

Global Economic & Credit Market

Week 49 Ending – December 5, 2025

Economic Calendar

Tuesday, December 9: Job openings

Thursday, December 11: U.S. trade deficit

Friday, December 12: Wholesale inventories

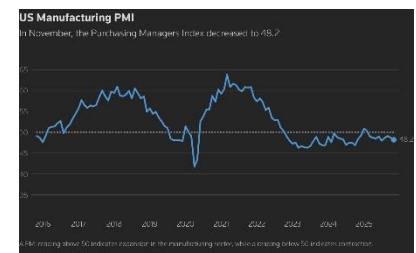
Key Market Metrics

	5-Dec	WoW	YTD	YoY	LTM EBITDA	NTM EBITDA
Equities						
S&P 500:	6,870	+0.31%	+16.81%	+12.81%	17.2x	15.4x
Dow Jones:	47,955	+0.50%	+12.72%	+7.42%	11.5x	13.7x
Nasdaq:	23,578	+0.91%	+22.10%	+18.72%		
Credit						
High-yield:	2,107	+0.31%	+7.78%	+7.10%		
Leveraged Loan:	643	+0.20%	+5.39%	+5.85%		
Rates						
10Y Treasury:	4.12%	+12 bps	(45)bps	(3)bps		
1M SOFR:	3.78%	(8)bps	(55)bps	(69)bps		
3M SOFR:	3.74%	(5)bps	(57)bps	(69)bps		
6M SOFR:	3.66%	(4)bps	(59)bps	(67)bps		
Currencies						
British Pound / USD:	\$1.33	+0.70%	+6.49%	+4.58%		
Euro / USD:	\$1.16	+0.38%	+12.44%	+10.16%		
USD / Yen:	¥155.33	(0.54%)	(1.19%)	+3.55%		
Swiss franc / EUR:	€ 1.07	(0.48%)	+0.31%	(0.89%)		

U.S. News

• ISM Manufacturing

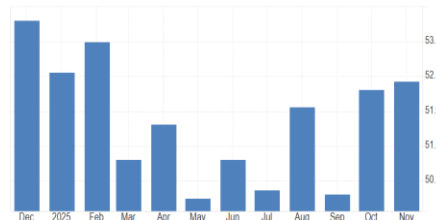
- U.S. manufacturing contracted again in November, with PMI slipping from 48.7 to 48.2 as weak orders and tariff-driven cost pressures persisted
- Manufacturers are cutting jobs and pausing hiring, with several firms directly tying layoffs and offshoring plans to Trump's tariff environment



- Input prices continue rising and demand remains soft, signaling ongoing inflation pressure and a sluggish manufacturing outlook

• ISM Services

- U.S. services activity held steady with PMI ticking up slightly from 52.4 to 52.6, but new orders cooled meaningfully
- Services employment remained weak – still below 50 for the sixth straight month – as businesses delay hiring amid tariff uncertainty and AI-driven role changes
- Input prices eased but stayed elevated, signaling inflation may remain sticky even as backlog orders show early signs of stabilizing



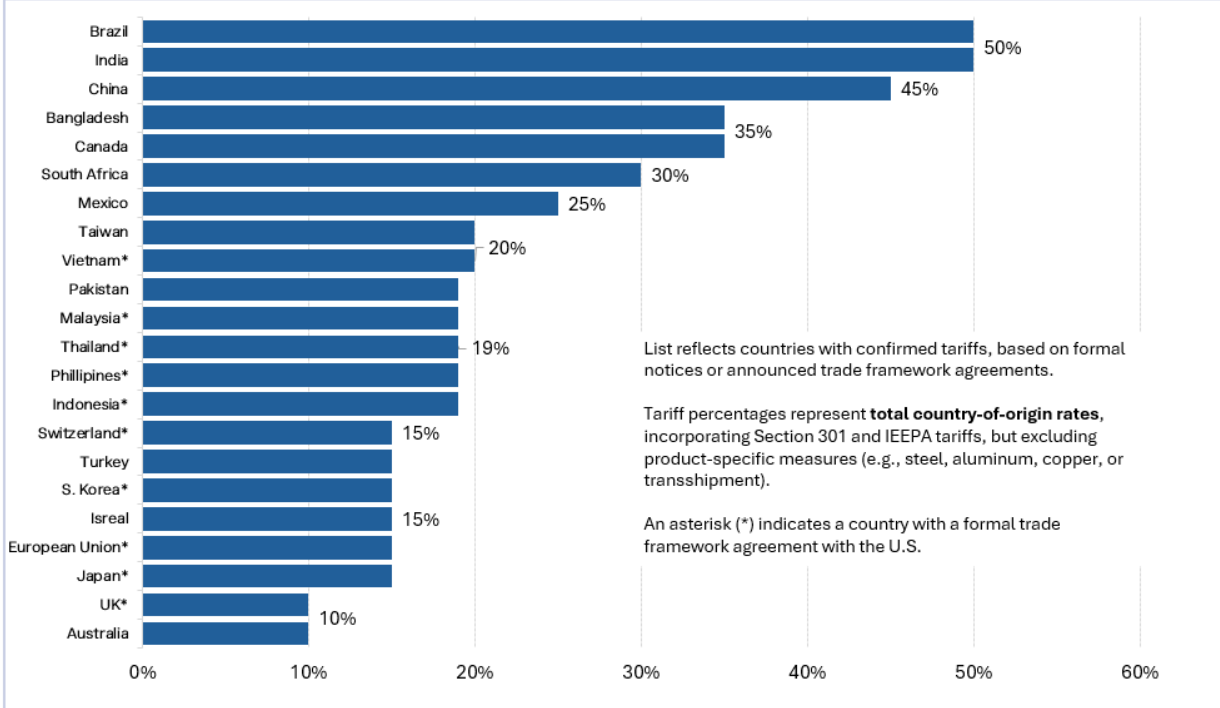
• Consumer Sentiment

- U.S. consumer sentiment edged up from 51.0 to 53.3, its first monthly increase since July, though it remains 28% below year-ago levels
- Expectations improved – driven by a 13% jump in anticipated personal finances – yet outlooks for jobs and overall financial conditions remain subdued
- Inflation expectations eased to 4.1%, the lowest since January, amid mixed labor data showing falling jobless claims but rising layoffs

• U.S. Tariff & Trade

- U.S. companies such as Costco and Revlon are filing petitions with the Court of International Trade to preserve refund rights if the Supreme Court overturns Trump's emergency IEEPA tariffs; with no defined refund process and uncertainty over the timing of the ruling, importers are moving early and using multiple pathways to protect their potential claims
- The Trump administration confirmed that general tariff rates on South Korean imports, including autos, are being reduced to a 15% cap, with future Sec 232 National Security tariffs on semiconductors and pharma also limited at that level. The agreement is part of a broader "investment-for-tariff-relief" framework, with South Korea committing roughly \$350B in U.S. strategic-sector investments
- After three weeks of declines, ocean carriers saw a mini-rebound off recessionary floors, with the Drewry World Container Index up 7% WoW to \$1,927/FEU; Shanghai–LA rose 8% to \$2,256/FEU and Shanghai–NY increased 6% to \$2,895/FEU. Any lift is expected to be short-lived, however, as the National Retail Federation projects December imports at just 1.75m TEUs – the slowest month since March 2023 and 17.9% below 2024

Total Tariffs by Country: Top U.S. Trading Partners



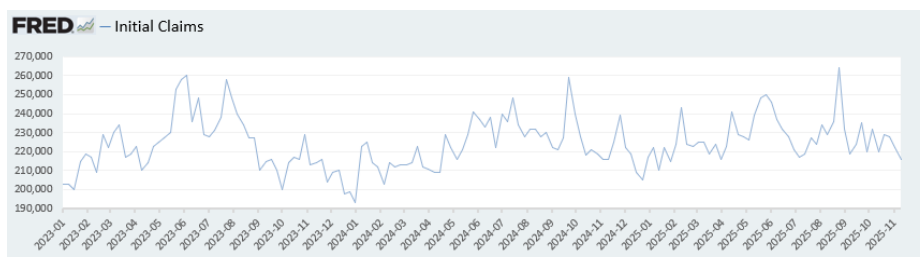
*The current 45% tariff rate on many Chinese goods reflects a layered structure of 25% Section 301 duties (2018), a 10% IEEPA "fentanyl" tariff (2025), and a 10% IEEPA reciprocal baseline tariff (2025); however, an estimated 10–20% of imports from China are not subject to Section 301, and some products remain at only 7.5% or 15% under Section 301

**The 50% tariff on Indian goods combines a 25% IEEPA "reciprocal" tariff (Aug. 7, 2025) with an additional 25% penalty tariff (Aug. 27, 2025) tied to India's continued imports of Russian oil.

***Goods from Canada and Mexico that qualify for USMCA agreement are not subject to IEEPA reciprocal tariffs

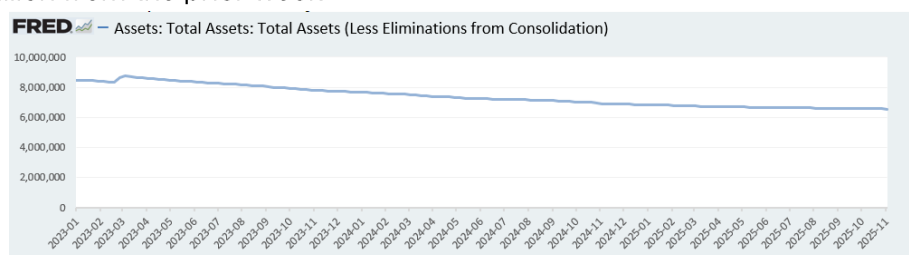
- **Jobless Claims**

- Initial jobless claims, a measure of how many workers were laid off across the U.S., decreased to 191,000 in the week ended November 28, down 27,000 from the prior week
- The four-week moving average was 214,750, down 9,500 from the prior week
- Continuing claims – those filed by workers unemployed for longer than a week – decreased at 1.939 million in the week ended November 21. This figure is reported with a one-week lag



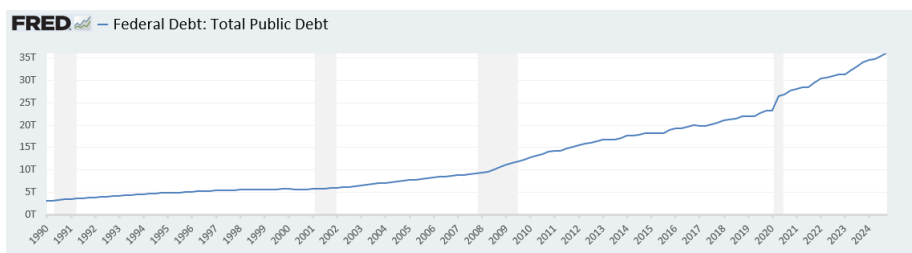
- **Fed's Balance Sheet**

- The Federal Reserve's assets totaled \$6.536 trillion in the week ended December 5, down \$16.6 billion from the prior week
- Treasury holdings totaled \$4.190 trillion, down \$0.9 billion from the prior week
- Holdings of mortgage-backed securities (MBS) were \$2.05 trillion in the week, down \$16.3 billion from the prior week



