

Briefing

Global Economic & Credit Market

Week 16 Ending – April 18, 2025

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Economic Calendar

Wednesday, April 23: New home sales

Thursday, April 24: Durable goods orders; existing home sales

Friday, April 25: Consumer sentiment

Key Market Metrics

- S&P 500: (1.50%) WoW; (10.18%) YTD; +5.42% YoY; 15.7x LTM EBITDA; 11.9x NTM EBITDA
- Dow Jones: (2.66%) WoW; (8.00%) YTD; +3.62% YoY; 11.4x LTM EBITDA; 11.3x NTM EBITDA
- Nasdaq: (2.62%) WoW; (15.66%) YTD; +4.39% YoY
- Ten Year US Treasury Yield: 4.37% (25) bps YTD; (33) bps YoY
- Currency:
 - British Pound per USD: \$1.33; 1.6% WoW; 6.2% YTD; 6.9% YoY
 - Euro per USD: \$1.14; 0.3% WoW; 10.0% YTD; 7.0% YoY
 - USD per Yen: ¥142.18; (0.9%)WoW; (9.6%) YTD; (8.1%)YoY
 - Swiss franc per EUR: 1.07 CHF; (0.5%)WoW; 0.9% YTD; 4.4% YoY

U.S. News

• U.S. Retail Sales

- Retail sales increased 1.4% in March, beating the forecasted 1.2%. The change represents the largest increase in over two years
- Car sales rose 5.7% in March. Auto dealers reported the most new car sales since 2021, and businesses with rental fleets increased their purchases. Restaurant sales jumped 1.8%
- Consumers purchased big-ticket items, such as vehicles, before the tariffs could impact prices. Thus, the better-than-expected news could indicate weaker purchases in coming months



- **Housing Starts**

- Housing starts were at a seasonally adjusted annual rate of 1,324,000. This is 11.4% below the February estimate, which is the largest drop in a year
- High mortgage rates and home prices have decreased demand for new homes. The unfavorable environment is forcing many builders to offer incentives and discounts to close contracts, suppressing new construction

NEW RESIDENTIAL CONSTRUCTION MARCH 2025	
Building Permits:	1,482,000
Housing Starts:	1,324,000
Housing Completions:	1,549,000
Next Release: May 16, 2025	
Seasonally Adjusted Annual Rate (SAAR) Source: U.S. Census Bureau, HUD, April 17, 2025	

- Tariffs are expected to further lower demand, as consumers avoid large purchases over the possibility of a recession

- **Import Price Index**

- U.S. import prices decreased 0.1% in March, below the forecasted 0.0% change. Export prices were unchanged in March after increasing 0.5% the previous month
- Fuel import prices decreased 2.3% in March, which is the largest decline in fuel import prices since September 2024
- Nonfuel import prices increased 0.1% in March, continuing a trend of rising prices that has persisted since May 2024

- **U.S. Tariff & Trade**

- Many of the electronics—including smartphones, laptops, and semiconductor equipment—that were exempted from President Trump’s April 2 reciprocal tariffs may face non-negotiable national security tariffs under a Section 232 investigation in the coming weeks
- Originally proposed fees of up to \$1.5 million on Chinese-made ships arriving at U.S. ports were eased to a per-container or per-ton fee and capped at six times per year per vessel. While less severe, the new fees, set to take effect within 180 days, still give a significant advantage to non-Chinese built vessels arriving at US Ports
- Ocean carriers have canceled 80 sailings from China, removing an estimated 680,000 to 800,000 TEUs (Twenty-Foot-Equivalent Units) from the market in the coming weeks. In 2024, the U.S. imported between 700,000 and 1 million TEUs from China each month
- Multiple importers and the state of California have filed lawsuits challenging President Trump’s use of the International Emergency Economic Powers Act to impose sweeping “reciprocal” tariffs, arguing that the law does not grant such broad authority and requesting a preliminary injunction on the tariffs while the litigation proceeds

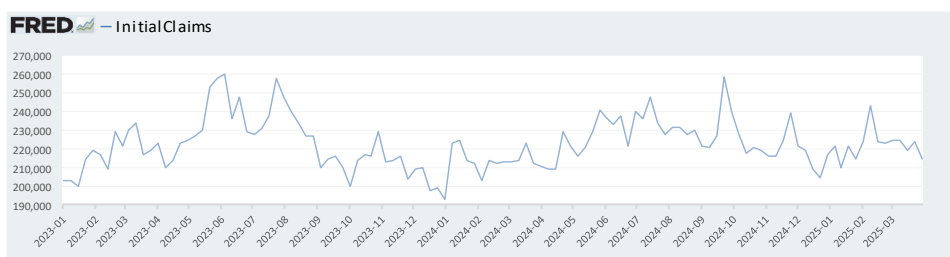
Imposed US Tariffs				
Target Country	Tariff	Goods Targeted	Effective Date	Tariff %
China	Sec 301 China Origin	Most goods	7/16/2018	Most CN goods have total tariffs ranging from 145% to 170%, with select goods facing tariffs as high as 245%
	4 Year Review of Sec 301	Select goods such as electric vehicles, batteries, syringes, medical gloves, and solar cells	9/27/2024	
	IEEPA China	All goods of Chinese origin	2/1/2025	
	IEEPA China Reciprocal	All goods of Chinese origin, except smartphones, computers, and other electronics	4/9/2025	

Canada	IEEPA Canada	All goods, except USMCA qualifying goods	3/4/2025	25%, except 10% on energy products
Mexico	IEEPA Mexico	All goods, except USMCA qualifying goods	3/4/2025	25%
All	Sec 232 Steel, Aluminum & Derivatives	Steel, aluminum, and certain derivatives of steel and aluminum	3/12/2025	25%
All	Automotive	Passenger vehicles, light trucks, engines and engine parts, transmission and power-train parts, and electrical components	4/2/2025	25%
All	IEEPA Reciprocal	All goods, except goods subject to other Sec 232 tariffs and goods from countries that have a specific IEEPA reciprocal tariff	4/5/2025	10%

Threatened US Tariffs			
Target Country	Goods Targeted	Effective Date	Tariff %
All Countries	Lumber, Copper, Food Imports	Unknown	Unspecified
All Countries	Pharmaceuticals	Unknown	25% (assumed)
All Countries	Semiconductors / Chips	Unknown	25% (assumed)
Nations that import Venezuelan oil	All Goods	Unknown	25%

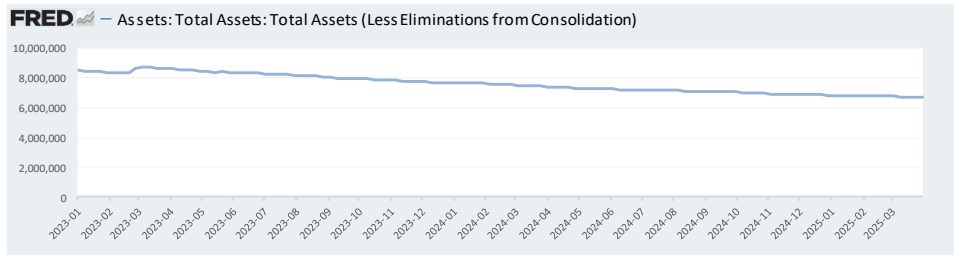
• Jobless Claims

- Initial jobless claims, a measure of how many workers were laid off across the U.S., decreased to 215,000 in the week ended April 11, down 9,000 from the prior week
- The four-week moving average was 220,750, down 2,500 from the prior week
- Continuing claims – those filed by workers unemployed for longer than a week – increased by 41,000 to 1.885 million in the week ended April 4. This figure is reported with a one-week lag



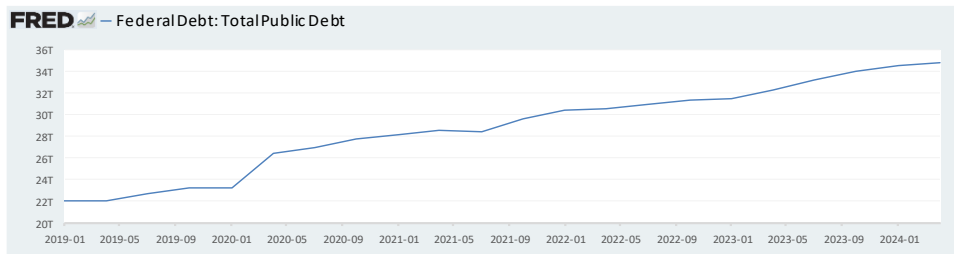
• Fed's Balance Sheet

- The Federal Reserve's assets totaled \$6.727 trillion in the week ended April 18, down \$0.3 billion from the prior week
- Treasury holdings totaled \$4.219 trillion, down \$0.3 billion from the prior week
- Holdings of mortgage-backed securities (MBS) were \$2.19 trillion in the week, down \$0.0 billion from the prior week



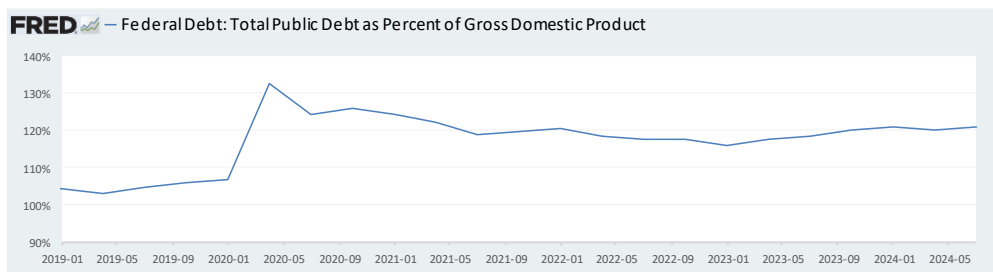
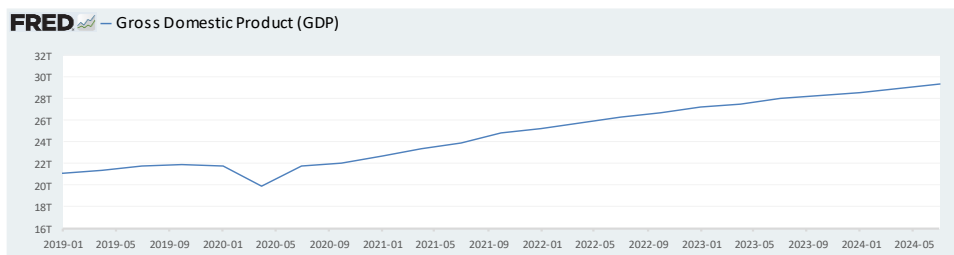
- **Total Public Debt**

