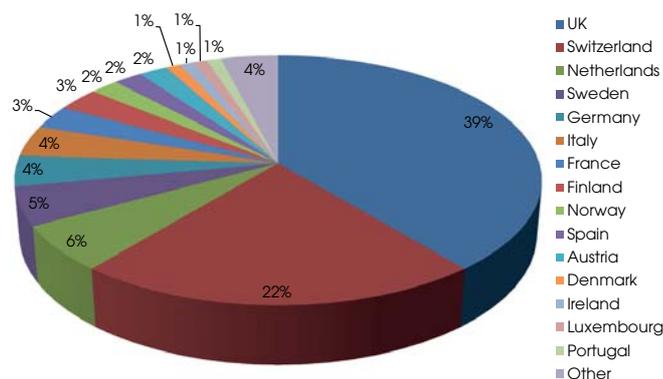
Sarah Corran explores the latest trends to hit the European hedge fund institutional investor universe. Do investors from Europe remain committed to the hedge fund asset class despite wider market pressures? What can hedge fund managers expect in the future?

Europe represents a diverse landscape of many different types of institutions, regulatory regimes and economies. The combination of these factors makes marketing hedge funds in the region complex, and it takes a deep understanding of the investors within Europe to navigate the fundraising environment successfully. Using Prequin's database of 1,000 institutional investors based in Europe, we take a closer look at some key facts about investors in this region – which countries are the most active, what types of investors can be found in the region, and where they are allocating their hedge fund capital.

As shown in Fig. 1, the UK is the European hub of hedge fund investment. It is home to around 39% of Europe-based institutional investors in hedge funds, with the largest number of investors being located in London. The UK landscape is widely diversified by investor type, with funds of funds, public and private pension funds, insurance companies, foundations and family offices all being found with active hedge fund portfolios there.

Switzerland is another prominent source of capital for hedge funds, with its world-renowned private banking and wealth management industry. Twenty-two percent of European investors are based in the Alpine nation, with a large proportion of investors based in Zurich and Geneva. Zurich boasts a strong institutional investor base stemming from its heavy insurance and pension fund cluster, along with the largest asset management community in the country. Geneva also possesses a strong private banking industry as well as an established commodity trading community. Paris, with its insurance business, represents a good destination for fund marketers looking to raise capital from the institutional

Fig. 1: Breakdown of Europe-Based Institutional Investors in Hedge Funds by Country



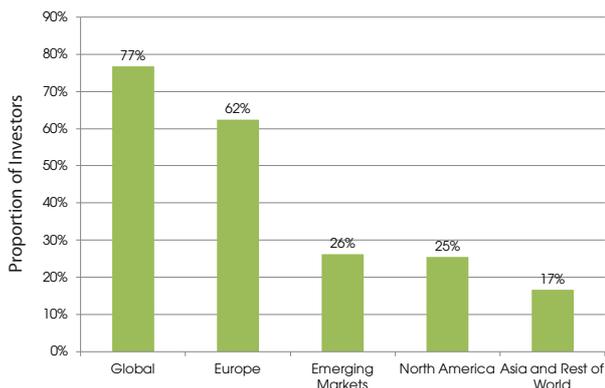
Source: Prequin Hedge Fund Investor Profiles

community; however, France as a whole is still relatively cautious when investing in hedge funds and the country represents just 3% of the European market.

European Investor Outlook on Hedge Funds

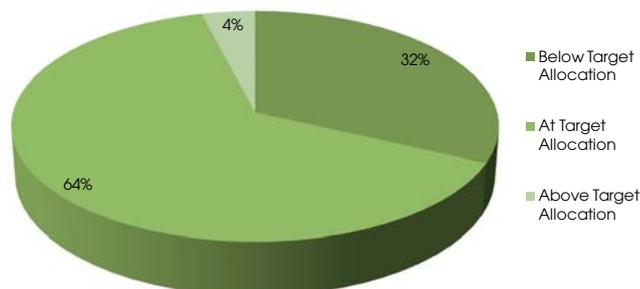
The last five years have been challenging times for hedge funds and investors alike. Market volatility, a challenging returns environment, and concerns over hedge fund operations have all taken their toll on the asset class. However, institutional investors remain committed to allocating fresh capital to hedge funds as they seek to boost the overall performance of their portfolios and to gain access to new strategies. Prequin conducted in-depth

Fig. 2: Regional Preferences of Europe-Based Institutional Investors in Hedge Funds



Source: Prequin Hedge Fund Investor Profiles

Fig. 3: Proportion of Europe-Based Institutional Investors At, Above or Below their Target Allocation to Hedge Funds



Source: Prequin Hedge Fund Investor Profiles



interviews with over 50 European institutional investors active in hedge funds to ascertain their outlook on the asset class going forwards.

