



트레이드 렌즈
TRADE LENS

Bringing investing into focus.

MACRO INSIGHT / No.02

Connecting private markets, liquidity and the real economy

Private Credit's Liquidity Test

When investors want their money back

Illiquid loans, limited exit windows and the cost of waiting,
financing or selling assets

THE TRANSMISSION

Exit demand → cash needs → credit supply

When a fund-level exit problem becomes a financing constraint

Repurchase limits buy time.

Cash still has to come from loans or sustainable funding.

A repurchase cap alone proves neither distress nor safety.

01 / RESEARCH VIEW

Repurchase caps buy time. They do not create cash.

TradeLens view | Assess fund-level cash collection and financing capacity before declaring a market-wide crisis.

Core conclusion

The liquidity problem is a gap between how much investors want to take out and how much a fund can pay. A cap slows forced selling; it does not eliminate waiting, funding costs or the need to curtail lending.

Question	This report's view	What determines the outcome
What is changing?	Long-term loans meet periodic exits	Borrower repayment schedules versus investor exit speed
Why does it matter?	Liquidity adjustments can affect credit supply	Repurchases and debt repayment may take priority over new lending
Who bears the cost?	Exiting investors, remaining holders and borrowers	Waiting, financing costs, sale prices and new loan terms
What should be tracked?	The quality of cash, not requests alone	Actual payouts, loan collections and financing headroom

Neither a cap nor a large request proves the condition of the loans

The IMF emphasized the buffering effect of gates in April. In July, the Bank of England noted that caps had largely worked as intended but could encourage pre-emptive requests. These are dated assessments, not substitutes for each fund's October position. [\[1\]](#) [\[10\]](#)

The base assessment is that funds offering limited repurchases may first face a liquidity adjustment. Loan collections and continued funding can provide time. When both weaken, a cap postpones adjustment rather than resolving the underlying cash need.

The takeaway

Look beyond the width of the exit. Ask whether the cash feeding it comes from borrowers, new investors or additional debt.

02 / MARKET BOUNDARY

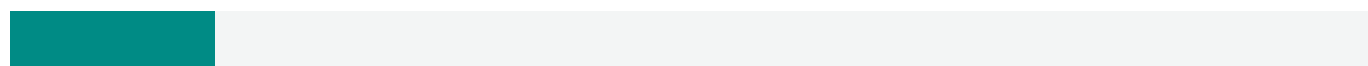
Not all of the \$2 trillion has the same exit

Separate market size from fund structure before treating requests at a few vehicles as an industry-wide cash outflow.

Private credit is non-public credit provided by nonbank lenders. [11] In April 2026, the IMF described global direct lending as about \$2 trillion, with roughly 15%, or \$300 billion, in semi-liquid structures. Direct lending is one part of private credit; these figures are not all private assets or a sum of fund NAVs. [1]

Semi-liquid structures within direct lending

Share · IMF April 2026



Semi-liquid: about 15%

Other structures: about 85%

About \$2tn × 15% = about \$300bn. This is not the value redeemable on demand. [1]

Structure	How an investor exits	Where liquidity adjusts
Traditional drawdown fund	Contractual life and distributions; conditional interest transfers	Capital duration and loan repayments
Perpetual non-traded BDC	Periodic share repurchases, subject to limits and discretion	Fund cash and repurchase terms
Interval fund	Limited periodic repurchases under its rules	Shares offered for repurchase and proration
Listed BDC	Sale to another investor on an exchange	Market liquidity and the discount to NAV

Structures: [3] [4] [5] [11]. BDC means U.S. business development company. Non-traded BDCs and interval funds are not the same legal product. NAV means net asset value.

Market estimates differ in whether they include gross assets, net assets or unfunded commitments. A large asset class does not imply a same-sized obligation to pay cash every day.

Structure comes before scale

“Semi-liquid” is not cash on demand. Selling listed BDC shares is also different from a fund paying for repurchases. Do not assign the same immediate cash-outflow obligation to every asset in the market.



