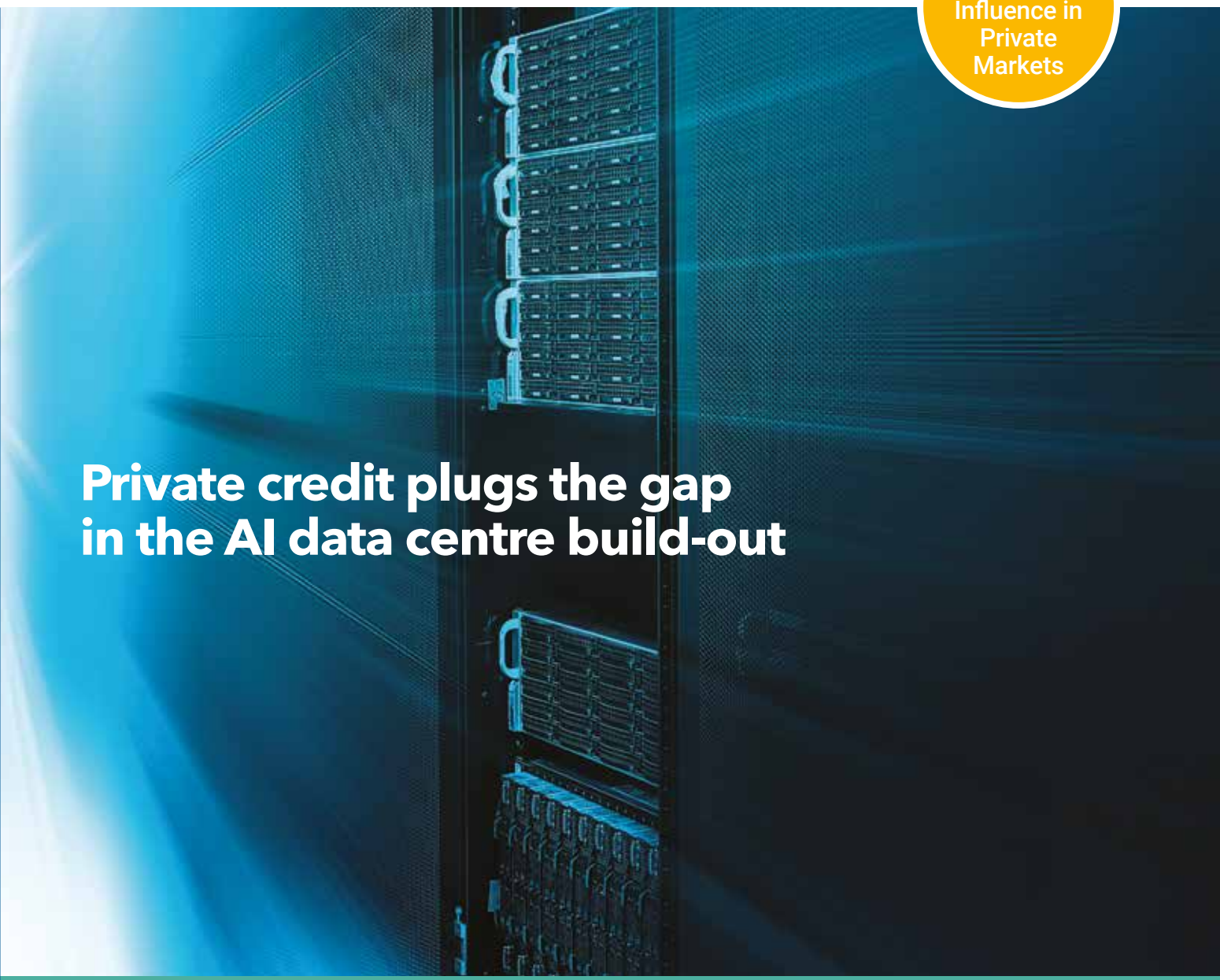
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Lending **The proof is in the pricing: Beware loans to smaller borrowers**

Small is beautiful – unless it happens to be a loan to a small business made in the early 2020s, ***writes Robin Blumenthal***. That's one conclusion that can be drawn from a pair of September developments about the pricing of loans to small companies.

The first is that Marblegate Asset Management won an auction by the Federal Reserve Bank of Boston to purchase some $2 billion of covid-era loans extended to small businesses under the Main Street Lending Program for $516 million, or about 25 cents on the dollar.

The second is a quarterly report about private credit borrowers by investment bank Houlihan Lokey that found pricing stress on the smallest cohort – those with $10 million-$20 million of EBITDA – has skyrocketed over the past few years, with the share of loans to that group priced below 90 percent of par jumping to 12 percent in the second quarter, from 10 percent in the first quarter and just 1 percent in 2023.

"We're seeing a disproportionate share of underperformance in loans to smaller companies," says Chris Cessna, managing director in Houlihan Lokey's portfolio valuation and fund advisory services practice. "When loans are priced below 80 or 90 percent of face value, something has typically gone wrong with the company or the loan itself. It's a good proxy for stress and distress."

> "We're seeing a disproportionate share of underperformance in loans to smaller companies"
>
> Chris Cessna, Houlihan Lokey

The pain is being felt across the rest of the private credit market, although not as severely as the lower mid-market. Houlihan Lokey found stress is also rising sharply in the core mid-market, with prices on 6 percent of loans to borrowers with $20 million to $100 million of EBITDA falling below 90 cents on the dollar, the highest level in the past three years. Overall, 7 percent of all loans are priced below 90 percent of par, double the historical average, but that's largely due to lower and mid-market stress.

Larger deals not immune

Although larger borrowers are performing better, with just 3 percent of loans to those with EBITDA of more than $100 million falling below 90 percent of par in the quarter, this cohort isn't immune to pricing pressure. The report showed that the segment of loans priced above 97 percent of par contracted for a fifth consecutive quarter, falling to 85 percent from 87 percent in Q1.

"The quantum of debt service payment – the interest burden in dollars – is going up, with the smaller and mid-market borrowers being hit by other headwinds," says Timothy Kang, a managing director in Houlihan Lokey's portfolio valuation and fund advisory services practice.

Indeed, "economic headwinds are continuing to squeeze small- and mid-market companies, leaving many unable to service their debt and increasingly reliant on external financing," agrees Andrew Milgram, co-founder and chief investment officer of Marblegate.

He noted that the Main Street Lending portfolio stood out because of its broad diversification of assets across regions and industries, and that the underlying businesses had access to traditional lending. Nevertheless, a significant percentage defaulted on their loans, he said. "Compare that to the private credit market, which typically lends to businesses on even weaker financial foundations."

Prath Reddy is co-founder, CEO and chief investment officer of Percent Securities, a brokerage platform for private credit that also houses an asset manager that lends to small lenders, which in turn lend to consumers and small businesses. He says his firm is seeing deterioration in its lender finance warehouse facility portfolio. "We've been seeing delinquencies pick up, mostly in the subprime and near-prime sectors."

The Houlihan Lokey report showed that default rates picked up for the smallest cohort, jumping to 5.9 percent in Q2 on a size-weighted basis from 3 percent in Q1.

Still, "if you could pick one metric, fair value trumps everything", says Houlihan Lokey's Kang. At the end of the day the concern is: "Ultimately, are we going to realise losses?" ■

↑

"Senior CLO tranche ratings are generally robust, even in the face of quite severe hypothetical stresses"

S&P Global Ratings' ***Andrew South*** *on the resilience of European CLOs in the face of pressure*

↑

Ups & downs

↓

"The real risk is that income from the long-dated assets currently in the market will not be sufficient to service the debt needed to be put in place to support a retirement promise in the decades to come"

Chak Raghunathan*, of Agam Capital Management, quoted in the FT on insurance capital funding debt investments in data centres*

↓

The big numbers

Digital fund seeks backing, smaller funds hit fundraising wall, interest rates on the up

$3bn

Fundraising target for StableFund, an evergreen private credit vehicle jointly sponsored by Fasanara Capital and digital asset firm Tether

€500m

Assets under management held by Finnish fund manager Proprius Partners, following its acquisition of Certior Capital

85%

The proportion of 80,000 loan valuations examined by Houlihan Lokey that were above 97% of par

87

Number of funds worth $250m or less that held a final close in H1 2026, compared with a full-year average of 256 between 2020-24

€12bn

Amount raised by London-based fund manager ICG for its latest flagship corporate lending fund

$2bn

Volume of covid-era rescue loans acquired by fund manager Marblegate at a fraction of their original cost from the Federal Reserve

0.25%

Rise in US interest rates in September, the first such rise in more than three years, in an effort by the Federal Reserve to counter high inflation

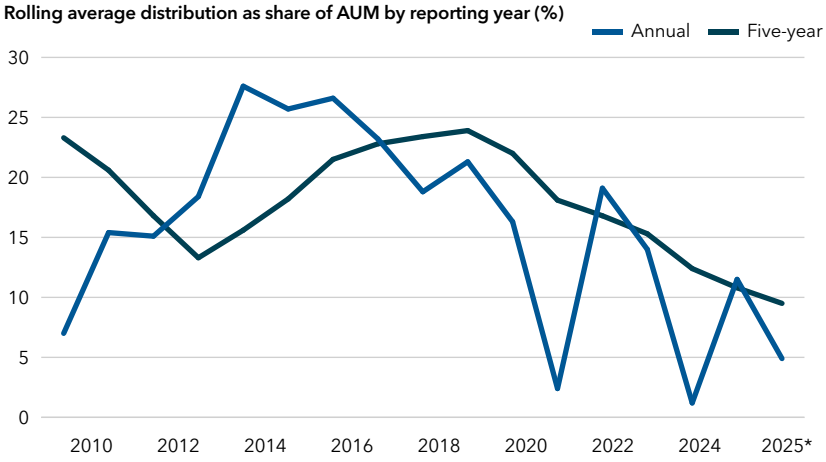
Trend Watch
Distributions in flux

Distribution-to-paid-in capital (DPI) has been a big talking point in private equity circles in recent times, ***writes Andy Thomson***. As the volume of exits has slowed in a challenging environment for M&A, less capital than usual has been returned to limited partners – in turn, restricting their ability to recycle capital back into new funds.

But, while most observers have focused on the private equity market, are the same trends found in private credit? The answer appears to be – broadly – yes. Rolling distributions as a share of AUM (see top chart) overall trend downwards on both a one-year and five-year basis between 2010 and the first half of 2025.

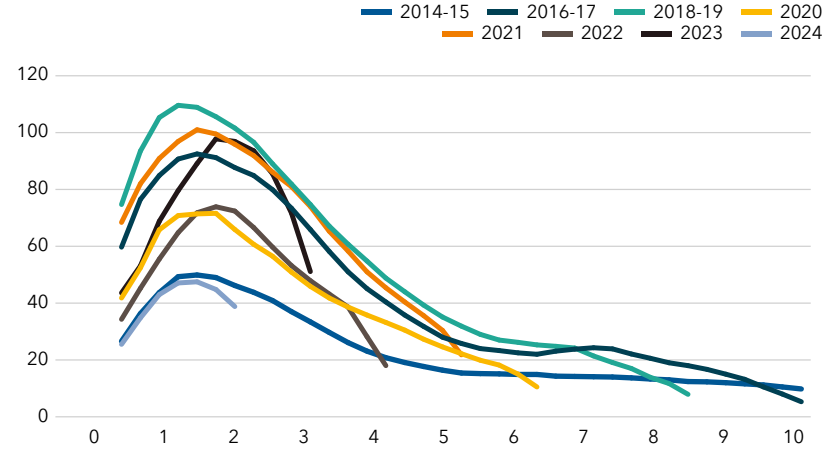
However, considerable fluctuations can be observed. The annual distribution total peaked around 2012-13 while, on a rolling five-year basis, it was around 2018-19. While annual distributions have been generally lower in recent years, there was an upward spike around 2022 – possibly resulting from a rash of funds raised and deployed quickly to take advantage of dislocation opportunities in the wake of the covid pandemic.

Rolling average distribution as share of AUM by reporting year (%)



*2025 data ends in Q2. Includes all distressed, leasing, royalties, senior debt, subordinated/mezzanine debt and venture debt funds. Distribution is calculated as cashflow divided by the sum of dry powder and unrealized value. Rolling average reflects how well, on average, the market has distributed capital over the past one or five years.
Source: PEI Group. Data updated 11 Aug 2026

One-year rolling average of total quarterly dry powder by years from vintage by vintage cohort ($bn)



Graphics by Corey Dockser
Rolling average is calculated using quarterly sum of dry powder for each vintage cohort. All values are converted to USD before aggregation based on the conversion rate at the time they were reported. Includes all distressed, leasing, royalties, senior debt, subordinated/mezzanine debt and venture debt funds.
Source: PEI Group. Data updated 20 Aug 2026

Recent vintages deploy faster

Meanwhile, our rolling dry powder chart (see bottom chart) shows more recent vintages being quicker to deploy, on the whole, than older vintages. Vintages between 2022-24 show quite steep downward trajectories in terms of dry powder, while those from around 2014-17 show a much more gradual decline in dry powder.

The simple explanation is the older vintages were raised in unusual times, with interest rates rising sharply from 2022 onwards and M&A and leveraged buyout activity slowing considerably – reducing the number of attractive financing opportunities. By contrast, M&A has picked up in recent years.

Another factor to consider is that some older vintages may be deliberately retaining much of their dry powder in anticipation that valuations, terms and conditions and leverage metrics may improve.

Overall, the data points to a challenge ahead for the private credit market as deployment picks up, but exits remain difficult to achieve. ■

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Strategy **Ninety One grows its African roots**

Established in 1991 in South Africa, global investment manager Ninety One (formerly Investec Asset Management) is now headquartered in London, ***writes Andy Thomson***. But its private credit arm provides a reminder of the firm's roots – with its latest regional Africa fund, Africa Credit Opportunities Fund 3, having closed in mid-August on $404 million.

ACOF 3's size is a big step up from predecessors ACOF 1 and 2, almost reaching their combined $435 million. Reflecting on investor appetite, Nathaniel Micklem, co-head of emerging market alternative credit, tells *PEI Private Credit:* "The more forward-thinking and pioneering LPs in the US and Europe have been backing us for a number of years, but it's just the tip of the iceberg as far as this market is concerned."

In other words, he sees appetite continuing to grow – as investors indicate wariness in traditionally favoured markets by looking further afield. Micklem points out that for the best part of a year, investors have been fretting over the level of their exposure to software-as-a-service, a sector he says "doesn't actually suit itself very well to private credit, given that you don't share too much on the upside but you can really get hurt on the downside".

In contrast with the US, software doesn't appear much on the radar of African and emerging market private credit fund managers. According to Micklem, opportunities are more likely to arise in the areas of "core, essential goods and services businesses, utilities, quasi-infrastructure, and some systemically important financial institutions."

In addition to potentially more attractive sectors, Africa also offers geographic diversification in an asset class still heavily biased to the US and Western Europe, as well as, in Micklem's view, a yield pick-up. He says that on a portfolio basis the firm is achieving returns of around 11 percent on an unlevered basis from investments of about 80 percent senior debt and 20 percent subordinated – with the senior positions typically in the 10-12 percent range and subordinated at 14-25 percent.

Such returns are possible, he says, because there is very little competition from other private credit funds. For the blue-chip companies in need of financing



Nathaniel Micklem: Africa can offer a yield pick-up

> "The key is in the underwrite: the right industry, the right type of shareholders, containable leverage and competitive positioning"



The net widens

Ninety One is training its focus on any markets sharing similar investment characteristics

Through its trio of funds to date, Ninety One has taken advantage of Africa's supply-demand mismatch – but does not see Africa as the only place where its approach to investing works.

Citing the likes of Blue Owl, KKR and Apollo, Nathaniel Micklem says certain firms have built credit businesses of scale and diversification in the Northern Hemisphere. By applying its investment style to places such as Mexico, Brazil, Colombia, Turkey, Central and Eastern Europe, the Middle East, India and South/Southeast Asia, Ninety One believes it can build the same kind of scaled business in parts of the world largely glossed over by credit firms.

