

## Briefing

# Global Economic & Credit Market

Week 17 Ending – April 25, 2025

# ZCG

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## Economic Calendar

**Tuesday, April 29:** Consumer confidence

**Wednesday, April 30:** ADP employment; PCE index

**Friday, May 2:** Nonfarm payroll

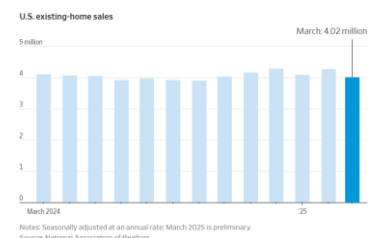
## Key Market Metrics

- S&P 500: +4.59% WoW; (6.06%)YTD; +9.44% YoY; 15.7x LTM EBITDA; 12.3x NTM EBITDA
- Dow Jones: +2.48% WoW; (5.71%) YTD; +5.32% YoY; 11.4x LTM EBITDA; 11.6x NTM EBITDA
- Nasdaq: +6.73% WoW; (9.98%) YTD; +11.35% YoY
- Ten Year US Treasury Yield: 4.28% (34) bps YTD; (49) bps YoY
- Currency:
  - British Pound per USD: \$1.33; 0.1% WoW; 6.4% YTD; 6.4% YoY
  - Euro per USD: \$1.14; (0.2%) WoW; 9.7% YTD; 5.9% YoY
  - USD per Yen: ¥143.67; 1.0% WoW; (8.6%) YTD; (7.7%)YoY
  - Swiss franc per EUR: 1.06 CHF; (1.1%)WoW; (0.2%) YTD; 4.1% YoY

## U.S. News

### Existing Home Sales

- Existing home sales fell 5.9% in March, the biggest monthly drop since November 2022, dashing hopes for a spring turnaround
- High home prices and mortgage rates are deterring buyers, potentially leading to a third year of weak sales
- Home prices rose nationally, but some markets in Texas and Florida are seeing price declines due to rising inventories



### Consumer Sentiment

- Consumer sentiment fell to 52.2 in April, from 57 in March, according to the University of Michigan
- Consumers expect prices to surge 6.5% over the next year, the highest reading since 1981
- Concerns about higher prices and a weaker labor market suggest fears of stagflation



- **Durable Goods**

- Total orders for durable goods were 9.2% higher in March than in February, the third consecutive monthly increase
- This marked a substantial jump from the 0.9% rise of February, and the just 1.6% increase expected by economists
- The increase was driven by a surge in the commercial-aircraft business, as companies got orders in ahead of President Trump's tariff announcements at the start of April

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

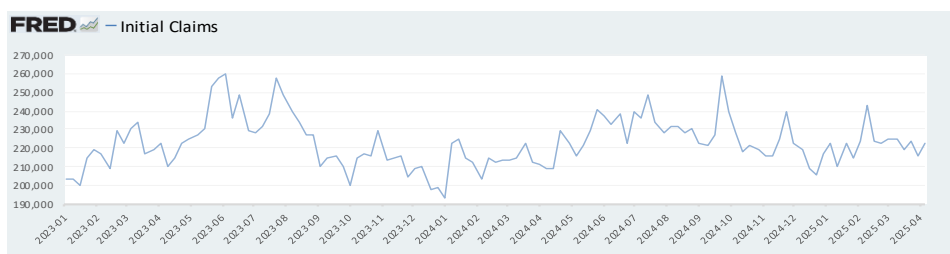
- President Trump declared maintaining high tariffs for another year would represent a "total victory," even as reports indicate the administration is weighing a plan to reduce the current 145 percent tariff on Chinese goods to a tiered system ranging between 50 and 65 percent, with higher rates reserved for critical imports and lower rates for less sensitive items
- China has moved to exempt certain U.S. imports from its 125 percent retaliatory tariffs and is reviewing other key goods that may need to be levy-free, signaling growing concerns about the broader economic fallout from the trade war
- The Bureau of Industry and Security is now accepting public input on a new Section 232 investigation targeting medium- and heavy-duty trucks, along with parts and derivative products — a move that could lead to new tariffs similar to those recently imposed on passenger vehicles
- In a sign of mounting pressure on the logistics sector, Moody's has downgraded its 2025 outlook for U.S. ports from stable to negative, citing expected declines in trade volumes between 7 and 12 percent as rising import costs weigh heavily on consumption and supply chains

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)
All Countries	Medium and Heavy-Duty Trucks	Unknown	25% (assumed)
Nations that import Venezuelan oil	All Goods	Unknown	25%

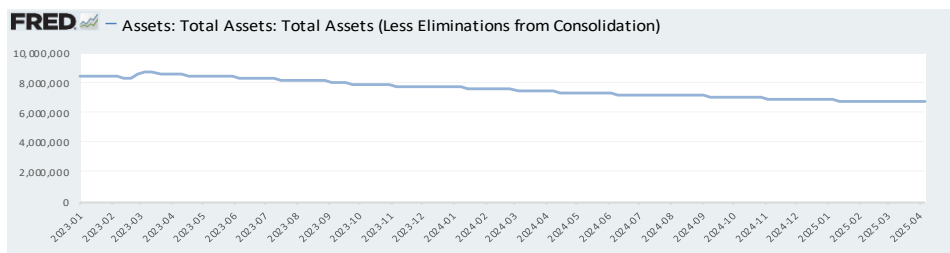
### • Jobless Claims

- Initial jobless claims, a measure of how many workers were laid off across the U.S., increased to 222,000 in the week ended April 18, up 6,000 from the prior week
- The four-week moving average was 220,250, down 750 from the prior week
- Continuing claims – those filed by workers unemployed for longer than a week – decreased by 37,000 to 1.841 million in the week ended April 11. This figure is reported with a one-week lag



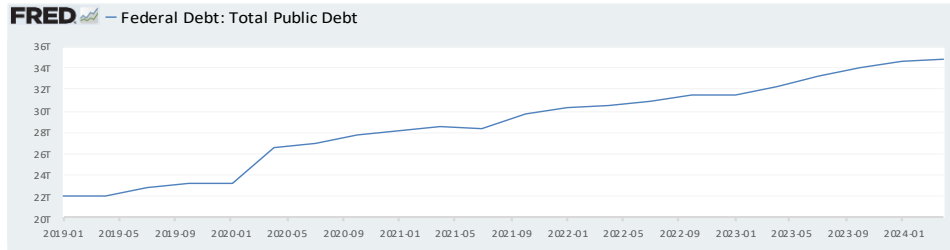
### • Fed's Balance Sheet

- The Federal Reserve's assets totaled \$6.727 trillion in the week ended April 25, down \$0.2 billion from the prior week
- Treasury holdings totaled \$4.218 trillion, down \$1.5 billion from the prior week
- Holdings of mortgage-backed securities (MBS) were \$2.19 trillion in the week, down \$1.6 billion from the prior week



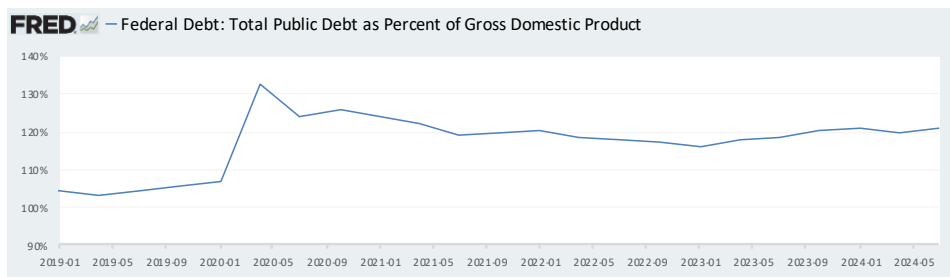
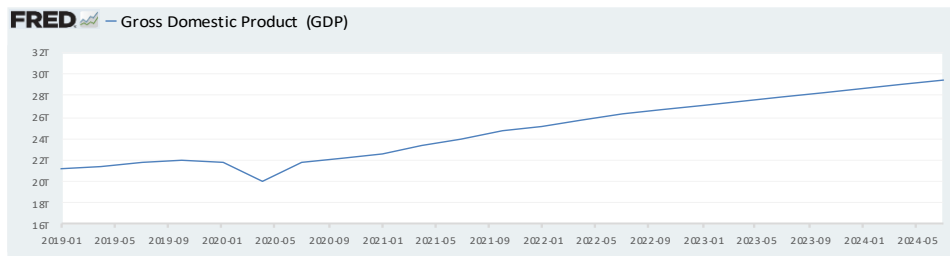
- **Total Public Debt**

