

S&P Global Market Intelligence's New Outlook Report Shows the Convergence of Public and Private Credit Markets and Expects the Trend to Continue into 2025

NEW YORK, Nov. 21, 2024 /PRNewswire/ -- S&P Global Market Intelligence has released a report today highlighting the convergence in public and private credit markets. The newly published *Public and Private Markets Outlook: Converging on Credit* is part of S&P Global Market Intelligence's Big Picture 2025 Outlook Report Series.



In this new report, S&P Global Market Intelligence's capital markets analysts highlight how public and private credit markets have become increasingly intertwined in 2024, and why we expect this trend to continue in 2025. Public debt markets have grown, but not at the expense of the \$1.5 trillion private markets, which continue their rapid expansion.

"It may be no coincidence that the fall in Credit Default Swap (CDS) credit events aligns with the growth in provision of private credit. Many companies now have recourse to lines of credit from private sources to an extent not seen in previous cycles. This trend is likely to continue in 2025 but may raise questions about the transparency and measurement of credit risk in private credit funds, where the exposure is ultimately shifted," **said Gavan Nolan, Executive Director at S&P Global Market Intelligence.**

Key highlights from the report include:

- The \$1.5 trillion global private market continues to see new activity as banks seek out new partnerships. Meanwhile, fund managers are trying to enter public markets through new investment vehicles.
- Credit events in the CDS market have stayed low, with just two credit event auctions — the settlement mechanism for CDS — in 2024. This is the fourth consecutive year that auctions have not exceeded three annually and brings the 3-year moving average down to the lowest levels not seen since the credit bubble before the global financial crisis in 2007-2008.
- With the size of the private credit market approaching \$2 trillion, some regulators and investors are calling for more rules and transparency in the largely unregulated space.
- The private credit market, meanwhile, is only growing, with some estimates calling for total assets under management to more than double by 2028.

To request a copy of *Public and Private Markets Outlook: Converging on Credit*, please contact press.mi@spglobal.com.

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At S&P Global Market Intelligence, we understand the importance of accurate, deep and insightful information. Our team of

experts delivers unrivaled insights and leading data and technology solutions, partnering with customers to expand their perspective, operate with confidence, and make decisions with conviction.

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