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BDC share price-to-book value remains above recent lows

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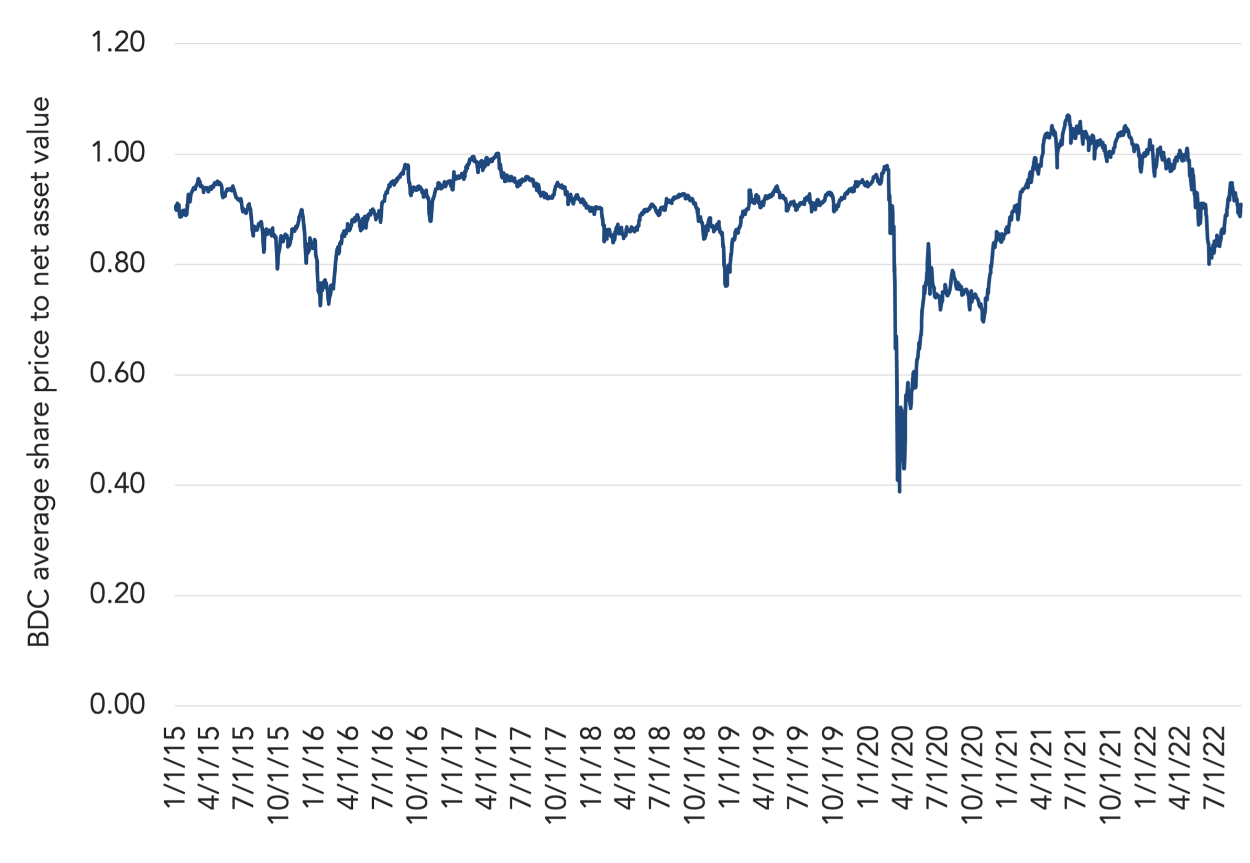

BDC share price-to-book values have bounced around recently, impacted by shifting investor sentiment. The average share price-to-book value is at 0.91x as of September 9, down from 0.95x in mid-August but is still up from a recent low of 0.80x in June. There are wide variations in valuations between individual BDCs. Across a grouping of 46 publicly traded BDCs, 32 are currently trading below book value. Of those BDCs trading below book value, 23 are below 0.90x, with 12 of these below 0.80x. From a total return perspective, public BDCs are outperforming equities but lagging leveraged loans in 2022. Year-to-date through September 9, the Cliffwater BDC index is down 4.65%, compared to losses of 13.7% for the S&P 500 and 1.09% for the Morningstar LSTA Leveraged Loan Index. The outperformance of BDCs relative to the broader equity markets is rooted in investors seeking exposure to assets which may benefit from rising interest rates.

(Past performance is no guarantee of future results.)