- Total public debt outstanding was \$36.22 trillion as of April 25, an increase of 4.8% from the previous year
- Debt held by the public was \$28.89 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

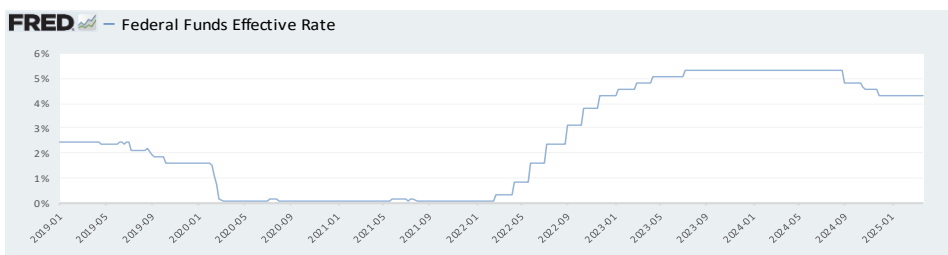


- **Inflation Factors**

- **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
  - 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 \$2,157.33 per 40ft
  - Drewry's composite World Container Index has decreased by (20.3%) 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**

- U.S. and Iran ended nuclear talks in Oman with major disagreements over uranium enrichment but agreed to continue negotiations in Europe
- Tensions are rising as Iran rapidly advances its nuclear program, while the U.S. demands broader restrictions and threatens military action if no deal is reached
- Jordan and Egypt are facing mounting public anger over the Gaza war, forcing both governments to crack down on dissent while trying to maintain their critical security ties with Israel
- Pressure has intensified as Israel's far-right politicians propose relocating Palestinians into Jordan and Egypt, prompting both countries to warn that such moves could destabilize their regimes and threaten regional peace

- **Europe**

- Overnight Russian strikes on Kyiv killed 12 and injured 90, marking Moscow's biggest aerial bombardment of Ukraine's capital this year
- President Trump urged Russia's Putin to halt the attacks, expressing frustration with both sides amid stalled peace negotiations. Ukraine agreed to a U.S.-proposed cease-fire 44 days ago, but Russia declined
- Spain will raise defense spending to 2% of GDP this year, up from 1.4% last year. Most of Spain's increased defense budget will go towards improving telecommunications to combat cyberattacks
- The increased military spending won't increase taxes or national debt according to Prime Minister Pedro Sanchez and 87% of the money will remain in Spain

- **China**

- China's leadership pledged new monetary, fiscal, and policy support to boost domestic growth amid mounting pressure from U.S. tariffs and global economic uncertainty
- Planned measures include cutting interest rates, supporting exports and tech innovation, stabilizing capital markets, and helping companies hurt by tariffs retain workers
- The Trump administration is considering cutting China tariffs by about half, aiming to ease trade tensions, but any action would require reciprocal steps from Beijing and a final decision from Trump
- Despite openness to talks, high tariff levels would still severely restrict Chinese imports, while both sides show tentative signs of willingness to restart negotiations amid global market pressures

# Geopolitical Hotspots

- **South Korea**

- Former South Korean President Moon Jae-in, who left office in 2022, was indicted on bribery charges, making him the latest in a line of South Korean leaders facing legal troubles or death after their presidencies

- **India**

- Suspected militants opened fire on tourists in Baisaran Valley, Indian-administered Kashmir, killing at least 25 and injuring 15 in one of the worst recent attacks on civilians, with a militant group claiming responsibility over anger at demographic changes in the region

- **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

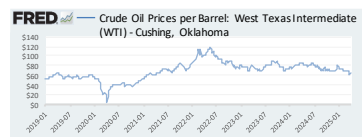
- **Germany**

- 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: \$63.02 per barrel
  - (2.57%) WoW; (12.13%) YTD; (23.90%) YoY
- Brent: \$66.91 per barrel
  - (1.55%) WoW; (10.36%) YTD; (23.98%) YoY



### • US Production

- U.S. oil production amounted to 13.5 million bpd for the week ended April 18, down 0.0 million bpd from the prior week

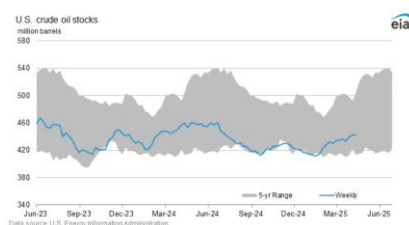
### • Rig Count

- The total number of oil rigs amounted to 587, up 2 from last week

### • Inventories

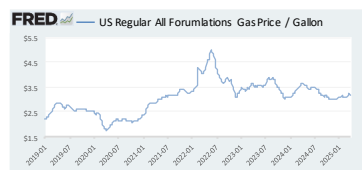
#### ○ Crude Oil

- Total U.S. crude oil inventories now amount to 443.1 million barrels, down (2.3%) YoY
- Refiners operated at a capacity utilization rate of 88.1% for the week, up from 86.3% in the prior week
- U.S. crude oil imports now amount to 6.001 million barrels per day, down (14.0%) YoY



#### ○ Gasoline

- Retail average regular gasoline prices amounted to \$3.16 per gallon in the week of April 25, down (13.6%) YoY
  - Gasoline prices on the East Coast amounted to \$3.10, down (15.0%) YoY
  - Gasoline prices in the Midwest amounted to \$3.09, down (12.6%) YoY
  - Gasoline prices on the Gulf Coast amounted to \$2.78, down (16.3%)
  - Gasoline prices in the Rocky Mountain region amounted to \$3.25, down (8.9%) YoY
  - Gasoline prices on the West Coast amounted to \$4.35, down (12.2%)
- Motor gasoline inventories were down by 4.5 million barrels from the prior
- Motor gasoline inventories amounted to 229.5 million barrels, up 1.2% YoY
- Production of motor gasoline averaged 10.07 million bpd, up 10.2% YoY
- Demand for motor gasoline amounted to 9.414 million bpd, up 11.8% YoY



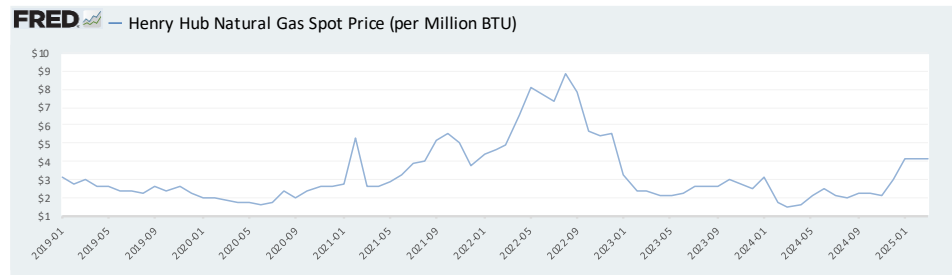


- **Distillates**

- Distillate inventories decreased by -2.4 million in the week of April 25
- Total distillate inventories amounted to 106.9 million barrels, down (8.3%)
- Distillate production averaged 4.626 million bpd, down (3.2%) YoY
- Demand for distillates averaged 3.903 million bpd in the week, up 9.9%

- **Natural Gas**

- Natural gas inventories increased by 88 billion cubic feet last week
- Total natural gas inventories now amount to 1,934 billion cubic feet, down (20.2%) YoY



## Credit News

High yield bond yields decreased 36bps to 7.89% and spreads decreased 37bps to 401bps. Leveraged loan yields decreased 20bps to 8.64% and spreads decreased 21bps to 517bps. WTD Leveraged loan returns were positive 71bps. WTD high yield bond returns were positive 134bps. 10yr treasury yields decreased 2bps to 4.30%. Yields and spreads declined as the global trade war de-escalates, benefiting risk assets amid resilient economic data, bearish sentiment, strong market technicals, and a positive start to the earnings season. Despite policy uncertainty, high-frequency April readings, including claims, card data, and the DM flash manufacturing PMI, show minimal signs of an anticipated slowdown from earlier trade flows and US spending. Additionally, capital market activity resumed this week.

