Everything Happens So Much (Part Two)

THE LEAD | November 7, 2024

What are the biggest surprises for investors this year? Our informal polling among top credit managers produced five answers. First, muted M&A activity, despite improved conditions for financing. Second, is the strength of the economy. Though rates have been high compared the zero-gravity era that ended in 2022, consumers keep spending and companies keep hiring.

Our experience has been that most predictions of risks have the timing exactly wrong: buy when you should be selling, sell when you should be buying. Those who say credit is risky, for example, because interest rates are high, will miss the best of both worlds. Debt costs will improve for borrowers, but all-in yields for investors will remain well above historic levels…

?? Read Oct 14th, 2024 Newsletter: here