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Ex-Millennium Manager William Warner Starts Quant Hedge Fund (1)

- R Squared Global will trade derivatives tied to equity indexes
- Fund targets more than \$200 million in assets in first year

By Takashi Nakamichi and Bei Hu

(Bloomberg) -- A former Millennium Management portfolio manager launched a hedge fund this month focusing on market-neutral arbitrage strategies in conjunction with \$6 billion asset management firm Gordian Capital Singapore Pte.

The R Squared Global fund will trade futures and options that are mostly tied to equity indexes around the world and will use quantitative models to hunt for arbitrage opportunities, founder and Chief Investment Officer William Warner said by phone. The fund is targeting assets of more than \$200 million within its first year, according to a document seen by Bloomberg.

Ex-Millennium's Warner, who joined Gordian Capital this year, will run the fund from Tokyo along with Justin Leow, who'll be its chief risk officer in Singapore. The fund targeting an annual return of more than 20% after fees is an uncommon offering in Asia, where hedge funds typically focus on stockpicking.

Cash has been piling into hedge funds during the pandemic, with nearly \$28 billion of new money flowing in during the first four months of 2021, taking total assets under management worldwide to a record \$3.5 trillion, according to eVestment. R Squared Global is the first hedge fund with a Tokyo office launched by Gordian Capital Japan since the platform provider obtained a discretionary investment management license in the country last year.

Patrick Walujo, a co-founder of Northstar Group -- the Southeast Asia-focused private equity firm that's an early backer of ride-hailing and payment giant Gojek -- said he's invested in R Squared Global.

Peter Lindsey, who previously worked at Descartes Trading, Morgan Stanley and JPMorgan Chase & Co., recently joined R Squared Global as a portfolio manager.

(Adds detail on other staff, investors from fifth paragraph)

Related ticker:

1430164D SP (Gordian Capital Singapore Pte Ltd)

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William Warner

Source: William Warner