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Hedge Fund ALERT

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Early Distressed-Debt Player Out of Business

A special-situations shop has closed its doors after more than 20 years in the market.

BHR Capital, a successor to Bay Harbour Management, returned its investors' money in the past few months following an extended period of poor performance. The New York firm had $1.5 billion under management at yearend 2014, but was down to $775 million a year later.

BHR traces its roots back to the 1990s, when **Doug Teitelbaum** and **Steve Van Dyke** launched Bay Harbour to invest in distressed situations. Their Bay Harbour Fund, which made high-profile investments including large stakes in manufacturer **AAON** and retailer **Steve & Barry's,** grew to $1.2 billion before being hit with heavy redemptions during the financial crisis.

In a bid to diversify their business, Bay Harbour's principals formed affiliate BHR Capital in 2009 to pursue a broader range of event-driven and special-situations

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MatlinPatterson Manager Charts New Course

The head of **MatlinPatterson's** hedge fund business is looking for a new home as the distressed-debt shop continues to struggle with its core private equity vehicles.

Michael Lipsky, who runs MatlinPatterson Global Opportunities Fund, was close to a deal last year under which he would spin off the fund operation with backing from **Allied World Assurance,** a Swiss insurer that has been among MatlinPatterson's largest investors. But the discussions were halted after Allied agreed in December to be acquired by Toronto insurer **Fairfax Financial** for $4.9 billion.

The acquisition is scheduled to close next month. While Fairfax might yet agree to take on Lipsky, it already has a large asset-management division and isn't known to back external managers.

Lipsky, meanwhile, still wants to spin off from MatlinPatterson, even as he's begun raising capital for a longer-term lockup vehicle whose liquidity terms would be closer to those of a private equity fund than a hedge fund. Depending on the

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Gelband Seen Hiring Unprecedented Numbers

Though still months away from launching a planned multi-strategy fund, **Michael Gelband** is aggressively hiring investment and operations professionals with the goal of having an unusually large staff in place on day one.

Sources said Gelband and partner **Hyung Lee,** previously top executives at **Millennium Management,** anticipate hiring as many as 75 people, including 10 portfolio managers, in the coming months. Perhaps never before has a hedge fund startup sought to hire so many people at such an early stage.

Meanwhile, Gelband and Lee have begun talking to investors with an eye toward launching a fund late this year or early next year from their yet-to-be-named New York firm. Given their roles at Millennium — Gelband ran fixed-income trading while Lee oversaw equity trading — they're expected to raise a huge amount of day-one capital. There have been rumors, for example, that **George Soros** was

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BNP Paribas laid off a business-development specialist from its prime-brokerage division last week. The executive, **Sean Rooney**, had arrived in the bank's San Francisco office from **Bank of America** in 2008. Word has it more layoffs will take place this week. BNP ranked 12th among prime brokers with 295 SEC-registered clients at the end of the first quarter, according to **Hedge Fund Alert's** Manager Database.

Details are emerging about the products **Scott Reid** is developing at the $9 billion Advent Capital. As the firm's newly hired chief of staff and strategy, Reid is exploring investments including direct corporate loans and private convertible bonds. He's also shoring up Advent's expertise in convertible-bond arbitrage. Reid

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FrontPoint Alums Close Up Shop

Steve Eisman's former team members at **FrontPoint Partners** have pulled the plug on a hedge fund they launched after parting ways with their ex-boss.

Seawolf Capital, led by **Porter Collins** and **Vincent Daniel,** started winding down in the past month or so, sources said. The New York firm had $133 million under management at yearend 2016, but the partners decided to call it quits after a large investor withdrew. Seawolf mainly invested in bank stocks.

Collins, Daniel and former partner **Danny Moses** founded Seawolf in 2011 following a five-year run working under Eisman at FrontPoint, where they famously made a killing shorting subprime mortgage bonds and financial stocks on the eve of the 2007 credit crisis. Eisman figured prominently in **Michael Lewis'** book "The Big Short."

It's unclear what Collins and Daniel plan to do next. Moses had earlier retired from Seawolf. The firm's chief operating officer, **Ed Fasano,** left in recent months to join a hedge fund startup.