The latest ACOF 3 fund can invest up to 25 percent of its capital in emerging markets outside of Africa. Looking to the future, Micklem envisages a fund of inverse proportions – 75 percent emerging markets and 25 percent Africa.

"This is a style of investing in certain parts of the world that has just worked and continues to work," says Micklem.

that Ninety One is able to back, it's typically the banks and development finance institutions stepping up to the plate. But, as elsewhere in the world, private credit is able to charge a premium for speed of execution and flexibility.

Top-quartile markets

In the early days, post-GFC, the firm was largely focused on South Africa, where international investors were pulling out of the market and Ninety One was able to step in to finance household names at 40-60 cents on the dollar. But the strategy has evolved to cover the top 25 percent of African markets (around 15 countries), including the likes of Nigeria, Kenya, Egypt and Cote d'Ivoire, as well as South Africa.

Of course, while the positive characteristics outlined above may give investors pause for thought, for many fund managers Africa simply seems like too much of a risk – not least the prospect of less predictable regulation and court processes compared with more established markets.

"We've experienced it all," concedes Micklem. "The reality is that what looks good on paper doesn't necessarily translate into something good in practice and the experiences and learnings we've had over the years have been tremendous and really put us in the position that we're now in, with loss ratios below 23 basis points proving the quality of the downside protection."

He adds that the key for credit providers in African markets is to avoid allowing situations to escalate to a court process. "There are so many moats we try and put around our deals so that protections and realisation mechanisms avoid the need for courts, you're already heavily derisked and your position is right-sized. But well before that stage, the key is in the underwrite: the right industry, the right type of shareholders, containable leverage and competitive positioning."

But while Micklem believes long experience of Africa's challenges stands Ninety One in good stead, he equally does not expect a swarm of competition in the near to medium term. He points out that, particularly for the larger fund managers with a focus on building their assets under management, the region just doesn't really make sense as it accounts for such a tiny proportion of global private credit fundraising.

"Africa won't come onto the radar of the bigger funds any time soon," says Micklem. "We do see a faster intersection across the emerging markets, but even there it will take time for supply to meet demand." ■

Regulation **Five years is a long time in private markets**

Comment



Expert analysis by Jiří Król, global head of the Alternative Credit Council, the private credit affiliate of the Alternative Investment Management Association

The Bank of England's first System-Wide Exploratory Scenario tested what the market already knew how to do. Its second asks participants to model something that few, if any, currently do. The 2024 exercise put banks, insurers, funds and dealers through a sharp shock lasting for days. It was severe but also familiar – sizing a margin call and finding the cash to meet it is what treasurers do for a living. It stressed a capability that already existed.

The Private Markets SWES asks private credit managers, asset owners, banks and traditional managers to work through a hypothetical five-year downturn that involves GDP down 4 percent, bank rate averaging 7 percent, equities down 30 percent in a year, sterling high-yield borrowing costs near 18 percent and a recovery too weak to rescue anyone.

It is asking for something the industry has never produced. Private funds might be structured over seven to 10 years but are underwritten to shorter exits. Few will run a five-year stress path – and that is the point.

Comparison with the 2025 Bank Capital Stress Test flatters the banks, which have one structural advantage: they do not mark loan books to market. A bank holding a stressed loan at amortised cost moves its capital only as far as its provisioning model dictates. A private credit fund carries the same loan at fair value, and its NAV drives fees, fund-level leverage and the manager's own rating. When spreads blow out and valuations drop, that flows into the marks.



> "A manager can hold a stale mark through a bad quarter, but five years of stagnation is another matter"

No waiting it out

Critics will say private marks are smoothed and infrequent. True – which is why the scenario's length matters. A manager can hold a stale mark through a bad quarter, but five years of stagnation is another matter.

The third difference is scope. The PM SWES includes all the major players but trains its lens on private market participants in UK corporate finance, not on that market as a whole. Banks are in the room mainly as lenders to funds and counterparties, not as the alternative source of credit to the companies private lenders serve. The exercise can show a gap opening in the supply of finance to viable businesses; it cannot, by design, show whether the wider system closes it.

The Bank is asking the right question: whether the collective response of lenders, investors and counterparties preserves the flow of finance through a prolonged downturn, or whether protecting one institution deepens the pressure on another. It is the first real test of whether 'patient capital' is a feature of the structure or a hope about behaviour.

But the answers must be read with the design in mind. A five-year path forces judgements no participant has made before, so results will measure modelling maturity as much as resilience, and a partial view of the market shows where finance is withdrawn, not where it is replaced.

The temptation will be to read the results as proof that private credit is fragile in ways banks are not. The deeper point is that banks have never sat this test, and would not pass it. Marked to market through a five-year downturn, much of the system would be insolvent. That is why the first accounting response to the 2008 crisis was to let banks reclassify assets out of fair value and hold them at cost. Private markets are sitting an exam the banking system was designed never to take. ■

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A bigger and bolder asset class



Andy Thomson
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Hyperscaling, the theme of this month's cover story, is one manifestation of how private credit managers are increasingly thinking big. In this particular area, in order to fuel the data centre construction boom, GPs are filling gaps in all areas of the capital structure.

Sergio Padilla explores the types of investment being made – including lending against graphics processing units, a form of asset-backed finance – as well as the challenge represented by the political backdrop, as resistance grows to data centres' enormous energy and resource needs.

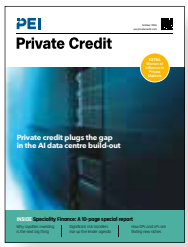
There is also a wider context. Until recently, private credit was almost exclusively associated with the mid-market – effectively acting as replacement capital due to the banks' retrenchment from corporate lending. But now, after many years of successful fundraising, private credit is sufficiently emboldened to offer larger and more esoteric financing solutions, including as an alternative to public markets. In hyperscaling, as in other areas, we can see an asset class evolving and facing the future with confidence.

"Private credit is sufficiently emboldened to offer larger and more esoteric financing solutions"

This issue also includes our annual special report discussing the achievements of leading women in private markets, including private credit. We also examine the rise of speciality finance, as allocators look beyond their core allocations and seek to diversify into new areas.



Private credit goes all-in on the AI boom



Cover story

Lenders are being met with a wave of demand for financing every physical aspect of the data centre build-out. Sergio Padilla reports



Private credit lenders have finally found a way to, at least partially, turn around sentiment regarding artificial intelligence: by getting a piece of the action in the great data centre build-out.

As hyperscalers in the US seek to spend hundreds of billions of dollars on capital expenditure related to training and powering cutting-edge models, private credit lenders are getting involved in every part of the capital structure and every physical component.

"The big managers doing [data centre] deals don't operate with a singular focus, they're not just looking at a private equity or a private credit return," says Eamon Nolan, project development and finance partner at law firm Vinson & Elkins. "They have managers who cover the debt and equity spectrum, including preferred equity and mezzanine debt that sits between debt and equity… Asset managers are looking at [data centres] for opportunities across their cost of capital."

Nolan adds that private credit lenders are finding a plethora of returns across the data centre space, applicable to investment-grade and high-yield buckets, as well as returns that sit between the two.

There is an estimated $1.3 trillion of debt backing the build-out of data centres in the US, according to a report by Atrium, a credit intelligence platform that performed analysis on 4,296 data centre-related debt facilities, including property mortgages, securitisations and corporate debt originated by hyperscalers.

Atrium's data shows private credit has played an important role, with special purpose vehicles (SPV) backed by private credit funds accounting for $158 billion, supporting the fact

that they are the preferred financing vehicle for single-asset data centre projects.

Many data centre deals and their capital structures are put together in ways that are immediately familiar to those with previous experience in project finance. After all, more goes into a data centre than just the physical campuses and server racks filled with graphics processing units (GPU) – they include the energy sources, cooling systems, networking equipment, HVAC infrastructure and a multitude of other opportunities for lenders to choose from.

"Given that some data centre projects being built are projected to exceed 1GW in size, that generally means multiple sites exist within the data centre campus," says Edwin Wilches, co-head of PGIM's securitised products team. "Each of these sites may achieve financing separately, resulting in multiple SPVs. We also see similar setups of SPVs for financing outside the actual buildings in areas such as GPUs, cooling or even for behind-the-meter power production."

Bill Pappas, managing director and head of core infrastructure at PGIM, says data centres "have lent themselves well to leading the charge behind why the convergence [between public and private markets] is needed. Many of these assets are structured like a typical structured credit deal, but the capital needs are far beyond what a traditional private credit investor, in the old context, would be able to provide. It's clear that more integrated solutions are needed to fully address the opportunity."

What's being done

Perhaps the most high-profile private credit data centre deal would be Project Beignet – the $27.3 billion SPV majority-owned by Blue Owl to fund and construct a sprawling data centre campus named Hyperion in Richland Parish, Louisiana. Announced in October 2025, funds controlled by Blue Owl will retain an 80 percent equity interest, with Meta owning the remaining 20 percent through Iris Crossing, a separate legal entity it owns. The joint venture will operate Laidley, which will own and operate the data centre campus.

Upon completion, Hyperion will comprise nine data centre buildings and an office building with a warehouse, along with six energy substations, a water treatment plant and wells, optical fibre connectivity and low-voltage emergency back-up generators.

Meta has agreed to 11 separate triple-net lease agreements for each building, with initial terms being four years from rent commencement, from around 1 June 2029, and four-year renewal options for a total term of 20 years.

"The amount of investment that's going into data centres is somewhat unprecedented," says Ian Fredericks, chief executive officer of Hilco Global's capital solutions division, "and those larger GPs are able to cut larger cheques, and they're focused on financing data centres associated with larger-scale companies."

Virtually every large GP has found themselves wanting part of the action. Blackstone in late April announced it had struck a deal with Related Digital, a Dallas-based data centre development firm, to help provide financing for its $16 billion data centre campus in Saline Township, Michigan, to be purpose-built for Oracle.

Funds managed by Apollo, whose CEO Marc Rowan has described data centres as part of a "global industrial renaissance", has done several high-profile deals, and in June announced that it had led a $35 billion capital solution for Broadcom's AI XPV platform in partnership with Blackstone and

"The big managers doing [data centre] deals don't operate with a singular focus, they're not just looking at a private equity or a private credit return"

EAMON NOLAN
Vinson & Elkins

major banks such as Wells Fargo, UBS, Goldman Sachs and Morgan Stanley.

Part of why large GPs have been so quick to jump on the opportunities surrounding data centres is the fact that many deals are structured the same way that traditional structured credit deals are arranged, with multiple SPVs and places within their capital structure to finance.

"When you look at how data centres and chips are being financed, its generally some form of either project finance, which has been around since energy projects started being built decades ago, [or legacy] equipment leasing and securitisation technology," says Rick Campbell, senior managing director with Blackstone's credit and insurance unit.

But not every private credit lender involved in the data centre space is a mega-GP with over a trillion dollars in assets. Take Eagle Point Credit, which has roughly $14 billion in assets under management, according to PEI Group data. In August, the firm announced that it had completed a $1.3 billion financing for a subsidiary of Nexus Data Centers to aid in the construction of a data centre and power generation campus in Hubbard, Texas.

The financing provided by Eagle Point will be part of a $16 billion project finance package for Nexus and structured as mezzanine debt, behind major banks such as Morgan Stanley.

The completed facility will span roughly 2,900 acres, will feature Anthropic as a key tenant and have its own gas-fired plant in order to make itself energy self-sufficient.

Jennifer Powers, head of infrastructure credit at Eagle Point, says that while banks use their strategic balance sheet to earn fees across M&A, equity, derivatives and capital markets advisory, private lenders have a role to play in supporting developers at an earlier stage of the development of campuses and typically at price points

Opportunities in GPU financing

Lending against graphic processing units is now well established, but the strategy runs obsolescence risk

One of the more obvious ways that data centre financing borrows from traditional private credit financing techniques comes in the form of graphic processing unit financing, when GPUs are placed into bankruptcy-remote SPVs and pledged as collateral for funds that are disbursed in several phases and repaid from cashflow streams that come from customers purchasing compute – nothing unfamiliar to those operating an asset-backed finance strategy.

Lenders have also put serious capital to work, with a consortium of BlackRock, Blackstone, Apollo, Brookfield, Goldman Sachs and KKR announcing their intention to establish a $500 billion financing platform for customers of Nvidia's chips.

Nvidia is one of the main manufacturers of GPUs, including the Hopper and Blackwell GPU architectures.

But one of the main risks that lenders in the GPU financing space run is the obsolescence of GPUs. Just 18 months after the launch of Nvidia's Hopper series, the Blackwell architecture was announced and began delivery during the fourth quarter of 2024.

However, according to WhiteFiber, an AI and computing infrastructure company, physical degradation of GPUs is real, but driven by specific stressors like utilisation intensity, thermal and electrical stress, and power density, rather than simply calendar age.

When Blackstone does its GPU deals, Campbell says the firm signs a contract with "a very creditworthy counterparty, and we're sizing our investment to fully amortise over the life of what is generally a five-year contract".

This way lenders are not left holding the bag when new generations of chips are released, as lenders generally expect to receive back some level of principal each year over the life of the loan to the GPU-anchored SPV – not to mention that the useful life of the GPUs may be longer than previously expected.

"What we're seeing is that the need for compute is so high that older chips continue to be quite valuable," says PGIM's Wilches. "Another interesting component is [how] the chips are like a workhorse and their ultimate usefulness is predicated on the software that optimises it and how efficient the models being run are – which means that chips might be more productive over time as software or models improve."

that offer a premium to public high-yield debt.

An important factor that attracted Eagle Point to Nexus's management team, aside from key credit characteristics, was their plan to be energy self-sufficient by using a behind-the-meter energy source, says Powers: "The self-contained, behind-the-meter strategy really mitigates or eliminates many of the concerns that bipartisan lawmakers are appropriately raising, because many data centres are just not paying their freight for use of what is essentially public infrastructure."

A brewing backlash

As commercial breaks in between quarters of high-stakes college football matches have shown us, the 2026 midterm elections loom large over the American populace, and politicians of both parties are keen to attach themselves to whatever messaging will stick.

Indeed, some politicians have sought to channel voter concerns about data centres' usage of water and electricity, and what the downstream effects on utility bills might be. And unlike debates that split voters along partisan lines, data centres have shifted into what can only be described as bipartisan outrage.

Take, for example, the state of Texas, primarily governed by Republicans, and New York, primarily governed by Democrats.

In a 10 June directive to the Public Utility Commission of Texas and the Electric Reliability Council of Texas, the state's governor, Greg Abbott, said: "Data centres must operate in ways that reduce costs for residential electricity customers, do not drain water needed for our communities and take into consideration the needs of our neighbourhoods."

Less than a year prior to governor Abbott's directive, he called Texas the "epicentre of AI development, where companies can pair innovation with expanding energy", and said: "We must ensure that America remains at the forefront of the AI revolution, and Texas is the place where that can happen," in response to a $40 billion investment by Google in November to construct several data centre campuses.

> *"The capital needs are far beyond what a traditional private credit investor, in the old context, would be able to provide"*
>
> **BILL PAPPAS**
> **PGIM**



Abbott's more cautious June 2026 directive demanded that state energy authorities require data centres to fully fund the costs of the electricity infrastructure needed to power their operations, as well as identify additional actions to safeguard residential and small business ratepayers.

The State of Texas has also sought to conduct an audit on every new data centre project in the state seeking interconnection to the electrical grid, with the aim of obtaining information on which data centres are procuring their own sources of energy and water or relying on public utilities.

Meanwhile, in New York, governor Kathy Hochul signed an executive order on 14 July issuing the US's first moratorium on new hyperscale data centres, as well as directing Empire State Development, New York's chief economic development agency, to issue a community investment framework to provide guidance to local governments to "help them negotiate community benefits as part of any large-scale data centre deal".

"If in County A, the community was able to stop a development for a certain reason, it's highly likely that County B will take a similar approach," says Carlos Mendez, managing partner at Crayhill Capital Management. "Private lenders and banks are trying to understand what the right thresholds in terms of impacting communities are."

According to an analysis by Heatmap News, a climate-orientated news outlet, more than 530 local jurisdictions in the US have passed restrictions or bans on data centre development.

