

## **Duet of star traders to head new fund**

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Duet Asset Management, the \$2.3bn London-based alternative asset manager, is raising money for a new hedge fund to be headed by two of the world's most senior commodities traders.

The firm has hired Tony Hall, the global head of distillates oil trading at Credit Suisse-Glencore, the joint venture between the bank and commodity trading powerhouse, and Arno Pilz, the former global head of metals trading at UBS and Lehman Brothers, to manage the new Duet Commodities Fund.

Before joining Credit Suisse-Glencore, Mr Hall worked for 8 years at Deutsche Bank as an oil trader working on the bank's commodity and macroeconomic proprietary trading desks.

The pair's move is the latest in a series of high-profile departures of banks' senior traders as concerns mount over the potential impact of new banking regulation.

The so-called "Volcker rule" in the US would restrict banks' proprietary trading operations, while in Europe traders are wary over onerous new curbs on pay. European Union lawmakers and member states on Wednesday backed the toughest restrictions on bankers' bonuses seen so far.

Interest in commodity hedge funds has been particularly high, with recent launches raising substantial sums.

Astenbeck Capital Management, which was set up by the former Citigroup oil and gas trader Andrew Hall, raised \$1bn when it launched earlier this year.

After a stellar 2009, markets have been difficult for many commodity-focused managers in 2010, however.

Astenbeck saw its flagship fund suffer a 10 per cent drawdown over the course of a volatile May. Even established names have floundered.

Willem Kooyker, one of the world's most seasoned commodities traders, saw his \$3bn Blenheim Global Markets fund drop 7.7 per cent in May. The fund is down 11.3 per cent in the year to date.

Merchant Capital, the \$1.5bn Singapore-based fund managed by ex-Cargill traders Michael Coleman and Doug King, is down 17.6 per cent so far this year, according to an investor.