



# LEVERAGED FINANCE MONTHLY

NOVEMBER 2022

*This report reviews the latest trends in the loan environment, covering the relationship between loan volume, leverage multiples and relevant macroeconomic indicators and benchmarks impacting the credit markets. It also includes a statistical update, providing a snapshot of activity across the leveraged finance space.*

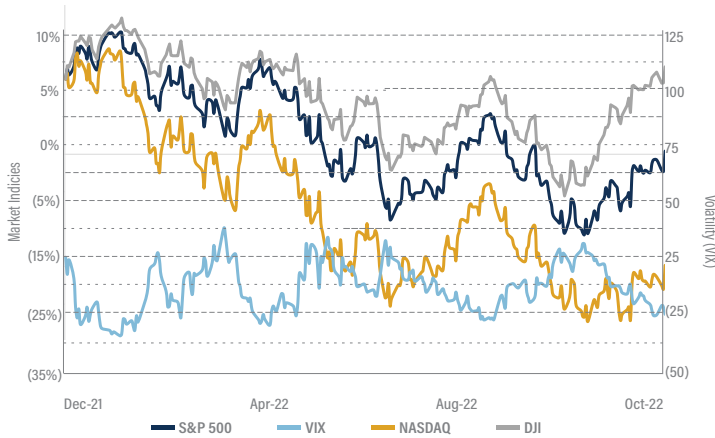
	NOVEMBER '22	OCTOBER '22	SEPTEMBER '22	AUGUST '22	NOVEMBER '21
<b>Indices</b>					
10-Year Treasury	3.68%	4.10%	3.83%	3.15%	1.43%
10-Year vs. 2-Year Spread (basis points)	(70)	(41)	(39)	(30)	91
Secured Overnight Financing Rate (30 Day Average)	3.73%	3.04%	2.47%	2.28%	0.05%
DJIA	34,590	32,733	28,726	31,510	34,484
S&P 500	4,080	3,872	3,586	3,955	4,567
NASDAQ	11,468	10,988	10,576	11,816	15,538
iShares HY Corporate Bond Fund (ARCA:HYG)	75	73	72	75	86
iShares Barclays Aggregate (ARCA:AGG)	98	95	96	101	115
<b>Commodities</b>					
Crude Oil (\$/BBL)	\$80.55	\$86.53	\$78.72	\$89.55	\$66.18
Natural Gas (\$/MMCF)	\$6.93	\$6.61	\$6.77	\$9.19	\$4.57
Gold (\$/oz.)	\$1,760	\$1,641	\$1,672	\$1,717	\$1,777
<b>Currencies</b>					
GBP in USD	\$1.19	\$1.15	\$1.11	\$1.16	\$1.32
EUR in USD	\$1.03	\$0.99	\$0.98	\$1.01	\$1.13
USD in JYP	¥139.35	¥148.62	¥144.69	¥138.62	¥113.40
USD in CNY	¥7.08	¥7.30	¥7.11	¥6.89	¥6.36
<b>Large Corporate New Issue Loan Pricing (1)</b>					
Total Spread (basis points)	613	603	666	761	405
YTM	9.84%	9.70%	9.53%	9.13%	4.58%

(1) "Large Corporate" defined as syndicated loans in companies with >\$50 million of pro forma adjusted EBITDA

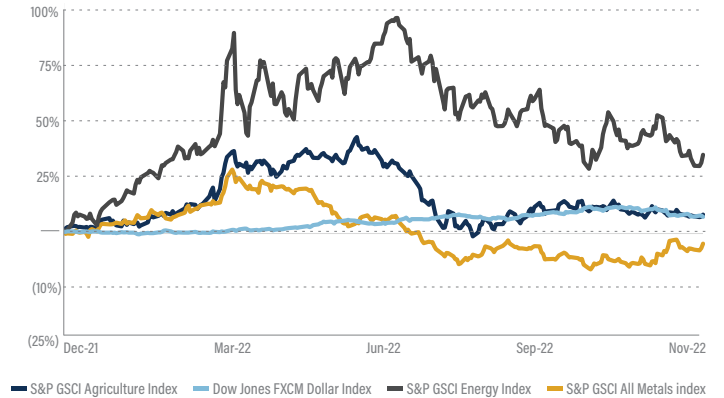
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

# LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS

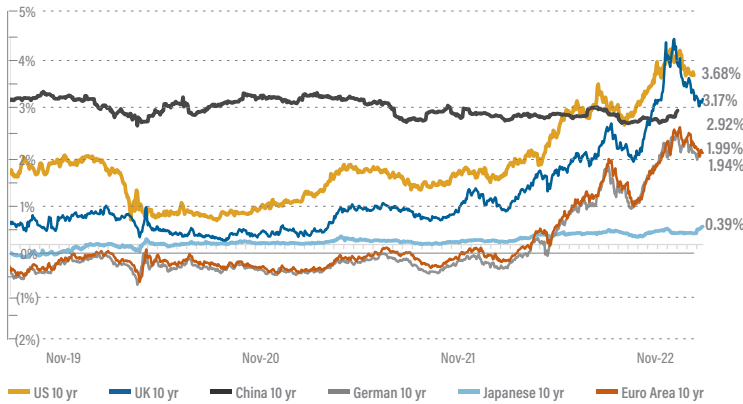
## Stock Market Indices



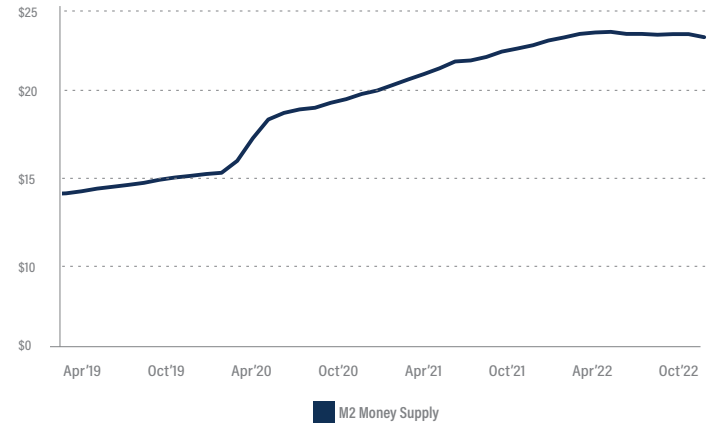
## Commodities Prices



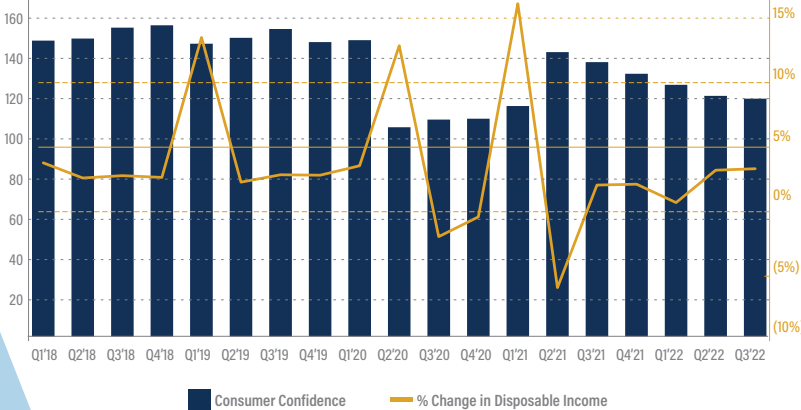
## Sovereign Debt Yields



## M2 Money Supply (\$ in trillions)



## Consumer Confidence Index and % Change in DPI



## Default Rates of Leveraged Loans (1)

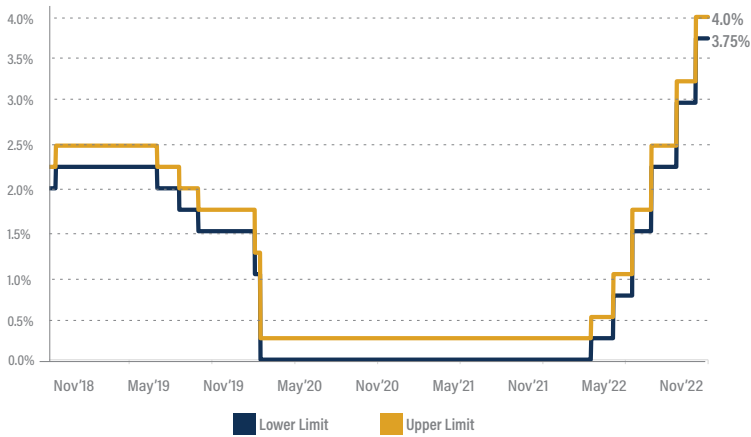


(1) Default rates based on issuances of institutional debt only

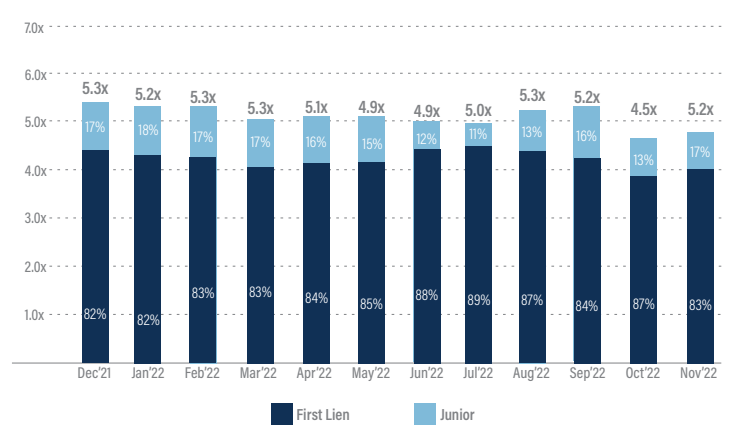
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

# LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS (CONTINUED...)

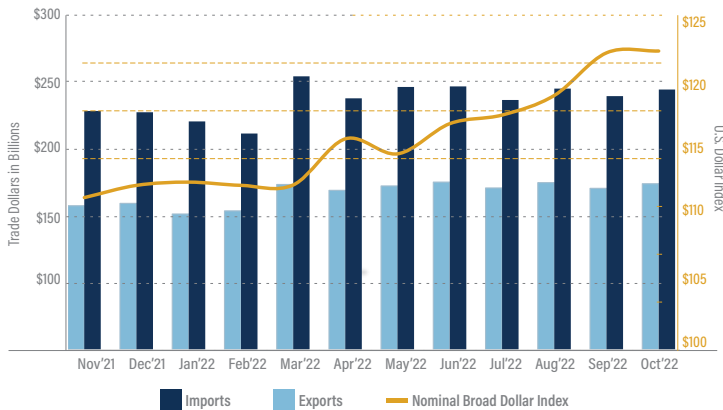
## Target Fed Funds Rate



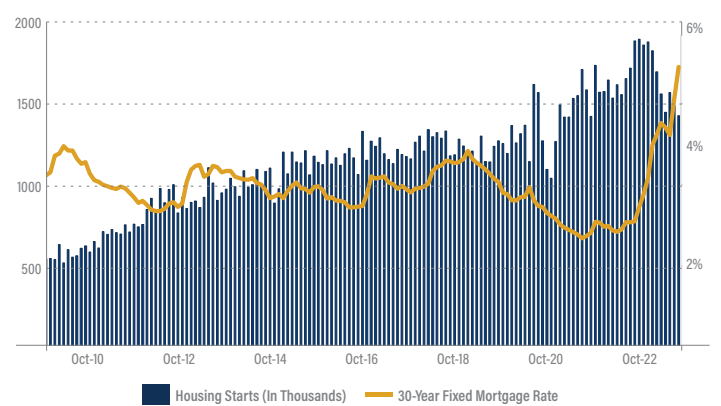
## Average Debt Multiples - Large Corporate (% of Cap Structure)



## U.S. Trade Deficit & Dollar Index



## Housing Starts & Mortgage Rates



## Selected TM Capital Leveraged Finance Experience

**A SPECIALTY CONSUMER FINANCE COMPANY**

HAS SECURED A \$220 MILLION CREDIT FACILITY FROM

