

Energy Companies Fuel Up on High Yield Bonds

Oil and gas companies started the year with record amounts of revolving lines of credit, but speculative grade energy companies have been tapping the high yield bond market in recent weeks to pay down some of this revolver debt, even though it may be cheaper. In some cases, they are trying to manage their balance sheets to give them more flexibility to purchase equipment or acquire other companies; in others they are anticipating a pull-back by European lenders.

Global revolver loan volume surpassed \$2 trillion for the first time on record in 2011, reaching \$2.32 trillion at year's end, up 59% from 2010's \$1.4 trillion, according to **Dealogic**. The oil and gas industry led the industry ranking for revolver volume for the second consecutive year for 2011 with a record \$309.6 billion, or 13.35% of the revolver space. That was an increase of

61% from \$188 billion in 2010.

Why would a company refinance a revolving line of credit when issuing bonds is more expensive? Revolvers are pegged a few hundred basis points over three-month Libor, now at 0.56%. By comparison, the JPMorgan High Yield Index was at 7.92% on Thursday, Jan 26.

Mark Mey, chief financial officer for **Atwood Oceanics**, an offshore drilling contractor based in Houston, said it would be a mistake to judge the cost of capital by only comparing the interest rates on revolvers and high yield bonds. There are other costs, including up-front payments in the form of structuring, syndication and underwriting fees that are often

(See **ENERGY HY** on page 4)

Inside This Issue

Petroplus Bankruptcy Spurs Fraud Investigation	2
TransDign Plans \$500M TL	2
Roundy's Shops for Credit Facility	3
Mohegan Bond Exchange Better Than Expected	3
Realogy Sells \$918M in HY	3
Sallie Mae Secures Upsized \$1.5B Junk Bond Deal	3
JBS USA Prices \$700M in HY	3
Cantor Fitzgerald Adds HY, Research Directors	3

Data

Term Sheets	6-7
Most Recent Closed Loans	8
Completed HY Deals	9
HY Gainers, Losers	10
HY Bond Fund Performance	10
Loan Advancers, Decliners	11
Loan Fund Performance	11
Loanbase Statistics	11
Loan Forward Calendar	12

European Issuers Hit the U.S. Road

A number of European companies are opting to sell high yield bonds and loans in the U.S., and quite successfully, even though they don't necessarily do business here.

With the European markets both smaller and harder hit by the region's sovereign crisis, underwriters are taking advantage of the broader U.S. market's liquidity, as well as a favorable dollar-to-euro swap, participants say.

"High-tier frequent issuers out of Europe that have access to both the U.S. dollar and the euro markets now will proba-

bly opt for issuing in dollars and swapping to euros, all things else being equal," said **Tim Hall**, global head of debt capital markets origination at **Crédit Agricole CIB**. "The reason is that the basis swap favors issuing in dollars and swapping to euros over straight euro issuance. So even if an issuer does not have a natural need for dollars, going to the U.S. market can still be less expensive."

Most of the subinvestment-grade deals with U.S. dollar tranches have been on

(See **EURO ISSUERS** on page 5)

Simplifying Cross-Border Insolvency

A case coming before the U.K. Supreme Court in May could make it easier for U.S. creditors to recover offshore assets of insolvent companies.

The case, **Rubin v Eurofinance SA**, involves a trust governed by the laws of England and Wales and created as part of a failed rebate scheme perpetrated in Missouri. But it is being watched closely by the counsel in one of the largest and most complex cross-border insolvency

cases ever: the liquidation of **Bernard L. Madoff Investment Securities LLC**.

David Rubin and **Henry Lan**, the receivers appointed in relation to the insolvency of the trust, went after Eurofinance, a British Virgin Islands company, in the U.S. Bankruptcy Court for the Southern District of New York, in part because the majority of the events

(See **INSOLVENCY** on page 12)

Petroplus Bankruptcy Spurs Fraud Investigation

COMPANY NEWS

As if it didn't have enough to worry about, oil refiner Petroplus is fighting allegations of bankruptcy fraud in France. The Zug, Switzerland-based company announced on Jan. 24 that its talks with banks to restore access to working capital fell through. The banks issued a notice of acceleration under its \$2.1 billion revolver, which constitutes a default for its \$1.75 billion in senior and convertible notes. Petroplus and its subsidiaries filed for bankruptcy in Switzerland, Germany and France. Now French authorities are investigating the company's local subsidiary for fraudulent bankruptcy claims, noting that approximately €100 million (\$130 million) was transferred out of its bank accounts before the filing. Petroplus issued a statement today denying any fraud and saying that Deutsche Bank, one of the lenders under its revolver, transferred €122 million and \$59 million out of the accounts without any Petroplus entity asking it to do so. Earlier this month, the company got a temporary reprieve from banks to continue its operations. Petroplus' outstanding bonds include \$600 million of 6.75% senior notes due 2014; \$150 million of 4% senior secured convertible notes due 2015; \$600 million of 7% senior notes due

2017; and \$400 million of 9.375% notes due 2019. Petroplus bonds were among the leading losers for the week in secondary trading. Its 2014 notes dropped nearly 20 points for the week to trade at 29.625 on Jan. 25. Its 2017 bonds dropped 16 points to trade at 29.625 also. Its 2019 bonds dropped 17 points to trade at 29.125.

LOAN NEWS

TransDigm Group is seeking a \$500 million term loan B backing its acquisition of AmSafe Global Holdings. Credit Suisse is the lead bank arranging the financing, according to KDP Advisor. Price talk is not yet available. TransDigm, which makes aircraft components, said earlier this month that it agreed to acquire AmSafe, a manufacturer of safety products, for \$750 million in cash from a group controlled by Berkshire Partners and Greenbriar Equity Group. It said it had obtained commitments for senior bank debt for the full amount of financing. TransDigm is rated B+ by Standard & Poor's and B1 by Moody's Investors Service.

Leveraged Finance News

ALLISON BISBEY
allison.bisbey@sourcemedia.com

MATTHEW SHEAHAN
matthew.sheahan@sourcemedia.com

CAROL J. CLOUSE
carol.clouse@sourcemedia.com

TOBY WALTERS

MIKE STANTON
mike.stanton@sourcemedia.com

HARRY NIKPOUR
harry.nikpour@sourcemedia.com

DENNIS STRONG

MICHAEL NASS

LOUIS FUGAZY
louis.fugazy@sourcemedia.com

JOSHUA GOOLSBY

DENISE PETRATOS

SHARON POLLACK

PABLO TURCIOS

JEANNIE NGUYEN

STACY FERRARA

TIJANA JOVANOVIC

MICHAEL CANDEMERE

THERESA HAMBEL

Editor
Phone: 212-803-8271

Senior Editor
Phone: 212-803-8741

Contributing Editor
Phone: 212-803-8718

Data Researcher

SVP & Managing Director, Capital Markets Division
Phone: 212-803-6552

Group Advertising Director
Phone: 212-803-8638

Associate Director of Circulation Sales
Phone: 212-803-8761

Marketing Manager
Phone: 212-803-8278

National Account Manager
Phone: 212-803-8773

Advertising Coordinator
Phone: 212-803-6075

Reprints Marketing Manager
Phone: 212-803-6557

Executive Director, Creative Services

Art Director

Group Marketing Director

Executive Director of Manufacturing

Fulfillment Director

Distribution Manager

Production Director



SourceMedia, Inc.

CHIEF EXECUTIVE OFFICER, Douglas J. Manoni

CHIEF FINANCIAL OFFICER, Rebecca Knoop

EVP & MANAGING DIRECTOR, BANKING AND CAPITAL MARKETS, Karl Elken

EVP & MANAGING DIRECTOR, PROFESSIONAL SERVICES

AND TECHNOLOGY GROUPS, Bruce Morris

EVP, CHIEF CONTENT OFFICER, David Longobardi

EVP, MARKETING SOLUTIONS, Adam Reinebach

SENIOR VICE PRESIDENT, CONFERENCES, John DelMauro

SVP, HUMAN RESOURCES & OFFICE MANAGEMENT, Ying Wong

VICE PRESIDENT, FINANCE, Jamie Brokowsky

For reprints, back issues and bulk distribution needs, please contact Godfrey Livermore at (800) 367-3989 or e-mail: Godfrey.Livermore@sourcemedia.com.

