

Briefing

Global Economic & Credit Market

Week 8 Ending – February 23, 2024

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Economic Calendar

- Monday, February 26: New home sales
- Tuesday, February 27: Consumer confidence
- Thursday, February 29: Initial jobless claims

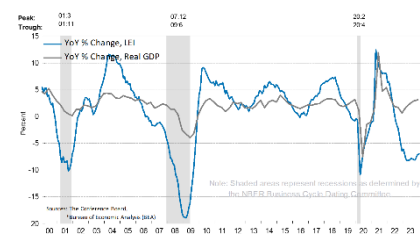
Key Market Metrics

- S&P 500: +1.66% WoW; +6.69% YTD; +26.83% YoY; 15.1x LTM EBITDA; 12.5x NTM EBITDA
- Dow Jones: +1.30% WoW; +3.83% YTD; +18.03% YoY; 11.2x LTM EBITDA; 12.3x NTM EBITDA
- Nasdaq: +1.40% WoW; +6.56% YTD; +38.02% YoY
- Ten Year US Treasury Yield: 4.31% (3) bps YTD; +37 bps YoY
- Currency:
 - British Pound per USD: \$1.27; 0.6% WoW; (0.4%)YTD; 5.5% YoY
 - Euro per USD: \$1.08; 0.4% WoW; (2.0%)YTD; 2.1% YoY
 - USD per Yen: ¥150.51; 0.2% WoW; 6.8% YTD; 11.7% YoY
 - Swiss franc per EUR: 1.05 CHF; (0.4%)WoW; (2.6%)YTD; 3.8% YoY

U.S. News

U.S. Leading Economic Indicators

- The Leading Economic Index dropped by 0.4%, but 6 of its 10 components had positive results over six months
- The Conference Board anticipates no recession, hinting at economic stabilization despite the LEI's decline
- The Coincident Economic Index increased by 0.2%, indicating steady growth fueled by employment and income gains.



Initial Jobless Claims

- Initial jobless claims in the U.S. dropped to a five-week low of 201,000 in mid-February, indicating a strong labor market
- The decrease was partly influenced by a significant drop in unemployment filings in California due to processing delays related to the President's Day holiday
- Continuing claims for unemployment benefits in the U.S. decreased by 27,000 to 1.86 million, reaching a level comparable to pre pandemic.

S&P Flash US Manufacturing PMI

- The flash U.S. manufacturing PMI reached a 17-month peak of 51.5 in February, supported by the strongest increase in new orders seen in over 18 months
- Supply chain pressures eased, leading to the best supplier performance in seven months
- Firms increased stocks, marking the first pre-production inventory growth since August 2022.

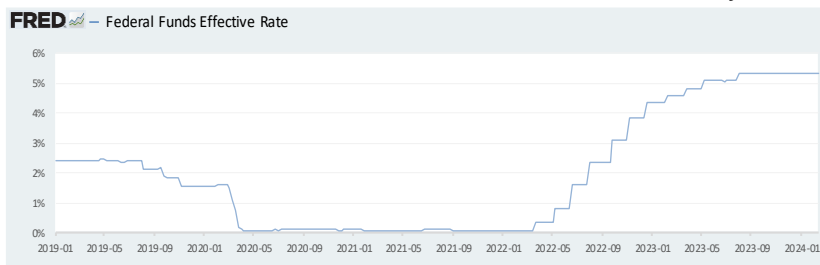


- **Inflation Factors**

- CPI:
 - The consumer-price index rose 3.1% in January year over year
 - On a monthly basis, the CPI increased 0.3% in January on a seasonally adjusted basis, after increasing 0.2% in December
 - The index for all items less food and energy (core CPI) rose 0.4% in January, after rising 0.3% in December
 - Core CPI increased 3.9% for the 12 months ending January
- Food & Beverages:
 - The food at home index increased 1.2% in January from the same month a year earlier, and increased 0.4% in January month over month
 - The food away from home index increased 5.1% in January from the same month a year earlier, and increased 0.5% in January month over month
- Commodities:
 - The energy commodities index decreased (3.2%) in January after decreasing (0.7%)
 - The energy commodities index fell (6.8%) over the last 12 months
 - The energy services index 2.5% in January after increasing 0.4% in December
 - The energy services index fell (2.0%) over the last 12 months
 - The gasoline index fell (6.4%) over the last 12 months
 - The fuel oil index fell (14.2%) over the last 12 months
 - The index for electricity rose 3.8% over the last 12 months
 - The index for natural gas fell (17.8%) over the last 12 months
- Supply Chain:
 - Drewry's composite World Container Index decreased to \$3,659.41 per 40ft
 - Drewry's composite World Container Index has increased by 92.8% over the last 12 months
- Housing Market:
 - The shelter index increased 0.6% in January after increasing 0.4% in December
 - The rent index increased 0.6% in January after increasing 0.4% in December
 - The index for lodging away from home increased 4.3% in January after decreasing (1.1%) in December

- **Federal Funds Rate**

- The effective Federal Funds Rate is at 5.33%, flat 0.00% year to date



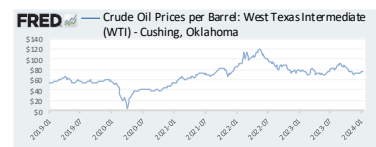
World News

- **Russia**
 - Alexei Navalny's body has been handed over to his mother by Russian authorities following his death in an Arctic prison camp, after a period of uncertainty regarding the oversight of his burial
 - Andrey Kostin, head of Russia's VTB Bank, faces U.S. charges for allegedly violating sanctions through ownership of yachts and a sale of a Colorado mansion
 - Western sanctions have not stopped Russia's military actions in Ukraine, prompting new sanctions, including targeting entities in mainland China.
- **Israel**
 - CIA Director William Burns met with key international figures in Paris to discuss a ceasefire between Israel and Hamas
 - The meeting aimed to negotiate a deal that would pause fighting in Gaza and secure the release of Israeli hostages in exchange for Palestinian prisoners
 - More than 29,000 Palestinians have been killed since the beginning of the Israeli offensive, with the majority being women and children, according to Palestinian health authorities.
- **South Korea**
 - South Korean President Yoon Suk Yeol has targeted the "Korean discount" affecting the country's stock market, leading to regulatory measures aimed at encouraging higher valuations, including a name-and-shame policy for undervalued companies
 - Shares of Hyundai Motor and Kia have increased more than 30% in dollar terms since the president's speech, with Hyundai trading at just 70% of net asset value (NAV)
 - Hyundai is considering an initial public offering of its Indian business with a valuation of \$30 billion, compared to its own market value of \$48 billion.
- **China**
 - Wu Qing, the newly appointed head of the China Securities Regulatory Commission, held a two-day seminar with market participants to discuss policies for the capital market's long-term development
 - The seminar aimed to gather advice on addressing current market concerns and policy issues, with recommendations including stricter regulations for new equity offerings and improved supervision of listed companies
 - China's imports of copper ore and concentrate were over 20% higher in the last quarter compared to the first quarter of 2021, indicating solid demand growth driven by the electric vehicle and green power boom
 - China's iron ore imports reached a record of 1.18 billion metric tons in 2023, showcasing a surprisingly strong demand for steel in manufacturing and infrastructure, despite a significant downturn in the property sector.

