

Welcome to the September 2010 edition of *Hedge Fund Investor Spotlight*, the monthly newsletter from Preqin providing insights into institutional investors in hedge funds. This month Hedge Fund Investor Spotlight contains information from our industry-leading online product, Hedge Investor Profiles.

Are Interests Aligned? Fund Terms Survey Results

Feature

page 3

Are Interests Aligned? Fund Terms Investor Survey Results

The results are in...In this month's feature article we analyze the results of the latest Preqin survey of hedge fund investors and their opinions on fund terms and conditions.

Investors in Focus

page 7

Asian Investors in US Hedge Funds

We take a look at Asian Investors that are committing to US-based hedge funds, pinpointing their location and analyzing their strategic preferences.

Strategy in Focus

page 9

Market Neutral

An in-depth look at investors in market neutral funds using data from Preqin's Hedge Investor Profiles service.

What would you like to see in Hedge Fund Spotlight?

Send us your comments or ideas,
email: spotlight@preqin.com

Conferences Spotlight

page 11

A look at the upcoming events in the hedge fund world.

Investor News

page 12

A round-up of the most important new developments in the institutional investor universe. Full profiles for all institutions featured in Investor News can be viewed on our online service, Preqin Hedge Investor Profiles.

Featured this month:

- Key Asset Management
- West Midlands Pension Fund
- UBP Alternative Investments

OUT NOW

The 2010 Preqin
Global Hedge Fund Investor
Review

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



Join our group on **LinkedIn**.
Search for Preqin

Follow Preqin on Twitter:
www.twitter.com/preqin



London: Scotia House, 33 Finsbury Square, London. EC2A 1BB
+44 (0)20 7065 5100

New York: 230 Park Avenue, 10th Floor, New York, NY 10169
+1 212 808 3008

www.preqin.com



Download all data in this
month's Spotlight in Excel

Hedge Funds World LatAm
5-7 October 2010
Four Seasons in Miami
<http://www.terrapinn.com/2010/latam>

Dear Spotlight Subscriber,

Preqin is delighted to have arranged a special invitation and 15% discount for Spotlight readers who would like to attend Terrapinn's Hedge Funds World LatAm in Miami, 5-7 October 2010.

Now in its 6th year, Hedge Funds World LatAm 2010 remains the industry's definitive hedge fund industry event for the LatAm investment community, presenting LatAm's unique opportunities at a time of global market distress.

What is new in 2010?

Agenda exclusively designed for both LatAm and U.S. end investors: including 11 investor panel discussions - designed for both LatAm end investors looking at the alternatives space and U.S. end investors looking at the LatAm single manager market.

Over \$160bn in AuM represented by 20+ end investor speakers: an incredible speaker line-up that includes the largest pension fund in Brazil, 4 of the 5 largest pension funds in Peru, and major U.S. endowments, pension funds and family offices.

Special focus: new asset allocation trends and winning strategies for 2011: learn how U.S. investor allocations have shifted, the role of hedge funds as LatAm investors move away from fixed income, and the winning strategies and asset classes of 2011.

Please go to <http://www.terrapinn.com/2010/latam> to make the most out of this opportunity and register for a place.

I will be moderating a panel session at the conference, and hope to have an opportunity to connect with you there.

Best Regards,

Amy Bensted
Manager – Hedge Funds
Preqin

Contact Terrapinn (the organisers) directly to get the discount:

Name: Marcia Ardila
Tel: +44 (0) 20 7539 4335
Email: Marcia.ardila@terrapinn.com

Are Interests Aligned? Fund Terms Investor Survey Results

In 2009 Preqin surveyed institutional investors to ascertain their outlook on the hedge fund industry in terms of the features of the funds they look to invest in. Transparency and liquidity emerged as key issues for the institutional investor in the post-downturn market. Hedge fund fees were an area under particular scrutiny by institutional investors, with 76% of the investors surveyed at that time believing that fees were too high. In August 2010, Preqin surveyed 45 institutional investors to gather current opinions on the hedge fund market in terms of the underlying structures of funds they were investing in. In this period positive net inflows have returned to the asset class and there has been a restoration of confidence in hedge funds. In this article we examine how this renewal of optimism has affected the way investors look at the funds they invest in.

Shifts in favour of the investor

Over 60% of respondents believe that there has been a change in hedge fund terms which has benefited investors, as shown in Fig. 1. Just 7% feel that the shift in fund terms structures has been in favour of the manager. This is a positive

development for the asset class, which over the past two years has been met with much questioning as well as some dissatisfaction from the institutional market.

The fee debate continues

Fig. 2 shows that the management fee was considered the most improved aspect of a hedge fund over the past 12 months. Much scrutiny has been placed on the standard 2% management fee since the market crisis began in 2008, with investors questioning the value of an investment which charges such high entry fees. An earlier Preqin study suggested that the management fee is shifting away from the perceived 2% standard fixed fee to a lower level as a result of institutional pressure. This survey provides further evidence of a shift in favour of the investor, with nearly

half of all respondents agreeing that management fees are now at a more acceptable level.