### High-yield:

Week ended 4/25/2025

- Yields & Spreads<sup>1</sup>

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
7.89%	401	8.25%	437	(36)	(37)

- Pricing & Returns<sup>1</sup>

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2024
\$94.44	\$93.31	113	1.34%	-0.39%	0.49%	8.6%

- Fund Flows<sup>2</sup>

Total Flows (\$)
(\$1,529mm)

- New Issue<sup>2</sup>

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
3	\$4.4bn	\$76.2bn	\$111.6bn	-32%

- Distressed Level (trading in excess of 1,000 bps)<sup>2</sup>

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 4/25/2025

- Yields & Spreads<sup>1</sup>

Current Week		Prior Week		Δ (bps)	
Yield	Spread	Yield	Spread	Yield	Spread
8.64%	517	8.84%	538	(20)	(21)

- Leveraged Loan Index<sup>1</sup>

Pricing			Returns			
Current Week	Prior Week	Δ (bps)	WTD	MTD	YTD	2024
\$95.19	\$94.69	50	0.71%	-0.22%	0.34%	9.3%

- Fund Flows<sup>2</sup>

Total Flows (\$)
(\$648mm)

- New Issue<sup>2</sup>

Week		YTD		
# New Deals	Total (\$)	Total (\$)	Prior Year YTD	CY vs PY
2	\$2.4bn	\$341.2bn	\$367.5bn	-7%

- Distressed Level (loan price below \$80)<sup>1</sup>

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 4/25/2025

- New U.S. CLO Issuance<sup>2</sup>

# Priced	Total (\$)	New Issue	Refis/Resets
4	\$2.1bn	\$1.6bn	\$0.5bn

- New U.S. CLO YTD Issuance<sup>2</sup>

Total U.S. CLOs	Total (\$)	New Issue	Refis/Resets	Prior Year YTD	CY vs. PY
345	\$164.8bn	\$57.5bn	\$107.3bn	\$114.7bn	+44%

**Note: High-yield and leveraged loan yields and spreads are swap-adjusted**

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

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

## Ratings activity:

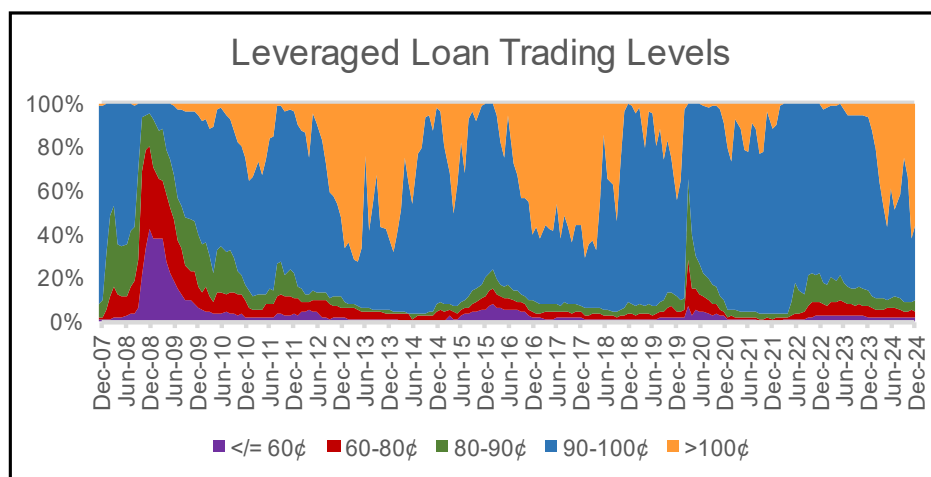
- S&P and Moody's High Yield Ratings

	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
YTD 2025	110	77	1.4x	141	110	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	92.2	4.6
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 4/7/25. LL low price as of 4/7/25

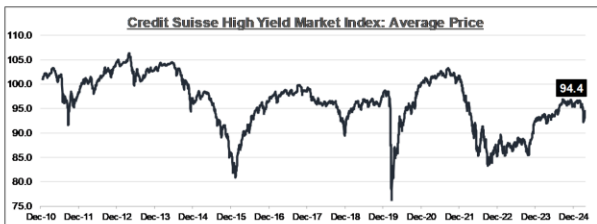
## Diagram C: Leveraged Loan and High Yield Returns

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	0.71%	0.71%	1.34%	1.34%
MTD Return	(0.22%)	(0.19%)	(0.39%)	(0.39%)
YTD Return	0.34%	0.30%	0.49%	0.49%

[1] Credit Suisse Total Return information is calculated weekly. Yield data is as of 04/25/2025

[2] Yield data as of 04/25/2025

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



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

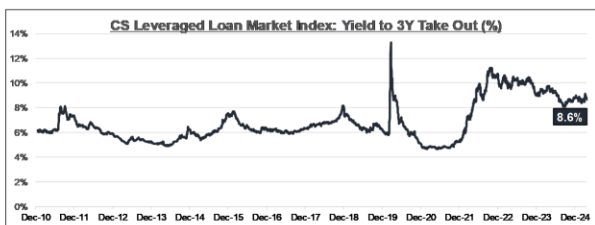


Source: CSFB Leveraged Loan Index Average Price, expressed as a % of par value. Data is reported daily.

## 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

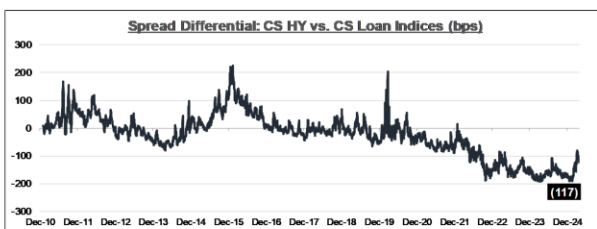


Source: CSFB High Yield Index (formerly DJL High Yield Index) Spread-to-Worst, expressed in basis points. Data is reported daily.



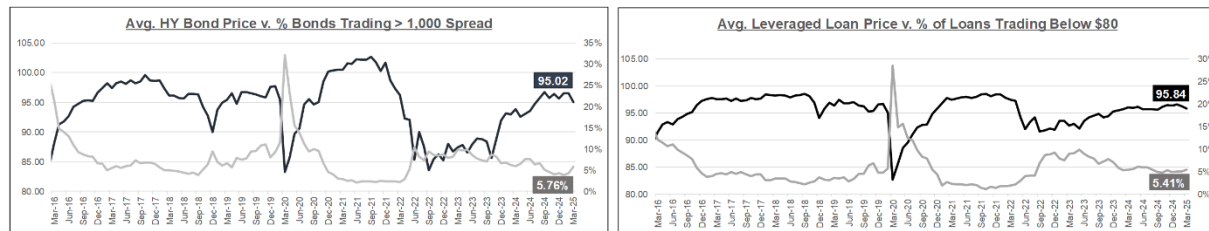
Source: CSFB High Yield Index (formerly DJL High Yield Index) Yield-to-Worst, expressed as a percentage. Data is reported daily.

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



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

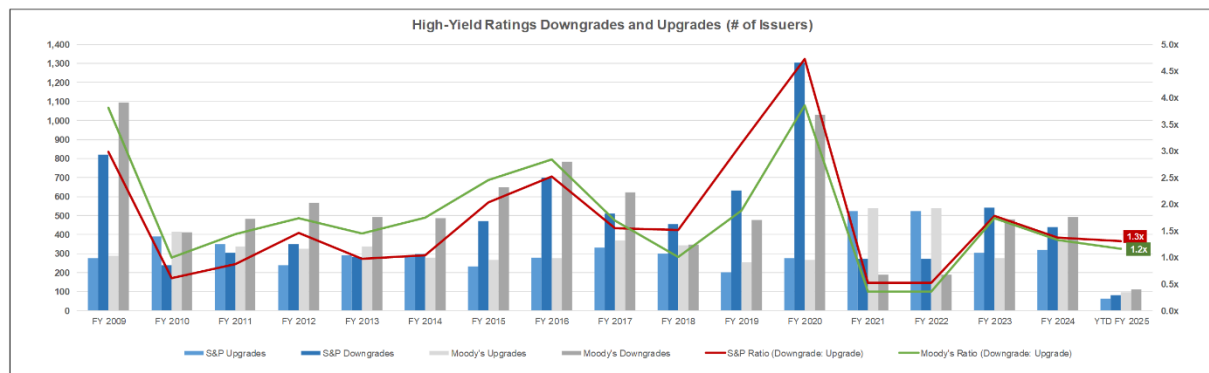
**Diagram H: Percentage of Leveraged Loan and High Yield Market Trading at Distressed**



Source: CSFB. Data is reported monthly.

