FitchRatings

# US Private Credit: The Interplay Between Credit Quality, Liquidity and Systemic Risk

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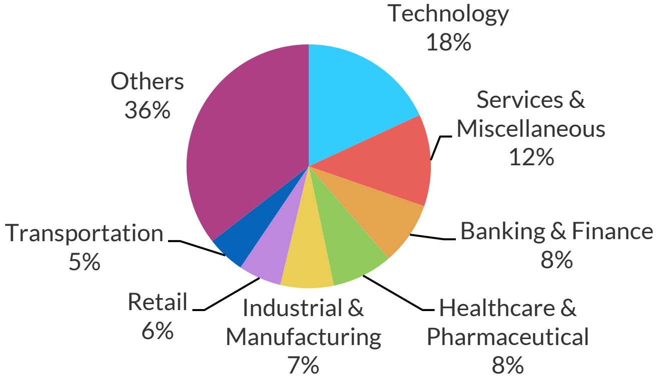
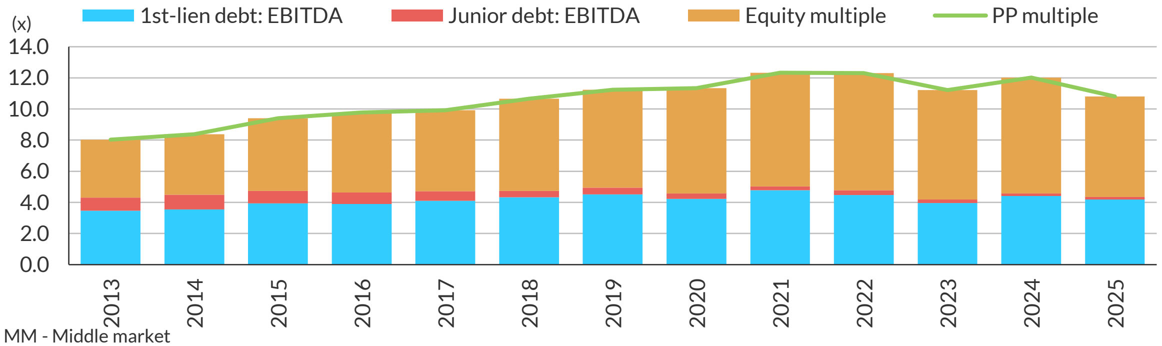
# U.S. Private Credit Defaults Spike, Losses are Contained

