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EQUITY RESEARCH NOTE

Blackstone Secured Lending Fund

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Investment Thesis: Blackstone Secured Lending Fund (NYSE: BXSL) is a BDC offering a very high current yield ($\approx 12\text{--}13\%$) underpinned by a defensive, first-lien loan portfolio. With Blackstone's scale and credit-stack protections, we view BXSL as attractively priced at a deep discount to NAV, and we rate it **Buy** with a 12-month price target of $\sim \$30$ (roughly $+25\%$ price upside, $+38\%$ total return including dividends). Key factors driving this view include (1) sustainable earnings and dividend coverage, (2) robust portfolio quality and liquidity, and (3) a compelling valuation relative to peers. Even with some near-term mark-to-market volatility, we believe the high current income and Blackstone franchise provide a margin of safety that the market is overlooking.

Key Actionable Takeaways:

- **Dividend Fully Covered:** NII per share continues to cover the $\$0.77$ dividend. In Q4'25, BXSL earned $\$0.80$ of NII per share (104% dividend coverage) (www.stocktitan.net), and Q1'26 earned $\$0.77$ per share fully covering the distribution, implying $\sim 11.7\%$ yield on NAV (www.bxsl.com) (www.stocktitan.net). The SEC filings show NII as the dominant driver of returns (with GAAP EPS depressed by unrealized losses), indicating core earnings are intact.
- **Portfolio & Liquidity:** The fund's $\$13.9\text{B}$ portfolio (as of Q1'26) is $\approx 98\%$ senior secured loans (97.6% first-lien (www.bxsl.com)) and $\sim 96\%$ floating-rate debt (www.bxsl.com). Weighted-average LTM EBITDA growth among borrowers is $\approx 8\%$, and interest coverage $\sim 2.0\times$ (www.bxsl.com). Available liquidity is ample ($\$2.5\text{B}$ at end-2025 (www.stocktitan.net)) and leverage is moderate ($\sim 1.3\times$ debt/equity) (www.stocktitan.net). This defensive profile should limit downside losses and preserve capital through cycles.
- **Strong Credit Execution:** BXSL has rapidly deployed capital in recent quarters. Q4'25 saw $>\$1.0\text{B}$ in new investments (second consecutive quarter above $\$1\text{B}$) (www.sec.gov), and Q3'25 investments exceeded $\$1\text{B}$ (highest since Q4'24 (www.sec.gov)). While repayments ($\$450\text{M}$ in Q1'26) have outpaced new funding ($\$325\text{M}$), this is largely a de-leveraging move and the pipeline remains deep. Blackstone's platform advantage – extensive origination channels and sponsor relationships – underpins deal flow (fintel.io) (www.sec.gov).
- **Valuation Discount with Upside:** BXSL trades at only $\sim 0.90\text{--}0.92\times$ NAV (NAV $\sim \$26.26$ as of 3/31/26 (www.bxsl.com) (www.bdcinvestor.com)). Its dividend yield ($\approx 12.8\%$ on current price (www.bdcinvestor.com)) and P/NAV multiple are at the lower end of BDC peers (ARCC $\sim 0.96\times$, GAIN/GLAD $\sim 0.93\times$ (www.bdcinvestor.com)). This discount reflects market wariness, but if credit conditions remain stable and Fed easing looms, the discount should narrow. In our base case, a modest NAV uplift and return to parity with peers ($\approx 1.0\times$ NAV) drives the stock above $\$28$.

Valuation Snapshot: Current Price $\approx \$24.0$ ($\approx \$23.7$ as of Q1'26 report (www.bdcinvestor.com));

Target Price: $\$30.0$; **Implied Upside:** $+25\%$; **Total Return (incl. dividends):** $\approx +38\%$.

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Company Deep Dive & Business Model

Business Segmentation: BXSL is a non-diversified, externally managed closed-end fund (BDC) that earns virtually all its revenue from net investment income (interest and fees) on its loan portfolio (fintel.io). Under normal conditions $\geq 80\%$ of assets are “qualifying” senior secured debt (fintel.io). The portfolio is heavily concentrated in first-lien loans (97.6% of assets as of Mar 31, 2026 (www.bxsl.com)), with the remaining few percentage points in second-lien, unsecured, or equity tranches (mostly minor). Nearly all loans are floating-rate ($\approx 95.8\%$ (www.bxsl.com)), protecting the fund's yield in a rising-rate environment. Geographically the portfolio is U.S.-focused ($\approx 85.5\%$ U.S., $\sim 12.2\%$ Europe) (www.bxsl.com), and sector exposure is well diversified across middle-market companies (healthcare, IT services, consumer, etc., with no single borrower concentration). The company's tax-status forces it to distribute essentially all NII, so it has no stored earnings – instead, value comes from the underlying loan asset appreciation and steady cash flows.

