

European News

Park Place Hires Equity Pro

London-based hedge fund firm Park Place Capital has hired Erik Fruytier as senior associate portfolio manager for its two European long/short funds. Fruytier said he joined the firm May 1, prior to which he lived in southern France and acted as an independent advisor to global equity funds. Steve Solmonson, president, noted that Fruytier has a longstanding relationship with CIO Jean Marc Fraysse, having worked together at Cazenove until 2003. "I missed working as part of a team...and it was attractive to work with Jean Marc again," said Fruytier, adding that he had kept track of developments at Park Place since Fraysse joined the firm three years ago.

Attica CEO To Depart After Acquisition

Andrew McCaffery

Andrew McCaffery, ceo at London-based fund of hedge funds firm Attica Alternative Investments, will leave the firm after its acquisition by Integrated Asset Management (IAM) is completed. McCaffery told *AIN* that he will remain in hedge funds: "I'm not going to leave the industry I've been in for the last 20 years."

He declined to elaborate on his plans.

IAM last week announced that it was acquiring control of Attica from private bank Sal. Oppenheim. The initial consideration is €5.01 million. Acquisitions have been in the cards for IAM for some time: the firm bought Appleton International in 2003 and told *AIN* it planned to acquire other fund of funds boutiques (*iialternatives.com*, 9/10/2004).

Back In Black**GLG Macro Fund Rebounds In April**

London hedge fund giant GLG Partners' global macro fund has climbed back into the black, after suffering its worst-ever loss in March. The fund was up 6.36% in April, giving it a year-to-date return of 1.29%. It benefited from the decline of the U.S. dollar and a rise in bond yields, according to a GLG investor document. Amanda Lee, a spokeswoman for GLG, declined to comment.

In March, the *GLG Global Macro Fund* lost 10.18% when the firm's views on the U.S. fixed income and currency picture did not play out during the month (*iialternatives.com*, 4/20).

"We will continue to watch whether the Federal Reserve can seamlessly change chairman, but our inclination is to believe that U.S. official assets should have a higher risk premium as the markets get used to the [Ben] Bernanke chairmanship," the document says.

Pump Up The Vol.**Ex-KBC Execs Seek To Boost Lackluster Fund**

Karl Ottevaere and Jan De Spiegeleer, the two former managing directors at KBC Financial Products who last year set up hedge fund firm Erasmus Capital, are hopeful that increased volatility in financial markets will boost the firm's equity market-neutral fund. Since launch one year ago, the fund has suffered disappointing performance. It targets an annual return of 8-12%, but is only up around 3% in its first 12 months, said Ottevaere. "Equity market neutral was a difficult strategy last year," he observed. "Markets are experiencing more difficulty now, and that might help the strategy."

The fund has a capacity of €250 million but has failed to grow past its original seed assets of €18.2 million. Erasmus has plans for a long/short European equity fund (*iialternatives.com*, 9/16), but has held off until the first fund gains ground.

Chaos Theory Maven Starts Trading Syndicate

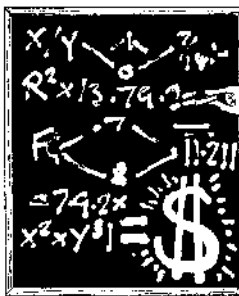
Mathematician Richard Edwards, who runs chaos theory-based HED Capital Management, has started a trading syndicate. The London firm runs a model that predicts when trends are beginning and ending, and it decided to form a trading syndicate to capitalize on opportunities. Investors wanting to participate must open managed accounts at a brokerage firm, and temporarily hand the reins over to Edwards for a short period—typically no more than a few weeks.

Edwards recently formed the first syndicate earlier this month.

On May 9, the syndicate went short the FTSE index, and soon thereafter it went south.

Edwards covered the short on May 15 for an average profit of 20%. The syndicate also purchased June NYMEX crude oil futures on May 10, and flipped them

within 36 hours for an 8% profit,



and then purchased some July futures on the dip down. In five days of trading, the syndicate recorded a 27% gain, said Edwards.

Those investors who came along for the maiden voyage will be in a little longer, as another opportunity was approaching as *AIN*