After record quarter in 4Q19, Green & ESG lending off to strong 2020 start

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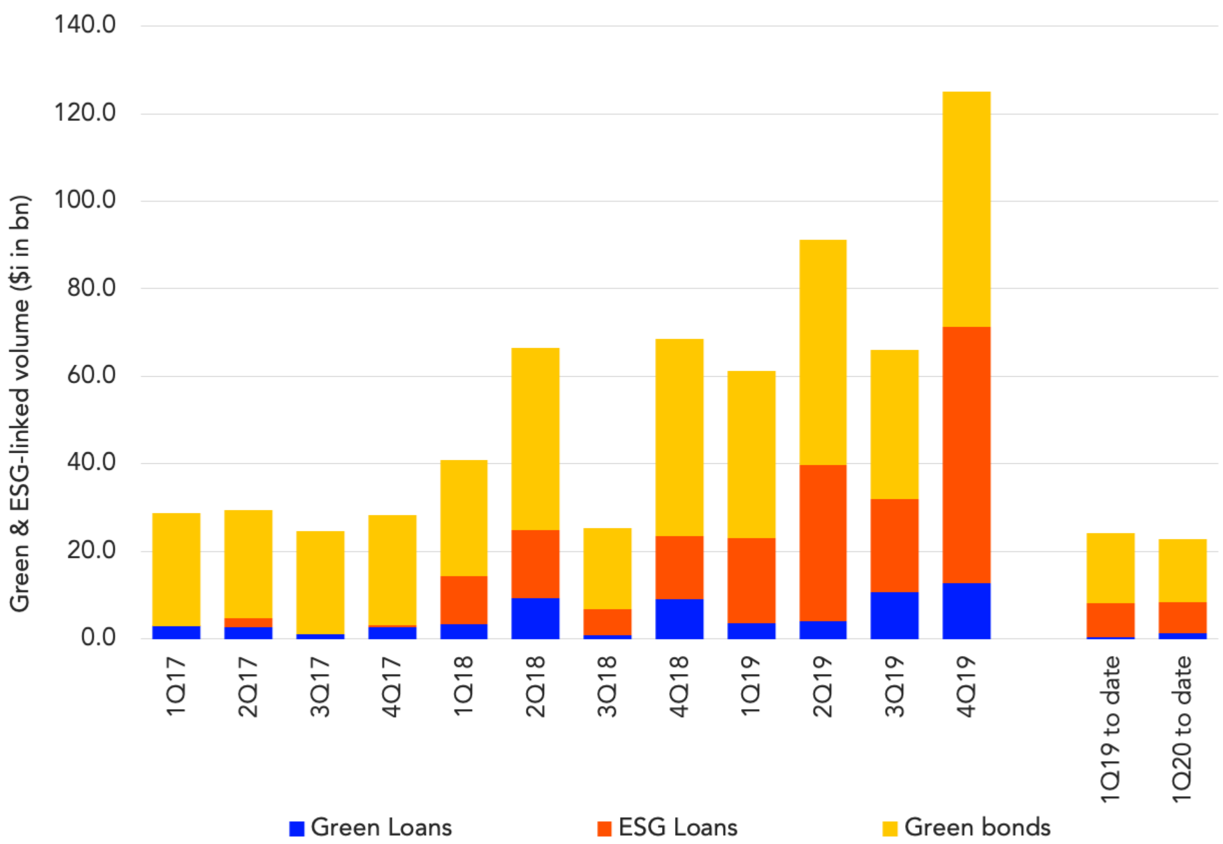

After a strong 4Q19 which culminated in record issuance across the green & ESG markets, 1Q20 issuance has set off at a brisk pace. Nearly US$54bn in green bond volume was completed in 4Q19 via 126 issues to set a new quarterly benchmark and a record high both in terms of proceeds and deal count. In turn, year to date over US$14.4bn in green bond volume has been completed, down 10% compared to the same time last year, but a strong start to the year amid market volatility in the wake of coronavirus fears. The loan market similarly maintained momentum early in 2020, having closed out 4Q19 with a record setting US$58.7bn of ESG linked issuance and US$12.6bn in green loan volume, also a historic high. At just over US$7bn, ESG-linked loan issuance to date is roughly 9% down compared to year ago totals but the pipeline is building with WSP Global Inc recently completing a US$1.2bn refinancing to add sustainability linked targets. The green loan market got a jump start to the year, pushing over US$1.3bn through retail syndication, through the end of January, an increase of nearly three times year ago levels. Complimenting the pace of the calendar as well as the development of the green/ESG loan market, the LSTA released its ESG Diligence Questionnaire, a guide to an investor community looking for greater transparency and access to corporate ESG information as part of their investment decision making.