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Hedge Fund ALERT

JULY 12, 2017

Digital-Currency Craze Fuels Fund Launches

The number of hedge funds investing in digital currencies is exploding.

Law firm **Cole-Frieman & Mallon** has helped set up seven cryptocurrency funds so far this year and has 17 more in the pipeline. Accounting firm **Arthur Bell** is working with about 15 fund managers in the field and expects to take on 20 more in short order. Fund administrator **MG Stover & Co.** counts 12 client funds running digital-currency strategies and has agreements to service another 25.

Industry veterans liken the situation to the investment landscape during the internet-technology boom in the 1990s. "I've been in the hedge fund space since 1998, and I've never seen anything like it in volume of launches in a particular area," said Arthur Bell managing member **Corey McLaughlin.** "It's just crazy."

It's been only four years since **Pantera Capital** introduced the first cryptocurrency hedge fund available to U.S. investors — a vehicle that buys and holds

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Bain Alumnus Readies Industrial-Stock Fund

Former **Bain Capital** managing director **Anand More** is launching a hedge fund this month with about $100 million.

More is contributing roughly $20 million of his own money to the first fund to be started by his New York firm, **SAYA Management.**

SAYA Master Fund, slated to launch July 17, will invest around the globe in shares of industrial companies. It will make concentrated bets, holding 15-20 long stock positions and about the same number of short positions.

More set up SAYA Management in January, following his yearend departure from Bain. He joined the investment firm in 2001 and left in late 2016. He served in Bain's public-equities unit, formerly known as **Brookside Capital,** where he led investments in industrial stocks.

In February, **Ed Fasano** joined SAYA as chief operating officer, the same title he held at **Seawolf Capital** from 2011 to February of this year. Fasano also did stints

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Aon Set to Add Townsend to Advisory Practice

Aon is in advanced talks to buy real estate investment advisor **Townsend Group,** a move that would expand the scope of Aon's alternative-investment advisory business.

Townsend's parent, **Colony NorthStar,** received bids from a dozen potential suitors, but is now close to finalizing a deal with Aon, a source said. **Morgan Stanley** is advising Colony.

Aon, headquartered in London, presumably would fold Townsend in to its investment-consulting business, Aon Hewitt Investment, which advises institutional clients on alternative investments including hedge funds. Townsend would significantly enhance Aon Hewitt's capabilities in the real estate field.

The deal would mark the latest step in Aon's evolution from insurance broker to global consulting firm advising companies and institutions on a range of issues including employee benefits and investment management. Aon's emergence as an

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THE GRAPEVINE

A portfolio manager has moved from **Folger Hill Asset Management** to **Man GLG,** a unit of hedge fund giant **Man Group.** **Ryan Novak** arrived in the London multi-strategy operation's New York office this month. He had joined the equity-focused Folger Hill in July 2016, and before that spent time at **Citadel, Pilot Advisors, Citigroup** and **Credit Suisse.** Man Group had $88.7 billion under management on March 31. Man GLG accounted for $28.8 billion of the total.

Long-only bond investor **Radcliffe Capital** has hired a head trader. **Matt Haraburda** arrived at the Bala Cynwyd, Pa., firm in June from **Morgan Stanley's** high-yield bond trading desk, where he had been employed since 2013. His duties there included co-managing $300 million of proprietary investments and making markets for clients, including hedge fund managers. Radcliffe is led by chief investment officer **Steven Katznelson** and research head **Christopher Hinkel.** It was

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Sarissa Adds Prominent Stock Picker

Sarissa Capital has picked up a high-profile pharmaceutical-company analyst.

Simos Simeonidis arrived at the Greenwich, Conn., operation in June from **RBC,** where he had been employed since 2014 as a managing director. He now holds the title of senior analyst.

Sarissa, led by former **Icahn Enterprises** executive **Alex Denner,** takes an activist approach to investing in healthcare businesses.

Simeonidis has drawn a large following for his drug-company coverage. In March, for example, he cut his price target for **Epizyme** to $19 from $26 — below all other Wall Street analysts — while maintaining an outperform rating on the company. In doing so, he cited uncertainty surrounding the effectiveness of the cancer drug Tazemetostat and the departure of head scientist **Bob Copeland.** Epizyme's shares were trading around $17 at the time, and since have fallen to about $14.50.

