



Morgan Lewis

**ADVANCED TOPICS IN  
HEDGE FUND PRACTICES  
CONFERENCE**

**Manager and Investor Perspectives**

**NEW YORK**

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# Emerging Developments and Opportunities in the Hedge Fund Marketplace

## Speakers



**Richard A. Goldman**  
+1.617.951.8851  
[rich.goldman@morganlewis.com](mailto:rich.goldman@morganlewis.com)



**Brian Jacobson**  
+1.312.324.1793  
[brian.jacobson@morganlewis.com](mailto:brian.jacobson@morganlewis.com)



**Stephen C. Tirrell**  
+1.617.951.8833  
[stephen.tirrell@morganlewis.com](mailto:stephen.tirrell@morganlewis.com)

**Morgan Lewis**

# Agenda

Hedge Fund Industry Data

Focus on SMAs and Multi-Manager Platforms

Digital Assets and Tokenization

Approaches to using Artificial Intelligence

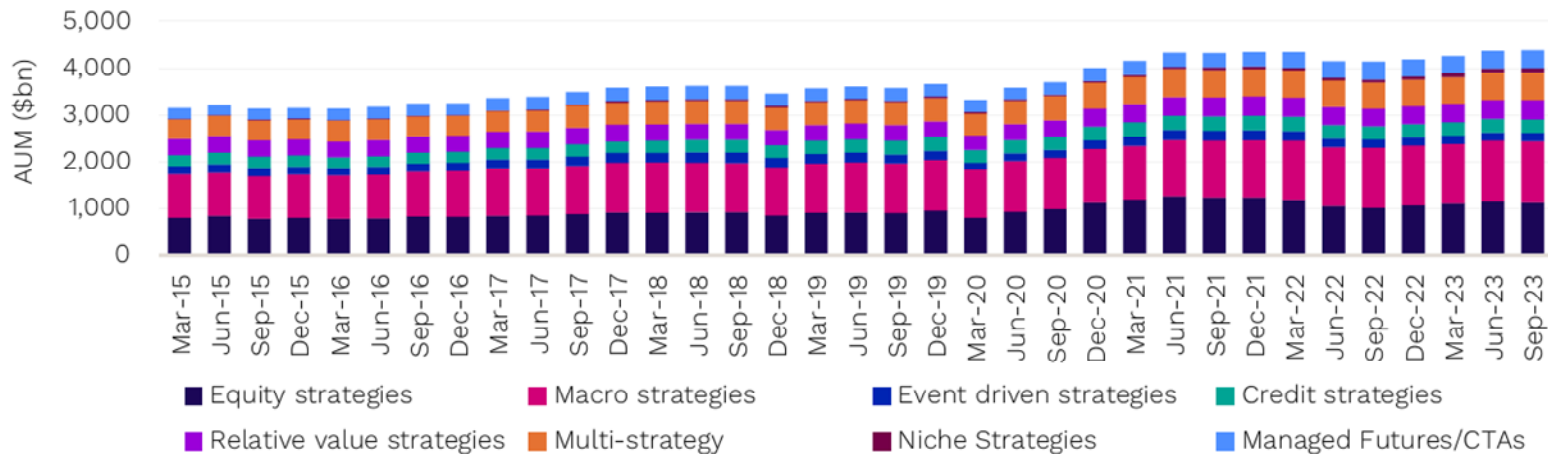
Talent Retention and Succession Planning

