

LEVERAGED FINANCE MONTHLY

JANUARY 2024

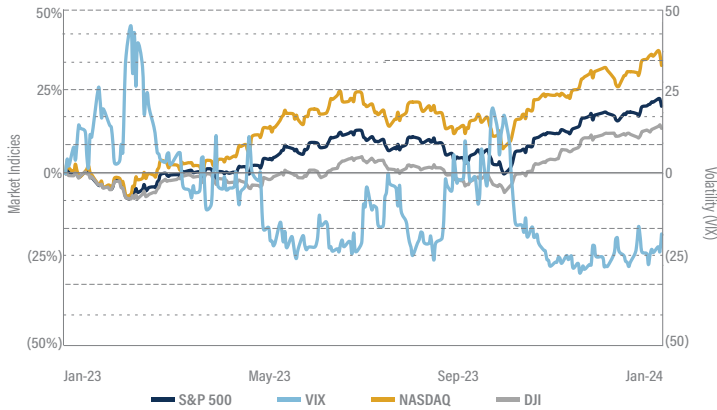
This report reviews the latest trends in the loan environment, covering the relationship between loan volume, leverage multiples and relevant macroeconomic indicators and benchmarks impacting the credit markets. It also includes a statistical update, providing a snapshot of activity across the leveraged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

	JANUARY '24	DECEMBER '23	NOVEMBER '23	OCTOBER '23	SEPTEMBER '23	JANUARY '23
Indices						
10-Year Treasury	3.99%	3.88%	4.37%	4.88%	4.59%	3.52%
10-Year vs. 2-Year Spread (basis points)	(28)	(36)	(19)	(44)	(76)	(70)
Secured Overnight Financing Rate (30 Day Average)	5.33%	5.34%	5.33%	5.32%	5.32%	4.31%
DJIA	38,150	37,690	35,951	33,053	33,507	34,086
S&P 500	4,846	4,770	4,568	4,194	4,288	4,077
NASDAQ	15,164	15,011	14,226	12,851	13,219	11,585
iShares HY Corporate Bond Fund (ARCX: HYG)	77	78	76	73	74	76
iShares Barclays Aggregate Bond Index (ARCX: AGG)	99	99	96	92	94	100
Commodities						
Crude Oil (\$ / bbl)	\$75.85	\$71.65	\$75.96	\$81.02	\$90.79	\$78.87
Natural Gas (\$ / MMCF)	\$2.10	\$2.33	\$2.80	\$3.81	\$2.93	\$2.68
Gold (\$ / oz.)	\$2,067	\$2,072	\$2,057	\$1,994	\$1,866	\$1,945
Currencies						
GBP in USD	\$1.27	\$1.27	\$1.27	\$1.21	\$1.22	\$1.23
EUR in USD	\$1.08	\$1.11	\$1.09	\$1.06	\$1.06	\$1.09
USD in JYP	¥146.30	¥140.96	¥147.81	¥151.54	¥149.36	¥130.12
USD in CNY	¥713	¥709	¥714	¥732	¥730	¥6.75
New Issue Loan Pricing						
Total Spread (basis points)	458	459	485	499	476	508
YTM	10.10%	10.13%	10.44%	10.60%	10.30%	9.87%

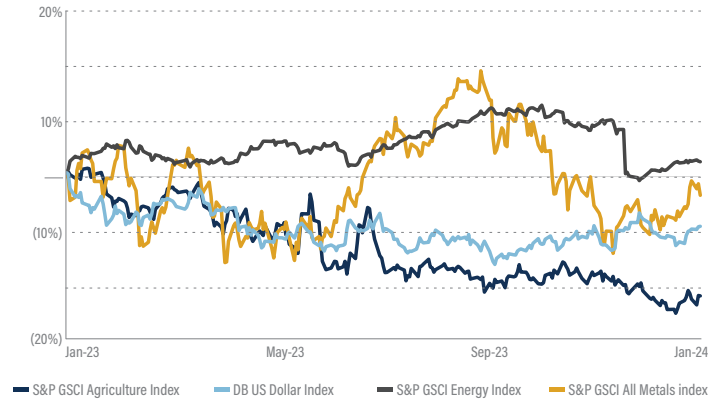
⁽¹⁾ "Large Corporate" defined as syndicated loans in companies with >\$50 million of pro forma adjusted EBITDA

LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS

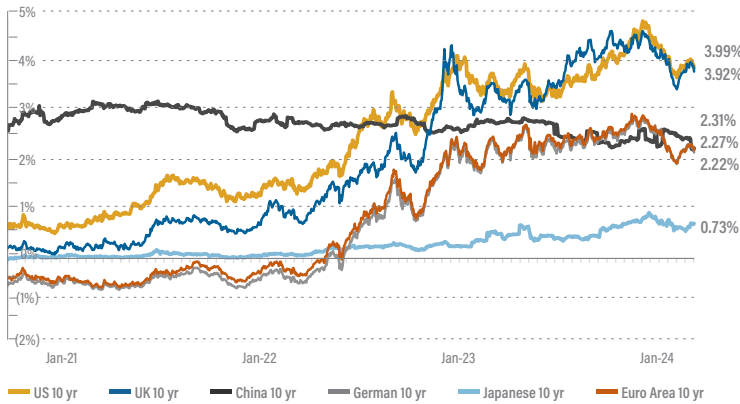
Stock Market Indices



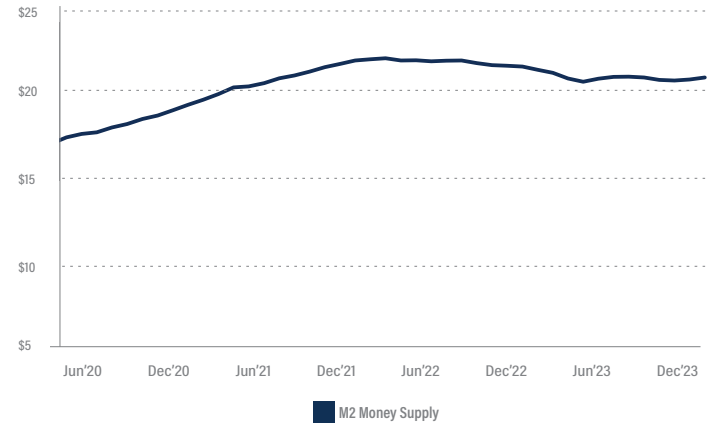
Commodities Prices



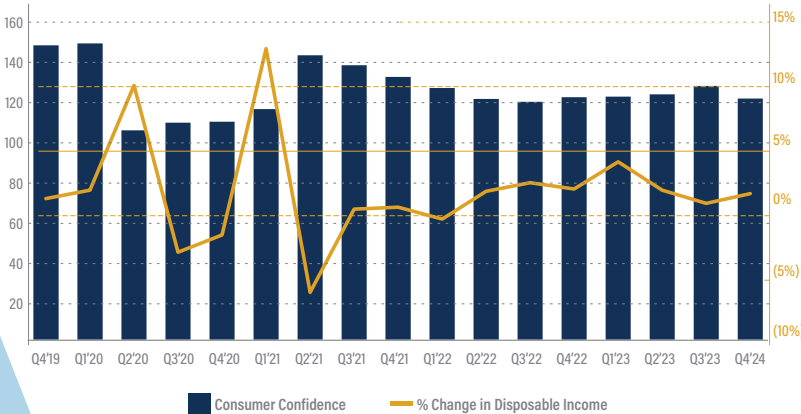
Sovereign Debt Yields



M2 Money Supply (\$ in trillions)



Consumer Confidence Index and % Change in DPI



Default Rates of Leveraged Loans (1)