A report that Simeonidis wrote the same month gained attention for his outlook on **PTC Therapeutics.** With the company planning to launch the muscular dystrophy drug Emflaza at a yearly price of $35,000, instead of a previously forecast $89,000, he expressed skepticism that the new cost would be low enough when generic versions are available in other countries for far less. "The question is how low is low enough, especially when patients (and now politicians, given all the noise) know that the drug is available overseas for $1,000/year?" he wrote.

Before joining RBC, Simeonidis worked at **Cowen & Co., Rodman & Renshaw, First Albany Capital, Morgan Stanley, Novartis** and **Harvard University.**

Denner started Sarissa in 2013. The firm was managing $569 million of gross assets at yearend 2016. ❖

Fund-of-Funds Shop Alleges Theft

An investor lawsuit accusing the owners of a defunct distressed-debt operation of theft is set for trial next month.

The plaintiffs — fund-of-funds manager **Fundamental Capital** and an entity called **Shekels Group Investments** — allege three former partners of **California Ethical Real Estate Funding** pocketed nearly $1 million the investors claim they were owed as the firm liquidated its fund in 2015. They're seeking triple damages. A jury trial is scheduled to begin Aug. 14 before **Los Angeles County Superior Court Judge Michael Johnson.**

In 2010, Fundamental and Shekels parked a total of $3 million in a fund managed by California Ethical Real Estate, a Pasadena, Calif., firm that invested in distressed residential mortgages. The fund, CEREF Partners 1 Series B, managed about $20 million at its peak. Fundamental, a Pasadena firm with about $80 million under management, invested via a multi-manager vehicle called Fundamental Credit Recovery Fund.

In exchange for their relatively large commitments, Fundamental and Shekels negotiated a deal with California Ethical Real Estate under which they received preferential terms — namely, a 12% preferred return. What's more, the general partner agreed to make Fundamental and Shekels whole should the fund's profits fall short of 12%, according to the complaint. The suit, filed in September 2016, names **Guy Johnson**, **Ron McMahan** and **Stuart Shelly,** all members of the general partnership.

As it turned out, the fund lost money for investors. When it exited positions, the proceeds were distributed among all the limited partners, the lawsuit claims, thus depriving Fundamental and Shekels of their preferred return.

In 2014, the two investors filed a complaint with an arbitration panel and won. The following year, a state court judge upheld the finding and ordered California Ethical Real Estate to pay Fundamental and Shekels a total of $993,000 as the fund was exiting its final positions.

By July 2015, the fund was down to a single asset — a defaulted mortgage with a principal balance of $900,000. According to a deposition by California Ethical Real Estate's former president, **Ron Brandenburg,** the firm reclassified its partners as "creditor LPs" and distributed the proceeds of a foreclosure sale to them. Brandenburg further testified that he and another executive quit the firm rather than participate in the scheme.

Johnson, McMahan and Shelly deny the plaintiffs' allegations. Los Angeles lawyer **James Goldman,** who represents McMahan and the general partnership, said the contract between California Ethical Real Estate and the two investors was poorly worded. The firm's principals, he added, invested in the fund as limited partners, and thus aren't personally obligated to Fundamental and Shekels.

"You can't turn a breach-of-contract claim into a theft claim," he said. ❖

Edgewood-Backed Shop On the Rise

Long-only investor **Spyglass Capital** has hit its stride.

The San Francisco firm's Spyglass Fund gained 36.3% in the first half of 2017. The vehicle, which launched in October 2015, got off to a good start, gaining 4.8% in its first three months of trading. But it lost 15.4% last year.

Spyglass runs $14 million. It is led by former **Edgewood Management** managing director **Jim Robillard,** with backing from Edgewood.

Spyglass maintains a concentrated portfolio of 25-30 positions in companies with market capitalizations generally between $2 billion and $12 billion, with a focus on growing "best-in-breed" businesses that it considers undervalued. The firm often jumps in during times of volatility, maintaining a long-term view. Its largest bets include shares of **Nutanix, Pacira Pharmaceuticals** and **Tesla.**

Robillard joined Edgewood as a senior researcher in 2004, and eventually rose to become part of the firm's portfolio-management team before it offered him the chance to start Spyglass.

The $18.2 billion Edgewood holds an equity stake in Spyglass, while its partners are among Spyglass Fund's investors. ❖

Pressures Mount for 'Intermediaries'

A survey of fund-of-funds managers, pension advisors and other "intermediaries" found nearly 75% are exploring new products and services amid increasing pressure on their core businesses.