Private Credit Growth

# Global Hedge Fund AUM

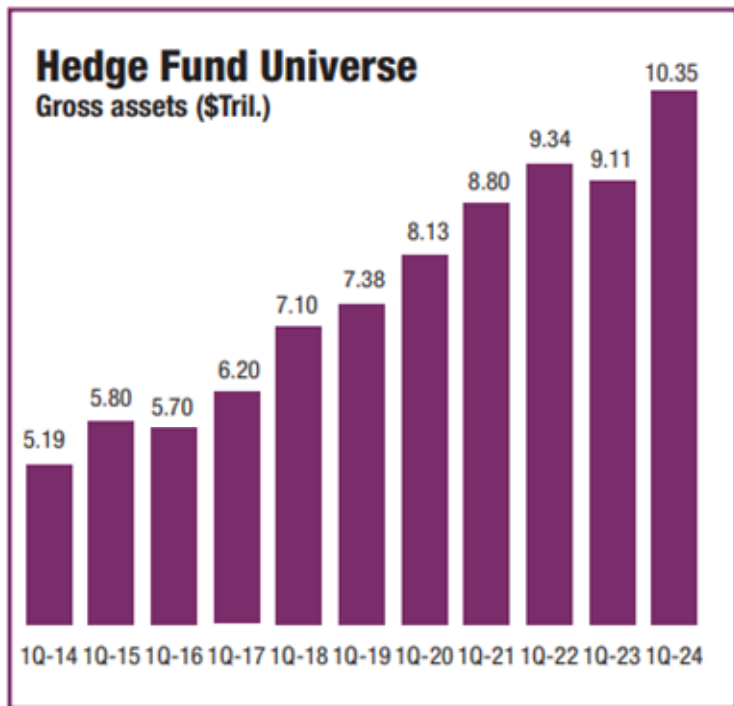
**Fig. 1.10: Global Hedge fund AUM tops \$4.37tn by Q3**

Historical hedge fund AUM by strategy



Source: Preqin Pro

# US Hedge Fund Data



**US Hedge Fund and Fund-of-Funds Universe**

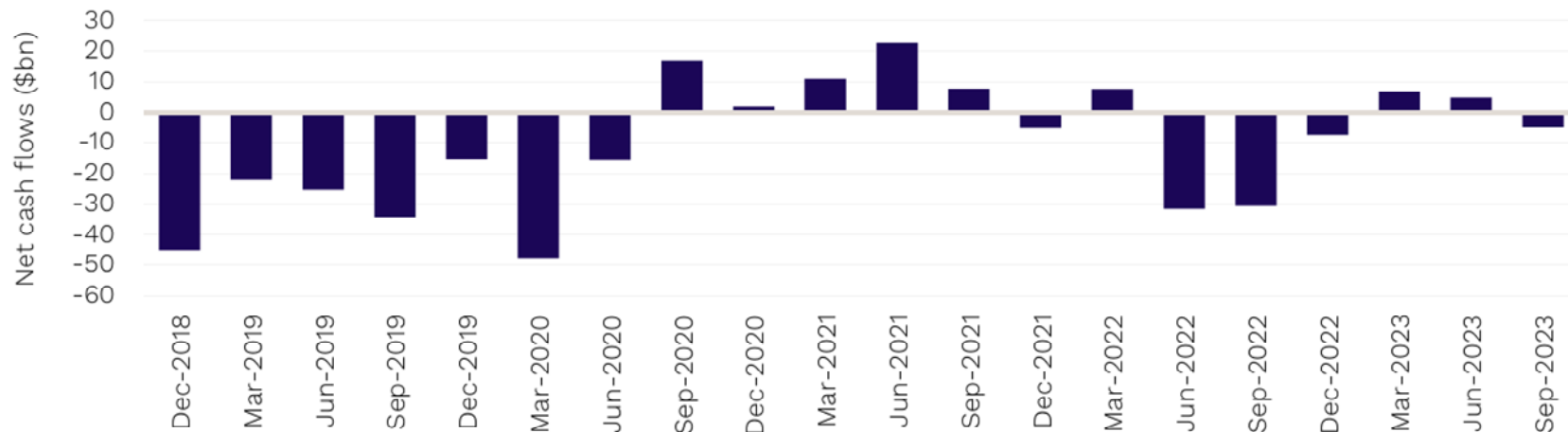
	10Q-24	10Q-23
Managers	3,268	3,470
Hedge Funds	11,856	12,140
Gross Assets (\$Tril.)	10.35	9.11
Avg. AUM Per Manager (\$Mil.)	3,168.5	2,625.3

