

## 100 Hedge funds to watch

Name	Manager	Main Location(s)	Strategy	Funds under management as of Jan 1 2007	Flagship performance, 2006 %	Why it is in the list
<b>US FUNDS</b>						
Angelo Gordon	John Angelo and Michael Gordon	New York, London	Distressed, convertible arb. and merger arb	\$11bn		Founded in 1998 by John Angelo, former head of arbitrage at LF Rothschild and Michael Gordon, former head of research at LF Rothschild, Angelo Gordon focuses on identifying arbitrage opportunities through a rigorous research based approach. Recently became another of the growing band of hedge funds and private equity firms seeking to take advantage of turmoil in the US subprime mortgage market by investing in mortgage servicing company Ocwen Financial.
Appaloosa Management	David Tepper and Jack Walton	Chatham, New Jersey	Distressed	\$4bn	25%	Founder David Tepper is one of the top 50 richest men in America with a fortune estimated around \$2bn. Recently attracted interest for its large ownership position in Delphi, the bankrupt car parts supplier, and its clashes on whether management has the shareholders best interests in mind or those of GM and the UAW.
AQR Capital	Clifford Asness	Greenwich, Conn.	Value and momentum, fundamentally driven	\$35bn		Takes a systematic, computer-assisted approach to investment involving both value and momentum factors applied to various asset classes. View themselves as fundamental rather than quantitative as they like to 'understand the story' behind their models rather than reply solely on data. Currently considering an IPO.
Atticus Capital	Timothy Barakett, David Slager	New York	Event-driven	\$14bn	European: 44%; Global: 36%	Atticus is a reluctant activist, but when it moves - as with Deutsche Börse, where it worked in parallel with TCI, or more recently Dodge Phelps - it is effective. The firm has connections everywhere thanks to the presence of Nat Rothschild, scion of the banking dynasty, as co-chairman, helping it rapidly become one of the biggest in the business. Rarely for a hedge fund the growth also seems to have helped, rather than hindered, returns, although it remains a highly volatile fund thanks to a relatively concentrated portfolio which often includes big stakes in companies. Although it is event-driven, it focuses on a handful of themes, such as metals, exchanges and railways, where it has strong views, then looks for corporate triggers. A new fund focused on speciality finance, one of its big themes, has just been launched.
Avenue Capital	Marc Lasry and Sonia Gardner	New York	Distressed	\$13.3bn	Avenue event driven: -7.5%, Avenue Europe:15.9%	Brother and sister team, Lasry and Gardner have built their careers on the belief that bad news is good news. Last year, Morgan Stanley paid \$300m for a stake of between 15 and 20 per cent in the firm as part of Morgan Stanley chief executive John Mack's drive to build up the bank's presence in the hedge fund business.
Bessent Capital	Scott Bessent	New York	Long short equity, currencies and commodities	\$1bn		One of the few openly gay hedge fund managers, Mr Bessent actively supports such organisations as Empire State Pride Agenda, New York's gay political lobbying organisation. Mr Bessent was one of the longest-running members of one of the most successful hedge fund groups of all time, Soros Asset Management. As a student at Yale he planned to be a journalist but then took an internship with celebrated commodities money manager Jim Rogers.
Blackstone (Kailix Advisors)	J Tomlinson Hill, Bruce Armitage, Halbert Lindquist	New York	Distressed, directional equity and relative value	Hedged: \$2bn Total: \$78.7bn	8.86%	Blackstone has about \$2bn in hedge funds, primarily in distressed, directional equity and also in relative value trading. It also has a significant fund of funds business through BAAM, but is best known for its huge private equity operation. The valuation of Blackstone in its forthcoming IPO could provide a blueprint for the private equity and hedge fund business, and is likely to make it the largest listed alternative fund manager.
Blue Ridge Capital	John Griffin	New York	Long short equity	\$3.8bn		The former right hand man of Julian Robertson at Tiger also finds time to be an adjunct professor of finance at the Columbia Business School, where he teaches a Seminar in Advanced Investment Research.
BlueMountain	Andrew Feinstein, Stephen Siderow and Gery Sampere	New York and London	Relative value credit	\$3.2bn	2.86% in Jan (full yr 2006 not available)	BlueMountain has rapidly become a major trader in the growing credit derivative markets since starting up in late 2003.
BP Capital Management	T Boone Pickens	Dallas, Texas	Energy focused	\$2.5bn	98%	Mr Pickens ranks in the top 400 richest people in the world, according to Forbes magazine. He is acknowledged as one of the true pioneers of energy trading, as well as one of the oldest managers still running money - he will be 80 next year. He has featured on the front of Time Magazine and considered a run for president in 1988. Donated \$7m to Hurricane Katrina relief effort.
Bridgewater	Ray Dalio	Westport, Conn.	Currency overlay, credit and emerging market debt	Hedged: \$30.2bn Total: \$150bn		One of the longest serving hedge fund managers, Dalio has built Bridgewater into a multi-faceted firm with a total of \$150bn in assets under management. Considered a pioneer of currency overlay strategies.
Bulldog Investors	Philip Goldstein	Saddle Brook, NJ.	Activist	\$1bn		Mr Goldstein scored a big win against the Securities and Exchange Commission last year when he won a lawsuit challenging the right of the regulator to require hedge fund advisers to register with it. The rules were thrown out as a result. He is being sued by officials in Massachusetts who claim he improperly marketed his funds to unqualified investors by providing information on his web site - which now reads "currently being updated".
Cantillon	William von Mueffling	New York and London	Long-short equity	\$8.1bn	Cantillon World: 5.6%	Mr von Mueffling gave one of the clearest indications yet of the power of the star hedge fund manager when he left Lazard Asset Management in 2003, taking much of its \$4bn in hedge fund assets and a large number of the rest of the firm's alternative investment team with him after a spat over pay. Earlier this year it voluntarily closed its \$1bn technology and \$350m healthcare funds, saying it could not find enough investment opportunities - a move investors applauded.
