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3

Tourbillon Shuts Subscription Window

Having boosted its assets to a targeted \$4 billion, **Tourbillon Capital** has again stopped accepting new investors.

The move wraps up an effort that began in mid-2015, when the New York equity shop was running \$3 billion. Now, the plan is to take contributions only to replace capital lost through redemptions, according to a letter that founder **Jason Karp** sent to limited partners last month.

A key component of Tourbillon's growth effort entailed the November re-opening of its Tourbillon Global Equities Fund to new investors. That vehicle had \$2.7 billion under management at the time, and since has grown to some \$3.5 billion.

There never was much doubt the fund would prove attractive to investors, even with longer-term lockup provisions for newcomers. That's because it finished 2015 with an annualized return of 15.9% since its inception at the beginning of 2013, including an 11% net gain last year.

Meanwhile, Tourbillon has reached the \$500 million equity target for a vehicle called Tourbillon Global Long Alpha Fund that offers a long-biased twist on the long/short Tourbillon Global Equities Fund. That entity launched in July with \$300 million. It is Tourbillon's only other fund.

Tourbillon's expansion reflects a desire to exploit opportunities brought on by stock-market volatility and increased dispersion in share prices. The firm bills itself as a generalist stock picker that moves in and out of sectors as conditions change, but it tends to favor technology, media and telecommunications companies, along with consumer and healthcare businesses.

Meanwhile, Tourbillon has hired two staffers since the beginning of this year. **Sunjay Mishra**, most recently of **Southpoint Capital**, signed on as head of research. **David Munno**, formerly with **Sphera Funds Management**, now leads the firm's healthcare-stock investments. Both earlier worked with Karp at the former **SAC Capital**.

Karp was co-chief investment officer at **Carlson Capital** immediately before starting Tourbillon. He previously was a portfolio manager at SAC, now called **Point72 Asset Management**, and **George Weiss Associates**. ❖

QuantZ Adds Leverage to Its Lineup

QuantZ Capital is offering a more-leveraged version of its market-neutral equity fund, which hasn't had a down year since launching in 2011.

At the request of a Swiss fund-of-funds manager, the New York firm created a new share class for its QuantZ Quark EMN Fund that employs 1.5 times the leverage of the original version. To make room for the new component, QuantZ restructured the fund as a Cayman Islands-domiciled vehicle with a master-feeder structure. It previously was available only in a U.S.-domiciled format.

The original share class of the Quark fund runs with gross exposure of about 300%. It was up 12.3% last year and 6.5%

in 2014, outperforming **Hedge Fund Research's** Equity Market Neutral Index — which gained 4.3% last year and 3.1% the year before.

Had it been available all along, the more-leveraged share class would have produced returns of 19.1% last year, 9.7% in 2014, 6.3% in 2013, 4.7% in 2012 and 21.1% in 2011. It was down 1.4% in January.

The Swiss investor also pressed QuantZ to change its service providers. It is now using **Morgan Stanley** for prime brokerage, instead of **Bank of America** and **Societe Generale**. Its new fund administrator, **SS&C GlobeOp**, replaced **Apex Fund Services**.

QuantZ is led by **Milind Sharma**, a veteran quantitative trader who has worked at **Royal Bank of Canada**, **Deutsche Bank** and **Merrill Lynch**. The firm also offers a vehicle called QuantZ Quasar ELS Fund, which has more exposure to the stock market than the flagship fund. Quasar was up 10.5% last year, 8.3% in 2014, 30.4% in 2013, 16.8% in 2012 and 14.3% in 2011.

The New York firm, whose assets are less than \$100 million, soon plans to hire its first dedicated marketing professional. ❖

QVT Alums Looking for Investors

Two former **QVT Financial** executives are set to begin trading this month via their own shop.

The New York firm, **Gilead Capital**, is led by former QVT partner **Jeffrey Strong** and **Justin Kane**, who worked as an analyst under QVT founder **Dan Gold**. Also on board as a partner at Gilead is **Anatoly Bykhovsky**, a chess grandmaster who has served internships at **Cerberus Capital** and **Seneca Capital**.

Gilead's strategy encompasses debt and equity investments in small- and mid-cap companies in North America and Europe, with an eye toward working cooperatively with management to improve the values of the businesses. The plan is to maintain a fairly concentrated portfolio of long-term positions.

Strong has served on a number of corporate boards, including those of **Treveria** and **TPC Group**. He joined New York-based QVT in 2005 and, at least for a time, focused on special-situations investments. He previously worked at **Shenkman Capital**.

Gilead initially plans to manage client money in separate accounts. It's unclear when, or if, it will launch a commingled fund.

Gold founded QVT in 2004 following a profitable run as a proprietary trader at **Deutsche Bank**. The multi-strategy fund shop, known for its quantitative approach, runs about \$3 billion. ❖

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