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Debunking junior capital myths

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Myths about the use and risk profile of junior capital often stem from misconceptions that overlook the protections that experienced, disciplined lenders put in place to deliver compelling risk-adjusted returns. Today's junior capital is a time-tested, durable form of financing, offering high-quality, sponsor-backed borrowers flexibility and the capacity to invest in growth.

CONTRARY TO COMMON MISCONCEPTIONS, IN JUNIOR CAPITAL

1. **Subordination does not mean high risk and low quality.** We believe borrower quality, portfolio manager experience, equity cushion size, covenant packages and sponsor support are far greater determinants of risk. Investors could boost risk-adjusted returns by moving down the capital stack and providing junior capital for high-quality companies
2. **Payment-in-kind (PIK) is now commonplace** and often structured at origination to provide flexibility and support for successful value creation
3. **Managers can deploy regardless of macroeconomic conditions**, demonstrating durability through economic cycles

We define junior capital as private credit with a subordinated balance sheet positioning junior to senior debt and senior to common equity (typically in the form of subordinated notes, second lien term loans, or other structured capital solutions for private equity sponsor-backed companies in the U.S. middle market ($10 million - $100 million of EBITDA) with maintenance covenant and call protections Uses of proceeds are generally to fund growth such as leveraged buyouts or acquisitions, as well as optimizing balance sheet structures.

MYTH #1: SUBORDINATION MEANS HIGH RISK AND LOW QUALITY

Junior capital typically sits in the middle of the balance sheet, junior in ranking to first lien debt and senior to equity investors. However, subordination is not, in and of itself, a sufficient barometer for risk; borrower quality, portfolio manager experience, sponsor backing, covenant packages and equity cushion size are more significant determinants of risk. When seasoned managers lend to high-quality, sponsor-backed borrowers with large equity cushions, they can enhance yield for minimal incremental risk by moving down the capital stack.

Not all subordinated debt is created equal

The two primary differentiators between junior capital and other subordinated asset classes are the use of proceeds and alignment with private equity sponsors. Junior capital lenders primarily seek transactions with growth-oriented uses of proceeds, such as leveraged buyouts and acquisitions. Additionally, junior capital lenders' incentives are highly aligned with sponsors and equity holders. This cohesive dynamic creates a path toward successful value creation, is accretive to all parties and helps mitigate default risk.

The transaction dynamics for credit opportunities, special situations and distressed debt, which could all be broadly classified as subordinated debt, are markedly different in terms of strategy and risk-return profile. Many of these can be characterized by misalignment with sponsors (such as in aggressive loan-to-own strategies), situational complexity and uses of capital not conducive to growth (such as funding a dividend for equity holders, fixing a broken balance sheet or redeeming another lender). Figure 1 demonstrates how junior capital is less volatile than other forms of subordinated debt.

Junior capital offers investors an opportunity to lock in long-term return stability.

Figure 1: Lower volatility than other forms of subordinated debt

Average standard deviation of return (%)[1]

	20-year	10-year	5-year
Junior capital	7.8	7.3	8.0
Credit oppportunities / special situations	10.8	10.9	10.7
Distressed	21.7	17.0	19.2

Past performance does not guarantee future results.
Source: Cambridge Associates LLC ("CA") benchmarking via Refinitiv LSEG LPC.