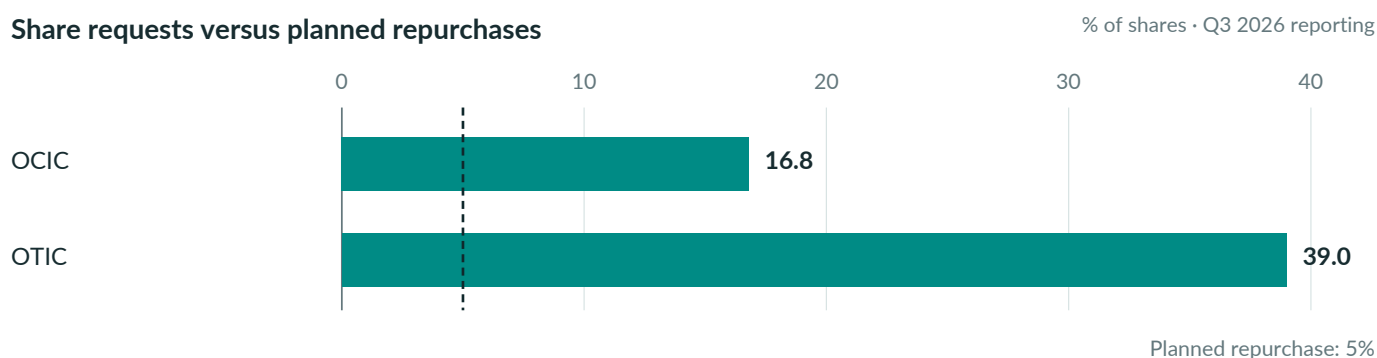
03 / REDEMPTION EVIDENCE

Lower requests can still leave a long wait

Third-quarter 2026 cases | Requests, repurchase plans and completed cash payments are distinct.

Reuters reported on 2 October, citing shareholder letters, that Q3 requests represented 16.8% of OCIC shares and 39.0% of OTIC shares. Both planned to repurchase 5%. OCIC described many requests as resubmissions of previously unfulfilled tenders. [2]

Share requests versus planned repurchases



OCIC: Blue Owl Credit Income Corp. / OTIC: Blue Owl Technology Income Corp. The dashed line marks planned repurchases. Requests are neither cash already paid nor a loss rate. [2]

On a matched base, “5%” tells a different story

Illustrative proration	Share of requests met	Interpretation
$5 \div 16.8$	About 29.8%	Roughly three-tenths of requests
$5 \div 39.0$	About 12.8%	Roughly one-eighth of requests

Simple arithmetic assuming the same share base, price, eligible population and full proration. It does not replace actual offer documents, share-class provisions, pricing or submission requirements.

How to read the figures

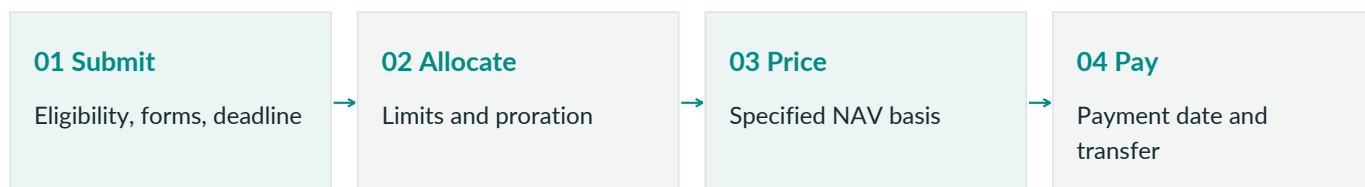
A high request rate signals demand for an exit. But adding repeated requests for the same shares as new outflows double-counts pressure. Track cash actually paid separately from requests still outstanding.

04 / THE EXIT MECHANISM

A periodic exit window is not a bank account

Limits, pricing and payment each have their own conditions and timetable.

OCIC's repurchase process states that a quarterly window is not guaranteed and remains subject to board discretion. Unsatisfied prorated requests must be resubmitted in the next window. They do not become a guaranteed place in a queue. [12]



Conceptual sequence. The individual offer announcement and documents govern. [4] [12]

Illustration | 100 shares outstanding, 20 requested, 5 bought

Buying 5% of outstanding shares means buying 5 of the 20 tendered: 25% of requests. It does not guarantee an investor an additional 5% of whatever amount that investor wishes to withdraw.

Different concepts	The distinction
Repurchase limit / payment guarantee	Capacity up to a limit is not the same as a decision to repurchase.
NAV on submission / transaction price	Different valuation dates can produce a different price from the one visible when a request is made.
Unmet request / fixed exit date	Resubmission and competing requests prevent a guaranteed date for complete exit.

