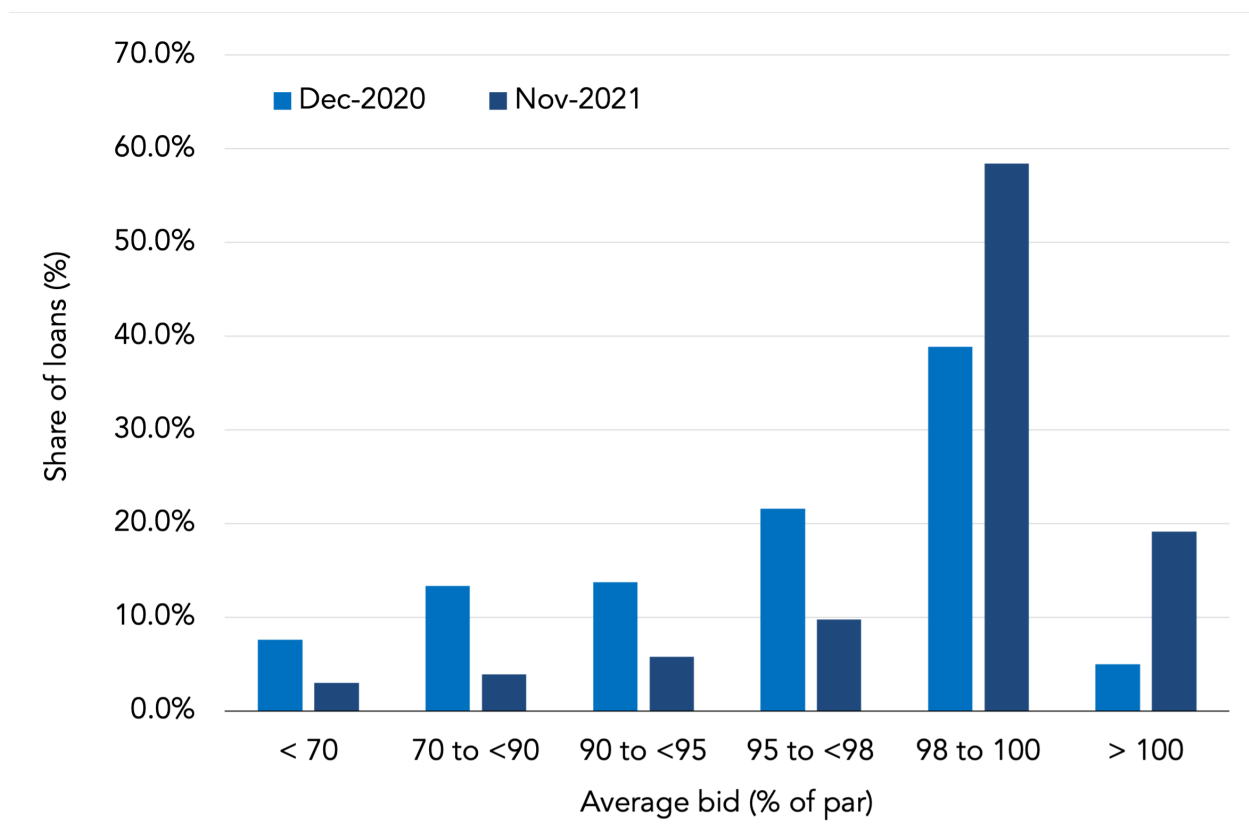


BDC visible loans benchmark shifts higher in 2021

LSEG | November 4, 2021



BDC earnings season is underway with 22 funds having released their 3Q21 reports so far through November 3. This cohort of BDCs has seen their NAV per share increase by an average of 5.6% in the first three quarters of 2021.

The appreciation in asset valuations this year is echoed in the Refinitiv LPC BDC Visible Loans Benchmark (comprised of \$22bn in BDC held loans with active mark-to-market pricing), where the average bid is up nearly 500bp year-to-date. Although the average bid ticked 10bp lower in October, over 75% of loans in the cohort are priced in the 98-plus category, a 34 percentage point gain since the beginning of the year.

At the lower end of the price spectrum, only 3% of loans in the Visible Loans Benchmark are bid below 70, down from 8% last December. Further reflecting the strong credit environment, loans in non-accrual make up only 1.6%, on average, of the portfolio for the 22 BDCs that have filed to-date in the most recent quarter.

(Past performance is no guarantee of future results.)