Hedge Fund Alert

THE WEEKLY UPDATE ON FUND MANAGEMENT INTELLIGENCE

JANUARY 22, 2025

THE GRAPEVINE

Global-macro manager **Graham Capital** picked up **Derek Arnold** this month as a portfolio manager and partner. Arnold most recently was a PM and partner at **Point72 Asset Management** following stints as a portfolio manager at **Citadel, Goldman Sachs** and **Amundi Pioneer.** He also worked as a business analyst at technology company **IT&E** and as a market risk manager at **FirstRand Bank.** Led by **Kenneth Tropin** and based in Rowayton, Conn., Graham manages $20 billion.

Former **Walleye Capital** portfolio manager **Omar Kara** has resurfaced at **Man Group.** Kara, who started in the investment giant's London headquarters this month, runs a long/short equity strategy focused on industrials. He'd been at Walleye for less than a year when he exited in March along with two U.K. business-development staffers in what the firm described as a broader restructuring. Kara earlier had two stops at **Millennium Man-**

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Borealis Aiming to Raise Up to $400M for Third Seeding Fund Targeting Emerging Managers

Hedge fund backer **Borealis Strategic Capital** is looking to raise $300 million to $400 million for its latest vehicle seeking seed deals with promising early-stage managers.

Borealis has penciled in a July 2025 equity close for Borealis Strategic Capital Fund 3, which, similar to the two predecessor funds, locks up capital for three years. The fund is expected to make four to six hedge fund seed investments.

"Our opportunity set remains compelling based on the scarcity of capital supporting most new hedge fund launches," the Borealis team wrote last week to prospective investors.

The note reflects the challenges faced by many

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Equity Shop Isomer Partners Closes Doors After Eight Years; Huge Drawdown Offset Early Success

Stock-picker **Isomer Partners** has shut down, unable to recover from a catastrophic drawdown that overshadowed years of double-digit gains.

The New York firm, formed in 2016, began unwinding around yearend in the wake of twin debacles: Isomer lost 8% in its sole offering during the first three quarters of last year, a period when the average equity hedge fund climbed just over 10%, and plunged 37.5% in 2021, when the S&P 500 Total Return Index jumped 27.6% and when the HFRI Equity Hedge Total Index rose 11.7%.

Despite an outsized gain of 37.2% in 2023, Isomer remained in a deep drawdown. From yearend 2020 through Sept. 30, the firm was down 21.8%. Over that span, Isomer's annualized return stood at

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New Quantitative Firm Touts Results for Fresh, More In-Depth Approach to Factor Investing

Three academic researchers are in the early stages of setting up a hedge fund operation, **Sectional Capital,** that aims to employ a novel and deeper understanding of factor investing that uses demand for stocks, rather than their systemic risks, to outperform other factor-based strategies.

Their approach was able to produce, on paper, systematic equity returns with Sharpe ratios that were more than twice as high – and that generated significantly better alpha – than traditional factor-based investment models, **Carter Davis, Francesco Fabozzi** and **Amit Gandhi** wrote this month in **The Journal of Portfolio Management.**

While Sectional's final form is unknown, its founders are in discussions with potential investors, service providers and

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Seasoned Options Pro Launches Quant Shop

An experienced options trader who spent more than a decade at **Citadel Securities** has launched a quantitative hedge fund.

Rehan Balagamwala began trading via his new Weston, Fla., firm, **Navis Investment Group,** at the beginning of the month. Navis' assets under management couldn't be learned, though the operation aims to amass $50 million by yearend.

Navis' debut offering, Navis Investment Group Fund 1, employs an algorithmic, market-neutral volatility arbitrage strategy focused currently on the S&P 500, Nasdaq Composite and Russell 2000 indexes. The firm intends to eventually expand its strategy into single-stock options as well.

Navis typically unwinds its portfolio at the end of each trading day, thought it can retain 10% of capital to deploy overnight opportunistically.

