Private Debt Intelligence – 7/4/2022

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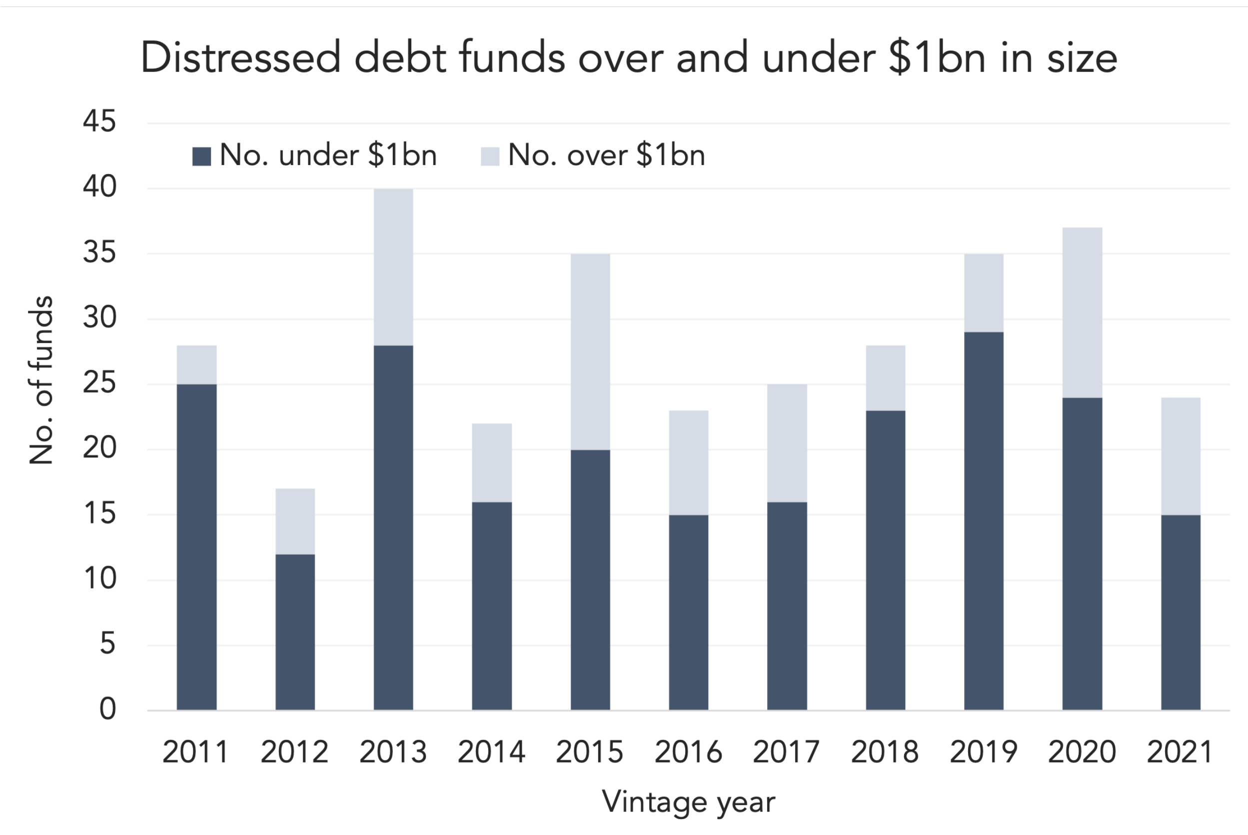
Distressed debt mega funds rising again

Chart



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Fundraising in distressed debt, a major private debt strategy, has been relatively volatile over the past decade. Nevertheless, aggregate capital raised in 2021 rose to $31.7bn, compared with $14.8bn in 2011. The peak of 2020, in which fundraising hit $66.2bn, was boosted by the Oaktree Opportunities Fund XI closing at $15.9bn, making it the largest private debt fund worldwide. In 2011, only 11% of funds were over $1bn in size, the largest being the $2.6bn OCM Opportunities Fund VIIIB. A decade later, the Strategic Value Special Situations Fund V was almost double that at $5bn, and 38% of funds were $1bn or larger. It's clear that private debt funds are becoming larger, so this trend may continue for some time.

(Past performance is no guarantee of future results.)

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