Leveraged Finance News (ISSN 2160-7923) is published weekly except August 22nd and 29th, and December 19th and 26th by SourceMedia, Inc., One State Street Plaza, 27th floor, New York, NY 10004. Subscription price \$3600 per year in the US and Canada; \$3700 elsewhere. POSTMASTER: Send address changes to Leveraged Finance News/SourceMedia, Inc., One State Street Plaza, 27th floor, New York, NY 10004. For subscriptions, renewals, address changes or delivery service issues contact our Customer Service department at (800) 221-1809 or (212) 803-8333; fax (212)-803-1592 email custserv@sourcemedia.com; or send correspondence to Customer Service, Leveraged Finance News/SourceMedia, Inc., One State Street Plaza, 27th floor, New York, NY 10004. Copying for other than personal use or internal use is prohibited without express written permission of the publisher. This publication is designed to provide accurate and authoritative information regarding the subject matter covered. It is sold with the understanding that the publisher is not engaged in rendering financial, legal, accounting, tax or other professional service. Leveraged Finance News is a registered trademark used herein under license.

© 2012 Leveraged Finance News and SourceMedia, Inc. All rights reserved.

Roundy's, the supermarket chain that is planning an initial public offering of common stock, is also in the market for a new senior credit facility. Roundy's amended prospectus for its IPO, filed with the SEC on Jan. 9, says the company anticipates entering into a new senior credit facility but does not list the size or any financing terms. However, according to KDP Advisor, banks led by Credit Suisse are shopping a \$675 million term loan B. In its latest prospectus, Roundy's said it intends to use all of the net proceeds that it receives from both its stock and bank debt offerings to repay all of its outstanding borrowings under its existing first-lien credit facility and second-lien credit facility.

BOND NEWS

Mohegan Tribal Gaming Authority bondholders haven't gotten such a bad deal after all. On Tuesday, Jan. 24, Mohegan announced a dollar-for-dollar exchange of its outstanding debt for notes with a higher coupon and longer maturities. It said the offers were supported by a bondholder group with approximately \$598 million of principal amount of the authority's notes. Mohegan also said it had obtained an amended and restated credit facility. Those were more favorable terms than KDP Advisor had predicted. The firm said in a research note published Wednesday that it had expected the company to offer senior and senior subordinated note holders a below-par exchange. Had Mohegan been unable to reach a deal with its lenders, bondholders could have been headed for a long, painful restructuring. The Uncasville, Conn.-based gaming authority had some \$1.6 billion of debt as of Sept. 30, and much of it matures in the next few months. Because of Indian tribes' status as sovereign nations, Mohegan, which is rated Caa3 by Moody's Investors Service and CCC by Standard & Poor's, is not eligible for Chapter 11 protection. And banks can't foreclose on its real estate. To be eligible for the exchange, noteholders must tender their old notes and deliver their consents by Feb. 6.

Realogy sold \$918 million in a two-part, drive-by bond offering Jan. 25. The Parsippany, N.J.-based real estate company issued \$593 million in 7.625% senior secured notes due 2020 and \$325 million in 9% senior secured notes due 2020. Both tranches priced at par, below price talk. Realogy will use the proceeds to prepay \$629 million on its first-lien term loan due 2013, pay all of its \$133 million in outstanding revolver debt due 2013, and repay \$156 million of the debt on its revolver due 2015. It will reduce the size of its revolver capacity by \$289 million, the amount to be paid on the revolvers. JPMorgan was the lead bookrunner on the bond deal, joined by Barclays, Credit Suisse and Goldman Sachs. Moody's rated the 7.625% bonds B1 and the 9% bonds Caa1. Realogy was on the junk bond market last year, pricing \$700 million in 7.875% senior secured notes due 2019 in late January 2011. Private equity firm Apollo Management bought Realogy in April 2007 for \$6.8 billion.

Reston, Virginia-based student loan provider SLM Corp., better known as Sallie Mae, sold \$1.5 billion in an upsized, drive-by high yield deal on Jan. 24. In a deal originally sized at \$1 billion, SLM sold two \$750 million tranches of bonds. It issued 6% senior notes due 2017 at the discounted price of 98.94 to yield 6.25% and 7.25% senior notes due 2022 at the discounted price of 98.26 to yield 7.5%. Both tranches of bonds priced at the low end of price talk. Barclays was the lead bookrunner and was joined by Bank of America Merrill Lynch and Deutsche Bank. The offering was split rated. Moody's Investors Service rated the bonds Ba1. Standard & Poor's rated them BBB-. The company plans to use the proceeds for general corporate purposes. Just over a year ago, the company sold \$2 billion in 6.25% senior notes due 2016 in a deal upsized from \$1 billion.

JBS USA sold \$700 million in junk bonds on Jan. 25 after upsizing its deal from \$400 million. The company issued 8.25% senior notes due 2020. The bonds priced with the original issue discounted price of 98.57, bringing the yield to 8.5%, which was at the low end of price talk. The American subsidiary of Brazilian beef and pork processor plans to use the proceeds to pay down existing debt. JPMorgan was the lead bookrunner and was joined by Banco Brazil, Banco Bradesco, Rabobank, Santander and Wells Fargo. Moody's Investors Service rated the bonds B1 and Standard & Poor's assigned them a BB rating. The company was last on the market in May 2011 when it issued \$650 million in 7.25% senior notes due 2021 in a downsized bond deal.

PEOPLE NEWS

Cantor Fitzgerald hired two professionals for its high yield group and two for its research group. Cantor hired Jack Oestreicher as a managing director of high yield and distressed debt. Oestreicher was most recently with RBS as a managing director for distressed sales and trading. He had previously served with Bear Stearns and The Delaware Bay Co. The financial services firm also hired Rob Barrett as a managing director in high yield sales and trading. He was most recently a managing director for high yield sales and trading at BNP Paribas. He served for more than 20 years in corporate bond trading with JPMorgan. Elie Radinsky joined the firm as a managing director in the research group covering high yield, distressed and bank loan credits. He recently led the high yield research groups at BTIG and Chapdelaine Credit Partners. The research group also hired Grenville Day as a managing director covering high yield, distressed and bank loans. Day was most recently a distressed and special situations analyst with Citadel Securities.

ENERGY HY

continued from page 1

needed to entice banks to lend.

Atwood made its debut on the high yield bond market on Jan. 12, when it sold \$450 million in 6.5% senior notes due 2020. The offering was upsized from \$400 million. The company plans to use the proceeds to reduce its outstanding revolver debt. It had \$520 million drawn on the facility as of Dec. 31, according to a filing with the Securities and Exchange Commission.

“The reason we did this was to diversify our source of funding,” Mey said in a telephone interview.

Atwood and other oil and gas companies have very large capital expenditures because of the high costs of equipment in the oil and gas space, he said estimating that Atwood will spend approximately \$1.8 billion on capital expenditures over the next two fiscal years. About two-thirds of that funding will come from cash flow, but the other third will come from debt, including both its bonds and credit facility.

Mey said it makes sense for the company to refinance some of its revolver debt with high yield bonds because many large capital expenditures require secured debt, and the company’s revolver is secured and its high yield bonds are not. Freeing up revolver capacity will allow it to tap the facility for capital expenditures.

So far this year, three oil and gas sector companies have priced new issues totaling \$1.45 billion. In addition to Atwood, Calgary, Alberta-based oil and gas exploration and production company **PetroBakken Energy** issued \$900 million in 8.625% senior notes due 2020 on Jan. 25 in a deal upsized from \$750 million. The company plans to use the proceeds to repay some of its revolver and to fund its tender offer for up to \$450 million of its outstanding convertible bonds. There was \$1.2 billion drawn on its revolver as of Dec. 31, 2011.

