

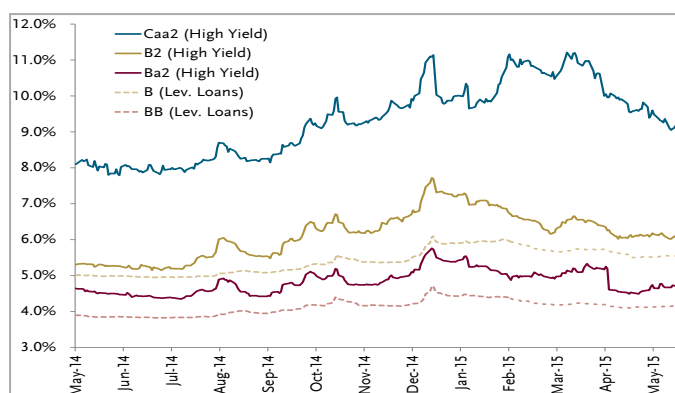
## Piper Jaffray Debt Capital Markets Update

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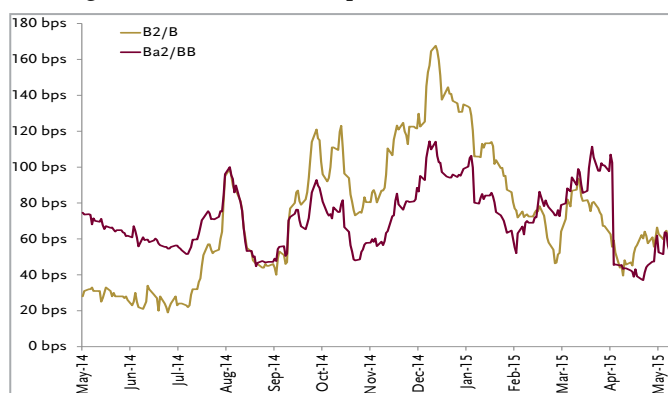
### LOAN & BOND YIELDS AND VOLUME

#### Leveraged Loan & HY Yields by Rating



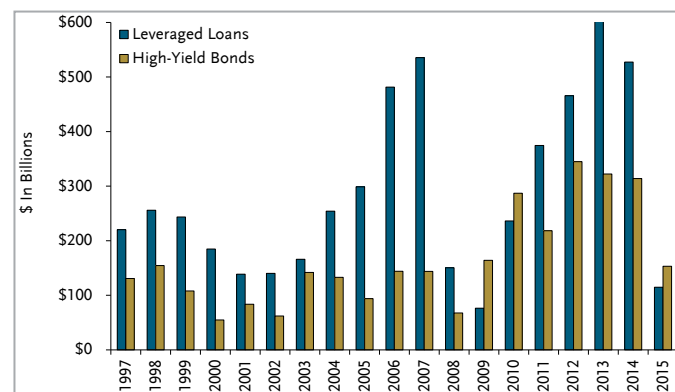
Source: AdvantageData, S&P LCD

#### Leveraged Loan & HY Yield Spread



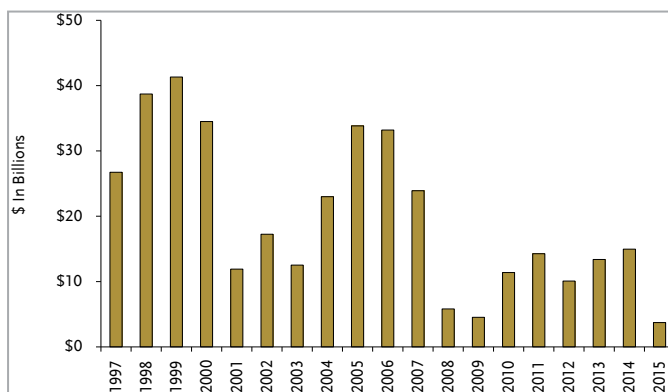
Source: AdvantageData, S&P LCD

#### Leveraged Loan & HY Volume



Source: S&P LCD

#### Middle Market Loan Volume



Source: S&P LCD

### MARKET COMMENTARY

The high-yield market priced 10 bonds last week, bringing weekly and year-to-date issuance to more than \$6.2 billion and \$139.0 billion, respectively. There were 19 new leveraged loan transactions last week, bringing weekly and year-to-date issuance to more than \$15.8 billion and \$134.1 billion, respectively.