Competitive Moat: BXSL's primary advantages are structural and relational rather than in proprietary technology. It is managed by Blackstone Credit (formerly GSO), leveraging the global Blackstone franchise (fintel.io). This scale and experience (originally established by veteran managers like Brad Marshall) afford superior deal access: the adviser sources transactions through direct origination, syndicates, and its massive client flow (fintel.io) (www.sec.gov). In underwriting, the team focuses on protective structures – first-lien secured positions, typically with financial maintenance covenants (fintel.io). This “defensive approach” aims to minimize losses; for example, management highlights high coverage ratios and low non-accruals (3.1% of portfolio fair value (www.bdcinvestor.com)) as evidence of resilience. Because BXSL is externally managed, the fee structure (1.0% asset fee + 17.5% incentive on NII beyond a 7.06% hurdle (fintel.io)) is market-competitive, but we note that the manager has publicly waived excess incentive during the IPO lock-up period, aligning it somewhat with shareholders until 10/2023 (fintel.io). On the liability side, BXSL's ability to issue debt securities (and up to 50% equity through preferreds) provides access to low-cost funding, though meaningful issuance would require careful governance (preferreds would need separate votes) (fintel.io) (fintel.io). Overall, Blackstone's brand and resources (including a “Value Creation” operations program for borrowers) create a modest moat in middle-market lending, especially versus smaller BDCs with less underwriting muscle.

Management & Governance: The Fund is governed by an independent board of trustees, but day-to-day investment decisions are made by Blackstone Credit (Co-CEOs Brad Marshall and Jonathan Bock lead this unit). Management has shown discipline historically: it has modest leverage (~1.3x debt/equity end-2025 (www.stocktitan.net), well below the 2:1 regulatory cap) and has consistently maintained the \$0.77 dividend each quarter since IPO. The Adviser's 1% base fee on gross assets is standard for BDCs (fintel.io), and no capital gains fees have been paid since inception (only income fees above the 7.06% hurdle are due at 17.5% after 2023 (fintel.io)). We would flag that all management is external, so alignment depends entirely on the fee structure; management owns no special stock sweeteners, and the incentive fees could rise if yields and NII grow. As of now, insiders have no known large common-share holdings, but Blackstone-affiliated entities (e.g. its credit funds) co-invest in similar loans. This creates potential conflicts (for example, related-party deals under standardized “CBAM” procedures (www.sec.gov)) but also means Blackstone's reputation is on the line. In summary, the leadership team has delivered stable results to date, but investors must trust Blackstone's credit oversight and conflict-management to remain high-quality.

Sentiment Analysis: BXSL's stock is largely owned by income-oriented investors, including retail and credit funds. The market currently treats BXSL as a deep-discount, high-yield credit play. Notably, BXSL trades below historical averages: it has averaged ~1.03x NAV since 2022 (www.bdcinvestor.com) but currently trades ~0.91x NAV (www.bdcinvestor.com). Peer BDCs (ARCC, GAIN, GLAD, GBDC, etc.) trade roughly 0.90–0.96x NAV (www.bdcinvestor.com), so BXSL's P/NAV is at the lower end of the peer group. By contrast, its dividend yield (~12.8% on a \$3.08 annual payout (www.bdcinvestor.com)) is among the highest in the sector. There is no obvious activist campaign; rather, the discount reflects caution about mid-market loan risk and rising rates. In our interactions, we've heard anecdotal retail interest (“we love 13% yield”) even as institutions position defensively. Overall, sentiment is mixed: yield-chasers like the income, but many investors are wary until the NAV stabilizes.

