

LEVERAGED FINANCE MONTHLY

FEBRUARY 2025

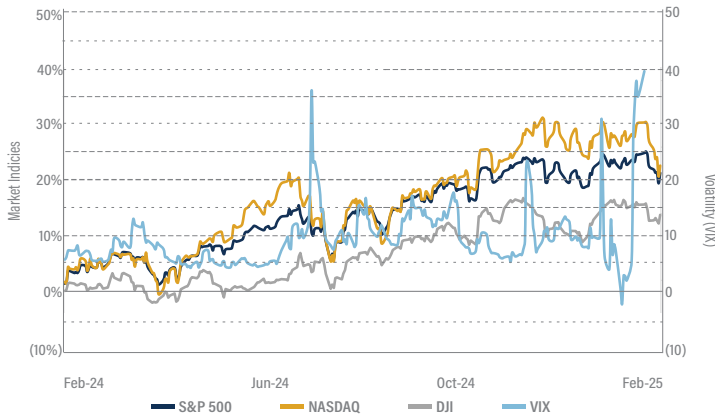
This report reviews the latest trends in the loan environment, covering the relationship between loan volume, leverage multiples and relevant macroeconomic indicators and benchmarks impacting the credit markets. It also includes a statistical update, providing a snapshot of activity across the leveraged finance space.

	FEBRUARY '25	JANUARY '25	DECEMBER '24	NOVEMBER '24	OCTOBER '24	FEBRUARY '24
Indices						
10-Year Treasury	4.24%	4.58%	4.58%	4.18%	4.28%	4.25%
10-Year vs. 2-Year Spread (basis points)	25	36	33	5	15	(39)
Secured Overnight Financing Rate (30 Day Average)	4.35%	4.32%	4.53%	4.67%	4.85%	5.32%
DJIA	43,841	44,545	42,544	44,911	41,763	38,996
S&P 500	5,955	6,041	5,882	6,032	5,705	5,096
NASDAQ	18,847	19,627	19,311	19,218	18,095	16,092
iShares HY Corporate Bond Fund (ARCX: HYG)	80	80	79	80	79	77
iShares Barclays Aggregate Bond Index (ARCX: AGG)	99	97	97	99	98	97
Commodities						
Crude Oil (\$ / bbl)	\$69.76	\$72.53	\$71.72	\$68.00	\$69.26	\$78.26
Natural Gas (\$ / MMCF)	\$3.90	\$3.04	\$3.10	\$3.36	\$2.97	\$1.86
Gold (\$ / oz.)	\$2,849	\$2,835	\$2,641	\$2,681	\$2,749	\$2,055
Currencies						
GBP in USD	\$1.26	\$1.24	\$1.25	\$1.27	\$1.29	\$1.26
EUR in USD	\$1.04	\$1.04	\$1.04	\$1.06	\$1.09	\$1.08
USD in JYP	¥150.30	¥154.92	¥157.22	¥150.50	¥152.41	¥149.84
USD in CNY	¥728	¥725	¥730	¥724	¥712	¥719
New Issue Loan Pricing						
Total Spread (basis points)	398	393	398	400	415	444
YTM	8.41%	8.37%	8.55%	8.73%	9.09%	9.93%

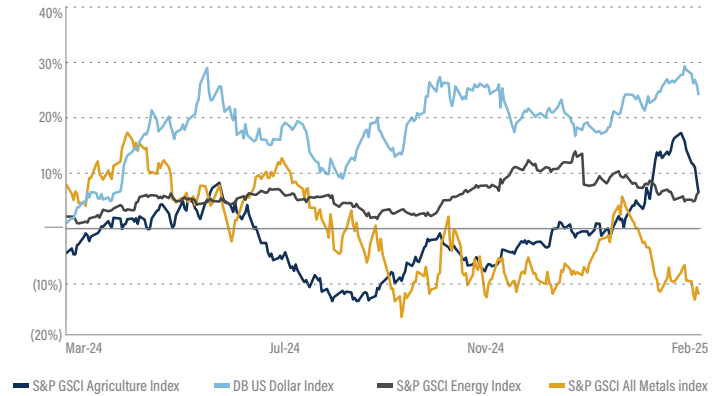
⁽¹⁾ "Large Corporate" defined as syndicated loans in companies with >\$50 million of pro forma adjusted EBITDA

LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS

Stock Market Indices



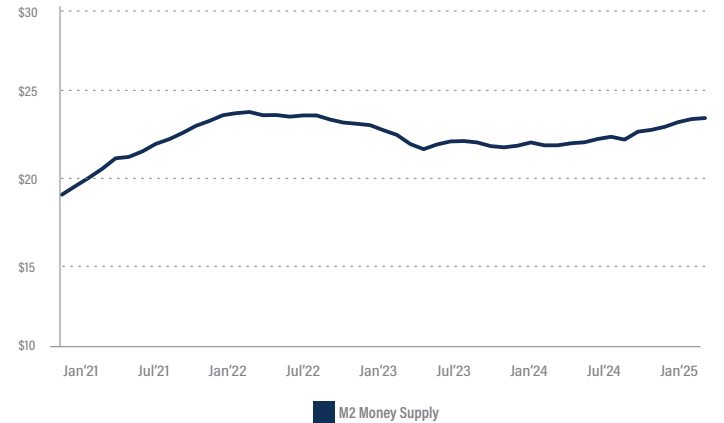
Commodities Prices



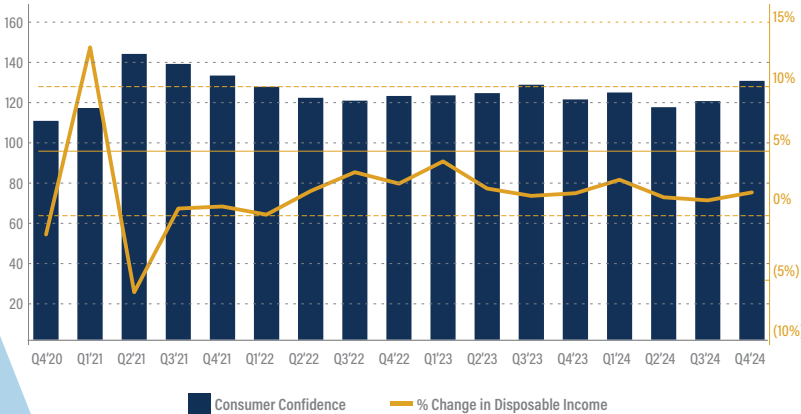
Sovereign Debt Yields



M2 Money Supply (\$ in trillions)



Consumer Confidence Index and % Change in DPI



Default Rates of Leveraged Loans (1)