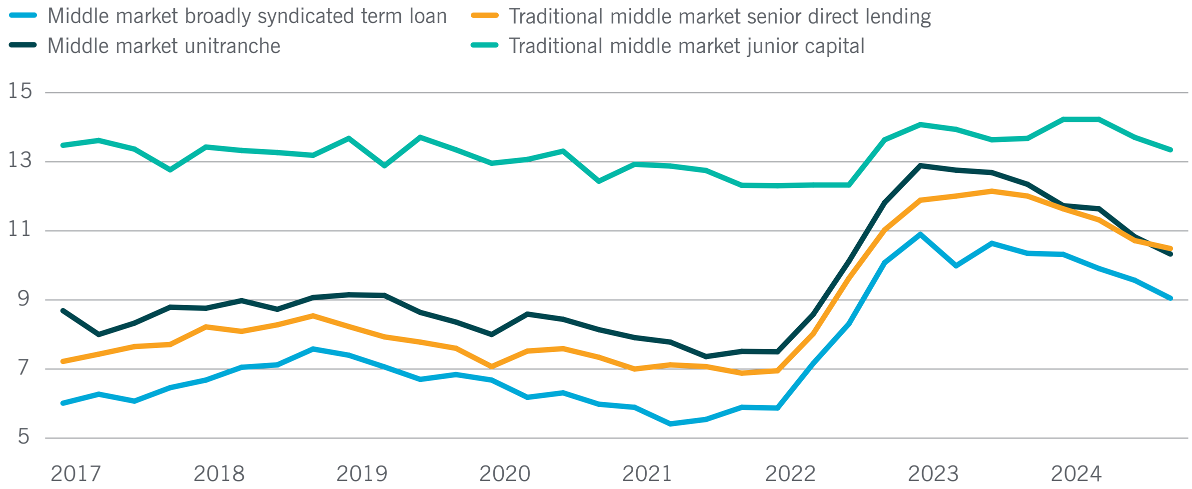
Junior capital subordination premium

Junior capital lenders can receive attractive risk-adjusted returns for subordinated balance sheet positioning. This includes quarterly cash income, plus potential upside in the form of higher yielding PIK toggles (a feature that gives borrowers the choice of paying cash interest or PIK), equity kickers and upfront fees.

Structured capital, a sub-set of the broader junior capital asset class including PIK notes and preferred equity, allows lenders to earn near equity-like returns while preserving a more favorable position than common equity holders. If a borrower performs well, structured capital providers stand to gain a lucrative upside in addition to fixed contractual coupons.

Junior capital lenders also benefit from call protection to compensate them should a borrower refinance earlier than anticipated. Examples include a guaranteed minimum multiple on invested capital (MOIC) or a prepayment premium for up to three years post-closing.

Figure 2: Junior capital returns have been consistent over the long term (%)



Past performance does not guarantee future results.
Source: Refinitiv LSEG LPC's Middle Market Private Deals Analysis as of 31 Dec 2024

Junior capital lenders have historically received an average 500 basis point (bps) subordination premium over senior lending asset classes (Figure 2).[2] Unlike floating-rate senior debt, where underlying base rates can cause significant return fluctuations, junior capital has demonstrated long-term return consistency from its primarily fixed-rate contractual coupons.

Junior capital structural integrity

Junior capital lenders can mitigate subordination risk by structuring transactions with substantial equity cushions and maintenance covenant protections.

Sponsors in middle market buyouts may contribute over 50% of the enterprise value in equity, meaning a company's valuation would need to decline by more than 50% to impair the junior capital security. Despite being classified as subordinated, junior capital lenders are not taking the first loss and benefit from a senior ranking to equity holders.

Junior capital lenders typically also receive covenant protections (such as maximum leverage thresholds or minimum fixed charge coverage), which provide quarterly pulse checks on borrower health and detect early warning signs of distress.

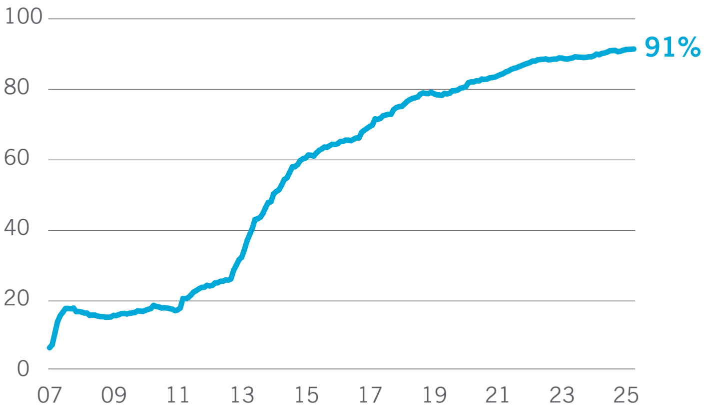
The dynamics in the broadly syndicated loan (BSL) and large-cap unitranche markets are markedly different. Increased competition for deals, driven partly by record-high levels of dry powder (reached $566.8 billion globally for direct lending funds in mid-2024),[3] has pushed some senior detachment points and loan to values (LTV) beyond typical junior capital levels. These may have senior priority in a capital structure, but many are not only innately riskier than junior capital, but also generate lower yields.