Eisman, too, started a hedge fund after leaving FrontPoint. But that operation, called **Emrys Partners,** shut down in 2014 after two years of trading. Eisman now works at **Neuberger Berman,** where he manages money for wealthy clients.

FrontPoint was a fund-management unit of **Morgan Stanley** that spun off and later shut down after a portfolio manager pled guilty to insider-trading charges. ❖

Stock Bet Gives Startup Early Gain

Actinium Capital is off to a strong start, thanks largely to a contrarian long bet on a stock that had been the target of a short activist campaign.

The Fort Lee, N.J., startup's Actinium Thematic Long/Short Equity fund jumped 14.7% in April, for a year-to-date return of 11.4%. Portfolio managers **Erik Oros** and **Julian Singer** attributed the outsized gain to an investment in **Straight Path Communications,** a holder of mobile-phone bandwidth that had been the subject of negative reports from short activists including **Kerrisdale Capital.** Kerrisdale, for example, described Straight Path's business model as "the next generation of overblown spectrum hype."

But on April 10, **AT&T** offered to buy Straight Path for $1.25 billion, or $95.63 per share, representing a 162% premium over the prior-day's closing price of $36.48. Actinium quickly exited the position, realizing a roughly 300% gain on its investment. However, the sale proved untimely, as Straight Path shares more than doubled after the company agreed last week to a better offer from **Verizon** that values the business at $3.1 billion, or $184 a share.

Oros, who previously worked at **Salient Partners,** and Singer, formerly of **York Capital,** launched the Actinium fund in January with $7.5 million. Its assets have since swelled to $15 million.

They began trading a year earlier in a separate account. Since inception, the strategy has delivered a 32.4% return, with an enviable Sharpe ratio of 2.1.

Actinium invests in stocks globally based on a combination of top-down macro analysis and fundamental analysis of individual companies. "An increasingly global, interconnected investment landscape demands that equity analysis balance informed macroeconomic views with a fundamental understanding of businesses," Oros and Singer wrote in an investor presentation distributed this month. ❖

Standard General Crafts New Structure

Event-driven manager **Standard General** has a new fund in the market.

The offering, Standard General Fund 2, pursues the same types of distressed investments as the firm's flagship vehicle, but with a structural twist. The least-liquid securities — those classified as Level 3 under **Financial Accounting Standards Board** guidelines — are managed in a segregated account.

"We believe the structure will increase our flexibility and maximize our ability to take advantage of market inefficiencies via our broad investment mandate," founder **Soo Kim** told investors in a recent organizational update.

How? Kim didn't elaborate. But separating the most illiquid assets from the main portfolio presumably allows Standard General to aggressively target distressed situations without dragging down the fund's overall net asset value. The New York firm created the vehicle in response to investor demand, Kim wrote.

Since launching in February, Fund 2 has taken in about $85 million from limited partners. It's likely the inflows have boosted Standard General's assets to more than $1 billion, considering it was managing $970 million as of Jan. 31. The bulk of the firm's assets reside in the Standard General Master Fund.

Founded in 2007, Standard General invests in both the debt and equity of companies undergoing restructuring. Among its biggest targets in recent years was **RadioShack,** which sold most of its operations to a Standard General partnership under a 2015 bankruptcy filing. The partnership, known as **General Wireless,** initiated a new bankruptcy reorganization in March.

"An important element of [Standard General's] strategy is our experience in guiding companies through complete lifecycles, which often involves continuing to hold securities as they transition from Level 1 and Level 2 to Level 3 and back," Kim wrote in unveiling the new fund. "Many asset managers do not have the appetite or mandate to maintain ownership across the complete lifecycle, and consequently there is often less competition in these situations." ❖

Rosen Offers Index Product

Rosen Capital has set up a vehicle that combines aspects of a hedge fund and an investable index, with an eye toward institutional backers.

The Los Angeles firm launched its Rosen Hedged Index Fund (Institutional) on April 1. The offering is an institutional version of an entity called Rosen Hedged Index Fund that is geared toward wealthy individuals.

That fund formed in November. It had $15 million under management on March 21, according to Rosen's latest Form ADV filing with the **SEC.**

Details of the new vehicle's strategy remain under wraps. Presumably it employs both the active management of a hedge fund and the passive tactics of an index to trade in a mix of options, futures, index products and exchange-traded funds. The offering is structured to "capture a significant portion of market upside, as well as profit during flat periods, while also seeking to maintain a margin of safety to reduce downside risk and volatility," Rosen wrote.