"One way to inoculate yourself against public concerns is to say [as a



data centre developer], 'I don't need the grid, I don't need to use public infrastructure – I'm going to build it and generate it myself as a mini power company and connect my data centre directly to my own power generation equipment'," says Eagle Point's Powers.

However, such matters are easier said than done, as power-generating equipment manufacturers' orders are sometimes backed up until 2028 or even 2029, says Powers, and hyperscalers are generally looking for power to be delivered to their data centres as early as 2027.

"If you don't have the equipment already, you're not going to be able to deliver those ready-for-service dates," says Powers.

"Those who have cornered the equipment market by locking up production slots at the major original equipment manufacturers still have a path forward, but it's a pretty well-known group who has access to actual generating equipment."

> *"The self-contained, behind-the-meter strategy really mitigates or eliminates many of the concerns that bipartisan lawmakers are appropriately raising"*
>
> **JENNIFER POWERS**
> **Eagle Point**

Lenders have naturally taken note of the growing backlash against data centre development, but it hasn't altered the calculus for lenders that don't take binary, equity-like risks such as permitting and the approval of local governments.

Campbell adds that Blackstone Credit & Insurance is generally "lending against either an operating project, which has all of its permits, or [an] under-construction project that also has its permits, is already contracted to supply compute to a tenant, and has its power interconnection".

No shortage of demand

Unlike some issues in private credit that pique the interest of observers, but later fall by the wayside, the data centre build-out is a trend with major staying power as hyperscalers look to push the boundaries of AI further and enterprise clients try and find efficiencies where they can in their business by using AI.

The US government, for its part, has made the development of AI a national security issue and has become the cornerstone of a de facto digital arms race with China – which has seen several breakthroughs in open-source AI tools developed in the country.

How that race plays out remains to be seen, but from the perspective of a private lender, it means there will be little shortage of demand for financing the physical and digital infrastructure that make up sprawling data centre campuses – with the most skilled of managers likely able to gain access to the best counterparties and deals.

"We have access to capital across the credit spectrum and can provide a sort of one-stop shop to borrowers," says Blackstone's Campbell. "The ability to go right up to that borrower and provide them certainty of funds and cost in a big way is very powerful." ■

US venture debt sees pause amid changing appetite

Venture credit is in hiatus as returns have some way to go before the illiquidity becomes worthwhile, reports Christopher Faille



Participants in the US venture debt market broadly agree that the market is in a period of pause, or pullback, in contrast with the equity side of the venture space.

The Venture Debt Intensity Ratio, an index of the mix of debt and equity with which start-ups are financing growth, has fallen to its lowest level in 11 measured periods – $0.074 debt per $1 equity – according to analytics company Axis Intelligence.

Axis Intelligence expects a slight debt bounce-back to eight to nine cents on the equity dollar during the second quarter of this year, which remains low. By contrast, Q1 2025 saw the debt side at twice that level, above $0.18 per $1 equity.

Why is there a retreat?

Matt Malone, the head of investment management at Opto Investments, a New York-based private markets consultancy, explains the pullback this way: "Given a base rate of between 3-5 percent, the appetite of many investors for locking up capital has decreased of late."

As Malone's observation suggests, money invested in start-ups or early-stage growth companies is generally very illiquid, especially given the J-curve that impacts even those start-ups able to make a compelling growth case. Investor appetite for such lock-ups depends on the return of capital, and the base rate (measured, for example, as the Secured Overnight Financing Rate) is very much a part of the mix that comprises that return.

SOFR spent the first half of 2024 at 5.3 percent. It fell by stages, beginning in September that year, and since January 2026 has occupied a narrow range, 3.6-3.7 percent.

A decline in SOFR tends to decrease appetite for illiquid fixed-income investment, both for

the obvious reason (unless spreads widen, return declines) and for a less obvious reason: the decline makes other more liquid plays, including CLO equity, or venture equity, more attractive.

The decline in demand for venture debt does nothing to encourage an increase in suppliers. Venture debt fund launches are not at all common in the US.

One rare example was Conductor Capital Fund I, launched in April 2024 and closed in June 2025. It hit its target of just over $42.18 million, according to PEI Group research. The management firm, Conductor Capital of Durham, North Carolina, is said to be looking to technology companies, especially software, as well as to healthcare concerns as its borrowers.

There are definitional issues in counting venture debt transactions by number or value. As Luke Riela, of Meketa Investment Group, puts it: "Some of what may now be categorised as venture debt would not have been so called until recently. It is partly real asset-backed debt, such as debt against data centre construction."

Everyone is a bit right

But, definitional disputes notwithstanding, the volume of deals is not growing, even though the value is increasing when AI infrastructure is included. There has simply been a considerable scaling up of deal value.

As S&P put it in its latest private credit review: "The increase in AI related credit volume is almost entirely attributable to mega facilities. Smaller deals are fewer, not more."

This is as true in venture debt as in private debt generally.

Some observers expressed nervousness in mid-August when technology giant Nvidia announced it would be working with some of the biggest names in private investment, including Apollo, Blackstone and BlackRock, to finance continued expansion of the world's computing capacity.

Opto's Malone says: "Everyone is a little bit right about artificial intelligence. There are some valuations out there that are very speculative on one hand, but there is revenue being generated on the other."

A lot of private credit, especially venture credit, stands to be quite hard hit if the first half of that sentiment turns out to be prophetic. They may not even be consoled by the second half. For some, the worries are bound up with the interest rate environment, both the SOFR base rate and, behind that, the Federal fund rate.

On 14 September, the US Federal Reserve raised the benchmark interest rate by 25 basis points. And the Fed may be signalling another increase by the end of the year

Different views

Such a move by the Fed could improve prospects for venture debt. On the other hand, not all observers concur with Malone in seeing the policy-driven rate as a big part of the problem. Riela says: "There has been a pullback [of venture debt], along with a concentration of the value of such investments in larger individual deals. But I'm not sure how much the decline in SOFR has contributed to this."

The pullback might be the result of the continued increase in equity values, leaving less reason for start-ups to borrow. Or it might be an increase in risk, geopolitical and otherwise. As always, market participants only will invest in a story that makes sense to them. ■

Which investors are drawn to venture debt?

This credit segment appeals to those that want downside protection, income and upside exposure too, says Monroe exec

PEI Private Credit asked the most direct and open-ended of questions about venture debt to Mark Solovy, co-head of the technology finance group at Monroe Capital: "What is it?"

He replied: "Venture debt is a highly specialised segment of private credit that requires deep underwriting expertise, ongoing portfolio monitoring and access to a proprietary deal pipeline."

Solovy highlighted sourcing as a key difference between venture capital equity and venture capital debt. "Unlike venture capital equity, where investors can participate through a broad range of direct and fund opportunities," he said, "venture debt transactions are typically sourced through established relationships among insiders, venture capital firms, founders and company management."

We also asked: "What kind of investor do you think might benefit by initiating or increasing allocation to this field?"

"Investors seeking the relative stability and downside protection of senior debt lending, coupled with current income from interest payments and potential upside from equity gains through warrants upon a sale or IPO of the company, may benefit from increasing their allocation," he said.

He also emphasised that there will be both winners and losers, within the market in general, and among the start-ups.

EXPERT Q&A

Nick Meserve, head of private credit at Main Street Capital, highlights some of the key distinctions between the lower and upper mid-markets



A structurally different asset class for LPs

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Q How do you define the lower mid-market in direct lending and what dynamics differentiate it from the upper mid-market?

We think of the lower mid-market as loans to companies with roughly $5 million to $30 million of EBITDA. We will stretch that to $50 million for existing portfolio companies, but for new leveraged buyouts, that is the size parameter we explore. Once we start looking at companies with $50 million EBITDA, we're competing with the upper mid-market, larger direct lenders and the broadly syndicated loan markets.

Our view is that the differentiation between the two markets is not only the size of the portfolio companies, but also structure, pricing, leverage, access to information and lender protections. The amount of work and the diligence involved on deals is the same regardless of whether they are for $15 million businesses or $75 million businesses.

When it comes to the market dynamics, fewer lenders show up in lower mid-market deals, so relationships carry more weight. Documentation is heavier and more bespoke.

We get the benefit of better covenant packages and, because we hold the whole loans ourselves, we own the process if there is any kind of workout required. We only have to deal with the sponsor and the company and don't have co-lender battles or liability management exercises. We can just focus on what is best for the company and our position.

But it is harder to put money to work in the lower mid-market and more difficult to scale, which is why many successful lower mid-market lenders gradually become upper mid-market lenders. They have usually increased fundraising and need to deploy more capital at pace.

Still, we are committed to this market. We know it and we get rewarded with additional spread in return for focusing on lower mid-market businesses

"When it comes to the market dynamics, fewer lenders show up in lower mid-market deals, so relationships carry more weight"

that may have a higher risk profile and require a more thorough underwrite. Lower mid-market companies could have more business line concentration and customer concentration, but the flipside is we get better pricing, documentation and covenants, and first lien on all the assets.

That means the underlying companies may be more risky, but the loans are not. Disciplined credit selection begins with the quality of the underlying business, which we evaluate against a consistent set of investment characteristics. Our portfolio construction process emphasises sector diversification, seniority, covenant protection and conservative leverage.

Q What is the competitive landscape like for lower mid-market deals?

The lower mid-market is less crowded but not necessarily uncontested. Looking at our last 10 deals, there were usually three or four lenders in those processes, but it was not the same three or four on each deal. So, competition is more disparate versus the upper mid-market, where the same 10 or 12 folks show up on every transaction.

In the lower mid-market, there are more transactions with a broader deal universe, so each lender needs to look at fewer deals. Sponsors also tend to have three or four favoured lenders that they go to on each transaction: relationships matter. The key is to make sure you are one of those three or four, and that you lean in if you like a transaction and make sure you win it.

Market dynamics allow us to be more selective. We are targeting 20-30 deals a year and can pick and choose our favourites. We are open with sponsors when a deal is not a good fit for us. In our experience, they appreciate a quick no.

The number of deals we do in our size range each year achieves a full spin for our capital base. Across our firm, we have increased our assets under management to more than $9 billion, but would rather stay in the lower mid-market, scale up our sourcing to move towards 25 or 35 deals a year, and then go looking for



Q How do relationships between sponsors and lenders differ versus the upper mid-market?

Our relationships in the lower mid-market are typically bilateral, one-to-one. In the upper mid-market, sponsors usually run formal processes, with multiple lenders bidding, and then those lenders might club up. The sponsors may be in clubs, too. Lower mid-market sponsors tend to work with a shorter list of trusted lenders.

The timing of a deal and closing is important. The sponsors we work with do not have dedicated capital markets groups, so the deal teams are running both the underwriting and the financing. There is less full-time focus on the financing and that means they are more reliant on working with lenders they know will be there at the finish line.

Most of our interactions are with sponsor deal teams and target management teams, so we are closely involved and it feels like a partnership from day one. We are usually brought in earlier in processes because it is so important for sponsors to ensure they have financing in place. In the upper mid-market, there is a larger group of lenders available, so they can come in later.

We see all those dynamics as a positive because they help us build relationships with sponsors, understand their thought processes and solidify ties for future deals.

more capital, rather than the other way around.

Q How should managers think about the balance between scale and selectivity?

For us, it is all about finding the right number of transactions, but there is no doubt that there is a benefit to having scale. Having said that, our investment process reflects our emphasis on selectivity over transaction volume, supported by Main Street's large infrastructure.

We require a large back-office operation across accounting, audit, tax, legal, fund management, and so on. Managing a loan requires the same operational support in the lower mid-market as in the upper mid-market. So, we have had to focus on building out that back-office capability.

We have found that if you are not always in the market, it is harder to make that work. We have two perpetual vehicles and then raise periodically around that. About two-thirds of every transaction goes onto our own balance sheet, which allows us to always be in the market. That helps us to build sponsor relationships because they know we will be available when needed.

Q What should LPs prioritise when assessing and selecting lower mid-market managers?

LPs looking at the lower mid-market probably need to ask the same questions that they do of upper mid-market managers, with some additional queries.

How managers are sourcing deals is important across the board, but in the lower mid-market, relationships are more important and having repeat sponsor origination is very helpful. A little over one of every two deals for us is with a repeat sponsor.

LPs will want to look at how long a lender has been in the market, whether they are always in the market and whether they have stayed true to the same scale of deals over time. Being a consistent partner to lower mid-market sponsors pays off.

> *"We are seeing more transactions coming to market now and that should mean deal volumes increasing this year and through 2027"*

Another question is what is the operating team depth versus the portfolio size? How many deals is the team covering, does it have the capabilities to deal with a workout if a business goes bad, and are there staff available to help with those processes? The operational requirements may be the same in the lower mid-market as the upper mid-market, but it is harder to staff that, so does a manager have the tax, legal, treasury and fund administration support?

Generally, we see growing appetite from LPs for lower mid-market managers as they increasingly understand this space and its differentiators. Whereas 10 years ago, LPs just wanted exposure to direct lenders, now they are looking to be more thoughtful in their allocations and bring diversity to their GP rosters because having three upper mid-market managers chasing the same deals can lead to a lot of crossover and over concentration.

Q Finally, what are the trends that you are most excited about, looking forward?

I am excited by the fact that the differences between the lower mid-market and the upper mid-market are starting to be better understood. People now appreciate that we get better documentation, greater access and communication to management and sponsor deal teams, and tighter covenant packages, better pricing and lower leverage.

As people understand that, we will see the managers that stay committed to the lower mid-market get rewarded for it. They will also start to see better returns over a full cycle.

I am optimistic that the conversations around private credit will get back to the assets in the portfolios rather than the structures and the vehicles holding them. There have been a lot of headlines around redemptions and liquidity mismatches, which are vehicle problems but not necessarily problems with the asset class, and not issues that necessarily impact the lower mid-market.

So I look forward to more discussions on asset performance prioritising what managers are doing and the extent to which they are creating value. Over the last 10 years, there has not been a ton of differentiation in total returns between the good and the great and the bad and the good. We expect that to change going forward.

In terms of dealflow, there are still transactions getting done in the lower mid-market, but we are all waiting for the M&A spigot to open. We are seeing more transactions coming to market now and that should mean deal volumes increasing this year and through 2027.

There are fewer sponsor-to-sponsor transactions in the lower mid-market and more of our deals involve founders selling to first-time institutional investors. That means the market drivers are not necessarily tied to the broader economy and fundraising cycles in the same way that larger deals are. Those sellers are still reluctant to exit in the face of geopolitical headwinds and challenged valuations, but our pipelines are less influenced by the macro backdrop and look positive going into next year. ■

Asia-Pacific: Credit driven by growth



A focus on expansion capital for founder- and family-owned businesses is a distinct feature of private credit in the region, reports Siddharth Poddar

Private debt has evolved into an established asset class in Asia-Pacific, with a compelling growth story unfolding. Expanding from a niche post-crisis segment focused on non-performing loans and distressed assets, the region has reached an inflection point.

Private credit assets under management are growing rapidly and expected to reach $92 billion by 2027 from $59 billion in 2024, a compound annual growth rate of 16 percent. Despite this expansion, the region remains fundamentally underallocated in global institutional portfolios, creating an unprecedented runway for long-term expansion.

A structural macro imbalance

One of the catalysts driving Asian private debt is an imbalance between economic weight and financial market depth. The Asia-Pacific region accounts for approximately 47 percent of global GDP and the lion's share of economic growth over the past two decades. However, private credit penetration in the region still sits at a very modest 0.2 percent of GDP, according to the International Monetary Fund, compared with 2.7 percent in Europe and 3.8 percent in the US, implying substantial expansion potential.

This runway for growth is reinforced by the overwhelming dominance of commercial banks in the region. Traditional banks account for 79 percent of corporate credit funding in Asia-Pacific, compared with 54 percent in Europe and 33 percent in the US.

Kanchan Jain, head of Ascertis Credit, emphasises: "Private credit [in APAC] is not filling a void caused by bank retreat; it is filling an intelligence and flexibility gap.

"Crucially, the end use of private credit in Asia is unmistakably productive growth – not leverage for private equity sponsors."