Source: Hedge Fund Alert

# Hedge Fund Cash Flows

**Fig. 2.1: Hedge funds cash flows turn negative in Q3**

Quarterly hedge funds net cash flows

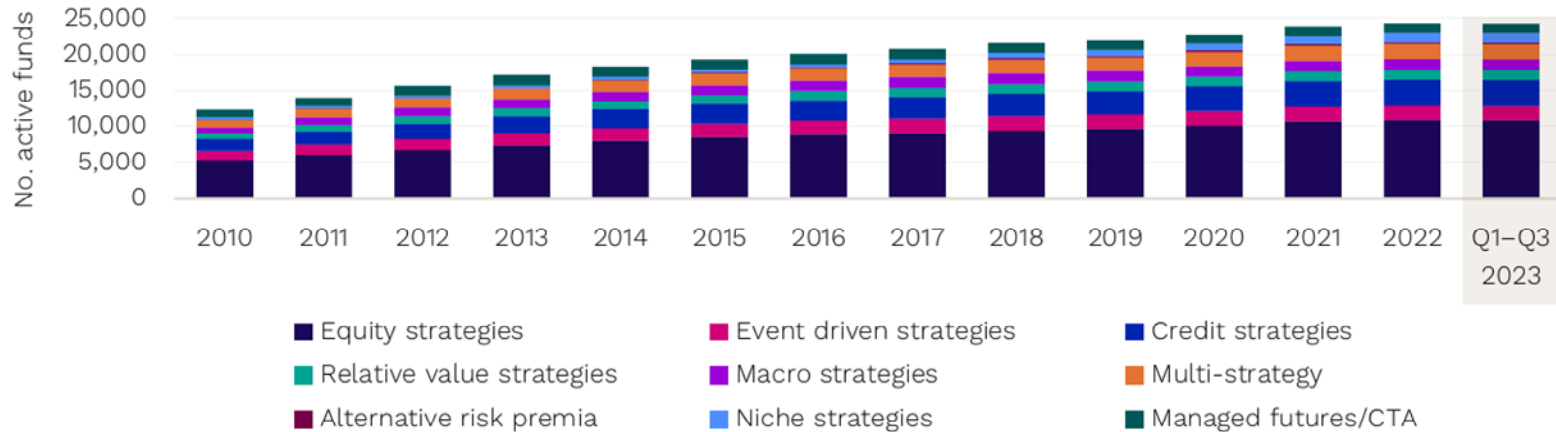


Source: Preqin Pro

# Active Funds in Market Plateau

**Fig. 2.10: Active funds in market plateau**

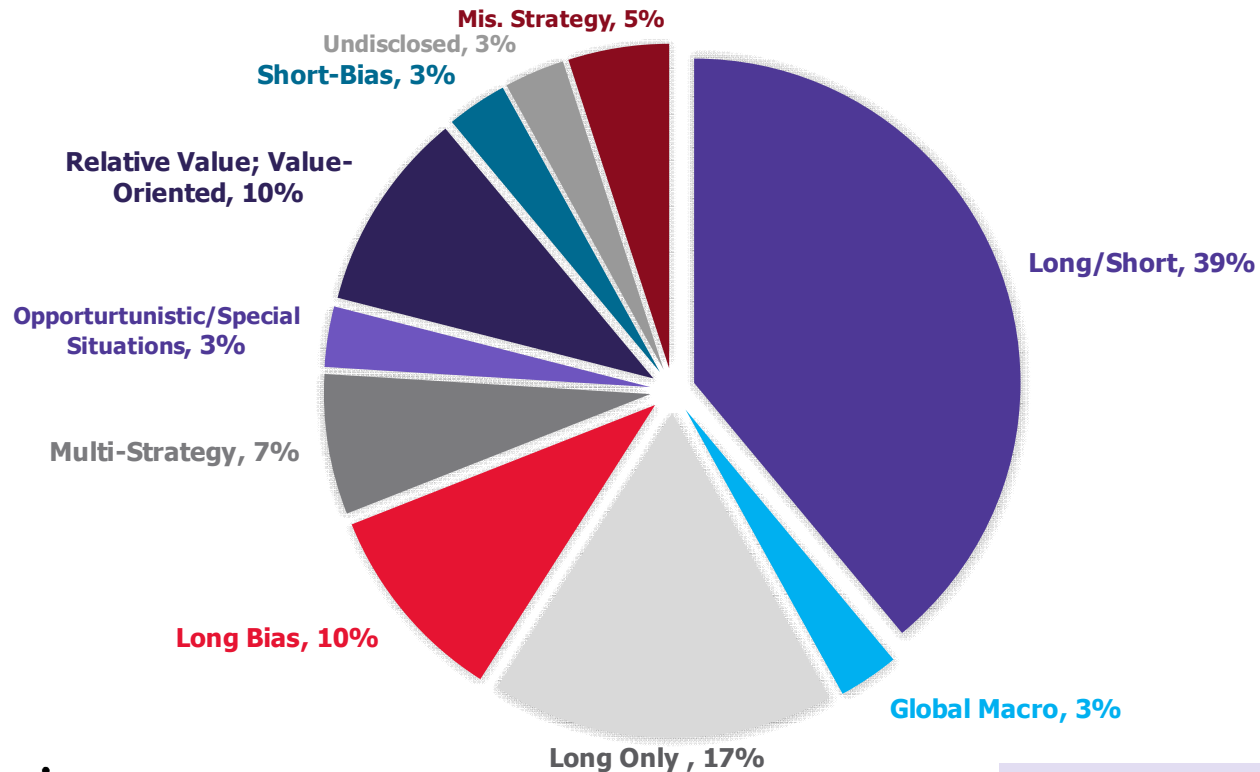
Number of active funds by year established and strategy