Balagamwala began trading the strategy in a personal account in February of last year, generating a return of 52% over the subsequent 11 months, with a Sharpe ratio of 2.8 and a Sortino ratio of 3.2.

The fund offers quarterly liquidity following a six-month lockup period.

Balagamwala has onboarded a chief operating officer and intends to bring on a chief technology officer shortly. He's outsourced much of the firm's workflow, including back-end and front-end infrastructure, to external teams globally.

Before forming Navis, Balagamwala was head of **PrismFP's** equity derivatives strategy for North America and co-head of options market-making at **IMC Trading.** That followed a 10-year stretch at market-making behemoth Citadel Securities, where he was a senior quantitative trader focused on automated options market-making. Balagamwala began his career on **Morgan Stanley's** exotic derivatives desks.

In 2019, he co-founded a systematic firm, **Quantitative Volatility Strategies Group,** with former classmates from the **University of Chicago's** Booth School of Business. That operation was shut down for personal reasons in 2022 before it could launch with outside capital. ■

Paradigm Vet to Debut Digital-Asset Fund

A former investment partner at big cryptocurrency investor **Paradigm** is launching his own digital asset-focused investment firm.

Matthew Mizbani, who exited the crypto shop in 2022, is raising capital for a debut fund, Adapt Capital Operations Flagship Fund, via his new **Adapt Capital.**

A source told **Hedge Fund Alert** the New York manager will run a concentrated book of primarily long positions in digital assets, with some short bets possible as well.

Mizbani joined Paradigm in October 2021 as an investment partner. There, he invested in companies at all stages but had a particular focus on later-stage companies.

Paradigm is led by co-founder and managing partner **Matt Huang,** a former partner at **Sequoia Capital,** and co-founder and general partner **Fred Ehrsam,** a co-founder of crypto exchange **Coinbase.**

Paradigm was managing $10.1 billion of gross assets overall at the end of 2023. That year, its $7.5 billion of gross hedge fund assets landed Paradigm at No. 172 on Hedge Fund Alert's ranking of the largest 200 hedge fund managers. It was the only digital-asset manager to make the cut. It first entered the annual ranking when its hedge fund assets ballooned from $3 billion at yearend 2020 to $10.6 billion at the end of 2021.

At **Coatue Management**, where he worked for about a year, Mizbani focused on growth investing in crypto and fintech. He earlier worked as an analyst at **Morgan Stanley** for one year.

The HFR Cryptocurrency Index climbed about 60% in 2024 – a year in which the crypto market cap more than doubled from $1.65 trillion at its start following now-President **Donald Trump's** November election victory.

The price of Bitcoin shot past $108,000 on the morning of Jan. 20 before sliding closer to $100,000 during Trump's inaugural address, which made no mention of cryptocurrencies. It was back above $107,000 by the afternoon of Jan. 21. ■

Miami Cap-Intro Fest Set To Surpass 5,000

Global Alts Miami, the world's largest capital-introduction conference for hedge funds and other alternative-investment products, is shaping up to be a banger when it takes place next week.

This latest iteration of the conference is, for the first time, sponsored by two big players in the fund-management sector: the lobbying group **Managed Funds Association** and capital-introductions service **iConnections.**

The convention, which runs from Jan. 27 to Jan. 30 at the Miami Beach Convention Center, is expected to attract some 5,000 to 5,200 attendees, which would exceed the number of conference-goers at separate but overlapping iConnections and MFA Network Miami events in Miami Beach last year.

Both of those events attracted record-breaking attendance, with 4,500 at iConnections and around 800 at the MFA. But, as about half of those who attended the MFA event also attended iConnections, their combined attendance was smaller than their sum. This year's event is being coordinated by **Bryan Corbett,** the president and chief executive officer of the MFA, the largest hedge fund lobbying group, and **Ron Biscardi**, the CEO and co-founder of iConnections.

