

# Alcentra takes best CLO fund award

It was a night of celebration for Alcentra and its Alcentra Structured Credit Opps Fund IV as it was named the Best Private Closed-End CLO Fund at the Creditflux manager awards 2023

by Tom Davidson

Returning to the Landmark Hotel in London, the 2023 Creditflux manager awards looked back at a year that saw the CLO market in flux. After the stability of 2021, the markets hit a rocky patch and US CLO triple As ranged from 110-290 basis points.

The night wasn't just about CLOs though. It also featured awards for the best funds that invest in them. The Best Private Closed-End CLO fund category looked at the annualized IRR of CLO funds in 2022, and against strong competition Alcentra swept to victory with Alcentra Structured Credit Opps Fund IV.

### Elmwood scoops three on the night

Claiming the most awards at this year's event, Elmwood took home the prizes for Best US CLO Manager, as well as Best US CLO and Best New US CLO.

Crystal Fund also returned to the stage, taking home the Best CLO Fund award once again, after winning in 2019.

Overall this year, more CLO managers than ever competed for the top honours. 78 managers submitted over 1,600 eligible CLOs for consideration across the 18 different categories.



Cameron McKenzie (left) with Creditflux editor Sayed Kadiri

Best private closed-end CLO fund

### Alcentra Structured Credit Opps Fund IV

Alcentra

#### Finalists

- Wollemi Investments I (Fair Oaks)
- Irradiant CLO Partners II (Irradiant)
- Aquatine IV (Lakemore)
- Sycamore Tree CLO Fund (Sycamore Tree)

#### Methodology

Annualised IRR in 2022

#### Eligibility

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



Best US CLO manager

# Elmwood

*Finalists*

CSAM  
Generate  
Octagon  
Palmer Square

*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



Adrian Marshall; Brian McNamara

Best US boutique CLO manager



## Aquarian

*Finalists*

Birch Grove  
Capital Four  
Diameter  
Saratoga

*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

*Pictured*

Justin Driscoll

Best new US CLO



## Elmwood CLO 14

Elmwood

*Finalists*

Regatta XXIII Funding (Napier Park)  
Venture 45 (MJX)  
Palmer Square CLO 2022-3 (Palmer Square)  
Dryden 93 CLO (PGIM)

*Methodology*

Blended outperformance

*Eligibility*

CLOs that went effective in 2022, which invest in broadly syndicated US collateral and whose reports are listed on CLO-i

*Pictured*

Adrian Marshall; Brian McNamara

Best US CLO



## Elmwood CLO V

Elmwood

*Finalists*

Madison Park Funding XLVIII (CSAM)  
GoldenTree Loan Management US CLO 1 (GoldenTree)  
Pikes Peak CLO 6 (Partners)  
Zais CLO 15 (Zais)

*Methodology*

Blended outperformance

*Eligibility*

CLOs that went effective before 2022, which are still within reinvestment, and which invest in broadly syndicated US collateral, with reports listed on CLO-i

*Pictured*

Adrian Marshall; Brian McNamara

Best non-traditional CLO



## Diameter Credit Funding II

Diameter

*Finalists*

Anchorage Credit Funding 8 (Anchorage)  
Owl Rock Technology Financing 2020-1 (Blue Owl)  
Romark Credit Funding I (Shenkman)

*Methodology*

Blended outperformance

*Eligibility*

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

*Pictured*

Scott Goodwin; Jonathan Lewinsohn

Best redeemed US CLO



## Palmer Square LF 2020-2

Palmer Square

*Finalists*

Carlyle GMS CLO 2015-3 (Carlyle)  
Madison Park Funding X (CSAM)  
Dryden 33 Senior Loan Fund (PGIM)

*Methodology*

Final IRR

*Eligibility*

CLOs redeemed in 2022

*Pictured*

Jon Brager



Creditflux Manager of the Year

# CSAM

**Finalists**

Brigade  
GoldenTree  
Palmer Square  
Rockford Tower

**Methodology**

Highest average ranking across all deals

**Eligibility**

Firms eligible for four or more categories



Andrew Marshak: the head of CSAM's European CLO business noted he had learned from his mistake last year (when he vacated his seat at an inopportune moment), and he collected his firm's third Manager of the Year award in a row.

