



LEVERAGED FINANCE MONTHLY

APRIL 2023

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.

	APRIL '23	MARCH '23	FEBRUARY '23	JANUARY '23	APRIL '22
Indices					
10-Year Treasury	3.44%	3.48%	3.92%	3.52%	2.85%
10-Year vs. 2-Year Spread (basis points)	(60)	(58)	(89)	(69)	22
Secured Overnight Financing Rate (30 Day Average)	4.82%	4.63%	4.53%	4.31%	0.29%
DJIA	33,274	33,274	32,657	34,086	33,916
S&P 500	4,169	4,109	3,970	4,077	4,288
NASDAQ	12,227	12,222	11,456	11,585	12,872
iShares HY Corporate Bond Fund (ARCA:HYG)	75	75	74	76	79
iShares Barclays Aggregate (ARCA:AGG)	100	100	97	100	104
Commodities					
Crude Oil (\$/BBL)	\$76.78	\$75.67	\$77.05	\$78.87	\$105.36
Natural Gas (\$/MMCF)	\$2.58	\$2.22	\$2.86	\$2.68	\$6.99
Gold (\$/oz.)	\$1,999	\$1,986	\$1,837	\$1,945	\$1,891
Currencies					
GBP in USD	\$1.26	\$1.24	\$1.21	\$1.23	\$1.25
EUR in USD	\$1.10	\$1.09	\$1.06	\$1.09	\$1.05
USD in JYP	¥136.12	¥132.93	¥136.12	¥130.12	¥130.78
USD in CNY	¥6.91	¥6.87	¥6.93	¥6.75	¥6.63
Large Corporate New Issue Loan Pricing (1)					
Total Spread (basis points)	496	512	451	529	465
YTM	9.83%	9.90%	10.00%	10.27%	5.47%

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

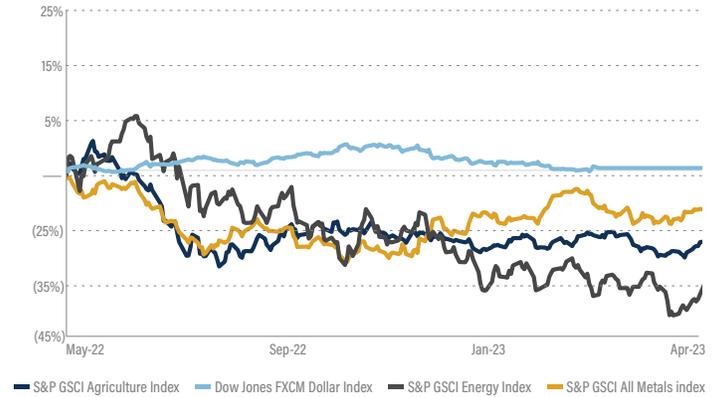
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS

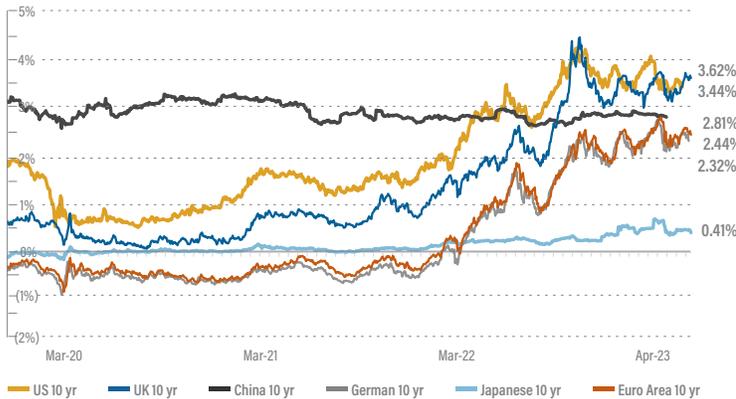
Stock Market Indices



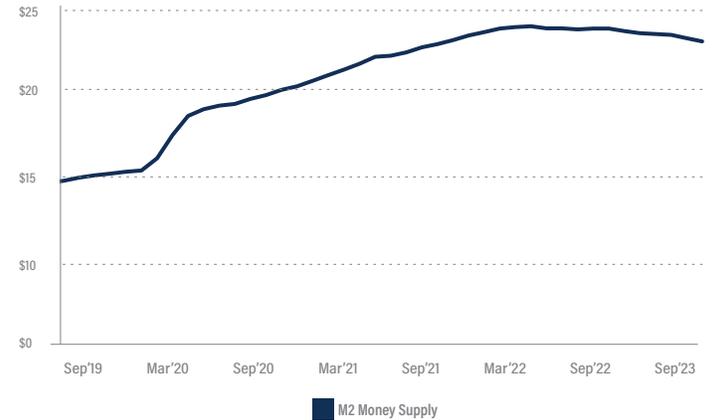
Commodities Prices



Sovereign Debt Yields



M2 Money Supply (\$ in trillions)



