



Zais Group triumphs at Creditflux Manager Awards 2018

by Sayed Kadiri

A packed house at London's Landmark Hotel on 9 May saw Zais Group triumph at the Creditflux Manager Awards, picking up the coveted Best US CLO manager award and the best new US CLO for Zais CLO 7.

The Creditflux Manager Awards have become a highlight of the year for many in the credit industry thanks to a robust methodology based solely on quantitative performance metrics (more details of the methodology are below), and a gala dinner full of drama as the winners were announced. This year was no different with some surprise winners as well as old favourites triumphing.

The market has seen many changes since the first Creditflux Awards were held in 2007, but investors are still looking for managers to not only deliver excellent returns, but to do so with appropriate levels of risk and liquidity, and Creditflux is still handing out awards on the same basis.

Other winners included CSAM, named as Creditflux manager of the year for a second time, as well as Best European CLO Manager and Best US CLO Redeemed in 2017. London's Spire Partners was also a big winner, taking home multiple awards.



The Zais team

Best US CLO manager

Zais Group

Finalists

CSAM;
Golub; Capital
Sound Point

Methodology

Mean blended outperformance across all managers' deals

Eligibility

Firms with at least four current actively-managed CLOs based on predominantly US collateral.

Awards methodology

Blended outperformance

Our ranking of each CLO relative to its peers by six performance metrics rewards the managers which have achieved the greatest performance for all classes of investors. Metrics are: change in junior OC; Warf; average collateral value;

weighted average spread; cash-on-cash return to equity; and equity volatility.

Final IRR

Equity IRR is based on the notional size of the CLO equity (including all payments received by 28 February 2018).

Volatility-adjusted weighted performance

This measure combines absolute change in mark-to-market net asset value during 2017 and volatility relevant to each fund's redemption profile. For example, funds that promise liquidity need to deliver stable returns.

Leverage-adjusted IRR

This measure looks at IRR net of fees to 31 December 2017, assuming that there has been no fund-level leverage. It is adjusted for the average debt-to-ebitda leverage at investment inception of borrowers in the portfolio.

Best European CLO manager

Credit Suisse Asset Management

Finalists

Barings; CVC Credit; PGIM

Methodology

Mean blended outperformance across all managers' deals

Eligibility

Firms with at least four current actively-managed CLOs based on predominantly European collateral.



Charles Hand (BAML), Andy Marshak

Best new US CLO

Zais CLO 7

Zais Group



Finalists

Vibrant CLO V (DFG);
Venture XXIV (MJX);
Sound Point CLO XIV

Methodology

Blended outperformance

Eligibility

CLOs with mainly US collateral that went effective in 2017 and are listed in CLO-i.

Pictured: Iris Arrington; Adnan Zuberi (BNP Paribas)

Best new European CLO



Aurium CLO III

Spire Partners

Finalists

BlackRock European CLO III;
Halcyon Loan Advisors European Funding 2016;
Dryden XXVII-R Euro CLO 2017 (PGIM)

Methodology

Blended outperformance

Eligibility

CLOs with mainly European collateral that went effective in 2017 and are listed in CLO-i.

Pictured: Oliver Drummond Smith, Phil Bennett-Britton, Florent Chagnard (Credit Suisse)

Best US CLO



Octagon Investment Partners XXIII

Octagon

Finalists

Madison Park Funding XIX (CSAM);
Sound Point CLO VI;
THL Credit Wind River 2015-1

Methodology

Blended outperformance

Eligibility

CLOs with mainly US collateral that are within reinvestment and listed in CLO-i.

Pictured: Francis McCullough (Deutsche Bank), Gretchen Lam

Best European CLO



Aurium CLO II

Spire Partners

Finalists

Cadogan Square V (CSAM);
CVC Cordatus Loan Fund III;
Dryden 29 Euro (PGIM)

Methodology

Blended outperformance

Eligibility

CLOs with mainly European collateral that are within reinvestment and listed in CLO-i.

Pictured: Phil Bennett-Britton, Oliver Drummond Smith and Chris Porter (S&P)

Best middle-market CLO



Golub Capital Partners 18 (M)-R

Golub Capital

Finalists

Carlyle GMS Finance MM CLO 2015-1;
Fortress Credit Opportunities V;
Monroe Capital MML CLO 2016-1

Methodology

Blended outperformance

Eligibility

CLOs that invested in mid-market collateral that are within reinvestment and listed on CLO-i.

Pictured: Rachel Russell (Morgan Stanley), Landis Wood

Best Euro boutique CLO manager



Spire Partners

Finalists

Accunia;
CQS;
Man GLG

Methodology

Mean blended outperformance across all manager's deals

Eligibility

European managers with three or fewer CLOs currently outstanding, within reinvestment and listed in CLO-i.

