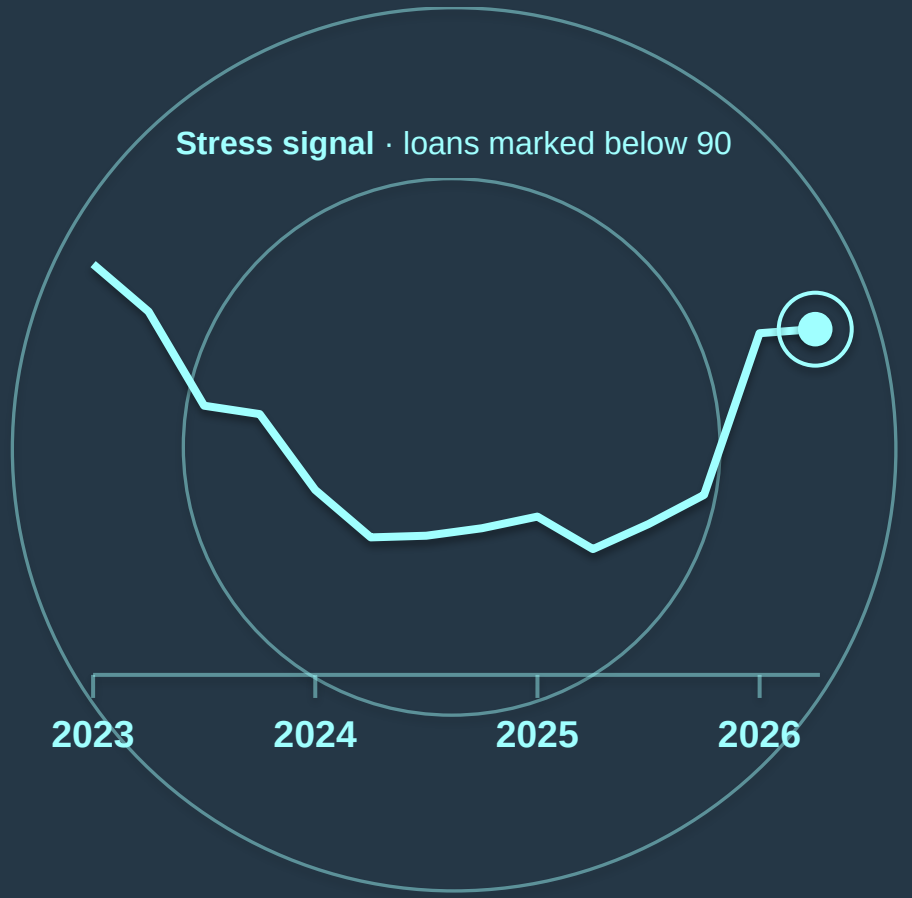
Private Credit Radar

Credit stress in US BDC loan books, Q1 2023 to Q2 2026.
Version 1.0

Prof. Dr. Sascha Steffen · Frankfurt School · 2 November 2026



THE HEADLINE · 30 JUNE 2026

10.3%

of loan positions in US BDC portfolios are marked below 90% of face value, up from 7.7% a year earlier

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

SUMMARY

Marks broke in early 2026; payment relief is turning up

Marks	10.3% of positions below 90 and 5.9% below 80. In the first quarter, 6.6% were marked down by five points or more, the broadest markdown in the series.
Payment relief	Distress amendments 0.53% of positions (0.40% a year earlier); switches to PIK 1.44% (1.15%). Switches to PIK were higher in most quarters of 2023 and 2024; distress amendments are at their highest since the end of 2024.
Non-accrual	1.84% of debt at cost, up from 1.29%. The peak of the series was 1.95% in the first quarter of 2026.

Not driven by new funds

- Among the 87 BDCs present in all 14 quarters, the share below 90 rose to 11.5% from 8.2%. Listed BDCs: 12.8%; non-traded BDCs: 9.3%.

What the radar measures

- Six indicators from the schedules of investments of 162 BDCs (36,687 debt positions), following each loan from quarter to quarter: marks, payment relief, non-accrual.