Parsippany, N.J.-based oil refinery company **PBF Energy** is selling \$675 million in senior notes due 2020 through its PDF Holding subsidiary. The company will use the proceeds to repay an existing term loan and other debt.

These deals come on the heels of several brought to market late last year, including **Peabody Energy**, which priced a \$3.1 billion junk bond deal in November. Peabody is primarily using the funds to finance an acquisition but the company said it would use any remaining proceeds to pay down its revolver. Also in November, **Superior Energy** issued \$800 million in junk bonds in order to pay down the credit facilities of an acquisition. **Kodiak Oil & Gas** issued \$650 million of bonds to take out first-and-second-lien debt the same month.

Hand On The Pump

Financial flexibility isn’t the only argument for issuing bonds to pay down revolvers. Banks are also pulling back on lending to oil and gas companies. “We have seen fewer revolver lenders in this space and tighter borrowing base formulas which is forcing a takeout of some portion of the revolver,” said **Christopher Shepard**, cohead of investment banking and head of capital markets for Los Angeles-based investment bank **Imperial Capital**.

Mey points out that many of the large lenders that have traditionally supported the oil and gas industry are northern European banks that branched out from financing shipping companies; these lenders are both very asset-focused and are currently weakened by their exposure to Eurozone sovereign debt.

Other industry participants note that for some companies it makes sense to term out debt, even if doing so raises the cost of funding in the near term. While revolvers are pegged to three-month Libor and typically have terms of no more than five years, issuing high yield bonds allows companies to lock in financing at a fixed rate for as long as 10 years, providing more financial flexibility.

Adding to financial flexibility is the fact that “covenants are typically more restrictive on revolvers than on high yield bonds,” according to said **Steven Sheldon**, a principal with Bellaire, Texas-based investment management firm **SMS Capital Management**. He said it makes sense for cyclical businesses like

those in the oil and gas sector to replace short term debt with reasonably priced long-term debt now, while the window is open in the high yield sector.

Wilmer Stith, a portfolio manager with the **MTB Group of Funds**, said that yet another advantage to tapping the high yield market is that doing so sends a message to the credit markets that the issuer is a mature company. “It’s almost as if the stars are in perfect alignment now,” he said. “You have record low rates and low spreads. When you shed your revolvers and go into high yield, that’s a statement to the market that you’ve continued to operate effectively and improve your credit position that you can tap the high yield market.”

Energy deals have been well received in part because the new issue high yield market has been generally quiet. In the fourth quarter of last year, companies such as **Plains Exploration & Production**, **Peabody Energy** and **WPX Energy** priced deals of \$1 billion or more.

Overall credit quality for U.S.-based oil and natural gas companies is expected to remain stable this year despite low natural gas prices, according to a Jan. 24 report issued by **Standard & Poor’s**. The ratings agency expects oil prices will likely remain healthy, at approximately \$100 per barrel, which will keep gas prices up but not high enough to cause consumers to decrease their demand. S&P expects demand for drilling services to rise this year and said that credit quality for land-based drillers will slowly grow stronger and that offshore drillers will see some modest improvement.

And analysts expect that the oil and gas sector will continue to be a popular sector on the high yield new issue market throughout 2012. “It always tends to be a pretty active space for a number of reasons,” said **Thomas Watters**, a managing director with S&P. “It’s an industry that has a high level of capital expenditures needed to replace production and reserves, thus we often see cash funding deficits supported through debt. Also, the industry has a high degree of M&A activity, which requires capital market access. Lastly, private equity firms are involved in the space and they typically leverage up these companies to purchase.” —MS

EURO ISSUERS continued from page 1

the bond side, but a couple of companies have also hit the leveraged loan market, with **Taminco Global Chemical**, a market favorite, straddling the two.

The Belgian chemical producer earlier this month priced \$400 million in 9.75% second-lien notes via bookrunners **Credit Suisse**, **UBS**, **Citi**, **Nomura**, **Deutsche Bank**, and **Goldman Sachs**. The accompanying \$505 million term loan was split into tranches totaling \$350 million and €120 million. Proceeds from the financings will be used to support **Apollo Management's** buyout of Taminco from **CVC Capital Partners**.

With operations on both sides of the Atlantic and in Asia, and revenue in dollars, Taminco's choice to market debt to U.S. investors seems a no-brainer, much like **Fresenius Medical Care**, the German dialysis equipment and care provider and frequent high yield issuer that also completed a bond deal this month.

But other less obvious European issuers have also popped over with dollar-denominated tranches.

Polkomtel, Poland's second-largest mobile-phone company, this month raised the equivalent of \$1.2 billion in the country's biggest sale ever of corporate bonds to help fund its acquisition by billionaire **Zygmunt Solorz-Zak**. Polkomtel sold €542.5 million (\$700 million) of eight-year bonds at 12.5%, and a \$500 million eight-year, dollar tranche at 12%.

"In the autumn, the euro high yield market was not working well, and the U.S. market was in slightly better shape, although it was stressed by the environ-

ment," said Hall of **Crédit Agricole CIB**, which participated in the deal. "Therefore, the leads (**Deutsche Bank**) weren't sure Europe would have the capacity to absorb the full amount of the issue, and the natural reaction was to opt for a dual-tranche issue to alleviate the pressure on size."

Other recent Yankee issues have come from Ireland's **Ardagh Packaging Group**, which completed a \$410 million two-part, high-yield bond offering strictly in U.S. dollars to help finance its acquisition of the **Boxal Group**; and Denmark-based oil and gas wells intervention provider **Welltec**, whose \$325 million offering of 8% seven-year secured notes, the first issued by the company, will be used to re-finance existing debt and pay a dividend to shareholders.

On the loan side, **Kabel Deutschland**, Germany's largest cable television operator, increased its first U.S. dollar leveraged loan this month by 50% to \$750 million because of strong demand.

"U.S. investors are very comfortable with cable T.V. companies including European ones," said **Eric Capp**, London-based head of high yield bond and loan capital markets at **RBS**, which participated in the deal. "They've had a long history of financing European cable companies. As a result, they've been receptive to new deals."

The seven-year loan was priced at Libor plus 325 bps, with OID of 98.5 cents on the dollar and a 1% Libor floor. **Goldman Sachs**, **BNP Paribas**, **Deutsche Bank**, **JPMorgan**, **Morgan Stanley** were also on the deal.

"The choice of U.S. dollars or euros for European companies will be depen-

dant on cross-currency swap lines, the type of issuer, and the relative strength of each market," Capp said. "So far the U.S. market has met the objectives of European issuers, but we'll see how that develops over time."

While the U.S. market certainly appears open to a plethora of European companies right now, this may not continue indefinitely, according to some participants. With more U.S.-based deals coming, investors may start to differentiate between those companies with a true U.S. component and those simply looking for opportunistic pricing.

"We think U.S. investors will be slightly guarded about continuing to take on too much pure European risk," said **Martin Horne**, managing director at **Babson Capital** in London. "In the same way that a European market wouldn't take on too much pure U.S. exposure. You really don't have the visibility on the asset and it's trading the way local teams do have."

Leveraged debt financing in Europe has become difficult as the euro bloc's debt crisis has disrupted the region's bank lending channels. And prolonged weakness in the European high yield market has made issuance in euros expensive and prone to execution risks.

