

CLOVERFIELD



**BANKS ARE CUTTING UP
AND SELLING CITADEL'S
LEVERAGED LOANS TO
MUTUAL FUNDS, ETF'S,
AMONG OTHER INVESTORS**

U/FREEDOM6

CLOverfield I: The Banks Are Cutting Up & Selling Shitadel's Leveraged Loans to Mutual Funds, ETF's, Among Other Investors

Due Diligence

***Obligatory: I am not a financial advisor, and this is not financial advice. I have suffered at least 3 significant head injuries in my lifetime. Some of the information I am going to provide is speculative in nature but backed by data.**

I have done my best to break this information down to a snot bubble blowing education level, but I needed to learn a lot of information to put this all together. Most items you may be unfamiliar with will have an ELI5 within the post to the best of my ability. *Long Post Warning

TL;DR

The (Collateralized Loan Obligation) CLO market exploded with activity this year. As has Shitadel's exposure as an obligor (debtor/borrower) in the CLO market. CLOs are a form of Collateralized Debt Obligation (CDO). You know, the bad things from 2008. The banks are divvying up Shitadel's leveraged loans (among many other corporate loans) and selling them to CLO Managers whose investors (other banks, hedge funds, insurance companies, **mutual funds, ETFs**, private funds, **pension funds**, etc.) invest in the loans through securitization. Securitization regarding a CLO is the pooling of 150-200 leveraged corporate loans into a single Asset Backed Security (ABS). This process reduces exposure to the banks who initiated the loan and allows them to remove most of the loan from their balance sheet... Good for them. Better yet, Banks aren't even required to report their CLO information. Mutual funds, pension funds, and ETFs also are directly investing in portions of the loans themselves through syndication as well. Syndication is a loan being arranged by a group of lenders instead of one single lender.

~~In the event~~ When Shitadel defaults on these loans, the mutual funds, pension funds, ETFs, and other entities will be the ones left holding the bag... But, aren't mutual funds and ETFs common investment strategies for individual investors and retirement funds? Yes, they certainly are. **Anyone invested in those mutual funds and ETFs will [share a proportional risk of the default](#).**

So, the money that you, your mom, wife's boyfriend, or **retirement plan** put into the effected mutual fund or ETF will be at risk to Shitadel's loan defaults. "In 2020, an estimated 102.5 million individual investors owned mutual funds—and at year-end 2020, these investors held 89 percent of total mutual fund assets, directly or through retirement accounts." [\[SOURCE\]](#)

We can only speculate at which funds hold CLOs containing Shitadel's loans, BUT this post will include proof of how Shitadel's loans are ending up directly in mutual funds and ETFs through syndication.

It appears the now nearly \$1T CLO market, did not fare well during the mini market crash in March 2020. I wonder how it will do during the next financial crisis.

