

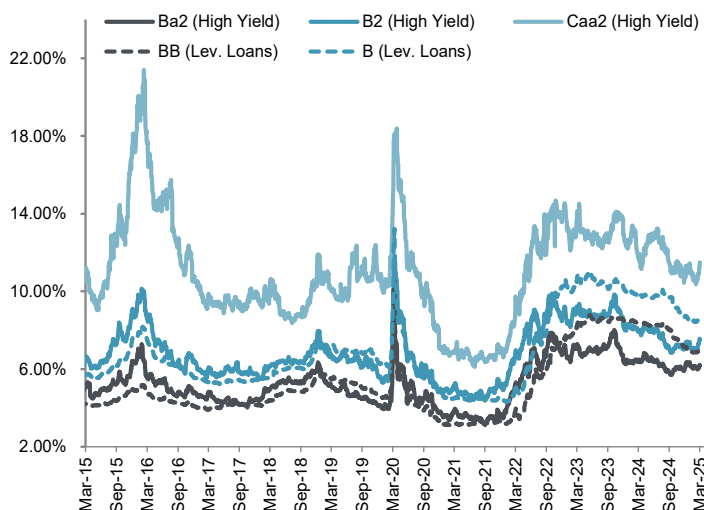
# Debt Capital Markets Update

March 17, 2025 | Issue No. 873

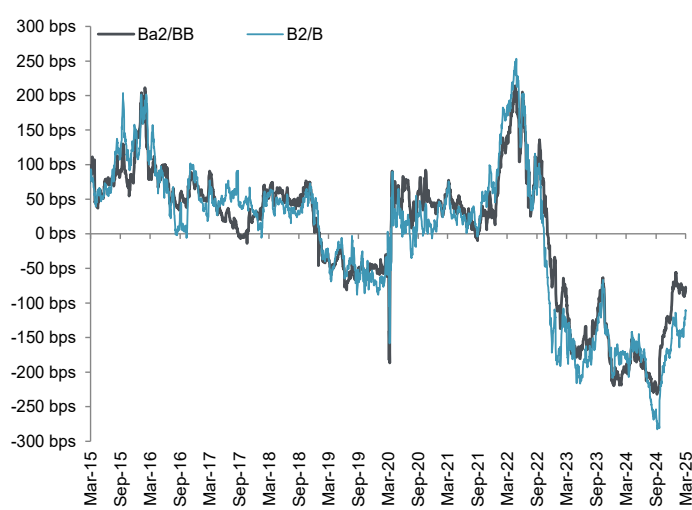
The Piper Sandler Debt Capital Markets Update is published weekly and provides a summary and analysis of debt capital markets activity.

## Loan & Bond Yields and Volume

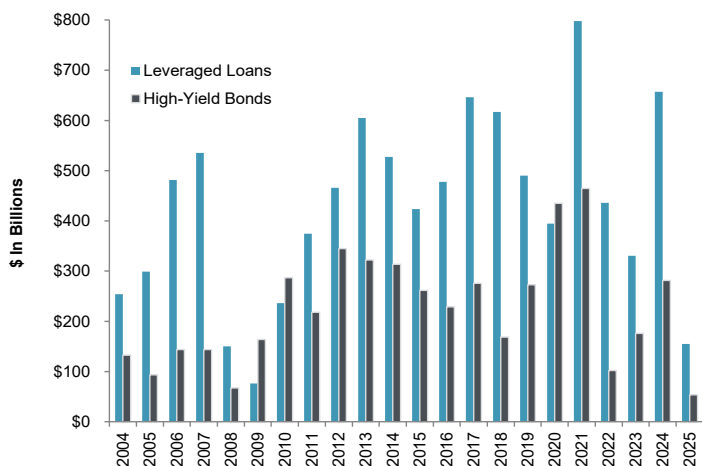
### LEVERAGED LOAN & HY YIELDS BY RATING



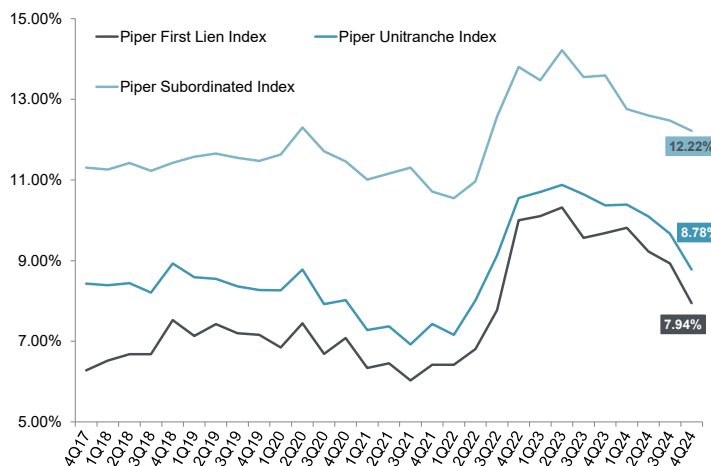
### LEVERAGED LOAN & HY YIELD SPREAD



### LEVERAGED LOAN & HY VOLUME



### HISTORICAL MIDDLE MARKET PRICING<sup>(1)</sup>



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1) Quarterly survey results of middle market lending institutions, including private credit funds and BDCs

