

# HIGH YIELD & DISTRESSED MARKET REVIEW

Issue 19

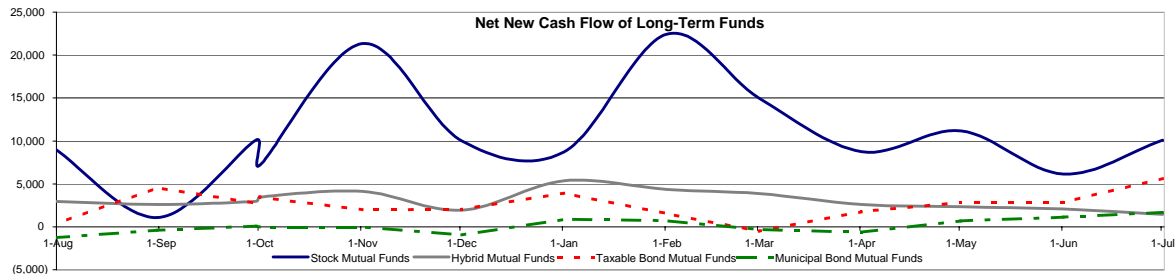
Week ending September 23, 2005

## Key Market Indicators

	September 23, 2005		2 Week	2 Week	2 Week	2 Week	YTD	YTD
	Open	Close	High	Low	Change	Change %	Change	Change %
DJIA	10,422.05	10,419.59	10,682.94	10,378.03	(258.97)	(2.43%)	(363.42)	(3.59%)
Nasdaq	2,110.78	2,116.84	2,182.83	2,106.64	(58.67)	(2.70%)	(58.60)	(2.69%)
S&P 500	1,214.62	1,215.29	1,240.56	1,210.20	(26.19)	(2.11%)	3.37	0.28%
Russell 2000	651.16	655.46	680.82	649.94	(22.59)	(3.33%)	3.89	0.60%
OEX Volatility Index	13.33	12.96	13.79	11.22	0.98	8.18%	(0.33)	(2.48%)
Prime Rate	6.75%							
	1 month	3 months	6 months	1 Year				
LIBOR	3.83%	3.97%	4.12%	4.28%				

## Net New Cash Flow of Mutual Funds - Source: Investment Company Institute (\$ in millions)

	Jul-05	Jun-05	May-05	Apr-05	Mar-05	Feb-05	Jan-05	YTD 2005
Stock Mutual Funds	\$10,078	\$6,128	\$11,189	\$8,755	\$14,986	\$22,431	\$8,718	\$83,575
Hybrid Mutual Funds	\$1,463	\$2,087	\$2,337	\$2,621	\$3,862	\$4,337	\$5,348	\$21,743
Taxable Bond Funds	\$5,673	\$2,850	\$2,858	\$1,780	(\$505)	\$1,576	\$3,957	\$17,770
Municipal Bond Funds	\$1,695	\$1,145	\$697	(\$596)	(\$295)	\$741	\$870	\$4,229



## Altman-NYU Salomon Center Defaulted Securities Indexes (December 1995=100)

Index	Aug-05	Jul-05	Jun-05	May-05	Apr-05	Mar-05	YTD
	Level	Level	Level	Level	Level	Level	Return
Altman-NYU Defaulted Bank Loans Index	178.4	173.5	171.7	170.2	170.8	173.1	4.14%
Altman-NYU Defaulted Public Bonds Index	148.6	145.5	138.2	137.9	138.8	141.0	3.61%
Combined Bank Loan-Public Bond Index	172.8	168.2	163.3	163.2	163.2	165.6	3.90%
S&P 500 (Dividends Reinvested)	219.6	219.4	213.3	213.0	206.8	210.8	1.93%
Citigroup High Yield Index	203.4	202.5	199.7	196.4	192.4	195.1	2.70%