For B2/B-rated issues, yields for the secondary leveraged loan market decreased 1 bp, ending the week at 5.54%, while yields for the secondary high-yield bond market decreased 2 bps, ending the week at 6.07%. The yield spread between B2/B-rated high-yield bonds and leveraged loans finished the week at 53 bps.

This week, loan and high-yield funds saw \$231 million in inflows and \$906 million in inflows, respectively. Year-to-date, loan funds have seen \$3.0 billion in outflows, while high-yield funds have seen \$8.5 billion in inflows.

Note: Leveraged loans and high yield bonds include new money issues rated Ba1/BB+ or lower  
Source: AdvantageData, Piper Jaffray, S&P LCD

New High Yield Bond Issues<sup>(1)(2)</sup>

Company (New Issues)	Ratings		Industry	Amount (\$MM)	Maturity	Coupon	Yield	Price	Lead Bookrunner	Security	Sponsor	Purpose
	Moody's	S&P										
JBS USA	Ba2	BB+	Food & Beverage	\$900	6/15/25	5.8%	5.8%	100.0	BOA	Unsecured	Not Sponsored	Refinancing
ETE	Ba2	BB	Oil & Gas	\$1,000	6/1/27	5.5%	5.7%	98.5	MS	Unsecured	Not Sponsored	Refinancing
Plantronics	Ba2	BB	Telecom	\$500	5/31/23	5.5%	5.5%	100.0	MS	Unsecured	Not Sponsored	Stock Repurchase
Hilcorp Energy	Ba3	BB+	Oil & Gas	\$500	10/1/25	5.8%	5.8%	100.0	JPM	Unsecured	Not Sponsored	Refinancing
EP Energy	B1	BB-	Oil & Gas	\$800	6/15/23	6.4%	6.4%	100.0	RBC	Unsecured	Apollo	Refinancing
Berry Plastics	B3	B+	Chemicals	\$700	7/15/23	5.1%	5.1%	100.0	Citigroup	Secured	Apollo	Refinancing
VistaJet	NR	B+	Aerospace & Def.	\$300	6/1/20	7.8%	8.0%	99.0	JPM	Unsecured	Not Sponsored	M&A
Paramount Resources	B3	B	Oil & Gas	\$450	6/30/23	6.9%	7.0%	99.5	Barclays	Unsecured	Not Sponsored	Refinancing
Midstates	Caa1	NR	Oil & Gas	\$625	6/1/20	10.0%	10.0%	100.0	GS	Secured	Not Sponsored	Refinancing
Blue Coat Systems	Caa2	B	Computers	\$470	6/1/23	8.4%	8.4%	100.0	Jefferies	Unsecured	Bain Capital	M&A