An interval fund is also legally closed-end and periodically repurchases only part of its shares. Combining that structure with a discretionary non-traded BDC program under one “quarterly liquidity” label obscures differences in rights. [4]

Liquidity has a cost beyond fees

Even a repurchase at NAV can impose a cost in time. Where an external share sale is possible, a faster exit may instead require a price discount. Evaluate time and price together.

05 / SOURCES OF LIQUIDITY

“Available liquidity” adds unlike sources of cash

Separate cash, loan collections, undrawn financing capacity and assets that might be sold.

Source	What must happen	Associated cost or constraint
Cash on hand	Available now, with operating and committed needs reserved	Opportunity cost of holding cash
Interest / principal	Borrowers pay cash on schedule	Extensions, PIK and prepayment variability
New subscriptions	Commitments become actual cash contributions	Inflows can weaken during the same stress
Undrawn facility	Collateral, borrowing base and covenants permit drawings	Interest, leverage and future repayment
Loan sale	A buyer, price and completed transaction	Discounts and a smaller earning asset base

TradeLens funding framework. A reported aggregate liquidity figure is not treated as cash. Structural references: [\[6\]](#) [\[8\]](#) [\[11\]](#).

Counterevidence: bank funding is not universally closed

OCIC disclosed a 16 September revolving-facility amendment increasing total commitments from \$3.9 billion to \$4.2 billion. This is a case of one fund preserving and expanding bank finance. It does not mean all \$4.2 billion was undrawn or newly received in cash. [\[7\]](#)

Funding can move the burden rather than erase it

A credit line can bridge slower collections. Paying repurchases with debt, however, changes the balance sheet without creating equity. If collateral values weaken, unused capacity cannot automatically be assumed to remain available.

Rebuild the usable amount

Start with cash, conservatively expected collections and drawable capacity. Subtract operations, distributions, borrower commitments and debt maturities. The residual payment capacity matters more than the headline total.



06 / CASH FLOW LAB

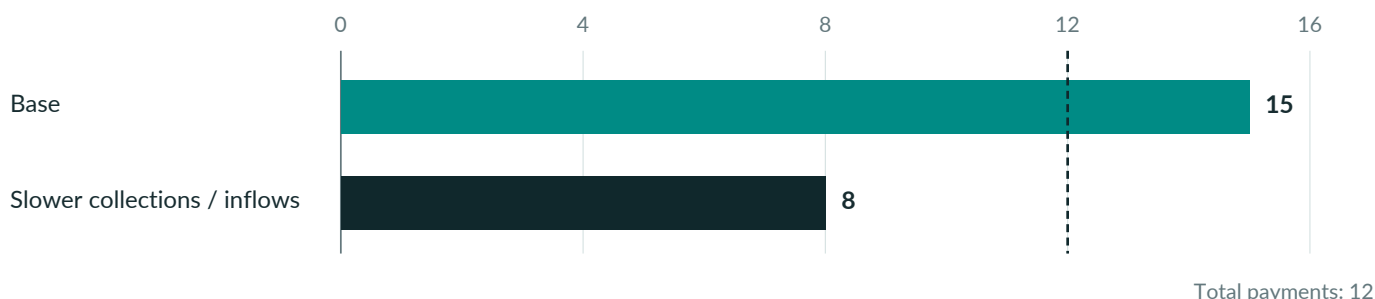
A cap does not prevent a cash shortfall

Illustrative model A | Hold repurchase payments fixed and change only the sources of funding.

Hypothetical fund · cash units	Base	Stress case
Opening cash	3	3
Cash interest less operating costs	2	2
Principal repayments	6	3
New subscriptions	4	0
Total cash before payments	15	8
Distributions / committed funding / repurchases	2 / 5 / 5	2 / 5 / 5
Total payments	12	12
Closing cash / shortfall	+3	-4

Can the same payments of 12 be funded?

Cash units · illustrative



This hypothetical fund has no debt; asset sales are excluded. Interest is net of operating costs, so those costs are not deducted twice. Distributions, borrower commitments and repurchases are unchanged. This is not a company forecast.

Restricting an exit is different from funding it

The base leaves 3. Reducing principal collections by 3 and losing 4 of subscriptions instead creates a shortfall of 4. Even fixed repurchases of 5 leave other cash demands. Borrowing, sales or cuts to adjustable uses must bridge the gap.