## Distressed News

Story Description	Size (\$mil)	Date	Source
Delta announced plans to cut up to 9,000 jobs and reduce wages in order to achieve \$3 billion in annual cost cuts	\$3,000.0	9/23/2005	DBR
Mirant filed a modified Chapter 11 plan that will leave the Company with \$4.3 billion in debt	\$4,300.0	9/23/2005	DBR
Northwest Airlines announced it will lay off 1,400 flight attendants by year end	n/a	9/22/2005	DBR
Delta's pilot exodus drained the Company's pension plan such that future lump sum payouts are in jeopardy	n/a	9/22/2005	DBR
Foamex won interim court approval to borrow up to \$221 million to fund its restructuring	\$221.0	9/22/2005	DBR
W.R. Grace moved to block an \$800 million suit over alleged false reports involving asbestos contamination	\$800.0	9/21/2005	DBR
Stelco filed a restructuring agreement which includes a C\$100 million pension investment by the province of Ontario	\$100.0	9/21/2005	DBR
Delta received the go ahead to draw most of the \$2.05 billion credit line from GE while it is in Chapter 11 bankruptcy	\$2,005.0	9/19/2005	DBR

## M&A Announced Transactions

Target	Date	Acquirer	Value (\$mil)	Industry
Engineered Support Systems Inc	9/22/2005	DRS Technologies Inc	\$1,852.1	Measuring, Medical, Photo Equipment; Clocks
Mobile Satellite Ventures LLC	9/22/2005	Motient Corp	\$1,617.0	Telecommunications
555 California Owners LLC	9/22/2005	Hudson Waterfront Associates	\$1,050.0	Real Estate; Mortgage Bankers and Brokers
CCC Information Services Group	9/22/2005	Investcorp International Inc	\$516.8	Business Services
TerreStar Networks Inc	9/22/2005	Motient Corp	\$336.0	Telecommunications
US Airways Group-Slot Asts	9/22/2005	Republic Airways Holdings Inc	\$100.0	Air Transportation and Shipping
Aquila Inc-Natural Gas Distn	9/21/2005	WPS Resources Corp	\$557.5	Electric, Gas, and Water Distribution
Union Bank of CA	9/21/2005	Wachovia Corp	\$290.0	Commercial Banks, Bank Holding Companies
Aquila Inc-Electric Operations	9/21/2005	Mid-Kansas Electric Co LLC	\$255.2	Electric, Gas, and Water Distribution
New York Mercantile Exchange	9/21/2005	General Atlantic Corp	\$135.0	Investment & Commodity Firms,Dealers

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### M&A Announced Transactions (Continued)

Target	Date	Acquirer	Value (\$mil)	Industry
Transguard Ins Co of America	9/21/2005	IAT Reinsurance Co Ltd	\$100.0	Insurance
Enogex Arkansas Pipeline Corp	9/20/2005	Atlas Pipeline Partners LP	\$163.0	Oil and Gas; Petroleum Refining
Spinnaker Exploration Co	9/19/2005	Norsk Hydro ASA	\$2,447.8	Oil and Gas; Petroleum Refining
ONEOK Inc-Oil & Gas Prodn Bus	9/19/2005	TXOK Acquisition Inc	\$645.0	Oil and Gas; Petroleum Refining
TexasBanc Holding Co	9/19/2005	Compass Bancshares Inc	\$468.1	Commercial Banks, Bank Holding Companies
Indalex Aluminum Solutions	9/19/2005	Indalex Holding Corp	\$425.0	Metal and Metal Products
Peregrine Systems Inc	9/19/2005	Hewlett-Packard Co	\$411.1	Prepackaged Software
Javelina Gas Processing	9/19/2005	MarkWest Energy Partners LP	\$355.0	Oil and Gas; Petroleum Refining
Kerasotes ShowPlace	9/19/2005	Realty Income Corp	\$200.0	Motion Picture Production and Distribution
Soil Safe Inc	9/19/2005	American Capital Strategies	\$147.0	Wholesale Trade-Durable Goods
Integrity Financial Corp	9/19/2005	FNB Corp,Asheboro	\$117.9	Commercial Banks, Bank Holding Companies
Springfield Mall	9/19/2005	Investor Group	\$103.5	Real Estate; Mortgage Bankers and Brokers
TBC Corp	9/18/2005	Sumitomo Corp of America	\$831.1	Rubber and Miscellaneous Plastic Products
Imagistics International Inc	9/16/2005	Oce NV	\$754.5	Measuring, Medical, Photo Equipment; Clocks
National Manufacturing Co	9/16/2005	Stanley Works Inc	\$170.0	Wholesale Trade-Durable Goods
Fidelity Natl Inf Serv Inc	9/15/2005	Certegy Inc	\$4,435.2	Business Services
UICI	9/15/2005	Investor Group	\$1,719.1	Insurance
BISYS Group Inc-Info Svcs Grp	9/15/2005	Open Solutions Inc	\$470.0	Business Services
HCC Industries	9/15/2005	AMETEK Inc	\$162.0	Electronic and Electrical Equipment
Epoch Senior Living Inc-Senior	9/15/2005	American Retirement Corp	\$138.0	Health Services
Undisclosed Industrial Real	9/14/2005	Firstcal Industrial 2 LLC	\$1,010.0	Real Estate; Mortgage Bankers and Brokers
Advest Group Inc(Mony Group)	9/14/2005	Merrill Lynch & Co Inc	\$400.0	Investment & Commodity Firms,Dealers,Exchanges
Tensar Corp	9/14/2005	Arcapita Inc	\$385.0	Construction Firms
Alabama Metal Industries Corp	9/14/2005	Gibraltar Industries Inc	\$240.0	Metal and Metal Products
Procter & Gamble-SpinBrush	9/14/2005	Church & Dwight Co Inc	\$105.0	Soaps, Cosmetics, and Personal-Care Products
Wilshire Beverly Center	9/13/2005	JV-George Comfort	\$130.0	Real Estate; Mortgage Bankers and Brokers
Cedars Bank	9/13/2005	First Community Bancorp Inc	\$120.0	Commercial Banks, Bank Holding Companies
Siebel Sys Inc	9/12/2005	Oracle Corp	\$5,946.5	Business Services
Hertz Corp	9/12/2005	Investor Group	\$5,600.0	Repair Services
Westcorp	9/12/2005	Wachovia Corp	\$3,421.7	Savings and Loans, Mutual Savings Banks
WFS Financial Inc	9/12/2005	Wachovia Corp	\$485.6	Credit Institutions