In addition, terms in the BSL and large cap unitranche markets have loosened considerably. Over 90% of constituents in the Morningstar LSTA Leveraged Loan Index are now covenant-lite (Figure 3), a giant leap from the sub-10% in 2007.[4] S&P Global reviewed more than 1,000 credit agreements from loans executed in 2024 and found maintenance covenants were less common among large cap deals.[5]

Looking ahead, we expect defaults to remain inconsequential for sophisticated managers that consider the holistic capital structure composition and covenants in all underwriting decisions and are wary of positioning capital behind aggressive senior lenders.

Figure 3: The vast majority of the leveraged loan market is now covenant-lite

% covenant-lite in Morningstar LSTA Leveraged Loan Index



Source: PitchBook LCD Institutional Loan Default Review via Barclays FICC research credit strategy report as of 29 July 2024

Quality matters

Capital stack priority is irrelevant if underlying borrower quality is poor. Rather than investing in high risk, complex companies, lenders can enhance return potential by moving down the capital stack and providing junior capital for high-quality borrowers.

We consider high-quality borrowers to be recession-resilient, durable companies with mission-critical services, stability through prior cycles, low customer and supplier concentration and are market leaders in their respective fields. By prioritizing core fundamentals, junior capital lenders are well-equipped to weather periods of macroeconomic volatility.

Junior capital lenders are in a strong position if a borrower underperforms

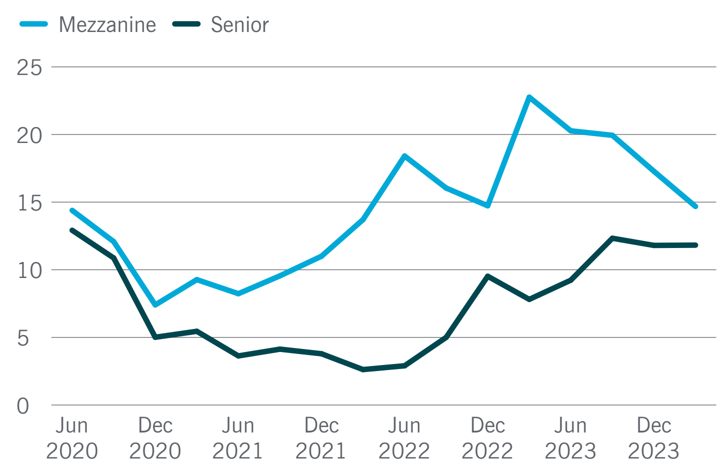
Some believe senior lenders lead the way if a company runs into trouble. However, junior capital lenders are often better positioned to provide direction. Junior capital can serve as a fulcrum security – where lenders have negotiating leverage and can align with either side of the capital stack.

Junior capital is typically comprised of a small club of one to three direct lenders that are often more willing to collaborate with sponsors than a disparate group of five to 15 syndicated bank lenders. As buy-and-hold underwriters in an illiquid market, junior capital lenders have significant skin in the game. This allows for greater support and alignment to drive toward long-term value recovery, which is often a substantially better outcome than immediately extracting cash.

At origination, experienced junior capital lenders will ensure their capital has safeguards ranging from covenants and reasonable intercreditor agreements, to veto rights and board observer seats. If a borrower underperforms, junior capital lenders have several tools at their disposal to support recovery. Lenders can also manage tight interest coverage ratios with PIK toggles and hybrid coupons, offering the company flexibility and more time to recover. In exchange, junior capital lenders can earn meaningful amendment fees and higher coupon bumps. Additionally, lenders can also deploy incremental capital alongside sponsor equity infusions.