The decisive variables

Sustained principal collections and net cash interest matter more than a lower request rate alone. Funding already committed to a borrower cannot be assumed to be as freely cancellable as a new loan.



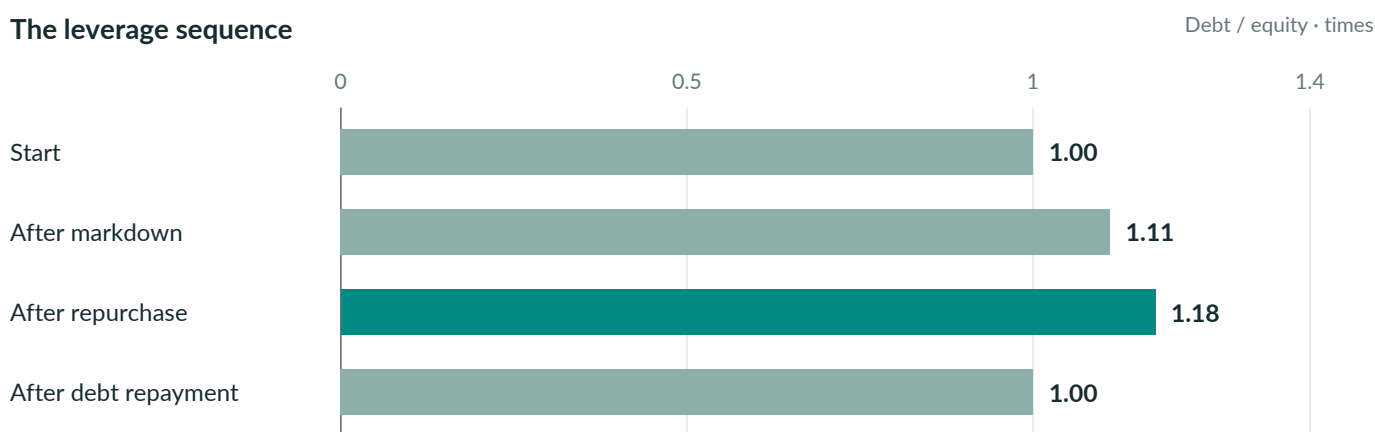
07 / LEVERAGE LAB

The same repurchase weighs more after a loss

Illustrative model B | Link asset values, equity and leverage. This model is independent of A.

Stage · hypothetical amounts	Assets	Debt	Equity	Debt / equity
Starting point	200	100	100	1.00×
Asset markdown of 10	190	100	90	1.11×
Repurchase 5 using cash on hand	185	100	85	1.18×
Sell assets at book for 15; repay 15 of debt	170	85	85	1.00×

The leverage sequence



Assets = debt + equity. The repurchase is 5 units, not an actual fund's 5% cap. Starting assets include usable cash. The 1.00× target is illustrative, not a common legal or contractual requirement.

The arithmetic linking exits to credit contraction

A 5% asset loss produces a 10% equity loss in this capital structure. A subsequent payout of 5 leaves equity of 85. Restoring debt/equity to 1.00× requires debt repayment of 15. That 15 is deleveraging, not an additional loss.

Where liquidity meets solvency

A sale discount or transaction costs would reduce equity further and make the target harder to restore. Using loan repayments to retire debt rather than reinvest can also reduce the credit supplied to borrowers.

08 / CREDIT VERSUS CASH

Distributions and capital recovery are different

Earnings, valuations and cash are separate measures. Distinguish credit stress from liquidity stress.

The FSB's May report identifies borrower credit, opaque valuations, leverage and financial links as vulnerabilities. Greater use of payment-in-kind interest, added to principal rather than paid in cash, can reveal pressure on some borrowers. PIK alone, however, is not a default. [6]

Measure	What it shows	What else to examine
Cash interest	Interest actually received	Cash remaining after operations, debt interest and distributions
PIK interest	Interest accrued without cash	Original terms versus a later response to a cash shortage
Non-accrual loans	Assets no longer accruing interest income	Ratios measured at both cost and fair value
NAV movement	Change in fund equity value	Valuation effects, distributions, issuance and repurchases
Distribution rate	Annualized payments per share, for example	Operating cash, asset realizations or borrowing as the source

TradeLens disclosure-reading framework, not estimated PIK, defaults or distribution sources for a specific fund. OCIC also discloses risks around distribution sources and returns. [3]

A markdown and a cash shortage can coincide—or diverge

A loan can pay cash interest while a higher discount rate lowers its value. Conversely, an extension can delay cash without a large immediate change in book value. One affects price and capital; the other affects timing.

