

# Cheyne Capital wins European award

More than 350 of the credit market's leading players gathered in London on 7 May to learn who among 81 finalists had won a Creditflux manager award. By *Tom Davidson*

A total of 406 CLOs and 162 credit funds had been whittled down to 81 finalists. But which would secure a Creditflux manager award? The answers were finally revealed to a capacity crowd of more than 350 managers, investors and arrangers packed into the Landmark Hotel in London for the annual celebration of the best in credit fund and CLO management.

Fourteen asset managers shared the honours this year, with CVC Credit Partners taking home the top award and being named Creditflux Manager of the Year 2014. The firm also picked up the award for Best European CLO manager: debt investors' choice.

The Manager of the Year award is based on overall performance across all a manager's funds and CLOs. Almost all of CVC's 19 CLOs submitted for the awards outperformed their peers. The manager also scored highly in all the investors' choice awards, which are chosen by CLO buyers.

Other big winners on the night included Guggenheim and Alcentra, which both won three awards, and Credit Suisse Asset Management, which won two. Pramerica won the coveted award for best new European CLO.

Over the past few years the awards have focused on CLOs, but 2014 saw the return of credit hedge funds, with eight awards and a compelling new methodology. Volatility-adjusted weighted performance looks at absolute returns and downside volatility, in a similar way to many other performance metrics. What is unique is the way the



two are combined, with a weighting based on the redemption terms offered to investors.

A fund that offers favourable redemption must deliver less volatile returns than one with a longer lock-up period. For the most illiquid funds, absolute return alone is taken into consideration, since volatility becomes less relevant the longer the period of investment.

Funds are categorised by strategy, with awards going to some of the best known names in the business, including Angelo Gordon, Chenavari and Cheyne Capital.

The methodology for the CLO funds was almost identical to that used in 2013, with winners and finalists chosen after a calculation of the liquidation IRR of each CLO. To succeed, a CLO must have maintained par and delivered outstanding equity distributions.

Deals were divided into US and

European cohorts and broken down by vintage into seasoned CLOs (from before the crisis), 2.0 CLOs and CLOs called in 2013. Mid-market CLOs were given their own award this year.

This year also saw the creation of a category for new CLOs. It celebrates deals priced in 2013 that achieved the best arbitrage, which is found by comparing the running yield of the deal's assets with that of its liabilities.

The final set of awards were the choice of CLO investors, based on the votes of those investors who had qualified for one of the 100 investor places to the Creditflux Credit Opportunities Symposium 2014. Votes were divided into equity investors and debt investors.

Our list of winners starts over the page. For full details of the various methodologies for choosing them, visit [www.creditflux.com/Data](http://www.creditflux.com/Data).

**Creditflux**  
**Manager awards 2014**

Landmark Hotel,  
 London, NW1 6JQ  
 7 May 2014



Stuart Fiertz (Cheyne)  
**Best European high yield fund**  
**Cheyne European HY Fund**  
**Cheyne Capital Mgt**  
**1.82 VWP\*, 12.84% return**

Finalists: ECM Loans – ECM; ICG Total Credit Fund – Intermediate Capital Group; IFPC Zenith High Yield Bond Fund – Serone Capital Management



Michael Damaso (Guggenheim),  
 Sajid Zaidi (Morgan Stanley)

**Best seasoned US CLO**  
 Sponsored by Morgan Stanley

**Copper River CLO**  
**Guggenheim Partners**  
**37.52% liquidation IRR**

Finalists: Apidos Cinco – CVC Credit Partners; Madison Park Funding V – Credit Suisse Asset Management; Symphony CLO V – Symphony Asset Management



Jonathan Butler (Pramerica),  
 Peter Melichar (Deutsche Bank)

**Best new European CLO**  
 Sponsored by Deutsche Bank

**Dryden XXVII Euro CLO 2013**  
**Pramerica Investment Mgt**  
**3.16% excess yield**

Finalists: ALME Loan Funding 2013-1 – Apollo Credit Management; Grand Harbour CLO – GSO Capital Partners; Jubilee 2013-X – Alcentra



Hiram Hamilton (Alcentra),  
 Peter Keller (Citi)

**Best CLO fund**  
 Sponsored by Citi

**Structured Credit Opp Fund II**  
**Alcentra**  
**23.93 VWP\*, 48.09% return**

Finalists: Alegria ABS I – Alegria Capital; MainFirst CLO Opportunity Notes – MainFirst Asset Mgt; Napier Park European Credit Opps Fund – Napier Park Global Capital



Victoria Aston-Duff (Angelo Gordon)

**Best credit multi-strategy fund**  
**AG Super Fund**  
**Angelo Gordon**  
**2.64 VWP\*, 16.05% return**

Finalists: Chenavari - Multi Strategy Share Class – Chenavari Credit Partners; Pamplona Credit Opportunities Fund – Pamplona Capital Management; Pine River Credit Relative Value Fund – Pine River Capital



Adrian Duffy (Guggenheim)

**Best seasoned European CLO**  
 Sponsored by BNY Mellon

**Iron Hill CLO**  
**Guggenheim Partners**  
**19.76% liquidation IRR**

Finalists: Cordatus Loan Fund II – CVC Credit Partners; Grosvenor Place CLO I – CQS; Jubilee CDO VI – Alcentra



