



Overview of The Broadly Syndicated Loan Primary and Secondary Markets

Moderator:

Ted Basta, Executive Vice President, Analytics and Investor Strategy, LSTA

Speakers:

Brian Juliano, Fixed Income Head of U.S. Leveraged Loans, Co-Head of U.S. CLOs, and Portfolio Manager, CLOs, PGIM Fixed Income

Christopher Remington, Managing Director, Institutional Portfolio Manager, Morgan Stanley Investment Management

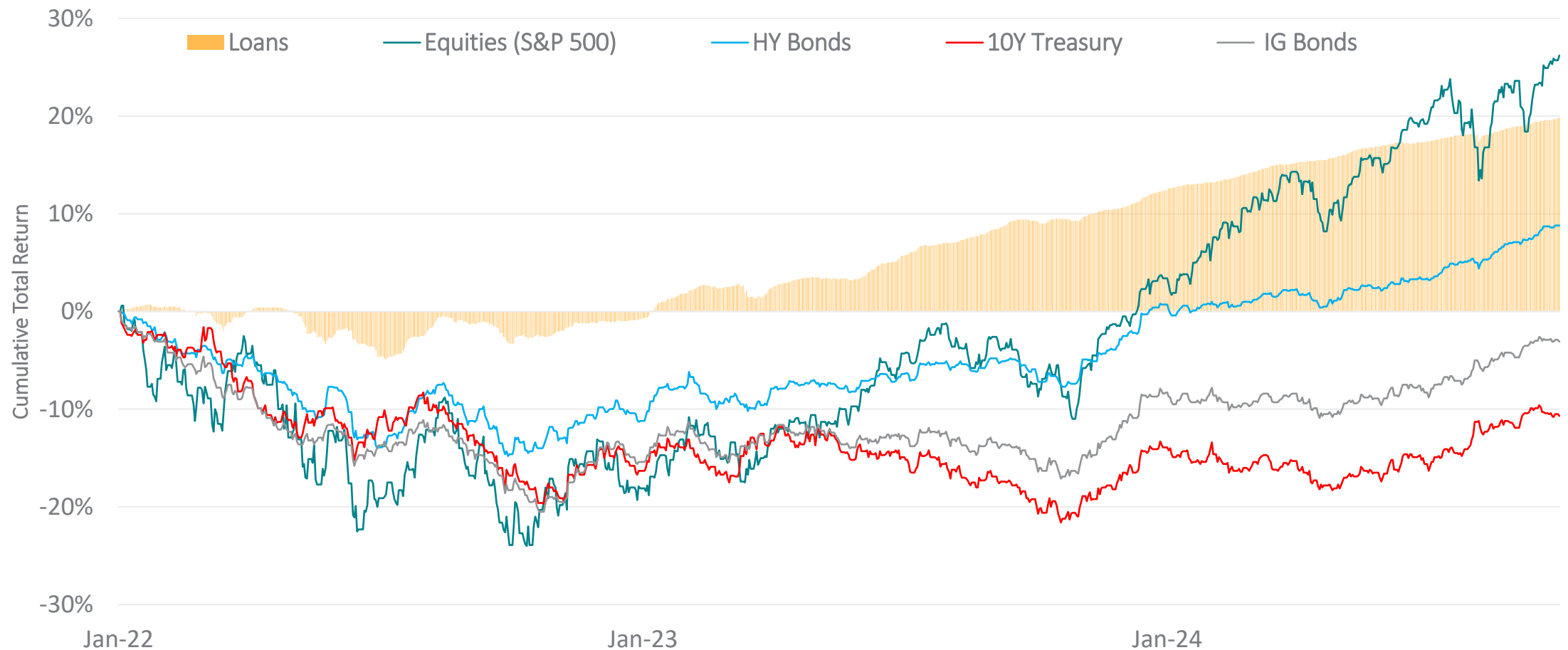
Dan Sherry, Managing Director, Portfolio Manager, US CLO Management, Pinebridge Investments