Blue Wave (Carlyle Group)	Ralph Reynolds, Rick Goldsmith	New York	Multi-strategy	Hedged: \$750m, Total: \$56bn		Recently launched an event driven fund with less than \$750m serving as further evidence of convergence between private equity and hedge funds. The group has over \$56bn under management in its private equity group, and is considering whether to go public, following the footsteps of Fortress and Blackstone.

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Caxton Associates	Bruce Kovner	New York	Managed futures, global macro	\$14.2bn	13%	Mr Kovner's made his first trade by borrowing \$3,000 on a credit card to buy soybean futures. The contract rose to \$50,000, but he then watched the contract drop to \$22,000 before selling. He later said that this first trade taught him the importance of risk management. Notoriously secretive, Mr Kovner's 5th Avenue Mansion in New York City features a lead-lined room to protect against a chemical, biological, or dirty bomb attack. He is chairman of neoconservative think-tank the American Enterprise Institute
Centaurus Energy	John Arnold	Houston, Texas	Energy focused	\$3bn	317%	Mr Arnold, a former natural gas trader at Enron, started Centaurus with about \$8m of his own cash after the energy group collapsed. Last year his legend grew as his fortunes and trading positions in natural gas were in direct contrast with those of Brian Hunter, the infamous Amaranth Advisors trader, also 32 years old at the time, who last year presided over the loss of \$6bn and the eventual closure of his fund.
Cerberus Capital	Steve Feinberg	New York	Distressed	total: \$16.5bn (Oct 2006)	21%	Cerberus runs both hedge fund and private equity, where it specialises in distressed companies. It owns or part-owns the finance arm of General Motors, banks in Japan and Austria, and Formica, maker of the eponymous kitchen surface. Best-known as the employer of Dan Quayle, former US vice president, Cerberus recruited former US Treasury secretary John Snow as chairman last year.
Citadel	Ken Griffin	Chicago	Multi-strategy	\$12bn		Citadel is one of the most active trading firms in the world, and is rapidly diversifying into areas traditionally dominated by investment banks including marketmaking and servicing hedge funds. On any given day it can account for over 3 per cent of all trading volume on NYSE Euronext. Last year it became the first hedge fund to access the public debt markets and is widely thought to be considering an initial public offering of its stocks. Griffin founded Citadel in his Harvard dorm room and is married to Anne Dias Griffin, who runs her own hedge fund, Aragon Global Management, one of the largest run by a woman.
Citigroup/Tribeca	Oliver Dobbs, Albert Ee, Gay Huey Evans, Steve Geovanis, Rick Harrell, Sofia Katzap	New York	Multi-strategy and standalone	Tribeca \$2.3bn, total alternatives: \$26bn	8.50%	Tribeca is Citigroup's attempt to catch up with Goldman Sachs in the hedge fund business by building its own fund internally. But the bank reversed strategy this month when it bought the \$4.5bn fund Old Lane for an estimated \$600m, mainly to secure Vikram Pandit, its head, to run its alternative investment business. This prompted Dean Barr to step down as head of the hedge fund unit, and has led to questions both about Citi's strategy and whether Old Lane will see an outflow of investors, particularly after its disappointing performance last year. Tribeca uses a multi-strategy style similar to Old Lane's. Tribeca lags behind its peers so far this year with a 1 percent gain through March, compared with an industry average of 2.9 per cent. Pandit left Morgan Stanley in March 2005 during a power struggle after running its biggest and most-profitable division, institutional securities, for five years.
Clarium Capital	Peter Thiel	San Francisco, New York	Global macro	\$1.9bn		Prior to starting Clarium, in 2002, Thiel sold PayPal to eBay for \$1.5bn. In 2005, Clarium was honored as the global macro fund of the year by both MarHedge and Absolute Return, two hedge fund trade magazines. While at Stanford, he founded The Stanford Review, now the university's main conservative/libertarian newspaper. Recently co-produced the feature film Thank You for Smoking. Clarium runs a contrarian approach based on top-down themes, currently including energy and petro-dollars as the source of the global wave of liquidity.
Convexity	Jack Meyer	Chicago	Emerging markets, bonds	\$6.3bn		Recently installed in a 29,700 sq ft office on the 57th floor of the John Hancock building, Chicago. Convexity's was one of the largest capital raisings, if not the largest ever by a hedge fund, opening with about \$6bn and surpassing former Goldman Sachs star Eric Mindich's \$3.5bn at his Eton Park hedge fund. Convexity is said already to possess many of the characteristics of more mature asset management institutions.
DE Shaw	David Shaw	New York	Multi-strategy	\$26.3bn	17.3% (composite fund)	DE Shaw consistently ranks in the top five hedge fund groups by assets. It was once termed by Fortune magazine as the most intriguing and mysterious force at work on Wall Street. The company is extremely selective in its hiring, with only 1 in 500 candidates making the grade. It employs cutting edge, complex mathematics for its quantitative investment processes. Dr Shaw served as an advisor on President Clinton's council of Advisors on Science and Technology, and Larry Summers, Clinton's secretary of the Treasury, works at DE Shaw part time. More recently the firm has branched out in qualitative strategies, while its private equity investments include FAO Schwartz, the famous US toy shop, and eToys, formed from the remains of retailer KB Toys.
Dillon Read (UBS)	John Costas	New York	Fixed income	\$3.5bn		John Costas carved Dillon Read out of UBS's principal finance and commercial real estate businesses as an in-house hedge fund, bringing 175 traders under him. The move was widely seen as an attempt to stem defections of investment bankers to hedge funds.
Elliott Associates	Paul Singer	New York	Distressed, activist, multi-strategy	\$7bn	15.90%	Elliott Associates is one of the oldest hedge funds under continuous management. Known for its fierce activism, it has gained a high profile in Germany, where it fought alongside small shareholders to prevent staffing company Adecco delisting the remaining minority of DIS. It recently built up a sizeable stake in retailer Pier 1 Imports and is pressing the company to cut costs and bring in more independent board members.