"What I am hearing from my team, and Bryan is hearing from his, is that the excitement in the industry is definitely bringing in new bodies," Biscardi said. "People that neither of us have ever had at our two events before are definitely showing up. It is such a focus now of the whole industry."

Nonetheless, the newly combined Global Alts Miami will miss the 6,000-attendees predicted when the MFA and iConnections first revealed plans

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Conference... From Page 2

last June to merge their dueling conferences and move them from three hotels into one conveniently cavernous convention center. The plans include running a fleet of 175 hired cars to transport attendees from three primary hotels housing them this year – the Ritz-Carlton, South Beach, the Fontainebleau Miami Beach and the Eden Roc Miami Beach – with city traffic lights coordinated to ease that travel.

There had been some grumbling from past attendees about the impact of the merger. For instance, some regular iConnections attendees said they were concerned that moving the event to the convention center would be less convenient for conference-goers who want to bounce between their rooms, hotel facilities and meetings, which can number as many as 40 over three days. (A manager can have more meetings if they pay for more space and have more staff in attendance. As of Jan. 21, the firm with the most meetings scheduled for this year's conference had 70 meetings on tap.)

But the management of the iConnections conference, as it grew substantially over the years and expanded from the Fontainebleau to also occupy the adjacent Eden Roc, became especially difficult. The trek between various conference rooms in its two hotels, for example, was lengthy and led to missed or shortened cap-intro meetings. iConnections hired a staff of 50 just to help investors get to their next meetings.

With the move to the convention center, where every meeting will be under the same roof, Global Alts Miami was, as of Jan. 20, set to host 17,589 cap-intro meetings between managers and investors, with another 500 meetings being added daily. iConnections' event hosted 13,500 meetings last year. The MFA didn't track its manager-investor meetings.

The conference's first full day is scheduled to kick off with panel sessions on Jan. 28, with the cap-intro meetings beginning the next day.

Fund allocators attend the event for free. Managers who attend must subscribe to iConnections' year-round service, which costs $17,500 for a year and doesn't include the cost of attending the conference.

During the daytime, the Ritz-Carlton, Fontainebleau and Eden Roc hotels will be off-limits to anyone not attending the conference. Their doors will open to the public at around 5:30 p.m. to 6 p.m.

Global Alts is just one of several large hedge fund-focused events taking place later this month in the Miami area, not to mention the numerous smaller events sponsored by individual firms or groups of finance-industry players.

Other conferences scheduled include BattleFin Discovery Day Miami, taking place from Jan. 22 to Jan. 24, **Morgan Stanley's** annual hedge fund conference at the Breakers Palm Beach, which is scheduled from Jan. 27 to Jan. 29, the **Alternative Investment Management Association's** Private Credit Investor Forum 2025, which is scheduled for Jan. 27, and Uncorrelated Miami, which is scheduled from Jan. 27 to Jan. 29. ■

Prime Broker Realigns Staff, Adds Tech Vet

Clear Street this week shuffled the roles of key executives and hired a senior technology professional as the prime broker ushers in a new era amid a rapid expansion and the departure of two co-founders.

Co-founder **Sachin Kumar** announced in an internal memo last month that he would be relinquishing his role as chief technology officer early next month. His next step is not known, though he remains close to Clear Street as an advisor to the prime broker's board of directors.

Another co-founder, **Chris Pento,** the chief executive, announced publicly in September that he was stepping down at yearend 2024 to assume an executive and partner role at **White Bay,** the family office of **Uriel Cohen,** a third Clear Street co-founder and its chairman. Pento remains on Clear Street's board of directors.

Effective immediately, the firm promoted **Jonathan "Jon" Daplyn** from chief information officer to chief operating officer. The chief information officer post now becomes three chief technology officer roles across Clear Street's business divisions, all reporting to Daplyn.

