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APRIL 2026

HEDGEWEEK®

ONES TO WATCH 2026

THE YEAR'S MOST EXCITING HEDGE FUND LAUNCHES

EXECUTIVE SUMMARY

A MARKET THAT REWARDS THE SERIOUS

The hedge fund industry does not lack for launches. It never has. What it lacks, in most years, is launches worth paying attention to. It's the managers who combine genuine investment edge with a business acumen to sustain it, and who arrive at a moment when the market is actually positioned to reward what they do.

2026, by most measures, seems to be that moment. Industry assets have crossed $5 trillion for the first time. Launches hit a four year high in 2025 while closures fell to their lowest in two decades. Allocator sentiment toward emerging managers has reversed sharply after a year of some caution.

Against that backdrop, the Class of 2026 is a notably serious cohort. The 20 funds featured in Part One of this report collectively represent over $6bn in confirmed launch capital. Their founders carry institutional pedigree from the industry's most demanding platforms. Their strategies are, for the most part, tightly defined, capacity aware and built around a specific and defensible edge. These are not funds launched because the market was open. They are funds launched because their managers had something worth launching.

Part Two of this report examines the environment those managers are entering. The survey data tells a story of genuine momentum. But also of a market that has grown considerably more discerning about where it places its conviction.

The industry has always produced a handful of exceptional launches each year regardless of conditions. What changes is how hard those managers have to work to be found, and how clearly they have to articulate why they deserve to be. In 2026, with allocator appetite returning and market conditions finally cooperating, the bar for entry is high but the reward for clearing it is real. The question this report tries to answer is not whether there are good launches this year. There always are. The question is which ones are building something that will still matter in five years – and what that tells us about where the industry itself is heading.

MANAS PRATAP SINGH
HEAD OF RESEARCH & CONTENT
HEDGEWEEK®

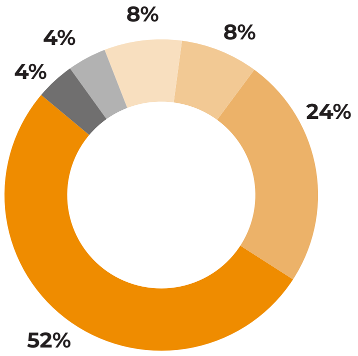
CONTENTS

METHODOLOGY

The 20 hedge fund firms included in this section are the titular 'Ones to Watch'. This is an editorial list that runs in no particular order and is not a ranking. It was compiled by Hedgeweek based on interviews with established and emerging hedge fund managers and in-house research, taking into consideration multiple factors including founder pedigree, relevance of investment strategy, business innovations, and attractiveness to investors. To be considered for the list, a firm must have either reported to launch or started trading after 1 January 2025.

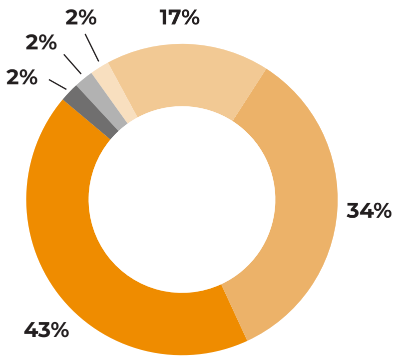
The second part of the report presents findings from Hedgeweek's Q1 2026 survey of more than 100 hedge fund managers and 50 allocators across the world.

ALLOCATOR LOCATION



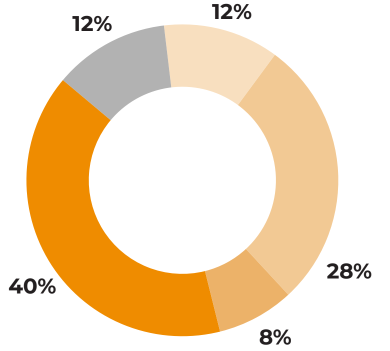
- Europe
- North America
- South America
- Other
- Middle East
- Africa

MANAGER LOCATION



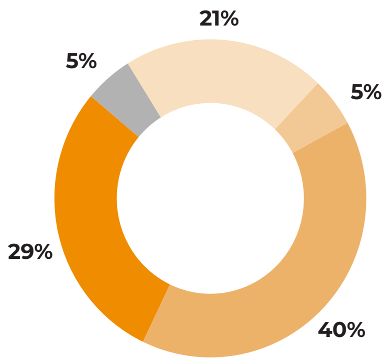
- Europe
- North America
- Asia-Pacific
- Middle East
- Africa
- South America

ALLOCATOR AUM



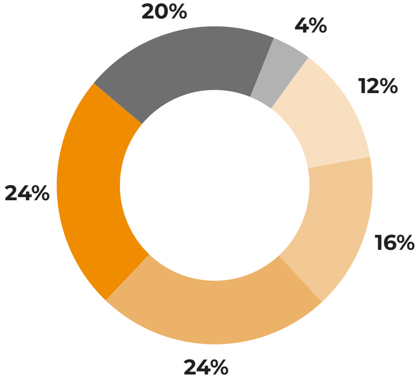
- Under $500m
- $500m-$1bn
- $1bn-$10bn
- $10bn-$50bn
- Over $50bn

MANAGER AUM



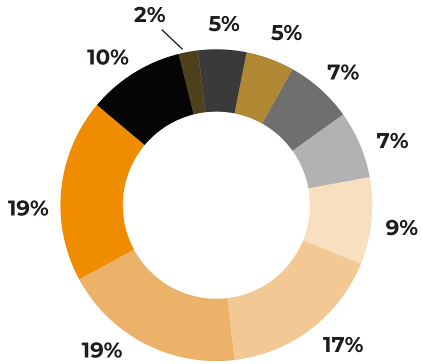
- Under $100m
- $100m-$500m
- $500m-$1bn
- $1bn-$5bn
- >$5bn

ALLOCATOR TYPE



- Family office
- Wealth manager
- Fund of funds
- Pension fund
- Bank/Private bank
- Other

MANAGER STRATEGY



- Equity L/S
- Multi-strategy
- Fixed income/credit
- Digital assets
- Global macro
- Managed futures
- Equity market neutral
- RV/arbitrage
- Event driven
- Other

KEY FINDINGS

1

Hedge Fund Launches Are Back

An estimated 562 funds launched in 2025, the strongest annual total since 2021, while liquidations fell to the lowest in more than two decades. Total industry assets hit a record $5.16 trillion at the start of 2026. The industry is not just recovering. It is accelerating.