Hedge Fund Inflows Expected in 2012

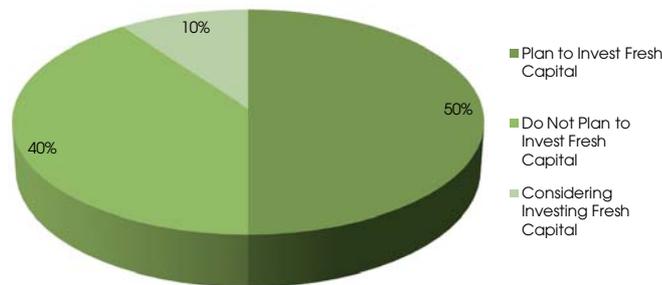
Following a turbulent 2011, European institutional investors remain committed to their hedge fund portfolios in 2012. Fig. 3 demonstrates that the bulk of European hedge fund investors are either at or below their target allocation to hedge funds. This suggests that the majority of investors will continue to actively invest in the asset class over the next 12 months, in order to maintain or boost their allocation towards their target level. This is highlighted further in Fig. 4, which shows that 50% of European investors surveyed plan to invest fresh capital into the hedge fund space over 2012. This indicates that many investors have retained confidence in the asset class, despite the challenging market conditions resulting from increased volatility.

Forty-seven percent of investors planning to invest fresh capital into hedge funds over the next 12 months are looking to invest around €5-20mn in the move, as shown in Fig. 5. A smaller proportion of investors surveyed (11%) are yet to decide how much capital to commit and therefore plan to take a more opportunistic approach, investing when attractive opportunities arise or when further investment is deemed necessary from an overall portfolio perspective. Nearly a fifth of the investors planning to allocate fresh capital indicated that they will commit over €200mn to hedge fund investments in the next 12 months, which is very positive news for the industry and could mean significant growth of European hedge fund assets being driven by these largest investors in the asset class.

Strategies Presenting Attractive Opportunities for European Hedge Fund Investors in 2012

European investors were asked about their opinions on which strategies are offering the best opportunities in 2012. Long/short equity and global macro are the most popular strategies currently among institutional investors, with 44% of investors stating

Fig. 4: Proportion of Europe-Based Institutional Investors Planning to Invest Fresh Capital into Hedge Funds over the Next 12 months

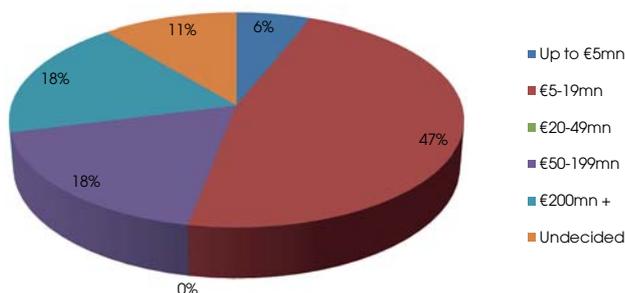


Source: Preqin

a preference for each for the rest of 2012. Long/short equity continues to be a popular strategy with hedge fund investors due to its ability to provide returns through identifying both over and undervalued stocks. Global macro remains a prevalent strategy as it is seen by many investors as useful in times of uncertainty, due to its liquid approach and ability to profit from big market moves. Fig. 6 also shows that many investors stated other strategies as a preference for 2012. It is no coincidence that these strategies include those which survived the volatility of 2011, such as asset-backed securities, which had one of the best performance records in 2011. The chart also demonstrates the popularity of CTA, with 19% of investors stating that CTA hedge funds are an attractive prospect for 2012. CTA has been one of the best performing hedge fund strategies over the past three years and therefore continues to interest institutional investors looking for safe havens amid adverse economic conditions. In such a volatile environment this style of fund has the ability to move quickly with a focus on highly liquid investments.

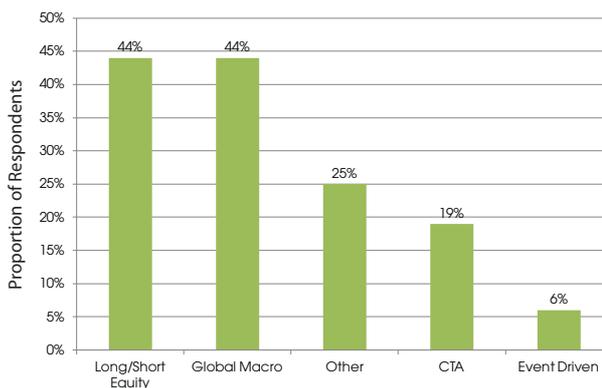
In regards to the types of funds that institutional investors plan to allocate capital to in the next 12 months, it is clear that commingled, single-manager funds are the most highly sought by those institutions looking to invest fresh capital. Nearly twice as

Fig. 5: Amount of Fresh Capital Europe-Based Institutional Investors Expect to Invest in Hedge Funds over the Next 12 Months



Source: Preqin

Fig. 6: Top Five Hedge Fund Strategies that Europe-Based Institutional Investors Feel Present Attractive Opportunities in 2012



Source: Preqin



many investors are planning to make direct investment in hedge funds over the next year than are looking to add funds of funds to their portfolios. Although the popularity of funds of funds has dwindled somewhat over the past few years – a decline fuelled by poor performance and some questionable investments made by even the largest multi-management companies – they still retain a solid base of investors, with 42% of all searches over 2012 and into the first half of 2013 including a fund of funds as part of the mandate.

