Benchmarks Compared: BSL and MM

THE LEAD | May 20, 2021

A question came from a reader on our series about the Lincoln Senior Debt Index. She asked: "I'm curious how the benchmark accounts for where the loan is in the cap structure?

Recovery rates for unitranche, 1st lien and second lien are different. So any portfolio would have to match the composition to effectively compare against the benchmark."

Lincoln's Larry Levine gives us the answer:

"We prepare various analyses of the Index, which contains only performing loans. As the first Chart of the Week shows…

?? Read May 10 2021 newsletter: here

?? Chart of the Week: here *(by Lincoln International)*

(Past performance is no guarantee of future results.)