Figure 4: Converging distress rates between senior and junior lending

Calendar-quarter proxy default rates (%)



Past performance does not guarantee future results.
Source: MSCI Private Assets as of 4 Nov 2024.

Reconciling default rate perception versus reality

Junior capital default rates are not substantially higher than for senior lending, and they are lower than for other forms of subordinated debt. A recent MSCI report notes "Rates of distress in mezzanine loans have retreated since 2023 and are (broadly) converging on distress rates seen in senior loans" (Figure 4).[6] Since mid-2022, defaults for BSL have nearly tripled as interest rates remain elevated. For senior floating rate debt facilities, interest rates can greatly impact borrowers' interest-coverage ratios, leading to potentially higher defaults. This data challenges the common misconception that debt facilities secured with collateral and liens are undefeatable.

Weak covenant protections and increasingly onerous bankruptcies have permanently changed the default landscape. The Barclays July 2024 LME report analyzed LMEs (liability management exercises) since 2017 and concluded that senior debt does not necessarily outperform junior capital. Barclays counted instances when senior debt instruments were the best performing part of the capital stack. This occurred in just eight of 20 LMEs (40%). Barclays questioned the efficacy of liens and reiterated that debt seniority is not set in stone, as it could be up-tiered by a new super-priority instrument.[7]

MYTH #2: PIK IS A WARNING SIGN

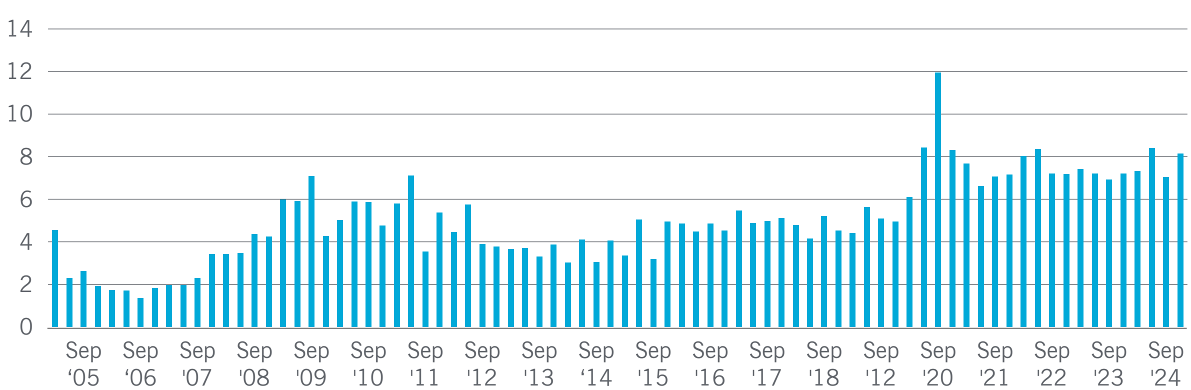
Historically viewed as a form of distressed financing, PIK is now commonplace in private credit. PIK is defined as interest that accrues quarterly toward the debt principal balance and is paid at exit. It is not inherently negative and is often proactively structured at origination by junior capital lenders to support successful value creation. As a patient form of capital, junior lending can provide flexibility for cash interest to be turned off with a PIK interest toggle. The best use of a company's cash is sometimes not paying interest but reinvesting in growth.

PIK is not inherently negative

The use of PIK spiked during the global financial crisis (GFC) and the COVID-19 pandemic. In September 2020, PIK income represented 12% of direct lending income. Today, this figure has since normalized at around 7% or 8% (Figure 5),[8] reflecting borrowers' needs to combat increased financing costs. Borrowers might also seek alternatives to quarterly interest payments to free-up cash for integrating an acquisition or executing value creation initiatives after a leveraged buyout. Today's lenders are proactively structuring PIK toggles as an option at origination to avoid immediate cash outflows that strain liquidity.

Figure 5: PIK has become more commonplace

CDLI PIK as a % of total income[9]



Performance data represents past performance, which does not guarantee future results.
Source: Cliffwater report as of 11 Feb 2025. PIK and Choose: The Pros and Cons of Deferred Income in Direct Lending.
There is no assurance that similar investments will be made or that similar results will be achieved.