The firm, led by **Kyle Rosen,** specializes in trading options linked to the S&P 500 Index. Its products also include a vehicle called Rosen V Master Fund and separate accounts. All told, the operation had $67 million under management at yearend 2016. ❖

Alford Consulting LPs on Consultants

Hedge fund picker **Brad Alford** is offering a new service via his **Alpha Capital.**

The Atlanta firm, which has evolved over the years from a fund-of-funds manager to an advisor for financial planners, now is setting its sights on tax-exempt institutions that need help hiring or switching investment consultants. The new business line, dubbed Consultant Search Services, officially launched May 10, though Alpha already had been working with a $100 million charity and a $500 million endowment.

Alford, who earlier worked on the investment staff for **Duke University's** endowment, said increasing numbers of institutional investors are looking to replace their consultants in part because of disappointing returns from their hedge fund portfolios. "Consulting firms are on the hot seat now because they went heavily into hedge funds," he said.

Through its new consultant-search service, Alpha helps pensions, endowments, foundations and other institutions evaluate their current consultants, prepare requests for proposals and select replacements — be they traditional consultants or so-called outsourced chief investment officers. Alpha considers clients' entire investment portfolios, not just their hedge fund positions.

The idea of serving as a consultant on consultants was pioneered in the 1990s by **Cooper Consultants.** But founder **Jennifer Cooper** shuttered the business in 2003.

Alford founded Alpha in 2006. The firm started out running a conventional fund of funds, which Alford later converted to an alternative mutual fund called Alpha Defensive Alternatives Fund. Last year, he sold that business to **Value Line.** Since then, Alford has focused on advising financial planners who currently oversee a combined $5 billion of assets, including both traditional and alternative investments.

At Duke, Alford ran the endowment's alternative-investment portfolio, which during his tenure grew from $100 million to $1 billion. ❖

BlueMountain Betting on Volatility

BlueMountain Capital is hoarding cash in anticipation of fresh buying opportunities.

The New York firm said in a recent letter to shareholders in its BlueMountain Credit Alternatives Fund that the $7.2 billion vehicle was holding a cash position equal to about one-quarter of its assets at the end of the first quarter, up from a more-typical 10-12%.

The idea is to position the fund for what BlueMountain sees as a likely uptick in financial-market volatility in the months ahead. The manager cited a number of potential catalysts in its letter, obtained by sister publication **Asset-Backed Alert.** Among them: new tax, trade and financial-regulation proposals from the **Trump Administration;** uncertainty about the outcome of elections in Europe; political pressures in the Middle East; unstable commodity and currency values; and the unwinding of central-bank stimulus programs.

"Any of these factors could lead to short bursts or protracted periods of volatility that also result in temporary mispricings or larger-scale, thematic dislocations," it wrote.

BlueMountain is telling investors it is prepared to act quickly to take advantage of the resulting opportunities, while noting that bargains currently are scarce with both bond and equity values at recent highs.

BlueMountain Credit Alternatives Fund increased 1.7% in the first quarter, following gains of 6.1% last year, 0.7% in 2015, 2.7% in 2014, 7.9% in 2013 and 14.5% in 2012. Since launching in 2003, it has delivered an annualized return of 8%.

Separately, BlueMountain formed two CLO-management companies in the first quarter. One of the new entities, BlueMountain Fuji, aims to carry out deals under a so-called capitalized-manager structure that would satisfy risk-retention requirements in the U.S. and Europe. It is shopping a debut offering of $500 million.

The other, BlueMountain CLO Management, is assuming management of CLOs BlueMountain already has issued. It is described as a spinoff from BlueMountain that shares the firm's ownership, with the addition of **Jes Staley** and senior advisor **Bryce Markus.** Staley, a former BlueMountain managing partner, left in 2015 to become chief executive of **Barclays.**

BlueMountain has $23 billion under management, with $8.7 billion of that amount in CLOs it issued. The company is led by founders **Andrew Feldstein** and **Stephen Siderow.** ❖

Puerto Rico Vehicle Making Gains

The performance of a **Candlewood Investment** fund that invests in government debt from Puerto Rico has been rebounding amid the island's financial struggles.