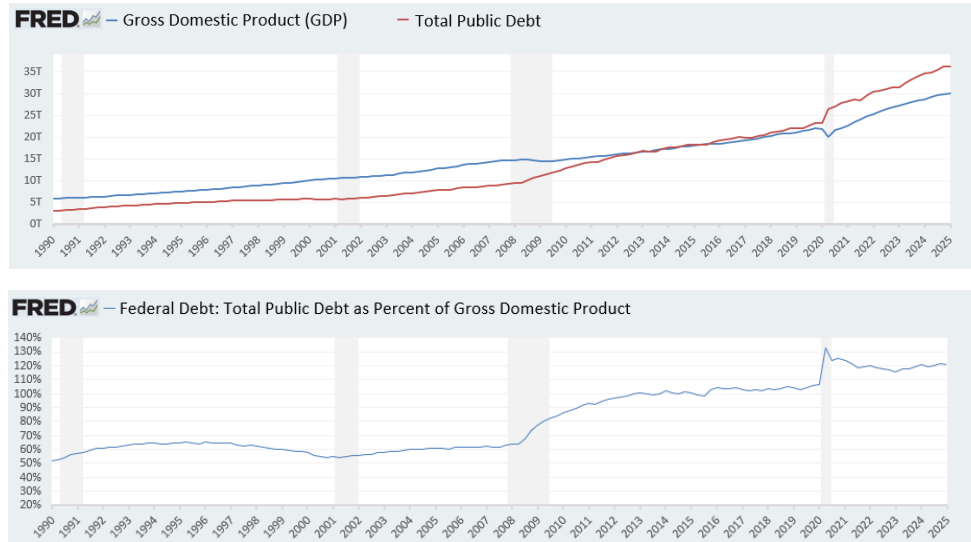
- **Total Public Debt**

- Total public debt outstanding was \$38.39 trillion as of December 5, an increase of 6.1% from the previous year
- Debt held by the public was \$30.82 trillion, and intragovernmental holdings were \$7.62 trillion



- **GDP**

- The latest annualized U.S. GDP stands at \$30.49 trillion as of June 30, 2025, an increase of 1.48% from the previous quarter, & an increase of 4.59% from the previous year
- The total public debt-to-GDP ratio is at 118.78% as of June 30, a decrease of -0.72% from the previous year

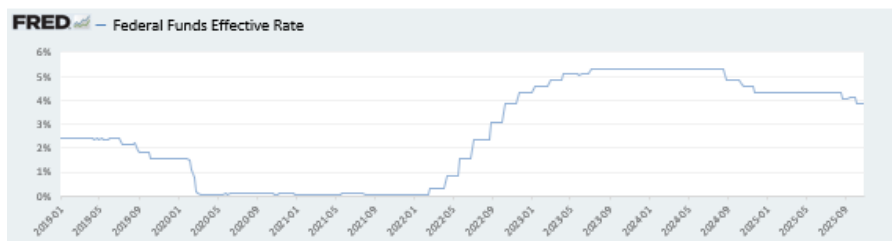


- **Inflation Factors**

- **CPI:**
 - The consumer-price index rose 3.0% in September year over year
 - On a monthly basis, the CPI increased 0.3% in September on a seasonally adjusted basis, after increasing 0.4% in August
 - The index for all items less food and energy (core CPI) rose 0.2% in September, after rising 0.3% in August
 - Core CPI increased 3.0% for the 12 months ending September
- **Food & Beverages:**
 - The food at home index increased 2.7% in September from the same month a year earlier, and increased 0.3% in September month over month
 - The food away from home index increased 3.7% in September from the same month a year earlier, and increased 0.1% in September month over month
- **Commodities:**
 - The energy commodities index increased 3.8% in September after increasing 1.7% in August
 - The energy commodities index fell (0.4%) over the last 12 months
 - The energy services index fell (0.8%) in September after decreasing (0.3%) in August
 - The energy services index rose 6.4% over the last 12 months
 - The gasoline index fell (0.5%) over the last 12 months
 - The fuel oil index rose 4.1% over the last 12 months
 - The index for electricity rose 5.1% over the last 12 months
 - The index for natural gas rose 11.7% over the last 12 months
- **Supply Chain:**
 - Drewry's composite World Container Index decreased to \$1,851.84 per 40ft container for the week of November 21
 - Drewry's composite World Container Index has decreased by (45.7%) over the last 12 months
- **Housing Market:**
 - The shelter index increased 0.2% in September after increasing 0.4% in August
 - The rent index increased 0.2% in September after increasing 0.4% in August
 - The index for lodging away from home decreased (1.4%) in September after increasing 0.3% in August

- **Federal Funds Rate**

- The effective Federal Funds Rate is at 3.89%, down (0.44%) year to date



World News

- **Middle East**

- Israeli Prime Minister Netanyahu signaled that Israel could agree to a security deal with Syria if Damascus respects a buffer zone along the border and guarantees protection for the Druze minority
- Tensions remain high after recent cross-border clashes, with stalled U.S.-brokered negotiations and Israel keeping troops in southern Syria to prevent militant entrenchment
- Yasser Abu Shabab, leader of the Israeli-backed anti-Hamas militia Popular Force in southern Gaza, was killed during a clan dispute, removing a key figure in Israel's strategy to build armed alternatives to Hamas
- His death underscores the challenges of Israel's policy, as small militias face infighting, limited popular support, and accusations of looting, while Hamas continues to reassert control over Gaza

- **Europe**

- Eurozone retail sales were flat in October after a slight September increase, with Germany and France seeing declines while Spain remained steady, signaling cautious consumer spending
- Despite steady consumer confidence and low unemployment, economic recovery depends on increased consumption, which could be supported by falling savings rates and rising disposable income
- European leaders cautioned Zelensky not to accept Russian demands without securing explicit and enforceable U.S. security guarantees
- Ukrainian and European officials are pushing for clarity on Washington's role in protecting Ukraine before any peace deal is finalized

- **China**

- China's official manufacturing PMI rose slightly to 49.2 in November from 49.0 in October, signaling a modest improvement in growth momentum but marking the eighth consecutive month of contraction
- Production and new orders showed some gains, while export orders remained weak, and the broader nonmanufacturing sector also slipped further into contraction amid fading holiday effects and a weak property market
- Chinese rare-earth magnet companies are finding legal workarounds to Beijing's export restrictions by altering magnet formulas and embedding magnets in motors, keeping sales flowing to Western buyers
- These strategies, though sometimes affecting performance, reflect China's global dominance in rare-earth supply while highlighting Western efforts to develop alternative sources

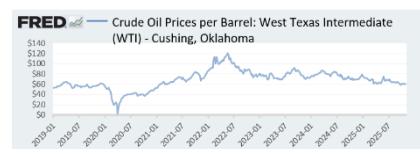
Geopolitical Hotspots

- **India**
 - Russian President Vladimir Putin is visiting India to bolster ties by offering discounted Russian oil and military hardware, even as India faces U.S. tariffs over its Russian oil imports and seeks to maintain leverage with Washington while securing energy and defense needs
- **Venezuela**
 - President Trump declared the airspace “above and surrounding Venezuela” to be effectively closed and warned Nicolás Maduro that Washington could consider the use of force if he doesn’t step down, underscoring a sharp escalation in U.S.–Venezuela tensions
- **Israel**
 - Israel asked the International Criminal Court to nullify an arrest warrant against Prime Minister Benjamin Netanyahu because of sexual assault allegations facing the Chief Prosecutor Karim Khan, which Israel claims impacted Khan’s decision to seek the warrant
- **Argentina**
 - A planned \$20 billion bailout for Argentina from U.S. banks was shelved as they shift to a smaller, short-term loan package. Banks are now considering a \$5 billion solution to help Argentina meet a \$4 billion debt payment in January
- **UK**
 - U.K. markets fell sharply after reports that the Labour government may drop planned income-tax hikes, raising investor concerns about fiscal credibility and a growing budget shortfall ahead of the Nov. 26 budget
- **Tanzania**
 - Tanzania’s government, led by President Samia Suluhu Hassan, crushed Gen Z–driven protests over a disputed election and rising living costs with lethal force—opposition groups
- **Sudan**
 - Sudan’s civil war has taken a brutal turn in Darfur, where the Rapid Support Forces – an Arab-led militia backed by the U.A.E. and armed with Chinese drones – are carrying out mass killings and executions of civilians in El Fasher, prompting warnings of a potential genocide
- **France**
 - French police arrested suspects in the Louvre Museum heist, including one attempting to flee France from Charles de Gaulle Airport. Four thieves used a truck-mounted lift and angle grinders to steal eight pieces of jewelry valued at \$102 million USD

Commodities

Oil Prices

- WTI: \$60.08 per barrel
 - +2.61% WoW; (19.05%) YTD; (12.34%) YoY
- Brent: \$63.78 per barrel
 - +0.92% WoW; (16.18%) YTD; (11.80%) YoY



US Production

- U.S. oil production amounted to 13.8 million bpd for the week ended November 28, up 0.0 million bpd from the prior week

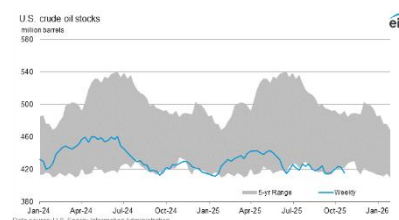
Rig Count

- The total number of oil rigs amounted to 549, up 5 from last week

Inventories

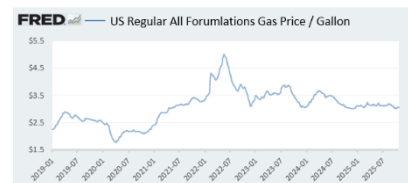
Crude Oil

- Total U.S. crude oil inventories now amount to 427.5 million barrels, up 1.3% YoY
- Refiners operated at a capacity utilization rate of 94.1% for the week, up from 92.3% in the prior week
- U.S. crude oil imports now amount to 6.436 million barrels per day, down (0.1%) YoY



Gasoline

- Retail average regular gasoline prices amounted to \$2.98 per gallon in the week of December 5, down (1.4%) YoY
 - Gasoline prices on the East Coast amounted to \$3.05, down (1.7%) YoY
 - Gasoline prices in the Midwest amounted to \$2.83, down (5.3%) YoY
 - Gasoline prices on the Gulf Coast amounted to \$2.65, down (1.1%) YoY
 - Gasoline prices in the Rocky Mountain region amounted to \$2.91, down (0.1%) YoY
 - Gasoline prices on the West Coast amounted to \$4.16, up 4.2% YoY
- Motor gasoline inventories were up by 4.5 million barrels from the prior week
- Motor gasoline inventories amounted to 214.4 million barrels, down (2.4%) YoY
- Production of motor gasoline averaged 9.75 million bpd, down (2.9%) YoY
- Demand for motor gasoline amounted to 8.326 million bpd, down (5.5%) YoY

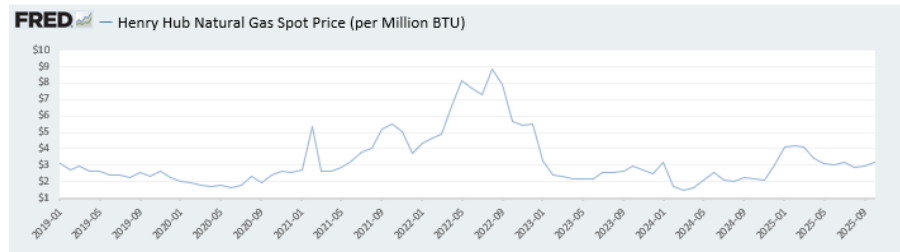


- **Distillates**

- Distillate inventories decreased by 2.1 million in the week of December 5
- Total distillate inventories amounted to 114.3 million barrels, down (5.8%) YoY
- Distillate production averaged 5.051 million bpd, down (3.4%) YoY
- Demand for distillates averaged 3.430 million bpd in the week, down (0.6%) YoY

- **Natural Gas**

- Natural gas inventories decreased by 12 billion cubic feet last week
- Total natural gas inventories now amount to 3,923 billion cubic feet, up 4.7% YoY



Credit News

High yield bond yields decreased 7bps to 6.71% and spreads decreased 15bps to 310bps. Leveraged loan yields were unchanged at 7.85% and spreads decreased 5bps to 458bps. WTD high yield bond returns were positive 31bps. WTD leveraged loan returns were positive 20bps. 10yr treasury yields increased 11bps to 4.11%. High yield and leveraged loan spreads tightened this week amid mixed macro data, including strong PMIs, softer ADP readings, and steady jobless claims, while inflows continued to accelerate in high yield.

