

Evli Launches Private Debt Fund

Stockholm (HedgeNordic) – Finnish asset manager Evli has launched a fund of private debt funds to give investors access to illiquid debt markets. Evli Private Debt Fund I will invest in funds with different investment strategies that focus on corporate debt financing in Europe and North America. The fund raised €59 million from investors at the first closing as of mid-May.

“Private Debt funds contribute to meeting the growing demand for corporate debt financing and the reduced supply of traditional debt financing by providing investors with a channel to offer private financing, particularly to companies that do not have any natural access to large financial markets,” Ville Toivakainen (*pictured*), Portfolio Manager of Evli Private Debt Fund I, comments on the launch. “Most companies need financing over the course of their life cycle, and this means that the loans come in many different types and formats,” says Toivakainen. “Debt financing is therefore much more complex and diverse than equity investing, which provides the investor with an attractive and diversified addition to their overall portfolio.”

“Private Debt funds contribute to meeting the growing demand for corporate debt financing and the reduced supply of traditional debt financing.”

Evli Private Debt Fund I is part of Evli’s unlisted asset class offering and caters to professional investors and a limited number of non-professional clients who can make a minimum investment of €100,000. “Our Private Debt fund will be a global, broadly diversified component of an overall portfolio with clearly predefined investment and allocation objectives,” says Tero Tuominen, Managing Director of Evli Fund Management. “The fund’s strategy allocation is predefined and the fund is not “opportunistic” in terms of its strategy.”

“Our Private Debt fund will be a global, broadly diversified component of an overall portfolio with clearly predefined investment and allocation objectives.”

“The loans granted by the target funds are mainly floating rate, which is very attractive particularly in an environment of rising interest rates,” further elaborates Tuominen. “The asset class is also fast-growing, so both investors and companies in need of funding are increasingly adopting the approach of this asset class, thereby increasing the range of investment opportunities.”

“The asset class is also fast-growing, so both investors and companies in need of funding are increasingly adopting the approach of this asset class, thereby increasing the range of investment opportunities.”

Evli’s alternative investment product offering covers real estate, unlisted equities, private debt, infrastructure and forestry. The asset manager’s portfolio management team focused on alternative investments consists of over 20 investment professionals. Total assets under management in alternative investments amount to around €1.2 billion as of the end of March. “Evli’s alternative investments unit is very strongly resourced and the fund team has a long experience in both private equity and private debt investing and fund selection,” says Tuominen.