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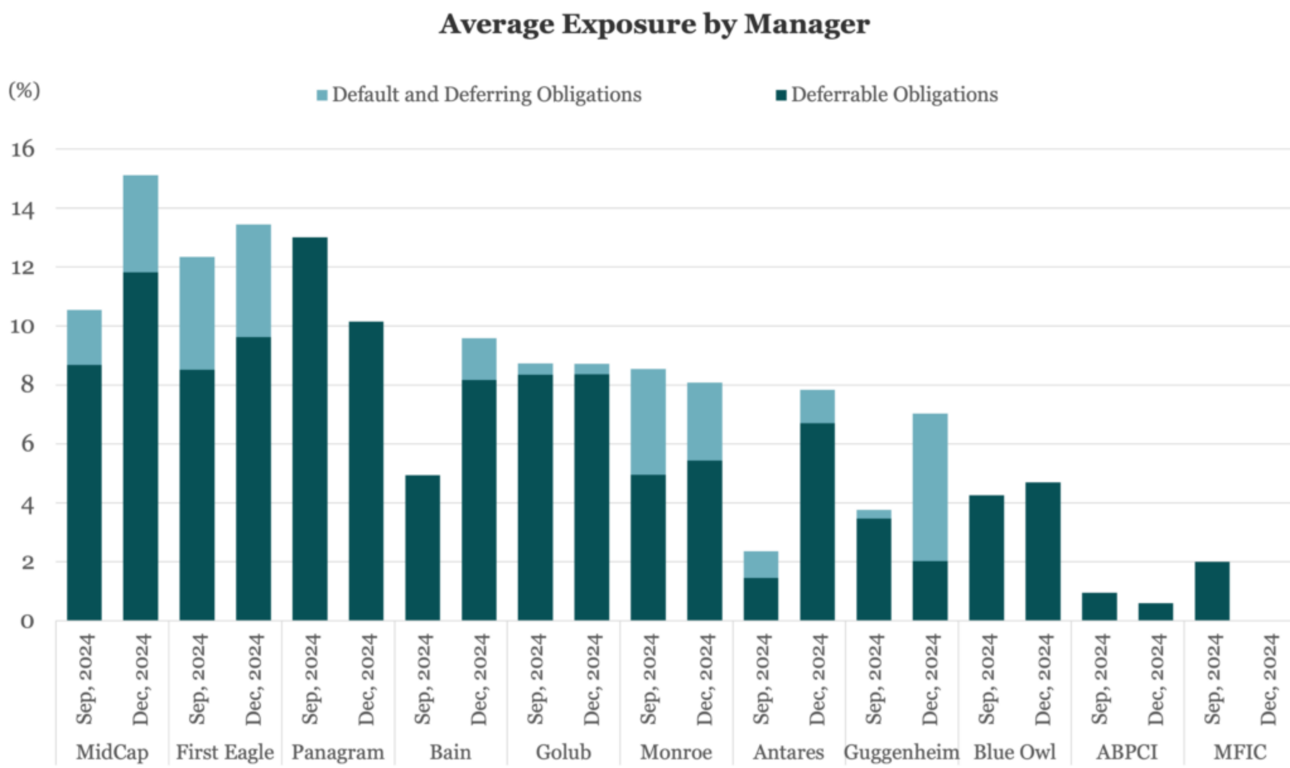
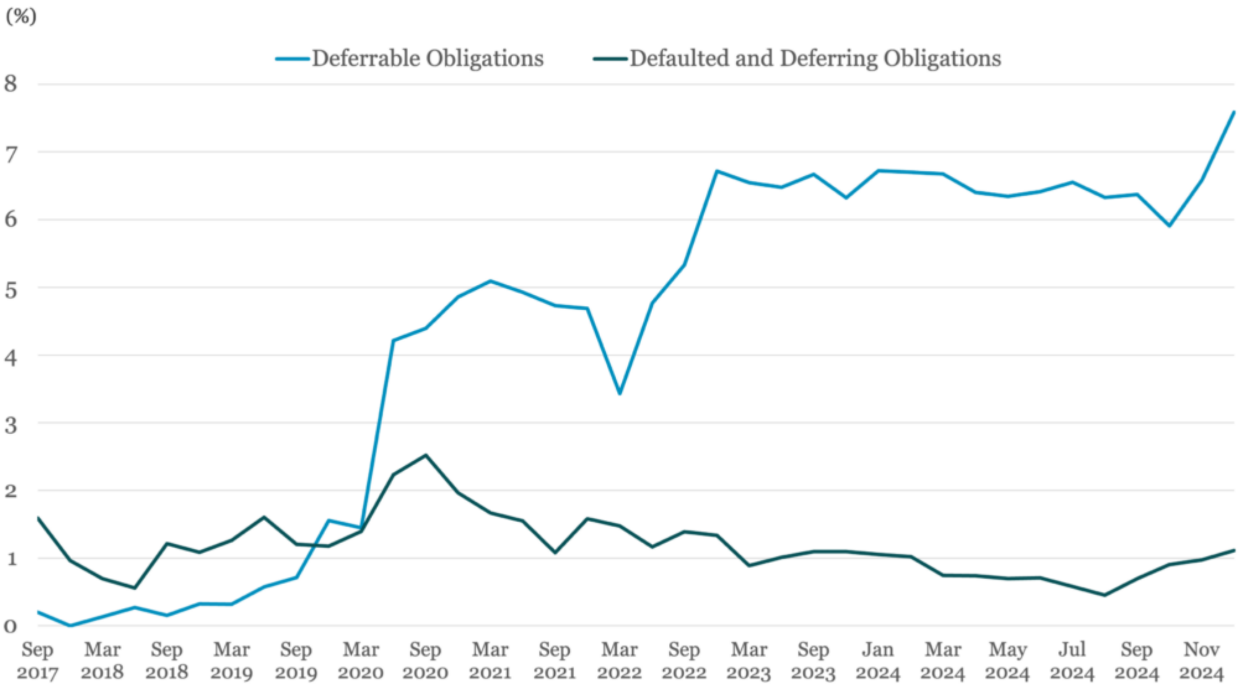
Fitch U.S. MM CLO Spotlight – December 2024

Fitch Ratings | January 22, 2025



Note: Defaults are Fitch-identified and may differ from CLO reporting based on more recent information. Deferring refers to issuers that are currently PIK-ing the entire coupon payment due. Issuers with Fitch IDRs or credit opinions of 'CC' or below are included in the defaulted and deferring data. Deferrable includes issuers that are allowed to defer interest and issuers that are paying part of their interest due in cash while deferring the rest of the interest due. The denominator includes principal cash and full par for defaulted notional. Managers without any deferrable, default or deferring obligations are excluded from the chart.
Source: Fitch Ratings

Average Historical Exposure Across MM CLOs



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Source: Fitch Ratings

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Join Fitch for the upcoming Outlook panel: Credit Outlook 2025 Private Credit

At the end of 2024, 24 CLOs had exposure to at least one defaulted or deferring issuer. The average exposure in middle market (MM) CLOs rose to 1.1%, up from 0.7% in the previous quarter, while remaining unchanged from the same period last year. In December, six new defaulted or deferring issuers were reported across eight MM CLOs, these issuers contributing to a combined exposure rate of 0.7% to 1.4% across these transactions. Additionally, one prior defaulted issuer emerged and another one was removed from the Fitch-rated CLOs in December.