

## Briefing

### Global Economic & Credit Market

### Week 33 Ending – August 16, 2024

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#### Economic Calendar

- Monday, August 19: U.S. leading economic indicators
- Thursday, August 22: S&P flash U.S. services & manufacturing PMI; existing home sales
- Friday, August 23: New home sales

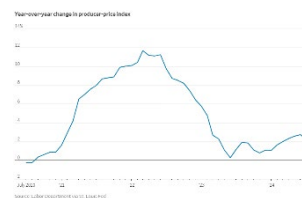
#### Key Market Metrics

- S&P 500: +3.93% WoW; +16.45% YTD; +27.09% YoY; 15.6x LTM EBITDA; 13.5x NTM EBITDA
- Dow Jones: +2.94% WoW; +7.88% YTD; +17.94% YoY; 10.8x LTM EBITDA; 13.1x NTM EBITDA
- Nasdaq: +5.29% WoW; +17.46% YTD; +32.40% YoY
- Ten Year US Treasury Yield: 3.92% +0 bps YTD; (41) bps YoY
- Currency:
  - British Pound per USD: \$1.29; 1.4% WoW; 1.7% YTD; 1.5% YoY
  - Euro per USD: \$1.10; 1.0% WoW; (0.2%)YTD; 1.4% YoY
  - USD per Yen: ¥147.63; 0.7% WoW; 4.8% YTD; 1.2% YoY
  - Swiss franc per EUR: 1.05 CHF; (1.1%)WoW; (2.8%)YTD; 0.0% YoY

#### U.S. News

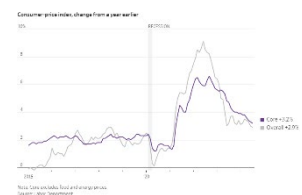
##### ▪ Producer Price Index

- Producer prices rose by 0.1% in July, below the forecast of 0.2%, further signaling that inflation is slowing in the U.S.
- The PPI increased 2.2% year-over-year, the smallest YoY increase since March
- Excluding food and energy, the core reading was unchanged in July, undershooting expectations for a 0.2% rise



##### ▪ Consumer Price Index

- The consumer price index increased by 0.2% in July, meeting forecasts
- The data reflects a 2.9% year over year increase in inflation, the lowest pace since March 2021
- The news makes it more likely that the Federal Reserve will cut rates during their September meeting

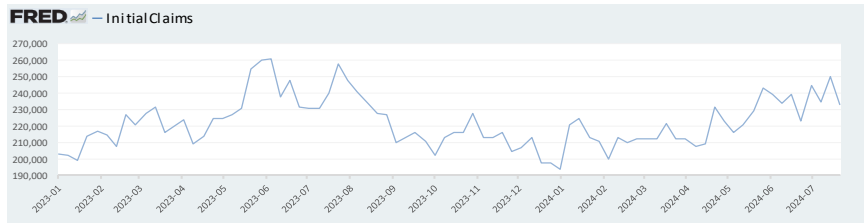


##### ▪ U.S. Retail Sales

- U.S. retailers last month reported a 1% increase in sales in July, above the forecasted figure of 0.3%. The June report was revised downward to show a 0.2% decline, rather than a flat result
- The figures represent the largest increase in retail sales in a year and a half
- Most of the increase was tied to autos, as sales rebounded after dealers recovered from a nationwide cybersecurity attack. Excluding autos, retail sales rose 0.4% in July, seasonally adjusted

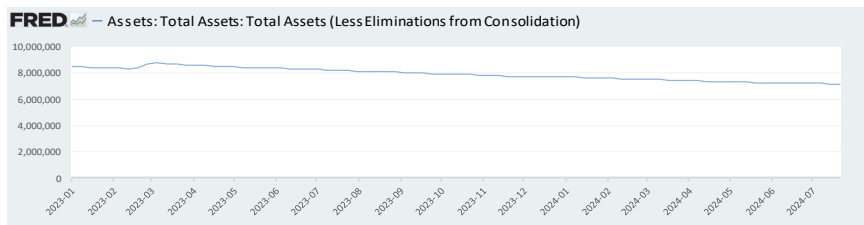
▪ **Jobless Claims**

- Initial jobless claims, a measure of how many workers were laid off across the U.S., decreased to 227,000 in the week ended August 9, down 7,000 from the prior week
- The four-week moving average was 236,500, down 4,500 from the prior week
- Continuing claims – those filed by workers unemployed for longer than a week – decreased by 7,000 to 1.864 million in the week ended August 2. This figure is reported with a one-week lag



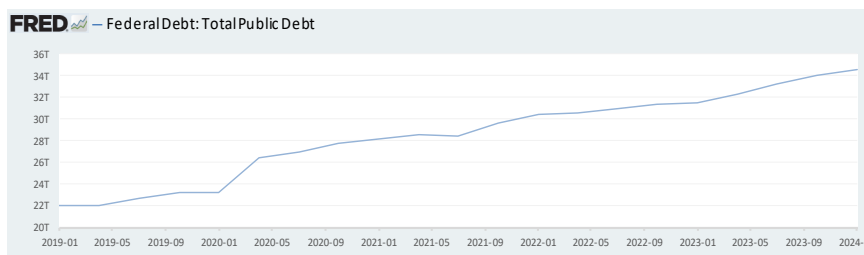
▪ **Fed's Balance Sheet**

- The Federal Reserve's assets totaled \$7.178 trillion in the week ended August 16, up \$2.4 billion from the prior week
- Treasury holdings totaled \$4.414 trillion, up \$0.0 billion from the prior week
- Holdings of mortgage-backed securities (MBS) were \$2.32 trillion in the week, down \$0.0 billion from the prior week



▪ **Total Public Debt**

- Total public debt outstanding was \$35.17 trillion as of August 16, an increase of 7.5% from the previous year
- Debt held by the public was \$25.85 trillion, and intragovernmental holdings were \$7.17 trillion

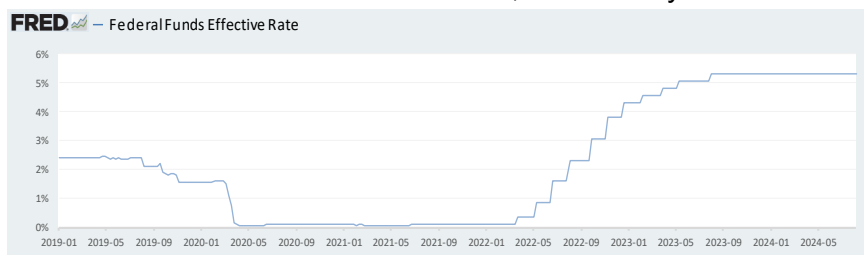


## ▪ Inflation Factors

- CPI:
  - The consumer-price index rose 2.9% in July year over year
  - On a monthly basis, the CPI increased 0.2% in July on a seasonally adjusted basis, after decreasing -0.1% in June
  - The index for all items less food and energy (core CPI) rose 0.2% in July, after rising 0.1% in June
  - Core CPI increased 3.2% for the 12 months ending July
- Food & Beverages:
  - The food at home index increased 1.1% in July from the same month a year earlier, and increased 0.1% in July month over month
  - The food away from home index increased 4.1% in July from the same month a year earlier, and increased 0.2% in July month over month
- Commodities:
  - The energy commodities index increased 0.1% in July after decreasing (3.7%) in June
  - The energy commodities index fell (2.1%) over the last 12 months
  - The energy services index (0.0%) in July after increasing 2.1% in June
  - The energy services index rose 4.2% over the last 12 months
  - The gasoline index fell (2.2%) over the last 12 months
  - The fuel oil index fell (0.3%) over the last 12 months
  - The index for electricity rose 4.9% over the last 12 months
  - The index for natural gas rose 1.5% over the last 12 months
- Supply Chain:
  - Drewry's composite World Container Index decreased to \$5,428.02 per 40ft container
  - Drewry's composite World Container Index has increased by 196.2% over the last 12 months
- Housing Market:
  - The shelter index increased 0.4% in July after increasing 0.2% in June
  - The rent index increased 0.3% in July after increasing 0.2% in June
  - The index for lodging away from home decreased (0.5%) in July after decreasing (0.6%) in June

