Middle market non-sponsored syndicated volume is at US$12bn so far in 3Q21

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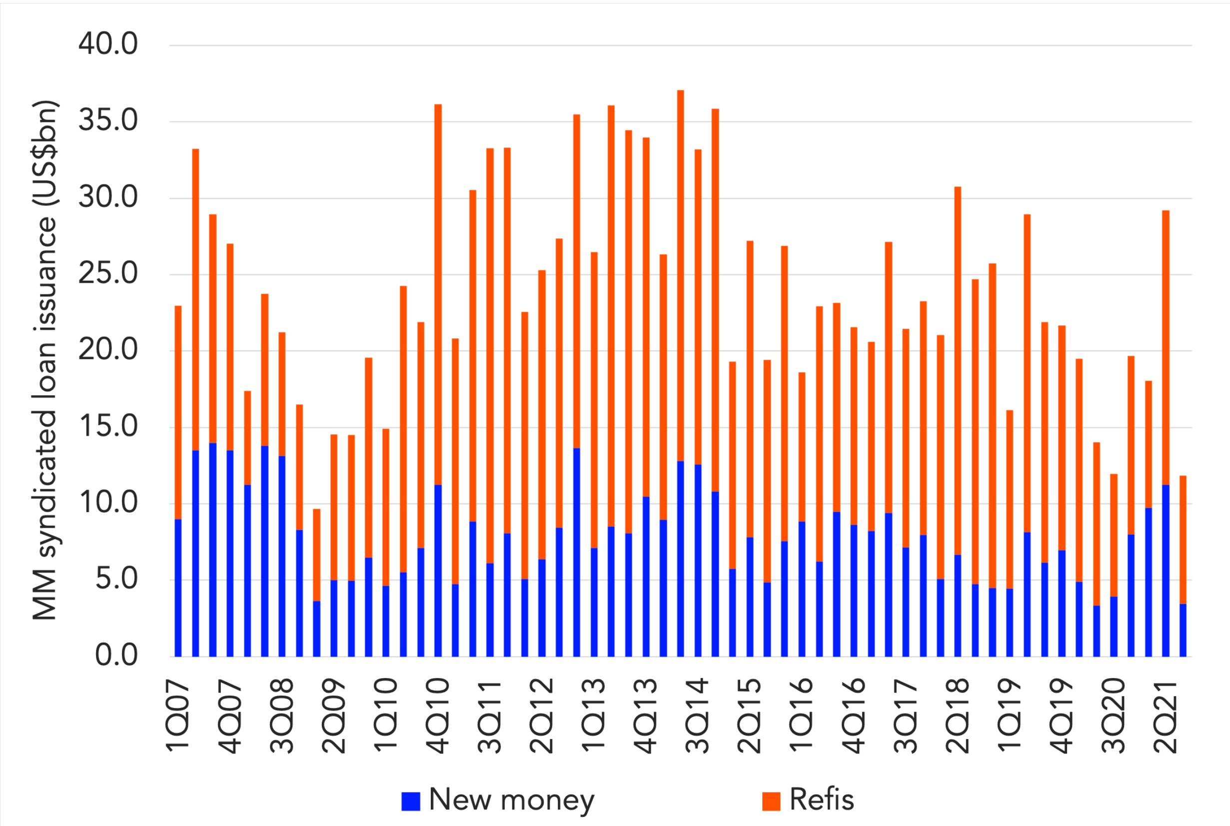

Non-sponsored syndicated middle market loan volume is at US$12bn so far in 3Q21, already on par with the total logged in 3Q20. If the current pace continues, 3Q21's total will be close to 2Q21's US$29bn, which was the highest quarterly level in 3 years in this market segment.

New money lending in the non-sponsored market has increased this year, totaling US$24.5bn so far. This is already ahead of the total US$20bn recorded for all 2020 and is US$1bn shy of 2019's total. However, M&A lending has only driven a quarter of the total new money issuance. While lenders expect more M&A to materialize, they say that the effects of the pandemic have made it hard for sellers and buyers to agree on valuations.

Non-M&A related loans have led the increase in new money so far this year as more issuers are looking to expand organically and are increasing their credit lines. While volume in this end of the market has increased, it has not been enough to meet demand and bankers say that this market is as competitive as ever.

(Past performance is no guarantee of future results.)