

Former Millennium Management traders to run two Asia-focused hedge funds

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Former Millennium Management LLC traders plan to start two Japan-focused hedge funds in May to tap into the country's recovering equity markets reported *Bloomberg* this week. 2011 saw the Nikkei 225 index fall 23 per cent between February and end-November. It has since gone on to recover the majority of those losses as at end-March, although the markets have suffered a relapse in April.

Tetsuo Ochi (pictured), CEO of Hong Kong-based MCP Asset Management Co, which manages approximately USD6billion in assets, said that the Japan-focused **Terra Grove Japan Fund** and the **Terra Grove Pan Asian Fund** - which will look beyond Japan and also invest in Hong Kong, Australia, South Korea and Taiwan - will start with day one capital of around USD25million. The target AUM for both funds is USD150million within 12 months, after which they will close until they enhance their trading models said Ochi. **Masakatsu Hayashi** and three others joined MCP in March after leaving Millennium's Singapore office. Both funds will use an equity long/short strategy, which many Asian-focused hedge funds favour. The traders will also, said Ochi, use their own statistical arbitrage models. The Japan-focused fund will target returns of 15 per cent, while the pan-Asian fund sets the bar slightly higher at 20 per cent.

- [Weekly Asia News \(Friday\)](#)

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