New Leveraged Loan Issues<sup>(1)(2)</sup>

Company (<\$500M)	Ratings		Industry	Amount (\$MM)	Floor	Spread	OID	Leverage	Arranger	Sponsor	Purpose
	Moody's	S&P									
Capstone Logistics (TLB)	B1	B-	Services & Leasing	\$125.0	1.00%	L + 475	99.0	NA	GS	Jordan Company	Acquisition
Green Plains Renewable (TLB)	B2	BB	Chemicals	\$120.0	1.00%	L + 550	99.0	NA	BMO	Not Sponsored	Refinancing
Camping World (TLB)	B2	BB-	Automotive	\$95.0	1.00%	L + 425	99.8	NA	GS	Not Sponsored	Dividend Recap
New Media Investment Group (TLB)	B2	B+	Printing	\$25.0	1.00%	L + 625	TBD	NA	Citizens	Fortress	Acquisition
HealthPort Technologies (TLB)	B2	B	Computers	\$479.2	1.00%	L + 425	TBD	NA	CS	New Mountain	Acquisition
American Bath Group (RC)	NR	NR	Building Materials	\$25.0	TBD	TBD	TBD	NA	BNP	Sterling Group	Acquisition
American Bath Group (TLB)	NR	NR	Building Materials	\$140.0	1.00%	L + 500	99.0	NA	BNP	Sterling Group	Acquisition
CABi (RC)	NR	NR	Retail	\$25.0	TBD	TBD	TBD	NA	BNP	Irving Place Capital	Corp Purpose
CABi (TLB)	NR	NR	Retail	\$100.0	1.00%	L + 500	99.0	NA	BNP	Irving Place Capital	Corp Purpose
Ollie's Bargain Outlet (RC)	NR	NR	Retail	\$50.0	TBD	TBD	TBD	NA	NA	CCMP	Dividend Recap
Plantronics (RC)	NR	NR	Telecom	\$200.0	TBD	TBD	TBD	NA	MS	Not Sponsored	Stock Repurchase
Schenck Measuring & Process (TLB)	NR	NR	Manufacturing	\$114.0	0.00%	L + 463	TBD	5.5x	Commerz	Industri Kapital	Dividend Recap

Company (>\$500M)	Ratings		Industry	Amount (\$MM)	Floor	Spread	OID	Leverage	Arranger	Sponsor	Purpose
	Moody's	S&P									
CommScope Holding (RC)	NR	NR	Telecom	\$150.0	TBD	TBD	TBD	NA	JPM	Carlyle Group	Acquisition
CommScope Holding (TLB)	Ba2	BB	Telecom	\$1,250.0	0.75%	L + 325	99.5	NA	JPM	Carlyle Group	Acquisition
Novelis (TLB)	Ba2	BB	Metals & Mining	\$1,800.0	0.75%	L + 300	99.5	NA	BOA	Not Sponsored	Refinancing
On Assignment (RC)	NR	BB	Services & Leasing	\$100.0	TBD	TBD	TBD	3.7x	Wells Fargo	Not Sponsored	Acquisition
On Assignment (TLB)	Ba2	BB	Services & Leasing	\$875.0	0.75%	L + 350	99.5	3.7x	Wells Fargo	Not Sponsored	Acquisition
ConvaTec Healthcare (RC)	Ba2	B+	Healthcare	\$200.0	TBD	TBD	TBD	NA	GS	Nordic Capital	Refinancing
ConvaTec Healthcare (TLB)	Ba2	B+	Healthcare	\$800.0	1.00%	L + 350	99.5	NA	GS	Nordic Capital	Refinancing
TransUnion (RC)	Ba2	B+	Services & Leasing	\$210.0	TBD	TBD	TBD	NA	DB	Advent International	Refinancing
TransUnion (TLA)	Ba2	B+	Services & Leasing	\$325.0	TBD	TBD	TBD	NA	DB	Advent International	Refinancing
TransUnion (TLB)	Ba2	B+	Services & Leasing	\$1,877.0	0.75%	L + 300	99.8	NA	DB	Advent International	Refinancing
Calpine (TLB)	Ba3	BB	Utilities	\$1,600.0	0.75%	L + 275	99.5	NA	MS	Not Sponsored	Refinancing
Bass Pro Shops (TLB)	B1	BB-	Retail	\$1,740.0	0.75%	L + 350	99.0	NA	JPM	Not Sponsored	Dividend Recap
Life Time Fitness (RC)	NR	BB-	Entertainment	\$250.0	TBD	TBD	TBD	NA	DB	Leonard Green	LBO
Life Time Fitness (TLB)	B1	BB-	Entertainment	\$1,100.0	1.00%	L + 350	99.5	NA	DB	Leonard Green	LBO
Informatica (RC)	B2	B	Computers	\$150.0	TBD	TBD	TBD	NA	BOA	Permira	LBO
Informatica (TLB)	B2	B	Computers	\$1,875.0	1.00%	L + 375	99.5	NA	BOA	Permira	LBO

