

# [PDF] Hedgehogging

## Barton Biggs - pdf download free book

---



### Books Details:

Title: Hedgehogging

Author: Barton Biggs

Released: 2006-01-03

Language:

Pages: 320

ISBN: 0471771910

ISBN13: 978-0471771913

ASIN: 0471771910

# [CLICK HERE FOR DOWNLOAD](#)

---

pdf, mobi, epub, azw, kindle

### Description:

**Review** "...a real glimpse of the investing world...by telling individuals' stories, Biggs...reveals far more about the ups and downs of hedge fund investing than the usual numbers-heavy dissertations...reveals just what a whacky world many hedgers occupy" (*Daily Telegraph*, 29 December 2005)

About 10 years ago, I was sitting at lunch with Morgan Stanley's respected U.S. equity strategist Byron Wien and a number of other analysts. The bulls were running, and the media would routinely fixate on one or another rising young Wall Street strategist only to watch him burn out on a bad call or a bad year. Wall Street is notoriously a young man's game, yet year in and year out Wien and

Morgan Stanley's global strategist Barton Biggs, both veterans in their 60s, were voted the tops in their field.

An analyst asked: "Byron, why do you suppose you and Barton seem to always be running ahead of your competitors, even though they're 20 years or more your junior?"

Wien, usually not at a loss for words, paused for a few seconds. "I think it's because we love our jobs, and they hate theirs."

In 2003, Barton Biggs went on to demonstrate the point. Long past the point of needing the money, the glory or the fame, Biggs and a couple of partners left Morgan Stanley and launched a global macro hedge fund, Traxis Partners.

Being a venerated Wall Street figure did not spare Biggs the indignities of hedge-fund start-ups before him. He put on the dog and pony shows, trying to drum up capital. He suffered false promises and rejection. Hedge-fund managers' performance is typically a closely-guarded secret -- the Securities and Exchange Commission does not allow marketing or bragging -- but I can report from inside the business that Traxis has enjoyed very favorable returns in its young life. Biggs can most certainly walk the walk.

Hedgehogging, his account of his hedge fund and Wall Street years, is evidence that Biggs is still at his best when he is talking the talk.

Throughout his 40-plus-year career, Biggs (whom I never had the pleasure of meeting during my four years at Morgan Stanley as a research analyst) has been an innovator on both the "buy" and "sell" side of the Street. Back in the 1970s, he managed one of the early hedge funds; he later founded Morgan Stanley's equity-research department and then served as its global strategist, and was for a time a member of the **Barron's** Roundtable.

Hedgehogging offers us telling glimpses of the characters that populate the hedge-fund world, and the unrelenting daily pressure of running a marked-to-market hedge fund.

We read about "Richard," a successful manager who had a bad habit of touting his stocks to other managers while selling as they bought, and "Grinning Gilbert" a red-hot hedge-fund manager in the go-go 1990s, whose wife "reinvested" his earnings in a share in Netjets, an expensive Greenwich home with a 5,000-bottle wine cellar, the requisite Scottish nanny and the usual charities. When Gilbert's fund flamed out, he became paralyzed with depression, closed the curtains and refused to leave his bed. Wife Sharon was left to tell his team of 12 that they no longer had jobs, and to liquidate the firm.

Maybe I've been thinking about James Frey too much, but I should add that after reading more than a half dozen of these anonymous manager profiles, I did want to scream: "Who are these friggin' people?" As it happens, it has become something of a hedge-fund parlor game to try to figure out who is whom. Personally, I suspect one character, the likeable Greg, is based on Omega Capital's Leon Cooperman. Other hedge-fund luminaries, such as Mark Kingdon, Stanley Druckenmiller, Art Samberg, Richard Chilton and George Soros, also appear to make cameos, although the "fudge factor" in Biggs' composite sketches may be huge. Most writers realize they can improve sales by naming names, but Biggs is a businessman first, and making enemies does nothing to help his business.