"Firms that used to have a single business line may now offer a [fund-of-funds] vehicle, an [outsourced chief investment officer] business, various advisory businesses, UCITS, private credit or . . . bespoke mandates," **Jefferies'** capital-introduction team wrote in a report being distributed to clients this month.

The paper, "Emerging Trends in the Hedge Fund Intermediary Landscape," suggests a contraction of the multi-manager sector that began during the 2007-2008 financial crisis has accelerated to the point where many operators are now shunning the "fund-of-funds" label. "We were a fund of funds until a few years ago," one manager told Jefferies.

The findings are based on a survey of more than 50 multi-manager businesses overseeing a combined $700 billion of hedge fund assets, either on a discretionary or advisory basis. Among firms that remain committed to the fund-of-funds model, Jefferies found the focus is shifting away from their traditional role providing access to blue-chip hedge fund managers toward finding "diamonds in the rough" among newer and smaller fund operators.

"The majority of firms report having revisited their own parameters for allocation in the last 12 months — whether decreasing the floor [for assets under management], length of auditable track record or type of strategy," the report says. "In order to be relevant, intermediaries need to cover a broader scope of potential managers."

Jefferies noted that the HFRI Fund of Funds Composite Index has gained less than 4% annually since 2014 — and was essentially flat the past two years. Total assets in multi-manager vehicles remain well below their 2007 peak. And while the universe of single-manager funds contracted by 2.5% last year, the number of funds of funds dropped 6.6%.

Non-discretionary advisors, meanwhile, are under increasing pressure to consolidate. "Advisory businesses require a certain level of scale to compensate for the thinner-margin business," the report says. "This creates challenges for more boutique advisory firms who may not be able to offer lower fixed-fee term schedules." ❖

Mayo-Backed Startup Seeks Seed Deal

A growth-stock specialist who launched a fund earlier this year with capital from **GMO** co-founder **Dick Mayo** is in talks with potential backers about a seed investment.

Jake DuBois' Blue Hawk Investment Group currently runs about $2.5 million via a highly concentrated vehicle that was up 11.3% during its first six months of trading, with an enviable Sharpe ratio of 4.9. He now aims to parlay his early performance into a seed-capital deal, with the aim of boosting the Arlington, Va., firm's assets to $20 million in the next 12-18 months.

A source said DuBois has had discussions with several investors about helping Blue Hawk meet that goal, in exchange for a revenue-sharing agreement or an equity stake in the business.

After spending six years at **T. Rowe Price,** DuBois graduated last year from the **University of Virginia's Darden School of Business,** where Mayo is a prominent alumnus. While in school, DuBois served as president and chief executive of Darden School Management, a student-run operation that invested $11 million on behalf of the business school.

DuBois bills his Blue Hawk Fundamental Growth Fund as a "best ideas" vehicle that maintains a small number of high-conviction positions in mid- and large-cap companies, mostly in the U.S. It doesn't use leverage.

Blue Hawk charges a 1.25% management fee and 15% performance fee. Until the fund reaches $10 million, the manager is offering a founders share class to limited partners who contribute at least $1 million and agree to a three-year lockup. The founders class carries a 1% management fee.

In addition to anchoring the Blue Hawk fund, Mayo serves as an advisor to the firm. He founded Boston-based GMO in 1977 with partners **Jeremy Grantham** and **Eyk Van Otterloo.** ❖

Robot Traders Beating the Market

Artificial-intelligence programs run by **Autodidact I** and **Trade Ideas** are again routing their human hedge fund counterparts.

Autodidact's Tech Trader Fund gained 11.9% on a net basis during the Jan.1-June 30 period, following a 15.3% rise in 2016. Trade Ideas' Holly was up 22% during the first half, building on a 52% profit last year.

The results compare favorably to **Hedge Fund Research's** HFRI Asset Weighted Composite Index, which gained 2.4% during the first half and 2.8% in 2016. They also topped the S&P 500 Index's midyear showing of 8.2%, along with the benchmark's 11.9% rise last year.

San Francisco-based Autodidact runs $20 million through Tech Trader. The vehicle, designed by founders **William Mok, Stefen Choy** and **Christy Ai,** operates on a fully autonomous basis — simultaneously trading thousands of stocks while employing what the firm calls a "human" approach that differentiates it from quantitative products.

Holly's returns, by contrast, are based on a simulated portfolio. San Diego-based Trade Ideas is positioning the program as a virtual equity analyst that hedge fund operators can use to expand their strategies or supplement the work of their human traders.

