

HEDGE FUND INDUSTRY EMPLOYS NEARLY 400,000 PEOPLE

The global hedge fund industry employs close to 400,000 people, an increase of about a third since 2010, according to research by the Alternative Investment Management Association (AIMA), the global representative of alternative investment managers, and data provider Preqin.

There are around 115,000 staff at hedge fund management firms worldwide and around 275,000 at businesses that provide services to hedge funds, including lawyers, auditors, administrators and prime brokers, the organisations have found.

The global total represents an increase of 30% since the end of 2010, the last time that AIMA conducted a global employment survey. That growth rate is in line with a 32% increase in the number of hedge fund management firms worldwide, to around 5,500, during that period, according to Preqin.

The markets with the largest concentration of workers in the sector are the US (253,000) and the UK (56,000), followed by Hong Kong (9,000), Switzerland (8,000), Australia (7,000), Canada (6,000), Singapore (4,000), Brazil (4,000), France (4,000) and China (3,000).

According to Preqin, hedge fund management firms tend to be larger on average in the UK than elsewhere. The average staff count in the UK is 29, compared to 20 in the US and around 15 in Canada, Australia, France and Brazil. The smallest firms by staff numbers are in Hong Kong and Singapore, where the average is around seven people.

AIMA Chief Executive Jack Inglis said: "The industry continues on a strong long-term growth trajectory. Back in December of 2010, when we last assessed this, the industry managed around \$1.6 trillion in assets and employed about 300,000 people worldwide. Today, it manages around \$3 trillion on behalf of more than 5,000 institutional investors and employs about 400,000 people. Many of these jobs are highly skilled."

Amy Bensted, Head of Hedge Fund Products, Preqin, added: *"The market has diversified over recent years, and the hedge fund industry is an increasingly global one. Although the US remains the largest centre for hedge fund employment, significant numbers of people now work in hedge fund firms or service providers in financial hubs across the globe. They bring with them a huge amount of specific experience and expertise."*

Picture: (c) Davi Sales Batista - Shutterstock.com