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

01

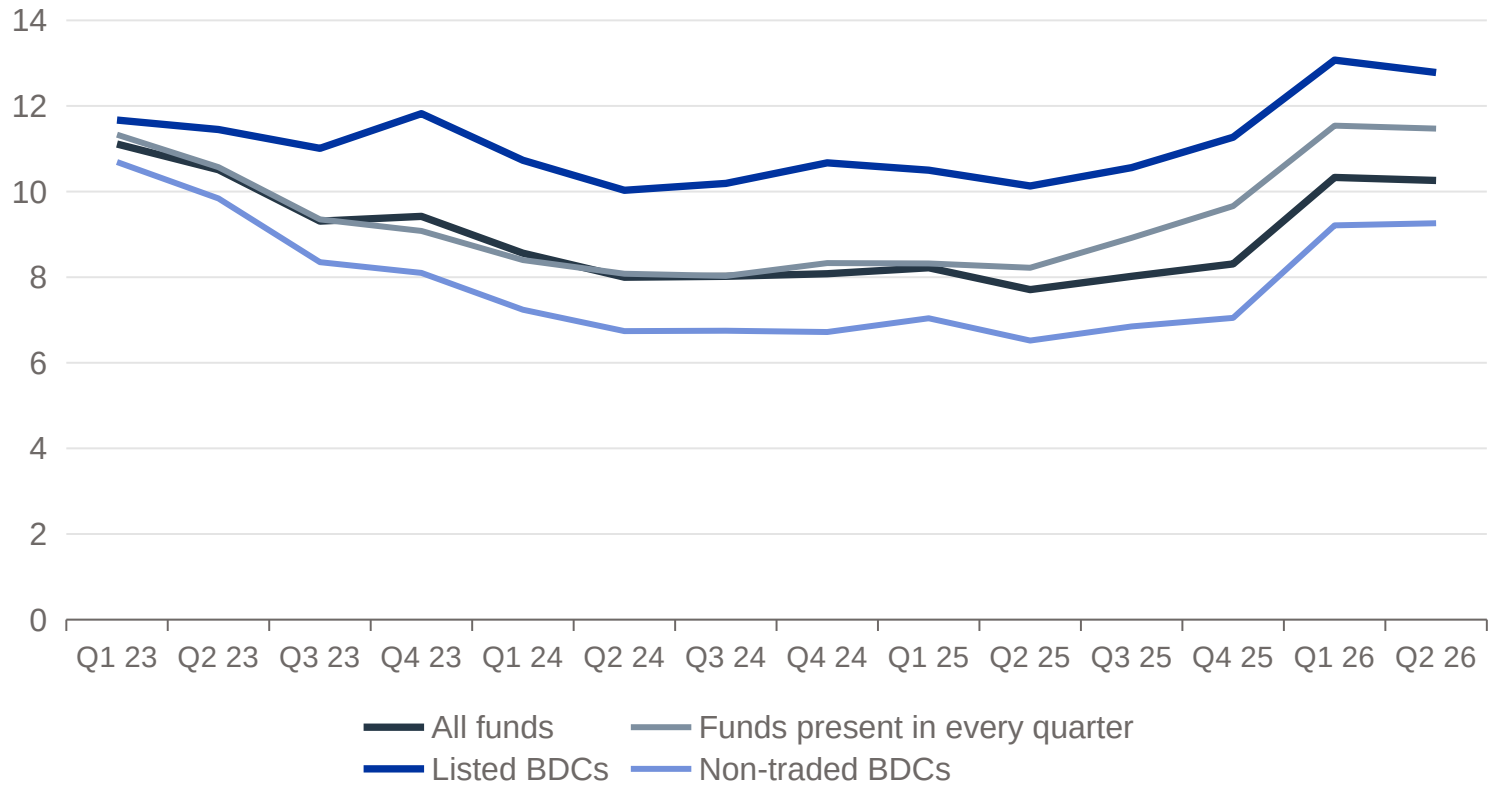
Marks

Indicators 1 to 3

INDICATOR 1

One in ten positions is marked below 90

Share of in-scope debt positions marked below 90% of face value, %



ALL FUNDS, 30 JUNE 2026

10.3%

7.7% a year earlier

READING