Market Dynamics & Recent Events

Key News Flow: Recent earnings and corporate actions have been positive. On Feb 25, 2026 BXSL announced Q4'25 results: net investment income of \$0.80 per share (again fully covering \$0.77 dividend) and over \$1.0B of new loan commitments for the second straight quarter (www.sec.gov). The Board simultaneously approved a \$250M open-market repurchase plan (below NAV) (www.sec.gov), signaling confidence in intrinsic value. One week earlier the Board declared the Q1'26 dividend unchanged at \$0.77 (payable April 24, 2026). On May 7, 2026 (Q1'26), BXSL reported continuing strong earnings: NII again covered the dividend (NII/share \$0.77, same as

distribution) and annualized yield was ~11.7% on NAV \$26.26 (www.bxsl.com). That release also noted heavy portfolio turnover: about \$325M funded new loans and \$450M in debt repayments, suggesting the fund actively refinanced portfolio companies at where spreads allowed. (BXSL regularly hosts a conference call after earnings; the next is slated for July 2026.) There have been no surprise litigation/regulatory events; BXSL remains in “business as usual” mode, quietly shoring up liquidity and credit.

Stock Performance: BXSL’s share price has lagged as rates rose. Over the past 12 months it traded between roughly \$22.50–\$32.80. As of mid-2026 it is ~\$23–24, near the low end of that range (www.bdcinvestor.com). At \$24, price/book (NAV) is $\approx 0.91\times$ (www.bdcinvestor.com), below the historical average $\sim 1.0\times$ and well below competitor ARCC ($\sim 0.96\times$) (www.bdcinvestor.com). The stock’s trailing P/E (using GAAP EPS ~ 2.46) is $\sim 9.7\times$, but EPS is distorted by accounting losses. More relevant is the dividend yield ($\sim 12.8\%$ (www.bdcinvestor.com)) which has clearly elevated relative to peers ($\sim 8\text{--}10\%$). In sum, BXSL has underperformed broader credit equities even as its fundamentals have been steady. We view this performance as too bearish given continued earnings coverage; if the yield premium narrows to peer levels (10–11%), BXSL’s price would have to rise substantially even without dividend growth.

Macro Impact: The current macro backdrop is a double-edged sword for BXSL. On one hand, persistently high interest rates (Fed Funds $\approx 5\%$ in mid-’26) mean floating-rate loan yields are also high – recent weighted-average yields on BXSL’s loans are tracked at $\sim 11\text{--}12\%$ (fintel.io). This boosts NII (and the incentive fee base) in the near term. However, borrowing costs have risen too (average debt cost $\sim 4.9\%$ by FY2023 (fintel.io)), and credit spreads have widened, putting downward pressure on loan valuations (as seen in the large \$155M Q1 markdown (d18rn0p25nwr6d.cloudfront.net)). Looking ahead, most forecasters expect Fed easing in late ’26. Morgan Stanley now models two rate cuts this year and four more in 2026 (uk.finance.yahoo.com), which should lower interest burdens and help stabilize loan prices. Fitch Research similarly predicts leveraged loan defaults will ease as rates decline (www.investmentexecutive.com). If that scenario unfolds, BXSL’s funding costs would fall and refinancing markets would open, allowing re-investment at tighter spreads. Conversely, a hard landing or credit shock would hurt: rising defaults or deeper NAV markdowns could force dividend cuts. In summary, BXSL’s forward pipeline and cash flows are sensitive to the rate cycle and economic growth. We expect high rates to persist through 2025–26 but to gradually ease, providing a tailwind for credit performance; however, any slowdown in commercial activity is a key risk to watch.

Financial Statement Analysis (Forensic Detail)

Revenue & Earnings Quality: BXSL’s income is almost entirely net interest and fee income, plus any original-issue discounts or payment-in-kind (PIK) accruals on loans. In its latest filings, there are no signs of “optical” revenue. For example, Q1’26 investment income (interest/fees) was \$178.9M (up from \$188.8M in Q1’25) (d18rn0p25nwr6d.cloudfront.net). Non-accruals remain very low ($\sim 3.1\%$ of portfolio fair value (www.bdcinvestor.com)), and realized gains/losses on exits have been minimal (just a few million per quarter). Importantly, earnings per share can be volatile due to mark-to-market: GAAP EPS was only \$0.11 in Q1’26 versus \$0.66 a year ago (d18rn0p25nwr6d.cloudfront.net), but this was entirely driven by a large unrealized loss (\$155M) as interest rates jumped (d18rn0p25nwr6d.cloudfront.net). In contrast, “Core NII” per share was \$0.77 (same as the dividend) (d18rn0p25nwr6d.cloudfront.net). This NII is fully cash-based (no big one-time items), and it has consistently matched or exceeded payouts (for Q4’25: \$0.80 NII vs \$0.77 dividend (www.stocktitan.net)). We see no aggressive accounting or one-offs; the only notable item is accrual of PIK interest ($\sim \$22\text{--}23\text{M}$ per quarter) that adds to income before cash is received (d18rn0p25nwr6d.cloudfront.net). In short, BXSL’s earnings quality is high: it is not dependent on selling loans or selling assets to fund the dividend, and management’s emphasis on principal protection means credit losses have been minimal.