Holly's machine-learning technology sifts through market data at the end of each trading day to craft strategies that can be executed the following day. Commodity shop **Sunrise Capital** began trying out the program early this year, although there's no word on whether the phase-in is complete. Two undisclosed fund shops also are evaluating the product.

Trade Ideas was founded by chief executive **Daniel Mirkin,** technology head **Philip Smolen** and chief strategist **David Aferiat.** It is best known as a research shop, with a client base encompassing some 8,000 hedge fund managers, financial advisors and day traders. ❖

Loomis Sayles Preps Mortgage Vehicle

Loomis, Sayles & Co. is forming a fund to invest in nonperforming home loans.

The Boston firm has set out to raise an initial $1 billion that it would use to buy pools of the accounts. It's unclear if the portfolio will be structured as a hedge fund, mutual fund or some other type of vehicle.

Loomis could securitize the loans down the road, potentially after rehabilitating them. "They are looking to be a big player in the [nonperforming loan] space," a source told sister publication **Asset-Backed Alert.**

Spearheading the effort is vice president **Dmitri Rabin,** the lead strategist for Loomis' mortgage-bond investments. Rabin also manages several securitized-product portfolios.

The effort comes amid a decreasing supply of nonperforming mortgages, with inventories declining among sellers including **Fannie Mae, Freddie Mac** and numerous banks.

Loomis had $250 billion under management on March 31, mostly in mutual funds and separate accounts for institutional investors. Its alternative-investment offerings include a handful of long/short equity and credit-focused hedge funds. ❖

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bitcoin. And only six months ago, there still were only a handful of such funds.

But a dramatic increase in the value of bitcoin, coupled with a proliferation of new digital currencies, has given rise to what some industry pros describe as a "gold-rush" mentality. Some of the new entrants are simply placing long bets on bitcoin, whose value tripled during the first six months of the year before pulling back. Others are devising hedge fund-like strategies, such as capturing the arbitrage among various currencies.

Take **BlockTower Capital,** a Chicago startup founded by former **Goldman Sachs** executive **Matthew Goetz** and **Ari Paul,** previously a portfolio manager for the **University of Chicago's** endowment. They aim to begin trading in the next few weeks with perhaps $100 million, which they'll deploy via a diversified portfolio of liquid assets. Though there are few opportunities at present to short digital currencies, Goetz and Paul have been talking to other market participants about developing derivatives contracts.

"It's a wildly inefficient market where alpha potential is abundant — more than anything we've seen in our careers," said Goetz, who previously worked in business development at Goldman Sachs Asset Management. "We think it's a rare opportunity for investors. It's not often there's a new capital market being born in front of you."

Bitcoin continues to dominate the market, accounting for about half of the $81 billion market cap for digital currencies as a whole, according to **CoinMarketCap.** But rival currencies such as Ethereum are gaining ground. More than 800 cryptocurrencies are in some stage of development, with new ones coming online every day.

Though bitcoin and other currencies have been extremely volatile, the opportunity is proving irresistible for increasing numbers of existing and would-be fund managers. Some service providers say they've been fielding multiple phone calls per day from currency traders aiming to launch hedge funds.

"This is the first time I can remember where we have had a hard time keeping up with the sales calls," said MG Stover founder **Matt Stover.** One call, he said, was from an investor looking to launch a cryptocurrency-focused fund of funds.

Hedge fund lawyer **Karl Cole-Frieman** said his San Francisco firm has been able to pick up a lot of fund-formation business in part because most law firms have looked askance at cryptocurrencies. The same is true of many auditors and other service providers. Their skepticism, he added, is misplaced.

"I've been really surprised at the institutional quality of the client base for some of these funds," Cole-Frieman said. "I wasn't expecting so many institutional players to be interested in the asset class."

Attitudes about digital currencies seem to be rapidly changing across Wall Street. In May, **Fidelity Investments** chief executive **Abigail Johnson** surprised market watchers with a speech in which she revealed the firm had begun working with bitcoin. "I love this stuff," she said.

Whether large, established hedge fund managers gravitate to the digital-currency market remains to be seen. **Fortress Investment** is among the few blue-chip fund operators known to have a stake in the market, via a minority interest in Pantera.

Neal Berger, founder of multi-manager shop **Eagle's View Capital,** said he personally has invested a small amount of money in bitcoin. But he said digital currencies are far too volatile for his client capital.

"I think the majority of these cryptocurrency [funds] are trying to ride the opportunity du jour," Berger said. "It's an access point for people who can't buy it themselves or don't want to learn how to do it."

