

Credit Fundraising at a Glance

First Half 2025

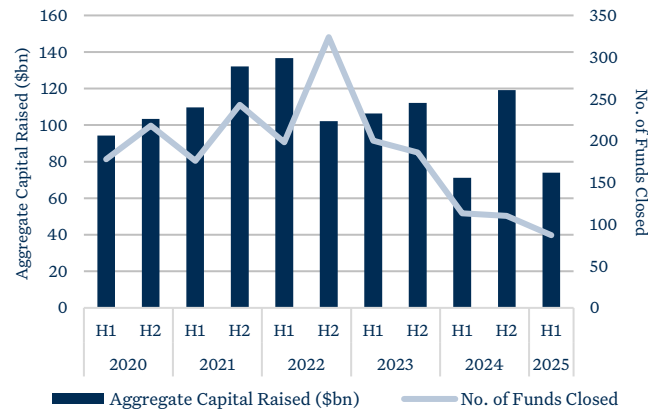
H1 Trends

■ Challenging Fundraising

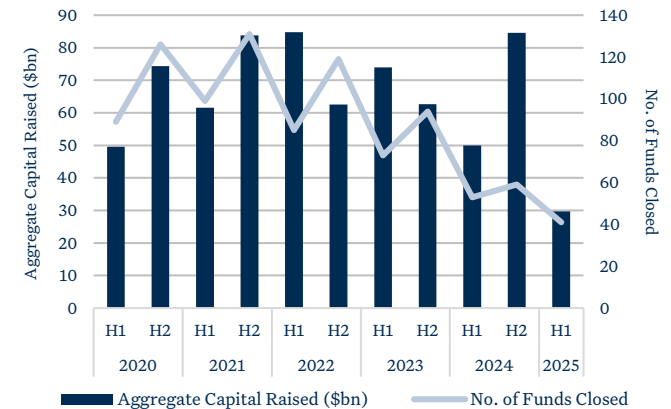
Market. Credit fundraising was challenging in H1.

- ◆ \$74.1bn was raised globally in H1, down 37.8% from \$119.2bn raised in H2 2024, but up 4.2% from \$71.1bn raised in H1 2024. \$29.7bn was raised by North America-focused funds in H1, down 64.8% from \$84.5bn raised in H2 2024 and down 40.4% from \$49.9bn raised in H1 2024.
- ◆ The pace of funds closing slowed in H1 with 87 funds reaching a final closing globally, down 21% from 110 funds in H2 2024, marking the lowest number of funds closing in any half-year period over the last five years.
- ◆ The average final fund size in H1 decreased 21.4% to \$851mn from \$1.08bn in H2 2024.
- ◆ Direct lending funds accounted for 56.6% of aggregate capital raised globally in H1 compared to 69% in H2 2024 and 81% in H1 2024. Direct lending funds accounted for 47% of credit funds closed globally in H1 compared to 58% in H2 2024 and 47% in H1 2024.

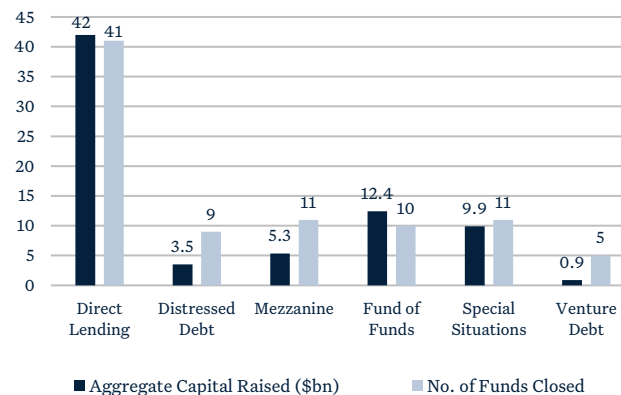
Global Credit Fundraising



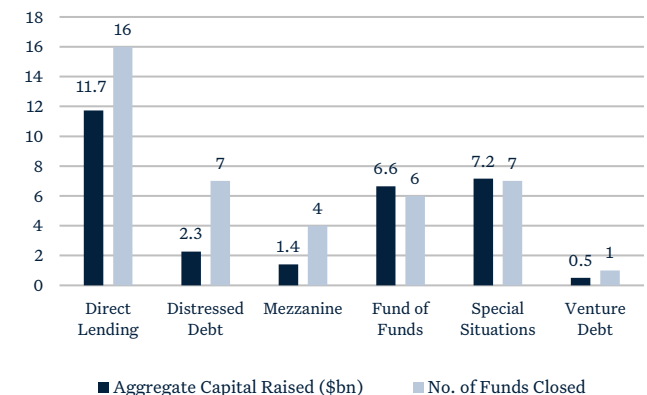
North America-Focused Credit Fundraising



Global Credit Fundraising by Fund Type



North America-Focused Credit Fundraising by Fund Type



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

H1 Trends

■ Longer Fundraising Timelines.

The average number of months to reach a final close in 2025 YTD increased to 30 months, up from an average of 26 months in FY 2024 and 22 months in FY 2023.¹

■ Near Record Number of Funds in Market.