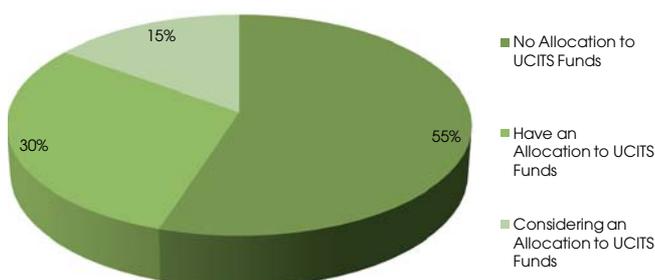
The Case for UCITS

Liquidity and transparency have been the words on everyone’s lips since the events of 2008. Many investors, both in Europe and across the globe, were caught invested in assets they were not aware of. This was then followed by gating of their capital as managers struggled to liquidate illiquid positions. The rise to prominence of UCITS vehicles as well as managed accounts over the past five years can be attributed to a demand for liquidity and transparency from the investor community, as both offer advantages in these areas over traditional commingled offshore funds.

UCITS-compliant hedge funds are continuing to grow in prominence among institutional investors, with a broad range of organizations making allocations to hedge funds structured under the wrapper. Nineteen percent of all searches in the next 12 months from European investors will include UCITS as a structure of choice. In Europe, UCITS-compliant hedge funds have been the most popular type of new fund structure to emerge since the onset of the financial crisis, as many investors seek increased liquidity with less risk during turbulent times. Fig. 8 demonstrates the significant appetite for UCITS funds among European investors, with 45% either currently investing in UCITS or looking into the possibility of adding an allocation to such funds in the future.

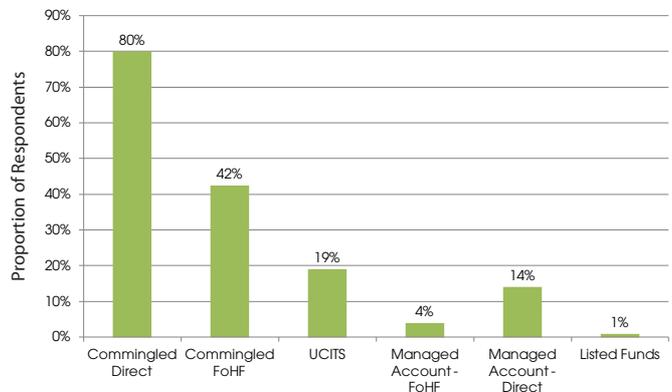
European investors are taking comfort from knowing that UCITS-compliant hedge funds have restricted types of underlying investments, limited leverage and attractive liquidity terms. In

Fig. 8: Proportion of Europe-Based Institutional Investors that Invest in UCITS-Compliant Hedge Funds



Source: Preqin

Fig. 7: Structures Sought By European Investors Over the Next 12 Months



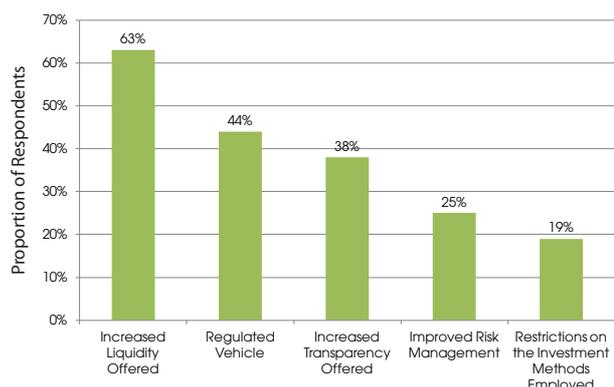
Source: Preqin

terms of liquidity, the structure provides more frequent redemption periods compared to other fund structures. The importance of these liquidity terms to European investors is demonstrated in Fig. 9, which shows that a large proportion of investors (63%) consider increased liquidity to be the most important factor behind their investment in UCITS funds. The chart also highlights the importance of increased transparency and improved risk management to investors, as they seek greater predictability in the way that funds are managed.

There has been considerable growth in the prevalence of hedge fund managers offering UCITS products to investors as they look to source institutional money from a broader investor base. By offering UCITS-compliant hedge funds, managers are able to tap into demand from less experienced institutional investors seeking hedge fund-type returns and the protection of a defined regulatory structure.

Looking forward, UCITS funds will continue to attract investors that place high importance on liquidity and transparency when investing in hedge funds. The introduction of UCITS IV will attract a new institutional audience to funds structured under these European Union directives.

Fig. 9: Europe-Based Institutional Investors’ Reasons for Investing in UCITS-Compliant Hedge Funds



Source: Preqin



Although up-and-coming structures such as UCITS have continued to gain traction with institutional investors, we can nonetheless expect traditional fund structures to continue to dominate portfolios.

