
Private Credit News

By Editorial Staff Tue, Feb 3, 2026

Dimon's 'cockroach' comment sparks minor run on private credit firms; Global watchdogs scrutinize private credit ratings; Eldridge and Carlyle AlpInvest credit fund gets ~\$1.5 billion.

Dimon's 'cockroach' comment sparks minor run on private credit firms

Private credit investors withdrew more than \$7 billion from some of the biggest funds on Wall Street in the final months of 2025, following the bankruptcies of First Brands and Tricolor, the Financial Times reported.

Funds managed by Apollo Global Management, Ares Management, Barings, Blackstone, BlackRock's HPS Investment Partners, Blue Owl, Cliffwater, and Oaktree all saw a rise in redemption requests, according to filings with the Securities and Exchange Commission and FT reporting.

Redemptions were running at about 5% of the value of the funds' investment portfolios, net of debt, according to FT calculations. "Investor appetite for private credit has deteriorated in the wake of the two high-profile corporate failures," the Financial Times said.

"Redemptions are up across the board," one senior private credit executive told the FT. The asset class has been tarnished by the failures of First Brands and Tricolor, despite those companies largely financing themselves through loans and asset-backed securities provided or organized by banks.

Anxiety about the finances of private credit originators was sparked by JPMorgan Chase chief executive Jamie Dimon's warning "when you see one cockroach, there are probably more" after Tricolor's failure. have added to the investor unease. "There is a lot of fear in the air and time will tell if those fears are well founded," Philip Hasbrouck, the co-head of Cliffwater's asset management business, told the Financial Times.

Global watchdogs scrutinize private credit ratings

The private credit industry is facing fresh scrutiny from top global regulators over some of the ratings being assigned to debt in the \$1.7 trillion market, Bloomberg News reported.

The [Financial Stability Board](#), which monitors global risks, has high-level concerns about the potential for "ratings shopping" in private markets, where firms can seek grades on

transactions from multiple providers and opt for the most favorable one, one of the people familiar with the supervisor's work said.

Officials at the Basel-based institute are also concerned that ratings in private credit are not subject to the same rules as securitization, where safeguards introduced after the global financial crisis typically mandate the use of multiple independent credit ratings and strict management of conflict of interests.

The issues under consideration are part of the FSB's wider work around risks in the broadly-defined 'non-bank financial institutions' world, which spans everything from hedge funds to asset managers and insurers, two people said. They stressed, however, that the first priority was exploring risks and vulnerabilities in the area, rather than policy recommendations.

A German pension fund whose foray into private markets led to more than €1 billion in losses, has also questioned the integrity of some credit ratings, adding to warnings over valuation risks across the booming asset class, Bloomberg reported.

The Bank of England meanwhile, will examine the role of ratings firms as part of a "system-wide exploratory scenario" exercise covering private markets, a person familiar with that work said. The stress test, announced earlier this month, aims to capture how private markets as a whole would respond to a sharp economic shock.

The results of the exercise are not expected to be published until 2027.

Egan-Jones Ratings no longer recognized by Bermuda regulator

Egan-Jones Ratings Co. has been removed from the Bermuda Monetary Authority's list of recognized credit ratings providers, Bloomberg reported.

The regulator is no longer listing Egan-Jones among the ratings providers that can inform an insurer's solvency capital requirements in the region, something it had done for several years beforehand. Egan-Jones had been listed alongside others such as Standard & Poor's, Moody's and KBRA.

"We are looking into this issue as it has just come to our attention," an Egan-Jones spokesperson said in an emailed statement. "Our performance and compliance remain superb and we are confident we can resolve this issue and address any concerns."

In 2024, Egan-Jones rated more than 3,000 private credit investments with about 20

analysts. The spokesperson said Egan-Jones has no clients headquartered in Bermuda at this time. The BMA did not respond to requests for comment.

In the BMA's latest capital and solvency handbook for insurers, issued last month, the regulator names the recognized credit ratings firms as S&P, Moody's, Fitch, AM Best, DBRS, Japan Credit Rating Agency and KBRA. The previous year, and the year before that, it had also named Egan-Jones alongside these firms.

Eldridge and Carlyle AlpInvest credit fund gets ~\$1.5 billion

Eldridge and Carlyle AlpInvest announced the successful closing of Eldridge Diversified Credit Fund I ("EDCF I" or the "Fund"), the first fund in Eldridge's diversified credit platform. Carlyle AlpInvest and its co-investors made an equity commitment to Eldridge managed vehicles which, combined with debt financing from BNP Paribas, will provide about \$1.5 billion in investable capital.

EDCF I was established through a credit secondary solution anchored by the purchase of a diversified portfolio of loans and leases from Eldridge and its affiliates. The Fund's capital base includes commitments from leading institutional investors globally.

Eldridge is an asset management and insurance holding company with over \$70 billion in assets under management. Eldridge Wealth Solutions, an insurance and retirement solutions platform, is comprised of Eldridge's wholly owned insurance companies, Security Benefit and Everly Life. Eldridge is wholly owned by Eldridge Industries.

Eldridge Capital Management and Eldridge Wealth Solutions. Eldridge Capital Management, through its subsidiaries, focuses on four investment strategies: diversified credit, GP solutions, real estate credit, and sports & entertainment.

Carlyle AlpInvest has \$102 billion of assets under management and more than 700 investors as of September 30, 2025. It has invested with over 370 private equity and credit managers and committed over \$111 billion across primary commitments to private equity and credit funds, secondary transactions, portfolio financings, and co-investments.