### High Yield Credit Rating Upgrades for Last 2 Weeks

Company Name	Date	Rating Type	Agency	Current	Last	Industry
American Pacific Corp	9/23/2005	Senior Implied Issuer	Moody's	B2	WR	Chemicals-Specialty
Capex SA	9/23/2005	LT Local Issuer Credit	S&P	B-	D	Electric-Integrated
LIN Television Corp	9/23/2005	Bank Loan Debt	Moody's	Ba1	Ba1 *	Television
LIN Television Corp	9/23/2005	Senior Implied Issuer	Moody's	Ba2	Ba2 *	Television
LIN Television Corp	9/23/2005	Senior Subordinate	Moody's	B1	B1 *	Television
Magnum Hunter Resources Inc	9/23/2005	Senior Unsecured Debt	Moody's	Ba3	B2 *+	Oil Comp-Explor&Prodn
Telenet Communications NV	9/23/2005	LT Local Issuer Credit	S&P	B+ *+	B+	Cable TV
Telenet Group Holding NV	9/23/2005	LT Local Issuer Credit	S&P	B+ *+	B+	Cable TV
Whiting Petroleum Corp	9/23/2005	LT Local Issuer Credit	S&P	B+	B+ *	Oil Comp-Explor&Prodn
Williams Scotsman Inc	9/23/2005	LT Local Issuer Credit	S&P	BB-	B *+	Rental Auto/Equipment
Aquila Inc	9/22/2005	LT Local Issuer Credit	S&P	B- *+	B-	Electric-Integrated
Russian Railways	9/22/2005	LT Local Issuer Credit	S&P	BB+ *+	BB+	Transport-Rail
AGZ Holding	9/21/2005	Senior Implied Issuer	Moody's	Ba2	Ba3	Gas-Distribution
Bharti Televentures	9/21/2005	LT Local Issuer Credit	S&P	BB+	BB	Telecom Services
Edison Mission Energy Funding	9/21/2005	Senior Unsecured Debt	Moody's	Ba1	Ba2 *+	Finance-Other Services
Sotheby's Holdings	9/21/2005	Senior Unsecured Debt	Moody's	B1	B2	Auction House/Art Dealer
Triad Hospitals Inc	9/21/2005	LT Local Issuer Credit	S&P	BB	BB-	Medical-Hospitals
Fremont General Corp	9/20/2005	LT Local Issuer Credit	S&P	B+	CCC+	Commer Banks-Western US
Fremont General Corp	9/20/2005	Senior Unsecured Debt	Moody's	B2	B3	Commer Banks-Western US
Fremont General Corp	9/20/2005	Subordinated Debt	Moody's	Caa1	Caa2	Commer Banks-Western US
J Crew Group Inc	9/20/2005	Senior Implied Issuer	Moody's	B3 *+	B3	Retail-Apparel/Shoe
J Crew Group Inc	9/20/2005	Senior Unsecured Debt	Moody's	Caa2 *+	Caa2	Retail-Apparel/Shoe
J Ray McDermott SA	9/20/2005	Senior Implied Issuer	Moody's	Caa1 *+	Caa1	Building&Construct-Misc
J Ray McDermott SA	9/20/2005	Senior Secured Debt	Moody's	Caa1 *+	Caa1	Building&Construct-Misc
McDermott Inc	9/20/2005	Senior Unsecured Debt	Moody's	B3 *+	B3	Building&Construct-Misc
Pogo Producing Co	9/20/2005	Subordinated Debt	Moody's	Ba3	Ba3 *	Oil Comp-Explor&Prodn
WESCO International Inc	9/20/2005	Senior Unsecured Debt	Moody's	B2	WR	Distribution/Wholesale
Advanta Corp	9/19/2005	Senior Unsecured Debt	Moody's	B2 *+	B2	Finance-Credit Card
Advanta Corp	9/19/2005	Subordinated Debt	Moody's	Caa1 *+	Caa1	Finance-Credit Card
DEL Laboratories Inc	9/19/2005	LT Local Issuer Credit	S&P	B	B *	Cosmetics&Toiletries
Fort James Corp	9/19/2005	Senior Unsecured Debt	Moody's	Ba1	Ba2	Paper&Related Products
Georgia-Pacific Corp	9/19/2005	Senior Implied Issuer	Moody's	Ba1	Ba2	Paper&Related Products
Georgia-Pacific Corp	9/19/2005	Senior Unsecured Debt	Moody's	Ba2	Ba3	Paper&Related Products
GP Canada Finance Co	9/19/2005	Senior Unsecured Debt	Moody's	Ba2	Ba3	Forestry
Alabama Metal Industries Corp	9/16/2005	LT Local Issuer Credit	S&P	B+ *+	B+	Metal-Iron
Chesapeake Energy Corp	9/16/2005	Senior Implied Issuer	Moody's	Ba2	Ba3	Oil Comp-Explor&Prodn
Chesapeake Energy Corp	9/16/2005	Senior Unsecured Debt	Moody's	Ba2	Ba3	Oil Comp-Explor&Prodn
Cummins Inc	9/16/2005	Senior Unsecured Debt	Moody's	Ba1	Ba2	Engines-Internal Combust
KI Holdings Inc	9/16/2005	Senior Implied Issuer	Moody's	B2 *+	B2	Diversified Manufact Op
KI Holdings Inc	9/16/2005	Senior Unsecured Debt	Moody's	Caa2 *+	Caa2	Diversified Manufact Op
Koppers Inc	9/16/2005	Senior Secured Debt	Moody's	B2 *+	B2	Diversified Manufact Op
Res-Care Inc	9/16/2005	Bank Loan Debt	Moody's	Ba2	WR	Medical-Outputn/Home Med
Res-Care Inc	9/16/2005	Senior Implied Issuer	Moody's	Ba3	B1	Medical-Outputn/Home Med
Res-Care Inc	9/16/2005	Senior Unsecured Debt	Moody's	B1	B2	Medical-Outputn/Home Med
Amazon.Com Inc	9/15/2005	LT Local Issuer Credit	S&P	BB-	B+	E-Commerce/Products
Bank of India	9/15/2005	LT Local Issuer Credit	S&P	BB+	BBpi	Commer Banks Non-US
Fidelity National Information Services Inc	9/15/2005	LT Local Issuer Credit	S&P	BB *+	BB	Data Processing/Mgmt
HCC Industries	9/15/2005	LT Local Issuer Credit	S&P	CCC+ *+	CCC+	Electronic Connectors
Land O' Lakes Inc	9/15/2005	Bank Loan Debt	Moody's	B1 *+	B1	Food-Dairy Products
Land O' Lakes Inc	9/15/2005	Senior Implied Issuer	Moody's	B2 *+	B2	Food-Dairy Products

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### High Yield Credit Rating Upgrades for Last 2 Weeks (Continued)