## ▪ Federal Funds Rate

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



## World News

### ▪ Israel/Gaza

- Israel's military has been put on high alert after Iran and Hezbollah made preparations to carry out attacks. The timing of a potential attack has not been determined
- The United States has strengthened its military presence in the Middle East, ordering the USS Abraham Lincoln Carrier Strike Group and the submarine USS Georgia to the region
- Despite the increased tension, a two-day Gaza cease-fire summit concluded in Doha on Friday. While the Biden administration and mediators claimed that progress has been made, there are significant roadblocks to a deal
- Israeli President Benjamin Netanyahu and Hamas leader Yahya Sinwar especially disagree on whether a ceasefire would be temporary or permanent, how to secure the border between Gaza and Egypt, Israel's ability to screen Palestinians returning to northern Gaza, and the Palestinian prisoners approved for release

### ▪ Russia

- Russia is withdrawing some forces from Ukraine to address the Ukrainian offensive into their territory. This is in response to Ukrainian forces advancing at least 20 miles since the attack began last week
- This is the first indication that Moscow must rejigger its invasion of Ukraine in the face of this incursion, despite earlier assertions that the Russian military had inflicted heavy casualties on the invading Ukrainian force
- Meanwhile, Ukraine has sent tanks and armored vehicles to reinforce troops in Russian territory, a sign that Kyiv will double down on their strategy amid initial success
- On Wednesday, Ukraine executed a drone strike on four Russian air bases deep inside Russia. Ukrainian officials are still assessing the impact of the strike

### ▪ Canada

- Canadian National started a phased shutdown of the rail network, starting with the halt of hazardous cargo, amid failed negotiations with the Teamsters
- The halt will impact materials like chlorine in household cleaners, water purification chemicals, and ammonia used in fertilizer
- Canadian Pacific said it will lock out employees on August 22 if an agreement is not made with Teamsters leadership
- The Canadian government declined to intervene in the dispute between the railroads and unionized workers. The request from Canadian National Railway would have sent contract negotiations to a binding arbitration

### ▪ China

- Loan issuances by Chinese banks dropped in July to 260 billion yuan, lower than the forecasted 400 billion yuan and the 2.13 trillion yuan recorded in June
- The sharper-than-expected drop reflects cautious attitudes among Chinese households and companies, who face uncertainty as the economic outlook and property sector both weigh the economy down
- China renewed a multibillion portion of a currency swap with Argentina, deepening financial ties between the two countries and providing relief to beleaguered Argentine reserves
- The news comes as a surprise, given Argentine President Javier Milei's hard stance against communism and China during his presidential campaign. He vowed to steer the country away from Chinese investment and trade, though little action has been taken in that direction since taking office

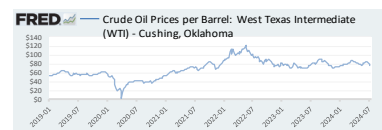
## Geopolitical Hotspots

- **Thailand**
  - Paetongtarn Shinawatra was named Prime Minister on Friday. She is the daughter of former Prime Minister Thaksin Shinawatra, a billionaire telecoms tycoon who was released from prison this year
- **Japan**
  - Prime Minister Fumio Kishida announced on Wednesday that he will not seek re-election, amid lowering popularity caused by a political-funds scandal and high inflation
- **Greece**
  - Parts of Athens have been evacuated as first responders struggle to address wildfires approaching the capital
- **Africa**
  - The World Health Organization stated that the rapid spread of Mpox in Africa constitutes an international health emergency. The virus has moved from eastern Congo to the Central African Republic, Burundi, Uganda, Rwanda, and others. There have been more than 17,000 suspected Mpox infections this year, with about 95% of cases reported in Congo
- **Germany**
  - Germany's trade surplus narrowed to €20.4 billion in June as exports fell by 3.4%, a greater decline than expected, largely due to weak demand from the Chinese market and increased trade tensions between Europe and China
- **Brazil**
  - A Voepass twin-engine passenger plane crashed in Vinhedo, Brazil, killing all 62 people on board. Investigators are examining the possibility of ice buildup on the wings, which could have reduced the aircraft's lift and contributed to the crash.
- **Uganda**
  - A landslide at the Kiteezi landfill in Kampala, Uganda, has killed at least 12 people, with rescuers continuing to search for survivors following weeks of heavy rain. The incident has displaced approximately 1,000 people as the city seeks a new landfill site
- **Mali**
  - Dozens of Russian / Wagner Group mercenaries, hired by the Malian government to fight insurgents, were killed in an attack conducted by Tuareg rebels on Sunday. The attack dealt a blow to the image of Wagner Group and the Russian presence in the region

## Commodities

### Oil Prices

- WTI: \$76.65 per barrel
  - (0.25%) WoW; +6.98% YTD; (4.65%) YoY
- Brent: \$79.68 per barrel
  - +0.03% WoW; +3.43% YTD; (5.28%) YoY



### US Production

- U.S. oil production amounted to 13.3 million bpd for the week ended August 9, down 0.0 million bpd from the prior week

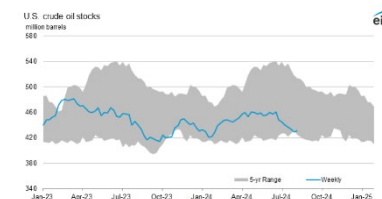
### Rig Count

- The total number of oil rigs amounted to 586, down 2 from last week

### Inventories

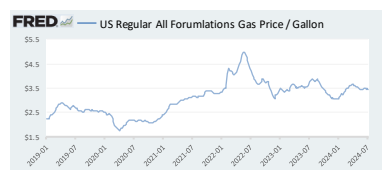
#### Crude Oil

- Total U.S. crude oil inventories now amount to 430.7 million barrels, down (2.0%) YoY
- Refiners operated at a capacity utilization rate of 91.5% for the week, up from 90.5% in the prior week
- U.S. crude oil imports now amount to 6.224 million barrels per day, down (12.2%) YoY



#### Gasoline

- Retail average regular gasoline prices amounted to \$3.42 per gallon in the week of August 16, down (11.7%) YoY
  - Gasoline prices on the East Coast amounted to \$3.44, down (9.9%) YoY
  - Gasoline prices in the Midwest amounted to \$3.48, down (9.6%) YoY
  - Gasoline prices on the Gulf Coast amounted to \$3.09, down (11.6%) YoY
  - Gasoline prices in the Rocky Mountain region amounted to \$3.53, down (13.2%) YoY
  - Gasoline prices on the West Coast amounted to \$4.20, down (13.8%) YoY
- Motor gasoline inventories were down by 2.9 million barrels from the prior week
- Motor gasoline inventories amounted to 222.2 million barrels, up 2.8% YoY
- Production of motor gasoline averaged 9.72 million bpd, up 1.4% YoY
- Demand for motor gasoline amounted to 9.045 million bpd, up 2.2% YoY

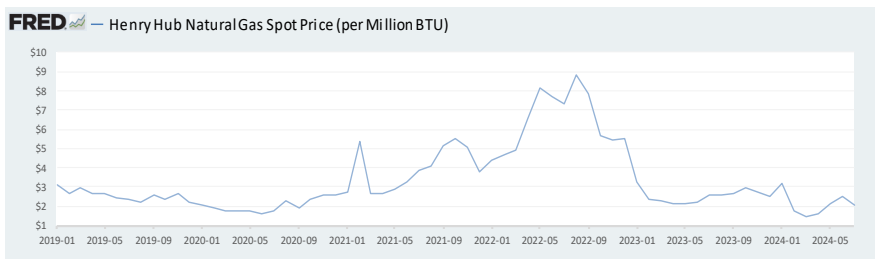


#### Distillates

- Distillate inventories decreased by -1.7 million in the week of August 16
- Total distillate inventories amounted to 126.1 million barrels, up 9.0% YoY
- Distillate production averaged 4.769 million bpd, up 0.8% YoY
- Demand for distillates averaged 3.549 million bpd in the week, down (2.7%) YoY

○ **Natural Gas**

- Natural gas inventories decreased by 6 billion cubic feet last week
- Total natural gas inventories now amount to 3,264 billion cubic feet, up 6.5% YoY



## Credit News

High yield bond yields decreased 15bps to 7.47% and spreads decreased 15bps to 357bps. Leveraged loan yields decreased 4bps to 8.65% and spreads decreased 4bps to 503bps. WTD Leveraged loan returns were positive 28bps. WTD high yield bond returns were positive 64bps. 10yr treasury yields decreased 7bps to 3.93%. Yields and spreads declined amid a Goldilocks narrative of growth without inflation. US GDP growth improved following the weak payroll report and the inflation data moderated enough to warrant a Fed rate cut in September.