The Candlewood Puerto Rico vehicle was up 11% in April, as Puerto Rican leaders said they intended for the commonwealth's general obligations and related instruments to receive a higher priority than other debt. With such holdings representing a majority of the $105 million fund's portfolio, it finished the month with a year-to-date gain of 3.4%.

Early May brought another 8% rise, after investors rejected a government proposal under which Puerto Rico would have paid 70-80 cents on the dollar to holders of its bonds. In fact, the gains continued even after the island filed for a form of bankruptcy on May 3.

The Candlewood fund had plunged 14.6% in March after Puerto Rico's governor, **Ricardo Rossello,** unveiled a long-term budget proposal that would have allocated an insufficient amount of capital to cover debt payments. The U.S. territory has about $73 billion of bond debt and $49 billion of unfunded pension obligations.

The Candlewood fund had $175 million under management at its peak at yearend 2015. It remains open to new investors.

The vehicle has a history of volatility that could continue for years. It launched in September 2014 and was up 0.4% over the remainder of that year, followed by losses of 13.4% in 2015 and 5.4% in 2016.

In a letter to investors this month, however, Candlewood pointed out that the vehicle's holdings are priced at about 45% of face value. The firm wrote that "even in our most aggressive scenarios . . . we see recoveries significantly higher than where we are priced today, with limited risk to the downside."

Citing the hierarchy of Puerto Rico's debt, the letter continued: "We expect dramatically different outcomes between various issuers, with some [bondholders] recovering par while others suffer significant impairment."

Among those investors are several hedge fund operators that have been battling over who should have first claim to Puerto Rico's sales-tax revenues. Those holding general-obligation bonds argue they should be at the front of the line. But owners of sales-tax bonds issued via an entity called **Puerto Rico Urgent Interest Fund Corp.** insist they should receive priority because the cashflows back their positions.

Press reports have named **Canyon Capital, GoldenTree Asset Management** and **Whitebox Advisors** as being among the owners of the sales-tax bonds.

Separately, a May 15 settlement with holders of $4 billion of bonds issued by the **Government Development Bank for Puerto Rico** lifted spirits among some investors. That agency's bonds had been trading as low as 20 cents on the dollar. Under the settlement, they will pay 55-75 cents.

A debt-relief package signed into law last June by **President Obama** created the process for Puerto Rico to declare bankruptcy.

Candlewood is led by chief executive **Michael Lau.** The Rye, N.Y., firm has $1.2 billion under management. ❖

Hedge Fund Performance

	April Return (%)	YTD Return (%)
BENCHMARK INDICES		
S&P 500	1.0	7.2
Russell 2000	1.1	3.6
MSCI EAFE (Europe, Australia, Far East: net)	2.5	10.0
Barclays Aggregate Bond	0.8	1.6
Barclay Hedge Fund Index	**0.7**	**3.7**
3,000+ funds (unweighted)		
Eurekahedge Hedge Fund Index	**0.6**	**3.0**
2,700+ funds (unweighted)		
HedgeAlytix (CogentHedge)	**0.6**	**2.3**
600+ funds (unweighted)		
HedgeFund Intelligence	**0.5**	**2.6**
7,000+ funds (unweighted)		
HFN Hedge Fund Aggregate Average	**0.6**	**2.6**
4,900+ funds (unweighted)		
HFRI Fund Weighted Composite	**0.6**	**3.1**
2,000+ funds (weighted)		
Prequin Hedge Fund Analyst	**0.8**	**4.0**
4,500+ funds (unweighted)		
Equity	1.0	4.1
Event driven	0.9	4.3
Relative value	0.1	1.4
Macro	-0.3	0.9
Multi-strategy	0.5	3.5
Credit	0.2	2.9
Activist	1.2	4.9
Volatility	0.9	2.7
Discretionary	1.1	4.7
Systematic	0.8	3.1
North America	0.5	3.2
Europe	1.4	4.4
Asia-Pacific	0.8	5.5
Developed markets	0.5	2.6
Emerging markets	1.3	6.7
Fund of funds	0.7	2.2

Correction

A table in the May 10 issue, "Prime-Brokerage Contacts," mistakenly swapped the responsibilities for two of **Jefferies'** top prime-brokerage executives. **John Laub** is global head of Jefferies' prime-brokerage business, while **Barsam Lakani** is head of sales. The corrected listing can be found on HFAlert.com, under "Rankings" and "Prime Brokers." ❖

Manager ... From Page 1

timing, it's possible Lipsky ends up launching that fund at another firm.