## New Investment Grade Bond Issues

Company	Ratings		Industry	Amount (\$MM)	Maturity	Spread	Coupon	Yield	Issue Type
	Moody's	S&P							
Australia and New Zealand Banking	Aaa	NR	Services & Leasing	\$1,250	5/27/20	+ 37	2.1%	2.1%	Sub Notes
Westpac Banking	Aa2	AA-	Services & Leasing	\$1,000	5/18/18	+ 65	1.6%	1.6%	Senior Notes
Westpac Banking	Aa2	AA-	Services & Leasing	\$1,000	5/26/20	+ 80	2.3%	2.3%	Senior Notes
Westpac Banking	Aa2	AA-	Services & Leasing	\$500	5/25/18	TBD	0.4%	TBD	Senior Notes

<sup>(1)</sup>Split-rated issues with an investment grade rating from either rating agency are not included/shown<sup>(2)</sup>Bold transactions denote Piper Jaffray arrangements

Source: Piper Jaffray, S&amp;P LCD

## New Investment Grade Bond Issues (Cont.)

Company	Ratings		Industry	Amount (\$MM)	Maturity	Spread	Coupon	Yield	Issue Type
	Moody's	S&P							
Siemens	A1	A+	Computers	\$1,750	5/27/22	+ 95	2.9%	2.9%	Senior Notes
Siemens	A1	A+	Computers	\$1,750	5/27/45	+ 140	4.4%	4.4%	Senior Notes
Siemens	A1	A+	Computers	\$1,500	5/27/25	+ 105	3.3%	3.3%	Senior Notes
Siemens	A1	A+	Computers	\$1,250	5/25/18	+ 50	1.5%	1.5%	Senior Notes
Siemens	A1	A+	Computers	\$1,000	5/27/20	+ 65	2.2%	2.2%	Senior Notes
Siemens	A1	A+	Computers	\$500	5/25/18	TBD	0.6%	0.6%	Senior Notes
Skandinaviska Enskilda Banken	A1	A+	Services & Leasing	\$1,000	5/27/20	+ 90	2.5%	2.5%	Sub Notes
Emerson Electric	A2	A	Utilities	\$500	12/1/21	+ 110	2.6%	2.6%	Senior Notes
Emerson Electric	A2	A	Utilities	\$500	6/1/25	+ 95	3.2%	3.2%	Senior Notes
Volkswagen of American Finance	A2	A	Automotive	\$1,000	5/22/18	+ 68	1.7%	1.7%	Sub Notes
Volkswagen of American Finance	A2	A	Automotive	\$750	11/22/16	TBD	0.3%	TBD	Sub Notes
Volkswagen of American Finance	A2	A	Automotive	\$750	5/22/20	+ 83	2.4%	2.4%	Sub Notes
Volkswagen of American Finance	A2	A	Automotive	\$300	5/22/18	TBD	0.5%	TBD	Sub Notes
American Express	A2	A-	Services & Leasing	\$1,750	5/26/20	+ 85	2.4%	2.4%	Senior Notes
American Express	A2	A-	Services & Leasing	\$400	5/26/20	TBD	0.7%	TBD	Senior Notes
Credit Suisse Funding Guernsey	A2	BBB+	Services & Leasing	\$2,000	5/15/45	+ 188	4.9%	4.9%	Senior Notes
South Carolina Electric & Gas	A3	A	Utilities	\$500	6/1/65	+ 210	5.1%	5.1%	First Mortgage
Comcast	A3	A-	Cable	\$1,700	8/15/45	+ 150	4.6%	4.6%	Senior Notes
Comcast	A3	A-	Cable	\$1,500	8/15/25	+ 110	3.4%	3.4%	Senior Notes
Comcast	A3	A-	Cable	\$800	8/15/35	+ 130	4.4%	4.4%	Senior Notes
McDonald's	A3	A-	Restaurants	\$700	5/26/20	+ 70	2.2%	2.2%	Senior Notes
McDonald's	A3	A-	Restaurants	\$700	5/26/25	+ 115	3.4%	3.4%	Senior Notes
McDonald's	A3	A-	Restaurants	\$600	5/26/45	+ 155	4.6%	4.6%	Senior Notes
Entergy Texas	Baa1	A-	Utilities	\$250	6/1/45	+ 213	5.2%	5.2%	First Mortgage
Goldman Sachs	Baa1	A-	Services & Leasing	\$2,250	5/22/25	+ 150	3.8%	3.8%	Senior Notes
Goldman Sachs	Baa1	A-	Services & Leasing	\$2,000	5/22/45	+ 210	5.2%	5.2%	Senior Notes
Goldman Sachs	Baa1	A-	Services & Leasing	\$750	5/22/17	TBD	0.7%	TBD	Senior Notes
JPMorgan Chase	Baa1	A-	Services & Leasing	\$1,750	6/1/45	+ 200	5.0%	5.0%	Sub Notes
Scripps Networks Interactive	Baa1	BBB	TV	\$600	6/15/20	+ 135	2.8%	2.9%	Senior Notes
Scripps Networks Interactive	Baa1	BBB	TV	\$500	6/15/25	+ 175	4.0%	4.0%	Senior Notes
Scripps Networks Interactive	Baa1	BBB	TV	\$400	6/15/22	+ 160	3.5%	3.6%	Senior Notes
Fiserv	Baa2	BBB	Computers	\$900	6/1/25	+ 160	3.9%	3.9%	Senior Notes
Fiserv	Baa2	BBB	Computers	\$850	6/1/20	+ 115	2.7%	2.7%	Senior Notes
Health Care REIT	Baa2	BBB	Real Estate	\$750	5/15/25	+ 177	4.0%	4.0%	Senior Notes
Columbia Pipeline	Baa2	BBB-	Oil & Gas	\$1,000	6/1/25	+ 225	4.5%	4.5%	Sub Notes
Columbia Pipeline	Baa2	BBB-	Oil & Gas	\$750	6/1/20	+ 175	3.3%	3.3%	Sub Notes
Columbia Pipeline	Baa2	BBB-	Oil & Gas	\$500	6/1/18	+ 145	2.5%	2.5%	Sub Notes
Columbia Pipeline	Baa2	BBB-	Oil & Gas	\$500	6/1/45	+ 275	5.8%	5.8%	Sub Notes
Itau Unibanco	Baa3	BBB-	Services & Leasing	\$1,000	5/26/18	+ 190	2.9%	2.9%	Senior Notes
McGraw Hill Financial	NR	NR	Services & Leasing	\$700	6/15/25	+ 185	4.0%	4.1%	Senior Notes