A much smaller percentage, 26%, of those surveyed feel that there has been a shift in the performance fees charged by hedge funds. Fig. 3 shows that performance fees are an area that over a third of all investors would still like to see improvement on (far outweighing the investors which still feel changes need to be made with management fees). In the next 12 months there could

Fig. 1:

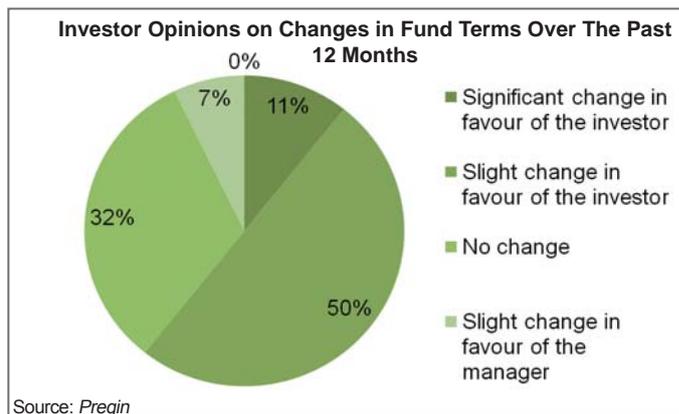


Fig. 2:

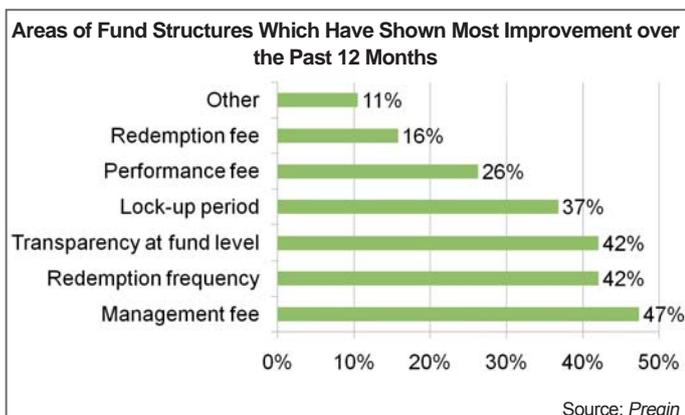
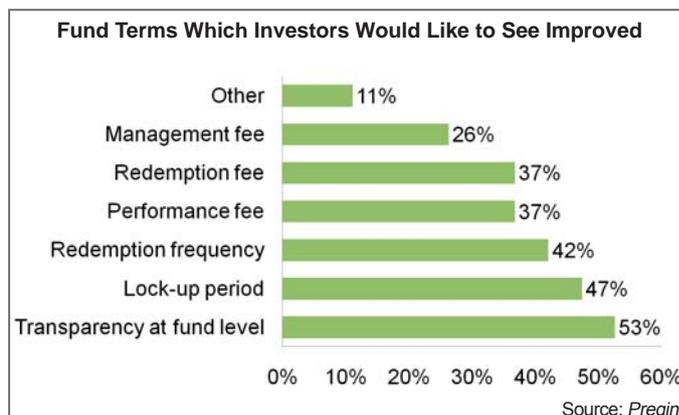


Fig. 3:



be a change in the performance fees charged by funds as investor attention focuses on performance incentives.

Fee negotiations between investors and their managers have continued in 2010. A year ago Preqin asked investors whether they have entered into negotiations with their prospective and existing fund managers – 49% of the surveyed investors revealed they had. This year the figure has dropped by a marginal amount, with 48% of surveyed investors having entered negotiations in the past 12 months. There has been an increase in the number of successful negotiations in the past 12 months; 38% of the respondents told us that they had entered negotiations with fund managers and had successfully won better terms. In 2009 this figure stood at 31%. When questioned further about actions taken following unsuccessful negotiations and their attitude to new fund proposals, 54% of surveyed investors revealed they do occasionally reject the opportunity to invest in funds when the proposed fees are too high and 11% stated that they do this on a regular basis. This indicates that investors are paying much attention to the charges associated with funds and managers should be aware of the scrutiny management and performance fees are under when setting up new vehicles. By establishing funds with fees which are too high, fund managers could potentially lose value-conscious investors.

Transparency and liquidity: still room for improvement

Fund transparency and liquidity are other areas where investors have seen improvement. Liquidity and transparency have been key issues for investors following the tumult in 2008. Gating of capital and exposure to illiquid assets were points of serious concern for institutional investors and there has been much pressure on managers to cut unwarranted lock-ups and to be more open with their investors on the underlying investments of their funds. However, although investors have witnessed improvement in fund transparency and liquidity, they still would like to see more changes. Fig. 3 shows that over half of all investors surveyed want to see greater transparency at fund level, with 47% looking for more appropriate lock-up periods and 42% seeking more frequent redemptions. Fund managers are moving in the right direction in terms of liquidity and transparency, but in order to further attract institutional clients more managers will need to move away from the “black box” style of investment. From Fig. 6 we can see that nearly half of all investors surveyed have rejected

a fund proposal in the past 12 months as a result of a lack of transparency at fund level. With such a high proportion of investors refraining from investing due to lack of transparency, it is vital that managers are able to provide their investors and potential clients with as much information on their funds’ sources of returns as possible.

Key considerations of investors when searching for hedge funds

The surveyed investors were asked to rank 10 parameters associated with hedge funds in order of importance to their fund selection process. Parameters which scored the highest are considered the most important to institutional investors when considering a new fund opportunity. Investors consider the fund strategy as the highest priority when looking at potential fund opportunities. Fund track record and firm reputation

Fig. 4:

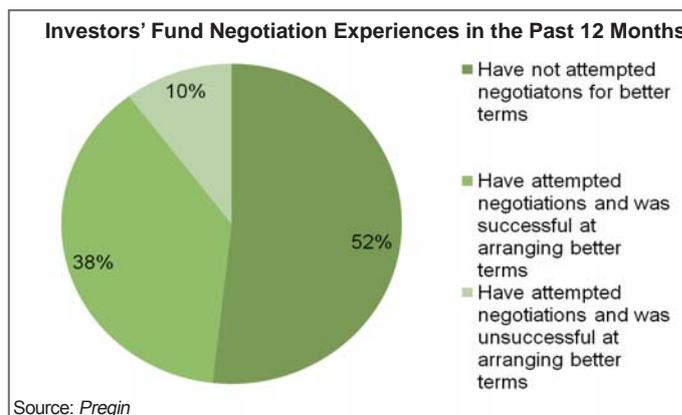


Fig. 5:

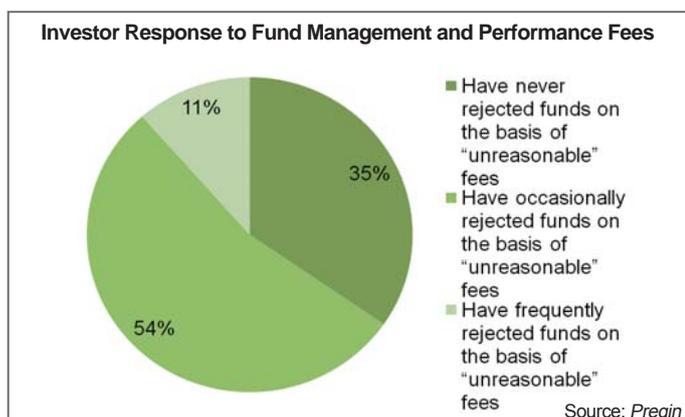
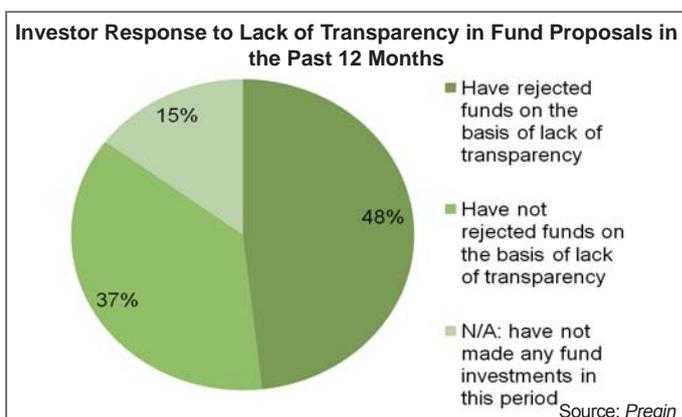


Fig. 6:



is the second most valued feature of a fund. Investors have always valued the track record of a hedge fund as a way of evaluating past performance and potential for future returns.

Over the past three years' surveys, track record has always been in the top three highest ranked attributes of a potential fund opportunity. Last year transparency was the second most sought after feature of a hedge fund; however transparency has now fallen to sixth on the list. As shown in Fig. 6, investors are rejecting fund opportunities as a result of lack of transparency, so this is clearly still a very important factor for investors when looking at new funds. However, as investors are now finding that an increasing number of funds are becoming more transparent about the sources of their returns, they have enough choice of transparent vehicles to no longer view this as such an important factor as previously.

Risk management procedures are another vital aspect of a fund which investors will look to see in place before investment. Following high-profile fund meltdowns and frauds, investors have become much more cautious when it comes to manager selection, and look for strong risk procedures to be implemented as well as the use of third-party groups to audit returns and assets. Investors do want value for money and are entering into negotiations to reduce fees (Fig. 4) as well as rejecting funds which have inappropriate fees (Fig.

5). However, investors recognize that saving money in fees may result in sacrificing other, more important factors such as strategy diversification and sources of portfolio return. Investors are willing to pay higher fees if they are justified.

Outlook

Institutional attitude towards managers and their fund offerings is improving. Investors feel that fund terms are shifting in their favour, and of the surveyed institutions, 69% stated that they felt that institutional interests were aligned with those of their fund managers. The past two years have resulted in many changes in the industry and there has been a period of adjustment on the part of hedge fund managers as investors have become more demanding. Investors still value returns and track records as vital criteria when selecting funds; however, as Madoff proved, high performing "black box" strategies may not be what they seem, so the institutional market is becoming much more stringent in looking for transparent sources of alpha. Fees continue to be an issue for institutional investors; however they have noted a swing in their favour – particularly in reductions to the standard

2% management fee. Investors are still entering into fund negotiations with their fund managers and would like to see further changes to performance fees, so in the next 12 months there is likely to be continued pressure on this front

If managers continue to listen and respond to the demands of an evolving institutional market, this period of renewed optimism of investors is likely to continue. This in turn could lead to more capital inflows to those managers that are able to offer funds which have adapted to cater to the new requirements of the institutional investor.

Amy Bensted

Fig. 7:



Preqin's Hedge Investor Profiles has detailed information on over 2,500 institutional investors that have expressed an active interest in hedge funds. The database includes profiles for 223 institutional investors that are considering making their first investment in hedge funds over the next 12 months.

In addition Preqin monitors over 200 consultants active in alternative assets advisory.

For a demo of our service please visit:
www.preqin.com/hedge

BOOK EARLY TO SAVE FEES

Key speakers include



Elena Ambrosiadou
CEO
IKOS CF Ltd



Peter Van Kleeef
CEO
Lakview Arbitrage International



Adam Afshar
President
Hyde Park Global Investments



8 - 10 November 2010, Hilton Canary Wharf, London, United Kingdom

Technology, innovation and strategy for global HF traders

The most comprehensive HFT event ever assembled!
40+ speakers over 3 content packed days

The complete HFT universe in one place at one time
Meet with an incredible line-up of traders, regulators, brokers, exchanges and post trade organisations

Implement the latest technology & strategy into your trading model
Discover how to build and maintain a competitive advantage for your HFT business

www.terrapijn.com/2010/hfteurope

Event partners:








Organized by:
terrapijn
an ahl group

BOOK NOW! online www.terrapijn.com/2010/hfteurope | email gra.gel@terrapijn.com | phone +44 (0)207 821 5807 | fax +44 (0)207 242 2320



2010 Preqin Global Hedge Fund Investor Review: Order Form



This year's Global Hedge Fund Investor Review includes profiles and analysis for the most important 1,000 investors from around the world, all split into separate regions and countries for ease of use. The Review also includes analysis and listings of investors with a preference for the 10 most important fund strategies.