Commodities

Oil Prices

- WTI: \$76.56 per barrel
 - (3.32%) WoW; +6.85% YTD; +1.55% YoY
- Brent: \$81.68 per barrel
 - (2.14%) WoW; +6.02% YTD; (0.64%) YoY



US Production

- U.S. oil production amounted to 13.3 million bpd for the week ended February 16, down 0.0 million bpd from the prior week

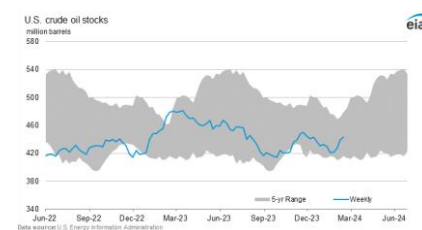
Rig Count

- The total number of oil rigs amounted to 626, up 5 from last week

Inventories

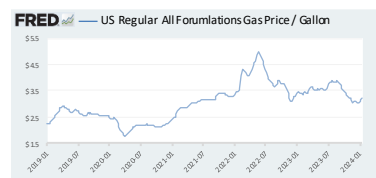
Crude Oil

- Total U.S. crude oil inventories now amount to 443.0 million barrels, down (7.5%) YoY
- Refiners operated at a capacity utilization rate of 80.6% for the week, down from 80.6% in the prior week
- U.S. crude oil imports now amount to 6.470 million barrels per day, down 5.2% YoY



Gasoline

- Retail average regular gasoline prices amounted to \$3.27 per gallon in the week of February 23, down (3.5%) YoY
 - Gasoline prices on the East Coast amounted to \$3.34, down (1.7%) YoY
 - Gasoline prices in the Midwest amounted to \$3.20, down (2.9%) YoY
 - Gasoline prices on the Gulf Coast amounted to \$2.99, down (3.2%) YoY
 - Gasoline prices in the Rocky Mountain region amounted to \$3.05, down (22.8%) YoY
 - Gasoline prices on the West Coast amounted to \$4.19, down (2.9%) YoY
- Motor gasoline inventories were down by 0.3 million barrels from the prior
- Motor gasoline inventories amounted to 247.0 million barrels, up 2.9% YoY
- Production of motor gasoline averaged 9.03 million bpd, down (4.2%) YoY
- Demand for motor gasoline amounted to 8.200 million bpd, down (8.0%) YoY



Distillates

- Distillate inventories decreased by -4.0 million in the week of February 23
- Total distillate inventories amounted to 121.7 million barrels, down (0.2%) YoY
- Distillate production averaged 4.171 million bpd, down (11.3%) YoY
- Demand for distillates averaged 3.940 million bpd in the week, up 4.5% YoY

Geopolitical Hotspots

- **Canada**
 - Lynx Air, a budget airline based in Calgary, is shutting down due to rising costs, unfavorable exchange rates, and competitive tension in the Canadian aviation market, ceasing operations from 12:01 am Mountain Time on Monday, 26 February
- **Japan**
 - Taiwanese chip giant TSMC officially opened an \$8.6-billion chip plant in Japan to help assure global semiconductor supplies, marking a significant international investment by the company and aiming to strengthen the resilience of chip supply globally and in Japan
- **Argentina**
 - President Javier Milei of Argentina hosted U.S. Secretary of State Antony J. Blinken in Buenos Aires to discuss reshaping Argentina's foreign policy in alignment with the United States, amidst economic challenges and the pursuit of stability
- **Brazil**
 - Brazilian Federal Police seized the passport of former President Jair Bolsonaro and arrested four of his close allies as authorities narrowed in on the conservative and his aides over allegations that they plotted a military takeover as early as late-2022
- **Nicaragua**
 - Nicaragua's authoritarian government, which has expelled religious leaders, political opponents and journalists, has granted asylum to a former Panamanian president convicted of money laundering, the third former leader from the region to find refuge in Managua
- **Sweden**
 - Hungarian Prime Minister Viktor Orban escalated a standoff with Western allies over Sweden's NATO accession after a senior US lawmaker called for potential sanctions against the lone holdout
- **Ecuador**
 - Ecuador is at war with drug gangs, President Daniel Noboa said, as troops patrolled the country's largest city, Guayaquil, a day after gunmen took over a TV studio and launched a series of attacks against the Andean nation's new government

Credit News

High yield bond yields decreased 8bps to 7.79% and spreads decreased 16bps to 333bps. Leveraged loan yields increased 1bps to 9.48% and spreads decreased 5bps to 522bps. WTD Leveraged loan returns were positive 33bps. WTD high yield bond returns were positive 43bps. 10yr treasury yields increased 9bp to 4.33%. For the week, spreads and yields tightened due to resilient growth, earnings, and rapidly improving capital market access continue to support valuations.

High-yield:

Week ended 02/23/2024

- Yields & Spreads¹

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
7.79%	333	7.87%	349	(8)	(16)

- Pricing & Returns¹

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2023
\$92.96	\$92.72	24	0.43%	-0.02%	0.37%	13.5%

- Fund Flows²

Total Flows (\$)
\$11mm

- New Issue²

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
5	\$4.3bn	\$55.4bn	\$31.6bn	+75%

- Distressed Level (trading in excess of 1,000 bps)²

1/30/24	12/30/23	11/30/23
6.70%	6.60%	7.80%

- Total HY Defaults

1/30/24	12/30/23	11/30/23
2.04%	2.08%	2.08%

¹ Source: Credit Suisse High Yield and Leveraged Loan Index

² Source: JP Morgan

Leveraged loans:

Week ended 02/23/2024

- Yields & Spreads¹

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
9.48%	522	9.47%	527	1	(5)

- Leveraged Loan Index¹

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2023
\$95.68	\$95.56	12	0.33%	0.66%	1.43%	12.9%

- Fund Flows²

Total Flows (\$)
\$210mm

- New Issue²

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
17	\$13.6bn	\$191.5bn	\$48.5bn	+295%

- Distressed Level (loan price below \$80)¹

1/30/24	12/30/23	11/30/23
5.80%	7.10%	7.80%

- Total Loan Defaults

1/30/24	12/30/23	11/30/23
1.95%	2.10%	2.01%

Default activity:

- Most recent defaults include: Careismatic (\$700mn, 1/22/24), Enviva Partners (\$750mn, 1/15/24), Mobileum (\$538mm, 12/1/23), Ligado Networks (\$4.2bn, 11/1/23), Air Methods (\$1.7bn, 10/24/23), WeWork (\$1.6bn, 10/15/23), Rite Aid (\$3.0bn 10/16/23)

CLOs:

Week ended 02/23/2024

- New U.S. CLO Issuance²

# Priced	Total (\$)	New Issue	Refis/Resets
15	\$7.0bn	\$5.6bn	\$1.4bn

- New U.S. CLO YTD Issuance²

Total U.S. CLOs	Total (\$)	New Issue	Refis/Resets	Prior Year YTD	CY vs. PY
92	\$41.0bn	\$27.6bn	\$13.4bn	\$19.6bn	+109%

Note: High-yield and leveraged loan yields and spreads are swap-adjusted

¹ Source: Credit Suisse High Yield and Leveraged Loan Index

² Source: JP Morgan

Ratings activity:

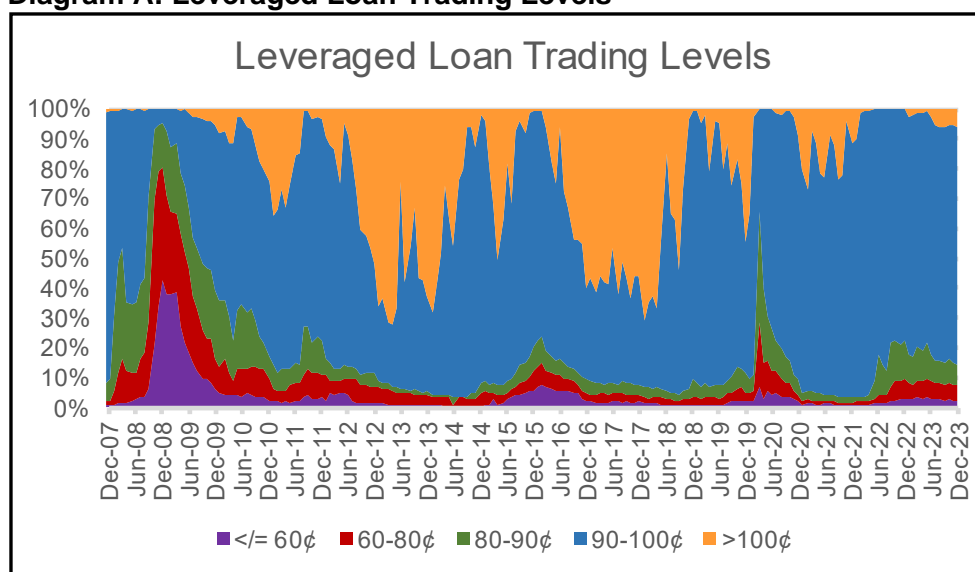
- S&P and Moody's High Yield Ratings

	S&P			Moody's		
	Downgrades	Upgrades	Ratio	Downgrades	Upgrades	Ratio
Full Year 2023	546	304	1.8x	488	288	1.7x
Week Ending 01/05/24	1	2	0.5x	0	2	0.0x
Week Ending 01/12/24	8	6	1.3x	3	7	0.4x
Week Ending 01/19/24	2	6	0.3x	12	6	2.0x
Week Ending 01/26/24	10	0	n/a	15	6	2.5x
Week Ending 02/02/24	3	13	0.2x	11	7	1.6x
Week Ending 02/09/24	18	6	3.0x	5	7	0.7x
Week Ending 02/16/24	8	2	4.0x	14	9	1.6x
Week Ending 02/23/24	8	4	2.0x	10	15	0.7x
YTD 2024	58	39	1.5x	70	59	1.2x

Source: Bloomberg

Appendix:

Diagram A: Leveraged Loan Trading Levels



Source: Credit Suisse Leveraged Loan Index

Diagram B: High Yield and Leveraged Loan LTM Price

High Yield and Leveraged Loan Data [1]				
	LTM Price			
	Avg. Price	High [2]	Low [3]	LTM High vs. Low Δ
High Yield	88.5	93.3	85.4	8.0
Leveraged Loans	94.1	95.7	92.0	3.7

[1] Data is from Credit Suisse High Yield Market Index and Credit Suisse Leveraged Loan Index

[2] HY high price as of 2/1/24. LL high price as of 2/22/24

[3] HY low price as of 3/15/23. LL low price as of 3/24/23

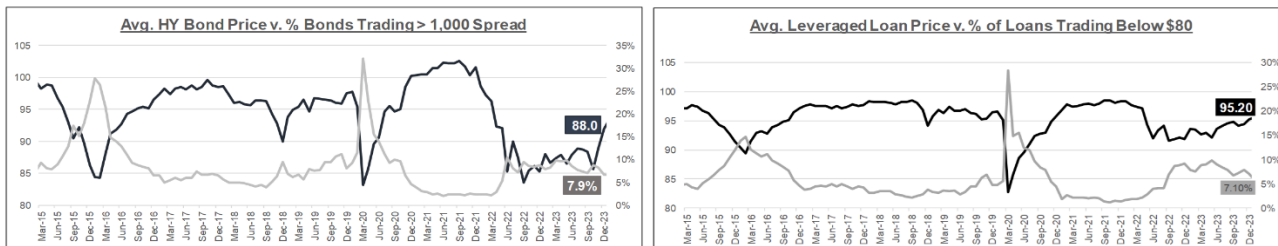
Diagram C: Leveraged Loan and High Yield Returns

	Leveraged Loan and High Yield Returns			
	Leveraged Loan Indices		High Yield Indices	
	Credit Suisse [1]	S&P/LSTA [2]	Credit Suisse [1]	S&P [2]
Weekly Return	0.33%	0.28%	0.43%	0.12%
MTD Return	0.66%	0.69%	(0.02%)	(0.87%)
YTD Return	1.43%	1.32%	0.37%	0.00%

[1] Credit Suisse Total Return information is calculated weekly. Yield data is as of 02/23/2024

[2] Yield data as of 02/23/2024

Diagram H: Percentage of Leveraged Loan and High Yield Market Trading at Distressed



Source: CSFB. Data is reported monthly.

Source: JPM. Data is reported monthly.