### High-yield:

Week ended 08/16/2024

#### Yields & Spreads<sup>1</sup>

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
7.47%	357	7.62%	372	(15)	(15)

#### Pricing & Returns<sup>1</sup>

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2023
\$94.97	\$94.47	50	0.64%	0.55%	5.08%	13.5%

#### Fund Flows<sup>2</sup>

Total Flows (\$)
(\$1,200mm)

#### New Issue<sup>2</sup>

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
12	\$10.5bn	\$202.8bn	\$110.8bn	+83%

#### Distressed Level (trading in excess of 1,000 bps)<sup>2</sup>

7/31/24	6/30/24	5/31/24
6.39%	7.64%	7.63%

#### Total HY Defaults

7/31/24	6/30/24	5/31/24
1.16%	1.17%	1.25%

<sup>1</sup> Source: Credit Suisse High Yield and Leveraged Loan Index

<sup>2</sup> Source: JP Morgan



**Leveraged loans:**

Week ended 08/16/2024

- **Yields & Spreads<sup>1</sup>**

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
8.65%	503	8.69%	507	(4)	(4)

- **Leveraged Loan Index<sup>1</sup>**

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2023
\$95.58	\$95.48	10	0.28%	0.11%	5.31%	12.9%

- **Fund Flows<sup>2</sup>**

Total Flows (\$)
(\$670mm)

- **New Issue<sup>2</sup>**

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
15	\$7.6bn	\$809.0bn	\$188.5bn	+329%

- **Distressed Level (loan price below \$80)<sup>1</sup>**

7/31/24	6/30/24	5/31/24
5.91%	5.88%	6.02%

- **Total Loan Defaults**

7/31/24	6/30/24	5/31/24
1.40%	1.09%	1.25%

**Default activity:**

- Most recent defaults include: 2U (\$374mn, 7/25/24), Rodan & Fields (\$763mn, 7/11/24), Wheel Pros (\$2.8bn, 7/11/24), Quorum Health Group (\$688mn, 7/10/24), Vyair Medical (\$339mn, 6/9/24), 99 Cents Only Stores (\$350mn, 4/7/24), and ConvergeOne (\$1.3bn, 4/4/24).

**CLOs:**

Week ended 08/16/2024

- **New U.S. CLO Issuance<sup>2</sup>**

# Priced	Total (\$)	New Issue	Refis/Resets
22	\$10.0bn	\$2.6bn	\$7.4bn

- **New U.S. CLO YTD Issuance<sup>2</sup>**

Total U.S. CLOs	Total (\$)	New Issue	Refis/Resets	Prior Year YTD	CY vs. PY
595	\$270.9bn	\$120.3bn	\$150.7bn	\$69.7bn	+289%

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

<sup>1</sup> Source: Credit Suisse High Yield and Leveraged Loan Index

<sup>2</sup> Source: JP Morgan

## Ratings activity:

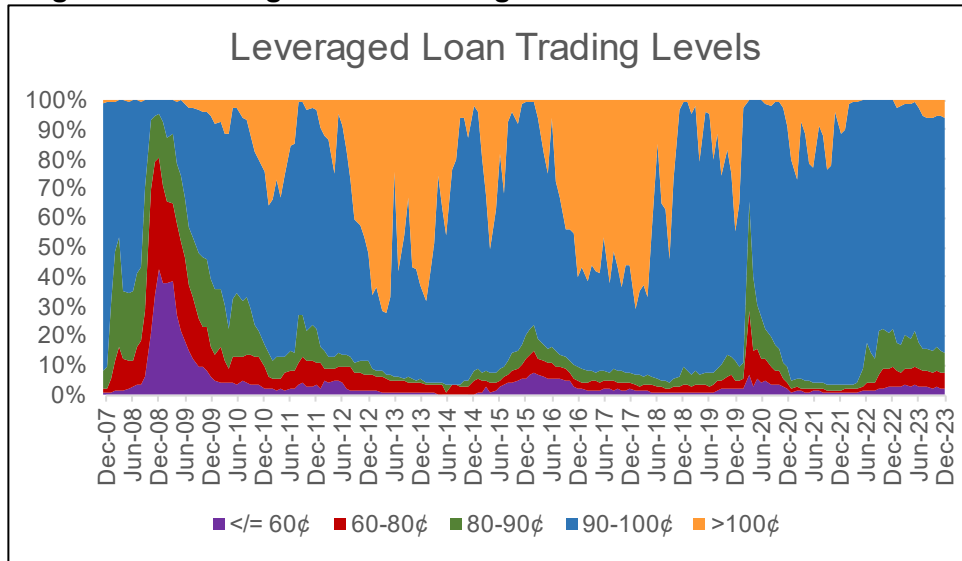
- S&P and Moody's High Yield Ratings

	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	3	8	0.4x	16	16	1.0x
Week Ending 03/01/24	14	5	2.8x	6	2	3.0x
Week Ending 03/08/24	16	10	1.6x	15	14	1.1x
Week Ending 03/15/24	12	7	1.7x	15	5	3.0x
Week Ending 03/22/24	6	5	1.2x	7	10	0.7x
Week Ending 03/29/24	9	2	4.5x	15	14	1.1x
Week Ending 04/05/24	8	11	0.7x	13	8	1.6x
Week Ending 04/12/24	8	11	0.7x	8	7	1.1x
Week Ending 04/19/24	14	10	1.4x	4	12	0.3x
Week Ending 04/26/24	3	4	0.8x	12	6	2.0x
Week Ending 05/03/24	12	5	2.4x	11	4	2.8x
Week Ending 05/10/24	6	10	0.6x	9	9	1.0x
Week Ending 05/17/24	13	7	1.9x	13	4	3.3x
Week Ending 05/24/24	10	6	1.7x	13	10	1.3x
Week Ending 05/31/24	12	3	4.0x	14	10	1.4x
Week Ending 06/07/24	9	14	0.6x	10	9	1.1x
Week Ending 06/14/24	10	7	1.4x	11	12	0.9x
Week Ending 06/21/24	9	6	1.5x	13	8	1.6x
Week Ending 06/28/24	5	4	1.3x	7	6	1.2x
Week Ending 07/05/24	5	8	0.6x	3	8	0.4x
Week Ending 07/12/24	1	4	0.3x	4	5	0.8x
Week Ending 07/19/24	6	4	1.5x	14	4	3.5x
Week Ending 07/26/24	7	9	0.8x	6	6	1.0x
Week Ending 08/02/24	2	8	0.3x	11	2	5.5x
Week Ending 08/09/24	6	4	1.5x	5	6	0.8x
Week Ending 08/16/24	12	5	2.4x	6	6	1.0x
YTD 2024	268	212	1.3x	321	247	1.3x

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 $\Delta$
High Yield	91.5	95.0	85.4	9.6
Leveraged Loans	95.4	96.2	94.1	2.1

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

[2] HY high price as of 8/15/24. LL high price as of 5/15/24

[3] HY low price as of 10/20/23. LL low price as of 11/1/23

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	0.28%	0.23%	0.64%	0.87%
MTD Return	0.11%	0.09%	0.55%	0.79%
YTD Return	5.31%	5.19%	5.08%	4.85%

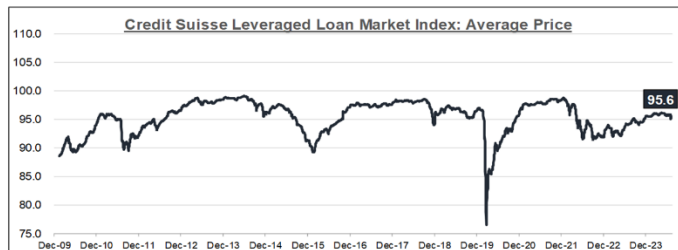
[1] Credit Suisse Total Return information is calculated weekly. Yield data is as of 08/16/2024

[2] Yield data as of 08/16/2024

**Diagram D: Average Bid Price of High Yield Bonds & Loans**

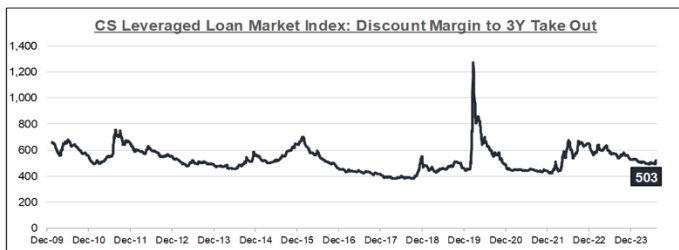


Source: CSFB High Yield Index (formerly DLJ High Yield Index) Average Price, expressed as a % of par value. Data is reported daily.