Pictured: Daniel Tobias (Cadwalader), Oliver Drummond Smith and Phil Bennett-Britton

Best US CLO redeemed 2017



Madison Park Funding V

Credit Suisse Asset Management

Finalists

Carlyle McLaren (Carlyle);
Bridgeport CLO II (CIFC);
Gale Force 3 (GSO)

Methodology

Final IRR

Eligibility

CLOs that owned primarily US collateral and that repaid all their debt in 2017.

Pictured: Aidan Canny (BNY Mellon), John Popp

Best European CLO redeemed 2017



Laurelin II

GoldenTree Asset Management

Finalists

Carlyle Euro GMS 2013-2 (Carlyle);
Cadogan Square CLO I (CSAM);
Green Park 3 (GSO)

Methodology

Final IRR

Eligibility

CLOs that owned primarily European collateral and that repaid all their debt in 2017.

Pictured: Amit Roy (Goldman Sachs), Hadi El Mir, Alexander Dupont (Goldman Sachs)

Best US direct lending fund



Monroe Capital SSDL Fund

Monroe Capital

Finalists

AG Direct Lending Fund (Angelo Gordon);
THL Credit Direct Lending Fund III (THL Credit)

Methodology

Leverage-adjusted IRR

Eligibility

Private equity-format funds launched between 2014 and March 2017 that invest predominantly in non-syndicated debt from US companies with ebitda below \$100 million.

Pictured: Jeremy VanDerMeide, Ronan Mellon (DLA Piper)

Creditflux manager of the year

Credit Suisse Asset Management

Finalists

CVC Credit; Spire; Zais

Methodology

Highest average ranking across all Creditflux award categories where the manager is present.



Jakob Von Kalckreuth, Andy Marshak, John Popp

Best European direct lending fund



Finalists

CVC CP European Mid-Market Solutions; Patrimonium Middle Market Debt Fund; Tikehau Direct Lending III

Methodology

Leverage-adjusted IRR

Eligibility

Private equity-format funds launched between January 2012 and March 2017 that invest predominantly in non-syndicated debt from European companies with ebitda below €50 million.

Pictured: DIALA Minott (Paul Hastings), Jaime Prieto

Best CLO fund



Finalists

Clareant Structured Credit Opportunity Fund II (Alcentra); Alegria ABS 2; BK Opportunities Fund III (Crystal)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest predominantly in CLOs and that are present in Creditflux's monthly performance listing.

Pictured: Michael Hombach, Dimitris Papadopoulos (Natixis)

Best closed-end CLO fund



Finalists

Eagle Point Credit Company; Fair Oaks Income Fund; Carador Income Fund (GSO); Priority Income Fund (Prospect)

Methodology

IRR

Eligibility

Funds that invest predominantly in CLOs and that have no periodic redemption requirements.

Pictured: Debdeep Maji, Jonathan Cohen, Vitaliy Kozak (Citi)

Best structured finance fund



Finalists

Altum Credit Master Fund; AG Mortgage Value Partners (Angelo Gordon); Octra II (Zencap)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest primarily in bonds issued as part of a securitisation but do not invest mainly in CLOs, and that are present in Creditflux's monthly performance listing.

Pictured: Miles Hunt (NatWest), Mark Hale

Best credit multi-strategy fund



Finalists

Brandywine Global Credit Opps Master Fund; CreditValue-Partners Credit Opps; LFIS Vision Credit Opps (La Française)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that have the ability to invest opportunistically in credit across a variety of strategies and asset types and that are present in Creditflux's monthly performance listing.

Pictured: Dan Krueger

Best European high yield fund



Finalists

M&G European High Yield Bond Fund; Robus German Credit Opps Fund; Schelcher Prince Haut Rendement

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest primarily in loans or bonds issued by European high yield borrowers on a primarily long basis, and that are present in Creditflux's monthly performance listing.

Pictured: Sam Oher (Barclays), ?

Best US high yield fund



Finalists

Arena Short Duration High Yield Strategy; BlackRock Global High Yield Fund; NZCG Fund (Guggenheim)

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest primarily in loans or bonds issued by US high yield borrowers on a primarily long basis, and that are present in Creditflux's monthly performance listing.

Pictured: Rajay Bagaria

Best corporate long-short credit fund



Finalists

Cheyne Total Return Credit Fund June 2022; Latigo Ultra Fund; Selwood Liquid Credit Strategies

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that invest in corporate credit on a fundamental/name-specific basis taking either long or short positions, and that are present in Creditflux's monthly performance listing.

Pictured: Craig Kelleher

Best Ucits credit fund



Finalists

Lyxor Newcits IRL II (Chenavari); Angsana Fund (Diamond); Loomis Sayles Global Credit Fund

Methodology

Volatility-adjusted weighted performance

Eligibility

Funds that comply with Ucits III and later directives that invest predominantly in corporate credit and are present in Creditflux's monthly performance listing.

Pictured: Alberto Gallo