Diagram I: High Yield Upgrades and Downgrades

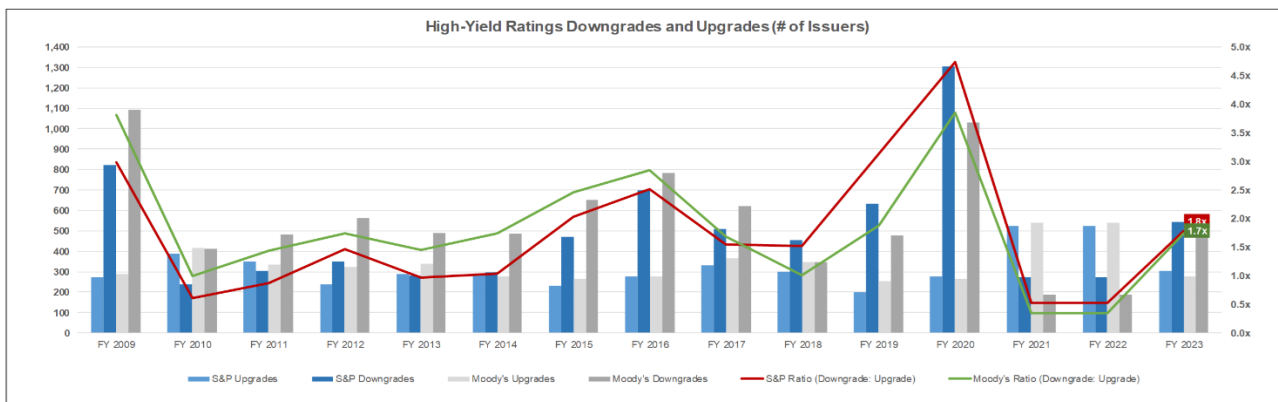
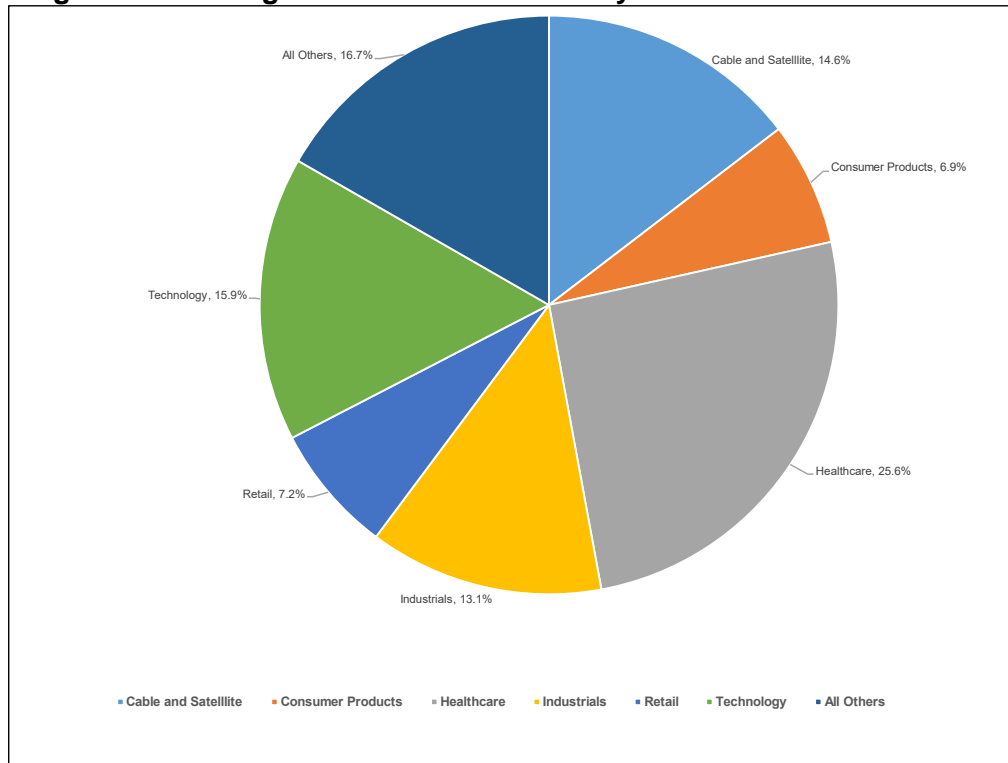


Diagram J: Leveraged Loan + HY Defaults by Sector – LTM



Source: JP Morgan Default Monitor.

Diagram L: CLO Economics

CLO Economics								
AAA Coupons	AAA DMs	WAC Liabilities	DM Liabilities	Leverage	Asset WAS	All In WAS [1]	IRR est.	Cash on Cash est.
L+135-150	L+135-150	L+200-240	L+220-280	9-11x	L+300-360	L+330-390	9-12%	10-14%

*Assumptions: 2% Default / 65% Recovery / 4 year Reinvestment Period

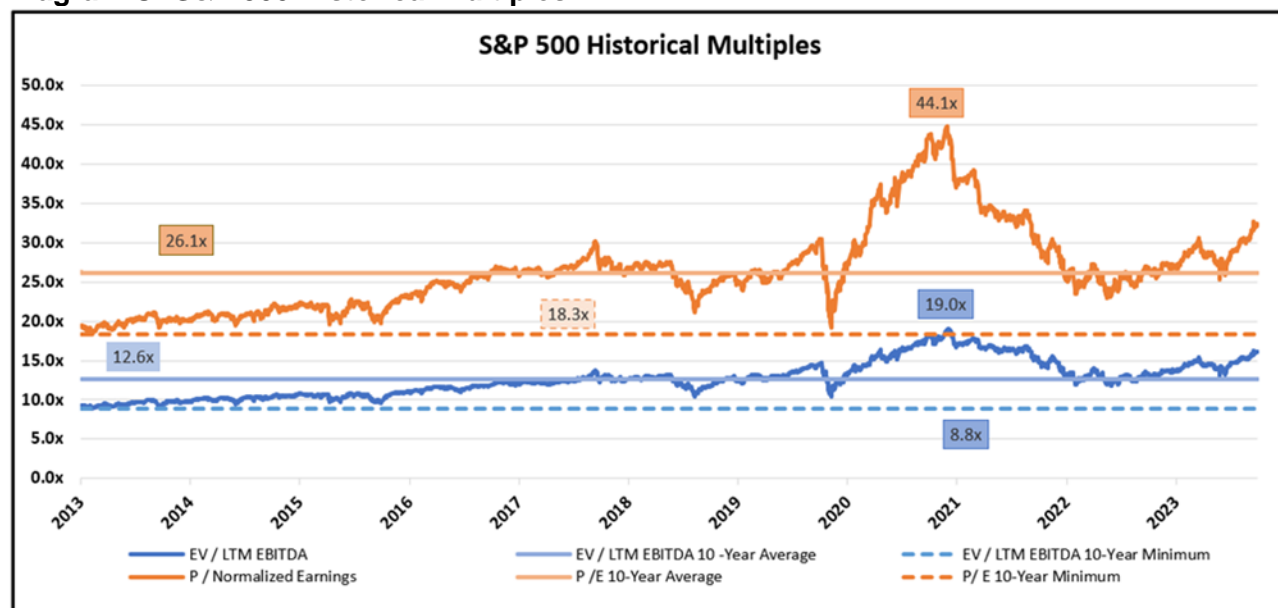
[1] Spread includes OID benefit based on 4 year repayment

