

Hedge funds set to surge

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MANAMA: The majority of investors in the Middle East expect to increase or maintain their existing allocations to hedge funds this year in comparison to an expected decrease last year.

That is the key conclusion of a major survey of investors carried out by Capintro Partners, an investment research and placement specialist, carried out across the GCC, Jordan and Lebanon.

Respondents said they wanted to improve liquidity terms compared to the previous year and expect that emerging markets, Asia and the US to outperform.

"We are pleased to release the results of our second Middle East Hedge Fund Investor Survey 2010," said Capintro chief executive officer Mahmoud Al Khawaja.

"The survey provides our investors and fund managers with insight into the changing behavioural trends of investors in response to the global financial crisis."

The Survey has uncovered several unique findings concerning investor behaviour. Most notably, investors are looking to increase their allocations to hedge funds this year in comparison to last year where they were reducing them.

The questions in the survey have been adapted to reflect the environment investors are in and the experiences they have had with their respective fund managers.

"Capintro has successfully built upon the 2009 survey and has produced an excellent source of information for both investors and fund managers," added Frontier Capital Management chief executive officer Michael Azlen.

"We now use the Capintro survey as an extremely important guide for all our activities in the MENA region."

Capintro will continue to publish and improve this research annually in order to better serve its investors as well as global fund managers.