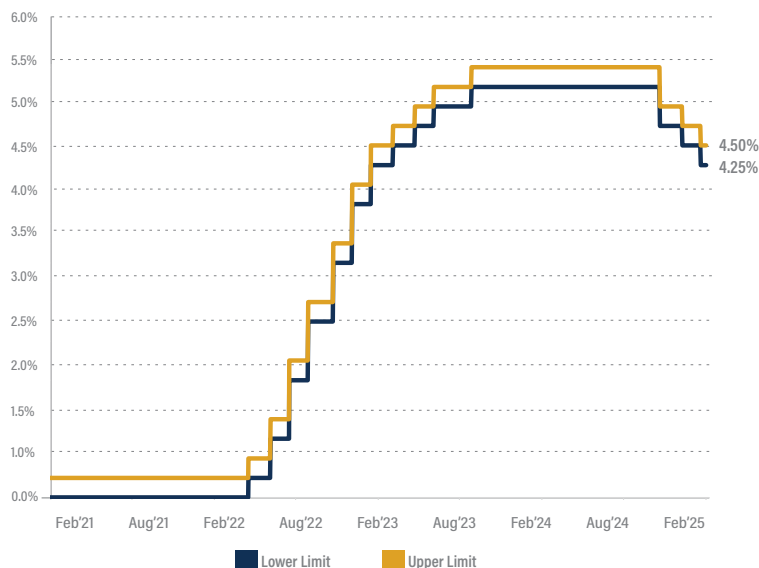


(1) Default rates based on issuances of institutional debt only

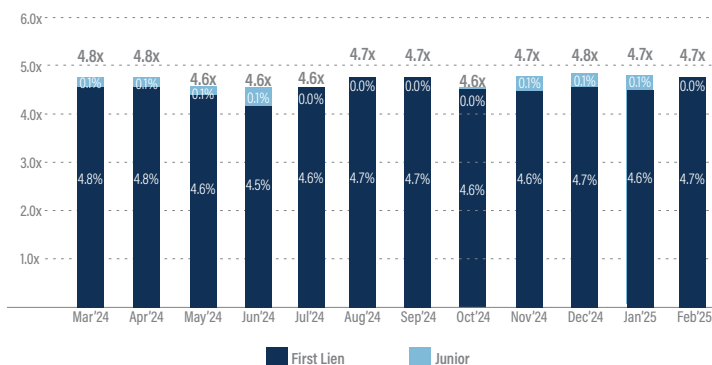
Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

LEVERAGED FINANCE GROWTH & ECONOMIC TRENDS (CONTINUED...)

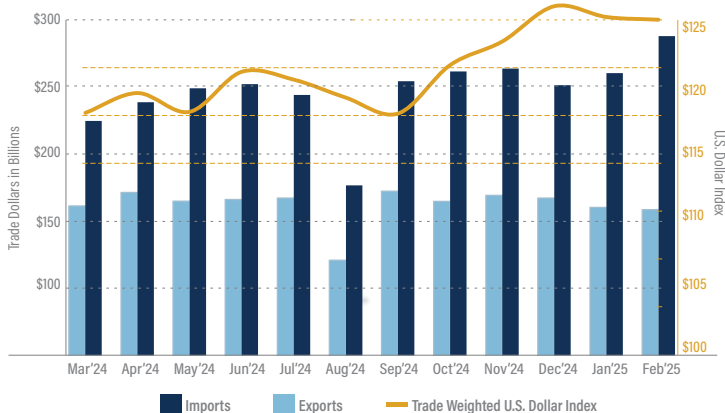
Target Fed Funds Rate



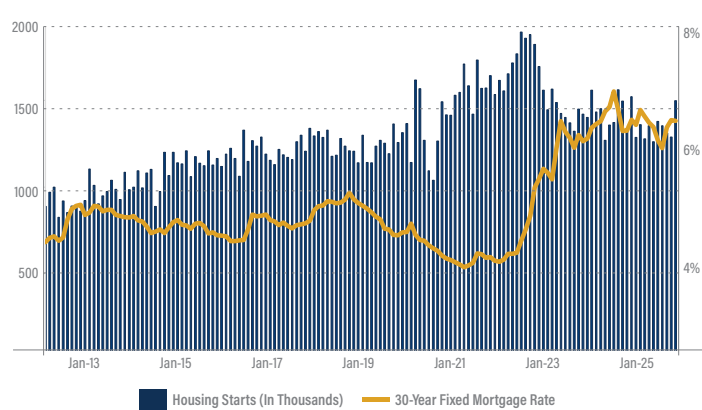
Average Debt Multiples - Large Corporate (% of Cap Structure)



U.S. Trade Deficit & Dollar Index



Housing Starts & Mortgage Rates



Selected TM Capital Leveraged Finance Experience

TCK
SOCKS SINCE 1961®

A PORTFOLIO COMPANY OF

HURON
CAPITAL

HAS COMPLETED A DEBT FINANCING WITH

Boathouse

A SPECIALTY CONSUMER FINANCE COMPANY

HAS SECURED A \$220 MILLION CREDIT FACILITY FROM

CapitalOne **BMO**

FIRST HORIZON **United Community Bank**

A LEADING PROVIDER OF HOME DÉCOR

HAS SECURED A \$155 MILLION JUNIOR CAPITAL INVESTMENT HAS RECEIVED A SECOND LIEN NOTE FROM

Tokarz Group

Sources: LevFin Insights, U.S. Census Bureau, St. Louis Fed, U.S. Bureau of Economic Analysis, Freddie Mac

TM Capital's Leveraged Finance Contacts



Robert Griem
Senior Advisor
rgriem@tmcapital.com
212.809.1434



Jerome Romano
Managing Director
jromano@tmcapital.com
617.259.2206



David Felts
Managing Director
dfelts@tmcapital.com
404.995.6252



Steve Hunter
Managing Director, Head of Financial Sponsor Coverage
shunter@tmcapital.com
404.995.6232



