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One more sign fewer firms are raising more of the money

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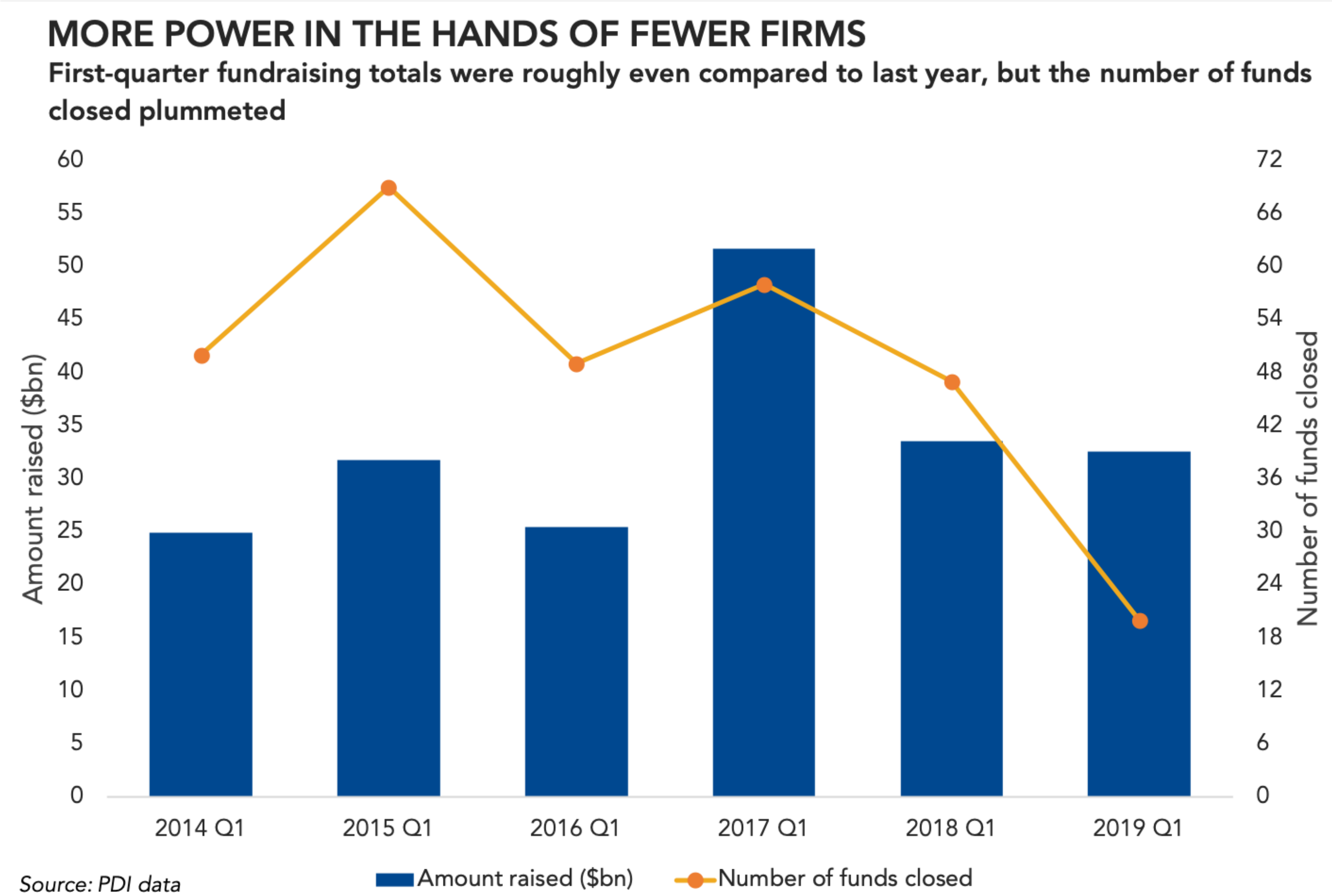

Fundraising data showed an acceleration of fewer vehicles collecting an outsized amount of capital; the amount raised in the first quarter changed little compared to Q1 2018.

If the stratification of asset managers by size signals an asset class that is maturing, then private debt has grown by leaps and bounds over the last year.

In the first quarter of the year, 20 funds closed on an aggregate $32.6 billion – relatively unchanged from the $33.58 billion raised in the first quarter of last year. However, that total from the first three months of 2018 was collected by 47 firms.

Two massive fund closes drove this year's number: Lone Star Funds $8.2 billion on Lone Star Fund XI and BlueBay Asset Management's €6 billion BlueBay Direct Lending Fund III.

Both those numbers are hardly a surprise for the two firms. Dallas-based Lone Star has regularly collected billions for its flagship series, with Fund IX locking down $7.2 billion and Fund X raising $5.5 billion. BlueBay collected €2.41 billion for Fund II and €3 billion for BlueBay Senior Loan Fund I.

There's little doubt that the trend will continue as consolidation continues, as evidenced by Brookfield Asset Management's acquisition of Oaktree Capital Management, which would create a firm with $475 billion of assets under management.

Brookfield chief executive Bruce Flatt, who spoke to Private Debt Investor sister publication PERE, made clear he had thought about the power of the combined firms and what it means for the future.

"At this point in the cycle, having Oaktree's business and Brookfield's muscle behind it will, I think, see us prepared for when the time comes in the future for their franchise to excel [in the next distressed cycle]," he said.