# **Briefing** www.zcg.com 0 0 0 0 0

# Global Economic & Credit Market Week 31 Ending – August 02, 2024

# Economic Calendar

- Monday, August 05: S&P final U.S. services PMI
- Tuesday, August 06: U.S. trade deficit
- Wednesday, August 07: Consumer credit
- Thursday, August 08: Jobless claims; wholesale inventories

# **Key Market Metrics**

- o S&P 500: (2.06%) WoW; +12.09% YTD; +18.76% YoY; 15.6x LTM EBITDA; 13.0x NTM EBITDA
- Dow Jones: (2.10%) WoW; +5.43% YTD; +12.84% YoY; 11.4x LTM EBITDA; 12.7x NTM EBITDA
- Nasdag: (3.35%) WoW; +11.76% YTD; +20.18% YoY
- Ten Year US Treasury Yield: 3.82% (10) bps YTD; (41) bps YoY
- Currency:
  - British Pound per USD: \$1.28; (0.5%) WoW; 0.6% YTD; 0.7% YoY
  - Euro per USD: \$1.09; 0.5% WoW; (1.2%)YTD; (0.3%)YoY
  - USD per Yen: ¥146.53; (4.7%)WoW; 4.0% YTD; 2.8% YoY
  - Swiss franc per EUR: 1.07 CHF; 2.5% WoW; (0.8%)YTD; 2.3% YoY

# U.S. News

# **Consumer Confidence**

- Consumer confidence rose to 100.3 in July, up from 97.8 in June and above the median forecast of 99.5
- Americans' short-term expectations for income, business and the job market rose to 78.2 from 72.8 in June
- Increased prices on food are the main drivers of consumers' view of the economy

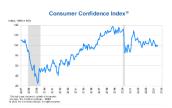
# **FOMC Interest-Rate Decision**

- The Federal Reserve held its benchmark rate, which is at a 23-year high
- The Federal Reserve is monitoring job-market indicators, as job gains slow and 0 unemployment rises
- The Federal Reserve's goal is to get inflation below 2%; however, top officials have made 0 it clear that, so long as inflation continues to trend downwards, a rate cut in September is on the table even if this target is not met

# **Factory Orders**

- Factory orders fell 3.3% in June, a greater decrease than the forecasted 3.2%. The drop was mostly caused by lower demand for aircraft—both passenger planes and military aircraft Excluding transportation, factory orders increased 0.1%
- Core orders increased by 0.9% in June, but business investment has hardly increased in the last year
- Weak shipments this year are mostly due to high interest rates and moderating demand for big-ticket goods, such as new cars





#### Jobless Claims

- Initial jobless claims, a measure of how many workers were laid off across the U.S., increased to 249,000 in the week ended July 26, up 14,000 from the prior week
- The four-week moving average was 238,000, up 2,500 from the prior week
- Continuing claims those filed by workers unemployed for longer than a week increased by 33,000 to 1.877 million in the week ended July 19. This figure is reported with a one-week lag

FRED - Initial Claims
270,000
250,000
220,000
210,000 200,000
190,000 190,0000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,0

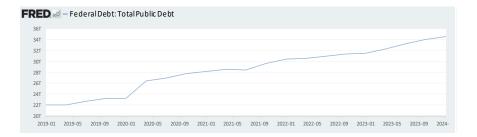
#### Fed's Balance Sheet

- The Federal Reserve's assets totaled \$7.178 trillion in the week ended August 2, down \$27.1 billion from the prior week
- Treasury holdings totaled \$4.422 trillion, down \$1.3 billion from the prior week
- Holdings of mortgage-backed securities (MBS) were \$2.32 trillion in the week, down \$17.8 billion from the prior week

FRED	🜌 — Assets: Total Assets: Total Assets (Less Eliminations from Consolidation)
10,000,000	
8,000,000	
6,000,000	
4,000,000	
2,000,000	
20 <sup>23.0</sup>	5 50° 50° 50° 50° 50° 50° 50° 50° 50° 50

#### Total Public Debt

- Total public debt outstanding was \$35.06 trillion as of August 2, an increase of 7.5% from the previous year
- o Debt held by the public was \$25.76 trillion, and intragovernmental holdings were \$7.22 trillion



# Inflation Factors

- CPI:
  - The consumer-price index rose 3.0% in June year over year
  - On a monthly basis, the CPI decreased -0.1% in June on a seasonally adjusted basis, after increasing 0.0% in May
  - The index for all items less food and energy (core CPI) rose 0.1% in June, after rising 0.2% in May
  - Core CPI increased 3.3% for the 12 months ending June
- Food & Beverages:
  - The food at home index increased 1.1% in June from the same month a year earlier, and increased 0.1% in June month over month
  - The food away from home index increased 4.1% in June from the same month a year earlier, and increased 0.4% in June month over month
- Commodities:
  - The energy commodities index decreased (3.7%) in June after decreasing (3.5%) in
  - The energy commodities index fell (2.3%) over the last 12 months
  - The energy services index 2.1% in June after increasing 0.3% in May
  - The energy services index rose 4.3% over the last 12 months
  - The gasoline index fell (2.5%) over the last 12 months
  - The fuel oil index rose 0.8% over the last 12 months
  - The index for electricity rose 4.4% over the last 12 months
  - The index for natural gas rose 3.7% over the last 12 months
- Supply Chain:
  - Drewry's composite World Container Index decreased to \$5,736.21 per 40ft container
  - Drewry's composite World Container Index has increased by 225.7% over the last 12 months
- Housing Market:
  - The shelter index increased 0.2% in June after increasing 0.4% in May
  - The rent index increased 0.2% in June after increasing 0.4% in May
  - The index for lodging away from home decreased (0.6%) in June after increasing 1.4% in May

# Federal Funds Rate

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



# World News

# Israel/Gaza

- Israel claims that it killed Fuad Shukr, a top Hezbollah military leader, in an airstrike in Beirut. The attack was retaliation for a Saturday attack on the Golan heights, which killed 12 young people
- A strike on Tehran killed Ismail Haniyeh, a Hamas negotiator and voice for a cease-fire. Haniyeh is the highest-ranking Hamas political official to be killed in this conflict
- Iranian investigations revealed that a bomb was planted in the negotiator's room, highlighting failure of Iranian security. Iran announced that retaliation for the attack on its soil will be "heavy and swift", raising concerns of further escalation in the region
- Israel announced that it killed Mohammed Deif, a top Hamas military commander, in a July airstrike. Mohammed Deif was a principal planner of the October 7<sup>th</sup> attacks and has been a designated terrorist by the U.S. government for decades

# Russia

- Ukraine claims that it sunk a Russian Rostov-on-Don submarine in a missile strike off the coast of Crimea. This would mark the first time that one of these vessels in the Black Sea Fleet has been sunk
- Russian television will not air the Olympic games for the first time in four decades. The Russian government criticized the Olympic committee for banning the Russian team
- Western governments coordinated the largest prisoner swap with Russia since the Cold War. Russia released 16 people, including WSJ reporter Evan Gershkovich and other journalists and activists. In return, Russia will receive 8 people, including hitmen, spies, weapons smugglers, and hackers. Putin greeted them when they landed on Russian soil, thanking them for their "loyalty to the motherland"
- There are still approximately 20 U.S. citizens who are still held by Russia, who could be used as potential bargaining chips in future prisoner exchanges

# France

- French officials stated that far-left saboteurs were responsible for the burning of rail lines that impacted the country's high-speed train network during the Olympics
- In addition to the rail lines, the far-left is also connected to the vandalism of fiber-optic networks, disrupting landline and cellular service. Whether the saboteurs acted on their own accord or were influenced by outside groups is currently being investigated
- Thomas Jolly, the artistic director behind the Opening Ceremony, filed a complaint regarding threatening messages, including death threats, after the Opening Ceremony came under criticism from conservative politicians and Christian religious groups
- While critics lamented the reinterpretation of Leonardo da Vinci's "The Last Supper" for being distasteful and offensive, Jolly claimed that the scene was meant to be a representation of the Greek gods