Amit Sadana, partner at KPMG in Singapore, notes that institutional allocators are seeing a shift in Asia private credit funds due to strong economic growth, favourable demographics, and significant infrastructure need.

India has emerged as the fastest-growing beneficiary of this regional capital shift, commanding about one-third of the market, practitioners say. The growth is supported by macro fundamentals and deeper financial infrastructure and insolvency reforms.

Navin Sambtani, managing director of private credit at EAAA Alternatives, highlights how legal reforms have fundamentally altered borrower behaviour in the country. "The evolution of the Insolvency and Bankruptcy Code has created a creditor-friendly environment," he says.

"The consequence for sponsors under IBC is absolute, which drives borrowers to seek timely private capital solutions to address ongoing or imminent cashflow idiosyncrasies in businesses. On the other hand, the primacy of creditors' decision-making in IBC provides a controlled glide path to resolution outcomes."

He adds that while traditional credit is geared for standardised borrowing needs and caters to linear cashflow situations, external ratings-driven pricing and permissible end uses, private credit offers tailored solutions such as growth capital, acquisition financing, stakeholder buyouts and holdco-level financing aligning debt repayments

to expected cashflows, which may be non-linear.

In Southeast Asia, market fragmentation across ASEAN member states has necessitated a distinct hub model anchored in Singapore. Jain explains that structuring regional debt requires a nuanced, cross-border approach rather than treating the region as a single homogeneous block.

"You cannot paint Southeast Asia with one brush," Jain says. "No single Southeast Asian economy has the capacity to absorb a $500 million fund. That is why our strategy in Southeast Asia focuses on US-dollar transactions with cross-border mid-market companies headquartered in Singapore, anchoring ourselves in robust creditor governance."

While emerging Asian markets are scaling rapidly, Australia continues to be the mature, stable bedrock of regional private debt, supported by a highly institutionalised legal framework and massive domestic superannuation pools.

Unlike emerging markets, where private lenders often operate independently of commercial banks, Australia sees an established co-financing dynamic. "Banks and funds are definitely working together to varying degrees in different markets," says Ryan Eagle, Australia-based head of KPMG's Asia-Pacific private credit practice. "They provide complementary financing across the capital stack."

Commercial bank disintermediation under Australian Prudential Regulation Authority capital guidelines has further accelerated demand for non-bank direct lending, unitranche facilities and real estate credit.

A distinct asset class

Western private credit relies heavily on financial engineering, sponsor-backed leveraged buyouts and standardised unitranche documentation. In contrast, Asian private credit is a fundamentally distinct asset class defined by three unique characteristics: a mostly sponsorless base, direct enterprise cashflow underwriting and a focus on productive expansion capital.

Ming Eng, a managing partner at Granite Asia, which has recently raised upwards of $500 million for its maiden pan-Asian private credit fund, Libra Hybrid, highlights that the corporate landscape in Asia dictates a completely different lender-borrower relationship.

"In Asia, the corporate landscape is largely dominated by founders and family-owned enterprises," Eng explains. "For these businesses, founders often prefer not to have external parties on their boards, nor do they want equity dilution. Sourcing and closing these sponsorless transactions cannot be executed from a spreadsheet in an offshore financial centre – it requires long-term local relationships and deep regional networks."

Without a private equity sponsor to provide equity cure buffers, Asian direct lenders underwrite fundamental enterprise value directly. Jain points out that this creates a more aligned relationship between debt providers and business owners. "When we underwrite in Asia, we underwrite for our own investment from the ground up," she observes. "If you lend to the flagship company of an established group with 30 to 40 years of corporate history, the promoter alignment is fundamentally stronger than with a financial sponsor who has owned an asset for three years."

Furthermore, Asian borrowers utilise private credit primarily as transitional capital to fund organic expansion, cross-border supply chain relocations, mergers and acquisitions, and holdco equity injections into operating subsidiaries. "What is different in Asia, outside of real estate, is that credit is driven by growth," Eng notes.

"Expansion capital comes in two forms: organic, such as opening new



"In Asia, the corporate landscape is largely dominated by founders and family-owned enterprises"

MING ENG
Granite Asia

Meeting bespoke financing needs

In developing markets across Asia, private credit addresses bespoke capital requirements that standardised commercial banking templates cannot address

Lenders operate across two primary strategy pillars: performing growth credit offering 14-18 percent gross yields and accounting for 60 percent of annual volume, and special situations or solution capital yielding upwards of 20 percent unlevered IRR and making up the remaining 40 percent of deployment.

EAAA Alternatives' Navin Sambtani explains how performing credit with a growth orientation also serves as an anti-dilutive alternative for borrowers. "If a sponsor is committed to execute a value unlocking strategy in the business, private credit solutions offer an antidilutive bridge for growth and enable sponsors to consider equity events more strategically," he says.

Special situations credit has also undergone a major structural shift, he adds. "Special situations credit was synonymous with distressed debt in previous cycles. The canvas of special situations credit has now widened to operate more as strategic solution capital with some embedded equity upsides."

KPMG's Amit Sadana illustrates how private lenders step in to fund specific growth phases where commercial banks reach the limits of their risk appetite. "We [have seen] instances recently where banks were willing to do the initial funding of a project, but subsequent expansion was financed by private credit players," Sadana explains. "Even in infrastructure projects, banks are coming in as senior lenders while private credit is coming in as a mezzanine lender to support the rapid growth in the industry."

This is being seen in sectors such as digital infrastructure, telecoms and renewable energy transformation.

geographies, and inorganic, through acquisitions. A company with an established customer base expanding into a new market could go to a commercial bank, but the nature of a new build involves a construction and ramp-up period. Traditional banks have rigid frameworks around amortisation and balance-sheet ratios. That is where flexible, transitional capital becomes invaluable."

Transitional capital creates an asymmetric risk-return profile. Lenders secure firm downside protection through the cashflows of existing, mature operations, while capturing structured upside from the expansion.

As Asian credit becomes more popular, manager execution relies heavily on pricing discipline, legal structuring and deep local presence on the ground. Unlike Western syndicated markets where direct lenders face margin compression, the Asian mid-market exhibits strong pricing discipline.

"We do not see direct price competition in the mid-market," Eng says. "If an enterprise is growing top-line earnings at 30 percent, whether the coupon is 11 or 12 percent does not alter their business case. What matters to them is speed, structuring discretion, and strategic capabilities. It is impossible to compete against established trust on price alone. That is why LPs value the space – it remains one of the few avenues left in global credit to generate authentic alpha."

Sourcing bilateral, non-sponsored transactions relies heavily on local networks, with a majority of deals in the region originating through direct borrower relationships rather than formal banking auctions.

Eagle concludes that this local presence is what defines successful credit platforms in the region. "Asian funds have people on the ground and they know the jurisdictions intimately," Eagle states. "Having that local presence gives credit firms a distinct advantage."

Essential pillar

Driven by structural bank constraints, rapid nominal economic expansion, and a large SME financing shortfall, Asian private credit has transitioned from an opportunistic alternative into an essential pillar of regional capital formation. For global institutional investors seeking genuine yield, defensive covenants, and geographical diversification, Asia-Pacific private debt represents one of the most compelling structural opportunities.

LPs are becoming sophisticated, managers say. They recognise that financial modelling alone is not an edge. LPs are asking questions about proprietary deal origination. They are also asking whether managers can actively manage and add operational value to the portfolio, and about contractual exit routes.

"While we remain fundamentally optimistic about Asia's secular growth, macro volatility means manager selectivity is everything. In this environment, you must be exceptionally disciplined about which risks you underwrite," Eng says.

Looking ahead, the future of Asian private credit will not simply mirror the established templates of Western markets, but will follow a very different path. Having shed its early post-crisis reputation as a fringe or predatory option, the asset class has entered a mature phase. ■



SPECIAL REPORT
Women in Private Funds

Giving women their due credit



Hannah Roberts

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Private credit funds amassed a record-breaking $218.7 billion in the first six months of 2026, according to PEI Group data, suggesting that some of the more negative headlines about the asset class in the past year have failed to dampen investor enthusiasm. Such an influx of investor capital means the talent putting it to work is more critical than ever – especially when *PEI Private Credit*'s *H1 2026 Investor Report* found that 63 percent of LPs are underallocated to the asset class.

As competition heats up across the market, differentiation is the name of the game. As such, PEI Group's Women of Influence in Private Markets 2026 list highlights the importance of that diversity of thought on both sides of the LP-GP relationship.

> **"As competition heats up across the market, differentiation is the name of the game"**

Indeed, two of this year's credit-focused LPs work at Australian superannuation funds; another is an energy credit specialist; a third champions asset-backed finance; and a fourth is considered a driving force behind private credit business development, though her background is in capital markets. You can read more about these exceptional women and their peers from p. 28.

And yet more work is needed to boost the ranks of senior female talent in private credit – particularly when it comes to those women being able to make decisions around capital placements. UK Private Capital's *Diversity in Limited Partner Investment Teams 2026* report found that while the number of senior female LPs continues to grow year on year, the data set remains too small to offer anything other than 'indicative' progress. The Women of Influence list therefore seeks to shine a light on the women at the top of their game across asset classes, inspiring the next generation of private markets professionals.



Hannah Roberts

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Spotlight on success **42**
The Women of Influence on the future of the private credit market and their advice to the next generation of leaders

Women of Influence in Private Markets

Leading the way

Meet 42 women lighting a path across the alternative assets ecosystem.
By Louise Fordham

PEI Group's Women of Influence in Private Markets recognises women making waves in alternatives. We first launched the programme in 2021 with the aim of amplifying the achievements of women – still underrepresented in the private funds industry – and highlighting their expertise and the outsized impact many of them are having within their firms, their asset classes and the wider private markets ecosystem.

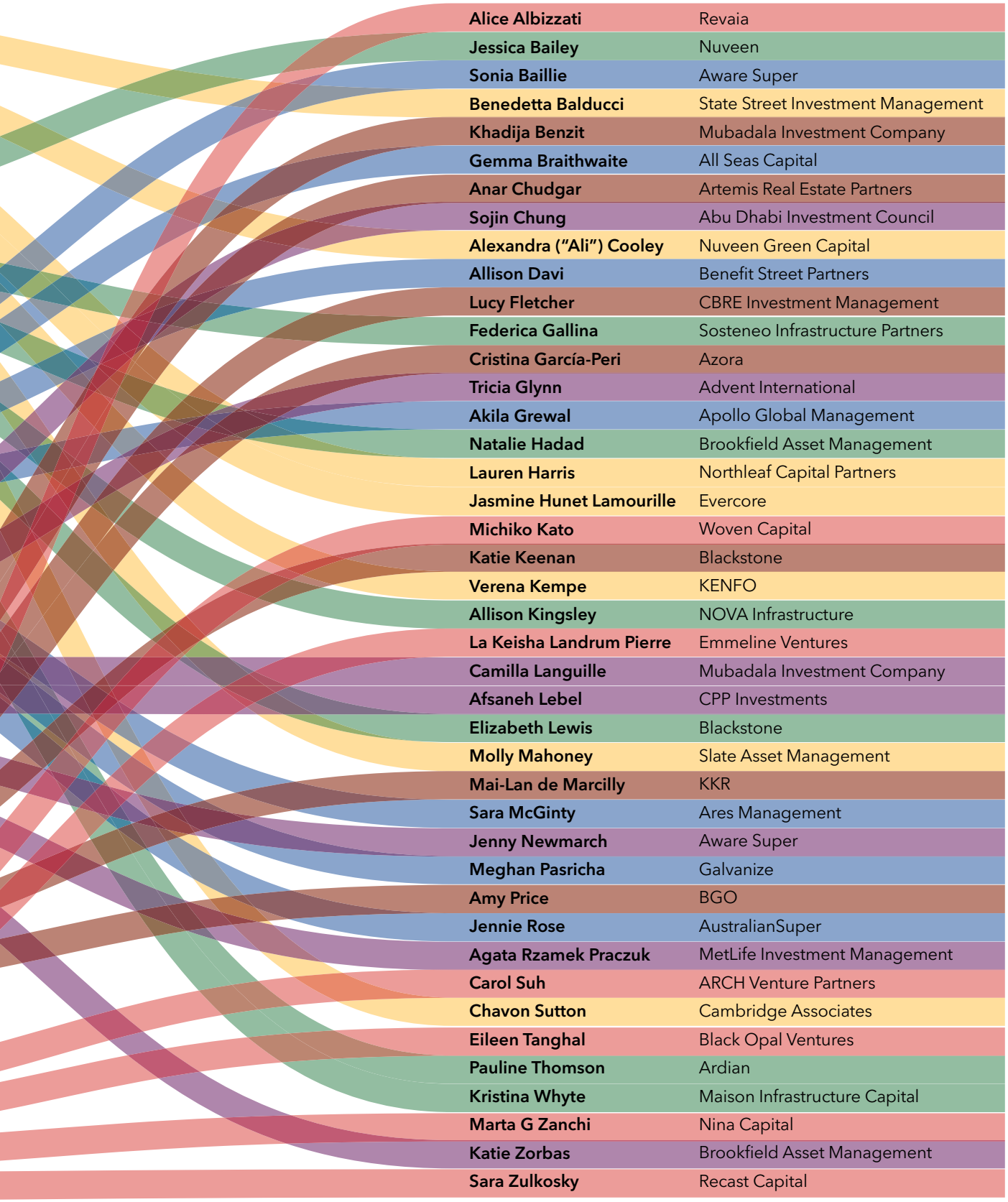
Over the past six years of running the initiative, we have received some 3,300 industry nominations, including more than 500 in 2026, which is testament to the abundance of talent displayed by women working in alternatives.

The Women of Influence 2026 are drawn from those nominations, peer recommendations and PEI Group's reporting. Our editorial teams put together a longlist, which was then reviewed by a committee of PEI Group women journalists and editors who selected the finalists.

The resulting list highlights women working in infrastructure, private credit, private equity, real estate, venture capital and across asset classes. As always, selecting the listees from the many recognition-worthy women in the industry was a challenging task. Our congratulations go out to all the finalists and nominees.

Profiles by Edward Cleaver, Louise Fordham, Natalie Novakova, Hannah Roberts and James Sutton





Alice Albizzati	Revaia
Jessica Bailey	Nuveen
Sonia Baillie	Aware Super
Benedetta Balducci	State Street Investment Management
Khadija Benzit	Mubadala Investment Company
Gemma Braithwaite	All Seas Capital
Anar Chudgar	Artemis Real Estate Partners
Sojin Chung	Abu Dhabi Investment Council
Alexandra ("Ali") Cooley	Nuveen Green Capital
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Lucy Fletcher	CBRE Investment Management
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Michiko Kato	Woven Capital
Katie Keenan	Blackstone
Verena Kempe	KENFO
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La Keisha Landrum Pierre	Emmeline Ventures
Camilla Languille	Mubadala Investment Company
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Elizabeth Lewis	Blackstone
Molly Mahoney	Slate Asset Management
Mai-Lan de Marcilly	KKR
Sara McGinty	Ares Management
Jenny Newmarch	Aware Super
Meghan Pasricha	Galvanize
Amy Price	BGO
Jennie Rose	AustralianSuper
Agata Rzamek Praczuk	MetLife Investment Management
Carol Suh	ARCH Venture Partners
Chavon Sutton	Cambridge Associates
Eileen Tanghal	Black Opal Ventures
Pauline Thomson	Ardian
Kristina Whyte	Maison Infrastructure Capital
Marta G Zanchi	Nina Capital
Katie Zorbas	Brookfield Asset Management
Sara Zulkosky	Recast Capital

Alice Albizzati
Revaia

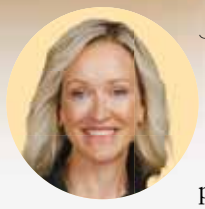


Paris-based Alice Albizzati is a founding partner of Revaia, a European technology growth investor. After 15-plus years in buyout and growth at LBO France and Verlinvest, she co-founded Revaia in 2018. She led Revaia Growth I's first exit – that of Hublo, a healthcare talent management SaaS platform, to Rothschild's Five Arrows unit in July 2025. The exit delivered around 4x MOIC and 42 percent IRR. Last year she also co-led the €250 million closing of Revaia Growth II and was awarded the Chevalier de l'Ordre National du Mérite for her contribution to innovation and the French and European economy.



