



LEVERAGED FINANCE MONTHLY

DECEMBER 2023

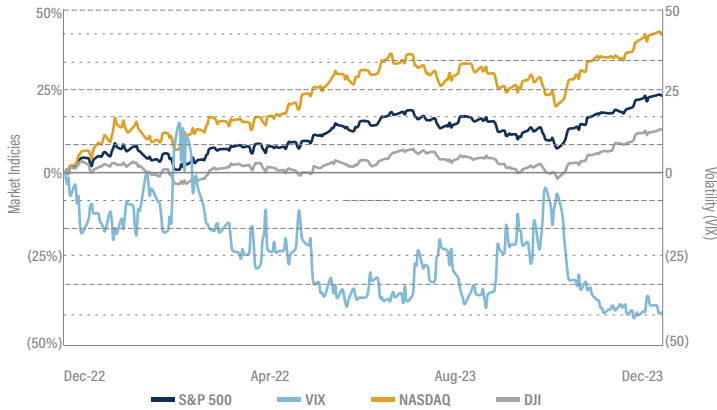
This report reviews the latest trends in the loan environment, covering the relationship between loan volume, leverage multiples and relevant macroeconomic indicators and benchmarks impacting the credit markets. It also includes a statistical update, providing a snapshot of activity across the leveraged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

	DECEMBER '23	NOVEMBER '23	OCTOBER '23	SEPTEMBER '23	AUGUST '23	DECEMBER '22
Indices						
10-Year Treasury	3.88%	4.37%	4.88%	4.59%	4.09%	3.88%
10-Year vs. 2-Year Spread (basis points)	(36)	(19)	(44)	(76)	(91)	(70)
Secured Overnight Financing Rate (30 Day Average)	5.34%	5.33%	5.32%	5.32%	5.31%	4.06%
DJIA	37,690	35,951	33,053	33,507	34,722	33,147
S&P 500	4,770	4,568	4,194	4,288	4,508	3,839
NASDAQ	15,011	14,226	12,851	13,219	14,035	10,466
iShares HY Corporate Bond Fund (ARCX: HYG)	78	76	73	74	75	73
iShares Barclays Aggregate Bond Index (ARCX: AGG)	99	96	92	94	97	97
Commodities						
Crude Oil (\$ / bbl)	\$71.65	\$75.96	\$81.02	\$90.79	\$83.63	\$80.26
Natural Gas (\$ / MMCF)	\$2.33	\$2.80	\$3.81	\$2.93	\$2.77	\$4.10
Gold (\$ / oz.)	\$2,072	\$2,057	\$1,994	\$1,866	\$1,947	\$1,826
Currencies						
GBP in USD	\$1.27	\$1.27	\$1.21	\$1.22	\$1.27	\$1.20
EUR in USD	\$1.11	\$1.09	\$1.06	\$1.06	\$1.08	\$1.07
USD in JYP	¥140.96	¥147.81	¥151.54	¥149.36	¥145.63	¥131.87
USD in CNY	¥7.09	¥7.14	¥7.32	¥7.30	¥7.26	¥6.90
Middle Market New Issue Loan Pricing						
Total Spread (basis points)	589	589	606	658	658	-
YTM	0.00%	12.54%	12.60%	12.91%	13.10%	12.99%
Large Corporate New Issue Loan Pricing (1)						
Total Spread (basis points)	383	429	455	401	429	525
YTM	9.95%	9.92%	9.91%	10.06%	10.21%	9.89%

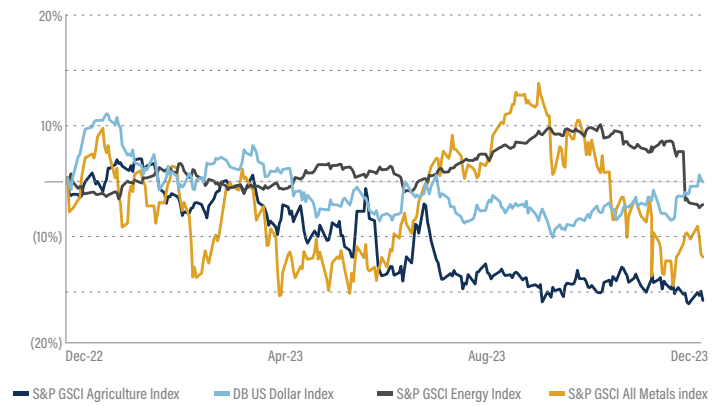
(1) "Large Corporate" defined as syndicated loans in companies with >\$50 million of pro forma adjusted EBITDA

LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS

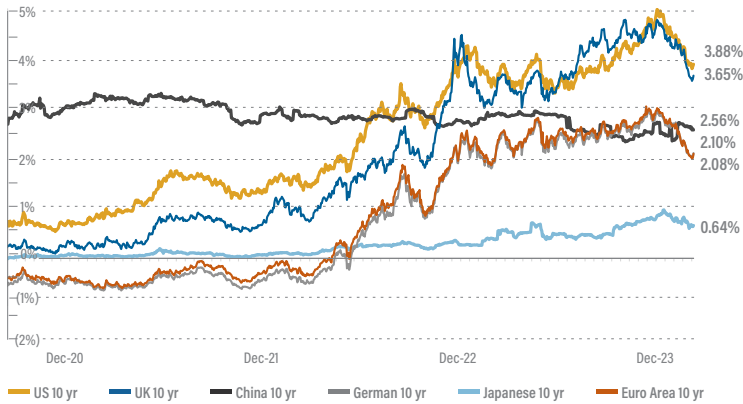
Stock Market Indices



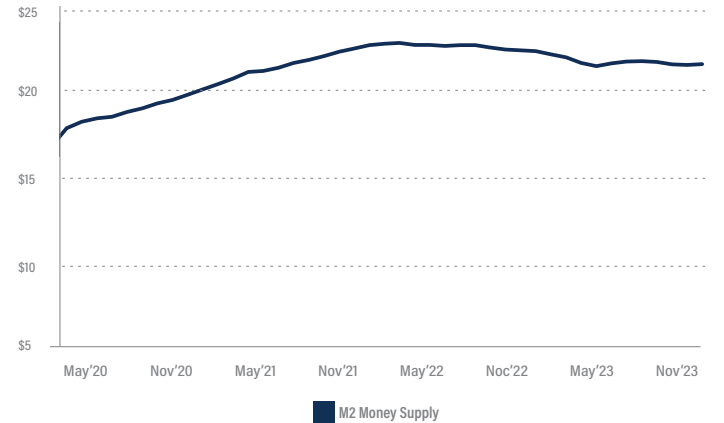
Commodities Prices



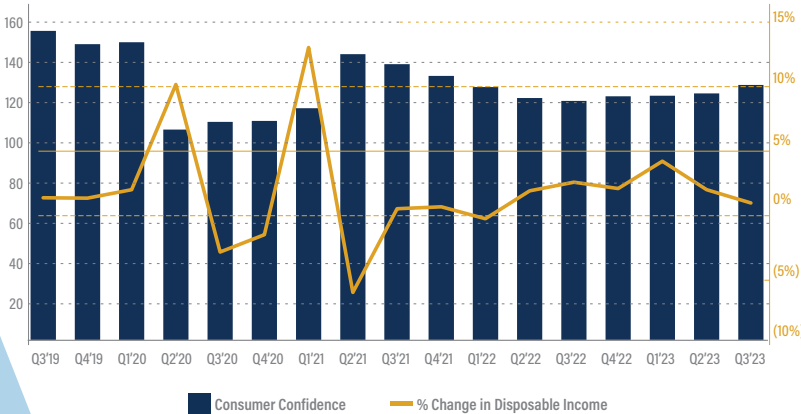
Sovereign Debt Yields



M2 Money Supply (\$ in trillions)



Consumer Confidence Index and % Change in DPI



Default Rates of Leveraged Loans (1)

