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US leveraged loan issuance tops US$172bn in November, pushing ’24 issuance to record heights

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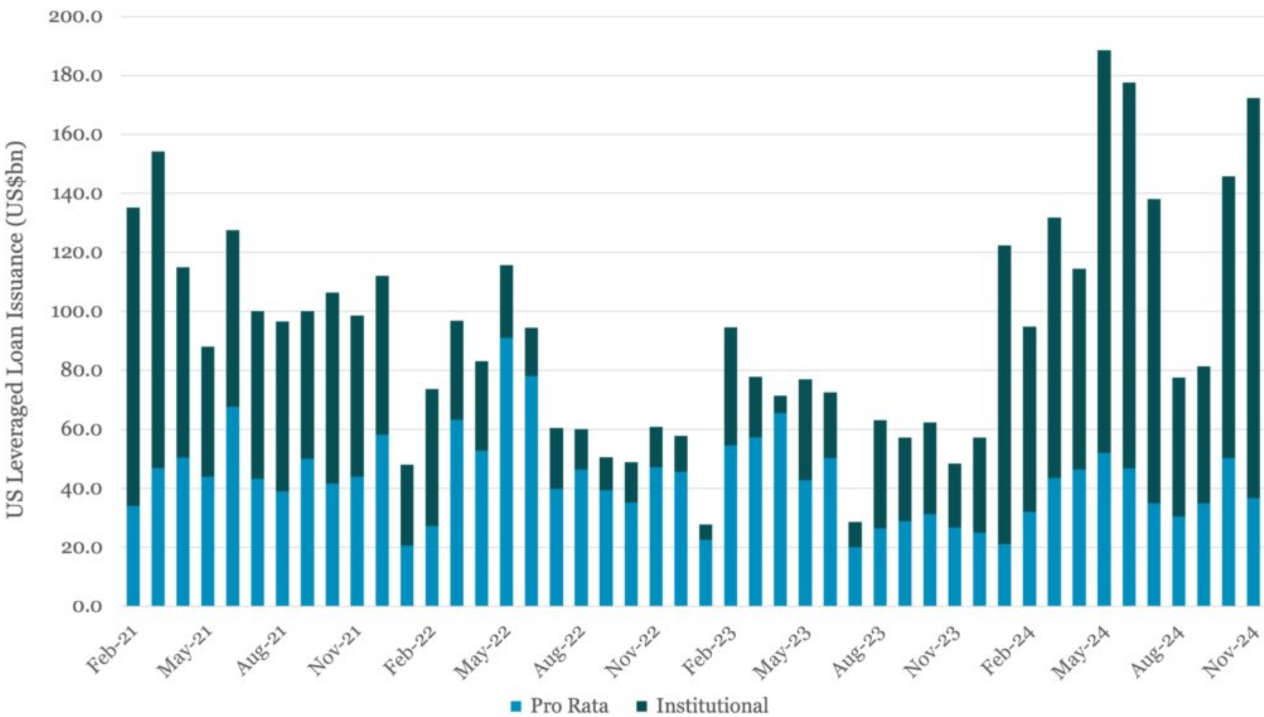

Source: LSEG LPC

US leveraged loan issuance exceeded US$172bn in November, notching an 18% gain over October’s US$146bn pipeline and more than tripling last November’s deal flow of nearly US$50bn. The uptick in issuance continues to ride on the back of a persistent, record wave of refinancings and repricings, which accounted for 83% of institutional loan issuance in November alone. Total leveraged loan issuance now stands at US$1.44trn on the year, already surpassing the US$1.31trn issued in all of ’21 and breathtakingly eclipsing the total size of the institutional loan market itself, with index outstandings bracketing US$1.4trn. At least 49 issuers repriced their existing term loans via mark-to-market in November, extracting 43bp of cost savings on average; coupon reductions, which encompassed spread cuts and strips in lingering CSAs, ranged from 25bp to 75bp across the entire cohort. At least 21 additional borrowers refinanced into new credit agreements altogether, while two issuers opted to amended-and-extend and 13 others raised incremental debt to fund dividend payouts.