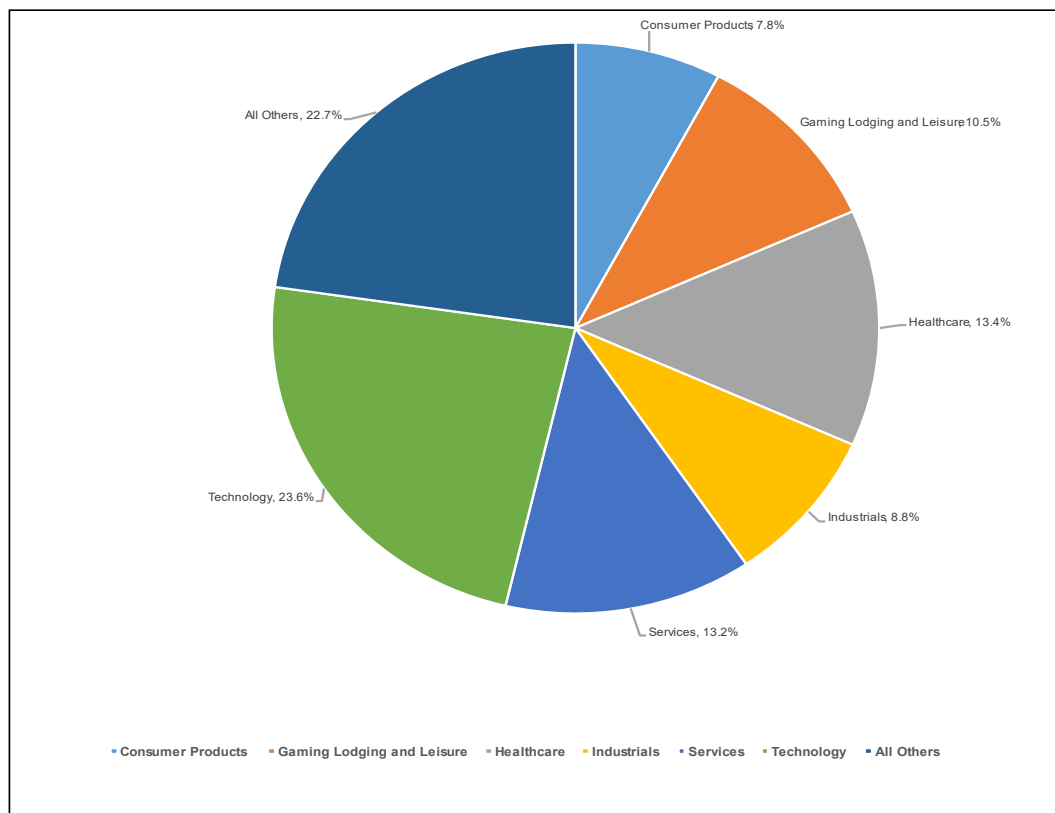
Source: JPM. Data is reported monthly.

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



**Diagram J: 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

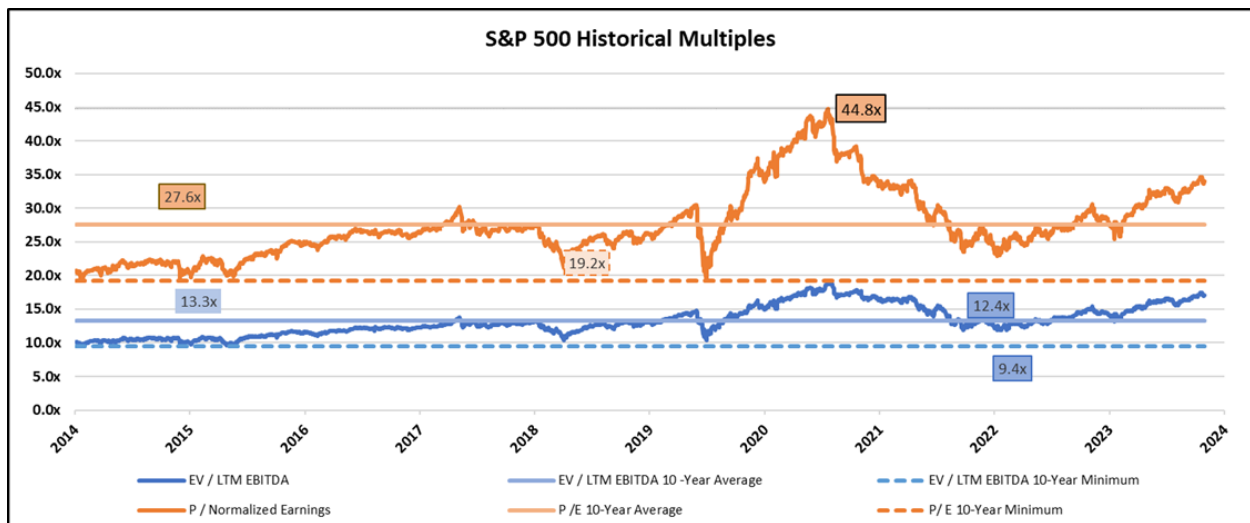
[1] Spread includes OID benefit based on 4 year repayment

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

By	4/4/25	4/11/25	4/18/25	4/25/25	Change				
					Weekly	Q4 2024	Q3 2024	Q2 2024	Q1 2024
France - 10 year	3.33%	3.35%	3.24%	3.20%	(5 bps)	28 bps	(38 bps)	49 bps	25 bps
Germany - 10 year	2.58%	2.57%	2.47%	2.47%	0 bps	24 bps	(38 bps)	20 bps	27 bps
Italy - 10 year	3.77%	3.81%	3.65%	3.59%	(6 bps)	7 bps	(62 bps)	39 bps	(2 bps)
Japan - 10 year	1.12%	1.34%	1.29%	1.34%	6 bps	28 bps	(26 bps)	30 bps	17 bps
UK - 10 year	4.45%	4.75%	4.57%	4.50%	(7 bps)	57 bps	(13 bps)	20 bps	44 bps
US									
US - 2 year	3.76%	3.85%	3.76%	3.78%	2 bps	60 bps	(110 bps)	7 bps	34 bps
US - 5 year	3.87%	4.01%	3.97%	3.91%	(7 bps)	83 bps	(84 bps)	7 bps	42 bps
US - 10 year	4.18%	4.37%	4.41%	4.28%	(13 bps)	79 bps	(65 bps)	8 bps	43 bps
US - 30 year	4.62%	4.81%	4.90%	4.73%	(17 bps)	65 bps	(48 bps)	10 bps	43 bps