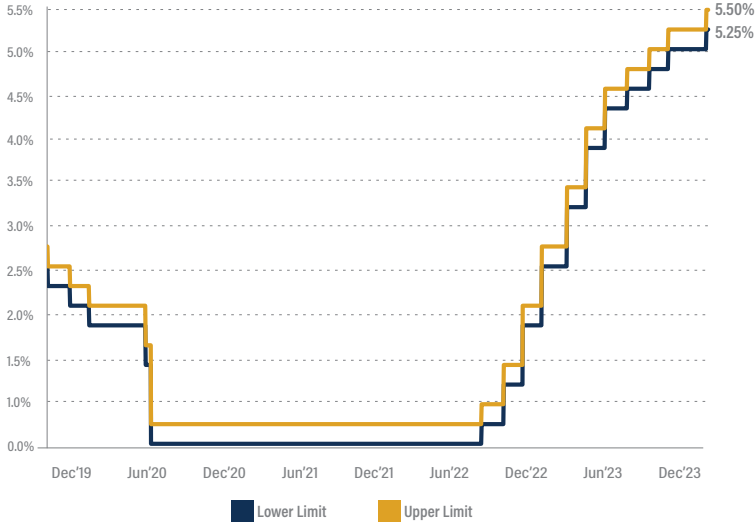


(1) Default rates based on issuances of institutional debt only

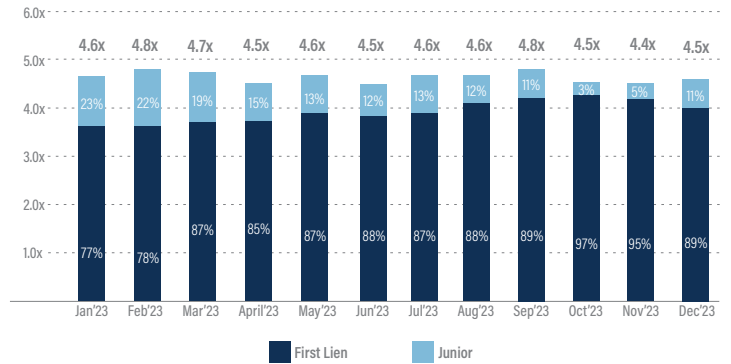
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

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

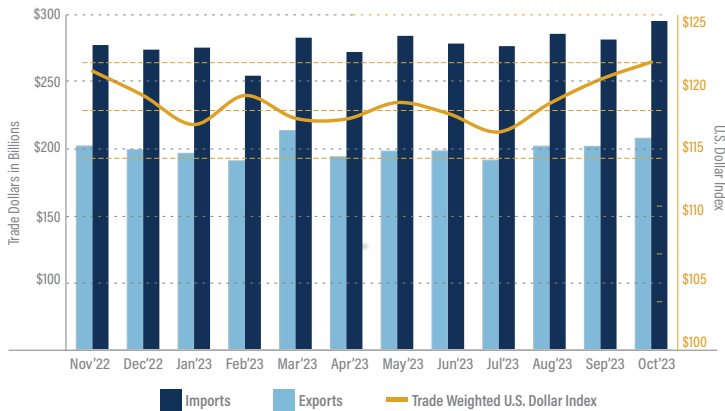
Target Fed Funds Rate



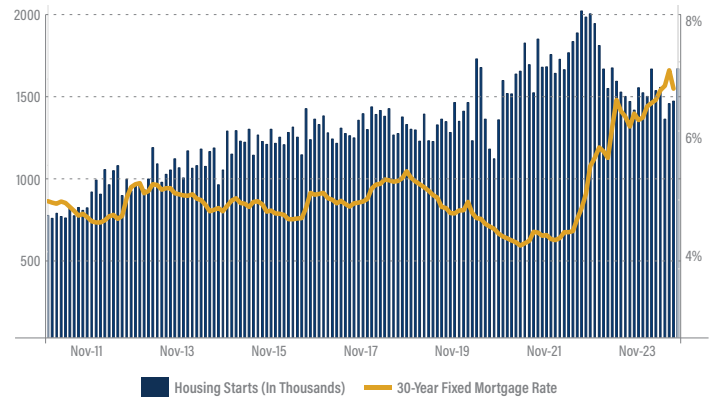
Average Debt Multiples - Large Corporate (% of Cap Structure)



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

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

AND AN ASSET-BASED REVOLVING CREDIT FACILITY PROVIDED BY

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