COLLATERALIZED LOAN OBLIGATIONS

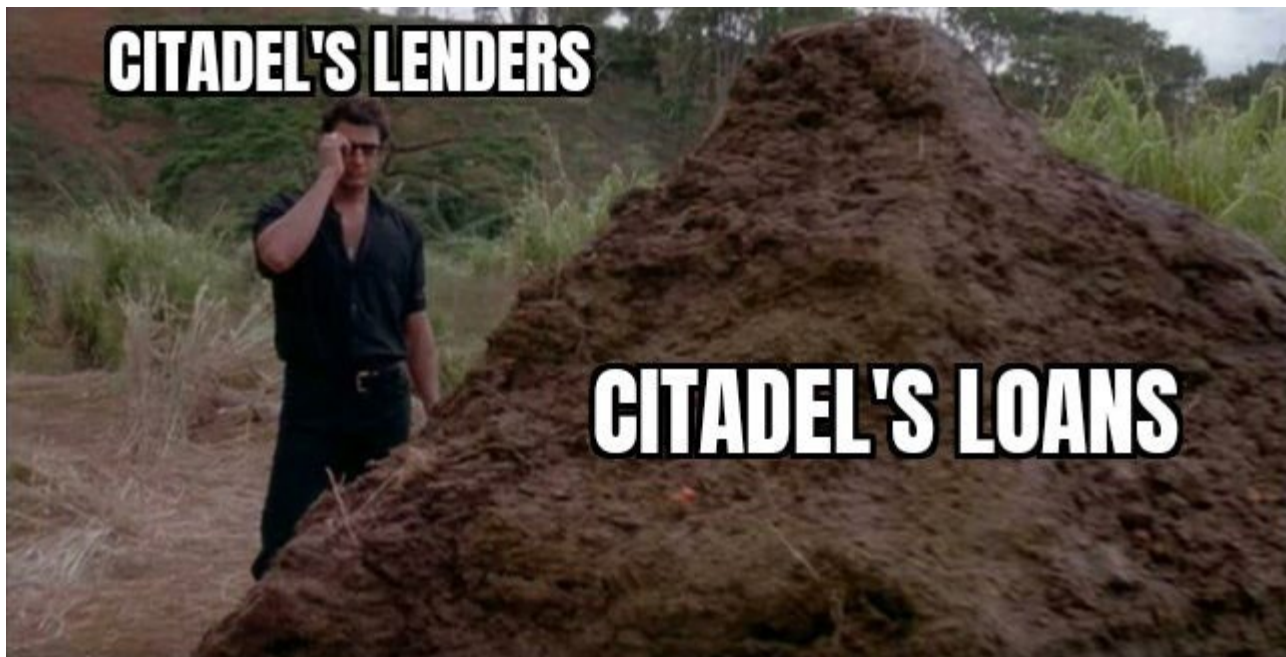
Member wen Collateralized Debt Obligations (CDO) were responsible for a large part of the Great Recession? Now it's time to investigate CDO's ugly cousin, Collateralized Loan Obligations (CLO) and how Shitadel's loans are involved in the market. CLOs are a type of CDO, but instead of all-encompassing debt or mortgage debt, they are composed primarily of leveraged corporate loans, usually for troubled businesses... "Despite their obvious resemblance to the villain

of the last crash, CLOs have been praised by Federal Reserve Chair Jerome Powell and Treasury Secretary Steven Mnuchin for moving the risk of leveraged loans outside the banking system... So, what sort of debt do you find in a CLO? Fitch Ratings has estimated that as of April (2020), more than 67 percent of the 1,745 borrowers in its leveraged-loan database had a B rating. That might not sound bad, but B-rated debt is lousy debt.” [The Looming Bank Collapse](#) (Highly recommend reading this article, the author might have been early, but he won't be wrong)

Alex, give me “things that will fail” for \$200, please: You can wrap a large amount (150-200) of leveraged BBB/BB/B rated corporate loans up into a single security and call it an investment-grade security because the chance of default of a large portion of loans is slim, unless you know, something happened to the market’s overall generally positive direction and loans started to default. Sound familiar? It should, because that’s what was happening with Mortgaged Backed Securities (MBS) prior to the crash in 2008. [CLO Structure](#)

Shitadel is currently given a BBB- credit rating by [S&P Global Ratings](#). Some of their loans are being labeled as junk loans and securitized into a collateralized loan obligation where; insurance companies, banks, hedge funds, **mutual funds**, **pension funds**, private funds, **ETFs**, etc. invest in them. This typically happens because a company has maxed out their borrowing and can no longer sell bonds directly to investors, they no longer qualify for a traditional bank loan, or they are taking part in a leveraged buyout of a company through mergers and acquisitions. So, these loans are labeled as “[leveraged loans](#)” which carries a higher interest rate for the borrower/debtor and makes them enticing prospects for CLO managers because of the higher interest yield.

The same entities listed above also directly invest in Shitadel’s leveraged loans by becoming a syndicate of the loan. This is where a group of lenders get together to finance a loan. Instead of one financier of the loan, you have many, with each taking on a chunk of the loan. Later in this post I will include some NPORT filings for Mutual Funds and ETFs containing these loans. Do Shitadel’s lenders not want these shitty loans on their books?



The positive piece for the banks regarding Shitadel's loans being pushed into the CLO market is that even though the banks are the entities that initiated the loans, they have removed a lot of exposure to these loans when they fail because quite a bit of that exposure has been passed along to the CLO investors through the securitization process and through the syndication of the loans.