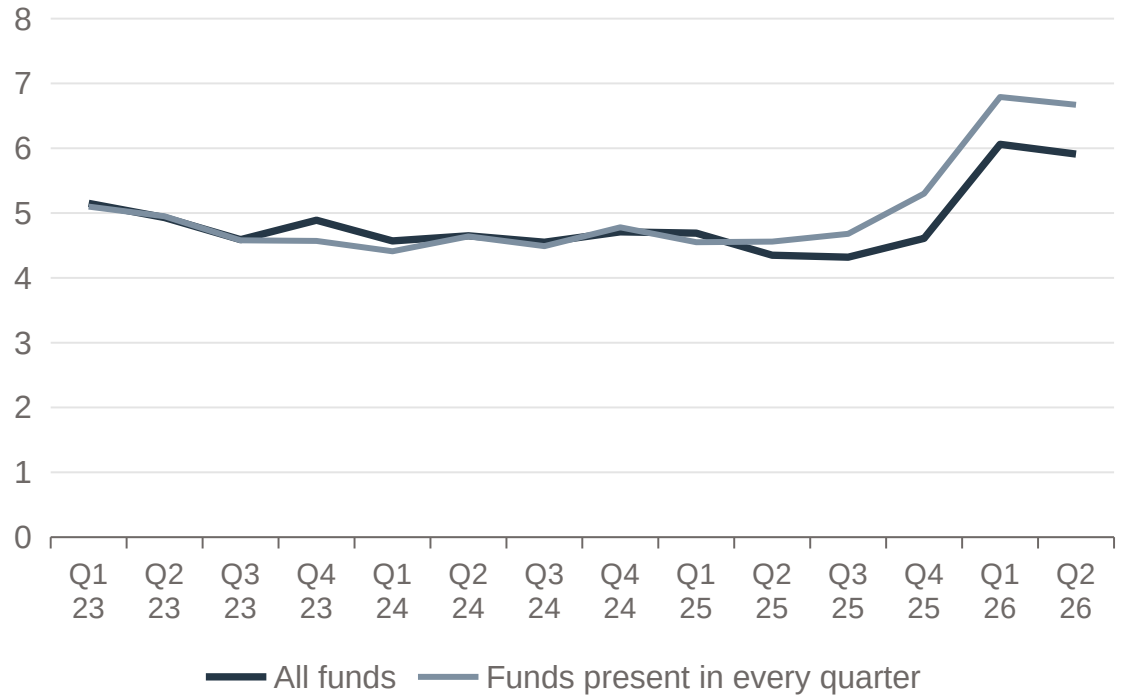
With the first quarter, the highest since mid-2023. Funds present in every quarter: 11.5%, so new funds do not explain the rise.

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

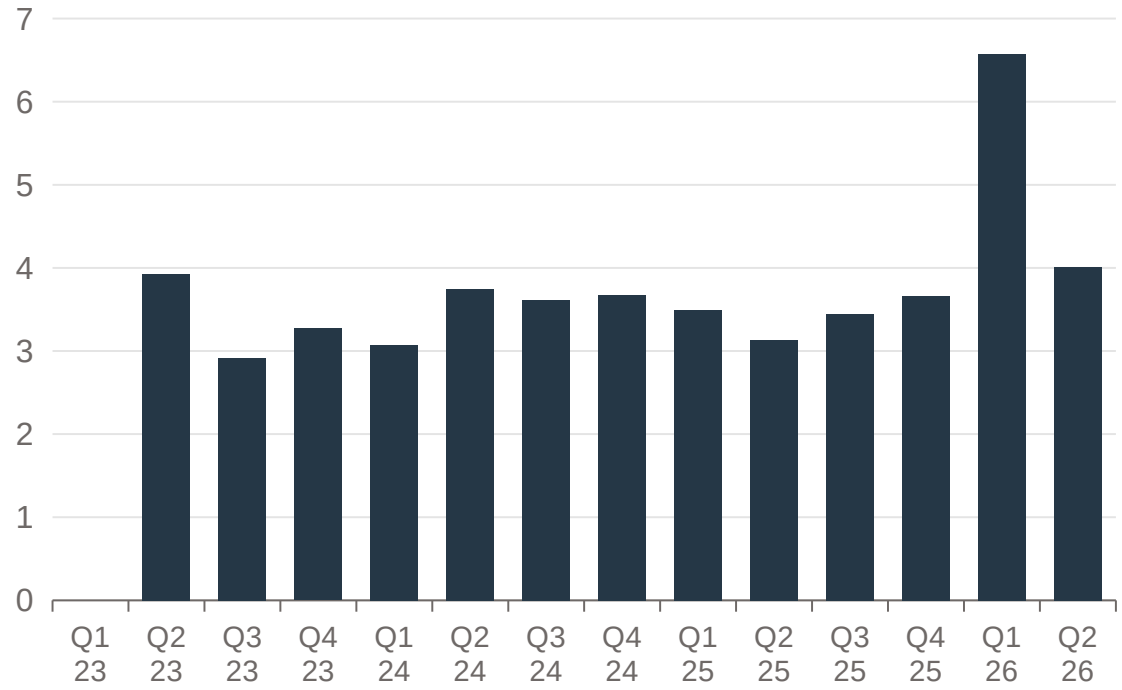
The break came in the first quarter of 2026