2

Allocator Sentiment Has Reversed

Two thirds of allocators committed capital to emerging managers last year and the same proportion plan to do so again in 2026, a sharp reversal from 2025, when 54% reported being less open than the year before. On the manager side, 78% now describe current allocator appetite as net positive. The direction of travel is consistent across both sides of the table.

3

Global Macro & Commodities: Strategies of the Moment

Global macro leads allocator forward intent at 76%, while commodity strategies have seen one of the sharpest single cycle moves in the dataset, with forward intent jumping from 33% to 59% in a single quarter. Two thirds of managers cite geopolitics and market volatility as the dominant performance factor for 2026, creating an unusually clean alignment between macro conditions and allocator demand.

4

The Access Gap Is a Relationship Problem

Over half of the surveyed emerging managers cite capital flowing to pod shops as their biggest fundraising obstacle and 46% say difficulty accessing institutional allocators is a significant barrier. Yet three quarters of allocators invest in emerging managers without a dedicated programme. The structural wall may be lower than managers perceive. Capital is moving through relationships, not formal mandates.

CLASS OF ‘26

HARVEY CAPITAL PARTNERS

Specialism:	Long-Short Credit
Headquarters:	New York, USA
Founders:	Paul Goldschmid & David Cohen
Pedigree:	King Street Capital Management / Two Sigma & D.E. Shaw
AUM:	AUM: $1.8bn+

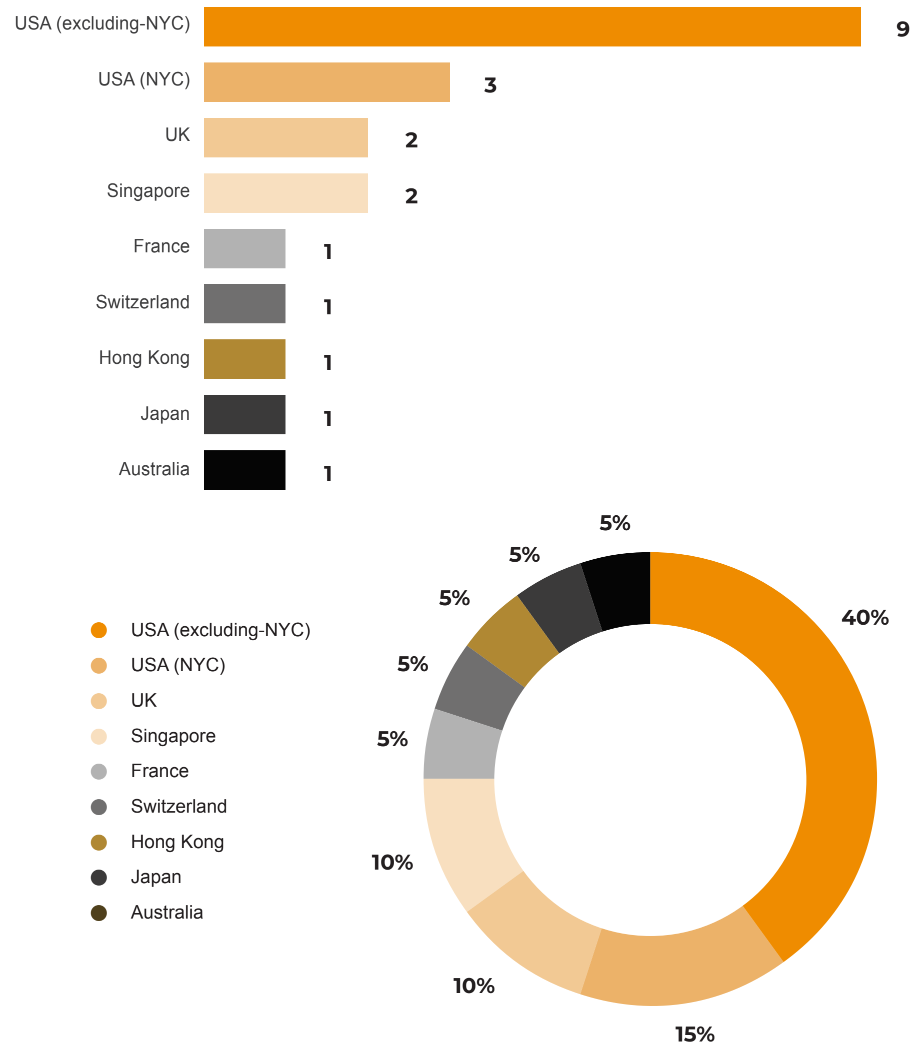
One of the most significant launches of the year. Goldschmid raised over $1.8bn without seed capital or SMAs — a rare feat in an era where most emerging managers lean on platform backing. A testament to what deep relationships and a two-decade track record can still achieve.

LIGHT ARC CAPITAL MANAGEMENT

Specialism:	Volatility Relative Value
Headquarters:	Connecticut, USA
Founder:	Ryan McRandal
Pedigree:	One River Asset Management
AUM:	~$650m

Potentially the industry’s largest dedicated volatility launch on record. McRandal departs One River with $650m including $200m from Stable Asset Management, running a liquid vol relative value strategy with a long convexity bias during market drawdowns. One River retains a minority economic interest.

OTW 2026 — Regional Distribution and % share



Source: Hedgeweek in-house research Class of 2026 (n=20)

NEXUS COMMODITIES CAPITAL MANAGEMENT

Specialism:	Commodities
Headquarters:	Singapore
Founder:	Qin Xiao
Pedigree:	Goldman Sachs / Millennium Management (seed)
AUM:	AUM: ~$1bn

One of the highest-profile launches of 2026. Xiao brings rare institutional depth in commodities from his tenure as co-head of global commodities trading at Goldman Sachs, and Millennium's seed backing signals strong conviction. The Singapore base gives the fund a natural Asian angle at a time of surging allocator appetite for the strategy.

MORETON CAPITAL PARTNERS

Specialism:	Systematic Commodities (AI/ML-driven)
Headquarters:	Delaware, USA
Founder:	Les Finemore
Pedigree:	Imbue Capital
AUM:	$1bn (target)

A technology-first commodities manager deploying agentic AI, LLMs and large-scale feature engineering to generate systematic signals across global commodity futures. Market-neutral with a target Sharpe above 1.5, Finemore brings over a decade spanning systematic investment management, physical trading and agronomic research.

HAVERSTOCK CAPITAL

Specialism:	Equity Long-Short (European Mid-Cap)
Headquarters:	London, UK
Founder:	Moni Sternbach
Pedigree:	Point72 / Man GLG
AUM:	$300m

A London boutique targeting European mid-cap equities in the €3-15bn market cap range — a segment where analyst coverage is thin and inefficiencies run deeper. Sternbach brings over 20 years running institutional-scale long/short strategies, built around intensive management engagement and proprietary research.

NOVACORE CAPITAL

Specialism:	Equity Long-Short European Industrials)
Headquarters:	London, UK
Founders:	Nico Dil
Pedigree:	Citadel / Bear Stearns / JPMorgan
AUM:	$250m+

Former Citadel European industrials PM Nico Dil launched in March 2026 with $250m+ from Squarepoint Capital and Lighthouse Investment Partners. A 12-person team from day one — including a dedicated CEO, COO and CRO — signals institutional intent from the outset.

INVICTUS INVESTMENT PARTNERS

Specialism:	Equity Long-Short (Japanese Equities)
Headquarters:	Hong Kong
Founders:	Tomohiro Yamaguchi & Takeo Serizawa
Pedigree:	Point72 & Schonfeld / Citadel, Balyasny & Marshall Wace
AUM:	$200m+

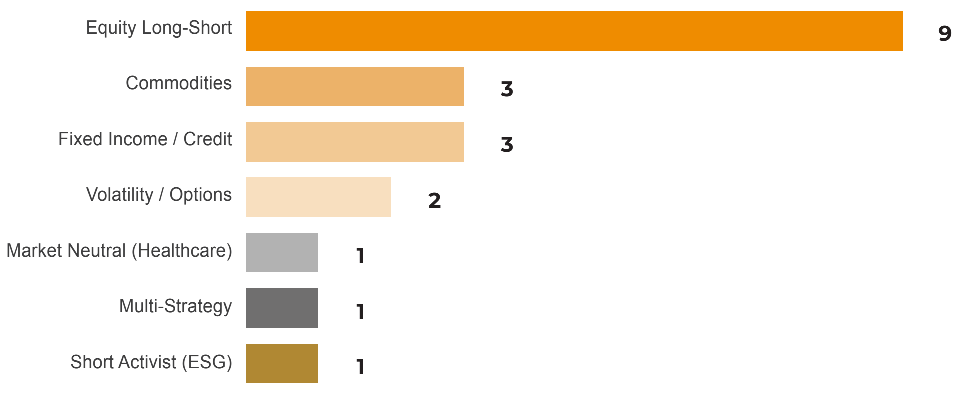
A Squarepoint-backed Japan-focused launch arriving at exactly the right moment, as global allocator interest in Japanese equities continues to build. The fund focuses on the country's top 300 most liquid names, combining deep local market fluency with blue-chip institutional pedigree from two of the industry's most respected platforms.

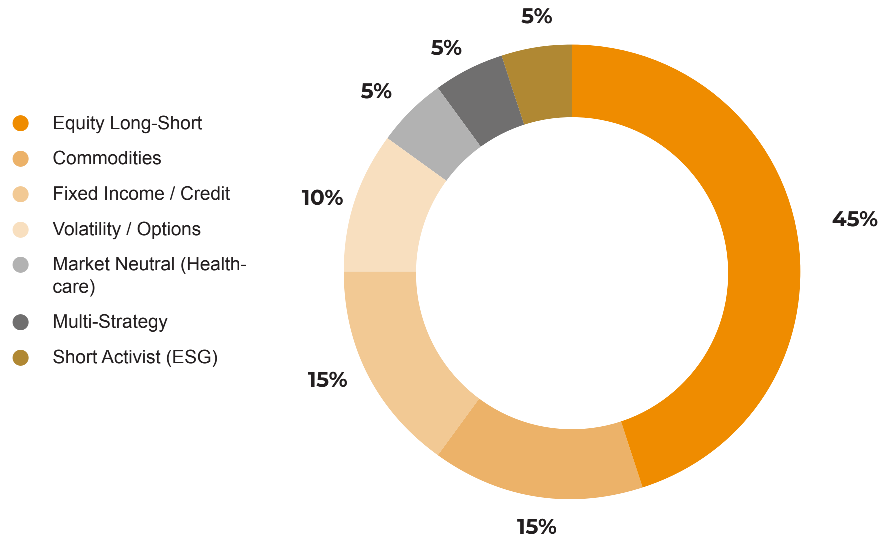
GBM ASSET MANAGEMENT

Specialism:	Multi-Strategy (Event-Driven, Systematic Macro, Equity L/S)
Headquarters:	Tokyo, Japan
Founders:	Gerald Banks
Pedigree:	Credit Suisse / Cubist Systematic (Point 72)
AUM:	$200m (in anchor commitments)

A rare three-pronged multi-strategy debut headquartered in Tokyo, pending FSA authorisation. Backed by $200m in anchor commitments and affiliated with London broker-dealer GBM Securities, it arrives with institutional infrastructure ready-built — unusual for a debut fund of this vintage.

OTW 2026 — Strategy Distribution





Source: Hedgeweek in-house research Class of 2026 (n=20)

HAMILTON SQUARE

Specialism:	Market Neutral (Global Healthcare)
Headquarters:	Princeton, NJ, USA
Founders:	David Tukey
Pedigree:	Point72 / ExodusPoint
AUM:	~$200m

A tightly constructed market neutral healthcare fund targeting large-cap biopharma across the US, Europe and Japan. Net exposure held to +/-5% across 30 positions — built for precision over scale, and a natural fit for allocators seeking uncorrelated healthcare alpha in a volatile macro environment.