The question I continue to come back to is, what purpose does this derivative market serve? If the banks are the entities initiating the loan and the loan pays them well, why don't they want it?... IMO The reason this market exists and is exploding is because the banks have created a way to spread out the disaster when the market comes tumbling down... AGAIN. These securities are dog shit wrapped cat shit. It's a bunch of B/BB/BBB grade leveraged corporate loans lumped together to make a sausage of dog shit wrapped cat shit and call it an investment grade security, or individual bites in the case of syndicated loans. *Stares at JPM*:

28 Jan, 2021

Citadel Securities allocates \$3B term loan for refinancing; terms

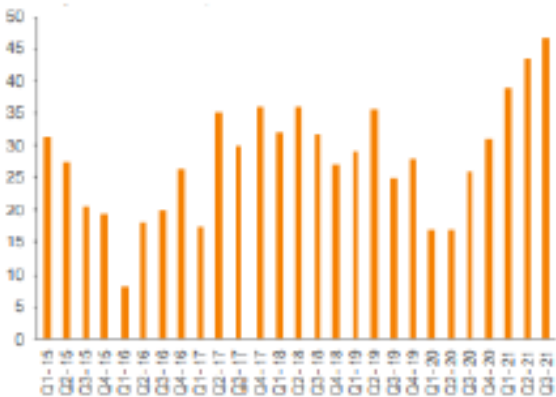
Citadel Securities LLC wrapped a \$3 billion term loan B due February 2028 at pricing of L+250, with a 0% Libor floor and an issue price of 99.875 in a **J.P. Morgan-led transaction**, according to sources. The loan broke for trading at 100/100.5. Terms were finalized at talk with a \$500 million upsizing. Proceeds will be used to refinance the issuer's roughly \$2 billion existing TLB due February 2026 (L+275, 0% floor) and will provide funds for general corporate purposes, including trading capital. Citadel Securities LP is a global-market maker in equities, options and fixed income.

<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/citadel-securities-allocates-3b-term-loan-for-refinancing-terms-62337677>

CLO MARKET SIZE & CONDITION

U.S. CLO Issuance (\$ Billions)

January 1, 2015 to September 30, 2021



The CLO market took a pretty significant dive in new issuances in Q1-2020, which is to be expected with the mini market crash in March, 2020, but it has rebounded to set multiple quarterly records for new issuances since that time. Pretty crazy how high it has jumped since the beginning of 2021... Almost as if, banks haven't wanted these assets liabilities on their balance sheet since Q1-2021... Hmm. As of Q3-2021, Voya Investment Management had the CLO market sized to above \$820B with anticipation of it hitting \$850B by yearend 2021 (it is estimated that the CDO market was worth roughly \$640B in 2007). I believe it is higher than this just based off the amount of CLO Funds being created at the end of 2021, See: <https://www.dtcc.com/legal/important-notice>

So, during an economic downturn, how would these CLOs fair? In April 2020 (after the mini crash of March 2020) the Federal Reserve announced that its \$2.3T lending would include loans to CLOs:

April 09, 2020

Federal Reserve takes additional actions to provide up to \$2.3 trillion in loans to support the economy

For release at 8:30 a.m. EDT

Share ➡

To support further credit flow to households and businesses, the Federal Reserve will broaden the range of assets that are eligible collateral for TALF. As detailed in an updated term sheet, TALF-eligible collateral will now include the triple-A rated tranches of both outstanding commercial mortgage-backed securities and newly issued **collateralized loan obligations**. The size of the facility will remain \$100 billion, and TALF will continue to support the issuance of asset-backed securities that fund a wide range of lending, including student loans, auto loans, and credit card loans.