"It is gradually coming back," said Horne. "But no bank underwriter wants to be caught out with their first deal of 2012 after the period of volatility we've experienced. It's natural for confidence to grow once they've seen two or three deals. If the first one fails, the next time you go before your investment committee you're going to be against it in terms of convincing them that you can sell these things away." —CJC

COMING TO AMERICA-EUROPEAN HY ISSUERS IN THE US

Pricing Date	Issuer	Issuer Parent	Deal Total Value (\$)	Tranch Value (\$)	Currency Code
17-Jan-12	Fresenius Medical Care US Finance II Inc	Fresenius SE & Co KGaA	1,500	800/700	USD
19-Jan-12	Eileme 2 AB	Polaris Finance BV	1,198	698	EUR
19-Jan-12	Eileme 2 AB	Polaris Finance BV	1,198	500	USD
19-Jan-12	Polkomtel		1,200	700	EUR
19-Jan-12	Polkomtel		1,200	500	USD
19-Jan-12	Ardagh Packaging Finance plc	Ardagh Packaging Group plc	420	160/260	USD
18-Jan-12	Sable International Finance Ltd	Cable & Wireless Communications plc	400	400	USD
20-Jan-12	Taminco NV	CVC Capital Partners Ltd	400	400	USD
18-Jan-12	FMC Finance VIII SA	Fresenius SE & Co KGaA	318	318	EUR

Source: Dealogic

Peabody Energy

LOCATION: St. Louis, MO
 PACKAGE AMOUNT: \$1,000.0 mil.
 ADMINISTRATIVE AGENT: BankAmerica
 SYNDICATION AGENT: UBS; Morgan Stanley
 DOCUMENTATION AGENT: Citi; HSBC Holdings; RBS
 CO-AGENTS: COMPASS-BANK/ANZ/SOVER-BK/WELLS-FARGO/COMM-BK-AUST/PNC-BK-NA/BTM-UFJ
 BOOKRUNNER: BankAmerica; UBS; Morgan Stanley; Citi; HSBC Holdings (United Kingdom); RBS
 OTHER LENDERS: BankAmerica; UBS; Morgan Stanley; Citi; HSBC Holdings; RBS; Compass Bank; ANZ Banking Group; Sovereign Bank; Wells Fargo; Commonwealth Bank of Australia; PNC Bank; Bank of Tokyo-Mitsubishi; Union Bank; Fifth Third Bancorp; National Australia Bank; US Bank National Association; Branch Banking and Trust; China Merchants Bank; Oversea-Chinese Banking; Standard Chartered Bank; Westpac Banking; Taiwan Cooperative Bank; UMB Bank, Kansas
 TYPE: Term Loan
 PURPOSE: Acquisition Fin.; Refin/Ret Bank Debt; Pay Fees & Expenses
 PRICING: LIBOR+175.000 bps
 FEES: Commitment 40.000 bps; Assignment US \$3,500
 ACTIVE: 10/28/2011
 MATURITY: 10/28/2016
 BUSINESS: Peabody Energy Corp, located in St. Louis, Missouri, is a coal mining company that operates through four segments: Western U.S. mining, Eastern U.S. mining, Australian mining and Trading and Brokerage.
 RATINGS: NR

Pinnacle West Capital

LOCATION: Phoenix, AZ
 PACKAGE AMOUNT: \$175.0 mil.
 ADMINISTRATIVE AGENT: Union Bank
 SYNDICATION AGENT: RBS
 DOCUMENTATION AGENT: SunTrust Banks

BOOKRUNNER: Union Bank
 NA; RBS; SunTrust Banks
 Inc, Atlanta, Georgia
 OTHER LENDERS: Union Bank; RBS; SunTrust Banks; Scotiabank-Bank of Nova Scotia; US Bank National Association
 TYPE: Term Loan
 PURPOSE: Refin/Ret Bank Debt; General Corp. Purp.
 PRICING: LIBOR+175.000 bps
 ACTIVE: 2/23/2011
 MATURITY: 2/20/2015
 BUSINESS: Pinnacle West Capital Corp, located in Phoenix, Arizona, is an electric utility company that provides either retail or wholesale electric service to most of the state of Arizona.
 RATINGS: NR

Rentech Energy Midwest

LOCATION: East Dubuque, IL
 PACKAGE AMOUNT: \$150.0 mil.
 ADMINISTRATIVE AGENT: Credit Suisse
 BOOKRUNNER: Credit Suisse
 OTHER LENDERS: Credit Suisse; Highbridge Capital
 TYPE: Term Loan B
 PURPOSE: Project Finance; Refin/Ret Bank Debt; Recapitalization; Working Capital
 PRICING: LIBOR+850.000 bps
 ACTIVE: 6/10/2011
 MATURITY: 6/10/2016
 BUSINESS: Rentech Energy Midwest Corp is located in East Dubuque, Illinois and produces nitrogen fertilizer products.
 RATINGS: NR

Select Medical

LOCATION: Mechanicsburg, PA
 PACKAGE AMOUNT: \$1,150.0 mil.
 ADMINISTRATIVE AGENT: JP Morgan
 SYNDICATION AGENT: BankAmerica; Goldman Sachs
 DOCUMENTATION AGENT: Morgan Stanley; Wells Fargo
 BOOKRUNNER: JP Morgan & Co Inc; BankAmerica Corp; Goldman Sachs; Morgan Stanley; Wells Fargo
 ACTIVE: 6/1/2011

BUSINESS: Select Medical Corp, located in Mechanicsburg, Pennsylvania, owns and operates specialty acute care hospitals for long term stay patients and outpatient rehabilitation clinics.
 RATINGS: NR

Part A

AMOUNT: \$300.0 mil.
 OTHER LENDERS: JP Morgan; BankAmerica; Goldman Sachs; Morgan Stanley; Wells Fargo; Royal Bank of Canada; PNC Bank
 TYPE: RevCred/TLB
 PURPOSE: Refin/Ret Bank Debt; Pay Fees & Expenses; Working Capital; General Corp. Purp.
 PRICING: LIBOR+375.000 bps
 FEES: Commitment 37.500 bps, LOC 287.500 bps; Commitment 50.000 bps, LOC 312.500 bps; Commitment 50.000 bps, LOC 337.500 bps; Commitment 50.000 bps, LOC 362.500 bps; Commitment 50.000 bps, LOC 387.500 bps;
 Assignment US \$3,500.0
 MATURITY: 6/1/2016

Part B

AMOUNT: \$850.0 mil.
 OTHER LENDERS: JP Morgan; BankAmerica; Goldman Sachs; Morgan Stanley; Wells Fargo; Royal Bank of Canada; PNC Bank; Eaton Vance Management; Babson Capital Management; Aladdin Capital; Lord Abbett & Co; Oncap LP (Onex Corp)
 TYPE: RevCred/TLB
 PURPOSE: Refin/Ret Bank Debt; Pay Fees & Expenses; General Corp. Purp.
 PRICING: LIBOR+375.000 bps
 FEES: Assignment US \$3,500.0
 MATURITY: 6/1/2018

Skechers USA

LOCATION: Manhattan Beach, CA
 PACKAGE AMOUNT: \$250.0 mil.
 ADMINISTRATIVE AGENT: Wells Fargo
 SYNDICATION AGENT: BankAmerica
 BOOKRUNNER: Wells Fargo; BankAmerica Corp
 OTHER LENDERS: Wells Fargo; BankAmerica; PNC Bank Corp; Union

Bank; HSBC Holdings; CIT Group; US Bank National Association

TYPE: Rev Cred Fac

PURPOSE: Refin/Ret Bank Debt

PRICING: LIBOR+200.000 bps

FEES: Commitment 50.000 bps; Commitment 37.500 bps; Commitment 37.500 bps

ACTIVE: 5/3/2011

MATURITY: 6/30/2015

BUSINESS: Skechers USA Inc, located in Manhattan Beach, California, manufactures, wholesales, designs and markets branded contemporary casual, active, rugged and lifestyle footwear for men, women and children.

RATINGS: NR

Smithfield Foods

LOCATION: Smithfield, VA

PACKAGE AMOUNT: \$925.0 mil.