ESL Investments	Edward Lampert	New York	Activist, distressed	\$18bn	40% plus	Founder Edward Lampert is already being called his generation's Warren Buffett. He started ESL when he was just 25 after earning an economics degree from Yale. Average returns since have been almost 30 per cent. ESL is now the largest shareholder of Sears, owner of Kmart, where he also serves as the chairman. In 2003 he was kidnapped at gunpoint from a car park at ESL's Greenwich, Connecticut offices. Four captors held him for ransom, keeping him bound and blindfolded for some 30 hours before he negotiated his own release. The kidnappers were caught after Lampert's credit card was used to order pizza. The 'mastermind' of the plot was sentenced to 15 years in prison earlier this year.
Eton Park	Eric Mindich	New York	Multi-strategy	\$6.2bn	13% (2005)	When Eton Park started up in 2004 it was the biggest launch ever, raising \$3.5bn from investors thanks to the reputation Mr Mindich built as head of risk-arbitrage at Goldman Sachs, where he had become the bank's youngest partner aged 27. Eton Park is becoming an increasingly important actor in global markets recently raising \$550m for emerging markets private equity investments
Farallon	Thomas Steyer	San Francisco	merger arbitrage, multi-strategy	\$26.2bn	20%	Farallon, one of the largest hedge fund groups in the world, has been active in the subprime mortgage area, buying up distressed assets and lending to one cash-strapped mortgage company. Its private equity operations are growing, and it is often mentioned as a possible initial public offering candidate.
Fortress	Wes Edens	New York	global macro, multi-strategy	\$30bn	17%	Fortress in February became the first big US-based hedge fund and private equity manager to list its shares. The big jump in Fortress' stock is expected to lead to several other hedge fund IPOs.
FrontPoint	Gil Caffray	Greenwich, Conn.	multi-strategy	\$5.5bn	7.95%	Morgan Stanley purchased FrontPoint in November for an undisclosed sum (sources said around \$300m) as part of the bank's efforts to build its alternative investments business. FrontPoint was founded by former Morgan Stanley executives.
Greenlight Capital	David Einhorn	New York	Long/short equity	\$4.7bn	13%	Mr Einhorn has become something of a reluctant activist in recent years, winning a board seat at troubled mortgage lender New Century Financial and filing a whistleblower lawsuit against Allied Capital. Mr Einhorn resigned from the New Century board prior to the lender's filing for bankruptcy protection.
Goldman Sachs Asset Management	Eric Schwartz and Peter Kraus	New York	multi-strategy	\$32.5bn	Global Alpha: -10%	GSAM is the second largest hedge fund manager in the world after JP Morgan. Despite a rough 2006, the group's flagship Global Alpha fund has historically generated very strong returns including a 40 per cent gain in 2005.

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Highfields Capital	Jonathon Jacobson and Richard Grubman	Boston	activist	\$10bn	22.40%	Mr Grubman famously grilled then-Enron chief Jeff Skilling on a conference call, leading Mr Skilling to call him an unprintable name. More recently, Highfields has been a vocal opponent of the terms of the proposed buyout of Clear Channel.
Icahn Partners	Carl Icahn	New York	activist	\$5.5bn	24.80%	Mr Icahn is one of the world's most famous investors, having started out as a corporate raider fuelled by Michael Milken's junk bonds in the 1980s. He is now one of the most vocal activist hedge fund managers, currently agitating for change at Motorola, among other places. He failed in his bid to break up Time Warner but still won concessions and turned a tidy profit on his investment in the media giant.
JP Morgan/Highbridge	Glenn Dubin	New York	multi-strategy	\$34bn	21.17%	According to Absolute Return magazine, JP Morgan became the world's largest hedge fund manager in 2006 largely on the strength of its acquisition of Highbridge Capital. JP Morgan's purchase kicked off a wave of big investment banks taking stakes or buying hedge fund managers outright.
JWM Partners	John Meriwether	Greenwich, Conn.	multi-strategy	\$2.6bn	7.50%	Mr Meriwether's Long Term Capital Management nearly collapsed in 1998 and needed a \$3.6bn bailout amid the Russian debt default. But he was back in business a year later and earned positive marks in February when his fund gained even as global markets plunged.
Kingdon Capital	Mark Kingdon	New York	multi-strategy	\$5.9bn	Kingdon Off-shore: 13%	Mr Kingdon, a former pension fund administrator at AT&T, has been among the most successful hedge fund managers on Wall Street since launching his firm in 1983 with \$2m.
Kynikos	James Chanos	New York	short-biased	\$3.5bn		Mr Chanos, widely regarded as the dean of short-sellers, is best known for his early bet that Enron Corp. was overvalued and ripe for a fall. He also made a bundle last year betting that internet gaming shares would decline. They plunged when the US Senate passed tough new laws cracking down on Web gambling.
Lone Pine	Stephen Mandel	Greenwich, Conn.	Long-short equity	\$11bn	Lone Cedar: 8%	Mr Mandel is a "Tiger cub" who trained under legendary manager Julian Robertson at Tiger Management. Mr Mandel's early enthusiasm for Google led many other investors to pile into the Internet search engine stock. Like other star managers, Mr Mandel takes little new money.
Magnetar	Alec Litowitz	Evanston, Ill.	multi-strategy	\$4.1bn	7%	Mr Litowitz left Citadel in 2005 to found Magnetar. In a recent letter to BusinessWeek, he said his fund anticipated volatility in the subprime mortgage market, which he called "very favorable" to his strategy.
Maverick Capital	Lee Ainslie	Dallas, Texas		\$9.3bn	12.40%	Another Tiger cub, Mr Ainslie prides himself on heavy fundamental research. After notching several years of 20 per cent plus performance, Maverick went flat in 2005, leading Mr Ainslie to apologise to investors, who nevertheless withdrew 15% of the assets last year.