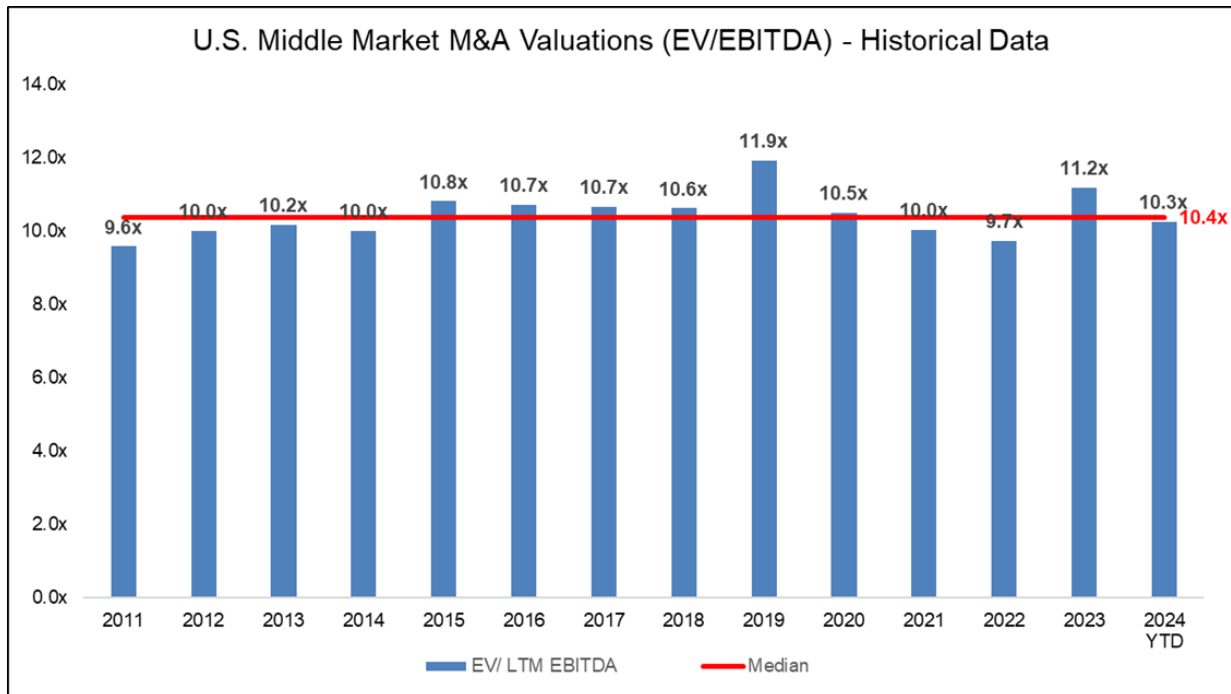
Source: Bloomberg

## Diagram M: S&P 500 Historical Multiples



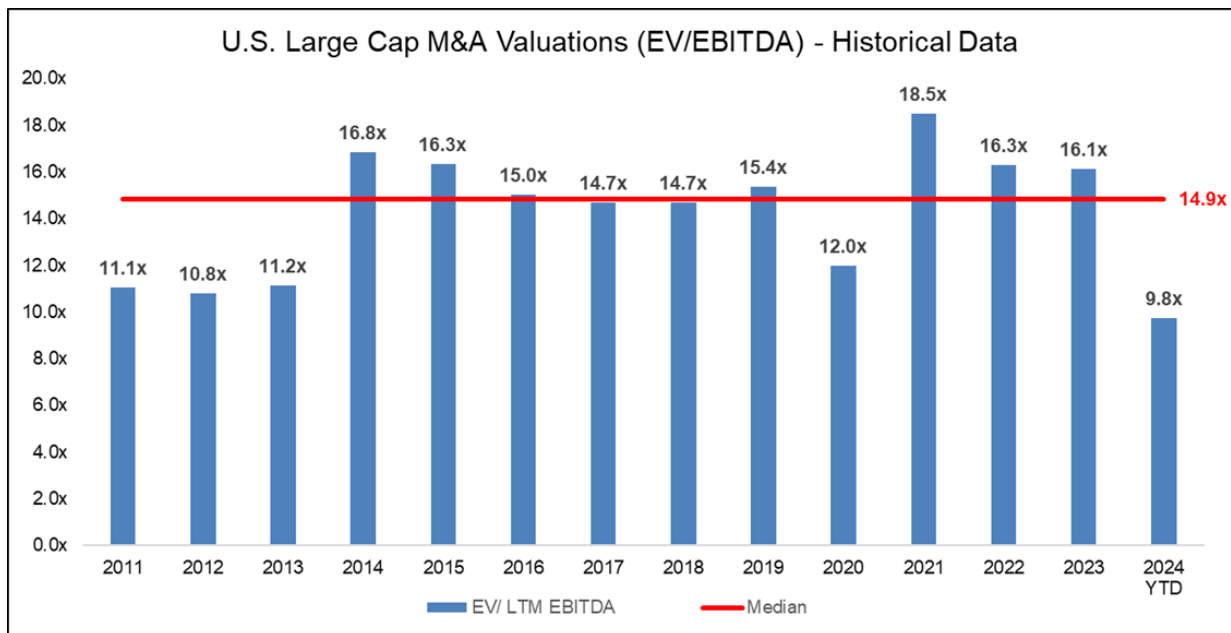
Source: S&P Capital IQ

**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

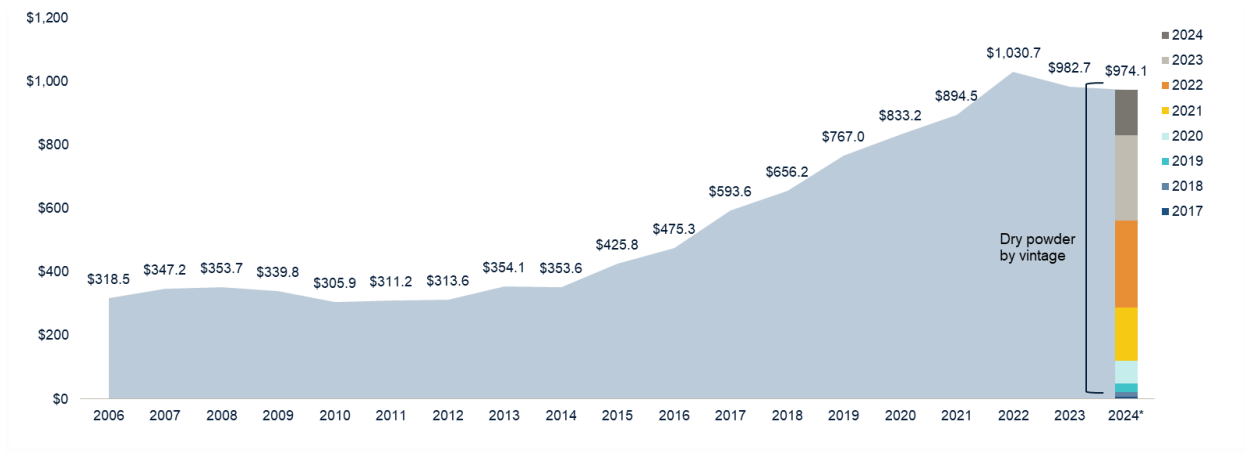
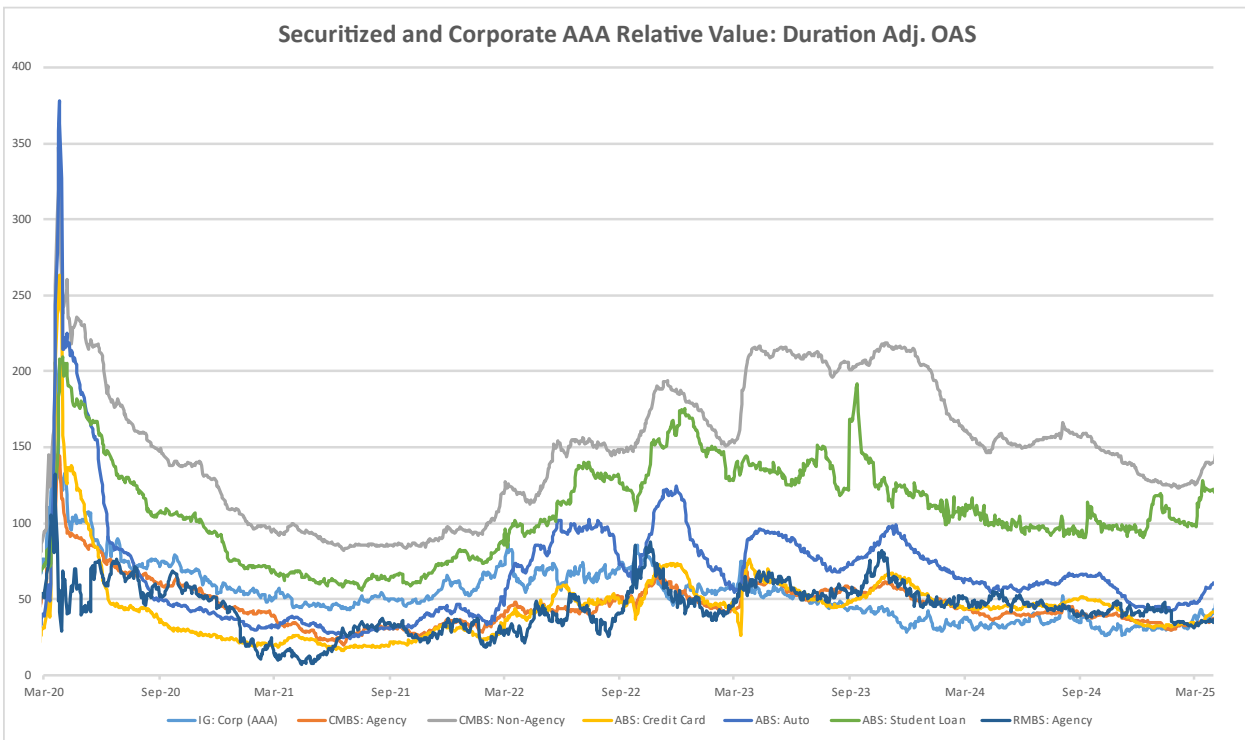