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Land O' Lakes Inc	9/15/2005	Senior Unsecured Debt	Moody's	B3 *+	B3	Food-Dairy Products
St Marys Cement Corp	9/15/2005	Bank Loan Debt	Moody's	B1	B1 *	Bldg Prod-Cement/Aggreg
St Marys Cement Corp	9/15/2005	Senior Implied Issuer	Moody's	B1	B1 *	Bldg Prod-Cement/Aggreg
Bank of Moscow	9/14/2005	Long Term Bank Deposits	Moody's	Ba1 *+	Ba1	Commer Banks Non-US
KMB Bank	9/14/2005	Long Term Bank Deposits	Moody's	Ba1 *+	Ba1	Commer Banks Non-US
OAO Russian Bank for Development	9/14/2005	Long Term Bank Deposits	Moody's	Ba1 *+	Ba1	Commer Banks Non-US
Riverdeep Group Ltd	9/14/2005	LT Local Issuer Credit	S&P	B+	B+ *	Educational Software
Riverdeep Group Plc	9/14/2005	LT Local Issuer Credit	S&P	B+	B+ *	Educational Software
Vnesheconombank	9/14/2005	Long Term Bank Deposits	Moody's	Ba1 *+	Ba1	Sovereign
COMSYS IT Partners Inc	9/13/2005	LT Local Issuer Credit	S&P	B	WR	Computer Services
Mark IV Industries Inc	9/13/2005	LT Local Issuer Credit	S&P	B+	B+ *	Diversified Manufact Op
Banca Comerciala Romana SA	9/12/2005	LT Local Issuer Credit	S&P	BB- *+	BB-	Commer Banks Non-US
COMSYS IT Partners Inc	9/12/2005	Senior Implied Issuer	Moody's	B2	WR	Computer Services
Grupo Minero Mexico SA de CV	9/12/2005	Senior Unsecured Debt	Moody's	Ba2	B1 *+	Metal-Diversified
JSC Promsvyazbank	9/12/2005	LT Local Issuer Credit	S&P	B	B	Commer Banks Non-US
MedQuest Inc	9/12/2005	LT Local Issuer Credit	S&P	B	B *	Medical Instruments
Minera Mexico SA de CV	9/12/2005	Senior Secured Debt	Moody's	Ba2	B1 *+	Metal-Diversified
SanDisk Corp	9/12/2005	LT Local Issuer Credit	S&P	BB-	WR	Computers-Memory Devices
School Specialty Inc	9/12/2005	Bank Loan Debt	Moody's	B1	WR	Retail-Office Supplies
School Specialty Inc	9/12/2005	LT Local Issuer Credit	S&P	B	WR	Retail-Office Supplies
School Specialty Inc	9/12/2005	Senior Implied Issuer	Moody's	B2	WR	Retail-Office Supplies
School Specialty Inc	9/12/2005	Senior Subordinate	Moody's	Caa2	WR	Retail-Office Supplies
Western Financial Bank	9/12/2005	LT Local Issuer Credit	S&P	BB+ *+	BB+	S&L/Thrifts-Western US