Traditional BSL, unitranche and other forms of senior financing can drain borrower liquidity through regular interest and amortization payments. PIK helps free up cash for investment; using cash savings, such as for growth capital expenditures, has a higher return on investment than the PIK rate, leading to equity and enterprise value accretion.

PIK also allows a company to align cash generation more accurately with cash interest payments. It is especially useful in the early innings of a leveraged buyout or acquisition, when liquidity could be tight due to the private equity J-curve of owning a company requiring expense investment. Sponsors need time and resources to fully integrate and achieve synergies, and PIK toggles give them one to two years of runway to achieve this.

PIK toggles can be win-win

Junior capital lenders have become creative with hybrid coupons, such as offering one year of 100% PIK, then switching to cash-pay if the company opts to do so. PIK toggles and hybrid coupons are defining characteristics of junior capital and not as readily available in other types of lending. PIK toggles are more closely aligned with a borrower's performance than 100% PIK, and can therefore be a win-win for both lenders and borrowers. When a borrower faces headwinds and has cash restraints, it can opt to pay PIK interest. This results in the junior capital lender earning a coupon premium and taking a larger stake in the form of additional principal at a higher rate. When, by contrast, a borrower is performing well, it can pay interest in cash (either by choice or as dictated by the loan terms), while the junior capital lender receives quarterly income at a lower rate than under a PIK option.

PIK is not delaying an inevitable loss

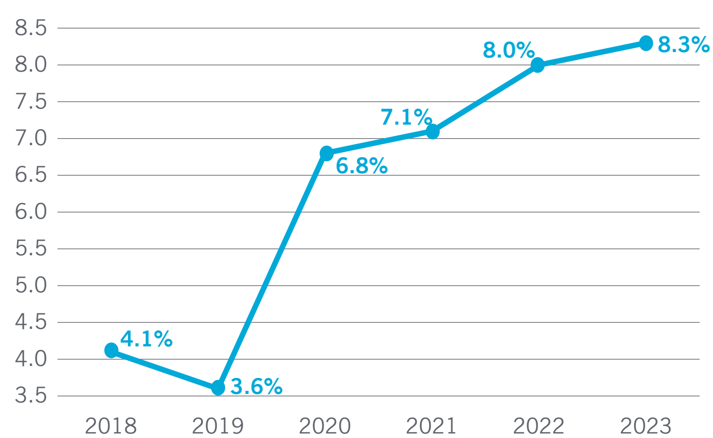
There are concerns that PIK extends duration and capitalizes interest for later payment, causing a build-up of hidden leverage. Some also believe PIK poses a refinancing risk if borrowers cannot raise new debt in the future, given PIK value may be tied to a future refinancing, unlike debt with quarterly cash interest.

Messaging from business development companies (BDCs) and rating agencies has raised alarm bells, given PIK is an area that gets heightened focus from investors and bank analysts. Many BDCs have recently cut base management fees from around 1.5% to 1%[10] in response to earnings pressure and an increase in non-accruals. A Man Group PLC analysis of publicly traded BDCs with market caps of over $500 million found that, as of June 2023, PIK accounted for as much as 12% for some BDCs.[11]

A significant hurdle for rating agencies involves the treatment of PIK for cash flow modeling, particularly with collateralized loan obligations (CLOs). In Moody's rating methodology for CLOs, which may hold PIK securities, it notes that PIK in a portfolio of loans gives rise to liquidity concerns. If loans PIK for a certain length of time, they may even be considered in default. When S&P runs its modeling for a CLO transaction, it assumes that any positions with a PIK toggle maximize the use of that optionality, reducing the overall cash-pay to service each tranche's interest payments. Overall, rating agencies largely treat PIK as a sign of over-leverage, based on a flawed view that the borrower is using PIK because its cash flows are insufficient to service interest payments, regardless of what the underlying fundamentals may be.