An equation to avoid

Distributions do not automatically equal cash-earned profit or total return. Capital returned and changes in value must be separated to measure the investor's economic outcome.



09 / LIQUIDITY AT A PRICE

Loans can be sold. Prices remain asset-specific.

A February 2026 company announcement | Separate an agreement from settlement and selected loans from an entire book.

On 18 February, three Blue Owl BDCs announced agreements to sell \$1.4 billion of direct-lending investments at 99.7% of par as of 12 February. The amounts include unfunded commitments; the release expected first-quarter settlement. [9]

Entity	Announced commitments	Distinction in this report
OBDC II	\$600m	Planned capital return and debt repayment
OTIC	\$400m	Planned debt repayment
OBDC	\$400m	Planned debt repayment
Total	\$1,400m	Includes unfunded commitments; not net cash proceeds

Company announcement [9]. OCIC was not one of these three sellers. This table describes the announced agreements; it does not independently establish subsequent settlement.

Three different transactions, three different prices

Transaction	Who receives cash?	Relevant price
Fund share repurchase	Tendering investor	NAV or price specified in the offer
Fund sells a loan	Fund	Price agreed with the loan buyer
Investor sells a fund interest	Existing investor	Price offered by the external interest buyer

TradeLens interpretation

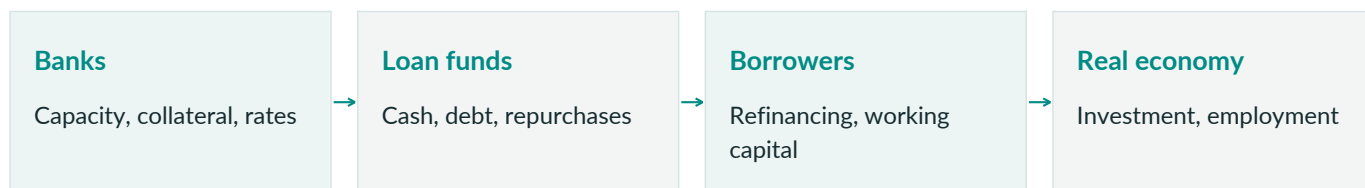
A selected sale near par is counterevidence to the claim that private loans have no exit at all. It does not establish an immediate sale price for every loan or fund share. Realizing capital is not the same as earning new profit.

10 / THE BANK CONNECTION

Nonbank lending is not independent of banks

Bank financing terms can reach corporate refinancing and investment through private funds.

Federal Reserve staff research covering BDCs from 2012Q3 to 2023Q4 reports that nearly 90% of bank lending by dollar amount took the form of credit lines. Published in August 2026, it uses a historical sample—not a current global ratio. [8]



TradeLens conditional transmission map. Bank funding and borrower cash flows can affect each other.

Shock	Fund adjustment	Transmission to companies
Investor net outflows	Cash takes priority over new commitments	Slower refinancing approvals and new lending
Lower collateral values	Less drawable capacity and capital headroom	Tighter equity, collateral and covenant demands
Worse bank funding terms	Higher financing cost and maturity discipline	Changes in loan prices and available amounts

Conditional stress channels, not claims that every bank or company is experiencing them. Funding-link references: [8] [11].

The pace of lending can change before defaults jump

A fund that does not recycle principal repayments can reduce credit supply without a surge in reported problem loans. Banks or long-term capital may absorb the gap. If they conserve cash at the same time, the adjustment can pass into corporate financing costs.

The macro checkpoint

Track new loan deployment, refinancing success, replacement lenders, covenants and actual collections—not cap usage alone. These connect a fund's exit problem to the real economy.

11 / WHO BEARS THE COST

Liquidity costs are allocated, not eliminated

Financing and sale choices change different participants' time horizons and cash flows.

Participant	How pressure can ease	The remaining or shifted burden
Tendering investor	Cash for shares actually accepted	Waiting and uncertainty over the next price
Remaining investor	Time to avoid distressed sales	Funding costs, portfolio changes and concentration
Manager	Orderly repurchases and retained relationships	Weaker fundraising, smaller scale and operating demands
Long-term buyer	Selected assets acquired at an agreed price	Borrower credit risk and a long holding period
Borrower	Continued access to adaptable financing	Refinancing cost, collateral and fewer lender choices

TradeLens cost-allocation analysis, not estimated profits or fees. Fair allocation at an individual fund depends on its actual terms, prices and procedures.

