

CREDIT

H2 Trends

Improving Fundraising Market

In H2, credit funds raised \$96bn globally, up 23% from \$73.5bn raised in H1, and \$62.3bn domestically, up 11% from \$55.2 in H1. However, annual, global fundraising for credit funds in 2024 (\$170.11bn) was at the lowest level since 2019.

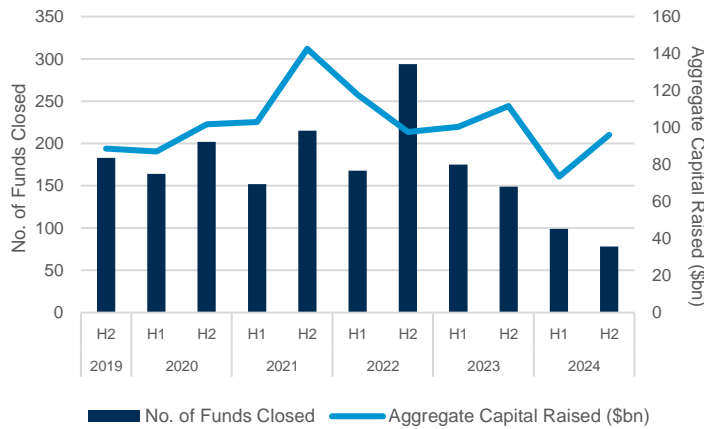
The pace of funds closing slowed in H2 with 78 funds reaching a final closing globally, down 21% from 99 funds that closed in H1, and marking the lowest number of funds closed in any half year over the last five years. Domestically, 49 funds reached a final closing in H2, down 4% from 51 funds in H1.

Continued Interest in Direct Lending Funds

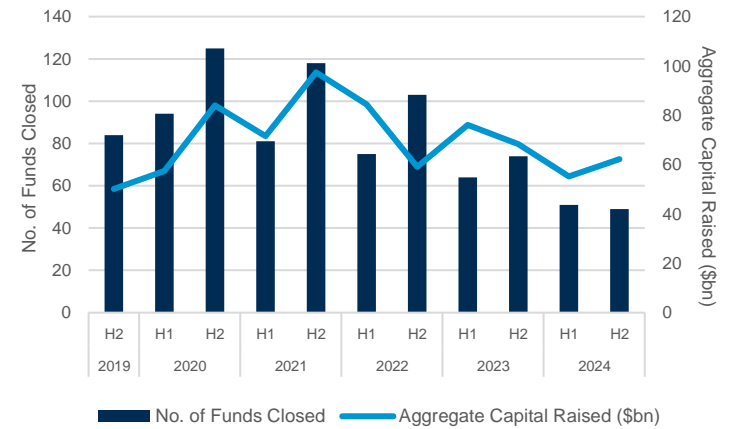
Direct lending funds represented 69% of aggregate capital raised by credit funds and 58% of credit funds closed globally in H2, compared to 81% and 47%, respectively, in H1. Domestically, direct lending funds represented 61% of aggregate capital raised by credit funds and 60% of credit funds closed in H2, compared to 83% and 46%, respectively, in H1.

In H2, direct lending funds raised \$66.2bn globally, up 8% from \$60.9bn raised in H1, and \$38bn domestically, down 18% from \$46.4bn raised in H1.

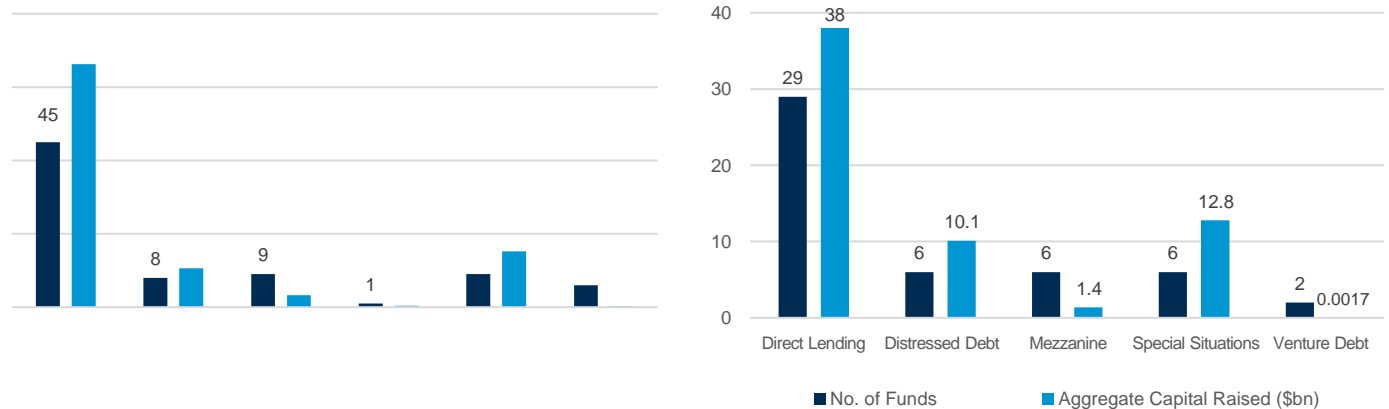
Global Biannual Credit Fundraising



US-Based Biannual Credit Fundraising



US-Based Credit Fundraising by Fund Type: H2 2024



All charts were compiled by Preqin and the data contained therein have not been reviewed for accuracy by Paul, Weiss.

Larger Fund Sizes. The average final fund size in H2 increased 40% to \$1.23bn from \$742mn in H1.

More Funds in Market . A record number of credit funds (1,323) were fundraising globally in H2, a 13% increase from H1.

More Capital Targeted. Aggregate capital targeted globally in H2 also reached a record high of \$529.2bn, up 5% from H1. Aggregate, biannual capital being targeted by credit funds has almost tripled since H2 2019.

AUM. Global credit fund AUM was \$1.587tn as of H1 2024, down 2% from \$1.622tn as of H2 2023. Nonetheless, the credit market, as measured in AUM, has grown 206% over the last

Our Investment Funds Group