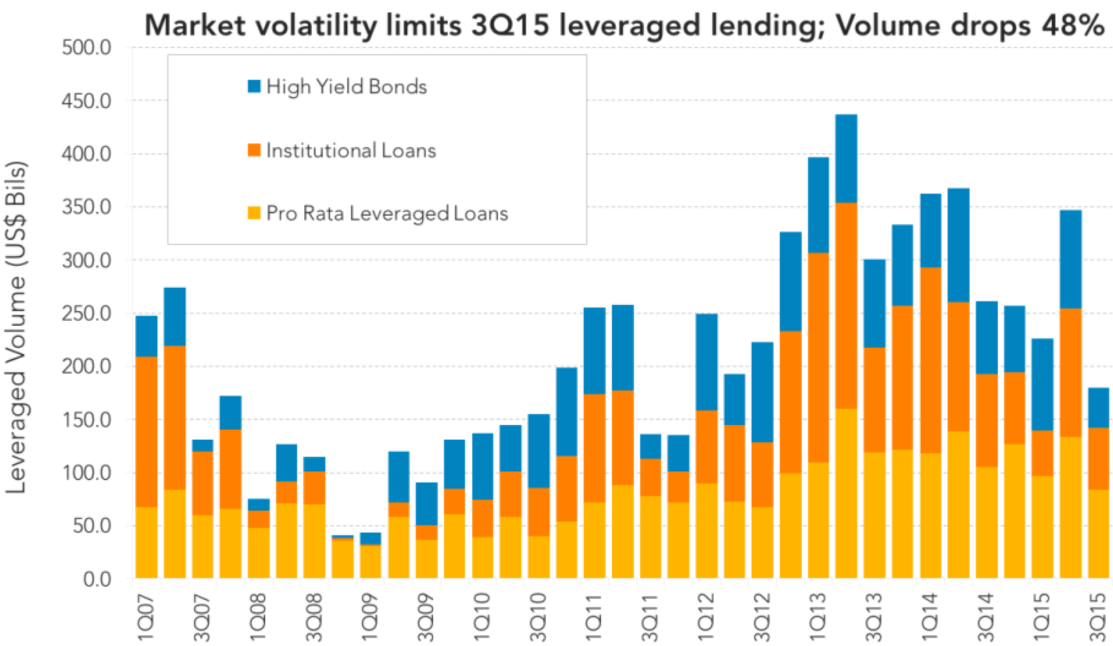
Leveraged Loan Insight & Analysis – 10/5/2015

LSEG | October 6, 2015

US Leveraged lending tumbled in 3Q15 as market volatility fueled a flight to quality and heightened risk aversion. At less than $180 billion, 3Q15 leveraged lending was down nearly 50% compared to 2Q15 totals to bring 1-3Q15 totals to $753 billion, down 24% compared to the same time last year. Most of the shortfall was



ity markets in
through the

This

represented a 60% drop compared to 2Q15 totals. The loan market was a bit more measured in its its response, but opportunistic refinancings evaporated thereby limiting lending activity. Institutional investors became more selective, committing to a relatively thin $58.5 billion in loan assets during the quarter (down from over $121 billion in 2Q15). Pro rata lenders fared a bit better to log nearly $84 billion of issuance, down from $133 billion in 2Q. At just under $537 billion, 1-3Q15 leveraged loan volume was down 28% year over year.

Contact: Maria Dikeos
maria.dikeos@thomsonreuters.com