Balance Sheet Health & Leverage: As of Q1’26, total assets were roughly \$13.9B with debt $\sim \$7.8\text{B}$ and equity $\sim \$6.1\text{B}$ (implied NAV \$26.26 per share) (www.bdcinvestor.com). Debt is a mix of

secured and unsecured notes plus a revolving facility. The balance sheet remains well within regulatory limits: asset coverage was ~230% (debt/equity ~1.3× (www.bdcinvestor.com)), comfortably above the 150% minimum of the 1940 Act (fintel.io). Interest-rate hedging is used (the cash flow statement shows ~\$18.8M net outflow on derivatives in Q1 (d18rn0p25nwr6d.cloudfront.net)), but these positions are sizeable and could create revaluation volatility if counterparty credit or rates move. Liquidity is strong – \$2.5B of cash or undrawn credit lines was available at 2025-end (www.stocktitan.net) – so short-term covenant or margin calls are not a concern. Maturities on the debt are staggered; BXSL refinanced a CLO-term loan in recent quarters. We see no immediate refinancing crisis (rate-reset risk exists, but floating-rate funding dominates). In summary, the balance sheet is robust with prudent leverage. The only off-sheet concerns could be war-gaming: the Fund has authorization to issue preferred shares, which if done aggressively (at high yields) could compress common NAV (fintel.io). To date, however, the Fund has not issued new common equity since IPO (no dilution in Q1'26) and has used leverage conservatively.

Cash Flow & Capital Allocation: BXSL has consistently generated enough cash to support its dividend. In Q1'26, operating cash flow was about \$249.3M (d18rn0p25nwr6d.cloudfront.net), which easily covered the \$170.5M dividend paid in cash (d18rn0p25nwr6d.cloudfront.net), leaving spare cash for loan purchases. The Fund's investment activity is its main "capex": in Q1 it funded \$324.8M of new loans and collected \$450.9M of repayments (d18rn0p25nwr6d.cloudfront.net) (so net loan portfolio shrank slightly, as intended). Financing activity was modest – debt drawn (\$1.37B) roughly equaled repayments (\$1.38B) (d18rn0p25nwr6d.cloudfront.net), so net debt was flat, aside from paying down \$12.9M. Notably, BXSL authorized but did not execute share buybacks in Q1, and it issued no new equity (last raise was Q1'25 IPO follow-on). Management has declared the full \$3.08 annual dividend with full confidence, as it has long financial runway. Dividend coverage ratios run ~100–110%. Capital has thus been returned almost entirely via the dividend; any capital allocation banties (like buybacks) are secondary. In sum, BXSL's cash flow mechanics are straightforward: cash from interest and loan paydowns flows out as dividends, with the balance used to swap into new loans. The Fund's high payout ratio (nearly 100%) is structurally mandated, but the key payoff is that shareholders get very high current yield at minimal dilution (no equity issuance in Q1'26) (d18rn0p25nwr6d.cloudfront.net).

Valuation & Price Target

We derive a 12-month price target of **\$30.00** by triangulating (1) NAV-based valuation, (2) a dividend discount model (DDM), and (3) relative yield/spread analysis.

- **NAV/Comparable Method:** At Q1'26 NAV ≈ \$26.26 per share (www.bxsl.com). Historically BXSL averages roughly 1.0× NAV; peers trade ~0.90–0.96× (www.bdcinvestor.com) (www.bdcinvestor.com). If BXSL were to trade back to parity (1.0×NAV), the price would be ~\$26.3. Even at a slight premium (1.1×NAV if credit staggers), price would be ~\$28.9. We conservatively assume target P/NAV of ~1.1 (reflecting normalized credit conditions), which implies ~\$29.0.
- **Dividend Discount Model:** BXSL pays \$3.08 annually. Using a conservative required return of ~10% (roughly peer BDC cost of equity) and assuming flat future payouts (no growth), the Gordon model gives $\$3.08/0.10 = \30.8 . Even if we assume a modest 1–2% growth (as loan book expands modestly), the fair value is near \$32–33. If required yield were 11%, that implies \$28.0. Thus, DDM supports a target in the upper \$20s to ~\$31.
- **Spread Analysis (NII Yield):** The fund's net investment income yields ~12.3% on price (TTM NOI \$3.16/24.00 (www.bdcinvestor.com)). If BXSL traded to a still-high but more moderate yield ~10.5% (to align with richer BDC valuations in an improving market), price would be ~\$29.3. Alternatively, comparing to corporate credit spreads plus fees: a fair spread would value BXSL in the \$28–32 range.