Daplyn, who joined Clear Street in 2023, succeeds the former COO, **Andy Volz,** who takes on the newly created role of chief commercial officer to handle all duties directly related to clients.

In his new sales role, Volz leads commercial strategy to cultivate deeper client relationships. He also will spearhead efforts to identify new market opportunities. Volz will maintain his position as chief executive of Clear Street's regulated broker-dealer.

Daplyn, in his expanded role as COO, will report directly to president and CEO **Ed Tilly** and oversee the firm's global operations while leading the newly structured technology organization, comprising three new departmental CTOs. Tilly added the chief executive role to his president duties in September following the announcement of Pento's impending departure.

"These leadership changes optimally align our organization for collaboration across technology, engineering, operations and sales," Tilly said this week in a statement.

As part of this new structure, Clear Street welcomes a new hire to fill one of the three CTO roles: **Raja Bhatia,** a seasoned technology executive who specializes in financial markets and trading systems. At Clear Street, he is responsible for the technology related to active trading and risk-management functions.

Bhatia is working alongside two other CTOs, both of whom were promoted from within Clear Street: **Mike Mallahan** is now CTO for corporate and infrastructure engineering, and **Hari Godbole** is now CTO for institutional securities.

Bhatia most recently was chief technology officer at financial-technology company **Alpaca Markets.** His expertise spans building high-performance trading infrastructure including proprietary self-clearing platforms and algorithmic trading systems. Prior to

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Clear Street... From Page 3

Alpaca, he ran his own algorithmic crypto-trading operation across multiple exchanges and led engineering teams at technology company **Validere.**

The changes at New York-based Clear Street reflect swift growth. The firm's institutional client base and staff have both more than doubled over the last 24 months to 500 and 700, respectively.

The company also has enhanced its services, adding futures to its clearing offerings, as well as adding healthcare and biotechnology equity research. It additionally expanded its footprint, opening an office in London.

Founded in 2018, Clear Street is an independent, non-bank prime broker that describes itself as "on a mission to modernize the brokerage ecosystem." To that end, it has built a cloud-based clearing and custody system that it says is more advanced technologically than what is offered at large financial institutions.

Clear Street gained ground in **Hedge Fund Alert's** most recent ranking of prime brokers serving hedge funds. The company had 64 hedge fund clients in the first quarter of 2024, good for No. 21 on the annual list. The year before, it came in at No. 24, with 41 clients. The next ranking, based on an analysis of new Form ADV data, will be published in June.

Goldman Sachs, Morgan Stanley and **J.P. Morgan** topped the 2024 ranking by a wide margin, with **Bank of America** and **UBS** rounding out the top five. ■

Placement Agent: New Capital Still Sparse

The years-long capital-raising drought for small and midsize hedge fund firms isn't likely to ease in 2025, and managers once viewed as overly optimistic about the prospect of easy money have caught up to the grim reality.

Those were among the conclusions this month of placement agent **Oakpoint Advisors,** which annually gives investors a summary of the main trends and themes of the previous year and a look ahead to the new year.

While the fundraising trend has been obvious for several years to limited partners, internal marketing staff, capital-introduction groups and placement agents, Oakpoint wrote that it is seeing a more sensible shift in outlooks.

"Many of the [general partners] we met in prior years had unrealistic hopes and expectations," the placement agent noted. "That has changed, and there is a broad awareness across all GPs, small or large, start-up or established, that raising money is tougher than ever."

Among the other conclusions in the review, based on Oakpoint's interactions with a wide swath of limited partners:

- Regulatory and presidential administration changes should help make 2025 a good year for fundamental investors, both in public and private markets.
- Though large-platform hedge funds have done well, large private equity funds remain challenged.
- "Hit rates," the percentage of limited partners who invest out of the number of LPs who are contacted, are low and have been for some time.
- Asset totals at the largest hedge funds largely remained flat from 2023 to 2024, but that has typically been by choice, with a number of big firms either restricting new investment or returning billions of dollars to limited partners.
- The challenges of raising capital from institutional investors have driven many general partners to focus on individual investors.

