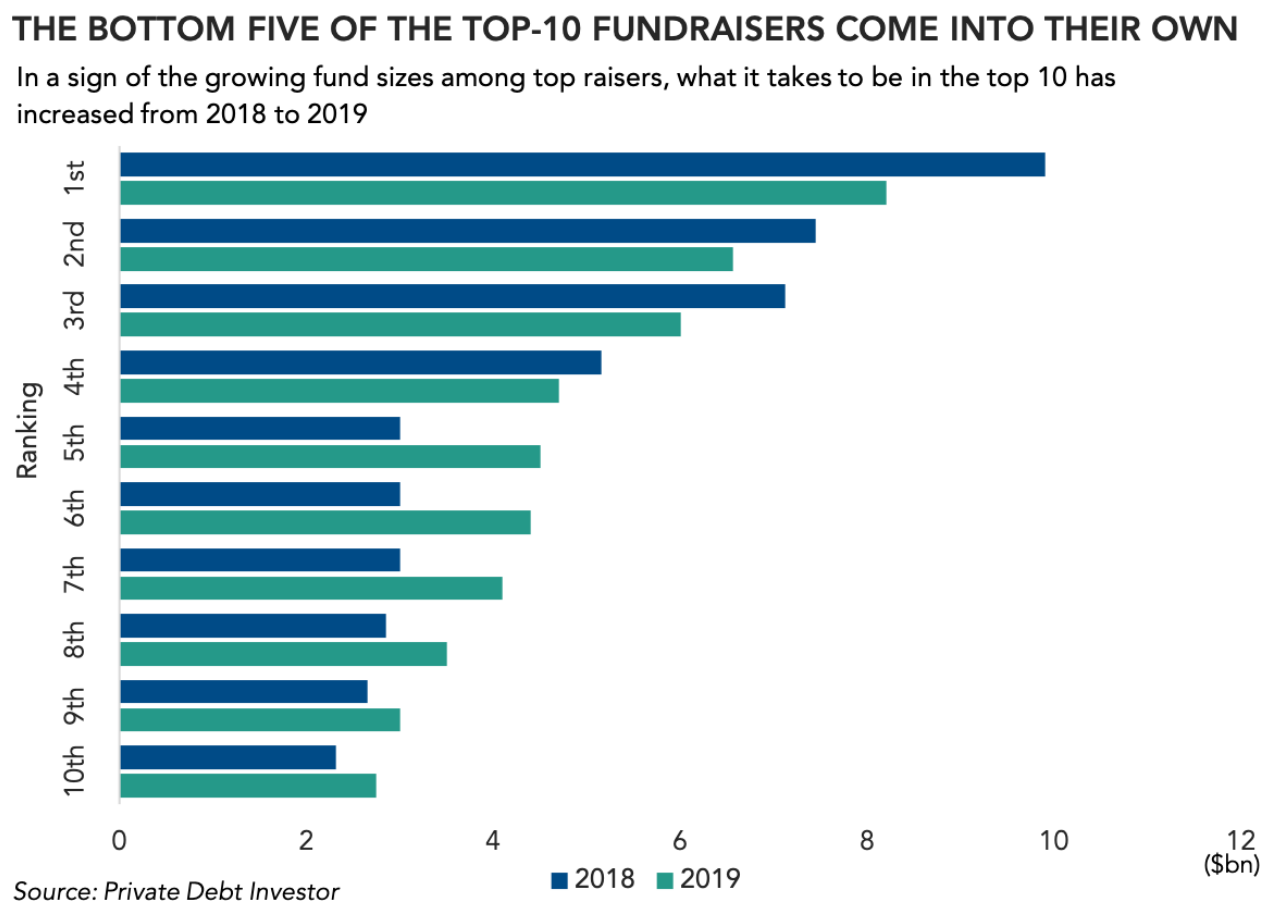
Another sign that the big are only getting bigger

Private Debt Investor | October 15, 2019



The baseline for being in the top-10 fundraises of the year increased from 2018 to 2019, signaling the growing dominance of a few firms.

The overall capital collected by the top-10 fund closes this year has eclipsed the total raised by last year's 10 largest fundraises, increasing from $46.44 billion to $47.72 billion, according to PDI data.

2018 had some impressive fundraises, larger than 2019's top tiers. The largest of 2018, GS Mezzanine Partners VII at $9.9 billion, is perhaps the single largest credit fund raised, eclipsing the $8.2 billion-plus pool that Lone Star Fund's 11th flagship vehicle pulled in this year.

Ares Management's $7.45 billion Ares Capital Europe IV in 2018 is likely the largest direct lending fund ever raised. GSO Capital Partners and ICG raised the third and fourth largest funds. True, these are all larger than the top four raised in 2019.

But what really shows the rise of the large funds is the amount of capital the lower-tiered top-10 funds raised. Seven of them were above $4 billion, and only one was smaller than $3 billion. While the individual funds raised in 2018 had some eye-popping totals, 2019’s total thus far has been buffeted by larger funds not at the top of the top-10 list.