ADMINISTRATIVE AGENT: Rabobank

SYNDICATION AGENT: Barclays

DOCUMENTATION AGENT: Goldman Sachs; Bank of Montreal; Morgan Stanley

CO-AGENTS: AGFIRST-FCB/CO-BANK

BOOKRUNNER: Rabobank; Barclays; Goldman Sachs; Bank of Montreal; Morgan Stanley

OTHER LENDERS: Rabobank; Barclays; Goldman Sachs; Bank of Montreal; Morgan Stanley; AgFirst Farm Credit Bank; CoBank ACB; JP Morgan; Societe Generale; US Bank National Association; Agstar Financial Services; Northwest Farm Credit Services; BankAmerica; FCS Commercial Finance; FARM CREDIT SERVICES OF MID-AM; Sovereign Bank; ING; Credit Agricole; Compass Bank; Farm Credit Bank (Nebraska); Credit Suisse; 1st Farm Credit Services, ACA; Greenstone Farm Credit; Farm Credit West; US AgBank FCB; GECC Capital Markets Group; First Pioneer Farm Credit ACA

TYPE: Rev Cred Fac
PURPOSE: Refin/Ret Bank Debt; General Corp. Purp.
PRICING: LIBOR+275.000 bps
FEES: Commitment 37.500 bps, LOC 262.500 bps; Commitment 50.000

bps, LOC 287.500 bps; Commitment 50.000 bps, LOC 312.500 bps; Commitment 62.500 bps, LOC 337.500 bps; Assignment US \$3,500
ACTIVE: 6/9/2011
MATURITY: 6/9/2016
BUSINESS: Smithfield Foods Inc is a pork meat products producer and wholesaler, headquartered in Smithfield, Virginia, US.
RATINGS: NR

Spectra Energy Partners

LOCATION: Houston, TX

PACKAGE AMOUNT: \$700.0 mil.

ADMINISTRATIVE AGENT: Citi

SYNDICATION AGENT: JP Morgan; RBS

DOCUMENTATION AGENT: BankAmerica; Wells Fargo

BOOKRUNNER: Citi; JP Morgan; RBS; BankAmerica Corp; Wells Fargo

OTHER LENDERS: Citi; JP Morgan; RBS; BankAmerica; Wells Fargo; Royal Bank of Canada; SunTrust Banks; Morgan Stanley; UBS; Deutsche Bank; Credit Suisse; Barclays; KeyBank Corp; Bank of Tokyo-Mitsubishi; Sumitomo Mitsui Banking Corp; Northern Trust

TYPE: Rev Cred Fac
PURPOSE: Refin/Ret Bank Debt; General Corp. Purp.

PRICING: LIBOR+152.500 bps
FEES: Facility 10.000 bps; Facility 12.500 bps; Facility 17.500 bps; Facility 20.000 bps; Facility 25.000 bps; Facility 35.000 bps; Assignment US \$3,500.0

ACTIVE: 9/28/2011
MATURITY: 10/18/2016
BUSINESS: Spectra Energy Partners LP, located in Houston, Texas, is a provider of gas transportation and storage services.
RATINGS: NR

BOOKRUNNER: JP Morgan
OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

BOOKRUNNER: JP Morgan & Co Inc;

OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

BOOKRUNNER: JP Morgan & Co Inc;

OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

Citi; RBS; BankAmerica Corp; Wells Fargo

OTHER LENDERS: JP Morgan; Citi; RBS; BankAmerica; Wells Fargo; Royal Bank of Canada; SunTrust Banks; Morgan Stanley & Co; UBS; Deutsche Bank; Credit Suisse; Barclays; KeyBank; Bank of Tokyo-Mitsubishi; Northern Trust Co; Sumitomo Mitsui Banking

TYPE: Rev Cred Fac

PURPOSE: Refin/Ret Bank Debt; General Corp. Purp.

PRICING: LIBOR+152.500 bps
FEES: Facility 10.000 bps; Facility 12.500 bps; Facility 17.500 bps; Facility 20.000 bps; Facility 25.000 bps; Facility 35.000 bps; Assignment US \$3,500.0

ACTIVE: 9/28/2011
MATURITY: 10/18/2016
BUSINESS: Spectra Energy, one of North Americas premier natural gas infrastructure companies, consists of gathering and processing, transmission and storage, and distribution businesses.
RATINGS: NR

BOOKRUNNER: JP Morgan
OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

BOOKRUNNER: JP Morgan & Co Inc;

OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

BOOKRUNNER: JP Morgan & Co Inc;

OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

BOOKRUNNER: JP Morgan & Co Inc;

OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

BOOKRUNNER: JP Morgan & Co Inc;

OTHER LENDERS: JP Morgan; BankAmerica; US Bank National; Branch Banking and Trust

TYPE: Rev Cred Fac
PURPOSE: Working Capital; Future Acquisitions; Stock Repurchase; Capital Expenditures; General Corp. Purp.

PRICING: LIBOR+150.000 bps
FEES: Facility 20.000 bps; Facility 22.500 bps; Facility 25.000 bps; Facility 27.500 bps; Facility 30.000 bps; Assignment US \$35,000.0

ACTIVE: 11/22/2011
MATURITY: 11/22/2016
BUSINESS: VeriSign Inc, headquartered in Mountain View, California, provides Internet infrastructure services.
RATINGS: NR