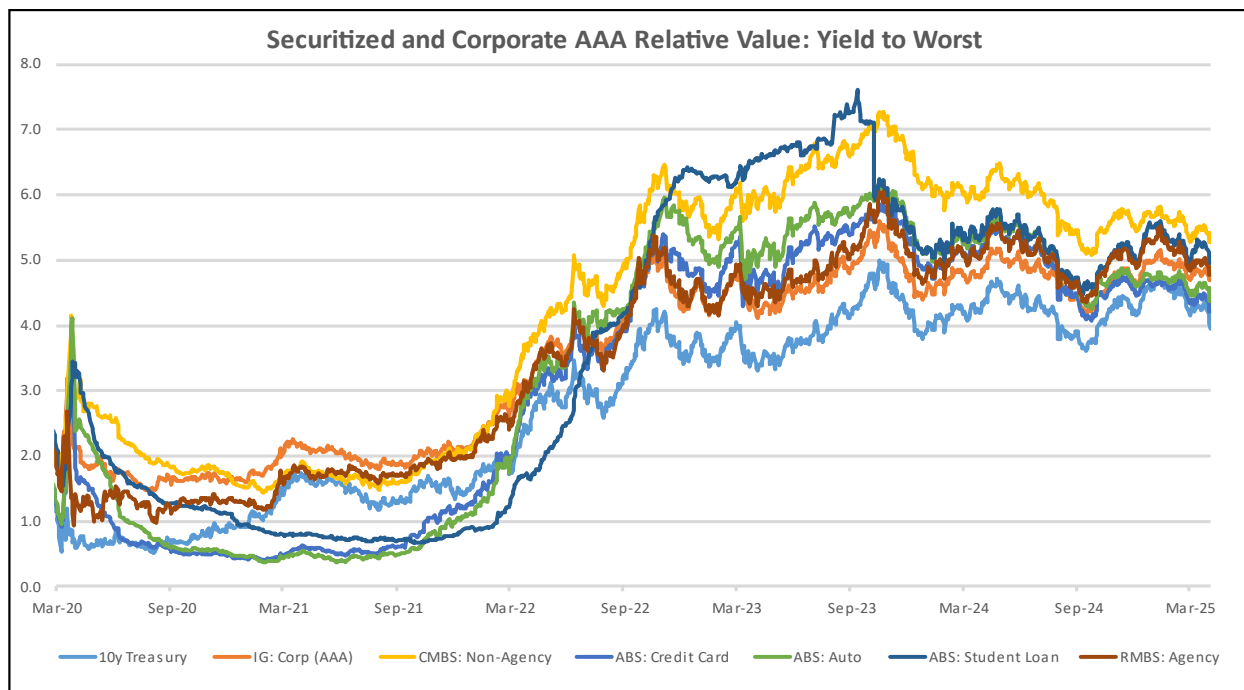


Diagram Q: Structured Credit Spreads



Source: Bloomberg

**Diagram R: Structured Credit Yield**



Source: Bloomberg

**Diagram S: SOFR Curve**

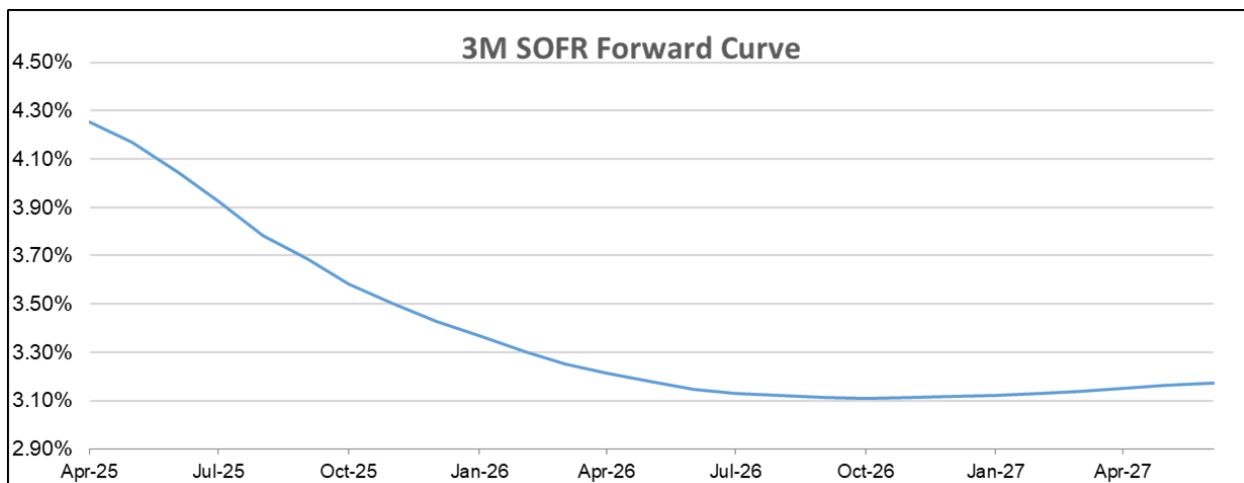
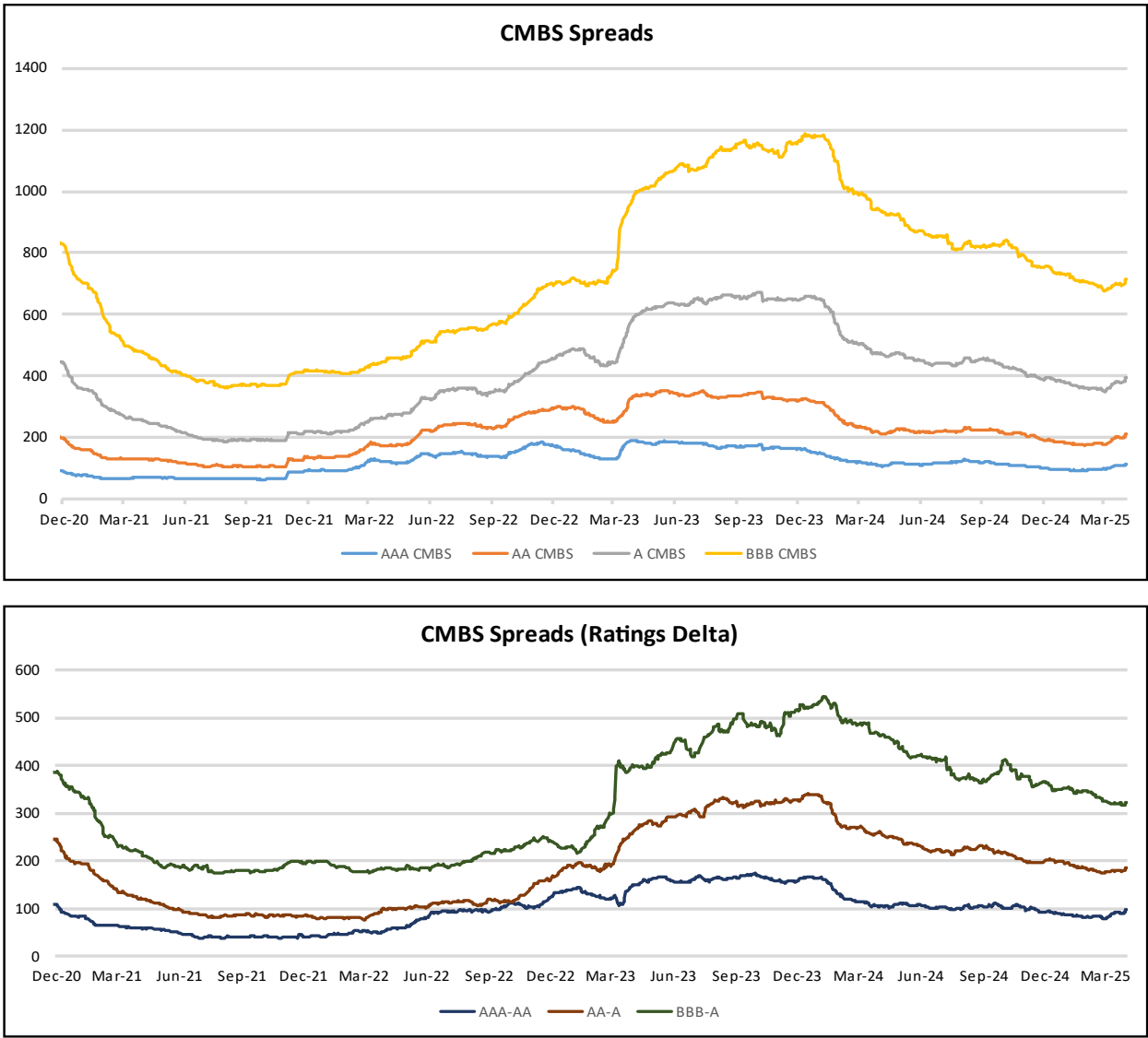


