



Start Your Engines: Last weekend's Indy 500 showed how quickly position can change when strategy, pace, and pit calls collide — a dynamic mirrored in the middle market, where industry loan volume has shifted quickly across sectors to start the year. Just as race strategy separates winners from the pack, sector volume trends are telling investors where the track is clear and where the caution flags are waving.

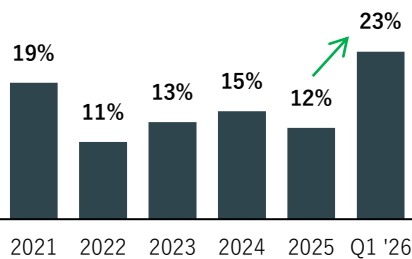
- **Distancing from the Pack:** Industrial manufacturing rocketed to the front, driven by strong aerospace & defense deal flow activity, giving investors a much-needed boost.
- **Maintaining Position:** Healthcare continues to demonstrate its steady, counter-cyclical profile, with activity showing relative stability amid broader macroeconomic volatility.
- **Struggling into the Turn:** The technology sector has hit a speed check as lenders reprice risk around AI disruption, tightening capital deployment.



Industry Leaderboard for Companies with \$20M - \$50M EBITDA

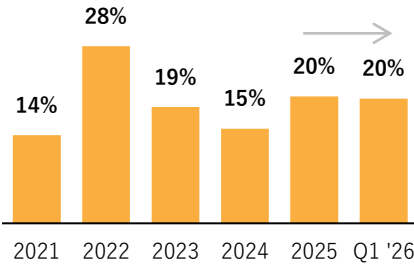
Industrial Manufacturing

% of Total Loans to Private Equity Portfolio Companies



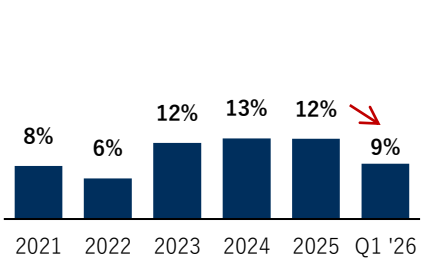
Healthcare

% of Total Loans to Private Equity Portfolio Companies



Technology

% of Total Loans to Private Equity Portfolio Companies

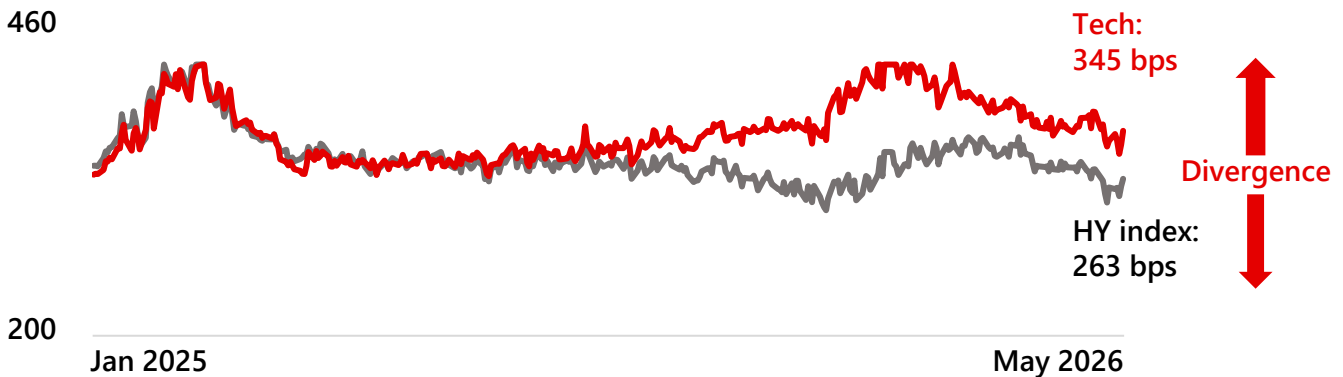


Source: DLD KBRA



Key Insights from Our Colleagues at MUFG

High-Yield Index vs. High-Yield Technology Spreads, since January 2025



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