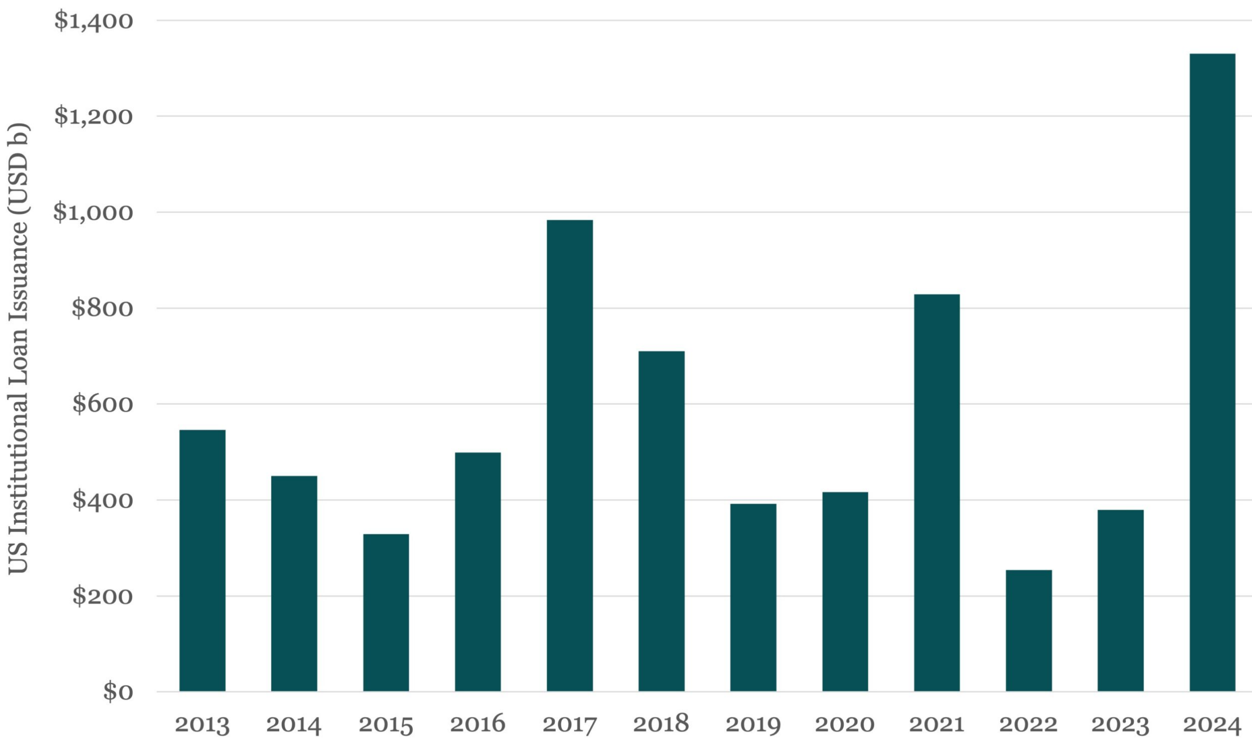
US Leveraged Loan Pricings Smashed Records in 2024

Bloomberg | January 16, 2025



Source: Bloomberg Data

- Click here to access Bloomberg's *US Leveraged Finance Chartbook*
- Click here to access Bloomberg's *US Leveraged Loan Index Report*

2024 was the year of the leveraged loan, with issuers piling into the market at record levels to reprice debt amid historically high interest rates and an attractive value proposition for investors.

At $1.33t, leveraged institutional loan issuance was at an all-time high, shattering the $1t mark and surpassing 2017's $980.47b as the most active year on record, according to Bloomberg data.

The primary driver of activity was repricing transactions, which accounted for 71% of annual volume, or $943.9b, as Federal Reserve easing and strong demand for floating-rate debt allowed borrowers to slash costs. This level of repricing activity is unusual; in the past 11 years, only 2017 had a repricing share of issuance exceed 50% of annual volume.

Issuance was supported by healthy demand in the secondary market, driven by high loan returns. The Bloomberg US Leveraged Loan Index returned 0.44% in December to bring the year-to-date figure to 8.77%, outpacing other fixed income asset classes such as US Corporate HY (8.19%) and US Corporate Investment Grade (2.13%).

Contacts:
Vincent Daigger
vdaigger@bloomberg.net
Lara Wieczezynski
wieczezynski@bloomberg.net