Lower rates do not solve every part of the problem

On floating-rate loans, falling rates may relieve borrowers while reducing a fund's cash interest receipts. The fund's debt repricing schedule, fixed/floating mix and rate floors determine the net effect. The general floating-rate framework draws on [11].

What a constructive adjustment requires

Borrowers pay cash; cash after costs supports payouts; financing and sales do not disproportionately increase risk for remaining holders. A rate cut or a lower request figure alone does not establish that adjustment is complete.

The key judgment

The next test is less the yield being advertised than whose cash sustains that yield and the investor's exit.



12 / SCENARIO MATRIX

When buying time becomes restricting credit

These scenarios classify evidence. They are not probabilities or market-price forecasts.

Path	Conditions occurring together	Likely adjustment mechanism
A. Orderly stabilization	Collections hold, new requests ease and financing remains available	Limited repurchases and natural runoff, rather than forced sales
B. Persistent exit pressure	Subscriptions weaken, repeated requests persist; credit remains broadly performing	Cash accumulation, less reinvestment and selective sales
C. Credit and liquidity weaken	Extensions, PIK or problem loans rise; values and borrowing headroom fall	Deleveraging, discounts and worse refinancing terms
D. Long-term capital replaces exits	Loan buyers, institutional investors or new lenders provide funds	Assets and clients move; risk passes to new holders

Base assessment | Start with fund-level cash adjustment

A limited repurchase structure alone does not establish an industry-wide crisis. A functioning cap does not prove healthy loans either. Separate collections from capital headroom, then test continuity in corporate financing.

Evidence that would change the assessment

If collections weaken across managers while collateral headroom shrinks, discounts widen and refinancing failures recur, the emphasis should shift toward broader credit contraction. Improving repayments, inflows and actual payouts would instead reduce the cost of waiting.

The Bank of England's July assessment discussed possible spillovers from non-traded BDC liquidity stress into other private markets and risky credit. It describes a transmission risk, not a finding that every fund has already entered that path. [\[10\]](#)

Use the same test for deterioration and recovery

Link collections, actual payouts, financing headroom, transaction prices and refinancing outcomes. Neither a share-price rebound nor one quarter of fewer requests proves the end of stress.

13 / OUTLOOK & MONITORING

Before the exit, examine where cash comes from

Track desired exit speed against long-lived assets using matched denominators and periods.

What to track	Evidence of a stronger position	Evidence of a weaker position
Requests / paid repurchases	Fewer new requests alongside actual payouts	Repeated requests treated as new flows; payment delays
Principal / cash interest	Schedules hold and cash remains after costs	Extensions and lower cash interest
Capital / financing headroom	Collateral cushion, covenant compliance and staggered maturities	Valuation losses and outflows compress capacity together
Sale prices / coverage	Transactions remain possible across multiple assets	Only selected good loans sell; discounts widen
Borrower refinancing	New funding supports maturities and operations	Dependence on extensions, investment cuts and worse terms

Final view | Durable net cash matters more than a cap

Long-term capital can buffer withdrawals. Add periodic exits and leverage, however, and costs may appear as longer waits or less credit supply. The question is not simply whether every request can be met, but how consistently payments can continue without undermining collections and financing.

Four answers for the reader

Change: exit demand exceeds repurchase capacity in some long-loan structures.

Importance: cash conservation can constrain reinvestment and refinancing.

Allocation: costs divide between waiting investors, remaining holders, lenders and borrowers.

Test: collections, payouts, capital headroom and transaction prices stabilize together.

The report's conclusion

Repurchase caps can slow forced sales. Without cash recovery from the loans, they cannot satisfy the demand for an exit. Assess liquidity through the quality of cash and the durability of capital—not the size of the cap alone.

Analysis date: 3 October 2026. Fund cases, institutional assessments and historical research retain their stated dates. No investor-specific recovery date, recovery rate or price forecast is provided.



14 / SOURCE REGISTER

Connect the evidence to the original source

Select a teal citation, source title or “Open source” to open the underlying publication.

