

High-Yield and Private Credit

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In our just-completed series on high-yield bonds, we concluded that issuer and investor activity has largely been driven by technical factors: near-zero interest rates, the Fed's support of fallen angels, and skewed-to-worse ratings for leveraged loans.

How then should investors be thinking about the illiquid market?

Private credit has a different profile than tradable assets. It provides investors with steady income (and issuers with long-term credit solutions), regardless of market volatility.

As our Chart of the Week shows, middle market loans sport higher yields over time than other asset classes...

?? Read June 8 2020 newsletter: [here](#)

?? Chart of the Week: [here](#)