

MACRO AND SECTORIAL DEVELOPMENTS

RETAIL - NA & EUROPE

- Redbook US Index same-store sales increased by 5.3% from the prior year in the week, following two weeks of increases totaling 10.2%. The expected growth is 5.1% in Jan 2023. Despite the ongoing holiday deal, shopping, gift card swaps and redemptions helped boost sales, Some retailers announced they will be closing stores while others are preparing to introduce Valentine's Day and even spring merchandise by mid-month.
- Bonds issued by US retail companies Albertsons, Kohl's and QVC are among the \$1.7 bn of US high yield retail bonds maturing this year.

POWER GENERATION - UK

- High energy prices and inflation are taking a toll on U.K. businesses. However, The fall in gas prices in recent weeks represents a rare upside risk to the UK economy's 2023 outlook. The reason for fall seems to be the recent mild weather in the UK and Europe.
- Britain this week scaled back its energy bill support for businesses after warning that the current aid level was unsustainable.
- Power prices have surged to a record high as the cold snap and a lack of wind prompts a scramble for electricity among suppliers. Day ahead UK power prices jumped to an all-time high of £675 a megawatt hour on Sunday as snow and sub-zero temperatures swept across Britain.
- Almost 1/4 of the UK's small companies could be forced to close, downsize or restructure their operations after the government slashed subsidies for companies' energy bills.

TRAVEL & LEISURE

- During the week, CEO of the World Travel and Tourism Council is bullish about the sector's recovery from the COVID-19 pandemic and expects exponential growth over the next decade mainly thanks to a boost from Chinese outbound travelers and foreign visitors to China.

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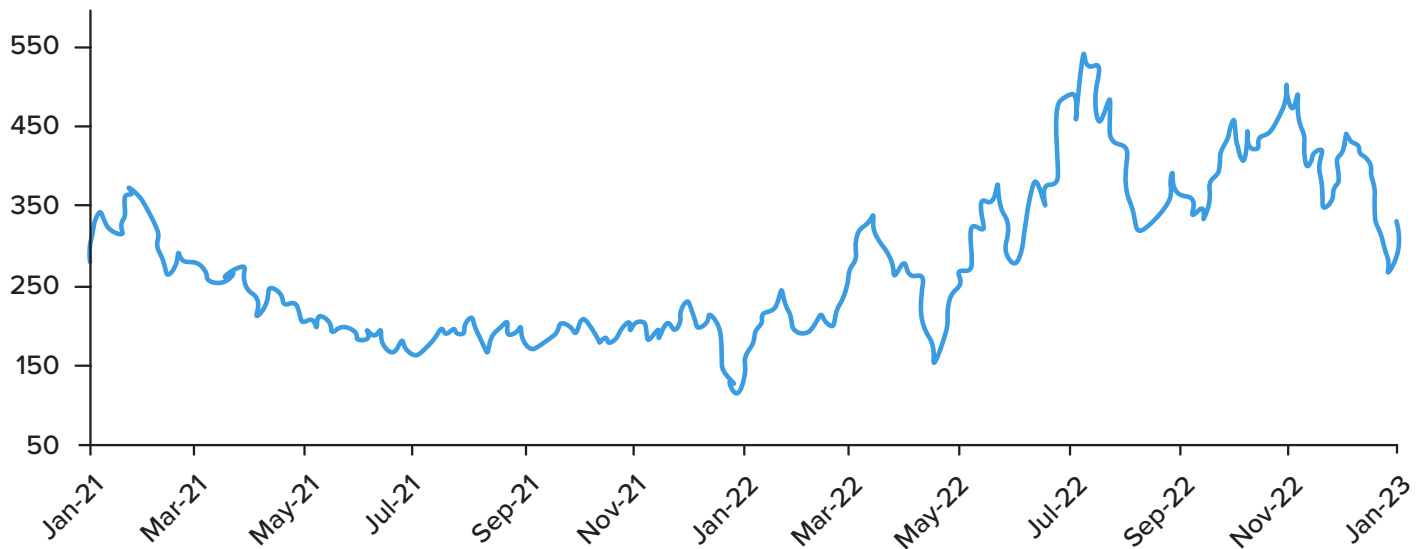
WEEKLY LAGGARDS

RATING DOWNGRADES

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DISTRESSED DEBT SUPPLY

NUMBER OF ISSUES



Number of distressed bonds traded distressed. Distressed is defined as any bond that trades at greater than 1000 basis points over the benchmark treasury.

LARGE DEFAULTS & INSOLVENCIES

Company Name	Type	Total Assets	Country	Total Liabilities
Forma Brands	Bankruptcy	\$500 mn — \$1 bn	USA	\$500 mn — \$1 bn
Nautical Solutions LLC	Bankruptcy	\$500 mn — \$1 bn	USA	\$500 mn — \$1 bn

Note: Liabilities >= 1 bn, Figures in USD mn

Nautical Solutions filed for bankruptcy on Jan 09, 2023, armed with a prepackaged plan, based on a restructuring support agreement (RSA) backed by 68% of its first lien claims and 100% of its equity holders, that will include the issuance of new senior notes. The company is using cash collateral to fund the case and will not need DIP Financing.

Debtor FA: Debtor FA:
 Creditor FA: Creditor FA:

Forma Brands, the parent company of Morphe, Morphe 2 and Lipstick Queen, is filing for Chapter 11 bankruptcy. Forma obtained roughly \$33 mn in DIP financing from those investors, pending court approval.

Debtor FA: Debtor FA:
 Creditor FA: Creditor FA:

WEEKLY LEADERS

Name	Today Price	Last Week Px	Change	% Change	Bond Type	ISIN ID
Times China Holdings Limited	22.187	15.249	6.94	45.50%	1st Lien USD 6.75%	XS2198851482
Yuzhou Group	13.143	9.796	3.35	34.18%	1st Lien USD 7.375%	XS2100653778
Greenland Global Investment Ltd	50.653	37.862	12.79	33.78%	Sr Unsec USD 5.875%	XS1081321595
Fortune Star BVI Ltd	76.427	60.053	16.37	27.26%	Sr Unsec EUR 3.95%	XS2357132849
Community Health Systems	64.377	53.530	10.85	20.26%	2nd Lien USD 6.875%	US12543DBJ81

WEEKLY LAGGARDS

Name	Today Price	Last Week Px	Change	% Change	Bond Type	ISIN ID
Bed Bath & Beyond Inc	10.059	22.541	-12.48	-55.38%	Sr Unsec. USD 3.749%	US075896AA80
Diamond Sports Group	0.457	0.920	-0.46	-50.29%	Sr Unsec. USD 6.625%	US25277LAC00
Party City Holdings Inc	20.887	30.622	-9.73	-31.79%	1st Lien USD 8.75%	US702150AG84
Tacora Resources Inc	62.770	72.048	-9.28	-12.88%	Sec. USD 8.25%	US87356LAA89
Altera Infra	3.030	3.441	-0.41	-11.93%	Sr Unsec. USD 8.50%	US87901BAB80

RATING DOWNGRADES

Name	Date	Rating Type	Curr Rtg	Last Rtg	Country	Industry

Source: Bloomberg (Global High Yield)