

Capital Four Plans to Launch Private Debt Fund

Stockholm (HedgeNordic) – Capital Four, the Danish USD 12 billion credit manager, is planning to launch a new private debt fund in the spring, according to Bloomberg. The fund will invest in mid-sized companies and sponsors in European primary markets. It will be called the Strategic Credit Fund II and have a 10 percent return target, Bloomberg reports.

As previously reported by HedgeNordic, the Capital Four Credit Opportunities fund was hard-closed by the end of February due to strong investor inflows.

In the article from Bloomberg, Capital Four's chief strategist, Sandro Näf (*pictured*), also comments on its current strategy to buy recession proof assets in order insulate its portfolios against "the near certainty of a recession".

"The likelihood that we have a recession in the next five years is very high, probably higher than 80-90 percent, so everything that we buy now has to be recession proof", he was quoted as saying.

Capital Four is currently only buying companies that compensate for a higher default rate and is focusing on less cyclical industries.

"Do you want to squeeze the last drop out until the moment when everything turns around? Or do you position yourself more and more toward that you're going to do well if there's a correction. We position ourselves more and more toward doing well if things aren't developing favorably", Näf told Bloomberg.

Picture source: Finews.ch