

(EUR) NAC prices €300M Mercator CLO III

London, July 27 (LCD) - London-based fund manager New Amsterdam Capital priced its **Mercator CLO III** yesterday, despite the choppy markets. Arranger Bear Stearns placed the €307.7 million deal, which is backed by a €300 million portfolio of assets.

Structure:

- A1 - €199.5 million, AAA/Aaa, E+22.5
- A2 - €31.5 million, AA/Aa2, E+52
- A3 - €18 million, A/A2, E+85
- B1 - €18 million, BBB-/Baa3, E+210
- B2 - €10.9 million, BB-/Ba3, E+420
- Subordinated - €29.8 million, not rated

The portfolio terms are very similar to those of Mercator I and II, with 90% senior secured and 10% subordinated. There is a 20% bucket for sterling assets.

At close, the portfolio will be nearly 100% ramped, sources said.

The manager's Mercator II CLO priced in December last year. That €400 million vehicle was arranged by RBS. In that instance, spreads on all tiers of notes were tighter, apart from the A1 notes, which priced at E+23.5. Mercator CLO I also was worth €400 million. – *Ruth McGavin*

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