Leveraged Loan Insight & Analysis – 1/19/2015

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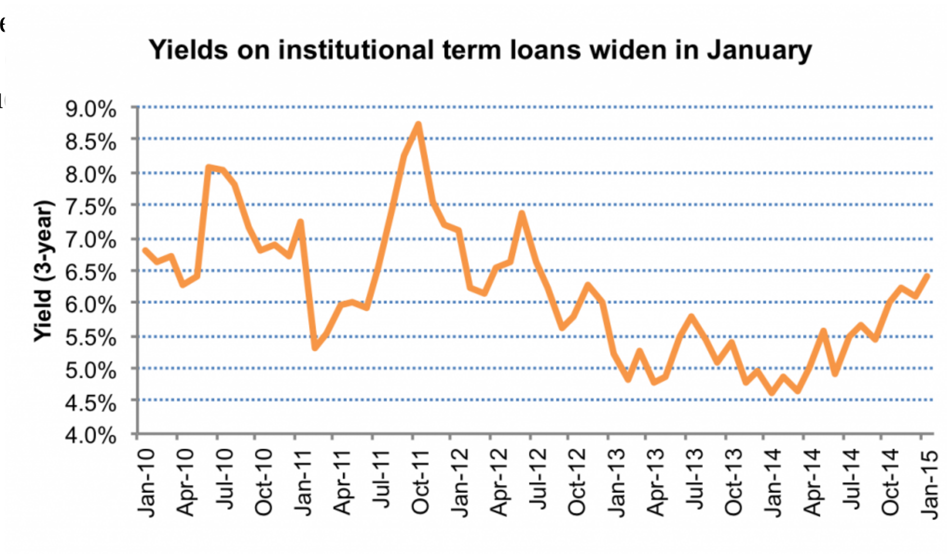
First-lien institutional yie average first-
lien term loan B yield is
increasing in October du bove the 6



percent level since then. While

investors have started the year on cautious footing, this month’s widening can also be attributed to the presence of a few smaller LBO deals that have come to market this year, all yielding more than 6 percent. CSP Technologies’ $170 million first-lien term loan is guided at LIB+525-550 with a 1 percent Libor floor and 98.5 OID; at these levels the yield is 7.06 percent. Hoover Container Solutions’ $165 million is priced at LIB+550 with a 1 percent floor and a 98 OID, yielding 7.25 percent. The average middle market yield so far in January is 6.66 percent while the average for large corporate term loans is 6.15 percent. In turn, after being almost non-existent in December, the average middle market premium is 50bp so far this month. Underliers

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