Source: Preqin Pro

# Hedge Fund Equity Strategies

## ASSET CLASS BY STRATEGY

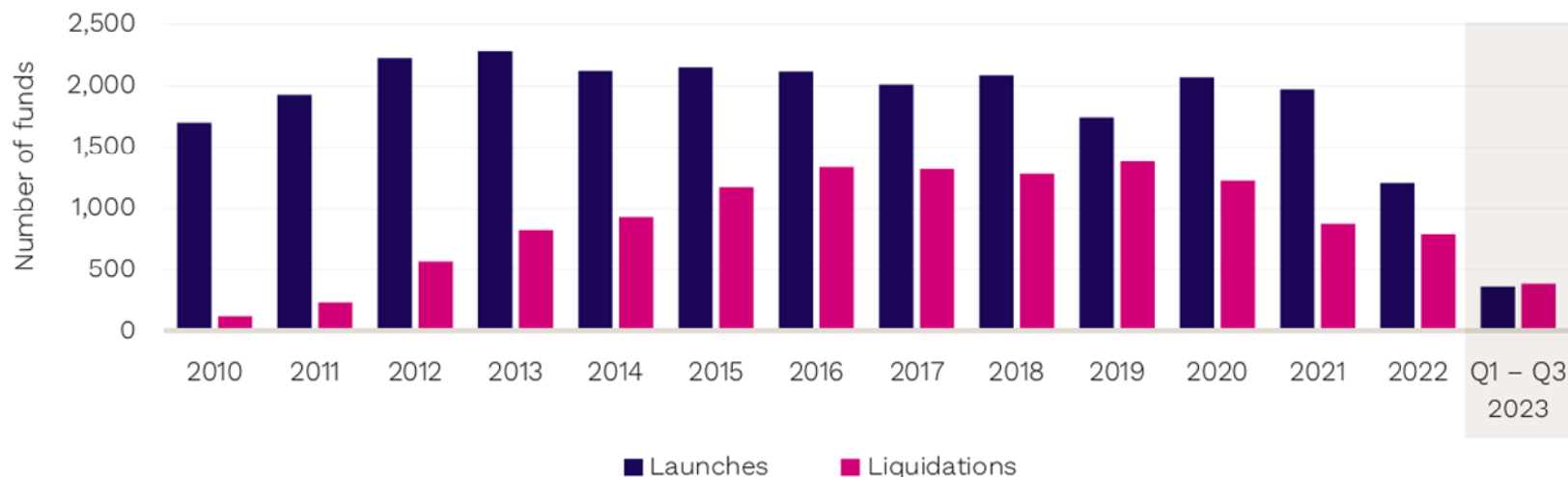




# Launches vs. Liquidations

**Fig. 4.6: More funds liquidated than launched**

Hedge fund launches and liquidations



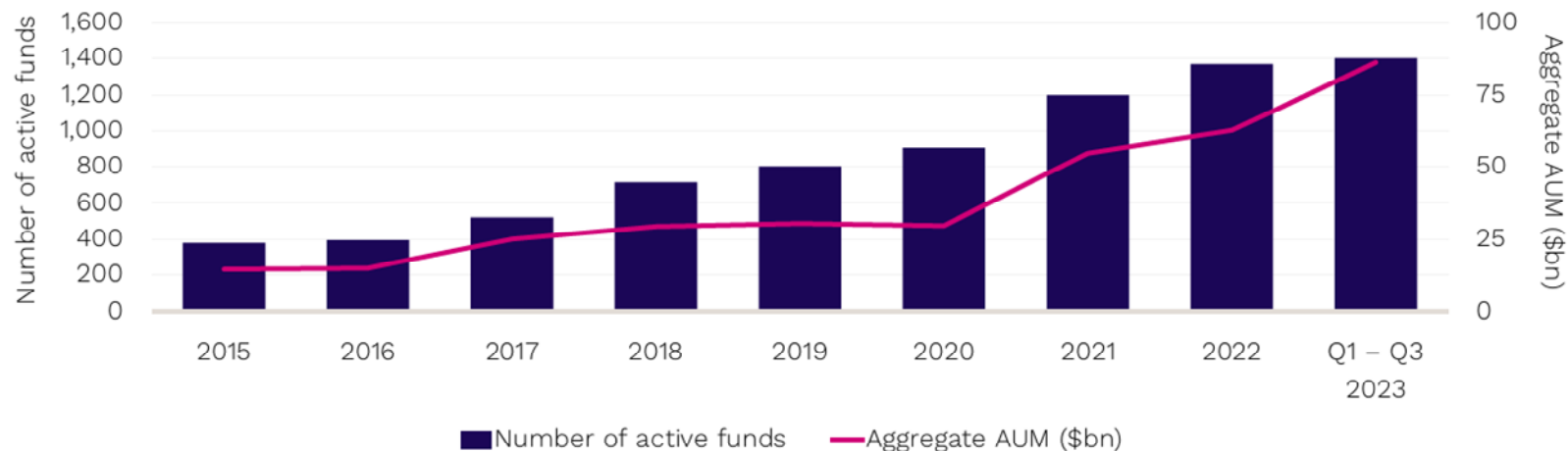
Source: Preqin Pro

Source: Preqin Global  
Report 2024: Hedge  
Funds