3R INVESTMENT MANAGEMENT

Specialism:	Fixed Income/Credit (Asia-Pacific & Middle East)
Headquarters:	Singapore
Founders:	Neeraj Seth
Pedigree:	BlackRock (CIO & Head of APAC Fundamental Fixed Income)
AUM:	$700m (target)

Former BlackRock Asia-Pacific credit chief Neeraj Seth is targeting up to $700m for a long-short strategy in corporate bonds and loans across Asia-Pacific and the Middle East, alongside event-driven and private credit opportunities. With 18 years at BlackRock and backing from family offices across Singapore, London and the US, it fills a genuine gap — few independent credit managers operate at this level of institutional depth in the region.

SIRENIA CAPITAL MANAGEMENT

Specialism:	Equity Long-Short (Healthcare Trading)
Headquarters:	Miami, USA
Founders:	Alex Silverstein
Pedigree:	Point72
AUM:	$400m (According to sources)

A clean spinout of Silverstein's healthcare trading team and book from Point72, with an established track record and an existing investor base likely to follow. One of the more straightforward emerging manager stories of the year — deep sector expertise, institutional continuity, and a strategy that has already proven itself under one of the industry's most demanding platforms.

ALPHA CURVE INVESTMENTS

Specialism:	Fixed Income (Unconstrained Total Return)
Headquarters:	Geneva, Switzerland
Founders:	Pierre Ahlsell de Toulza & Philippe Gougenheim
Pedigree:	Pictet Asset Management / Lombard Odier
AUM:	$100m

A Geneva-based fixed income boutique that reached $100m within eight months of launch, driven largely by private wealth demand. Two senior veterans of Switzerland's private banking world bringing an unconstrained total return approach — with early commercial traction that speaks for itself.

BREGMA CAPITAL

Specialism:	Equity Long-Short (Biotech, Long-Biased)
Headquarters:	San Francisco, USA
Founders:	Mark Karvosky
Pedigree:	Millennium
AUM:	Undisclosed

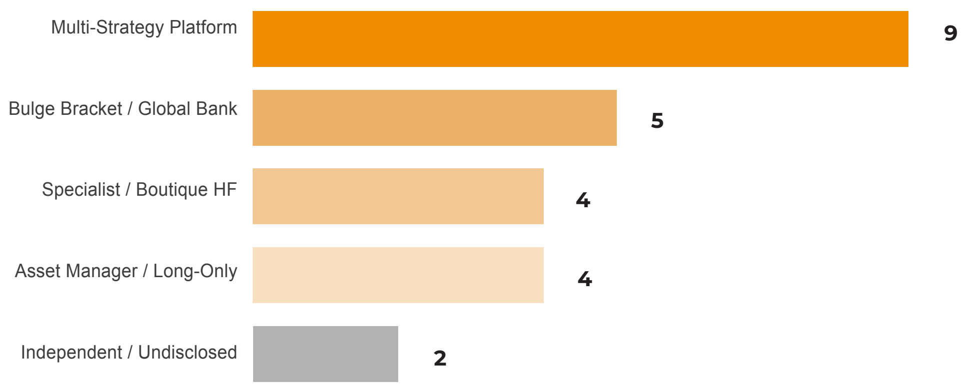
A long-biased biotech fund taking a fundamental bottom-up approach to heavily de-risked clinical stage companies with near term revenue inflection points. Karvosky targets the gap between short term market neutral funds and concentrated long only vehicles, building a core book of 15 to 25 longs with idiosyncratic alpha shorts and factor hedges alongside. Clinical stage exposure is capped below 30% of NAV, keeping the majority of capital in non-binary opportunities.

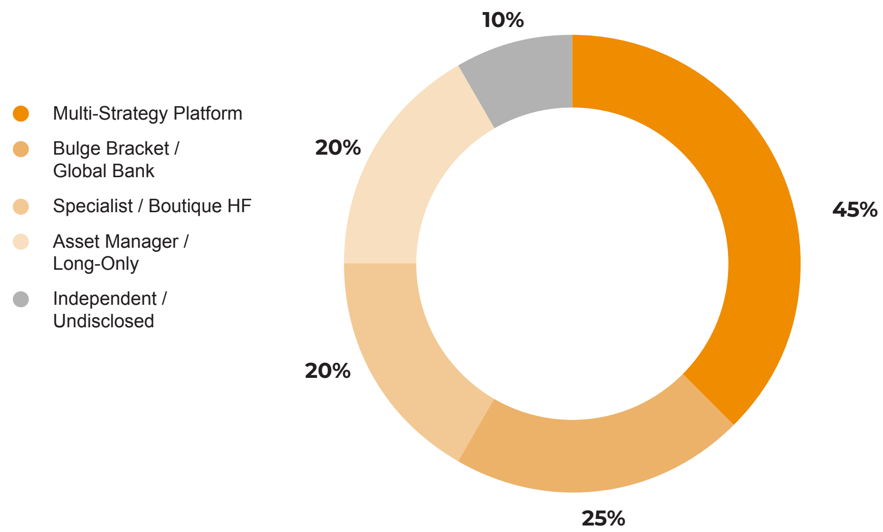
HARVESTONE CAPITAL PARTNERS

Specialism:	Commodities
Headquarters:	Paris, France
Founders:	Gregory Merran
Pedigree:	JPMorgan
AUM:	Undisclosed (Backed by Millennium)

A Paris-based commodities fund backed by Millennium Management, arriving as allocator appetite for the strategy hits multi-year highs. The combination of Millennium's conviction capital and a European base makes it one of the more geographically distinctive commodity launches of the year.

OTW 2026 — Backing Distribution





Source: Hedgeweek in-house research Class of 2026 (n=20)

TRIPLE HELIX

Specialism:	Equity Long-Short (Life Sciences)
Headquarters:	Connecticut, USA
Founders:	Chris Staral
Pedigree:	Laurion Capital
AUM:	Pre-launch

A concentrated, high conviction life sciences manager launching in Q3 2026. Staral brings a multi-dimensional research approach anchored to clinical outcomes, with dynamic position sizing and catalyst driven portfolio construction designed to produce positively skewed, idiosyncratic returns. A disciplined risk framework underpins what is otherwise a high conviction mandate across the biotechnology spectrum.