# China

- During the Politburo meeting, Chinese leaders pledged more measures to boost household income, increase consumer demand, and reduce funding costs for companies
- This announcement comes after Chinese economic growth slowed sharply during the second quarter, driven mainly by low consumer spending and a sluggish property sector
- Russian and Chinese militaries conducted a joint patrol near Alaska. U.S. and Canadian fighters intercepted the Russian and Chinese bombers, though they did not enter U.S. airspace. This patrol marks the first such cooperation between the two countries
- China rejected the IMF's proposal to use \$1T of central government funds to complete unfinished housing. The news comes as a disappointment to those who hoped for more forceful support to an industry that has been dragging down the Chinese economy

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# **Geopolitical Hotspots**

## UK

 The U.K. government cancels the retail sale of its 20% NatWest stake, a bank it rescued during the 2008 financial crisis. The U.K. Treasury Chief announced that the government plans to sell the stake privately in 2025

# Venezuela

 The U.S. recognized Edmundo Gonzalez, Nicolas Maduro's opponent, as the winner of the country's disputed presidential election. President Maduro continues to stay in power, using the police and military to cement his position

# 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

# Germany

 The GfK consumer-climate index forecasts German consumer confidence to rise 3.2 points to -18.4 in August 2024, driven by significantly increased income expectations and the positive impact of the European soccer tournament

# New Zealand

 The ANZ-Roy Morgan consumer confidence index for New Zealand rose 5 points to 87.9 in July 2024, amid rising expectations of significant interest-rate cuts and a notable fall in inflation expectations to 3.7%

# Singapore

 The Monetary Authority of Singapore maintained its monetary policy settings and expects GDP growth to approach its potential rate of 2%-3% for the full year, supported by improved economic momentum and easing inflation

# Brazil

 Starlink's rapid expansion in Brazil, particularly in the Amazon and farming regions, is causing concerns among officials in President Luiz Inácio Lula da Silva's administration, leading to investigations and potential restrictions due to its perceived political influence and impact on national sovereignty

# • EU

• The EU proposed duties between 12.8% and 36.4% on Chinese biofuels, claiming that it found Chinese companies dumping biofuels into European markets at unfair prices

# Rwanda

 Rwandan President Kagame won his election on Thursday with more than 99% of the vote, securing Kagame five more years in power. The results come after what international rights groups claim are the erosion of political liberties in Rwanda

# Canada

- Potential railroad worker strikes at Canadian National Railway and Canadian Pacific Kansas City threaten to disrupt the country's logistics network. Business groups have warned that simultaneous strikes from the two railroads would cause major disruptions in the supply chain
- Wildfires reemerge in Western Canada during a heat wave in Alberta. Last year, wildfires burned more than 45 million acres and costed the Canadian economy about \$10 billion

# Commodities

#### Oil Prices

0

- WTI: \$73.52 per barrel
  - (4.72%) WoW; +2.61% YTD; (9.85%) YoY
  - Brent: \$77.52 per barrel
    - (4.45%) WoW; +0.62% YTD; (8.95%) YoY

## US Production

U.S. oil production amounted to 13.3 million bpd for the week ended July 26, down 0.0 million bpd from the prior week

## Rig Count

• The total number of oil rigs amounted to 586, down 3 from last week

## Inventories

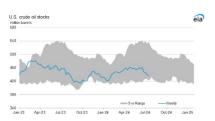
#### o Crude Oil

- Total U.S. crude oil inventories now amount to 433.0 million barrels, down (1.5%) YoY
- Refiners operated at a capacity utilization rate of 90.1% for the week, down from 91.6% in the prior week
- U.S. crude oil imports now amount to 6.871 million barrels per day, down 4.3% YoY

#### • Gasoline

- Retail average regular gasoline prices amounted to \$3.48 per gallon in the week of August 2, down (9.1%) YoY
  - Gasoline prices on the East Coast amounted to \$3.50, down (6.5%) YoY







- Gasoline prices in the Midwest amounted to \$3.56, down (3.5%) YoY
- Gasoline prices on the Gulf Coast amounted to \$3.19, down (8.9%) YoY
- Gasoline prices in the Rocky Mountain region amounted to \$3.51, down (12.1%) YoY
- Gasoline prices on the West Coast amounted to \$4.23, down (10.6%) YoY
- Motor gasoline inventories were down by 3.7 million barrels from the prior week
- Motor gasoline inventories amounted to 223.8 million barrels, up 2.1% YoY
- Production of motor gasoline averaged 10.01 million bpd, up 1.8% YoY
- Demand for motor gasoline amounted to 9.250 million bpd, up 4.7% YoY

#### o Distillates

- Distillate inventories decreased by 1.5 million in the week of August 2
- Total distillate inventories amounted to 126.8 million barrels, up 8.3% YoY
- Distillate production averaged 4.980 million bpd, up 2.4% YoY
- Demand for distillates averaged 3.725 million bpd in the week, down (2.6%) YoY

#### • Natural Gas

- Natural gas inventories increased by 18 billion cubic feet last week
- Total natural gas inventories now amount to 3,249 billion cubic feet, up 8.3% YoY



IV.

# Credit News

High yield bond yields decreased 2bps to 7.55% and spreads increased 27bps to 359bps. Leveraged loan yields decreased 32bps to 8.67% and spreads decreased 8bps to 494bps. WTD Leveraged loan returns were positive 14bps. WTD high yield bond returns positive 23bps. 10yr treasury yields decreased 28bps to 3.98%. Yields and spreads decreased due to a string of weak labor market data, higher unemployment rate, Fed's long-awaited rate cut decision, and weak earnings season so far.

# High-yield:

#### Week ended 08/02/2024

Yields & Spreads<sup>1</sup> Current Week Prior Week  $\Delta$  (bps) Spread Yield Yield Spread Yield Spread 7.55% 359 7.57% 332 (2)27 Pricing & Returns<sup>1</sup> Pricing Returns Current Week WTD 2023 Prior Week Δ (bps) MTD YTD \$94 68 \$94 54 14 0 23% 1 90% 4 51% 13 5% Fund Flows<sup>2</sup> Total Flows (\$) \$438mm New Issue<sup>2</sup> Week YTD # New Deals Total (\$) Prior Year YTD CY vs PY Total (\$) \$9.3bn \$186.2bn \$101.0bn 15 +84% Distressed Level (trading in excess of 1,000 bps)<sup>2</sup> 7/31/24 6/30/24 5/31/24

1.25%

 1/31/24
 6/30/24
 5/31/24

 6.39%
 7.64%
 7.63%

 Total HY Defaults
 7/31/24
 6/30/24
 5/31/24

1.17%

1.16%

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

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

#### Leveraged loans:

#### Week ended 08/02/2024

•	Yields & Spre	ads1								
	Current Week		Prior V	Veek	_	Δ(b	ps)			
	Yield Spre	ead	Yield	Spread		Yield	Spread			
	8.67% 49	4	8.99%	502		(32)	(8)			
•	Leveraged Lo									
		Pricing						Returr		
	Current Week	Prior We		∆ (bps)		WTD	MTD		YTD	2023
	\$95.82	\$95.73	3	10		0.14%	0.63%		5.20%	12.9%
•	Fund Flows <sup>2</sup> Total Flows (\$) (\$59mm) New Issue <sup>2</sup>									
	Week			Y	TD					
	# New Deals To	tal (\$)	Total (\$)	Prior Ye	ear	YTDC	Y vs PY			
	20 \$1	4.9bn	\$788.1bi	n \$156	5.1	bn	+405%			
•	Distressed Le 7/31/24 5.91%	evel (loa 6/30/24 5.88%	5/3	below \$8 1/24 02%	80	)) <sup>1</sup>				
•	Total Loan De 7/31/24 1.40%	efaults 6/30/24 1.09%		<u>31/24</u> 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), Vyaire Medical (\$339mn, 6/9/24), 99 Cents Only Stores (\$350mn, 4/7/24), and ConvergeOne (\$1.3bn, 4/4/24).