Drew Sweeney, Senior Portfolio Manager, Managing Director, TCW Group

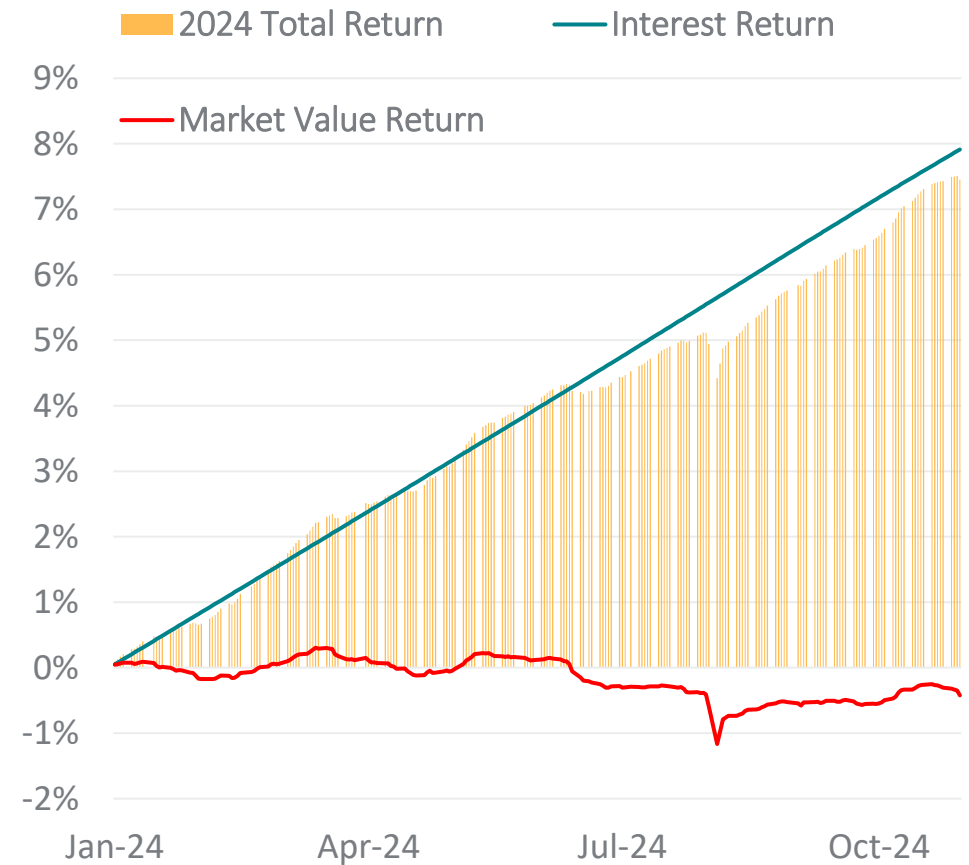
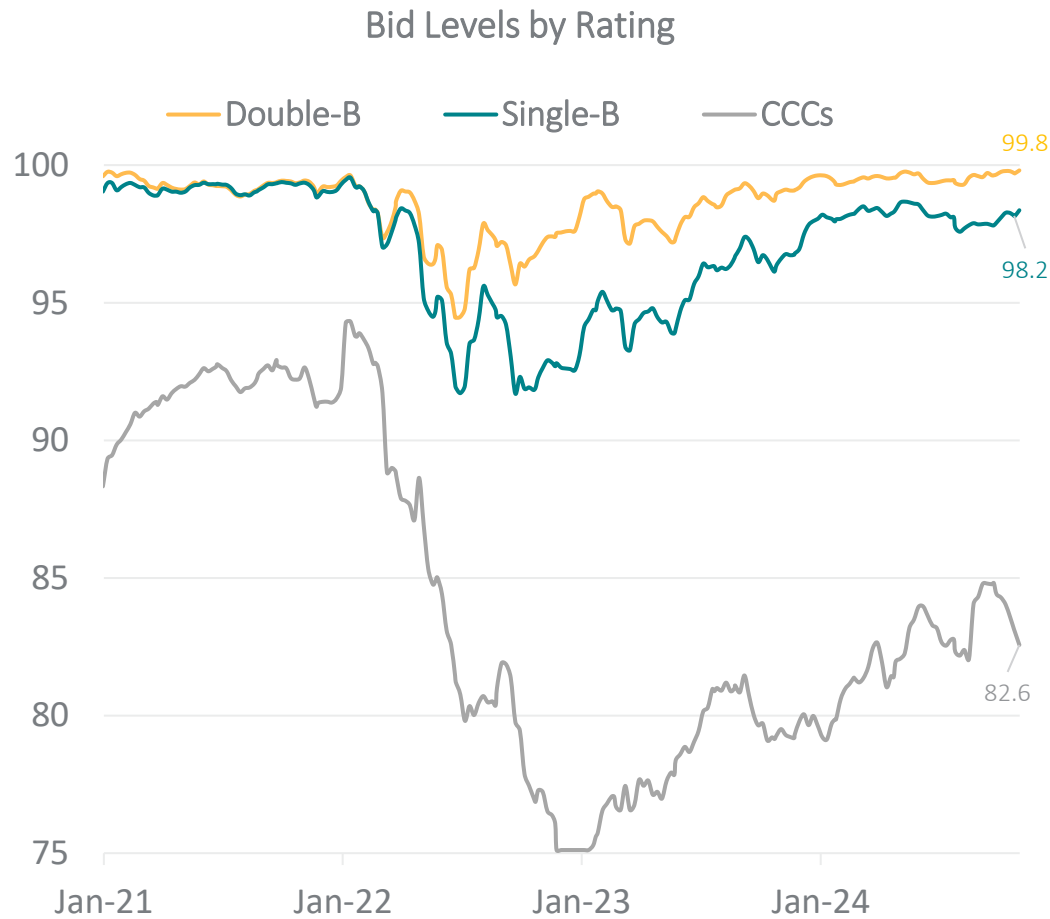
Carly Wilson, Managing Director, Portfolio Manager-Global Credit Platform, BlackRock

Tuesday, November 19, 2024

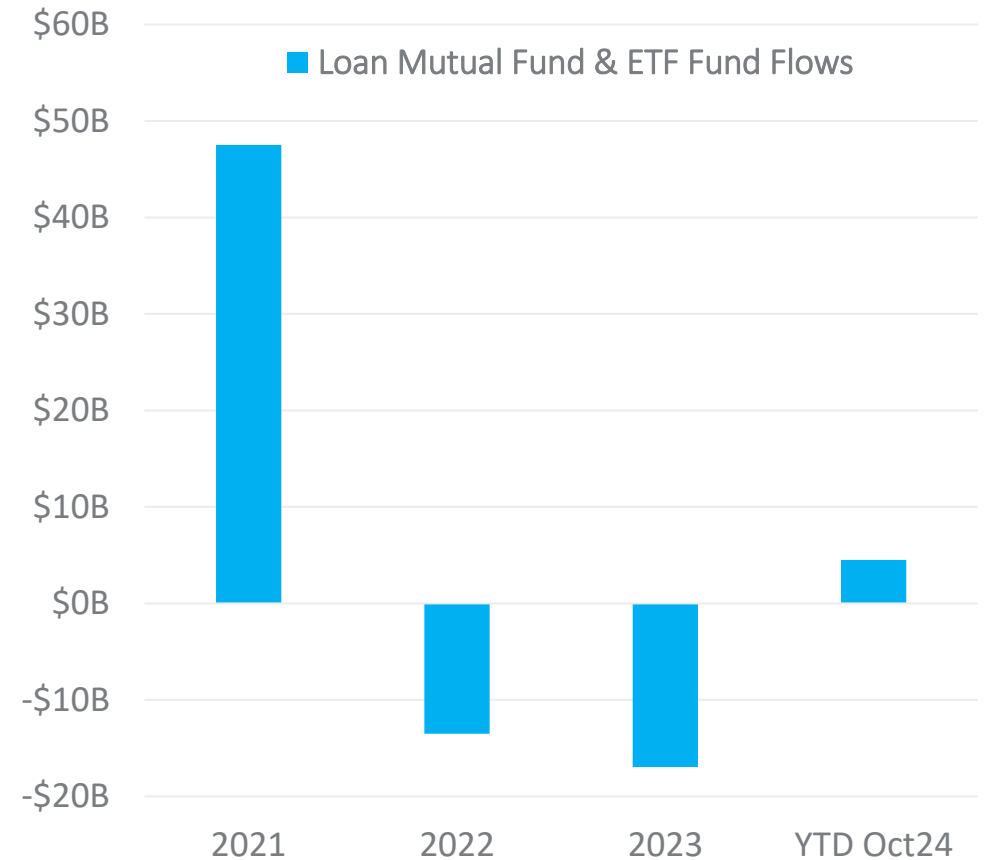
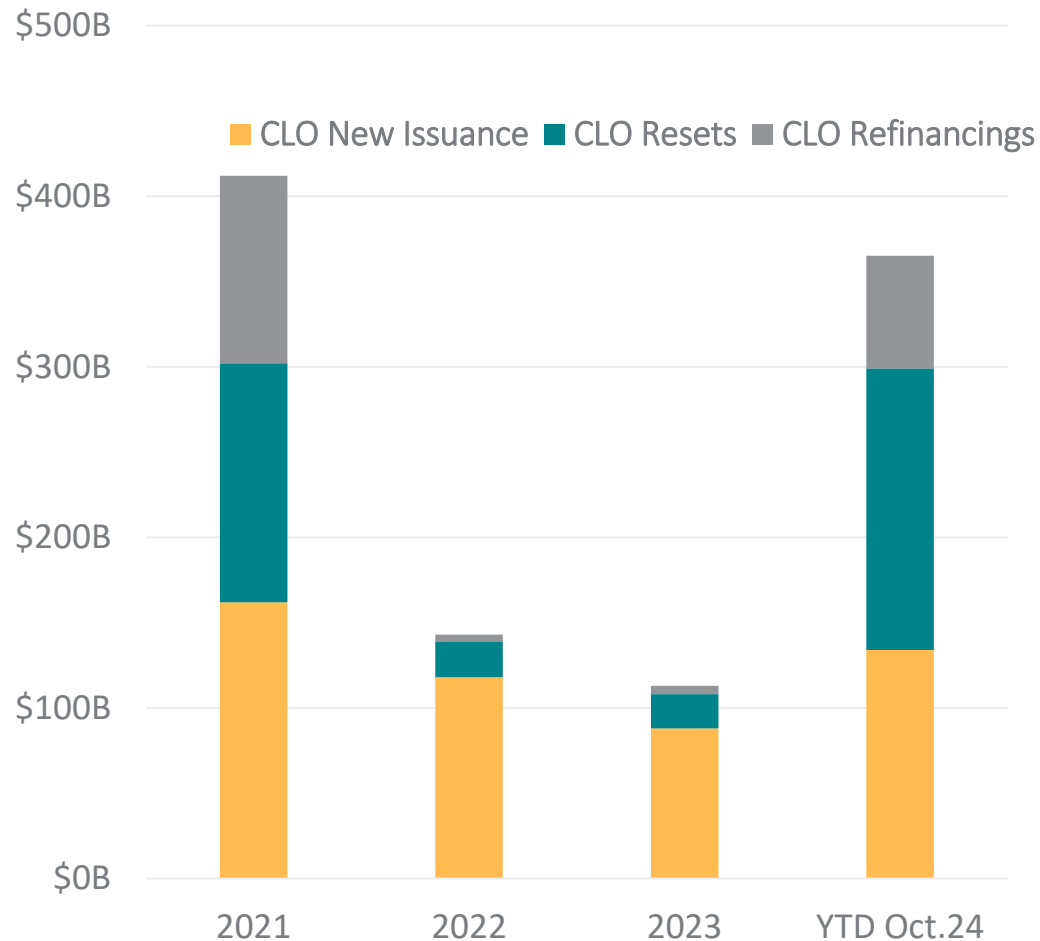
Since U.S. Interest Rates Began Rising in 2022, Floating Rate Loans Have Outperformed Fixed Income