Outlook

With the outcome of Europe's sovereign debt crisis far from certain, political and macro economic risks loom large in the region. Although this has undeniably impacted the hedge fund industry in Europe, the overall outlook is positive for managers seeking capital from investors in the region. With more than half of the investors interviewed for this study planning to allocate fresh capital to the asset class, and some earmarking significant sums for fresh investment it is likely the amount of capital invested by European investors will increase to its highest level since before the crisis of 2008. European investors are increasingly turning to liquid and transparent strategies to handle their investments in these times of uncertainty. They are also seeking alternatives to the traditional offshore model when looking for hedge funds, with the UCITS structure becoming ever more popular among the institutional market.

Data Source:

This month's feature article features data found in Preqin and Global ARC's recent free research report:

Overview and Evolution of the Institutional Market for Hedge Funds in Europe.

Drawing on data from Preqin's [Hedge Fund Investor Profiles](#), this study covers the European investor space in more detail, discussing the key trends in-depth.

Interested in finding out more? For full details on how Hedge Fund Investor Profiles can help you, please visit:

www.preqin.com/hedge

FKW52399QNAD for your special 10% discount

Organised by:
an **informa** business

Monday 9th July 2012, Grange City Hotel, London

Hedge Fund Startup Forum 2012



Scan with
smartphone
QR Reader App

The forum for the next generation of hedge fund managers

Hear the latest thinking from our expert line up of **speakers from hedge funds, fund of funds, investors and industry experts.**



Marcus Storr
FERI
INSTITUTIONAL
ADVISORS



Pierre Crama
SIGNET CAPITAL
MANAGEMENT



Jeroen Tielman
IMQ INVESTMENT
MANAGEMENT



Jerome Lussan
LAVEN PARTNERS



Tushar Patel
HFIM



Chris Farkas
DEUTSCHE
BANK



Evan P. Gevarter
JEFFERIES



Ken Somerville
QUINTILLION



Phillip Chapple
KB ASSOCIATES



Lachlan Roos
PwC

Your Expert Speaker Lineup Includes:

Jeroen Tielman
CEO
IMQ INVESTMENT
MANAGEMENT

Marcus Storr
Head of Hedge Funds
FERI INSTITUTIONAL
ADVISORS

Chris Farkas
Head of European Hedge
Fund Consulting
DEUTSCHE BANK

Ken Somerville
Head of Business
Development
QUINTILLION

Jerome Lussan
CEO
LAVEN PARTNERS

Lachlan Roos
UK Tax Hedge Fund Leader
PwC

Fiona Carpenter
CFO
TT INTERNATIONAL

Evan P. Gevarter
Managing Director
JEFFERIES

Mikael Spångberg
Managing Director
SEB

Phillip Chapple
Executive Director
KB ASSOCIATES

Pierre Crama
Head of Operational Due
Diligence
SIGNET CAPITAL
MANAGEMENT

Tushar Patel
Managing Director
HFIM

APPROACHING INVESTORS

- Getting the **Marketing Right**
- How do you **Identify Early Stage Investors?**
- How do you **Connect with Potential Investors?**
- Considering the **US Investor**

KEY OPERATIONAL CONCERNS

- Choosing a **Fund Structure**
- Setting up as **UCITS** on day 1: is it feasible?
- How **Tax Regimes** Impact Managers
- How are Investors Impacted by the **Jurisdiction** of the Fund?

GAINING INVESTMENT

- How to get the Investor on side with a **Good First Impression**
- Selling the Management **Team's Story**
- Using a Hedge **Fund Seeder**
- How **Regulatory Compliance** can help you Gain Investment

PICKING THE RIGHT SERVICE PROVIDERS

- Choosing the Right **Service Providers**
- Choosing the right **Prime Broker**
- The Responsibilities of the **Fund Administrator**

REGISTER TODAY: TEL: +44 (0) 20 7017 7790 or Fax +44 (0)20 7017 7824

For the latest programme or to register, please visit: www.informaglobalevents.com/FKW52399QNAD

Email: kmregistration@informa.com

2012 Preqin Sovereign Wealth Fund Review

The 2012 Preqin Sovereign Wealth Fund Review has been completely updated and expanded to include new information on every area of sovereign wealth fund investment portfolios. It represents a vital purchase for all fund managers, consultants, advisors and other finance professionals seeking to gather intelligence on this reclusive group of investors. Now in its fifth edition, this year's publication is the most comprehensive yet, featuring full profiles for 63 sovereign wealth funds worldwide.

Highlights of this year's edition include:

- Overview of the sovereign wealth fund market.
- Separate analysis sections identifying all key trends and patterns for sovereign wealth fund activity in each asset class.
- League table of top sovereign wealth funds by total assets.
- Full profiles for all sovereign wealth funds.



www.preqin.com/swf

Order before Friday 13th April for your 10% pre-publication discount!