# CLOs:

Week ended 08/02/2024

- New U.S. CLO Issuance<sup>2</sup>
   <u># Priced</u> Total (\$) New Issue Refis/Resets
   20 \$9.0bn \$4.2bn \$4.8bn
- New U.S. CLO YTD Issuance<sup>2</sup>

   Total U.S. CLOs
   Total (\$)
   New Issue
   Refis/Resets
   Prior Year YTD
   CY vs. PY

   543
   \$245.1bn
   \$112.8bn
   \$132.3bn
   \$66.5bn
   +269%

# 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

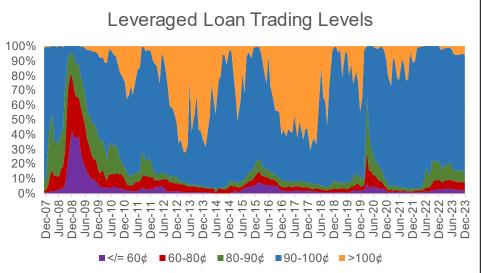
# Ratings activity:S&P and Moody's High Yield Ratings

,	0	S&P			Moody's	
	Downgrades	Upgrades	Ratio	Downgrades	Upgrades	Ratic
Full Year 2023	546	304	1.8×	488	288	1.7×
Week Ending 01/05/24	1	2	0.5×	0	2	O.Ox
Week Ending 01/12/24	8	6	1.3×	3	7	0.4×
Week Ending 01/19/24	2	6	0.3×	12	6	2.0×
Week Ending 01/26/24	10	0	n/a	15	6	2.5×
Week Ending 02/02/24	з	13	0.2×	11	7	1.6×
Week Ending 02/09/24	18	6	3.0×	5	7	0.7×
Week Ending 02/16/24	8	2	4.0×	14	9	1.6×
Week Ending 02/23/24	з	8	0.4×	16	16	1.0×
Week Ending 03/01/24	14	5	2.8×	6	2	3.0×
Week Ending 03/08/24	16	10	1.6×	15	14	1.1×
Week Ending 03/15/24	12	7	1.7×	15	5	3.0×
Week Ending 03/22/24	6	5	1.2×	7	10	0.7×
Week Ending 03/29/24	9	2	4.5×	15	14	1.1×
Week Ending 04/05/24	8	11	0.7×	13	8	1.6×
Week Ending 04/12/24	8	11	0.7×	8	7	1.1×
Week Ending 04/19/24	14	10	1.4×	4	12	0.3×
Week Ending 04/26/24	з	4	0.8×	12	6	2.0×
Week Ending 05/03/24	12	5	2.4×	11	4	2.8×
Week Ending 05/10/24	6	10	0.6×	9	9	1.0×
Week Ending 05/17/24	13	7	1.9×	13	4	3.3×
Week Ending 05/24/24	10	6	1.7×	13	10	1.3×
Week Ending 05/31/24	12	з	4.0×	14	10	1.4×
Week Ending 06/07/24	9	14	0.6×	10	9	1.1×
Week Ending 06/14/24	10	7	1.4×	11	12	0.9×
Week Ending 06/21/24	9	6	1.5×	13	8	1.6×
Week Ending 06/28/24	5	4	1.3×	7	6	1.2×
Week Ending 07/05/24	5	8	0.6×	3	8	0.4×
Week Ending 07/12/24	1	4	0.3×	4	5	0.8×
Week Ending 07/19/24	6	4	1.5×	14	4	3.5×
Week Ending 07/26/24	7	9	0.8×	6	6	1.0×
Week Ending 08/02/24	2	8	0.3×	11	2	5.5×
YTD 2024	250	203	1.2×	310	235	1.3×

Source: Bloomberg

#### Appendix:





Source: Credit Suisse Leveraged Loan Index

#### Diagram B: High Yield and Leveraged Loan LTM Price

- J - J				
Н	igh Yield and L	everaged Loa	an Data [1]	
		LTI	M Price	
	Avg. Price	High [2]	Low [3]	LTM High vs. Low $\Delta$
High Yield	91.3	94.7	85.4	9.3
Leveraged Loans	95.3	96.2	94.1	2.1
[1] Data is from Cradit Suisa	- High Vield Market	Index and Credit	Cuicae Levera	and Loop Index

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

[2] HY high price as of 7/31/24. 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 R	eturns		
	Leveraged Lo	oan Indices	High Yield Indices		
	Credit Suisse [1]	S&P/LSTA [2]	Credit Suisse [1]	S&P [2]	
Weekly Return	0.14%	0.12%	0.23%	0.84%	
MTD Return	0.63%	(0.00%)	1.90%	0.09%	
YTD Return	5.20%	5.09%	4.51%	4.12%	
[1] Oredit Cuisse Total Datum	information is coloulated.	waaldu. Viald data is as a	5 00/02/2024		

Credit Suisse Total Return information is calculated weekly. Yield data is as of 08/02/2024
 Yield data as of 08/02/2024

Z Capital Group L.L.C.

#### 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.

## **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.

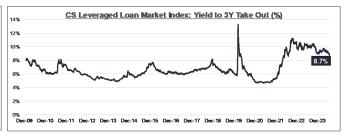
## Diagram F: High Yield Bonds Spreads & Yields



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



Dec-09 Dec-10 Dec-11 Dec-12 Dec-13 Dec-14 Dec-15 Dec-16 Dec-17 Dec-18 Dec-19 Dec-20 Dec-21 Dec-22 Dec-23 Dec-23 Dec-24 De



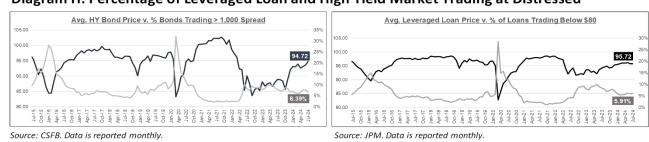
Source: CSFB Leveraged Loan Index Yield to 3Y take-out, expressed as a percentage. Data is reported daily.



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

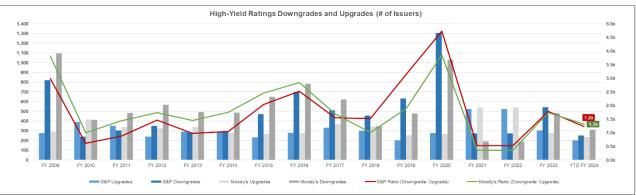
# Diagram G: Spread between High Yield Bonds and Leveraged Loans