Lipsky leads a team of 5-6 investment professionals, including MatlinPatterson partner **David Austen.** In addition to the Global Opportunities Fund, the team runs a smaller hedge fund that invests in Puerto Rico's sovereign debt. Altogether, Lipsky's group manages about $500 million in funds and parallel separate accounts.

Global Opportunities Fund has performed well, sources said, even as MatlinPatterson's last two private equity funds have delivered disappointing returns. MatlinPatterson Global Opportunities Partners 2, which launched in 2003 with $1.7 billion, was showing an internal rate of return of minus-21.9% as of June 30, 2016, according to a recent report from investor **Kentucky Retirement.** At the same time, Global Opportunities Partners 3, which launched in 2007 with $5 billion, was showing an internal rate of return of 4.5%.

The firm's first private equity fund, which launched in 2001 and is now fully liquidated, generated an impressive 29.8% internal rate of return.

Following the financial crisis, MatlinPatterson took steps to diversify its asset-management business, hiring Lipsky and his team from **BlackRock** in 2011. It also hired a group that had been trading corporate and municipal debt at **KeyCorp.;** a team of structured-product traders that previously worked at **FrontPoint Partners;** and a collateralized loan obligation group led by former **Bear Stearns** executives **Justin Driscoll** and **Niall Rosenzweig.**

However, some of those teams failed to meet performance expectations, and the overall asset-management group has lost money in recent years. After co-founder **Mark Patterson** retired in 2014, MatlinPatterson sought to sell its asset-management businesses as a group, but never found a buyer. Last year, the former Key team, led by **Craig Ruch,** jumped to **Spring Creek Capital,** a money-management arm of **Koch Industries.** And in March, the CLO-management unit, known as **UrsaMine Credit,** was acquired by a startup called **Dislocation Capital** run by **Hildene Capital's** former CLO team.

As for its core private equity business, MatlinPatterson has no plans to continue the Global Opportunities Partners series. In early 2014, the firm approached investors about raising up to $2 billion for a fourth fund, but quickly abandoned that effort. Consequently, MatlinPatterson faces dwindling income from what has been its key revenue source.

In March, the firm did raise $325 million for a special purpose acquisition company, with the goal of buying a single company. But it's unclear if SPACs represent a new direction for MatlinPatterson.

"The bigger issue is MatlinPatterson needs to figure out how to exist in the future," one source said. "The SPAC doesn't pay management fees. They need to create a revenue source to pay the bills, and raising a fund for Lipsky would make a lot of sense."

Lipsky is seeking to raise perhaps $100 million for the lockup vehicle. He launched Global Opportunities Fund with $75 million in 2007, when he was working at **Lehman Brothers.** Following the collapse of the bank in 2008, Lipsky spun off his group as **R3 Capital,** which was later acquired by BlackRock. The fund had about $250 million of assets when Lipsky and his team moved to MatlinPatterson.

At yearend 2016, MatlinPatterson had gross assets of $4.4 billion, including unfunded capital commitments, according to its latest SEC filing. The firm is led by co-founder **David Matlin** and managing partner **Peter Schoels.** ❖

Gelband ... From Page 1

considering a $2 billion commitment, though sources familiar with his operation said that isn't true.

In any case, Gelband and Lee already have hired two senior operations professionals from Millennium, **Enrico Corsalini** and **Patrick Tynan,** along with several junior portfolio managers. There's speculation that some senior portfolio managers will soon be leaving Millennium to join their former colleagues.

By their nature, multi-strategy fund operations tend to be heavy on staff. Millennium, which pioneered the business model and now runs $35 billion, has a headcount of 2,140 — the largest in the industry. But most hedge fund startups, even multi-strategy shops, rarely start out with more than a couple dozen employees. In recent years, **Folger Hill Asset Management** assembled one of the largest day-one staffs, launching in 2015 with nearly 30 employees. The firm, led by former **SAC Capital** executive **Sol Kumin,** has since shrunk amid poor performance.

