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M&A loan financings comprise 30% of completed U.S. leveraged issuance this quarter

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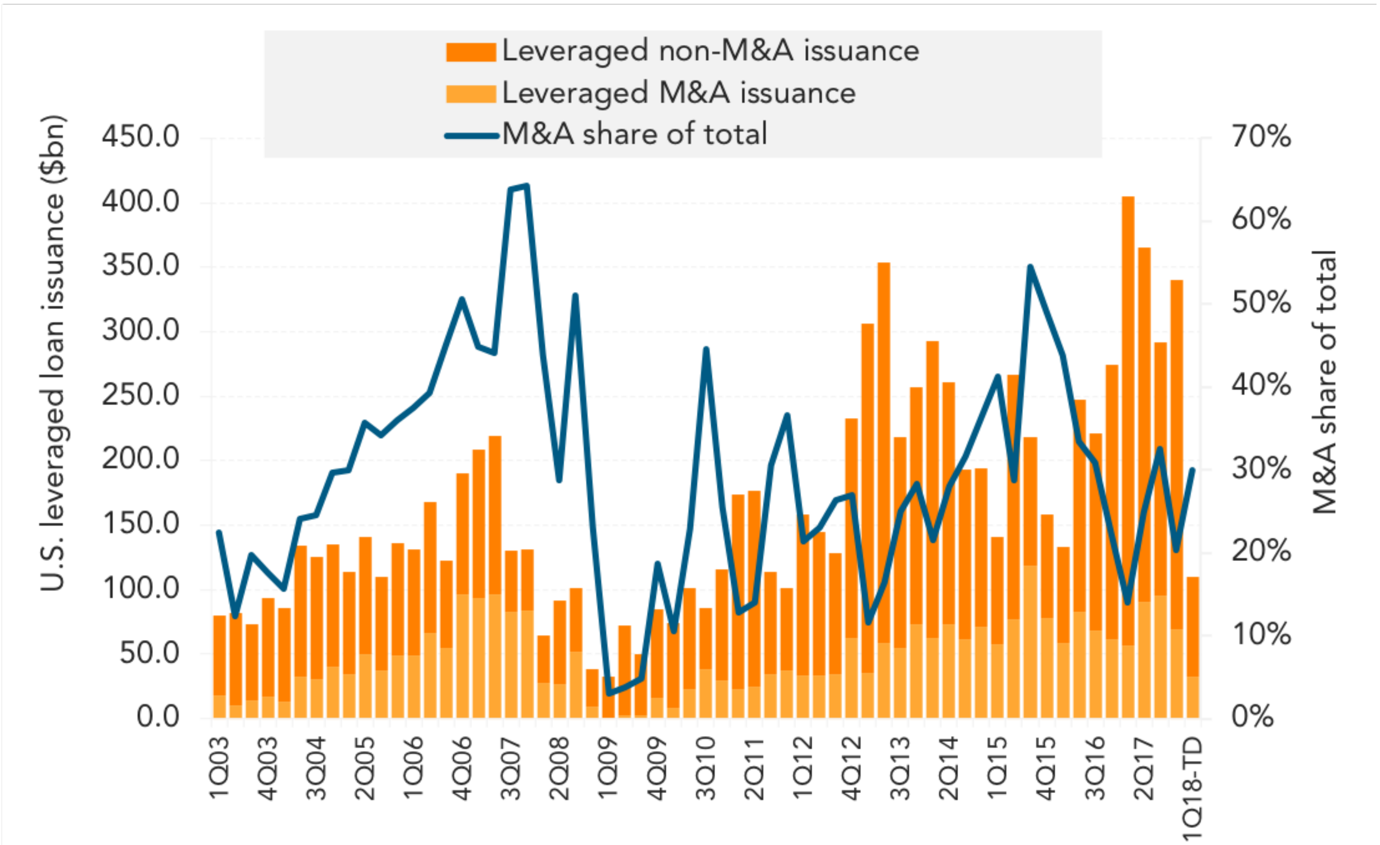

The U.S. leveraged loan market continues to chug along at a steady pace. So far this quarter there has been US$110bn in completed leveraged loan issuance. The mix of deals comprises a healthy chunk of M&A. There has been US$33bn in completed leveraged M&A issuance so far in 1Q18. That is good for a 30% share of leveraged issuance, which is right above the 29% quarterly average going back to 2003. Still, this quarter's M&A share is higher than last quarter's 20% share and more than double the 14% share from 1Q17, when repricings dominated the market. While not as strong as year ago levels, repricings continue at a consistent pace this quarter, with US$67.5bn in completed leveraged refinancing issuance completed so far. In addition, the loans pipeline for leveraged M&A looks strong. Currently there is approximately US$21bn in the leveraged pipeline of which US$12.5bn comprises M&A. And that does not include Thomson Reuters Financial & Risk's jumbo LBO deal which is expected to consist of about US$8bn of loans.

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