

2008 HEDGE FUND TRADING SURVEY

TOP EQUITY TRADING FIRMS BY CATEGORY

The following tables show how the top brokerage firms fare in each of the four major areas of equity trading, based on voting from more than 300 hedge fund firms that use their services.

ELECTRONIC TRADING/DIRECT MARKET ACCESS

RANK		FIRM
2008	2007	
1	4	Morgan Stanley
2	7	Lehman Brothers
3	1	Goldman, Sachs & Co.
4	3	Credit Suisse
5	6*	JPMorgan Chase & Co.
6	5	UBS
7	9	Citi
8	2	Banc of America Securities
9	10	Merrill Lynch
10	8	Deutsche Bank

TRADING EXPERTISE & MARKET KNOWLEDGE

RANK		FIRM
2008	2007	
1	7	Jefferies & Co.
2	5	Credit Suisse
3	3	Morgan Stanley
4	2**	JPMorgan Chase & Co.
5	9	Lehman Brothers
6	1	Goldman, Sachs & Co.
7	8	Citi
8	4	UBS
9	6	Banc of America Securities
10	—	Deutsche Bank

TRADITIONAL EXECUTION

RANK		FIRM
2008	2007	
1	10	Jefferies & Co.
2	4*	JPMorgan Chase & Co.
3	5	Credit Suisse
4	8	UBS
5	6	Morgan Stanley
6	1	Goldman, Sachs & Co.
7	7	Lehman Brothers
8	2	Citi
9	9	Deutsche Bank
10	—	Merrill Lynch

ALGORITHMIC TRADING

RANK		FIRM
2008	2007	
1	4	Banc of America Securities
2	1	Credit Suisse
3	3	Lehman Brothers
4	5	Morgan Stanley
5	9	UBS
6	2	Goldman, Sachs & Co.
7	6*	JPMorgan Chase & Co.
8	10	Merrill Lynch
9	8	Citi
10	7	Deutsche Bank

*Rank in 2007 was for Bear, Stearns & Co., which JPMorgan Chase & Co. acquired in May; JPMorgan did not rank last year.

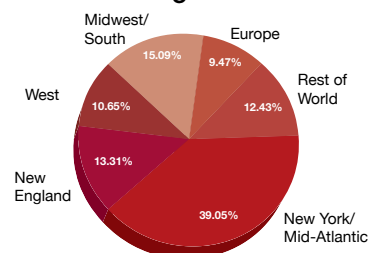
**Rank in 2007 was for Bear, Stearns & Co.; JPMorgan Chase & Co. was No. 10 last year.

Compiling the Ranking

Alpha compiled its second annual ranking of the Top Equity Trading Firms based on voting in the spring and early summer by more than 300 hedge fund firms. Brokerage quality was broken down into four broad functional areas — Algorithmic Trading, Electronic Trading/Direct Market Access, Traditional Execution and Trading Expertise & Market Knowledge — each of which included a series of specific points of service on which hedge fund managers evaluated their brokerages. Respondents also rated the importance of each broad functional category, the result of which was then used to calculate the overall winner, rewarding firms that do well in the tasks hedge funds prize most. In the accompanying tables we rank only those firms for which we received a minimum number of responses.

Alpha's 2008 Top Equity Trading Firms survey was conducted by Research Specialist Timothy Roberts with Associate Editor Julia Leikin, under the guidance of Assistant Managing Editor Sathya Rajavelu and Senior Editor Jane B. Kenney.

Region



Assets Under Management

