



LEVERAGED FINANCE MONTHLY

FEBRUARY 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.

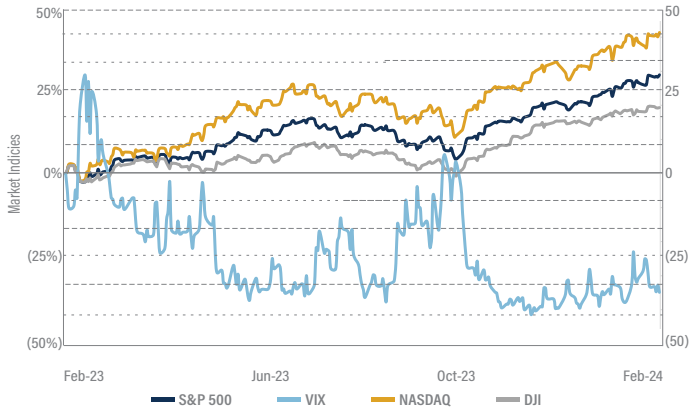
	FEBRUARY '24	JANUARY '24	DECEMBER '23	NOVEMBER '23	OCTOBER '23	FEBRUARY '23
Indices						
10-Year Treasury	4.25%	3.99%	3.88%	4.37%	4.88%	3.92%
10-Year vs. 2-Year Spread (basis points)	(39)	(28)	(36)	(19)	(44)	(70)
Secured Overnight Financing Rate (30 Day Average)	5.32%	5.33%	5.34%	5.33%	5.32%	4.53%
DJIA	38,996	38,150	37,690	35,951	33,053	32,657
S&P 500	5,096	4,846	4,770	4,568	4,194	3,970
NASDAQ	16,092	15,164	15,011	14,226	12,851	11,456
iShares HY Corporate Bond Fund (ARCX: HYG)	77	77	78	76	73	74
iShares Barclays Aggregate Bond Index (ARCX: AGG)	97	99	99	96	92	97
Commodities						
Crude Oil (\$ / bbl)	\$78.26	\$75.85	\$71.65	\$75.96	\$81.02	\$77.05
Natural Gas (\$ / MMCF)	\$1.86	\$2.10	\$2.33	\$2.80	\$3.81	\$2.86
Gold (\$ / oz.)	\$2,055	\$2,067	\$2,072	\$2,057	\$1,994	\$1,837
Currencies						
GBP in USD	\$1.26	\$1.27	\$1.27	\$1.27	\$1.21	\$1.21
EUR in USD	\$1.08	\$1.08	\$1.11	\$1.09	\$1.06	\$1.06
USD in JYP	¥149.84	¥146.30	¥140.96	¥147.81	¥151.54	¥136.12
USD in CNY	¥719	¥713	¥709	¥714	¥732	¥6.93
New Issue Loan Pricing						
Total Spread (basis points)	417	385	445	479	491	496
YTM	9.74%	9.45%	10.13%	10.09%	10.38%	9.89%

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

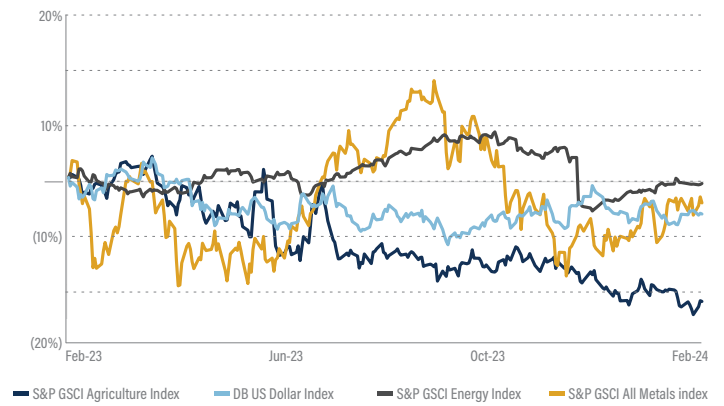
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS

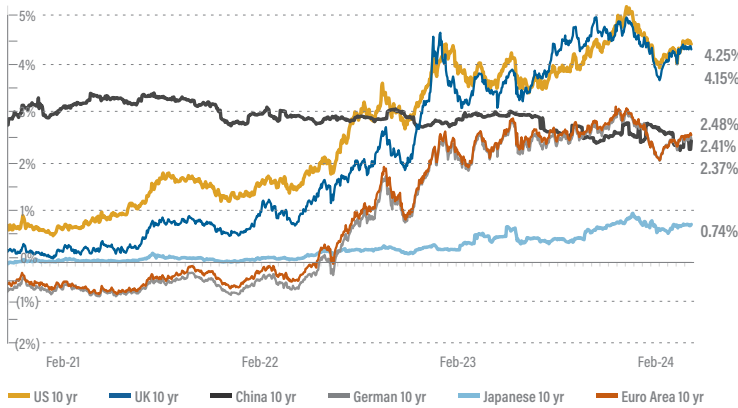
Stock Market Indices



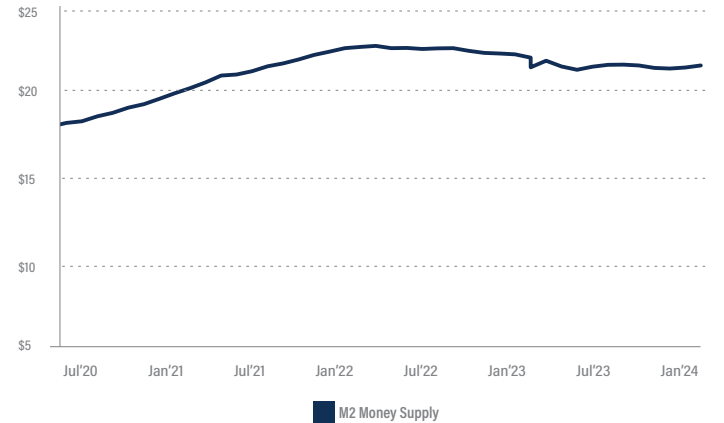
Commodities Prices



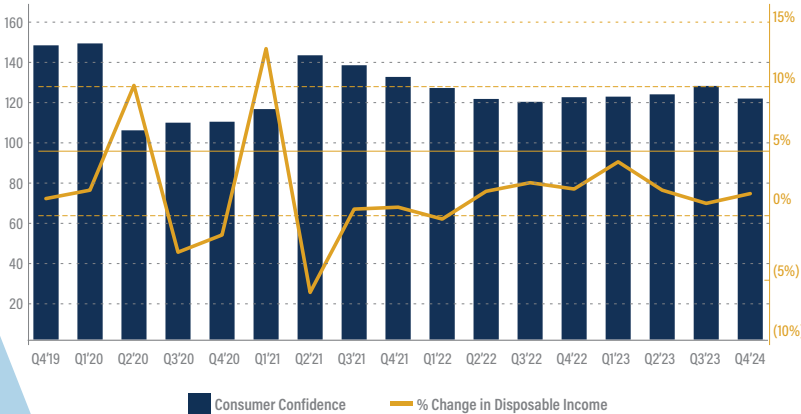
Sovereign Debt Yields



M2 Money Supply (\$ in trillions)



Consumer Confidence Index and % Change in DPI



Default Rates of Leveraged Loans (1)

