

Private credit: Growth, technology and expanding access

By Kasief Isaacs, Chief Executive Officer, Creation Capital

What's your view on the sustainability of private credit growth relative to traditional bank lending?

We see traditional bank lending and private credit mostly as complementary, rather than direct competitors. Collaboration can take different forms, best illustrated through an example: in large infrastructure projects, commercial banks, development finance institutions and asset managers can sit comfortably alongside each other as co-lenders in the same tranche or with one subordinated to the other across different tranches.

Are you incorporating AI or alternative data in your credit analysis?

Yes, in a measured way, recognising that while there is still an AI hype cycle, effective use of technology is a business imperative, and AI as a key enabler can deliver tangible benefits. Quick wins for us included embedding sharing and real-time collaboration on shared work, such as presentations, documents, and spreadsheets, in our day-to-day activities. We've also made significant strides in automating time-intensive tasks, such as processing information received from portfolio companies (management accounts, financial statements, covenant certificates, ESG metrics, etc). Our current focus is on credit analysis, including ways to standardise analysis of historical and forecast financial information, more automated data gathering on potential deals, including key executives, directors, and shareholders, and initial credit scoring.

How do you see retail investor access to private credit evolving?

Younger generations are increasingly focused on socially responsible investments. We believe private credit is an attractive way to generate attractive returns while delivering tangible, measurable social impact. We are actively developing ways to expand access to private credit to retail investors. We expect to announce the first major innovation in Q1 2026, which will open private credit to a much broader institutional market. While we've started research and conceptualisation, facilitating general retail access to private credit is probably a further 18 – 24 months away.