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Private debt fund versus leveraged loan returns by quarter

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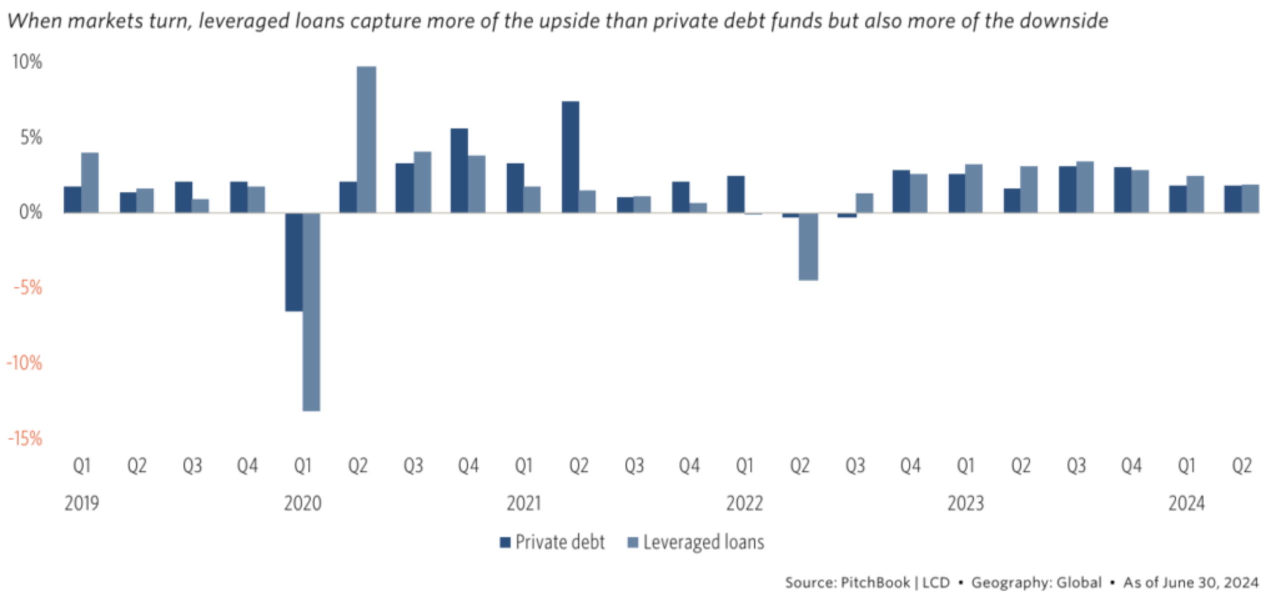

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Private credit spreads are expected to tighten further, even after new-issue spreads already declined significantly in 2024. Moreover, the share of respondents who see spreads below SOFR plus 500 basis points in six months has increased. Heightened competition for deals, as well as risk-on sentiment in the BSL market, is tightening credit spreads, which may negatively impact returns for private credit investors looking to deploy new capital into the current spread regime.

(Past performance is no guarantee of future results.)