Millennium Partners	Israel Englander	New York	multi-strategy	\$8.6bn	Millennium Capital: 17%	Millennium got caught up in the mutual fund market timing scandal, paying \$180m to settle with regulators, but Mr Englander remains one of the most senior and respected members of the hedge fund community.
Moore Capital	Louis Bacon	New York	Global macro	\$12.5bn	Moore Global Investment: 8%	Along with his friend and fellow hedge fund superstar Paul Tudor Jones, Mr Bacon is one of the survivors of old-style global macro investing. With a pedigree dating back to the mid-1980s Mr Bacon's investment style is more risk-averse than many of the other higher-performing global macro funds. Mr Bacon tends to keep his head down and defends his privacy carefully.
Och-Ziff	Dan Och	New York	Multi-strategy	\$21bn	15.86%	Och-Ziff has branched out into private equity and direct lending to companies and launched successful funds focused on Europe and Asia. The hedge fund group also helped Malcom Glazer with his takeover of Manchester United, lending him a chunk of the money for the bid.
Omega Advisors	Leon Cooperman	New York	Value/activism	\$5.5bn	12% (2005)	Mr Cooperman is among the more outspoken US hedge fund managers. In 2005, he repeatedly berated MCI for accepting a takeover bid from Verizon that he said was too low.
Ospraie Management	Dwight Anderson	New York	Basic industries, commodities	\$5bn	1.39%	Mr Anderson, who ran commodities trading for Tiger Management, took some losses last year on a bearish bet on copper. But he has delivered excellent returns over the years. Lehman bought a 20 per cent stake in Ospraie in 2005.
Paulson & Co.	John Paulson	New York	Merger arbitrage, restructuring	\$7.1bn	Paulson Partners: 16.81%	Mr Paulson bet correctly on the collapse in the subprime mortgage market in the US, making returns of more than 60% in February alone in one fund. The value of a fund he set up last year to bet on the decline has doubled to \$1bn, but the company remains more focused on its traditional merger arb business. It became one of the largest investors in the London Stock Exchange this year as it helped the company fight off a bid from Nasdaq.
Pequot Capital	Arthur Samberg	Westport, Conn.	Multi-strategy	\$7.3bn	10%	Pequot received some unwanted attention last year when a former Securities and Exchange Commission regulator said his attempt to investigate alleged insider trading at the hedge fund - involving John Mack, who was briefly Pequot chairman before leaving to head Morgan Stanley - was blocked over political considerations. The SEC dismissed those allegations and exonerated Pequot. The firm has its own \$1.8bn technology venture capital operation.
Perry Capital	Richard Perry	New York	Multi-strategy	\$13bn	Perry Intl: 10%	Perry Capital is one of a handful of big hedge fund groups that is thought to be considering an initial public offering. Mr Perry has been involved in some high-profile deals, and has backed the movie studios of Hollywood moguls Bob and Harvey Weinstein.
Pirate Capital	Tom Hudson	Norwalk, Conn	Activist, event-driven		9.50%	With a frigate as its logo, an office full of swashbuckling paraphernalia and a self-imposed reputation as buccaneers, Pirate Capital specialises in firing public shots across the bows of companies it sees as badly-run. Its motto is "surrender the booty", and the offices feature a life-size pirate model. Last year, though, Mr Hudson was hit by a mutiny, with more than half his staff leaving and many investors withdrawing money.
PSAM	Peter Schoenfeld	New York	Event-driven	\$2.8bn		Specialises in global arbitrage and is said to take a longer term view of its investments than many of its peers. Best known for its global event driven strategy, PSAM also focuses increasingly on distressed assets.
Renaissance Technologies	James Simons	New York State	Quant	\$24bn	Medallion: 40%	Mr Simons is the hedge fund manager's hedge fund manager. Secret to the point of paranoia, Renaissance's Medallion fund was long the most consistent strong performer in the industry, using quantitative analysis and computer-driven rapid-fire trading across equities, bonds, currencies and commodities. The fund was so successful it pushed its fees to 5% a year and 44% of profits before ejecting external investors to concentrate on money from family and friends. A new fund started two years ago, though, is aiming to raise an astonishing \$100bn by targeting the desire of institutional investors for returns of 10% a year with low volatility.
SAC Capital	Steven Cohen	Stamford, Conn.	Multi-strategy	\$12bn	34%	Top dog in the hedge fund world, Mr Cohen is one of most successful and talked-about traders. SAC's phenomenal performance has made Mr Cohen one of the most valued, and richest, fund managers in the world. SAC has the highest fees in the industry, charging 3% a year and 50% of profits, but still has investors queueing up thanks to strong and consistent returns. It is one of the most prolific investors, making up a big chunk of stock market turnover, and recently moved into private equity. Mr Cohen's sprawling Connecticut mansion - complete with skating rink, golf course and basketball court - and his \$100m-plus art purchases have made him a poster child for the excesses of the hedge fund industry. Last year he faced a lawsuit from Biovail, a Canadian pharmaceutical company, which claimed \$4.6bn and accused SAC and others of ghost-writing supposedly independent stock research to drive its shares down.

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Silver Point Capital	Edward Mulé, Robert O'Shea	Greenwich, Conn.	Mult - strat - egy credit/dis - tressed	\$6bn	16.70%	From Estonian steel to Michigan auto suppliers, Silver Point specialises in distressed situations and frequently ends up as owner or part - owner of bankrupt companies. The Goldman alumni who run it have become powerful figures in the distressed debt markets, although they invest across debt and equity.
Steel Partners	Warren Lichtenstein	New York	Activist	\$4bn	16.50%	Mr Lichtenstein is a veteran activist investor not afraid to take board seats or take companies private. He is active globally, especially in Asia.
Third Point Partners	Daniel Loeb	New York	Event - driven	\$4.7bn	15.00%	Mr Loeb is an aggressive and outspoken activist investor whose public rants against companies he targets have become required reading on Wall Street. He badmouths executives and rival investors but his research into personal and corporate overlap - examples include naming executives in private boxes at sporting events and calling for chauffeur - driven limos to be replaced by subway tickets - secures a loyal following.Event - driven investor who makes forays into activism several times a year via filings that are must - read on Wall Street.