Gelband left Millennium last month after nine years on board. In the end, he was overseeing about 45 portfolio managers who trade bonds and credit derivatives. Prior to joining Millennium, he was global head of fixed income at **Lehman Brothers.** One source said Gelband's roles at both Millennium and Lehman give him a distinct advantage when it comes to recruiting. "He has a huge Lehman Brothers network that is all over the Street," the source said.

Lee, who left Millennium late last year, had responsibility for more than 100 equity portfolio managers. ❖

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plays. BHR also received outside backing from **Neil Ramsey,** founder of Louisville, Ky., systematic-trading shop **RQSI,** who took an equity stake in the operation. The following year, Bay Harbour shuttered its flagship fund and assumed the BHR name.

BHR was an early hit with investors. Its BHR Master Fund launched in January 2010 with $300 million — an impressive sum in the immediate aftermath of the financial crisis. By the end of the year, the fund's assets had climbed to $700 million.

BHR's management team initially included Van Dyke and portfolio manager **Michael Thompson,** with Teitelbaum exiting during the transition. Van Dyke later left, leaving Thompson and Ramsey as the firm's principal owners. ❖

Waldman Bullish on Long/Short Equity

Fund-of-funds manager **Neil Waldman** is making the case for actively managed funds, and hedged strategies in particular.

In a May 10 letter to prospective investors, the **Waldman Capital** founder acknowledged "relentless" demand for index funds and other passive investments. "Sentiment for stock-picking is at an all-time low," he wrote.

But years of heavy capital flows into exchange-traded funds have distorted equity values, Waldman continued. "Stocks will have an underlying bid as long as flows persist," he wrote. But "if the market experiences a drawdown and fund flows reverse, these same stocks will be sold regardless of price fundamentals."

Against that backdrop, Waldman predicts renewed demand for long/short equity funds, which have fallen out of favor with investors amid an eight-year market rally.

"It is my opinion the pendulum has swung too far into the passive camp, and I suspect active management and hedge fund managers will once again have their day," he wrote. "I believe a patient bottom-up value investment system with exposure on the short side is the best roadmap for long-term success."

While similar views have been expressed by other fund-of-funds managers of late, Waldman has had more success than most when it comes to picking equity funds. His firm's Waldman Capital Management fund, with $32 million under management, was up 4.5% year-to-date at the end of the first quarter, compared to a 3.6% gain for the HFRI Equity Hedge (Total) Index and a 6.1% return for the S&P 500 Index.

Writing of his fund's performance in the first quarter, Waldman said it "captured nearly three quarters of the market's returns with less than a third of the exposure."

Since inception in 2007, Waldman's fund has generated a 6.1% annualized return as of March 31, versus a 4.3% advance for the Credit Suisse Long/Short Index and 7.4% increase for the S&P 500.

Waldman currently has investments with nine underlying funds, whose first-quarter returns ranged from a 20.3% gain to a 2% loss. "The majority of our managers are not positioned for the bull market to continue, and some may perform better if stocks were to fall," he wrote.

Waldman's biggest gainer in the first quarter was **Light Street Capital,** a Palo Alto, Calif., shop led by **Glen Kacher** that's focused on live-broadcasting businesses in China. "This is one of the biggest growth themes in China internet, and yet still not well known by most investors," Waldman wrote. ❖

LATEST LAUNCHES

Fund	Portfolio managers, Management company	Strategy	Service providers	Launch	Equity at Launch (Mil.)
Standard General Fund 2 Domicile: U.S. See Page 2	Soo Kim Standard General, New York 212-257-4701	Event driven (illiquid assets)		Feb.	$56
Rosen Hedged Index Fund (Institutional) Domicile: U.S. See Page 3	Kyle Rosen Rosen Capital, Los Angeles 310-573-8523 mahsa@rosencapital.com	Hedged indexes	Prime brokers: Interactive Brokers and Jefferies Auditor: Weaver Administrator: Panoptic Fund Administration	April 1	

To view all past Latest Launches entries, subscribers can click on the Databases tab at HFAlert.com