Arthur Bell, Cole-Frieman & Mallon and MG Stover are among the sponsors of a planned cryptocurrency conference scheduled for Sept. 14 in San Francisco. The one-day event, billed as the "CoinAlts Fund Symposium," is the first such conference aimed at hedge fund managers. ❖

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at **FrontPoint Partners, DKR Capital** and **Citadel.**

Jay Coyle, SAYA's trader, had been on the sidelines for two years after serving as chief operating officer of the now-defunct **Tiger Consumer** from 2012 to 2015. Coyle also ran the trading desk at FrontPoint.

Rounding out SAYA's staff are two analysts: **Patrick Murray,** who most recently worked as an analyst at **Taconic Capital;** and **Cameron Friscia,** previously a research associate at **Coatue Management.** ❖

Hefty Launch for Maverick Alum

A former **Maverick Capital** analyst has launched his own hedge fund.

Working through his newly formed **Hewes Fund Management, Travis Meyer** started trading his Hewes Fund this month with $114 million.

There's no word on who is backing Hewes. The Dallas firm's investment strategy is unclear, although it trades across the capital structure.

Meyer mainly covered financial-company stocks at Maverick, along with some credit products. He joined the Dallas shop in 2008 and left at the end of last year.

Hewes' senior management also includes chief financial officer **Christopher Skoog.** He had been employed since March 2016 at **Blue River Partners,** a Dallas firm that handles operational functions for hedge fund operators. Also on board is analyst **Alex Hayden,** formerly of **Credit Suisse.**

Maverick, led by **Lee Ainslie,** was running $15.9 billion of gross assets at yearend 2016. ❖

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alternative-investment advisor stems from its 2010 acquisition of benefits consultant **Hewitt,** which at the time was absorbing **Ennis Knupp & Associates,** a Chicago investment-advisory giant.

Aon Hewitt Investment, based in Lincolnshire, Ill., advises clients on $4.1 trillion of non-discretionary assets globally, while also managing about $100 billion on a discretionary basis.

Townsend manages $14.5 billion of real estate equity and debt investments, mostly through multi-manager vehicles. Its non-discretionary advisory business encompasses $176 billion of real estate assets held by pensions, endowments and foundations. Townsend is believed to have the largest institutional-investment practice among real estate consultants.

The Cleveland firm also is looking to dip its toe in the retail market via a new investment operation called Townsend Group Advisors that plans to launch an SEC-registered fund.

Townsend has experienced ownership turnover in the past few years. In 2011, the firm sold a majority stake to **Aligned Asset Managers,** a now-defunct operation that invested in the general partnerships of alternative-investment firms with backing from private equity shop **GTCR.** Aligned and GTCR exited the position in 2015, when NorthStar Asset Management bought an 85% stake in Townsend for $380 million.

But after NorthStar merged this year with Colony Capital to form Colony NorthStar, the publicly traded entity quickly moved to sell Townsend. The remaining 15% interest in Townsend is held by its management group, and it's unclear whether that stake would be included in a trade.

Townsend is led by chief executive **Terry Ahern.** He co-founded the firm in 1983 with **Kevin Lynch,** who died in February. ❖

CALENDAR

Main Events

Dates	Event	Location	Organizer	Information
Sept. 7-8	Total Alts 2017	San Francisco	IMN	www.imn.org
Sept. 12	Delivering Alpha 2017	New York	Institutional Investor	www.deliveringalpha.com
Sept. 17-19	Context Summits West 2017	Dana Point, Calif.	Context Summits	www.contextsummits.com
Sept. 25-26	Markets & Financial Industry Global Summit (MFIGS)	New York	MFIGS	www.mfigs.com
Oct. 19-20	Robin Hood Investors Conference 2017	New York	Robin Hood Foundation	www.robinhood.org
Nov. 2-3	Gaining the Edge: 2017 Hedge Fund Investor Summit	New York	Agecroft Partners	www.apgainingtheedge.com

