

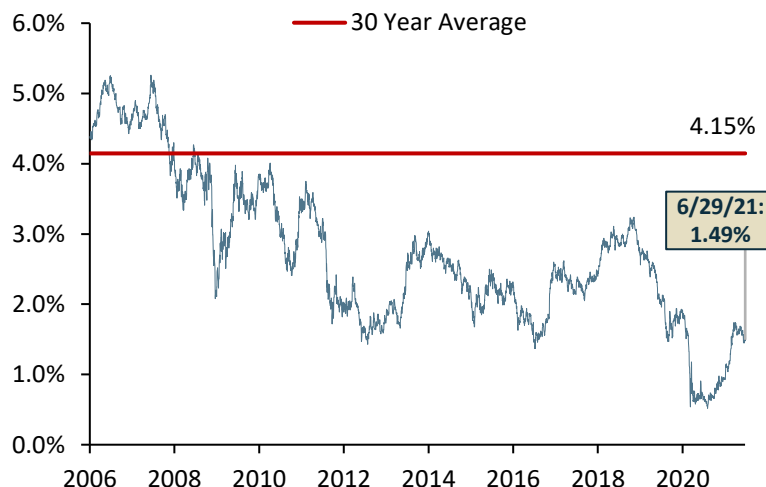
Senior Traditional Private Placement Market Update

Credit markets have resumed normal activity as issuers continue to capitalize on historically low rates

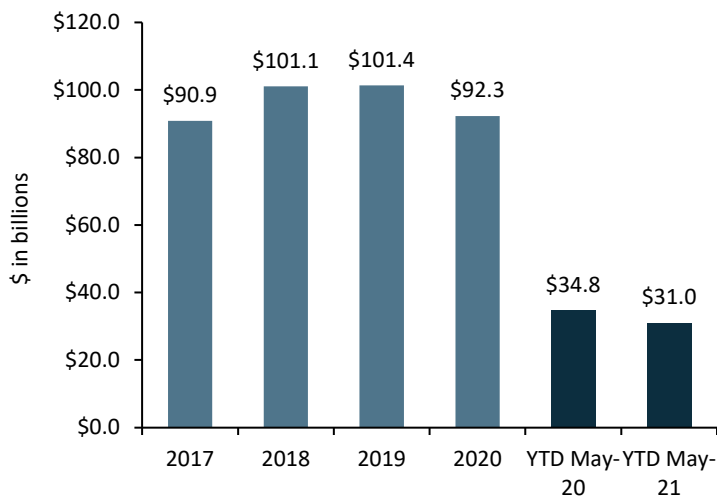
Commentary

- Credit markets continued to normalize in Q2 2021 as COVID-19 restrictions were eased and businesses returned to full capacity
- Capital markets are at pre-pandemic strength, driven by the low-rate environment and pent-up consumer demand
- Credit spreads have tightened from the COVID-induced levels of early 2020 as the country reopens and resumes normal business activity
- Rates remain at all-time lows, presenting a favorable opportunity to lock in long-run permanent capital, especially for investment grade issuers

10-Year Treasury Rates



Volume Trends



Credit Spreads

A/L	NAIC-1		NAIC-2		NAIC-3	
	May-2021	May-2020	May-2021	May-2020	May-2021	May-2020
3	90-125	165-220	125-175	350-375	250-275	450-475
5	90-125	165-220	115-175	350-375	225-250	400-450
7	75-100	165-220	125-175	190-320	275-350	400-450
10	85-125	165-250	100-175	220-325	250-300	400-450
12-14	95-125	200-260	125-200	225-300	275-350	450-475
15	100-125	210-275	135-200	220-265	300-400	450-500

About Chartwell

- Chartwell is a national leader in advising middle-market companies in all aspects of finance, including: corporate finance, consulting, transaction opinions, and valuation
- Chartwell's 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 and creates competition among lenders/investors as well as 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 Chartwell can help your company most effectively execute against your financing needs

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