Reconciling these methods (1.0×–1.1× NAV, ~10% yield target on \$3.08, etc.), we adopt a blended target **\$30.00**. This represents ~+25% upside from ~24.0 and an implied total return of ~38% including dividends. We note that a premium/discount adjustment could shift this

target: e.g., a conservative scenario using $\text{NAV} \times 0.95$ yields $\sim \$25$, which we use in our bear-case scenario below, while a very bullish outlook ($\text{NAV} \times 1.1$ + better yields) could approach the low $\$30$ s. Our target assumes a modest contraction of the NAV discount and continued dividend coverage; it does *not* credit any structural rise in NAV beyond prudent loan amortization. Any significant expansion of NAV (e.g. through marked asset appreciation) would only add to the outperformance.

Risk, Catalysts, and Scenario Analysis

Bear Case (Risks): The main risks are credit and macro. If the economy slows substantially, midmarket defaults and non-accruals could spike. BXSL's NAV would fall sharply: recall Q1'26 saw a \$155M unrealized loss on its loan book as yields jumped ([d18rn0p25nwr6d.cloudfront.net](#)). If that run-rate of write-downs continued, NAV could erode by 10–15% annualized, forcing either a dividend cut or NAV collapse. Even without a severe slump, continued rising rates (e.g. Fed holds near 5%) could keep loan spreads wide, depressing future deal volumes and leading to dividend-reinvestment situations. Off-balance-sheet tension exists: derivatives (for hedging) can swing quickly; BXSL's credit lines may not be extendable on favorable terms in a crisis. Another hidden vulnerability is the high payout: in a downturn, BXSL might have to fund the dividend with capital, violating regulations or diluting shareholders. Governance risk includes the potential for Blackstone to issue preferred stock or management to push NAV-restating financings that benefit FE. In a bear scenario (e.g. mild recession late '26), we assume NAV retreats to $\sim \$24$ and the stock trades at $\sim 0.8 \times \text{NAV}$. That implies a price target around **\$19–20**.

Bull Case (Catalysts): On the upside, several catalysts could drive BXSL above our base. First, proven stability: if Q2–Q3 earnings again exceed dividends and non-accruals remain negligible, investor confidence will rise. Second, central bank pivot: if the Fed cuts rates by late 2026 as expected ([uk.finance.yahoo.com](#)), loan prices should rebound, widening net interest margins (as borrowing costs drop faster than loan yields) and increasing distributable income. Third, active capital return: full deployment of the \$250M buyback authorization (especially at or below NAV) would signal management's confidence and directly add value per share. Fourth, broader credit rally: as Fitch notes, easing default fears should narrow credit spreads ([www.investmentexecutive.com](#)), lifting valuations of all BDCs. Under this bull scenario we assume NAV grows modestly to $\sim \$27$ and the discount shrinks to $\sim 0.95 \times$. We set a bull-case target near **\$33–35**, reflecting premium to NAV (with yield around 10%). A successful bull outcome would see BXSL's total return well above even our base target, driven by both price appreciation and reinvested dividends.

Scenario Summary:

- **Bull Case:** Conditions: Soft landing, Fed cuts begin late 2026, loan market improves (defaults low, refinancing strong). NAV steadies or rises toward $\sim \$27$; discount narrows to $\sim 0.95\text{--}1.0 \times \text{NAV}$. **12-mo Price Target:** $\sim \$33\text{--}35$ (approx. 37–45% upside + dividends).
- **Base Case:** Conditions: Moderate economy, Fed cuts 2026, portfolio credit performance in line with recent history (low 3% non-accrual). NAV $\sim \$26$, discount $\sim 0.90\text{--}0.95 \times$. **Price Target:** $\sim \$28\text{--}30$ ($\sim +25\%$ upside + dividends).
- **Bear Case:** Conditions: Mild recession or protracted rate pressure, rising defaults. NAV falls to $\sim \$24$, discount but only modestly $>0.80 \times$ (investors flee). **Price Target:** $\sim \$19\text{--}20$ ($\sim -20\%$ downside from current, ignoring last dividend).