Diagram N: Developed Country GovBond Yields (%)

By	2/2/24	2/9/24	2/16/24	2/23/24	Weekly	Q4 2023	Change Q3 2023	Q2 2023	Q1 2023
France - 10 year	2.75%	2.90%	2.88%	2.83%	(5 bps)	(84 bps)	47 bps	14 bps	(32 bps)
Germany - 10 year	2.24%	2.38%	2.40%	2.36%	(4 bps)	(82 bps)	45 bps	10 bps	(28 bps)
Italy - 10 year	3.82%	3.97%	3.89%	3.80%	(8 bps)	(108 bps)	71 bps	(3 bps)	(62 bps)
Japan - 10 year	0.67%	0.73%	0.74%	0.72%	(2 bps)	(16 bps)	37 bps	1 bps	(3 bps)
UK - 10 year	3.92%	4.09%	4.11%	4.04%	(7 bps)	(90 bps)	6 bps	93 bps	(18 bps)
US									
US - 2 year	4.36%	4.48%	4.64%	4.69%	5 bps	(85 bps)	17 bps	97 bps	(46 bps)
US - 5 year	3.98%	4.14%	4.27%	4.28%	1 bps	(86 bps)	52 bps	69 bps	(50 bps)
US - 10 year	4.02%	4.18%	4.28%	4.26%	(2 bps)	(80 bps)	82 bps	44 bps	(46 bps)
US - 30 year	4.22%	4.37%	4.44%	4.38%	(6 bps)	(76 bps)	93 bps	23 bps	(33 bps)

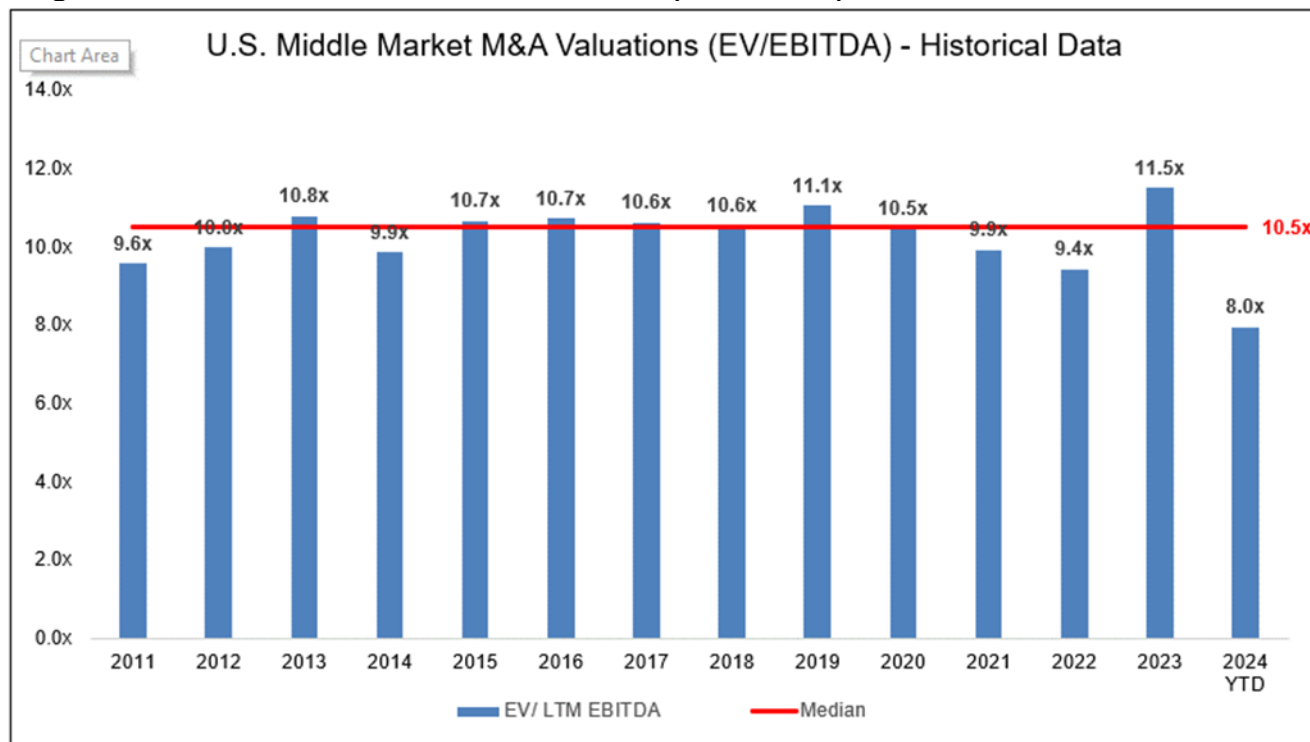
Source: Bloomberg

Diagram O: S&P 500 Historical Multiples



Source: S&P Capital IQ

Diagram P: U.S. Middle-Market M&A Valuations (EV/EBITDA)



Source: Pitchbook

Diagram Q: U.S. Large Cap M&A Valuations (EV/EBITDA)