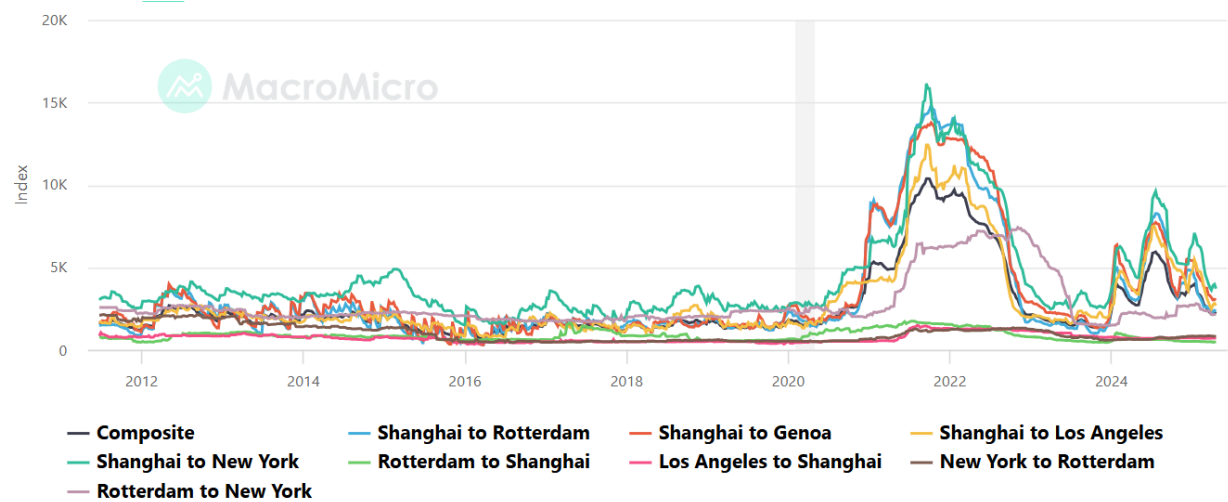
Diagram T: CMBS Spreads



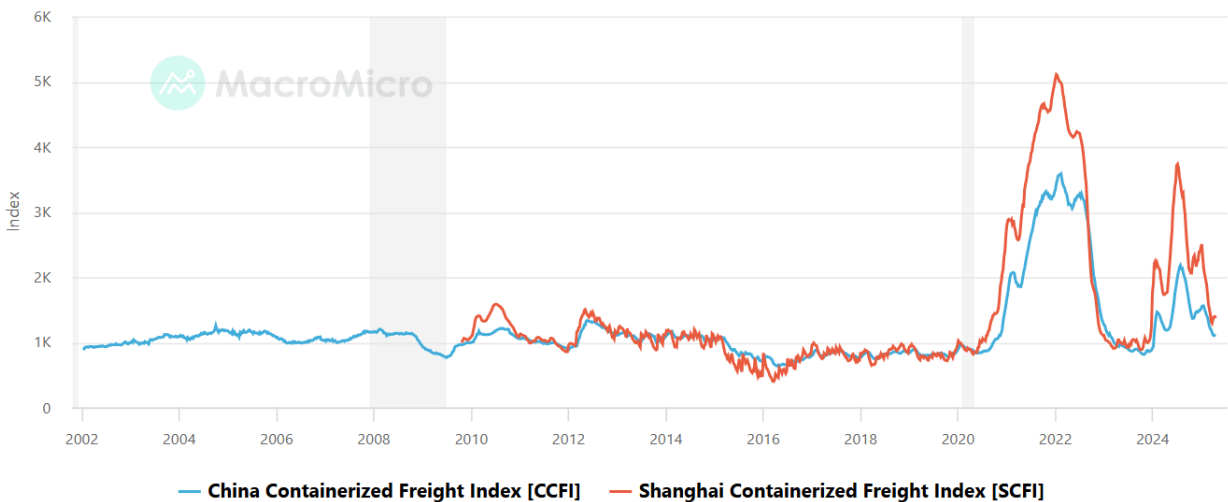
Source: Bloomberg

# 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](http://www.zcg.com).

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## 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](http://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](http://www.haptiq.com).

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PERFORMANCE

Market Indices	25-Apr	17-Apr	WoW Change	YTD Change	YoY Change
DJIA	40,113.50	39,142.23	2.48%	(5.71%)	4.30%
S&P 500	5,525.21	5,282.70	4.59%	(6.06%)	8.94%
NASDAQ	17,382.94	16,286.45	6.73%	(9.98%)	10.63%
MSCI - EAFE	2,460.46	2,396.20	2.68%	8.78%	7.78%
MSCI - Emerging Markets	1,097.10	1,068.59	2.67%	2.01%	6.03%
US Dollar Index	99.47	99.23	0.24%	(8.31%)	(6.03%)
VIX	24.84	29.65	(16.22%)	43.17%	58.32%

Market Ratios

	25-Apr	17-Apr	WoW Change	YTD Change	YoY Change
CBOE Put/Call Ratio	0.64	0.54	18.52%	39.13%	(9.86%)

Commodities Indices (\$ USD)

Metric	25-Apr	17-Apr	WoW Change	YTD Change	YoY Change
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Core Commodity Index	CRY Index	298.46	296.38	0.70%	0.59%	0.46%
Gasoline - Pump	Gallon	3.15	3.16	(0.06%)	2.97%	(9.34%)
Gasoline - Futures	Gallon	2.12	2.10	0.96%	5.87%	(22.51%)
Crude Oil - WTI	Barrel	63.02	64.68	(2.57%)	(12.13%)	(26.90%)
Crude Oil - Brent	Barrel	66.87	67.96	(1.60%)	(10.41%)	(23.39%)
Natural Gas	MM BTU	2.94	3.25	(9.49%)	(19.16%)	65.93%
Coal (1 contract = 1,000 tons)	Contract	185.14	185.14	0.00%	(1.87%)	(13.78%)