Best mid market CLO manager



## Antares

**Finalists**

Barings  
Cerberus  
Golub

**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**

Seth Painter

Best European boutique CLO manager



## Acer Tree

**Finalists**

AlbaCore  
Cross Ocean  
Fidelity

**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

**Pictured**

Jonathan Bowers; Philip Grose

Best new European CLO



## RRE 11

Apollo (Redding Ridge)

**Finalists**

Barings Euro CLO 2021-3 (Barings)  
Bilbao CLO IV (Guggenheim)  
Hayfin Emerald CLO VIII (Hayfin)  
Aurium CLO IX (Spire)

**Methodology**

Blended outperformance

**Eligibility**

CLOs that went effective in 2022, which invest in European collateral and whose reports are listed on CLO-i

**Pictured**

Bhavin Patel

Best European CLO



## Fair Oaks Loan Funding III

Fair Oaks

**Finalists**

Deer Park (Blackstone)  
GoldenTree LM EUR CLO 5 (GoldenTree)  
Sculptor European CLO VIII (Sculptor)  
Aurium CLO VI (Spire)

**Methodology**

Blended outperformance

**Eligibility**

CLOs that went effective before 2022 and are still within reinvestment, which invest in European collateral and whose reports are listed on CLO-i

**Pictured**

Tyler Wallace

## Awards methodology

### Blended outperformance

The average ranking of each CLO relative to its peers by up to 10 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; weighted average spread; cash-on-cash return to equity; equity volatility, multiples of money and leverage.

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 2021 with 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.

### Closed-end funds

Private closed-end funds were judged on the basis of an annualised IRR that assumed NAV at the start of the year and any drawdowns as inflows, and distributions and final NAV at the end of the year as outflows.

Public closed-end funds were judged using the

change in value of the fund over the year accounting for share issuance and distributions.

Final IRR  
Equity IRR based on the notional size of the CLO equity and taking into account all payments received.

Best CLO fund

**BK Opportunities Fund IV**

Crystal Fund

Finalists

- Capital Four Structured Credit Opportunities (Capital Four)
- Fair Oaks Master Credit III (Fair Oaks)
- Napier Park Eton Fund (Napier Park)
- Sound Point Harbor Fund (Sound Point)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest predominantly in CLOs, which are present in Creditflux's monthly performance listings



Olivier Gozlan



Phil Bennett-Britton; Oliver Drummond Smith

Best European CLO manager

**Spire**

Finalists

- CSAM
- GoldenTree
- KKR
- Napier Park

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

Best redeemed non-traditional CLO



**Anchorage Credit Opps I**  
Anchorage

Methodology

Final IRR

Eligibility

CLOs redeemed in 2022

Pictured

Yale Baron

Best public closed-end CLO fund



**Blackstone Loan Fin. Limited (BGLF)**  
Blackstone

Finalists

- Eagle Point Income (EIC) (Eagle Point)
- Fair Oaks IL — 2021 Shares (Fair Oaks)
- Priority Income Fund (Prospect)

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

Alex Leonard; Jane Lee

Best new mid-market CLO



**LJV IMM CLO**  
First Eagle

Finalists

- BCRED MML CLO 2021-1 (Blackstone)
- Cerberus Loan Funding XXXVII (Cerberus)
- Golub Capital Partners CLO 61 (M) (Golub)

Methodology

Blended outperformance

Eligibility

CLOs that went effective in 2022, which invest in mid market loans and whose reports are listed on CLO-i

Pictured

Tracey Jackson

Best mid-market CLO



**Cerberus Loan Funding XXIX**  
Cerberus

Finalists

- Antares CLO 2018-1 (Antares Capital)
- Barings MM CLO 2018-1 (Barings)
- Golub Capital Partners CLO 36(M) (Golub Capital)

Owl Rock CLO V (Owl Rock Capital Advisors)

Methodology

Blended outperformance

Eligibility

CLOs that went effective before 2022 that are still within reinvestment and which invest in mid market loans whose reports are listed on CLO-i

Pictured

Joe Carden

