



RBC BlueBay  
Asset Management

# Our CLO platform: an evolving growth story

For Professional Investors Only | Marketing Communication



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As one of the most active CLO managers in Europe, as well as tranche investors, we have a true in-depth understanding of the technicals and dynamics of the CLO market. Following the recent pricing of our 11<sup>th</sup> CLO globally, we discuss the growth of our platform.

## Key takeaways

- Our global CLO platform is part of the established BlueBay fixed income franchise, which has a long history of leveraged loan and high yield investing.
- The platform forms a core part of our USD25 billion global leveraged finance and securitised credit business and has grown significantly in recent years.
- Our extensive US and Europe-based analyst coverage of the growing loan market is a key factor, especially as issuers continue to favour loans over bonds.

## The rise of our CLO business

Establishing and building our CLO platform has been a key component of the growth of our leveraged finance and securitised credit business, which has grown from USD10 billion to USD25 billion in AUM over the last 5-6 years and dates back to 2002.

Our overall loan AUM has also grown substantially in these years, driven by CLO issuance, high yield and leverage finance fund inflows, and increased loan allocations within our Multi-Asset products. The pricing of our fifth US CLO this summer takes our global CLO issuance to 11 deals in total (six in Europe and five in the US), with AUM of over USD5 billion.

## The factors driving our CLO platform's success in the market

We believe there are several contributing factors to our success over time:

- **A long history of leveraged loans and high yield investing:** while growth is an important factor, our sustained performance through varying market conditions is the definitive measure of our success. Our leveraged finance strategies have a long track record of delivering performance over benchmarks, whilst managing downside protection. In securitised credit, our core high grade and investment grade strategies have remained consistently top of the peer group since inception, and our opportunistic and high income funds have provided significant total return. Our history also means we have knowledge of operational requirements and risk management best practices.
  - **Our structured investment process gives us an edge in emerging risks and has helped to deliver consistent par gains over time:** our investment process includes firmwide daily macro calls, weekly positioning meetings, and monthly sector updates. This process engages credit analysts and portfolio managers, which enables us to take proactive decisions and respond quickly to developing themes at both sector and asset-specific levels. Our active and holistic focus enables us to consistently build par – which provides increased structural cushion to navigate through credit cycles – as well as improve relative value and respond quickly to deteriorating credits.
  - **Leveraging the wider BlueBay and RBC platforms:** our platform is embedded within the broader BlueBay Fixed Income investment team (with USD143 billion in AUM and 129 investment professionals)<sup>2</sup> and benefits from the expertise of various teams including investment grade, macro specialists, and emerging markets. This is integral to forming overall top-down views and is therefore a key aspect of decision making. We also have the ability to leverage the wider RBC platform, including experienced operational, infrastructure and legal support networks.
- “The size of our team and depth of experience strengthens our platform.”**
- **A truly global investment approach:** our team has a presence in London, Stamford, and Minneapolis, and this investment expertise across regions allows for diverse portfolio construction. A deep bench of 43 investment professionals, with average experience of 18 years, are embedded within the wider global fixed income group<sup>1</sup>. The size of our team and depth of experience strengthens our platform.

### Our plans for future CLO issuance

Our target is to price 4-6 deals per year on average across our global platform, with 2-3 in Europe and 2-3 in the US per year. As we have just hit 11 CLOs globally, our expectation is to reach 20 CLOs in the next two years. Our close partnership with RBC means that the bank is providing substantial financial backing to support the growth of our European and US CLO platforms.

<sup>1,2</sup> RBC GAM, as at 30 June 2025.

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