**A LEADING PROVIDER OF HOME DÉCOR**

HAS SECURED A \$15.5 MILLION JUNIOR CAPITAL INVESTMENT  
HAS RECEIVED A SECOND LIEN NOTE FROM

**mud pie**  
HOME FINE HOMES

HAS COMPLETED A DEBT RECAPITALIZATION WITH SENIOR SECURED CREDIT FACILITIES PROVIDED BY

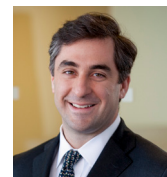
AND AN ASSET-BASED REVOLVING CREDIT FACILITY PROVIDED BY

**TRUIST**

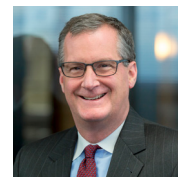
## TM Capital's Leveraged Finance Contacts



**Robert Grien**  
Managing Director  
rgrien@tmcapital.com  
212.809.1434



**Jerome Romano**  
Managing Director  
jromano@tmcapital.com  
617.259.2206



**David Felts**  
Managing Director  
dfelts@tmcapital.com  
404.995.6252



**Steve Hunter**  
Managing Director, Sponsor Coverage  
shunter@tmcapital.com  
404.995.6232



**Jordan Cleare**  
Vice President  
jcleare@tmcapital.com  
404.661.7435

Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac