

# Hedge fund Millennium expands in energy trading

Other hires at Noble Group, JP Morgan and Mercuria



## Energy Risk staff

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Millennium Management, the New York-based hedge fund with some \$34 billion in assets under management, has expanded its presence in the energy markets by hiring two new energy portfolio managers as part of a broader expansion into commodities trading.

Market sources say Adam Lewis, a former director of natural gas options at Citi, joined the hedge fund in January as a portfolio manager in Houston. Andrew Dodson, most recently head of non-US oil trading at Brazilian bank BTG Pactual, joined as a portfolio manager in London in December.

The hires came after Millennium hired Jonathan Keefe as an energy market analyst, based in New York, in November. Previously, Keefe was head of US natural gas and power market analysis for commodities trader Noble Group in Stamford, Connecticut.

A market source says Millennium has a mandate to hire more than 10 commodity portfolio managers over the next 18 months. Millennium declined to comment on the claim, but a source close to the company says it will continue to "opportunistically" hire portfolio managers with commodity trading experience.

Last year, Millennium hired John Anderson, the former co-head of global commodities at JP Morgan. Prior to joining Millennium, Anderson had spent 11 years at the US investment bank.

## Noble Group hires E.on's Port as CRO

David Port, Düsseldorf-based chief risk officer (CRO) at E.on Global Commodities, the trading arm of German utility E.on, will move to a London-based position as CRO of Hong Kong-based commodity trading house Noble Group.

Port, a 20-year energy industry veteran, is set to join Noble later this year. He will report to Noble chief executive Yusuf Alireza. He replaces Bill Cronin, who has been serving as both chief operating officer (COO) and CRO in recent months; Cronin is staying on as COO.

Noble announced the appointment in a February 16 statement. Port's hire comes in the wake of a number of senior departures from Noble, including group chief financial officer Robert van der Zalm, who left at the end of last year. The commodity trading house has been facing questions about its accounting procedures since last year, a controversy that has battered the firm's share price even though Noble denies any wrongdoing.

During his time at E.on, Port managed the German utility's trading arm while the company went through a drastic shake-up that involved refocusing exclusively on renewables and spinning off its traditional utility business into a new firm called Uniper. Over the course of his career, Port worked at a variety of firms including Chicago-based hedge fund Citadel, Houston-based hedge fund Saracen Energy and Houston-based energy trader Enron.

"It's very easy to run a trading business with a very simple value-at-risk model that back-tests reasonably well," Port said in a January 2015 interview with *Risk.net*. "But at the end of the day, if your culture is not cohesive and you don't have any innate knowledge of the price processes you're actually trading, then you're not going to be successful."

Separately, a team of liquefied natural gas (LNG) traders is understood to be leaving Noble for Switzerland-based commodity trading house Glencore. Sources say these include Gabriel Gonzalez Laguna, Noble's global head of LNG trading and origination, and Alejandro Sanchez Gestido, Noble's global head of LNG supply and sales, both of whom are based in London.

Neither Glencore nor Noble would comment on the departure of the LNG team, which was first reported by New York-based news and data provider Thomson Reuters on February 14.

## **JP Morgan hires MS commodity salesman**

Greg Adams joined JP Morgan as an executive director for commodity sales in January, after leaving his previous position at Morgan Stanley.

Adams is currently based in London, but will move to New York later this year, says a spokesperson for the US investment bank. Once in New York, he will report to Chris Calger, JP Morgan's head of corporate commodity sales and marketing for North America.

At Morgan Stanley, where he worked from 2012 until the end of last year, Adams had most recently been an executive director in the bank's commodities, energy and natural resources lending group. He initially joined as head of corporate metals sales for Europe, the Middle East and Africa.

Before joining Morgan Stanley, Adams was the New York-based head of commodities sales for the Americas at Societe Generale, managing a team of 20 sales and marketing professionals at the French bank. He has also previously worked at Goldman Sachs.

When contacted by *Risk.net*, Adams declined to comment on the hire. Morgan Stanley also declined to comment.

## **Mercuria nabs Noble fuel head**

Switzerland-based commodity trader Mercuria has hired Andrea Valerio as head of its oxygenates business, a source close to the company says.

Valerio joined in January, according to the source. He is based in Greenwich, Connecticut, and reports to Magid Shenouda, Mercuria's group head of trading. The term 'oxygenates' refers to additives to transportation fuel.

Prior to joining Mercuria, Valerio was a Connecticut-based managing director for oil liquids at Noble Group, the embattled Hong Kong-based commodities trader that has been hit with a series of departures in recent months. Earlier, he held several roles in marketing, supply and trading at Italian oil and gas company Eni, based at various times in Milan, New York, Munich and Rome.

Neither Noble nor Mercuria would comment.

## **Exits and entries at EDF Trading**

EDF Trading, the trading arm of French utility EDF, has seen a number of personnel changes in power, natural gas and risk management.

It is understood that Eric Strongin, a London-based front office risk manager with EDF Trading, left the company in recent weeks and joined the Austin- and London-based commodity merchant TrailStone as head of risk for North America, starting his new role in February. TrailStone did not respond to a request for comment.

Frédéric Seguy, a European power and gas trader in London, has also left EDF Trading after having worked for the firm for the past 10 years. He joined Gunvor as a senior power trader in January, a spokesperson for the Switzerland-based commodities merchant confirmed.

Separately, EDF Trading is set to hire Sophie Ducoloner to join its LNG team. Previously, Ducoloner was working for Gazprom Marketing & Trading as its head of LNG origination for the Asia-Pacific region. She is set to start her new role as a senior origination manager at EDF Trading on February 29, a company spokesperson says.

## **CCI hires Canadian energy trader**

It is understood that Connecticut-based commodity merchant Castleton Commodities International (CCI) has hired Daniel White as an executive director for origination, based in Calgary.

White, a 15-year industry veteran, joined in January from Houston-based electricity retailer Direct Energy, a subsidiary of UK-based power company Centrica. During his time at Direct Energy, White worked as a director for Canadian gas origination, handling transactions with end-users, producers, pipelines and storage companies.

Prior to joining Direct Energy, White worked for the Canadian subsidiary of Spain-based multinational utility Iberdrola and for Calgary-based oil and gas company Enbridge.

A spokesperson for CCI declined to comment. In November, CCI completed the acquisition of Morgan Stanley's global oil merchanting business, significantly increasing its presence in the oil markets.

## **South Pole Group hires emissions trader**

John Davis, a former emissions and energy sales trader with CF Partners, joined the London office of environmental services firm South Pole Group in January, the company says.

In his new role, Davis leads an international sales team that provides clients in the financial industry with a variety of environmental solutions, including deals involving emissions credits and voluntary carbon offsets. He reports to Andrea Rumiz and Stefan Rösch, account directors at the South Pole Group, which is based in Zurich.

Davis left his position at CF Partners late last year. A spokesperson for the London-based carbon trading firm confirmed his departure.