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## **Hedge Fund Administrator Custom House To Boost Singapore Team**

Custom House Group plans to boost its team in Singapore to 80 from 10 within a year to keep pace with Asia's growing hedge fund industry. Custom House values portfolios and provides independent checks and balances for investors in funds worth US\$23 billion.

"There's a growing appetite for hedge funds, CTAs (commodity trading advisors) and alternative investments in Asia," Chairman Dermot Butler said after his firm opened an office last month. Butler said its business in Singapore was growing because of the rising number of hedge funds that have moved to the city-state.

The Monetary Authority of Singapore said in December that the number of hedge fund managers has risen from a handful to more than 100 in the last five years.

Asia's hedge fund industry is still relatively small, managing more than US\$140 billion in assets, according to industry research group EurekaHedge - or around 10 percent of global hedge fund assets under management.

Singapore, which is competing with Hong Kong to attract hedge funds and private equity firms, wants to become a more attractive place for asset managers. The Southeast Asian island-nation still lags Hong Kong in terms of funds under management, but it has gained momentum due to its talent pool, accommodative regulation and tax incentives.

Earlier this month, Morgan Stanley said it was setting up a Singapore prime brokerage office to be closer to the hedge funds it serves.

Butler said that demand for alternative investments in Asia was growing because investors were getting more sophisticated.

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