Full contents include:

- Profiles for 1,000 key institutional investors arranged into 23 key regions from around the world, profiles include fund preferences by strategy and geography, key financial information, direct contact details for key personnel, sample investments
- Analysis and league tables for investors from each region
- Analysis for investors in each of the ten most important hedge fund strategies with listings for active investors
- Listings and analysis for 116 third party marketers and 62 prime brokers
- Analysis of emerging manager investors
- Exclusive information gained through direct contact with institutional investors



www.preqin.com/HFIR



2010 Preqin Global Hedge Fund Investor Review Order Form - Please complete and return via fax, email or post

I would like to purchase the Preqin Global Hedge Fund Investor Review:

- £465 + £10 Shipping
 \$795 + \$40 Shipping
 €495 + €25 Shipping

Additional Copies

- £110 + £5 Shipping
 \$180 + \$20 Shipping
 €115 + €12 Shipping

(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)

I would like to purchase the Preqin Global Hedge Fund Investor Review Graphs & Charts Data Pack in MS Excel Format:

- \$300 / £175 / €185
 (contains all underlying data for charts and graphs contained in the publication. Only available alongside purchase of the publication).

Name: _____

Firm: _____ Job Title: _____

Address: _____

City: _____ Post / Zip Code: _____ Country: _____

Telephone: _____ Email: _____

Payment Options:

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

Card Number: _____

Expiration Date: _____ Security Code*: _____

Name on Card: _____

*Security Code:



— Visa / Mastercard: the last 3 digits printed on the back of the card.



— American Express: the 4 digit code is printed on the front of the card.

Preqin - Scotia House, 33 Finsbury Square, London, EC2A 1BB
Preqin - 230 Park Avenue, 10th floor, New York, NY 10169

w: www.preqin.com / e: info@preqin.com / t: +44 (0)20 7065 5100 or +1 212 808 3008 / f: +44 (0)87 0330 5892 or +1 440 445 9595

Investors in Focus: Asian Investors Investing in US Hedge Funds

Fig. 1:

Key Facts: Asian Investors with a Preference for US Fund Managers	
% of Asian investors that state a preference for US-based hedge funds	29.4%
Average number of US hedge funds in their portfolios	2.6
Most favoured investment approach (direct hedge funds, funds of hedge funds, both)	Funds of hedge funds
Average allocation to hedge funds	6.4%

Source: Preqin

Asia is a burgeoning region for institutional investors with an appetite for hedge funds. Many investors in hedge funds from Asia have diversified into the asset class only recently, following turbulence in equity markets and a growing number of opportunities in this segment of the market. The hedge fund industry within Asia is also growing, which despite the downturn, is encouraging more investors in this region to make their first steps in the asset class. However, many investors in Asia consider themselves truly global investors in hedge funds and look for opportunities with fund managers outside the region. The US is the established centre of the hedge fund industry and many Asian investors have turned to fund managers based in North America to manage their hedge fund capital. Using data from Preqin's Hedge Fund Investor Profiles database we have identified that

around 30% of all Asian investors have some exposure to US-based managers within their hedge fund portfolios. Each of these have, on average, 2.6 US-based funds amongst their holdings.

Japan, Singapore and Hong Kong are the largest sources of capital for US-based fund managers when fundraising in Asia, as Fig. 2 shows. Insurance companies are the largest group of investors in Asia which invest in US hedge funds. This group represents 24% of all Asian investors with an appetite for US-based fund managers. Daido Life Insurance, a Tokyo-based insurance company, has an allocation of JPY 153 billion to hedge funds. Two-thirds of Daido Life's hedge fund allocation is directed to US (and European) fund managers. Sovereign wealth funds are another important source of capital from Asia for US hedge funds. Both insurance

companies and SWFs often manage vast sums of capital, which could mean large inflows of capital from this group when allocating to US managers. China Investment Corporation is an example of a SWF which has invested with US-based fund managers, having invested with Blackstone Group, Morgan Stanley and Oaktree Capital Management since the beginning of 2009. Funds of funds in Asia are another large group of investors in US hedge funds. However, proportionally, just 22% of Asian funds of funds specifically state a preference for US-based hedge funds. Asian funds of funds typically focus investment within their domestic region using the proximity to their fund managers to source the best opportunities locally. The time lag between Asia and North America is an often cited reason for Asian investors to not invest in US funds. With a 12-hour time difference between

Fig. 2:

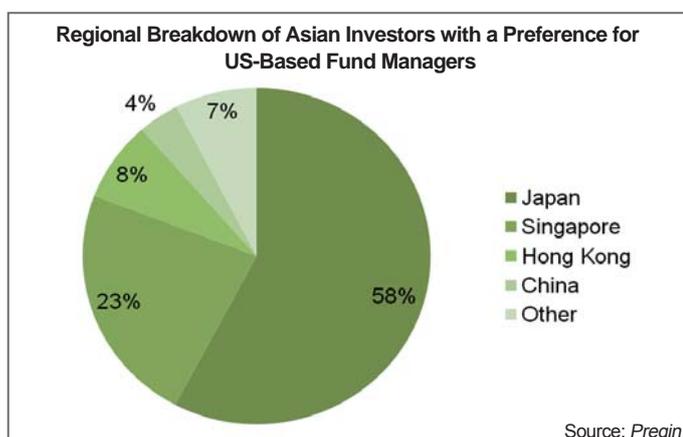
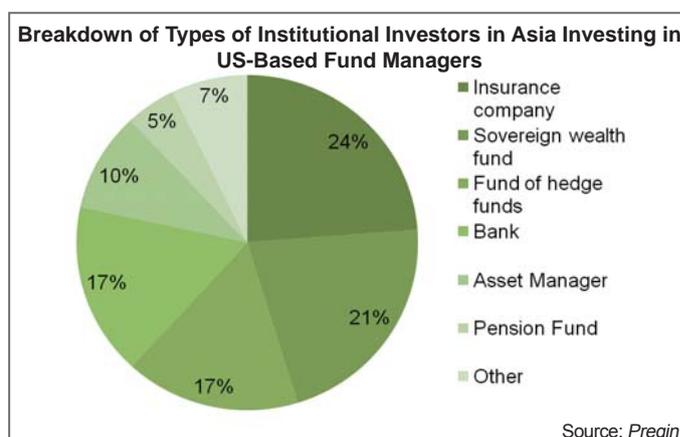


Fig. 3:



Singapore and New York, speaking to fund managers can be difficult during normal working hours, which makes conducting due diligence on these funds a real challenge. As a result Asian investors that are invested in US funds tend to invest in the largest firms with international reach through subsidiary distribution offices based in Asia. Smaller fund management groups, which may not have the resources to open dedicated sales offices in other time zones will find it more difficult to market to Asia and will have to be prepared to travel to the region in order to distribute their funds there through road shows and investor meetings.