- Total public debt outstanding was \$36.22 trillion as of April 18, an increase of 4.7% from the previous year
- Debt held by the public was \$28.91 trillion, and intragovernmental holdings were \$7.30 trillion



- **GDP**

- The latest annualized U.S. GDP stands at \$29.72 trillion as of December 31, an increase of 5.04% from the previous year
- The total public debt-to-GDP ratio is at 121.85% as of December 31, an increase of 1.69% from the previous year

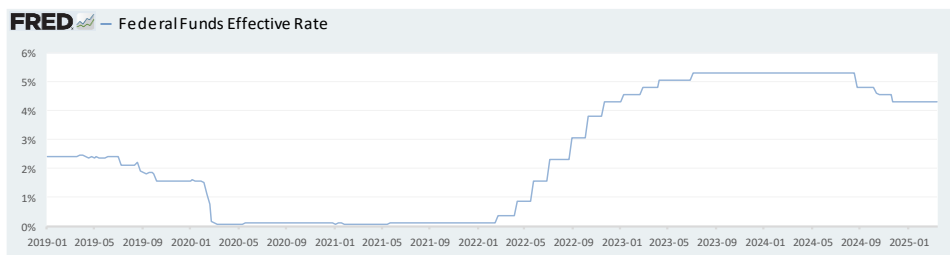


- **Inflation Factors**

- **CPI:**
 - The consumer-price index rose 2.4% in March year over year
 - On a monthly basis, the CPI decreased -0.1% in March on a seasonally adjusted basis, after increasing 0.2% in February
 - The index for all items less food and energy (core CPI) rose 0.1% in March, after rising 0.2% in February
 - Core CPI increased 2.8% for the 12 months ending March
- **Food & Beverages:**
 - The food at home index increased 2.4% in March from the same month a year earlier, and increased 0.5% in March month over month
 - The food away from home index increased 3.8% in March from the same month a year earlier, and increased 0.4% in March month over month
- **Commodities:**
 - The energy commodities index decreased (6.1%) in March after decreasing (0.9%)
 - The energy commodities index fell (9.5%) over the last 12 months
 - The energy services index 0.9% in March after increasing 0.8% in February
 - The energy services index rose 4.2% over the last 12 months
 - The gasoline index fell (9.8%) over the last 12 months
 - The fuel oil index fell (7.6%) over the last 12 months
 - The index for electricity rose 2.8% over the last 12 months
 - The index for natural gas rose 9.4% over the last 12 months
- **Supply Chain:**
 - Drewry's composite World Container Index decreased to \$2,192.02 per 40ft
 - Drewry's composite World Container Index has decreased by (19.4%) over the last 12 months
- **Housing Market:**
 - The shelter index increased 0.2% in March after increasing 0.3% in February
 - The rent index increased 0.2% in March after increasing 0.2% in February
 - The index for lodging away from home increased 0.8% in March after increasing 2.9% in February

- **Federal Funds Rate**

- The effective Federal Funds Rate is at 4.33%, flat 0.00% year to date



World News

- **Middle East**

- Yemini militias are planning a ground offensive against the Houthis, after a U.S. bombing campaign degraded the Houthi's military capabilities. The United Arab Emirates, which supports these Yemini militias, brought the plan to American officials in recent weeks
- State Department spokesperson Tammy Bruce accused Beijing of supporting the Houthi rebels in their attacks against U.S. interests. Most recently, a Chinese company was found providing satellite imagery to aid the Houthis in targeting their rocket attacks
- Hamas has been unable to fully pay its fighters and political staff over the past couple months, signaling a weakened and increasingly dysfunctional organization as it contends with a more aggressive Israeli military strategy
- The Trump administration issued new demands of Syria's new government, including cracking down on extremists and expelling Palestinian militants in return for easing of sanctions

- **Europe**

- Russia launched the deadliest missile strike of the year against Ukraine, killing 34 and injuring over 100 people. Two ballistic missiles hit a university and residential buildings, according to Ukrainian officials. Russian officials stated that it targeted a meeting of Ukrainian military commanders
- Secretary of State Marco Rubio said the U.S. presented a framework for peace in Ukraine, but the United States would shift to other diplomatic priorities if no progress is made in the coming weeks
- Germany's ZEW Indicator of Economic Sentiment dove to -14.0 in April, well below the forecasted 10.0 and the largest drop since 2022. The survey demonstrates that recent U.S. tariffs against Germany have dramatically shifted consumers' outlooks
- President Trump expressed optimism about reaching a trade deal with the European Union, where both sides would drop tariff rates against the other. The statement came after a cordial meeting between Italy's Prime Minister Giorgia Meloni and President Trump

- **China**

- China's exports jumped 12.4% in March compared to prior year, stronger than the forecasted 4.4% increase. The better-than-expected results are likely front-loaded orders before tariffs take effect
- According to U.S. officials, the Trump administration plans to offer tariff relief to U.S. trading partners in exchange for limiting their dealings with China. Proposed restrictions include disallowing China to ship goods through their countries, preventing Chinese firms from locating to their territories, and refusing cheap Chinese industrial goods
- Xi Jinping is taking his first trip out of China since President Trump took office, visiting Europe, Latin America, and Asia. The voyage is seen as an effort to shore up support while the U.S. causes tension with its own trading partners
- Chinese Premier Li Qiang convened a meeting with his cabinet members on Thursday to prescribe policies that will stave off the economic impact of U.S. tariffs. Officials vowed to support property markets while incentivizing consumption in tourism, elderly care, and childcare

Geopolitical Hotspots

- **El Salvador**

- El Salvador plans to double the size of the prison that is holding U.S. deportees. The prison is already the largest in the world and currently holds approximately 15,000 people. Doubling its size would give it a capacity of 80,000 inmates

- **Ecuador**

- Ecuadoreans re-elected President Daniel Noboa, who campaigned on a crackdown on violent transnational gangs smuggling cocaine into the U.S. Despite his efforts, 2025 has been Ecuador's most violent year to-date, with over 1,500 homicides in January and February

- **Sudan**

- The country's largest displacement camp, located in the Darfur region, was attacked by the Rapid Support Forces. Camp administrators said at least 500 people were killed, including the entire 10-person staff

- **Australia**

- At Labor's 2025 campaign launch, PM Anthony Albanese pledged \$10B for 100,000 new homes for first-home buyers, announced a \$1,000 automatic tax deduction for all workers, emphasized WA's importance, and took aim at Peter Dutton's Trump-style politics—while rallying support around fairness, housing, and equality

- **Hungary**

- Hungary announced it would withdraw from the International Criminal Court in response to its arrest warrant for Israeli Prime Minister Netanyahu, marking a significant challenge to the ICC's authority in Europe

- **Canada**

- Former central banker Mark Carney decisively won Canada's Liberal Party leadership race and met with outgoing Prime Minister Justin Trudeau to prepare a swift power transition, aiming to confront a damaging trade war with President Trump's United States

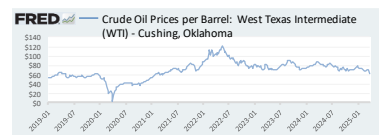
- **Germany**

- Germany's jobless rate rose from 6.2% in February to 6.3% in March. Major companies announced increasing layoffs, which threatens to further increase unemployment

Commodities

- **Oil Prices**

- WTI: \$64.68 per barrel
 - +5.17% WoW; (9.82%) YTD; (21.78%) YoY
- Brent: \$67.96 per barrel
 - +4.94% WoW; (8.95%) YTD; (22.14%) YoY



- **US Production**

- U.S. oil production amounted to 13.5 million bpd for the week ended April 11, up 0.1 million bpd from the prior week

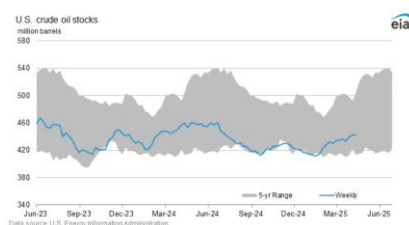
- **Rig Count**

- The total number of oil rigs amounted to 585, up 2 from last week

- **Inventories**

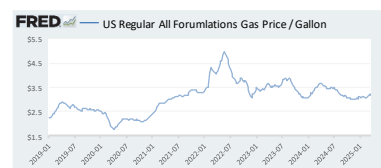
- **Crude Oil**

- Total U.S. crude oil inventories now amount to 442.9 million barrels, down (3.7%) YoY
- Refiners operated at a capacity utilization rate of 86.3% for the week, down from 86.7% in the prior week
- U.S. crude oil imports now amount to 6.189 million barrels per day, down (7.1%) YoY



- **Gasoline**

- Retail average regular gasoline prices amounted to \$3.16 per gallon in the week of April 18, down (14.2%) YoY
 - Gasoline prices on the East Coast amounted to \$3.13, down (12.0%) YoY
 - Gasoline prices in the Midwest amounted to \$3.09, down (12.8%) YoY
 - Gasoline prices on the Gulf Coast amounted to \$2.85, down (12.9%)
 - Gasoline prices in the Rocky Mountain region amounted to \$3.22, down (9.2%) YoY
 - Gasoline prices on the West Coast amounted to \$4.40, down (11.6%)
- Motor gasoline inventories were down by 2.0 million barrels from the prior
- Motor gasoline inventories amounted to 234.0 million barrels, up 2.9% YoY
- Production of motor gasoline averaged 9.41 million bpd, down (0.1%) YoY
- Demand for motor gasoline amounted to 8.462 million bpd, down (2.3%) YoY

