

# Senior Traditional Private Placement Market Update

Market turmoil continues as the Fed struggles to control inflation through aggressive rate hikes

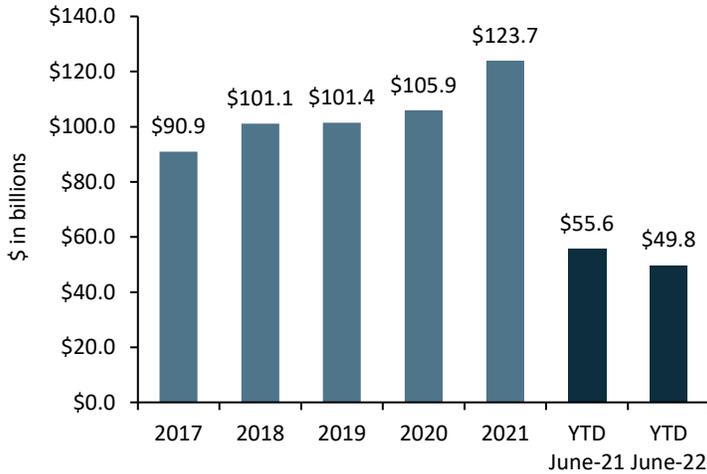
## Commentary

- Continued supply chain pressures and the Russian invasion of Ukraine have driven commodity prices to recent highs, generating persistent inflation and crippling consumer sentiments
- Rate hikes intended to counter inflationary pressure have alarmed investors, causing sharp drawbacks in equity markets and increased volatility in forward LIBOR/SOFR curves
- With more rate hikes and volatility expected in the coming months, borrowers are incentivized to lock in debt now at favorable terms

## 10-Year Treasury Rates



## Volume Trends



## Credit Spreads

A/L	NAIC-1		NAIC-2		NAIC-3	
	June-2022	June-2021	June-2022	June-2021	June-2022	June-2021
3	175-235	90-125	285-300	125-175	425-500	250-275
5	165-245	90-125	190-320	115-175	425-500	250-300
7	160-240	75-125	180-320	125-175	450-600	300-375
10	135-175	75-125	160-300	125-175	450-600	300-375
12-14	140-200	100-125	180-220	125-200	450-600	300-375
15	140-200	115-150	190-220	135-200	450-600	300-400

## About Chartwell

- Chartwell is a national leader in advising middle-market companies in all aspects of finance.
- Our corporate finance team excels at analyzing a company's optimal capital structure and recommending strategies to maximize shareholder value by determining the appropriate mix of debt and equity.
- Hiring an independent financial advisor lends credibility to a capital raise process, creates competition among lenders/investors, and achieves the lowest possible cost and favorable terms.
- Please contact any of the Chartwell professionals below to learn more about analyzing your optimal capital structure and how we can help your company most effectively execute against your financing needs.

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