SAND POINT CAPITAL

Specialism:	Equity Long-Short (Long-Biased Durable Growth)
Headquarters:	Palo Alto, USA
Founders:	Billy McAleer
Pedigree:	Crescent Park
AUM:	Undisclosed

A global long-biased equity fund targeting high quality businesses with secular and durable growth characteristics, launching in the second half of 2026. McAleer runs a concentrated 15 to 20 name long book anchored to leading mid and large cap companies, with a targeted best ideas short book alongside. All diligence is conducted through a technology change lens, giving the fund a distinctly forward-looking research process.

BOARDWALK INVESTMENT GROUP

Specialism:	Equity Long-Short (Opportunistic Event-Driven)
Headquarters:	Miami, USA
Founders:	Mike Goldberg
Pedigree:	Elliott & Corvex
AUM:	$300m+ (anticipated at launch in July 2026)

A low-net, concentrated event-driven fund launching in July 2026 with $300m in anticipated day-one capital. Goldberg brings deep pattern recognition from two of the industry's most respected activist and event-driven platforms, targeting quality businesses that are misunderstood or mispriced due to complexity, with identified catalysts to unlock value. The portfolio typically holds 10 to 15 core long positions, each individually hedged to isolate idiosyncratic alpha from broader market noise.

SUNLIGHT PARTNERS

Specialism:	Short Activist (ESG/Environmental Fraud)
Headquarters:	Australia
Founders:	Daniel Stacey
Pedigree:	Undisclosed
AUM:	Undisclosed

One of the most distinctive strategies on this year's list. Sunlight targets companies engaged in greenwashing, environmental fraud or unsustainable practices, generating uncorrelated returns through forensic research and evidence-based short campaigns — a timely angle given intensifying scrutiny around green capital allocation globally.

MONARCH INVESTMENT

Specialism:	Equity Long-Short (Biotech, Long-Biased)
Headquarters:	New York, USA
Founders:	Li Boynton
Pedigree:	JPMorgan Asset Management
AUM:	$37m

A fundamental long-biased biotech fund targeting small-caps with clinical data risk and undervalued large-caps with take-out potential. Boynton's JP Morgan background gives it institutional credibility, and the SMA structure alongside the commingled fund suggests early allocator engagement across multiple vehicle types.

PRINCIPIA GLOBAL

Specialism:	Equity Long-Short (Biopharma)
Headquarters:	Florida, USA
Founders:	Priya Kirani
Pedigree:	Citadel & Paradigm
AUM:	Undisclosed

A variable-net biopharma fund led by Priya Kirani, whose derivatives and options background gives the strategy a distinctive edge navigating late-stage development and commercial-stage biotech. With gross exposure of 150-200% and a focused 30-37 name book, the fund is built for conviction-weighted positioning across a space where scientific access matters as much as market instinct.

ALLISON DICLEMENTE

Executive Director- Capital Introductions,
Marex

Half of emerging managers say they can’t reach institutional allocators. What seems to be blocking that connection, and what has been the role of firms like Marex in helping with that process?

Even without formal emerging manager programs, most allocators still have pretty defined guardrails, eliminating the need for the dedicated programme. Things such as minimum fund size, track record, or pedigree are a few of the basics, but with increased risk management tools, allocators can get a much better understanding of risks they are underwriting, which for newer managers can feel like a real barrier to getting in the door.

What we’re seeing as a slight shift though, is when allocators are willing to engage with new managers. More allocators want to meet earlier and start tracking managers earlier, even before all those boxes are checked. There’s a growing awareness that if you wait until a manager looks fully “institutional,” you’ve probably missed the opportunity, especially since many of the best launches are capacity-constrained or are scaling deliberately and methodically.

Marex is well positioned to help in this process because allocators know we’re close to the emerging manager ecosystem, so they look to us as a good source of new ideas. Also, our global reach and breadth of the team can allow us to be thoughtful about making the right matches, connecting managers with allocators who are actually likely to do the work. It’s less about just making introductions, and more about making the right ones at the right time.

Only a quarter of allocators have a dedicated emerging manager programme, yet two-thirds still plan to allocate. What can you decipher from that?

I believe this reflects experience and growing comfort with the risk. As allocators have spent more time in the space, they’ve become better at underwriting emerging managers and managing those exposures within a broader portfolio.

More importantly, it tells us that emerging manager investing is now embedded, not siloed within portfolios. It’s no longer viewed as a niche or an experimental bucket, but instead as a core part of portfolio construction. Rather than relying on rigid programs, allocators are underwriting opportunities on a case-by-case basis, often through existing relationships or spin-outs of funds they’ve followed for years.

Given everything – tougher fundraising, fee compression, the pod shop dominance – we are seeing optimism around emerging managers and more launches than the previous couple of years. What does a genuinely compelling emerging manager look like in 2026?

A compelling emerging manager in 2026 is not just a good PM with a deck. The standout profiles share a few traits:

- A clear, repeatable edge
- A credible answer to “why now?”, not just “why me?”
- Institutional readiness from launch with ops, risk, governance all clearly defined
- Thoughtful economics and alignment in a fee compressed world

Allocators are also looking for durability, not optionality. The story has to extend beyond the first good year.

More than half of emerging managers cite capital flowing to established platforms as their single biggest fundraising obstacle. Is there anything structurally changing in how the prime brokerage community supports non-platform managers, or is that gap just continuing to widen?

I don’t think there’s been a meaningful structural shift in how the prime brokerage community supports non-platform managers; the dynamic is largely the same. What is evolving, though, is allocator behaviour.

Allocating to platform-backed managers is still the path of least resistance, there’s perceived safety and less career risk if something goes wrong. By contrast, allocating to non-platform managers inherently requires a higher degree of diligence and a greater willingness to underwrite risk, which not all allocators are set up to do.

At the same time, we’re seeing more pushback from allocators around duration mismatch, where platform capital is locked up for longer periods despite relatively liquid underlying strategies. There’s also a sharper focus on alignment both in terms of liquidity and fees. Allocators are still willing to pay for alpha, but that willingness has limits. These factors continue to create opportunity for emerging managers. As capital becomes more discerning, newer managers with strong alignment and a clearly differentiated edge can still compete effectively, even as large platforms attract a significant share of flows.

