

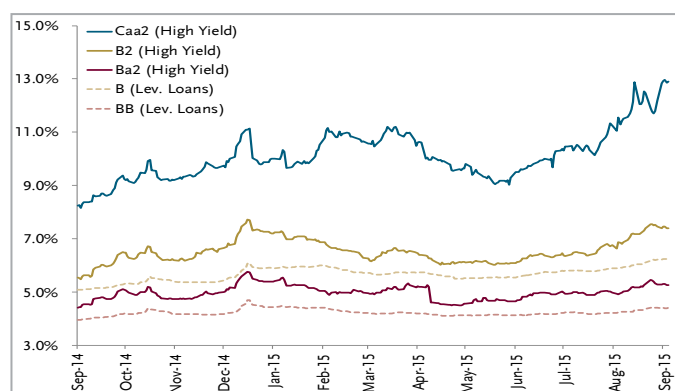
Piper Jaffray Debt Capital Markets Update

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The Piper Jaffray Debt Capital Markets Update is published weekly and provides a summary and analysis of debt capital markets activity. To subscribe/unsubscribe, visit www.piperjaffray.com/dcmupdate

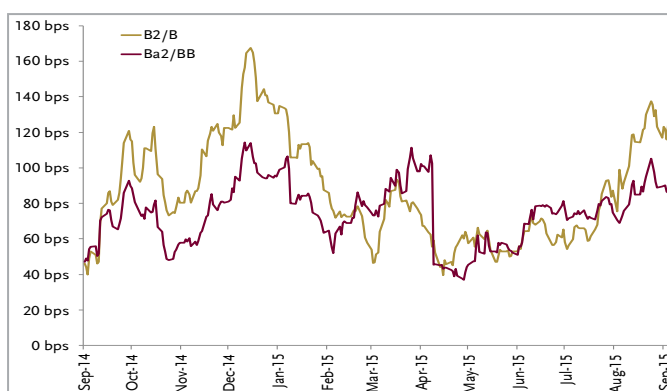
LOAN & BOND YIELDS AND VOLUME

Leveraged Loan & HY Yields by Rating



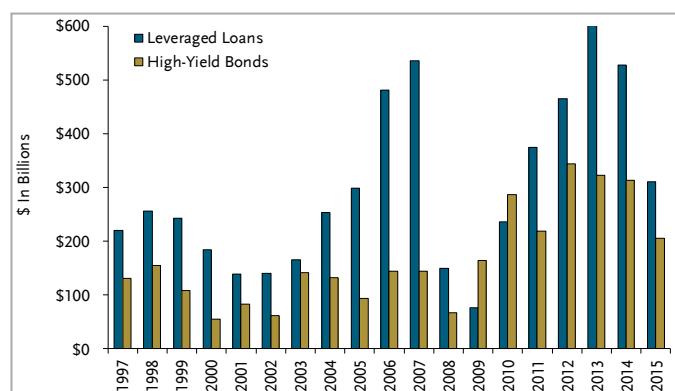
Source: AdvantageData, S&P LCD

Leveraged Loan & HY Yield Spread



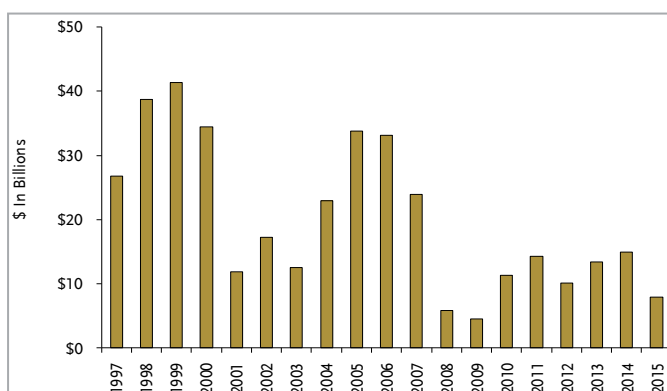
Source: AdvantageData, S&P LCD

Leveraged Loan & HY Volume



Source: S&P LCD

Middle Market Loan Volume



Source: S&P LCD

MARKET COMMENTARY

The high-yield market did not price any bonds this week, leaving year-to-date issuance at \$186.9 billion. There were two new leveraged loan transactions last week, bringing weekly and year-to-date issuance to more than \$0.5 billion and \$241.9 billion, respectively.

For B2/B rated issues, yields for the secondary leveraged loan market decreased 6 bps, ending the week at 6.16%, while yields for the secondary high-yield bond market decreased 5 bps, ending the week at 7.40%. The yield spread between B2/B rated high-yield bonds and leveraged loans finished the week at 124 bps.

Data for flows into loan and high-yield funds was unavailable this week.

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

New Leveraged Loan Issues⁽¹⁾⁽²⁾

Company (<\$500M)	Ratings		Industry	Amount (\$MM)	Floor	Spread	OID	Leverage	Arranger	Sponsor	Purpose
	Moody's	S&P									
B&G Foods (TLA)	Ba1	BB+	Food & Beverage	\$500.0	TBD	TBD	TBD	NA	CS	Not Sponsored	Acquisition
Flexera Software (TLB)	B1	B	Computers	\$45.0	1.00%	L + 350	99.0	NA	Jefferies	Teachers' Priv. Cap.	Acquisition

Total Debt Volume

Bond Issues	Previous Week		2015 YTD		2014 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Investment Grade	\$0	0	\$835,425	1,012	\$711,049	994	+17.5%	+1.8%
High-Yield ⁽¹⁾	\$0	0	\$186,990	306	\$231,097	435	(19.1%)	(29.7%)
Total Bonds	\$0	0	\$1,022,415	1,318	\$942,146	1,429	+8.5%	(7.8%)

Leveraged Loan Issues	Previous Week		2015 YTD		2014 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Total Leveraged Loans ⁽¹⁾	\$545	2	\$241,950	419	\$374,155	647	(35.3%)	(35.2%)

Benchmark Yields

Benchmark	Current	Previous Week	Δ (bps)	Previous Year	Δ (bps)
2 yr UST	0.71%	0.72%	(1.0)	0.54%	17.0
5 yr UST	1.49%	1.52%	(3.0)	1.71%	(22.0)
10 yr UST	2.18%	2.19%	(1.0)	2.45%	(27.0)
30 yr UST	2.95%	2.92%	3.0	3.21%	(26.0)
3M LIBOR	0.33%	0.33%	0.5	0.23%	10.0

⁽¹⁾ Split-rated issues with an investment grade rating from either rating agency are not included/shown

⁽²⁾ Bold transactions denote Piper Jaffray arrangements

Source: Piper Jaffray, S&P LCD

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