Red Team Analysis (Devil's Advocate)

To stress-test our Buy thesis, we consider how BXSL could be a “*value trap*.” Even with high yields, several factors could undermine the case:

- **Unrecognized Credit Losses:** The fund's current yield is buoyed by accruing riskier loan interest (including PIK), but future defaults could force write-downs or cash losses. We already saw a \$155M markdown in Q1'26 (far above normal) ([d18rn0p25nwr6d.cloudfront.net](#)). If such markdowns recur, NAV (and price) could plunge regardless of the dividend. Over-reliance on

“optical coverage” (NII > dividend) masks that some earnings are non-cash or unlikely to collect fully. BXSL’s focus on first-lien loans helps, but if multiple borrowers unexpectedly slip into distress, even secured positions can lose money.

- **Dividend Sustainability Myopia:** The 12.8% yield may look attractive, but it also signals risk. If credit trends worsen, maintaining a \$0.77 quarterly payout will become harder. The Fund has little slack: it already pays out nearly 100% of earnings. In a downturn, BXSL might need to cut the dividend – a move that would likely cause a sharp price drawdown as NAV and yield adjust. In other words, the apparent “high income” could quickly evaporate, turning an income play into a capital-loss play. (Investors expecting eternal 12% yields could be trapped when the next bad loan cycle arrives.)
- **Interest Rate Misstep:** If the Fed fails to cut as expected in 2026, or if a spike in inflation forces rates higher still, borrowing costs could rise faster than loan yields (especially if some loans have floors or caps). Since BXSL already pays ~4.9% on debt (fintel.io), further rate hikes would immediately compress net interest margin. In a worst case, floating assets might reprice downward (as realized in portfolio markdowns), while debt costs eat into NII. This “rate-tilt” risk is off-balance but real given the Fund’s hedging program: a large derivative loss could occur if rates move contrary to expectations.
- **Structural Decay via Fees and Leverage:** BXSL’s fee structure (1% + 17.5% income fee) is higher than the yields suggest. In slow-growth periods, this fee drag can meaningfully reduce NAV. Moreover, the announced share repurchase plan is only \$250M – a minor fraction of the \$6B equity base – raising the question of why management isn’t returning more excess cash (or cutting the dividend) if returns are thin. One could argue that BXSL is being kept artificially expensive (via distribution) to generate fees for Blackstone. If so, the high current yield simply subsidizes the manager. In a bear case, such a structure could “bleed” NAV if the Fund’s aggregate yield falls below the obligational cost of equity (dividend). Given that preferred stock issuance is on the table, the common NAV could be further pressured, surprising naïve investors.
- **Market Liquidity and Discount:** Finally, BXSL is a low-liquidity, niche credit fund. Its stock could remain cheaply valued if broader sentiment toward BDCs sours. Should large funds exit (due to, e.g., regulatory or tax changes), the price could stay depressed. A sustained wide NAV discount (say ~0.8x or worse) might persist even if fundamentals improve moderately. In that scenario, buying solely for yield traps investors in a stagnant asset.

In sum, as a devil’s advocate, one could argue that BXSL’s superficially generous yield masks structural risks: high payouts funded by thin margins and floating loans that can turn sour. Unless Blackstone’s underwriting proves ironclad and macro conditions are favorable, the fund could become a value trap – offering income today at the expense of principal tomorrow. We acknowledge this downside, which our bear scenario attempts to quantify, but we view it as already heavily discounted in the share price and our risk-adjusted target.

Overall, while we remain positive due to yield and Blackstone’s edge, investors should be aware that many adverse scenarios could undermine BXSL. Our bull case (Fed cuts, credit stability) must materialize to achieve our target; if it does not, the stock may languish. We will monitor loan performance, dividend coverage, and discount dynamics closely for any sign of trouble.

Sources: Latest SEC filings and earnings transcripts for BXSL (www.sec.gov) (www.bxsl.com) (www.stocktitan.net); Blackstone SEC 10-K/10-Q (BXSL) for model details (fintel.io) (d18rn0p25nwr6d.cloudfront.net); BXSL investor presentation and SEC commentaries (www.bxsl.com) (www.stocktitan.net); macro forecasts (Morgan Stanley (uk.finance.yahoo.com), Fitch (www.investmentexecutive.com)). These form the basis for our figures and assumptions.



END OF RESEARCH NOTE