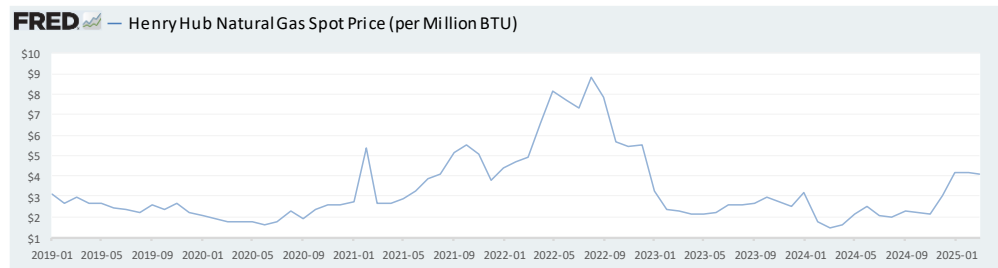


- **Distillates**

- Distillate inventories decreased by -1.9 million in the week of April 18
- Total distillate inventories amounted to 109.2 million barrels, down (5.0%)
- Distillate production averaged 4.688 million bpd, up 1.9% YoY
- Demand for distillates averaged 3.858 million bpd in the week, up 5.2% YoY

- **Natural Gas**

- Natural gas inventories increased by 16 billion cubic feet last week
- Total natural gas inventories now amount to 1,846 billion cubic feet, down (20.9%) YoY



Credit News

High yield bond yields decreased 42bps to 8.15% and spreads decreased 32bps to 425bps. Leveraged loan yields decreased 21bps to 8.85% and spreads decreased 16bps to 537bps. WTD Leveraged loan returns were positive 55bps. WTD high yield bond returns were positive 152bps. 10yr treasury yields decreased 16bps to 4.32%. Yields and spreads fell following comments from Fed Chair, emphasized that price stability is essential for sustaining long periods of robust labor markets. By reaffirming the Fed's focus on inflation, he pushed back against market expectations for a swift monetary policy response to early signs of economic slowdown. No deals priced this week with the last transaction taking place on April 2nd. For context, this is the longest stretch of inactivity since the pandemic.

High-yield:

Week ended 4/18/2025

- Yields & Spreads¹

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
8.15%	425	8.57%	457	(42)	(32)

- Pricing & Returns¹

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2024
\$93.63	\$92.38	125	1.52%	-1.30%	-0.43%	8.6%

- Fund Flows²

Total Flows (\$)
(\$2,596mm)

- New Issue²

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
0	\$0.0bn	\$69.3bn	\$108.7bn	-36%

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

3/31/25	2/28/25	1/31/25
5.76%	4.25%	3.82%

- Total HY Defaults

3/31/25	2/28/25	1/31/25
0.27%	0.27%	0.30%

Leveraged loans:

Week ended 4/18/2025

- Yields & Spreads¹

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
8.85%	537	9.06%	553	(21)	(16)

- Leveraged Loan Index¹

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2024
\$94.71	\$94.34	37	0.55%	-0.88%	-0.32%	9.3%

- Fund Flows²

Total Flows (\$)
(\$1,443mm)

- New Issue²

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
0	\$0.0bn	\$338.9bn	\$358.9bn	-6%

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

3/31/25	2/28/25	1/31/25
5.41%	5.01%	5.06%

- Total HY Defaults

3/31/25	2/28/25	1/31/25
1.24%	1.26%	1.50%

Default activity:

- Most recent defaults include: Astra Acquisition (\$1.0bn, 3/10/2025), Mitel Networks (\$900mn, 3/9/2025), Rugs USA (\$486mn, 3/3/2025), Aimbridge Hospitality (\$1.1bn, 1/31/2025), Exela Intermediate LLC (\$1.2bn, 1/15/2025), and City Brewing (\$886mn, 1/2/2025).

CLOs:

Week ended 4/18/2025

- New U.S. CLO Issuance²

# Priced	Total (\$)	New Issue	Refis/Resets
7	\$3.7bn	\$1.2bn	\$2.5bn

- New U.S. CLO YTD Issuance²

Total U.S. CLOs	Total (\$)	New Issue	Refis/Resets	Prior Year YTD	CY vs. PY
330	\$157.9bn	\$53.6bn	\$104.3bn	\$105.7bn	+49%

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:

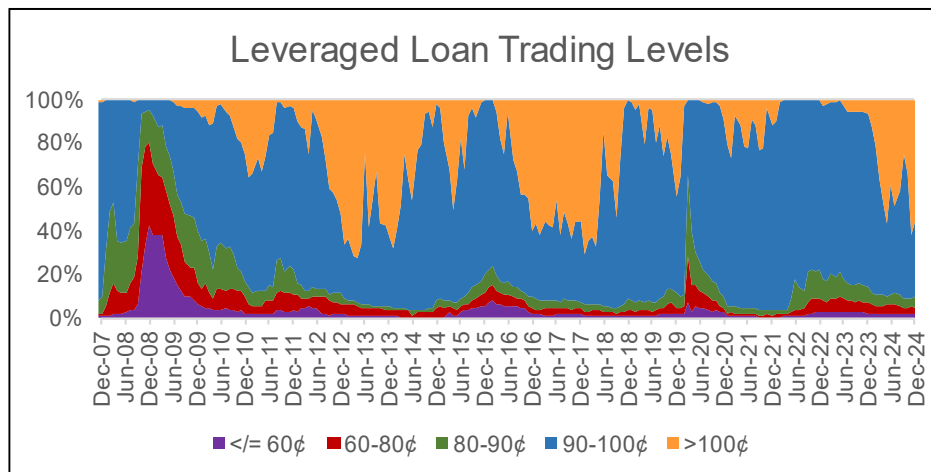
- S&P and Moody's High Yield Ratings

	S&P			Moody's		
	Downgrades	Upgrades	Ratio	Downgrades	Upgrades	Ratio
Full Year 2024	439	320	1.4x	493	371	1.3x
Week Ending 01/03/25	0	0	n/a	0	0	n/a
Week Ending 01/10/25	2	1	2.0x	4	3	1.3x
Week Ending 01/17/25	18	4	4.5x	7	11	0.6x
Week Ending 01/24/25	6	4	1.5x	9	5	1.8x
Week Ending 01/31/25	5	10	0.5x	13	8	1.6x
Week Ending 02/07/25	9	6	1.5x	8	8	1.0x
Week Ending 02/14/25	1	3	0.3x	11	6	1.8x
Week Ending 02/21/25	5	4	1.3x	5	5	1.0x
Week Ending 02/28/25	4	4	1.0x	9	6	1.5x
Week Ending 03/07/25	12	8	1.5x	11	9	1.2x
Week Ending 03/14/25	9	4	2.3x	12	16	0.8x
Week Ending 03/21/25	9	10	0.9x	16	8	2.0x
Week Ending 03/28/25	2	5	0.4x	6	11	0.5x
Week Ending 04/04/25	10	2	5.0x	5	7	0.7x
Week Ending 04/11/25	3	6	0.5x	8	1	8.0x
Week Ending 04/18/25	10	4	2.5x	11	2	5.5x
YTD 2025	105	75	1.4x	135	106	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 Δ
High Yield	95.2	96.9	91.9	5.0
Leveraged Loans	96.0	96.8	94.0	2.7

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

[2] HY high price as of 9/19/24. LL high price as of 3/3/25

[3] HY low price as of 4/18/24. LL low price as of 4/7/25

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	0.55%	0.50%	1.52%	0.09%
MTD Return	(0.88%)	(0.89%)	(1.30%)	(2.04%)
YTD Return	(0.32%)	(1.02%)	(0.43%)	(0.43%)

[1] Credit Suisse Total Return information is calculated weekly. Yield data is as of 04/18/2025

[2] Yield data as of 04/18/2025

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

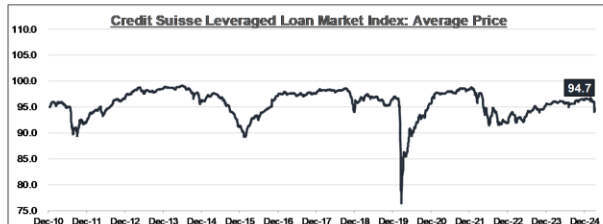


Diagram E: Leveraged Loans Spreads & Yields

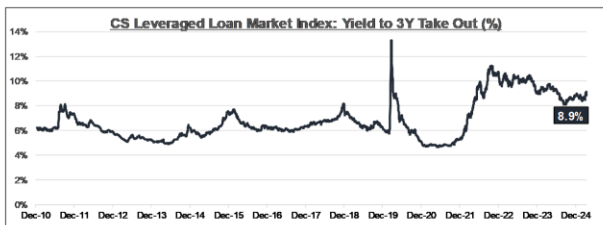


Diagram F: High Yield Bonds Spreads & Yields



Diagram G: Spread between High Yield Bonds and Leveraged Loans

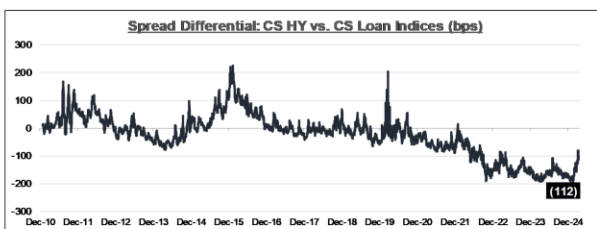
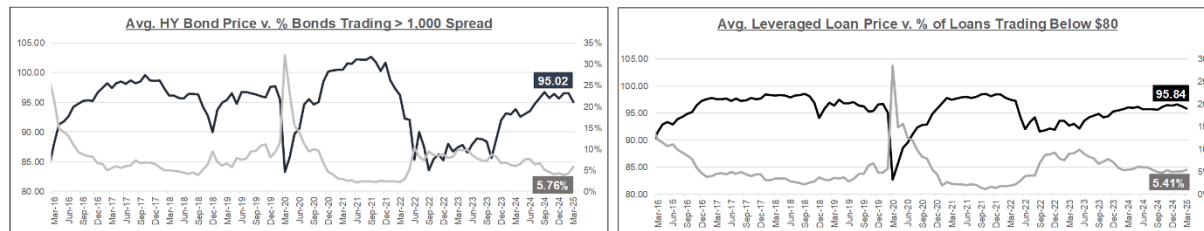


Diagram H: Percentage of Leveraged Loan and High Yield Market Trading at Distressed



Source: CSFB. Data is reported monthly.