Source: Piper Jaffray, S&amp;P LCD

## Total Debt Volume

Bond Issues	Previous Week		2015 YTD		2014 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Investment Grade	\$42,000	44	\$551,205	680	\$435,605	589	+26.5%	+15.4%
High-Yield <sup>(1)</sup>	\$6,245	10	\$139,025	218	\$143,000	253	(2.8%)	(13.8%)
<b>Total Bonds</b>	<b>\$48,245</b>	<b>54</b>	<b>\$690,230</b>	<b>898</b>	<b>\$578,605</b>	<b>842</b>	<b>+19.3%</b>	<b>+6.7%</b>

Leveraged Loan Issues	Previous Week		2015 YTD		2014 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
<b>Total Leveraged Loans<sup>(1)</sup></b>	<b>\$15,800</b>	<b>19</b>	<b>\$134,189</b>	<b>253</b>	<b>\$225,709</b>	<b>406</b>	<b>(40.5%)</b>	<b>(37.7%)</b>

## Benchmark Yields

Benchmark	Current	Previous Week	△ (bps)	Previous Year	△ (bps)
2 yr UST	0.60%	0.55%	5.0	0.37%	23.0
5 yr UST	1.53%	1.46%	7.0	1.57%	(4.0)
10 yr UST	2.19%	2.14%	5.0	2.56%	(37.0)
30 yr UST	2.98%	2.93%	5.0	3.43%	(45.0)
3M LIBOR	0.28%	0.28%	0.5	0.23%	5.5

<sup>(1)</sup> Split-rated issues with an investment grade rating from either rating agency are not included/shown  
Source: Piper Jaffray, S&P LCD

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