

NEWS DIGEST

Distressed debt funds flourish

The best Asian hedge fund performers over the past year have been distressed debt funds, according to EurekaHedge, the research and index group.

A report released yesterday said that even though managers of these types of funds did not short, there had been an abundance of opportunities in falling equity markets, while participation in corporate debt restructuring had also provided an important boost.

Value Partners Recovery Fund and ADM Galleus Fund, both Hong Kong-based, have been among the best performers.

EurekaHedge expects the number of hedge funds in

Asia to grow from 250 to 300, net of closures, by the end of year.

Assets under management are expected to swell by about 30 per cent to between US\$25bn and US\$28bn. Asian hedge funds make up 4.8 per cent of the hedge fund universe by number and 3.5 per cent by assets.

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