MOST RECENT CLOSED U.S. LEVERAGED LOANS

Close Date	Borrower	Facility Amount (\$ mil)	Tranche Amount (\$ mil)	Loan Type	Maturity	All Agents
1/20/2012	Mohawk Industries Inc	150.0	150.0	Term Loan A	1/20/2017	BOA/JPM/REGIONS-BK/WF/SUNTRUST-BK
1/19/2012	Datatel Inc	1,200.0	125.0	RevCred/TLB	1/18/2017	BOA/BARCLAYS/CITI/CS/JPM
1/19/2012	Datatel Inc	530.0	530.0	Bridge Loan	1/19/2013	JPM/BOA/BARCLAYS/CITI/CS
1/19/2012	Datatel Inc	1,200.0	1,075.0	RevCred/TLB	6/18/2018	BOA/BARCLAYS/CITI/CS/JPM
1/11/2012	Ares Management LLC	90.0	45.0	RevCred/Term Ln	5/2/2015	JPM/BOA/CITI/SUNTRUST-BK/US-BANK-NA
1/11/2012	Ares Management LLC	90.0	45.0	RevCred/Term Ln	5/2/2015	JPM/BOA/CITI/SUNTRUST-BK
1/11/2012	Steel Dynamics Inc	275.0	275.0	Term Loan A	9/29/2016	PNC-BANK-CORP/BOA/WF/JPM
1/9/2012	Managed Healthcare Assoc Inc	17.0	17.0	Term Loan B	8/1/2014	JPM
1/6/2012	Aurora Trailer Hldgs LLC	37.0	37.0	Rev Cred Fac	4/5/2012	BOA
1/6/2012	Corrections Corp of America	785.0	785.0	Rev Cred Fac	1/6/2017	BOA/WF/US-BANK-NA/JPM/SUNTRUST-BK
1/5/2012	Coach America	30.0	30.0	Rev Cred Fac	9/5/2012	JPM
1/5/2012	Entertainment Cruises Inc	91.0	15.0	RevCred/TLA	1/5/2017	BOA/RBS
1/5/2012	Entertainment Cruises Inc	91.0	76.0	RevCred/TLA	1/5/2017	BOA/RBS
1/5/2012	Suburban Propane LP	250.0	250.0	Rev Cred Fac	1/8/2017	BOA/WF/CITIBANK/JPM/RBS
1/3/2012	Ameriforge Group Inc	186.0	186.0	Rev Cred Fac	1/3/2017	BOA/WELLS-FARGO
12/31/2011	Seminole Energy Services LLC	100.0	100.0	Rev Cred Fac	6/30/2015	BK-OKLAHOMA/FIFTH-THIRD-BK
12/30/2011	Liqui-Box Corp	105.0	20.0	RevCred/TLB	12/30/2016	BNP-PARIBAS/BANK-MONTREAL
12/30/2011	Liqui-Box Corp	105.0	85.0	RevCred/TLB	12/30/2017	BNP-PARIBAS/BANK-MONTREAL
12/30/2011	Affymetrix Inc	190.0	20.0	RevCred/Term Ln	12/30/2016	GE-CAPITAL/SILICON-VALLEY/CIT-GROUP
12/30/2011	Affymetrix Inc	190.0	170.0	RevCred/Term Ln	12/30/2016	GE-CAPITAL/SILICON-VALLEY/CIT-GROUP
12/30/2011	Chemonics Intl	65.0	65.0	Rev Cred Fac	12/30/2014	PNC-BANK-CORP/SUNTRUST-BK
12/30/2011	Shelbourne Campus Properties	39.0	39.0	Term Loan	9/30/2014	REGIONS-BK
12/30/2011	Ahern Rentals Inc	350.0	350.0	Rev Cred Fac	3/31/2013	BOA
12/30/2011	Align Fasteners	80.0	80.0	Rev Cred Fac	12/30/2016	BOA
12/30/2011	Bayonne Residential LP	90.0	90.0	Term Loan	6/30/2013	WF
12/30/2011	Genoa Healthcare	104.1	10.0	RevCred/Term Ln	8/10/2014	GECC
12/30/2011	Genoa Healthcare	104.1	49.1	RevCred/Term Ln	8/10/2014	GECC
12/30/2011	Genoa Healthcare	104.1	45.0	RevCred/Term Ln	2/10/2015	GECC
12/30/2011	Lipari Foods Inc	50.0	50.0	Rev Cred Fac	7/28/2016	WF
12/30/2011	Magnolia Hill LLC	70.0	20.0	RevCred/Term Ln	1/2/2018	WF
12/30/2011	Magnolia Hill LLC	70.0	45.0	RevCred/Term Ln	1/2/2017	WF
12/30/2011	Magnolia Hill LLC	70.0	5.0	RevCred/Term Ln	1/2/2017	WF
12/30/2011	RealPage Inc	150.0	150.0	Rev Cred Fac	6/30/2015	WF
12/30/2011	Spirit Music Group	45.0	35.0	RevCred/Term Ln	12/30/2015	SUNTRUST-BK
12/30/2011	Spirit Music Group	45.0	10.0	RevCred/Term Ln	12/30/2015	SUNTRUST-BK
12/30/2011	Stillwater Mining Co	100.0	100.0	Rev Cred Fac	1/2/2017	WF
12/30/2011	TurboCombustor Technology Inc	85.0	25.0	RevCred/Term Ln	12/30/2016	RBS/SUNTRUST-BK/SUMITOMO-MITSUI
12/30/2011	TurboCombustor Technology Inc	85.0	60.0	RevCred/Term Ln	12/30/2017	RBS/SUNTRUST-BK/SUMITOMO-MITSUI
12/30/2011	Talisker Finance LLC	138.0	138.0	Term Loan A	1/2/2014	WF
12/30/2011	Windsor Permian LLC	250.0	250.0	Rev Cred Fac	12/30/2015	BNP-PARIBAS/AMEGY-BK-TX/US-BANK-NA

Source: Thomson Reuters

MOST RECENT COMPLETED HIGH YIELD DEALS

Issue Date	Issuer	Principal Am (\$mm)	Currency	Coupon %	Maturity	Moody Rating	Standard & Poor's Rating	Bookrunner(s)
1/25/2012	JBS USA LLC	700.0	US	8.250	2/1/2020	B1	BB	JPMorgan, BB&T , Banco Bradesco SA, Rabobank NV, Santander , Wells Fargo
1/25/2012	Realogy	593.0	US	7.625	1/15/2020	B1	NR	JPMorgan, Barclays, Credit Suisse, Goldman Sachs
1/25/2012	Realogy	325.0	US	9.000	1/15/2020	Caa1	NR	JPMorgan, Barclays, Credit Suisse, Goldman Sachs
1/25/2012	PetroBakken Energy Ltd	900.0	US	8.625	2/1/2020	Caa1	CCC+	Credit Suisse, BofAML, RBC
1/25/2012	Welltec A/S	325.0	US	8.000	2/1/2019	B1	BB-	Goldman Sachs, Credit Suisse
1/24/2012	The Cash Store Financial Svcs	131.3	C	11.500	1/31/2017	B3	B	Imperial Capital Corp.
1/24/2012	Clearwire Communications LLC	300.0	US	14.750	12/1/2016	B3	CCC	JPMorgan, BofAML, Jefferies Inc
1/24/2012	Prestige Brands Inc	250.0	US	8.125	2/1/2020	B3	B-	Morgan Stanley, Citi, RBC
1/23/2012	Summit Materials LLC	250.0	US	10.500	1/31/2020	B3	B	Citi, BofAML, UBS, Barclays, Credit Suisse, Deutsche Bank
1/23/2012	Westmoreland Coal Co	125.0	US	10.750	2/1/2018	Caa2	CCC+	Gleacher
1/20/2012	Sable International Fin Ltd	400.0	US	8.750	2/1/2020	Ba2	BB	JPMorgan, Barclays, HSBC, RBS
1/20/2012	Taminco NV	400.0	US	9.750	3/31/2020	Caa1	B-	Credit Suisse, UBS, Citi, Nomura, Deutsche Bank, Goldman Sachs
1/20/2012	Western Energy Services Corp	172.8	C	7.875	1/30/2019	B3	B+	RBC
1/19/2012	Ardagh Packaging Group	260.0	US	9.250	10/15/2020	Ba3	BB-	Citi
1/19/2012	Ardagh Packaging Group	160.0	US	7.375	10/15/2017	Ba3	BB-	Citi
1/19/2012	Polkomtel SA	703.5	EUR	11.750	1/31/2020	B3	B-	Deutsche Bank, Credit Agricole CIB, RBS, Societe Generale
1/19/2012	Polkomtel SA	500.0	US	11.625	1/31/2020	B3	B-	Deutsche Bank, Credit Agricole CIB, RBS, Societe Generale
1/18/2012	Wienerberger AG	257.2	EUR	5.000	8/1/2015	Ba1	BB	BNP Paribas SA
1/17/2012	Fresenius Medical Care II	700.0	US	5.875	1/31/2022	Ba2	BB	BofAML, Deutsche Bank, Barclays,, JPMorgan, Scotia, Wells Fargo
1/17/2012	Fresenius Medical Care II	800.0	US	5.625	7/31/2019	Ba2	BB	BofAML, Deutsche Bank, Barclays, JPMorgan, Scotia, Wells Fargo
1/13/2012	AAR Corp	175.0	US	7.250	1/15/2022	Ba3	BB	BofAML, Morgan Stanley
1/13/2012	Physio-Control Inc	330.0	US	9.875	1/15/2019	B2	B+	Citi, RBC
1/12/2012	AMERIGROUP Corp	75.0	US	7.500	11/15/2019	Ba3	BB+	Goldman Sachs
1/12/2012	Atwood Oceanics Inc	450.0	US	6.500	2/1/2020	Ba3	BB	Credit Suisse, Barclays, Wells Fargo
1/12/2012	Block Communications Inc	250.0	US	7.250	2/1/2020	Ba3	B+	BofAML, JPMorgan
1/11/2012	Charter Communications Hldgs	750.0	US	6.625	1/31/2022	B1	BB-	Credit Suisse, BofAML, Citi, Deutsche Bank, UBS, JPMorgan
1/11/2012	MGM Resorts International	850.0	US	8.625	2/1/2019	B3	B-	Barclays, BofAML, Citi, Deutsche Bank, Wells Fargo
1/11/2012	Sophia LP/Finance Corp	530.0	US	9.750	1/15/2019	Caa1	CCC+	JPMorganBofAML, Barclays, Citi, Credit Suisse
1/10/2012	BreitBurn Energy Partners LP	250.0	US	7.875	4/15/2022	B3	B	Citi, Barclays, BMO , RBC
1/10/2012	Level 3 Financing Inc	900.0	US	8.625	7/15/2020	B3	CCC	Citi, BofAML
1/6/2012	Chesapeake Midstream Partners	750.0	US	6.125	7/15/2022	Ba3	BB+	Barclays, Credit Suisse, Wells Fargo
1/5/2012	Amerigas Finance Corp	550.0	US	6.750	5/20/2020	Ba2	NR	Credit Suisse, Citi, JPMorgan, Wells Fargo
1/5/2012	Amerigas Finance Corp	1,000.0	US	7.000	5/20/2022	Ba2	NR	Credit Suisse, Citi, JPMorgan, Wells Fargo
1/4/2012	Ford Motor Cr Co LLC	300.0	US	3.875	1/15/2015	Ba1	BB+	BNP Paribas SA, Deutsche Bank, Goldman Sachs, Morgan Stanley
1/4/2012	Ford Motor Cr Co LLC	700.0	US	5.000	5/15/2018	Ba1	BB+	BNP Paribas SA, Deutsche Bank, Goldman Sachs, Morgan Stanley
12/19/11	International Lease Finance Corp.	650	US	8.625	1/15/22	B1	BBB-	Citibank, Deutsche Bank, Goldman Sachs, Morgan Stanley, Barclays, BofAML, JPMorgan, Macquarie Capital, RBC,UBS
12/14/11	99 Cents Only Stores	250.0	US	11.000	12/15/19	Caa1	CCC+	RBC, BMO Capital Markets, Deutsche Bank

