



Fair Oaks launches new fund targeting senior CLO paper

by Hugh Minch

Fair Oaks Capital has launched a Ucits fund targeting triple and double A CLOs, according to market sources. The fund is named Fair Oaks High Grade and launched this week with €150 million committed, with a target size of around €1 billion. Officials at the company declined to comment.

Fair Oaks High Grade is said to target institutional investors and discourage smaller investors with a large minimum investment requirement. The fund also has an 'early' investor class with lower fees that is open until the end of the year.

While the market for triple A CLOs has traditionally been

dominated by banks and pension funds, recent dynamics have caught the attention of fund managers globally. European CLO triple As have proven particularly attractive to US investors in recent months.

Fair Oaks manages a range of CLO funds, though the firm has previously targeted mezzanine and equity positions. It has experience of managing within Ucits guidelines having launched Fair Oaks Dynamic Credit in 2016. The €513 million strategy primarily invests in triple B-rated CLO positions, according to the fund's August factsheet.