Events in US

Dates	Event	Location	Organizer	Information
July 17	Private Wealth Pacific Northwest Forum	Seattle	Markets Group	www.marketsgroup.org
July 19	Raising Early-State Capital & SEC Compliance	New York	Peltz International	www.peltzinternational.com
July 20	Town Hall Style Meeting	New York	NYHFR	www.nyhfr.org
July 24-26	Family Office & Private Wealth Mgmt. Forum 2017	Newport, R.I.	Opal Financial	www.opalgroup.net
July 25	Private Wealth Central States Forum	Nashville	Markets Group	www.marketsgroup.org
July 25-26	Private Investment Fund Operations & Compliance Forum	San Francisco	FRA	www.frallc.com
July 26-27	Preparing for a Hedge Fund Operational Due Diligence	New York	IMDDA	www.imdda.org
Aug. 2	From Trader to Whistleblower	New York	N.Y. H.F. Roundtable	www.nyhfr.org
Aug. 15	Private Wealth Midwest Forum	Chicago	Markets Group	www.marketsgroup.org
Aug. 19	Impact Ohio Conference	Cincinnati	CoNimby Foundation	www.conimby.org
Sept. 7-8	IC3-Institutional Capital & Cannabis Conference	Chicago	IMN & MedMen	www.imn.org

To view the complete conference calendar, visit The Marketplace section of HFAlert.com

LATEST LAUNCHES

Fund	Portfolio managers, Management company	Strategy	Service providers	Launch	Equity at Launch (Mil.)
Hewes Fund Domicile: U.S. & Cayman Islands ✒See Page 6	Travis Meyer Hewes Fund Management, Dallas 214-647-6401	Debt and equity	Prime brokers: J.P. Morgan, Morgan Stanley Auditor: KPMG Administrator: Morgan Stanley Fund Services	July	$114
SAYA Master Fund Domicile: U.S. & Cayman Islands ✒See Page 1	Anand More SAYA Management, New York efasano@sayacap.com	Equity: concentrated, long/short industrials	Prime brokers: Morgan Stanley, Goldman Sachs Law firms: Seward & Kissel (U.S.) and Ogier (offshore) Auditor: KPMG Administrator: HedgeServ	July 17	$100

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managing $2.4 billion of gross assets at yearend 2016.

Head recruiter **Stacey Gurney** left **Millennium Management** in June. Her plans are unknown. Gurney had joined the New York multi-strategy shop in 2011 from **J.P. Morgan's** in-house recruiting team, following stops at **Morgan Stanley, UBS** and **Macy's.** Millennium is led by **Israel Englander.** It was managing $34.3 billion on July 1.

Separately, **Millennium Management** unit **WorldQuant** has brought another portfolio manager under the umbrella of its so-called accelerator unit, which offers support to quantitative investment professionals while allowing them to operate quasi-independently. **Jared Dubin** arrived at the Old Greenwich, Conn., operation's New York office this month from the top systematic research post at **LMR Partners,** where he had been employed since 2014. Dubin worked at **SAC Capital** before that, preceded by a stint at WorldQuant. WorldQuant's accelerator division encompasses 15 teams, and is aiming to double that number in the next two years. WorldQuant is led by **Igor Tulchinsky.**

Susan Soh has left her post as head of marketing and client services at **Perella Weinberg Partners.** Soh began phasing out of her job at yearend 2016 and finalized the process at the end of June. She had arrived in 2007, following stops at **Highbridge Capital, Lightyear Capital, Bear Stearns** and **Cravath Swaine.** New York-based Perella manages $13.6 billion through a mix of alternative and traditional investment vehicles.

A former **Magnetar Capital** analyst has landed at **Highline Capital. Jigar Choksey's** tenure at Magnetar ended in May, amid the firm's pullback from event-driven credit-product investments. He started at the equity-focused Highline in June, with a focus on healthcare companies. Choskey joined Magnetar in 2014 from **Evercore Partners.** Highline trades mid- and large-cap U.S. stocks. The firm, led by **Jacob Doft,** had $3.3 billion under management at yearend 2016.

Millennium Management has hired a researcher. **Zachary Cressman** arrived last month from **Steve Cohen's Point72 Asset Management,** where he had worked since 2014. Cressman also has worked at **BMO Capital.**

Citadel equity-trading unit **Surveyor Capital** has picked up a staffer from **MSD Capital. Natalia Hoffman** arrived in Surveyor's New York office in June as a senior associate. Hoffman had been employed since August 2015 as an analyst at MSD, the family office of **Michael Dell.** She also has worked at **Morgan Stanley.** Chicago-based Citadel is led by **Ken Griffin.** It has $27 billion under management.

Balyasny Asset Management has hired a head of finance for its fixed-income division. The recruit, **Brian Boots,** arrived in the Chicago firm's New York office in June. He had been employed at **Pine River Capital** since 2011, and before that was at **Citadel.** Balyasny is led by founder **Dmitry Balyasny.** It was managing $12.7 billion on March 1.

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