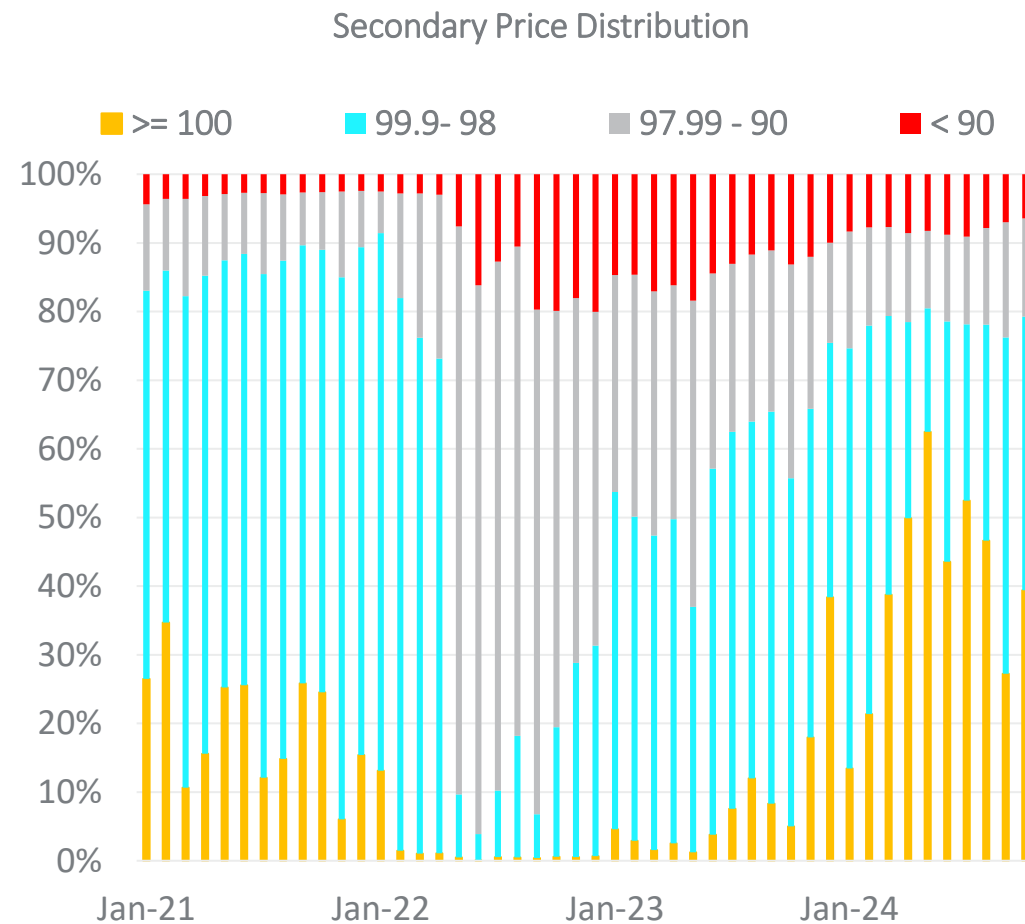
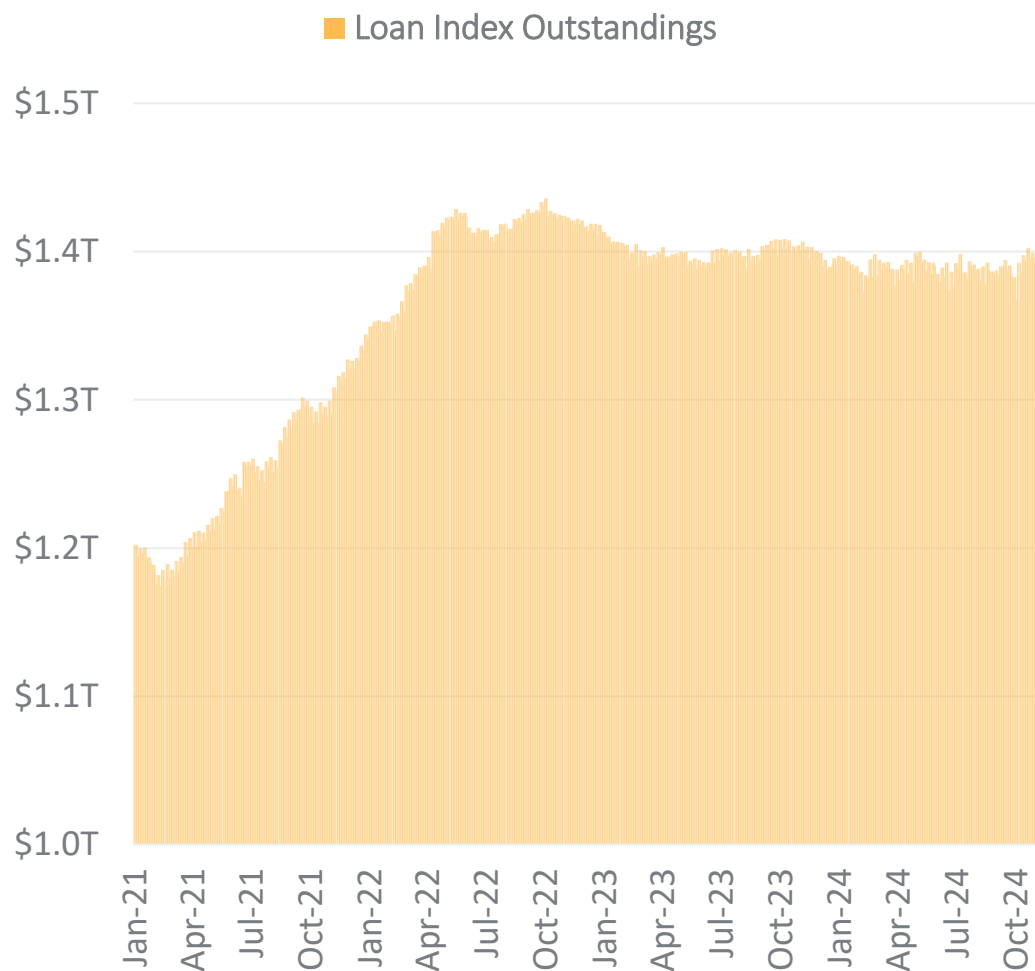
Average Secondary Bid Levels Stabilized in a 96-97 Range in 2024, as YTD Loan Returns Approach 8%