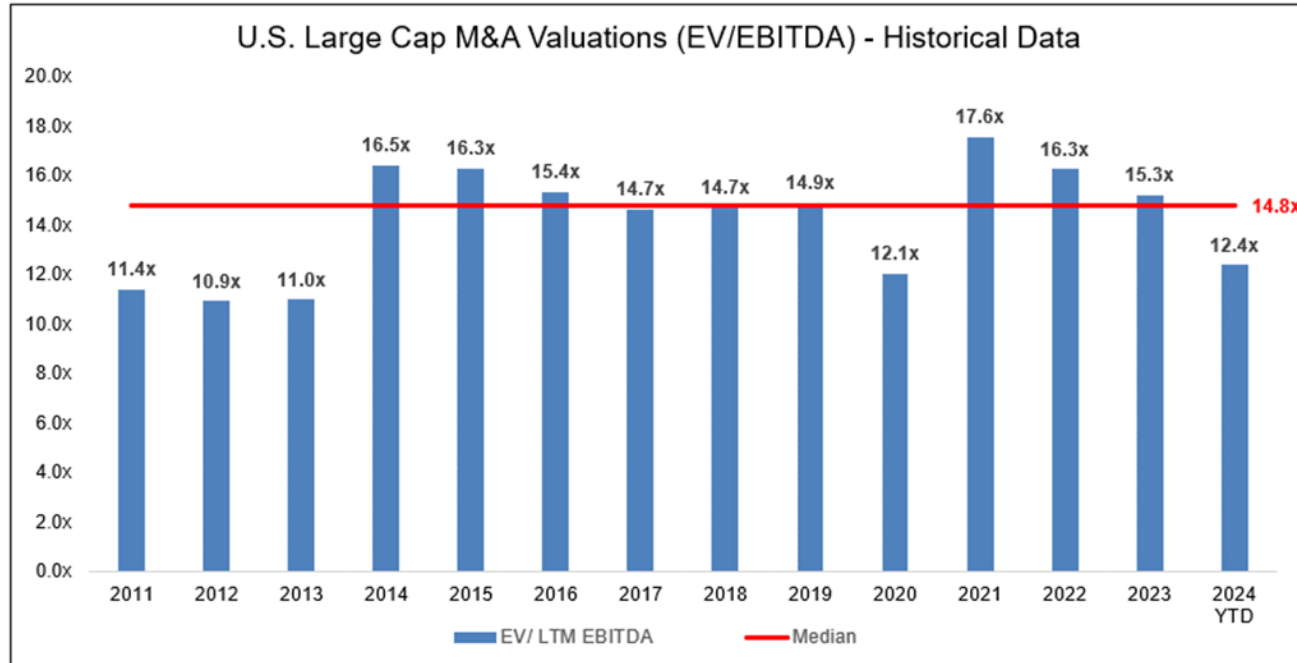
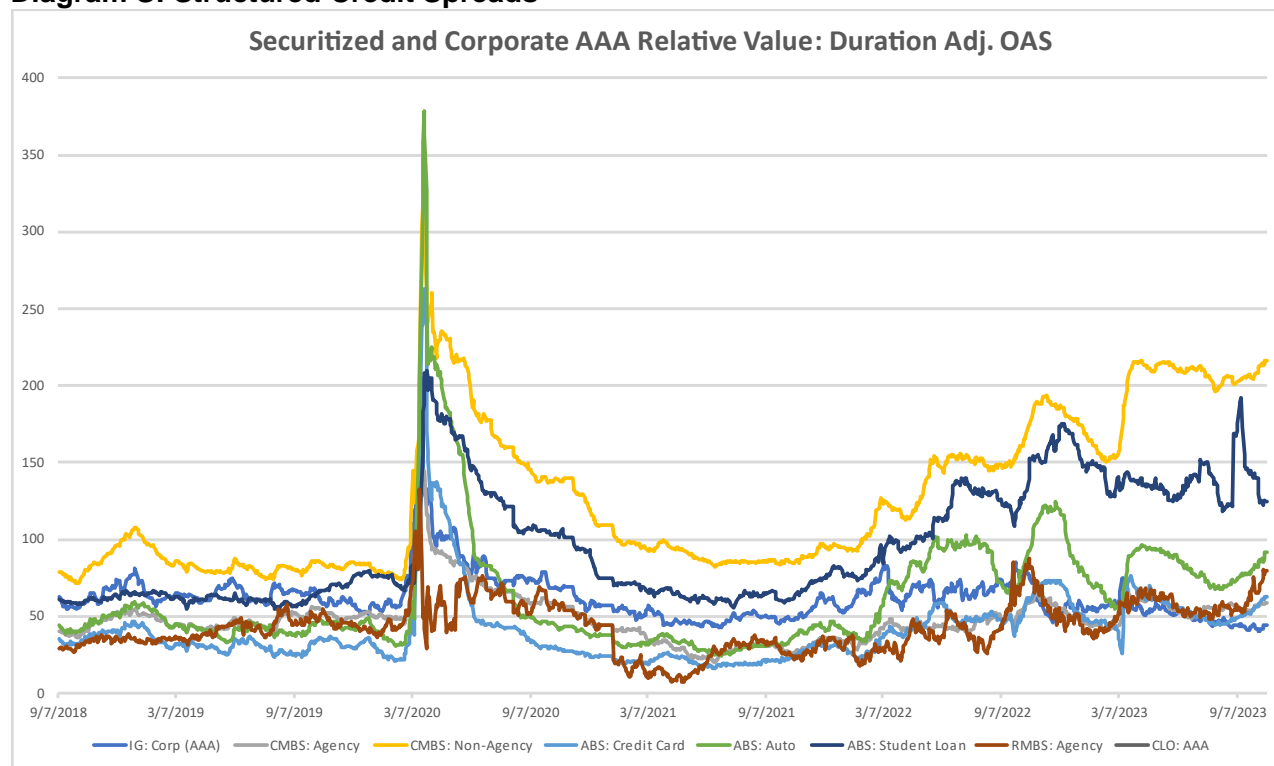


Diagram R: Dry Powder for All Private Equity Buyouts



Source: Pitchbook

Diagram S: Structured Credit Spreads



Source: Bloomberg

Real Estate Views & Trends

4.10.09



- Related Companies filed plans with the City Planning Department on 2/20 with a three-tower project, including more than 1,500 apartments, a resort hotel, two million square feet of office space, a public school, a day care and the casino, on which Related is partnering with Wynn Resorts.
- The casino would span 2.7 million square feet on the north side of the lot, at the bottom of the tower, spanning five floors.
- The plans are among the final ones to emerge among the roughly dozen bidders for one of three downstate gaming licenses to be awarded by the state.
- Other contenders for the gaming licenses:
 - Resorts World/Genting at Aqueduct in Queens
 - Larry Silverstein in Midtown West
 - Empire City/MGM at Yonkers
 - SL Green, Caesars and Jay-Z in Times Square
 - Vornado Realty Trust at Herald Square
 - Soloviev Group in Midtown East
 - Steve Cohen and Hard Rock in Flushing, Queens
 - Thor and Saratoga Casino Holdings in Coney Island, Brooklyn

PERFORMANCE

Market Indices	23-Feb	16-Feb	WoW Change	YTD Change	YoY Change
DJIA	39,131.53	38,627.99	1.30%	3.83%	14.91%
S&P 500	5,088.80	5,005.57	1.66%	6.69%	21.75%
NASDAQ	15,996.82	15,775.65	1.40%	6.56%	31.11%
MSCI - EAFE	2,288.42	2,257.21	1.38%	2.34%	7.24%
MSCI - Emerging Markets	1,028.31	1,016.23	1.19%	0.45%	(1.65%)
US Dollar Index	103.94	104.28	(0.33%)	2.57%	2.15%
VIX	13.75	14.24	(3.44%)	10.44%	(26.59%)
US Equities Avg Daily Dollar Volume (\$ in Billions)	317.59	328.11	(3.21%)	5.60%	(39.89%)

