

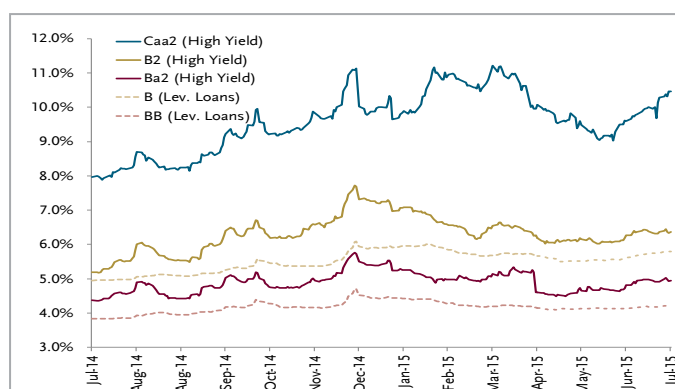
## Piper Jaffray Debt Capital Markets Update

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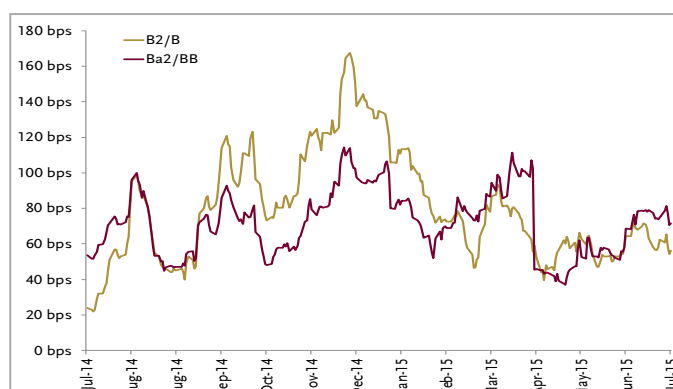
### LOAN & BOND YIELDS AND VOLUME

#### Leveraged Loan & HY Yields by Rating



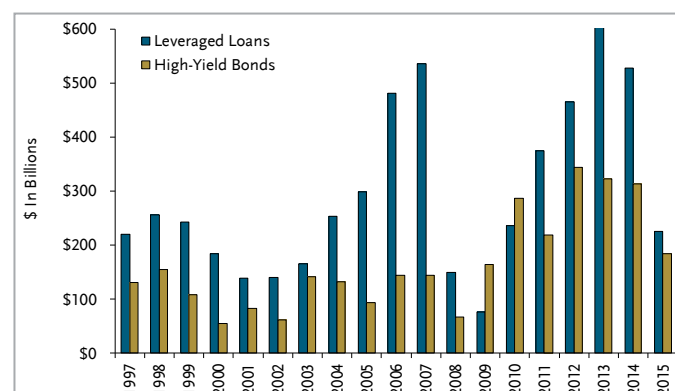
Source: AdvantageData, S&P LCD

#### Leveraged Loan & HY Yield Spread



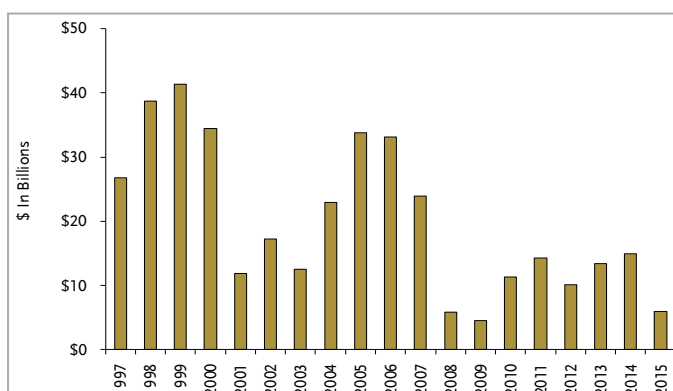
Source: AdvantageData, S&P LCD

#### Leveraged Loan & HY Volume



Source: S&P LCD

#### Middle Market Loan Volume



Source: S&P LCD

### MARKET COMMENTARY

The high-yield market priced two bonds last week, bringing weekly and year-to-date issuance to more than \$1.0 billion and \$167.0 billion, respectively. There were zero new leveraged loan transactions last week, leaving weekly and year-to-date issuance at \$0.0 billion and \$179.3 billion, respectively.

For B2/B rated issues, yields for the secondary leveraged loan market increased 6 bps, ending the week at 5.80%, while yields for the secondary high-yield bond market increased 0 bp, ending the week at 6.36%. The yield spread between B2/B rated high-yield bonds and leveraged loans finished the week at 56 bps.

This week, loan and high-yield funds saw \$365 million in outflows and \$3.0 billion in outflows, respectively. Year-to-date, loan funds have seen \$4.1 billion in outflows, while high-yield funds have seen \$1.2 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										
SS&C Technologies	B3	B+	Computers	\$600.0	7/15/23	5.9%	5.9%	100.0	MS	Unsecured	Not Sponsored	Acquisition
Standard Aero	Caa2	CCC	Aero. & Defense	\$485.0	7/15/23	10.0%	10.3%	98.7	Jefferies	Unsecured	Veritas Capital	LBO

## Total Debt Volume

Bond Issues	Previous Week		2015 YTD		2014 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Investment Grade	\$0	0	\$659,080	816	\$550,555	758	+19.7%	+7.7%
High-Yield <sup>(1)</sup>	\$1,085	2	\$167,095	269	\$177,762	324	(6.0%)	(17.0%)
Total Bonds	\$1,085	2	\$826,175	1,085	\$728,317	1,082	+13.4%	+0.3%

Leveraged Loan Issues	Previous Week		2015 YTD		2014 YTD		YOY Change	
	\$MM	#	\$MM	#	\$MM	#	\$MM	#
Total Leveraged Loans <sup>(1)</sup>	\$0	0	\$179,338	331	\$300,403	527	(40.3%)	(37.2%)

## Benchmark Yields

Benchmark	Current	Previous Week	Δ (bps)	Previous Year	Δ (bps)
2 yr UST	0.64%	0.68%	(4.0)	0.49%	15.0
5 yr UST	1.64%	1.70%	(6.0)	1.71%	(7.0)
10 yr UST	2.40%	2.40%	0.0	2.64%	(24.0)
30 yr UST	3.19%	3.16%	3.0	3.46%	(27.0)
3M LIBOR	0.28%	0.28%	0.2	0.23%	4.9

<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&P LCD

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