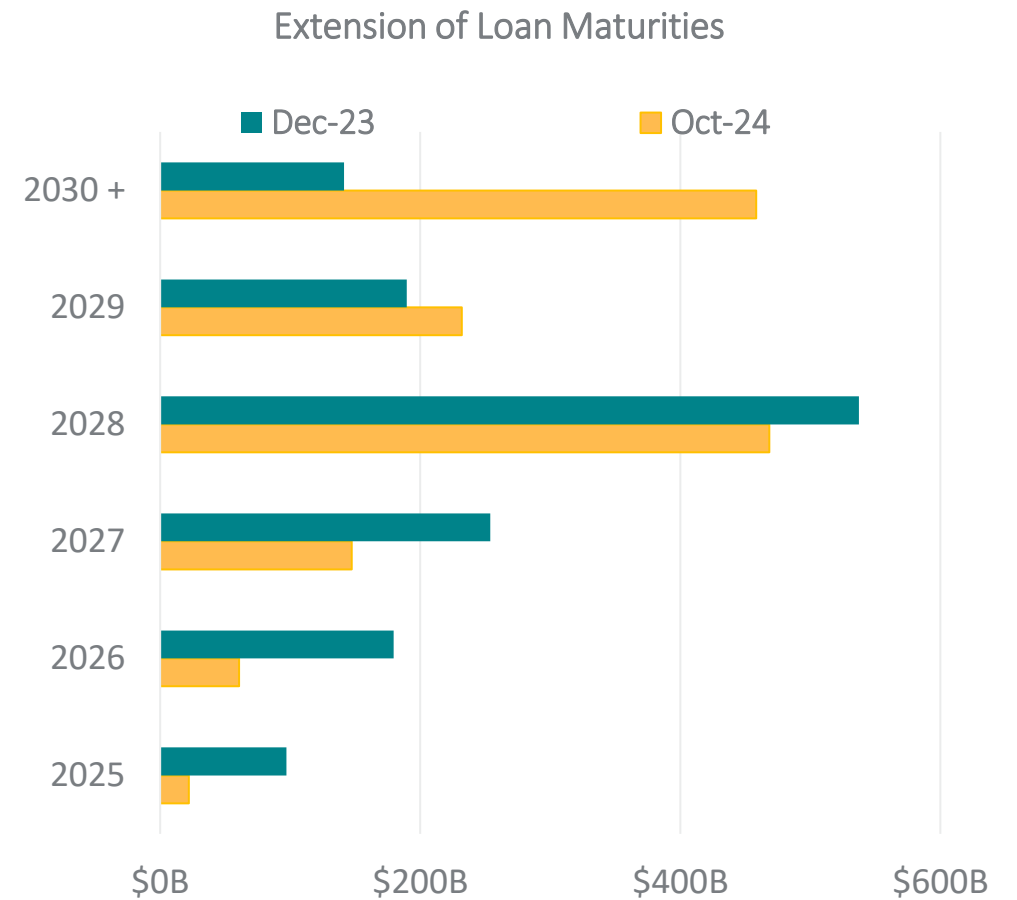
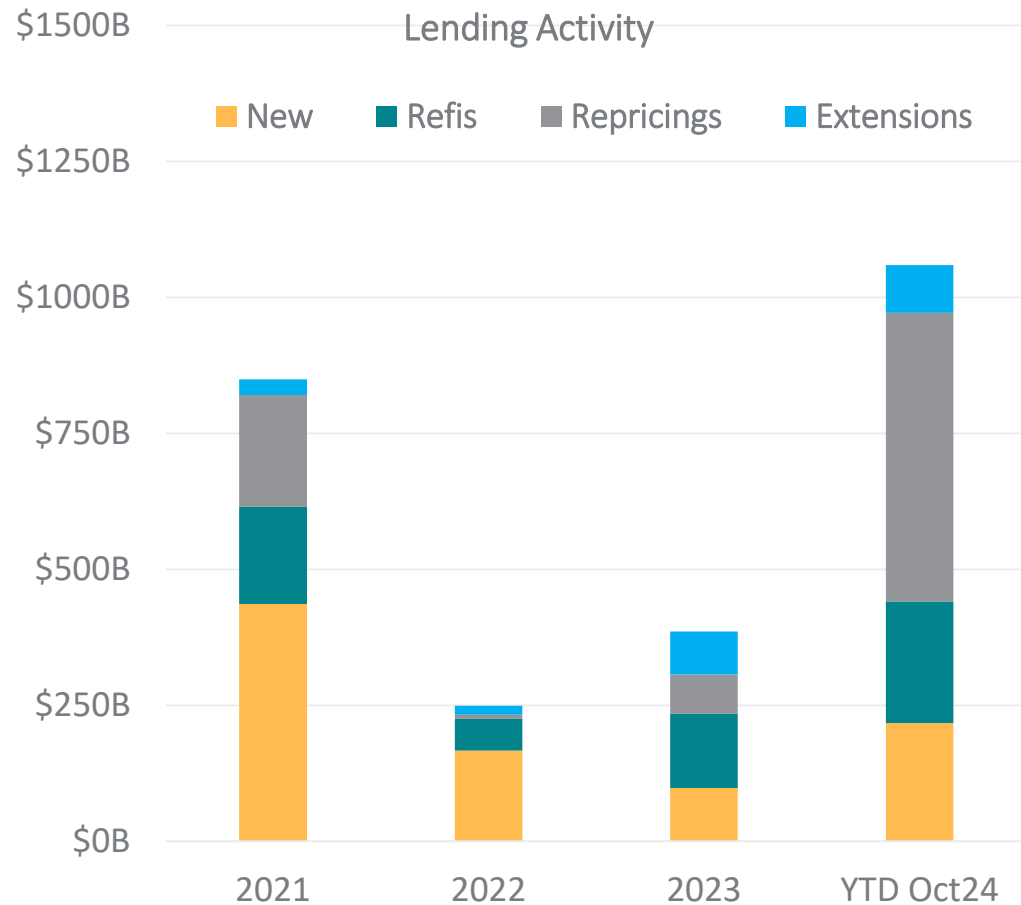
2024 CLO Activity Supported Strong Technical Conditions in the Loan Market



