



HIGH YIELD & DISTRESSED MARKET REVIEW

Issue 17

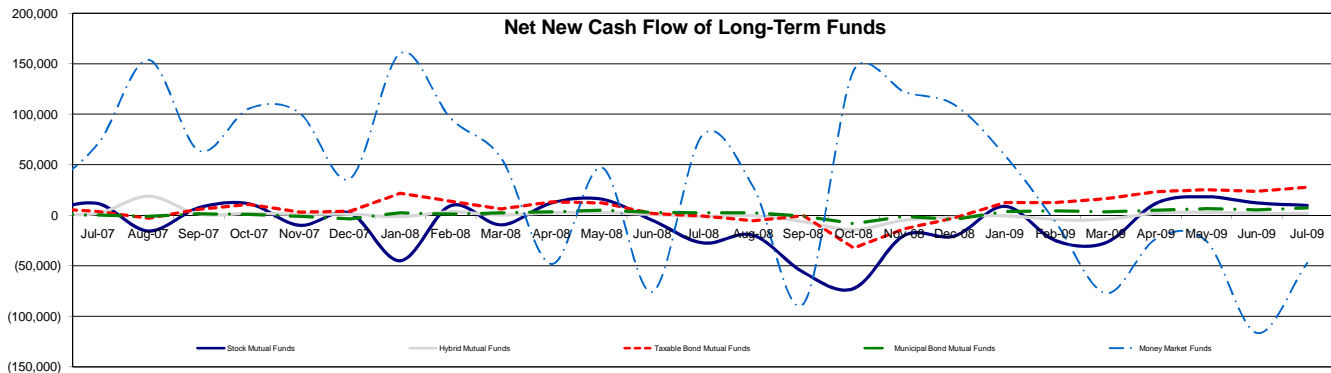
Week ending September 11, 2009

Key Market Indicators - Source: Bloomberg

	September 11, 2009		2 Week		2 Week		2 Week		YTD	
	Open	Close	High	Low	Change	Change %	Change	Change %	Change	Change %
DJIA	9,627.48	9,605.41	9,627.48	9,280.67	61.21	0.64%	570.72	5.06%		
Nasdaq	2,084.02	2,080.90	2,084.02	1,967.07	52.13	2.57%	448.69	27.49%		
S&P 500	1,044.14	1,042.73	1,044.14	994.75	13.80	1.34%	110.93	11.90%		
Russell 2000	594.90	593.59	594.90	555.83	13.73	2.37%	87.75	17.35%		
OEX Volatility Index	23.55	24.15	29.15	23.55	(0.61)	(2.46%)	(15.04)	(38.38%)		
Prime Rate	3.25%									
LIBOR	1 month	3 months	6 months	1 Year						
	0.24%	0.30%	0.68%	1.22%						

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

	Jul-09	Jun-09	May-09	Apr-09	Mar-09	Feb-09	Jan-09	YTD
Stock Mutual Funds	\$9,768	\$12,191	\$18,380	\$11,896	(\$27,148)	(\$24,881)	\$8,922	\$9,128
Hybrid Mutual Funds	\$1,791	\$1,910	\$2,797	\$2,068	(\$4,045)	(\$4,234)	(\$412)	(\$125)
Taxable Bond Funds	\$27,831	\$23,573	\$25,103	\$23,434	\$16,433	\$12,616	\$12,662	\$141,652
Municipal Bond Funds	\$7,309	\$5,379	\$6,535	\$5,093	\$3,478	\$4,349	\$3,851	\$35,994
Money Market Funds	(\$47,141)	(\$116,419)	(\$25,552)	(\$23,234)	(\$77,019)	(\$6,330)	\$59,473	(\$236,222)



