

# Robinhood Crowd Helps Hedge Fund Manager Gain 30% This Year

By [Sonali Basak](#)

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- Adam Sender bet around popular stocks like Hertz, NIO, Tesla
- Firm is among those taking advantage of a return of volatility



Adam Sender Photographer: Amanda Gordon/Bloomberg

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AONE/JO  
**ONE**  
Private Company

HTZ  
**HERTZ GLOBAL HOL**  
1.51 USD  
▼ -0.04 -2.58%

SPX  
**S&P 500**  
3,351.28 USD  
▲ +2.12 +0.06%

NIO  
**NIO INC - ADR**  
13.42 USD  
▼ -0.42 -3.03%

TSLA  
**TESLA INC**  
1,452.71 USD  
▼ -36.87 -2.48%

One hedge fund manager is getting some inspiration from an unlikely source: the Robinhood crowd.

Adam Sender's volatility hedge fund has climbed 30% this year -- in part by betting on and against stocks that have been popular on the retail trading app. He notched gains by wagering around stocks including [Hertz Global Holdings Inc.](#), [NIO Inc.](#) and [Tesla Inc.](#)

By watching Robinhood traders, Sender is embracing the speculative fervor brought on by retail investors who have far less experience and insight into the companies. Robinhood has become a go-to trading platform for individual investors during the Covid-19 pandemic, who are largely stuck at home without much entertainment.

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The day trading crowd has “created the late ‘90s type of environment I thrive on,” Sender, 51, said in an interview, referring to the tech bubble of the late 1990s. A significant portion of the gains were also made by betting on S&P 500 and Nasdaq 100 futures, as well as large-cap technology names.



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Founded in 2016, New York-based [Sender Company & Partners](#) is among a handful of volatility funds taking advantage of the return of market turbulence sparked by the coronavirus pandemic. And the fund has outperformed its peers. The HFRX Global Hedge Fund Index, an early indicator of industry performance, is roughly flat this year through July.

In a bet on tech, some of Sender's top holdings include [Apple Inc.](#), [Microsoft Corp.](#), [Nvidia Corp.](#), [PayPal Holdings Inc.](#) and [Amazon.com Inc.](#) All were up in the first seven months, with PayPal and Nvidia rising more than 80%.

Sender previously worked for Steve Cohen's SAC Capital Advisors before starting Exis Capital Management in 1998. He grew Exis to more than \$1 billion in assets before shuttering it in 2014 after a tough year of performance and amid a lawsuit with Canadian insurer Fairfax Financial Holdings Ltd.

He's now finding smaller is better at his \$100 million fund, though he's looking to double the assets amid a bout of success. His paycheck is also tied to that success -- the fund charges 40% for performance, but has a 0% management fee.

"Unfortunately, the hedge fund industry has become an asset-gathering strategy," Sender said of wanting to stay small. "Back when I started in the industry, hedge funds were geared for absolute performance -- they weren't geared for safety."

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*(Updates with more details on tech bets in sixth paragraph. An earlier version corrected the second paragraph to remove carmaker reference and fixed location of firm in fifth.)*