Consumer Confidence Index and % Change in DPI



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

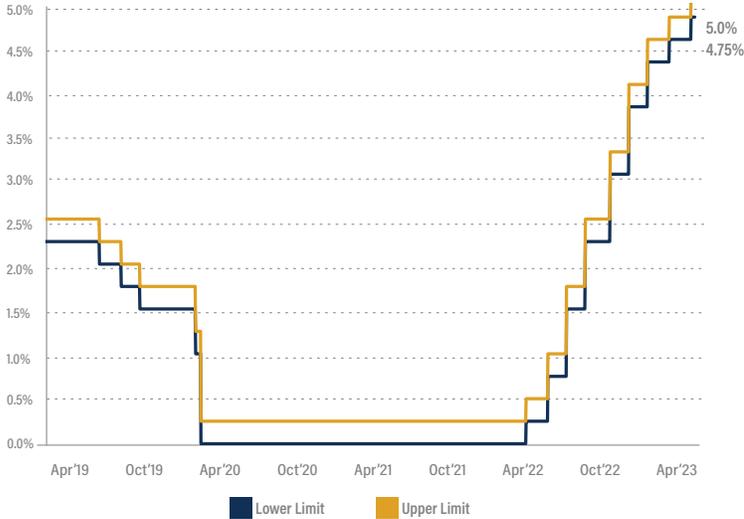
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

Default Rates of Leveraged Loans (1)



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

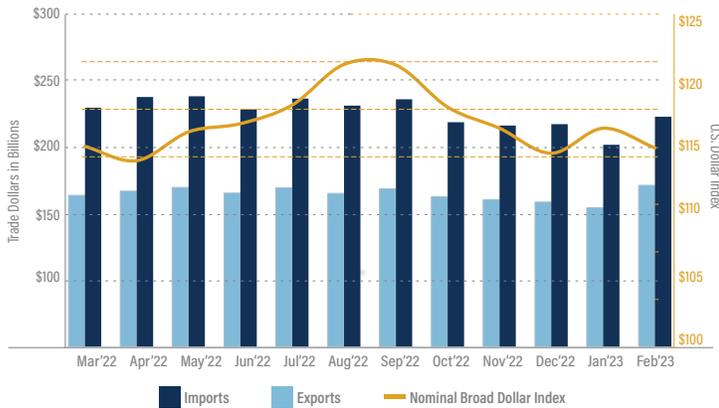
Target Fed Funds Rate



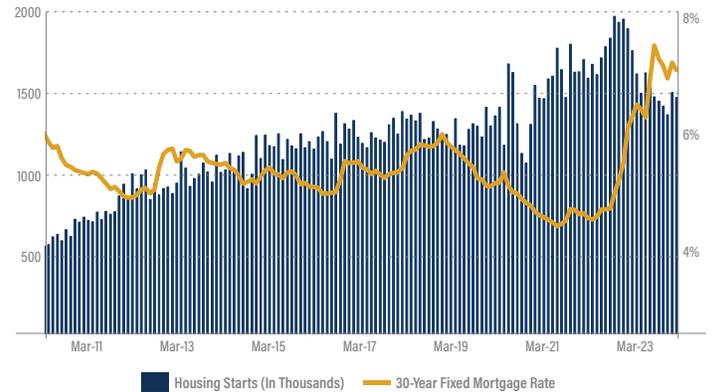
Average Debt Multiples - Large Corporate (% of Cap Structure)



U.S. Trade Deficit & Dollar Index



Housing Starts & Mortgage Rates



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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 \$155 MILLION JUNIOR CAPITAL INVESTMENT
HAS RECEIVED A SECOND LIEN NOTE FROM

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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

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