

Golub Capital dominates the mid market at Manager Awards

Upstart CLO managers overtook more experienced rivals at last year's Creditflux Manager Awards, but Golub Capital and other large firms, such as CSAM, emerged victorious in London this time around.

by Tom Davidson

Golub Capital won both the best middle market CLO and the best mid market CLO manager categories as the Creditflux Manager Awards returned in person to London's Landmark Hotel on 8 September.

The middle market CLO award looked at the blended outperformance of deals that went effective before 2020, and saw Golub Capital 18 (M)-R fight off submissions from Ares, Blue Owl and Cerberus. The best manager categories reward consistent performance using the mean blended outperformance across all of a manager's CLOs, with Golub Capital again coming out on top against stiff competition. Golub Capital is the largest middle market manager, with \$17.7 billion in assets under management according to our third quarter manager rankings.

Over 250 members of the CLO market attended the awards dinner and saw winners from all corners of the CLO market recognised. From over 112 managers who submitted, 18 won across 20 categories.

CSAM once again took the overall Manager of the Year category. PGIM secured the best European CLO manager award for the second time, but the US CLO category was the first Creditflux award won by Axa Investment Managers. The Paris-based firm's US CLO business has grown steadily since 2014.

First-time nominee Blue Owl picked up the best new middle market CLO, while Anchorage Capital – the pioneer of bond-flex CLOs – was recognised in the best non-traditional CLO category. There's clearly room for old hands and new to establish themselves at the top.



Best mid market CLO manager



Golub Capital

Finalists

BlackRock
Blue Owl
Cerberus

Methodology

Mean blended outperformance across middle market CLOs

Eligibility

Firms that manage CLOs which invest in middle market loans and whose reports are listed on CLO-i

Pictured: Craig Benton

Best middle market CLO



Golub Capital
Golub Capital 18 (M)-R

Finalists

Ivy Hill XIV (Ares)
Owl Rock I (Blue Owl)
Cerberus XXVII (Cerberus)

Methodology

Blended outperformance

Eligibility

CLOs that went effective before 2020 that are still within reinvestment and which invest in mid market loans whose reports are listed on CLO-i

Pictured: Gregory Cashman

Creditflux Manager of the Year

CSAM

Finalists

BlackRock
PGIM
Rockford Tower

Methodology

Highest average ranking across all deals

Eligibility

Firms eligible for four or more categories



Andrew Marshak

Best US boutique CLO manager

Saratoga

Finalists

Birch Grove
Hayfin
Post Advisory

Methodology

Mean blended outperformance across US CLOs

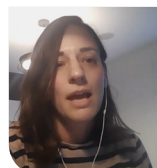
Eligibility

Firms with four or fewer active CLOs which invest in broadly syndicated US collateral and whose reports are listed on CLO-i



Tom Inglesby

Best new US CLO



Octagon

Octagon 50

Finalists

AGL 9 (AGL)
522 Funding 2020-6
(Morgan Stanley IM)
OHA CF 7 (Oak Hill)

Methodology

Blended outperformance

Eligibility

CLOs that went effective in 2020 or Q1 2021, which invest in broadly syndicated US collateral and whose reports are listed on CLO-i

Pictured: Gretchen Lam

Best non-traditional CLO



Anchorage

Anchorage CF 4

Finalists

Brigade DF I (Brigade)
Cirrus 2018-1 (Blackstone)
Romark CF I (Shenkman)

Methodology

Blended outperformance

Eligibility

CLOs that have the flexibility to invest in a high proportion of triple C assets or bonds

Pictured: Yale Baron

Best redeemed CLO



MJX

Venture VII

Finalists

Wind River 2017-2 (First Eagle)
Octagon 25 (Octagon)
Palmer Square 2017-1 (Palmer Square)

Methodology

Final IRR

Eligibility

CLOs with a redemption date between 2020 and Q1 2021

Pictured: Hans Christensen

Best European boutique CLO manager



Napier Park

Finalists

BlueBay
Capital Four
CIFC

Methodology

Mean blended outperformance across European CLOs

Eligibility

Firms with three or fewer active CLOs which invest in European collateral and whose reports are listed on CLO-i

Pictured (l-r): Mohammed El Khazzar, Julia He, Michael Micko

Best new European CLO



CIFC

CIFC European III

Finalists

Henley III (Napier Park)
Dryden 79 (PGIM)
RRE 6 (Redding Ridge (Apollo))

Methodology

Blended outperformance

Eligibility

CLOs that went effective in 2020 or Q1 2021, which invest in European collateral and whose reports are listed on CLO-i

Pictured (l-r): Dan Robinson, Steve Vaccaro

Best US CLO

Brigade

Battalion XII

Finalists

Bain 2020-1 (Bain)
OHA CF 5 (Oak Hill)
RR 12 (Redding Ridge (Apollo))

Methodology

Blended outperformance

Eligibility

CLOs that went effective before 2020, which are still within reinvestment, and which invest in broadly syndicated US collateral, with reports listed on CLO-i



Andrew Petitjean

Best European CLO manager

PGIM

Finalists

BlackRock
Cairn
Spire

Methodology

Mean blended outperformance across European CLOs

Eligibility

Firms with four or more active CLOs which invest in European collateral and whose reports are listed on CLO-i



The PGIM team (l-r): Harsh Gupta, Asha Kapengut, Rob Allen, Vincent Scarfe, Brian Nolan, Batoolah Dawreawoo, Simon Webb, Jonathan Butler

Best European CLO

PGIM

Dryden 29

Finalists

BlackRock CLO I (BlackRock)
Avoca XVIII (KKR)
Aurium I (Spire)

Methodology

Blended outperformance

Eligibility

CLOs that went effective before 2020 and are still within reinvestment, which invest in European collateral and whose reports are listed on CLO-i



Jonathan Butler

Best new middle market CLO



**Blue Owl
Parliament II**

Finalists

BlackRock Rainier VI (BlackRock)
Cerberus XXX (Cerberus)
Golub Capital Talf 2020-1 (Golub Capital)

Methodology

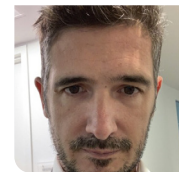
Blended outperformance

Eligibility

CLOs that went effective in 2020 or Q1 2021, which invest in mid market loans and whose reports are listed on CLO-i

Pictured: Amy Ward

Best US CLO manager



Axa IM

Finalists

Brigade
CSAM
Rockford Tower

Methodology

Mean blended outperformance across US CLOs

Eligibility

Firms with five or more active CLOs which invest in broadly syndicated US collateral and whose reports are listed on CLO-i

Pictured: Yannick Le Serviget



Best new CLO fund

Orchard

CloverTree

Finalists

Hildene Credit Fund (Hildene)
 Ardesia-ISP CLO Opportunity (ISP)
 Napier Park Deep Value (Napier Park)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest predominantly in CLOs, which are present in Creditflux's monthly performance listings and were launched after Q1 2020



The Orchard team (l-r): James Davidson, Nigel Reglar, Rachit Prasad, Paul Horvath, Andrew Weber

Best CLO fund



CIS
 CLO Alpha Taunus

Finalists

Flat Rock Opportunity (Flat Rock)
 Lupus Alpha CLO Opportunity Notes I (Lupus Alpha)
 Napier Park Eton (Napier Park)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest predominantly in CLOs, which are present in Creditflux's monthly performance listings and were launched before Q2 2020

Pictured: Paavo Barstch

Best public closed-end CLO fund



Eagle Point
 Eagle Point Credit Company

Finalists

GoldenTree II (GoldenTree)
 Kayne CLO Partners II (Kayne)

Methodology

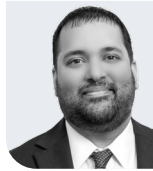
Annualised change in total outstanding value of fund

Eligibility

Publicly listed funds that invest predominantly in CLOs and have no periodic redemption requirements

Pictured: Dan Ko

Best private closed-end CLO fund



Oxford
 Oxford Bridge II

Methodology

Annualised IRR from 2020 to Q1 2021

Eligibility

Private funds that invest predominantly in CLOs and have no periodic redemption requirements

Pictured: Debdeep Maji

Best European direct lending fund



Kartesia
 Kartesia V

Finalists

Ares Capital Europe II (Ares)
 Cordet Direct Lending I (Cordet)
 Pemberton Mid-Market II (A) (Pemberton)

Methodology

Leverage-adjusted IRR since inception

Eligibility

Private equity-format funds that invest predominantly in non-syndicated debt from European companies

Pictured (l-r): Guillermo Ferre, Thomas Pohler, Frantz Paulus

Best US direct lending fund



Monroe
 Monroe SS Direct Loan Fund

Finalists

Blackstone Secured Lending (Blackstone)
 Owl Rock Capital Corp (Blue Owl)
 MGG SF Evergreen (MGG)

Methodology

Leverage-adjusted IRR since inception

Eligibility

Private equity-format funds that invest predominantly in non-syndicated debt from US companies

Pictured: Ted Koenig

Awards methodology

Blended outperformance

The average ranking of each CLO relative to its peers by up to ten performance metrics.

This rewards managers that achieve high returns without compromising the quality of the portfolio. Metrics are: change in junior OC; headroom in junior OC; warf; average collateral value; % of assets marked below 90,



weighted average spread; cash-on-cash return to equity; and equity volatility. In addition, day-one arbitrage is considered for new CLOs.

Volatility-adjusted weighted performance

A measure that combines absolute change in market-to-market net asset value during 2020 and 2021 Q1 and volatility relevant to

each fund's redemption profile. Funds that promise liquidity need to deliver stable returns; those that lock up investors' capital need to achieve greater absolute performance.

Leverage-adjusted IRR

IRR net of fees to 31 March 2021, taking into account the amount of capital raised and

deployed, and adjusted for the average debt-to-ebitda leverage at inception of borrowers in the portfolio.

Final IRR

Equity IRR based on the notional size of the CLO equity and taking into account all payments received by the end of Q1 2021.