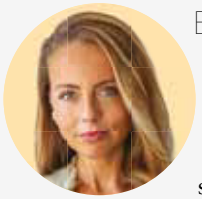
Sonia Baillie
Aware Super

Sonia Baillie is head of defensive assets at Australian superannuation fund Aware Super, where she leads fixed income and credit strategies across global public and private debt markets. In February, the organisation revamped its investment structure, which included promoting Baillie to the investment leadership team reporting directly to the CIO. In a press release, Aware Super said its $26 billion defensive assets portfolio had "been elevated" under the new structure, highlighting its importance to the fund's retirement strategy. Prior to joining Aware Super as head of income assets in 2022, Baillie was a division director at Macquarie Asset Management.



Jessica Bailey
Nuveen

In 2025, Nuveen identified Jessica Bailey as the ideal person to lead its new global infrastructure investment platform. Her role as global head of infrastructure has helped unify the firm's energy infrastructure credit, infrastructure equity and Nuveen Green Capital (NGC) teams. Lauded for her strategic vision, she now oversees more than $40 billion in AUM. She is also a leader in the commercial property assessed clean energy (C-PACE) financing space, having co-founded C-PACE finance provider Greenworks Lending, which Nuveen later acquired and rebranded to NGC.



Benedetta Balducci
State Street Investment Management

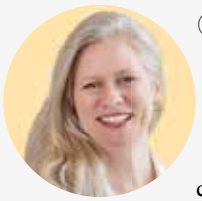
As head of private markets strategy at State Street Investment Management, based out of Dubai, Benedetta Balducci has global responsibility for private markets product development and identifying and scaling strategic partnerships. Her story began as an investment manager in private equity direct investments at Synergo SGR. She later joined Generali Group, where she switched from the PE investment team to sourcing GP stakes. Balducci teaches at London Business School, covering PE and VC, and is co-chair of State Street's Middle East & Africa Inclusion & Diversity Network.



Khadija Benzit
Mubadala Investment Company

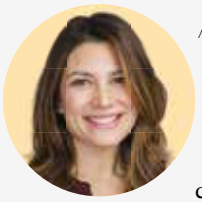
It has been quite the year for Khadija Benzit. In May, she was promoted to director of real estate at Abu Dhabi-based Mubadala Investment Company, taking on a global mandate after more than eight years leading the organisation's real estate investments in Europe.

She now holds responsibility for Mubadala's real estate strategy, working across a portfolio that spans equity, credit and structured investments. She'll be hoping to build on the success she previously scored in Europe, which included the creation of a €1.5 billion platform targeting European nursing homes. Benzit also sits on Mubadala's Women Board.



Gemma Braithwaite
All Seas Capital

Gemma Braithwaite has been instrumental in the continued growth of All Seas Capital since the pan-European firm was first launched by a group of former KKR executives in 2019. As partner and head of investor relations, Braithwaite sits on the firm's executive committee, contributing to strategy, recruitment, culture and IR activity. She is understood to have spearheaded fundraising for its maiden fund, which closed on $400 million, including co-investments, through covid dislocation and without a placement agent. She is described by market peers as "deeply knowledgeable" and "able to fluently speak the language of both GP and LP".



Alexandra 'Ali' Cooley
Nuveen Green Capital

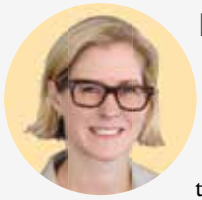
Alexandra "Ali" Cooley co-founded Nuveen Green Capital – formerly Greenworks Lending – in 2015 with the goal of providing tailored financing solutions for real estate and infrastructure projects targeting energy efficiency, renewable energy and water conservation. Appointed as CEO alongside her existing role as CIO in October 2025, Cooley led the team through a standout year. Under her leadership, the commercial property assessed clean energy financing specialist exceeded $2 billion in total originations and closed what is understood to be the largest C-PACE financing transaction to date.



Allison Davi
Benefit Street Partners

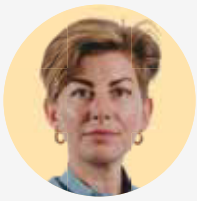
Allison Davi is co-chief operating officer at Benefit Street Partners, Franklin Templeton's private credit arm, where she is recognised for applying her capital markets experience to the strategic direction of the firm. In addition to overseeing BSP's business development, legal, ESG, PR and portfolio analytics functions, she has been a driving force behind the growth of Franklin Templeton's wider private markets business, including advising on its acquisition of European direct lender Apera Asset Management.

Davi is also one of the founding members of the Women in Private Credit industry group.



Lucy Fletcher
CBRE Investment Management

Lucy Fletcher is committed to bringing greater transparency to her corner of the global real estate investment industry. As chair of INREV, the European Association for Investors in Non-Listed Real Estate, and a fund manager for indirect real estate at CBRE Investment Management, she brings 27 years' experience to bear on that task. In her day-to-day role, overseeing CBRE IM's global open-end core-plus strategy, Fletcher has steered a globally diversified portfolio through a period of significant market volatility. She also helped to initiate INREV's ASPIRE programme to support mid-career professionals as they look to step up.



Federica Gallina
Sosteneo Infrastructure Partners

Throughout a career spanning almost 25 years, Sosteneo Infrastructure Partners' Federica Gallina has been intimately involved with the European energy transition. This experience is critical in her wide-reaching role as partner and head of investments and asset management at the firm, which specialises in greenfield clean energy infrastructure. Over the past 12 months, Gallina has led the deployment of the firm's first flagship fund, which has become fully invested in just over three years, including a number of transactions in the battery energy storage space.



Sojin Chung
Abu Dhabi Investment Council

Sojin Chung is head of North America private equity at Abu Dhabi Investment Council, where she has been instrumental in building out the sovereign wealth fund's North America platform, including growing the investment team in both Abu Dhabi and New York.

In addition to leading investment activity for the platform, Chung represents the institution on advisory boards across its active GP relationships. She has also played a key role in strengthening strategic GP relationships, as well as expanding co-investment activity and further developing ADIC's approach to portfolio management.

Prior to joining ADIC, Chung worked at the World Bank Pension Plan, where she helped to establish the institution's PE co-investment programme.



Anar Chudgar
Artemis Real Estate Partners

Artemis Real Estate Partners co-president Anar Chudgar has more than 20 years' experience and a stint as chair of the Pension Real Estate Association Foundation under her belt. That experience shines through in her achievements at the firm. In particular, Chudgar held the investment platform steady throughout Artemis's recent acquisition by Barings, and on a day-to-day basis oversees the equity and credit platforms. She serves as portfolio manager for the Income and Growth Fund, and routinely secures commitments from major US pension funds. Chudgar also stewards Artemis's emerging manager platform, which is understood to have partnered with more than 100 firms to date.

Chudgar gives back to the community as founder of Coffee Connectors, a non-profit helping first-generation students access careers in commercial real estate.

Natalie Hadad
Brookfield Asset Management



For Brookfield's open-end core infrastructure fund (BSIP), 2025 marked the best fundraising year since its inception, totalling nearly $3 billion. Today, the fund manages around $15 billion of capital, up from $2 billion in 2020. Managing partner Natalie Hadad has been instrumental in this growth, initially as co-head of the strategy and now in her recently appointed position as solo head of BSIP, leading the origination, execution and asset management of the firm's infrastructure super-core investments. Last year, BSIP announced a landmark $6 billion deal with utility company Duke Energy Florida. Hadad is also a sponsor of Brookfield's Women's Network in Toronto.

Jasmine Hunet Lamourille
Evercore



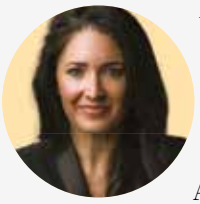
Jasmine Hunet Lamourille's "combination of strategic insight and calm, decisive leadership has made her a defining figure in Europe's secondaries market", according to industry peers. Hunet Lamourille's career started in UBS's private funds group, but it's since 2013 – as one of the founding members of Evercore's private capital advisory team and one of the most seasoned professionals advising in secondaries – that she has really made her mark. Recent deals for the senior managing director include Montagu's €2 billion continuation vehicle for Wireless Logic and Latour Capital's first-ever CV, for industrials firm Gutor.



Cristina García-Peri
Azora

Cristina García-Peri has earned a reputation as one of the best-known women in European real estate. She has overseen fundraising for Azora's Southern Europe Opportunities III, which is understood to have raised around €1.6 billon of capital and some €500 million in co-investments at time of press, making it the largest Southern European real estate fund to date. García-Peri joined the Madrid-based firm, where she is a senior partner and head of business development and strategy, in 2011, following 16 years in investment banking.

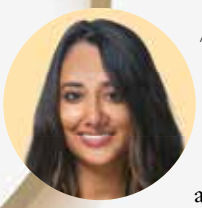




Tricia Glynn
Advent International

Tricia Glynn is the most senior female dealmaker across Advent International's US and European teams. A managing partner at the firm, she is described as having been instrumental in advancing Advent's track record in the consumer vertical. During her decade-long tenure at the firm, she has deployed around $5.1 billion of equity with a combined enterprise value of roughly $12.6 billion. In March 2026, Glynn led Advent's deal to sell hair-care brand OLAPLEX to multinational Henkel for $1.4 billion, and in the same month she led Advent's acquisition of a majority stake in bodycare and fragrance brand Salt & Stone.





Akila Grewal
Apollo Global Management

Apollo Global Management appointed partner Akila Grewal as global head of its institutional client group in January 2026, giving her responsibility for institutional client relationships, capital formation and product strategy. As part of Apollo's credit executive management team, she helps set strategy for the firm's credit platform. She is lauded by peers for her role in "shaping how global institutional capital engages with private credit and long-duration investment strategies at scale".

Grewal is also understood to have built up the firm's product specialist function, with the now-25-person global team having supported the launch of 40 products over the past three years.



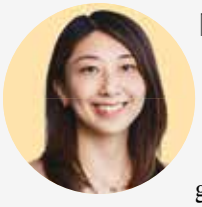


Lauren Harris
Northleaf Capital Partners

Northleaf Capital Partners managing director Lauren Harris has played a key role in developing the firm's Canada platform, helping to raise more than C$4 billion ($2.9 billion; €2.5 billion) in commitments across buyout, venture capital and growth mandates. She recently led the C$750 million expansion of Northleaf's long-standing partnership with CPP Investments, providing continued access to Canadian mid-market PE.

Harris also spearheaded fundraising efforts for Northleaf's inaugural direct growth-stage strategy, and co-led the firm's launch of Discovery by Inovia x Northleaf, a platform backing Canadian emerging venture firms and founders.





Michiko Kato
Woven Capital

As a founding member of Woven Capital, Toyota's growth-stage fund dedicated to the future of mobility, Michiko Kato has helped to build the fund from the ground up. In 2026, she became its first chief investment officer, leading the investment and portfolio success teams. She was also appointed CEO and representative director of Toyota Invention Partners, Toyota's new Japan-focused early-stage investment subsidiary, becoming the first woman to lead a wholly-owned Toyota platform. Her investments include Woven's first, in autonomous vehicle company Nuro, as well as reusable rocket company Stoke Space and manufacturer Machina Labs.



Verena Kempe
KENFO

Verena Kempe is head of investment management for the public and private markets portfolio at Germany's nuclear waste management fund Fonds zur Finanzierung der kerntechnischen Entsorgung – otherwise known as KENFO. One of the country's largest public foundations, the limited-term endowment is tasked with funding the interim and final storage of radioactive waste. Kempe is praised by market peers for her "thoughtful portfolio construction" and for raising KENFO's public profile and reputation in private markets, helping to create a platform with a net asset value of around €7 billion including committed capital.



Allison Kingsley
NOVA Infrastructure

As a co-founder and partner at New York-headquartered NOVA Infrastructure, Allison Kingsley has played an indispensable part in the mid-market firm's evolution. Her current role is deeply varied, serving on NOVA's investment, valuation and executive committees, and sitting on the board of directors of multiple portfolio companies.

By utilising her network, she has helped source emerging infrastructure opportunities for NOVA, such as US flag operator Bold Ocean, which the firm exited in 2024. Her work also extends into fundraising and was key to NOVA Fund II closing at $1.45 billion in April, some 30 percent above target and more than double the size of its predecessor.



Camilla Languille
Mubadala Investment Company

Camilla Languille is co-CEO of Mubadala's private equity platform, which makes direct investments across North America, Europe and Asia-Pacific, with a focus on buyouts and late-stage growth equity. Languille oversees a 170-plus team, and is the first woman to sit on Mubadala's group investment committee. She is credited with building out the firm's healthcare portfolio since joining Mubadala in 2013 and is an advocate for women's health as an investable theme and priority. She also co-founded mentorship programme Mubadala Women and launched Women in Private Equity meetings in New York.



La Keisha Landrum Pierre
Emmeline Ventures

La Keisha Landrum Pierre is co-founder and managing partner of Emmeline Ventures, a Los Angeles-based VC firm that backs women founders focused on healthcare, financial wealth and environmental sustainability. She led the firm's investments in companies such as AI-powered women's health platform Ema, menopause care platform Alloy, and Osteoboost Health, which has developed a US Food and Drug Administration-cleared bone-health wearable. She is also active in the innovation ecosystem – she is an Aspen Ideas Health Fellow and chairs the Zenith Chapter of the Women Presidents Organization. Peers praise her ability to pair "community building with rigid fiduciary discipline".



Katie Keenan
Blackstone

As global head of core-plus real estate at Blackstone and CEO of the $56 billion Blackstone Real Estate Income Trust (BREIT), Katie Keenan oversees some impressive sums of capital. Blackstone's core-plus business, for instance, comprises more than $115 billion of investor capital globally. Keenan also serves as chair of the board of directors for Blackstone Digital Infrastructure Trust, a newly organised company focused on acquiring and owning data centres. The trust went public in May, raising some $2 billion.

Beyond her day-to-day work, she is a member of WX New York Women Executives in Real Estate, as well as serving on the advisory board of governors of the National Association of Real Estate Investment Trusts (Nareit).

Afsaneh Lebel
CPP Investments

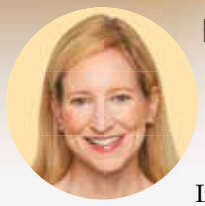


As head of funds at CPP Investments, managing director Afsaneh Lebel leads the Canadian pension giant's private equity programme, spanning buyouts, growth equity and co-investments. In this role, she sets strategy for the programme and oversees a team of investment professionals working out of Toronto, London and New York. Lebel serves on a number of the institution's investment committees, as well as its fund-wide management risk committee. Peers praise her "discipline, global perspective" and "ability to operate at scale". Her recent achievements include leading a fund-wide initiative to strengthen CPP Investments' strategic relationships with major global asset managers, and integrating growth-orientated investing into its PE platform.



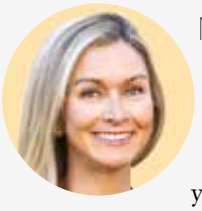
Jenny Newmarch
Aware Super

Jenny Newmarch has been core to developing Aware Super's global private equity capabilities, including a two-year placement in London, where she established the fund's first European office and strengthened relationships with GPs across North America and Europe. In February 2026, Aware Super revamped its investment structure and promoted Newmarch from head of private equity to head of private markets. In this role, she is responsible for overseeing the Australian superannuation fund's A$47 billion ($33.8 billion, €28.9 billion) private markets portfolio, which spans PE, infrastructure and property. Colleagues praise her "strong investment judgment" and "collaborative and empowering leadership style".



Elizabeth Lewis
Blackstone

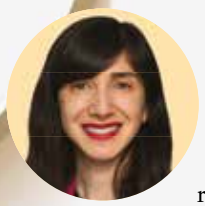
As the first global head of sustainability for Blackstone Infrastructure, Elizabeth Lewis has contributed significantly to initiatives supporting the firm's decarbonisation strategy. She is credited with providing ground-level support for portfolio companies on projects such as Tallgrass Energy's Trailblazer CO2 pipeline – which captures and sequesters industrial emissions in the US – which included a community benefits agreement focused on public safety, landowner protections and local investment. Lewis also created a community engagement playbook for Blackstone Infrastructure centred around issues like job creation and responsible use of natural resources.