Source: CSFB Leveraged Loan Index Average Price, expressed as a % of par value. Data is reported daily.

**Diagram E: Leveraged Loans Spreads & Yields**

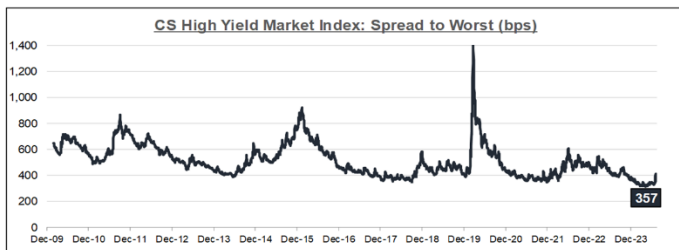


Source: CSFB Leveraged Loan Index Discount Margin to 3Y take-out, expressed in basis points. Data is reported daily.



Source: CSFB Leveraged Loan Index Yield to 3Y take-out, expressed as a percentage. Data is reported daily.

**Diagram F: High Yield Bonds Spreads & Yields**

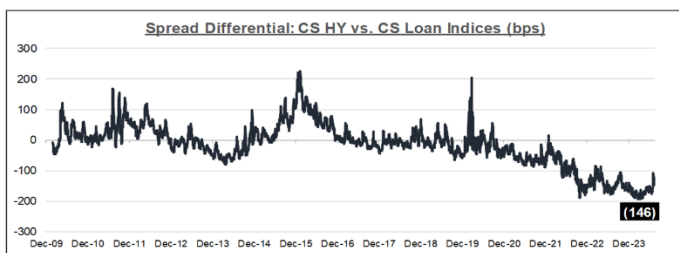


Source: CSFB High Yield Index (formerly DLJ High Yield Index) Spread-to-Worst, expressed in basis points. Data is reported daily.



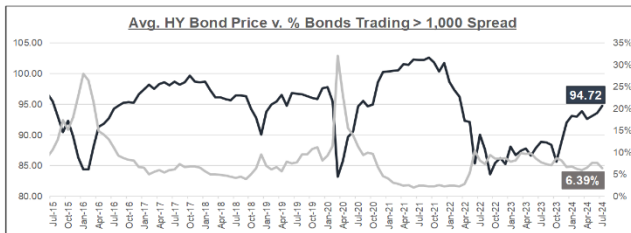
Source: CSFB High Yield Index (formerly DLJ High Yield Index) Yield-to-Worst, expressed as a percentage. Data is reported daily.

**Diagram G: Spread between High Yield Bonds and Leveraged Loans**

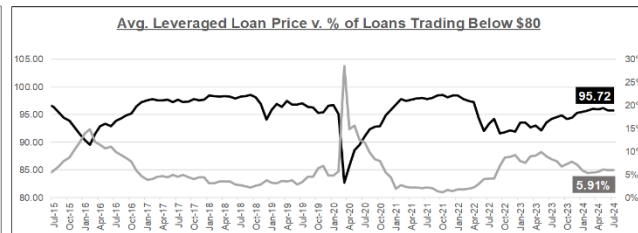


Source: CSFB HY Index and CSFB LL Index. Data is reported daily.

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

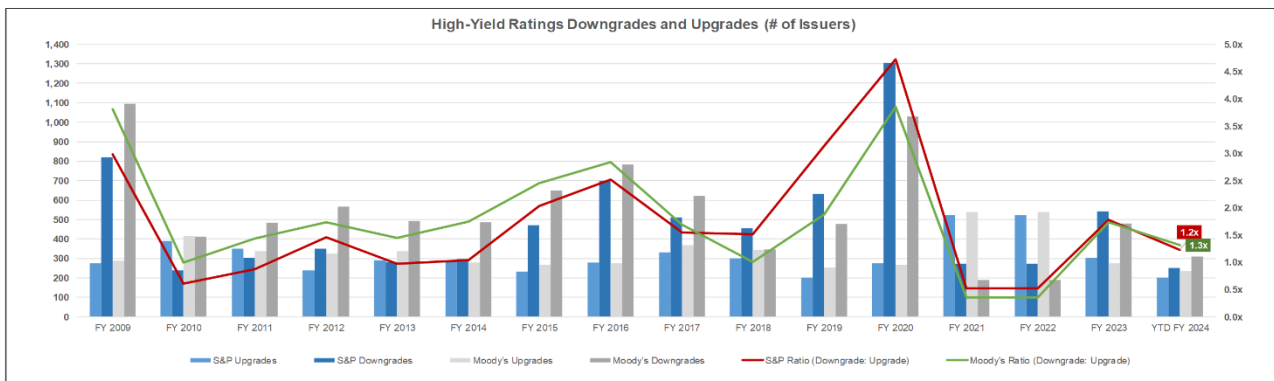


Source: CSFB. Data is reported monthly.

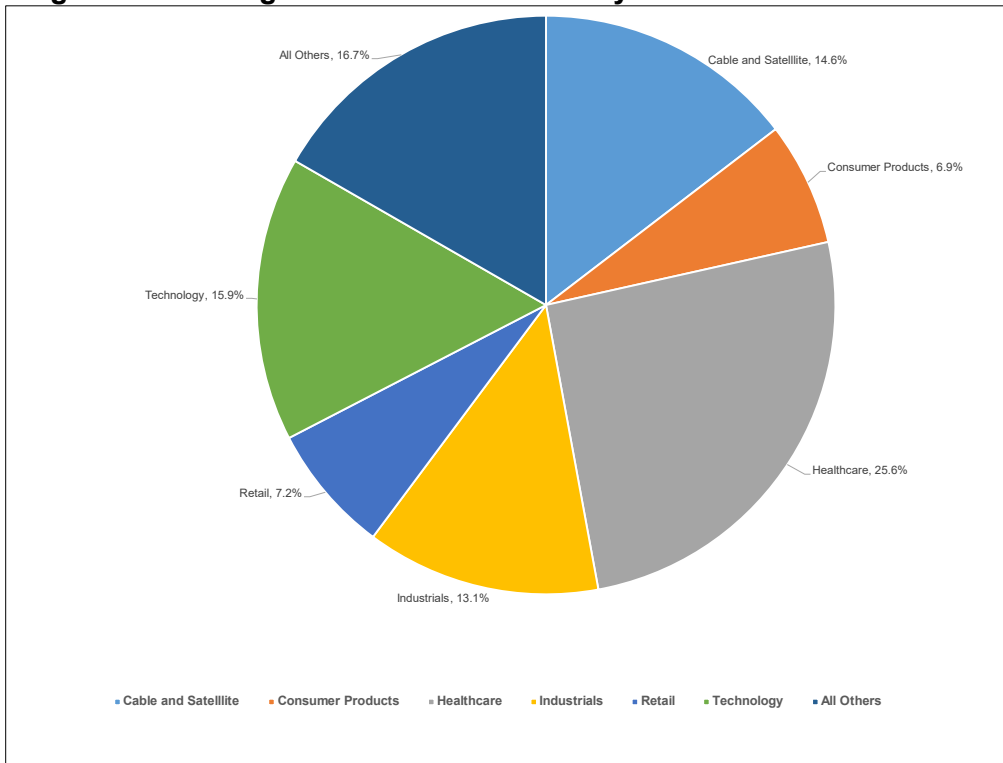


Source: JPM. Data is reported monthly.

