

# The State of the Deal Market

**Private Debt Investor** on April 1, 2019

Proskauer partnered with Private Debt Investor to release "[The State of the Deal Market](#)" which takes a deep dive into the state of the private credit market and analyzes trends using data from our [Private Credit Insights](#) report.

Key Highlights:

- **[State of the market:](#)** Private credit has come a long way in a short space of time. But how are increasing fund sizes, more flexible terms and the prospect of a more difficult economic environment shaping the way managers are approaching the market? Steven Ellis, Proskauer partner and co-head of the private credit group noted, "given how competitive the credit market has now become, firms are faced with the choice of either staying out of the market – a strategy that would not be welcomed by their investors, which have committed capital on the basis that it will be deployed within the investment period – or offering the flexible terms that borrowers and their sponsors now expect."
- **[Pushing back on both sides:](#)** Deal terms have been loosening on both sides of the Atlantic, but some lenders are pushing back. Stephen Boyko, partner and co-head of the private credit and finance groups with Proskauer in New York, and Faisal Ramzan, partner and member of the private credit and finance groups in London, look at the sectors and geographies holding promise. In the US, managers who are acutely aware that we are now in the later stages of the current economic cycle, are exercising more caution. Meanwhile, in Europe, concerns about Brexit have affected sentiment for UK deals as lenders play it safe in anticipation of a eurozone down-turn.
- **[Redrawing the lines:](#)** Lenders are pushing back against overly generous deal terms, but it is easier said than done. David Turner talks to Proskauer's Stephen Boyko and Faisal Ramzan to explore the biggest pressure points for dealmakers.
- **[In a different league:](#)** Amid record levels of European fundraising and an evolving deal market, Proskauer partners Alex Griffith and Faisal Ramzan examine how funds' increasing firepower has transformed the European market.
- **[Diagnosis of a sector:](#)** Richard Zall and Gary Creem, partners with Proskauer, explain why healthcare has become one of the major areas of focus for private debt investors - healthcare and technology. These are sectors that remain attractive

even in a borrower-friendly environment, provided managers can negotiate reasonable terms.

- **You say tomato**: The European private credit market has grown over recent years, but the structures that prevail retain a distinctive character when compared with the US. Private Credit Group partner Peter Antoszyk and Daniel Pietrzak, KKR member and portfolio manager for the firm's private credit funds talk to PDI's Vicky Meek about these issues.

#### Related Professionals

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- **Alexander Griffith**  
Partner
- **Faisal Ramzan**  
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- **Gary J. Creem**  
Partner
- **Peter J. Antoszyk**
- **Stephen A. Boyko**  
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- **Steven M. Ellis**  
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