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

Index	Jun-09 Level	May-09 Level	Apr-09 Level	Mar-09 Level	Feb-09 Level	Jan-09 Level	Dec-08 Level	YTD Return
Altman-NYU Defaulted Bank Loans Index	115.9	115.3	110.9	103.2	97.5	103.1	111.7	3.81%
Altman-NYU Defaulted Public Bonds Index	100.5	97.5	82.4	75.9	74.2	80.1	75.9	32.43%
Combined Bank Loan-Public Bond Index	121.6	119.7	109.8	101.8	97.4	103.7	105.9	14.80%
S&P 500 (Dividends Reinvested)	159.3	159.3	159.3	159.3	159.3	159.3	174.0	3.16%
Citigroup High Yield Index	202.6	202.2	191.5	174.7	160.7	179.8	170.6	28.60%

Distressed News

Story Description	Size (\$mil)	Date	*Source
Landlords Object To Samsonite Company Store-Closing Sales	1,500.0	9/10/2009	DBR
NTK Holdings To File For Chapter 11 Bankruptcy Protection	2,147.3	9/8/2009	DBR
Brazil's JBS Would Pay About \$2.5 Billion For Pilgrim's Pride	2,913.9	9/4/2009	DBR
Freedom Communications Seeks Chapter 11 Bankruptcy Protection	1,077.0	9/2/2009	DBR
Judge Says Tribune Can Proceed With \$845M Chicago Cubs Sale	13,869.9	9/1/2009	DBR
Huntsman Reaches Deal To Purchase Tronox For \$415 Million	1,237.5	9/1/2009	DBR

*Source: Daily Bankruptcy Review ("DBR")

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The information contained in this newsletter has been compiled from a variety of news sources believed to be reliable. It is intended to provide general information about the high yield and distressed markets. It is not intended to be used as financial advice.



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M&A Announced Transactions - Source: Capital IQ

Target	Date	Acquirer	Value (\$mm)	Industry
Evalve, Inc.	9/10/2009	Abbott Laboratories	410.0	Healthcare Equipment
Cadbury plc	9/7/2009	Kraft Foods Inc.	16,700.0	Packaged Foods and Meats
Sepracor, Inc.	9/2/2009	Dainippon Sumitomo Pharma Co., Ltd.	2,838.9	Pharmaceuticals
Visiogen, Inc.	9/2/2009	Abbott Laboratories	400.0	Healthcare Supplies
Marvel Entertainment, Inc.	8/31/2009	Walt Disney Co.	3,957.4	Movies and Entertainment
BJ Services Company	8/30/2009	Baker Hughes Inc.	5,760.9	Oil and Gas Equipment and Services
Carlton Forge Works and Arcturus Manufacturing Corp.	8/26/2009	Precision Castparts Corp.	850.0	Diversified Metals and Mining