Jordan Cleare
Director
jcleare@tmcapital.com
404.661.7435

ABOUT TM CAPITAL, A DIVISION OF JANNEY

FOUNDED IN 1989 AND NOW PART OF JANNEY MONTGOMERY SCOTT, TM CAPITAL IS THE CLIENT-FIRST INVESTMENT BANKING TEAM ADVISING INDUSTRY-LEADING COMPANIES ACROSS NORTH AMERICA AND AROUND THE WORLD. IN EVERYTHING WE DO, OUR PROFESSIONALS SHARE A RELENTLESS COMMITMENT TO ENGINEERING EXTRAORDINARY OUTCOMES WITH AN UNMATCHED STANDARD OF CLIENT CARE. OVER THE LAST THREE DECADES, WE HAVE COMPLETED NEARLY 450 TRANSACTIONS WITH A COMBINED VALUE OF \$30 BILLION. WITH OFFICES IN ATLANTA, BOSTON AND NEW YORK, OUR MISSION CRITICAL CAPABILITIES INCLUDE: COMPLEX MERGERS AND ACQUISITIONS; DEBT AND EQUITY FINANCINGS; MINORITY AND MAJORITY RECAPITALIZATIONS; RESTRUCTURINGS; AND BOARD ADVISORY SERVICES. TM CAPITAL IS ALSO A MEMBER OF OAKLINS, THE WORLD'S MOST EXPERIENCED MID-MARKET M&A ADVISOR, WITH OVER 850 PROFESSIONALS AND DEDICATED INDUSTRY TEAMS IN MORE THAN 45 COUNTRIES, HAVING CLOSED 1,700 TRANSACTIONS IN THE PAST FIVE YEARS. FOR MORE INFORMATION, PLEASE VISIT WWW.TMCAPITAL.COM.

ABOUT JANNEY

JANNEY IS A LEADING FULL-SERVICE WEALTH MANAGEMENT, CAPITAL MARKETS, AND ASSET MANAGEMENT FIRM DEDICATED TO PUTTING CLIENT NEEDS FIRST. WE ARE COMMITTED TO PROVIDING INDIVIDUALS, FAMILIES, BUSINESSES, AND INSTITUTIONS WITH TAILORED FINANCIAL ADVICE TO HELP REACH THEIR PERSONAL OR BUSINESS GOALS. WE FOCUS ON BUILDING STRONG RELATIONSHIPS, SUPPORTED BY A FOUNDATION OF TRUST AND PERFORMANCE. WITH A HISTORY OF STRENGTH AND STABILITY, AN ABILITY TO EXECUTE, AND A CULTURE OF SERVICE AND COLLABORATION, WE CONTINUE TO DELIVER ON OUR MISSION OF OFFERING THE HIGHEST STANDARD OF SUCCESS IN FINANCIAL RELATIONSHIPS. JANNEY IS A MEMBER OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY, THE NEW YORK STOCK EXCHANGE, AND SECURITIES INVESTOR PROTECTION CORPORATION.

THIS COMMUNICATION IS THE INTELLECTUAL PROPERTY OF TM CAPITAL, A DIVISION OF JANNEY AND MAY NOT BE REPRODUCED, DISTRIBUTED, OR PUBLISHED BY ANY PERSON FOR ANY PURPOSE WITHOUT JANNEY'S EXPRESS PRIOR CONSENT.

DISCLAIMER: This communication has been created by the Investment Banking Department of Janney Montgomery Scott LLC ("Janney") and is to be used for informational purposes only. It is not a product of Janney's Research Department. The information presented herein is taken from sources believed to be reliable but is not guaranteed by Janney as to its accuracy or completeness and is subject to change. The views expressed in this communication reflect the personal views of the author(s) regarding the subject securities and issuers and may differ with those of Janney or Janney's Research Department. This communication shall not constitute a solicitation or offer to purchase or sell a security. This communication is intended for Institutional Use Only, not for retail investors, and should not be distributed, forwarded, or otherwise disseminated. Nothing in this material should be construed as tax, legal, or accounting advice. Please consult your own tax, legal, and accounting professionals. Member: NYSE, FINRA, SIPC.