Source: AdvantageData, PitchBook LCD

# Debt Capital Markets Update

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## Market Commentary

The high-yield market priced five bonds last week, bringing weekly and year-to-date issuance to approximately \$2.5 billion and \$30.3 billion, respectively. The leveraged loan market launched 12 transactions last week, bringing weekly and year-to-date launches to approximately \$8.2 billion and \$121.1 billion, respectively.

For B2/B rated issues, yields for the secondary leveraged loan market increased 14 bps, ending the week at 8.67%, while yields for the secondary high-yield bond market increased 23 bps, ending the week at 7.55%. The yield spread between B2/B rated high-yield bonds and leveraged loans finished the week at -112 bps.

Last week, loan and high-yield funds saw \$1.7 billion in outflows and \$580.5 million in outflows, respectively. Year-to-date, loan funds have seen \$4.1 billion in inflows, while high-yield funds have seen \$7.1 billion in inflows.

Leveraged loans and high yield bonds include new money issues rated Ba1/BB+ or lower; leveraged loan volume only represents launched transactions  
Source: AdvantageData, Piper Sandler, PitchBook LCD

## New High Yield Bond Issues <sup>(1)</sup>

Company (New Issues)	Ratings		Industry	Amount (\$MM)	Maturity	Coupon	Yield	Price	Lead Bookrunner	Security	Sponsor	Purpose
Rockies Express Pipeline	Ba2	BB	Oil & Gas	\$500.0	3/15/33	6.8%	6.8%	100.0	RBC	Unsecured	Not Sponsored	Refinancing
Wayfair	B1	BB	Retail	\$700.0	9/15/30	7.8%	7.8%	100.0	Citi	Secured	Not Sponsored	Refinancing
Aris Water Solutions	B2	B+	Utilities	\$500.0	4/1/30	7.3%	7.3%	100.0	Citi	Unsecured	Not Sponsored	Refinancing
Virdien	B2	B	Oil & Gas	\$450.0	10/15/30	10.0%	10.0%	100.0	JPM	Secured	Not Sponsored	Refinancing
JW Aluminum Continuous Cast	B3	B	Metals & Mining	\$350.0	4/1/30	10.3%	10.3%	100.0	GS	Secured	Not Sponsored	Refinancing

## New Leveraged Loan Launches <sup>(1)</sup>

Company (New Issues ≥ \$500M)	Ratings		Industry	Amount (\$MM)	Floor	Spread	OID	Arranger	Sponsor	Purpose
Valvoline (TLB)	Ba1	BB	Chemicals	\$650.0	0.00%	SOFR+200	99.0	MS	Not Sponsored	Acquisition
LCI Industries (RC)	Ba2	BB+	Automotive	\$600.0	TBD	TBD	TBD	JPM	Not Sponsored	Refinancing
LCI Industries (TLB)	Ba2	BB+	Automotive	\$400.0	0.00%	SOFR+225	99.0	JPM	Not Sponsored	Refinancing
CELSIUS Holdings (RC)	Ba3	BB	Food & Beverage	\$100.0	TBD	TBD	TBD	UBS	Not Sponsored	Acquisition
CELSIUS Holdings (TLB)	Ba3	BB	Food & Beverage	\$900.0	0.00%	SOFR+300	99.5	UBS	Not Sponsored	Acquisition
Natgasoline (RC)	B3	BB-	Chemicals	\$45.0	TBD	TBD	TBD	JPM	Not Sponsored	Refinancing
Natgasoline (TLB)	B3	BB-	Chemicals	\$525.0	0.00%	SOFR+450	99.0	JPM	Not Sponsored	Refinancing
IFS (TLB)	B3	B	Computers	\$500.0	0.00%	SOFR+350	99.5	JPM	EQT	Refinancing
Avalara (TLB)	NR	NR	Computers	\$2,500.0	0.00%	SOFR+325	99.5	MS	Vista	Refinancing
CohnReznick (TLB)	NR	NR	Services & Leasing	\$665.0	0.00%	SOFR+375	99.5	DB	Apax	LBO

