US Institutional Loans See Pricing Widen Amid Broader Selloff

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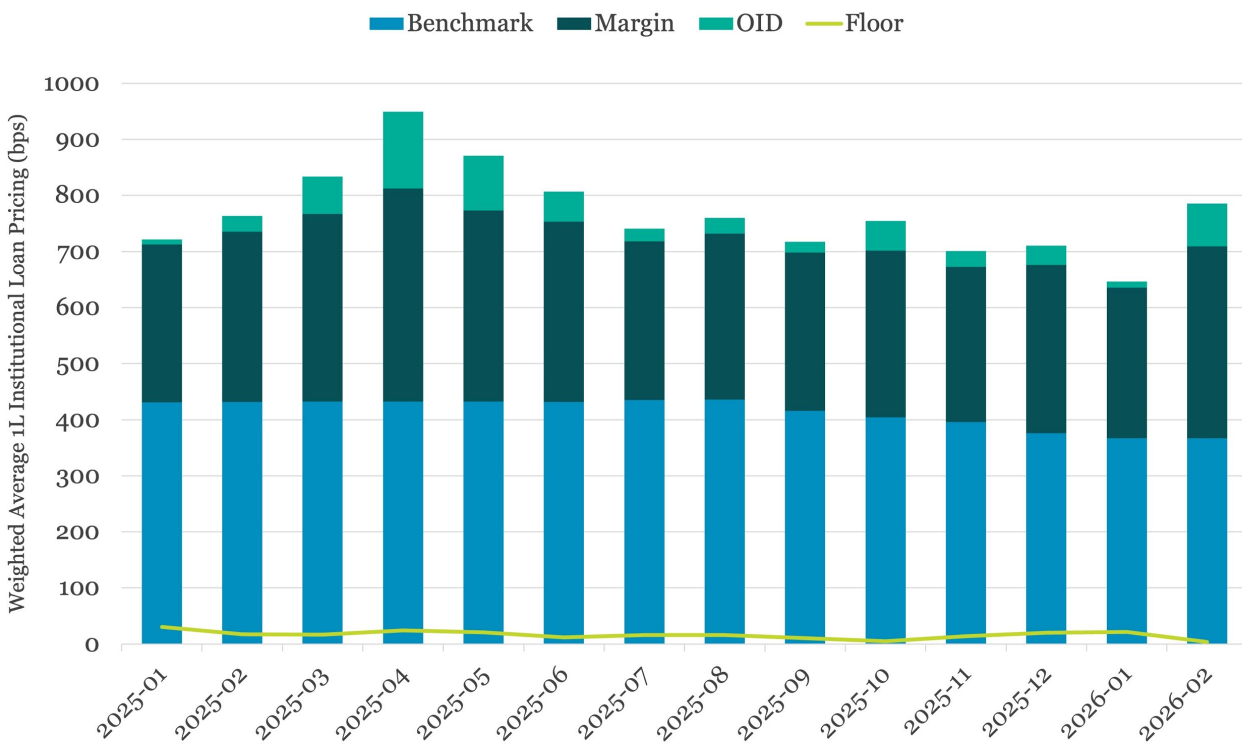

Source: Bloomberg Data

Click here to access Bloomberg's *US Leveraged Finance Chartbook*

Pricing conditions in the US institutional leveraged loan primary market widened in February, as borrowing costs increased amid a more cautious market backdrop.

Margins on newly priced first-lien loans widened by 74 basis points during the month, reaching an average of 342 bps, the highest level since April of last year. Discounts offered on new loans also climbed to an average of 76 bps last month, compared to just 11 bps in January when a wave of repricings saw most loans price at par.

Notably, Consolidated Energy offered one of the steepest discounts seen since 2023, pricing its $330 million incremental term loan at an OID of 89.