

MAY 11, 2009

SPECIAL SUPPLEMENT

CREDIT SUISSE SWIPES TRIPLE CROWN

Credit Suisse swept all three titles in *Credit Investment News'* annual Best Trading Desk Survey, marking the first time since 2001 a bank other than JPMorgan was named Best Par Desk. After narrowing its second place gap last year, Credit Suisse blew past JPM in par and maintained its healthy lead in distressed, easily winning the Best Overall Trading Group title. The firm swept all four subcategories in both par and distressed, the first time in the survey's 12-year history that a shop has completely swept both ends of the voting. It came in a year of firsts, which makes sense given what's gone on over the past 12 months. Taking place during unprecedented turmoil in the market, this year's survey saw several desks break into the top 10 ranks for the first time as consolidation in the market bolstered some teams and gave room to run to others.

Credit Suisse's sweep of all four subcategories in par is notable considering it only won the info/ideas subcategory in last year's survey. Investors praised the desk for its market knowledge and execution. "Best overall sales and trading on a broad range of names," one respondent said. "Also able to trade size if you need to buy/sell blocks without ruining the market." On the distressed side, Credit Suisse's sweep marks the third consecutive year it took every subcategory. That's also a first for the survey.

JPMorgan, while losing its grip on the par market title after seven years of dominance, still had enough fire power to hold off a strong challenge from third place

Citigroup. The pair traded second and third place spots throughout the subcategories. Citi got its biggest bounce in the Most Trustworthy subcategory, where it jumped from fourth place in 2008 to second this year. Also in par, Bank of America

won the prize for best par closing. The category does not count toward the overall par tally, but it is the third time in four years B of A has been singled out for settlement.

Other notable moves in par included B of A's jump from seventh place last year to fifth in this year's survey, and Royal Bank of Scotland, which broke into the top 10 for the first time. RBS pulled off the same feat on the distressed side, making its maiden voyage to the top 10 and landing in ninth place. Goldman Sachs was the notable decliner on the distressed side, dropping to sixth place after finishing third last year.

The desk hailed as most improved on the par side this year is Barclays. The bank had never cracked the top 10 before landing in eighth place this year, the beneficiary of its absorption of the now defunct Lehman Brothers. Investors noted that the beefed up sales and trading effort post-merge made a big difference for the desk. "The addition of the Lehman crew helped Barclays immensely," one buysider said. Another noted that the addition of Lehman staffers provided "volume and depth."

The other desk to benefit from the wave that swallowed investment banks is

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Best Overall Trading Group

		2008 Rank
1	Credit Suisse	1
2	JPMorgan	2
3	Citigroup	3
4	Deutsche Bank	4
5	Bank of America	7
6	Morgan Stanley	5
7	Goldman Sachs	6
8	Barclays	NR
9	Wachovia	9
10	RBS	NR

Best Par Desk

		2008 Rank
1	Credit Suisse	2
2	JPMorgan	1
3	Citigroup	3
4	Deutsche Bank	4
5	Bank of America	7
6	Morgan Stanley	5
7	Goldman Sachs	6
8	Barclays	NR
9	Wachovia	8
10	RBS	NR

Best Distressed Desk

		2008 Rank
1	Credit Suisse	1
2	JPMorgan	2
3	Morgan Stanley	4
4	Bank of America	7
5	Deutsche Bank	6
6	Goldman Sachs	3
7	Citigroup	8
8	Barclays	NR
9	RBS	NR
10	UBS	9

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Lack Of Liquidity, Settlement Process Top Buyside Complaints

As part of the annual buyside survey participants were asked to consider the most common problems/complaints in the secondary market. The lack of liquidity, which jumped to the top of the list last year, remains the number one concern among buysiders navigating a still badly dislocated market. Settlement times and fake markets rounded out the top three, with fees and wide spreads also cited as significant problems.

One quarter of those surveyed said illiquidity is the number one problem in the secondary market. "Not enough liquidity in overall markets," wrote one survey participant. While many respondents commented on the general lack of liquidity, others were more specific. "Lack of liquidity and markets for middle market names," wrote one investor. "Lack of liquidity in terms of capital commitment from dealers," another wrote. This sentiment was echoed by another investor as well, "The lack of liquidity in the market is exacerbated by dealer inability/unwillingness to take risk."

Settlement Times

Though illiquidity reigns supreme, buysiders are increasingly concerned about settlement times. The problem was the third most common problem in last year's survey, but moved into the number two spot this year. Investors said settlement is too often

delayed and inefficient. "Settlement takes too long," wrote one respondent. "Closing delays (usually due to agent responsiveness)," wrote another. "The closing process is extremely bad on the dealer side," griped one investor. "Dealers 'short' by not settling," said another of the dealer community. "Would like to see a system similar to 'TRACE' for bonds for bank debt," offered another.

