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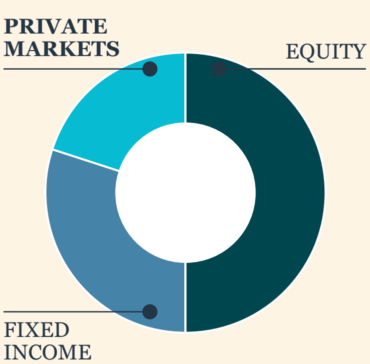
PRIVATE MARKETS
institute

Building wealth through private credit

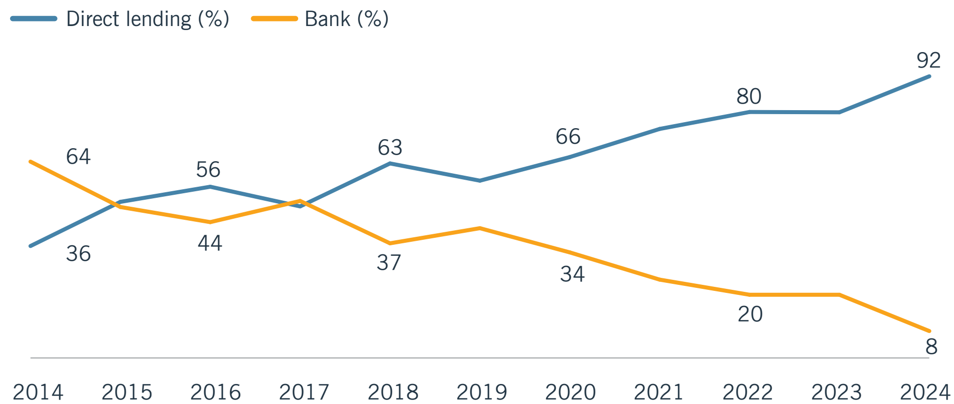
Private markets play an important role in any long term investment strategy. Because these assets tend to behave differently from others – such as equities or fixed income – they may offer a powerful dose of diversification, a dependable source of income, and even potential protection from rising inflation.



THERE'S MORE TO DEBT INVESTING THAN BONDS

Companies looking for financing traditionally have had few options. They could borrow from a bank, issue bonds – which promise to pay investors back with interest over time – or sell stock. In recent years, companies increasingly are considering another option: private credit.

Select investors finding opportunities beyond banks

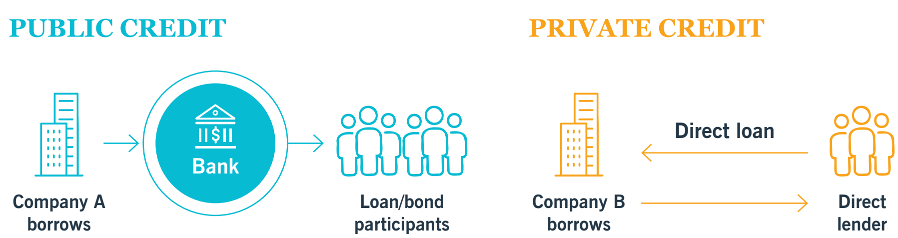


Source: LSEG LPC, as of 2Q 2024

Today's private credit markets can offer a wider range of loan types than the typical bank, enabling companies to tailor borrowing to their unique needs.

WHAT IS PRIVATE CREDIT?

Private credit enables direct lending between a borrower and lender without a traditional financial institution in the middle.



Private credit has become an important source of financing for companies of all sizes, particularly mid-sized firms. It has presented valuable opportunities to investors, delivering strong returns (as illustrated in the Returns chart on page 2) while providing unique diversification benefits. Private credit also offers qualities that can help protect against inflation and some of the volatility in the public debt markets.