Source: JPM. Data is reported monthly.

Diagram I: High Yield Upgrades and Downgrades

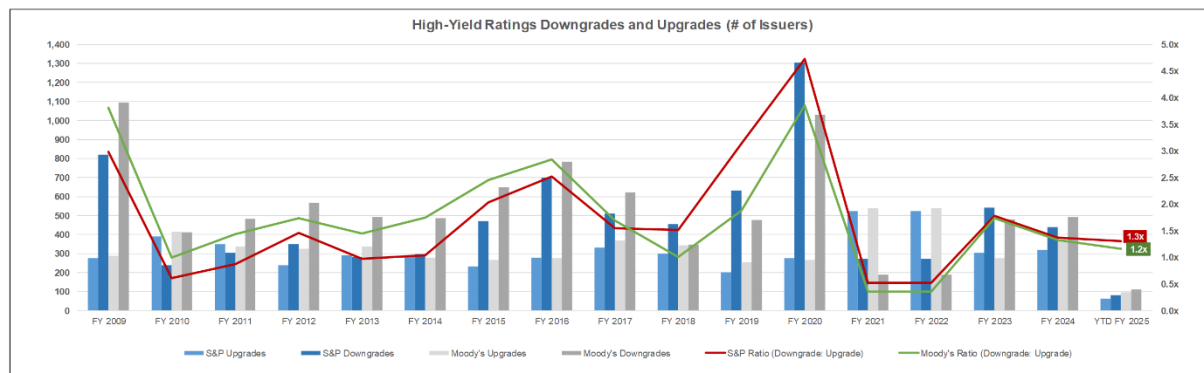
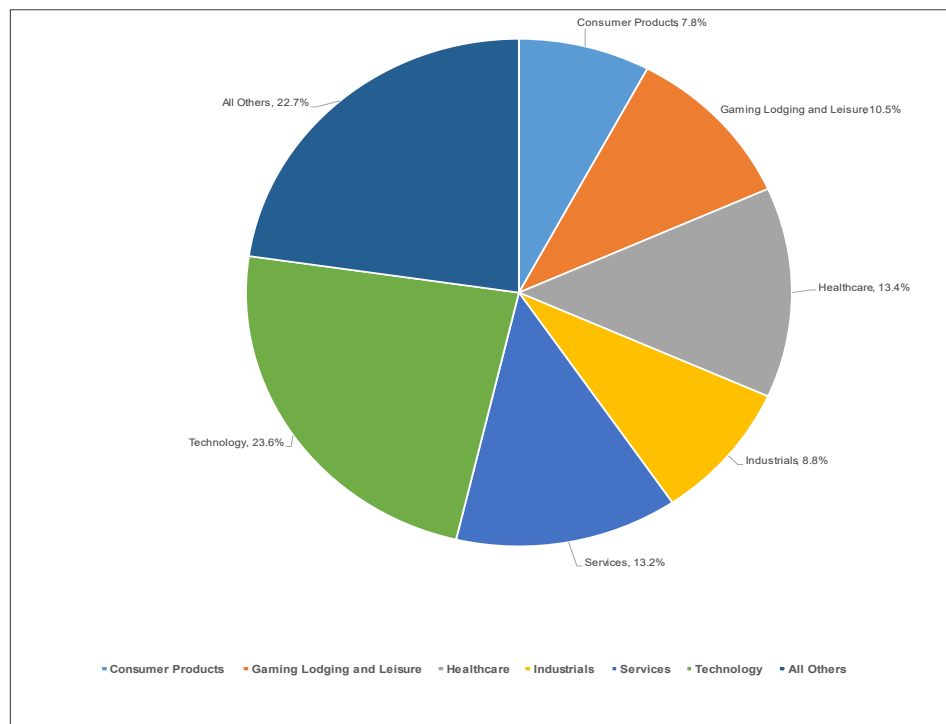


Diagram J: Leveraged Loan + HY Defaults by Sector – LTM



Source: JP Morgan Default Monitor.

Diagram K: 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+125-140	L+125-140	L+165-205	L+170-210	9-11x	L+300-360	L+300-360	9-12%	9-13%

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

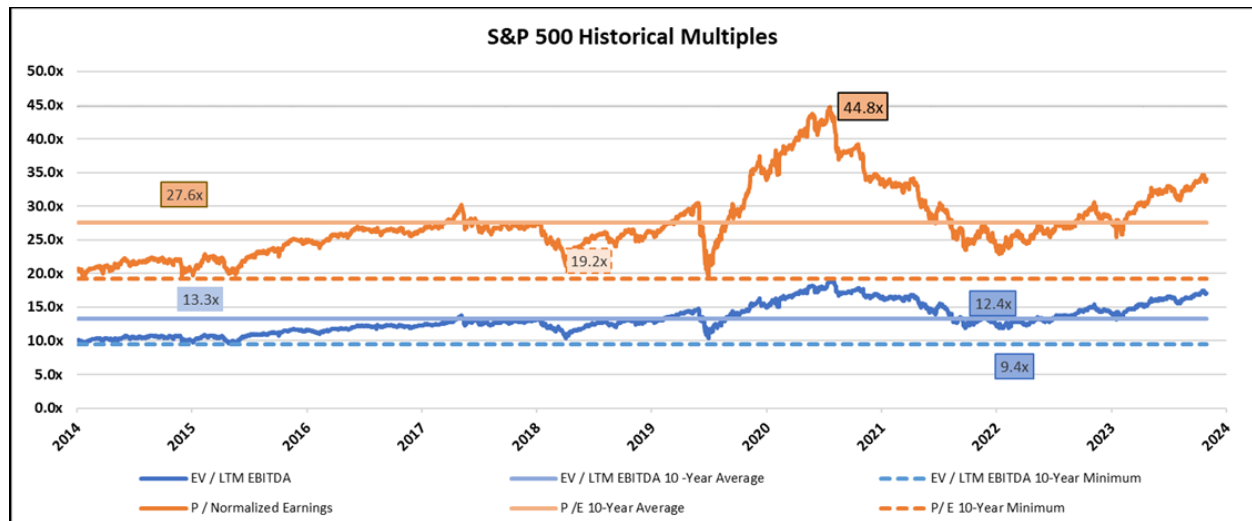
[1] Spread includes OID benefit based on 4 year repayment

Diagram L: Developed Country GovBond Yields (%)

By	3/28/25	4/4/25	4/11/25	4/18/25	Change				
					Weekly	Q4 2024	Q3 2024	Q2 2024	Q1 2024
France - 10 year	3.43%	3.33%	3.35%	3.24%	(11 bps)	28 bps	(38 bps)	49 bps	25 bps
Germany - 10 year	2.73%	2.58%	2.57%	2.47%	(10 bps)	24 bps	(38 bps)	20 bps	27 bps
Italy - 10 year	3.85%	3.77%	3.81%	3.65%	(17 bps)	7 bps	(62 bps)	39 bps	(2 bps)
Japan - 10 year	1.54%	1.22%	1.32%	1.29%	(3 bps)	25 bps	(21 bps)	27 bps	18 bps
UK - 10 year	4.69%	4.45%	4.75%	4.57%	(19 bps)	57 bps	(13 bps)	20 bps	44 bps
US									
US - 2 year	3.91%	3.65%	3.96%	3.80%	(16 bps)	64 bps	(115 bps)	7 bps	37 bps
US - 5 year	3.98%	3.71%	4.16%	3.94%	(22 bps)	87 bps	(92 bps)	8 bps	43 bps
US - 10 year	4.25%	3.99%	4.49%	4.32%	(16 bps)	84 bps	(73 bps)	11 bps	42 bps
US - 30 year	4.63%	4.41%	4.87%	4.80%	(7 bps)	71 bps	(55 bps)	13 bps	42 bps