I would like to purchase the 2012 Preqin Sovereign Wealth Fund Review:

Single Copy:

- £315 + £10 Shipping
- \$535 + \$40 Shipping
- €375 + €25 Shipping

Additional Copies:

- £50 + £5 Shipping
- \$90 + \$20 Shipping
- €60 + €12 Shipping

Data Pack:

- \$300 / £175 / €185

Data Pack contains all underlying data for charts and graphs contained in the publication. Only available alongside purchase of the publication.

All prices include 10% pre-publication discount.

Shipping costs will not exceed a maximum of £15 / \$60 / €37 per order when all shipped to same address. If shipped to multiple addresses then full postage rates apply for additional copies.

Completed Order Forms:

Post (to Preqin):
230 Park Avenue
10th Floor,
New York, NY 10169

Equitable House,
47 King William Street,
London, EC4R 9AF

Asia Square Tower 1
#07-04
8 Marina View
Singapore 018960

Fax:
+44 (0)87 0330 5892
+1 440 445 9595
+65 6407 1001

Email:
info@preqin.com

Telephone:
+44 (0)20 7645 8888
+1 212 808 3008
+65 6407 1011

Payment Details:

- Cheque enclosed (please make cheque payable to 'Preqin')
- Credit Card Amex Mastercard
- Visa Please invoice me

Card Number: _____

Name on Card: _____

Expiration Date: _____

Security Code: _____



American Express, four digit code printed on the front of the card.



Visa and Mastercard, last three digits printed on the signature strip.

Shipping Details:

Name: _____

Firm: _____

Job Title: _____

Address: _____

City: _____

Post/Zip: _____

Country: _____

Telephone: _____

Email: _____

Industry News

Alex Jones rounds up the latest industry news based upon intelligence gathered by Preqin analysts. Preqin Online subscribers can click on the investor name to view the full profiles.

Europe is very much under the microscope at the moment, with institutional investors in the region under strain caused by wider economic events. Earlier in this month's Spotlight we have seen that in general, European investors remain committed to the asset class; however which specific institutions are changing things up?

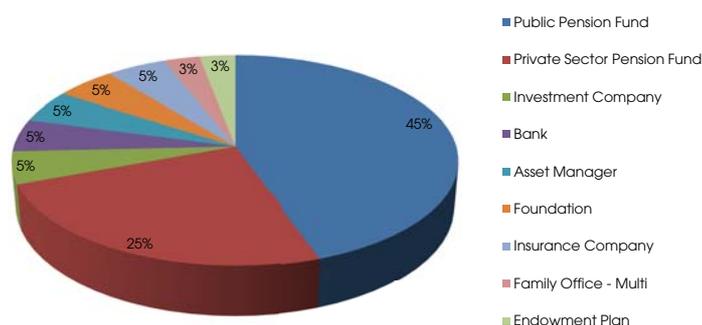
As shown in the Chart of the Month, public pension funds represent the largest proportion of European investors intending to make their first allocations to hedge funds; additionally, some public pension funds with existing hedge fund portfolios are stepping up their investment plans. [AP-Fonden 1](#), the Swedish pension fund with SEK 220bn in assets, is in the process of expanding its hedge fund portfolio. Prior to 2012 it only had one hedge fund investment (a European event driven fund managed by Cevian Capital), but it is now looking to increase its exposure to 5% of AUM – a goal it hopes to reach by the end of the year. The pension fund will be heavily biased towards managed futures/CTA funds, but it also intends to tap into strategies that have a market neutral focus.

Elsewhere, several European asset managers are also looking to boost their hedge fund portfolios. The €120bn Netherlands-based [PGGM](#) plans to make new allocations over the course of the year. It typically replaces three or four managers on an annual basis; however, it intends to invest in as many as 10 managers of liquid strategies, and is amenable to managed account platforms. [Wealth Management Partners](#), meanwhile, is hoping to reduce its exposure to funds of hedge funds and reinvest capital in single managers with a focus on long/short equity and managed futures.

Also making a foray into single-manager structures is [Rahn and Bodmer Banquiers](#). The CHF 12.5bn investment bank is currently considering adding single-manager UCITS hedge funds to its portfolio over the coming year. At present its entire hedge fund allocation – 15% of its total AUM – is invested in eight funds of hedge funds covering a wide range of strategies.

Finally, London-based fund of hedge funds [Casteel Capital](#) is looking to increase its exposure to US long/short equity hedge funds. The €64mn firm typically invests €1-5mn per fund and targets annualized returns of +6% against LIBOR. Casteel prefers to allocate to managers that have a minimum of €100mn in AUM and at least a one-year track record, and due to its liquidity requirements it will not consider fund managers that impose any form of lock-up period.

Chart of the Month: Breakdown of European Investors Considering Making their First Investments in Hedge Funds in the Next 12 Months



Source: Preqin Hedge Fund Investor Profiles

Data Source:

Want to find out which investors are changing up their manager portfolios? Which European public pension giant is expanding its hedge fund portfolio? Which asset manager has recently acquired a fund of hedge funds? This and even more news can be found on [Preqin Hedge Fund Investor Profiles](#).