Figure 6: Rising PIK interests

PIK income/interests and dividend income, average of Fitch-rated BDCs (%)[12]



Source: Fitch Ratings report as of 27 Mar 2024. Rising Payment-in-Kind Trends in Private Credit Will Have a Mixed Impact.

However, PIK is not lost interest; in times of financial stress, it can be a supportive mechanism for lenders and borrowers to negotiate terms, allowing companies to navigate temporary cash flow issues while protecting the junior capital lender's position.

In fact, Fitch recently noted, "PIK conversion during liquidity shortages could help reduce the likelihood of loan restructuring, which might otherwise impair loan value". In most cases, it is preferable for a borrower to use PIK than to default.

The caveat to this is the emergence of synthetic PIK, where borrowers fund delayed draw term loans to meet interest payment requirements on the primary loan. Synthetic PIK carries higher risk than true PIK, as it can mask true borrower health and results in additional funded capital at risk for lenders.

It is important to partner with credit managers that take a thoughtful, disciplined approach to PIK, as not all PIK is created equal.

PIK is not a one-size-fits-all solution

Experienced and disciplined lenders take a thoughtful approach to PIK structured capital; not all borrowers are good candidates. The strongest candidates for PIK have highly visible, recurring revenue streams, the ability to absorb pricing pressure, and stable, defensible margins. Sectors such as software, healthcare and logistics have attractive candidates, along with some auto aftermarket and insurance services areas. These sectors command premium enterprise valuation multiples, ensuring a robust equity cushion of typically 60% to 70%, which is larger than the typical equity cushion of 50% for cash-pay junior capital transactions.

Junior capital has demonstrated durability through cyclical downturns and is generally insulted from public market volatility

MYTH #3: SUCCESSFUL JUNIOR CAPITAL LENDING IS CONTINGENT ON THE RIGHT TIMING PLAY

Junior capital is not a trade; it is a strategic, long-term investment. Middle market junior capital has demonstrated durability through cyclical downturns and is more insulated from public market volatility and economic disruptions than large cap companies.

Good things come to those who wait

Junior capital lenders forego near-term liquidity to capture a premium over a horizon spanning several years. To reap the benefits, lenders must be committed for the long run – they cannot time the market.

While bank lending often comes to a screeching halt in times of market dislocation, junior capital lenders can run the same playbook in good times and bad. Junior capital has remained durable and delivered consistent returns across various market conditions, irrespective of headlines, fluctuating interest rates and macroeconomic disruptions. In middle market junior capital transactions specifically, one reason for outperformance has been the multiple exit avenues companies have – unlike larger cap deals, they are not reliant on the public markets or high LBO leverage to generate returns. Rather, company-specific fundamentals determine junior capital performance success. Junior capital managers with strong underwriting integrity can therefore outperformed through various cycles.

This stands in contrast to some other forms of subordinated debt; opportunistic credit, special situations and distressed debt tend to have positive performance during periods of volatility or because of idiosyncratic, one-off company events. These strategies are more contingent on the right timing play – and it can be very challenging to predict when macro volatility or stress will occur. Looking ahead, the window of opportunity for these strategies will likely continue to decline once interest rates normalize.

Junior capital deal flow is consistent

Junior capital lenders with strong private equity sponsor relationships can receive consistent and high-quality deal flow, regardless of macro conditions. Sponsors have become prolific users of junior capital as they recognize the benefits of bifurcated capital structures and the ability to raise additional capital without diluting existing shareholders' ownership. Managers who maintain an active dialogue with sponsors receive early calls on new opportunities and, for the right businesses, can proactively advocate for adding a layer of junior debt to the capital stack.

Today's sponsors also appreciate the role that junior capital can play as business growth plans evolve, particularly for buy-and-build value creation strategies. When the buyout market slowed in 2023 and 2024, sponsors continued to play offense with strategic tuck-in acquisitions for their existing portfolio companies. Junior capital played a pivotal role here by providing incremental financing and delayed draw term loan capacity beyond what was available from senior direct and bank lenders.

Junior capital can fill financing gaps

Junior capital is a resilient source of financing during both good and bad economic conditions. Following the GFC and the associated capital rules for banks, private credit filled a lending void where the availability of growth capital for even top quality businesses dried up.

