

Monarch Receives \$1bn in Allocations for Distressed Funds

Hedge Fund Manager

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Monarch Alternative Investments, the New York-based Quadrangle Group spinout focused on distressed debt, has received approximately \$1bn in allocations this year, bringing its total assets under management to more than \$3bn.

Monarch raised approximately \$500m in the Monarch Opportunities Fund and the Monarch Debt Recovery Fund. Although both are distressed debt, the opportunity fund looks further down the capital structure. Over the next year, Monarch expects to raise another \$500m in the funds.

Monarch also launched a hybrid fund and has raised over \$300m for it so far, with a target to grow it to \$500m before year's end.

The institutional interest in Monarch comes as distressed debt funds are drawing a lot of attention from investors. According to a survey of 41 hedge fund and fund of hedge funds managers conducted by Lipper, more than 20% expect distressed to top the industry in terms of growth and returns, following mediocre returns in 2007.