

Credit Discipline Sets Top Managers Apart: Loss Rates Drive Total Return

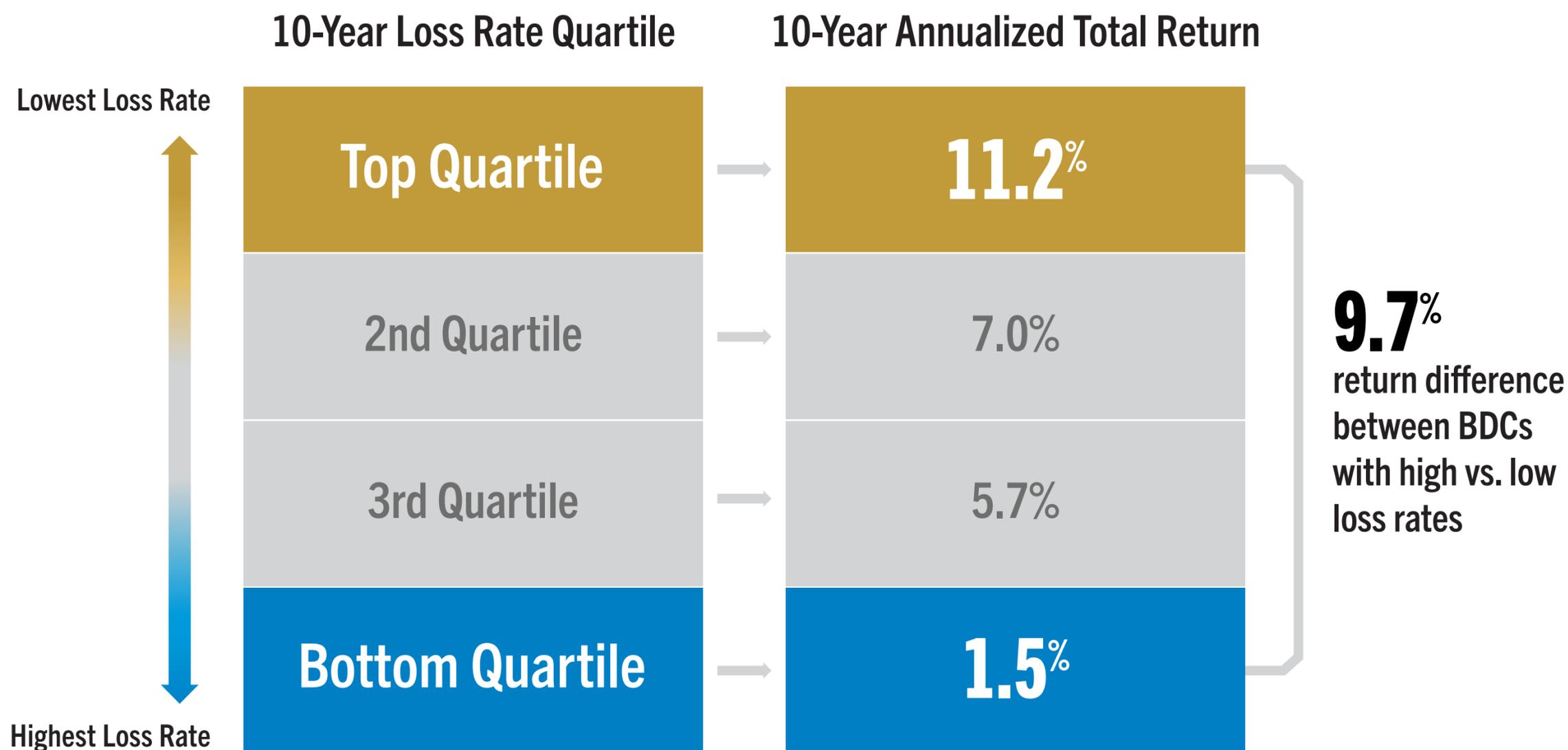


Managers who minimize credit losses have historically delivered **stronger investor returns** over time.



Loss Rates Drive Total Return

BDC Loss Rates vs. Annualized Total Return¹
2015–2024



A BDC is a Business Development Company. We use BDCs as a proxy for the broader direct lending market.



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Footnotes

1. Source: Performance dispersion from Morningstar, Preqin and Golub Capital. Includes performance of actively managed mutual funds and ETFs for Leveraged Loans and High Yield over the 10-year period through December 31, 2024, and Preqin Vintage Year IRRs for top- and bottom-quartile funds. Performance persistence data from “Direct Lending Returns,” Antti Suhonen, Financial Analysts Journal 80:1, 57–83, 2023.