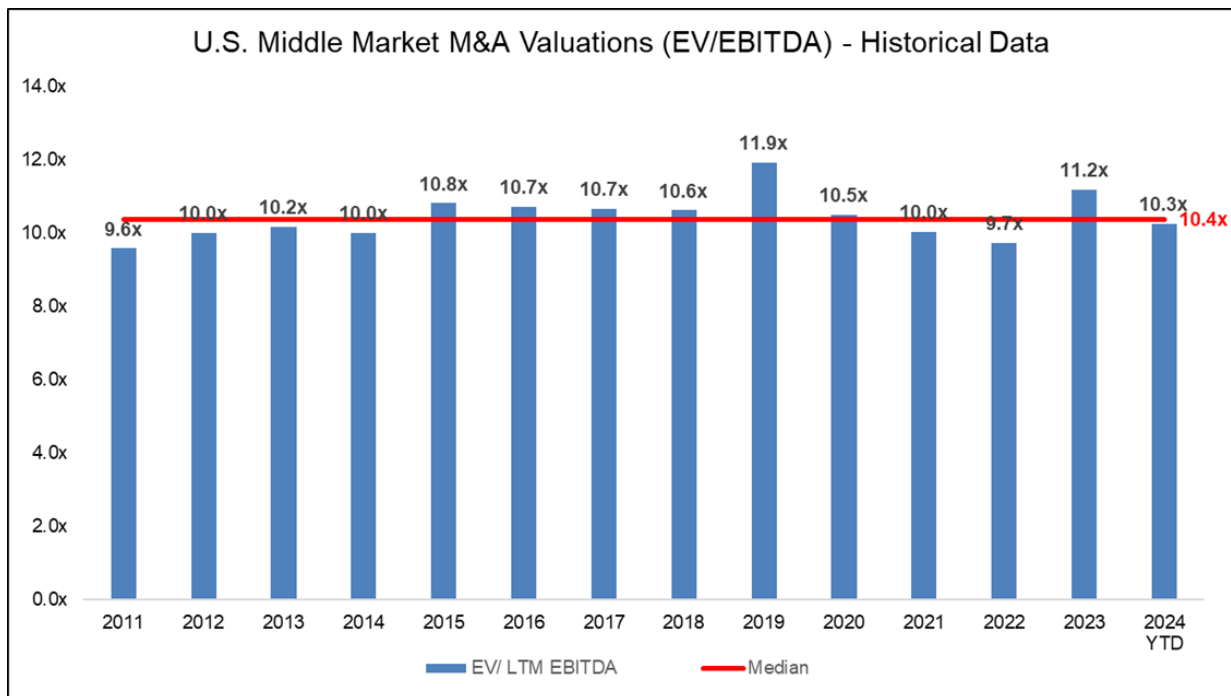
Source: Bloomberg

Diagram M: S&P 500 Historical Multiples



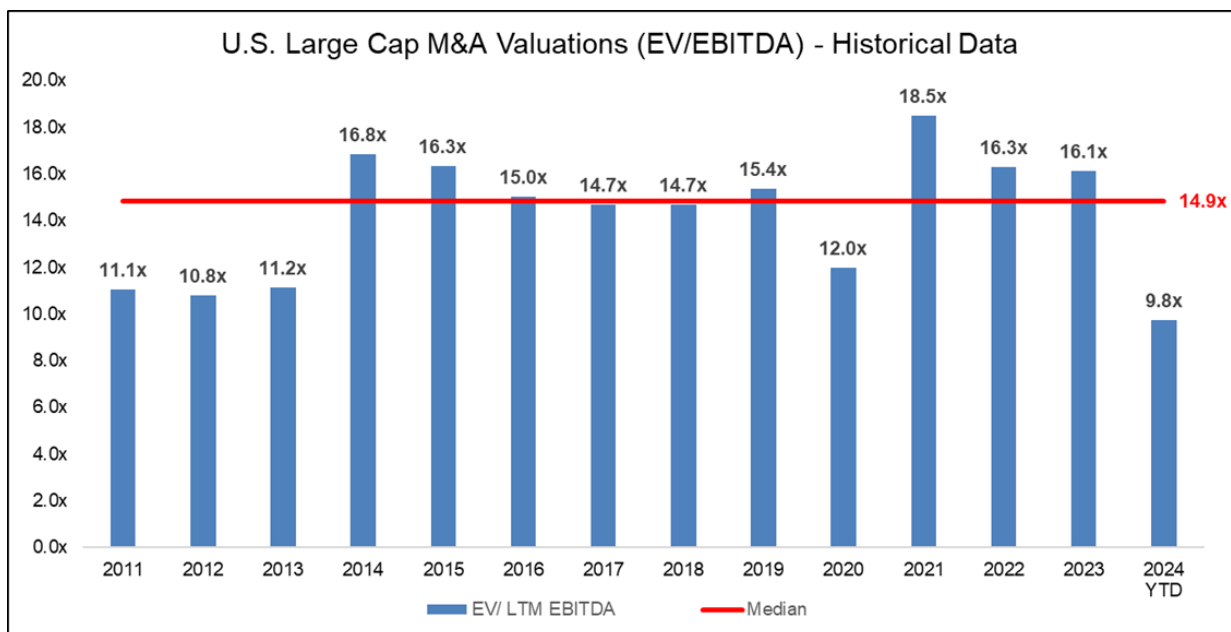
Source: S&P Capital IQ

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



Source: Pitchbook

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



Source: Pitchbook

Diagram P: Dry Powder for All Private Equity Buyouts

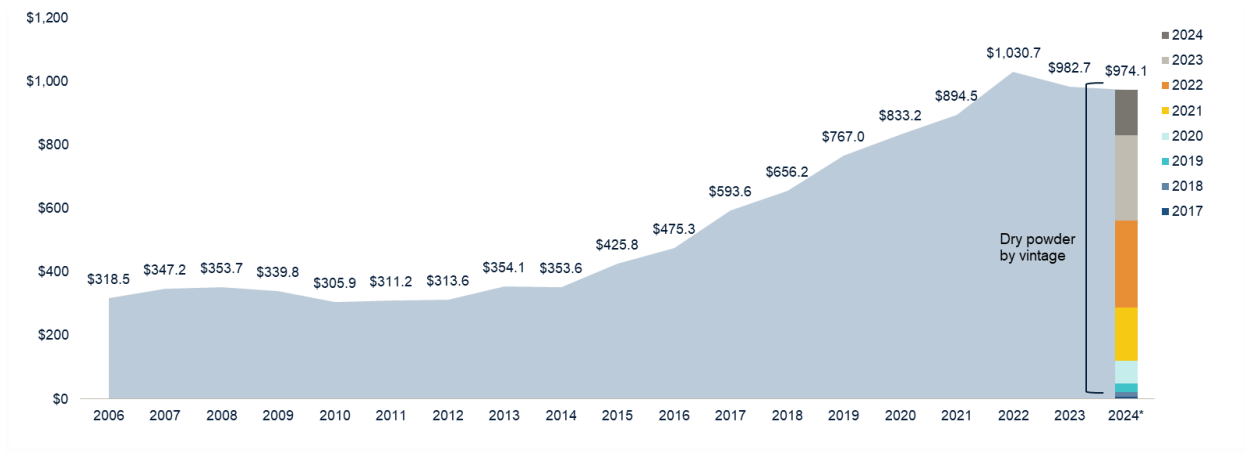
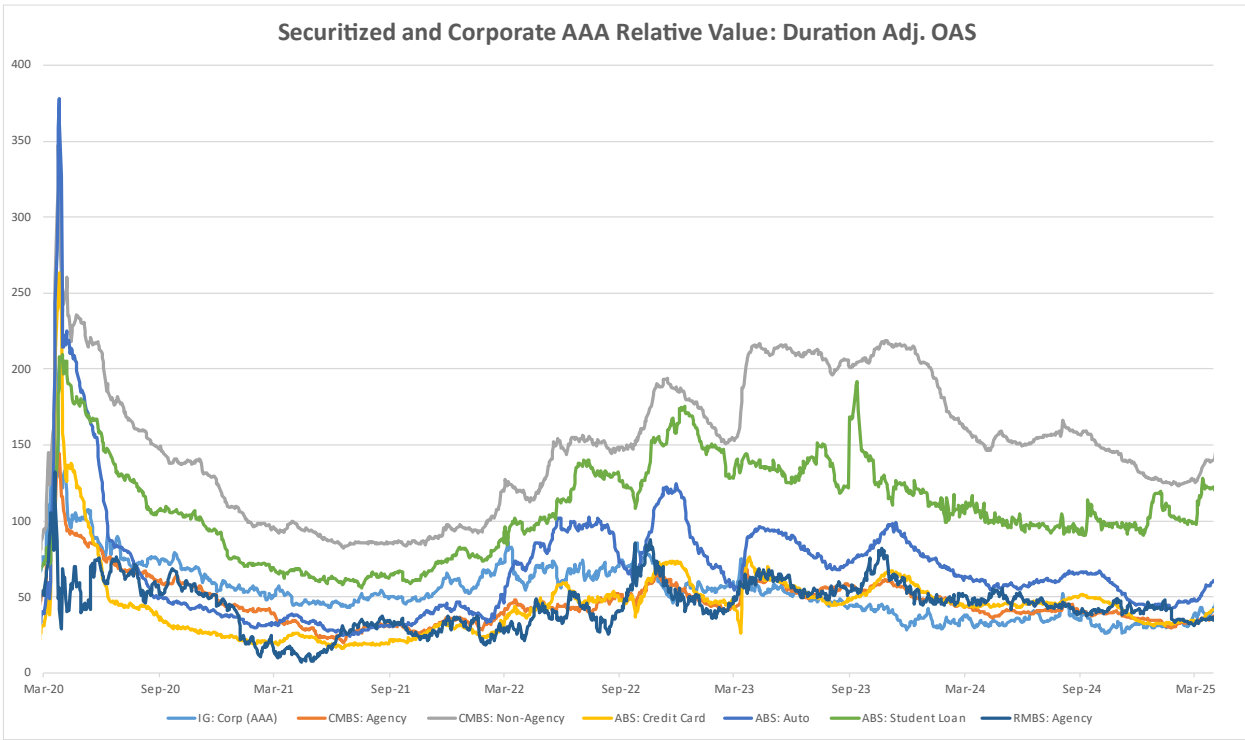
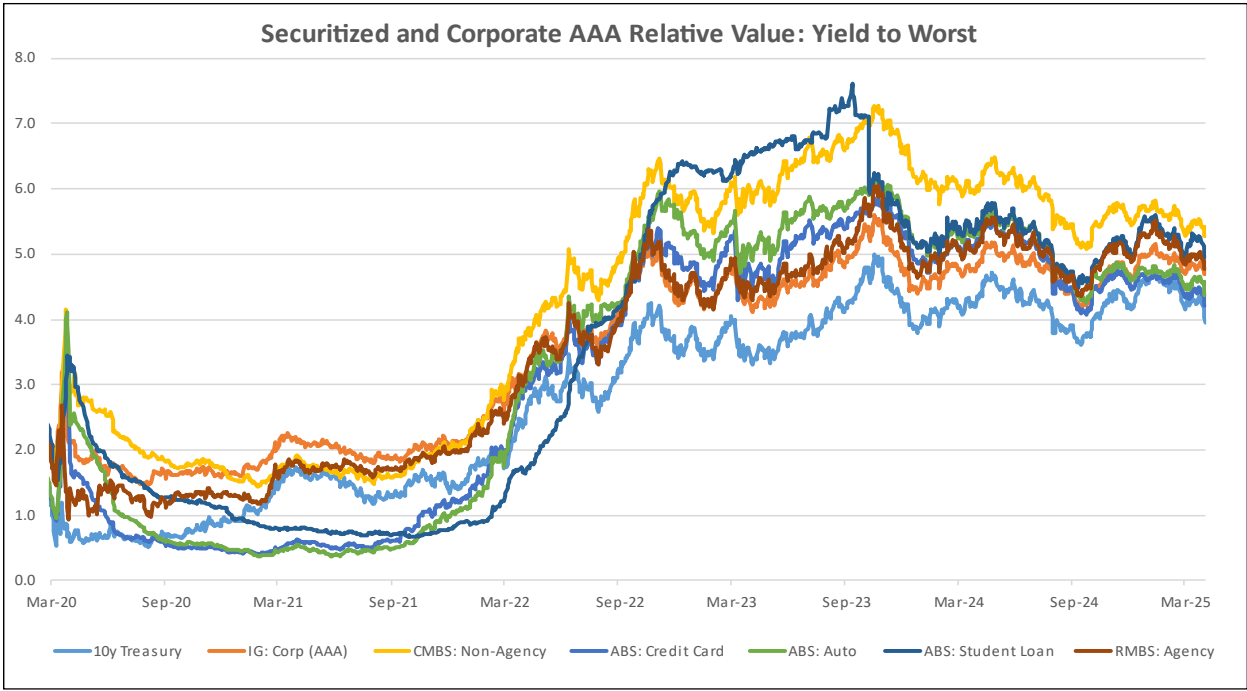


