

Private Credit: A Good 2020 Story

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December was lost in a fog of masks and Netflix bingeing. But one item that penetrated our consciousness was a superb credit webinar, courtesy Lincoln International. Their data, gleaned from over 1600 portfolio companies, are a strong proxy for private credit behavior:

For example, sector performance underlined valuation advantages for less COVID-impacted industries such as tech, healthcare, and business services. The losers remain energy, consumer discretionary, and real estate.

The “better” companies are pushing multiples above the previous high watermark of Q4 2019 of 9.8x ebitda to 10.4x at Q3 2020....

?? Read Jan 4 2021 newsletter: [here](#)

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