# Niche Strategy Growth

**Fig. 7.1: Niche strategy growth accelerates post-2020**

Niche strategy total active funds and aggregate AUM

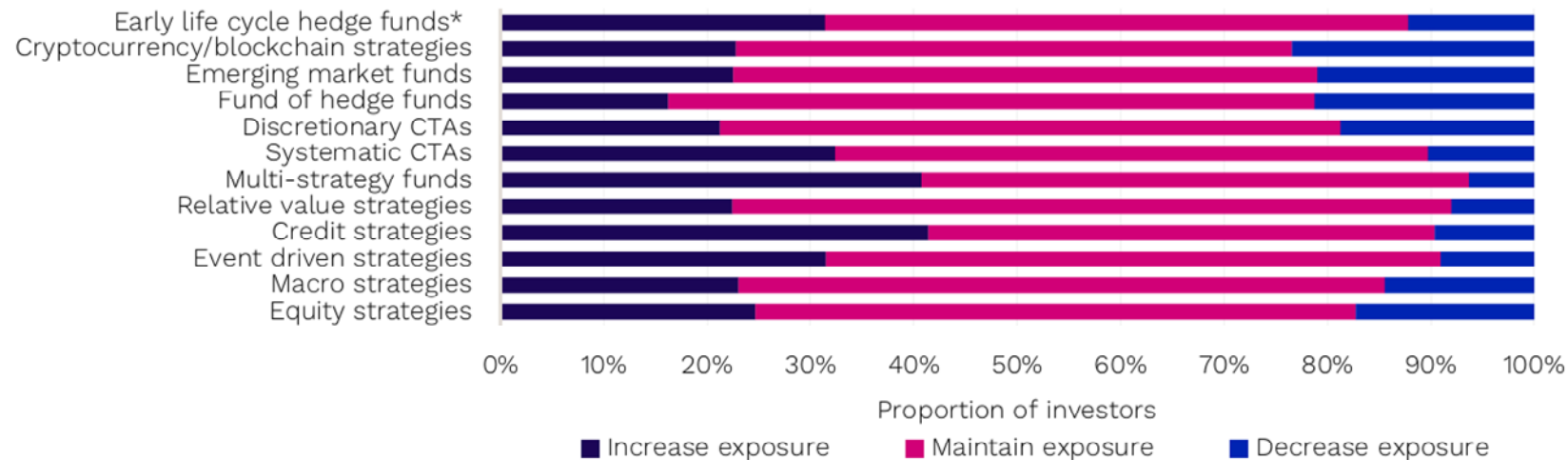


Source: Preqin Pro

# Expected Increases/Decreases in Hedge Fund Strategies

**Fig. 9.8: Multi-strategy funds pique investor interest**

Investors were asked in which hedge fund strategies they expect to increase/decrease their exposure



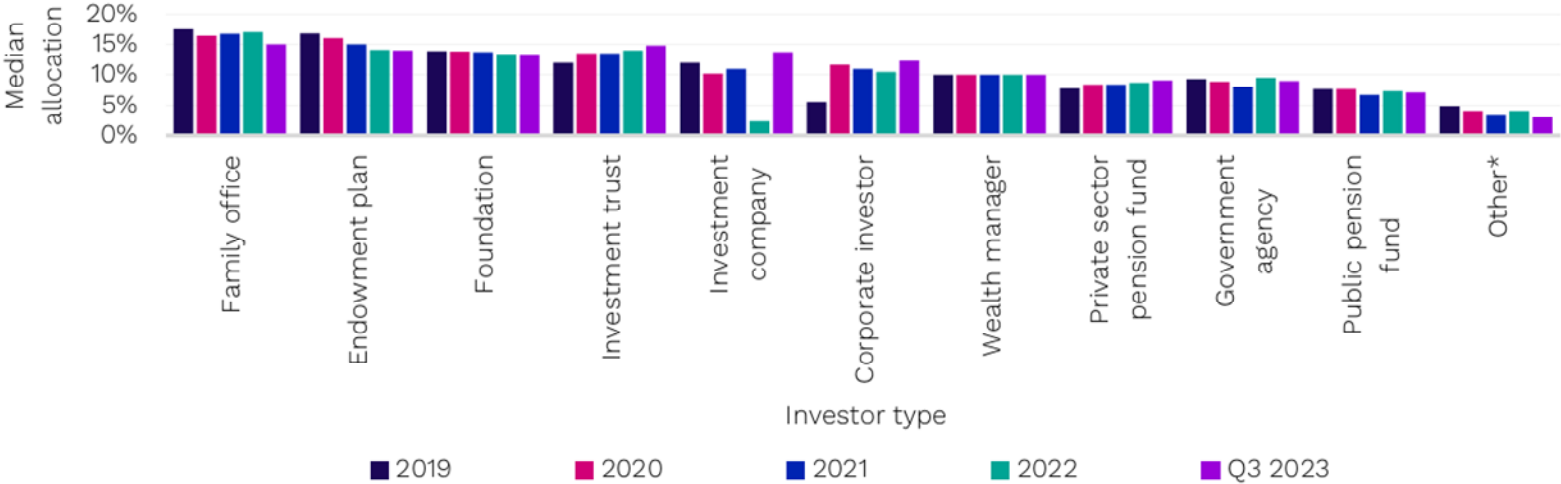
\*fund launched in first three years of firm inception

Source: Preqin Pro. Data as of September 2023

# Allocations to Hedge Funds by Investor Types

**Fig. 10.3: Family offices have greatest median allocation to hedge funds**

Median current allocation (as a percentage of AUM) to hedge funds by investor type



Source: Preqin Pro

Source: Preqin Global Report 2024: Hedge Funds