Overall, we expect larger borrowers to favor lower cost BSL and bonds for senior financing. However, even the highest-quality companies can face gaps in capital structures. This may happen when the amount of available senior capital and the amount of equity shareholders are willing to invest are not sufficient to meet businesses' growth needs. Junior capital is well positioned to step in and fill this gap. In 2021, for example, the unitranche market was highly active, yet it was one of the busiest vintages for junior capital deployment.

Today, amid tariff volatility and banks retreating, there are several instances where mid-to large-cap borrowers that would typically seek BSL financing turn instead to middle market junior capital lenders. Even borrowers with over $100 million of EBITDA find an additional margin of safety through bifurcation of the capital structure and the use of junior capital.

Moving past the myths of junior capital

Junior capital is a dynamic and growing area of private credit that has earned its place as a mainstream financing solution to support company growth. In the hands of seasoned and disciplined managers with access to the best opportunities, it offers investors:

- Attractive risk-adjusted return potential safeguarded by covenant and call protections
- Exposure to the hard-to-access middle market private equity universe
- Capital for productive, growth-oriented uses of proceeds backing high quality companies
- Consistent deployment pace through economic cycles

For more information, please visit nuveen.com.

Glossary

1 **Payment-in-kind (PIK)** refers to a form of payment where goods or services are exchanged for other goods or services, rather than cash. In finance, it specifically refers to a type of loan or security where interest or dividends are paid using additional debt or equity instruments instead of cash. This means the borrower or issuer distributes additional bonds, stocks, or other securities to the lender or investor, rather than making a cash payment.

2 **EBITDA** stands for Earnings Before Interest, Taxes, Depreciation, and Amortization. It's a financial metric used to assess a company's profitability and operational performance, essentially showing how much cash a company generates from its core operations. By excluding non-operating expenses like interest, taxes, depreciation, and amortization, EBITDA provides a clearer picture of a company's profitability without the impact of financing decisions or accounting conventions

3 **Multiple on Invested Capital (MOIC)** is a financial metric that measures the return on an investment by comparing the total value of the investment (including both realized and unrealized gains) to the initial amount invested. It essentially shows how many times the original investment has been returned, and is commonly used in private equity and venture capital to assess fund performance.

4 **Prepayment minimum** is the smallest amount a borrower must pay, or be assessed, when making an early payment on a loan or other debt obligation. This minimum amount ensures that the lender or creditor receives a certain level of compensation, typically interest, even if the loan is paid off before the original maturity date. It can also refer to a specific portion of the total amount that must be paid as interest when prepaying a loan.

5 **Maintenance covenant protections** refer to contractual agreements, typically in loan or debt instruments, that require a borrower to maintain certain financial metrics at or above a specified level throughout the term of the loan. These covenants are regularly tested (e.g., quarterly) and a breach of a maintenance covenant can trigger an event of default.

6 **Broadly syndicated loan (BSL)** is a large loan typically arranged by an investment bank and then distributed to a large group of commercial banks and institutional investors. These loans are characterized by their high liquidity, meaning they can be readily bought and sold in the secondary market, unlike private credit loans. BSLs are often senior secured loans made to non-investment grade companies and are typically used by larger companies.

7 **Large-cap, or large capitalization,** refers to publicly traded companies with a high market capitalization, typically defined as $10 billion or more. These companies are usually well-established industry leaders with a global presence. Large-cap stocks are generally considered to be more stable and less volatile than smaller companies, but may also have less potential for rapid growth.

7 **Unitranche** financing is a type of loan that combines both senior and subordinated debt into a single loan facility with a single interest rate, often used for mid-sized companies to fund acquisitions or ownership transitions. This single loan structure simplifies the borrowing process by reducing the number of loan agreements and intercreditor arrangements, offering a more streamlined and flexible financing solution.