Diagram Q: Structured Credit Spreads



Source: Bloomberg

Diagram R: Structured Credit Yield



Source: Bloomberg

Diagram S: SOFR Curve

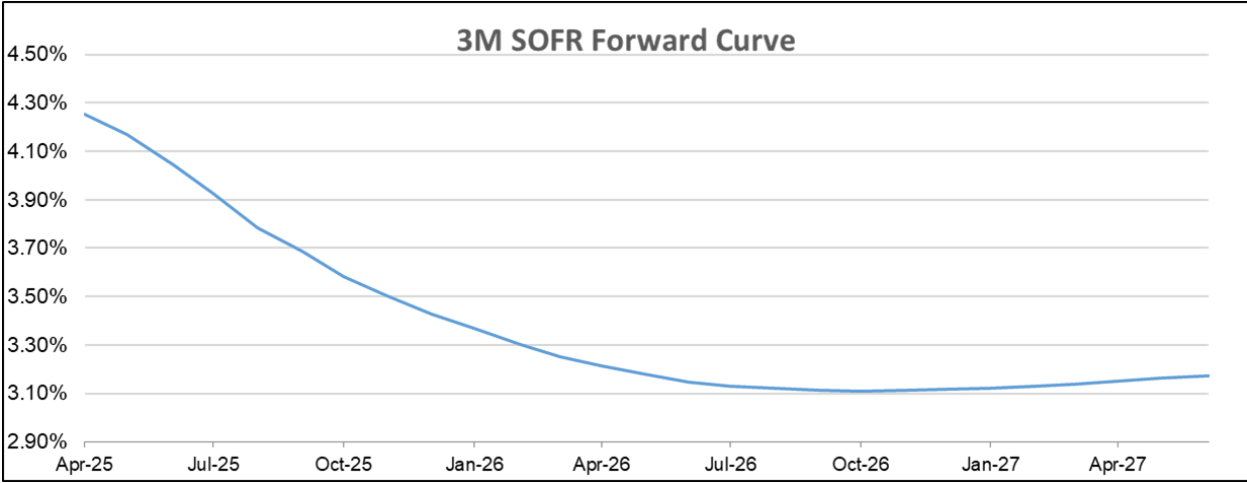
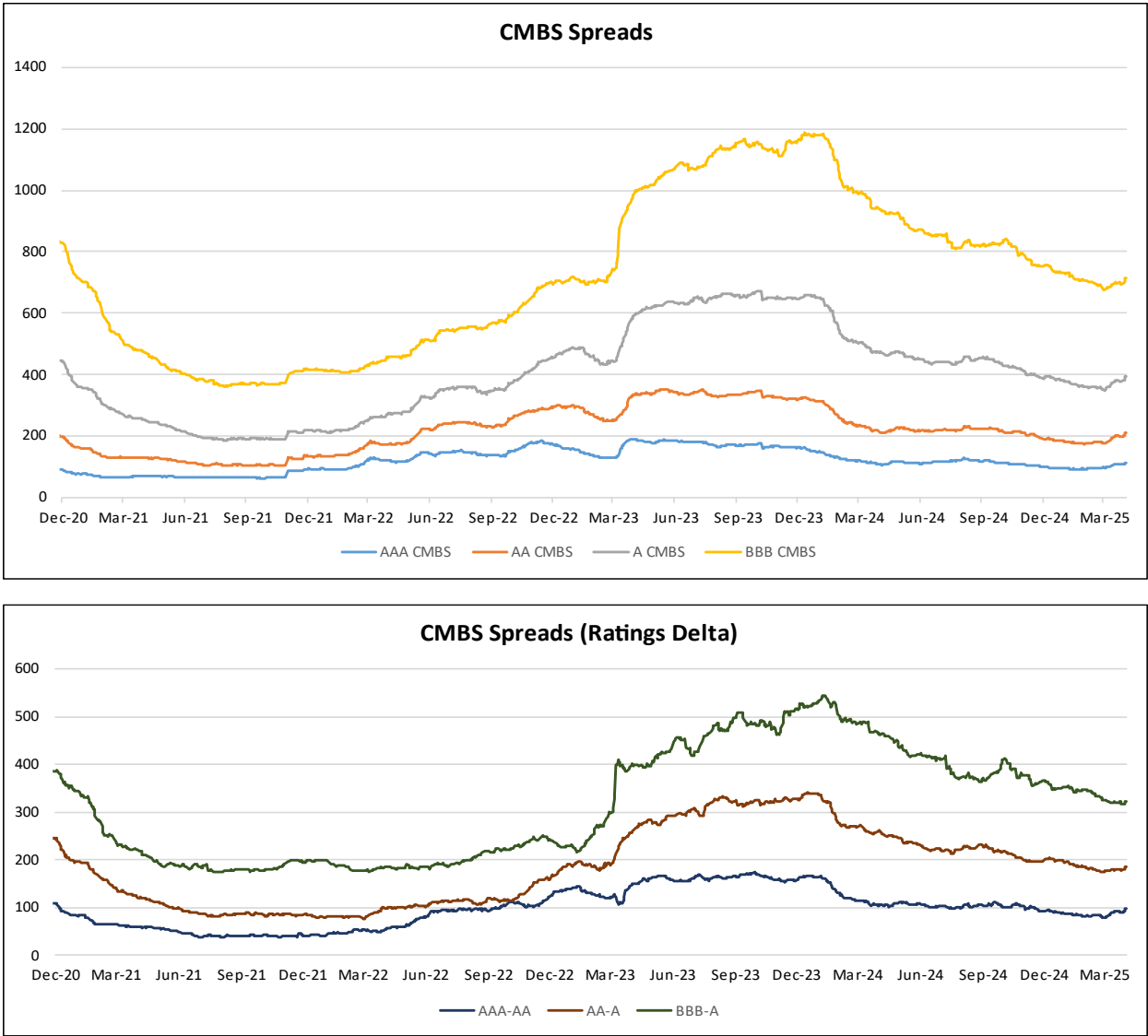