Touradji Capital	Paul Touradji	New York	Commodities/energy	\$1.7bn	27.20%	Another former Tiger cub, Mr Touradji had to close his respected Cataquil fund after an acrimonious legal battle with former partner Robert Ellis. But he remains a force to be reckoned with in the commodity markets, making big bets on everything from copper to coffee beans.
TPG - Axon	Dinakar Singh	New York	Multi - strategy	\$6bn	14.90%	Spun out of Texas Pacific private equity group 2 years ago, and run by former Goldman Sachs star
Trafelet & Co	Remy Trafelet, LC Kvaal	New York	Long - short equity	\$5.7bn	1%	A low - profile stockpicking firm run by two former Fidelity manager, Trafelet is known for the depth of its research - including paying students to count the vehicles in shopping centre car parks and visiting thousands of companies a year. Up 15% this year.
Tudor	Paul Tudor Jones	Greenwich, Conn.	multi - strategy	\$15bn	18%	Mr Tudor Jones is one of the most celebrated and long serving hedge fund managers. His \$50m Connecticut waterfront estate is said to resemble Tara from Gone with the Wind. He is one of the many hedge fund managers actively engaged in charitable work. His Robin Hood foundation combats poverty in New York City.
Tontine	Jeffrey Gendell	Greenwich, Conn	event - driven	\$7bn	9%	Gendell is part owner of the Cincinnati Reds baseball team. Last year was relatively disappointing after stellar performance in 2004 and 2005 based in no small part on bets on the homebuilding sector.
Soros Fund Management	George Soros	New York	Global macro	11.3bn	12%	Mr Soros is quite simply a legend. Even though he now spends much of his time on philanthropy and politics, the Hungarian - born investor remains a powerful force in the hedge fund business and earned almost \$1billion last year. Much of his net worth resides in the Quantum endowment fund, which was up 12 per cent last year.
York Capital	James Dinan	New York	event - driven	\$9bn	13%	Very active traders on a global basis; recently tried to buy Israel's biggest mutual fund group, Psagot Ofek, from Bank Leumi
<b>EUROPE FUNDS</b>						
Barclays Global Investors	Team - based including Stan Beckers, Ken Kroner	San Francisco, London	Quantitative	Hedged: \$18.9bn Total: \$1,800bn	n/a	The low - key BGI, part of British bank Barclays, is among the world's biggest hedge fund managers thanks to the extension of its quantitative, computer - assisted, long - only strategies into long - short equities, currencies, and bonds.
BlueBay Asset Management	Hugh Willis, Mark Poole	London	Fixed income: investment grade, high yield and emerging markets	Hedged: \$3.6bn, total \$9.6bn	Global Credit: 5.4%; Value Recovery: 15.4%; Emerging Markets: 17.6%	One of London's larger credit operators, BlueBay is driven by fundamental research but has taken activist positions in the past to defend distressed debt investments. It joined the wave of listings by hedge fund managers last November, earning founders Mr Willis and Mr Poole £30m each in cash plus stakes then valued at £72m each.
BlueCrest Capital	Michael Platt, William Reeves	London	Multi - strategy	\$11.6bn	AllBlue 11.49%	BlueCrest has successfully diversified from its roots in fixed income, moving into equities, currencies and managed futures as well as a listed fund of its own funds. With strong risk controls Messrs Platt and Reeves aim to replicate an investment bank prop desk. BlueCrest was the first spin - off from JP Morgan. but had a hiccup last August when big bond losses prompted the exit of a key trader and the closure of its Newport Beach, California office, its first venture overseas. Man Group bought a quarter of the firm in 2003, for £105m.
Boussard & Gavaudan	Emmanuel Boussard and Emmanuel Gavaudan	London and Paris	Multi - strategy with a strong activist slant	€1.6bn	Sark Fund: 21.3%, vol 3.78%	The two Emmanuels feature as key players in an increasing number of mid - market UK and French deals. They are also active in the capital markets, having floated the first main market listed hedge fund last year, in Amsterdam, raising €440m. They are also rare in using euros as their currency of choice for describing their size, against the dollars adopted by almost everyone else in the industry.
Brevan Howard	Alan Howard	London	Global macro	\$12.09bn	Master Fund: 11.1%	The secretive Alan Howard is regarded as one of London's best macro traders, producing more than 10% a year since setting up four years ago, in a poor environment for the macro style. He presides over a floor of semi - independent traders modelled on an investment bank prop desk. T
Brummer & Partners	Patrik Brummer	Stockholm	Multi - strategy	\$4.4bn	Zenit (SKr): 16.32%	Brummer is the biggest Nordic hedge fund manager, running a complex of funds held through minority stakes it acquires in new managers. Performance has been mixed over the years, with Zenit starting as one of the world's best long - short funds but plummeting to two years of losses before recovering in 2005. Last year its \$1bn Latitude macro fund had to shut down after disastrous wrong - way bets on British interest rates led to losses put at 31%.
Cambridge Place Investment Management	Martin Finegold, Bob Kramer	London, Boston	Credit, structured finance	Hedged: \$1.6bn, total \$10.5bn	Structured Credit 1,000: 16.12%	Cambridge Place is a big player in the structured credit markets, and rapidly diversifying into real estate too. It was one of the big losers from the US sub - prime crisis, with Caliber, its London - listed CDO investment vehicle, seeing net assets fall 22% in February alone, while its main fund was down about 2.5% in the month. Martin Finegold, one of the founders, previously set up and floated British sub - prime lender Kensington and set up an electronic network for financial advisors.
Centaurus Capital	Bernard Opetit, Randy Freeman	London	Event - driven equity long/short	\$4bn	15.91%	Along with New York's Paulson & Co, Centaurus became the latest fund to be labelled a "locust" last year when the Dutch economy minister took umbrage at their attempt to break up local supermarket group Ahold and conglomerate Stork. Willing to resort to high profile legal action, Centaurus is also moving into private equity, working with buyout group Permira on a possible €4bn bid for Atos Origin, the French IT services company.