Preqin gathers industry news from our direct communication with hedge fund investors and regular news can be found on [Preqin Hedge Fund Investor Profiles](#). In the last month Preqin's team of dedicated research analysts have added **52** new institutional investors and updated over **349** investor profiles.

Not yet a subscriber? To find out how we can help you, please visit:

www.preqin.com/hedge



UK-Based Long/Short Equity UCITS Manager

This month [Graeme Terry](#) takes a look at investor appetite for a UCITS-compliant long/short equity fund based out of the UK. Which investors represent the best target for such a fund?

Fig. 1: The Assignment

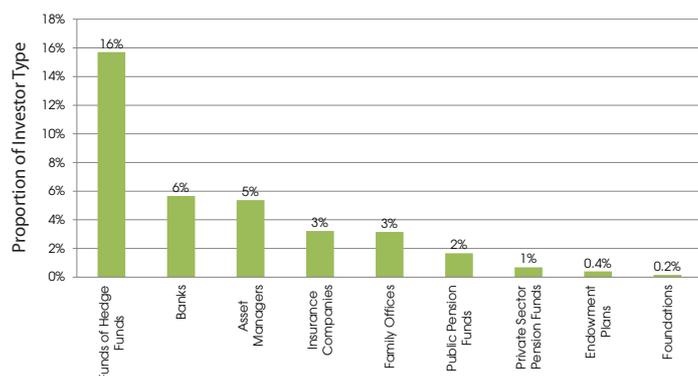
Location of Manager	UK
Fund Structure	UCITS
Fund Strategy	Long/Short Equity

This month we are looking at a manager of a UCITS-compliant long/short equity fund based in the UK. Preqin's Hedge Fund Investor Profiles database shows 138 investors that would potentially be interested in investing in this fund. Interest in UCITS-compliant hedge funds is growing, with many investors seeking increased liquidity and reduced risk in their portfolios following the financial crisis. Despite this growth, the structure remains relatively niche and many investors are still to be convinced about the benefits of investing within the UCITS framework over traditional fund structures. Appetite for long/short equity is extremely strong, however, and it remains the most popular hedge fund strategy, with a large proportion of investors including allocations to such funds.

The Long List

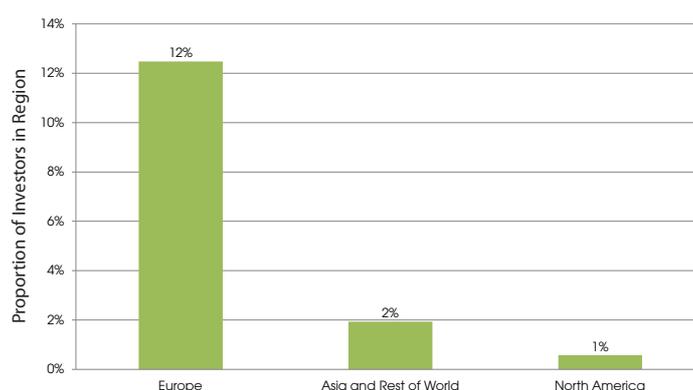
UCITS-compliant funds are based on a European Directive and as a result most are domiciled in this region. Unsurprisingly, the majority of investors that would be interested in this fund are also based in Europe, with 12% of all investors in this region likely to be interested in a UK-based long/short equity UCITS fund (Fig. 2). Many European investors take comfort from the knowledge

Fig. 3: Proportional Appetite of Investors by Investor Type



Source: Preqin Hedge Fund Investor Profiles

Fig. 2: Proportional Appetite of Investors by Investor Region



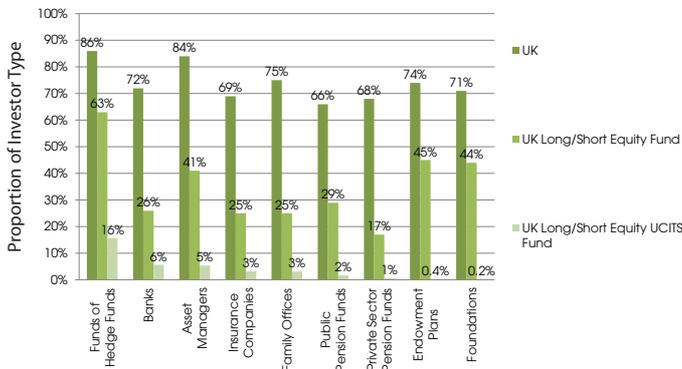
Source: Preqin Hedge Fund Investor Profiles

that UCITS-structured hedge funds have restricted types of underlying investments, limited leverage and attractive liquidity terms. As expected, a much lower percentage of investors in other regions are likely to be interested in such a fund, with just 2% of investors in Asia and Rest of World and 1% in North America likely to consider an investment. One example of an investor in UCITS hedge funds from outside Europe is fund of hedge funds manager Pan Reliance Capital Advisors, which recently announced plans to launch a multi-strategy UCITS fund of hedge funds.