## Top Middle Market Loan Sectors



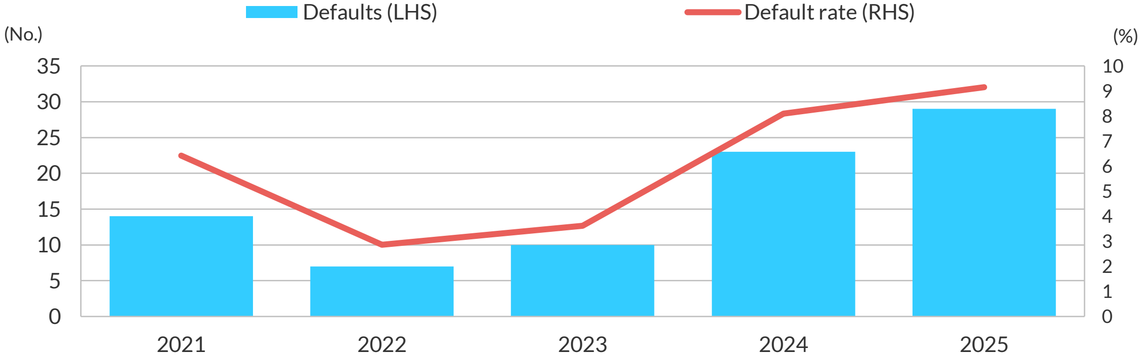

Source: Fitch Ratings

## MM LBO Purchase Price Multiple and Capital Structure



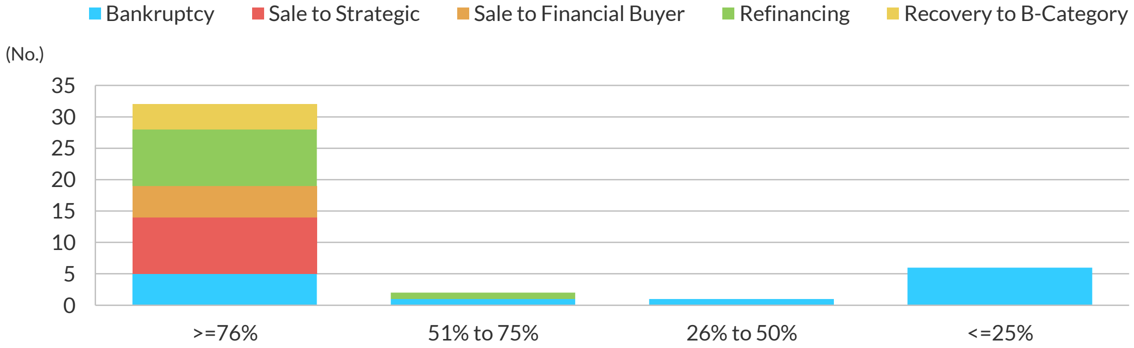

MM - Middle market
Source: Refinitiv LPC

## PMR Default Rate




Source: Fitch Ratings

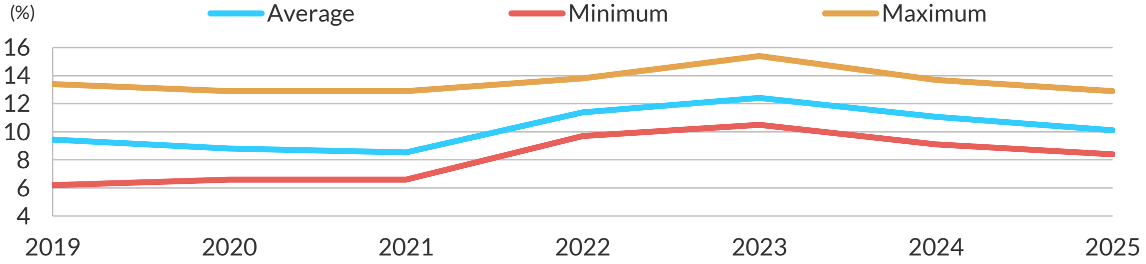
## PMR Ultimate Recoveries




Source: Fitch Ratings

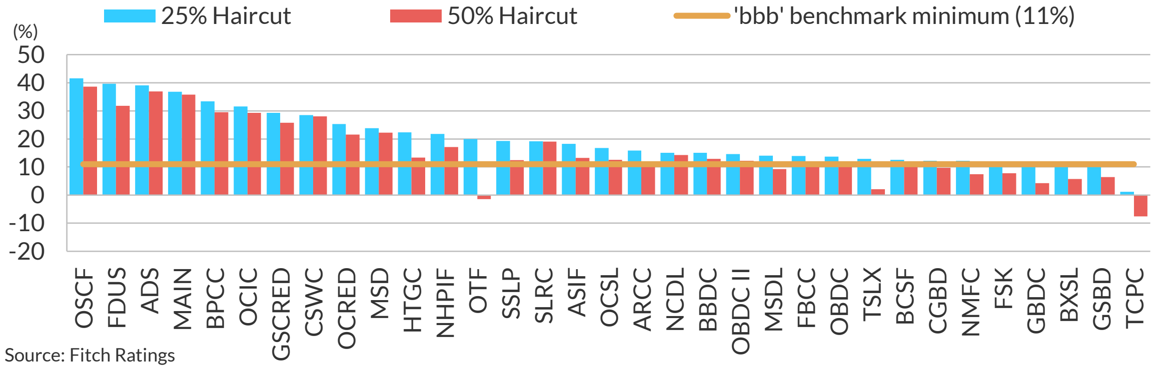
# U.S. BDCs – Income Pressures and Software Concerns

## Portfolio Yield Trends
(Years ended Dec. 31)



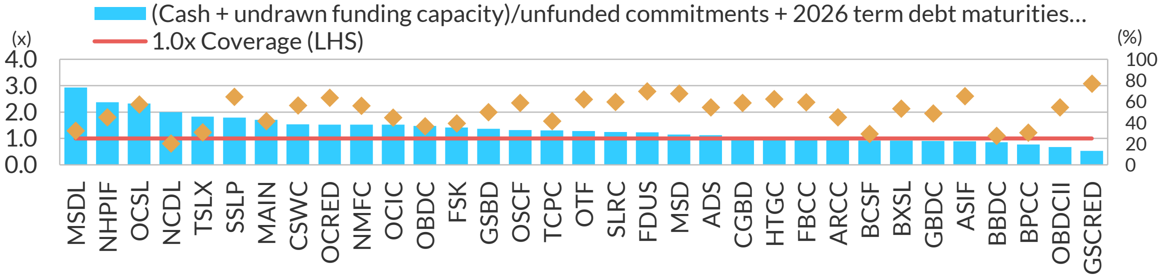

Notes: Includes 33 BDCs rated by Fitch. Represents weighted average yield on income-producing securities at cost, if disclosed; otherwise, at fair value. Definitions of reported yields may vary among BDCs.
Source: Fitch Ratings

## Asset Coverage Cushions Under Software Stress Cases
(As of Dec. 31, 2025)



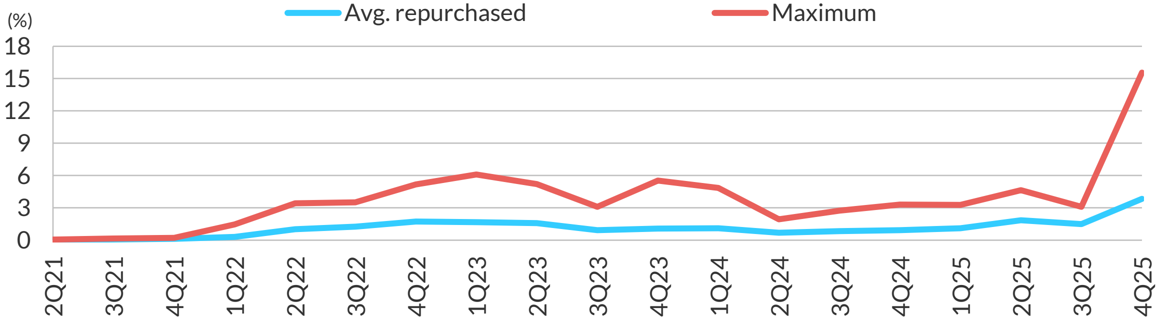

Source: Fitch Ratings

## Coverage of Short-Term Debt and Unfunded Commitments
(As of Dec. 31, 2025)




Notes: Not adjusted for facility amendments after 12/31/25. Undrawn capacity represents total undrawn commitments, but availability is subject to borrowing base and leverage restrictions. Adjusted for unsecured debt issuances through 4/14/26 and the repayment of secured borrowings with proceeds. Numerator excludes equity commitments for MSD and SSLP. Denominator excludes commitments to off-balance sheet funds and certain other controlled investments. Cash includes foreign currency. Utilization % as of 12/31/25 and not adjusted.
Source: Fitch Ratings

## Perpetually Non-Traded BDC Redemptions as % of Prior-Quarter NAV




Note: Data for 19 perpetually non-traded BDCs tracked by Fitch (not all rated).
Source: Fitch Ratings

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