8 **Intercreditor agreement** is a contract between two or more lenders that outlines the rights and priorities of each lender in relation to the same borrower and their shared assets. These agreements are crucial in complex financing arrangements where multiple lenders provide funding to a single borrower. The agreement clarifies the order in which lenders will be repaid, how they can enforce their security interests, and what actions they can take in case of a borrower's default.

9 **Interest coverage ratio** is a financial metric that indicates a company's ability to meet its interest obligations on outstanding debt. It measures how many times a company's earnings can cover its interest expense, essentially indicating the margin of safety for paying interest. Creditors, investors, and lenders often use it to assess the risk of lending to a company.

10 **Hybrid coupons**, in the context of corporate finance, refer to coupon payments on hybrid bonds or hybrid capital instruments. These instruments combine characteristics of both debt and equity. They are similar to regular corporate bonds in that they pay regular coupons and can be called back by the issuer, but they also have equity-like features such as potentially long or indefinite maturities and the ability to defer coupon payments.

11 **Higher coupon bump,** or higher coupon rate, is the yield paid by a fixed-income security, calculated by dividing the total value of coupon payments by the face value of the bond. When interest rates rise, bonds with lower coupon rates become less attractive, decreasing their price. On the other hand, when interest rates decline, bonds with higher coupon rates gain in value, as they offer better income compared to newly issued bonds with lower rates.

12 **J-curve** is a graphical representation of a trend that initially shows a decline followed by a significant rise, ultimately exceeding the starting point, resembling the letter "J" when plotted. This pattern is observed in various contexts, including economics (particularly trade balances and currency devaluations) and private equity investments.

13 **Business development company (BDC)** is an organization that invests in small- and medium-sized companies as well as distressed companies.

14 **Collateralized Loan Obligation (CLO)** is a type of structured finance product where a pool of loans, typically leveraged loans, is securitized and sold to investors as bonds. These bonds are divided into different tranches, offering varying levels of risk and return, with the more senior tranches receiving priority in repayment. CLOs are essentially investment vehicles that provide access to a diversified portfolio of corporate loans, which are often below investment grade.

15 **Leveraged buyout (LBO)** is a transaction where a company is acquired using a significant amount of borrowed money (leverage) to finance the purchase. Typically, a private equity firm or other financial sponsor will put down a smaller percentage of the purchase price as equity and borrow the rest, often using the assets of the acquired company as collateral. The goal is to improve the acquired company's operations and then sell it at a profit after a few years.

About the author

Jason Strife serves as the Head of Junior Capital and Private Equity Solutions at Churchill Asset Management, based in Charlotte. His responsibilities include oversight of origination, underwriting and portfolio management activities for U.S. middle market investment strategies.

For more information, please visit nuveen.com.

Endnotes

Sources

1 Data sourced from Cambridge Associates LLC ("CA") benchmarking via Refinitiv LSEG LPC. Data as of 30 Sept 2024 since 30 Sept 2004. "Junior Capital" represented by the "CA Subordinated Capital" benchmark; "Credit Opportunities/Special Situations" represented by "CA Credit Opportunities" benchmark. "Distressed" represented by the "CA Control-Oriented Distressed" benchmark.

2 Data sourced from Refinitiv LSEG LPC's Middle Market Private Deals Analysis as of 31 Dec 2024. Reflects sponsored U.S. market analysis based solely on private data submissions. "Traditional MM" TL is for issuers with a loan deal size of US$0-US$100m. "Large MM" TL is for issuers with a loan deal size of US$100m-US$500m. Data includes LIBOR and SOFR based deals. "Traditional MM Junior Capital" represented by Middle Market Mezzanine (Cash + PIK) Yields plus an assumed 1% for OID. "Traditional MM Senior Lending" represented by Direct Lending Middle Market First Lien Term Loan Yields. "MM Unitranche" represented by a hybrid financing structure that combines senior and subordinated debt into a single loan agreement. "MM Broadly Syndicated TL" includes facilities syndicated to at least one participant up to US$500M in deal size or clubbed up to US$150M in deal size.

3 PitchBook's 2024 Annual Global Private Debt Report. https://files.pitchbook.com/website/files/pdf/2024_Annual_Global_Private_Debt_Report.pdf

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