**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

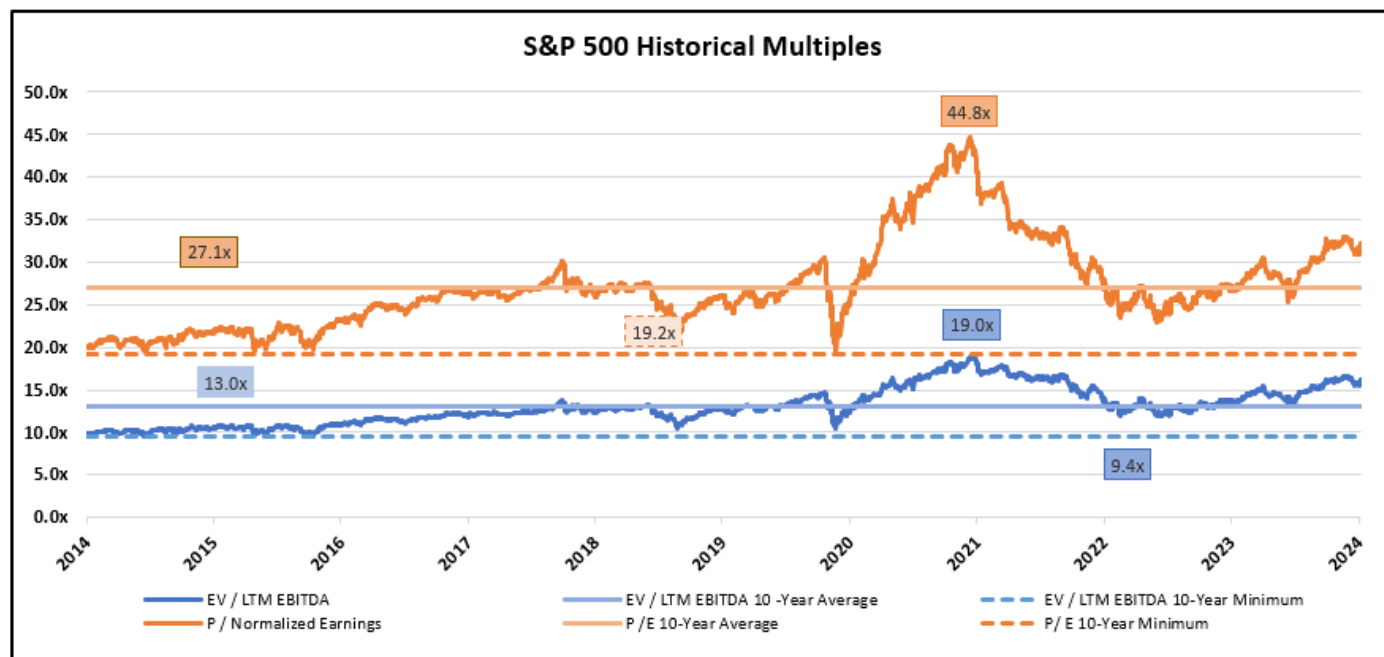
[1] Spread includes OID benefit based on 4 year repayment

**Diagram N: Developed Country GovBond Yields (%)**

By					Change				
	7/26/24	8/2/24	8/9/24	8/16/24	Weekly	Q4 2023	Q3 2023	Q2 2023	Q1 2023
France - 10 year	3.12%	2.97%	2.97%	2.98%	1 bps	(84 bps)	47 bps	14 bps	(32 bps)
Germany - 10 year	2.41%	2.17%	2.23%	2.25%	2 bps	(82 bps)	45 bps	10 bps	(28 bps)
Italy - 10 year	3.76%	3.63%	3.64%	3.63%	(1 bps)	(108 bps)	71 bps	(3 bps)	(62 bps)
Japan - 10 year	1.07%	0.95%	0.85%	0.88%	2 bps	(20 bps)	42 bps	(9 bps)	2 bps
UK - 10 year	4.10%	3.83%	3.95%	3.93%	(2 bps)	(90 bps)	6 bps	93 bps	(18 bps)
US									
US - 2 year	4.38%	3.88%	4.05%	4.06%	1 bps	(90 bps)	21 bps	111 bps	(54 bps)
US - 5 year	4.07%	3.62%	3.80%	3.77%	(3 bps)	(95 bps)	61 bps	80 bps	(51 bps)
US - 10 year	4.19%	3.79%	3.94%	3.89%	(5 bps)	(92 bps)	94 bps	52 bps	(40 bps)
US - 30 year	4.45%	4.11%	4.22%	4.15%	(7 bps)	(89 bps)	106 bps	27 bps	(24 bps)