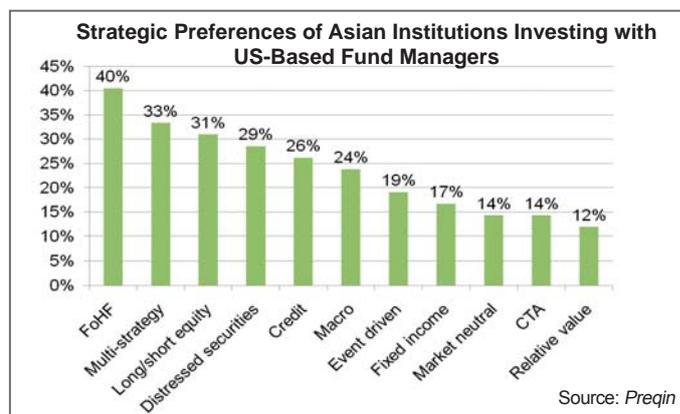
Funds of funds are the most popular choice of structure for Asian investors when selecting US-based fund managers. By investing in a US-based

fund of funds, an Asian investor can access a whole suite of underlying funds to diversify their hedge fund portfolios, thus cutting out the additional due diligence required by investing directly. As a developed centre for the hedge fund industry, the US offers a broad array of strategies for Asian investors to choose from, and as a result many investors in Asia are allocating capital to a wide range of US fund types. Traditional hedge fund styles, such as long/short equity and multi-

strategy, are popular alongside more niche styles of funds such as distressed and credit.

Amy Bensted

Fig. 4:



Preqin tracks 143 Asian investors in hedge funds, 42 of which invest in US based fund managers

THE SHOREX
WEALTH MANAGEMENT FORUMS
GENEVA & ZURICH

Shorex Geneva
19th - 20th October 2010
Bâtiment des Forces Motrices

Shorex Zurich
6th December 2010
ConventionPoint

THE WALL STREET JOURNAL | LE TEMPS

Main themes:
Commodities, Gold & Precious Metals
Fixed Income
Emerging Markets
ETFs
UCITS Hedge Funds
Forex
Tax Planning

Unique platform to network and explore new services, products and ideas.

For further information on how to participate as an exhibitor or delegate please contact Sophie Pichot on sophie.pichot@shorex.com or call her on + 44 20 7482 1000
www.shorexgeneva.com • www.shorexzurich.com

The 2nd Annual
GAIMOps
Europe
26-28 October 2010
Conrad Dublin Hotel, Dublin

THE ONLY EVENT IN EUROPE with Comprehensive, Cutting-Edge Coverage of Operational Due Diligence, Risk Management & Compliance Best Practices for Alternative Investments

World Class Operational Due Diligence, Risk Management & Compliance for Alternative Investments

70+ INTERNATIONAL EXPERTS SPEAKING, INCLUDING:

OPERATIONAL DUE DILIGENCE EXCELLENCE
Terry Raby, Operational Risk Manager, UNIVERSITIES SUPERANNUATION SCHEME
Shackie Yates, Managing Director & General Counsel, PROCTOR INVESTMENT MANAGERS

GLOBAL RISK & OPERATIONS LEADERS
Tim Stanfield, COO, PERSHING SQUARE CAPITAL MANAGEMENT
Malcolm Patterson, Partner, SIGNINA CAPITAL

LEADING OPERATIONAL DUE DILIGENCE PRACTITIONERS
Joshua Barlow, Associate Director of Operational Due Diligence, PAAMCO
Audrey Barry, Operational Due Diligence, INTERNATIONAL ASSET MANAGEMENT
Sharmila Soosappilla, Head of Operational Due Diligence, AXA INVESTMENT MANAGERS
Eric Lasserre, Head of Operational Due Diligence, FOS CAPITAL PARTNERS

GLOBAL HEDGE FUND LEADERS IN OPERATIONS & COMPLIANCE
Tom Klapper, COO, BLACK RIVER ASSET MANAGEMENT
Peter Carney, CFO, ABBEY CAPITAL MANAGEMENT
Kaikka Jayasankara, General Counsel, RAB CAPITAL

PRIME BROKER EXPERTISE
Kam Singh, European Head of Prime Finance Risk and Complex Prime Finance, DEUTSCHE BANK
Ron Suber, Senior Partner & Head of Global Sales, MERLIN SECURITIES

Pierre Drama, Head of Operational Due Diligence, SIGNET CAPITAL MANAGEMENT
Carlos Ferreira, Head of Operational Due Diligence, LGT CAPITAL PARTNERS
James Newman, Director of Operational Due Diligence, ERMITAGE ASSET MANAGEMENT
Per Ivansson, Executive Vice President & Head of Investment Management, RPM RISK & PORTFOLIO MANAGEMENT AB
Dan Federmans, CFO, PROTÉGÉ PARTNERS
Dáire Mathews, CEO, SOTHIC CAPITAL MANAGEMENT
Richard Cross, COO, LNG CAPITAL MANAGEMENT

Sobain Lajli, Prime Services, BARCLAYS CAPITAL
John Budzyn, Managing Director, Hedge Fund Consulting, DEUTSCHE BANK

www.gaimopseurope.com



Strategy in Focus: Market Neutral

Preqin monitors 293 institutional investors with an appetite for market neutral hedge funds. 155 are based in North America, 103 in Europe and 35 in Asia and Rest of World.