Proportionally, funds of hedge funds are most likely to be interested in investing in long/short equity UCITS funds, with 16% of this investor group likely to be open to such a vehicle (Fig. 3). UCITS funds can be attractive to funds of funds due to the liquidity they provide, as these firms tend to make regular changes to their portfolios. There are also a number of firms that have launched UCITS-compliant funds of hedge funds including SwissWealth Management, which recently launched a diversified fund of hedge funds investing in 25-35 UCITS IV-compliant funds. Banks and asset managers, which are also keen on high degrees of liquidity, are frequent backers of UCITS hedge funds too. UK-based asset manager Skandia Investment Group is an example of an investor that has a preference for hedge funds under the UCITS framework. However, UCITS vehicles are less popular with pension funds, foundations, endowments and other investors that operate longer investment horizons and therefore place less emphasis on portfolio liquidity.



Fig. 4: Investor Barometer: Proportion of Investors with Interest in Fundraising Assignment by Type



Source: Preqin Hedge Fund Investor Profiles

The Investor Barometer in Fig. 4 shows how the list of 138 investors is derived from the universe of hedge fund investors on the Preqin Hedge Fund Investor Profiles database. The majority of investors are willing to invest in funds based in the UK, and a large percentage of all investor groups will consider UK-based long/short equity hedge funds. The number of interested investors is significantly reduced when the UCITS criteria is added, highlighting that this is still a fairly niche investment structure within the overall hedge fund space. Despite currently only being used by a relatively small proportion of the institutional investor universe, a growing number of investors are seeing the benefits of UCITS funds due to the additional regulation, liquidity and transparency that these vehicles can provide. There is evidence that the structure is growing in popularity, particularly within Europe, and it is likely that investors may consider further allocations to UCITS hedge funds over the coming years. While it is likely

Subscriber Quicklink:

Preqin's database contains information on 138 investors that have expressed interest in investing in a UK long/short equity UCITS hedge fund. 119 of these potential investors are based in Europe, 12 are located in North America and the final 7 are Asia and Rest of World-based investors. Subscribers can click [here](#) for a full list of all potential investors for this fund.

Not yet a subscriber? For more information please visit:

www.preqin.com/hedge

that this fund would have plenty of opportunities to raise capital from institutional investors, it is vital that the fund manager correctly identifies and researches the likely interested investors and ensures it is marketed correctly.

The Short List

Of the 138 investors interested in this type of fund, Preqin has picked three investors of particular interest, as shown in 'The Short List' in Fig. 5 below. These are the institutions that not only meet the criteria for this manager type but also meet other requirements - for example being under their target allocation to hedge fund investments.

Fig. 5: The Short List

Investor	Type	Location	Details
Cheviot Asset Management	Asset Manager	UK	<ul style="list-style-type: none"> Interested in increasing its exposure to UCITS-compliant hedge funds. Includes investments in long/short equity funds. Conducts the majority of its investments in European and US markets.
Nordea Bank	Bank	Denmark	<ul style="list-style-type: none"> Likely to consider new hedge fund investments over the next 12 months. Long/short equity is an investment strategy of particular interest. Values funds that come under the UCITS framework.
Standard Bank	Fund of Hedge Funds	UK	<ul style="list-style-type: none"> Looking to reduce exposure to 'traditional' hedge funds in favour of UCITS-compliant funds. Has a preference for long/short equity funds.

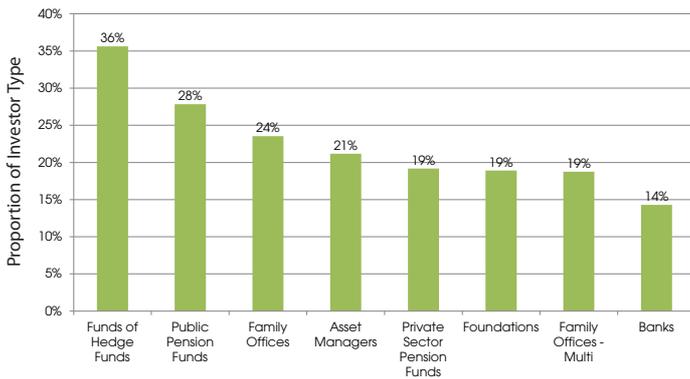
Source: Preqin Hedge Fund Investor Profiles



European Investors in North America

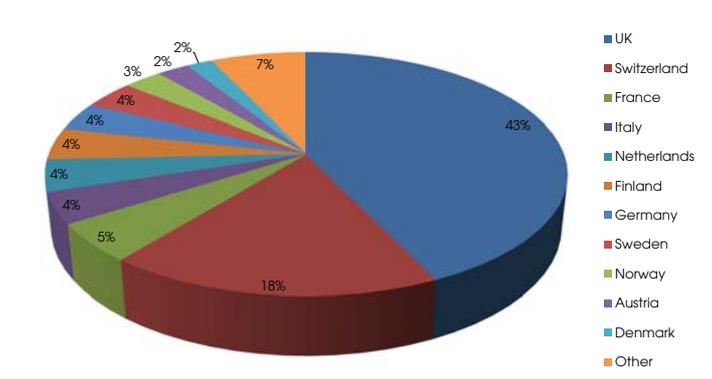
Amy Bensted takes a look at the investment preferences of European investors that target North American hedge funds. Who are these institutions? Which strategies do they prefer?