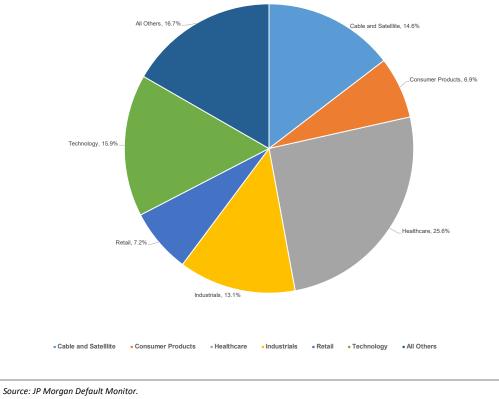


#### Diagram H: Percentage of Leveraged Loan and High Yield Market Trading at Distressed

#### **Diagram I: High Yield Upgrades and Downgrades**







## **Diagram L: CLO Economics**

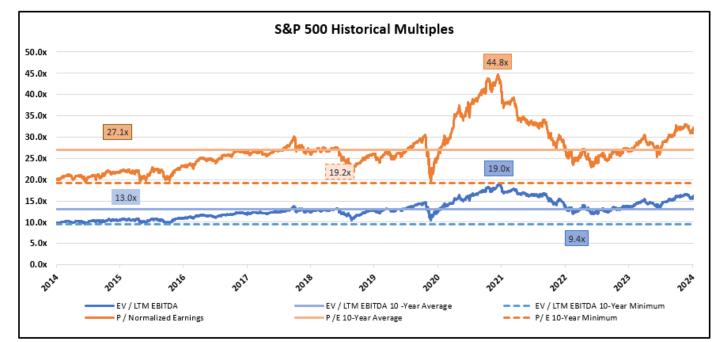
			CLO	Economics	5			
AAA Coupons	AAA DMs	WAC Liabilities	DM Liabilities	Leverage	Asset WAS	All In WAS [1]	IRR est.	Cash on Cash est.
L+135-150	L+135-150	L+200-240	L+220-280	9-11x	L+300-360	L+330-390	9-12%	10-14%
*******			n n D ni n n n h n n	at Dawlad				

\*Assumptions: 2% Default / 65% Recovery / 4 year Reinvestment Period [1] Spread includes OID benefit based on 4 year repayment

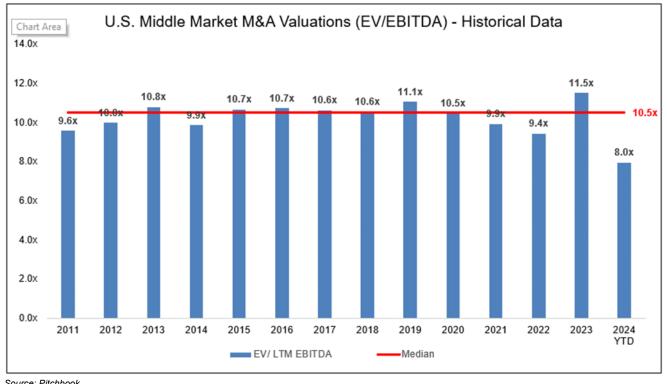
## Diagram N: Developed Country GovBond Yields (%)

							Change		
Ву	7/12/24	7/19/24	7/26/24	8/2/24	Weekly	Q4 2023	Q3 2023	Q2 2023	Q1 2023
France - 10 year	3.15%	3.14%	3.12%	2.95%	(17 bps)	(84 bps)	47 bps	14 bps	(32 bps)
Germany - 10 year	2.50%	2.47%	2.41%	2.16%	(25 bps)	(82 bps)	45 bps	10 bps	(28 bps)
ltaly - 10 year	3.79%	3.78%	3.76%	3.61%	(15 bps)	(108 bps)	71 bps	(3 bps)	(62 bps)
Japan - 10 year	1.07%	1.04%	1.07%	0.95%	(12 bps)	(20 bps)	42 bps	(9 bps)	2 bps
UK - 10 year	4.11%	4.12%	4.10%	3.81%	(29 bps)	(90 bps)	6 bps	93 bps	(18 bps)
US									
US - 2 year	4.45%	4.51%	4.38%	3.91%	(48 bps)	(90 bps)	21 bps	111 bps	(54 bps)
US - 5 year	4.10%	4.17%	4.07%	3.65%	(42 bps)	(95 bps)	61 bps	80 bps	(51 bps)
US - 10 year	4.18%	4.24%	4.19%	3.83%	(37 bps)	(92 bps)	94 bps	52 bps	(40 bps)
US - 30 year	4.40%	4.45%	4.45%	4.16%	(29 bps)	(89 bps)	106 bps	27 bps	(24 bps)
Source: Bloomberg									