This is where Marex can add value. Our focus on emerging managers has allowed us to build strong relationships with allocators who are already experienced in the space, which in turn enables us to offer more targeted guidance and make more relevant, high-conviction introductions.

PART II: LAUNCH TRENDS AND ALLOCATOR SENTIMENT

Hedgeweek® data shows allocators are hungry for emerging managers in 2026

THE MOOD HAS SHIFTED

Something has changed in how allocators approach emerging hedge fund managers. After a year in which caution dominated, with 54% of allocators telling Hedgeweek in 2025 that they were less open to emerging managers than the year before, the data for 2026 tells a markedly different story. Two thirds of allocators committed capital to emerging managers last year. The same two thirds plan to do so again in 2026. On the manager side, 78% characterise current allocator appetite as net positive, with 65% describing it specifically as moderately positive with selective allocation. The message is consistent across both sides of the table: sentiment has shifted, and the direction is up.

The broader industry numbers reinforce this picture. According to HFR's latest Market Microstructure Report, an estimated 562 hedge funds launched in 2025, the strongest annual total since 2021. Liquidations fell to approximately 287 over the same period, the lowest annual total in more than two decades, while total industry assets climbed to a new high of around $5.16 trillion at the start of 2026. New fund formation is accelerating precisely as investor confidence in the asset class is recovering, and the two trends are not unrelated.

Kier Boley, who oversees hedge fund manager selection at UBP, captures the shift in portfolio logic succinctly: "What it does is introduce a higher risk adjusted return to your portfolio. And so the impact of that is it should reduce your downside exposure and overall benefit your total expected return." That argument, which struggled for oxygen during the low volatility era of the late 2010s, has found new traction. "The toughest environment is the period where there is very low volatility," Boley notes, "because uncertainty is sort of backstopped by monetary policy or fiscal policy. Now, we seem to be in a period where with the greater amount of volatility, there are more opportunities to trade or invest." For emerging managers with genuine edge, the macro environment is, for once, working in their favour.

MACRO ABOVE ALL

The strategy picture in 2026 is dominated by a single clear preference. Global macro is the top pick among allocators planning to commit to emerging managers this year, cited by 76%, well ahead of long/short equity and commodities, both at 59%. It was also the leading strategy in terms of actual allocations made in the past 12 to 18 months, alongside long/short equity at 56%. The alignment between past behaviour and forward intent is unusually clean.

The HFR data adds useful texture here. Launch activity in the final quarter of 2025 shifted notably toward equity hedge and macro strategies, reversing an earlier pattern in which relative value approaches had dominated new launches.

Chart 1 Allocator sentiment: then vs now

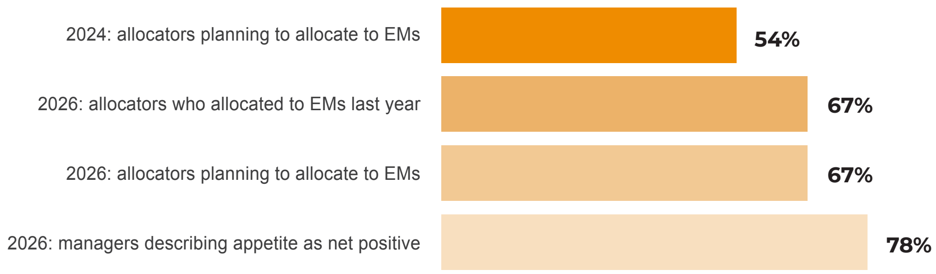
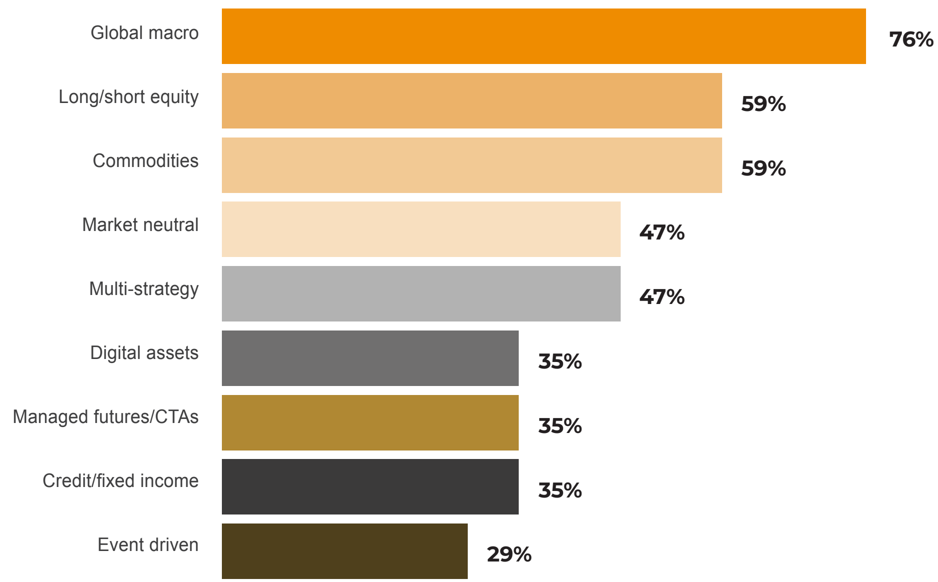


