



## Mid market CLO league tables: Golub makes it four in row

by Charlie Dinning and Tanvi Gupta

For the fourth year in a row, since Creditflux's CLO league tables began, Golub Capital was the most prolific mid market CLO manager. The firm topped the overall and new issuance manager league tables from Owl Rock Capital Advisers and Wells Fargo topped last year's winner Natixis as the leading mid market CLO arranger for the third time in the last four years.

The two firms worked together on the first mid market CLO transaction of 2020 when resetting Golub's 2015 vintage deal Golub 28(M)-R on 9 January, and the pair never looked back.

Golub beat Owl Rock by over \$1 billion in total issuance and \$600 million in new issuance. The mid market behemoth took advantage of the Federal Reserve's term asset-backed securities loan facility (talf) to print two talf eligible CLOs last year which totalled \$1.09 billion. Ultimately the decider between Golub and Owl Rock.

Wells Fargo was also top of the arranger league table by over \$1 billion from its nearest rival Natixis. But most of this lead came from the reset market which Wells Fargo dominated, printing \$980 million of reset paper while Natixis arranged no resets.

Apollo (MidCap) was the most prolific manager in mid market CLO resets. The global manager priced over \$1 billion in mid market CLO resets leading to the firm finishing third in the manager league tables.

In all, 2020 mid market CLO issuance was down \$4 billion from 2019's total, most of which was from a decrease in new issuance. Refinancing and reset volumes were down only \$155 million from 2019. This was an impressive feat considering there were no mid market CLO transactions printed in April and only one in May. Owl Rock was the manager to resume activity in the mid market CLO space after the coronavirus pandemic outbreak brought the market to a standstill in March. The manager printed a triple A only CLO, Owl Rock IV and it was only the beginning of the creative ways the manager took to print new issue mid market CLOs.

In July, Owl Rock printed Parliament Funding II via Société Générale, in a deal that only invests in first-lien mid market loans. And then in November the firm priced Owl Rock Technology Financing 2020-1 via MUFG. This is also a CLO backed by loans to companies in the technology sector. Vista Credit Opportunities printed the first of these CLOs in 2018.

Owl Rock and Golub were not the only managers to get creative to price new issues. Deerpath Capital Management printed Deerpath Newbury in December, a deal in which tranches are not drawn at closing and are funded reverse-sequentially. GreensLedge arranged the CLO.

Deerpath and GreensLedge were also involved in introducing a new arranger to mid market CLOs. In March, Deerpath 2020-1 was

2019 mid-market CLO managers

Rank	Manager	Size (\$m)	New issue (\$m)	Resets (\$m)	Refis (\$m)	Mkt share
1	Golub	2,983.5	2,583.5	400.0	-	21.19%
2	Owl Rock	1,941.4	1,941.4	-	-	13.79%
3	Apollo (MidCap)	1,652.4	604.6	1,047.8	-	11.74%
4	Cerberus	1,289.1	1,289.1	-	-	9.16%
5	AB	957.9	957.9	-	-	6.80%
6	Audax	663.8	663.8	-	-	4.71%
7	Antares	596.2	596.2	-	-	4.24%
8	Fortress	533.9	390.0	-	143.9	3.79%
9	NXT Capital	452.8	452.8	-	-	3.22%
10	Monroe	436.3	406.3	-	30.0	3.10%
11	Brightwood	426.3	426.3	-	-	3.03%
12	Deerpath	403.0	403.0	-	-	2.86%
13	KKR	383.7	-	383.7	-	2.73%
14	Maranon	363.6	363.6	-	-	2.58%
15	BlackRock	348.1	348.1	-	-	2.47%
16	First Eagle	314.0	314.0	-	-	2.23%
17	PennantPark	300.7	300.7	-	-	2.14%
18	Madison Capital	31.6	-	-	31.6	0.22%

priced with GreensLedge as the lead arranger and Raymond James as a co-placement agent.

One other bank debuted in mid market CLOs as an arranger and once again GreensLedge was involved in the deal. SMBC Nikko arranged Golub 47(M) in February as the sole bookrunner, while GreensLedge was a co-manager.

There were no debut mid market CLO managers in 2020, the first time this has happened since at least 2016.