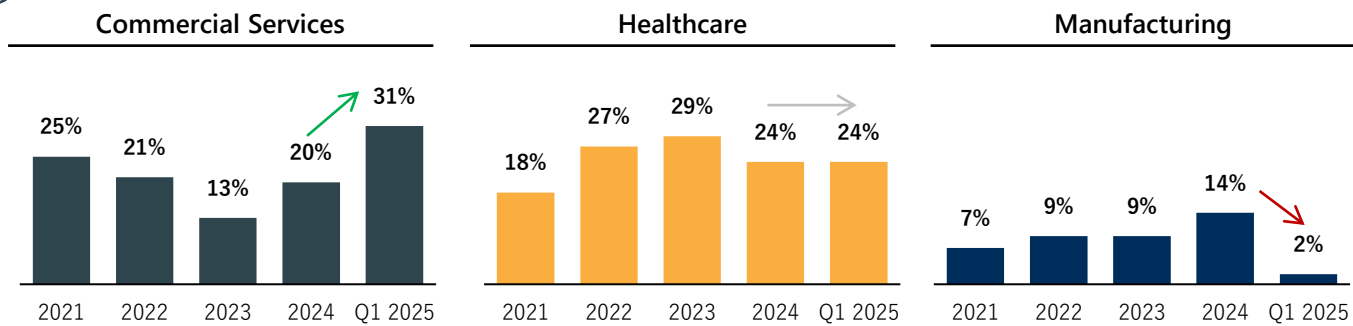


As summer solstice marks the longest day of the year and the symbolic peak of sunlight, it also offers a moment to reflect on sectors that are feeling the warmth – and those in the shade. Just as the sun casts both light and shadow, the economic landscape reveals a mix of resilience and challenges.

- **Commercial Services** – Largely insulated from tariff uncertainty, businesses that cater to the needs of commercial clients are enjoying a period of relative brightness. Thanks to diversified sub-verticals and an integral role in business operations, this sector has garnered significant interest from investors during these uncertain times
- **Healthcare** – After a brief cooldown in deal activity in 2024, healthcare is once again proving to be a steady, counter-cyclical force. Healthcare providers continue to attract significant investment interest, offering relative stability amid broader macroeconomic fluctuations
- **Manufacturing** – Much like the sun's intensity at its zenith, tariffs have put a strain on the manufacturing sector. Deal activity has cooled significantly, as trade policies cast a long shadow over cross-border investments and supply chains

### % of Loan Transactions by Sector for Companies with <\$20M EBITDA

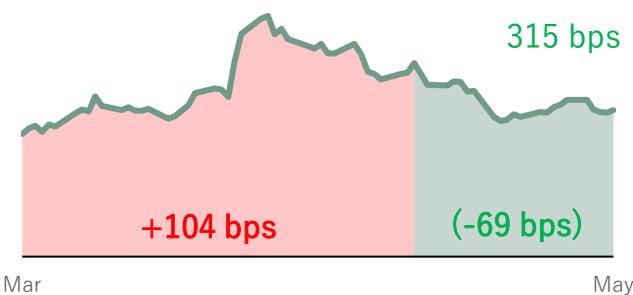


Source: PitchBook LCD, DLD KBRA

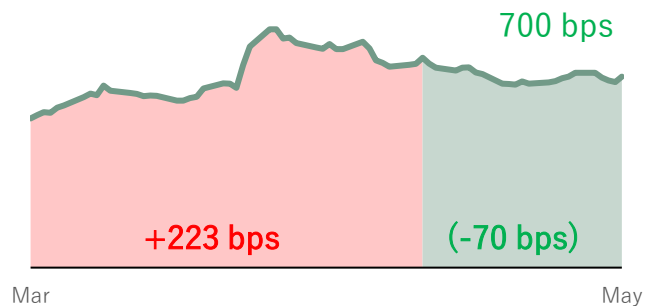
### Key Insights from Our Colleagues at MUFG

*Credit Risk Appetite Returns in May 2025*

#### US High Yield Option Adjusted Credit Spreads



#### US CCC Option Adjusted Credit Spreads



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