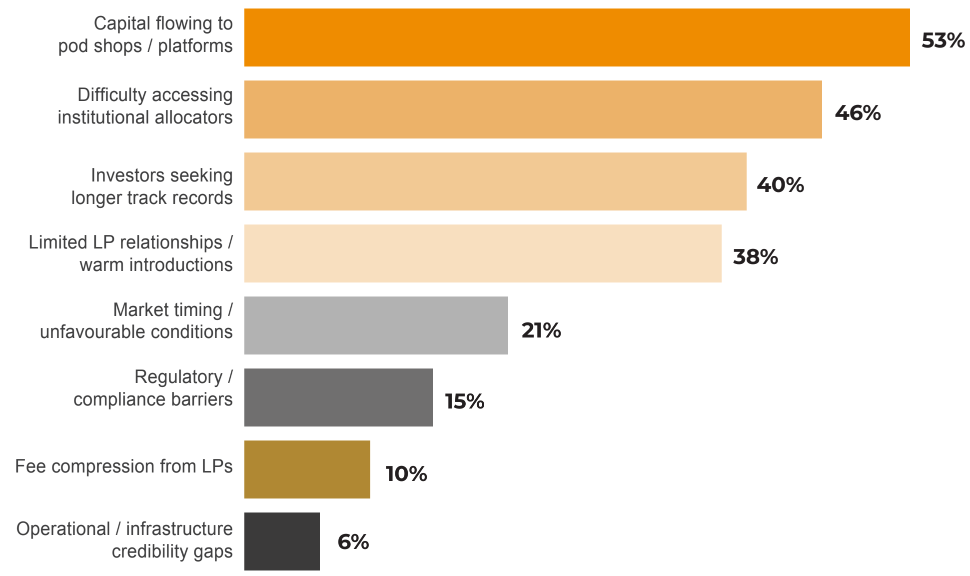
Chart 2 Top strategies allocators are targeting in 2026



Source: Hedgeweek Manager & Allocator Surveys Q1/Q2 2026

Chart 3 Commodities: past allocations vs forward intent

Chart 4 Biggest capital raising obstacles for emerging managers



Source: Hedgeweek Manager & Allocator Surveys Q1/Q2 2026

THE COMMODITIES SURGE

If global macro is the headline story, commodities is the one building underneath it. The jump in allocator intent is one of the sharpest movements in the dataset: 33% of allocators committed to commodity strategies via emerging managers in the past 12 to 18 months. That figure rises to 59% when allocators are asked about their plans for 2026, a 26 percentage point increase that places commodities tied with long/short equity as the second most sought after strategy for the year ahead.

The structural forces behind this trend are not short lived. Supply chain fragmentation, energy transition, geopolitical dislocation, and the continued recalibration of global trade flows are all feeding into demand for specialist commodity expertise. North American allocators are particularly enthusiastic, with 40% targeting commodity strategies in 2026 versus 25% of their European counterparts, but the direction of travel is consistent across geographies.

The scarcity of credible commodity specialists is as much a part of the story as the demand for them. The retreat from the asset class after 2014 was not just a capital story but a talent story – managers closed, institutional knowledge dispersed, and when the macro backdrop began shifting again the bench of experienced managers was considerably thinner than in previous cycles.

"Unequivocally, this is one of the best possible times to be in a commodity strategy. You want to be in a directional strategy, not an RV strategy, in this sort of timeframe," a commodities specialist hedge fund manager who launched his fund in 2025 told Hedgeweek®.

The allocator rotation underpinning that opportunity is one of the sharpest single cycle moves in this year's survey data, with forward intent toward commodity strategies jumping from 33% to 59% in a single quarter. Whether that move proves structural or reactive will depend on whether allocators are buying the longer term argument – AI metals demand, resource nationalism, tightening stocks-to-use ratios across multiple markets –or primarily responding to recent performance and geopolitical noise.

The view of allocators who spoke to is this revival in commodities does not depend on any single event continuing, and the Class of 2026 reflects the conviction directly: Nexus Commodities Capital Management, Moreton Capital Partners and Harvestone Capital Partners all feature on this year's list, representing three distinct approaches to the same long-term tailwind.

THE ACCESS PARADOX

The single most common capital raising obstacle cited by emerging managers in 2026 is capital flowing to established pod shops and multi strategy platforms, identified by 53% of respondents. Close behind, 46% say difficulty accessing institutional allocators is a significant barrier. These numbers paint a picture of an industry in which the path from talented portfolio manager to funded emerging manager remains formidably obstructed.

Yet the allocator data complicates this narrative in an important way. Three quarters of allocators invest in emerging managers without a dedicated emerging manager programme. The structural wall is lower than managers perceive. What looks like an institutional barrier is, in practice, largely a relationship gap: the absence of warm introductions and existing LP networks rather than the absence of mandate. Allocation decisions in 2026 are being made through personal relationships, not formal processes. Boley's experience at UBP illustrates the dynamic clearly. His firm does not typically invest with emerging managers, requiring a three year verifiable track record before engagement. But he identifies the real bottleneck as operational rather than relational: "An emerging manager must demonstrate that their operational side is as strong as their investment side. And in this environment, they need a much larger AUM to put all of that into place." For most emerging managers, the investment thesis is the easy part. It is the operational credibility, the infrastructure, the risk management, the reporting capability, that determines whether institutional conversations convert.

The launch cost threshold has also moved materially. "Ten years ago, $100m could be a successful launch," Boley observes. "Today, you really need closer to $400 to $500m on day one."

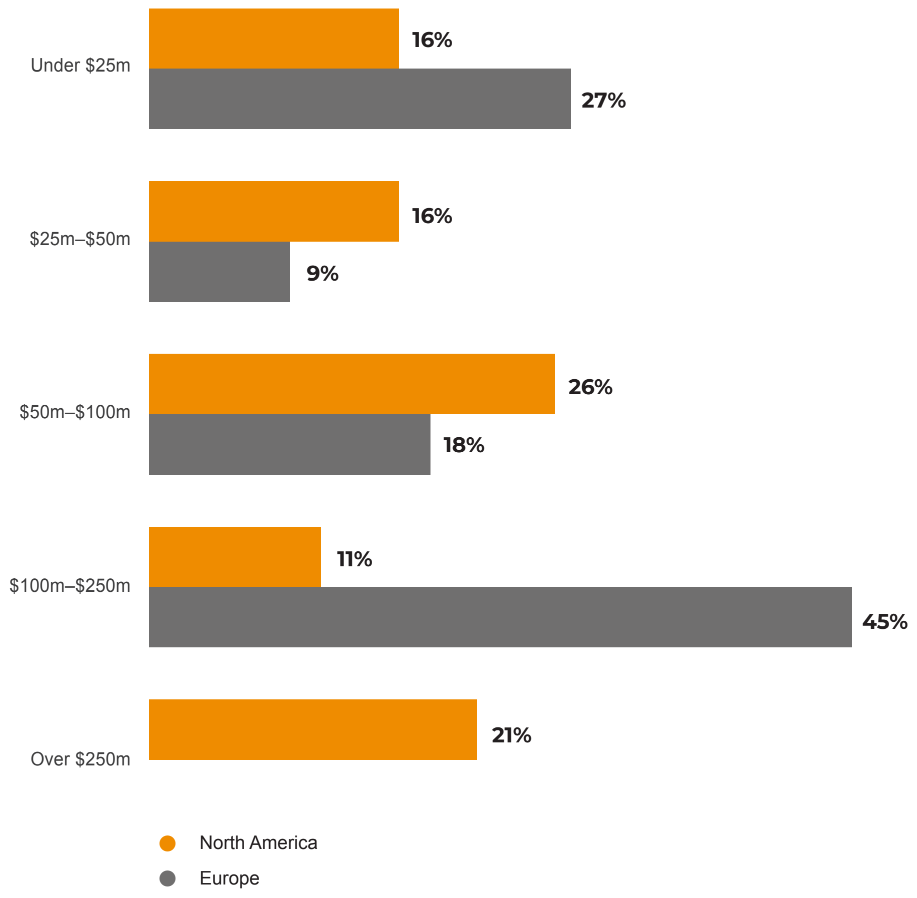
That benchmark shifts the entire fundraising calculus for non platform managers and explains why seeder capital and platform SMAs have become increasingly central to the emerging manager ecosystem, not as a preference, but as a practical requirement.