Fake Markets

Investors repeatedly underscored the unwillingness to make real markets, characterized by out of context quotes and limited market-making. "Dealers act like they are making markets and falling down when we call," wrote one investor. "The dealers are often only one sided and many quotes are just quotes and markets end up not being real," wrote another respondent. "Market makers are less plentiful and their willingness to show real bids and offers has gone down significantly."

And By The Way

Assignment fees and wide spreads also weighed on investors' minds. "Bid offer spreads are ridiculous. Fees seem to be a bigger issue given [Bear Stearns/JPMorgan] merger," said one survey participant. "Fees! Fees!" wrote another, with a couple respondents mentioning JPMorgan's assignment fees specifically.

TOP THREE TEAMS 2009

Credit Suisse

GROUP HEADS/TRADING

Barry Zamore, Head of U.S. Par Loan Trading; **Bob Franz**, Co-Head Syndicated Loan Group, Head, of U.S. Distressed Loan Trading; **Frank Fiorito**, Par Trader; **Mark Callahan**, Distressed Trader; **Ken Hoffman**, Head of Special Situations and Research, Distressed Trader; **Doug Grossberg**, Head of LCDS Trading; **Brad Capadona**, LCDS Trader

SALES/SOURCING

Jed Kelly, Co-Head of Sales; **Matthew Tuck**, Co-Head of Sales; **Alan Berenbaum**, **Brian Bowden**, **John Bown**, **Joe Friedman**, **Tom Hall**, **Jodi Joskowitz**, **Tom Mullarkey**

RESEARCH

Jens Ernberg, Director; **Mark Heron**, Director; **Thomas Lynch**, Director; **Jonathan Satran**, Director; **Adam Searles**, Associate

JPMorgan

GROUP HEADS/TRADING

Kevin Corgan, Head of HY Trading and Distressed Loans; **Alex Bea**, Distressed Trader; **Joseph Beggans**, Distressed Trader; **Austin Garrison**, Par/Distressed Trader; **Dan Fedeyko**, Par Trader; **Peter Lapina**, Par/Distressed Trader; **Brett Nunziata**, Par/Distressed Trader; **Jordan Rieger**, Par/Distressed Trader

SALES/SOURCING

Anthony McCann, Head of High Yield & Loan Sales; **Charles P. Caccavo**, **Jonathan Crell**, **Jeffrey Feit**, **Ryan Lumelleau**, **Anand Ramachandran**, **Nicholas Robinson**, **Kimberly Rose**, **Peter Siedem**, **Michael F. Sufrin**

Citigroup

GROUP HEADS/TRADING

James Nessel, head of trading; **Faraz Nasseer**, trader; **Matt Verbit**, trader; **Mark Doria**, trader; **Fran Sutter**, trader

SALES/SOURCING

Joseph Wilson, head of sales; **Bill Bermont**, **Sean Peters**, **Prerna Gadhia**, **Earl Hunt**, **Tyrone Thomas**, **Brett Applebaum**, **Michael Schechter**, **Lisa Schneider**, **Brian Daoust**



SUBCATEGORY WINNERS

PAR

BEST RESEARCH/INFO, TRADING IDEAS

		2008 RANK
1	Credit Suisse	1
2	Citigroup	2
3	JPMorgan	3
4	Deutsche Bank	4
5	Bank of America	NR

BEST LIQUIDITY PROVIDER

		2008 RANK
1	Credit Suisse	2
2	JPMorgan	1
3	Citigroup	3
4	Deutsche Bank	5
5	Morgan Stanley	4

MOST TRUSTWORTHY

		2008 RANK
1	Credit Suisse	3
2	Citigroup	2
3	JPMorgan	NR
4	Deutsche Bank	5
5	Bank of America	4

BEST AT STANDING UP TO QUOTES

		2008 RANK
1	Credit Suisse	2
2	JPMorgan	1
3	Citigroup	3
4	Deutsche Bank	4
5	Bank of America	NR

MOST IMPROVED BARCLAYS

MOST PROMPT, EFFICIENT PAR CLOSING*

		2008 RANK
1	Bank of America	2
2	Credit Suisse	1
3	Citigroup	NR
4	JPMorgan	3
5	Deutsche Bank	4

* This is a separate category and the point total is not counted in the overall scoring