For more information visit:
www.preqin.com/hedge

Fig. 1:

Key Facts: Investors in Market Neutral Hedge Funds	
% of institutional hedge fund investors that state market neutral as a preference	11.7%
Median AUM of a Market Neutral investor	USD 1.8 billion
Average allocation to hedge funds of a Market Neutral investor	13.1%
Average returns sought from Market Neutral investments	8%
Most favoured investment approach (funds of hedge funds, direct hedge funds, both)	Mixture of both

Source: Preqin

Market neutral hedge funds are a preference of 11.7% of the institutional investors on Preqin's Hedge Fund Investor Profiles database. There has been a drop in their popularity amongst institutional investors over the past year as investors have rebalanced their portfolios, moving away from market neutral strategies into other hedge fund strategies such as global macro. In 2009 just over 15% of the investors on Preqin's database stated a preference for market neutral funds. Despite a drop in its use amongst institutional investors, it remains one of the more commonly used strategies. As market conditions change and hedge fund investors continue to tap into the best sources of returns, demand from the increasingly important institutional sector of the market may begin to grow once again. Recently, Ferd External Managers, a NOK 3.4

billion investment company, has added two market neutral managers to its investment portfolio. Also following the trend is San Diego County Employees Retirement Association, which manages USD 7.4 billion and is in the process of looking for managers within the market neutral sector.

The average market neutral investor has around USD 1.8 billion in assets under management and allocates 13.1% of total assets to hedge funds. On average, market neutral investors seek returns of 8% from their hedge fund investments.

North America represents the hub of market neutral investing. As seen in Fig.2, 53% of market neutral investors are based in North America. Investors from Asia and Rest of World do not currently represent a large source of

investors in market neutral strategies, with these investors currently being more active in other strategies such as multi-strategy, long/short equity and distressed securities. However, interest in hedge funds is growing in Asia and Rest of World and as a result we can expect more capital to flow into market neutral funds as these investors become more experienced in hedge fund investment.

Funds of hedge funds are by far the most significant source of capital for market neutral hedge fund managers. Public pension funds and endowments are also important for such fund managers, as together they represent just under a quarter of all market neutral investors.

Katy Johnson

Fig. 2:

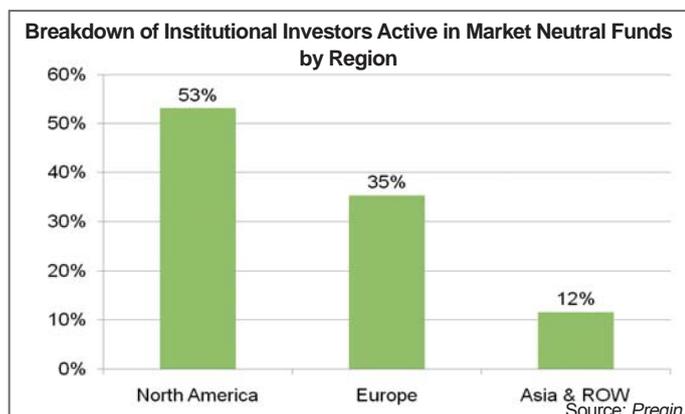
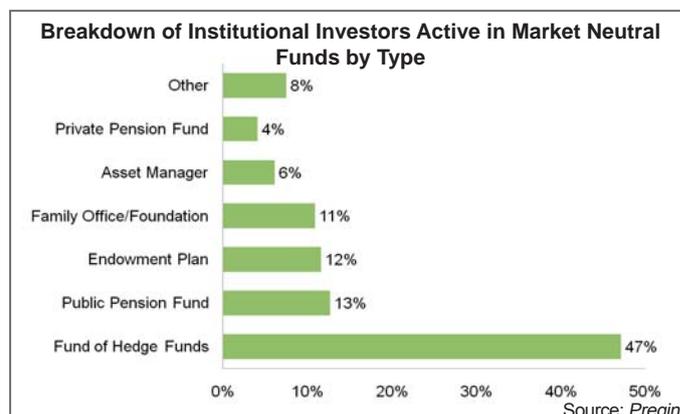


Fig. 3:



Preqin: Hedge Fund Services

Preqin maintains a range of products for professionals involved with sourcing institutional investors for hedge fund vehicles, all based on our detailed database of over 2,500 institutions. With online services, data downloads and publications all available, Preqin can help you to identify and contact future investors.



Hedge Investor Profiles

See detailed profiles for over 2,500 investors of all types globally - pension funds, insurance companies, banks, foundations, endowments, family offices, fund of hedge funds and others. Profiles include background, contact details, investment plans, preferences, assets under management, firms previously invested with and more.

Investor News section keeps you up to date with the latest developments in the market.

Database constantly updated by our team of dedicated analysts

To register for your free trial please visit:
www.preqin.com/hedge

2010 Preqin Global Hedge Fund Investor Review

In this year's Review we have included profiles and analysis for the most important 1,000 investors from around the world, all split into separate regions and countries for ease of use. We have also included analysis and listings of investors with a preference for the 10 most important fund strategies.

For more information please visit:
www.preqin.com/hfir



Fund of Hedge Funds Download

With over 550 fund of hedge funds listed and contact details, including phone number and email address, for more than 1,750 individuals at these firms, the Fund of Hedge Funds download is a vital tool for all hedge funds looking to promote their fund to the multi-manager market. The fund of funds on this download are distributed across the globe, with interest in a wide range of strategies and fund types.