High-yield:

Week ended 12/05/2025

- Yields & Spreads¹

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
6.71%	310	6.78%	325	(7)	(15)

- Pricing & Returns¹

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2024
\$97.74	\$97.36	38	0.31%	0.27%	7.78%	8.6%

- Fund Flows²

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

- New Issue²

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
14	\$11.4bn	\$321.5bn	\$279.1bn	+15%

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

11/30/25	10/31/25	9/30/25
5.20%	4.88%	4.47%

- Total HY Defaults

Excluding Distressed Exchanges			Including Distressed Exchanges		
11/30/25	10/31/25	9/30/25	11/30/25	10/31/25	9/30/25
0.79%	0.64%	0.49%	1.82%	1.40%	1.39%

Leveraged loans:

Week ended 12/05/2025

- Yields & Spreads¹

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
7.85%	458	7.85%	463	0	(5)

- Pricing & Returns¹

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2024
\$95.96	\$95.86	10	0.20%	0.11%	5.39%	9.3%

- Fund Flows²

Total Flows (\$)
(\$182mm)

- New Issue²

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
18	\$6.6bn	\$930.8bn	\$1,139.9bn	-18%

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

11/30/25	10/31/25	9/30/25
6.76%	6.00%	4.90%

- Total Leveraged Loan Defaults

Excluding Distressed Exchanges			Including Distressed Exchanges		
11/30/25	10/31/25	9/30/25	11/30/25	10/31/25	9/30/25
1.31%	1.37%	1.53%	3.16%	3.33%	3.49%

Default activity:

- Most recent defaults include: New Fortress Energy (\$3.5bn, 11/15/2025), Packers Sanitation Services (\$1.2bn, 11/5/2025), Office Properties Trust (\$1.7bn, 10/31/25), GPS Hospitality (\$400mn, 10/30/25), Jordan Health Services (\$1.0bn, 10/15/25), Astra Acquisition (\$1bn, 9/30/25), First Brands (\$4.4bn, 9/29/25), Spirit Airlines (\$852mn, 8/29/25), ModivCare (\$1.1bn, 8/20/25), Anastasia Beverly Hills (\$606mn, 8/11/25), Claire's Stores (\$506mn, 8/6/25).

CLOs:

Week ended 12/05/2025

- New U.S. CLO Issuance²

# Priced	Total (\$)	New Issue	Refs/Resets
13	\$6.3bn	\$3.8bn	\$2.5bn

- New U.S. CLO YTD Issuance²

Total U.S. CLOs	Total (\$)	New Issue	Refs/Resets	Prior Year YTD	CY vs. PY
1,064	\$501.7bn	\$192.1bn	\$309.6bn	\$455.0bn	+10%

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:

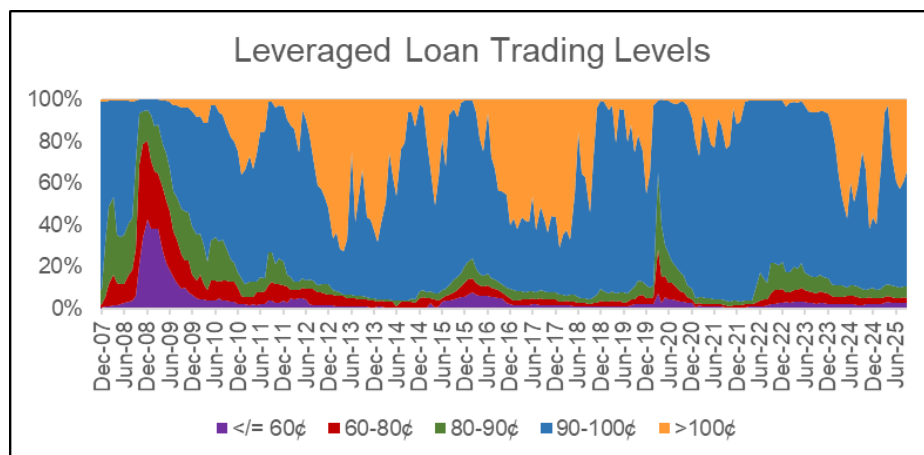
- S&P and Moody's High Yield Ratings

	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
Week Ending 04/25/25	5	2	2.5x	6	4	1.5x
Week Ending 05/02/25	7	8	0.9x	18	5	3.6x
Week Ending 05/09/25	10	3	3.3x	12	2	6.0x
Week Ending 05/16/25	13	3	4.3x	11	8	1.4x
Week Ending 05/23/25	24	8	3.0x	13	6	2.2x
Week Ending 05/30/25	7	3	2.3x	9	5	1.8x
Week Ending 06/06/25	14	5	2.8x	19	6	3.2x
Week Ending 06/13/25	10	5	2.0x	15	6	2.5x
Week Ending 06/20/25	10	5	2.0x	19	6	3.2x
Week Ending 06/27/25	5	7	0.7x	9	6	1.5x
Week Ending 07/04/25	8	11	0.7x	11	5	2.2x
Week Ending 07/11/25	8	2	4.0x	6	2	3.0x
Week Ending 07/18/25	7	6	1.2x	8	7	1.1x
Week Ending 07/25/25	6	5	1.2x	12	4	3.0x
Week Ending 08/01/25	2	2	1.0x	4	6	0.7x
Week Ending 08/08/25	6	6	1.0x	3	6	0.5x
Week Ending 08/15/25	11	4	2.8x	8	6	1.3x
Week Ending 08/22/25	8	6	1.3x	5	3	1.7x
Week Ending 08/29/25	7	4	1.8x	9	2	4.5x
Week Ending 09/05/25	4	0	n/a	7	9	0.8x
Week Ending 09/12/25	9	8	1.1x	7	5	1.4x
Week Ending 09/19/25	3	6	0.5x	8	7	1.1x
Week Ending 09/26/25	8	8	1.0x	2	5	0.4x
Week Ending 10/03/25	10	2	5.0x	13	16	0.8x
Week Ending 10/10/25	3	6	0.5x	5	1	5.0x
Week Ending 10/17/25	5	6	0.8x	6	6	1.0x
Week Ending 10/24/25	3	6	0.5x	11	5	2.2x
Week Ending 10/31/25	5	4	1.3x	4	4	1.0x
Week Ending 11/07/25	7	5	1.4x	8	3	2.7x
Week Ending 11/14/25	7	6	1.2x	7	3	2.3x
Week Ending 11/21/25	11	13	0.8x	11	0	n/a
Week Ending 11/28/25	10	7	1.4x	6	9	0.7x
Week Ending 12/05/25	0	0	n/a	10	4	2.5x
YTD 2025	358	247	1.4x	437	278	1.6x

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	96.3	98.1	92.2	5.8
Leveraged Loans	96.2	96.9	94.0	2.9

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

[2] HY high price as of 9/19/25. LL high price as of 7/18/25

[3] HY low price as of 4/7/25. 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	0.20%	0.14%	0.31%	(0.05%)
MTD Return	0.11%	0.12%	0.27%	0.27%
YTD Return	5.39%	5.44%	7.78%	7.78%

[1] Credit Suisse Total Return information is calculated weekly. Yield data is as of 12/05/2025

[2] Yield data as of 12/05/2025

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

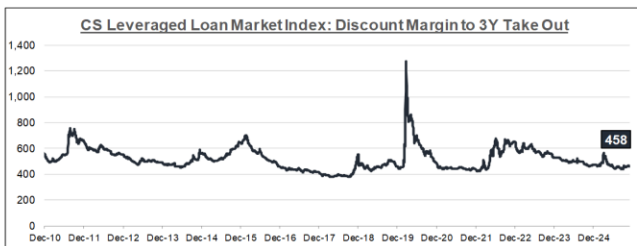


Source: CSFB High Yield Index (formerly DLJ High Yield Index) Average Price, expressed as a % of par value. Data is reported daily.

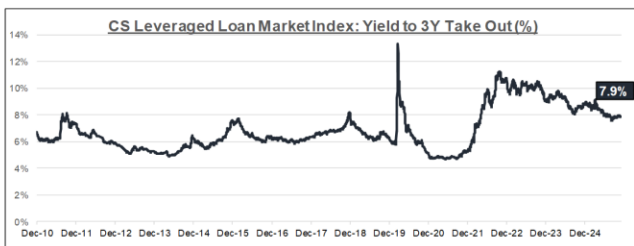


Source: CSFB Leveraged Loan Index Average Price, expressed as a % of par value. Data is reported daily.

Diagram E: Leveraged Loans Spreads & Yields



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



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

Diagram F: High Yield Bonds Spreads & Yields

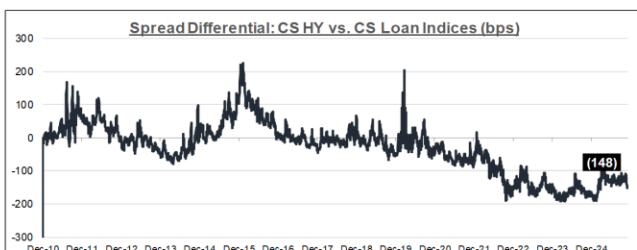


Source: CSFB High Yield Index (formerly DLJ High Yield Index) Spread-to-Worst, expressed in basis points. Data is reported daily.



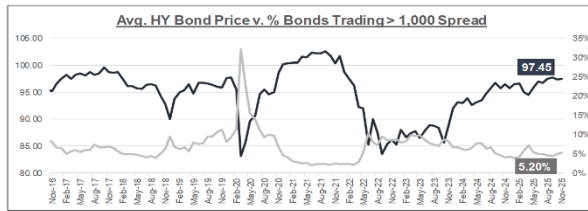
Source: CSFB High Yield Index (formerly DLJ High Yield Index) Yield-to-Worst, expressed as a percentage. Data is reported daily.

Diagram G: Spread between High Yield Bonds and Leveraged Loans

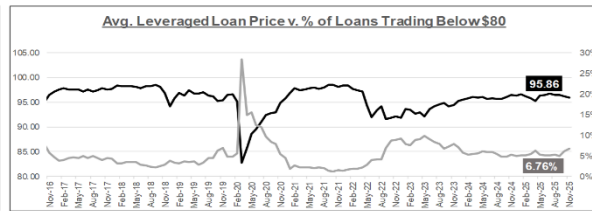


Source: CSFB HY Index and CSFB LL Index. Data is reported daily.

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



Source: CSFB. Data is reported monthly.



Source: JPM. Data is reported monthly.