Oakpoint, founded in 2009, sees a good year for fundamental investors thanks to regulatory and policy changes that might be "starker than any other presidential turnover."

"These changes, coupled with the implications of AI, tighter credit and a likely more M&A friendly regulators, will create the need to evaluate opportunities in real-time," Tampa-based Oakpoint wrote. "This should give fundamental investors across all asset classes a leg up on passive investors in 2025."

Oakpoint found that the capital-raising landscape has been particularly difficult for small to midsize firms. Though hedge fund assets under management increased by $148 billion industrywide last year, that was largely because of performance, Oakpoint wrote. It cited **Preqin** statistics that new hedge fund launches were at a 24-year low in 2024 and **Institutional Investor** statistics that private equity launches were down 47% in the first half of 2024.

"Most LPs that we speak with made significantly fewer investments in 2023/24 than their average, often reporting only having made 1 or 2 investments all year across all alternative asset classes," Oakpoint wrote. "This is partly the result of a maturing industry where turnover naturally slows. It is also due in part to the fact that the biggest managers continue to control an outsized portion of invested capital. However, the most important factor affecting the ability to raise capital is the lack of liquidity of many LPs."

While the biggest multi-strategy hedge funds make up nearly 10% of the $4 trillion-plus industry, large-cap private equity funds remain challenged.

"While there have been exceptions, many large sponsors fell well short of their capital-raising goals in the last two years, and it took longer than planned," Oakpoint wrote. "That is not surprising given they have returned so little capital recently, investors have less to recycle."

On a hopeful note, Oakpoint cited a **Bain & Co.** forecast that total capital to private markets from wealthy individuals would triple over the next decade.

"Platforms like **iCapital** have made significant progress in democratizing access to private investments, and private funds are doing their part to go after this capital by dedicating marketing resources, creating [regulated investment companies] and [business-development companies], and partnering with traditional retail platforms," Oakpoint noted. "This feels like a trend that has legs." ■

Borealis Strategic Capital Seed Investments

Reflects eight deals completed via two funds from 2019 to 2024

	PM/Founder	Strategy	Approx. Start of Trading	Date of Seed Investment	Cumulative Firm Return Since Seed Investment	Firm AUM on 11/30/24*
Vor Capital London	Brant Rubin	Equity: long/short	1H-2018	April 2019	149.6%	$1.4 billion
A6 Capital New York	Michael Fine	Debt: long/short	July 2020	Oct. 2020	Shut down early 2023	$109 million at yearend 2022
Two Seas Capital Rye, N.Y.	Sina Toussi	Event-driven	Feb. 2020	March 2021	124.3%	$998 million
Dellora Investments Greenwich, Conn.	Kevin Pyun	Equity: long/short	Sept. 2020	March 2022	35.5%	$96 million
Walnut Level Capital Denver	Charlie Antrim	Equity: long/short	Dec. 2019	July 2023	6.5%	$298 million
Manchester Global Mgmt. London	Drew Besser	Equity: long/short	April 2020	Jan. 2024	19.5%	$900 million
Ripple Effect Asset Mgmt. New York	Ravi Bellur	Cross-asset (energy)	Sept. 2024	Sept. 2024	6.6%	$163 million
Nine Left Capital New York	Josh Nemser	Event-driven	Jan. 2024	Oct. 2024	1.9%	$113 million

*A6 Capital AUM shortly before the firm began unwinding

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emerging managers at a time when established, low-volatility multi-strategy firms – along with star portfolio managers setting out on their own – are vacuuming up allocations. In addition, the universe of seeders that partner with hedge fund firms has grown appreciably smaller in recent years given a trend toward more illiquid strategies, including the booming private credit space, **Hedge Fund Alert** reported in October in a story accompanying the newsletter's annual listing of seeders.