Cheyne Capital	Jonathan Lourie, Stuart Fiertz	London	Multi - strategy	\$11.2bn	Special Situations: 18.3% Long/short Credit: 12.03% Multi - strategy (unleveraged): 8.5%, plus 1.5% rebate	One of the fastest growing fund managers of the past two years, Cheyne has gone from \$2bn to \$10bn as it expanded from its base strategy aiming for low volatility returns from investing in convertibles, and now runs special situations and long/short equity as well as being a big player in structured products such as CDOs. Currently trying to cope with negative publicity around the poor share price performance of Queen's Walk, its listed CDO investment vehicle, which has suffered from the US sub - prime mortgage fallout.

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CQS	Michael Hintze	London	Convertible and equity arbitrage	\$6.1bn	15.47%	One of the handful of convertible bond arbitrage specialists that survived the implosion of the sector in 2005, CQS has diversified and is now a big player in the credit markets, as well as running a listed company specialising in loans for oil rigs. Mr Hintze himself also attracts headlines for his philanthropy - including a gallery named after himself and his wife at the Victoria & Albert Museum - and his controversial £2.5m loan to Britain's Conservative Party.
Egerton Capital	John Armitage	London	Long - short equity	\$5.4bn, total: \$6bn	European Dollar (B1): 26.07%	Mr Armitage is one of the longest-standing British hedge fund managers, having set up with partner Bill Bollinger, since retired, in 1994. Since then he has produced annual returns averaging more than 21% and stuck to the long-short equity space, although now with parallel long-only funds too. An innovative new fee structure gives investors a lower performance fee of 15% in exchange for a modified "high watermark" under which they pay fees on gains after a fall, although at a half-rate. With the old fee structure of 20% of profits no fee was paid on gains until net asset value passed its all-time high.
Ferox Capital	Jeremy Herrmann	London	Convertible arbitrage	\$1.9bn	22%	Ferox shot to tabloid newspaper fame when Mr Herrmann paid himself £11.4m in 2004, with the media storm heightened by his position as a world champion fly fisherman - who chose to name his fund after a cannibalistic trout. Mr Herrmann invited further interest this year when he sued Ernst & Young for filing company accounts on the wrong day - leading to a big donation to charity by the auditors. Ferox itself is one of a few funds to continue specialising in convertibles after the sector collapsed in 2005, a decision which paid off handsomely last year.
Fulcrum Asset Management	Gavyn Davies, Christian Siva-Jothy	London	Global Macro	\$500m Sem-perMacro alone	SemperMacro: -15%	SemperMacro was one of the highest profile launches of 2005, chaired by Mr Davies, former chairman of the BBC, and run by Mr Siva-Jothy, former head of the macro prop desk at Goldman Sachs. But investors pulled out in droves at the end of last year following poor performance, when an 18-month lock-up period expired. Semper lost more than \$1bn to leave it with less than \$500m, but the group has other assets too.
Gartmore	Roger Guy	London	Long - short equity	Hedged: \$10bn, total £23bn	Alphagen Capella: 14%	Roger Guy is one of the handful of star fund managers successfully running both retail long-only money and hedge funds. In his case he has been so successful that he was able to spearhead a private equity-backed buy-out of Gartmore, where he is the single biggest fee earner and is said to be the biggest shareholder among the group of 20 staff involved in the deal.
GLG Partners	Noam Gottesman, Pierre Lagrange, Emmanuel Roman	London	Multi-strategy	\$18bn	Market Neutral: 25.6%; European Long-Short: 17.1%; Emerging Markets: 59.9%	London's second biggest hedge fund, GLG is aiming for the big time. GLG is emerging from the shadow of a long-running FSA investigation into convertible bond trading by star manager Philippe Jabre - which led to his exit to establish a new fund, along with a £750,000 fine - and a €1.2m fine from French regulators over similar trades. Co-chief executive Manny Roman, who arrived from Goldman Sachs in 2005, is recruiting heavily to expand into new areas and grow the long-only business, and GLG has become a big part of the London hedge fund establishment. It is 15% owned by Lehman Brothers.
Hermitage Capital Management	William Browder	London and Moscow	Russia activist	\$3.2bn	38.60%	Bill Browder is a living example of the dangers of activist investing in emerging markets: he currently runs the biggest foreign fund in Russia from an office in London's Covent Garden after his visa was cancelled in what he believes was political manoeuvring by companies he had attacked. Still, the ban has not hurt performance, while Mr Browder's activism over a decade has helped foster corporate governance in what was long dubbed the "wild East" for investors. Mr Browder, an American, has deep ties to Russia through a Russian grandmother and a grandfather who ran the American communist party.
KBC Alternative Investment Management	Carlo Georg	London	Multi-strategy with core of relative value arbitrage	\$1bn	Diversified: May-Dec: 9.13% annualised: 14.01%*	The hedge arm of the Belgian bancassurer spent much of the past year in crisis mode, rebuilding after being severely battered by the convertibles storm of 2004-05. Assets collapsed from \$5bn at the end of 2004 and all but one of the fund range was shut down, with a new line launched under new leadership last year. KBC has injected all its proprietary trading capital into the funds, said to be well over \$100m, as a sign of confidence that it can start again, and growth has restarted, with assets increasing 20% so far this year.
Lansdowne Partners	Paul Ruddock, Steven Heinz, Peter Davies, Stuart Roden	London	Long-short and macro	\$14bn	European Equity: 15.82% UK Equity (£): 23.24%	Lansdowne is regularly rated as one of the best hedge fund managers in London, no doubt a key factor behind Morgan Stanley's decision to pay \$300m last year for a 19% stake. It has started to build out from its long-short stockpicking speciality, setting up specialist financial sector and global macro funds and a long-only product, but remains focused on UK and European long-short equities. Notable successes include building a big stake in Manchester United Football Club ahead of its takeover, and recruiting Arnab Banerji, former economic adviser to Tony Blair.