Diagram I: High Yield Upgrades and Downgrades

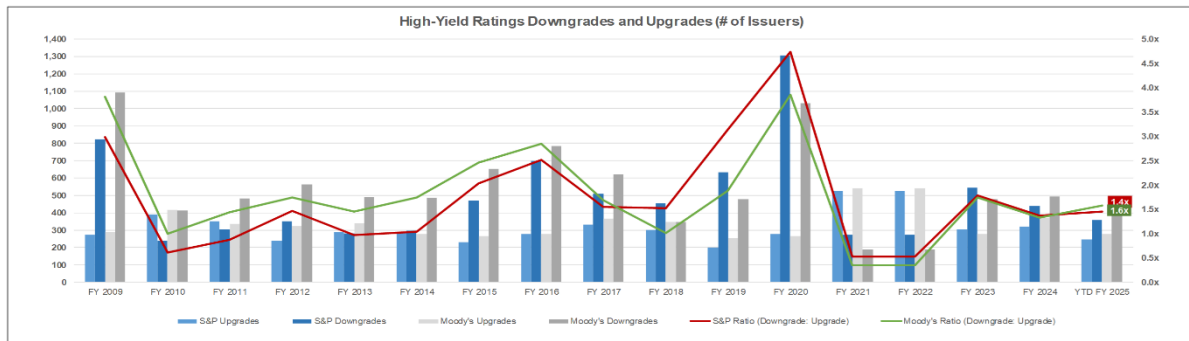


Diagram J: New Issue - Leveraged Loan and High Yield

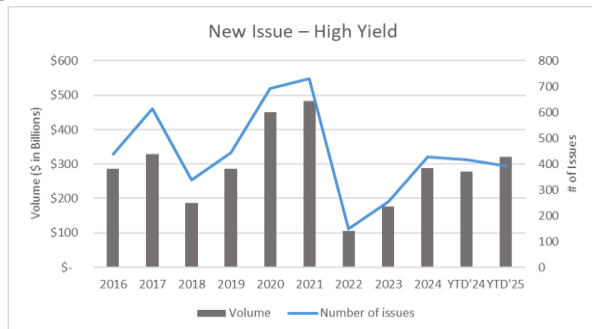
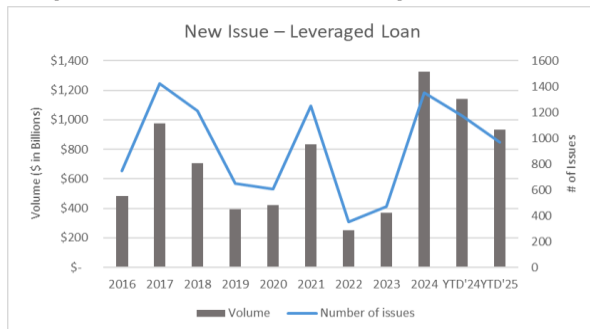
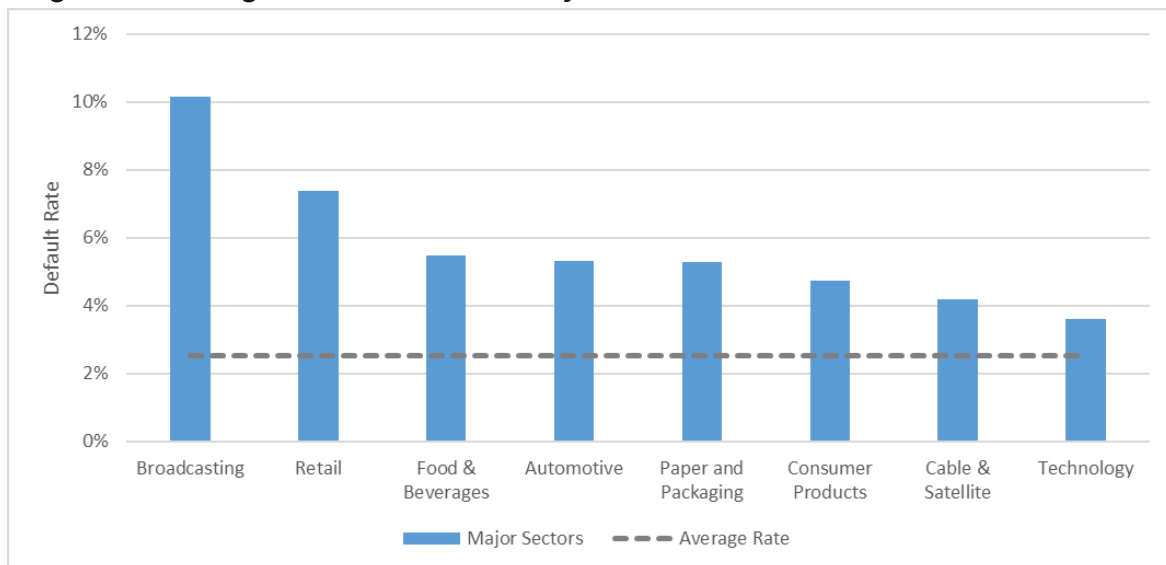


Diagram K: Leveraged Loan + HY Defaults by Sector – LTM



Source: JP Morgan Default Monitor

Diagram L: CLO Economics

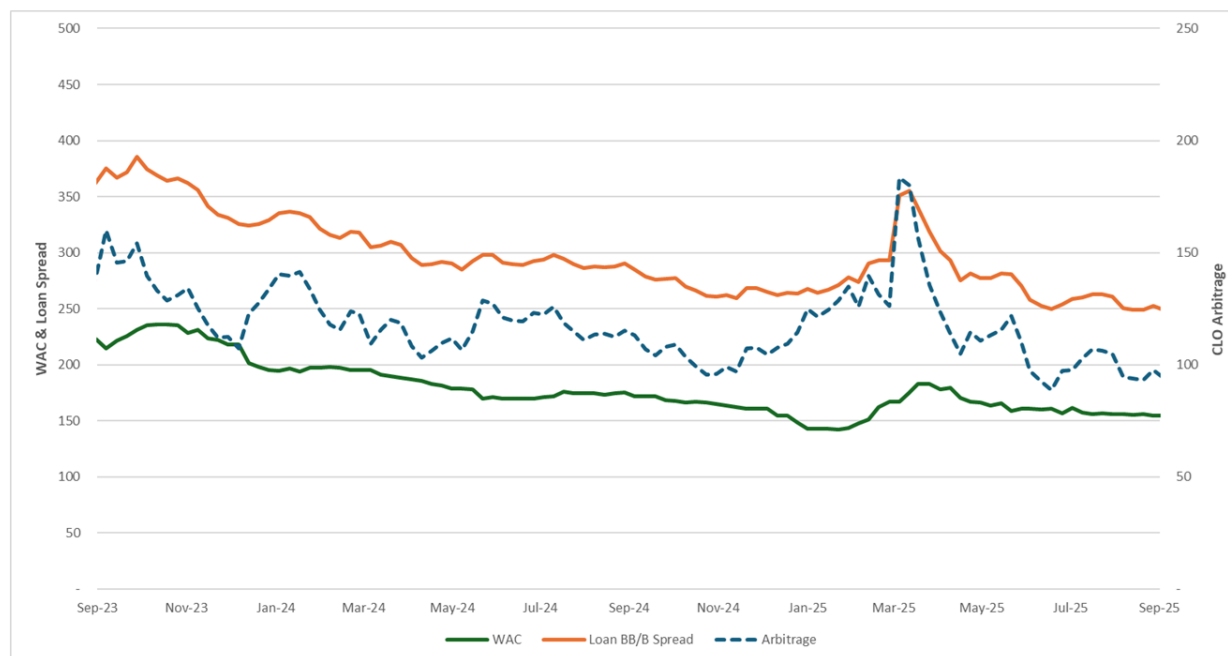
US CLO Economics											
CLO Arbitrage [1]			AAA Spread [2]			WAC Liabilities [2]			Asset WAS [3]		
3Q25	2Q25	3Q24	3Q25	2Q25	3Q24	3Q25	2Q25	3Q24	3Q25	2Q25	3Q24
89	122	115	S+131	S+136	S+138	S+166	S+178	S+176	S+375	S+420	S+411

[1] CLO Arbitrage = WAS - WAC - Fees & Losses

[2] Source: LCD

[3] Source: BBG. BB/B Loan Index Spared (25%/75% weighting)

*Assumptions: 50bp annual fees and 70bp annual loss (2% CDR, 65% Recovery)



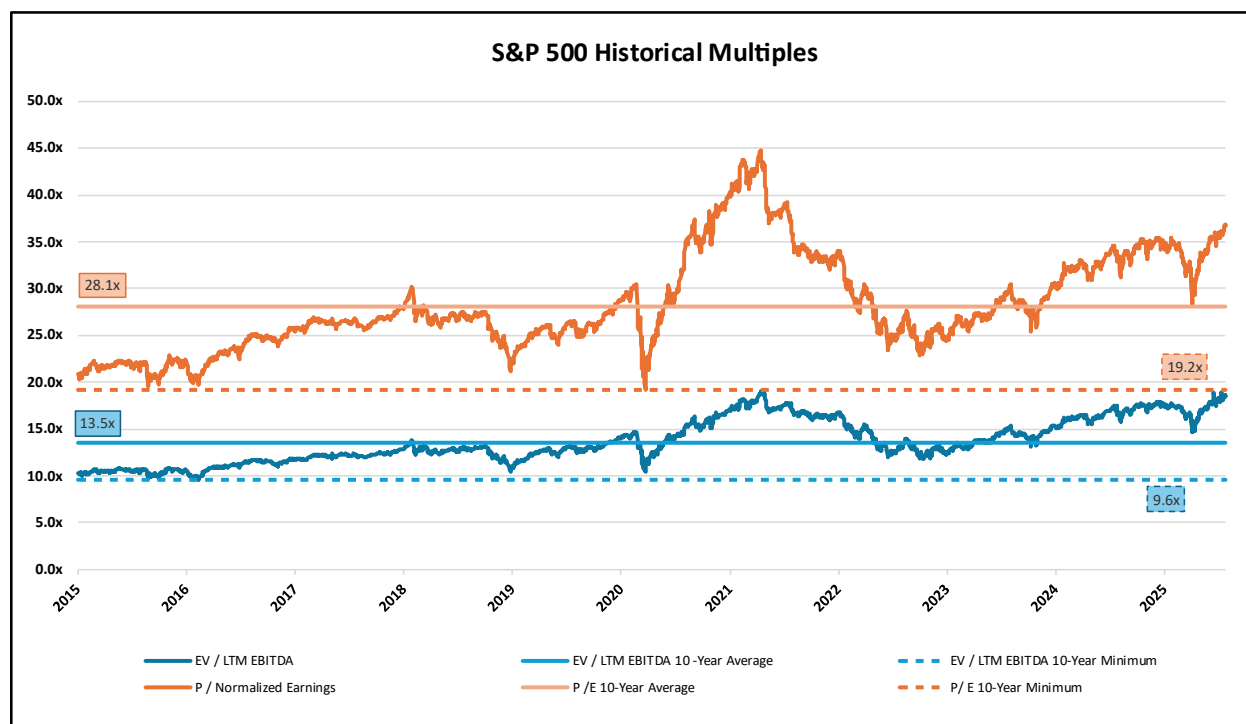
Source: JPM and BBG

Diagram M: Developed Country Govt. Bond Yields (%)

By	11/14/25	11/21/25	11/28/25	12/5/25	Change				
					Weekly	Q4 2024	Q3 2024	Q2 2024	Q1 2024
France - 10 year	3.46%	3.47%	3.41%	3.52%	11 bps	28 bps	(38 bps)	49 bps	25 bps
Germany - 10 year	2.72%	2.70%	2.69%	2.79%	10 bps	24 bps	(38 bps)	20 bps	27 bps
Italy - 10 year	3.47%	3.46%	3.40%	3.47%	8 bps	4 bps	(51 bps)	38 bps	13 bps
Japan - 10 year	1.71%	1.78%	1.81%	1.95%	14 bps	28 bps	(26 bps)	30 bps	17 bps
UK - 10 year	4.57%	4.55%	4.44%	4.45%	1 bps	63 bps	(16 bps)	20 bps	50 bps
US									
US - 2 year	3.61%	3.51%	3.49%	3.54%	5 bps	60 bps	(110 bps)	7 bps	34 bps
US - 5 year	3.73%	3.62%	3.60%	3.69%	9 bps	83 bps	(84 bps)	7 bps	42 bps
US - 10 year	4.15%	4.06%	4.01%	4.12%	10 bps	79 bps	(65 bps)	8 bps	43 bps
US - 30 year	4.75%	4.71%	4.66%	4.78%	11 bps	65 bps	(48 bps)	10 bps	43 bps