01. IMF Global Financial Stability Report: Press Briefing Transcript 2026.04.15 · Official briefing; direct lending and semi-liquid estimates; April assessment	Open source
02. Reuters Blue Owl flagship fund withdrawal requests slow 2026.10.02 · Reporting on shareholder letters; Q3 OCIC / OTIC requests and repurchase plans	Open source
03. Blue Owl / OCIC Blue Owl Credit Income Corp. — Fund Overview 2026.10.03 accessed · Official fund terms; non-traded BDC, repurchase discretion and distributions	Open source
04. SEC / Investor.gov Investor Bulletin: Interval Funds 2026.10.03 accessed · Official investor education; limited periodic repurchases and proration	Open source
05. SEC / Investor.gov Publicly Traded Business Development Companies (BDCs) 2026.10.03 accessed · Official investor education; listed BDCs and secondary-market exits	Open source
06. FSB Report on Vulnerabilities in Private Credit 2026.05.06 · Official report; printed pp.1–3, 21–22, 29–32, 40; credit, valuation and liquidity	Open source
07. Blue Owl / SEC OCIC Form 8-K — Revolving Credit Facility Amendment 2026.09.22 · Company filing; 16 September amendment, \$3.9bn to \$4.2bn commitments; not drawings	Open source
08. Federal Reserve The Price of Bank Funding Behind Private Credit 2026.08.07 · Staff research; 2012Q3–2023Q4 BDC sample; bank funding relationships	Open source
09. Blue Owl / SEC Certain Blue Owl BDCs to Sell \$1.4 Billion of Assets 2026.02.18 · Company release; agreed sale at 99.7% of par, unfunded commitments included; OBDC II plan	Open source
10. Bank of England Financial Stability Report — July 2026 2026.07.07 · Official report; section 4.2; repurchase caps, pre-emptive requests and spillovers	Open source
11. Federal Reserve Private Credit: Characteristics and Risks 2024.02.23 · Staff research; direct-lending structure and risks; not a current size estimate	Open source
12. Blue Owl / OCIC Repurchase Offers — Calendar and Process 2026.10.03 accessed · Official repurchase process; board discretion and resubmission; access date	Open source

Scope: market estimates, historical research samples, company disclosures and news reports have distinct dates and coverage. The models on pages 7–8 are illustrative, not estimates of an actual fund's cash shortfall or losses.



Methodology, disclaimer and use of this report

Separate facts, institutional or company views, TradeLens analysis and illustrative models.

Item	Basis
Dates	As of 3 October 2026; events through 2 October reporting. Institutional views and research samples retain their stated dates and observation periods.
Coverage	Direct lending, U.S. non-traded BDC / interval-fund exits, bank links and macro credit transmission. No common redemption structure is imposed on all private credit.
Case interpretation	Requests, repurchase plans and paid cash are distinct. Assets, NAV, shares, unfunded commitments and net cash use different bases. Plans are not completed outcomes.
Model A · page 7	Hypothetical cash flow. Interest is net of operating costs. The shortfall precedes borrowing or sales and is not an estimate for an actual fund.
Model B · page 8	Hypothetical balance sheet. The 1.00× target is an assumption, not a legal limit. Taxes, transaction costs and sale discounts are excluded. Separate from A.

Figures are rounded for display. Debt/equity is used as an illustrative metric. Charts are recreated by TradeLens and do not imply endorsement by the source institutions.

Disclaimer

This report provides general information on macroeconomics, industries and the business structure, growth and profitability of companies. It does not provide buy or sell recommendations, trading timing, fair or target prices, or individualized investment advice. Information and analysis are as of the stated date; accuracy, completeness and continued currency are not guaranteed. Forward-looking views, estimates and illustrative calculations involve uncertainty and do not guarantee principal or investment returns.

Investment decisions remain the responsibility of the reader. Except where liability is established under applicable law, TradeLens is not liable for investment losses arising from use of this report.

Copyright and restrictions on use

The text, charts, design, editing and structure of this report, insofar as TradeLens holds the relevant rights, are protected under applicable law. Other than personal reading and storage, no part may be modified, edited, translated, reprocessed, reproduced, transmitted, reposted, redistributed or sold without prior written consent. This restriction applies to free or paid distribution in any form, including files and screenshots. Removing logos, source citations or rights notices, or distributing the report under another party's name, is also prohibited.

Uses permitted by applicable law and the separate licensing terms of third-party materials remain subject to those provisions. For sharing, please use the report's official TradeLens publication-page link.