Company (Add-On)	Ratings		Industry	Amount (\$MM)	Floor	Spread	OID	Arranger	Sponsor	Purpose
Sedgwick CMS Holdings (TLB)	B2	B+	Insurance	\$750.0	0.00%	SOFR+300	99.6	BofA	Carlyle	Acquisition
Pacific Dental Services (TLB)	B2	B	Healthcare	\$250.0	0.00%	SOFR+275	99.5	BNP	Not Sponsored	Dividend Recap
Tacala Restaurants (TLB)	B3	B-	Restaurants	\$120.0	0.75%	SOFR+350	99.5	KKR	Altamont	Dividend Recap
Cast & Crew Entertainment (TLB)	Caa1	B-	Services & Leasing	\$69.8	0.50%	SOFR+375	100.0	NA	EQT	Refinancing
Aliwyn (TLB)	NR	BB	Gaming & Hotel	\$100.0	0.00%	SOFR+200	99.0	DB	KKCG	Refinancing

(1) Split-rated issues with an investment grade rating from either rating agency are not included/shown  
Source: Piper Sandler, PitchBook LCD

# Debt Capital Markets Update

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## New Investment Grade Bond Issues <sup>(1)</sup>

Company	Ratings		Industry	Amount (\$MM)	Maturity	Spread	Coupon	Yield	Issue Type
	Moody's	S&P							
DBS Group Holdings	Aa2	AA-	Financial Institution	\$1,000.0	3/21/28	+ 60	FRN	FRN	FRN
DBS Group Holdings	Aa2	AA-	Financial Institution	\$500.0	3/21/28	+ 42	4.4%	4.4%	Senior Notes
DBS Group Holdings	Aa2	AA-	Financial Institution	\$500.0	3/21/30	+ 65	FRN	FRN	FRN
Nordea Bank	Aa3	AA-	Financial Institution	\$600.0	3/17/28	+ 50	4.4%	4.4%	Senior Notes
Nordea Bank	Aa3	AA-	Financial Institution	\$400.0	3/17/28	+ 70	FRN	FRN	FRN
Rio Tinto Finance	A1	A	Metals & Mining	\$1,750.0	3/14/30	+ 85	4.8%	4.9%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$1,750.0	3/14/35	+ 105	5.3%	5.3%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$1,750.0	3/14/55	+ 123	5.8%	5.8%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$1,250.0	3/14/32	+ 95	5.0%	5.1%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$750.0	3/14/28	+ 65	4.5%	4.6%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$750.0	3/14/65	+ 133	5.9%	5.9%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$500.0	3/12/27	+ 50	4.4%	4.4%	Senior Notes
Rio Tinto Finance	A1	A	Metals & Mining	\$500.0	3/14/28	+ 84	FRN	FRN	FRN
Advanced Micro Devices	A2	A	Computers	\$875.0	9/24/26	+ 30	4.2%	4.2%	Senior Notes
Advanced Micro Devices	A2	A	Computers	\$625.0	3/24/28	+ 40	4.3%	4.3%	Senior Notes
Entergy Mississippi	A2	A	Utilities	\$600.0	4/15/55	+ 125	5.8%	5.8%	Mortgage Bonds
Idaho Power	A2	A-	Utilities	\$400.0	3/15/55	+ 120	5.7%	5.8%	Mortgage Bonds
Southern California Edison	A2	A-	Utilities	\$850.0	3/15/30	+ 118	5.3%	5.3%	First Mortgage
Southern California Edison	A2	A-	Utilities	\$650.0	9/15/55	+ 160	6.2%	6.2%	First Mortgage
NorthWestern	A3	A-	Utilities	\$400.0	3/21/30	+ 100	5.1%	5.1%	Mortgage Bonds
Prudential	A3	A-	Financial Institution	\$750.0	3/14/35	+ 95	5.2%	5.2%	Senior Notes
CGI Group	A3	BBB+	Telecom	\$650.0	3/14/30	+ 100	5.0%	5.1%	Senior Notes
British American Tobacco	Baa1	BBB+	Tobacco	\$1,000.0	8/15/32	+ 120	5.4%	5.4%	Senior Notes
British American Tobacco	Baa1	BBB+	Tobacco	\$1,000.0	8/15/35	+ 135	5.6%	5.6%	Senior Notes
British American Tobacco	Baa1	BBB+	Tobacco	\$500.0	8/15/55	+ 168	6.3%	6.3%	Senior Notes
Canadian Pacific Railway	Baa1	BBB+	Transportation	\$600.0	3/30/30	+ 75	4.8%	4.8%	Senior Notes
Canadian Pacific Railway	Baa1	BBB+	Transportation	\$600.0	3/30/35	+ 95	5.2%	5.3%	Senior Notes
JB Hunt Transport	Baa1	BBB+	Transportation	\$750.0	3/15/30	+ 95	4.9%	4.9%	Senior Notes
MetLife	Baa1	BBB	Insurance	\$1,000.0	3/15/55	+ 208	6.4%	6.4%	Subordinated Notes
Stellantis	Baa1	BBB	Automotive	\$1,000.0	3/18/35	+ 215	6.5%	6.5%	Senior Notes
Stellantis	Baa1	BBB	Automotive	\$750.0	3/18/30	+ 170	5.8%	5.8%	Senior Notes
Stellantis	Baa1	BBB	Automotive	\$500.0	3/17/28	+ 140	5.4%	5.4%	Senior Notes
Extra Space Storage	Baa2	BBB+	Real Estate	\$500.0	6/15/35	+ 120	5.4%	5.4%	Senior Notes
NetApp	Baa2	BBB+	Computers	\$625.0	3/17/32	+ 130	5.5%	5.5%	Senior Notes
NetApp	Baa2	BBB+	Computers	\$625.0	3/17/35	+ 140	5.7%	5.7%	Senior Notes
Amcor Flexibles North America	Baa2	BBB	Forest Product	\$750.0	3/17/35	+ 125	5.5%	5.6%	Senior Notes
Amcor Flexibles North America	Baa2	BBB	Forest Product	\$725.0	3/17/28	+ 83	4.8%	4.8%	Senior Notes
Amcor Flexibles North America	Baa2	BBB	Forest Product	\$725.0	3/17/30	+ 103	5.1%	5.1%	Senior Notes
Nutrien	Baa2	BBB	Chemicals	\$600.0	3/12/32	+ 115	5.3%	5.3%	Senior Notes
Nutrien	Baa2	BBB	Chemicals	\$400.0	3/12/27	+ 60	4.5%	4.5%	Senior Notes
Steel Dynamics	Baa2	BBB	Metals & Mining	\$600.0	5/15/35	+ 115	5.3%	5.4%	Senior Notes
Steel Dynamics	Baa2	BBB	Metals & Mining	\$400.0	5/15/55	+ 140	5.8%	6.0%	Senior Notes
Edison International	Baa2	BBB-	Utilities	\$550.0	3/15/30	+ 250	6.3%	6.5%	Senior Notes
American Tower	Baa3	BBB	Real Estate	\$650.0	3/15/30	+ 90	4.9%	4.9%	Senior Notes
American Tower	Baa3	BBB	Real Estate	\$350.0	3/15/35	+ 110	5.4%	5.4%	Senior Notes
AES	Baa3	BBB-	Utilities	\$800.0	3/15/32	+ 160	5.8%	5.8%	Senior Notes
AES Andes	Baa3	BBB-	Utilities	\$400.0	3/14/32	+ 210	6.3%	6.3%	Senior Notes
Booz Allen Hamilton	Baa3	BBB-	Services & Leasing	\$650.0	4/15/35	+ 168	6.0%	6.0%	Senior Notes
Puget Sound Energy	Baa3	BBB-	Utilities	\$600.0	3/15/35	+ 150	5.7%	5.7%	Senior Notes