London Diversified Fund Management	David Gorton	London	Fixed Income	\$3.22bn	5.76%	Started as an in-house fund for JP Morgan in the mid-1990s, LDFM was spun out in 2002, although the bank is thought to have continued investing with its former fixed income team, regarded as among the best in the City. Mr Gorton keeps a low profile even by hedge fund standards but briefly stuck his head above the parapet when he went public with his support for the campaign against a European constitution.
Man Group/AHL	Tim Wong	London	Managed futures	Hedged: \$18.8bn. Total: \$60bn	AHL Diversified: 6.4%	AHL, a computerised trend-follower, is the flagship division of the Man Group, the biggest listed hedge fund manager and a member of the FTSE 100 index. AHL suffered badly from the market rout at the end of February and during March as the notoriously volatile managed futures sector was hit by uncertainty spread across the equities, bonds, currencies, and commodities they trade. AHL remains down for the year, but Man can fall back on a range of smaller funds, its stake in BlueCrest and a range of funds of hedge funds, all of which it sells through packaged or guaranteed products. The group itself has just changed leadership with the well-known Stanley Fink moving to a non-executive job and Peter Clarke, finance director, replacing him as chief executive. Man is best-known outside hedge funds for sponsoring the Booker Prize but is also big on corporate philanthropy, pledging a proportion of fees to charity.
Marshall Wace	Ian Wace, Paul Marshall	London	Long/short equity	\$11.5bn	Eureka: 24.45%	Marshall Wace shot to public prominence last year when it launched the biggest-ever hedge fund listing, raising €1.5bn in Amsterdam for its "Trade Optimised Portfolio System", which filters broker tips to decide investments. Tops prompted suspicions from rivals that commission rewards for the best tipsters could lead brokers to bend the rules but it was given a green light by regulators, and Marshall Wace has extended the system to cover Asia and the US, with a global version being launched. It also has the more conventionally run Eureka fund. Paul Marshall has stepped back from day to day money management to focus on running the company, and is a big donor to the Liberal Democrats, as well as chairing a liberal think tank.
Jabre Capital Partners	Philippe Jabre	Geneva	Multi-strategy with a focus on convertibles	\$2bn (as of April 2007)		Philippe Jabre earned notoriety last year when he was given a record personal fine by British regulators over trading in convertible bonds while he was working at GLG. But his reputation as one of Europe's best fund managers survived intact and investors stuck with him when he decided to move to Geneva and open his own fund. He raised more than \$1bn at launch this year, and is aiming for \$2.5bn, including parallel long-only funds, by the end of the year.
Polygon Investments	Reade Griffith, Alexander Jackson, Paddy Dear	London and New York	Multi-strategy	\$5.9bn	23.30%	Polygon shot to instant City fame in 2004 when it unsuccessfully tried to block a £5bn government-backed restructuring of British Energy, the struggling nuclear generator. It proved its activist credentials - even as it insisted it hates the activist label - when it blocked an agreed bid by rival Fortress for Marconi rump Telent. But it came to wider public attention only last year when it entered takeover talks, eventually abandoned, for Newcastle United Football Club. Has just raised \$300m for Tetragon, a \$930m fund investing in the equity portion of collateralised debt obligations, which it describes as a "synthetic bank".

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RAB Capital	Philip Richards	London	Multi-strategy with focus on special situations	\$5.3bn	Special Situations: 43%	RAB's focus on mining and energy stocks has made its Special Situations fund a top performer in the industry, but the acquisitive group - run by Mr Richards and Michael Alen-Buckley and named for their initials - is also expanding rapidly into other long/short strategies and fixed income. RAB is listed on London's Aim market and is keen to use its shares as an acquisition currency, while the company has also proved appealing to billionaire steel magnate Lakshmi Mittal, whose family trusts hold 8 per cent. Offbeat investments include Ethiopian forestry and the A1 motor racing league, while Mr Richards has attracted headlines for philanthropy, giving £4.6m to charities and his church last year.
Red Kite	Michael Farmer, David Lilley, Oskar Lenowski, David Waite	London and New York	Commodities	>\$1bn	Metals: 190%	Red Kite is one of the biggest players in the base metals markets, with rumours that it was in trouble earlier this year prompting a 9% fall in zinc prices in a day. Mr Farmer and Mr Lilley - dubbed the "God squad" by metals traders for their evangelical Christianity - produced phenomenal returns from betting the right way on copper last year, although they suffered badly in January as the metal's value plummeted. Traders believe they built up a massive position in aluminium too this year, although it is unclear whether that has paid off.
Sloane Robinson	Hugh Sloane, George Robinson, Richard Chenevix-Trench	London	Emerging markets, equity long/short	\$10.9bn	SR Global-International: 20.8%	One of London's oldest hedge funds, Sloane Robinson has stuck to its long/short strategy since starting up in 1993 - with great success. Its approach of investing for 1-3 years has produced solid double-digit annual returns and given the partners a reputation for knowing their way round Asia's emerging markets. SR has also distinguished itself by publicly rejecting the diversification into multi-strategy of most of their large peers, while Messrs Sloane and Robinson have attracted attention for philanthropic activities, including a £6m investment in Oxford's Keble College.
The Children's Investment Fund	Chris Hohn	London	Activist	\$10.3bn		Europe's best-known activist, Chris Hohn sent shockwaves through cozy European corporate management when he and a group of allies brought down Deutsche Borse's bid for the London Stock Exchange and forced the resignation of Rolf Breuer, its chairman. Ignoring accusations from German politicians that he is a "locust", this year he launched an assault on ABN Amro, shortly before Britain's Barclays launched a bid for the Dutch bank. But Mr Hohn is equally well known as Britain's most generous philanthropist, giving away £50m in 2004-2005, as TCI automatically gives a big chunk of its fees to a children's charity run by his wife, Jamie Cooper-Hohn.