Source: Thomson Reuters

HIGH YIELD SECONDARY GAINERS & LOSERS

(AS OF 01/26/11)

— TOP GAINERS —

Bond	Price		Change	Yield		Spread
	1/25/12	1/18/12		1/25/12	1/18/12	
Lions Gate Entertainment Corp. (USD) 3.625% 3/15/2025	138.75	121.125	17.625	-7.21%	-2.76%	-756.55
Realogy Corp. (USD) 12% 4/15/2017 (1)	94.375	81.5	12.875	13.53%	17.53%	1263.84
Realogy Corp. (USD) 11.5% 4/15/2017 144a	93.625	81.625	12	13.22%	16.92%	1233.17
Realogy Corp. (USD) 11.5% 4/15/2017	94.375	82.625	11.75	13.01%	16.58%	1212.04
Mohegan Tribal Gaming Authority (USD) 6.875% 2/15/2015	67.125	55.625	11.5	22.33%	30.02%	2196.63
Ceva Group PLC (USD) 11.5% 4/1/2018 (1)	99.625	90.625	9	11.58%	13.79%	1042.3
Ceva Group PLC (USD) 11.5% 4/1/2018 144A	99.625	90.625	9	11.58%	13.79%	1042.3
Ceva Group PLC (USD) 11.5% 4/1/2018	100.125	91.125	9	11.46%	13.66%	1030.76
Realogy Corp. (USD) 10.5% 4/15/2014	98.125	89.625	8.5	11.47%	16.20%	1121.64
Pulte Homes Incorporated (USD) 6.375% 5/15/2033	73.75	65.5	8.25	9.21%	10.44%	633.29
Cengage Learning (USD) 13.75% 7/15/2015 144a	71.625	63.625	8	26.83%	31.75%	2640.16
RBS Capital (USD) FLT% 9/29/2049 PFD	47.75	39.75	8	4.14%	4.91%	97.85

— TOP LOSERS —

Bond	Price		Change	Yield		Spread
	1/25/12	1/18/12		1/25/12	1/18/12	
Petroplus Finance Ltd (USD) 6.75% 5/1/2014 144a	29.625	48.625	-19	77.08%	45.11%	7681.77
Petroplus Financial Ltd (USD) 6.75% 5/1/2014	29.625	47.625	-18	77.08%	46.33%	7681.77
Petroplus Fin 3 (USD) 9.375% 9/15/2019	29.125	46.125	-17	38.84%	25.86%	3731.5
Petroplus Finance Ltd (USD) 7% 5/1/2017 144a	29.625	45.625	-16	39.94%	26.84%	3904.12
Petroplus Financial Ltd (USD) 7% 5/1/2017	29.625	45.625	-16	39.94%	26.84%	3904.12
Nelnet Inc (USD) 7.4% 9/15/2061	69.625	85	-15.375	5.87%	4.77%	271.23
Petroplus Finance LTD (USD) 9.375% 9/15/2019 144A	29.625	44.625	-15	38.29%	26.69%	3677.04
Lifecare Holdings Inc (USD) 9.25% 8/15/2013	59.125	71.25	-12.125	50.43%	34.42%	5023.1
Global Aviation Hldgs (USD) 14% 8/15/2013	68.125	79.125	-11	44.72%	31.96%	4452.09
BLT Finance BV (USD) 7.5% 5/15/2014 144a	24.125	34.125	-10	92.20%	67.57%	9193.53
Titan Petrochemicals Group LTD (USD) 8.5% 3/18/2012	44.625	54.625	-10	0.00%	0.00%	
Winsway Coking Coal Hldgs LTD (USD) 8.5% 4/8/2016 144a	74.625	84.625	-10	17.24%	13.39%	1661.46

Source: The High Yield Advantage, Advantage Data Inc., (617) 261-9700.

HIGH YIELD BOND FUND PERFORMANCE

Name Of Fund	Total Net Assets	12/31/11 To 01/25/12	Rank	Lipper Leader	Name Of Fund	Total Net Assets	12/31/11 To 01/25/12	Rank	Lipper Leader
	12/31/11 (\$ Mil's)	% Change				08/31/11 (\$ Mil's)	% Change		
J Hancock II:Hi Inc;NAV	328.3	8.51	1		MainStay HY Oppty;A	395.4	3.78	11	
J Hancock High Yield;A	401.3	7.33	2		Fidelity Capital & Inc	8,907.5	3.63	12	Y
Access One:Fx HY;Inv	57.6	5.48	3		Federated Hi Yld Tr;Svc	223.8	3.61	13	Y
Rydex:Hi Yld Str;H	346.8	5.19	4		PIMCO:HY Spectrum;Inst	619.6	3.43	14	
Pioneer High Yld;A	1,369.7	4.97	5		SMH Representation Trust	65.4	3.42	15	
Natixis:LS High Inc;A	62.4	4.78	6		Aegis High Yield	40.1	3.38	16	
Loomis Sayles:Inst HI;I	517.9	4.27	7		PACE Hi Yld Inv;P	241.0	3.38	17	
Am Beacon:SIMHY Opps;Inv	15.2	4.03	8		Invesco High Yld Sec;A	55.6	3.32	18	
Third Avenue:Foc Cr;Inst	651.0	4.00	9		Delaware Pld:Hi Yld Bond	58.7	3.31	19	Y
Fidelity Adv HI Advt;A	623.0	3.92	10	Y	Pioneer GI HI Yld;Y	1,263.5	3.31	20	Y

Number of All High Yield Funds: 697
Lipper HI Curr Yld Bd IX: 2.79

Source: Lipper

LOAN SECONDARY ADVANCERS AND DECLINERS
(For the week ended January 26, 2012)

Top 10 Advancers				Top 10 Decliners			
Facility	Previous Bid	Current Bid	Percent Change	Facility	Previous Bid	Current Bid	Percent Change
PagesJaunes 10/06 (EUR) 2nd Lien TLD	8.5	10.3	21.176	Vertrue (2nd Lien 7/07) Hybrid TL	3.833	3.167	-17.375
PagesJaunes 10/06 (EUR) Mezzanine	3.333	3.833	15.002	Indiana Toll Road 6/06 RC	47.5	43.333	-8.773
Interstate Bakeries 2/09 3rd Lien TL	7.875	8.875	12.698	Indiana Toll Road 6/06 Unsecured TL	47.5	43.333	-8.773
Realogy 4/07 Delayed TL	95.107	99.225	4.33	Eircom 8/06 2nd Lien TLD	5.063	4.625	-8.651
Realogy 4/07 Synthetic LC	95.107	99.225	4.33	Materis 4/06 (EUR) Mezzanine	77.5	71.667	-7.526
Realogy 4/07 TLB	95.107	99.225	4.33	Seat (6/05) TLa	60.25	56.667	-5.947
Realogy 1/11 Extended Synthetic LC	90.014	93.5	3.873	Reader's Digest 2/10 Equity	4.85	4.6	-5.155
Realogy 1/11 Extended TLB	90.014	93.5	3.873	Prisa TL	69.5	67	-3.597
LightSquared 10/10 (Fixed 12%) TLB	47.5	49.25	3.684	Seat (6/05) TLb	55.5	53.667	-3.303
LightSquared 2/11 (Fixed 12%) Incremental TL	47.5	49.25	3.684	Aero Inventory TL	6.5	6.333	-2.569