## Total Debt Volume

Bond Issues	Previous Week		2025 YTD		2024 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Investment Grade	\$35,450	49	\$322,165	411	\$440,255	511	(26.8%)	(19.6%)
High-Yield	\$2,500	5	\$30,344	45	\$69,916	86	(56.6%)	(47.7%)
Total Bonds	\$37,950	54	\$352,509	456	\$510,171	597	(30.9%)	(23.6%)

Leveraged Loan Issues	Previous Week		2025 YTD		2024 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Total Leveraged Loans	\$8,175	12	\$121,061	139	\$153,630	163	(21.2%)	(14.7%)

(1) Spreads for FRN issuances are reported as L+ or SOFR+, all else T+  
Source: Piper Sandler, PitchBook LCD

# Debt Capital Markets Update

March 17, 2025

## Benchmark Yields

Benchmark	Current	Previous Week	Δ (bps)	Previous Year	Δ (bps)
2 yr UST	4.02%	3.99%	3.0	4.61%	(59.0)
5 yr UST	4.09%	4.09%	0.0	4.19%	(10.0)
10 yr UST	4.31%	4.32%	(1.0)	4.19%	12.0
30 yr UST	4.62%	4.62%	0.0	4.35%	27.0
3M Term SOFR	4.30%	4.29%	0.0	5.33%	(103.4)

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