

Finalists and methodology

Best credit multi strategy fund

Methodology: volatility-adjusted weighted performance

Universe: 17 hedge funds

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.

Winner: Hellebore Credit Arbitrage	Hellebore Credit Management
Brigade Credit Fund II	Brigade Capital Management
Owl Creek Credit Opportunities Fund	Owl Creek Asset Management
Zais Atlas Fund	Zais Group

Best new US CLO

Methodology: blended outperformance

Universe: 142 CLOs

Eligibility: CLOs with mainly US collateral that went effective in 2016 and are listed in CLO-i.

Winner: Vibrant CLO IV	DFG Investment Advisers
Sound Point CLO X	Sound Point Capital Mgt
THL Credit Wind River 2016-1	THL Credit Advisors
Zais CLO 4	Zais Group

Best corporate long-short fund

Methodology: volatility-adjusted weighted performance

Universe: 20 hedge funds

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.

Winner: Millstreet Credit Fund	Millstreet Capital Management
Brigade Leveraged Capital Structures Fund	Brigade Capital Management
Latigo Ultra Fund	Latigo Partners
Selwood Liquid Credit Strategies	Selwood Asset Management

Best European direct lending fund

Methodology: leverage-adjusted IRR

Universe: around 30 funds

Eligibility: Private equity-format funds launched between January 2013 and 30 July 2015 that invest predominantly in non-syndicated debt from European companies with EBITDA below €50 million.

Winner: Patrimonium Middle Market Debt Fund	Patrimonium
Ares Capital Europe II	Ares Management
Clareant European Direct Lending Fund II	Alcentra
Kartesia Credit Opportunities III	Kartesia

Best new European CLO

Methodology: blended outperformance

Universe: 41 CLOs

Eligibility: CLOs with mainly European collateral that went effective in 2016 and are listed in CLO-i.

Winner: Aurium CLO II	Spire Partners
BlackRock European CLO I	BlackRock
Cadogan Square CLO VII	Credit Suisse Asset Mgt
Harvest CLO XIV	Investcorp Credit Management

Best structured finance fund

Methodology: volatility-adjusted weighted performance

Universe: 21 hedge funds

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.

Winner: Cheyne Total Return Credit Fund (Dec 2017)	Cheyne Capital
Altum Credit European Master Fund	Altum Capital Management
Inari Fund	Zais Group
Serone Key Opportunities Fund	Serone Capital Management

Best boutique CLO manager

Methodology: mean blended outperformance across all manager's deals

Universe: 27 managers

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

Winner: Spire Partners
CQS Management
Monroe Capital
Wellfleet Credit Partners

Best closed-end CLO fund

Methodology: IRR

Universe: around 10 funds

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

Winner: CFC CLO Co-Investment Fund	CFC Asset Management
Eagle Point Credit Company	Eagle Point Credit Management
Fair Oaks Income Fund	Fair Oaks Capital
Oxford Bridge	Oxford Bridge Management

Best US CLO

Methodology: blended outperformance

Universe: around 550 CLOs

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

Winner: THL Credit Wind River CLO 2015-1	THL Credit Advisors
Octagon XXIII	Octagon Credit Investors
Madison Park Funding XVII	Credit Suisse Asset Management
Sound Point CLO IX	Sound Point Capital Management

Best US high-yield fund

Methodology: volatility-adjusted weighted performance

Universe: 13 hedge funds

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.

Winner: Guggenheim High Yield Fund	Guggenheim Investments
Highland Loan Fund	Highland Capital Management
Marathon Loan Opportunities Fund	Marathon Asset Management
Wasserstein Debt Opportunities Fund	Wasserstein Debt Opportunities Management

Best European CLO

Methodology: blended outperformance

Universe: around 100 CLOs

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

Winner: Dryden 35 Euro	PGIM
Aurium CLO I	Spire Partners
Babson Euro CLO 2014-II	Barings
Cadogan Square CLO VI	Credit Suisse Asset Management

Best CLO fund

Methodology: volatility-adjusted weighted performance

Universe: 13 funds

Eligibility: Funds that invest predominantly in CLOs and that are present in Creditflux's monthly performance listings.

Winner: Acis Loan Funding	Acis Capital Management
BK Opportunities Fund	Crystal Fund
Clareant Structured Credit Opportunity Fund II	Alcentra
Napier Park European Credit Opportunities Fund	Napier Park Global Capital

Best US CLO redeemed in 2016

Methodology: final IRR

Universe: around 60 CLOs

Eligibility: CLOs that owned primarily US collateral and that repaid all their debt in 2016.

Winner: Golub Capital Management 2007-1	Golub Capital
Madison Park Funding II	Credit Suisse Asset Management
Sands Point Funding	Guggenheim Investments
Symphony CLO IV	Symphony Asset Management

Best European high yield fund

Methodology: volatility-adjusted weighted performance

Universe: 17 funds

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

Winner: ICG Total Credit Fund	Intermediate Capital Group
ICG Total Credit Fund	Intermediate Capital Group
M&G European High Yield Bond Fund	M&G Investment
PGIM European HY Bond Fund	PGIM
SCOR Euro High Yield	SCOR Investment Partners

Best European CLO redeemed in 2016

Methodology: final IRR

Universe: around 15 CLOs

Eligibility: CLOs that owned primarily European collateral and that repaid all their debt in 2016.

Winner: Harbourmaster CLO 7	GSO Capital Partners
Egret Funding CLO I	Lyxor
Gateway IV	PGIM
Jubilee IV	Alcentra

Best Ucits credit fund

Methodology: volatility-adjusted weighted performance

Universe: 32 funds

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

Winner: Xaia Credit Debt Capital

Xaia Investment	
Angel Oak Multi-Strategy Income Ucits Fund	Angel Oak Capital Advisors
Beach Point Diversified Credit Fund	Beach Point Capital Management
Loomis Sayles Strategic Alpha Bond Fund	Loomis Sayles

Best US CLO manager

Methodology: mean blended outperformance across all manager's deals

Universe: 88 managers

Eligibility: Firms with at least three current actively-managed CLOs based on predominantly US collateral.

Winner: Sound Point Capital Management

Apollo Global Management
Credit Suisse Asset Management
THL Credit Advisors

Best European CLO manager

Methodology: mean blended outperformance across all manager's deals

Universe: 21 managers

Eligibility: Firms with at least three current actively-managed CLOs based on predominantly European collateral

Winner: PGIM

Barings
Carlyle Group
Investcorp Credit Management

Creditflux manager of the year

Methodology: highest average ranking across all Creditflux award categories where the manager is present.

Universe: all credit managers active across multiple credit strategies

Winner: PGIM

Credit Suisse Asset Management
Sound Point Capital Management
THL Credit Advisors

Methodologies

Blended outperformance

The average ranking of each CLO relative to its peers by five different performance metrics, in order to reward the managers who have achieved the greatest performance for all classes of investors: change in junior OC; Warf, average collateral value, weighted average spread, cash-on-cash return to equity; and equity volatility.

Final IRR

Equity IRR based on the notional size of the CLO equity and taking into account all payments received by 28 February 2017.

Leverage-adjusted IRR

IRR net of fees to 31 December 2016 assuming that there had been no fund-level leverage, adjusted for the average debt-to-ebitda leverage at inception of investment of borrowers in the portfolio.

Volatility-adjusted weighted performance

A measure that combines absolute change in mark-to-market net asset value during 2016 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.