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joined Advent on May 15 with the task of developing strategies that align with the New York firm's existing focus on convertible bonds, high-yield debt and equities. He previously spent three years as a senior advisor at **Thayer Street Partners,** a New York private equity firm. He worked at **One East Partners** and **Auda International** before that. Reid reports to Advent founder **Tracy Maitland.**

Tricadia Capital has hired a chief financial officer. **Ian Cohen** joined the debt-focused fund operator last month from a controller post at **Axonic Capital,** where he had worked since 2012. Cohen also has spent time at **TPG-Axon Capital, PricewaterhouseCoopers** and **Con Edison.** New York-based Tricadia is led by **Michael Barnes** and **Arif Inayatullah.** It had $2.4 billion under management at yearend 2016.

Citadel Global Equities has elevated **Jarrad Bourger** from analyst to portfolio manager overseeing its Houston trading desk, which deals in energy-related stocks. Bourger takes over for **Brian Kuzma,** who left the Citadel unit last week. Kuzma's plans are unknown. Bourger joined the operation in 2013 from **George Weiss Associates.** Chicago-based Citadel, led by **Ken Griffin,** has $26 billion under management.

Carlos Ruiz joined **Cantor Fitzgerald's** prime-brokerage unit on May 8 as a vice president. The New York post appears to be an operational one tied to the group's fixed-income activities. Ruiz had been employed since 2012 on the operations team at hedge fund firm **Seer Capital.** He earlier spent time at **Deutsche Bank,** where he worked alongside many Seer executives.

Carl Versella left **KPMG** this month to start a business-consulting firm called **Double N Advisors.** The Matawan, N.J., operation caters to mid-size alternative-investment managers and service providers, including fund administrators. Versella had been a managing director in KPMG's management-consulting practice since 2014, having arrived there via the firm's takeover of **Rothstein Kass.** His tenure at Rothstein started with that firm's 2012 acquisition of a consulting firm called **HC Associates** that he helped lead.

State Street unit **SSGA Funds Management** has elevated **Greg Hartch** to chief risk officer, effective last month. Hartch has moved to the firm's Boston headquarters from an office in Stamford, Conn., he had headed since joining SSGA last July. Hartch previously oversaw risk management at **GE Asset Management.** He also has worked at **Deutsche Bank** and **Goldman Sachs.** SSGA Funds Management was running $406 billion, on a gross basis, at yearend 2016, through a mix of long-only and alternative-investment vehicles.

Big-data company **PredictWallStreet** has hired a head of sales and marketing. **David Aronow** signed on with the Capitola, Calif., operation this month, with plans to open a New York office by mid-June. Aronow had been a director on the prime-brokerage sales staff at **Barclays** since 2008, and earlier worked at **Lehman Brothers.** PredictWallStreet is led by **Craig Kaplan.**

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Telephone: 201-659-1700 **Fax:** 201-659-4141 **Email:** info@hspnews.com

Howard Kapiloff	Managing Editor	201-234-3976	hkapiloff@hspnews.com
Mike Frassinelli	Senior Writer	201-234-3964	mike@hspnews.com
James Prado Roberts	Senior Writer	201-234-3982	james@hspnews.com
Andrew Albert	Publisher	201-234-3960	andy@hspnews.com
Daniel Cowles	General Manager	201-234-3963	dcowles@hspnews.com
Thomas J. Ferris	Editor	201-234-3972	tferris@hspnews.com
T.J. Foderaro	Deputy Editor	201-234-3979	tjfoderaro@hspnews.com
Ben Lebowitz	Deputy Editor	201-234-3961	blebowitz@hspnews.com
Dan Murphy	Deputy Editor	201-234-3975	dmurphy@hspnews.com
Michelle Lebowitz	Operations Director	201-234-3977	mlebowitz@hspnews.com
Evan Grauer	Database Director	201-234-3987	egrauer@hspnews.com
Mary E. Romano	Advertising Director	201-234-3968	mromano@hspnews.com
Kait Hardiman	Advertising Manager	201-234-3999	kait@hspnews.com
Joy Renee Selnick	Layout Editor	201-234-3962	jselnick@hspnews.com
Barbara Eannace	Marketing Director	201-234-3981	barbara@hspnews.com
JoAnn Tassie	Customer Service	201-659-1700	jtassie@hspnews.com