Deeper marks and the broadest markdown in the series

Marked below 80, % of positions



Marked down 5 points or more in the quarter, % of positions

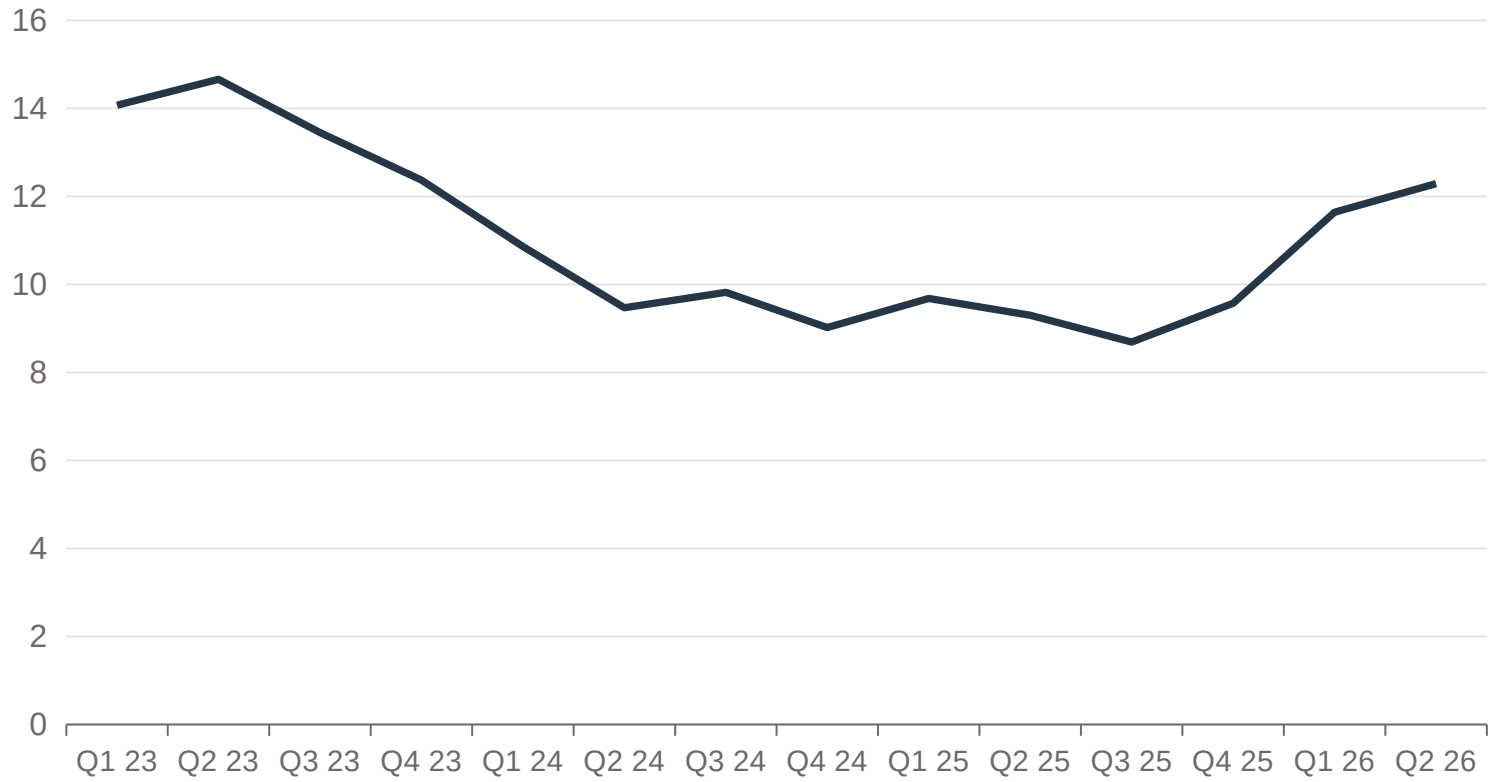


Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

INDICATOR 3

Lenders disagree more about the same borrower

Borrowers held by two or more managers whose marks differ by 5 points or more, % of borrowers



ALL FUNDS, 30 JUNE 2026

12.3%

9.3% a year earlier

READING

Up for three quarters running, though still below the levels of 2023. When lenders mark the same loan apart, at least one is re-assessing it.