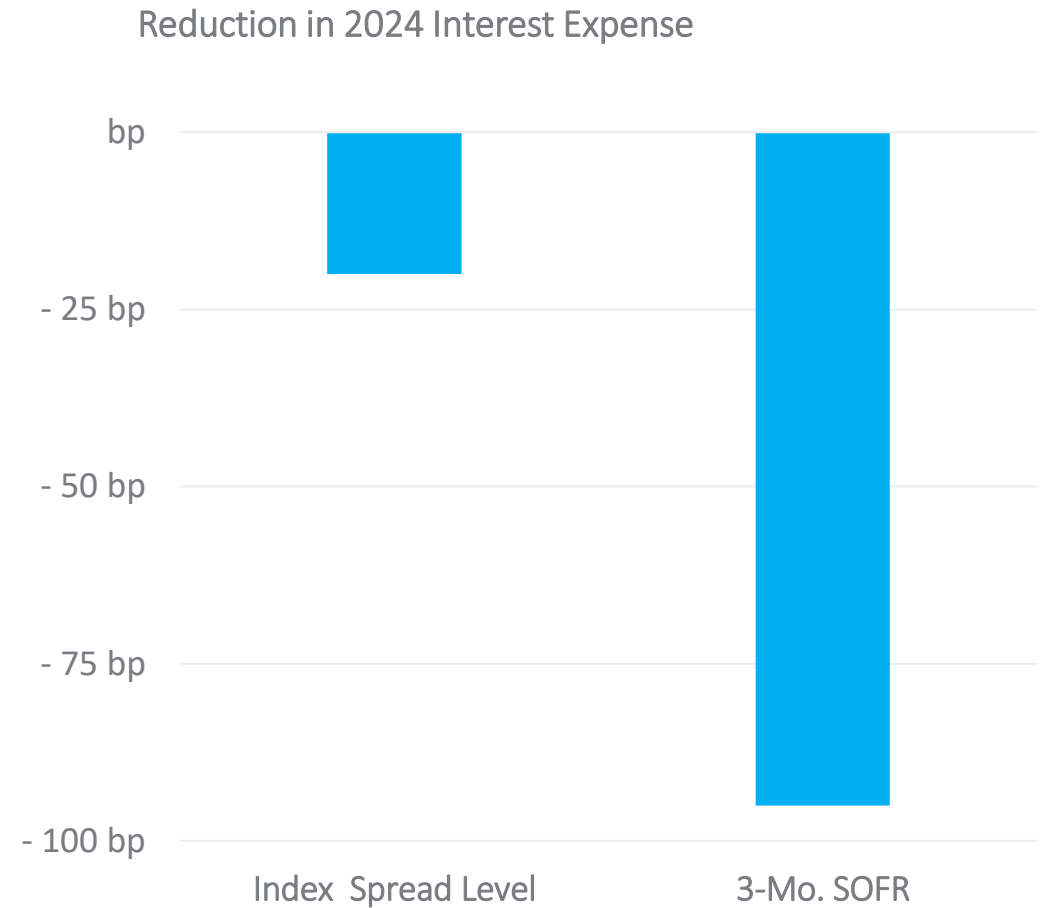
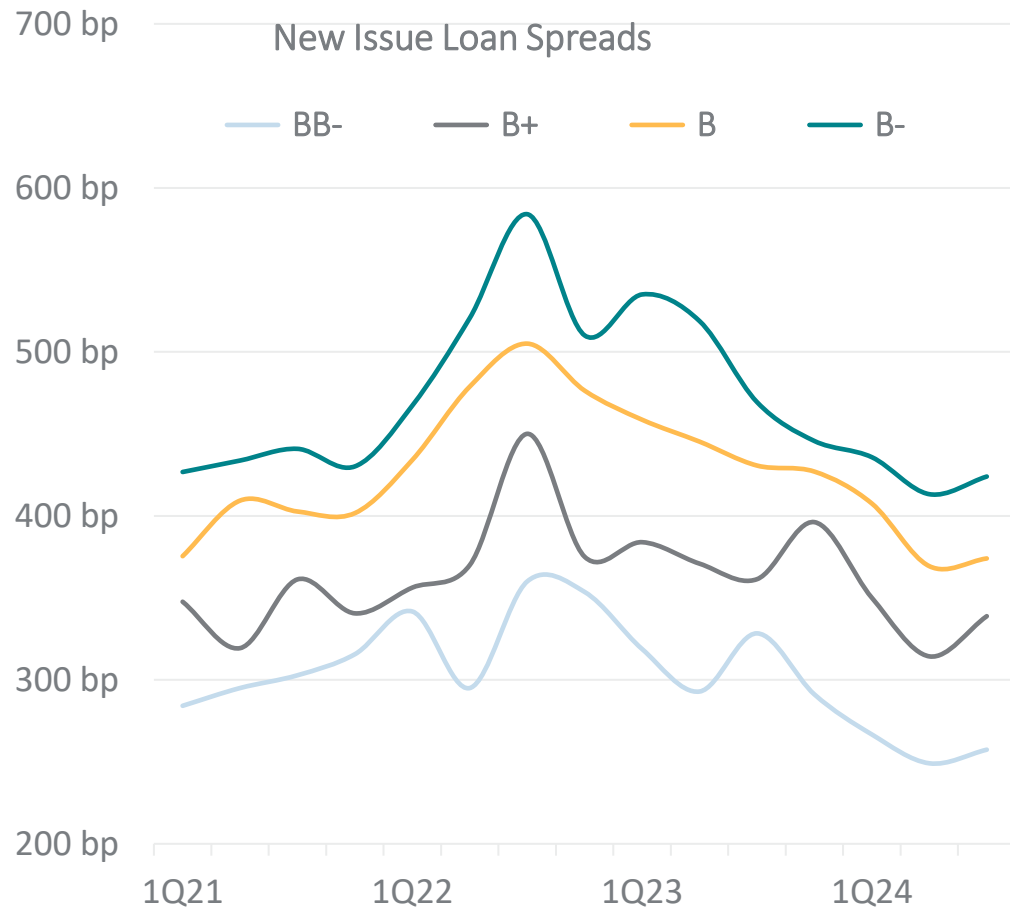
Limited Growth in Loan Outstandings and Stabilizing Fundamentals Led to an Increase in Loans Trading Above Par