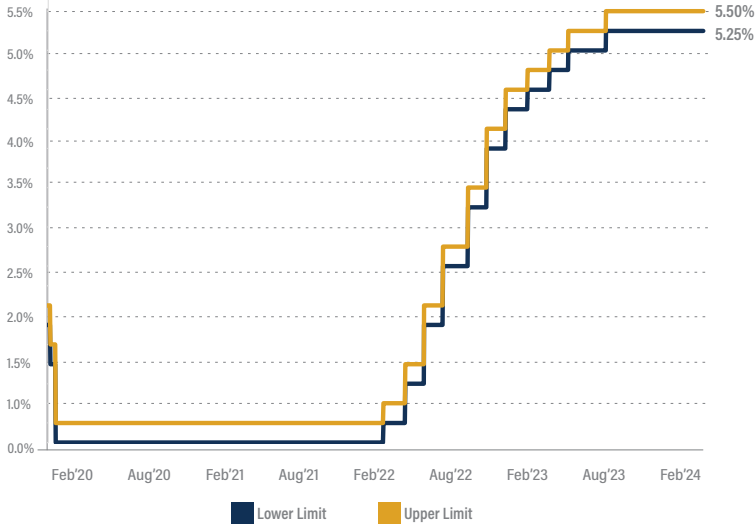


(1) Default rates based on issuances of institutional debt only

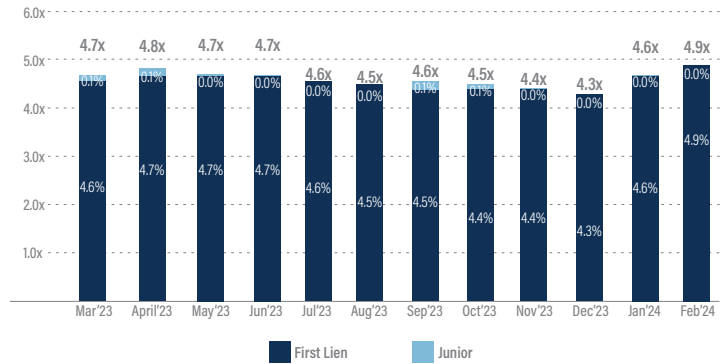
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

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

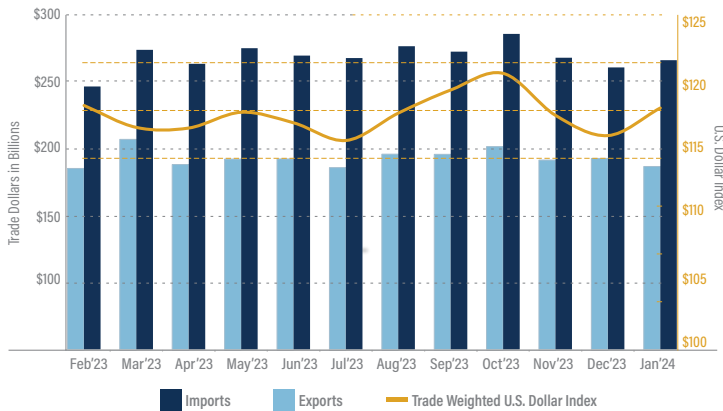
Target Fed Funds Rate



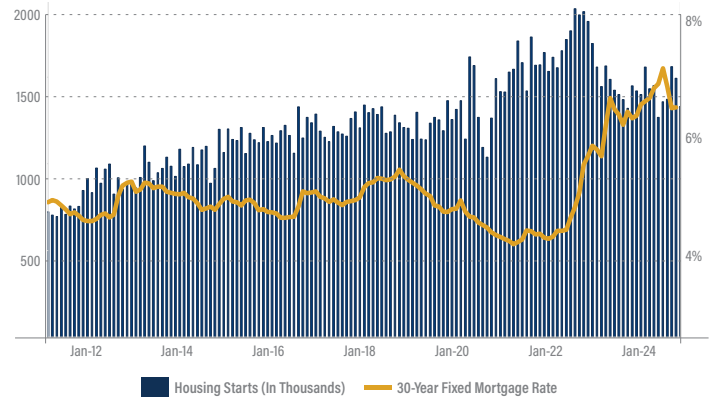
Average Debt Multiples - Large Corporate (% of Cap Structure)



U.S. Trade Deficit & Dollar Index



Housing Starts & Mortgage Rates



Selected TM Capital Leveraged Finance Experience

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

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