



# Private Debt Investor Forum

## Opportunities in Structured Credit and Broadly Syndicated CLOs



TETRAGON CREDIT PARTNERS

# Opportunities in Structured Credit and Broadly Syndicated CLOs Panel

## Panelists:

**Mohamed Seif-Elnasr**

*Co-Founder & Managing Director*  
Lakemore Partners

**Andrew Gordon**

*Chief Executive Officer & Co-Chief Investment Officer*  
Octagon Credit

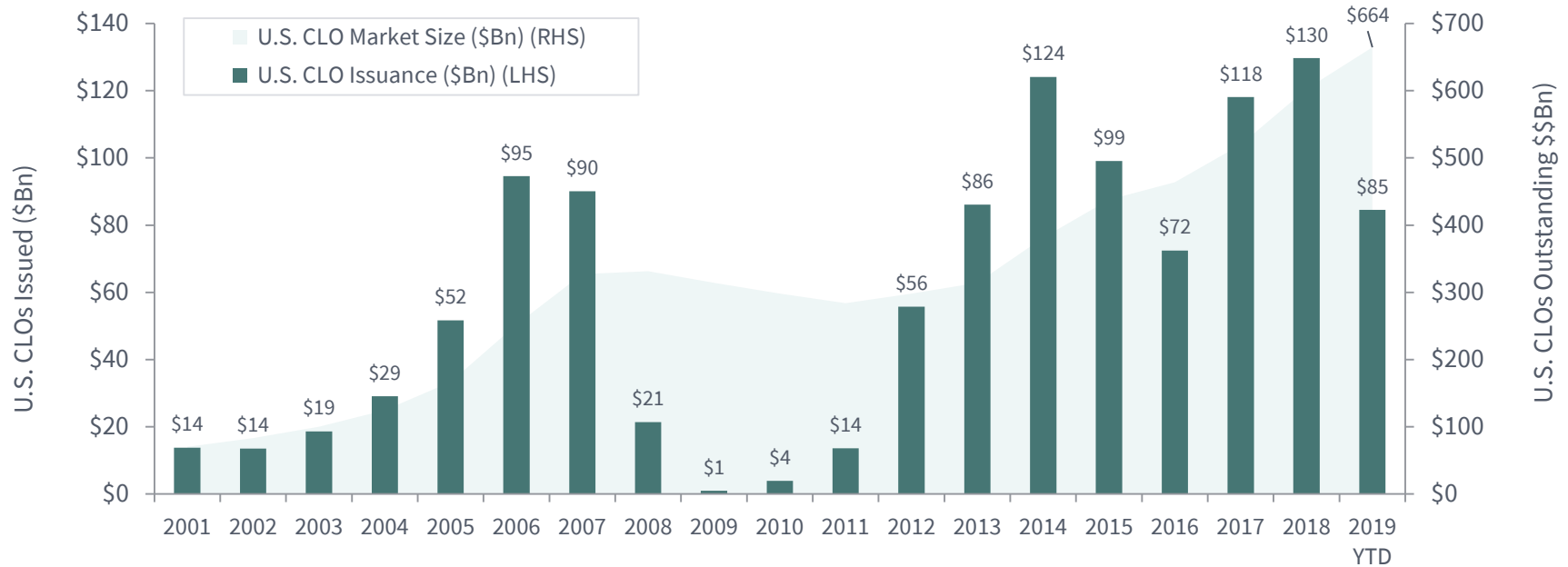
## Moderator:

**Dagmara Michalczuk**

*Principal & Portfolio Manager*  
Tetragon Credit Partners

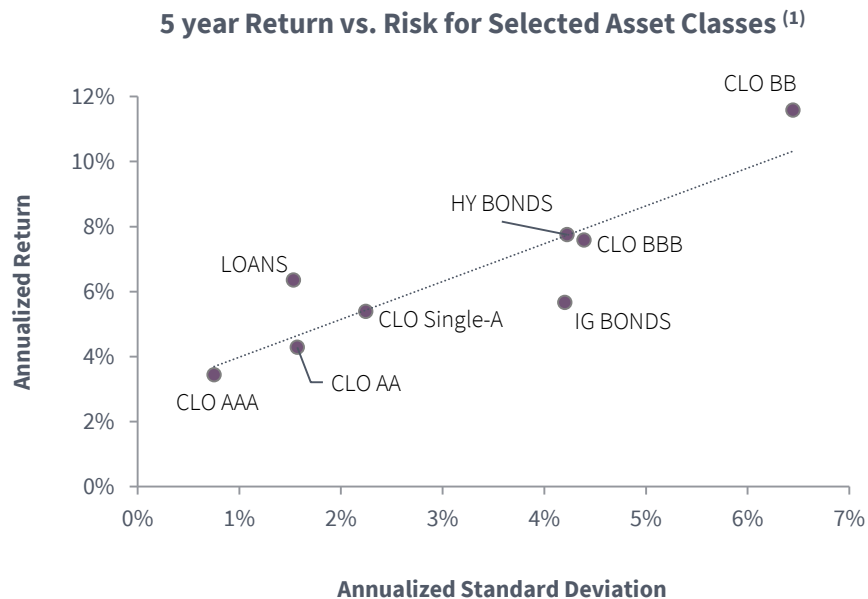
# U.S. CLO Market Size

## U.S. CLOs Issued and Outstanding (\$Bn) <sup>(1)</sup>



(1) Source: JP Morgan. Data as of September 14, 2019.

