

News

Citadel to Start Quant Business With Nazarali, Cushman From Knight Capital



The building that houses Citadel LLC, center, stands in Chicago, Illinois. Photographer: Tim Boyle/Bloomberg

Citadel LLC, the \$11 billion hedge fund run by Ken Griffin, hired Jamil Nazarali and Matt Cushman, former executives at Knight Capital Group Inc. (KCG), to lead a new effort in quantitative trading.

Nazarali, 43, and Cushman, 37, are set to join Citadel in September and report to Griffin, said Devon Spurgeon, a spokeswoman for Chicago-based Citadel. They will work with groups across the firm including equities, currencies and high-frequency trading, she said.

Quantitative hedge funds, which use complex mathematical models to pick investments, returned 2.1 percent this year through March compared with an industry average gain of 1.6 percent, according to Hedge Fund Research Inc. The funds rose 8.8 percent last year and 14 percent in 2009, data from the Chicago-based research firm show.

Nazarali and Cushman resigned from Knight Capital in February, the firm said that month. Nazarali was a senior managing director responsible for Knight's electronic-trading group, where Cushman was a managing director, according to a statement from the Jersey City, New Jersey-based firm.

Nazarali previously worked as a consultant at Ernst & Young LLP and Bain & Co. Cushman, who has a doctorate in mathematics from the University of Chicago, worked at a technology startup.

To contact the reporter on this story: Saijel Kishan in New York at skishan@bloomberg.net

To contact the editor responsible for this story: Christian Baumgaertel at cbaumgaertel@bloomberg.net

By Saijel Kishan