From its first partnership in April 2019 through November 2024, Borealis deployed $553 million across eight hedge fund seed deals (see chart above). The roster includes three firms that have reached at least $900 million of assets: **Brant Rubin's** $1.4 billion **Vor Capital, Sina Toussi's** $998 million **Two Seas Capital** and **Drew Besser's** $900 million **Manchester Global Management.**

Borealis' picks also include **Dellora Investments, Walnut Level Capital, Ripple Effect Asset Management** and **Nine Left Capital.** Borealis, which along with **Stable** was among the most active hedge fund seeders last year, previously funded **A6 Capital,** a debt-focused firm that shut down in 2023 after three years of operation.

The eight seed investments were made through Borealis Strategic Capital Fund 1, which held its first close in February 2019, and Borealis Strategic Capital Fund 2, which had an initial close in February 2022.

The two funds delivered a composite net internal rate of return of 13.4% through November, nearly double the 7.2% gain of the HFRI Fund Weighted Composite Index, the benchmark highlighted by Borealis in its investor presentation.

Borealis generally invests $50 million to $100 million per manager, while getting a share of revenue as the emerging firm grows. Revenue shares typically last for eight to 12 years, though that term could be extended or reduced through negotiations.

Borealis expects a significant portion of anchor limited partners from Fund 1 and Fund 2 to re-up their commitments for the latest vehicle.

Borealis, headquartered in Chicago, is led by managing partner **Scott Schweighauser,** who started the firm with colleagues from former fund-of-funds shop **Aurora Investment.** Schweighauser's staff includes investment committee members **Patrick Sheedy, Daniel Harris, Chris Gorter** and **Joe Sullivan.** Rounding out the Borealis team is **Greg Ramenofsky,** the chief operating officer and chief compliance officer. ■

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minus-6.4%, compared with the 13.7% and 5.7% annualized returns of the S&P 500 and HFRI indexes.

Isomer was founded and led by **Mendel Hui,** who had previously worked at **Eric Mandelblatt's Soroban Partners** and at **Richard Perry's Perry Capital.**

The firm's early years were promising. Hui launched Isomer in mid-2016 and went on to produce gains of 30.7%, 14.8%, 13.1% and 26% from 2017 to 2020, leading to an annualized return of 20.9% over those first four full years.

That beat, by a significant margin, the 9% annualized gain of the HFRI index over that period, as well as the 16% rise of the S&P 500 on an annualized basis.

Isomer's assets have fluctuated in tandem with returns. While the firm's net assets are unknown, its gross assets, as reported in its annual Form ADV updates to the **SEC,** showed $279 million in January 2019 and $703 million in March 2021. They dropped just as quickly following Isomer's big loss in 2021. At yearend 2023, the firm was down to $270 million of gross assets.

Isomer ran a concentrated book of long/short equity positions in technology, media, telecommunications and consumer companies with market capitalizations of $1 billion or more.

The firm's staff was small, with just three employees in addition to Hui. They were founding partner and chief financial officer **Neal Bandyopadhyay,** previously of **Loch Cliff Advisors** and **Investcorp;** partner **John Boone,** formerly a senior analyst at **Schonfeld Strategic Advisors** and **Scopia Capital;** and senior analyst **Jake Frenkel,** a former **Minot Capital** analyst who joined Isomer just six months before its demise.

Meanwhile, a former Isomer senior analyst, **Peter Paskhaver,** is in the midst of forming his own firm, **Darwins River Capital. With Intelligence** reported this month that the new operation will invest long and short in consumer stocks and that the firm is launching with capital from **Morgan Stanley Investment Management.** Paskhaver worked at Isomer from 2018 to 2020, at which point he joined **AllianceBernstein** as a portfolio manager. ■

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additional staff. The Philadelphia firm could launch this year or in 2026.

