



Emerging Hedge Fund Managers Expect to Post Double-Digit Returns in 2012, Also Optimistic About Raising Assets, Says GAIM USA Survey

GAIM USA Annual Survey of Emerging Hedge Fund Managers Finds 40% Hope to Raise \$50 Million or More in New Capital

New York, N.Y.—December 13, 2011—Emerging managers expect their hedge funds to achieve gains of 10% or more in 2012, according to the GAIM USA Survey of Emerging Hedge Fund Managers. The survey of 90 emerging managers (defined as having \$250 million or less in assets under management) found that 61% of the managers expect their portfolios to earn more than 10%, net of fees, while 31% of them expect to earn 15% or more.

GAIM USA, one of the world's leading organizers of alternative investment conferences, also found that while emerging managers overwhelmingly (81%) cited "raising assets" as their biggest challenge, 40% of said that they expect to raise more than \$50 million in new capital in 2012. If successful, that would mean a doubling of assets under management for the smallest funds in the survey, and a 20% increase for the largest ones. The task of raising those assets will fall heavily on marketers outsourced by the emerging managers. When asked which activities they were looking for external partners or vendors, 41% listed marketing, followed by prime brokerage (37%) and compliance (30%).

"The survey tells us that emerging managers are almost by definition brimming with self-confidence" said Amanda Rodrigues-Cheung, GAIM USA Event Director. "Obviously, they have to think that they can outperform the markets, or they would not launch their funds."

GAIM USA conducted its survey of emerging managers in early December 2011 in advance of the GAIM USA Hedge Fund Conference in Boca Raton in January 2012. Full results will be released at the conference. The survey was conducted to take the pulse of this subset of the hedge fund industry which, on the one hand, has found it difficult since 2008 to raise capital and, on the other hand, is receiving increased attention from investors who think smaller, more nimble funds are more likely to outperform their larger peers.

The 2012 GAIM USA program offers emerging managers several platforms to help them grow and expand their business. The Quickfire Showcase, Alpha Platform and GAIM CONNECT, which goes live online one month before the event, each present a tailored opportunity to describe smaller funds' investment strategies and put them on the radar of potential investors. Plus, GAIM MATCH will actually set up meetings for emerging managers with investors who have expressed a desire to meet with smaller funds.

This year, key sessions will be dedicated specifically to the opportunities and challenges of investing in smaller and emerging managers and feature top investors. Representatives of LARCH LANE ADVISORS, JP MORGAN, UBP ASSET MANAGEMENT and FUND EVALUATION GROUP will participate in the panel entitled "Managing the investment selection and business risk of allocating to smaller managers." GUGGENHEIM PARTNERS, AKSIA, CAMBRIDGE ASSOCIATES, GOLDMAN SACHS ALTERNATIVE INVESTMENTS panelists will discuss "The new paradigm for operational due diligence" and "Meet the Seeders & Providers of First Capital" will feature no fewer than five seeders discussing the best ways to get on their radar screens and the types of opportunities on which they are currently focused.

ABOUT GAIM (Global Alternative Investment Management)

GAIM is one of the world's most powerful brands in the investment conference business. With events in the US, Europe and Asia, GAIM has gained global renown in the alternative investment industry for its success in bringing together leading experts in finance, geopolitics, investing, and economics for a timely exchange of ideas and valuable insights about investment management. Participants, including some of the most recognizable names in the hedge fund industry have unusual access to panelists and an unsurpassed opportunity to make new relationships and strengthen existing networks. GAIM is a brand of Informa PLC.

###

MEDIA CONTACTS:

Mitch Ackles
Hedge Fund PR
(305) 444-9868
Mitch@HedgeFundPR.net

Will Thompson
Hedge Fund PR
(267) 221-6056
Will@HedgeFundPR.net

SPONSORSHIP:

Kim Griffiths
IIR USA
(646) 616-7638
KGriffiths@IIRUSA.com