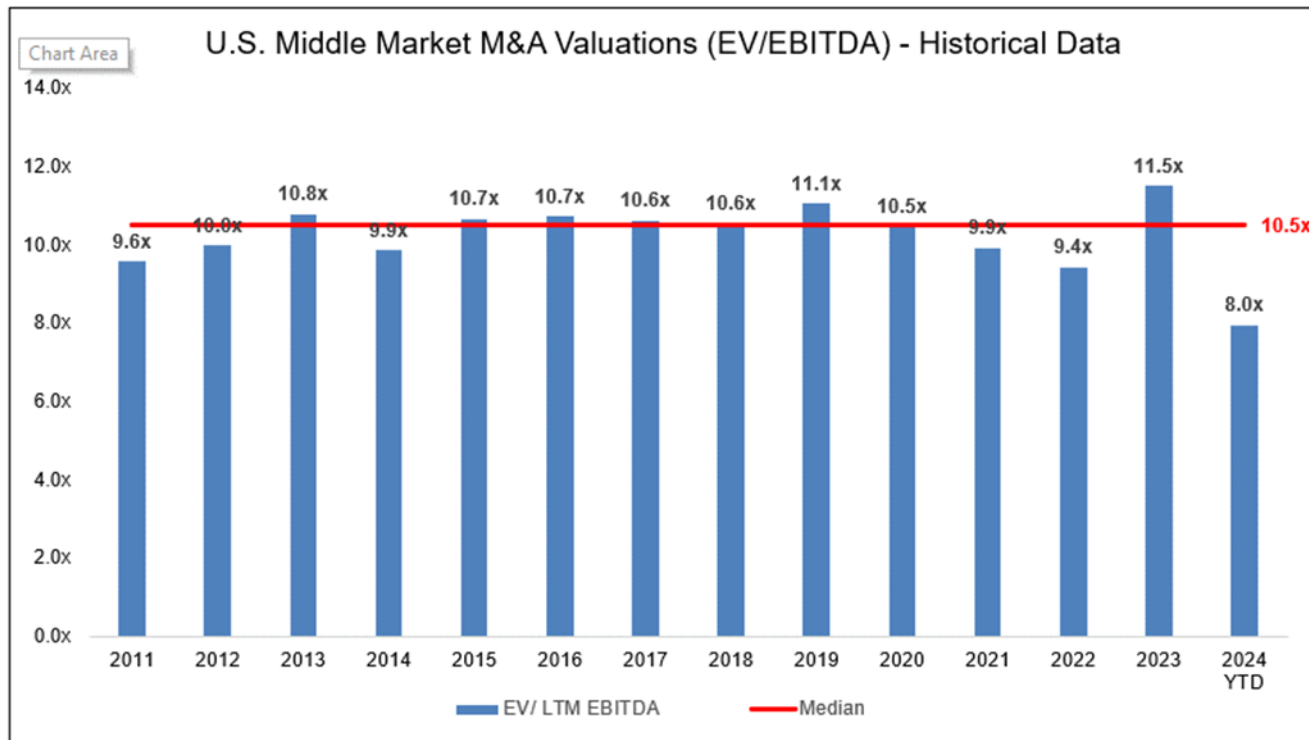
Source: Bloomberg

**Diagram O: S&P 500 Historical Multiples**



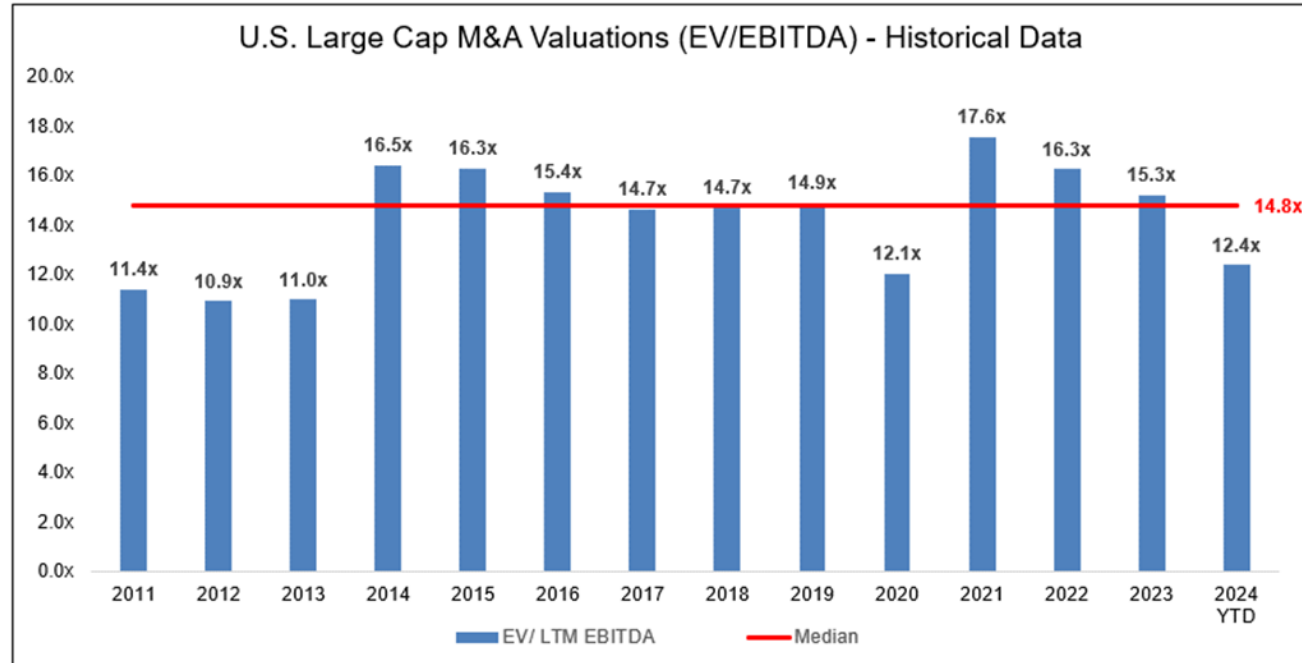
Source: S&P Capital IQ

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

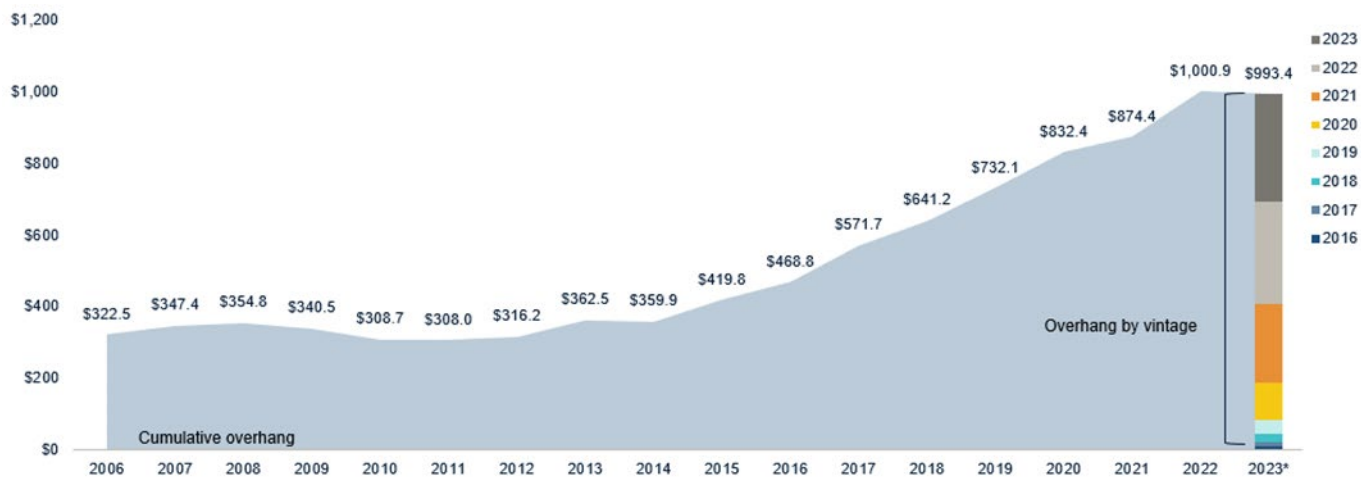


Source: Pitchbook

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

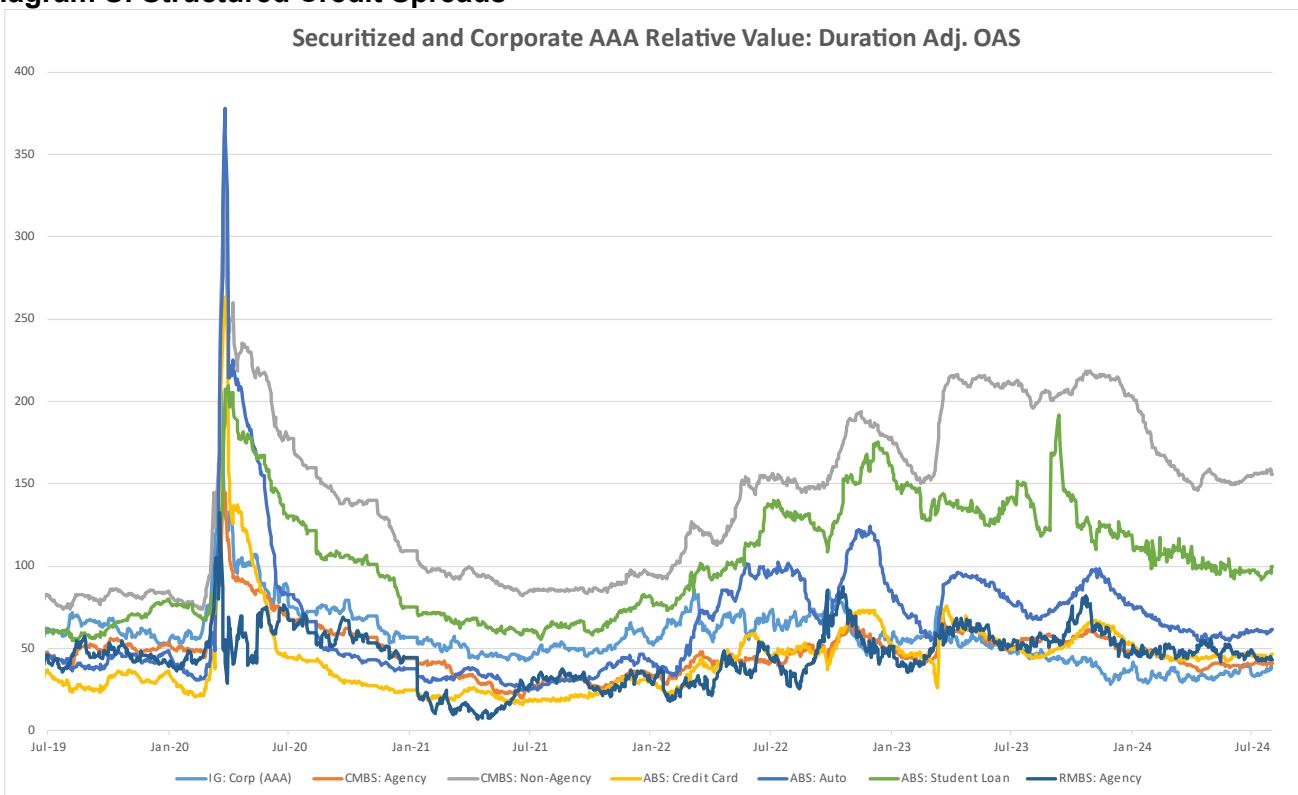