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



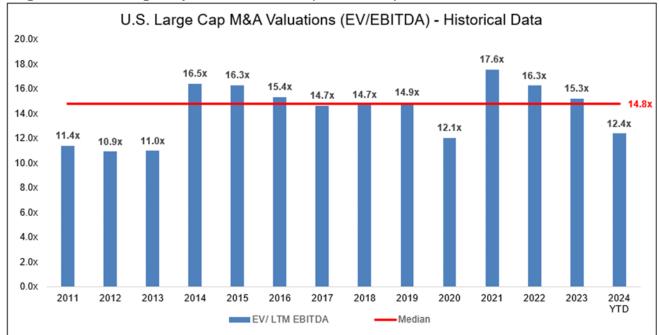
Source: S&P Capital IQ



# 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)

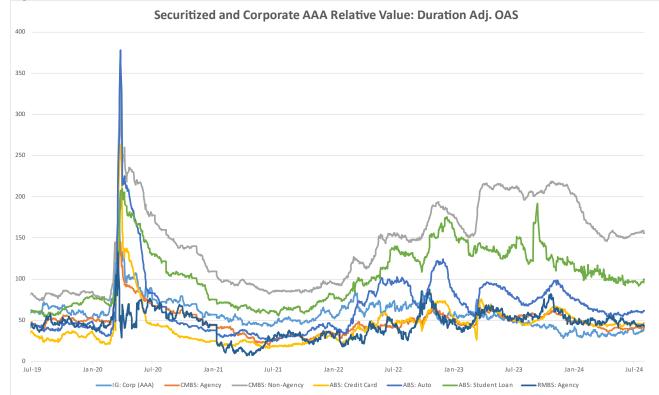


# Diagram R: Dry Powder for All Private Equity Buyouts



Source: Pitchbook

## Diagram S: Structured Credit Spreads



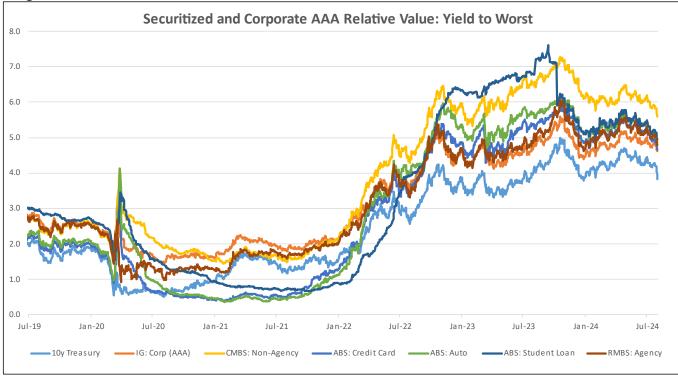
Source: Bloomberg

ZCG - RESEARCH

ZCG – RESEARCH

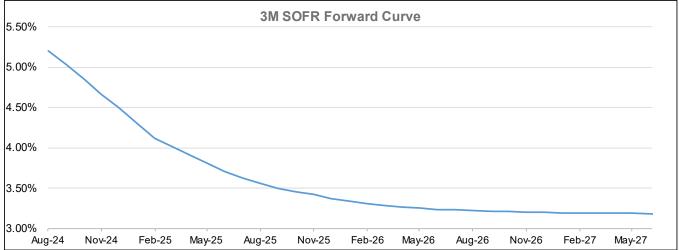




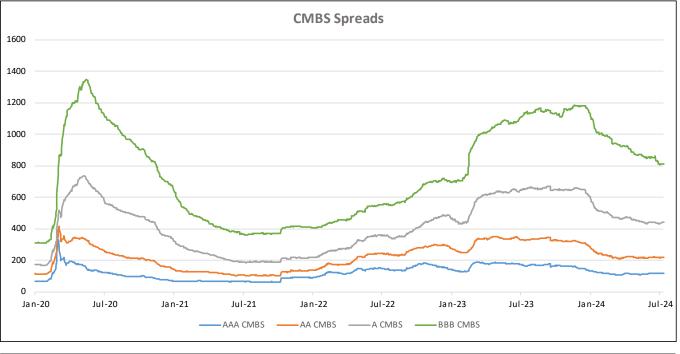


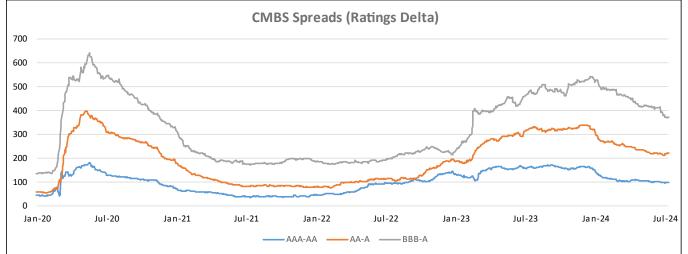
Source: Bloomberg

#### **Diagram U: SOFR Curve**



# **Diagram V: CMBS Spreads**





ZCG - RESEARCH

ZCG – RESEARCH

# Real Estate News

# Section 1:

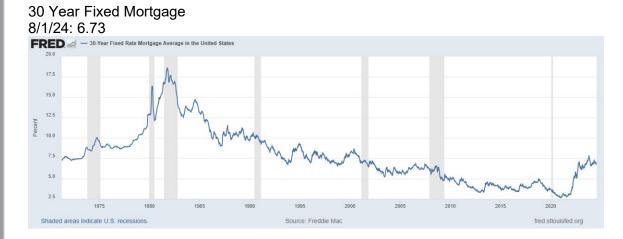
Values of Old Office Towers Go to Near-Zero, but the Land Has Value

23-Floor Manhattan Office Building Just Sold at a 97.5% Discount:

- In 2006, an investment fund managed by a division of UBS bought a 925,000-square-foot office tower at 135 West 50th Street in Manhattan for \$332 million (leasehold interest only, not the land).
- In 2006, UBS purchased the land (ground lease) for \$279 million.
- In 2019, UBS sold the land to Safehold for \$285 million and established a long-term ground lease with them.
- UBS retained the building to earn income from office rents, which were expected to increase significantly due to an "office shortage" in Manhattan.
- UBS renovated the building with construction finishing in 2021, spending \$76 million on the renovation. The building was about 40% leased at that time.
- The office commercial real estate market began collapsing due to the work-from-home trend and increased vacant office space. The building's occupancy decreased to 35%, and office rents did not cover the ground lease costs, turning the property into a financial burden.
- UBS attempted to sell the office tower, but a deal fell through, leading to an online auction sale for \$8.5 million.
- UBS's total proceeds from the property were \$8.5 million from the building sale and \$285 million from the land sale, totaling \$293.5 million.
- The total loss amounted to \$393.5 million (57% loss on investment) after accounting for the purchase and renovation costs.
- On the financial statement, the loss on the building appeared smaller due to depreciation rules, showing a combined accounting loss of \$168 million.
- A similar ground-lease situation in Chicago involved a 12-story, 50% vacant office tower at 300 W. Adams St., sold for \$4 million after foreclosure, while the original owner retained the land and continued collecting rent.

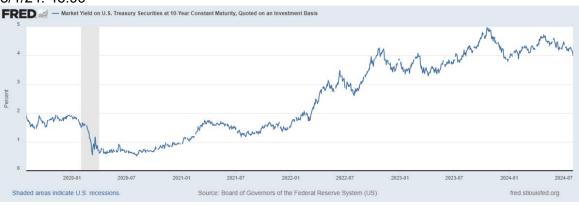
Source: Wolfstreet

# Section 2:



Z Capital Group L.L.C.

#### 10-year US Treasury 8/1/24: 43.99

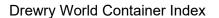


# Spread 8/1/24: 2.61



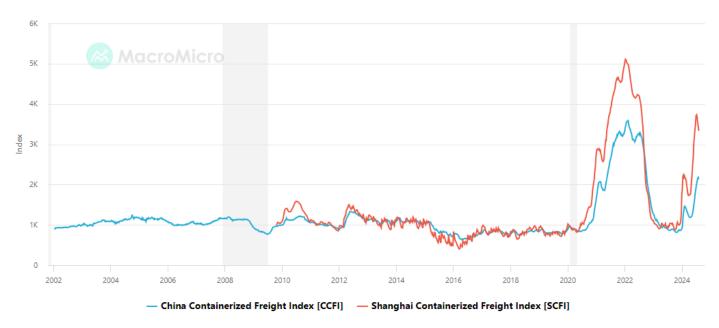
# Freight Rates







# China-Global & Shanghai Export Container Freight Index



#### About ZCG

**Z** Capital Group, LLC ("ZCG") is a leading, privately held merchant bank comprised of private markets asset management, business consulting services, and technology development and solutions.

ZCG's investors are some of the largest and most sophisticated global institutional investors including pension funds, endowments, foundations, sovereign wealth funds, central banks, and insurance companies.

For almost 30 years, ZCG Principals have invested tens of billions of dollars of capital and have industry leading track records in private equity and credit.

ZCG has a global team comprised of over 400 professionals. For more information on ZCG, please visit www.zcg.com.

#### **Asset Management**

**Z** Capital Partners, LLC ("ZCP") is the private equity fund management platform of ZCG. ZCP pursues a strategy of acquiring companies that are growth platforms, corporate carve-outs, buy & build, go-private transactions, and turnarounds.

ZCP has a specialized approach including our consulting practice, ZCG Consulting, LLC, and technology affiliate, Haptiq, LLC, to assist in significant value-creation initiatives across portfolio companies.

**Z Capital Credit Partners, LLC ("ZCCP")** is the credit fund management platform of ZCG. ZCCP invests across a range of credit investments including leveraged loans, private debt, direct lending, and opportunistic credit. ZCCP manages closed and open-ended funds as well as structured vehicles of strategic debt.

Both of the ZCP and ZCCP investment platforms share ZCG common resources, including infrastructure, legal, and cross global intelligence.

#### Consulting

**ZCG Consulting, LLC ("ZCGC")**, the strategic management consulting platform of ZCG, is a team of operating professionals within various disciplines of expertise including: financial reporting & planning, technology assessment & implementation, talent acquisition & analysis, global supply chain & logistics, business operations, c-suite advisory, real estate operations & management, and insurance & risk management. The team works closely with company management teams and investment professionals to optimize operations and financial rigor, ultimately leading to value creation and increased performance. For more information on ZCGC, please visit www.zcgc.com.

#### Technology

Haptiq, LLC ("Haptiq") – where insight meets innovation.

Haptiq offers a nuanced understanding of each client's performance and exactly how to leverage technology for sustained growth. Through its suite of software, digital solutions, and industry expertise, Haptiq equips business leaders with a clear path to accelerate growth and profitability. For more information on Haptiq, please visit www.haptiq.com.

**Olympus Fintech, LLC ("Olympus")** is a software product and platform which provides private equity, debt, and CLO managers with customizable and simplified workflows, data management, and robust reporting capabilities. For more information on Olympus, please visit <u>www.olyfintech.com</u>.

