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(S&P Global Market Intelligence) – The world's largest hedge funds were bullish on Wells Fargo & Co. and Citigroup Inc. in the first quarter even as both banks' stocks lost ground.

S&P Global Market Intelligence looked at the 25 biggest global hedge funds in terms of equity assets that had at least one position in a financial stock. The analysis showed that four of these big hedge funds held a position in Wells Fargo worth a combined \$1.70 billion as of March 31.

Hedge funds' 25 largest financial stock positions, ranked by total market value

Company (ticker)	March 31, 2018			Change from Dec. 31, 2017 (%)	
	Position (shares) ¹	Market value (\$M) ²	No. of hedge funds ³	Shares	Price ⁴
 Berkshire Hathaway Inc. (BRK.A)	8,089	2,419.4	3	-4.0	0.5
 Wells Fargo & Co. (WFC)	32,365,829	1,696.3	4	32.4	-13.6
 S&P Global Inc. (SPGI)	8,391,783	1,603.3	5	4.4	12.8
 Citigroup Inc. (C)	20,373,651	1,375.2	2	236.7	-9.3
 Morgan Stanley (MS)	23,428,299	1,264.2	3	-4.0	2.8
 Synchrony Financial (SYF)	32,907,579	1,103.4	4	-14.4	-13.2
 BlackRock Inc. (BLK)	2,003,870	1,085.5	2	-24.5	5.5
 Apollo Global Management LLC (APO)	34,322,807	1,016.6	1	-0.6	-11.5
 KKR & Co. LP (KKR)	49,700,000	1,008.9	1	4.1	-3.6
 The Charles Schwab Corp. (SCHW)	19,232,052	1,004.3	3	1.2	1.7
 Bank of America Corp. (BAC)	32,276,474	968.0	4	-30.9	1.6
 Athene Holding Ltd. (ATH) ⁵	19,649,247	939.4	1	NM	-7.5
 The Bank of East Asia, Ltd. (23)	218,080,742	869.7	1	0.0	-7.9
 The Bank of New York Mellon Corp. (BK)	16,136,596	831.5	1	2.3	-4.3
 Berkshire Hathaway Inc. (BRK.B)	4,110,921	820.0	3	-14.0	0.6
 Intercontinental Exchange Inc. (ICE)	11,105,459	805.4	3	3.7	2.8
 Raymond James Financial Inc. (RJF)	7,504,343	671.0	2	57.7	0.1
 Franklin Resources Inc. (BEN)	15,249,290	528.8	3	6.7	-20.0
 Deutsche Börse Aktiengesellschaft (DB1)	3,534,650	480.7	2	0.0	17.0
 Charter Court Financial Services Group Plc (CCFS)	114,624,388	476.1	1	0.0	8.9
 Credit Acceptance Corp. (CACC)	1,420,355	469.3	2	0.6	2.1
 The Toronto-Dominion Bank (TD)	7,835,616	443.9	1	-11.9	-3.5
 Enstar Group Ltd. (ESGR)	1,950,218	410.0	1	0.0	4.7
 Willis Towers Watson Public Ltd. Co. (WLTW)	2,691,220	409.6	1	-2.1	1.0
 Cincinnati Financial Corp. (CINF)	4,770,980	354.3	1	29.6	-0.9

Industry  Banks  Capital markets  Insurance  Consumer finance
 Thriffs and mortgage finance  Diversified financial services

Data compiled May 22, 2018.

S&P Global Market Intelligence analyzed the latest Forms 13F, Forms 13G, Schedules 13D, exchange announcements and annual reports to determine the largest hedge funds based on reported equity assets. The list was limited to those funds that S&P Global Market Intelligence believes are pure play hedge funds that focus on stock picks, are more activist, and have fewer than 100 positions.

Limited to hedge funds with at least one financial sector holding. Excludes ETFs and companies in the "Technology" sector. Industry classifications are based on S&P CapitalIQ definitions.

¹ Aggregate number of shares held by the top 25 hedge funds.

² Aggregate market value of holdings among the top 25 hedge funds.

³ Total number of top 25 hedge funds with shares in the company.

⁴ Price change is shown for shares on a company's home-country stock exchange in U.S. dollars.

⁵ As of March 31, 2018, Apollo held 19,649,247 class A shares, up from 132,130 at Dec. 31, 2017, and 19,781,377 class B shares, down from 42,633,171.

NM = not meaningful

The tickers shown are based on a company's home-country stock exchange.

Source: S&P Global Market Intelligence

During the first quarter, Viking Global Investors LP more than doubled its position in the bank to \$672.6 million, while Appaloosa Management LP initiated a \$154.0 million stake. At the same time,

both Gardner Russo & Gardner LLC and Ruane Cunniff & Goldfarb LP trimmed their exposure to the bank during the quarter.

At U.S. megabank Citigroup Inc., two of the top 25 hedge funds held a position worth a combined \$1.38 billion. ValueAct Capital Management LP significantly increased its investment in Citi to \$1.09 billion as of March 31, up from \$81.9 million at the end of 2017.

Kiltearn Partners LLP also added to its Citi stake during the first quarter, but the decline in the bank's share price knocked the market value of the firm's total position down to \$281.7 million as of March 31, from \$308.7 million a quarter earlier.

Among the top 25 hedge funds, Kiltearn Partners was the most concentrated in financial stocks, with 12 of its 57 holdings allocated to the industry.

Gardner Russo and Ruane Cunniff both reported investments in Berkshire A-shares and B-shares, while Hillhouse Capital Management Ltd. reported an A-share stake and Select Equity Group LP disclosed a B-share stake.

Berkshire Hathaway Inc. was easily the largest investment among the top 25 hedge funds, which held a collective \$2.42 billion stake in Berkshire A-shares and an \$820.0 million investment in Berkshire B-shares as of March 31.

Carl Icahn's Icahn Capital LP completely sold out of insurer American International Group Inc. during the first quarter. At the end of 2017, the hedge fund's stake was worth \$2.56 billion, which was the largest investment among the top 25 hedge funds at year-end 2017.

Largest hedge funds invested in financial companies*

25 largest hedge funds with a financial stock position, ranked by total equity assets

Rank	Company (ticker)	Total equity assets (\$B)	Total positions
1	Icahn Capital LP	23.88	19
2	Lone Pine Capital LLC	20.30	47
3	Elliott Management Corp.	19.41	68
4	TCI Fund Management Ltd.	18.96	19
5	Viking Global Investors LP	17.73	69
6	Tiger Global Management LLC	14.81	61
7	Gardner Russo & Gardner	14.13	95
8	Select Equity Group LP	13.81	95
9	Farallon Capital Management LLC	13.64	96
10	ValueAct Capital Management LP	13.57	17
11	The Baupost Group LLC	13.30	37
12	Third Point LLC	12.92	49
13	Egerton Capital (UK) LLP	12.70	51
14	Ruane, Cunniff & Goldfarb LP	12.37	64
15	Apollo Global Management LLC (APO)	12.29	70
16	Highfields Capital Management LP	11.41	58
17	Cantillon Capital Management LLC	10.66	43
18	Hillhouse Capital Management Ltd.	10.45	70
19	Trian Fund Management LP	10.00	8
20	PAR Capital Management Inc.	9.73	84
21	Appaloosa Management LP	9.69	48
22	Canyon Capital Advisors LLC	9.58	36
23	Kiltearn Partners LLP	8.82	57
24	Pentwater Capital Management LP	8.63	56
25	Senator Investment Group LP	7.28	43

Data compiled May 22, 2018.

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Source: S&P Global Market Intelligence

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