For more information please visit:
www.preqin.com/hedge

Emerging Managers Download

With contact details on over 615 institutions who have expressed an interest in investing in emerging managers our Emerging Manager Download is an excellent way of targeting the best potential investors for your fund. Investors include fund of hedge funds, public pensions, endowments and family offices and foundations.

For more information please visit:
www.preqin.com/hedge

London: Scotia House, 33 Finsbury Square, London. EC2A 1BB
+44 (0)20 7065 5100

New York: 230 Park Avenue, 10th floor, New York, NY 10169
+1 212 808 3008

www.preqin.com


www.preqin.com

Conferences Spotlight: Forthcoming Events

Conferences

Conference/Event	Dates	Location	Organizer
AIFM Directive	9-10 September	London	Infoline
Hedge Funds World Asia	13-16 September	Hong Kong	Terrapinn
High Frequency Trading World Asia	13 September	Hong Kong	Terrapinn
Hedge Fund Redomiciliation and Restructuring	21 September	London	IBC
InvestHedge Forum	21-22 September	London	Hedge Fund Intelligence
Alpha Hedge Institutional Investment	26-28 September	San Francisco	Institutional Investor Alpha Hedge
Hedge Funds World LatAm	5-7 October	Miami	Terrapinn
UCITS Asia	5-6 October	Tokyo	Informa

Hedge Funds World Asia 2010

Date: 13 - 16 September 2010
Location: Conrad Hotel, Hong Kong
Organiser: Terrapinn

Hedge Funds World Asia 2010 moves into its 13th year! Asia's leading hedge funds investment forum, Hedge Fund World Asia will discuss innovation and strategy for Asian based family offices, pension funds and private bankers together with the hedge funds and asset management community who serves them.

Information: <http://www.terrappinn.com/2010/hfwasia>

High Frequency Trading World Asia 2010

Date: 13 September 2010
Location: Conrad Hotel, Hong Kong
Organiser: Terrapinn

Asia is the next hot spot for high frequency trading. Are you ready for it? High Frequency Trading World Asia 2010 is for fund managers, traders, brokers and exchanges to address opportunities and challenges in the high frequency trading space.

Information: <http://www.terrappinn.com/2010/hftasia>

Book early and SAVE \$\$\$
 Complimentary entry for investors

HEDGE 2010

8 - 11 November 2010, Hilton Canary Wharf, London

Hear from:


 Israel Englander
 Chairman and CEO
 Millennium
 Management LLC


 William Broderick
 Founder and CEO
 Hermitage Capital
 Management


 Tim Wong
 CEO
 AHL


 Caroline Hoare
 CEO and Director
 GLC


 Gerlof De Wilt
 Managing Director
 Absolute Return
 Strategies
 and CTAA
 APG


 Martin Lueck
 President and
 Director of
 Research
 Aspect Capital

www.terrappinn.com/2010/hedge

Participating organisations include:












Organised by: 

BOOK NOW! online www.terrappinn.com/2010/hedge | email isanca.goldenkey@terrappinn.com | phone +44 (0)20 7242 2324 | fax +44 (0)20 7242 1508

10% discount
when quoting
PREQIN



Hedge Fund Regulation

Monday, 22nd November 2010, London

As the recent financial crisis continues to drive reform initiatives across the globe, tighter registration and operational requirements for investment fund managers in both the United States and Europe appears inevitable. US rule changes signed into law under the Dodd-Frank Act have broad extraterritorial effect and will require many historically exempt fund managers – even those whose only US contacts are US investors in their

funds – to seek SEC registrations. European changes in the form of the draft Alternative Investment Fund Managers Directive continue to push forward as well.

InvestoRegulation's Annual Hedge Fund Regulation Symposium addresses these developments in detail, with an eye to making sense of how fund managers will adapt to new requirements on these two critical fronts at once.

W: www.investoregulation.com/hfr.html

E: bookings@investoregulation.com

T: +44 207 101 5072



GAIM Ops Europe

Date: 26-28 October 2010
Location: Conrad Dublin Hotel, Dublin
Organiser: Institute for International Research (IIR)

THE ONLY EVENT in Europe with Cutting Edge Operational Due Diligence, Risk Management & Compliance Best Practices for Alternative Investments.

Information: www.gaimopseurope.com

Shorex Wealth Management Forum Geneva

Date: 19 - 20 October 2010
Location: Bâtiment des Forces Motrices
Organiser: Shorex Ltd

For the 9th year, the leading annual forum for the wealth management industry will attract over 1500 participants from Switzerland and other countries. The exhibition and conference is a unique platform where professionals can network to explore new services, products and ideas.

Information: www.shorexgeneva.com

Hedge Funds World LatAm 2010

Date: 5-7 October
Location: Four Seasons, Miami, USA
Organiser: Terrapinn

Agenda exclusively designed for both LatAm and U.S. end investors: including 11 investor panel discussions - designed for both LatAm end investors looking at the alternatives space and U.S. end investors looking at the LatAm single manager market.

Information: www.terrapinn.com/2010/latam

Hedge Fund Regulation 2010

Date: 22 November 2010
Location: London
Organiser: InvestoRegulation

The 2nd annual Hedge Fund Regulation explores the legislative, legal, regulatory and compliance developments affecting hedge funds. An expert panel will delve into related matters such as the Credit Crisis, its causes and the role of hedge funds and prime brokers. Representatives from major regulatory and political authorities will engage in an open dialogue on this critical and timely topic.

Information: www.investoregulation.com/hfr.html

High Frequency Trading World Europe 2010

Date: 8-10 November
Location: Hilton Canary Wharf, London, UK
Organiser: Terrapinn

High Frequency Trading World brings together the leading HFT firms and thought leaders within the market. Through thought provoking presentations and debates, best practices and insights into the solutions to the market's current challenges will be found and shared.

