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# High yield bond issuance climbs sharply in November, up 41% YoY

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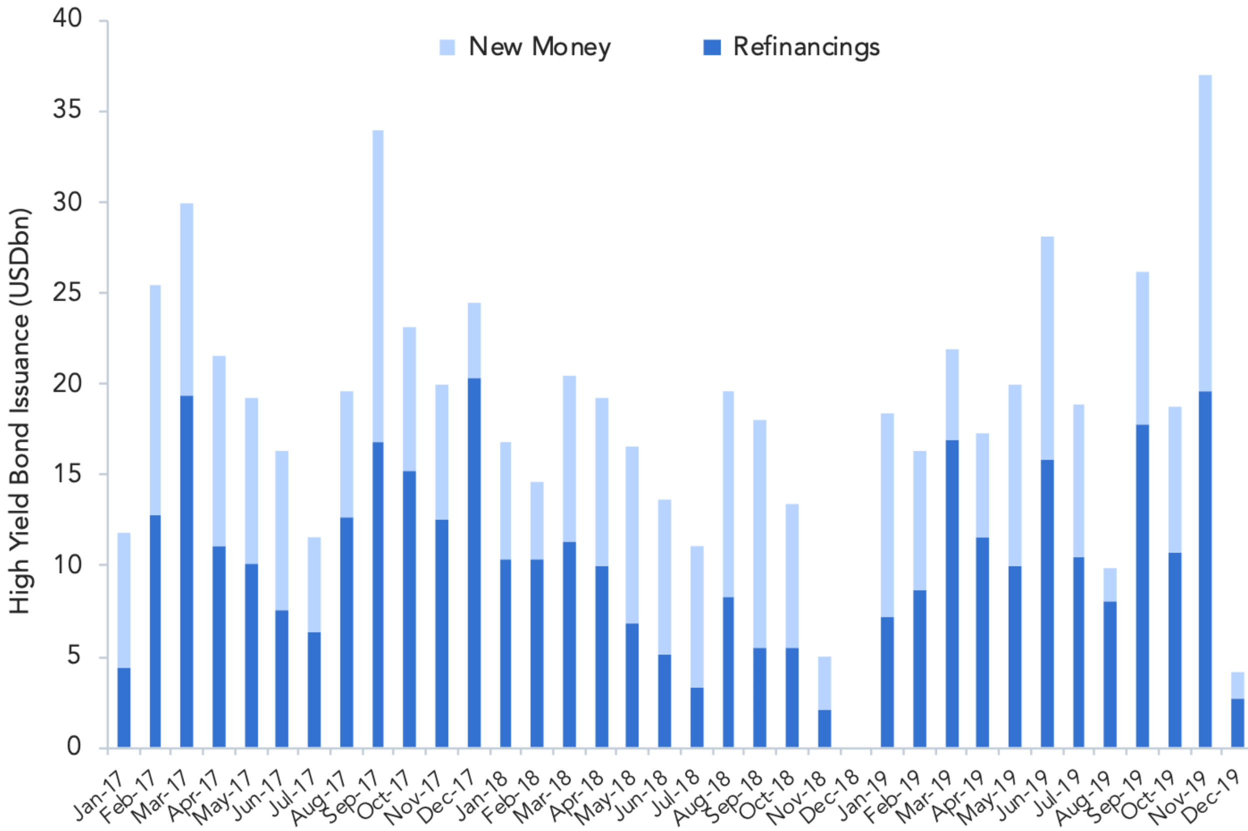


*Source: Debtwire Par*

High yield bond issuance continued its hot streak following a November which saw USD 37bn in volume including over USD 17bn in new money financings, and it was easily the largest amount of deal flow this year. Another USD 4bn of issuance has been added in early December, with an additional USD 3.4bn currently in the pipeline.

Year-to-date issuance is now at USD 237bn, topping the year-ago level by 41%, buoyed by the lower interest rate environment and the resulting inflows into bond funds. New money issuance of USD 97bn in 2019 has topped the USD 90bn posted in the year ago period, though the new money share of overall issuance has slipped to 41% from 53% at this point last year.

In terms of credit quality, the trailing 12-month high yield bond default rate remains low but has ticked up to 2.8%, with five high yield bonds defaulting in November. These include one healthcare company **Community Health Systems Inc.** (USD 2.4bn), one beverage & tobacco company **Dean Foods Co.** (USD 700mm), plus two energy issuers, **Approach Resources Inc.** (USD 85.2m) and **Denbury Resources Inc.** (USD 34.1m & USD 24.1m), according to Fitch.

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