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AlbaCore actively investing \$750m for 'dislocation' strategy - exclusive

The UK manager has \$1bn in its sights as it seeks opportunities across the public and private markets

AlbaCore Capital Group has been actively investing \$750 million for a so-called "dislocation" strategy, which has a target of \$1 billion, according to market sources. The firm itself declined to comment.

As the description suggests, the strategy will aim to take advantage of opportunities arising from the dislocation being seen in the credit markets. In the syndicated market in particular, the London-based fund manager is understood to be seeing attractive deals in a "credit picker's" market.

Specifically, the firm is targeting discounts from senior secured loans in what it views as high-quality companies which it is thought to have been monitoring for some time. The fund is open to doing "hung deals" - deals that have become stuck in the market due to the changed market conditions - and bespoke private opportunities with sponsors

and corporates should the dislocation continue.

The strategy, which the senior team have run for around a decade, straddles the public and private markets, and is the kind of approach that has been attracting interest from limited partners - as described in our Friday Letter. One of the limiting factors is perceived to be the lack of managers with a track record combining public and private market investment.

AlbaCore is headed by managing partner and chief investment officer David Allen, former head of Canada Pension Plan Investment Board's European Principal Credit Fund. Earlier this year the firm closed its AlbaCore Partners II fund on €1.5 billion, bringing its total assets under management to more than €4 billion. ■