### High Yield Credit Rating Downgrades for Last 2 Weeks

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Argo-Tech Corp	9/23/2005	Bank Loan Debt	Moody's	B1 *	B1	Aerospace/Defense-Equip
Argo-Tech Corp	9/23/2005	Senior Implied Issuer	Moody's	B2 *	B2	Aerospace/Defense-Equip
Argo-Tech Corp	9/23/2005	Senior Unsecured Debt	Moody's	B3 *	B3	Aerospace/Defense-Equip
Constar International Inc	9/23/2005	LT Local Issuer Credit	S&P	B-	B	Containers-Paper/Plastic
Entergy New Orleans Inc	9/23/2005	LT Local Issuer Credit	S&P	D	CCC+ *	Electric-Integrated
Unifi Inc	9/23/2005	LT Local Issuer Credit	S&P	CCC+	B-	Textile-Apparel
CCC Information Services Inc	9/22/2005	LT Local Issuer Credit	S&P	B+ *	B+	Data Processing/Mgmt
Concentra Operating Corp	9/22/2005	Senior Implied Issuer	Moody's	B2	B1	Health Care Cost Contain
DRS Technologies Inc	9/22/2005	Bank Loan Debt	Moody's	Ba3 *	Ba3	Aerospace/Defense-Equip
DRS Technologies Inc	9/22/2005	LT Local Issuer Credit	S&P	BB- *	BB-	Aerospace/Defense-Equip
DRS Technologies Inc	9/22/2005	Senior Implied Issuer	Moody's	Ba3 *	Ba3	Aerospace/Defense-Equip
DRS Technologies Inc	9/22/2005	Senior Subordinate	Moody's	B2 *	B2	Aerospace/Defense-Equip
Entergy New Orleans Inc	9/22/2005	Senior Secured Debt	Moody's	Caa1	B1 *	Electric-Integrated
Maytag Corp	9/22/2005	Bank Loan Debt	Moody's	B1 *	Ba2 *	Appliances
Maytag Corp	9/22/2005	Senior Implied Issuer	Moody's	B1 *	Ba2 *	Appliances
Maytag Corp	9/22/2005	Senior Unsecured Debt	Moody's	B2 *	Ba2 *	Appliances
Sun Microsystems Inc	9/22/2005	Senior Unsecured Debt	Moody's	Ba1	Baa3 *	Computers
Terex Corp	9/22/2005	Bank Loan Debt	Moody's	B2	B1	Machinery-Constr&Mining
Terex Corp	9/22/2005	Senior Implied Issuer	Moody's	B2	B1	Machinery-Constr&Mining
Terex Corp	9/22/2005	Senior Subordinate	Moody's	Caa1	B3	Machinery-Constr&Mining
US Investigations Services Inc	9/22/2005	LT Local Issuer Credit	S&P	B+	BB-	Commercial Services
Constar International Inc	9/21/2005	Senior Implied Issuer	Moody's	B2 *	B2	Containers-Paper/Plastic
Constar International Inc	9/21/2005	Senior Subordinate	Moody's	Caa1 *	Caa1	Containers-Paper/Plastic
Cott Beverages USA Inc	9/21/2005	Senior Subordinate	Moody's	Ba3 *	Ba3	Beverages-Non-alcoholic
Cott Corp	9/21/2005	LT Local Issuer Credit	S&P	BB *	BB	Beverages-Non-alcoholic