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 26-Jul
 WoW Change

 40,589.34
 (2.10%)

 5,459.10
 (2.06%)

 17,357.88
 (3.35%)

 2,337.50
 (3.35%)

(1.98% (1.03%

(1.06%) 42.71%

0.97%

10.96%

(0.94%) (5.81%) (4.72%) (5.32%) (1.94%) 0.00%

(1.11%) (0.61%) (2.68%) 0.15%

0.00% 3.70%

14.63%

2.35%

2.27%

(0.02%)

0.49%

(0.25% (5.94% (2.03%

1.65% (4.48% (1.74% 2.96% (2.37% (1.36% 0.00% 0.00%

7.250 0.910

1.280 1.090

Expected 236K

236K 1,828K 180K 165K

3.9% 6.5%

4.10M

1,370K

7.0% 0.3%

90.0

1.4%

0.7% 15.50M

77.0%

W Change

QoQ Change

2022 2.1% 2.9% 3.0% 1.8% 6.8% 1.1% 4.0%

0.4%

2022

5,072.2 263.9 365.9

w

34.7

WoW Change 75.00%

WoW Change

2,337.59 1,072.28

104.32

529

533 29 47

(16) 547

14,823

Amt (\$mm) 8,233 7,437

Amt (\$mm) 6,532 4,711

Actual

249K 1,839K 272K 229K

4.0% 6.6% 34.3

4.11M

1,277K 7.2% 0.4%

91.3

1.4%

0.6% 15.32M

79.0%

24-Jul

34,969.6

3Q23

2023

5,178.8 217.3 332.8

2021 5.7% 4.6% 8.1% 2.8% 8.9% 1.6% 7.4%

1.284

2-Aug 39,737.26 5,346.56 16,776.16

2,291.33 1,061.23

103.21

Deals 12 4

Deals 9 3

Period

July July July July

July July July

July

July June June

June

1Q24

July July July

**31-Jul** 7,178,391.0 35,104.8

\$ in Billions \$ in Billions \$ in Billions

2020

3.5% 4.1% (4.1%) 2.3% (4.9%) (8.0%) (4.8%)

4Q23

24-Jul-24 17-Jul-24

10-Jul-24 3-Jul-24 26-Jun-24 19-Jun-24 12-Jun-24

5-Jun-24

8/2/2024 Prior Two Weeks

8/2/2024 Prior Two Weeks

U-3 U-6

YoY MoM

QoQ-Annualized

\$ in Billions \$ in Billions

\$ in Billion

International Monetary Fund Growth Rates (Source: IMF "World Economic Outlook")

YTD Change 5.43% 12.09% 11.76% 2.47% 3.66% 1.85%

1.85% 87.87% 4.89%

YTD Change 20.90%

YTD Change

24.62%

11.589 11.58% 10.23% 2.61% (0.30%) (21.76%) (8.68%)

(5.05%) 5.80% (23.74%) (40.00%)

(21.03%) (21.50%)

(7.64%)

18.43%

20.02%

(22.61%)

16.51%

27.41% 55.91% (17.98%)

(17.98%) 1.46% (20.43%) (12.05%) (14.17%) 6.00% 35.64% 8.30% (0.88%)

10-Year l

Low 75.820

6.041

0.721

1.130

0.986

High Yield 438

1.533

2.640

672 (224) (78) 77 10

10,195 (17,252) (48,558)

Prior 238K

238K 1,821K 175K 167K

3.9% 6.7% 34.4

4.14M

1,360K 7.4% 0.3%

88.9

1.3%

0.7%

15.50M

76.8%

7.7%

Change

2.1% -17.7% -9.0%

2023 1.6% 0.9% 5.2% (0.1%) 5.9% 1.3%

2024 1.1% 1.5% 4.5% 1.1% 6.3% 1.0% 1.0%

YoY Change

YoY Change 15.6%

YoY Change

Y Change 16.69% 27.92% 37.50% 7.38% 1.50% 1.43% 24.88% (17.92%)

OY Change 62.20%

YoY Change

65.31%

(0.37%) (5.49%) (3.11%) (6.52%) (19.91%) (0.44%)

(13.51%) 0.03% (16.10%) (14.45%)

2.58%

(11.58%) (7.64%)

27.74%

21.70%

(28.66%)

31.57%

25.24% 158.07% (42.76%) (3.41%) (32.92%) (16.44%) (29.17%) (82.91%) 22.36% 18.36% (6.23%)

High

138.570

7.179

1.030

1.717

1.483

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VIX			23.39	16.39	42.7
US Equities Avg Daily	Dollar Volum	e (\$ in Billions)	393.34	389.55	0.9
Market Ratios			2-Aug	26-Jul	WoW Cha
TED Spread	3 Month LIBC	OR - 3 Month T-Bills	31.52	18.01	75.0
Put/Call Ratio		Equities	0.81	0.73	10.9
Commodities Indices	s (\$ USD)	Metric	2-Aug	26-Jul	WoW Cha
Core Commodity Index	¢	CRY Index	270.13	277.40	(2.6
Gasoline - Pump		Gallon	3.48	3.51	(0.9
Gasoline - Futures		Gallon	2.32	2.46	(5.8
Crude Oil - WTI		Barrel	73.52	77.16	(4.1
Crude Oil - Brent		Barrel	76.81	81.13	(5.3
Natural Gas		MM BTU	1.97	2.01	(1.9
Coal (1 contract = 1,00	00 tons)	Contract	196.01	196.01	0.0
Aluminum		Metric Ton	2,263.50	2,289.00	(1.1
Copper		Metric Ton	9.055.50	9.111.00	(0.6
Iron Ore		Metric Ton	104.00	106.86	(2.6
Steel - Hot Rolled Coil		Metric Ton	681.00	680.00	0.1
Steel - Cold Rolled Col		Metric Ton	995.00	995.00	0.0
Ferrous Scrap		Metric Ton	420.00	405.00	3.7
Lumber		moulo ron	501.50	437.5	14.6
Gold		Troy Ounce	2.443.24	2.387.19	2.3
Silver		Troy Ounce	28.56	27.93	2.2
Cotton		Pound	59.52	59.53	(0.0
Butter		Pound	3.11	3.09	0.4
Cheese		Pound	1.99	1.99	(0.2
Cocoa		Pound	2.97	3.15	(5.9
Com		Bushel	3.87	3.95	(2.0
Milk, Non Fat Dry		Pound	1.22	1.20	1.6
Soybean		Bushel	10.29	10.78	(4.4
Sugar		Pound	0.18	0.18	(1.7
Wheat		Bushel	5.39	5.24	2.9
Live Cattle		Pound	5.39	5.24	(2.3
Lean Hoos		Pound	0.92	0.93	(2.3
Beef, USDA Ground		Pound	3.14	3.14	0.0
Chicken, Boneless & S	Skinless	Pound	4.05	4.05	0.0
		Spot Pric		Futi	
Currencies	Metric	2-Aug	26-Jul	2024	2025
Japanese Yen	USDJPY	146.530	153.760	145.000	153.
Chinese Renminbi	USDCNY	7.172	7.251	7.100	7.
Swiss Franc	USDCHF	0.859	0.884	0.900	0.
British Pound	GBPUSD	1.280	1.287	1.300	1.
Euro Zone Euro	EURUSD	1.091	1.086	1.120	1.
TECHNICALS (Su		iand) (Outflows) Mutual Fur	nd \$ USD in Mi	llions (Source:	CD Nows)
Darik LUdii & riigh fi	oia, illiioWS	Week Ending	ia, a 030 in Wi		-OD NewS)
		31-Jul-24		S (59)	
		31-Jul-24		\$ (59)	

Year To Date 2024 Year Ended December 31, 2023 Year Ended December 31, 2022

ECONOMIC DATA RECAP

Key Economic Indicators

Initial Jobless Claims Continuing Claims Change in Non-Farm Payrolls Change in Private Payrolls

Unemployment Rate

Average Work Week

Existing Home Sales

Consumer Confidence

Durable Goods Orders

Total Vehicle Sales

Capacity Utilization

Country United States Brazil China Germany India Japan United Kingdom

Fed & Treasury Balance Shee Fed Total Assets Public Debt

Shared National Credit Shared National Credit Total Com Special Mention Commitments Classified Commitments