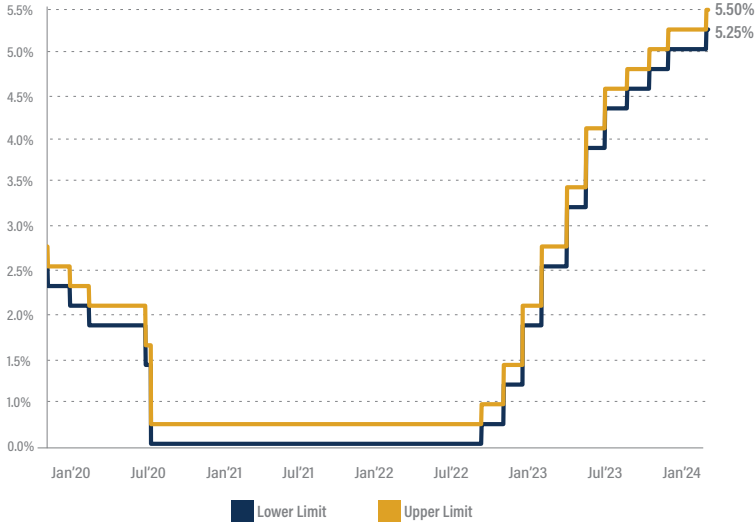


(1) Default rates based on issuances of institutional debt only

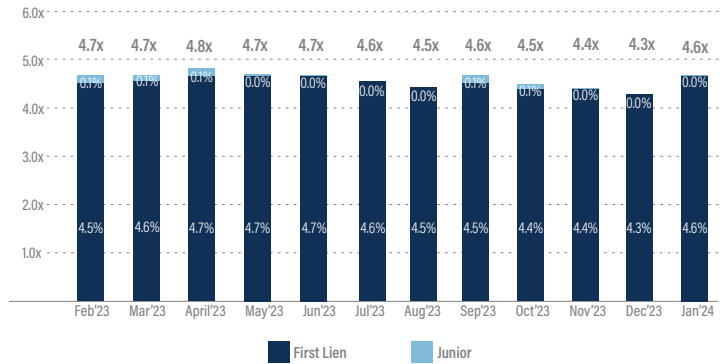
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

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

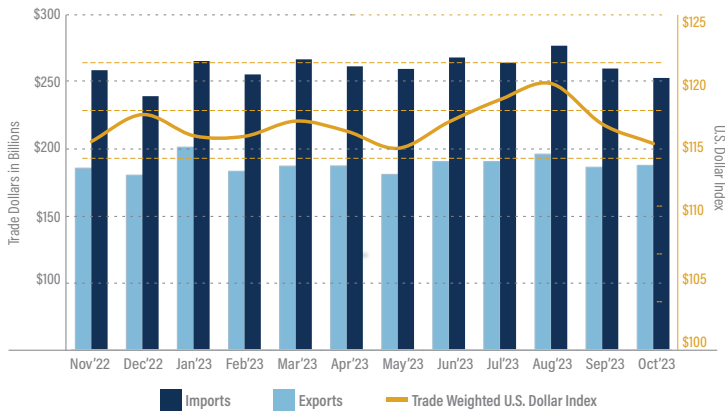
Target Fed Funds Rate



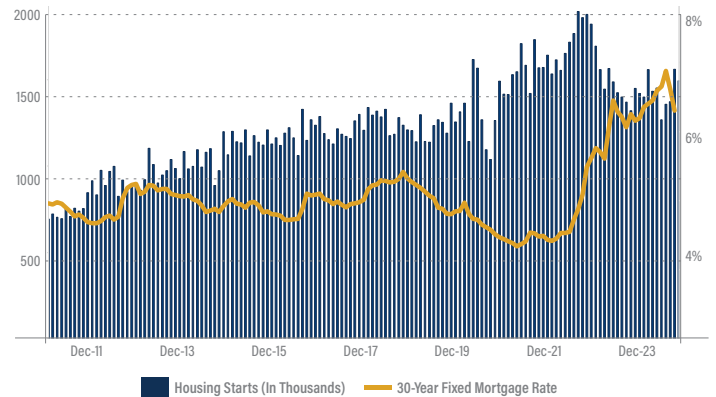
Average Debt Multiples - Large Corporate (% of Cap Structure)



U.S. Trade Deficit & Dollar Index



Housing Starts & Mortgage Rates



Selected TM Capital Leveraged Finance Experience

TCK
SOCKS SINCE 1961®

A PORTFOLIO COMPANY OF

HURON
CAPITAL

HAS COMPLETED A DEBT FINANCING WITH

Boathouse

A SPECIALTY CONSUMER FINANCE COMPANY

HAS SECURED A \$220 MILLION CREDIT FACILITY FROM

CapitalOne **BMO**

FIRST HORIZON **United Community Bank**

A LEADING PROVIDER OF HOME DÉCOR

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

Tokarz Group

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