Distressed

BEST RESEARCH/INFO, TRADING IDEAS

		2008 RANK
1	Credit Suisse	1
2	JPMorgan	2
3	Deutsche Bank	5
4	Morgan Stanley	3
5	Goldman Sachs	4

MOST TRUSTWORTHY

		2008 RANK
1	Credit Suisse	1
2	JPMorgan	2
3	Morgan Stanley	3
4	Bank of America	NR
5	Citigroup	NR

BEST EXECUTION IN SOURCING/SELLING PAPER

		2008 RANK
1	Credit Suisse	1
2	JPMorgan	2
3	Morgan Stanley	4
4	Goldman Sachs	3
5	Deutsche Bank	NR
	Bank of America	NR

MOST PROMPT, EFFICIENT CLOSING

		2008 RANK
1	Credit Suisse	1
2	JPMorgan	2
3	Bank of America	5
4	Morgan Stanley	NR
5	Goldman Sachs	3

MOST IMPROVED BANK OF AMERICA

Best Par Trader

Barry Zamore, Credit Suisse

Best Distressed Trader

Bob Franz, Credit Suisse

Best Sales Force

Credit Suisse



CREDIT SUISSE

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the winner of the most improved distressed desk award: Bank of America. After finishing seventh in 2008, the bank jumped to fourth this year thanks to help from the **Merrill Lynch** staff it picked up in the acquisition of Mother Merrill. Investors said the merger brought vast improvements to B of A's distressed desk, rounding out its effort and improving the desk's liquidity.

Traders and Sales Teams

Given Credit Suisse's dominance in the rankings, it should not come as a surprise that the bank's traders and sales team were named tops in the field. **Barry Zamore** on the par desk and **Bob Franz** in distressed took the titles as best traders in their markets. It was the second year in a row for Zamore and the third consecutive win for Franz. Other par traders that ranked high with investors were **James Nessel** of Citi, **Austin Garrison** at JPM, **Mike Weir** at Morgan Stanley and **Peter**

Benoist at Deutsche Bank. Distressed traders receiving honorable mentions were **Sunil Aggarwal** of Morgan Stanley and **Mark DeNatale** of Goldman. The CS sales force was named number one for the third year in a row, with **Matt Tuck** getting notable recognition.

On The Market

In addition to asking investors to vote on the four areas of each market most important to them, *CIN* also polls the buy-side on other key aspects of the market. The topics range from loan-only credit default swaps to coverage of off-the-run names. In a new category added to reflect the emergence of brokerages in the market, **Broadpoint Securities** was named Best Commission-based Broker-Dealer. For the fourth year in a row JPMorgan won the award for Best Comprehensive Credit Coverage and for the second year running Goldman Sachs was named tops for its LCDX platform. Credit Suisse won the awards for Best LCDS Desk, Best at Handling the Market Volatility and Best Desk For Off-The-Run Names.

ON THE MARKET

Best Handling of the Market Volatility	Best in LCDS	Best Coverage of Loans & Bonds	Best LCDX Platform	Best Commission-based Broker/Dealer
1. Credit Suisse 2. JPMorgan 3. Citigroup	1. Credit Suisse 2. Goldman Sachs 3. Barclays	1. JPMorgan 2. Credit Suisse 3. Citigroup	1. Goldman Sachs 2. Credit Suisse 3. JPMorgan	1. Broadpoint Securities 2. Imperial 3. Jefferies

Survey respondents are asked if their firms' names can be listed as participants. The following list includes only those firms that gave consent and are not all of the respondents that participated in this year's survey.

40/86 Advisors	Contrarian	Hartford Investment Management	Orix Capital Markets
Aegon USA	Credit Suisse Candlewood	Highland Capital	Pacific Asset Management
AgFirst Farm Credit Bank	Special Situations	Invesco	Pentwater Capital Management
Ahab Capital Management	CS Credit Investments Group	Kayne Anderson Capital Advisors	Princeton Advisory Group
AIG Investments	Cuna Mutual	Kenmont Investment Management	Prudential Investment Management
Alpine Associates	Deerfield Capital Management	Kiliminjaro Advisors	Redwood Capital
Angelo Gordon	Delaware Investments	KKR Financial	Sankaty
APG Asset Management	Eaton Vance	Lyon Capital Management	Senator Investment Group
Archview Investment Group	Empyrean	Macquarie Debt Markets	Shenkman Capital
Atalaya	Farm Credit - CFG	Macquarie Funds Group	Silvermine Capital
Avenue Capital Group	Fore Research & Management	McDowell Investment Management	T. Rowe Price Associates
Beowulf Capital Management	Fortress Investment Group	MetLife Investments	TCW Group
Blue Mountain Capital	Franklin Templeton	New Mountain Capital	Vector Capital
Candlewood Corp Credit Value Fund	Freestyle Fund Management	Newberger Berman	Visium Asset Management
Capital Source	GoldenTree Asset Management	Nomura	Wells Capital Management
CIFC	Goldman Sachs	Oak Hill Advisors	Western Asset Management
Citi Alternative Investments	GSO/Blackstone	Omega Advisors	WhiteHorse Capital Partners
Columbus Nova	Guaranty Bank		Z-Capital Partners