Thames River Capital	Charlie Porter	London	Long-short equity, credit	Hedge: \$3bn; Total: \$10.7bn	Hillside Apex: 10.15%	Thames River had a strategic setback last year when it abandoned plans to float, losing its chief executive and one of its co-founders in the process and seeing its finance director go part-time. The company, backed by entrepreneur Sir John Beckwith, has built a solid franchise with its long-only and funds of hedge funds in the UK, in addition to a successful range of long-short funds and Nevsky, the \$1.4bn emerging markets fund split off late last year. Nevsky ended the year up 44%, its sixth year of gains above 28%, as it rode the boom in the Russian and Chinese markets.
Toscafund	Martin Hughes	London	Long-short equity	\$5bn	21.80%	London's Tiger cub. Martin Hughes, a plain-spoken former acolyte of Julian Robertson at his Tiger Management, is a financial sector specialist and behind-the-scenes activist who occasionally emerges into the limelight with public attacks on companies. Most recently Tosca added its voice to criticism of ABN Amro and called for a merger, while its undisclosed stake in Prudential has led to hopes among other investors that Mr Hughes will try to shake up the underperforming British insurer. Tosca also holds big stakes in broker Colins Stewart and project manager Amec. Mr Hughes himself has begun to diversify, with his Old Oak holding company buying Cheviot Capital, a private client asset manager, while he beefed up his team by bringing in former Royal Bank of Scotland chairman Sir George Mathewson and Fred Watt, RBS's ex-finance director, as non-executives.
Vega Asset Management	Ravinder Mehra	Madrid, New York	Global macro	\$5bn (Sept 2006)	Select Opportunities: -15.6%	Vega, originally backed by Spain's Banco Santander, has had a dire 12 months. A series of bearish wrong-way bets on bonds by Mr Mehra has seen the fund manager lose not only its position as Europe's biggest hedge fund three years ago, when it had \$12bn, but also more than half its investors. As of the end of September it had \$5bn left but it remains unclear how many more withdrew money after the flagship higher-risk fund plummeted 10.6% that month.
<b>ASIA FUNDS</b>						
Basis Capital	Steve Howell, Stuart Fowler	Sydney	Relative value, long-short credit, structured credit	\$923m	Pac-rim Opportunity: 12.82%	Steve Howell is a highly visible figure on the Sydney hedge funds scene, having shaved his head for charity and played drums on stage during the industry's annual Hedge Funds Rock fund-raiser. No doubt his profile has helped sales with the Australian retail investors who make up the bulk of the firm's clients, but solid performance has helped Basis gain a respectable international following too.
ADM Capital	Robert Appleby	Hong Kong	Distressed debt, special situations	\$2bn	Galleus: 2.01%	ADM was set up immediately after the 1998 Asian financial crisis to buy up distressed securities in the region, and prospered until last year, when write-downs of a couple of major investments led to performance well below its 15% target. It runs a range of closed-end funds with the support of the Asian Development Bank and last year it expanded into Europe, looking for distressed opportunities on the continent. Rarely for a hedge fund it aims to invest "based on ecologically sound principles" - including naming its funds after threatened fish species. Last year the partners set up a charity to support marine ecology, along with other environmental causes and children.
Artradis Fund Management	Richard Magides, Stephen Diggie	Singapore	Relative value	\$1bn	Barracuda: 8.7%	Artradis looks for inefficient pricing in Asian securities, giving it a market-neutral approach. It tends to be long volatility, damping performance in the past year, although it emerged well from last May's big correction, when many hedge funds were hammered. Has just expanded into Russia with a fund run by Mr Diggie's brother.
LIM Advisors	George Long	Hong Kong	Multi-strategy	\$750m	Asia Arbitrage: 12.78%	LIM is one of the oldest Asian funds and has diversified its range to include country-specific China and Japan funds and long-only funds. It is not afraid to push the boundaries, launching the region's first property hedge fund.
Platinum Asset Management	Kerr Neilson	Sydney	Long-short equity	Total inc long-only A\$22.2bn (\$18.4bn)	International Fund (A\$): 6.5%	Platinum does not describe itself as a hedge fund, but most of its funds are hedged to some degree. The firm - seeded by George Soros - is a hit with Australian retail investors, helped by strong performance, offbeat advertising and a chatty style that includes online holiday snaps posted by its fund managers. But Mr Neilson's value approach and stock-picking skills also make him popular with international hedge fund investors. Last year was tough for its flagship thanks to an overly cautious approach and an unsuccessful bet on Japan, but that has not stopped the group going ahead with plans to list.
Sparx Group	Shuhei Abe	Tokyo	Multi-strategy	Hedged: Y543bn (\$4.5bn) Total: Y1,377bn		Asia's biggest hedge fund manager has grand ambitions. Mr Abe listed the group on Jasdq in 2001, 12 years after it set up, and has consolidated its lead in Asia by buying Hong Kong's PMA Capital, the region's number two, last summer. It has moved away from its core long-short strategy with activist, private equity and big long-only funds as well as setting up funds of hedge funds.
Tantallon Capital	Nick Harbinson	Singapore	Long-short equity	\$1.1bn	Tantallon fund: 12.99%	Named after a ruined castle in Scotland, Tantallon is one of the larger Asia-based hedge shops. The main fund uses top-down themes to identify sectors for investments, with equal weight given to fundamental corporate analysis for individual stocks. It also runs a fund focused on the fashionable Bric economies and an Asian smaller companies fund.
Winnington Capital	Kenneth Hung	Hong Kong	Long-short equity	\$300m	Trophy: 366%	Winnington has grown rapidly in the past couple of years thanks to its focus on greater China, increasing assets by a third already this year. It has successfully ridden the bull market in Chinese shares, and weathered the collapse in the local market at the end of February thanks to well-placed derivatives, which left it up slightly for the month. Still, Trophy remains a very high-risk fund, as shown by its 26% fall during 2005, and the company has just set up a lower volatility version. It also plans a property fund investing in China.