Conquest Aims for $1 Billion Mark

Volatility specialist Conquest Capital has launched a fund- raising campaign with the goal of boosting assets under man- agreement to $1 billion.

Since its inception in 2001, the New York firm has focused more on research than marketing. Its five-member investment staff occasionally contributes strategy research to publisher Risk Books and The Journal of Alternative Investments.

But with assets under management approaching $700 mil- lion, Conquest last year hired its first full-time marketer, Jessica Grad, to spread the word about the firm's success during recent market downturns. In 2008, when the average hedge fund fell 19%, the flagship Conquest Macro fund gained a whopping 45%. So far this year, the $475 million fund is up 19%, with half of the gains coming in May — when most hedge funds suffered sharp losses.

Conquest's strategy is to exploit volatility in the stock, bond, commodity and currency markets. Conquest Macro turned in its worst performance last year, losing 14% while the stock market posted strong, steady gains. Since then, Conquest has tweaked its strategy to perform better during periods of rising risk appetite.

The firm has a second fund, Conquest Managed Futures Select, with $170 million under management. Conquest also runs managed accounts for investors that pony up at least $10 million.

Mark Malek founded the firm in 2001. During the late 1990s, he was global head of currency and derivatives proprietary trading at UBS. O