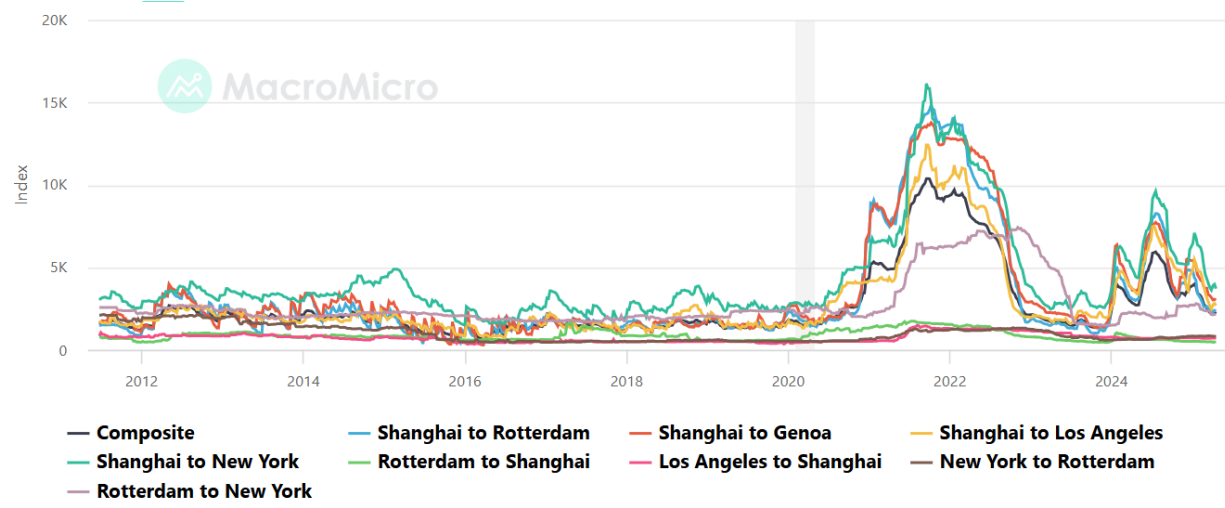
Diagram T: CMBS Spreads



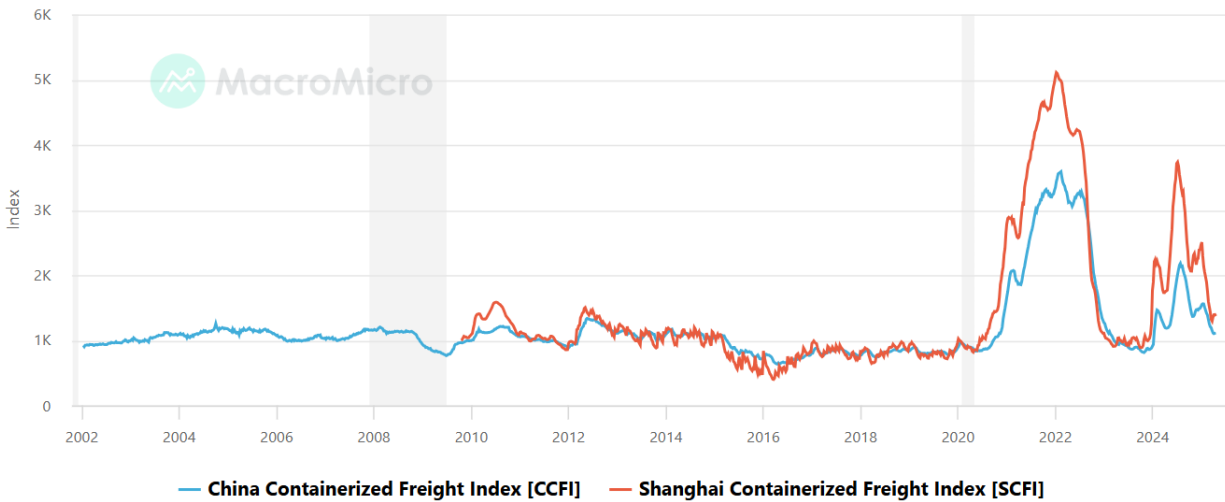
Source: Bloomberg

Freight Rates

Drewry World Container Index



China-Global & Shanghai Export Container Freight Index



About ZCG

ZCG is a privately held global firm comprised of private markets asset management, business consulting services, and technology development and solutions.

For nearly three decades, ZCG has invested tens of billions of dollars in private equity and credit-related strategies, through multiple economic cycles and across many industries, including consumer products, steel, steel processors, agriculture, consumer food, gaming, hospitality, manufacturing, specialty services and automotive. ZCG has successfully executed buy-and-build opportunities, corporate carve-outs, go-private transactions and growth opportunities, as well as credit investments, including private debt, direct lending, balance sheet solutions, mezzanine, syndicated leveraged loans, opportunistic credit and structured products.

ZCG's investors include prominent global sovereign wealth funds, endowments, pension funds, insurance companies, foundations, family offices, wealth management firms and other financial institutions in North America, Europe, Asia, Africa and the Middle East.

ZCG has a global team comprised of approximately 400 talented professionals.

For more information on ZCG, please visit www.zcg.com.

Asset Management

ZCG Private Equity is the private equity fund management platform of ZCG, which pursues a strategy of acquiring companies that are growth platforms, corporate carve-outs, buy & build, go-private transactions, and turnarounds.

ZCG has a specialized, three-pronged approach including its consulting practice, ZCGC, and technology affiliate, to assist in significant value-creation initiatives across portfolio companies.

ZCG Credit is the credit fund management platform of ZCG, which invests across a range of credit investments including leveraged loans, private debt, direct lending, and opportunistic credit. ZCG Credit manages closed and open-ended funds as well as structured vehicles of strategic debt.

ZCG Credit utilizes an approach of fundamental credit analysis, developed over nearly 30 years, through proprietary sourcing, sophisticated structuring and comprehensive risk management utilizing the Olympus™ system.

ZCG-NSIA – Infrastructure. ZCG and the Nigerian Sovereign Investment Authority ("NSIA") have formed a joint venture to invest in infrastructure across Africa to leverage the continent's unique economic and financial opportunities.

The joint venture benefits from the combined resources of ZCG, ZCGC, & Haptiq Technology ("Haptiq"), as well as the extensive infrastructure expertise and successful history of NSIA.

Key focus areas of the investment strategy include:

- Renewable energy
- Industrialization
- Climate resilient infrastructure, and
- Technology

ZCG Credit - Direct Lending intends to directly source and originate senior secured and asset-backed loans to small and medium-sized enterprises (“SMEs”) primarily in the Kingdom of Saudi Arabia (“KSA”).

ZCG seeks to provide growth capital solutions to SMEs in KSA through various debt instruments, including secured term loans, revolving facilities and mezzanine loans. ZCG intends to partner with SMEs that are cash flow generative, high-growth businesses with proven management teams.

ZCG's current portfolio companies sell products in 120 countries, operate 15 manufacturing facilities, and have over 200,000 employees and associates directly and through joint ventures.

ZCG Consulting

ZCGC is a team of consultants possessing a diverse skillset with significant industry and subject matter expertise, offering comprehensive support across the full transaction cycle optimizing returns in numerous verticals.

ZCGC partners with management teams to develop strategic plans and oversee tactical execution of specific value creation initiatives.

A trusted resource for private equity firms and their portfolio companies, our ZCGC professionals offer unmatched functional expertise with highly tailored solutions to accelerate growth and scale responsibly.

Our consultants are selected for their leadership experience across investment banking, capital markets, Big 4 consulting, real estate development, talent acquisition, procurement, and the corporate C-suite.

Together with Haptiq, our strategic software development affiliate, ZCGC helps position its clients on the path to success. For more information on ZCGC, please visit www.zcgc.com.

Technology

Haptiq, LLC (“Haptiq”) – *Where Insight Meets Innovation.*

Haptiq is ZCG's technology affiliate with over a decade of global experience in providing digital solutions to institutions and companies. Haptiq drives value and enhances efficiency through their premier AI data-driven platform and expert tech-enablement consulting. For more information on Haptiq, please visit www.haptiq.com.

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PERFORMANCE

Market Indices	18-Apr	11-Apr	WoW Change	YTD Change	YoY Change
DJIA	39,142.23	39,593.66	(1.14%)	(8.00%)	3.68%
S&P 500	5,282.70	5,268.05	0.28%	(10.18%)	5.19%
NASDAQ	16,286.45	16,387.31	(0.62%)	(15.66%)	3.85%
MSCI - EAFE	2,396.20	2,297.70	4.29%	5.94%	7.07%
MSCI - Emerging Markets	1,068.59	1,045.20	2.24%	(0.64%)	5.54%
US Dollar Index	99.23	100.10	(0.87%)	(8.53%)	(6.34%)
VIX	29.65	40.72	(27.19%)	70.89%	61.14%

Market Ratios

	18-Apr	11-Apr	WoW Change	YTD Change	YoY Change	
CBOE Put/Call Ratio	Equities	0.54	0.43	25.58%	17.39%	(52.21%)

Commodities Indices (\$ USD)

Metric	18-Apr	11-Apr	WoW Change	YTD Change	YoY Change
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Core Commodity Index

Gasoline - Pump	Gallon	3.16	3.20	(1.28%)	3.04%	(10.14%)
Gasoline - Futures	Gallon	2.10	1.96	7.01%	4.86%	(23.08%)
Crude Oil - WTI	Barrel	64.68	60.07	7.67%	(9.82%)	(24.29%)
Crude Oil - Brent	Barrel	67.96	63.33	7.31%	(8.95%)	(24.86%)
Natural Gas	MM BTU	3.25	3.56	(8.77%)	(10.68%)	81.79%
Coal (1 contract = 1,000 tons)	Contract	185.14	185.14	0.00%	(1.87%)	(11.96%)

Aluminum	Metric Ton	2,365.50	2,370.00	0.02%	(7.29%)	(9.52%)
Copper	Metric Ton	9,188.50	8,988.00	2.23%	4.80%	(5.61%)
Iron Ore	Metric Ton	100.05	99.89	0.16%	(3.44%)	(6.76%)
Steel - Hot Rolled Coil	Metric Ton	940.00	930.00	1.08%	26.51%	8.29%
Steel - Cold Rolled Coil	Metric Ton	1,162.50	1,162.50	0.00%	27.75%	(3.93%)
Ferrous Scrap	Metric Ton	470.00	486.00	(3.29%)	11.90%	2.84%
Lumber	27.5k Board Feet	646.00	642.00	0.62%	11.28%	0.47%
Gold	Troy Ounce	3,326.85	3,176.23	4.74%	26.76%	40.91%
Silver	Troy Ounce	32.56	31.22	4.26%	12.64%	15.35%

Cotton	Pound	64.20	62.90	2.07%	(0.22%)	(20.32%)
Butter	Pound	2.34	2.33	0.43%	(8.14%)	(20.32%)
Cheese	Pound	1.73	1.72	0.46%	(8.90%)	(3.30%)
Cocoa	Pound	3.76	3.66	2.74%	(24.86%)	19.28%
Corn	Bushel	4.82	4.83	(0.16%)	5.18%	12.09%
Milk, Non Fat Dry	Pound	1.19	1.17	1.04%	(14.75%)	2.24%
Soybean	Bushel	10.37	10.29	0.73%	3.83%	(9.83%)
Sugar	Pound	0.18	0.18	(1.05%)	(6.91%)	(7.19%)
Wheat	Bushel	5.49	5.38	2.00%	(0.50%)	2.19%
Live Cattle	Pound	2.10	2.01	4.47%	8.24%	15.99%
Lean Hogs	Pound	0.90	0.86	5.12%	11.19%	(4.77%)
Beef, USDA Ground	Pound	3.32	3.34	(0.81%)	2.25%	11.69%
Chicken, Boneless & Skinless	Pound	4.16	4.16	0.00%	1.36%	1.32%

Currencies	Metric	18-Apr	11-Apr	2025	2026	10-Year Historicals
Japanese Yen	USDCNY	142.180	143.540	143.500	138.000	99.890
Chinese Renminbi	USDCNY	7.300	7.292	7.350	7.250	6.195
Swiss Franc	USDCHE	0.817	0.815	0.870	0.870	0.815
British Pound	GBPUSD	1.330	1.309	1.300	1.340	1.069
Euro Zone Euro	EURUSD	1.139	1.136	1.100	1.130	0.959

TECHNICALS (Supply / Demand)

Bank Loan & High Yield, Inflows (Ourflows) Mutual Fund, \$ USD in Millions. (Source: Lipper FMI)