Molly Mahoney
Slate Asset Management

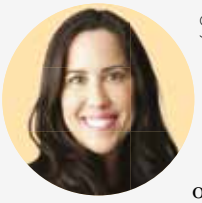
Drawing on nearly 20 years of experience and prior roles at Bear Stearns, Houlihan Lokey and JLL, Molly Mahoney is a fundraising powerhouse. She joined Slate Asset Management in 2020 and was promoted to partner in December 2025 in recognition of her contribution to the firm. This includes raising around $500 million in capital across the firm's real estate and infrastructure strategies over the past year, playing a central role in launching the fourth vehicle in Slate's European value-add essential real estate strategy, and helping to launch its inaugural infrastructure fund.

She is also the founder of Slate's EmpoWRE women's network and co-chair of the New York chapter of Women in Real Estate.



Mai-Lan de Marcilly
KKR

Having taken on the mantle of co-head of European real estate equity last year, managing director Mai-Lan de Marcilly is now one of KKR's most senior women investing in real estate. The firm manages some $84 billion across its global real estate platform and has been investing in European real estate since 2012. Previously, de Marcilly led the firm's French real estate and European hospitality activities, including spearheading one of KKR's biggest hospitality transactions in the region: the acquisition of a portfolio of 33 Marriott International hotels in the UK.



Sara McGinty
Ares Management

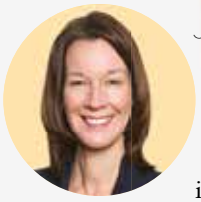
Sara McGinty is a partner in the credit group and head of alternative credit private markets at Ares. McGinty is described by the firm as having been instrumental in the expansion of its alternative credit business, an asset-based finance and tactical asset investing strategy, which had $59 billion in AUM as of Q2 2026. She has been a driving force behind the origination and execution of more than $3 billion of transactions during her three years at Ares, and has led the firm's advancements in synthetic risk transfers to close on more than $1 billion of related investments.



Agata Rzamek Praczuk
MetLife Investment Management

Agata Rzamek Praczuk is a senior director in the private equity group at MetLife Investment Management, where she is responsible for sourcing, underwriting, executing and monitoring private equity investments, as well as leading the firm's emerging managers programme and special situations portfolio. Her recent achievements include helping to lead the closing of MetLife Investment Private Equity Partners Fund III – a $1.2 billion managed secondaries transaction.

Colleagues also commend Rzamek Praczuk's commitment to supporting and training junior team members at MetLife, where she serves as a mentor.



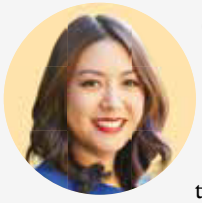
Jennie Rose
AustralianSuper

Jennie Rose became AustralianSuper's first hire in the US when in 2022 she was brought on board to grow its influence in North America. Since then, she has led the global infrastructure debt strategy and the US real estate lending strategy, in addition to launching a multibillion-dollar US corporate mid-market lending programme. The institution credits Rose, who is now head of American private credit, with "putting AustralianSuper firmly on the US private credit map" and driving meaningful diversification across the portfolio. Her efforts have helped grow the global private credit portfolio to A$7 billion ($5.0 billion; €4.3 billion), with the US book comprising around 65 percent of total exposure.



Amy Price
BGO

As co-president of real estate manager BGO, overseeing its US and Canadian businesses, Amy Price works across the fundraising team, the global executive team and the US investment committees, as well as leading equity, diversity and inclusion initiatives globally. Earlier this year she is understood to have helped orchestrate parent company Sun Life Financial's $350 million acquisition of specialist US multifamily manager Bell Partners. The transaction, which closed in July 2026, merges BGO and Bell into a global real estate business with more than $100 billion of assets under management.



Carol Suh
ARCH Venture Partners

A stem cell biologist by training, Carol Suh combines her scientific expertise with business acumen in her role as partner at ARCH Venture Partners. Suh has certainly made an impact in the biotech space during her tenure at the life sciences-focused US-based VC firm.

Since joining in 2018, she has helped deliver multibillion-dollar exits, including Bristol Myers Squibb's $1.5 billion acquisition of Orbital Therapeutics, the RNA medicines company she co-founded, and Biogen's purchase of clinical-stage immunology company HI-Bio, worth up to $1.8 billion.



Chavon Sutton
Cambridge Associates

As a managing director for sustainable and impact investing at Cambridge Associates, Chavon Sutton focuses on manager research and working with institutional clients to build portfolios, but her influence extends beyond that as a thought leader on private markets' path to a more sustainable future.

Earlier this year, for instance, she appeared in affiliate title *New Private Markets*' list of sustainability influencers, which recognised her efforts highlighting the "next frontier" in the industry: employee ownership. In June, she co-authored a paper called 'Scarcity in an Age of Disruption', identifying five sustainability themes that are also "structural, multi-year, material" investment opportunities.



Meghan Pasricha
Galvanize

Meghan Pasricha is a founding member and partner of the credit and capital solutions platform at Galvanize, a global asset manager that aims to invest in opportunities created by the energy transition. A member of the investment committee, Pasricha plays a key role in leading due diligence and deal structuring for the platform, driving investor relationships and managing the New York team. Notably, she led the credit and capital solutions strategy's first deal: a $75 million preferred equity commitment in the electrification space.

In 2021, Pasricha co-founded the Women in Climate Investing & Finance network with the aim of building community and championing female leaders across the industry.



Pauline Thomson
Ardian

Having joined Ardian 15 years ago, Pauline Thomson, head of data science and a managing director in the firm's infrastructure team, has extolled the benefits of technology for everything ranging from investment practices to decarbonisation. The asset manager's AirCarbon platform, a proprietary tool for measuring airports' Scope 3 emissions, represents just one example of where she has pushed technological innovation. The platform is now widely available across the aviation industry. She was also integral to the launch of Gaia, Ardian's in-house generative AI platform.

When it comes to dealmaking, Thomson also has considerable expertise, particularly in the TMT space. She was heavily involved in Ardian's acquisition of green data centre platform Verne, for which Ardian committed more than $1 billion in capex.



Eileen Tanghal
Black Opal Ventures

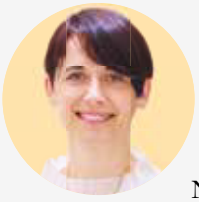
With nearly 25 years' experience in venture capital, Silicon Valley-based Eileen Tanghal is able to identify industry-transforming technologies and is committed to shaping "a better venture ecosystem", her peers say. Indeed, Tanghal is a longtime advocate for women in VC and an active mentor in the industry. She recruited MIT classmate Tara Bishop to venture in 2021 to co-found the New York-headquartered, tech-focused VC firm Black Opal Ventures, where she serves as managing director.

Her work at Black Opal builds on her deep tech investing expertise, developed during prior roles at firms such as ARM and Applied Ventures. Her knowledge of the semiconductor space saw her work with senators and presidential advisers from 2017-22 on the $280 billion CHIPS and Science Act.



Kristina Whyte
Maison Infrastructure Capital

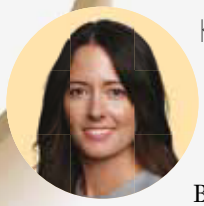
Kristina Whyte is the founder and managing director of Maison Infrastructure Capital, where she advises infrastructure managers and investors on investment strategy, portfolio construction, capital formation and strategic growth. Market peers describe her as a "strategic thinker and a collaborative leader" and highlight her advocacy for emerging and underrepresented managers. Whyte previously served as head of infrastructure at American Equity Life, where she helped to build and scale a $1.5 billion global infrastructure portfolio, and led the firm's first direct infrastructure equity investment.



Marta G Zanchi
Nina Capital

Marta G Zanchi is founder and managing partner of Nina Capital, a healthtech VC firm with offices in Spain and the US. She founded the firm in 2019, applying a need-based, data-driven approach to investing.

The firm has made more than 50 early-stage investments across three funds. Its portfolio companies have achieved a combined 42 regulatory milestones to date and brought products to market across 60 countries. Prior to Nina Capital, Zanchi grew her skill set in academic and founder roles, including as a faculty member at Stanford School of Medicine, founding director of digital health programmes at Stanford Biodesign, and founding CEO of medtech company RenovoRx, now Nasdaq-listed.



Katie Zorbas
Brookfield Asset Management

As a managing partner in Brookfield's PE team, Katie Zorbas is credited as a major driving force behind the launch of key initiatives, including Brookfield's Financial Infrastructure Partners strategy, which is dedicated to investing in the global financial economy; Brookfield Middle East Partners, focused on investing in PE opportunities in the region; and Brookfield's special investments strategy. She was instrumental in the launch of the firm's evergreen PE strategy and the expansion of its PE co-investment programme, which has grown by more than $10 billion over the past five years.



Sara Zulkosky
Recast Capital

Baltimore-based Sara Zulkosky is co-founder and managing partner at Recast Capital. The fully women-owned platform pairs emerging manager-focused fund of funds investing with GP support programmes. She helped to shape the US VC firm's investment strategy and evaluation frameworks, co-created its annual LP and GP summit and leads its Accelerate programme, providing operational infrastructure to early-stage women- and nonbinary-led funds. Her advocacy for next-generation GPs extends beyond Recast: last year she co-led a research partnership with the Milken Institute on the impact of women-led funds. ■

Spotlight on success

We asked this year's Women of Influence for private credit for their thoughts on the market and their advice to the next generation of leaders

Which development in private markets is capturing your attention right now?

"What's capturing my attention is how disruptive AI could be – and how little we truly know [about it]. In private credit, we invest against the assumption that a company's business model will remain durable for years. AI is forcing us to reassess that assumption and rethink which businesses will prove resilient"

ALLISON DAVI
Benefit Street Partners

"The sun is finally shining on Europe! It's an interesting time to see how macro changes have informed how investors review the appeal of different markets"

GEMMA BRAITHWAITE
All Seas Capital

"According to Bloomberg and the IEA, meeting the world's surging demand for electrification, storage and resilient infrastructure will require $5 trillion-$6 trillion in annual capital formation by the early 2030s. Energy and infrastructure are capital-intensive industries that require flexible, hybrid credit and capital solutions to bridge from equity investments to traditional financing"

MEGHAN PASRICHA
Galvanize

"The next phase of private credit will be shaped by more robust market infrastructure. Standardised data, greater pricing transparency and more frequent valuations will support market development and improve the investor experience"

AKILA GREWAL
Apollo Global Management

"The intersection of private and public markets in funding the AI and data build-out and their capacity to absorb the staggering amount of committed capex required"

SONIA BAILLIE
Aware Super

"The rapidly expanding role of asset-based finance in private debt has been incredibly interesting. As financing needs evolve across asset classes, differentiated sourcing, structuring and asset class expertise are quickly becoming competitive advantages"

SARA MCGINTY
Ares Management

What professional advice do you wish you knew earlier in your career?

"Leadership isn't about having all the answers. It's about providing clarity, aligning the right people around a common objective and enabling good decisions. As your responsibilities grow, success is measured less by your individual contributions and more by the team's ability to execute with confidence"

AKILA GREWAL
Apollo Global Management

"Not every career move is a straight line forward. Sometimes you need to step to the side or even step backwards in order to get to where you really want to go"

ALLISON DAVI
Benefit Street Partners

"From an early age, I was taught that alongside educational and financial capital, it's important to build social capital through community-building and service. Co-founding [the] Women in Climate Investing & Finance [industry group] reminded me of the power of community and enables investment professionals to strengthen their networks, knowledge and leadership skills"

MEGHAN PASRICHA
Galvanize

"Don't wait for career opportunities – be strategic, set your goals and stay in the driver's seat. A successful career requires curiosity and continuous learning"

SONIA BAILLIE
Aware Super

"Don't be afraid to try new things. If you're being asked to step into different seats, it's typically because people believe you have something differentiated to offer"

SARA MCGINTY
Ares Management

"Focus on building and then listening to your own judgment in every internal and external meeting"

GEMMA BRAITHWAITE
All Seas Capital

SPECIAL REPORT
Speciality Finance



Speciality lending is on a hot streak



Hannah Roberts
hannah.r@pei.group

In last year's edition of the *Speciality Finance* report, we wrote that this segment of the industry had gone mainstream – and if this year's headlines are anything to go by, we were right. Asset-based lending strategies continue to gain momentum among institutional investors, and market uncertainty about the impact of artificial intelligence on software portfolios – and the subsequent flight of retail money from private credit BDCs – have proved once again that diversification is crucial to succeed in this asset class.

Royalties financing is particularly on-topic right now, with PEI Group data showing that $11.65 billion was raised globally for royalties-focused funds in 2025 alone. We explore the nuances of investing in such a varied sector on p. 46. But just because a market is popular doesn't mean it's saturated.

"Just because a market is popular doesn't mean it's saturated"

There's a reason why speciality finance is called just that. Firms that have made it their business to specialise in the more niche areas of private credit will look to flaunt their long track records with institutional investors that are relatively new to the space, hoping to lure them away from big-name, generalist competitors.

There are more reasons to celebrate growth in speciality finance lending circles, with the news that banks are increasingly teaming up with private credit firms to manage returns in the significant risk transfer space. And as LPs become more comfortable with the nuances of speciality lending, it seems unlikely that the space will lose its fanbase any time soon.



Hannah Roberts

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Institutional investors are increasingly flocking to royalties strategies as predictable cashflows top investment agendas. Amy Carroll reports



Modern royalties financing dates back to the mid-1980s when the first mining exploration companies transitioned their business models, providing upfront capital to mine developers in exchange for a percentage of future revenues. Royalties have since extended into industries from entertainment to pharmaceuticals and software.

Indeed, the total addressable market for royalties across intellectual property, natural resources, life sciences and technology is now estimated to exceed $2 trillion, according to research from Partners Group.

Nonetheless, royalties remains relatively nascent as an institutional investment class. "Few investors currently have a royalties allocation, so it may be hard for them to know where in their portfolio to put the strategy," says Stephen Otter, global head of royalties at Partners Group, adding that some investors have actually created royalty allocations in order to invest in Partners Group's fund.

"A lot of investors use their real assets or diversifying credit bucket. It isn't credit, but royalties can provide benefits to a credit portfolio in terms of low volatility and enhanced returns," Otter adds. "We have also seen royalties put in alternative buckets, income/yield buckets and even infrastructure buckets, because it can be argued that the underlying risk-return characteristics are similar."

Investor appetite

Despite a lack of maturity, there is no doubt that appetite for royalties financing is growing. "We are seeing demand from all kinds of investors from retail through to the largest

Why royalties are such a hit with credit investors



sovereign wealth funds, pension funds and insurance companies. Royalties resonate across the board," Otter says.

"We are seeing a marked increase in investor appetite," agrees David Ross, head of Northleaf Capital Partners' private credit programme. "Music royalties, in particular, have seen seismic growth, as that is an area that people can readily understand.

"It's a large market and easily accessible in terms of both debt and equity. Investors are also increasingly exploring royalties in areas ranging from pharmaceuticals and healthcare to renewables, given that all of these royalty strategies are cash-yielding and offer low correlation."

Indeed, a lack of correlation to traditional investments is one of the key selling points of royalties finance. "Royalties provide duration and yield that is underpinned by day-to-day consumption," Otter says. "When you buy a healthcare treatment in the US, the original inventor is likely paid a royalty on that product. When you listen to music, the creators are paid a royalty. When you consume gas, the owners of that subsurface are paid a royalty.

"That reliance on day-to-day consumption means royalties are a portfolio stabiliser and diversifier. Not many investors have anything like this in their book, and they see it as complementary to their traditional private and public markets investments, providing uncorrelated and resilient yield."

These characteristics are proving particularly attractive in a volatile macro environment. Royalties, as a whole, are largely a-cyclical. There was a dramatic increase in music streaming subscriptions during covid, for example.

Healthcare and energy, meanwhile, are clearly areas of essential spend. This strategy is also not typically driven by interest rates or exits. "We clip the revenues that come from day-to-day consumption and that sits nicely within broader investment portfolios," Otter explains.