Market Ratios	23-Feb	16-Feb	WoW Change	YTD Change	YoY Change	
TED Spread	3 Month LIBOR - 3 Month T-Bills	19.39	18.01	7.67%	(25.62%)	(0.21%)
Put/Call Ratio	Equities	0.66	0.53	24.53%	1.54%	34.69%

Commodities Indices (\$ USD)	Metric	23-Feb	16-Feb	WoW Change	YTD Change	YoY Change
Core Commodity Index	CRY Index	270.82	272.59	(0.65%)	2.65%	(0.30%)
Gasoline - Pump	Gallon	3.26	3.28	(0.55%)	4.72%	(6.50%)
Gasoline - Futures	Gallon	2.28	2.34	(2.54%)	8.28%	(7.16%)
Crude Oil - WTI	Barrel	76.49	79.19	(3.41%)	6.76%	0.80%
Crude Oil - Brent	Barrel	81.62	83.47	(2.22%)	5.94%	(0.67%)
Natural Gas	MM BTU	1.60	1.61	(0.37%)	(36.24%)	(34.73%)
Coal (1 contract = 1,000 tons)	Contract	210.29	210.29	0.00%	(2.02%)	6.82%

Commodities Indices (\$ USD)	Metric	23-Feb	16-Feb	WoW Change	YTD Change	YoY Change
Aluminum	Metric Ton	2,180.00	2,218.00	(1.71%)	(8.56%)	(16.70%)
Copper	Metric Ton	8,567.50	8,489.00	0.92%	0.10%	(5.36%)
Iron Ore	Metric Ton	126.85	129.29	(1.89%)	(6.98%)	2.34%
Steel - Hot Rolled Coil	Metric Ton	922.00	929.00	(0.75%)	(18.77%)	17.45%
Steel - Cold Rolled Coil	Metric Ton	1,255.00	1,265.00	(0.79%)	(0.40%)	29.38%
Ferrous Scrap	Metric Ton	450.00	460.00	(2.17%)	(15.89%)	(5.26%)
Gold	Troy Ounce	2,035.40	2,013.59	1.08%	(1.34%)	6.41%
Silver	Troy Ounce	22.95	23.42	(2.01%)	(3.55%)	(2.20%)
Cotton	Pound	89.39	90.17	(0.87%)	16.23%	7.14%
Butter	Pound	2.85	2.75	3.64%	6.94%	20.76%
Cheese	Pound	1.60	1.61	(0.43%)	2.89%	(17.54%)
Cocoa	Pound	2.84	2.42	17.13%	49.09%	141.64%
Corn	Bushel	4.00	4.17	(4.02%)	(15.17%)	(40.80%)
Milk, Non Fat Dry	Pound	1.21	1.22	(0.47%)	1.06%	(3.78%)
Soybean	Bushel	11.33	11.72	(3.35%)	(12.41%)	(26.15%)
Sugar	Pound	0.23	0.23	(1.99%)	9.91%	4.43%
Wheat	Bushel	5.74	5.61	2.32%	(8.68%)	(24.64%)
Live Cattle	Pound	1.86	1.85	0.45%	6.87%	(84.17%)
Lean Hogs	Pound	0.87	0.85	2.32%	28.28%	15.73%
Beef, USDA Ground	Pound	3.01	2.96	1.49%	3.76%	13.39%
Chicken, Boneless & Skinless	Pound	3.52	3.54	(0.56%)	0.00%	15.07%

Currencies	Metric	23-Feb	16-Feb	2024	2023	10-Year Historicals
Japanese Yen	USDJPY	150.510	150.210	132.000	137.000	75.820 - 138.570
Chinese Renminbi	USDCNY	7.196	7.194	6.900	7.050	6.041 - 7.179
Swiss Franc	USDCHF	0.881	0.881	0.880	0.890	0.721 - 1.030
British Pound	GBPUSD	1.267	1.260	1.310	1.280	1.130 - 1.717
Euro Zone Euro	EURUSD	1.082	1.078	1.150	1.120	0.986 - 1.483
Canadian Dollar	USDCAD	1.351	1.349	1.280	1.310	0.943 - 1.458

TECHNICALS (Supply / Demand)

Bank Loan & High Yield, Inflows (Outflows) Mutual Fund, \$ USD in Millions, (Source: LCD News)	Week Ending	Bank Loans	High Yield
	21-Feb-24	\$ 210	\$ 11
	14-Feb-24	\$ 418	\$ (88)
	7-Feb-24	\$ (273)	\$ 549
	31-Jan-24	\$ 410	\$ 2,394
	24-Jan-24	\$ 213	\$ 72
	17-Jan-24	\$ (3)	\$ 1,004
	10-Jan-24	\$ 87	\$ 523
	3-Jan-24	\$ 156	\$ (315)
	27-Dec-23	\$ 72	\$ 8
Year To Date 2024		\$ 1,005	\$ 4,139
Year Ended December 31, 2023		\$ (18,051)	\$ (17,252)
Year Ended December 31, 2022		\$ (12,694)	\$ (48,558)

NEW ISSUE SUMMARY - BI-WEEKLY

Institutional Loans	2/23/2024	Deals	Amt (\$mm)
Launched	Prior Two Weeks	12	8,233
Forward Calendar		4	7,437
High Yield	2/23/2024	Deals	Amt (\$mm)
Launched	Prior Two Weeks	9	6,532
Forward Calendar		3	4,711

ECONOMIC DATA RECAP

Key Economic Indicators:	Period	Actual	Expected	Prior
Initial Jobless Claims	Feb	218K	218K	209K
Continuing Claims	Feb	1,927K	1,865K	1,840K
Change in Non-Farm Payrolls	Feb	223K	205K	263K
Change in Private Payrolls	Feb	220K	188K	221K
Unemployment Rate	U-3	Feb 3.5%	3.7%	3.7%
Unemployment Rate	U-6	Feb 6.6%	6.5%	6.7%
Average Work Week	Feb	34.3	34.7	34.4
Existing Home Sales	Feb	3.79M	3.90M	3.96M
Housing Starts	Feb	1,372K	1,350K	1,358K
S&P/Case-Shiller Composite	YoY	Feb 19.1%	18.6%	18.6%
S&P/Case-Shiller Composite	MoM	Feb 1.8%	1.5%	1.5%
Consumer Confidence	Feb	91.3	90.0	88.9
GDP	QoQ-Annualized	3Q23 2.4%	1.8%	2.0%
Durable Goods Orders	Feb	2.0%	1.9%	1.9%
Total Vehicle Sales	Feb	15,92M	15,50M	15,50M
Capacity Utilization	Feb	79.0%	77.0%	76.8%

