

(NY) Pandemic lockdown leads to private credit smartphone app

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Private credit and special situations can now fit in your pocket, thanks to King & Spalding.

The law firm launched a smartphone application for the two strategies named The Hub that incorporates market insights, case studies, analyses and anonymous manager surveys of deal activity, the firm said in a Wednesday press release.

“This actually evolved organically out of the way we started communicating with clients when we went into lockdown. We had been focused on greater engagement with clients,” Jenn Daly, a King & Spalding partner, said in an interview.

Clients often get a limited market outlook when there are actually multiple viewpoints that should be considered to get a more complete view of the private credit space, she said.

The app comes at an auspicious time for the asset class, which continued to grow despite the global pandemic, according to data provider Preqin. The asset class grew to US\$887bn in June of last year from US\$842bn at year-end 2019.

With almost half -- 47% -- of limited partners surveyed by Preqin planning to allocate more capital to private debt over the next year, the market may continue to expand. Another 40% of respondents said they plan to maintain the size of their allocations.

Beyond King & Spalding clients, Daly hopes credit managers and third parties – boutique investment banks, advisory firms and even other law firms – adopt usage of the app.

“Investors want two things in their technology: efficiency and focus,” she said. “Anything that speaks to them specifically – instead of every money manager writ large – it helps them focus and save time. That’s what we’re trying to do; we’re not trying to be all things to all people.”

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