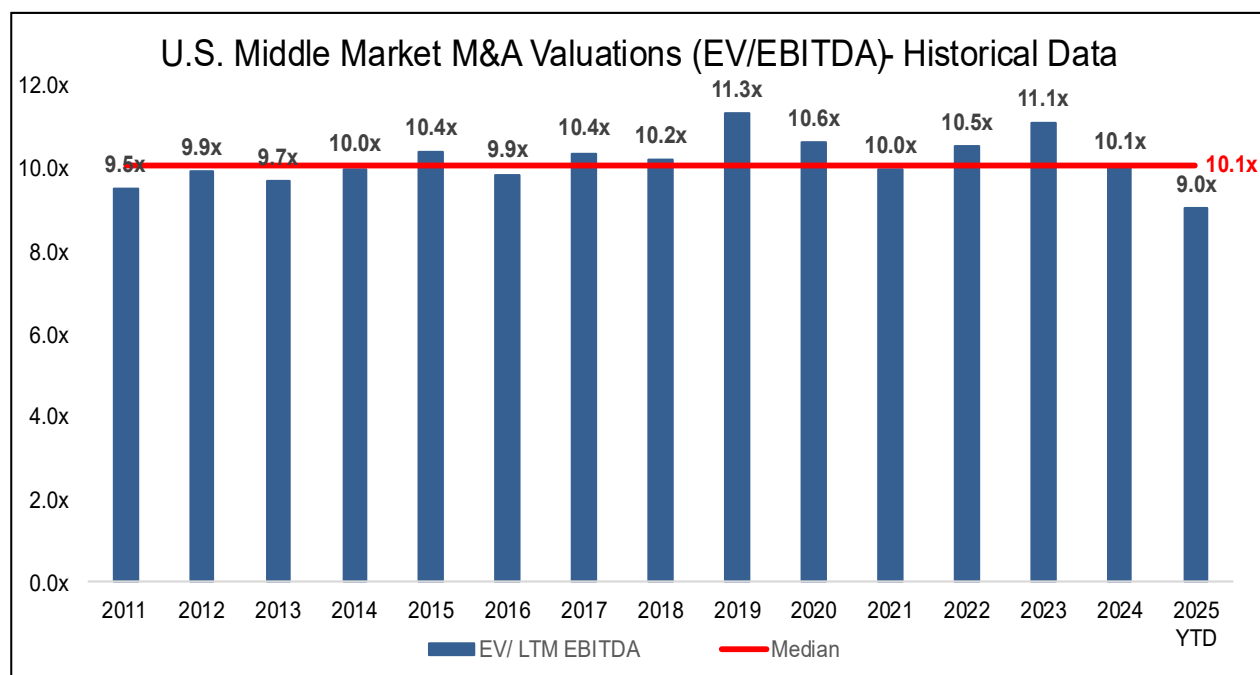
Source: Bloomberg

Diagram N: S&P 500 Historical Multiples



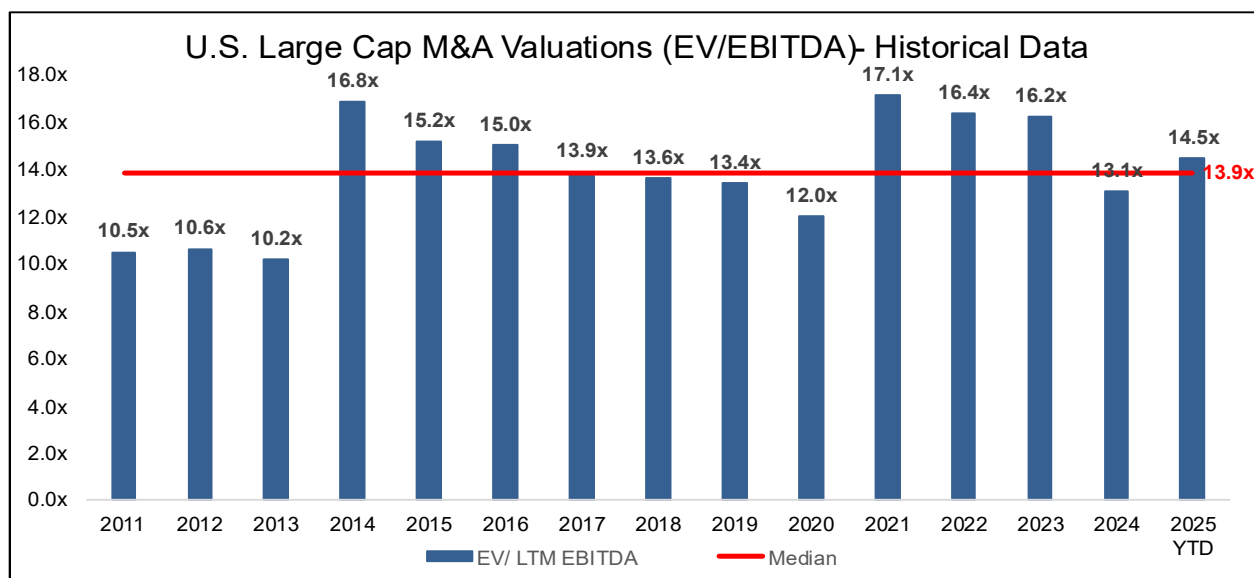
Source: S&P Capital IQ

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



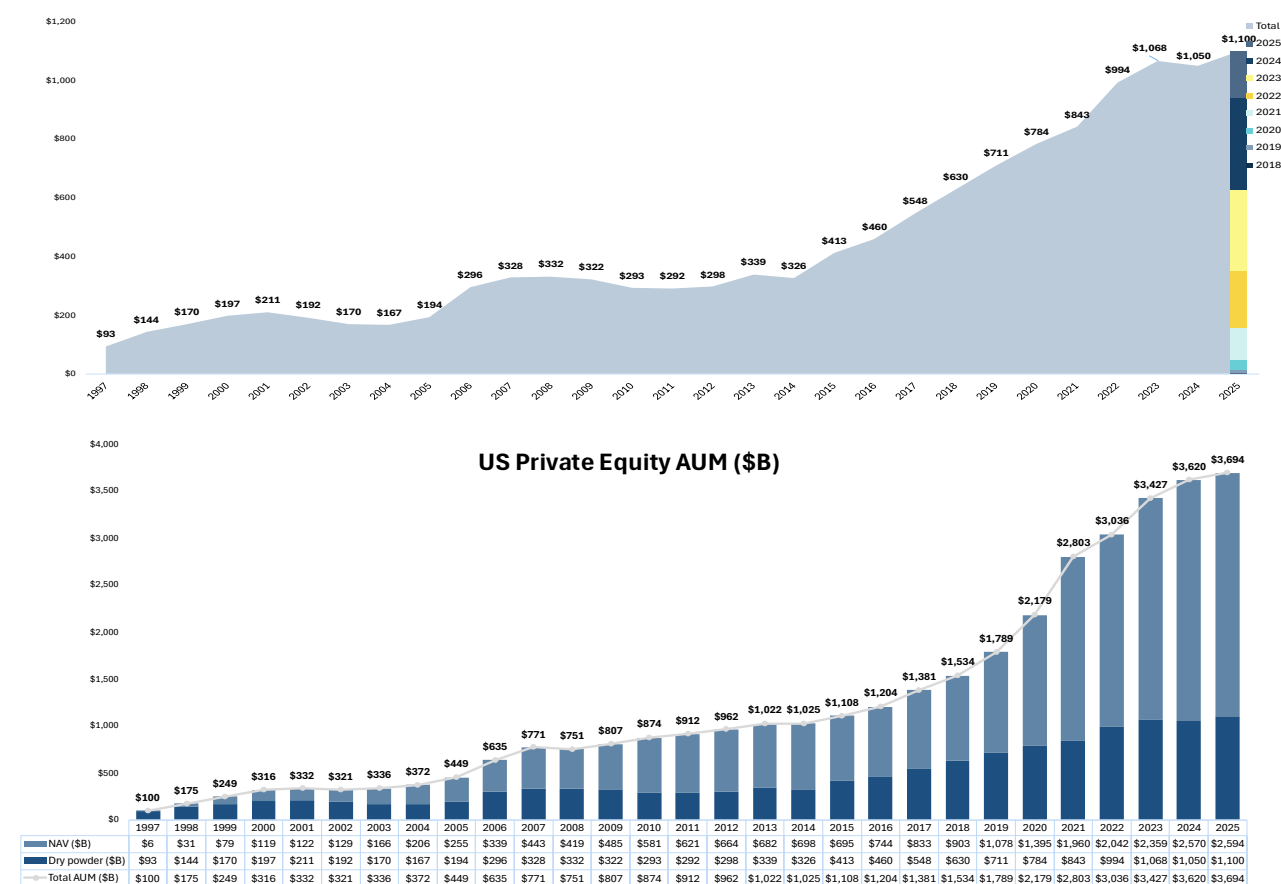
Source: Pitchbook

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



Source: Pitchbook

Diagram Q: Dry Powder for All Private Equity Buyouts (\$B)

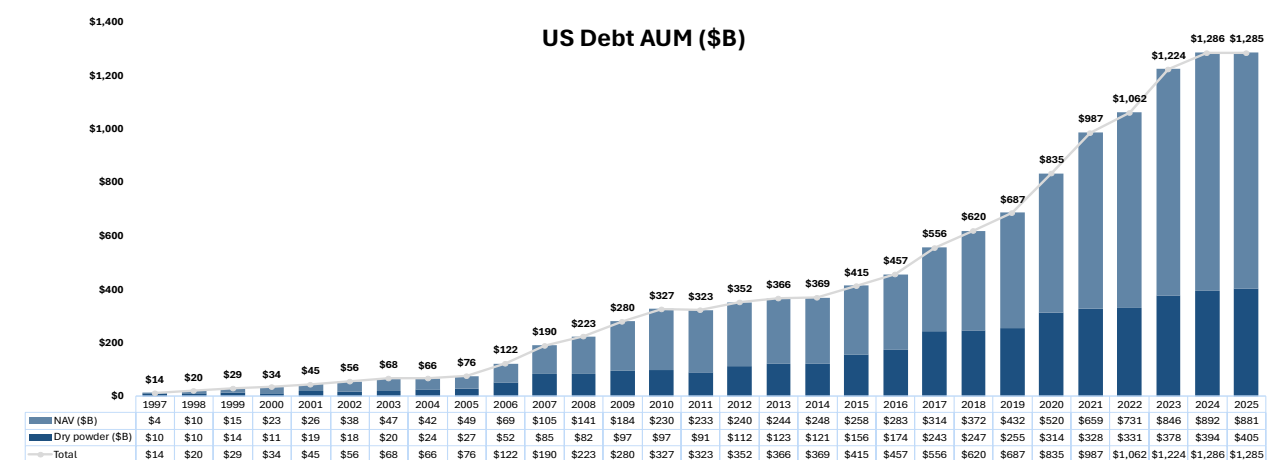
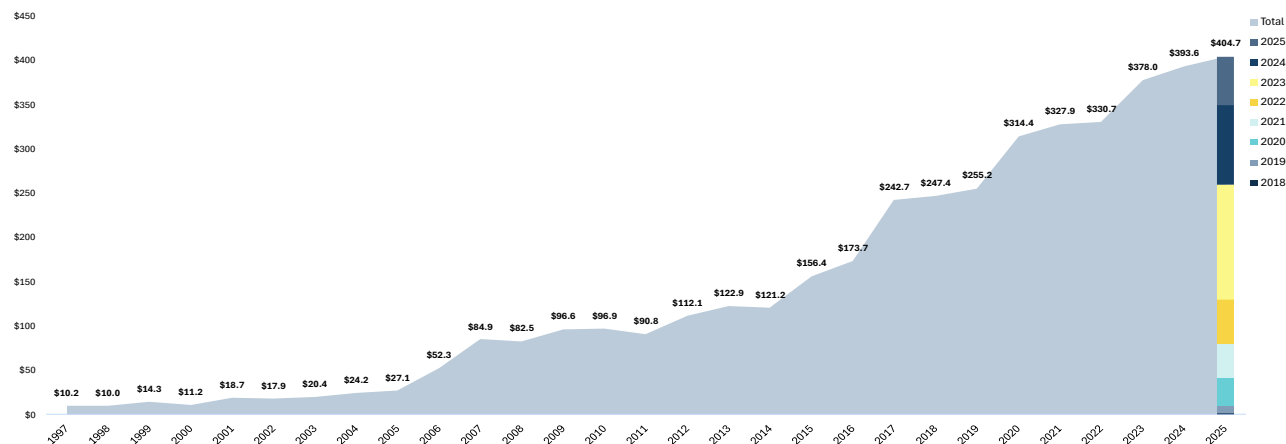