[Federal Reserve Board - Federal Reserve takes additional actions to provide up to \\$2.3 trillion in loans to support the economy](#)

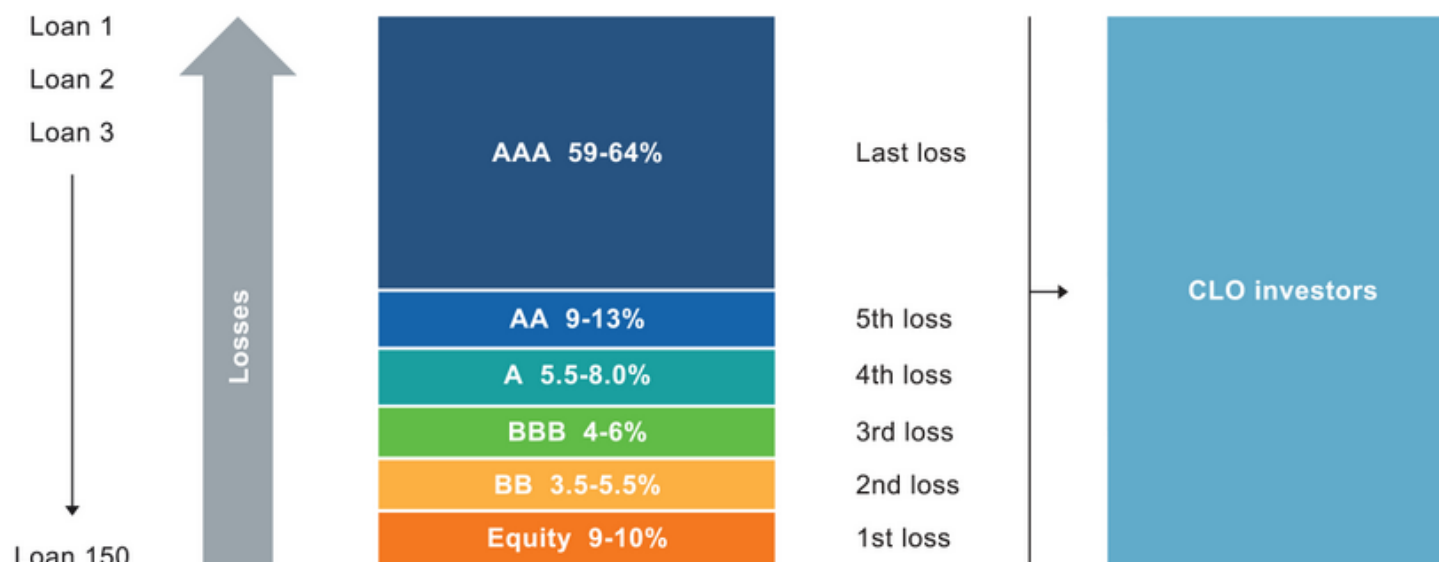
If the CLO market is strong and in good shape, why do the market participants need access to the lending facility? Did the economic downturn have negative effects on issued CLOs? Of course, it did. Publicly traded companies are smeared all over the CLO Obligor lists. If their share price deteriorates and the company begins losing money, it's going to be tough to pay off all these loans.

CLO RISK

Not all CLO investors share the same risk. Securitization is the pooling of loans (Shitadel's and others) into a single security. From there, entities can invest in the various tranches of the CLO. Think of tranches as levels within the CLO security. The senior tranche does not suffer losses until the lower tranches have been wiped out. Below the senior tranche are the mezzanine tranches, junior tranches, and the equity tranche. The equity tranche has the most risk, but also the most rewards should obligors continue to pay their loans off. The equity tranche suffers losses first, followed by

the junior tranches, then the mezzanine tranches in the event underlying loans default. Insurance companies and financial institutions typically buy up the senior tranches. The junior (higher risk) tranche level is where mutual funds and ETFs typically invest. Mutual funds and ETFs are common types of retail funds, so, when Shitadel's loans go belly up, guess who holds the bag on those loans?

Chart 3
Subordination in Typical CLO Tranche Structure



NOTES: CLO refers to collateralized loan obligation. Percentages represent the typical share of debt tranches with indicated credit rating.
SOURCES: Morgan Stanley Research; Federal Reserve Bank of Dallas.

Federal Reserve Bank of Dallas

I've read so many articles about how AAA CLO tranches have never defaulted and why that makes these investment vehicles safe, but the problem I have with these articles is this:

1. The banks invested in the senior tranches of CLOs may be the safest, but if the market comes down and several loans begin to fail, even the banks will take losses,
2. The mutual funds (retirement funds) and ETFs have a higher degree of risk and those funds are primarily made up of regular people's retirement, and when Shitadel's loans start to fall, it will be the individual investors invested in those funds that take the initial hit,
3. They said the same thing about CDOs... And that didn't go to well for CDOs in 2008, and
4. Quite a few of the articles written about how safe the CLO market is, are written by entities invested in these loans. Like Guggenheim, who's given a proverbial buttload of money to Shitadel, as you'll see.