TICKET SIZES: TWO MARKETS, TWO CONVERSATIONS

For emerging managers who do successfully access allocator capital, the size of the cheque they can expect varies significantly by geography. Hedgeweek® data reveals a striking divergence in ticket size culture between North American and European allocators.
Among North American allocators who deployed capital to emerging managers last year, 21% committed more than $250m, a genuinely transformational allocation for a new fund. European allocators, by contrast, deployed nothing above that threshold, with 45% concentrated in the $100 to $250m range.

This is not simply a question of institution size. It reflects different portfolio construction philosophies, different risk appetite frameworks, and different relationships between allocators and the managers they back. According to a New York based fund of hedge funds investment executive, "North American allocators tend toward a bimodal distribution, either very large commitments for managers they have high conviction in, or very small exploratory positions". European allocators, he remarks, cluster in the mid tier, building measured exposure across a broader range of names.

Chart 5 Ticket sizes deployed to emerging managers: North America vs Europe



Source: Hedgeweek Manager & Allocator Surveys Q1/Q2 2026

Chart 2.6 Strategy preference: North America vs Europe

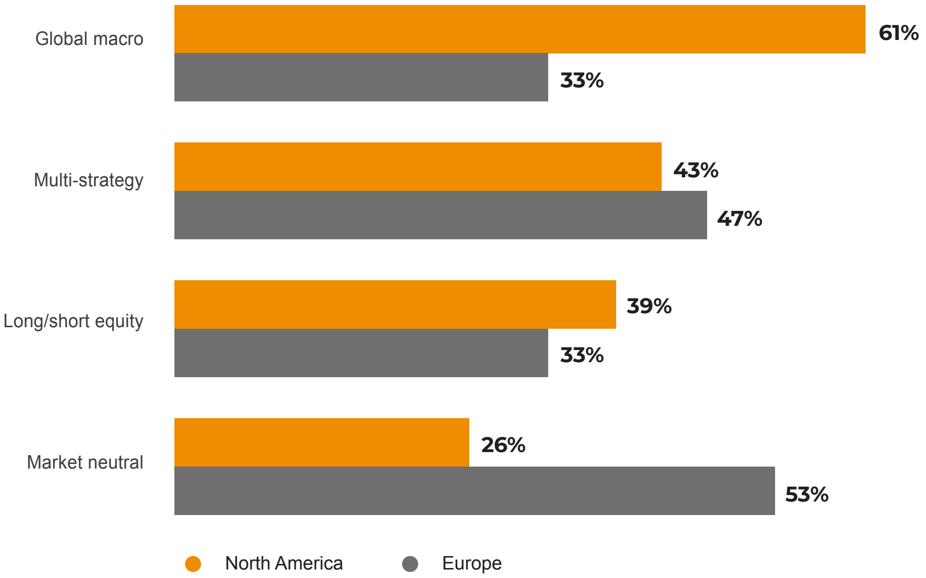
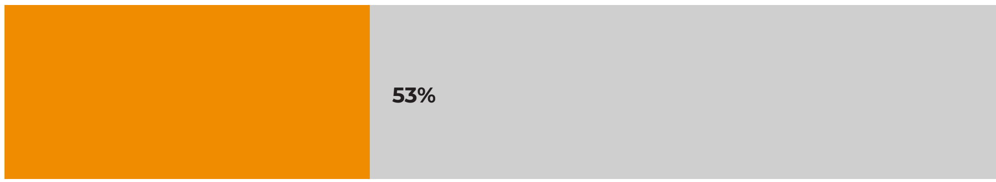


Chart 2.7 Launch difficulty score vs five years ago



Mean difficulty score: 36.65/100 (0 = much easier, 100 = much harder than 5 years ago)

Source: Hedgeweek Manager & Allocator Surveys Q1/Q2 2026

THE LAUNCH ENVIRONMENT: HARD BUT OPEN

Managers rate the difficulty of launching today at a mean score of 36.65 out of 100, where zero represents easier than five years ago and 100 represents much harder. That score sits meaningfully below the midpoint, suggesting a climate of genuine but manageable friction.

The HFR numbers put a sharper edge on this reading: the top decile of funds delivered gains of more than 47% in 2025, while the bottom decile posted double digit losses. That widening dispersion between the best and worst performers is reinforcing allocator focus on manager selection, and in a market where skill is being rewarded at historically high rates, the case for backing genuine talent has rarely been stronger.

The emerging manager landscape in 2026 is demanding. The operational bar is high, the fundraising environment is stratified, and pod shop dominance continues to absorb capital that might otherwise flow to independent launches. But it is navigable.

What the data collectively suggests is an industry that has recalibrated rather than retreated. Allocators are re-engaging, strategies are diversifying, and the macro environment is generating the kind of dispersion that rewards genuine skill. For those with clear edge, the right operational infrastructure, and the patience to build relationships rather than wait for programme mandates, the door in 2026 is more open than the fundraising headlines suggest.

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