US Private Equity dry powder (\$B) by age bucket (years)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
0-2 years	\$73.1	\$139.4	\$246.0	\$254.4	\$205.1	\$103.7	\$73.5	\$105.9	\$167.2	\$188.4	\$170.9	\$215.2	\$259.0	\$336.9	\$435.3	\$426.7	\$462.3	\$569.8	\$712.8	\$649.9	\$474.2	\$419.2
2-5 years	\$49.9	\$32.1	\$36.0	\$65.7	\$121.4	\$204.3	\$189.9	\$136.9	\$75.3	\$89.9	\$120.5	\$173.1	\$149.2	\$161.0	\$149.2	\$243.3	\$277.5	\$210.1	\$217.4	\$352.5	\$527.8	\$633.5
5-7 years	\$43.7	\$22.0	\$14.1	\$7.8	\$5.9	\$14.2	\$29.2	\$48.8	\$55.3	\$60.9	\$34.8	\$25.0	\$51.6	\$50.0	\$45.8	\$41.0	\$44.1	\$63.4	\$64.1	\$66.1	\$48.1	\$47.2

*As of 3/31/2025

Diagram R: Dry Powder for All US Debt (\$B)

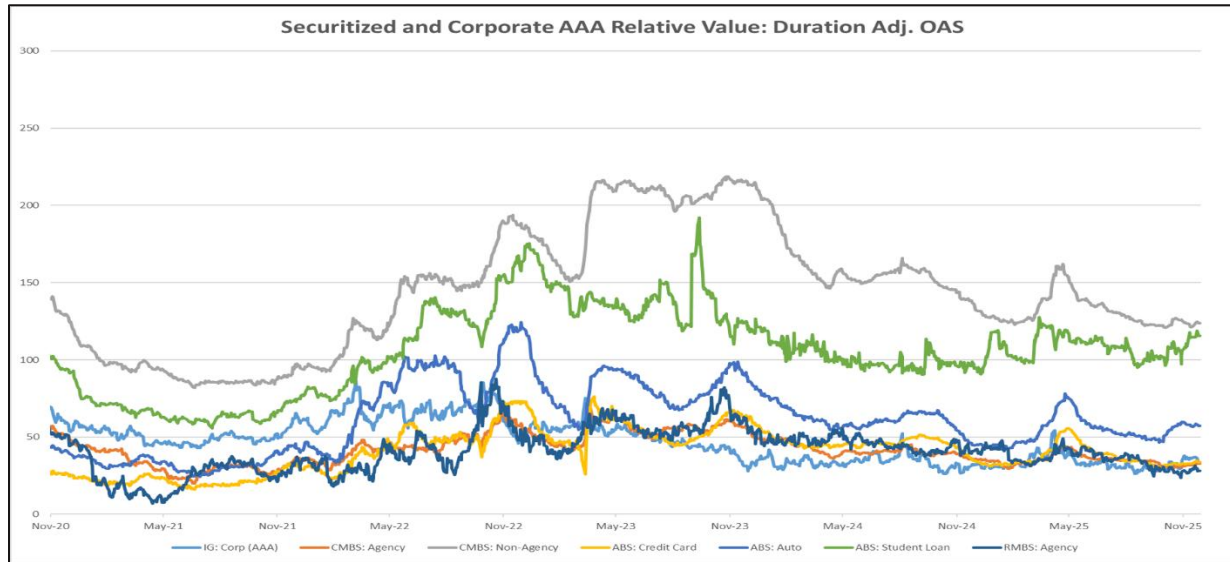


US Debt dry powder (\$B) by age bucket (years)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
0-2 years	\$14.9	\$17.8	\$43.7	\$76.7	\$63.3	\$55.3	\$52.4	\$39.6	\$58.8	\$76.6	\$77.1	\$105.8	\$106.6	\$154.4	\$152.7	\$149.0	\$209.0	\$231.3	\$205.1	\$231.7	\$198.8	\$160.5
2-5 years	\$6.0	\$5.3	\$6.6	\$6.4	\$16.8	\$38.8	\$36.5	\$39.5	\$28.3	\$26.1	\$31.7	\$40.1	\$52.3	\$68.0	\$78.4	\$83.4	\$84.4	\$66.2	\$98.4	\$119.0	\$162.1	\$208.7
5-7 years	\$3.3	\$4.0	\$1.9	\$1.9	\$2.5	\$2.5	\$8.1	\$11.7	\$25.0	\$20.1	\$12.4	\$10.5	\$14.7	\$20.3	\$16.4	\$22.8	\$21.0	\$30.4	\$27.2	\$27.3	\$32.6	\$35.5

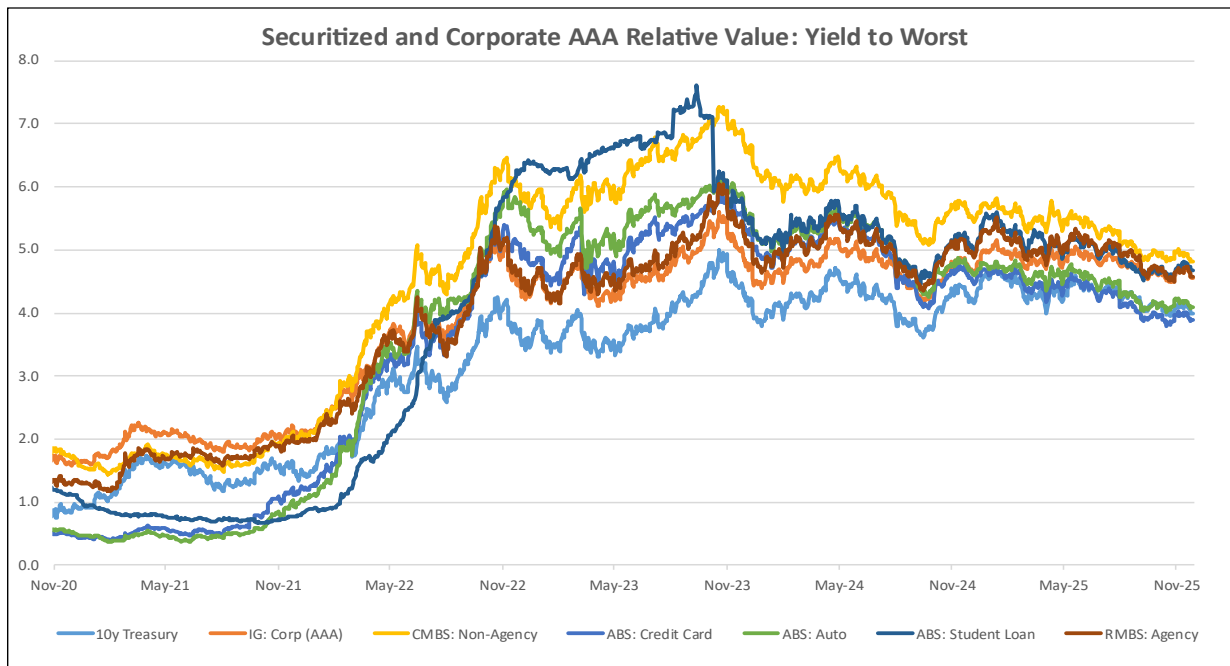
*As of 3/31/2025

Diagram S: Structured Credit Spreads



Source: Bloomberg

Diagram T: Structured Credit Yield



Source: Bloomberg

Diagram U: SOFR Curve

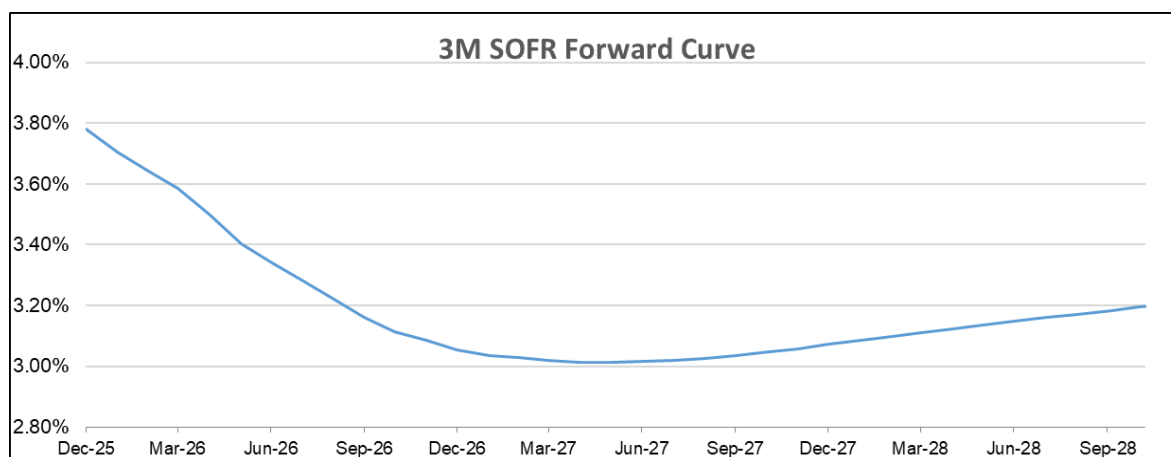
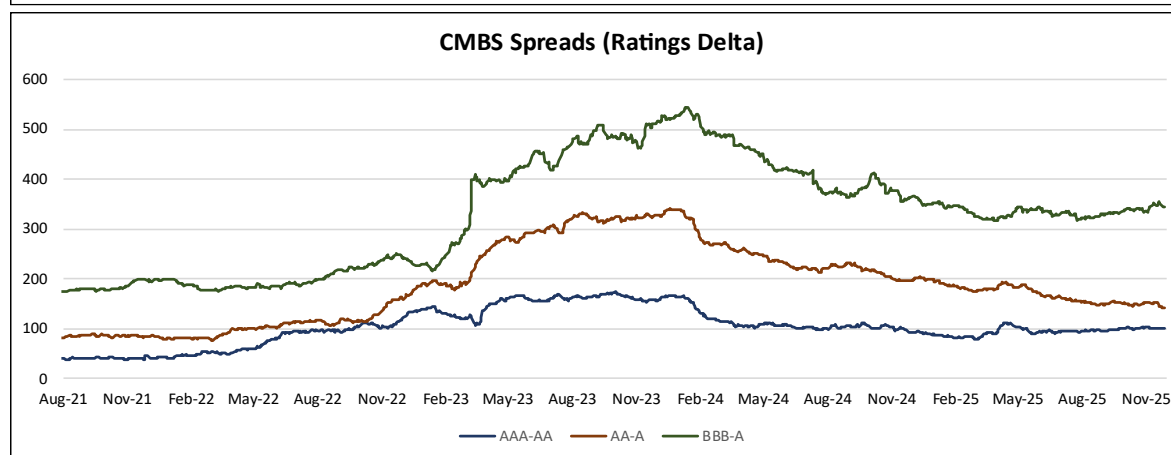
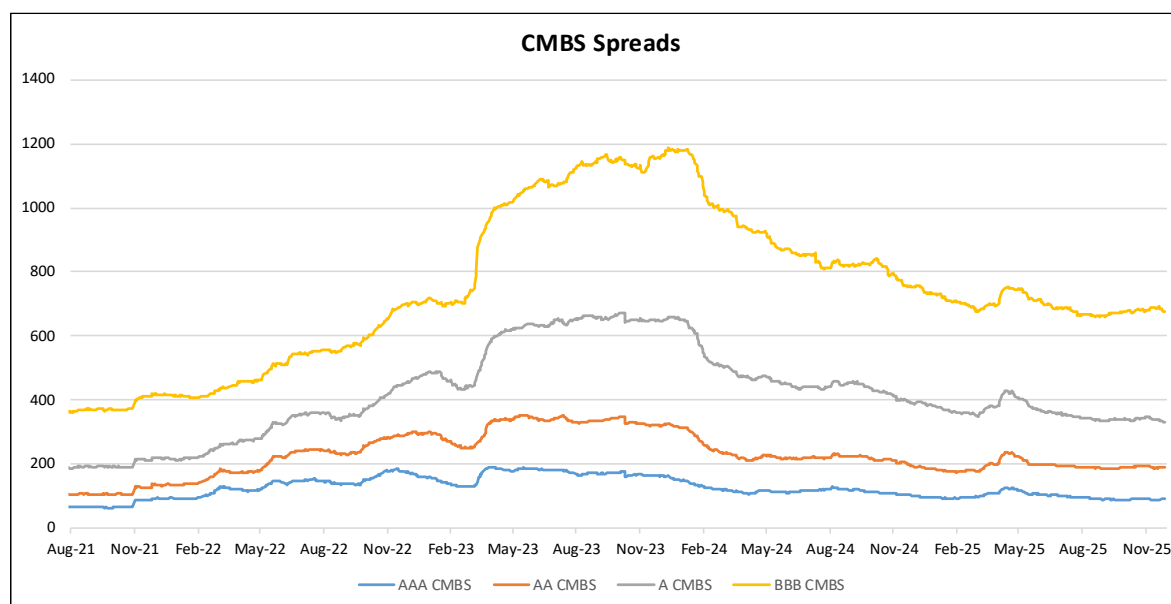