**Diagram R: Dry Powder for All Private Equity Buyouts**



Source: Pitchbook

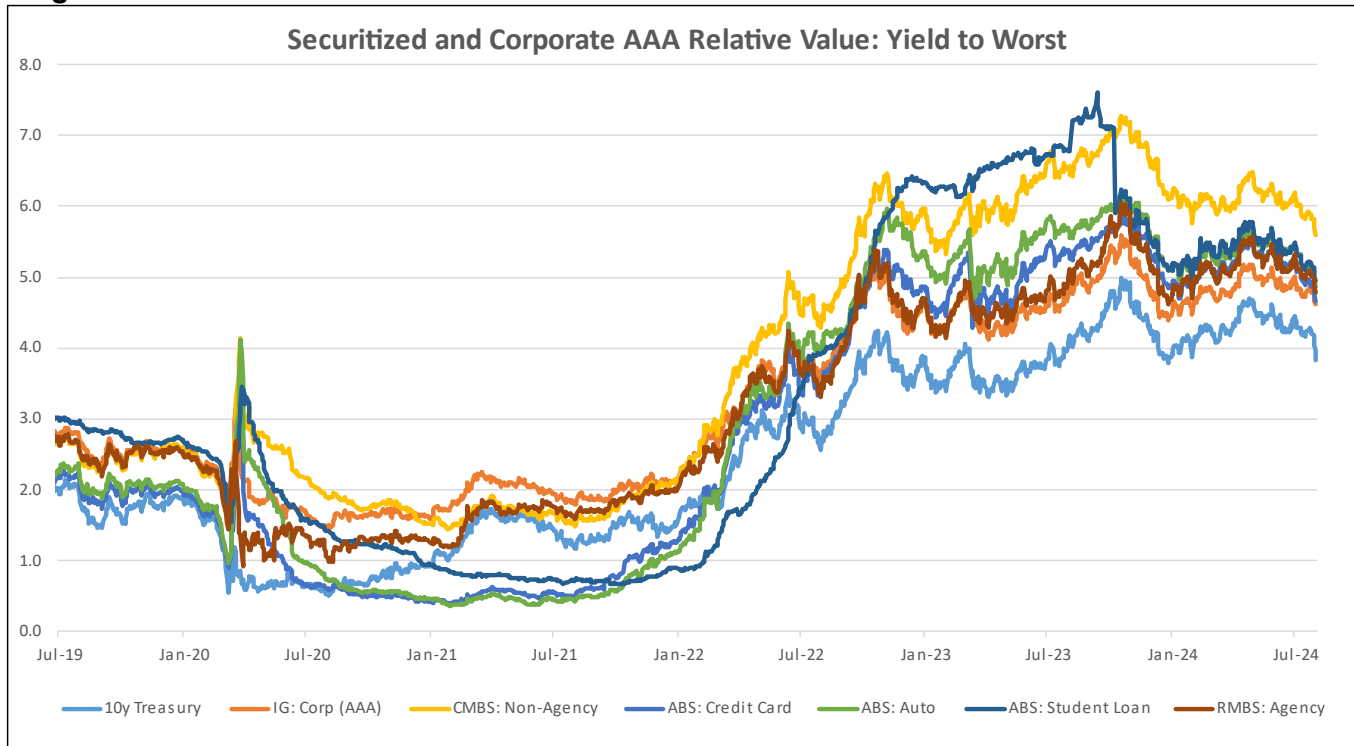
**Diagram S: Structured Credit Spreads**



Source: Bloomberg

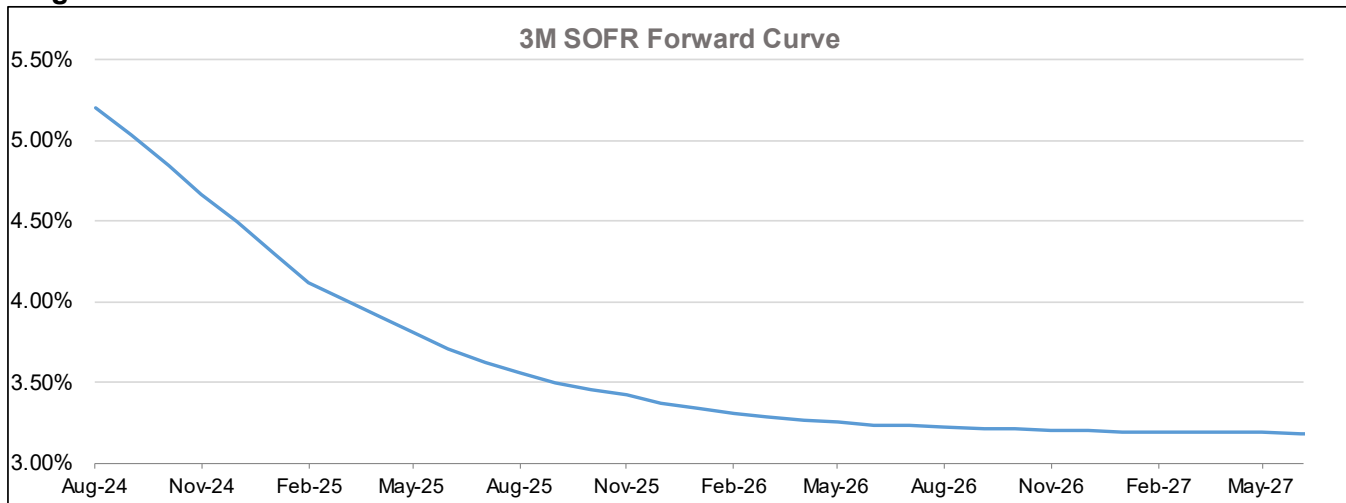


**Diagram T: Structured Credit Yield**

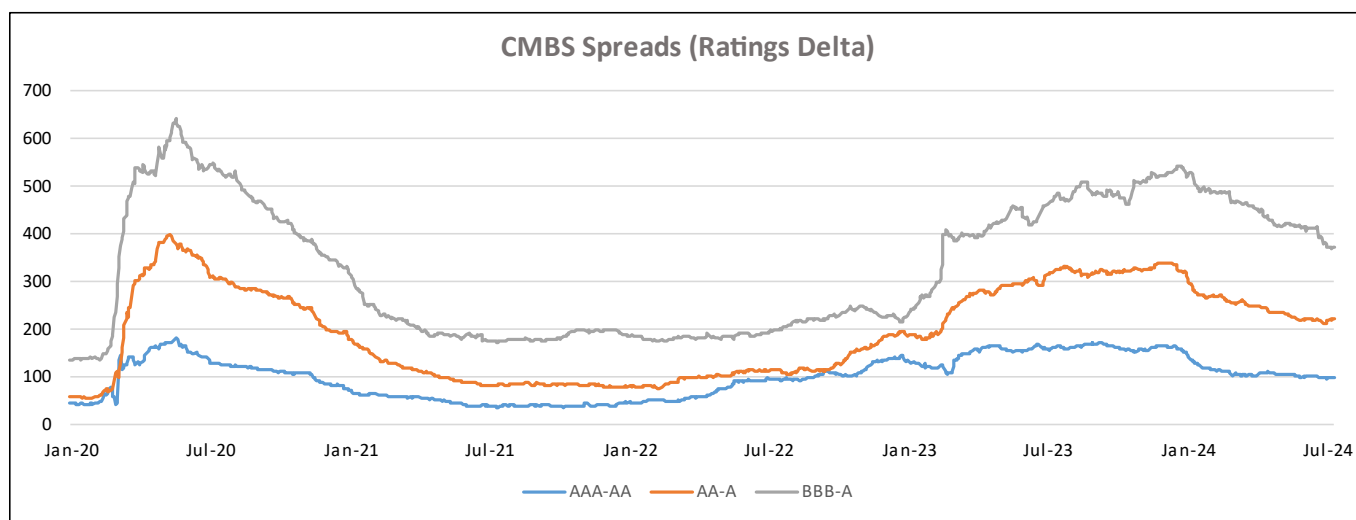
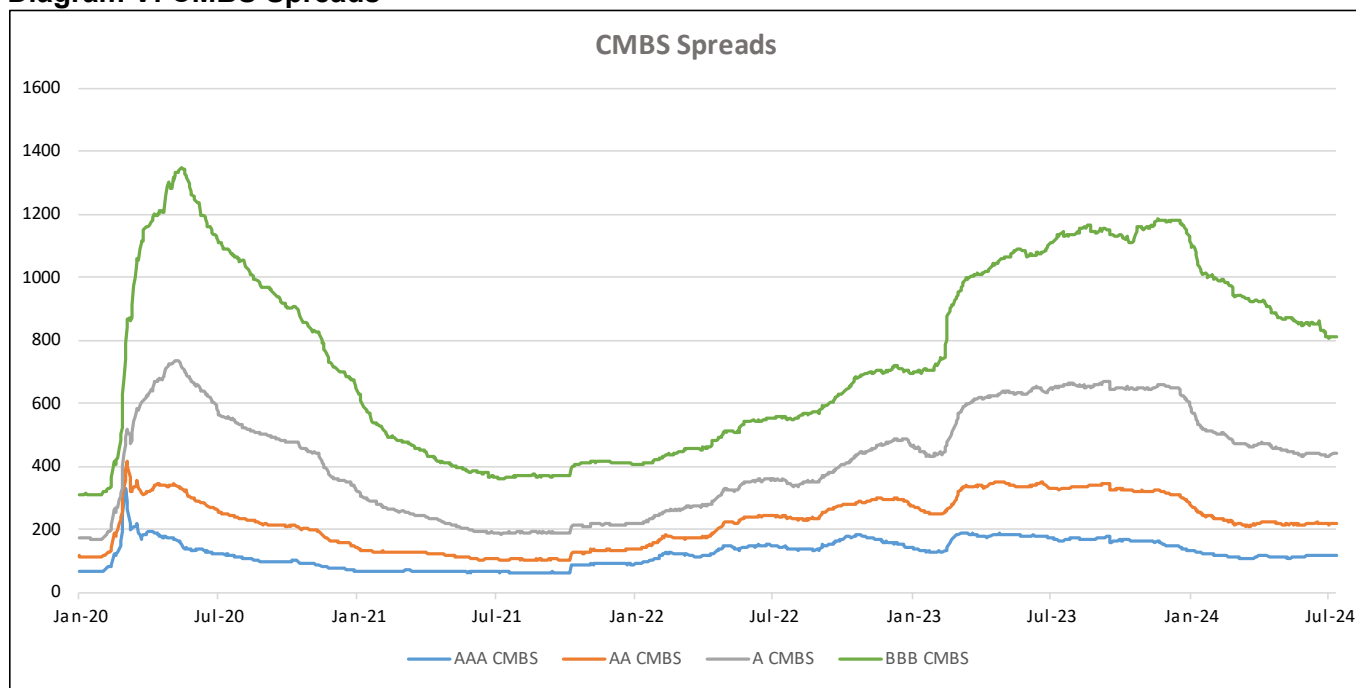


