

iPad's grip on hedge funds tightens

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Editor's Corner:

In a terrific marketing coup, hedge fund IT provider Agio Technology hosted what it called its iPad Challenge. It gave iPads to 14 hedge fund managers who evaluated the impact of Apple's iPad on their jobs in real time. The iPad came pre-loaded with Agio's recommended top 10 financial apps for hedge funds.

The results, which generated a bit of a buzz, bode well for the iPad as a mission critical technology at hedge funds. Some are now suggesting the iPad has the potential to muscle laptops out of the picture at many funds.

Nearly all participants in the iPad Challenge said working with the device increased their overall mobile usage. Nearly all also said the iPad made them more efficient at completing their tasks. About 70 percent said they would recommend their firms provide iPads. All said they would be open to beta testing financial-related apps in the future. The app that proved most popular was the Bloomberg app; many say they can't wait for the upcoming fully functioning version of the Bloomberg Anywhere app. The *Wall Street Journal* and Thomson Reuters apps came in 2nd and 3rd in popularity. Other apps that were well received were *Financial Times*, RDP Lite, Kindle, and various travel apps.

Information apps are no doubt a huge draw. But perhaps an even bigger draw would be apps that offer an even greater degree of hedge fund utility. Hedge funds, for example, might come up with dazzling proprietary apps for employees from the front to the back end, and everywhere in between--not unlike the way some big wirehouse brokerage firms are tapping the iPad for their brokers.

In addition, apps from specific prime brokerages might offer instant access to account information and core account functions. That's a trend we expect, though it certainly has a long way to go. Merlin Securities, for example, has come out with an app for its prime brokerage clients. Basically, portfolio managers can use the app to get a lot of the same functionality on the iPad as they do on their desktop. Deutsche Bank's Global Prime Finance has launched its GlobalPrime Mobile, which allows clients to access daily margin data, portfolio reporting and analysis tools, among other things. This is where the real power of the iPad might lie.

However, *Advanced Trading* suggests that as of now, "the laptop's one saving grace" may be its ability "to support trading functionality." So far, the laptop retains an edge, perhaps because trading technology remains a nut that iPad developers can't yet crack. Or perhaps due to complexity. To replicate trading software completely--including all data feeds and the like--may be a bridge too far, though it may only be a matter of time before hedge funds make inroads in actual trading as well. - Jim Kim