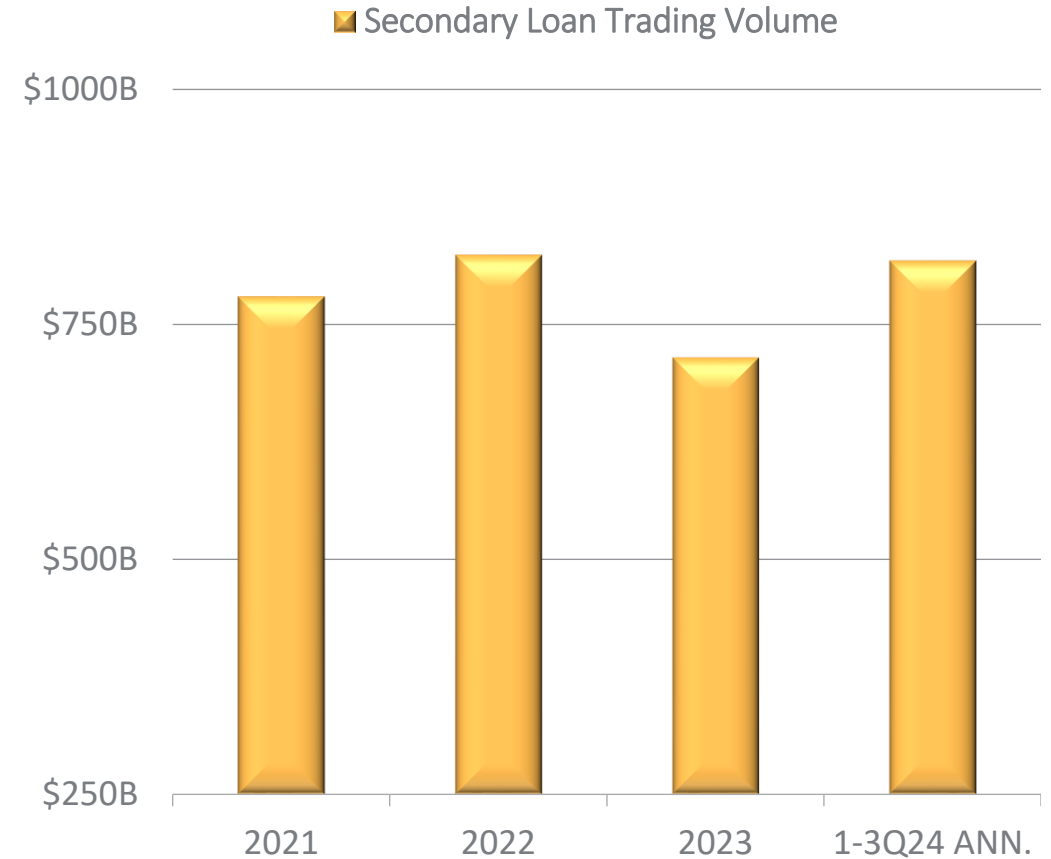
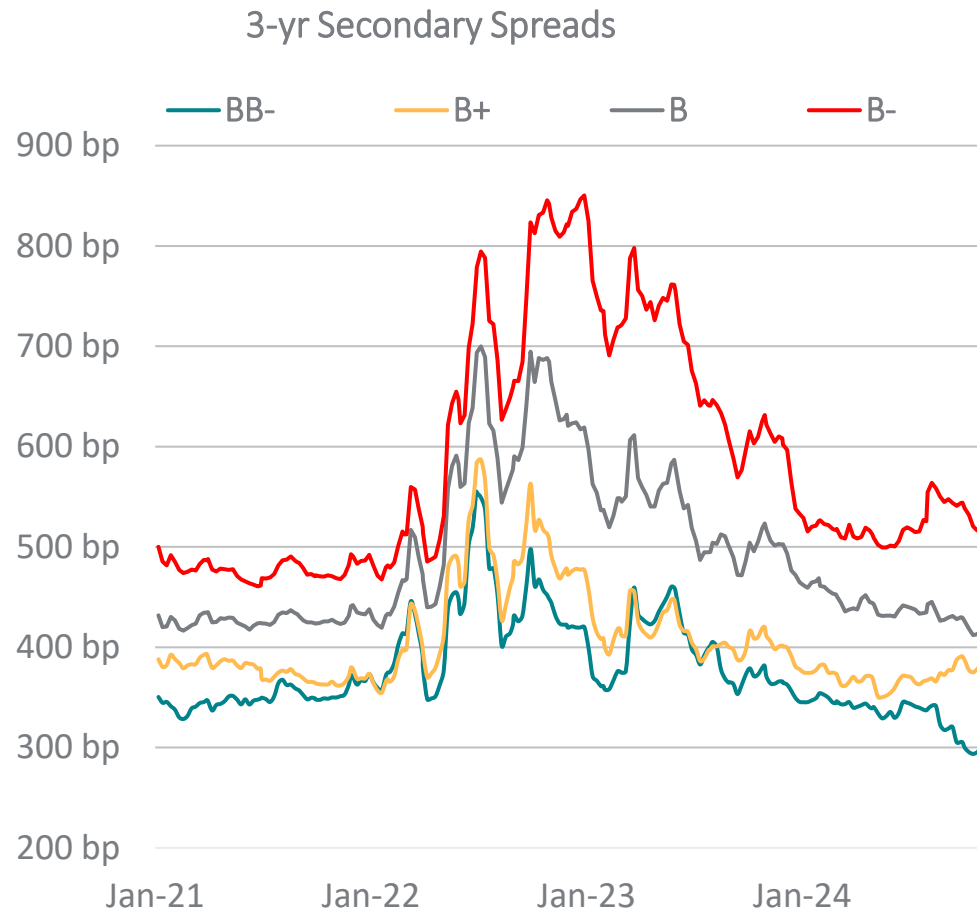
2024 Primary Market Lending Volume Has Surpassed a Record \$1T, Driven by Opportunistic Deal Activity



