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Record US$1.8tr of US leveraged issuance clears market in 2021

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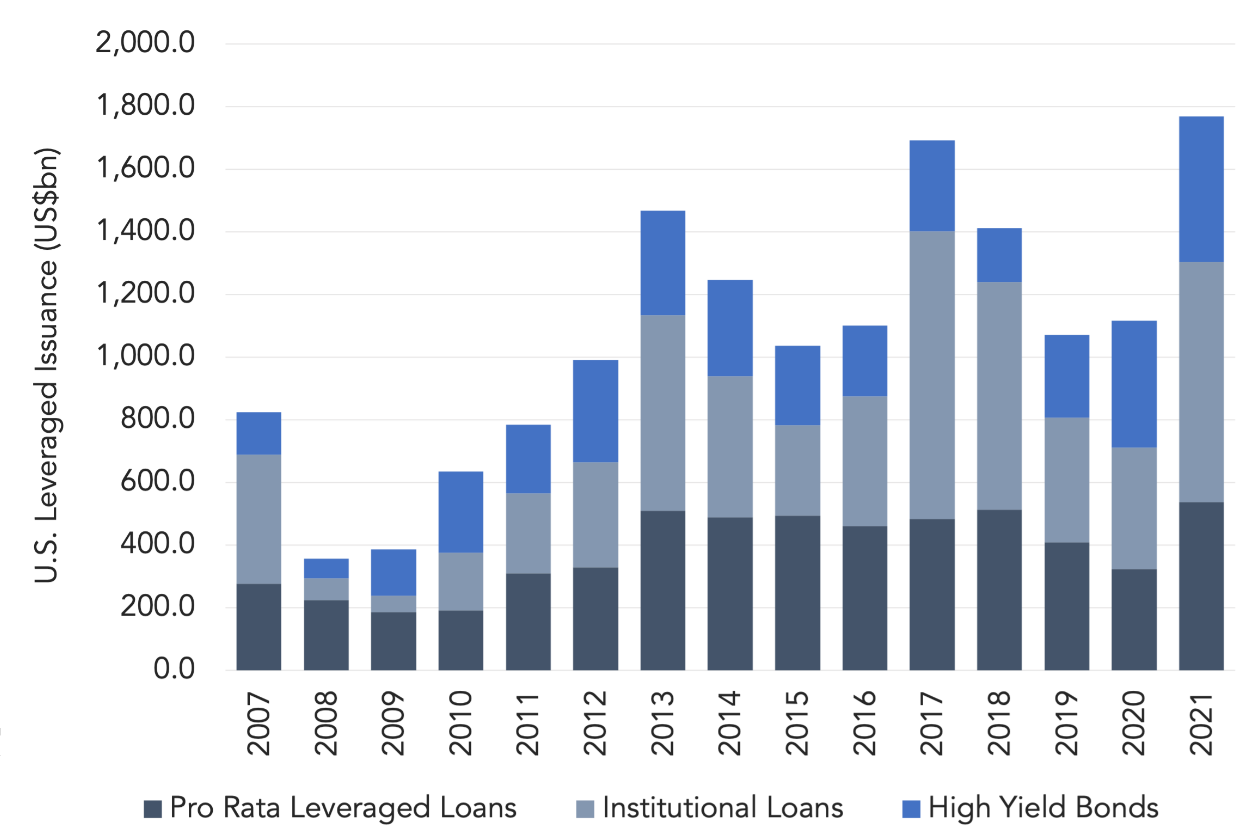

In the absence of major market blips or deepening concerns around deteriorating credit quality, US leveraged lenders supported nearly US$1.8tr in loan and bond issuance in 2021, the highest total on record.

The unabated presence of Covid-19 certainly impacted lender operations in so far as the return to office working environment was fitful and uneven, and in person market events remained scarce, but fund raising was robust, economic recovery ticked up and deal flow remained steady as credits trended tighter. At over US$463bn, 2021 HY bond issuance was up 14% year over year, to set a new market record.

Having struggled through much of 2020, the 2021 leveraged loan market saw a dramatic increase in activity among both borrowers and lenders. Over US$1.3tr in leveraged loan volume was completed during the year, an 84% increase over year ago totals, to mark the second highest total on record. At US$769bn 2021 institutional loan volume was nearly two times year ago levels and the second highest total on record. Pro rata leveraged loan issuance closed out the year north of US$537bn, up 66% year over year, to mark a historic high.

(Past performance is no guarantee of future results.)