



Let the Games Begin! The Olympics won't be the only place to find healthy competition this summer, as risk appetite among credit investors continues to surge. Competitive tension remains strong between the private credit and bank markets, creating an opportune window for borrowers to raise capital at relatively attractive pricing.

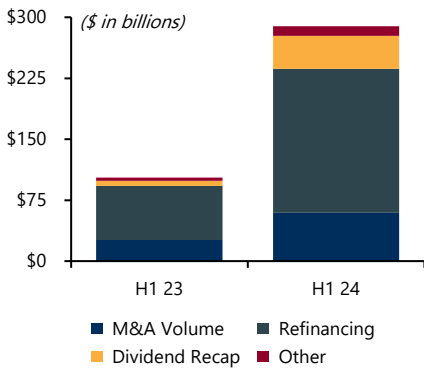
Here's what we saw in the first half ("H1") of 2024:

- Refinancings took the gold in H1 2024 by issuance volume; dividend recapitalizations and M&A-driven financings also saw a significant year-over-year improvement
- It was a tale of two quarters for large cap financings, where the broadly syndicated market ("BSM") jumped to an early lead in Q1, followed by a heroic comeback by direct lenders ("DL") in Q2 2024
- Such competition naturally resulted in a significant compression in credit spreads in the private credit market (generally 50-75 basis points, or .50% to .75%, since the end of last year)

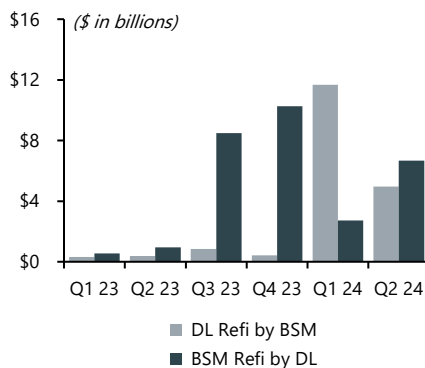


A Highly Competitive Credit Arena In the First Half of 2024

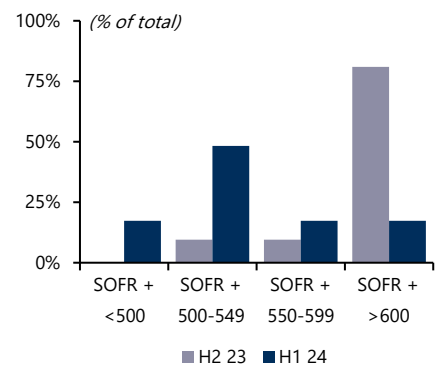
Issuance Activity Nearly Tripled vs. 2023



...Led by a Resurging Bank Market...



...Which Compressed Private Credit Spreads



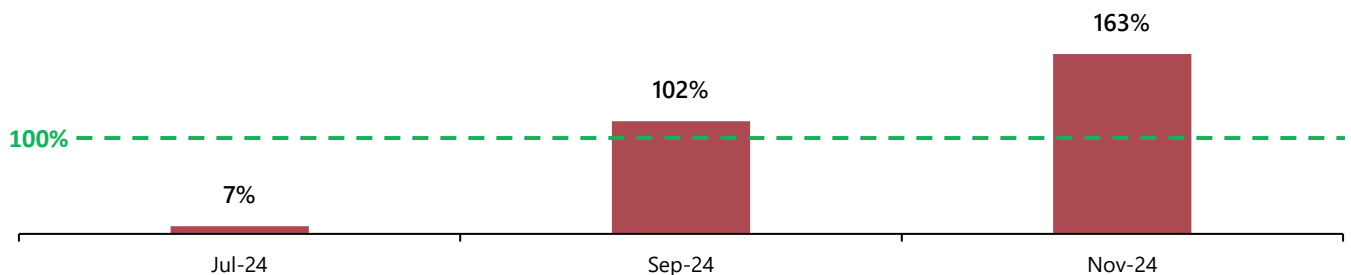
Source: Pitchbook



Proprietary Insights from Our Colleagues at MUFG

"Over the past week, softer than anticipated US labor and inflation reports for June have reinforced the narrative of a decelerating US economy. Markets are now pricing in more than 100% probability that the Fed easing cycle will begin in mid-September, six weeks ahead of US election."

Market Implied Probability of 25 bps Rate Cut by the Upcoming FOMC Meetings



MUFG Capital Markets Strategy

Jonathan Zucker
Managing Director
Head of Capital Advisory
JZucker@IntrepidIB.com

Boris Zikratov
Director
Capital Advisory
BZikratov@IntrepidIB.com

Stephen Senior
Associate
Capital Advisory
SSenior@IntrepidIB.com

Jonty Nobbs
Analyst
Capital Advisory
JNobbs@IntrepidIB.com

Intrepid's Capital Advisory Group enables founders, management teams, and financial sponsors to access institutional capital across all forms of debt and equity to execute mission-critical transactions. We are experts at solving complex capital structure needs for our clients, and have global access to capital sources including banks, direct lenders, hedge funds, family offices, and private equity institutions.