# U.S. Senior Secured Loans: Performance History



**2003-July 2019 Return Cross-Asset Correlations <sup>(2)</sup>**

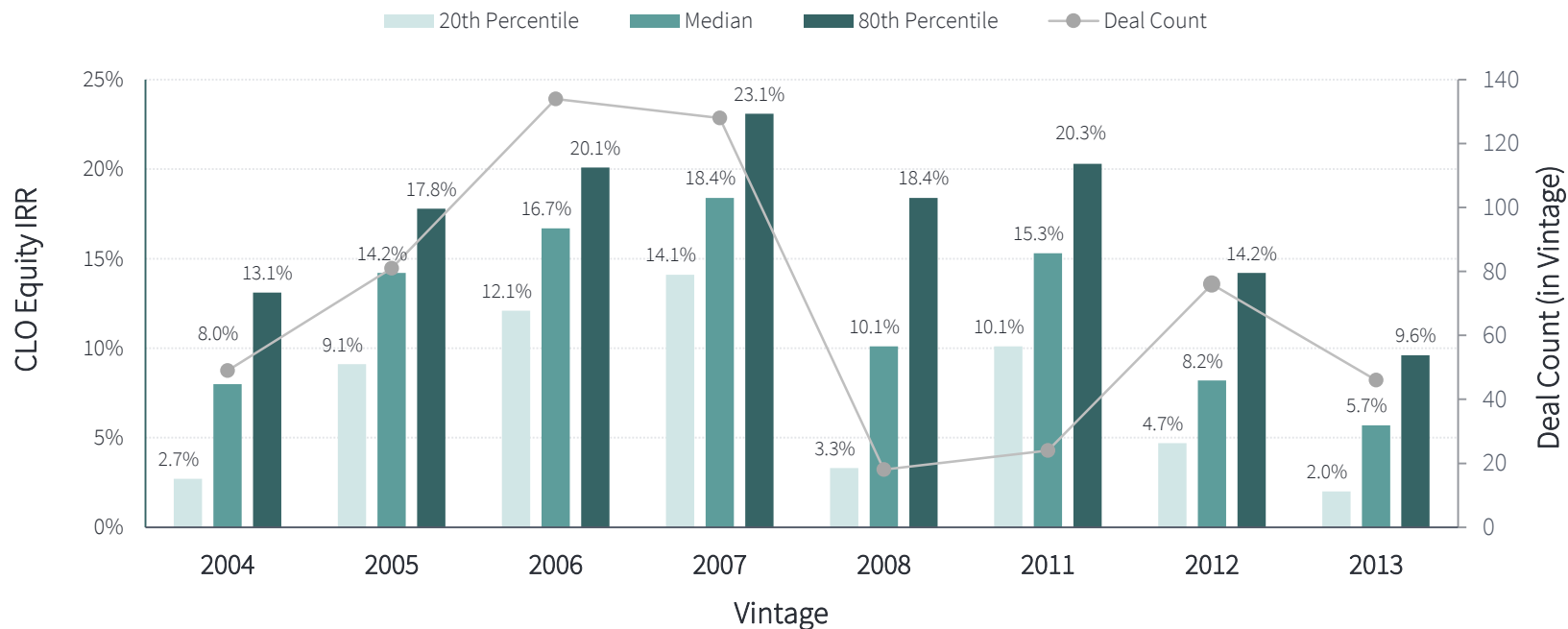
	S&P/LSTA Lev. Loan Index	ML U.S. High Yield Index	ML 10 yr. U.S. Treasury	S&P 500	ML U.S. High Grade Index
S&P/LSTA Lev. Loan Index	1.00	0.83	-0.38	0.56	0.38
ML U.S. High Yield Index	-	1.00	-0.15	0.70	0.61
ML 10 yr. U.S. Treasury Index	-	-	1.00	-0.27	0.58
S&P 500	-	-	-	1.00	0.30
ML U.S. High Grade Index	-	-	-	-	1.00

(1) Source: JP Morgan, April 2019.

(2) Source: S&P Global Market Intelligence. U.S. senior secured loan cross-asset correlations may diverge significantly from U.S. CLO equity cross-asset correlations and are not directly comparable. The returns for U.S. CLO equity may be significantly more volatile and riskier than returns for U.S. senior secured loans.

# U.S. CLO Equity: Performance Summary by Vintage

## Terminated U.S. Broadly Syndicated CLO Equity IRRs <sup>(1)</sup>



(1) Source: Wells Fargo Research, "The U.S. CLO Equity Performance Report," August 12, 2019. Assumes a purchase price of par. Underlying transaction cash flow sourced from Intex as of Q2 2019. Excludes 2010 vintage due to small sample size (5 transactions).