Fed & Treasury Balance Sheet	21-Feb	14-Feb	WoW Change	YoY Change	
Fed Total Assets	\$ in Billions	7,581,683.0	7,633,874.0	(0.7%)	(9.6%)
Public Debt	\$ in Billions	34,297.8	34,245.3	0.2%	12.4%

US Debt Outstanding	3Q23	2Q23	QoQ Change	YoY Change	
Domestic Nonfinancial Debt	\$ in Billions	69,511.9	68,910.4	0.9%	15.6%

Shared National Credit	2023	2022	YoY Change	
Shared National Credit Total Commitments	\$ in Billions	5,178.8	5,072.2	2.1%
Special Mention Commitments	\$ in Billions	217.3	263.9	-17.7%
Classified Commitments	\$ in Billions	332.8	365.9	-9.0%

ECONOMIC / GDP DATA

Country	2020	2021	2022	2023	2024
United States	(3.5%)	5.7%	2.1%	1.6%	1.1%
Brazil	(4.1%)	4.6%	2.9%	0.9%	1.5%
China	(2.3%)	8.1%	3.0%	5.2%	4.5%
Germany	(4.9%)	2.8%	1.8%	(0.1%)	1.1%
India	(8.0%)	8.9%	6.8%	5.9%	6.3%
Japan	(4.8%)	1.6%	1.1%	1.3%	1.0%
United Kingdom	(10.0%)	7.4%	4.0%	(0.3%)	1.0%

Market Indices	23-Feb	16-Feb	WoW Change	YTD Change	YoY Change
S&P/LSTA Leveraged Loan Index	3,780.16	3,770.21	0.26%	1.73%	11.70%
Barclays High Yield Index	2,486.52	2,476.17	0.42%	0.66%	7.84%
Barclays Aggregate	2,123.81	2,118.48	0.25%	(1.29%)	(0.18%)

Loan Market Bids	23-Feb	16-Feb	WoW Change	YTD Change
S&P Flow Name Index	98.35	98.35	0.00%	0.00%
S&P 100 Name Index	96.63	96.54	0.10%	(0.26%)
S&P BB's Index	99.38	99.31	0.07%	(0.21%)
S&P B's Index	98.19	98.12	0.07%	0.28%
S&P CCC's Index	82.85	82.08	0.94%	(1.06%)

Loan Market Spreads	23-Feb	16-Feb	WoW Change	YTD Change
S&P BB's Index	L+310	L+309	1 bps	214 bps
S&P B's Index	L+416	L+419	(3 bps)	(24 bps)
S&P CCC's Index	L+1816	L+1794	22 bps	176 bps

Credit Default Swap - Volatility Indices	Index	23-Feb	16-Feb	WoW Change	YTD Change
Investment Grade CDS	Market	51.57	53.18	(3.04%)	(9.04%)
High Yield CDS	Market	338.63	346.69	(2.32%)	(4.97%)

Credit	23-Feb	16-Feb	WoW Change	YOY Change	
High Yield	Ave Yield	T+360	T+355	5 bps	(25 bps)
LCD Flow Name	Ave Spread	L+268	L+271	(3 bps)	72 bps

US Treasury 2-Yr	23-Feb	16-Feb	WoW Change	YTD Change
US Treasury 2-Yr	4.56%	4.45%	11 bps	24 bps
US Treasury 3-Yr	4.36%	4.24%	12 bps	32 bps
US Treasury 5-Yr	4.22%	4.11%	11 bps	34 bps
US Treasury 7-Yr	4.24%	4.15%	9 bps	33 bps
US Treasury 10-Yr	4.24%	4.16%	8 bps	34 bps

US CLO Spreads - New Issue	23-Feb	16-Feb	WoW Change	YTD Change
AAA	S+160	S+159	1 bps	(10 bps)
AA	S+213	S+213	0 bps	(10 bps)
A	S+255	S+255	0 bps	(15 bps)
BBB	S+395	S+383	12 bps	(5 bps)
BB	S+710	S+705	5 bps	0 bps

Market Rates	23-Feb	16-Feb	WoW Change	YTD Change
Fed Fund Rate	5.31%	5.31%	0 bps	0 bps
Prime Rate	8.50%	8.50%	0 bps	0 bps
Broker Call Rat	7.25%	7.25%	0 bps	0 bps
1M SOFR	5.30%	5.30%	0 bps	(8 bps)
3M SOFR	5.35%	5.36%	(1 bps)	(4 bps)
6M SOFR	5.39%	5.39%	0 bps	(8 bps)

Short Interest - Billions of shares	31-Dec	30-Nov	MoM Change	YTD Change
NYSE Mkt Short Interest	16.14	16.04	0.68%	0.00%
Nasdaq Short Interest	12.92	12.91	0.09%	0.00%

Fed Corp Primary Dealer Positions - \$ USD in Billions	14-Feb	7-Feb	WoW Change	YTD Change
Net Outright Total Corp Securities	10.98	10.56	3.98%	0.00%

Margin Debt - \$ USD in Billions	31-Dec	30-Nov	MoM Change	YTD Change
Margin Debt	729.72	717.50	1.70%	3.47%

Leveraged Finance Primary Volume - \$ USD in Billions

2/23/2024	Year To Date 2024	2023	Year End 2022	YoY Change
Bank Debt	23.0	20.0	588.4	15.00%
Senior Secured Bonds	20.0	13.0	147.9	53.85%
Unsecured Bonds	5.0	3.0	313.8	66.67%
Total Bonds	25.0	16.0	461.7	56.25%
Totals	48.0	36.0	1,050.1	33.33%

DEFAULT ACTIVITY

Total Loan Defaults - as of:	31-Dec	30-Nov	YE 2022
Default Rate by Total Amount of All Loans Outstanding	1.72%	1.58%	0.98%
Default Rate by Total Number of All Loan Issuers	1.89%	1.62%	0.98%

Employment - Labor Participation Rates

Civilian Employment as % of Total Labor Force	31-Dec	30-Nov	YTD Change
Civilian Employment as % of Total Labor Force	60.4%	60.4%	0.60pp
Labor Force Participation Rate	62.6%	62.6%	(0.25pp)

Government Assistance	31-Dec	30-Nov	YTD Change
SNAP Ika Food Stamps - # of Participants in Millions	40.023	40.272	(3.21%)

Retail Sales	31-Dec	30-Nov	YTD Change
Adj. Retail & Food Services Sales Index - US Census	683.0	687.4	0.79%