Fig. 1: Proportion of Each European Investor Type with an Appetite for North American Funds



Source: Preqin Hedge Fund Investor Profiles

Fig. 2: Country Breakdown of European Investors with an Appetite for North American Funds



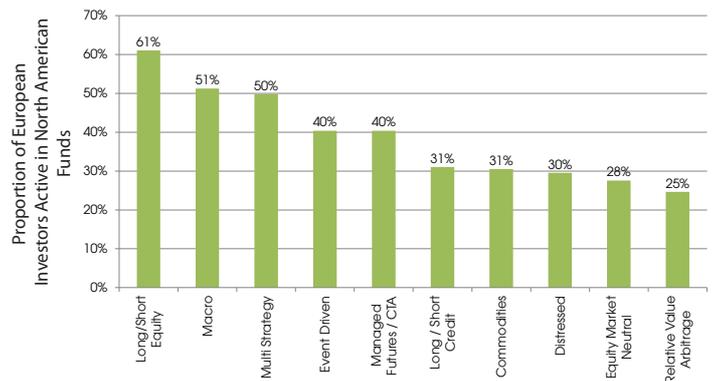
Source: Preqin Hedge Fund Investor Profiles

Fig. 3: Sample of North American Hedge Fund Managers with Substantial Backing from European Investors

Paulson & Co.
Och-Ziff Capital Management
Highbridge Capital Management
York Capital Management
Bridgewater Associates
Millennium Management
King Street Capital Management
BlackRock

Source: Preqin Hedge Fund Investor Profiles

Fig. 4: Top 10 Most Utilized Strategies by European Investors when Allocating to North American Funds



Source: Preqin Hedge Fund Investor Profiles

Subscriber Quicklink:

Preqin Hedge Fund Investor Profiles has detailed profiles for 215 European institutions interested in investing in hedge funds in North America. Subscribers can click [here](#) to see the full list.

How can Hedge Fund Investor Profiles help you target the most likely investors for your fund? Please visit: www.preqin.com/hedge

Conferences Spotlight

Forthcoming Events

Conference	Dates	Location	Organizer
GAIM International 2012	18 - 20 June 2012	Monte Carlo	ICBI
Fund Forum International	25 - 29 June 2012	Monaco	ICBI
Hedge Fund Startup Forum 2012	09 July 2012	London	IIR
Hedge Fund Investment & Operations Boot Camp	30 - 31 July 2012	New York	Financial Research Associates
Hedge Funds World Asia	12 - 14 September 2012	Hong Kong	Terrapinn
The Alternative Asset Summit	17 - 19 October 2012	Las Vegas	Alternative Assets
SALT Singapore 2012	17 - 19 October 2012	Singapore	SkyBridge Capital
Hedge Fund CIO Summit & PE/VC CIO Summit	18 October 2012	New York	Alpha Institutes

Hedge Fund Startup Forum 2012

Date: 9th July 2012

Location: Grange City Hotel, London

Organiser: IIR

Designed with the aid of hedge fund industry veterans, this brand new event has been put together to provide those looking to start a Hedge Fund with an in depth guide to setting up a fund and gaining investment. Quote VIP Code FKW52399PQNAD for special 10% discount.

Information: www.informaglobalevents.com/FKW52399PQNAD

All rights reserved. The entire contents of Hedge Fund Spotlight are the Copyright of Preqin Ltd. No part of this publication or any information contained in it may be copied, transmitted by any electronic means, or stored in any electronic or other data storage medium, or printed or published in any document, report or publication, without the express prior written approval of Preqin Ltd. The information presented in Hedge Fund Spotlight is for information purposes only and does not constitute and should not be construed as a solicitation or other offer, or recommendation to acquire or dispose of any investment or to engage in any other transaction, or as advice of any nature whatsoever. If the reader seeks advice rather than information then he should seek an independent financial advisor and hereby agrees that he will not hold Preqin Ltd. responsible in law or equity for any decisions of whatever nature the reader makes or refrains from making following its use of Hedge Fund Spotlight.

While reasonable efforts have been made to obtain information from sources that are believed to be accurate, and to confirm the accuracy of such information wherever possible, Preqin Ltd. does not make any representation or warranty that the information or opinions contained in Hedge Fund Spotlight are accurate, reliable, up-to-date or complete.

Although every reasonable effort has been made to ensure the accuracy of this publication Preqin Ltd. does not accept any responsibility for any errors or omissions within Hedge Fund Spotlight or for any expense or other loss alleged to have arisen in any way with a reader's use of this publication.