ECONOMIC / GDP DATA

US Debt Outstanding

GDP

Housing Starts S&P/Case-Shiller Composite S&P/Case-Shiller Composite

Institutional Loans Launched Forward Calendar

High Yield Launched Forward Calendar

NEW ISSUE SUMMARY - BI-WEEKLY

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1330 Avenue of the Americas, 16th Floor New York, NY 10019 (212) 595-8400

Wow Change           0         (0.04%)           0         (0.04%)           0         (0.05%)           i         2.43%           g         26-Jul           9         954           9         9.7.12           1         99.54           5         98.10           5         75.83           g         26-Jul           9         L+2104           g         26-Jul           7         51.05           1         331.98           g         26-Jul           9         L+202           6         L+420           9         L+202           6         L+420           9         L+202	YTD Change           5.30%           4.67%           3.71%           WoW Change           (0.05%)           (0.24%)           (0.35%)           (0.50%)           (0.50%)           (0.50%)           (1.55%)           WoW Change           (1.41%)           14.14%           WoW Change           14.14%           WoW Change           5 bps           WoW Change           3.414%           5 dps           WoW Change           3.43%           Wow Change           3.43%	YoY Chang           15.61%           12.14%           12.14%           4.87%           YTD Chang           0.00%           (0.08%)           (0.08%)           (0.09%)           (9.90%)           YTD Chang           56 bps           52 bps           YTD Chang           2.77%           3.80%)           YOY Chang
2 (0.05%) 3 (2.43%) 9 (95.43%) 9 (95.44%) 9 (95.44%) 9 (95.44%) 9 (95.44%) 9 (94.44%) 9 (94.44%) 9 (1.492) 9 (1.492) 9 (1.492) 9 (1.492) 6 (1.44%) 9 (1.44%)	4.67% 3.71% (0.05%) (0.25%) (0.25%) (0.25%) (0.50%) WoW Change 14.14% 11.43% WoW Change 5 bps	12.14% 4.87% YTD Chang 0.00% (0.28% (0.09% (9.30% YTD Chang YTD Chang 2.77% 3.80% YOY Chang
i 2.43% g 26-Jul 9.99.54 9.97.12 1.99.44 5.98.10 5.75.83 g 26-Jul 6 L+287 6 L+287 6 L+287 9 L+204 g 26-Jul 7 5.105 1.331.98 g 26-Jul 5 T+470 9 L+202 4.202 4.202 5 1.4202 5 1.44%	3.71% WoW Change (0.05%) (0.24%) (0.25%) (0.50%) WoW Change 14.14% 11.43% 11.43% 5 bps	4.87% YTD Chang 1.16% (0.09% (0.98% (9.90% YTD Chang YTD Chang 2.77% 3.80% YOY Chang
g         26-Jul           9         99.54           9         97.12           1         99.44           6         98.10           5         75.83           g         26-Jul           6         L+282           9         L+2104           g         26-Jul           7         51.05           1         331.98           g         26-Jul           5         T+470           9         L+202           %         4.44%	Wow Change           (0.05%)         (0.24%)           (0.13%)         (0.25%)           (0.50%)         (0.50%)           Wow Change         (1 bps)           4 bps         65 bps           Wow Change         14.14%           11.43%         11.43%           11.43%         5 bps	YTD Chang           1.16%           0.00%           (0.28%)           (0.09%)           (0.09%)           (9.90%)           YTD Chang           190 bps           529 bps           YTD Chang           2.77%           3.80%           YOY Chang
9 9954 9 97.12 1 99.44 5 98.10 5 75.83 <b>g 26-Jul</b> 6 L+287 6 L+482 9 L+2104 <b>g 26-Jul</b> 7 51.05 1 331.98 <b>g 26-Jul</b> 5 T+470 9 L+202 6 4.44%	(0.05%) (0.24%) (0.13%) (0.25%) (0.50%) <b>WoW Change</b> (1 bps) 4 bps 65 bps <b>WoW Change</b> 14.14% <b>WoW Change</b> 5 bps	1.16% 0.00% (0.28% (0.09% (9.90% YTD Chang 190 bps 569 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
9 9 97,12 99,44 5 99,10 5 75,83 <b>g 26-Jul</b> 6 L+287 6 L+492 9 L+210 <b>g 26-Jul</b> <b>g 26-Jul</b> <b>g 26-Jul</b> <b>g 26-Jul</b> 5 T+470 9 L+202 6 4,44%	(0.24%) (0.13%) (0.25%) (0.50%) <b>WoW Change</b> (1 bps) 65 bps <b>WoW Change</b> 14.14% 11.43% <b>WoW Change</b> 5 bps	0.00% (0.28% (9.90% YTD Chang 190 bps 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
1 99.44 5 98.10 5 75.83 <b>g 26-Jul</b> 6 L+287 6 L+492 9 L+2104 <b>g 26-Jul</b> 7 51.05 1 331.98 <b>g 26-Jul</b> 5 T+470 9 L+202 6 4.44%	(0.13%) (0.25%) (0.55%) <b>WoW Change</b> (1 bps) 65 bps <b>WoW Change</b> 14.14% 11.43% <b>WoW Change</b> 5 bps	(0.28% (0.09% (9.90%) YTD Chang 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
5         98.10           5         75.83           g         26-Jui           6         L+287           6         L+249           9         L+2104           9         L+2101           7         51.05           1         331.98           g         26-Jui           5         T+470           9         L+202           6         4.44%	(0.25%) (0.50%) WoW Change (1 bps) 4 bps 65 bps WoW Change 14.14% 11.43% WoW Change 5 bps	(0.09% (9.90% YTD Chang 190 bps 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
5         75.83           g         26-Jul           6         L+287           9         L+2104           g         26-Jul           7         51.05           1         331.98           g         26-Jul           5         T+470           9         L+202           6         4.44%	(0.50%) WoW Change (1 bps) 4 bps 65 bps WoW Change 14.14% 11.43% WoW Change 5 bps	(9.90% YTD Chang 190 bps 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
g         26-Jul           6         L+287           6         L+492           9         L+2104           g         26-Jul           7         51.05           1         331.98           g         26-Jul           5         T+470           9         L+202           6         4.44%	Wow Change           (1 bps)           4 bps           65 bps           Wow Change           14.14%           11.43%           Wow Change           5 bps	YTD Chang 190 bps 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
6         L+287           6         L+492           9         L+2104           g         26-Jul           7         51.05           1         331.98           g         26-Jul           5         T+470           9         L+202           6         4.44%	(1 bps) 4 bps 65 bps WoW Change 14.14% 11.43% WoW Change 5 bps	190 bps 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
6 L+287 6 L+492 9 L+2104 <b>g 26-Jui</b> 7 51.05 1 331.98 <b>g 26-Jui</b> 5 T+470 9 L+202 6 4.44%	4 bps 65 bps WoW Change 14.14% 11.43% WoW Change 5 bps	190 bps 56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
6         L+492           9         L+2104           g         26-Jui           7         51.05           1         331.98           g         26-Jui           5         T+470           9         L+202           6         4.44%	4 bps 65 bps WoW Change 14.14% 11.43% WoW Change 5 bps	56 bps 529 bps YTD Chang 2.77% 3.80% YOY Chang
9 L+2104 <b>g</b> 26-Jul 7 51.05 1 331.98 <b>g</b> 26-Jul 5 T+470 9 L+202 6 4.44%	65 bps WoW Change 14.14% 11.43% WoW Change 5 bps	529 bps YTD Chang 2.77% 3.80% YOY Chang
7 51.05 1 331.98 g 26-Jul 5 T+470 9 L+202 6 4.44%	14.14% 11.43% WoW Change 5 bps	2.77% 3.80% YOY Chang
7 51.05 1 331.98 g 26-Jul 5 T+470 9 L+202 6 4.44%	14.14% 11.43% WoW Change 5 bps	2.77% 3.80% YOY Chang
1 331.98 <b>g 26-Jul</b> 5 T+470 9 L+202 6 4.44%	WoW Change 5 bps	3.80% YOY Chang
5 T+470 9 L+202 6 4.44%	5 bps	
5 T+470 9 L+202 6 4.44%	5 bps	
9 L+202 6 4.44%		90 bps
6 4.44%	(3 pps)	3 bps
		3 ups
6 4,26%	(15 bps)	(3 bps
	(16 bps)	6 bps
6 4.14%	(19 bps)	8 bps
6 4.18%	(20 bps)	8 bps
6 4.26%	(18 bps)	18 bps
4 S+200 0 S+380 8 S+663 <b>g 26-Jul</b> 6 5.31% 6 8.50% 6 5.35% 6 5.36% 6 5.36% <b>n 31-May</b> 8 16.04 12.91	WoW Change           2 bps           4 bps           10 bps           0	YTD Chang (10 bps (10 bps (5 bps 0 bps 0 bps 0 bps 0 bps (3 bps (3 bps (8 bps (8 bps 9 YTD Chang 0.53% 2.26%
ıl 17-Jul	WoW Change	YTD Chang
8 10.56	3.98%	0.00%
n 31-May	MoM Change	YTD Chang
	(1.11%)	10.66%
	7         S+155           4         S+200           0         S+240           0         S+360           8         S+663           9         26-Jul           6         5.31%           6         5.35%           5         3.58%           6         5.39%           1         16.04           12.91         11           10.56         10.56           n         31-May	7         S+155         2 bps           4         S+200         4 bps           0         S+240         10 bps           0         S+436         0 bps           8         S+663         (5 bps)           g         26-Jul         WoW Change           6         S.51%         0 bps           6         8.50%         0 bps           6         S.53%         0 bps           6         S.53%         0 bps           6         S.53%         0 bps           6         S.53%         0 bps           6         S.39%         0 bps           1         16.04         1.22%           12.91         16.04         1.23%           11         17-Jul         WoW Change           8         10.56         3.98%           m         31-May         MoM Change