Cott Corp	9/21/2005	Senior Implied Issuer	Moody's	Ba2 *	Ba2	Beverages-Non-alcoholic
Eastman Kodak Co	9/21/2005	Senior Implied Issuer	Moody's	Ba3	Ba2 *	Photo Equipment&Supplies
Eastman Kodak Co	9/21/2005	Senior Unsecured Debt	Moody's	B1	Ba3 *	Photo Equipment&Supplies
JetBlue Airways Corp	9/21/2005	LT Local Issuer Credit	S&P	BB- *	BB-	Airlines
Russell Corp	9/21/2005	LT Local Issuer Credit	S&P	B+	BB- *	Apparel Manufacturers
Entergy New Orleans Inc	9/20/2005	LT Local Issuer Credit	S&P	CCC+ *	BBB *	Electric-Integrated
Entergy New Orleans Inc	9/20/2005	Senior Secured Debt	Moody's	B1 *	Baa2 *	Electric-Integrated
Neiman-Marcus Group Inc	9/20/2005	Senior Unsecured Debt	Moody's	B2	Baa2 *	Retail-Regnl Dept Store
Pogo Producing Co	9/20/2005	LT Local Issuer Credit	S&P	BB	BB+ *	Oil Comp-Explor&Prodn
Pogo Producing Co	9/20/2005	Senior Implied Issuer	Moody's	Ba2	Ba1 *	Oil Comp-Explor&Prodn
Potlatch Corp	9/20/2005	LT Local Issuer Credit	S&P	BB+ *	BB+	Paper&Related Products
CP Cimento e Participacoes S/A	9/19/2005	Senior Unsecured Debt	Moody's	B1 *	B1	Diversified Operations
Di Giorgio Corp	9/19/2005	LT Local Issuer Credit	S&P	B-	B	Food-Wholesale/Distrib
HLI Operating Co Inc	9/19/2005	Bank Loan Debt	Moody's	B3	B1	Auto/Trk Prts&Equip-Orig
HLI Operating Co Inc	9/19/2005	Senior Implied Issuer	Moody's	B3	B1	Auto/Trk Prts&Equip-Orig
HLI Operating Co Inc	9/19/2005	Senior Unsecured Debt	Moody's	Caa3	B3	Auto/Trk Prts&Equip-Orig
Pliant Corp	9/19/2005	LT Local Issuer Credit	S&P	CCC+	B	Containers-Paper/Plastic
Suburban Propane Partners LP	9/19/2005	LT Local Issuer Credit	S&P	BB- *	BB-	Retail-Propane Distrib
Carter Holt Harvey Ltd	9/16/2005	LT Local Issuer Credit	S&P	BB *	BBB *	Paper&Related Products
Dana Corp	9/16/2005	Senior Implied Issuer	Moody's	Ba2 *	Ba2	Auto/Trk Prts&Equip-Orig
Dana Corp	9/16/2005	Senior Unsecured Debt	Moody's	Ba2 *	Ba2	Auto/Trk Prts&Equip-Orig
Dana Credit Corp	9/16/2005	Senior Unsecured Debt	Moody's	Ba2 *	Ba2	Finance-Leasing Compan
Focus DIY Finance PLC	9/16/2005	LT Local Issuer Credit	S&P	B+ *	B+	Retail-Home Furnishings
Relizon Co/The	9/16/2005	LT Local Issuer Credit	S&P	BB- *	BB-	E-Services/Consulting
Advanstar Communications Inc	9/15/2005	LT Local Issuer Credit	S&P	B- *	B *	Advertising Services

