



BondBloxx Is Launching the First ETF Providing Direct Exposure to Private Credit

PCMM ETF democratizes access to middle market loans, which have previously been available primarily to large institutional investors

LARKSPUR, CA, December 2, 2024 – [BondBloxx](#), an innovative fixed income ETF provider, will launch on Tuesday, December 3 the first ETF that offers investors direct exposure to private credit.

Private credit is a fast-growing segment of the U.S. financial markets, representing more than \$30 trillion,¹ yet access to this asset class to date has been limited primarily to large institutional and high net worth investors.

The BondBloxx Private Credit CLO ETF ([PCMM](#)) provides direct exposure to private credit middle market companies. There are approximately 300,000 middle market companies in the U.S., generating \$13 trillion in annual revenue. These businesses are a central driver of U.S. economic growth, representing one-third of U.S. private sector GDP.²

“With the launch of PCMM, investors can now access private credit with an ETF,” said Leland Clemons, Founder and CEO of BondBloxx. “The ETF industry has been a force of continuous innovation for investors, and I am proud that BondBloxx is a leader in that innovation in fixed income. We’re thrilled to bring private credit to ETFs, and we look forward to redefining what is possible in fixed income ETFs.”

PCMM invests at least 80% of its assets in private credit collateralized loan obligations (CLOs). A specific benefit of this ETF will be the ability to own private credit CLOs from any of the major underwriters.

“The portfolio diversification offered by private credit exposure is a key aspect of this new fund, but just as important is the diversified nature of the fund’s holdings themselves. By not limiting the universe of private credit opportunities to a single underwriter, PCMM is better equipped to provide investors with opportunities across the entire U.S. middle market,” added Tony Kelly, Co-Founder of BondBloxx. “Through PCMM, we are now able to offer investors an efficient way to participate in private credit with the liquidity, transparency, and cost advantages of an ETF.”

“This new ETF leverages our expertise in private markets investing to meet the client demand for access to private credit exposures,” said Vivek Bommi, Head of Leveraged Credit at Macquarie Asset Management, which acts as the fund’s sub-adviser. “The launch marks a significant step in expanding access to private credit and reinforces our commitment to delivering compelling outcomes for investors.”

BondBloxx points to several potential use cases for the exposure offered by PCMM, including:

- As a strategic allocation in portfolios to seek enhanced returns and increased diversification

¹ Source: McKinsey, as of 2023.

² Source: Next Street, JPMorgan, as of November 2023.



- As a complement to broader credit in fixed income allocations, to include both public and private corporate bonds
- As the liquid portion of private credit and alternatives allocations

“The use cases are many and now, for the first time, all investors have access to private credit as a portfolio building block,” added Clemons. “We’re very pleased to be adding PCMM to our lineup of innovative income-generating solutions.”

###

About BondBloxx

BondBloxx Investment Management Corporation (“BondBloxx”) is the first ETF issuer to focus solely on fixed income, offering a range of exposures spanning U.S. Treasuries, investment grade and high yield corporate bonds, emerging markets bonds, tax-aware strategies, and private credit. To learn more about BondBloxx’s fixed income-first mission, visit BondBloxxETF.com. BondBloxx is a registered investment adviser and only transacts business in states where it is properly registered or is excluded or exempted from registration requirements.

Media Contact

Chris Sullivan/Chase Kosinski
Craft & Capital
chase@craftandcapital.com

Disclosures

Carefully consider the Funds’ investment objectives, risks, charges, and expenses before investing. This and other information can be found in the Funds’ prospectus or, if available, the summary prospectus, which may be obtained by visiting bondbloxxetf.com/prospectuses. Read the prospectus carefully before investing.

There are risks associated with investing, including possible loss of principal. Fixed income investments are subject to interest rate risk; their value will normally decline as interest rates rise. Fixed income investments are also subject to credit risk, the risk that the issuer of a bond will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer’s ability to make such payments will cause the price of that bond to decline.

The risks of investing in private credit collateralized loan obligations (CLOs) include both the economic risks of the underlying loans combined with the risks associated with the CLO structure governing the priority of payments. The most common risks associated with investing in CLOs are liquidity risk, interest rate risk, credit risk, prepayment risk, and the risk of default of the underlying asset, among others. These risks may be heightened for private credit CLO



(also known as middle market CLOs), as the portfolios of underlying loans for such CLOs are typically smaller than those of broadly syndicated loan CLOs, and as such, private credit CLOs may not have the same access to the capital markets to potentially mitigate and/or diversify such risks.

Distributor: Foreside Fund Services, LLC

About Macquarie Asset Management

Macquarie Asset Management is a global asset manager, integrated across public and private markets. Trusted by institutions, governments, foundations and individuals to manage approximately \$US633.7 billion in assets, we provide a diverse range of investment solutions including real assets, real estate, credit and equities & multi-asset.

Macquarie Asset Management is part of Macquarie Group, a diversified financial group providing clients with asset management, finance, banking, advisory, and risk and capital solutions across debt, equity and commodities. Founded in 1969, Macquarie Group employs over 20,600 people in 34 markets and is listed on the Australian Securities Exchange.

All figures in this section as of September 30, 2024, unless otherwise stated. For further information, visit www.macquarie.com

Important Notices (Macquarie Asset Management): None of the entities noted in this media release is an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia) and the obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (Macquarie Bank). Macquarie Bank does not guarantee or otherwise provide assurance in respect of the obligations of these entities. In addition, if this media release relates to an investment (a) each investor is subject to investment risk including possible delays in repayment and loss of income and principal invested and (b) none of Macquarie Bank or any other Macquarie Group company guarantees any particular rate of return on or the performance of the investment, nor do they guarantee repayment of capital in respect of the investment.