Week Ending	Bank Loans	High Yield
9-Apr-25	\$ (6,506)	\$ (9,630)
2-Apr-25	\$ (385)	\$ 467
26-Mar-25	\$ (780)	\$ (110)
19-Mar-25	\$ (1,623)	\$ 1,091
12-Mar-25	\$ (1,126)	\$ (568)
5-Mar-25	\$ 60	\$ 1,765
26-Feb-25	\$ 725	\$ 1,350
19-Feb-25	\$ 1,598	\$ 1,214
12-Feb-25	\$ 1,040	\$ 19
Year To Date 2025	\$ 2,948	\$ (2,500)
Year Ended December 31, 2024	\$ 21,086	\$ 19,373
Year Ended December 31, 2023	\$ (18,051)	\$ (17,252)

NEW ISSUE SUMMARY

Institutional Loans	4/18/2025	Deals	Amt (\$mm)
Priced	Prior Week	0	0
In-Market Forward Calendar		3	3,100
High Yield	4/18/2025	Deals	Amt (\$mm)
Priced	Prior Week	0	0
In-Market Forward Calendar		0	0

ECONOMIC DATA RECAP

Key Economic Indicators:	Period Ending	Actual	Expected	Prior
Initial Jobless Claims	4/12/2025	215K	225K	223K
Continuing Claims	4/5/2025	1,885K	1,870K	1,850K
Change in Non-Farm Payrolls	3/31/2025	228K	140K	151K
Change in Private Payrolls	3/31/2025	209K	135K	140K

Unemployment Rate	U-3	3/31/2025	4.2%	4.1%	4.1%
Unemployment Rate	U-6	3/31/2025	7.9%	7.6%	8.0%
Average Work Week		3/31/2025	34.2	34.2	34.1

Existing Home Sales		2/28/2025	4.26M	3.95M	4.08M
Housing Starts		3/31/2025	1,324K	1,385K	1,366K
S&P/Case-Shiller Composite	YoY	1/31/2025	4.7%	4.8%	4.5%
S&P/Case-Shiller Composite	MoM	1/31/2025	0.5%	0.4%	5.2%

Consumer Confidence		3/31/2025	92.9	94.0	98.3
GDP	QoQ-Annualized	12/31/2024	2.4%	2.3%	2.3%
Durable Goods Orders		2/28/2025	1.0%	0.9%	0.9%
Total Vehicle Sales		3/31/2025	17.77M	16.20M	16.00M
Capacity Utilization		3/31/2025	77.8%	77.9%	78.2%

Fed & Treasury Balance Sheet		17-Apr	10-Apr	WoW Change	YoY Change
Fed Total Assets	\$ in Billions	6,727,113.0	6,727,416.0	(0.0%)	(9.2%)
Public Debt	\$ in Billions	36,217.5	36,215.7	0.0%	4.7%

US Debt Outstanding		4Q24	3Q24	QoQ Change	YoY Change
Domestic Nonfinancial Debt	\$ in Billions	76,730.9	76,284.8	0.6%	4.2%

Shared National Credit		2024	2023	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

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

Country	2021	2022	2023	2024	2025	2026
United States	5.7%	0.9%	2.9%	2.8%	2.7%	2.7%
Brazil	4.6%	2.5%	3.2%	3.7%	2.2%	2.2%
China	8.1%	3.2%	5.2%	4.8%	4.6%	4.5%
Germany	2.8%	0.8%	(0.3%)	(0.2%)	0.3%	1.1%
India	8.9%	6.1%	8.2%	6.5%	6.5%	6.5%
Japan	1.6%	0.5%	1.5%	(0.2%)	1.1%	1.1%
United Kingdom	7.4%	0.6%	0.3%	0.9%	1.6%	1.5%

Market Indices	18-Apr	11-Apr	WoW Change	YTD Change	YoY Change
S&P/LSTA Leveraged Loan Index	4,045.19	4,025.14	0.50%	(0.42%)	5.65%
Barclays High Yield Index	2,678.35	2,644.96	1.26%	(0.18%)	8.27%
Barclays Aggregate	2,232.29	2,212.19	0.91%	1.98%	6.38%

Loan Market Bids	18-Apr	11-Apr	WoW Change	YTD Change
S&P Flow Name Index	94.71	94.41	0.32%	(1.72%)
S&P 100 Name Index	96.53	96.07	0.48%	(1.46%)
S&P BB's Index	98.42	98.02	0.41%	(1.68%)
S&P B's Index	96.31	95.89	0.44%	(2.84%)
S&P CCC's Index	76.21	76.08	0.17%	(0.35%)

Loan Market Spreads	18-Apr	11-Apr	WoW Change	YTD Change
S&P BB's Index	S+313	S+328	(15 bps)	52 bps
S&P B's Index	S+509	S+527	(18 bps)	78 bps
S&P CCC's Index	S+1456	S+1469	(13 bps)	50 bps

Credit Default Swap - Volatility Indices	Index	18-Apr	11-Apr	WoW Change	YTD Change
Investment Grade CDS	Market	70.02	72.98	4.23%	(28.82%)
High Yield CDS	Market	424.19	430.63	1.52%	(26.57%)

High Yield CDS	Market	424.19	430.63	1.52%	(26.57%)
Credit		18-Apr	11-Apr	WoW Change	YOY Change
High Yield	OAS - YTW	T+398	T+419	(21 bps)	69 bps
Loan Index - S&P Flow Name	DM - 3 Year	S+537	S+550	(13 bps)	28 bps
US Treasury 2-Yr		3.80%	3.96%	(16 bps)	(113 bps)
US Treasury 3-Yr		3.80%	4.01%	(21 bps)	(97 bps)
US Treasury 5-Yr		3.94%	4.16%	(22 bps)	(68 bps)
US Treasury 7-Yr		4.12%	4.33%	(21 bps)	(49 bps)
US Treasury 10-Yr		4.32%	4.49%	(16 bps)	(26 bps)
US Treasury 30-Yr		4.80%	4.87%	(7 bps)	10 bps

US CLO Spreads - New Issue	31-Mar	28-Feb	MoM Change	YTD Change
AAA	S+138	S+118	20 bps	9 bps
AA	S+183	S+155	28 bps	13 bps
A	S+200	S+188	12 bps	5 bps
BBB	S+325	S+270	55 bps	(5 bps)
BB	S+605	S+523	82 bps	(43 bps)

Market Rates	18-Apr	11-Apr	WoW Change	YTD Change
Fed Fund Rate	4.31%	4.31%	0 bps	(1 bps)
Prime Rate	7.50%	7.50%	0 bps	0 bps
Broker Call Rate	6.25%	6.25%	0 bps	0 bps
1M SOFR	4.32%	4.32%	0 bps	(1 bps)
3M SOFR	4.27%	4.26%	2 bps	(3 bps)
6M SOFR	4.13%	4.10%	3 bps	(12 bps)

Short Interest - Millions of shares	31-Mar	28-Feb	MoM Change	YTD Change
NYSE Mkt Short Interest	17,715.12	17,048.05	3.91%	9.85%
Nasdaq Short Interest	15,331.66	14,581.38	5.15%	3.40%

Fed Corp Primary Dealer Positions - \$ USD in Millions	31-Mar	28-Feb	MoM Change	YTD Change
Net Outright Total Corp Securities	9,306.00	11,240.00	(17.21%)	5.01%

Margin Debt - \$ USD in Billions	28-Feb	31-Jan	MoM Change	YTD Change
FINRA Margin Debt	918.14	937.253	(2.04%)	2.11%

Leveraged Finance Primary Volume - \$ USD in Billions

	Year To Date		Year End	YoY
4/18/2025	2025	2024	2024	Change
Bank Debt	338.9	346.0	1,327.0	(2.05%)
Total Bonds	69.3	97.0	288.8	(28.56%)
Totals	408.2	443.0	1,615.8	(7.86%)

DEFAULT ACTIVITY

Total Loan Defaults - as of:	31-Mar	28-Feb	YE 2024
Default Rate by Total Amount of All Loans Outstanding	1.9%	1.26%	1.52%

Default Rate by Total Amount of All HY Bonds Outstanding

	0.68%	0.27%	0.36%
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Employment - Labor Participation Rates	31-Mar	28-Feb	YTD Change
Civilian Employment as % of Total Labor Force	59.9%	59.9%	0.54pp
Labor Force Participation Rate	62.5%	62.4%	0.56pp

Government Assistance	31-Dec	30-Nov	YTD Change
SNAP Rtx Food Stamps - # of Participants	42,792	42,890	1.20%

Retail Sales	28-Feb	31-Jan	YTD Change
Adj. Retail & Food Services Sales Index - US Census	724.5	722.9	(0.79%)

U.S. Rig Count - Active Drilling Rigs, Exploring or Developing Oil & Natural Gas	18-Apr	11-Apr	YoY Change
Type			
World	Peak - 2003 to Date	# of Rigs	% Change
Oil	10/10/2014	1,609	(10.17%)
Gas	9/12/2008	1,606	(93.96%)

Rail & Truck Volume	28-Feb	31-Jan	YTD Change
Total Rail Freight Carloads	931.25	926.90	(2.01%)
Total Intermodal	1,107.44	1,192.53	(6.78%)
Truck Tonnage Index	115.05	111.90	2.77%

TSA Checkpoint Travel Numbers	17-Apr	10-Apr	WoW Change	YoY Change
Weekly Traveler Throughput	17,516.5	17,170.3	2.02%	1.56%

Freight Rates	18-Apr	11-Apr	WoW Change	YTD Change	YoY Change
Baltic Exchange Dry Index	1.261	1.269	(0.63%)	26.48%	(34.29%)
Shanghai - Los Angeles Spot Rates	2.683	2.815	(4.69%)	(44.44%)	(20.41%)
Shanghai - NY Spot Rates	3.706	3.976	(6.79%)	(42.50%)	(15.43%)
Shanghai Containerized Freight Index	1,371	1,395	(1.73%)	(45.29%)	(22.55%)