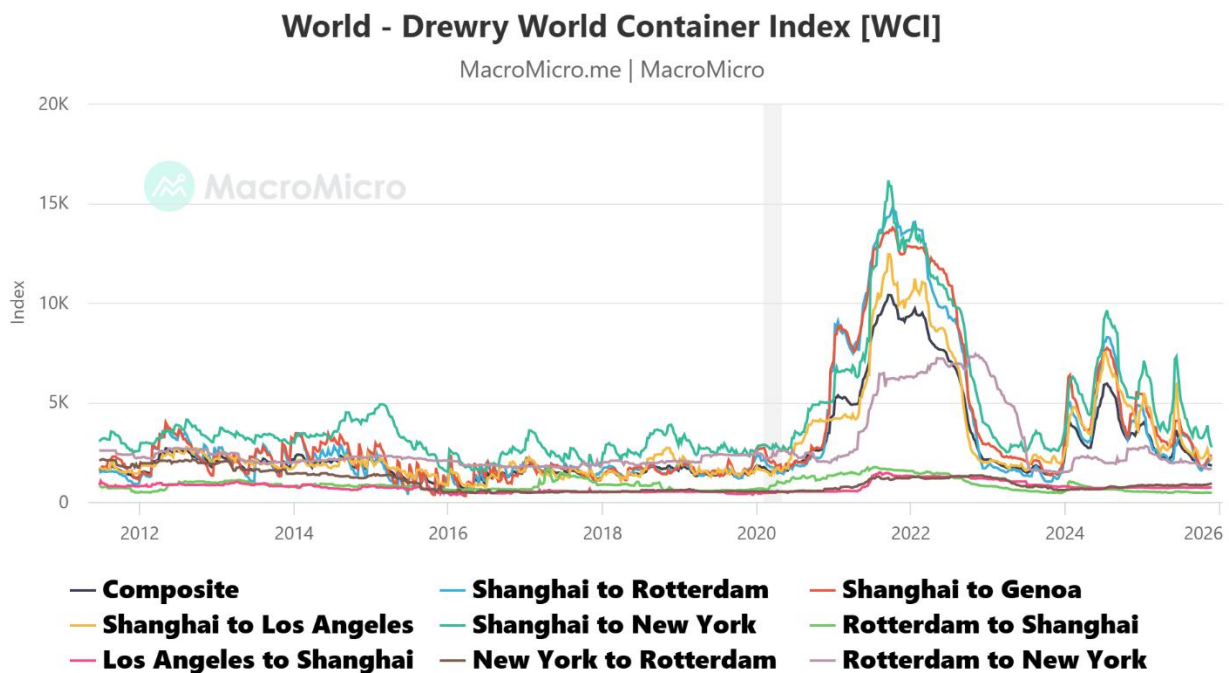
Diagram V: CMBS Spreads



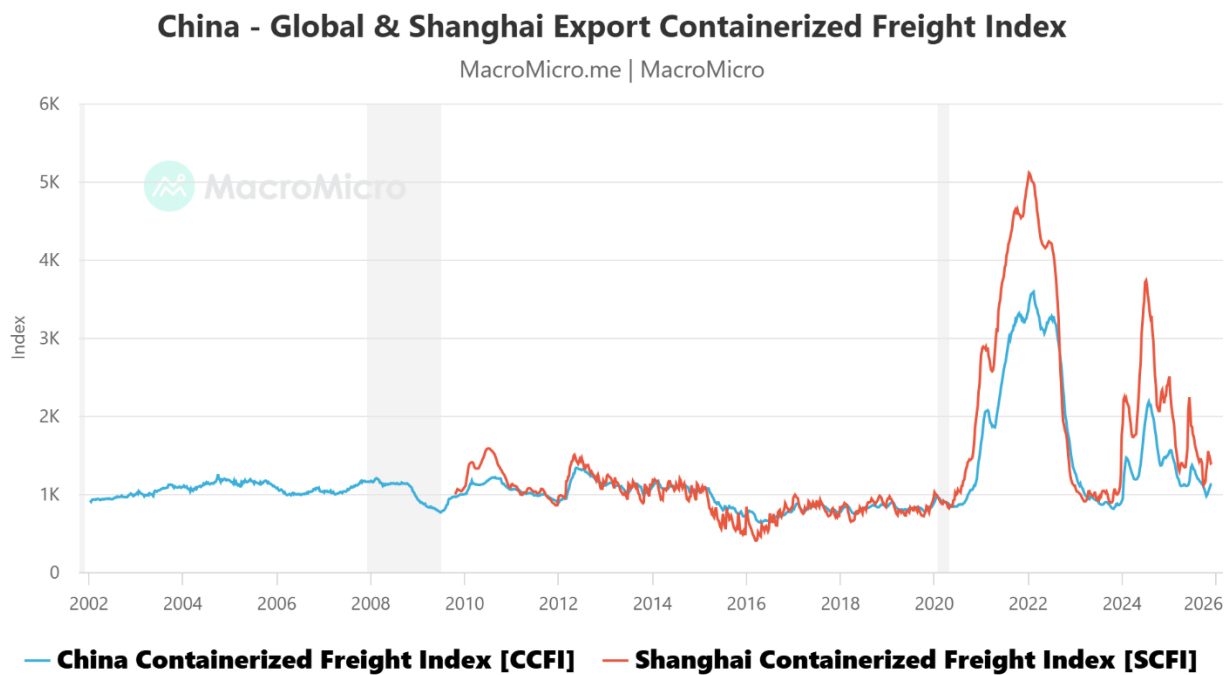
Source: Bloomberg

Freight Rates

Drewry World Container Index



China-Global & Shanghai Export Container Freight Index



About ZCG

ZCG is a leading, privately held global firm comprised of three dynamic, cross-disciplinary platforms: private markets asset management, business consulting services, and technology development and solutions.

For nearly three decades, ZCG Principals have invested tens of billions of dollars of capital 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 are some of the largest and most sophisticated global institutional investors including 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. ZCG is headquartered in New York, with seven offices, across five countries.

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 leverages a horizontal approach, a flexible mandate allowing ZCG to deploy capital horizontally at the highest risk adjusted return across the senior secured spectrum, including broadly syndicated loans and direct lending. ZCG Credit manages closed and open-ended funds as well as structured vehicles of strategic debt, investing across industries with exposure to over 300 credits across the platform.

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 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 global business advisory partner delivering operational optimization, process and procedures, transformation, and M&A support. Our team combines deep industry expertise with hands-on senior leadership to help portfolio businesses, governments, and investors unlock growth, streamline operations, and maximize long-term value and returns across numerous industry verticals.