MUTUAL FUNDS INVOLVEMENT

In 2020, The FED did a [study](#) on CLOs to find out who the main investors in the market were. Since data is so hard to come by for even the FED, they had to use 2018 data for their analysis. At that time, mutual funds accounted for 18.1%

of CLO investments and roughly 1/3 of those funds were invested in mezzanine, junior, and equity tranches of the represented CLOs. My assumption is that these numbers have grown due to the overall growth of the CLO market and the number of NPORT-P, and previously used N-Q forms, that have been filed since 2018 (NPORTs are quarterly holdings reports for mutual funds and ETFs and N-Qs were bi-yearly until phased out completely in 2020).

These are the number of times N-Q/NPORTs containing the search phrase “Collateralized Loan Obligation” was mentioned from 2018 – 2021 (N-Q forms are extrapolated to meet the number of filings for NPORT-P filings):

Year	# NPORTs/N-Qs containing “Collateralized Loan Obligation”
2018	700 (only N-Q, data extrapolated)
2019	989 (N-Q (data extrapolated) + NPORTS)
2020	3160 (N-Q (data extrapolated) + NPORTS)
2021	3267 (only NPORTS)

<https://www.sec.gov/edgar/search/#/q=%2522Collateralized%2520Loan%2520Obligation%2522&dateRange=custom&category=custom&startdt=2020-01-01&enddt=2020-12-31&forms=NPORT-P>

Speaking of hard to come by data, the Financial Stability Board did a [report](#) in 12/2019 indicating that they could not find the direct holders of 21% of leveraged loans and 14% of CLOs. That's... umm... A lot of missing information.

SHITADEL’S INVOLVEMENT IN CLO MARKET

Shitadel has flown up the ranks of most referenced U.S. broadly syndicated collateralized loan obligors (making interest payments to the CLO investors from issued bonds/loans) and is currently the #2 obligor for the industry of “Capital Markets”, behind Brookfield Asset Management.

Citadel Securities LP	BSL CLO Obligor Ranking (S&P Global)
Q3-2020	143 rd
Q4-2020	103 rd
Q1-2021	48 th
Q2-2021	41 st
Q3-2021	38 th

You'll need to sign up for a free membership with S&P Global to access the source docs:

[Top Obligors Q3-2020](#)

[Top Obligors Q4-2020](#)

[Top Obligors Q1-2021](#)

[Top Obligors Q2-2021](#)

[Top Obligors Q3-2021](#)

Citadel Securities LP, which is one of Citadel's entities, is the firm being used as the obligor to these loans.

Here's the number of NPORTS and N-Q's filed containing the search words "Citadel Securities LP":

Year	# NPORTS/N-Q's containing "Citadel Securities LP"
2018	0
2019	157
2020	1066
2021	1651

<https://www.sec.gov/edgar/search/#/q=%2522Citadel%2520Securities%2520LP%2522&dateRange=custom&category=custom&startdt=2020-01-01&enddt=2020-12-31&forms=NPORT-P>

I've evaluated A LOT of these funds and every one that I have looked at has contained Shitadel's loan:

Citadel Securities LP Term Loan B 1L, (LIBOR USD 1-Month + 2.500%), 2.50%, 2/27/28 (the \$3B loan that was refinanced, arranged by JPM)

I've also found you can search "Citadel Finance LLC" in the NPORTs to access mutual funds/ETFs invested in Shitadel's "debt". These are investments in the \$600M Callable Senior Notes issued March, 2021.

In a market valued at nearly \$1T, Shitadel is now the 38th most referenced obligor. Meaning, they have roughly the 38th highest amount of recurring interest payments on their loans. The only other "Capital Markets" industry participant who has flown up the ranks similarly, albeit not as dramatic to Shitadel is Jane Street Group, who was the 112th largest obligor at the end of Q3-2020 and is now the 55th largest (#3 for Capital Markets). In terms of buying leveraged loans directly through syndication, the Jane Street and Shitadel loans end up in a lot of the same mutual funds/ETFs.