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

02

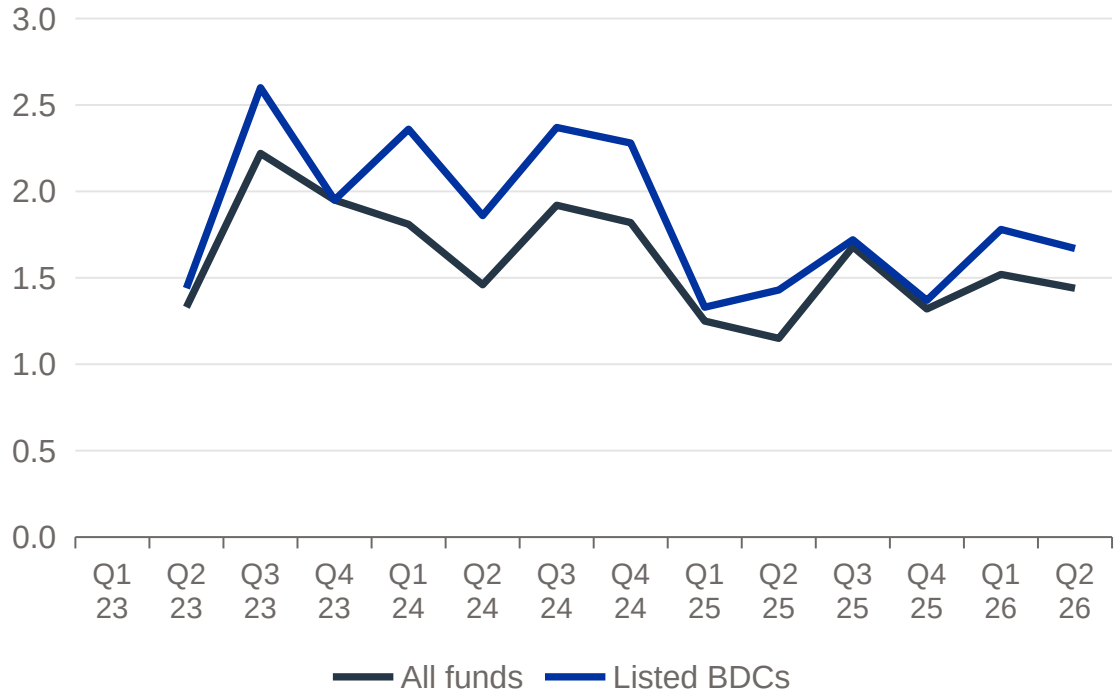
Payment relief and non-accrual

Indicators 4 to 6

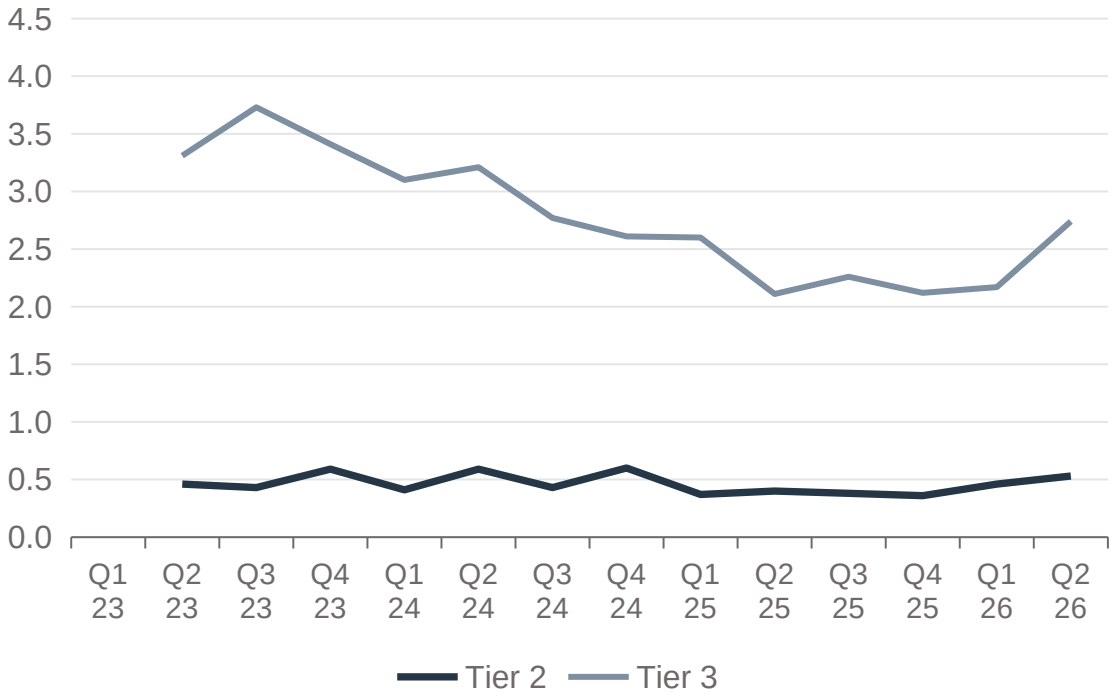
Payment relief is turning up

Shares of positions followed from the previous quarter, %

Switch from cash interest to PIK



Amendments with (Tier 2) and without (Tier 3) a stress marker

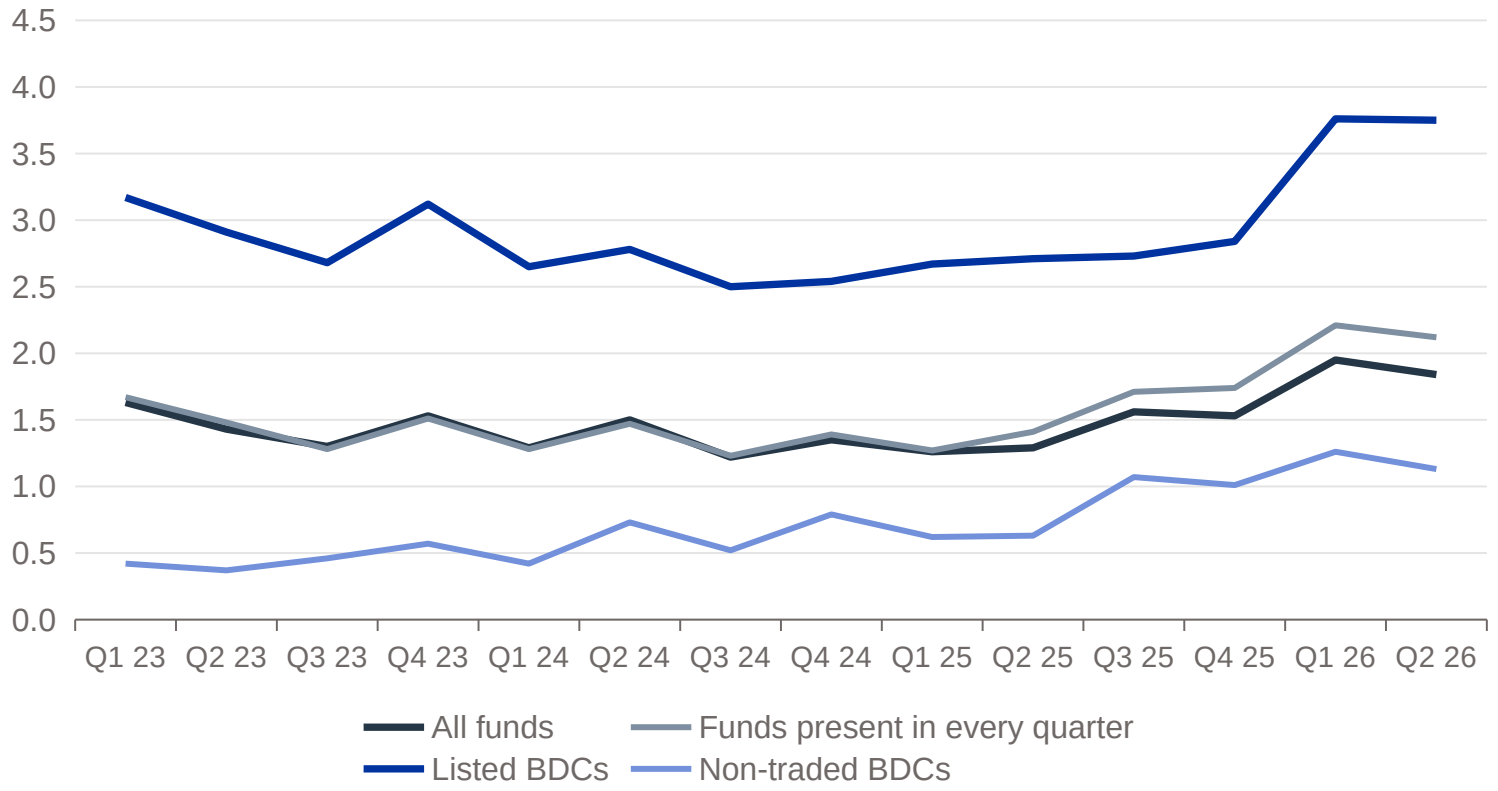


Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026. Tier 2: PIK switch, spread increase of 50 bp or more or extension shortly before maturity, on a loan marked below 90 or down 5 points.

INDICATOR 6

Non-accrual is at its highest levels since 2023

Debt on non-accrual, % of in-scope debt at cost



ALL FUNDS, 30 JUNE 2026

1.84%

1.29% a year earlier

READING

Listed BDCs 3.75%, non-traded BDCs 1.13%. The series peaked at 1.95% in the first quarter of 2026.

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