Aluminum	Metric Ton	2,428.00	2,382.00	0.02%	(4.84%)	(6.72%)
Copper	Metric Ton	9,374.00	9,203.50	1.85%	6.91%	(4.09%)
Iron Ore	Metric Ton	99.92	100.05	(0.13%)	(3.56%)	(8.52%)
Steel - Hot Rolled Coil	Metric Ton	944.00	940.00	0.43%	27.05%	9.39%
Steel - Cold Rolled Coil	Metric Ton	1,162.50	1,162.50	0.00%	27.75%	(3.93%)
Ferrous Scrap	Metric Ton	470.00	470.00	0.00%	11.90%	3.98%
Lumber	27.5k Board Feet	646.00	642.00	0.62%	11.28%	0.47%
Gold	Troy Ounce	3,319.72	3,326.85	(0.21%)	26.49%	43.33%
Silver	Troy Ounce	33.11	32.56	1.71%	14.56%	21.90%

Cotton	Pound	66.17	64.20	3.07%	2.84%	(23.23%)
Butter	Pound	2.28	2.34	(2.67%)	(10.59%)	(23.23%)
Cheese	Pound	1.74	1.73	0.35%	(8.58%)	(2.96%)
Cocoa	Pound	4.26	3.76	13.22%	(14.93%)	22.74%
Corn	Bushel	4.79	4.82	(0.73%)	4.42%	9.37%
Milk, Non Fat Dry	Pound	1.18	1.19	(0.63%)	(15.29%)	1.51%
Soybean	Bushel	10.50	10.37	1.28%	5.16%	(9.97%)
Sugar	Pound	0.18	0.18	1.39%	(5.61%)	(9.10%)
Wheat	Bushel	5.30	5.49	(3.42%)	(3.90%)	(10.85%)
Live Cattle	Pound	2.14	2.10	2.11%	10.52%	17.66%
Lean Hogs	Pound	0.93	0.90	2.65%	14.15%	(4.67%)
Beef, USDA Ground	Pound	3.36	3.32	1.50%	3.78%	13.78%
Chicken, Boneless & Skinless	Pound	4.16	4.16	0.00%	1.36%	1.32%

Currencies	Metric	25-Apr	17-Apr	2025	2026	10-Year Historicals
Japanese Yen	USDJPY	143.670	142.180	142.000	137.000	99.890
Chinese Renminbi	USDCNY	7.287	7.300	7.350	7.300	6.195
Swiss Franc	USDFX	0.828	0.817	0.850	0.860	0.815
British Pound	GBPUSD	1.332	1.330	1.320	1.350	1.069
Euro Zone Euro	EURUSD	1.137	1.139	1.120	1.150	0.959

TECHNICALS (Supply / Demand)

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

Week Ending	Bank Loans	High Yield
24-Apr-25	\$ (648)	\$ (1,529)
16-Apr-25	\$ (1,477)	\$ (1,641)
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
Year To Date 2025	\$ 823	\$ (5,670)
Year Ended December 31, 2024	\$ 21,086	\$ 19,373
Year Ended December 31, 2023	\$ (18,051)	\$ (17,252)

NEW ISSUE SUMMARY

Institutional Loans	4/25/2025	Deals	Amt (\$mm)
Priced	Prior Week	2	2,400
In-Market Forward Calendar		2	1,400
High Yield	4/25/2025	Deals	Amt (\$mm)
Priced	Prior Week	3	4,400
In-Market Forward Calendar		0	0

ECONOMIC DATA RECAP

Key Economic Indicators:	Period Ending	Actual	Expected	Prior
Initial Jobless Claims	4/19/2025	222K	222K	215K
Continuing Claims	4/12/2025	1,841K	1,869K	1,885K
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		3/31/2025	4.02M	4.13M	4.26M
Housing Starts		3/31/2025	1,324K	1,420K	1,501K
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		3/31/2025	9.2%	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		24-Apr	17-Apr	WoW Change	YoY Change
Fed Total Assets	\$ in Billions	6,726,930.0	6,727,113.0	(0.0%)	(9.1%)

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%	2.5%	3.2%	3.7%	2.9%	2.7%
Brazil	4.6%	0.5%	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	25-Apr	17-Apr	WoW Change	YTD Change	YoY Change
S&P/LSTA Leveraged Loan Index	4,073.25	4,043.81	0.73%	0.27%	6.16%
Barclays High Yield Index	2,712.91	2,678.35	1.29%	1.11%	8.90%
Barclays Aggregate	2,247.64	2,232.29	0.69%	2.68%	7.32%

Loan Market Bids	25-Apr	17-Apr	WoW Change	YTD Change
S&P Flow Name Index	95.19	94.71	0.51%	(1.22%)
S&P 100 Name Index	97.26	96.53	0.75%	(0.72%)
S&P BB's Index	98.87	98.42	0.46%	(1.23%)
S&P B's Index	96.91	96.31	0.62%	(2.24%)
S&P CCC's Index	76.84	76.21	0.83%	0.47%

Loan Market Spreads	25-Apr	17-Apr	WoW Change	YTD Change
S&P BB's Index	S-298	S-315	(17 bps)	37 bps
S&P B's Index	S-488	S-510	(22 bps)	57 bps
S&P CCC's Index	S-1416	S-1463	(47 bps)	10 bps

Credit Default Swap - Volatility Indices	Index	25-Apr	17-Apr	WoW Change	YTD Change
Investment Grade CDS	Market	66.42	70.02	5.42%	(24.96%)
High Yield CDS	Market	404.69	424.19	4.82%	(23.03%)

Credit		25-Apr	17-Apr	WoW Change	YOY Change
High Yield	OAS - YTW	T+360	T+398	(38 bps)	53 bps
Loan Index - S&P Flow Name	DM - 3 Year	S+517	S+537	(20 bps)	10 bps

US Treasury 2-Yr	3.75%	3.80%	(5 bps)	(118 bps)
US Treasury 3-Yr	3.74%	3.80%	(6 bps)	(105 bps)
US Treasury 5-Yr	3.86%	3.94%	(8 bps)	(80 bps)
US Treasury 7-Yr	4.04%	4.12%	(8 bps)	(62 bps)
US Treasury 10-Yr	4.24%	4.32%	(9 bps)	(41 bps)
US Treasury 30-Yr	4.70%	4.80%	(10 bps)	(7 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	25-Apr	17-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	4.28%	4.27%	1 bps	(2 bps)
6M SOFR	4.14%	4.13%	2 bps	(11 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	31-Jan	31-Jan	MoM Change	YTD Change
FINRA Margin Debt	918.14	937.253	(2.04%)	2.11%

Leveraged Finance Primary Volume - \$ USD in Billions

4/25/2025	Year To Date		Year End	YoY
	2025	2024	2024	Change
Bank Debt	341.2	373.2	1,327.0	(8.57%)
Total Bonds	76.2	109.8	288.8	(30.60%)
Totals	417.4	483.0	1,615.8	(13.58%)

DEFAULT ACTIVITY

Total Loan Defaults - as of:	31-Mar	28-Feb	YE 2024
Default Rate by Total Amount of All Loans Outstanding	1.96%	1.26%	1.52%
Default Rate by Total Amount of All HY Bonds Outstanding	0.68%	0.27%	0.36%

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-Jan	31-Dec	YTD Change
SNAP Rtx Food Stamps - # of Participants	42,458	42,971	(1.19%)

Retail Sales	31-Mar	28-Feb	YTD Change
Adj. Retail & Food Services Sales Index - US Census	734.9	724.5	0.62%

U.S. Rig Count - Active Drilling Rigs, Exploring or Developing Oil & Natural Gas	25-Apr	18-Apr	YoY Change
Type			
World	Peak: 2003 to Date	# of Rigs	% Change
Oil	10/10/2014	1,609	(69.98%)
Gas	9/12/2008	1,606	(93.84%)

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	114.53	111.53	2.30%

TSA Checkpoint Travel Numbers	24-Apr	17-Apr	WoW Change	YoY Change
Weekly Traveler Throughput	17,555.2	17,616.6	(0.35%)	0.70%

Freight Rates	25-Apr	17-Apr	WoW Change	YTD Change	YoY Change
Baltic Exchange Dry Index	1,373	1,241	10.64%	37.71%	(21.23%)
Shanghai - Los Angeles Spot Rates	2,617	2,683	(2.46%)	(45.81%)	(34.38%)
Shanghai - NY Spot Rates	3,611	3,706	(2.56%)	(43.97%)	(29.04%)
Shanghai Containerized Freight Index	1,348	1,371	(1.66%)	(46.20%)	(30.55%)