NPORT FILINGS & SYNDICATED LEVERAGED LOANS

Mutual Funds, ETFs, etc. can directly invest in "leveraged loans" through syndication (where the loan is broken up and multiple lenders take on small pieces of the loans). We can actually see these loans within the fund's holdings. Here's a sampling of mutual funds/ETFs that filed NPORTS in 11/2021 carrying Shitadel's loans:

Form & File	Filed	Reporting for	Filing Entity	Loan \$
NPORT-P	11/29/2021	9/30/2021	GUGGENHEIM FUNDS TRUST	\$62,685,000.00
NPORT-P	11/24/2021	9/30/2021	WESTERN ASSET FUNDS INC	\$30,254,192.63
NPORT-P	11/18/2021	9/30/2021	VIRTUS OPPORTUNITIES TRUST	\$16,236,442.41
NPORT-P	11/29/2021	9/30/2021	GUGGENHEIM FUNDS TRUST	\$11,442,500.00
NPORT-P	11/24/2021	9/30/2021	PIMCO FUNDS	\$10,497,250.00
NPORT-P	11/29/2021	9/30/2021	Natixis Funds Trust I	\$10,157,273.43
NPORT-P	11/24/2021	9/30/2021	GOLDMAN SACHS TRUST	\$ 9,092,404.76
NPORT-P	11/24/2021	9/30/2021	VIRTUS ASSET TRUST	\$ 8,656,500.00
NPORT-P	11/24/2021	9/30/2021	Brighthouse Funds Trust II	\$ 6,019,361.62
NPORT-P	11/24/2021	9/30/2021	PIMCO FUNDS	\$ 5,970,000.00
NPORT-P	11/29/2021	9/30/2021	GUGGENHEIM FUNDS TRUST	\$ 4,477,500.00
NPORT-P	10/27/2021	8/31/2021	COLUMBIA FUNDS SERIES TRUST I	\$ 3,491,250.00
NPORT-P	11/23/2021	9/30/2021	PIONEER SERIES TRUST X	\$ 2,468,455.70
NPORT-P	11/24/2021	9/30/2021	PIMCO FUNDS	\$ 2,388,000.00
NPORT-P	11/24/2021	9/30/2021	CITY NATIONAL ROCHDALE FUNDS	\$ 2,189,000.00
NPORT-P	11/18/2021	9/30/2021	VIRTUS OPPORTUNITIES TRUST	\$ 1,946,347.18
NPORT-P	11/29/2021	9/30/2021	Investment Managers Series Trust	\$ 1,727,572.48
NPORT-P	11/18/2021	9/30/2021	VIRTUS OPPORTUNITIES TRUST	\$ 1,707,372.61
NPORT-P	11/24/2021	9/30/2021	ADVANCED SERIES TRUST	\$ 1,606,659.80
NPORT-P	11/29/2021	9/30/2021	PROFESSIONALLY MANAGED PORTFOLIOS	\$ 1,496,250.00
NPORT-P	11/12/2021	9/30/2021	Franklin Templeton ETF Trust	\$ 1,442,750.00
NPORT-P	11/26/2021	9/30/2021	PACIFIC SELECT FUND	\$ 1,115,896.24
NPORT-P	11/24/2021	9/30/2021	ADVANCED SERIES TRUST	\$ 1,025,587.65
NPORT-P	11/26/2021	9/30/2021	SEI INSTITUTIONAL MANAGED TRUST	\$ 1,004,937.28
NPORT-P	11/10/2021	9/30/2021	Mercer Funds	\$ 895,626.72
NPORT-P	11/24/2021	9/30/2021	JNL SERIES TRUST	\$ 895,500.00
NPORT-P	11/29/2021	9/30/2021	GREAT-WEST FUNDS INC	\$ 761,175.00
NPORT-P	11/18/2021	9/30/2021	VIRTUS OPPORTUNITIES TRUST	\$ 731,325.00
NPORT-P	11/26/2021	9/30/2021	SEI INSTITUTIONAL MANAGED TRUST	\$ 689,559.30
NPORT-P	11/18/2021	9/30/2021	VIRTUS EQUITY TRUST	\$ 656,700.00
NPORT-P	11/29/2021	9/30/2021	Highland Funds I	\$ 598,496.24
NPORT-P	11/24/2021	9/30/2021	PIMCO FUNDS	\$ 597,000.00
NPORT-P	11/29/2021	9/30/2021	PROFESSIONALLY MANAGED PORTFOLIOS	\$ 498,750.00
NPORT-P	11/1/2021	9/30/2021	Voya FUNDS TRUST	\$ 498,746.86
NPORT-P	11/26/2021	9/30/2021	MASSMUTUAL SELECT FUNDS	\$ 453,978.00
NPORT-P	11/29/2021	9/30/2021	Guggenheim Variable Funds Trust	\$ 447,750.00
NPORT-P	11/24/2021	9/30/2021	Brighthouse Funds Trust I	\$ 388,050.00
NPORT-P	11/24/2021	9/30/2021	JNL SERIES TRUST	\$ 328,350.00
NPORT-P	11/22/2021	9/30/2021	FRANKLIN LTD DURATION INCOME TRUST (F	\$ 296,155.28
NPORT-P	11/24/2021	9/30/2021	VIRTUS VARIABLE INSURANCE TRUST	\$ 268,650.00
NPORT-P	11/18/2021	9/30/2021	AdvisorShares Trust	\$ 253,862.16
NPORT-P	11/29/2021	9/30/2021	Guggenheim Variable Funds Trust	\$ 248,750.00
NPORT-P	11/18/2021	9/30/2021	VIRTUS OPPORTUNITIES TRUST	\$ 243,775.00