> *"I would love to say that in five to 10 years, every global investor will have a royalties bucket – they should, but let's see"*
>
> **STEPHEN OTTER**
> **Partners Group**

$30bn+

Global recorded music revenues in 2025

Source: IFPI Global Music Report

Victor Bergman, principal at music royalty firm Lyric Capital Group, meanwhile, says the consumption that underpins royalties carries a high degree of certainty. "If you understand consumption patterns, and if you have access to the data, behaviours are actually very predictable. This isn't tied to interest rates or what the S&P is doing. Music royalties have been extremely predictable through the cycles and that predictability is something that investors love."

Competitive dynamics

Increased appetite means increased competition, of course, although the precise make-up of that competition varies by sector. "There are players that deploy solely into healthcare royalties, including big listed royalty funds and pension funds. A lot of pension fund and sovereign wealth money has also gone into entertainment royalties and music, in particular, over the past five to 10 years.

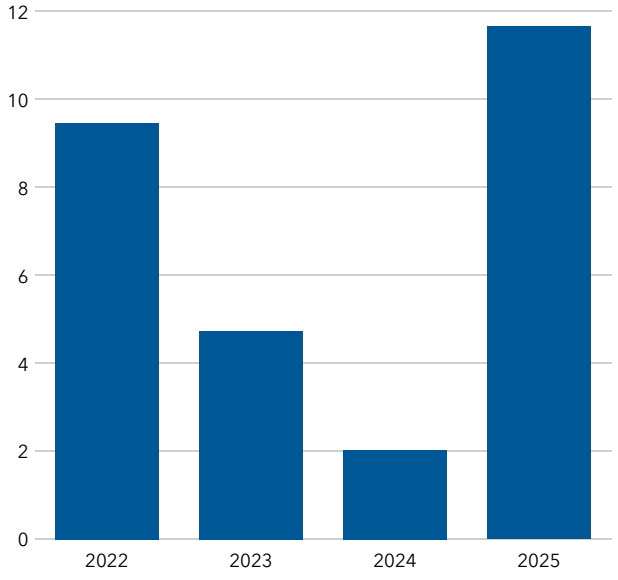
"The big private equity firms all have some kind of exposure to music royalties either through equity or debt, as well," Otter continues. "The sectors themselves are all competitive. It is not like we have free rein. Pricing is relatively efficient and there can be bubbles in certain sectors at various times."

This is why Partners Group has taken the approach of creating a cross-sector royalties fund. "If things get too overheated in a particular subsector, we can just pause investing in that specific area," Otter says.

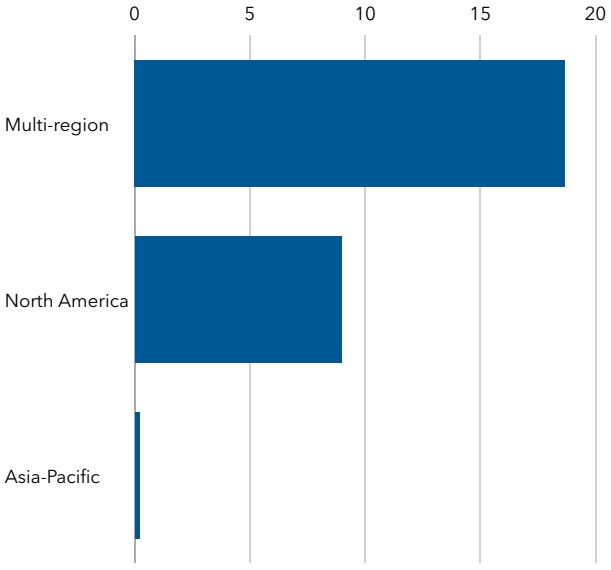
"We went nearly three years without investing in music from 2021 because multiples were toppy, for example. There are also areas within energy where we currently choose not to focus. However, we see between 10 and 15 opportunities a week, while we look to make 25 to 30 investments a year, so we are able to focus on the highest underlying asset quality."

As a sector specialist, Lyric has a different take on competitive dynamics. "Obviously, folks like Universal Music

Total allocated to royalties-focused funds ($bn)



Allocations to royalties funds for 2022-25 by regional focus ($bn)



Source for all data: PEI Group

No data for European funds

have led the market in terms of investment. Then you have other firms like BMG, Concord, Kobalt and Primary Wave who have been very active," says Bergman.

"Ultimately, though, we don't see ourselves as competing with any of these groups. We start with a problem we are solving for the rights holder and design a liquidity option tailored to their specific situation. This ethos means that we are really competing with ourselves."

Bergman adds that he is not concerned about the large private capital asset managers that have embraced the music royalties space. "We view the big guys coming in as a natural progression to the asset class, which is ultimately providing liquidity options for our investors and a vote of confidence in the asset class," he explains.

Bergman also believes that specialist expertise remains critical to the business of royalties financing. "Some of the big alternatives platforms that have come in and out of the market over the years assume that the cashflows will continue forever. But, in the music world, no catalogue is the same as the next. You have to understand the end consumers that these royalties are derived from and how their behaviours are going to change over the next 30 or 40 years," he says.

Otter agrees that a nuanced understanding of the underlying assets is paramount, adding that Partners Group has the ability to leverage sector teams from the wider organisation, in addition to the sector specialists within the royalties team. "It is very difficult to underwrite healthcare royalties, for example. You have to understand the risk profile you are stepping into as it is a passive investment. That means you need to understand market dynamics to form a view on the revenue line that you are projecting."

Structural complexity

Not only is the royalties financing market growing in size, it is also growing in structural complexity, as both buyers and sellers become more sophisticated in their approach.

"We no longer just buy royalties, we also create them. This is where we go to companies and negotiate the provision of capital in return for a royalty over an asset or pool of assets," says Otter.

Partners Group is also increasingly issuing royalty-backed notes, where the firm lends against the royalty to the owner. "Sometimes the owner wants a monetisation event without selling, so we make a loan secured against a pool of royalties and then get paid out over time," Otter adds.

Ross, meanwhile, says that as investors get increasingly comfortable with royalties finance and come to understand the stable and diversified nature of the collateral, the use of leverage is becoming more sophisticated.

These trends are all expanding the potential market. "Counterparties are starting to recognise that they have more options than straightforward equity and debt. Royalties finance is becoming better understood and that is fuelling demand," says Otter.

The question, then, is whether surging appetite from investors and royalty owners will see royalties finance make the transition from a strategy that is still perceived as niche, despite its scale to a fully-fledged asset class.

"I would love to say that in five to 10 years, every global investor will have a royalties bucket. They should, but let's see," says Otter. "Do I think royalties will be as mainstream as other private markets strategies within 10 years? Maybe. It is certainly catching up fast." ■

EXPERT Q&A

Steven Tenenbayev, chief investment officer at InterVest capital partners, explains what is required to capitalise on asset-based finance's continued growth



Applying data and discipline to ABF investing

Q Asset-based finance strategies have proved very popular in the last couple of years – to what extent has this part of the market neared saturation?

We are very far from the point of saturation. The private asset-based finance (ABF) market is thought to be worth around $6 trillion this year and there are predictions that it will reach around $9 trillion by the end of 2029. If those calculations are anywhere close to being correct, we're nowhere near saturation.

Instead, what we're seeing in the market is institutionalisation – capital that used to sit exclusively on bank balance sheets has been migrating to private credit funds, and that migration still has a long runway left. It may look a little crowded because a lot of new managers have expanded into ABF, but that's only the case at the entry level.

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Q Where do you see the most exciting ABF opportunities for investors?

In every market and cycle, you have to remain very dynamic and diversified. We see really interesting opportunities available in small business lending, consumer lending and real estate credit asset classes. However, those priorities will change from cycle to cycle, and we've never been about chasing the hot sectors.

For us, trying to pick a winning asset category is a much weaker approach to private credit investment than finding a manager with real control, a proprietary origination pipeline and a demonstrated ability to construct diversified portfolios within that pipeline.

Q How crucial is technical innovation when accessing these kinds of opportunities?

Artificial intelligence is certainly already changing how we underwrite

our deals and we're already using it to accelerate our first pass diligence process. One of the key ways we're using it is to test how far we can push our underwriting models before human intervention becomes necessary. We view this as being a differentiator when it comes to origination.

I don't think technology will ever replace human judgement, but it does significantly compress the time taken to get to the point where that judgment is required. From what we've seen so far, technological innovation has not only led to faster approvals, it has also led to better underwriting. The tech can process a tremendous amount of data very quickly, which helps to catch inconsistencies.

Q How important is it as a capital provider to employ a flexible approach with these kinds of opportunities?

In many ways, private capital's biggest value proposition is flexibility. Historically, capital had to come from the banks, which would operate with standardised product sets and within a specific regulatory framework. Private credit can size, price and structure a solution that a bank simply cannot offer, even when the bank has a lower cost of capital. However, flexibility only really creates value when it's paired with discipline – you have to be able to say no to structures that will not materially reduce risk.

A number of newer managers to have entered the ABF space have shown some innovation on flexibility of capital, particularly on the full asset purchase and forward flow side. In these instances, managers are buying assets from originators – sometimes via bulk transactions – and this is where we've seen some examples of creativity and flexibility not necessarily being matched with risk reduction. A simple example would be alignment of incentives on servicing fees paid to the originator and in this case the seller and servicer of the assets.

A number of asset buyers have structured material reductions in servicing fee levels tied to worsening portfolio performance. On the surface, this sounds like a completely logical solution to align performance incentives with the originator.

However, having done this for multiple decades, it's been our experience that during periods of market stress, the last thing you want is for your servicer to stop spending money on the servicing of your assets. It's in exactly those instances when you want to know your servicer has maximum incentive to boost their efforts in servicing your assets without losing money on the servicing effort.

Q More investors have been targeting the consumer receivables opportunity set – what is required to successfully enter this space? And what risks need to be mitigated?

Broadly speaking, the answer is data, data and more data. Accuracy becomes absolutely crucial, particularly with forward flow arrangements.

When you're lending against an asset portfolio, you're generally lending up to a certain advance rate against a pool of assets. There's typically a cushion of equity or subordinate capital below you in these cases.

When buying assets from originators, even a fairly small change in the performance of the assets can have a very significant impact on your economics, whereas when you're lending, you still typically have a significant cushion from the equity or capital below. The ability to lean on accurate and up-to-date data through multiple cycles is absolutely crucial to success.

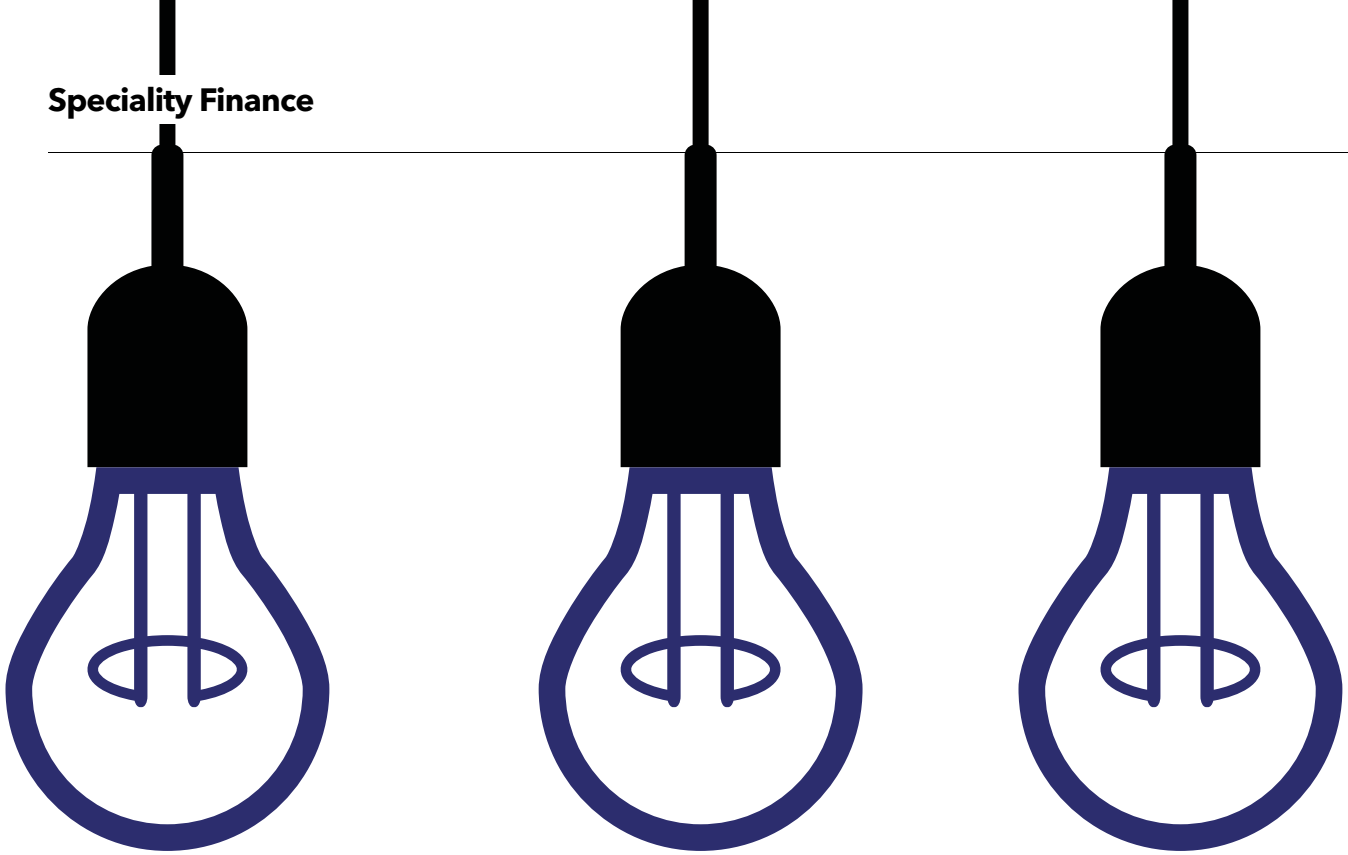
Q Looking ahead, to what extent could macroeconomic uncertainty influence how investors view speciality finance?

Without question, the uncertainty that has been prevalent in some pockets of the private credit industry over the past 12 months has been a boon for ABF. Traditional private credit investors have increasingly been allocating to ABF strategies, but the key question to answer isn't whether macro uncertainty affects speciality finance, but which managers are best prepared to deal with that uncertainty.

For our part, investing in ABF through multiple cycles has given us a large enough dataset to know which parts of the downside case represent 'real' risk, and which parts are just noise. That distinction is much harder to discern the less history a manager has in this space.

We think the demand for the asset class will remain very strong from here on out, not just because wider market uncertainty is a tailwind, but because many LPs are still underweight to ABF. That gap between supply and demand is going to continue to close faster in times of uncertainty, and we're well positioned for that. ■

"The ability to lean on accurate and up-to-date data through multiple cycles is absolutely crucial to success"



Spotlight on SRTs: From niche to notable

Significant risk transfers are growing in popularity on both sides of the Atlantic as banks recognise their value in improving returns on capital – though more standardisation would be welcomed. Claire Coe Smith reports

Banks are on track to issue a record $45 billion of significant risk transfers in 2026, with a sixth consecutive year of strong growth being supported by positive regulatory sentiment and strong investor appetite.

Figures from Crescent Capital Group show sales of SRTs surpassed $18 billion in the first half of this year, with the 12-month total on track to exceed 2025's $41 billion of issuance.