Source: Markit

CLOSED END LOAN FUND PERFORMANCE

Name Of Fund	Total Net Assets 12/31/11 (\$ Mil's)	12/31/11 To 01/24/12 % Change	Rank	Name Of Fund	Total Net Assets 12/31/11 (\$ Mil's)	12/31/11 To 01/24/12 % Change	Rank
Pioneer Floating Rate Tr	483.4	3.44	1	First Tr Sr Fltg RI II	357.0	2.27	11
Nuveen Float Rt Inc Opp	340.9	3.43	2	Invesco VK Senior Income	849.2	2.21	12
Nuveen Float Rate Inc	543.2	3.10	3	ING Prime Rate Trust	822.3	2.15	13
Invesco VK Dyn Cred Opps	877.5	2.90	4	Apollo Senior Float Rate	273.6	2.13	14
Nuveen Senior Income	216.3	2.73	5	LMP Corporate Loan	120.0	2.09	15
Eaton Vance Senior Inc	254.5	2.46	6	BlackRock Def Opp Credit	121.1	2.09	16
Nuveen Sht Dur Crdt Opp	187.4	2.43	7	ING Senior Income;C	275.5	2.04	17
Eaton Vance Sen Flt-Rt	496.4	2.38	8	BlackRock Flt Rt Inc	263.1	2.04	18
BlackRock Fltg Rate Inc	320.0	2.36	9	BlackRock Dvds Inc Strat	127.7	2.04	19
Eaton Vance Flt-Rt Inc	564.1	2.33	10	BlackRock Flt Rt Inc II	138.9	1.98	20

Source: Lipper

— Average % Change: 2.26 —
— Number of Funds: 31 —

Loanbase Statistics – Syndicated U.S. Loans

Data distribution as of January 26, 2012 (in millions)

M	2009		2010		2011		2012	
	All	Leverage	All	Leverage	All	Leverage	All	Leverage
Q1	116,359	29,849	142,035	62,960	391,817	182,859	21,048	3,641
No. packages	302	169	438	256	756	439	35	12
Q2	159,494	72,550	323,815	133,178	584,606	248,243	-	-
No. packages	454	297	688	397	1,040	538	-	-
Q3	102,538	56,825	234,043	98,213	432,405	145,673	-	-
No. packages	402	257	635	307	925	485	-	-
Q4	189,953	96,122	363,186	159,073	469,173	137,972	-	-
No. packages	482	325	823	420	940	460	-	-
Total Dollars	568,344	255,345	1,063,079	453,423	1,878,001	714,747	21,048	3,641
Total Packages	1,640	1,048	2,584	1,380	3,661	1,922	35	12

INSOLVENCY

continued from page 1

took place in the U.S. They obtained a default judgement

The English judicial system was then tasked with determining whether the judgements given against Eurofinance could be enforced against it in the U.K., even though the defendant had not submitted to the jurisdiction of the U.S. bankruptcy court. The first response came from the English High Court of Chancery, which answered in the negative. But in July 2010, the U.K. Court of Appeal in England and Wales decided that the answer was ‘yes.’

The case is now being appealed to the Supreme Court, the final court of appeals in the U.K. for civil cases.

“The Rubin case is potentially seminal, not just for England, but for a number of jurisdictions around the world,” said **Nick Moser**, the lead U.K. counsel to the trustee in the ongoing liquidation of BLMIS, which involves investigations and legal issues in the U.K. and other Commonwealth countries.

Moser was speaking at a panel about coordinating a complex, cross-border bankruptcy proceeding at the New York Bar Association’s annual meeting in New York Wednesday.

While the U.K. Supreme Court

hears appeals in criminal cases from England, Wales and Northern Ireland, Moser said many offshore domiciles, such as the British Virgin Islands and the Cayman Islands, will potentially be bound by the decision.

If the Supreme Court upholds the decision of the Court of Appeals, Moser said this would be just the latest in a continuing judicial trend towards a universal approach to cross-border insolvency proceedings. “Rubin is the latest, possibly the final, stop in U.K. court,” he said.

“England has been leading the way, along with the U.S., in developing a unified bankruptcy regime around the world,” he said. Such a decision would also “strip away 100 years of protective procedure” under common law, he said. That means, “an English person facing bankruptcy in the U.S. can no longer sit at home, ignore the proceedings in the U.S., and think you are protected. The English court will be obligated to respond to a request of a New York court.”

Moser said that the upholding the Court of Appeal’s decision would be the correct outcome. “Bankruptcy should be treated differently than other kinds of judgments,” he said. “You have to have a system that creates fairness between creditors of a company to ensure

that you don’t have a grab bag approach where some creditors in some countries do better than others” because local courts “grab” whatever they can to distribute to local creditors.

If this view prevails, the only reason the English court might not apply a foreign insolvency judgment, according to Moser, would be if there was a public policy question.

The decision is important to the Madoff liquidation, which involves some 50 feeder funds, most of them domiciled offshore. Trustees have filed over 1,000 avoidance actions in an effort to recover some \$90 billion for investors. The litigation involves more than 30 countries.

The Madoff liquidation case is breaking new ground in another way, according to **Mark A. Kornfeld**, another counsel to the trustee. Kornfeld, who spoke on the same panel as Moser, said a secondary market has developed for claims in the case. While there’s a fairly active market for U.S. bankruptcy-related claims, Kornfeld said trading in claims of Madoff victims is different, in part because its being mediated by large global banks and because investors who buy the claims “are making bets on how well we will do making recoveries here and abroad.” —AB

LEVERAGED LOAN FORWARD CALENDAR

Announce Date	Issuer	Issue	Amt (\$mm)	Commit Date	Price Talk	Banks	Use of Proceeds	Industry
1/24/12	Roundy's	TLB	675	N/A	N/A	CSS	Refinance	Grocery
1/23/12	Tronox	TL	425	N/A	N/A	GS	Acquisition	Chemicals
1/23/12	Transdigm	TLB	500	N/A	N/A	CSS	Acquisition	Aerospace/Defense
1/19/12	DS Waters	TL	390	N/A	L+675-700 @ 98	CSS	Refinance	Food/Food Services
1/18/12	Safety-Kleen	TLB	250	N/A	N/A	JPM	Refinance	Environmental
1/18/12	Rocket Software	TL	300	N/A	L+575-600 @ 97.5	CSS	N/A	Technology
1/18/12	Rocket Software	2nd Lien	105	N/A	L+925-950 @ 97.5	CSS	N/A	Technology
1/17/12	Generac	TLB	325	N/A	L+300 @ 99	JPM	Refinance	Diversified Manufacturing
1/17/12	Great Atlantic & Pacific	TL	400	N/A	N/A	JPM	N/A	Grocery
1/13/12	Blue Coat Systems	TL	360	N/A	L+600 @ 98	JEFF	Buyout	Diversified Services
1/13/12	Blue Coat Systems	2nd Lien	85	N/A	L+1000 @ 97-98	JEFF	Buyout	Diversified Services
1/11/12	Encompass Digital	TLB	250	N/A	L+650 @ 97	MAC	Buyout	Diversified Media

* As of 1/26/12

Source: Leveraged Finance News