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# Advisers build hauls to \$19B

Premium content from Triangle Business Journal - by Lee Weisbecker

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RALEIGH – Four of the region's five largest investment firms added to their total money under management over the past year and now oversee a combined \$18.7 billion, according to federal filings.

Raleigh-based [Shah Capital](#), a domestic and overseas stock investor headed by **Himanshu Shah**, experienced the largest percentage gain, 18.1 percent. Money under management at Shah rose from \$276 million in March 2010 to \$326 million as of March 2011.

"Although the gain is respectable, throughout most of 2010 we have been very cautious and have invested accordingly," says Shah Capital spokesman **Richard Callaghan**. "And as a result of the cautious approach we took last year, we believe we are well positioned for moving ahead in 2011."

The money under management numbers come from investment advisory firm filings maintained by the U.S. Securities and Exchange Commission. The information is updated only once a year. As a measure of a fund's status, the data serve as a basic yardstick that gives insight into both investment returns and losses and the entry and exit of investors, explains Chapel Hill wealth manager **Charles Leedy**.

Seeing a decline in assets over the 12-month period was Durham-based fixed income manager Smith Breeden. The firm reported about \$6.5 billion under management as of the end of March, down by 21 percent from \$8.2 billion in 2010.

The drop can be linked to the continued travails in the U.S. mortgage market in which Smith Breeden has been heavily invested. Back in 2007, before the financial crisis and widespread problems centering on mortgage-backed securities, Smith Breeden had \$32 billion under management.

Meanwhile, in Chapel Hill, [Morgan Creek Capital](#), the investment business set up by former UNC-Chapel Hill endowment manager **Mark Yusko**, saw assets under management rise by 2 percent, to \$9.2 billion as of March 2011.

In a recent interview, Yusko said he expects his assets under management to bounce back

toward the firm's high water mark of \$10 billion when some new funds begin drawing cash from investors and can be counted in the company's asset totals.

Yusko recently filed documents stating that one new fund, Morgan Creek Asia Partners, had raised \$214 million of a \$250 million target.

Also in Chapel Hill:

- Convertible arbitrage specialist Silverback Asset Management reported an 8.4 percent rise in money under management during the past 12 months, from \$553 million in 2010 to \$600 million in 2011.
- Franklin Street Advisors, a wealth management and hedge operation, reported 2011 assets of \$2.03 billion, up 2.7 percent over the \$1.98 billion the firm reported a year earlier.

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