Sectional is likely to be managed by Gandhi, as chief investment officer, and Davis, while Fabozzi will remain at his post at **Yale University** and provide research input. Gandhi, who has worked at **Airbnb** and **Microsoft,** is a fellow at **University of Pennsylvania's** Wharton School. Davis is an assistant professor of finance at **Indiana University's** Kelley School of Business, and Fabozzi is the research director at Yale's International Center for Finance.

The three wrote that they arrived at their findings by exploiting the concept that classic investment theory treats stocks as elastic, meaning that investors' stock-trading behavior, both long and short, rapidly changes as demand goes up and down. But the authors treated stocks in their research as inelastic, meaning that stock-buying behavior is not nearly as responsive to price as classic theory maintains.

Their approach involves the creation of "sectional factors" they derived from the analysis of trading flows of sets, or cross sections, of equity assets. By using a combination of these new factors, they believe their approach can substantially outperform classic factor-based investment strategies.

Their approach involves the creation of "sectional factors" they derived from the analysis of trading flows of sets, or cross sections, of equity assets. By using a combination of these new factors, they believe their approach can substantially outperform classic factor-based investment strategies that focus on areas such as market capitalization, price momentum and whether an equity is a value stock.

"A sectional factor is fundamentally a portfolio constructed to capture return patterns driven by demand inelasticity and market dynamics," the authors wrote. "Unlike traditional style factors that sort stocks on individual characteristics and aim to measure systematic risk, sectional factors recognize that these same characteristics drive systematic trading flows.

"When markets are inelastic, these flow patterns create persistent return opportunities – not from inefficiency, but from the basic economic function of providing absorption capacity in equilibrium."

In introducing this month's issue of the Journal of Portfolio Management, editor **Frank Fabozzi,** the father of Francesco Fabozzi, wrote that the three authors' "empirical evidence … highlights significant improvements over sparse traditional models. The approach by Davis, Fabozzi and Gandhi redefines factor investing and bridges theory and practice by offering a robust framework adaptable to modern financial markets. It underscores the potential of sectional factors to elevate systematic investment strategies." See SECTIONAL on Page 7

Sectional... From Page 6

Once they set on the idea of sectional factors, the trio set about creating them by analyzing hundreds of stock-trading characteristics with a broad-ranging machine-learning process and then produced new factor-of-factors. The research was conducted on the trading of more than 2,000 U.S. stocks from 1990 to 2022.

In addition to his fellowship at Wharton, Gandhi has a consulting role with Airbnb, where he has worked as a vice president and technical fellow. He also was a professor at Wharton from 2018 to 2022 and worked at Microsoft from 2016 to 2021. There, he was chief economist for Azure, Microsoft's cloud-computing service.

The Journal of Portfolio Management and another publication – **The Journal of Financial Data Science,** where Francesco Fabozzi is managing editor – are published by **With Intelligence,** the parent company of **Hedge Fund Alert.**

Cliff Asness, the managing principal and co-founder of **AQR Capital** – among the finance industry's largest investment firms focused on factor-based strategies – is on the ambassador board of The Journal of Portfolio Management. ■

LATEST LAUNCHES

Fund	Portfolio Managers	Strategy	Service Providers	Launch	Equity at Launch (MIL.)
Borealis Strategic Capital Fund 3 Domicile: U.S. and Cayman Islands (See Page 1)	Scott Schweighauser Borealis Strategic Capital, Chicago 312-897-3470 ir@borealisstratcap.com	Seed investments with early-stage hedge fund managers	Law firm: Sidley Austin Administrator: Citco Auditor: PricewaterhouseCoopers	July	<$400
Navis Investment Group Fund 1 Domicile: U.S. (See Page 2)	Rehan Balagamwala Navis Investment Group, Weston, Fla.	Volatility arbitrage		Jan. 1	
(Unidentified) Domicile: U.S. (See Page 1)	Amit Gandhi and Carter Davis Sectional Capital, Philadelphia isabel@sectional-capital.com	Equity: long/short (factor investing)		2025 or 2026	

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THE GRAPEVINE

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agement and spent time at **Marble Bar Asset Management, Cadian Capital, KKR** and **Goldman Sachs.** From 2016 to 2017, he ran his own firm, **Oarbis Capital.** Man Group managed $174.9 billion overall in September. Its hedge fund assets amounted to $78.1 billion in June.