High Yield Credit Rating Upgrades for Last 3 Weeks - Source: Bloomberg

Company Name	Date	Rating Type	Agency	Current	Last	Industry
B&G Foods Inc	9/10/2009	LT Local Issuer Credit	S&P	B *+	B	Food-Misc/Diversified
IESI Corp	9/10/2009	LT Local Issuer Credit	S&P	BB+	BB	Non-hazardous Waste Disp
SFK Pulp Fund	9/10/2009	LT Local Issuer Credit	S&P	CCC+	CCC+ *	Paper&Related Products
Standard Pacific Corp	9/10/2009	LT Local Issuer Credit	S&P	CCC+	CCC	Bldg-Residential/Commer
Commercial Vehicle Group Inc	9/9/2009	LT Local Issuer Credit	S&P	CCC+	SD	Auto/Trk Prts&Equip-Rep/
AAC Group Holding Corp	9/4/2009	LT Local Issuer Credit	S&P	B-	SD	Special Purpose Entity
American Achievement Corp	9/4/2009	LT Local Issuer Credit	S&P	B-	SD	Consumer Products-Misc
FTI Consulting Inc	9/4/2009	LT Local Issuer Credit	S&P	BB+	BB	Consulting Services
Chiquita Brands International Inc	9/3/2009	LT Local Issuer Credit	S&P	B	B-	Food-Misc/Diversified
Constellation Brands Inc	9/3/2009	LT Local Issuer Credit	S&P	BB	BB-	Beverages-Wine/Spirits
Expedia Inc	9/3/2009	LT Local Issuer Credit	S&P	BB *+	BB	E-Commerce/Services
Georgia Gulf Corp	9/3/2009	LT Local Issuer Credit	S&P	B	D	Chemicals-Diversified
Gerdau Ameristeel Corp	9/3/2009	LT Local Issuer Credit	S&P	BB+	BB+ *	Steel-Producers
Ocean Spray Cranberries Inc	9/2/2009	LT Local Issuer Credit	S&P	BBB+ *+	BBB+	Agricultural Operations
BJ Services Co	9/1/2009	LT Local Issuer Credit	S&P	BBB+ *+	BBB+	Oil-Field Services
Suburban Propane Partners LP	9/1/2009	LT Local Issuer Credit	S&P	BB	BB-	Retail-Propane Distrib
Clear Channel Communications Inc	8/31/2009	LT Local Issuer Credit	S&P	CCC	SD	Broadcast Serv/Program
Orbitz Worldwide Inc	8/28/2009	LT Local Issuer Credit	S&P	B	B *	E-Commerce/Services
CEMEX Inc	8/27/2009	LT Local Issuer Credit	S&P	B- *+	B- *	Bldg Prod-Cement/Aggreg
Indianapolis Power & Light Co	8/26/2009	LT Local Issuer Credit	S&P	BBB-	BB+	Electric-Integrated
Ipalco Enterprises Inc	8/26/2009	LT Local Issuer Credit	S&P	BBB-	BB+	Electric-Integrated
Navistar International Corp	8/26/2009	LT Local Issuer Credit	S&P	BB-	BB- *	Auto-Med&Heavy Duty Trks
Delttek Systems Inc	8/25/2009	LT Local Issuer Credit	S&P	BB-	B+	Data Processing/Mgmt

High Yield Credit Rating Downgrades for Last 3 Weeks - Source: Bloomberg

Company Name	Date	Rating Type	Agency	Current Rating	Last Rating	Industry
