

# Hedge Fund Alert

THE WEEKLY UPDATE ON FUND MANAGEMENT INTELLIGENCE

## Hurricane Eyes \$500M for Multi-Strategy Fund Run By Roster of External-Exclusive Managers

Fast-growing multi-manager **Hurricane Capital** began marketing a debut multi-strategy fund this month, with expectations that it will launch with \$500 million in the first quarter of next year.

The vehicle, Hurricane Hunter Fund, will be traded by 27 of Hurricane's 57 portfolio managers, all of whom run independent firms but manage money exclusively for Hunter and its investors, along with any proprietary capital.

Hurricane is talking to large institutions about the product and plans for Hurricane Hunter to become its new flagship fund.

The firm began allocating capital to the underlying managers that will trade via Hurricane Hunter in May 2021, the month after Hurricane Capital launched.

The firm judges that, on an adjusted gross and unlevered basis, the fund would be up more than 40% since inception and up 18% this year through mid-December. **With Intelligence's** Multi-Strategy Hedge Fund Index was up 8.3% this year through November.

Hurricane Hunter is designed to be a global multi-manager, multi-strategy offering that consists of a mix of traders specializing in equities, futures and credit products.

**Todd Sandoz**, who joined Hurricane on Oct. 1, is the fund's chief risk officer. Sandoz has worked in the industry for three decades, with terms at **Citadel**, **Credit Suisse**, **Nomura** and, most recently, **Barclays**, where he co-headed equities and oversaw Americas equities.

Hurricane currently manages about \$1.3 billion allocated to 57 portfolio managers.

In June, the firm launched a product called Ibis Multi-Strategy Fund 1 that now has \$75 million allocated to 12 long/short equity portfolio managers. Ibis was up nearly 5% through mid-December.

With the Hurricane Hunter fund, the firm is thrusting itself fully into the growing multi-strategy sector in an effort to compete with an assortment of managers, the majority of which allocate capital mostly or exclusively to internal investment teams.

While there have been some indications that investor enthusiasm for multi-strategy managers is waning – a sentiment that has coincided with middling returns for many of the sector's participants – a **Goldman Sachs** report in September suggested interest remains robust, with 21% of allocators looking to increase exposure to multi-strategy firms.

Hurricane is led by chief operating officer **Chris Napoli**, who will add the title of chief executive on Jan. 1. Napoli also will become co-chief investment officer of Hurricane Hunter, along with **Adam Wolfberg**. Portfolio-services head **Matt DeSalvo** will become president in January. The three men own the firm. ■