Sunil Dattani (Orchard Global)

**Best corporate long-short fund**  
**ChapelGate Credit Opp Fund**  
**Orchard Global Asset Mgt**  
**7.74 VWP\*, 17.35% return**

Finalists: Capital Four Credit Opportunities Fund – Capital Four Management; Chenavari - Corporate Credit Strategy – Chenavari Credit Partners; Latigo Ultra Fund – Latigo Partners



Sameer Maru (Goldman Sachs),  
 Andrew Marshak (CSAM)

**Best US CLO 2.0**  
 Sponsored by Goldman Sachs  
**Atrium VII**  
**Credit Suisse Asset Mgt**  
**41.88% liquidation IRR**

Finalists: 5180 CLO – Guggenheim Partners; Central Park CLO – GSO Capital Partners; Carlyle GMS CLO 2011-1 – Carlyle Group



Rashmi Madan (GSO)

**Best corporate distressed fund**  
**GSO Special Situations Overseas Fund**  
**GSO Capital Partners**  
**2.43 VWP\*, 20.30% return**

Finalists: AG Eleven Partners – Angelo Gordon; Alcentra Global Special Situations Fund – Alcentra; JLP Credit Opportunity Fund – Phoenix Investment Adviser



Cee Sarabi (Goldentree),  
Wynne Comer (BAML)

**Best new US CLO**

Sponsored by Bank of America ML

**GoldenTree Loan Opps VII  
GoldenTree Asset Mgt**

**2.91% excess yield**

Finalists: KVK CLO 2013-1 – Kramer Van Kirk Credit Strategies; Octagon Investment Partners XVI – Octagon Credit Investors; Symphony CLO XI – Symphony Asset Management



Jim Carbone (III)

**Best US high yield fund**

**III Credit Opportunities Fund  
III Offshore Advisors**

**2.13 VWP\*, 13.78% return**

Finalists: CIFC Senior Secured Corporate Loan Fund – CIFC Asset Management; CVC Global Credit Opportunities Fund – CVC Credit Partners; NZC Guggenheim Master Fund Limited – Guggenheim Partners



Michael Damaso (Guggenheim)

**Best CLO called in 2013**

Sponsored by Natixis

**1888 Fund  
Guggenheim Partners**

**30.81% final IRR**

Finalists: Apidos CDO VIII – CVC Credit Partners; Fortress Credit Investments I/II – Fortress Investment Group; Golub Capital Funding CLO-8 – Golub Capital



Konstantin Hammerschmidt,  
John Ryan (Xaia)

**Best Ucits credit fund**

**Xaia Credit Basis II  
Xaia Investment**

**7.29 VWP\*, 4.27% return**

Finalists: Absolute Insight Credit Fund – Insight Investments; Cheyne Global Credit Fund – Cheyne Capital; Globersel BCM Convertible – BCM & Partners



Sebastiano Riva (Wells Fargo),  
Chris Linkas (Fortress Investment),  
Fredrik Metzke (Fortress Investment)

**Best mid-market CLO**

Sponsored by Wells Fargo

**Fortress Credit Funding V  
Fortress Investment Group**

**30.82% liquidation IRR**

Finalists: Churchill Financial Cayman – Carlyle Group; Denali Capital CLO VII – Denali Capital; Golub Capital Partners Funding 2007-1 – Golub Capital



Ronan Mellon (DLA Piper),  
Andrew Marshak (CSAM)

**Best US CLO manager:  
debt investors' choice**

Sponsored by DLA Piper

**Credit Suisse Asset Mgt**

Finalists: Ares Management; CVC Credit Partners; GSO Capital Partners



Jonathan Bowers (CVC Credit),  
Rupert Wall (Weil)

**Best European CLO manager:  
debt investors' choice**

Sponsored by Weil

**CVC Credit Partners**

Finalists: Credit Suisse Asset Management; GoldenTree Asset Management; GSO Capital Partners



Tejal Wadhvani (RBS),  
William Lemberg (Alcentra)

**Best US CLO manager:  
equity investors' choice**

Sponsored by RBS

**Alcentra**

Finalists: 3i Debt Management; CVC Credit Partners; GSO Capital Partners



Diala Minott (Ashurst),  
Graham Rainbow (Alcentra)

**Best European CLO manager:  
equity investors' choice**

Sponsored by Ashurst

**Alcentra**

Finalists: CVC Credit Partners; GSO Capital Partners; Pramerica Investment Management



Benoit Pellegrini (Chenavari)

**Best structured finance fund  
Chenavari – Toro Capital IA  
Chenavari Credit Partners**

**25.00 VWP\*, 32.92% return**

Finalists: AG Real Estate Debt Investment Fund – Angelo Gordon; Cheyne Total Return Credit Fund – Cheyne Capital; Hildene Opportunities Fund – Hildene Capital Management; Octra – Zencap Asset Management



**Creditflux manager  
of the year**

**CVC Credit  
Partners**

Finalists: **Fortress  
Investment Group;**  
**GSO Capital Partners;**  
**Guggenheim Partners**





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**Credit***flux*

Manager Awards 2014

**Best Credit  
Multi-Strategy Fund**