Millennium Management has signed up a Singapore-based portfolio manager to focus on fundamental long/short equity investments. **Manish Gupta** joined the multi-strategy firm this month after three-plus years at **Polymer Capital,** where he was a managing director and portfolio manager. Gupta also was a PM at both **Tara Capital** and **Kotak Securities** in India and was an auto and consumer analyst at **BNP Paribas,** a researcher at **J.P. Morgan** and a software engineer at **Infosys.** Millennium, headquartered in New York, manages $72.3 billion.

Brad Berrol, who previously helped run an event-driven fund at **Kepos Capital,** this month started as a portfolio manager at **Verition Fund Management.** The move to the Greenwich, Conn., multi-strategy firm reunites him with PM **Michael Horgan,** who worked with Berrol at **Kepos** and at **Satellite Asset Management.** Verition, launched in 2008 by chief executive **Nicholas Maounis** and president **Josh Goldstein,** began this year with $11.6 billion under management and more than 400 investment professionals across seven offices.

An experienced power and natural gas trader has jumped to proprietary-trading giant **DRW. Can Sener** started this month as a portfolio manager in Houston for the 33-year-old firm. Sener previously spent 20 months at **Caerus Commodities,** where he was a senior PM and head of power trading for the eastern U.S. He also has worked at global commodities firm **Trafigura, Brookfield Asset Management** unit Brookfield Renewable, **Citadel** and **NRG Energy.** Chief executive **Don Wilson** founded DRW in 1992. The Chicago firm, a liquidity provider across multiple asset classes, has since expanded into real estate, venture capital, cryptocurrencies and investments aimed at reducing companies' carbon footprints.

Luqin Gan has signed on as a quantitative researcher at **Point72 Asset Management** unit **Cubist Systematic Strategies.** Gan, who's based in the Stamford, Conn., multi-strategy firm's New York office, started in December following 16 months in a similar role at market-maker and proprietary-trading firm **HAP Capital.** She joined HAP after earning a doctorate in statistics. Point72 managed $35.2 billion on July 1.

$35.2 Billion

Point72 AUM as of July 1, 2024

Linette Lopez has left her journalism career to head business development and communications at **ValueWorks,** the long-running value manager headed by **Charles Lemonides.** Lopez began marketing for ValueWorks this month. She previously worked at **Business Insider,** where she spent more than 13 years as a senior finance correspondent and editor. New York-based ValueWorks runs about $320 million, including $175 million in a commingled fund that has grown from $75 million at the end of 2020.

Deanna Belsky joined **Balyasny Asset Management's** San Francisco office in January as a senior equities analyst. Belsky most recently was an investment analyst at **Cormorant Asset Management,** which runs hedge funds and private equity vehicles. Her resume includes time logged at **Viking Global,** where she served as a therapeutics analyst, and **Dolby Family Ventures,** a venture capital firm that backs life-sciences, engineering and technology companies. Balyasny, led by **Dmitry Balyasny,** has more than $21 billion under management. The Chicago multi-strategy firm gained 13.6% in 2024, **Hedge Fund Alert** parent **With Intelligence** reported earlier this month.

Multi-strategy shop **Eisler Capital** has hired a quantitative researcher. **Shahin Khobahi** arrived in the London operation's San Francisco office in December. Khobahi most recently was head of artificial intelligence at radar-technology business **Zadar Labs,** where he worked for three years. He earlier obtained a Ph.D. in electrical and computer engineering. Eisler manages about $4 billion. ■