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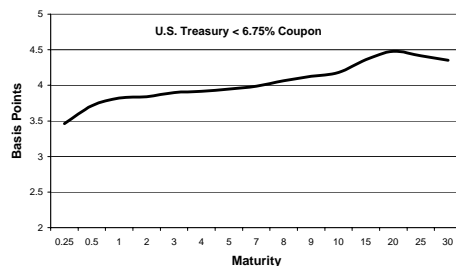
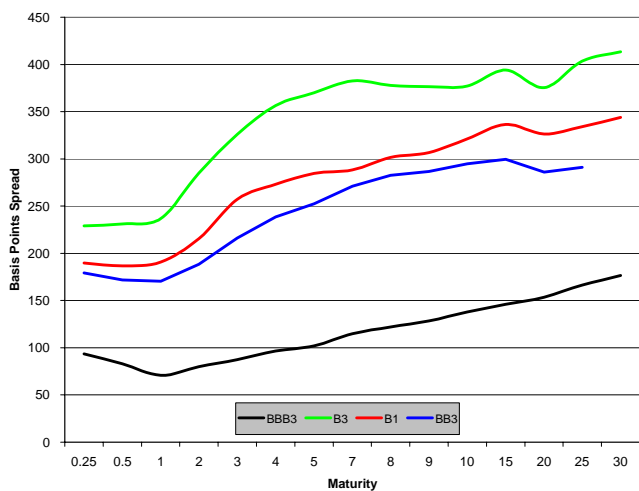
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### High Yield Credit Rating Downgrades for Last 2 Weeks (Continued)