DEFAULT ACTIVITY			
Total Loan Defaults - as of:	30-Jun	31-May	YE 2023
Default Rate by Total Amount of All Loans Outstanding	1.72%	1.56%	0.98%
Default Rate by Total Number of All Loan Issuers	1.89%	1.62%	0.98%

Employment - Lap	or Participation Rates			30-Jun	31-Mav	YTD Chang
	t as % of Total Labor Force			60.4%	60.4%	0.60pp
Labor Force Particip	bation Rate			62.6%	62.6%	(0.25pp
Government Assis	stance			30-Jun	31-Mav	YTD Chang
SNAP fka Food Star	mps - # of Participants	in Millions		38.529	38.778	(6.83%
Retail Sales				30-Jun	31-Mav	YTD Chang
Adj. Retail & Food S	ervices Sales Index - US Cer	nsus		683.0	687.4	0.79%
US Home Foreclos	sures and Delinquencies			30-Jun	31-May	YTD Chang
Home Foreclosures	Inventory	in Thousands		180	180	3.72%
Delinquency Rate				-1.02%	-0.85%	(3.91pp
ILS Rig Count - Ar	ctive Drilling Rigs, Explorin	a or Developing Oil &	Natural Gae			
Type	Peak- 1/1/00 to Date		% Change	2-Aug	26-Jul	YTD Chang
Oil	10/10/2014	1,609	(61.28%)	623	618	10.66%
Gas	9/12/2008	1,606	(90.66%)	150	152	
		1,606	(90.66%)	150 <b>30-Jun</b>	152 31-May	0.67%
		1,606 Tons in Thousands	(90.66%)			0.67% YTD Chang
Rail & Truck Volum Total Rail Carloads			(90.66%)	30-Jun	31-May	0.67% YTD Chang 4.32% (9.45%
Rail & Truck Volum	ne	Tons in Thousands	(90.66%)	<b>30-Jun</b> 1,068.04	31-May 1,066.12	0.67% YTD Chang 4.32%
Rail & Truck Volum Total Rail Carloads Total Intermodal Truck Tonnage Inde	ne	Tons in Thousands	(90.66%)	<b>30-Jun</b> 1,068.04 979.04	31-May 1,066.12 983.48	0.67% YTD Chang 4.32% (9.45%
Rail & Truck Volum Total Rail Carloads Total Intermodal	ne IX ravel Numbers	Tons in Thousands		30-Jun 1,068.04 979.04 137.60	<b>31-May</b> 1,066.12 983.48 136.85	0.679 <u>YTD Chang</u> 4.329 (9.459 14.339
Rail & Truck Volum Total Rail Carloads Total Intermodal Truck Tonnage Inde TSA Checkpoint Tr	ne IX ravel Numbers	Tons in Thousands Tons in Thousands	1-Aug	30-Jun 1,068.04 979.04 137.60 25-Jul	31-May 1,066.12 983.48 136.85 WoW Change	0.67% YTD Chang 4.32% (9.45% 14.33% YoY Chang
Rail & Truck Volum Total Rail Carloads Total Intermodal Truck Tonnage Inde TSA Checkpoint Tr Weekly Traveler Thr Freight Rates Freightos Baltic Inde	ix ix ravel Numbers roughput ax	Tons in Thousands Tons in Thousands in Thousands	<b>1-Aug</b> 19,098.9	30-Jun 1,068.04 979.04 137.60 25-Jul 19,339.3	31-May 1,066.12 983.48 136.85 WoW Change (1.24%)	0.67% YTD Chang 4.32% (9.45% 14.33% YoY Chang 30.66%
Rail & Truck Volum Total Rail Carloads Total Intermodal Truck Tonnage Inde TSA Checkpoint Tr Weekly Traveler Thr Freight Rates Freightos Baltic Inde	ix ix ravel Numbers roughput ax	Tons in Thousands Tons in Thousands in Thousands 2-Aug	1-Aug 19,098.9 26-Jul	30-Jun 1,068.04 979.04 137.60 25-Jul 19,339.3 WoW Change	31-May 1,066.12 983.48 136.85 WoW Change (1.24%) YTD Change	0.679 YTD Chang 4.329 (9.459 14.339 YoY Chang 30.669 YoY Chang (44.729
Rail & Truck Volum Total Rail Carloads Total Intermodal Truck Tonnage Inde TSA Checkpoint Tr Weekly Traveler Thr Freight Rates	ne ix ravel Numbers roughput ex ses Spot Rates	Tons in Thousands Tons in Thousands in Thousands 2-Aug 3,481	1-Aug 19,098.9 <u>26-Jul</u> 3,481	30-Jun 1,068.04 979.04 137.60 25-Jul 19,339.3 WoW Change 0.00%	31-May 1,066.12 983.48 136.85 WoW Change (1.24%) YTD Change 54.99%	0.67% YTD Chang 4.32% (9.45% 14.33% YoY Chang 30.66% YoY Chang

Region	2021	2022	2023	2024
World	6.1%	6.1%	2.8%	3.0%
Advanced Economies	5.2%	5.2%	1.3%	1.4%
Euro Area	5.3%	5.3%	0.8%	1.4%
Emerging Mkts and Developing Economies	6.8%	6.8%	3.9%	4.2%
Emerging and Developing Asia	7.3%	7.3%	5.3%	5.1%
Emerging and Developing Europe	6.7%	6.7%	1.2%	2.5%
Latin America and the Caribbean	6.8%	6.8%	1.6%	2.2%

#### Data Scan