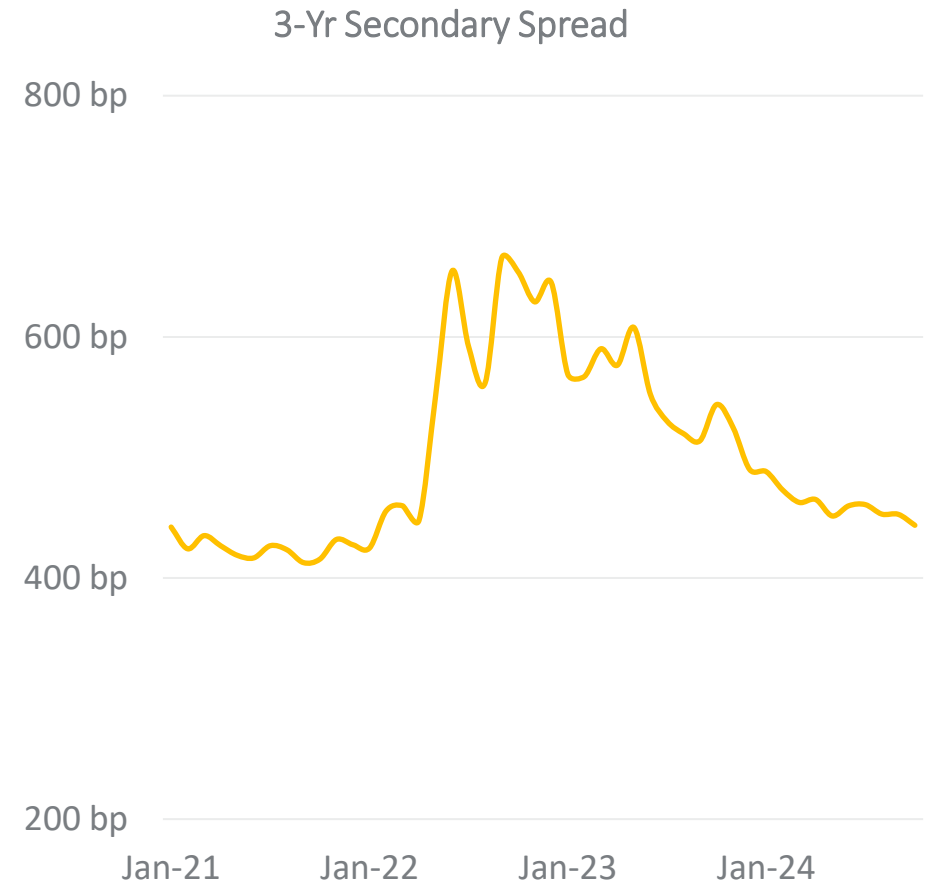
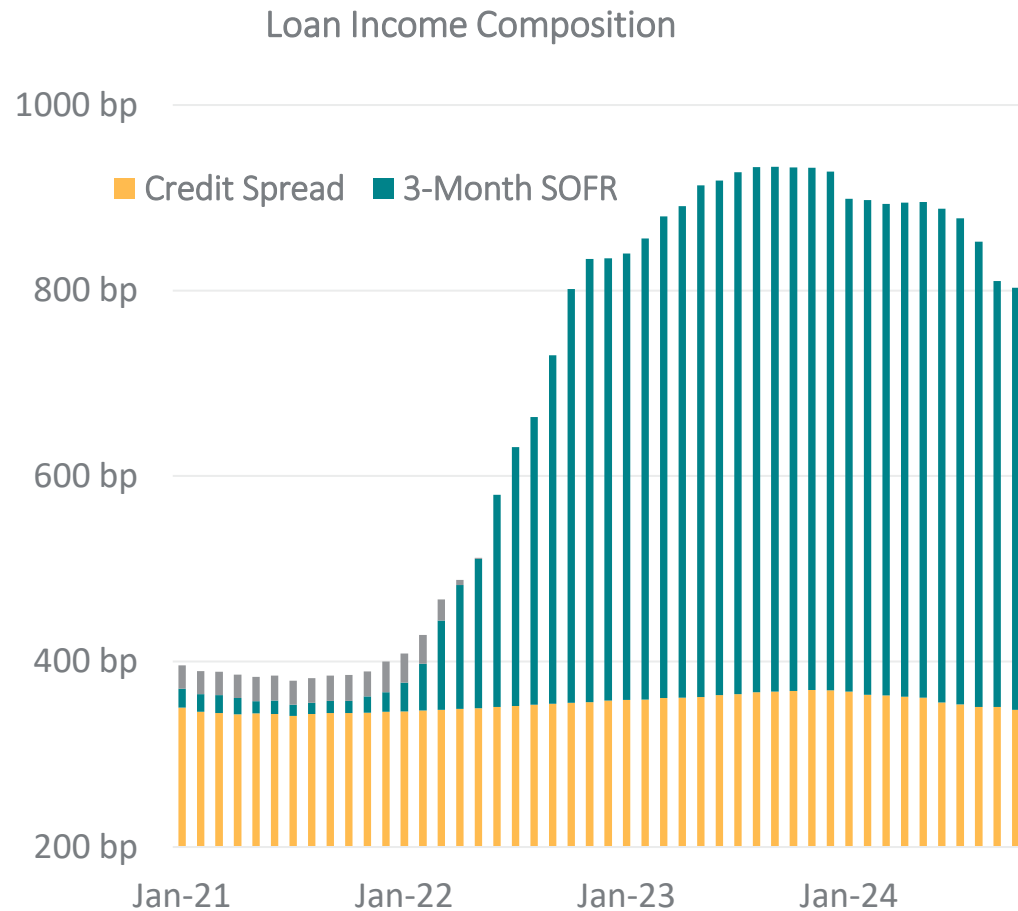
As Spreads and Interest Rates Normalize, Borrowers are Benefiting From Lower Interest Expense