EnCana Corp	9/11/2009	LT Local Issuer Credit	S&P	A- *	A-	Oil Comp-Explor&Prodtn
Kooshare Corp	9/11/2009	LT Local Issuer Credit	S&P	CCC	B-	Diversified Operations
Titan Specialties Ltd	9/11/2009	LT Local Issuer Credit	S&P	CCC+	B-	Miscellaneous Manufactur
MEGA Brands Inc	9/10/2009	LT Local Issuer Credit	S&P	CC	CCC	Toys
Blue Water Bridge Authority	9/9/2009	LT Local Issuer Credit	S&P	A	AA-	Special Purpose Entity
Landry's Restaurants Inc	9/9/2009	LT Local Issuer Credit	S&P	B *	B	Retail-Restaurants
Local Insight Regatta Holdings Inc	9/9/2009	LT Local Issuer Credit	S&P	B *	B	Publishing-Books
Loehmanns Holdings Inc	9/9/2009	LT Local Issuer Credit	S&P	CC	CCC+	Retail-Apparel/Shoe
Mohawk Industries Inc	9/9/2009	LT Local Issuer Credit	S&P	BB+ *	BB+	Textile-Home Furnishings
Network Communications Inc	9/9/2009	LT Local Issuer Credit	S&P	CCC+	B-	Publishing-Periodicals
Kraft Foods Inc	9/8/2009	LT Local Issuer Credit	S&P	A- *	A-	Food-Misc/Diversified
Nortek Inc	9/4/2009	LT Local Issuer Credit	S&P	D	CCC	Bldg&Construct Prod-Misc
Shell Oil Co	9/3/2009	LT Local Issuer Credit	S&P	AA	AA+	Oil Comp-Integrated
Brown Shoe Co Inc	9/1/2009	LT Local Issuer Credit	S&P	B-	B	Retail-Apparel/Shoe
Builders FirstSource Inc	9/1/2009	LT Local Issuer Credit	S&P	CCC+ *	CCC+	Bldg&Construct Prod-Misc
Hanesbrands Inc	9/1/2009	LT Local Issuer Credit	S&P	BB- *	BB-	Apparel Manufacturers
Quality Distribution Inc	9/1/2009	LT Local Issuer Credit	S&P	CC *	B-	Transport-Truck
Welch Foods Inc	9/1/2009	LT Local Issuer Credit	S&P	A-	A *	Food-Misc/Diversified
Capital Cities/ABC Inc	8/31/2009	LT Local Issuer Credit	S&P	A *	A	Multimedia
Disney Enterprises Inc	8/31/2009	LT Local Issuer Credit	S&P	A *	A	Resorts/Theme Parks
Walt Disney Co/The	8/31/2009	LT Local Issuer Credit	S&P	A *	A	Multimedia
ARINC Inc	8/28/2009	LT Local Issuer Credit	S&P	SD	B	Telecommunication Equip
Belo Corp	8/27/2009	LT Local Issuer Credit	S&P	B+	BB-	Television
Radiation Therapy Services Inc	8/27/2009	LT Local Issuer Credit	S&P	B	B+ *	Medical-Outpnt/Home Med
Canon Communications LLC	8/26/2009	LT Local Issuer Credit	S&P	B- *	B	Publishing-Periodicals
Mashantucket Western Pequot Tribe	8/26/2009	LT Local Issuer Credit	S&P	CCC *	B+	Gambling (Non-Hotel)
TLC Vision Corp	8/25/2009	LT Local Issuer Credit	S&P	D	CC	Medical Laser Systems