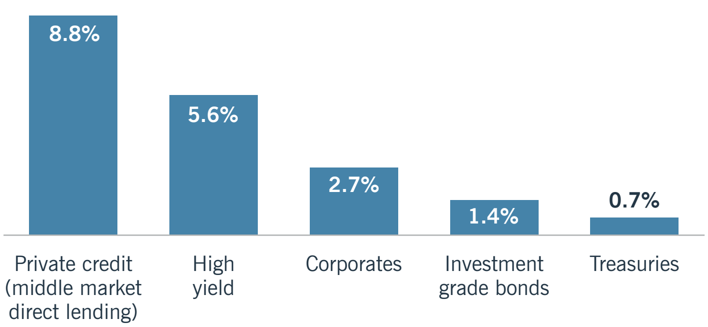
KEY REASONS TO CONSIDER PRIVATE CREDIT

Increasing return potential ...

Private credit often offers higher yields and return potential compared to traditional fixed-income investments.

Returns

Annualized

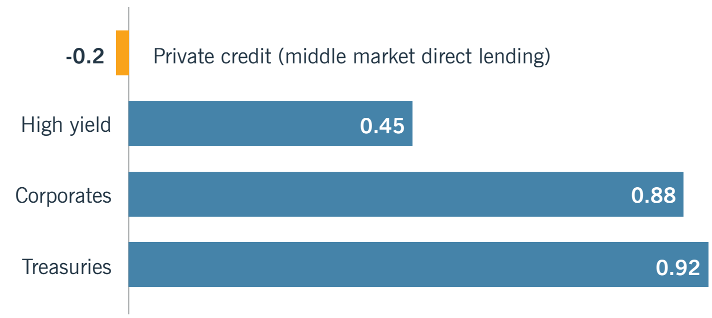


... while diversifying your investments

Allocating to private credit may help to further diversify your overall portfolio, as the asset class has a low correlation (meaning it behaves differently) to public fixed income markets.

Correlation to investment grade bonds

Annualized



Sources: Index data is presented for the period 10/1/15 through 1/31/23. Indices shown include Private credit: The Cliffwater Direct Lending Index (CDLI). High yield: The Bloomberg U.S. Corporate High Yield Index. Corporates:The Bloomberg U.S. Corporate Bond Index. Investment grade bonds: The Bloomberg U.S. Aggregate Bond Index. Treasuries: The Bloomberg US Treasury Index. See below for index definitions.

Private credit is generally less liquid than public, meaning money invested is usually held for a longer period of time as lenders often intend to hold the debt to maturity. The premium for that exchange in flexibility is offering higher yields over comparable traditional fixed income assets such as public bonds. This rapidly growing asset class may be a good option for investors who are looking to preserve capital or generate regular income.

For more information, please consult with your financial advisor and visit nuveen.com.

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her advisors. Diversification does not protect against loss.

Past performance is no guarantee of future results. Index definitions: **The Cliffwater Direct Lending Index (CDLI)** seeks to measure the unlevered, gross of fee performance of U.S. middle market corporate loans, as represented by the asset-weighted performance of the underlying assets of Business Development Companies (BDCs), including both exchange-traded and unlisted BDCs, subject to certain eligibility requirements. **The Bloomberg U.S. Corporate High Yield Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The index excludes emerging market debt. **The Bloomberg US Corporate Bond Index** measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers. **The Bloomberg U.S. Aggregate Bond Index** is an unmanaged, market-value weighted index used as a benchmark by bond traders and the managers of mutual funds and ETFs to measure their relative performance. It comprises taxable U.S. investment grade, fixed rate bond market securities, including government, government agency, corporate, asset-backed, and mortgage-backed securities with maturities between one and 10 years. **The Bloomberg US Treasury Index** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index.

Investing involves risk; principal loss is possible. Debt or fixed income securities are subject to market risk, credit risk, interest rate risk, call risk, derivatives risk, dollar roll transaction risk and income risk. As interest rates rise, bond prices fall. Below investment grade or high yield debt securities are subject to liquidity risk and heightened credit risk.

Foreign investments involve additional risks, including currency fluctuation, political and economic instability, lack of liquidity and differing legal and accounting standards. Please note investments in private debt, including leveraged loans, middle market loans, and mezzanine debt, are subject to various risk factors, including credit risk, liquidity risk and interest rate risk.

Nuveen, LLC provides investment solutions through its investment specialists.

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