Source: Bloomberg

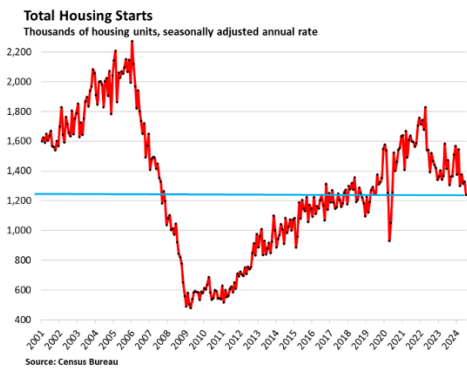
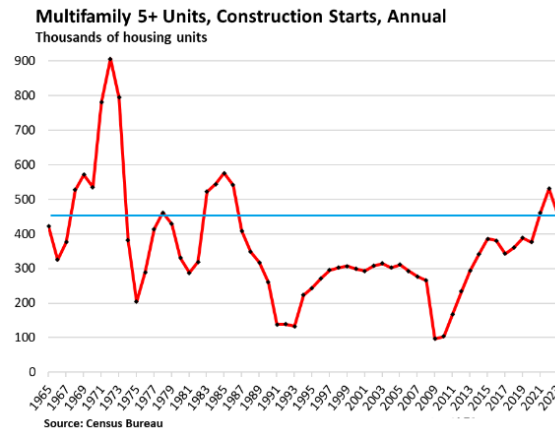
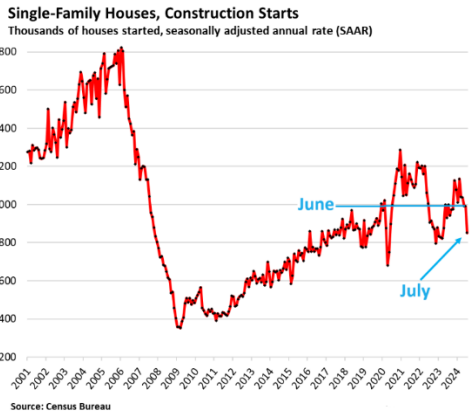
**Diagram U: SOFR Curve**



### Diagram V: CMBS Spreads



# Real Estate News

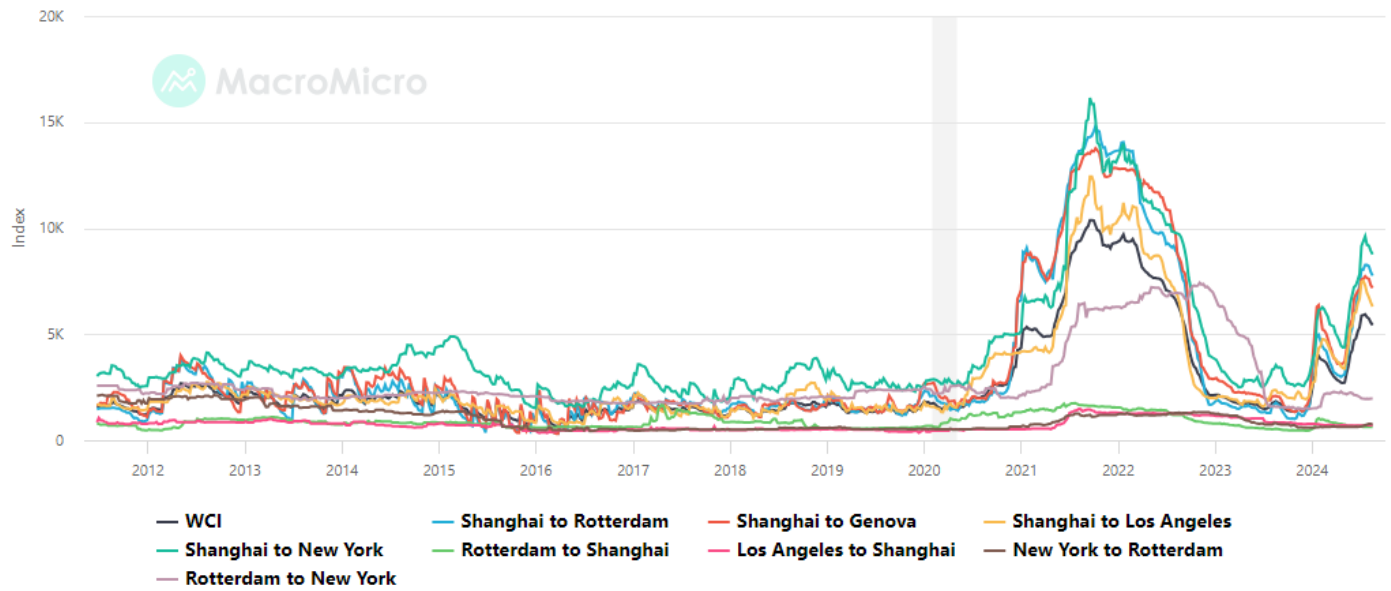


1. **Volatility and Cyclicity:** All three graphs show significant volatility in housing starts over the years, with clear cycles of boom and bust. These cycles are closely tied to broader economic conditions, including interest rates, economic growth, and financial crises
2. **Post-2008 Recovery:** Following the sharp decline during the 2008 financial crisis, there has been a steady recovery in both single-family and multifamily housing starts. This recovery gained momentum in the 2010s and peaked around 2021-2022
3. **Recent Slowdown:** After peaking in 2021-2022, all segments—single-family, multifamily, and total housing starts—are now showing signs of a slowdown. This recent decline is influenced by rising interest rates, economic uncertainty, and potential oversupply concerns, particularly in the multifamily segment
4. **Long-Term Stabilization:** Despite short-term fluctuations, there's a general trend towards stabilization at levels higher than the post-crisis lows but below the pre-2008 peaks. The market seems to be adjusting to new economic realities, with a gradual cooling off after the frenetic pace of the last few years

Overall: The common trend is a market that has rebounded strongly from the 2008 crisis but is now experiencing a cooling period as it adjusts to high interest rates and shifting economic conditions. This cooling is reflected in the declining numbers across all housing starts, indicating a potential tightening of supply moving forward

**Freight Rates**

**Drewry World Container Index**



**China-Global & Shanghai Export Container Freight Index**

