



# Thecasesolutions.com

## Recommendations

"Regarding our project it wouldn't be possible to invest in a hedge fund because the amount of available assets and time doesn't fit."



## Thecasesolutions.com

### Outline

- Hedge Fund
- Private Equity
- Top Performer
- Current Actions
- Recommendations
- References

## Hedge Fund

### Thecasesolutions.com

"A hedge fund is an alternative investment vehicle available only to sophisticated investors, such as hedge funds and individuals with significant assets."

## How it works

### Thecasesolutions.com

"Hedge funds are typically managed by a small number of individuals who use a variety of investment strategies to generate returns for their investors."

## Private Equity

"Private Equity is a form of investment for an equity stake in privately held companies."

## How it works

"Private Equity is a form of investment for an equity stake in privately held companies."

## References

- <http://www.barrons.com/hedgefunds/research/educational-articles/hedge-fund-strategy-definition/what-is-a-hedge-fund.html>
- <http://www.investopedia.com/terms/p/private-equity.asp>
- <http://blog.wallstreetprep.com/2013/08/04/private-equity/>
- <http://www.bvca.co.uk/private-equity/what-is-it.aspx>
- <http://seekingalpha.com/article/2008103-bernsolte-dartmund-are-extremely-undervalued-hedge-fund>

# Shelley Capital and the Hedge Fund Secondary Market

# **Thecasesolutions.com**

## **Outline**

- **Hedge Fund**
- **Private Equity**
- **Top Performer**
- **Current Actions**
- **Recommendations**
- **References**

# Hedge Fund

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**"A hedge fund is an alternative investment vehicle available only to sophisticated investors, such as institutions and individuals with significant assets."**

# **Characteristics**

## **Thecasesolutions.com**

- not currently regulated
- pool of underlying securities
- invest in many types of securities

# **Securities**

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- **Stocks**
- **Bonds**
- **Commodities**
- **Real Estate**

# Strategies

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- Multistrategy
- Mortgage - backed Arbitrage
- Convertible Arbitrage
- Emerging Markets
- Equity Long Short
- Fixed Income

# Limitations

## Thecasesolutions.com

- typically open only to a limited range of investors.
- U.S. laws require that hedge fund investors be “accredited,”
- minimum annual income, have a net worth of more than \$1 million
- significant investment knowledge.

# How it works

# Thecasesolutions.com

- typically use long-short strategies  
= balance of long positions and short positions
- seek to generate returns over a specific period of time  
= "lockup period," during which investors cannot sell their shares
- invest in "derivatives,"  
= contracts to buy or sell another security at a specified price
- often seek to increase gains, and offset losses,  
= hedging their investments using a variety of sophisticated methods
- Hedge fund managers receive a percentage of  
= the returns they earn for investors + a management fee