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Premium for MM direct lending loan yields over large corporate credits averaged 265bp in 2Q24

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Pricing tightened across all market segments in 2Q23 as demand for assets outpaced supply. This enabled borrowers to obtain more attractive pricing on new credits and refinance existing debt. The average yield on first-lien middle market term loans for direct lender-led deals tightened by 31bp to 11.43% in 2Q24, while middle market syndicated credits declined by 43bp to 9.98%. Large corporate syndicated term loan yields tightened by 29bp to 8.78% on average. In turn, the yield premium for direct lender-led deals over large corporate deals was relatively flat at 265bp in the most recent quarter.