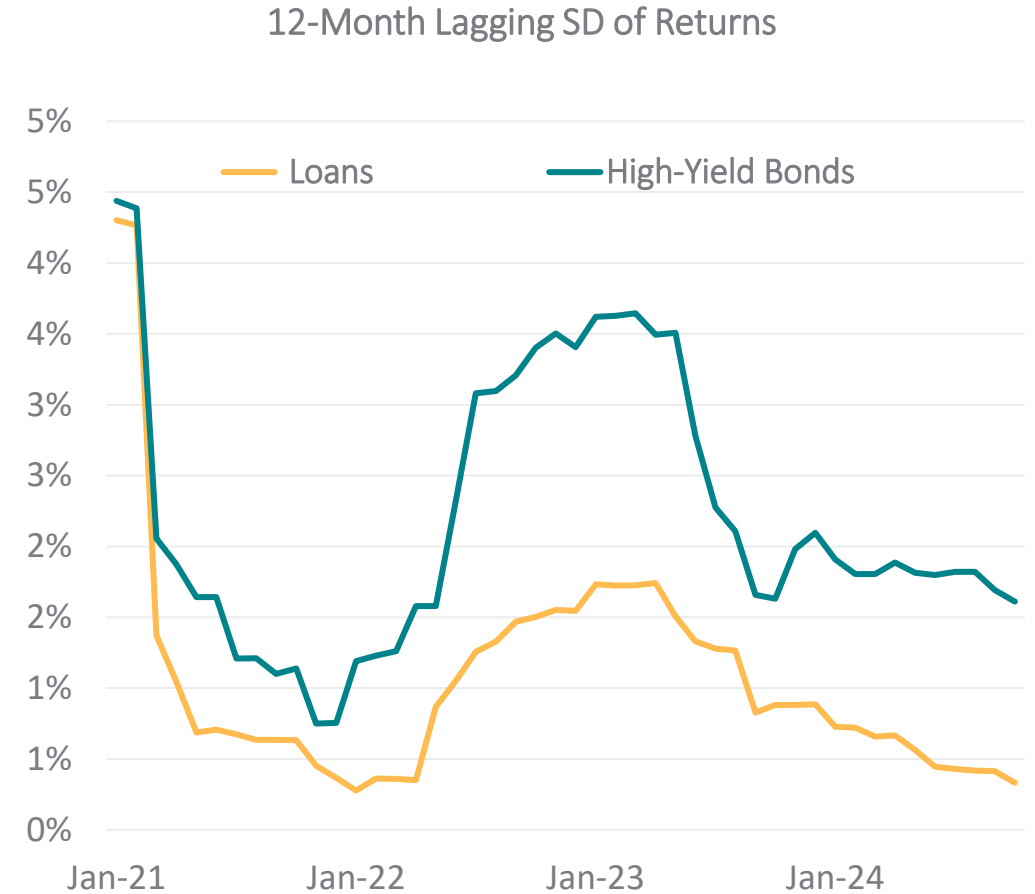
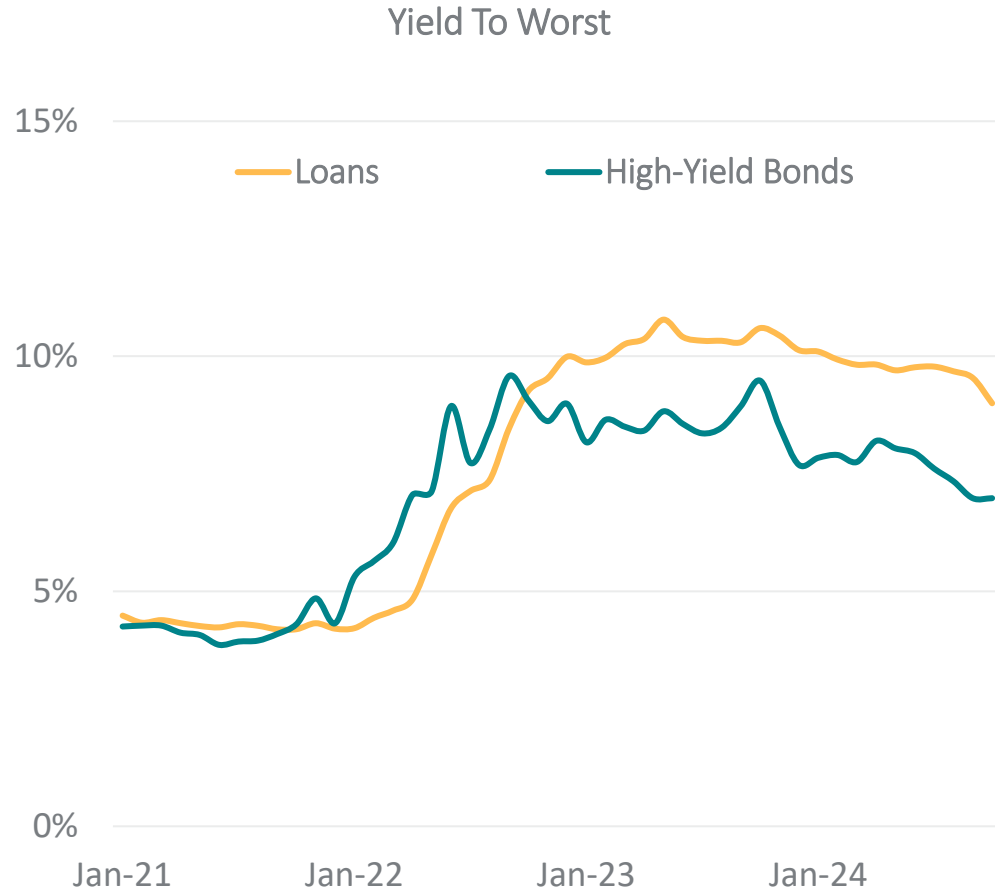
As Credit Spreads Tightened in the Secondary Market, Trading Activity Increased to a Near-Record \$818B in 2024



Loan Income and Secondary Spread Levels Are Projected to Remain Attractive and Above Their Historical Averages



Higher Starting Yields and Lower Volatility Will Continue to Separate Loans From Other Fixed Income Asset Classes





Q&A