Funds typically have more than one class of investments so each class is represented as a different series. Here are some of the funds with their series included:

Franklin Floating Rate Master Trust

- Franklin Floating Rate Income Fund (Mutual Fund)
- Loan to Citadel Securities LP \$3,243,450, maturity 2/2/2028

Guggenheim Funds Trust

- Guggenheim Floating Rate Strategies Fund (Mutual Fund)
- Loan to Citadel Securities LP, \$4,477,500, maturity 2/2/2028

Highland Funds I

- HIGHLAND/IBOXX SENIOR LOAN ETF (Ticker: SNLN) Actively traded ETF
- Loan to Citadel Securities LP \$598,496; maturity 2/28/2028

Franklin Templeton ETF Trust

- Franklin Liberty Senior Loan ETF (Ticker: FLBL) Actively Traded ETF
- Loan to Citadel Securities LP \$1,442,750, maturity 2/2/2028

Franklin Investors Securities Trust

- Franklin Floating Rate Daily Access Fund (Mutual Fund)
- Loan to Citadel Securities LP, \$4,278,500, maturity 2/2/2028

Virtus Opportunities Trust

- Virtus Newfleet Senior Floating Rate Fund (Mutual Fund)
- Loan to Citadel Securities LP, \$1,946,347, maturity 2/2/2028

LIBOR/SOFR Transition

I'm not going to go into a lot of detail on the transition from LIBOR to SOFR rates, but what you should know is this, LIBOR was the benchmark interest rate for short-term loans, but due to recent scandals and questions around its validity, it is being phased out for SOFR. New issuance CLOs must use SOFR after 12/31/2021, and legacy accounts have until 6/30/23 to refinance using SOFR. The transition to SOFR for new issuances, and as others are refinanced, will not only be a kick in the nuts to the CLO Manager, but to the CLO obligor as well (Shitadel) because SOFR rates aren't coming in nearly as cheap as easily manipulated LIBOR Rates were. The assumption is that Shitadel and other borrowers will do everything they can to avoid refinancing their CLO obligations until as late as possible as this interest increase will have an impact on the amount of \$ they need to shell out to investors. [LIBOR Deadline Prompts Surge in CLO Issuances](#)