In H1, there were 1,307 credit funds in the market globally, down 1.13% from a record high of 1,322 funds in H2 2024.

■ Decrease in Capital Targeted.

Aggregate capital targeted globally in H1 was \$462.2bn, down 13% from a record high of \$531.6bn in H2 2024 and down 7.6% from \$500.4bn in H1 2024.

■ Record AUM.

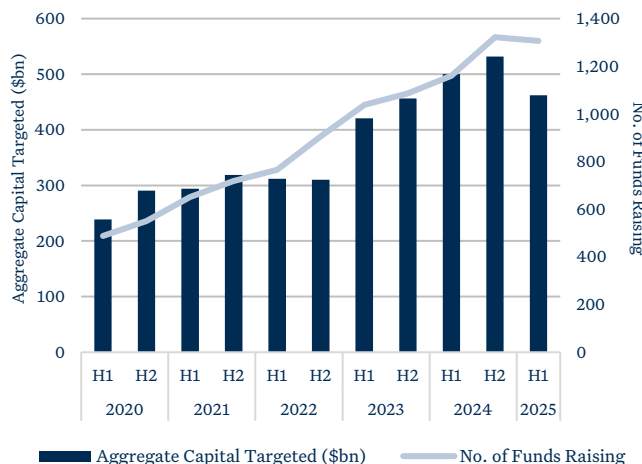
In H2 2024, global credit AUM reached an all-time high of \$1.637tn, a 0.38% increase from \$1.631tn reached in H1 2024.

■ Decrease in Dry Powder.

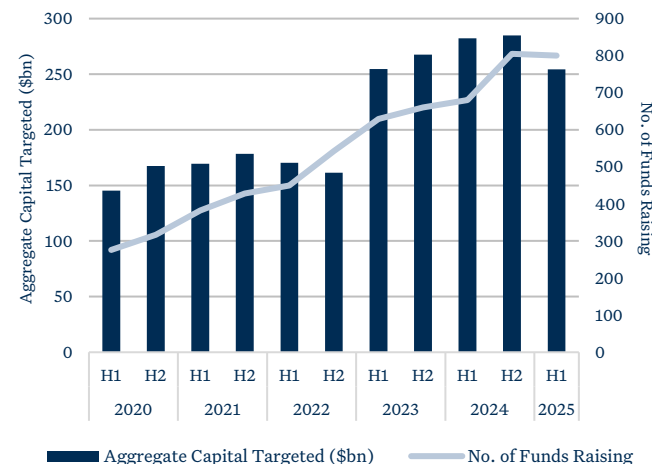
In H2 2024, dry powder dropped to \$449.9bn, a 3.7% decrease from \$467.1bn in H1 2024. Dry powder represented 27% of AUM in H2 2024, a decrease from an average of 33% over the preceding five years.

¹ Preqin.

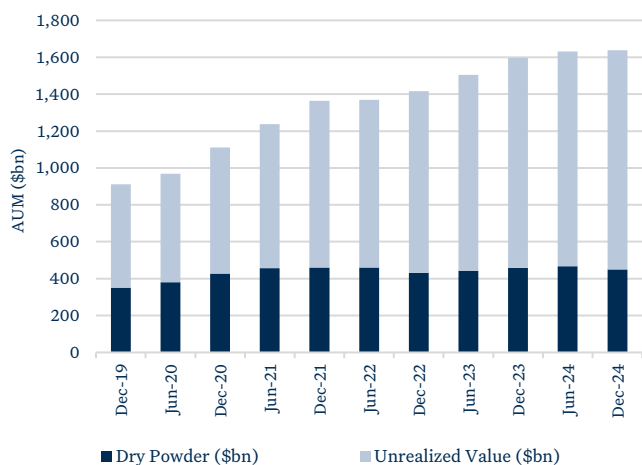
Global Credit Funds in Market



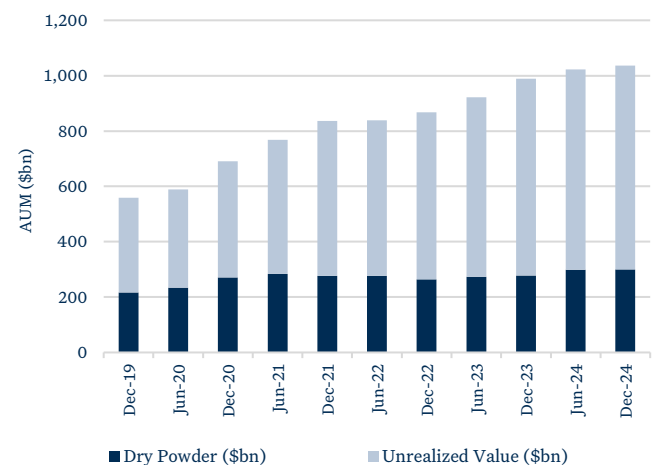
North America-Focused Credit Funds in Market



Global Credit AUM



North America-Focused Credit AUM



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