Biggs is at his best when he describes the misery of a manager who suffers through bad performance. Like the game of poker, managing a hedge fund requires a high level of skill, but during any given time period, a high degree of randomness can creep into one's performance. I know, I know: Pity the plight of the poor hedge-fund manager with his ridiculous performance fees. Over the past 25 years, I have been a reporter, a research analyst and a hedge-fund manager. While all professions have their share of pressure and pain, there is simply nothing professionally that compares with the vise-like grip that takes hold of a manager's stomach when things are going badly. No one has done a better job of describing this visceral pain than Biggs:

"Winston Churchill, whose career had its up and downs and also was plagued with bouts of depression, spoke of the huge, foul-smelling black dog with breath like the sewer, which appeared uninvited and sat heavily on his chest pinning him down," Biggs writes. "There is an investment

black dog, and when you are doing badly, it comes and sits on your chest in the middle of the night, and on Saturday mornings, and on sunny spring afternoons in the office. It's almost impossible to banish the black dog when he gets on you."

Thus Biggs describes, with good-natured candor, his bad bet shorting oil -- including his sense that his friends were looking at him strangely at the country club. He even heard criticism from his own daughter.

Biggs takes us to places far beyond the realm of the modern-day hedge fund, as he regales us with short snippets of Margaret Thatcher, the Internet bubble, coin collecting and the folly of investing in art. Some of his diversions, such as the fable of the man who could read tomorrow's Wall Street Journal, seem a little forced. Others, such as his chapter on the life of Lord John Maynard Keynes, hit the mark.

My grandmother was not a stock-market maven, but she did have a favorite expression: "Live forever, learn forever." While we all would like to follow the first part, only a lucky few will wind up like Biggs, with an open and fertile mind through our 70s. Therein must lie the secret of his passion and success -- even with the occasional foul-smelling black dog, and oil bets gone awry.

—Reviewed By Neil Barsky (*Barron's*, February 4-10, 2006)

"...an intelligent book on a serious subject that is also a joy to read." (*Professional Investor*, April 2006)

"...evokes the 'agony and ecstasy' of the frenetic and highly competitive world of hedge funds...funny and sobering" ( *The Mail on Sunday*, May 2006)

"...a reassuring tale for ordinary mortals..." (*Financial World*, May 2006)

"...legendary..." (*Futures Magazine Group*, July 2006)

"...is punchy, entertaining and insightful." (*Money Week*, December 2006)

"...a real page turner... an extremely well written, funny and fascinating book..." ( *The Technical Analyst*, January 2007)

"highly amusing."--*Financial Times*

**From the Inside Flap** Hedgehogging is one of the most instructive, fascinating, and inherently entertaining investment books of this or any year. Written by legendary Wall Street investor and executive Barton Biggs, it provides an impressionistic view of ?professional investors as well as the agony and ecstasy that are endemic to this frenetic and highly competitive world.

The book tells of the successes and the failures of these men and women. It unveils the moral code that they live by, and describes their different life styles and operating patterns. It also relates the adventures and travails of these incredibly intense and obsessed investment personalities, their peculiarities, and the stresses they experience. Hedgehogs are strange, insecure, but fascinating characters, preying on each other and other investors in the battle for investment survival.

Biggs was an English and Creative Writing major at Yale who studied under Robert Penn Warren. His book is populated with a mixture of real identifiable people and real disguised people as well as with occasional fiction. There is no exaggeration. Everything except for one whimsical tale, which is completely fictional, actually happened. Stories of investment adventures and individual journeys, both triumphs and disasters, are related, but there are no answers, only retrospective wisdom.

The book is not an investment primer nor does it tell how to start a hedge fund, although it does recount some of Biggs's experiences in the formation of his fund. However, there are chapters that

describe the way others—ranging from Count Otto von Bismarck to the Yale Endowment—have dealt with the battle for investment survival, and it provides a model of how hedge funds might be employed in a modern portfolio. Inevitably some of Biggs's investment biases surface.

Hands-on experience is an unparalleled teacher, and Barton Biggs has seen and experienced the highs and lows of Wall Street as few others have. Now, Biggs has written about the professional investment world in general and hedgehogs in particular. As engaging, blunt, and intellectually provocative as its author, *Hedgehogging* pulls back the curtain to provide a rare insider's look at what actually goes on, both in Wall Street's corner offices, at dinner meetings, and in the highly competitive, lucrative world of hedge fund management.

---

- Title: *Hedgehogging*
  - Author: Barton Biggs
  - Released: 2006-01-03
  - Language:
  - Pages: 320
  - ISBN: 0471771910
  - ISBN13: 978-0471771913
  - ASIN: 0471771910
-