ZCGC partners with management teams to develop strategic plans and execute high-impact value creation initiatives. As a trusted resource for private equity firms and portfolio companies, our consultants bring 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, we equip clients with the tools and expertise to drive growth and long-term 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											Week Ending		12/5/25			
Market Indices		5-Dec	28-Nov	WoW Change	YTD Change	YoY Change	Market Indices		5-Dec	28-Nov	WoW Change	YTD Change	YoY Change			
DJA		47,954.99	47,716.42	0.50%	12.72%	6.53%	S&P/STA Leveraged Loan Index		4,283.22	4,272.92	0.24%	5.44%	5.95%			
S&P 500		6,870.40	6,849.89	0.31%	16.81%	12.88%	Barclays High Yield Index		2,981.45	2,898.07	0.12%	8.14%	7.39%			
NASDAQ		23,578.13	23,365.69	0.91%	22.10%	19.47%	Barclays Aggregate		2,340.93	2,352.33	(0.48%)	6.94%	4.97%			
MSCI - EAFE		2,831.47	2,810.47	0.75%	25.19%	20.73%	Loan Market Bids		5-Dec		28-Nov	WoW Change	YTD Change			
MSCI - Emerging Markets		1,385.48	1,366.92	1.36%	28.82%	25.90%	S&P Flow Name Index		96.06		95.85	0.20%	(0.33%)			
US Dollar Index		98.99	99.46	(0.47%)	(8.75%)	(6.89%)	S&P 100 Name Index		99.08		99.81	0.24%	1.14%			
VIX		15.41	16.35	(5.75%)	(11.18%)	15.86%	S&P BB's Index		99.81		97.73	0.08%	(0.20%)			
S&P B's Index							S&P B's Index		98.04		97.71	0.34%	(1.10%)			
S&P CCC's Index							S&P CCC's Index		74.83		74.65	0.24%	(2.16%)			
High Yield & Loan Returns				WTD	MTD	YTD	2024									
High Yield Bond				0.31%	0.27%	7.78%	8.63%									
Leveraged Loan				0.20%	0.11%	5.39%	9.33%									
Market Ratios		5-Dec	28-Nov	WoW Change	YTD Change	YoY Change	Loan Market Spreads		5-Dec	28-Nov	WoW Change	YTD Change				
CBOE Put/Call Ratio		Equities	0.43	0.44	(2.27%)	(6.52%)	(12.24%)		S+250		S+255	(5 bps)	(11 bps)			
S&P B's Index							S&P B's Index		S+410		S+426	(16 bps)	(21 bps)			
S&P CCC's Index							S&P CCC's Index		S+1471		S+1465	6 bps	(65 bps)			
Commodities (\$ USD)		Metric	5-Dec	28-Nov	WoW Change	YTD Change	YoY Change	Credit Default Swap - Volatility Indices		Index	5-Dec	28-Nov	WoW Change	YTD Change		
Core Commodity Index		CRY Index	305.97	301.49	1.49%	3.12%	7.23%	Investment Grade CDS		Market	50.51	51.12	(1.20%)	1.33%		
Gasoline - Pump		Gallon	2.96	3.01	(1.63%)	(3.23%)	(3.77%)	High Yield CDS		Market	317.63	322.48	(1.50%)	1.97%		
Gasoline - Futures		Gallon	1.83	1.90	(3.26%)	(8.36%)	(5.41%)	Credit <td colspan="2">5-Dec<td>28-Nov<td>WoW Change<td>YOY Change</td></td></td></td>		5-Dec <td>28-Nov<td>WoW Change<td>YOY Change</td></td></td>		28-Nov <td>WoW Change<td>YOY Change</td></td>	WoW Change <td>YOY Change</td>	YOY Change		
Crude Oil - WTI		Barrel	60.08	58.55	2.61%	(16.23%)	(13.42%)	High Yield		OAS - YTW		T+269	(5 bps)	2 bps		
Crude Oil - Brent		Barrel	63.75	63.20	0.87%	(14.59%)	(12.60%)	Loan Index - S&P Flow Name		DM - 3 Year		S+454	S+465	(11 bps)	(15 bps)	
Natural Gas		MM BTU	5.29	4.85	9.05%	45.58%	58.40%	US Treasury 2-Yr				3.56%	3.49%	7 bps	(57 bps)	
Coal (1 contract = 1,000 tons)		Contract	110.25	111.10	(0.77%)	(41.56%)	(18.21%)	US Treasury 3-Yr				3.58%	3.49%	10 bps	(50 bps)	
Aluminum		Metric Ton	2,897.50	2,868.00	0.82%	13.56%	9.48%	US Treasury 5-Yr				3.71%	3.60%	11 bps	(36 bps)	
Copper		Metric Ton	11,620.50	11,189.00	3.86%	32.53%	27.94%	US Treasury 7-Yr				3.90%	3.78%	12 bps	(22 bps)	
Iron Ore		Metric Ton	107.24	104.84	2.29%	3.50%	0.89%	US Treasury 10-Yr				4.14%	4.01%	12 bps	(4 bps)	
Steel - Hot Rolled Coil		Metric Ton	908.00	908.00	0.00%	22.21%	14.65%	US Treasury 30-Yr				4.79%	4.65%	13 bps	45 bps	
Steel - Cold Rolled Coil		Metric Ton	1,060.00	1,055.00	0.47%	16.48%	16.48%	US CLO Spreads - New Issue		30-Nov		31-Oct	MoM Change	YTD Change		
Ferrous Scrap		Metric Ton	439.00	439.00	0.00%	4.52%	8.40%	AAA		S+128		S+125	3 bps	(1 bps)		
Ammonia		Metric Ton	650.00	650.00	0.00%	20.82%	14.04%	AA		S+166		S+164	2 bps	(4 bps)		
Lumber		27.5k Board Ft	646.00	642.00	0.62%	11.28%	0.47%	A		S+196		S+190	6 bps	1 bps		
Gold		Troy Ounce	4,197.78	4,239.43	(0.98%)	59.95%	58.41%	BBB		S+288		S+273	15 bps	(42 bps)		
Silver		Troy Ounce	58.34	56.50	3.26%	101.86%	86.38%	BB		S+588		S+605	(17 bps)	(60 bps)		
Corrugated Box Cost		Short Ton	119.31	119.31	0.00%	(7.09%)	(8.16%)	Market Rates		5-Dec		28-Nov	WoW Change	YTD Change		
Cotton		Pound	60.54	61.18	(1.05%)	(5.91%)	(40.78%)	Fed Fund Rate				4.31%	4.31%	0 bps	(1 bps)	
Butter		Pound	1.48	1.45	1.90%	(42.06%)	(40.78%)	Prime Rate				7.00%	7.00%	0 bps	(50 bps)	
Cheese		Pound	1.54	1.56	(1.29%)	(19.17%)	(16.80%)	Broker Call Rate				5.75%	5.75%	0 bps	(50 bps)	
Cocoa		Pound	2.58	2.50	3.49%	(48.41%)	(16.35%)	1M SOFR				3.82%	3.86%	(5 bps)	(51 bps)	
Coffee		Pound	3.29	3.20	2.54%	7.23%	14.25%	3M SOFR				3.76%	3.79%	(3 bps)	(55 bps)	
Corn		Bushel	4.37	4.36	0.29%	(4.74%)	3.50%	6M SOFR				3.69%	3.70%	(2 bps)	(56 bps)	
Milk, Non Fat Dry		Pound	1.16	1.16	0.19%	(16.29%)	(15.99%)	Short Interest - Millions of shares		31-Oct		30-Sep	MoM Change	YTD Change		
Soybean		Bushel	11.05	11.38	(2.86%)	10.72%	12.35%	NYSE Mkt Short Interest				18,733.88	19,114.71	(1.99%)	16.17%	
Sugar		Pound	0.15	0.15	(2.70%)	(23.16%)	(30.39%)	Nasdaq Short Interest				17,265.22	17,298.07	(0.19%)	16.44%	
Wheat		Bushel	5.38	5.31	1.22%	(2.54%)	(0.99%)	Fed Corp Primary Dealer Positions - \$ USD in Millions		31-Oct		30-Sep	MoM Change	YTD Change		
Live Cattle		Pound	2.27	2.16	5.37%	17.18%	20.58%	Net Outright Total Corp Securities				11,951.00	11,003.00	8.62%	34.86%	
Lean Hogs		Pound	0.82	0.81	1.30%	0.43%	(1.03%)	Margin Debt - \$ USD in Billions		31-Oct		30-Sep	MoM Change	YTD Change		
Beef, USDA Ground		Pound	3.61	3.67	(1.53%)	11.41%	17.15%	FINRA Margin Debt				1,183.65	1,126.49	5.07%	31.64%	
Chicken, Boneless & Skinless		Pound	4.21	4.21	0.00%	2.63%	6.58%	Currencies		Metric	5-Dec	28-Nov	2025	2026	Low	High
								Japanese Yen		USD/JPY	155.330	156.180	150.000	145.000	99.890	161.690
								Chinese Renminbi		USDCNY	7.071	7.075	7.100	7.000	6.195	7.346
								Swiss Franc		USDCHF	0.805	0.804	0.800	0.790	0.815	1.030
								British Pound		GBPUSD	1.333	1.324	1.330	1.370	1.069	1.588
								Euro Zone Euro		EURUSD	1.164	1.160	1.170	1.200	0.959	1.251
TECHNICALS (Supply / Demand)																
Bank Loan & High Yield, Inflows (Outflows) Mutual Fund, \$ USD in Millions, (Source: Lipper FMI)																
		Week Ending	Bank Loans		High Yield											
		3-Dec-25	\$	(182)	\$	1,184										
		26-Nov-25	\$	(60)	\$	705										
		19-Nov-25	\$	(89)	\$	(333)										
		12-Nov-25	\$	388	\$	(367)										
		5-Nov-25	\$	(137)	\$	(955)										
		29-Oct-25	\$	(132)	\$	459										
		22-Oct-25	\$	(781)	\$	(98)										
		15-Oct-25	\$	(1,302)	\$	(796)										
		8-Oct-25	\$	691	\$	2,075										
Year To Date 2025			\$	7,469	\$	17,036										
Year Ended December 31, 2024			\$	21,086	\$	19,373										
Year Ended December 31, 2023			\$	(18,051)	\$	(17,282)										
NEWISSUE SUMMARY																
Institutional Loans		12/5/2025	Deals	Amt (\$mm)												
Priced		Prior Week	18	6,500												
In-Market Forward Calendar			26	28,900												
High Yield		12/5/2025	Deals	Amt (\$mm)												
Priced		Prior Week	14	11,400												
In-Market Forward Calendar			0	0												
ECONOMIC DATA RECAP																
Key Economic Indicators:		Period Ending		Actual	Expected	Prior										
Initial Jobless Claims		11/29/2025		191K	219K	218K										
Continuing Claims		11/22/2025		1,939K	1,960K	1,943K										
Change in Non-Farm Payrolls		9/30/2025		119K	53K	(4K)										
Change in Private Payrolls		9/30/2025		97K	62K	18K										
Unemployment Rate		U-3	9/30/2025	4.4%	4.3%	4.3%										
Unemployment Rate		U-6	9/30/2025	8.0%	8.0%	8.1%										
Average Work Week			9/30/2025	34.2	34.2	34.2										
Existing Home Sales			10/31/2025	4.10M	4.08M	4.05M										
Housing Starts			8/31/2025	1,307K	1,370K	1,429K										
S&P/Case-Shiller Composite		YoY	9/30/2025	1.4%	1.4%	1.6%										
S&P/Case-Shiller Composite		MoM	9/30/2025	0.1%	0.1%	0.1%										
Consumer Confidence			11/30/2025	88.7	93.4	95.6										
GDP		QoQ-Annualized	6/30/2025	3.8%	3.3%	(0.5%)										
Durable Goods Orders			9/30/2025	0.5%	0.5%	3.0%										
Total Vehicle Sales			11/30/2025	15.60M	15.50M	15.30M										
Capacity Utilization			9/30/2025	75.9%	76.9%	75.9%										
Fed & Treasury Balance Sheet		5-Dec	28-Nov	WoW Change	YoY Change											
Fed Total Assets		\$ in Billions	6,535.8	6,552.4	(0.3%)	(5.2%)										
Public Debt		\$ in Billions	38,389.4	38,335.3	0.1%	6.1%										
US Debt Outstanding		1Q25	4Q24	QoQ Change	YoY Change											
Domestic Nonfinancial Debt		\$ in Billions	77,956.9	77,434.6	0.7%	3.4%										
Shared National Credit		2024	2023	YoY Change												
Shared National Credit Total Commitments		\$ in Billions	6,521.9	6,408.8	1.8%											
Special Mention Commitments		\$ in Billions	16.18	17.6	-8.4%											
Classified Commitments		\$ in Billions	434.0	395.6	9.7%											
ECONOMIC / GDP DATA																
International Monetary Fund Growth Rates (Source: IMF "World Economic Outlook")																
Country		2021	2022	2023	2024	2025	2026	Region		2023	2024	2025	2026			
United States		5.7%	3.3%	3.2%	3.1%	3.3%	3.3%	World		3.3%	3.3%	3.3%	3.1%			
Brazil		4.6%	2.5%	3.2%	3.4%	2.4%	1.9%	Advanced Economies		1.7%	1.8%	1.6%	1.6%			
China		8.1%	3.2%	5.2%	5.0%	4.8%	4.2%	Euro Area		0.4%	0.9%	1.2%	1.2%			
Germany		2.8%	0.8%	(0.3%)	(0.5%)	0.2%	0.9%	Emerging Mkts and Developing Economies		4.4%	4.3%	4.2%	4.0%			
India		8.9%	6.1%	8.2%	6.5%	6.6%	6.2%	Emerging and Developing Asia		5.7%	5.3%	5.2%	4.7%			
Japan		1.6%	0.5%	1.5%	0.1%	1.1%	0.6%	Emerging and Developing Europe		4.3%	3.5%	1.8%	2.2%			
United Kingdom		7.4%	0.6%	0.3%	1.1%	1.3%	1.3%	Latin America and the Caribbean		2.4%	2.4%	2.4%	2.3%			