Information: <http://www.terrapinn.com/2010/hfteurope/>

The 13th Annual
hedge.fundsWORLD
 Asia 2010

13 - 16 September 2010, Conrad Hotel, Hong Kong

Pounce

Hedge Funds World Asia 2010 is the place to be for innovation and strategy in the Asian hedge fund space!
 Register now! Bring your team to enjoy more savings

 Don Hanna Managing Director and Asia Strategist Fortress Macro Fund, USA	 Martin Wheatley Chief Executive Officer Securities and Futures Commission, Hong Kong	 Jan Randolph Director of Sovereign Risk, Country Analysis and Forecast IHS Global Insight, UK	 Blaine Tomlinson Group Chief Executive Officer Financial Risk Management (FRM), UK	 Heman Wong Executive Director Hospital Authority Provident Fund Scheme, Hong Kong
 Henry M Soggerman President International Investment Advisers USA	 Ravi Mehta Founder and Portfolio Manager Standview Capital Management, USA	 Chris Pearce Chief Operating Officer, Asia Marshall Wace, Hong Kong	 Julius Wang Managing Director of Samena Asia Managers Samena Capital, Hong Kong	 Tobias Bland Chief Executive Officer Enhanced Investment Products (EIP), Hong Kong

www.terrapinn.com/2010/hfwasia

Sponsors: MAG consultancy, HARNEYS, ANALEC, THE WALL STREET JOURNAL, preqin

Official Business Newspaper: THE WALL STREET JOURNAL

Media Partner: preqin

Organised by: terrapinn

Book Now! online www.terrapinn.com/2010/hfwasia | email ytieim.tam@terrapinn.com | phone: +65 6322 2701 | fax: +65 6223 3554



Investor Spotlight: Investor News

Luzerner Pensionskasse gears up to add new managers to its portfolio.

The public pension fund, which currently has assets of CHF 4.7 billion, has announced plans to begin looking for new hedge fund managers. Its existing hedge fund portfolio consists of three direct hedge funds which it hopes to increase to as much as six in the next 12 months. Luzerner has yet to decide which strategies it will focus on for the move.

Ferd External Managers adds new hedge funds to its portfolio.

Ferd, the NOK 3.4 billion asset manager, has cut its hedge fund exposure over recent years. However, it is once again building its hedge fund portfolio with the addition of three new managers to its portfolio. These new additions are a systematic fund and two market neutral vehicles. This takes Ferd's exposure up to 23 funds and 45% of its AUM invested in hedge funds. Ferd is a diverse investor in hedge funds, both globally and strategically. It tends to invest in small boutique funds, although it does look for managers which have an established track record.

Doctors Pension Funds Services is set to redeem a fund of hedge funds holding.

The EUR 11.7 billion pension fund for medical specialists in the Netherlands currently invests in three funds of hedge funds and in seven single manager vehicles. However, it is in the process of redeeming one of its fund of funds investments as it feels it is currently over-weighted in this area of its portfolio. The redeemed vehicle will not be named until after the transaction is complete. Doctors Pension Funds Services has no plans to increase the size of its direct hedge fund portfolio although it may redeem and replace funds over the course of 2011.

Penjing Asset Management plans potential USD 200 million hedge fund investments.

The USD 460 million fund of hedge funds manager has confirmed that it expects to add 10-15 new managers to its investment portfolio in the next 12 months. It is

prepared to commit USD 150-200 million, and expects the additional investments will be with both existing and new fund managers. Penjing focuses on Asia and emerging markets, and its Asia Fund is active in seeding new funds.

Pensionskasse der Pricewaterhouse Coopers moves away from hedge funds.

The Swiss pension fund is in the process of making the last redemption of its hedge fund portfolio. It announced in January that it was unsure whether it would continue to invest in the asset class and has since decided to move away from hedge funds due to high fees and underperformance of managers. It does not rule out re-visiting the asset class in the future but does not have any plans to do so in the next 12 months.

UBP Alternative Investments announces plans to launch two more funds of hedge funds.

The USD 16 billion fund of hedge funds manager has announced that it will add two more multi-manager funds to its product range. It intends to launch a fund focused on UCITS-compliant hedge fund managers and a fund focused on emerging market hedge funds. It currently manages ten funds of hedge funds and is invested in 117 underlying vehicles. It has yet to announce a time-frame for the launch of the two additional vehicles.

Key Asset Management plans to launch UCITS-compliant vehicle.

The fund of hedge funds manager, which currently manages USD 1.8 billion across 11 multi-manager vehicles, has announced plans to launch a UCITS III-compliant fund of hedge funds. The fund has yet to be named but plans to offer daily dealing and will have no limit on capacity. It intends to invest in 15-30 UCITS-compliant managers for the move.

West Midlands Pension Fund announces plans to add five new managers to its portfolio.

The GBP 7.6 billion public pension fund is currently aiming to reach its hedge

fund target allocation of 8% in the next 12 months by adding as many as five new managers to its hedge fund portfolio. It will commit up to GBP 200 million for the move. The pension fund will commit to a range of strategies including macro, multi-strategy, long/short equity, diversified, absolute return and credit. It is a fairly new investor in the asset class, having made its initial investment at the beginning of 2009.

Ohio State University Endowment looks for new managers.

The USD 1.9 billion endowment plan is looking to add as many as 10 new managers to its portfolio in the next 12 months. It will invest as much as USD 150 million for the move. It is looking for managers to substitute some of its existing investments and plans to keep its allocation to hedge funds the same at 35%. It is specifically looking for investments in emerging markets, long/short equity and macro. When looking for new managers Ohio requires a track record of three years and assets under management of USD 50 million. It also looks for good transparency, strong management and a reasonable alignment of interests. It will invest in funds with lock-up periods of up to 36 months.

This is just a selection of recent news on institutional investors in hedge funds. More news and updates are available online for Hedge Investor Profiles subscribers.

For more information about Hedge Investor Profiles, please contact info@preqin.com