CRIME IN CLOs

CLO funds also have their fair share of crime occurring just like the rest of the financial market. This article from 2/4/2021 [CIO Pleads Guilty to \\$100M CLO Fraud](#) shows us how fraudulent this market can be. IIG's CIO and managing partner plead guilty *"to investment adviser fraud, securities fraud, and wire fraud in connection with more than a \$100 million scheme to defraud the firm's clients and investors."* According to the charges, David Hu and an unnamed co-conspirator *"obtained approximately \$220 million in bank financing to create a collateralized loan obligation trust, or CLO, for which IIG served as an investment adviser."*

"David Hu admitted to shirking his fiduciary responsibilities and defrauding IIG funds and investors for more than a decade, causing millions of dollars of losses," Audrey Strauss, US Attorney for the Southern District of New York, said in a statement. "Hu mismarked millions of dollars of loan assets, falsified paperwork to create fake loans, sold overvalued and fake loans, and used the proceeds from those sales to pay off earlier investors, and falsified paperwork to deceive auditors and avoid scrutiny."

Looks like the CLO market is just as dark and seeded as any other market. Sounds 'bout right.

TOP CLO MANAGERS

This post is so long and I haven't even gotten to the top CLO managers. Here's some familiar faces:

	CLO Manager	Global CLO AUM (\$ bn)	US BSL	US MM	EUR
1	Blackstone	37.6	66%	4%	30%
2	Credit Suisse Asset Management	34.6	80%	0%	20%
3	Carlyle Group	32.9	69%	2%	29%
4	PGIM	31.9	69%	0%	31%
5	Golub Capital	27.1	27%	73%	0%
6	CIFC Asset Management	27.0	92%	0%	8%
7	Ares Management	26.1	70%	14%	16%
8	KKR Financial Advisors	23.6	60%	5%	35%
9	Octagon Credit Investors	22.5	100%	0%	0%
10	CVC Credit Partners	20.8	56%	0%	44%
11	Sound Point Capital Management	19.2	83%	0%	17%
12	Blackrock Financial Management	19.2	59%	12%	29%
13	Anchorage Capital Group	18.6	85%	0%	15%
14	Voya Alternative Asset Management	18.3	89%	0%	11%
15	Bain Capital Credit	17.6	71%	5%	24%
16	MJX Asset Management	17.1	100%	0%	0%
17	Neuberger Berman	16.7	96%	0%	4%
18	First Eagle Private Credit	16.4	85%	15%	0%
19	Barings	16.3	56%	10%	33%
20	Redding Ridge Asset Management	16.2	69%	0%	31%

<https://www.cloresearch.co.uk/blog/us-clo-managers-aum/>

FIN

I will be making a follow-up post to this with my speculative opinion on why Shitadel has climbed up the obligor leaderboard over the past year. I have some theories, but need more time to research. Feel free to beat me there!

The main purpose of this post was to point out Shitadel and many others' corporate loans are being sold from banks (to reduce their exposure) and bought up directly by mutual funds, pension funds, ETFs through syndication and indirectly through the CLO market. When the stock market tumbles, this market will tumble too.

In the meantime, here's a teaser: CLOs are often backed by corporate loans with low credit ratings or loans taken out by private equity firms to conduct leveraged buyouts through mergers or acquisitions... I wonder how many times Shitadel has filed an SC-13G form claiming beneficial ownership of acquisition companies. According to an Edgar full text search, this many times:

Year	# SC-13G filed by Citadel Advisors for "Acquisition" companies
2018	1
2019	0
2020	28 (26 of 28 filed in Q4)
2021	284

[https://www.sec.gov/edgar/search/#/q=acquisition&dateRange=custom&category=custom&ciks=0001423053&entityName=CITADEL%2520ADVISORS%2520LLC%2520\(CIK%25200001423053\)&startdt=2021-01-01&enddt=2022-01-07&forms=SC%252013G](https://www.sec.gov/edgar/search/#/q=acquisition&dateRange=custom&category=custom&ciks=0001423053&entityName=CITADEL%2520ADVISORS%2520LLC%2520(CIK%25200001423053)&startdt=2021-01-01&enddt=2022-01-07&forms=SC%252013G)

Wut doing Ken?

As always, Tanks fo' reedin'

PS – DRS is the way.

EDIT 1: Spelling/grammar (the head injuries) - I see a formatting issue I don't like, but perfectly imperfect is a way of life.

EDIT 2: Added source link for \$2.3T lending