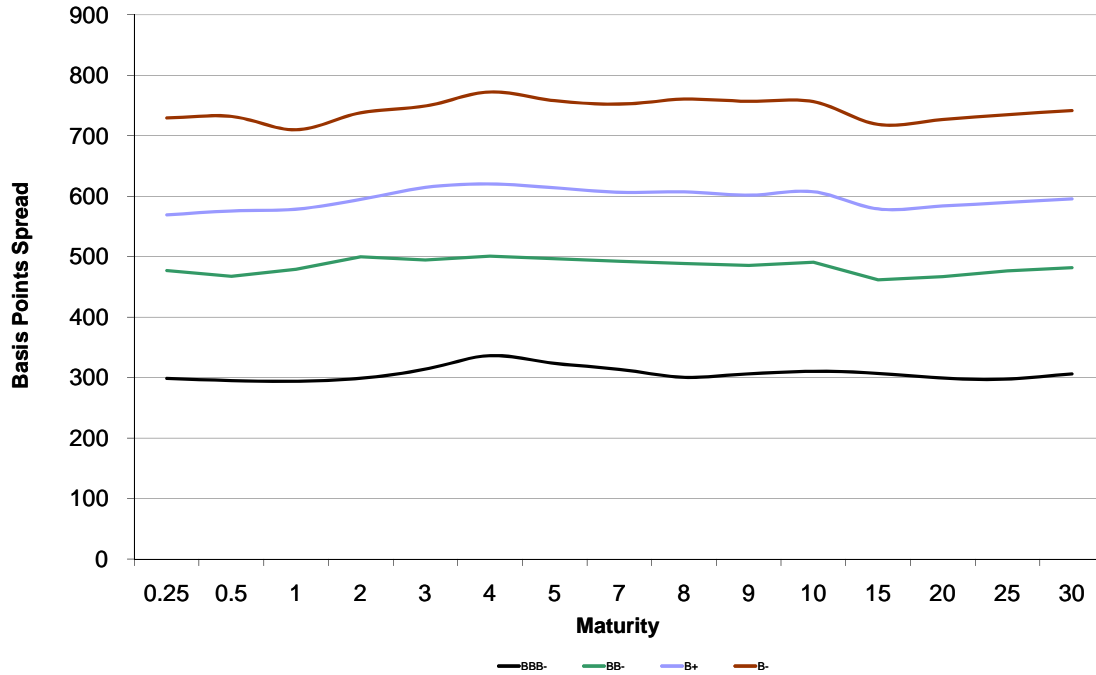


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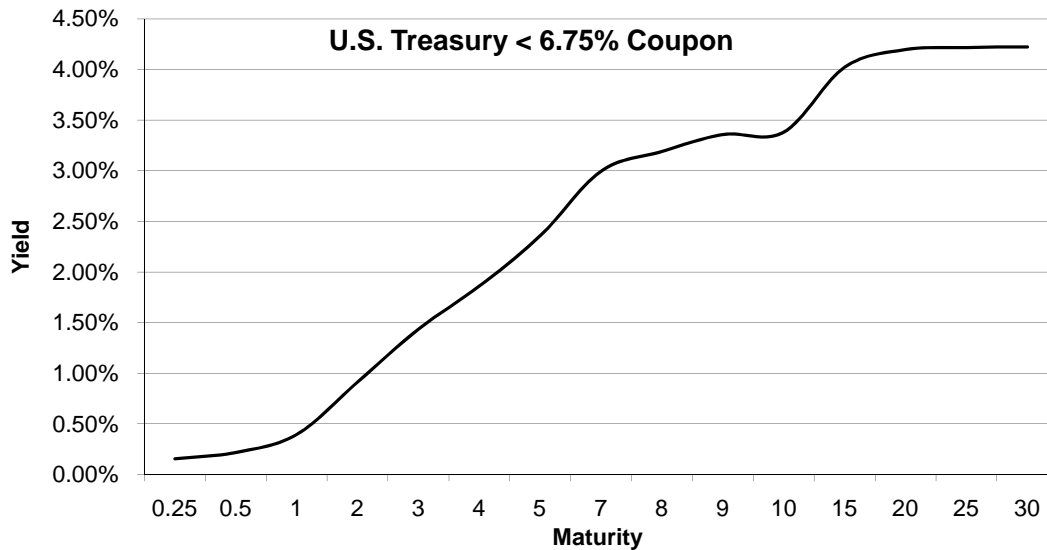
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Bond Spread To US Treasury Data - Source: Bloomberg



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

	Time Period of Change			
	2 weeks	3 months	6 months	1 year
BBB-	(3)	(63)	(193)	44
BB-	14	(74)	(492)	(67)
B+	14	(120)	(520)	40
B-	30	(186)	(555)	102





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**Resources.
Experience.
Results.**

Chanin Capital Partners, a Duff & Phelps company, is a distinguished leader in providing financial advisory services to companies, creditors and stakeholders in distressed situations. Chanin bankers structure each transaction with the most favorable financial terms – then add value beyond the numbers. Investment Banking services are provided by Duff & Phelps Securities, LLC.

ADDISON
a subsidiary of Fedders Corporation, has been acquired by Roberts-Gordon LLC, a portfolio company of Eastport Operating Partners

Financial advisor to Fedders Corporation

> RESTRUCTURING / SECTION 363 ASSET SALE

BHM Technologies

has completed a Chapter 11 reorganization \$375 million

Financial advisor to the official committee of unsecured creditors

> RESTRUCTURING

DURA Automotive Systems

has completed a Chapter 11 reorganization \$1.5 billion

Financial advisor to the official committee of unsecured creditors

> RESTRUCTURING

GLOBAL POWER EQUIPMENT GROUP

has completed a Chapter 11 reorganization \$256 million

Financial advisor to the official committee of unsecured creditors

> RESTRUCTURING

KEY PLASTICS L.L.C.
A Key Automotive Group Affiliate

has completed a Chapter 11 reorganization \$307 million

Financial advisor to Key Plastics, LLC

> RESTRUCTURING

PALCO and its subsidiary Scotia Pacific Company LLC

has completed a Chapter 11 reorganization \$950 million

Financial advisor to the official committee of unsecured creditors

> RESTRUCTURING

Pierre™ Pierre Foods

has completed a Chapter 11 reorganization \$380 million

Financial advisor to the plan sponsor

> RESTRUCTURING

WESTWOOD ONE

has completed an Out-of-Court restructuring \$250 million

Financial advisor to the preferred shareholders

> RESTRUCTURING