The indicators at 30 June 2026

Percent. Constant panel: the 87 BDCs present at every quarter-end

Indicator	All funds Jun 2025	All funds Jun 2026	Constant panel Jun 2026	Listed Jun 2026	Non-traded Jun 2026
Marked below 90, % of positions	7.7	10.3	11.5	12.8	9.3
Marked below 80, % of positions	4.4	5.9	6.7	7.7	5.2
Marked down 5+ points in the quarter	3.1	4.0	4.6	5.1	3.6
Borrowers with marks 5+ points apart across managers	9.3	12.3	–	–	–
Switch from cash interest to PIK	1.15	1.44	1.63	1.67	1.35
Distress amendments (Tier 2)	0.40	0.53	0.62	0.71	0.46
Amendments without stress marker (Tier 3)	2.11	2.74	2.76	3.51	2.41
Non-accrual, % of debt at cost	1.29	1.84	2.12	3.75	1.13

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

Computed from public filings, loan by loan

14 quarter-ends, Q1 2023 to Q2 2026

What the radar does

- Reads the schedules of investments of 162 BDCs on SEC EDGAR (filings pulled 19 September 2026).
- Follows each loan from quarter to quarter; one identifier per borrower across all funds.
- Mark = fair value / principal × 100; non-dollar loans converted at the period-end rate.
- A random sample of positions and every named figure are read back against the filings before release.

What it does not see

- European borrowers only where a US BDC holds them (690 at 30 June 2026); the European book follows on 14 December.
- Waivers, covenant resets and amendment fees are not printed in the schedules.
- Funds that report non-accruals only in running text show none.
- Version 1.0 does not forecast defaults.

Source: Private Credit Radar, version 1.0; SEC EDGAR schedules of investments, filings pulled 19 September 2026.

privatecreditradar.eu

Next releases: 14 December 2026 (Q3 edition and European book); January 2027 (liquidity flash)
Indicator series as CSV after free registration on the site
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