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Argo-Tech Corp	9/15/2005	LT Local Issuer Credit	S&P	B+ *	B+	Aerospace/Defense-Equip
Dana Corp	9/15/2005	LT Local Issuer Credit	S&P	BB+ *	BBB-	Auto/Trk Prts&Equip-Orig
Delta Air Lines Inc	9/15/2005	LT Local Issuer Credit	S&P	D	CC *	Airlines
Fage Dairy Industry SA	9/15/2005	LT Local Issuer Credit	S&P	B+	BB-	Food-Dairy Products
Movie Gallery Inc	9/15/2005	Bank Loan Debt	Moody's	B2	B1	Retail-Video Rental
Movie Gallery Inc	9/15/2005	Senior Implied Issuer	Moody's	B2	B1	Retail-Video Rental
Movie Gallery Inc	9/15/2005	Senior Unsecured Debt	Moody's	B3	B2	Retail-Video Rental
Northwest Airlines Corp	9/15/2005	LT Local Issuer Credit	S&P	D	CCC- *	Airlines
Northwest Airlines Inc	9/15/2005	LT Local Issuer Credit	S&P	D	CCC- *	Airlines
Kappa Beheer BV	9/14/2005	Senior Implied Issuer	Moody's	Ba3 *	Ba3	Containers-Paper/Plastic
Kappa Beheer BV	9/14/2005	Senior Subordinate	Moody's	B2 *	B2	Containers-Paper/Plastic
Marsh Supermarkets Inc	9/14/2005	LT Local Issuer Credit	S&P	B-	B	Food-Retail
Northwest Airlines Corp	9/14/2005	Senior Implied Issuer	Moody's	Caa2	Caa1	Airlines
Northwest Airlines Corp	9/14/2005	Senior Unsecured Debt	Moody's	C	Caa3	Airlines
Northwest Airlines Inc	9/14/2005	Bank Loan Debt	Moody's	Caa1	B3	Airlines
Northwest Airlines Inc	9/14/2005	Senior Unsecured Debt	Moody's	C	Caa3	Airlines
PCA LLC	9/14/2005	LT Local Issuer Credit	S&P	CCC	B-	Photo Equipment&Supplies
Sears Canada Inc	9/14/2005	LT Local Issuer Credit	S&P	BB+	BBB *	Retail-Major Dept Store
Tembec Inc	9/14/2005	LT Local Issuer Credit	S&P	CCC+	B	Forestry
Tembec Industries Inc	9/14/2005	LT Local Issuer Credit	S&P	CCC+	B	Forestry
Almatis Holding BV	9/13/2005	Senior Implied Issuer	Moody's	B1 *	B1	Chemicals-Diversified
Almatis Holding BV	9/13/2005	Senior Subordinate	Moody's	B3 *	B3	Chemicals-Diversified
Jefferson Smurfit Group PLC	9/13/2005	LT Local Issuer Credit	S&P	B+ *	B+ *	Paper&Related Products
JSG Funding PLC	9/13/2005	LT Local Issuer Credit	S&P	B+ *	B+ *	Specified Purpose Acquis
JSG Holding PLC	9/13/2005	LT Local Issuer Credit	S&P	B+ *	B+ *	Paper&Related Products
Alliance Gaming Corp	9/12/2005	Bank Loan Debt	Moody's	B1 *	Ba3	Casino Services
Alliance Gaming Corp	9/12/2005	Senior Implied Issuer	Moody's	B1 *	Ba3	Casino Services
Cygnus Business Media	9/12/2005	LT Local Issuer Credit	S&P	CCC+	B-	Multimedia
Delta Air Lines Inc	9/12/2005	Senior Implied Issuer	Moody's	Caa2	Caa1	Airlines
Delta Air Lines Inc	9/12/2005	Senior Unsecured Debt	Moody's	C	Ca	Airlines
Forest Oil Corp	9/12/2005	LT Local Issuer Credit	S&P	BB- *	BB-	Oil Comp-Explor&Prodn
Hertz Corp	9/12/2005	Subordinated Debt	Moody's	Ba1 *	Ba1	Rental Auto/Equipment
Hertz Corp/Old	9/12/2005	Subordinated Debt	Moody's	Ba1 *	Ba1	Rental Auto/Equipment

### Spread Analysis

#### Corporate Bond Spreads to US Treasury Notes with Coupons < 6.75%



Change in spread to US treasuries with coupons < 6.75% (7 Year)


	Time Period of Change			
	2 weeks	3 months	6 months	1 year
B3	21	(41)	64	(57)
B1	2	(34)	50	(4)
BB3	15	24	83	19
BBB3	(2)	(8)	12	(6)

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**Chapter 11 Reorganization**  
\$250 million

Financial Advisor to the Official Committee of Unsecured Creditors




**Chapter 11 Reorganization**  
\$500 million

Financial Advisor to the Official Committee of Unsecured Creditors




**Chapter 11 Reorganization**  
\$415 million

Financial Advisor to the Official Committee of Unsecured Creditors of IWO Holdings, Inc.



**Chapter 11 Reorganization**  
\$400 million

Financial Advisor to the Official Committee of Unsecured Creditors



**Financial Restructuring**  
\$550 million

Financial Advisor to the Ad-hoc Committee of holders of the Company's 8 1/8% Senior Subordinated Notes and 13 5/8% Subordinated Discount Notes




**Chapter 11 Reorganization**  
Sale of the Company

Financial Advisor to BellSouth and the Official Committee of Unsecured Creditors




**Chapter 11 Reorganization**  
\$2.2 billion

Financial Advisor to the Ad-hoc Committee of Noteholders of Trump Casino Holdings



**Chapter 11 Reorganization**  
Section 363 Asset Sale

Financial Advisor to the Official Committee of Unsecured Creditors of Venture Holdings Company, LLC



**Chapter 11 Reorganization**  
\$450 million

Financial Advisor to the Official Committee of Preferred Equity Holders

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