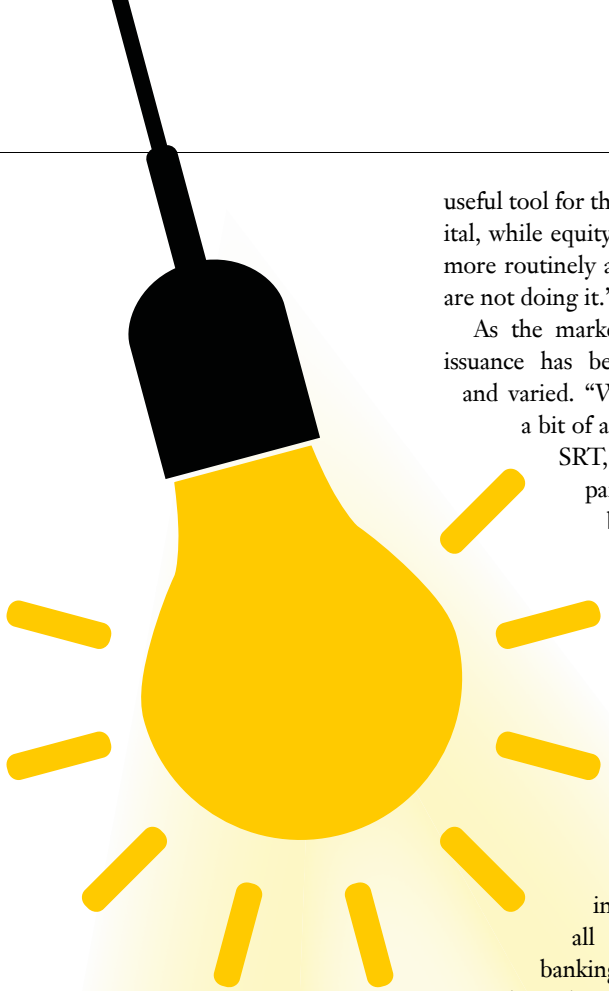
As for how these figures are set to impact private credit, market onlookers point to this as a growing trend whereby banks are increasingly sharing their balance sheets and portfolios with credit investors.

"Every year, banks plan to do more SRT transactions, we continue to see new banks and smaller banks enter the market, more asset classes used as reference points and more investors coming into our funds that have never invested in SRT before," says Milan Stupar, co-head of regulatory capital and speciality finance at BNP Paribas AM Alts. "So, the overall growth looks set to be healthy for some time to come."

The regional divide

While the SRT market was historically purely European, US issuance has gathered momentum in recent years. "Today, the US represents around 20 percent of global SRT activity, whereas five years ago it was close to zero," says Stupar.

The investment rationale across both regions is somewhat different, however. In Europe, SRT is primarily driven by regulatory capital relief,



given the stringent capital frameworks banks operate within and their need to optimise capital usage. "In the US, the motivation is often more related to balance sheet management or credit hedging," says Stupar. "Since the expected tightening from the original Basel Endgame proposals has softened considerably, the urgency for capital relief is lower than many anticipated two years ago."

The US Federal Reserve and other global policymakers are now broadly supportive of banks using SRTs to recycle risk and support additional lending, while prioritising clear standards and strong oversight: "The tailwinds are definitely stronger than the headwinds," says Bob Paterson, head of European asset-based finance and SRT at Schroders.

"We have seen significant growth in SRT adoption among banks as they increasingly recognise its value as a capital tool that they know they need to be able to leverage. Those that have done an SRT transaction realise it is a very useful tool for the management of capital, while equity analysts are also now more routinely asking banks why they are not doing it."

As the market matures, European issuance has become more strategic and varied. "We have been through a bit of an inflection point with SRT," says James Parsons, a partner at PAG who has been investing in these deals for 20 years. "For a long time, it was a niche product from both an investor perspective and for the banks. Now, because SRT issuance for many banks is strategic, it is more programmatic. Banks are looking through pretty much all of their commercial banking products and seeing where they need to do something to improve returns on capital."

At the same time, the underlying asset mix is broadening into more specialist portfolios. Traditional corporate loans still dominate, but larger banks now include types of assets such as real estate and infrastructure lending, trade finance and subscription line facilities.

Tracking investor appetite

Last year, PAG raised $1.25 billion for its third SRT fund, and now manages north of $4 billion in SRT commitments. Parsons says of the strategy: "We now see SRT as almost a multi-strategy credit universe in its own right. There is a huge array of things that commercial banks are doing, all with different correlations to the broader credit markets."

Investor appetite continues to feed market growth. "The main reason this is so attractive to LPs is its position within the core, high-performing credit space," says Stupar. "Investors get access to bank balance sheets and a profile of risk that is not available in the public markets. They also get diversification but not in anything that is new or risky in terms of origination. Nothing is new here – this is banks' core business – except the fact that banks are now sharing these portfolios with investors."

Paterson says there are some misconceptions that the LP base still needs to overcome. "It is important for investors to understand that SRT is a capital management tool for banks, rather than distressed financing," he says. "We are not buying weaker loans off bank balance sheets, though it is important that investors do the work to understand the risk they are taking. This is not a homogeneous asset class and different banks invest in different assets and have different approaches to risk."

The strategy has several appealing attributes as part of a broader private credit portfolio, Paterson adds. "SRT is a really good complementary investment for people in private debt and direct lending funds because it offers swift deployment, high and stable coupons paid from day one and, because they reference bank loans, much greater certainty over the amortisation and redemption profiles," he says.

With more credit funds now targeting SRT deals on both sides of the Atlantic, the opportunity set is maturing, according to Aymeric Paillat, portfolio manager and head of SRTs at Sona Asset Management. "The market conversation has become more technical," he says. "Investors are increasingly focused on portfolio construction and tranche risks and are seeking co-investment opportunities, rather than focusing on the basic mechanics of the product."

"This market is the best I have seen it in 20 years," says Parsons of the future of this investing segment. "We have so much material from which to construct funds for our investors that meet the risk-adjusted return profile we are trying to create. From the perspective of an asset manager in an SRT-specialised fund, this has always been a supply-constrained market, but that is less of a challenge now." ■

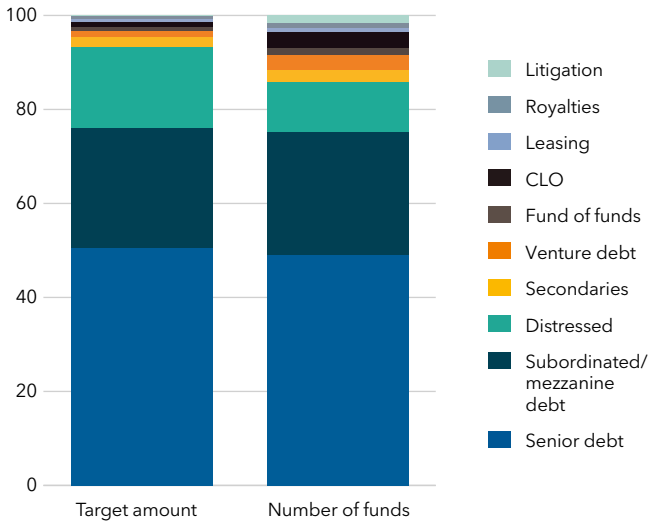
Funds in market

This month's measure of the pulling power of managers, regions and strategies in private credit

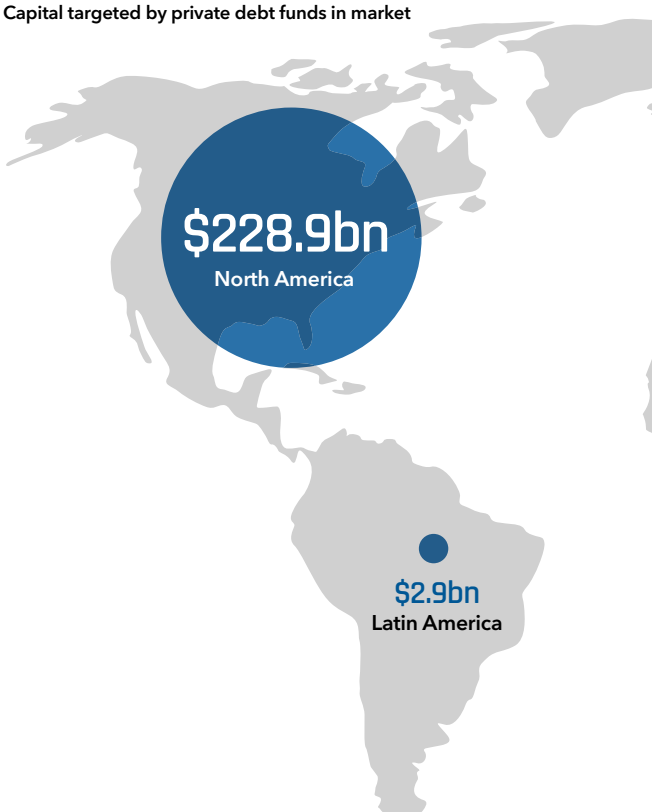
Top funds in market

Fund name	Institution name	Target ($bn)	Raised ($bn)	Launch year	Region	Strategies	Sector
Arcmont Direct Lending Fund V	Arcmont Asset Management	13.9	Undisclosed	2024	Europe	Senior debt	Corporate
Oaktree Lending Partners	Oaktree Capital Management	10.0	0.5	2024	North America	Senior debt	Corporate
HPS Strategic Investment Partners VI	HPS Investment Partners	10.0	6.6	2024	North America	Subordinated/ mezzanine debt	Corporate
Fortress Credit Opportunities Fund VI	Fortress Investment Group	8.0	3.4	2023	Multi-regional	Distressed	Corporate
Brookfield Infrastructure Debt Fund IV	Brookfield Asset Management	7.0	4.7	2024	Multi-regional	Subordinated/ mezzanine debt	Infrastructure
LCM Credit Opportunities 5 (COPS 5)	LCM Partners	7.0	4.4	2024	Europe	Distressed	Corporate
Strategic Value Special Situations Fund VI	Strategic Value Partners	6.5	4.4	2024	Multi-regional	Distressed	Diversified
Ardian Private Debt VI	Ardian	5.8	5.6	2024	Europe	Senior debt	Corporate
Pemberton Mid-Market Debt Fund V	Pemberton Asset Management	5.8	0.5	2025	Europe	Senior debt	Corporate
Sixth Street Opportunities Partners VI	Sixth Street	5.5	5.0	2025	Multi-regional	Distressed	Corporate

Strategy focus of private debt funds in market (%)

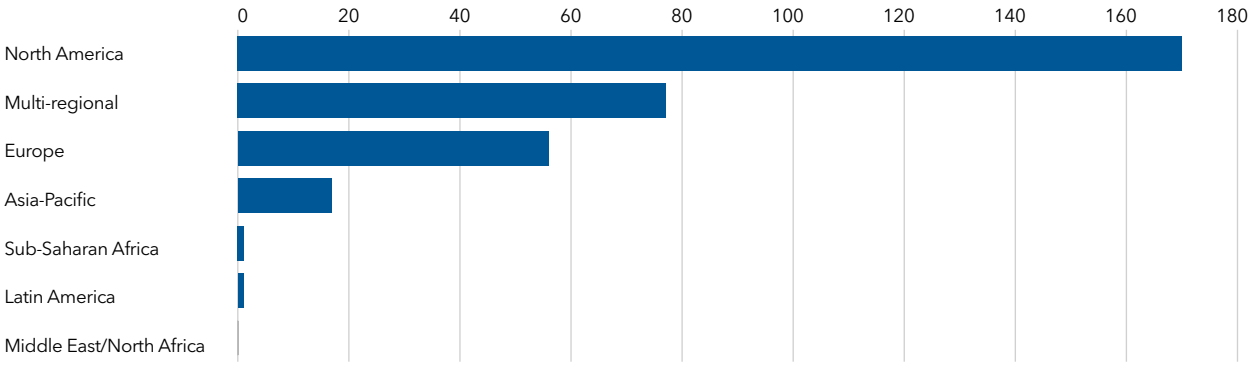


Capital targeted by private debt funds in market

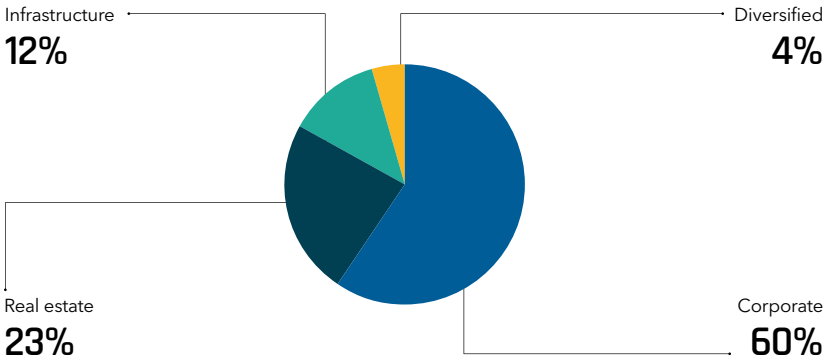


All data: 14 September 2026
Source: PEI Group

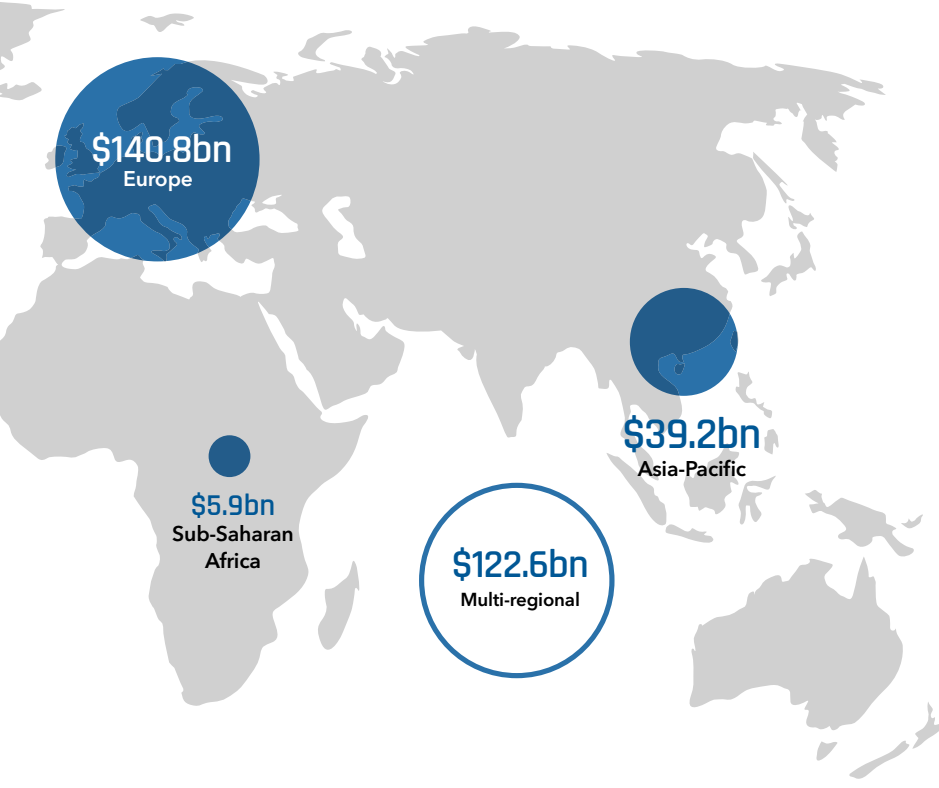
Amount raised by private debt funds in market by region ($bn)



Sector focus of private debt funds in market



Figures have been rounded



$541.5bn
Total amount targeted by funds in market

1,681
Number of closed-end funds in market

1,061
Number of managers with funds in market

14.69%
Percentage of amount targeted by the 10 largest funds in market

181
Number of funds in market targeting $1bn or more

42.27%
Proportion of capital targeted by funds in market focused on North America

$322bn
Capital raised by funds in market through interim closes



The best years are ahead

Our November issue will focus on the future of private credit

At our New York Forum in mid-September, we gained many insights into the future direction of the asset class. Among the key themes were strategic diversification, democratisation, the growing use of technology and the likely course of regulation.

Topics such as these will be examined in detail in our November 2026 special report, *The Future of Private Credit*. The report will gather proprietary insights from GPs, LPs, placement agents, lawyers and other private credit-focused professionals regarding how the asset class will be shaped as we head to 2030 and beyond. These views will be combined with our cutting-edge data to present a compelling overview of private credit's ongoing growth story.

The report will also contain our list of *Rising Stars*, which we publish every two years to spotlight the industry's up-and-coming star performers. As private credit continues to innovate and broaden its reach, these are the professionals we expect to be leading the charge.

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